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STATE LANDS COMMISSION
State of California
Amendment of Oil and Gas Lease
P.R.C. 1466.1

WHEREAS RICHFIELD OIL CORPORATION, a Delaware corporation, heretofore acquired and is now the owner and holder of the leasehold and the rights of the Lessee under State Oil and Gas Lease P.R.C. 1466.1, made and entered into the 29th day of August 1955, by and through the State Lands Commission, therein and hereinafter called the "State", and Richfield Oil Corporation, a Delaware corporation, therein called the "Lessee"; and

WHEREAS the Lessee has made application to amend said lease pursuant to the provisions of California Public Resources Code Section 6873; and

WHEREAS the State deems the amendment hereinafter set forth of said Oil and Gas Lease, pursuant to Section 6873 of the Public Resources Code, to be in the best interests of the State, and the State Lands Commission, by resolution duly adopted, has authorized said amendment;

NOW, THEREFORE, in consideration of the premises the STATE, Party of the First Part, and RICHFIELD OIL CORPORATION, a Delaware corporation, Party of the Second Part, do hereby further amend said lease and do hereby mutually agree as follows:

I

Paragraphs 21 and 22 of said lease now reading as follows:

"21. Each well drilled pursuant to the terms of this Lease shall be drilled in accordance with the rules and regulations now promulgated by the State on a course and to an objective approved in writing by the State prior to the commencement of such drilling. The derricks, machinery, and any and all other surface structures, equipment, and appliances shall be located only upon filled lands, which lands shall be at locations approved by the State, or upon the littoral lands or uplands or upon any pier heretofore constructed and available for such drilling upon any tide or

1 submerged lands described in any valid existing lease heretofore issued
2 pursuant to the provisions of Chapter 303, Statutes of 1921, as amended,
3 and all surface operations shall be conducted therefrom.

4 "In the event that any well to be drilled must penetrate tide and
5 submerged lands not leased hereunder, easement for such crossing will be
6 granted by the State, pursuant to applicable statutes and rules and
7 regulations, after the approval of the course and objective referred to
8 hereinbefore.

9 "22. All operations under this Lease shall be conducted in such a
10 manner as to prevent pollution and contamination of the ocean and tide-
11 lands or any impairment of and interference with bathing, fishing, or
12 navigation in the waters of the ocean or any bay or inlet thereof, and
13 no oil, tar, residuary products of oil, or any refuse of any kind from
14 any well or works of the Lessee shall be permitted to be deposited on or
15 pass into the waters of the ocean or any bay or inlet thereof.

16 with the exception of the last four lines of Paragraph 21 reading as follows:

17 "In the event that any well to be drilled must penetrate tide and
18 submerged lands not leased hereunder, easement for such crossing will be
19 granted by the State, pursuant to applicable statutes and rules and
20 regulations, after the approval of the course and objective referred to
21 hereinbefore."

22 are hereby stricken and deleted from said lease and, in lieu thereof, the
23 following language is inserted in said lease as Paragraph 22 thereof:

24 "22. (a) Each well drilled pursuant to the terms of this lease,
25 whether from upland, littoral or offshore locations, shall be drilled
26 in accordance with the rules and regulations now or which may hereafter
27 be promulgated by the State and on a course and to an objective approved
28 in writing by the State prior to the commencement of such drilling. Each
29 said well may be drilled or slant-drilled to and into the subsurface of
30 the tide or submerged lands covered by this lease from upland or littoral
31 drill sites owned or controlled by the State or owned by or available to

1 the Lessee, or from drill sites located upon any filled lands heretofore
2 or hereafter filled, whether contiguous or non-contiguous to the littoral
3 lands or uplands, or from any pier heretofore or hereafter constructed,
4 owned by or available to the Lessee and available for such purpose, or
5 from platforms or other fixed or floating structures in, on or over the
6 tide or submerged lands covered by this lease or otherwise available to
7 the Lessee.

8 (b) Pollution and contamination of the ocean and tidelands and all
9 impairment of and interference with bathing, fishing or navigation in
10 the waters of the ocean or any bay or inlet thereof is prohibited, and
11 no oil, tar, residuary product of oil or any refuse of any kind from
12 any well or works shall be permitted to be deposited on or pass into the
13 waters of the ocean or any bay or inlet thereof; provided, however, that
14 this subsection (b) shall not be deemed to apply to deposit on or passage
15 into said waters of water not containing any hydrocarbons or vegetable or
16 animal matter.

17 (c) If the Lessee proposes to drill one or more wells from filled
18 lands, whether contiguous or non-contiguous to the littoral lands or
19 uplands, or from any pier or from platforms or other fixed or floating
20 structures to be constructed for such purpose, and if permission from
21 any federal or state agency is legally required in order to construct
22 any such filled land or structures, the Lessee shall be allowed a reason-
23 able time following the execution of this lease and prior to the commence-
24 ment of the drilling term thereof within which to secure the necessary
25 permission from such federal and state agencies as shall be legally
26 required, and, upon the securing of such permission, a further reasonable
27 time, determined with regard to the nature of the filled lands or
28 structures to be constructed, within which to commence operations for the
29 drilling of such well or wells, and, if necessary, the drilling term of
30 this lease shall be extended by the commission to the date to which the
31 time to commence operations for the drilling of such well or wells has
been extended.

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(d) Any offshore filled lands or structure or structures constructed for the purpose of drilling pursuant to this Paragraph 22 shall conform to the rules and regulations of the commission in effect on May 13, 1958."

As issued August 29, 1955, and as herein amended, said lease shall continue in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment of Oil and Gas Lease P.R.C. 1466.1 this 28th day of July 1958.

STATE LANDS COMMISSION OF THE STATE OF CALIFORNIA

By *J. Hartley*
Executive Officer
Party of the First Part

RICHFIELD OIL CORPORATION

By *Jay Sutherland*
Assistant Manager of Land & Lease Dept.

By *R. [Signature]*
ASSISTANT SECRETARY
Parties of the Second Part