

MINUTE ITEM

20. JOINDER AGREEMENT, EASEMENT 415, RIO VISTA GAS UNIT, CONTRA COSTA, SACRAMENTO, AND SOLANO COUNTIES; STANDARD OIL COMPANY OF CALIFORNIA - W.O. 5060.

After consideration of Calendar Item 18 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED, ON BEHALF OF THE STATE AND PURSUANT TO APPLICABLE LAWS, TO EXECUTE THE JOINDER AGREEMENT DESIGNATED EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF.

Attachment
Calendar Item 18 (4 pages)

CALENDAR ITEM

18.

JOINDER AGREEMENT, EASEMENT 415, RIO VISTA GAS UNIT, CONTRA COSTA, SACRAMENTO, AND SOLANO COUNTIES; STANDARD OIL COMPANY OF CALIFORNIA - W.O. 5060.

Agreement for Easement 415.1, covering tide and submerged land areas in the beds of Sacramento and San Joaquin Rivers and other inland waters in Contra Costa, Sacramento and Solano Counties, was issued to Standard Oil Company of California on June 3, 1940.

On December 20, 1963, in accordance with the provisions of Section 6827 of the Public Resources Code, "Gas Lease Issued in Exchange for Gas Lease Easement No. 415.1" was issued for a term of five years and for so long thereafter as gas is produced in paying quantities or lessee shall be conducting producing, drilling, deepening, repairing, redrilling, or other necessary lease or well-maintenance operations on the leased lands.

Under Section 6832 of the Public Resources Code, the lessees of the State lands may, whenever it is determined by the Commission to be necessary or advisable in the public interest, unite with each other, jointly or separately, or jointly or separately with others owning or operating lands not belonging to the State, in collectively adopting and operating under a unit plan of development or operation of a field for the purpose of more properly conserving the natural resources of the gas field. (See Exhibits "B" and "C".)

On May 28, 1964, in accordance with the provisions of Section 6832 of the Public Resources Code, the State Lands Commission determined that the entering into and the performance of the Unit Agreement, Rio Vista Gas Unit, Contra Costa, Sacramento and Solano Counties, dated June 3, 1964, is in the public interest for the purpose of promoting conservation and preventing unreasonable waste of natural gas, condensate, and associated hydrocarbons in the Unitized Formations, and approved the aforesaid Unit Agreement and Unit Operating Agreement with accompanying exhibits, on behalf of the State.

Under Article 16 of the Unit Agreement, the Unit Agreement and Unit Operating Agreement will not become effective until the Unit Agreement has been agreed to by royalty owners having at least ninety per cent (90%) of the royalty interest in each of the several tracts, which several tracts have a combined tract participation of at least eighty per cent (80%); provided that if the Unit Agreement has been agreed to by royalty owners having at least sixty per cent (60%) of the royalty interest in each of the several tracts, which several tracts have a combined tract participation of at least sixty per cent (60%), all working interest owners acting unanimously may declare the condition to be satisfied.

Standard Oil Company of California, Western Operations, Inc., desiring written evidence of the State's agreement to the joinder by its Lessee of the State lands described therein to the Unit Agreement, has submitted for execution by the Executive Officer of the Commission the attached agreement by the State (Exhibit "A"), as royalty interest owner.

CALENDAR ITEM 18. (CONTD.)

The joinder agreement has been reviewed as to legality by the Office of the Attorney General, which has advised that the proposed agreement conforms with the applicable provisions of law and the rules and regulations of the Commission, and that it may be approved by the Commission.

The staff has reviewed the joinder agreement and determined that its approval will facilitate joinder of the State lands described therein to the Unit Agreement pursuant to the terms of the Unit Agreement.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER, ON BEHALF OF THE STATE AND PURSUANT TO APPLICABLE LAWS, TO EXECUTE THE JOINDER AGREEMENT DESIGNATED EXHIBIT "A" ATTACHED HERETO AND HEREBY MADE A PART HEREOF.

Attachment
Exhibit "A"

EXHIBIT "A"

AGREEMENT BY THE STATE OF CALIFORNIA TO JOINER
TO THE RIO VISTA GAS UNIT OF CERTAIN LANDS OF
THE STATE OF CALIFORNIA SITUATE IN CONTRA COSTA,
SACRAMENTO, AND SOLANO COUNTIES, CALIFORNIA

The State Lands Commission of the State of California determined at its regular meeting held on May 28, 1964, that the entering into and the performance of the Unit Agreement, Rio Vista Gas Unit, Contra Costa, Sacramento, and Solano Counties, California, dated June 3, 1964, is in the public interest for the purpose of promoting conservation and preventing unreasonable waste of natural gas, condensate and associated hydrocarbons in the Unitized Formations, and the Commission approved the aforesaid Unit Agreement and Unit Operating Agreement with the accompanying exhibits on behalf of the State pursuant to applicable laws.

Under Section 6832 of the Public Resources Code the lessees of State lands may, whenever it is determined by the Commission to be necessary or advisable in the public interest, unite with each other jointly or separately, or jointly or separately with others owning or operating lands not belonging to the State, in collectively pooling and operating under a unit plan of development or operation of a field for the purpose of more properly conserving the natural resources of the gas field.

The Commission on behalf of the State as royalty interest owner, hereby agrees to and affirms the joinder by its Lessee of the State lands described as follows to the Unit Agreement:

EXHIBIT "A" CONTD.

That portion of those certain lands of the State of California described in paragraph 1 of the "Gas Lease Issued in Exchange for Gas Lease Easement No. 415.1", dated December 20, 1963, issued pursuant to Section 6827 of the Public Resources Code, which is described more fully as Tract No. 29 in Exhibit "A" to said Unit Agreement.

Dated: September _____, 1964.

STATE LANDS COMMISSION OF
THE STATE OF CALIFORNIA,

By _____

F. J. HORTIG
Executive Officer