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RESOLUTION NO. G-2267

UTILITIES DIVISION  
BRANCH/SECTION: Gas  
DATE: April 10, 1979

R E S O L U T I O N

SUBJECT: Gas Exploration and Development Adjustment (GEDA) Project  
Letter 79-A Filed for Approval Pursuant to Procedures Prescribed  
by Decision No. 88121

WHEREAS: PACIFIC GAS AND ELECTRIC COMPANY AND NATURAL GAS CORPORATION OF CALIFORNIA (NGC) by GEDA Project Letter No. 79-A filed February 27, 1979 have requested approval of gas exploration and development activities in certain Sacramento Valley prospects as part of a California gas exploration and development program under the following circumstances:

1. Applicant's request is for authority to participate in the funding of exploration and development activities of the Gulf Oil Exploration and Development Company (Gulf) in the Orland Deep Prospect and the Sandy Creek Prospect in the Northern Sacramento Valley.
2. Under the agreement with Gulf, NGC is committed to provide an estimated \$1,500,000 for the drilling of three wells and will acquire a 50 percent working interest in approximately 17,000 acres held by Gulf.
3. NGC will retain a 100 percent working interest in the drillsite of a producing well until such time as its investment is recovered from net revenues and will also have a call of Gulf's share of the gas.
4. The resulting 1979 cost of service is estimated at \$58,000 or .001¢/therm.
5. We find that the request to participate in the funding of the above project should be granted and that a public hearing is not necessary, therefore, good cause appearing,

IT IS ORDERED that:

1. Authority be granted pursuant to the provisions of Decision No. 88121 for Natural Gas Corporation of California and Pacific Gas and Electric Company to participate in funding the above project.
2. The 1979 cost of service associated with the funding shall be accumulated and reflected in the next annual adjustment for under or over collections.
3. The Project Letter be marked to show that it was accepted for filing under Resolution of the Public Utilities Commission of the State of California No. G-2267. The effective date of this Resolution is the date hereof.

I hereby certify that the foregoing Resolution was duly introduced, passed and adopted at a regular conference of the Public Utilities Commission of the State of California, held on the 10th day of April, 1979, the following Commissioners voting favorably thereon: