

MINUTE ITEM

1. PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 5424 (PARCEL 24), P.R.C. 3242.1.

The Executive Officer pointed out that initially this meeting was set primarily for the purpose of considering contract approvals at Long Beach, but, in order to shorten the standby time for the lessee and to eliminate the need to wait until the regular meeting of the Commission on April 29, Calendar Item 1 attached was included in the agenda.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE COMMISSION ACCEPTS THE BID MADE BY RICHFIELD OIL CORPORATION AND SOCONY MOBIL OIL COMPANY, INC., ON MARCH 4, 1965, AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDERS FOR APPROXIMATELY 4,290 ACRES OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5424 (PARCEL 24), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, PUBLISHED DECEMBER 30, 1964, AND JANUARY 6, 1965. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$3,667,111.00 AS OFFERED IN THE BID.

Attachment

Calendar Item 1 (1 page)

CALENDAR ITEM

1.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 5424 (PARCEL 24).

On March 4, 1965, one bid was received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for the extraction of oil and gas from approximately 4,290 acres of tide and submerged lands designated as W.O. 5424 (Parcel 24), Santa Barbara County. This offer was authorized by the Commission on December 17, 1964 (Minute Item 33, page 10,821).

The bid submitted was reviewed by the staff as to technical sufficiency and economic factors. The office of the Attorney General reviewed the bid submitted by Richfield Oil Corporation and Socony Mobil Oil Company, Inc., and determined:

- A. That the Commission has complied with the procedural requirements of law;
- B. That the bid submitted conforms with:
 - 1. The bid requirements as specified in the proposals of the Commission;
 - 2. The applicable provisions of law; and
 - 3. The rules and regulations of the Commission.

The cash-bonus payment offered in the bid by Richfield Oil Corporation and Socony Mobil Oil Company, Inc., was \$3,667,111.00.

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE BID MADE BY RICHFIELD OIL CORPORATION AND SOCONY MOBIL OIL COMPANY, INC., ON MARCH 4, 1965, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDERS FOR APPROXIMATELY 4,290 ACRES OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5424 (PARCEL 24), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, PUBLISHED DECEMBER 30, 1964, AND JANUARY 6, 1965. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$3,667,111.00 AS OFFERED IN THE BID.