

Decision No. 13707.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
LOS ANGELES COUNTY WATER WORKS CO.,  
a corporation, for an order author-  
izing it to execute oil and gas  
lease to ASSOCIATED OIL CO., a cor-  
poration.

Application No. 10016.

**ORIGINAL**

Frank R. Carrell for Los Angeles County  
Water Works Company.

J. L. Sturgeon for Associated Oil Company.

BY THE COMMISSION:

O P I N I O N

This is a joint application of Los Angeles County Water Works Company, a corporation, and of Associated Oil Company, a corporation, in which the Commission is asked to permit the execution of a lease covering the oil, gas and other hydro-carbon products lying beneath the surface of the land occupied by the pumping plant of the Los Angeles County Water Works Company.

A public hearing in this matter was held before Examiner Satterwhite at Los Angeles.

The testimony shows that the Associated Oil Company is engaged in the business of prospecting for, developing, producing, refining and distributing oil, gas and other hydro-carbon substances and their by-products within the State of California, and has leased a tract of land immediately adjacent to the land occupied by the pumping plant of Los Angeles County Water Works Company,

and proposes to drill thereon for oil. In order that the Associated Oil Company may be protected against hostile drilling upon the water company's pumping plant site, a lease between the two parties has been drawn up, under the terms of which the company is permitted to withdraw the oil, gas and other products from beneath the surface of the land owned by the water company. The lease which it is proposed to execute provides that no actual drilling is to be done upon the water company's property and that any wells which are put down upon the adjacent lands will be drilled and operated in such a manner as not to interfere in any way with the water supply facilities of the water company. The lease also provides that any water which may be developed in the drilling operations of Associated Oil Company in excess of such quantities as are required for its own use will be delivered to Los Angeles County Water Works Company.

Careful consideration of the evidence submitted leads to the conclusion that the interests of the consumers of Los Angeles County Water Works Company will be in no way affected adversely if the application be granted.

#### O R D E R

Los Angeles County Water Works Company, a corporation, and Associated Oil Company, a corporation, having made joint application to this Commission for authority to execute a lease which will permit Associated Oil Company to withdraw oil, gas and other hydro-carbon substances from beneath the surface of the land occupied by the pumping plant of the Los Angeles County Water Works Company, a public hearing having been held thereon, the matter having been submitted, and the Commission being now fully informed in the matter,

IT IS HEREBY ORDERED that Los Angeles County Water Works Company, a corporation, and Associated Oil Company, a corporation, be and they are hereby authorized to enter into an agreement or lease similar in all respects to Exhibits "A" and "B" attached to the application herein.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days from the date of the execution of the lease or agreement herein authorized, a certified copy of the same shall be filed with this Commission by the Los Angeles County Water Works Company, a corporation.

Dated at San Francisco, California, this 16<sup>th</sup> day of June, 1924.

CL Seamy  
H. B. ...  
Egerton Shore

Commissioners.