23. DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 3685.1, ALAMEDA COUNTY;
McCULLOCH OIL CORPORATION OF CALIFORNIA - W.O. 6753.

After consideration of Calendar Item 19 attached, and upon motion duly made
and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE GRANTING TO McCULLOCH OIL CORPORATION OF
CALIFORNIA OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE
P.R.C. 3685.1 THROUGH JUNE 13, 1968, ALL OTHER TERMS AND CONDITIONS OF THE
LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment
    Calendar Item 19 (1 page)

A 13
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DEFERMENT OF DRILLING REQUIREMENTS

P.R.C.:	3685.1
LESSEE:	McCulloch Oil Corporation of California
COUNTY:	Alameda
AREA:	Livermore
ISSUED:	December 14, 1966

WORK COMPLETED ON LEASE: McCulloch drilled an exploration well in January 1967, located approximately 1500 feet west of the State lease, resulting in the discovery of oil at an initial production rate of 240 barrels per day, and proceeded to develop the field. Five wells have been completed as producers, extending production in an easterly direction toward the State lease. However, the geology of the area has proven to be complex and it has been necessary to redrill three of the wells to obtain production. One well was abandoned and another suspended. Development drilling is continuing.

PREVIOUS DEFERMENTS: From June 14, 1967, through December 13, 1967

THIS DEFERMENT: From December 14, 1967, through June 13, 1968

REASON FOR REQUEST: The lessee has requested an extension of the drilling term of the lease in order to continue development of the field in an orderly and workmanlike manner, considering the geologic complexity of the field.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE GRANTING TO McCULLOCH OIL CORPORATION OF CALIFORNIA OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3685.1 THROUGH JUNE 13, 1968, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.