

MINUTE ITEM

1/26/68

26. OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SUISUN BAY; SOLANO AND CONTRA COSTA COUNTIES - W.O. 6654 (PARCEL 51), P.R.C. 3896.1.

After consideration of Calendar Item 12 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION ACCEPTS THE JOINT BID MADE BY STANDARD OIL COMPANY OF CALIFORNIA AND SHELL OIL COMPANY ON DECEMBER 12, 1967, AND AUTHORIZES THE ISSUANCE OF AN OIL AND GAS LEASE TO THE AFORESAID BIDDERS FOR APPROXIMATELY 1,448 ACRES OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 6654 (PARCEL 51) IN SUISUN BAY, SOLANO AND CONTRA COSTA COUNTIES, AS DETAILED IN THE NOTICE OF INTENTION PUBLISHED NOVEMBER 2, 1967, AND NOVEMBER 9, 1967. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$104,415.28, AS OFFERED IN THE BID.

Attachment

Calendar Item 12 (1 page)

12.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SUISUN BAY; SOLANO AND CONTRA COSTA COUNTIES - W. O. 6654 (PARCEL 51).

On December 12, 1967, 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 1,448 acres of tide and submerged lands designated as W.O. 6654 (Parcel 51) in Suisun Bay, Solano and Contra Costa Counties. This offer was authorized by the Commission on July 27, 1967 (Minute Item 29, page 787).

The only bid received, submitted jointly by Standard Oil Company of California and Shell Oil Company, was reviewed by the staff as to technical sufficiency and economic factors. The Office of the Attorney General has reviewed the bid and has 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 bonus payment offered by Standard Oil Company of California and Shell Oil Company, pursuant to the lease proposal, is \$104,415.28.

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE JOINT BID MADE BY STANDARD OIL COMPANY OF CALIFORNIA AND SHELL OIL COMPANY ON DECEMBER 12, 1967, AND AUTHORIZE THE ISSUANCE OF AN OIL AND GAS LEASE TO THE AFORESAID BIDDERS FOR APPROXIMATELY 1,448 ACRES OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 6654 (PARCEL 51) IN SUISUN BAY, SOLANO AND CONTRA COSTA COUNTIES, AS DETAILED IN THE NOTICE OF INTENTION PUBLISHED NOVEMBER 2, 1967, AND NOVEMBER 9, 1967. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$104,415.28, AS OFFERED IN THE BID.