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Chevron
WUP-06-005 2

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RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Chevron U.S.A. Inc.
9525 Camino Media
Bakersfield, CA 93311
Attention: Ralph E. Mayo, Esq.

(Above Space for Recorder's Use Only)

TRANSFER TAX
NOT A PUBLIC RECORD

INSTRUMENT OF QUITCLAIM

This Agreement is made this 31st day of January, 2006 by and among CHEVRON U.S.A. INC., a Pennsylvania corporation, MCFARLAND ENERGY, INC., a Delaware corporation, and the CITY OF WHITTIER with reference to the following facts and circumstances:

WHEREAS, McFarland Energy, Inc.'s predecessor McFarland Oil Corporation and the City of Whittier entered into an Oil and Gas Lease dated April 1, 1969, covering approximately thirty-seven (37) acres described in Exhibit "A" which is attached hereto and made a part hereof; and

WHEREAS, McFarland Energy, Inc. is a wholly-owned subsidiary of Chevron U.S.A. Inc. as a result of the 2001 merger of Chevron Corporation and Texaco Inc.; and

WHEREAS, a dispute arose between the parties regarding the abandonment of wells #13, #15 and #16 in the Whittier Field, which has been resolved in accordance with the Release and Settlement Agreement dated December 27, 2005; and

WHEREAS, the City of Whittier has agreed to accept Chevron's surrender and quitclaim of its interest in the Oil and Gas Lease dated April 1, 1969, consistent with the terms of the Release and Settlement Agreement dated January 9, 2006.

NOW, THEREFORE, with reference to the foregoing recitals, which recitals are incorporated into and constitute a material part of this Agreement between the parties and in consideration of other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Chevron and the City of Whittier agree as follows:

1. Chevron does hereby surrender and quitclaim all right, title and interest in and to that certain Oil and Gas Lease, executed by the City of Whittier, as lessor, and McFarland Oil Corporation, as lessee, dated April 1, 1969.

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2. The City of Whittier accepts the surrender and quitclaim by Chevron provided, however, that the City's acceptance does not release or affect Chevron's responsibilities with respect to wells associated with Oil and Gas Lease other than wells #13, #15 and #16 which are covered by the Release and Settlement Agreement dated January 9, 2006.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of this date first hereinabove written.

CHEVRON U.S.A. INC., a
Pennsylvania corporation.
By: [Signature]
Title: Assistant Secretary

CITY OF WHITTIER
By: [Signature]
Title: City Manager

MCFARLAND ENERGY, INC., a
Delaware corporation, corporate
successor of McFarland Oil
Corporation
By: [Signature]
Title: Assistant Secretary

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STATE OF CALIFORNIA

COUNTY OF KERN

On _____, before me, _____,
Notary Public, personally appeared _____, personally
known to me to be the person whose name is subscribed to the within
instrument and acknowledged to me that he executed the within instrument
in his authorized capacity, and that by his signature on the within
instrument the person, or the entity upon behalf of which the person acted,
executed the within instrument.

WITNESS my hand and official seal.

Notary's Signature _____ (SEAL)

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On MARCH 1, 2006, before me, MARSHA L. MORALES,
Notary Public, personally appeared STEPHEN W. HELVEY, personally
known to me to be the person whose name is subscribed to the within
instrument and acknowledged to me that he executed the within instrument
in his authorized capacity, and that by his signature on the within
instrument the person, or the entity upon behalf of which the person acted,
executed the within instrument.

WITNESS my hand and official seal.

Notary's Signature Marsha L. Morales (SEAL)



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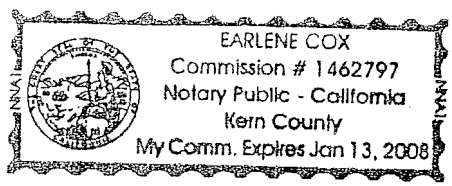
WUUA-06-005

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Kern } ss.

On March 20, 2006 before me, Earlene Cox,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Vic L. Byers III
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence



to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.
Earlene Cox
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

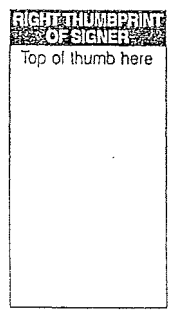
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____



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Exhibit "A"

To the Instrument of Quitclaim dated January 31, 2006

PARCEL 1: The north one-half of the northwest one-quarter of the southeast quarter of Section 22, in Township 2 South, Range 11 West, San Bernardino meridian, in the County of Los Angeles, State of California, according to the official plat of said land filed in the district land offices February 25, 1868.

EXCEPT that portion of said land described as follows:

Beginning at the northeast corner of that certain parcel of land conveyed to City of Whittier, by dead recorded in book 43150 page 283, Official Records; thence North 89° 15' West along the northerly line of said parcel 207.58 feet, thence North 54° 05' 50" East 541.40 feet; thence South 32° 02' 35" East 384.47 feet more or less to the easterly prolongation of the northerly line of said parcel of land conveyed to City of Whittier heretofore mentioned distant thereon South 89° 15' East 435 feet from the point of beginning; thence North 89° 15' West along said prolongation 435.00 feet to the point of beginning.

PARCEL 2: The west 20 acres of the east 30 acres of the southwest quarter of the northeast quarter of Section 22, in Township 2 South, Range 11 West, San Bernardino meridian, in the County of Los Angeles, State of California, according to the official plat of said land filed in the district land office February 25, 1868.

APN: 8137-021-902 and 8138-033-903

RELEASE AGREEMENT

This Agreement is made this 23rd day of December, 2005 by and among CHEVRON U.S.A. INC., a Pennsylvania corporation, MCFARLAND ENERGY, INC., a Delaware corporation (collectively hereinafter "Chevron"), and the DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES (hereinafter "DOGGR"), an agency of the State of California, with reference to the following facts and circumstances:

WHEREAS, McFarland Energy, Inc.'s predecessor McFarland Oil Corporation and the City of Whittier entered into an Oil and Gas Lease dated April 1, 1969, from which production ceased in the late 1990s; and

WHEREAS, a dispute arose between the parties regarding the abandonment of wells #13, #15, and #16 in the Whittier Field which were buried by the City as part of the operations conducted by the City of Whittier in their landfill; and

WHEREAS, Chevron's position is that wells #13, #15, and #16 in the Whittier Field were never acquired by McFarland Oil Company under the terms of the Oil and Gas Lease dated April 1, 1969 nor purchased in the Bill of Sale dated May 14, 1969 attached to the Oil and Gas Lease; and

WHEREAS, the City of Whittier and Chevron have resolved their dispute in accordance with the Release and Settlement Agreement dated December 27, 2005, a copy of which is attached hereto as Exhibit "A"; and

WHEREAS, the Release and Settlement Agreement dated December 27, 2005 is conditioned upon Chevron's receipt from DOGGR of a release of responsibility under applicable provisions of Division 3 of the California Public Resources Code for plugging and abandoning wells #13, #15, and #16 in the Whittier Field; and

NOW, THEREFORE, with reference to the foregoing recitals, which recitals are incorporated into and constitute a material part of this Agreement between the parties and in consideration of other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Chevron and DOGGR agree as follows:

1. DOGGR acknowledges and accepts the City of Whittier as the owner and operator of wells #13, #15, and #16 in the Whittier Field pursuant to the Report of Property/Well Transfer or Acquisition effective December 23, 2005.
2. DOGGR releases Chevron Corporation, its subsidiaries and affiliates, from all obligations and liability of a well owner or operator under Division 3 of the California Public Resources Code for plugging and abandoning wells #13,

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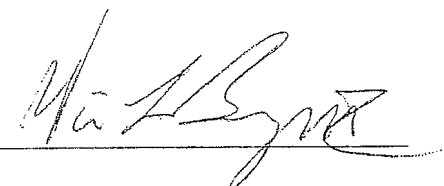
#15, and #16 in the Whittier Field which includes, but is not limited to, the following:

- a. the reabandonment of any such well;
 - b. conducting any inspections or tests ordered by DOGGR;
 - c. the obligation to maintain access to any such well;
 - d. considering Chevron Corporation, or any of its subsidiaries and affiliates, as the 'immediately preceding operator' or owner; and
 - e. considering Chevron Corporation, or any of its subsidiaries and affiliates, to have joint or several liability for any such well.
3. DOGGR agrees that any bonds submitted by Chevron Corporation or any of its subsidiaries and affiliates to the DOGGR for oilfield operations required by state law shall be forever released, for all purposes, as a surety for the obligations required of a well owner or operator under Division 3 of the California Public Resources Code for wells #13, #15, and #16 in the Whittier Field.
 4. This Agreement in all respects shall be interpreted, enforced, and governed by and under the laws of the State of California.
 5. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns; and as applicable, to their respective agents, attorneys, employees, officers, directors, divisions and subsidiaries.

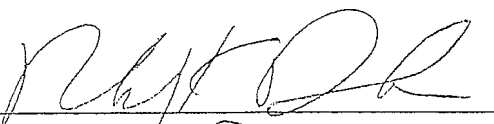
IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of this date first hereinabove written.

CHEVRON U.S.A. INC., a Pennsylvania corporation,

DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES, an agency of the State of California

By: 

Title: Assistant Secretary

By: 

Title: District Deputy

McFARLAND ENERGY, INC., a Delaware corporation, corporate successor of McFarland Oil Corporation

By: 

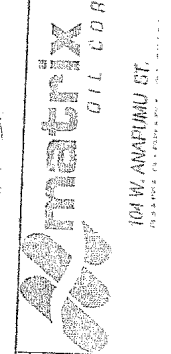
Title: Assistant Secretary



- NOTES
1. INFORMATION PROVIDED IS PRELIMINARY AND SUBJECT TO CHANGE.
 2. EARTHWORK QUANTITIES, DISTURBED AREAS, AND LOAD REQUIREMENTS ARE PRELIMINARY. ADDITIONAL GEOTECHNICAL STUDIES ARE REQUIRED TO VERIFY INFORMATION PROVIDED IN THIS DRAWING.
 3. TRAFFIC STUDIES HAVE NOT BEEN PERFORMED.

PRELIMINARY SITE PLAN
TRUCK LOADING FACILITY
WHITTIER, CALIFORNIA

DATE	4/29/03
BY	JK
CHECKED	JK
SCALE	AS SHOWN
PROJECT NO.	03-001
CLIENT	Matrix Oil Corp.
LOCATION	Whittier, CA
DRAWN BY	JK
CHECKED BY	JK
DATE	4/29/03



104 W. ANAPLURU ST.
IRVINE, CA 92614

NO.	DATE	DESCRIPTION	BY	CHKD.
1	4/29/03	ISSUED FOR CONSTRUCTION	JK	JK

PROCESSES UNLIMITED
International, Inc.

DCN:

ENGINEER
Adams, Streeter
CIVIL ENGINEERS INC.
15 Corporate Park, Irvine, CA 92605
PH: (949) 474-2330 FAX: (949) 474-0251

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Exhibit "A"
RELEASE AND SETTLEMENT AGREEMENT

For the sole consideration of One Hundred Thousand Dollars, (\$100,000.00) the receipt and sufficiency of which is hereby acknowledged, the undersigned CITY OF WHITTIER (the "City") and the CITY OF WHITTIER UTILITY AUTHORITY ("WUA") hereby agree with CHEVRON U.S.A. INC., as Agent for McFARLAND ENERGY INC. (collectively "Chevron") as follows:

1. The City will accept designation as operator of record with the California Department of Conservation, Division of Oil, Gas and Geothermal Resources of McFarland Wells #13, #15 and #16 in the Whittier Field.
2. The City/WUA will accept Wells #13, #15 and #16 in the Whittier Field in an "As-is with all faults" condition.
3. The City/WUA will accept a quitclaim of any and all interest Chevron has in that certain oil and gas lease between the City of Whittier and McFarland Oil Corporation entered into on April 1, 1969, but no such acceptance shall release or affect Chevron's responsibilities with respect to any wells in the Whittier Field other than Wells #13, #15 and #16.
4. City of Whittier shall indemnify, defend and hold harmless McFarland Energy Inc., Texaco Exploration and Production Inc., Chevron U.S.A. Inc., and their affiliates ("Indemnities") against all Losses that are attributable to the ownership, use, operation, maintenance, improvement, closure or abandonment of Whittier Field Wells #13, #15 and #16 and the City of Whittier Landfill, which Losses occur after the date of the execution of the quitclaim and any accompanying release and are caused by incomplete or improper abandonment, or by a release or discharge of Subject Material from the McFarland Whittier Field Wells #13, #15 and #16, which occurs after the date of execution of the quitclaim and any accompanying release; except that the obligation to indemnify, defend and hold harmless shall not apply to any Losses which are

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attributable to the knowing or intentional misconduct of the Indemnitees or any of them, other than improper or incomplete abandonment of Wells #13, #15, and #16. This indemnification expressly shall not apply to any Losses, releases or damages caused by or related to any offsite transportation of Subject Materials, whether it occurred prior to the date of the quitclaim and any accompanying release or after such date.

Except if it has received actual notice or actual knowledge as elsewhere provided herein neither the City of Whittier nor WUA shall have any duty to indemnify, defend or hold harmless the Indemnitees for any Loss or claimed Loss unless City has been notified in writing within thirty (30) days of receipt by the Indemnitees, or any of them, of the claim, proceeding, suit, remediation order or other action giving rise to the claim for indemnification, defense or hold harmless. Whittier shall have full control of defense or response to any such claim, proceeding, suit, remediation order or other action giving rise to the claim for indemnification, defense or hold harmless, and shall not be responsible for reimbursement or indemnification of any costs, expense, liability, settlement, attorneys' fees or other amount of which it had no notice and to which it did not consent. Indemnitees shall be obligated to cooperate with the City and/or WUA in connection with any such claim, at their own expense. In the event that any action is required of Indemnitees, or would be required of the City or WUA as Indemnitor, with respect to any claim, proceeding, suit, remediation order or other action pertaining to the wells covered in this release, prior to the time that the City or WUA is actually notified by Indemnitees of the claim, proceeding, suit, order or other action, neither the City nor WUA shall have any obligation to perform such action, reimburse Indemnitees for performing such action, or defend or indemnify Indemnitees with respect to any performance or failure of performance of such action or any losses resulting therefrom, and provided further that the City of Whittier or WUA shall not have any independent actual knowledge or actual notice of such a claim, suit, obligation, order, proceeding, or other action pertaining to the wells covered in this release.

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Chevron and all Indemnitees expressly acknowledge that the response time for a federal court or administrative action may be the same or less than the time given above for notice to City of Whittier and WUA. Likewise, Chevron and all Indemnitees acknowledge that the response time for a state court or administrative action may be the same or less as the time given above for notice to City of Whittier and WUA. Should Chevron or any Indemnitee fail to give the City of Whittier and WUA notice of any state or federal court or administrative action in time for the City of Whittier or WUA to file a timely answer, motion to dismiss or demurrer, as may be deemed appropriate and commercially reasonable in the opinion of legal counsel with expertise in the area of environmental law, Indemnitees shall be obligated to take any and all reasonable steps necessary to preserve and protect their own interests as well as those of City of Whittier or WUA, including but not limited to seeking an extension of time to file a responsive pleading, filing a responsive pleading that protects the rights of the parties to this agreement, and/or making a motion to set aside any default which may have been taken against Indemnitees. Should a default be entered against Indemnitees or any of them as a result of any failure to respond where notice was not provided to the City of Whittier or WUA in sufficient time to allow the City or WUA to file a timely responsive pleading, and provided further that the City of Whittier or WUA shall not have any independent actual knowledge or actual notice of a federal or state court or administrative action involving the Indemnities' right to an indemnity under the terms of this agreement, Indemnitees shall bear the sole burden and cost of attempting to have any such default set aside. If such effort is successful, and provided that it received timely notice, the City of Whittier or WUA shall take over defense of the action at that point, but shall not be obligated to reimburse Indemnitees for any costs or expenses, including attorney's fees, which have been incurred up to that point in time. If any such effort is unsuccessful, neither the City of Whittier nor WUA shall have any obligation to defend or indemnify Indemnitees or any of them with respect to that particular suit or action, or any related actions. In no event shall the City of Whittier or WUA have any obligation to defend or indemnify Indemnitees under any of the

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following circumstances: (1) if notice of any claim, suit, proceeding, order or action is not timely provided to the City of Whittier or WUA as required herein and provided further that the City of Whittier or WUA shall not have any independent actual knowledge or actual notice of any claim, suit, proceeding, order or action involving the Indemnitees' right to an indemnity under the terms of this agreement, or (2) if Indemnitees fail to cooperate in defense of any such claim, suit, proceeding, order or action, or (3) if Indemnitees take any intentional action which deprives the City of Whittier or WUA of their ability to defend against any such claim, proceeding, suit, remediation order or other action which would otherwise give rise to an indemnification obligation hereunder.

As used herein, "actual notice or actual knowledge" of a Loss, claim, suit, proceeding, order, or action, shall mean express notice to or knowledge by members of the Board of Directors of the Whittier Utility Authority, the Executive Director of the Whittier Utility Authority, the members of the City Council of the City of Whittier, the City Manager of the City of Whittier, the Public Works Director of the City of Whittier, or the Landfill Manager of the City of Whittier, or constructive notice on the part of these individuals only as defined in California Civil Code section 19.

In addition, the Indemnitees or any of them shall give immediate written notice to the City of Whittier of any release, discharge, or threatened release or discharge of which the Indemnitees or any of them obtains actual knowledge relating to Wells #13, #15, or #16 at the Whittier Field.

5. As used above, the following capitalized terms shall have the respective meanings set forth below.

Environmental Losses. Losses relating to the presence, release, discharge or threatened discharge of Subject Materials in or into the air, surface water, ground water, soil, land surface, subsurface strata or soil vapor in excess of levels permitted by Laws, permits, licenses or other Government Authority approvals; Losses incurred in investigating and remediating such

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presence, release, discharge or threatened discharge; and Losses relating to noncompliance with Laws, permits, licenses or other Government Authority approvals pertaining to Subject Materials or otherwise relating to environment, health and safety, including Laws related to "endangered species" or "threatened species" (e.g., 16 U.S.C. § 1531 et seq. and California Fish and Game Code § 2000 et seq.).

Government Authority. Any national, state or local government or any subdivision, agency, court, commission, board, bureau or other authority thereof.

Laws. All applicable statutes, laws, rules, regulations, orders, ordinances, judgments, decrees, directives, instructions, and interpretations of any Government Authority, including common law, equity and other legal principles.

Losses. All liabilities, losses, damages, costs, civil penalties, (civil or criminal), expenses, fines, settlements approved by the City of Whittier, interest, reasonable attorneys' fees, suits, causes of action, legal or administrative proceedings, arbitration awards, demands or claims, including claims for personal injury or damage to business property, but expressly excluding any such liabilities, losses, damages, costs, civil penalties, expenses, fines, settlements whether or not approved by the City of Whittier, interest, attorneys' fees, suits, causes of action, legal or administrative proceedings, arbitration awards, demands or claims, including claims for personal injury or damage to business property which are attributable to the knowing or intentional misconduct of McFarland Energy, Inc., Texaco Exploration and Production Inc., Chevron U.S.A. Inc, or its affiliates, other than improper or incomplete abandonment of Whittier Field Wells #13, #15, and #16. Losses may include claims of consequential damages sought by third parties against any of McFarland Energy Inc., Texaco Exploration and Production Inc., Chevron U.S.A. Inc., City of Whittier or their affiliates. Losses include Environmental Losses defined above, but shall not include any punitive damages claims.

Subject Material. Any substance, product, waste or other material which is, or becomes identified, listed, published or defined as a hazardous substance, hazardous waste, hazardous

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material, toxic substance, solid waste or pollutant under any Laws, or which is otherwise regulated or restricted under any Laws or permits, licenses or other Government Authority approvals, including the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), the Superfund Amendments and Reauthorization Act (SARA), the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act (RCRA), the Toxic Substances Control Act (TSCA), the Clean Water Act and the Oil Pollution Liability and Compensation Act of 1990 (OPA 90). Without limitation, Subject Material includes asbestos and polychlorinated biphenyls, but does not include naturally occurring crude oil and gas which has not been removed from the ground.

6. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or required to be given hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of confirmed transmission if such communication is sent by facsimile; and c) 72 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CHEVRON:

CHEVRON, U.S.A. Inc.
9525 Camino Media
Bakersfield, CA 93311
Tel: 661-654-7740
Fax: 661-654-7101
Attn: Vice President

IF TO CITY:

City of Whittier
13230 Penn Street
Whittier, CA 90602-1772
Tel: 562-694-3301
Fax: 562-464-3572
Attn: City Manager or City Clerk

With a copy to legal counsel as follows:

IF TO CHEVRON:

CHEVRON, U.S.A. Inc.
9525 Camino Media
Bakersfield, CA 93311
Tel: 661-654-7168
Fax: 661-654-7176
Attn: Law Department

IF TO CITY:

Jones & Mayer
3777 N. Harbor Blvd.
Fullerton, CA 92835
Tel: 714-446-1400
Fax: 714-446-1448
Attn: Richard D. Jones

7. The foregoing terms are conditioned on Chevron's receipt from the California Department of Conservation, Division of Oil, Gas and Geothermal Resources of a release of

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Chevron

responsibility under applicable provisions of Division 3 of the California Public Resources Code for plugging and abandoning Wells #13, #15 and #16 in the Whittier Field.

8. The undersigned hereby declares that the terms of this Release and Settlement Agreement have been completely read and are fully understood and voluntarily accepted for the purpose of making a full and final compromise settlement of claims respecting Whittier Field Wells #13, #15 and #16, disputed or otherwise, on account of the injuries and damages above mentioned, and for the express purpose of precluding forever any further or additional claims arising out of the ownership, use, operation, maintenance, improvement, closure or abandonment of these wells, except as set forth hereinabove.

9. This Agreement may be executed in counterparts, which collectively shall be treated as the original.

Executed this 27th day of December, 2005 at Whittier, California.

CITY OF WHITTIER

WHITTIER UTILITY AUTHORITY

By o/s Stephen W. Helvey
Stephen W. Helvey
City Manager

By o/s Stephen W. Helvey
Stephen W. Helvey
Executive Director

CHEVRON U.S.A. INC.

By o/s Vic L. Byers, III
Assistant Secretary

REPORT OF PROPERTY/WELL TRANSFER OR ACQUISITION

(To be completed by old and new operators)

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Chevron
WUA-06-00

Please complete and return this form to:

1/9/2006
(date)

Division of Oil, Gas, and Geothermal Resources
5816 Corporate Avenue, Suite 200
Cypress, CA 90630-4731
District 1

Effective date of transfer / acquisition 1/9/2006, date of possession _____,
(date) (if different)
McFarland Energy, Inc., a wholly-owned subsidiary of Chevron U.S.A., transferred
(old operator)

the following wells to Whittier Utility Authority
(new operator)

NOTE: Pursuant to Section 3202 of the Public Resources Code, before wells will be transferred, the new operator must provide proper bond coverage and well information for all transferred active, idle, and/or plugged and abandoned wells.

Well Designation	Field or County	Sec.	T.	R.	API Number
#13	Whittier Field	22, SBB&M	2S,	11W,	037-18402
#15	Whittier Field	22, SBB&M	2S,	11W,	037-18404
#16	Whittier Field	22, SBB&M	2S,	11W,	037-18405

(If additional space is needed, use separate sheets.)

Legal description of the land where the well(s) is (are) located: See above. Wells are believed to be abandoned and buried in the Savage Canyon landfill. The New Operator does not intend to operate the wells.

OLD OPERATOR	
Chevron U.S.A. Inc., as agent for McFarland Energy Inc. <small>(operator name)</small>	
9525 Camino Media <small>(address)</small>	
Bakersfield, CA 93311	
Phone (661) 654-7268	
By	1/3/06 <small>(date)</small>
Aaron Allen on behalf of Marty Knauss <small>(printed name) (title)</small>	

NEW OPERATOR	
Whittier Utility Authority <small>(operator name)</small>	
13230 Penn Street <small>(address)</small>	
Whittier, CA 90602-1772	
Phone (562) 464-3301	
By	1-30-06 <small>(date)</small>
Stephen W. Helvey, Executive Director <small>(printed name) (title)</small>	

Note: By signing this form, both the old operator and the new operator certify that the new operator owns the mineral interest, holds a valid and effective lease, or holds a valid and effective operating contract, giving the new operator the right to operate the well or wells being transferred.

CITY OF WHITTIER
CITY CLERK - TREASURER

2006 OCT 27 PM 12:32

J & M

JONES & MAYER

ATTORNEYS AT LAW

3777 NORTH HARBOR BOULEVARD • FULLERTON, CALIFORNIA 92835
(714) 446-1400 • (562) 697-1751 • FAX (714) 446-1448

Richard D. Jones*
Martin J. Mayer
Kimberly Hall Barlow

Christian L. Bettenhausen
Paul R. Coble
Michael Q. Do
Thomas P. Duarte
Elizabeth R. Feffer
Elena Q. Gerli
Krista MacNevin Jee
Gregory P. Palmer
Dan L. Peelman
Harold W. Potter
Dean J. Pucci
Yolanda M. Summerhill
Ivy M. Tsai

October 25, 2006

Of Counsel
Cynthia W. Blaylock
Michael R. Capizzi
Jeffrey B. Love

Consultant
Mervin D. Feinstein
Steven H. Staveley

*a Professional Law Corporation

Ralph Mayo
General Counsel
Chevron U.S.A. Inc.
9525 Camino Media
Bakersfield, CA 93311

Re: Whittier Oil Fields (McFarland Energy), Wells #13, 15 and 16

Dear Mr. Mayo:

I have been notified by the City of Whittier that it must have an original Release and Settlement Agreement between the City of Whittier, the City of Whittier Utility Authority, Chevron U.S.A. and McFarland Energy, Inc. dated December 27, 2005 for its files. At your earliest convenience, please send an original of this Agreement, and as previously requested, the original Quitclaim Deed.

Thank you for your cooperation in this matter. If there are any questions please do not hesitate to contact me.

Very truly yours,



Kimberly Hall Barlow

KHB/wag

cc: Kathryn Marshall
Gina Nila



JONES & MAYER

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Date: November 7, 2006
To: Kathryn Marshall
From: Kimberly Hall Barlow
Subject: City of Whittier Oil & Gas Lease

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