

This Calendar Item No. 17
was approved as Minute Item
No. 17 by the State Lands
Commission by a vote of 10
0 at its 10/29/77
meeting

CALENDAR ITEM

17.

10/77
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Nielson

QUITCLAIM OF HYDROCARBON
GAS LEASE PRC 4973

LESSEE: The Dow Chemical Company
Oil and Gas Division
P. O. Box 22468
Houston, Texas 77027

LEASE AREA: 3,048 acres rids and submerged lands at
Lower Sherman Island (3 miles NW of Antioch),
Sacramento County.

REASON FOR QUITCLAIM:
Target structure test well proved dry and
lessee advised that further tests within
the lease area were not warranted.

PREREQUISITE ITEMS:

1. Quitclaim forms for the termination of the lease have been submitted.
2. All lease payments and accounts have been paid through the date required for the termination.
3. Lease premises have been inspected and found to be in compliance with termination requirements.

OTHER PERTINENT INFORMATION:

State Hydrocarbon Gas Lease PRC 4973 was issued to Dow Chemical Company by the State Lands Commission on November 21, 1974, for 20 years, for the development of the described lease area through the construction and use of up to three stationary drilling and production platforms. Such lease also requires the removal of any platforms and the restoration of the platform sites upon the termination of the lease.

One platform was constructed on the lease, being installed in July 1976. Following the drilling and abandonment of one unsuccessful test well from the platform, it was

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decided in September 1976 by Dow to remove the platform and terminate the lease. Such platform removal was completed on October 21, 1976 and a quitclaim was submitted by Dow on November 21, 1976, with final approval of the site restoration given on September 21, 1977.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ACCEPTANCE OF A QUITCLAIM FOR STATE HYDROCARBON GAS LEASE, PRC 4973, TO BE MADE EFFECTIVE NOVEMBER 21, 1976, AS REQUESTED BY DOW CHEMICAL COMPANY, LESSEE OF 100% INTEREST, IN ACCORDANCE WITH SECTION 6 OF SAID LEASE.