

MINUTE ITEM

This Calendar Item No. 35  
was approved as Minute Item  
No. 35 by the State Lands  
Commission by a vote of 3  
to 0 at its 10-29-79  
meeting.

CALENDAR ITEM

35.

10/79  
PRC 5481.1  
Willard

QUITCLAIM OF SUBSURFACE  
OIL AND GAS LEASE PRC 5481.1

LESSEE: Chevron U.S.A., Inc.  
575 Market Street  
San Francisco, California 94105

LOCATION: Sacramento River, between Freeport Boulevard  
and Oak Hall Bend, Sacramento and Yolo  
Counties.

ACREAGE: 205 acres.

TYPE OF LAND: Tide and submerged.

REASON FOR QUITCLAIM:

Well "Shimada" No. 1 was drilled by lessee  
from private land through the lease hold  
bottoming in private land at a total depth  
of 7800'. It did not encounter any economic  
hydrocarbon accumulations.

PREREQUISITE TERMS:

- A. Quitclaim submitted by lessee.
- B. Compliance by lessee with terms and  
conditions of the lease through October 1,  
1979 (date of submission of quitclaim),  
including payment in advance of annual  
rental of \$3,075.00 and abandonment  
of the well in accordance with the  
rules and regulations of the Commission.

OTHER PERTINENT INFORMATION:

Subsurface Oil and Gas Lease PRC 5481.1  
was issued October 13, 1978, to Chevron  
U.S.A., INC. Chevron slant drilled from  
well "Shimada" No. 1 (Section 32, T8N,  
R4E, from N.E. corner 2200 S., 900' W.,  
MDB&M.) 7800' to a bottom hole location  
650' E. of the Sacramento River.

Economically producible reserves were not  
encountered and the well was plugged and  
abandoned on February 25, 1979.

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STATUTORY AND OTHER REFERENCES:

A. Sections 7 and 28 of the lease.

B. P.R.C., Section 6804.1

EXHIBIT:

A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE QUITCLAIM DEED OF OIL AND GAS LEASE PRC 5481.1, EFFECTIVE OCTOBER 1, 1979, ON FILE IN THE OFFICE OF THE COMMISSION.

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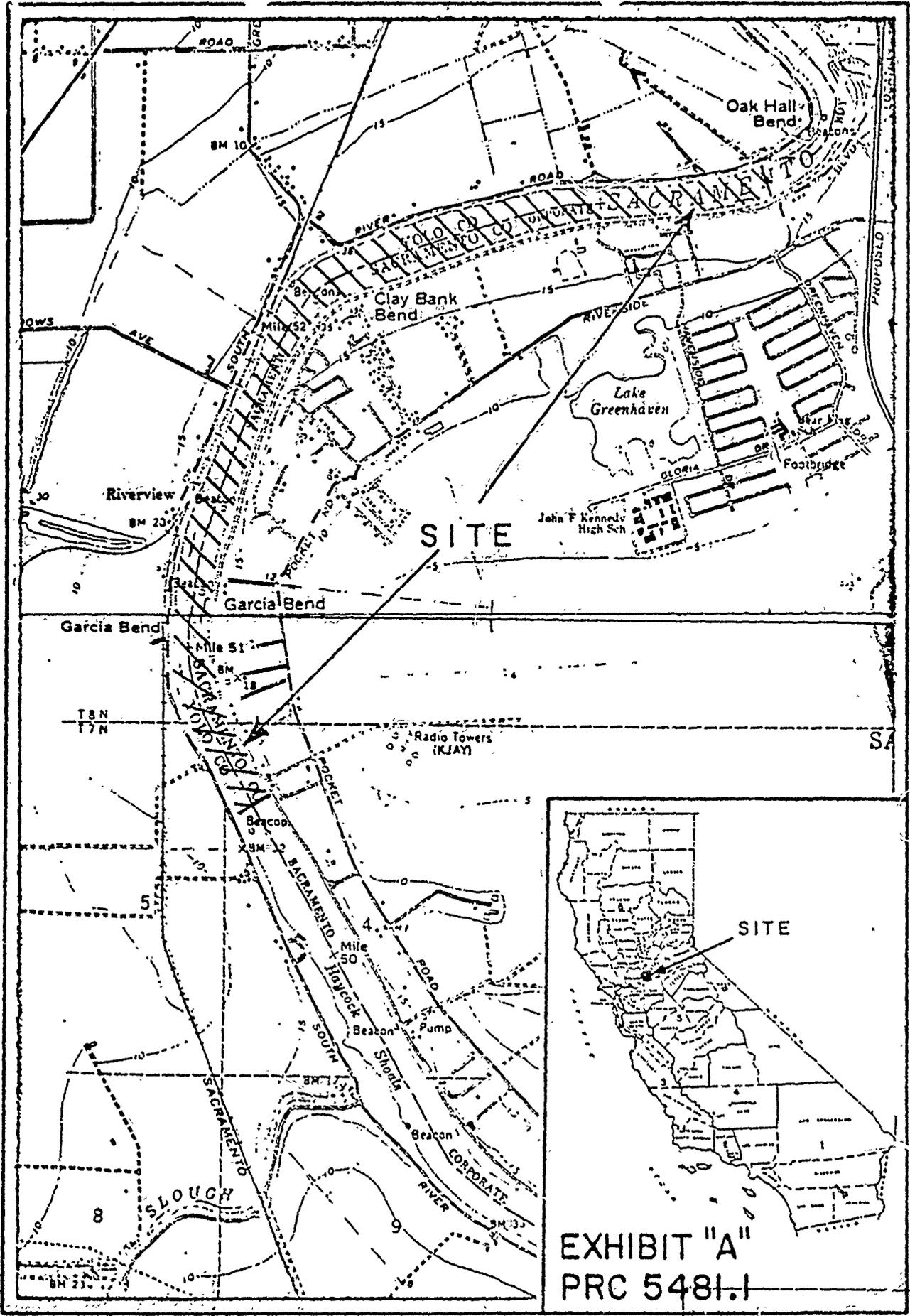


EXHIBIT "A"  
 PRC 5481.1

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