

MINUTE ITEM

29. PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 5110 (PARCEL 21), P.R.C. 3150.1.

After consideration of Calendar Item 24 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION ACCEPTS THE HIGHEST QUALIFIED BID, MADE ON JUNE 9, 1964, BY RICHFIELD OIL CORPORATION, A DELAWARE CORPORATION, AND STANDARD OIL COMPANY OF CALIFORNIA, A DELAWARE CORPORATION, AND THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDER FOR 5,553 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5110 (PARCEL 21), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION PUBLISHED MAY 1 AND MAY 8, 1964. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$18,666,555.66, AS OFFERED IN THE BID.

Attachment

Calendar Item 24 (2 pages)

CALENDAR ITEM

24.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY
W.O. 5110 (PARCEL 21).

On June 9, 1964, four bids were 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 5,553 acres more or less of tide and submerged lands designated as W.O. 5110, Parcel 21, Santa Barbara County. This offer was authorized by the Commission on April 29, 1964 (Calendar Item page 49).

All bids submitted were reviewed by the staff as to technical sufficiency and economic factors. The office of the Attorney General reviewed the highest bid, submitted by Richfield Oil Corporation and Standard Oil Company of California, 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 proposal of the Commission;
 2. Applicable provisions of law; and
 3. The rules and regulations of the Commission.

A summary tabulation of the bonus-payment offers received pursuant to the lease proposal is attached (Exhibit "A").

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE HIGHEST QUALIFIED BID, MADE ON JUNE 9, 1964, BY RICHFIELD OIL CORPORATION, A DELAWARE CORPORATION, AND STANDARD OIL COMPANY OF CALIFORNIA, A DELAWARE CORPORATION, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDER FOR 5,553 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5110 (PARCEL 21), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION PUBLISHED MAY 1 AND MAY 8, 1964. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$18,666,555.66, AS OFFERED IN THE BID.

Attachment
Exhibit "A"

W.O. 5110

EXHIBIT "A"

SUMMARY

PARCEL 21

Bidder

Cash-Bonus Offer

Richfield Oil Corporation and
Standard Oil Company of California

\$18,666,555.66

Union Oil Company of California and
Socony-Mobil Oil Company

10,324,003.80

Shell Oil Company

5,128,000.00

Humble Oil & Refining Company

1,011,200.00