

MINUTE ITEM

7. RENEWAL AND EXTENSION, AGREEMENTS FOR EASEMENTS 409.1 (P.R.C. 2515.1), 410.1 (P.R.C. 2516.1), 411.1 (P.R.C. 2517.1), HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3428.

After consideration of Calendar Item 15 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE AND EXECUTE AN EXTENSION AND RENEWAL OF AGREEMENTS FOR EASEMENTS 409.1 AND 410.1 AS AMENDED SEPTEMBER 15, 1941, AND 411.1 IN ACCORDANCE WITH THE PROVISIONS OF SECTION 6827 OF THE PUBLIC RESOURCES CODE, AS REQUESTED BY THE JOINT LESSEES, ROSCOE F. OAKES, FRENDE W. COMBS, ELDREDGE E. COMBS, ERNEST F. COMBS, FRENDE W. COMBS AND ELDREDGE E. COMBS, TRUSTEES UNDER THE WILL OF E. E. COMBS, DECEASED, AND OAKES OIL CORPORATION, THE TERM OF THE EXTENSION TO CONTINUE FOR SO LONG AS OIL OR GAS IS PRODUCED FROM THE RESPECTIVE WELLS. ALL OTHER TERMS AND CONDITIONS OF THE EXISTING AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND 411.1 ARE TO REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 15 (1 page)

CALENDAR ITEM

15.

RENEWAL AND EXTENSION, AGREEMENTS FOR EASEMENTS 409.1, 410.1, 411.1,  
HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3428.

An application has been received from the lessees under State Agreements for Easements 409.1, 410.1 and 411.1 for renewal and extension of the respective agreements. These agreements were issued pursuant to competitive public bidding for a term of 20 years, starting April 9, 1940, to The Termo Company, a California corporation, with the option to the grantee to continue the term of agreement for so long as oil or gas is produced from the well. Section 6827 of the Public Resources Code provides in part: "Any lease heretofore issued under this Chapter for a term of 20 years, or any renewal or extension thereof may, at any time or times prior to its expiration, be extended upon such terms and conditions and for such periods of time as the Commission deems for the best interests of the State, or as the Legislature may provide; . . . ."

Agreements for Easements 409.1 and 410.1 were amended on September 15, 1941 to provide for a revised course, bearing and depth of the single well authorized under each easement.

Agreements for Easements 409.1, 410.1 and 411.1 were assigned by The Termo Company on August 3, 1944 to Roscoe F. Oakes, Margaret H. Oakes, E. E. Combs, Frende W. Combs, Eldredge E. Combs and Ernest F. Combs. Subsequent to the date of this assignment, two of the above-named individuals died and their interests were distributed in probate. The two individuals so deceased were E. E. Combs, whose interest was distributed to Frende W. Combs and Eldredge E. Combs, Trustees under the Will of E. E. Combs, deceased, and Margaret H. Oakes, whose interest was distributed in probate to The Roscoe and Margaret Oakes Foundation, a charitable trust and thereafter assigned to Oakes Oil Corporation, a California corporation wholly owned by the Foundation. Each of the above-named Grantees or their Assignee, as the case may be, is desirous of exercising the option to renew these three agreements for easements for as long as oil or gas is produced from the well.

One well has been completed on each of the above easements. All wells are currently producing; total daily production from the three wells is approximately 109 barrels.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AND EXECUTE AN EXTENSION AND RENEWAL OF AGREEMENTS FOR EASEMENTS 409.1 AND 410.1 AS AMENDED SEPTEMBER 15, 1941, AND 411.1 IN ACCORDANCE WITH THE PROVISIONS OF SECTION 6827 OF THE PUBLIC RESOURCES CODE, AS REQUESTED BY THE JOINT LESSEES, ROSCOE F. OAKES, FRENDE W. COMBS, ELDRIDGE E. COMBS, ERNEST F. COMBS, FRENDE W. COMBS AND ELDRIDGE E. COMBS, TRUSTEES UNDER THE WILL OF E. E. COMBS, DECEASED, AND OAKES OIL CORPORATION, THE TERM OF THE EXTENSION TO CONTINUE FOR SO LONG AS OIL OR GAS IS PRODUCED FROM THE RESPECTIVE WELLS. ALL OTHER TERMS AND CONDITIONS OF THE EXISTING AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND 411.1 ARE TO REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.