

Association's Move to Sign Lease Opens Way for Oil Drilling District

BEVERLYWOOD — The Signal Oil and Gas Co.'s leasing of Beverlywood Homes Assn. property in this community ends all organized opposition to Signal's Beverlywood leasing activities and paves the way for the establishment of an oil drilling district.

Signal officials reported this week that Stanford Kent, association president, signed a subsurface oil drilling lease for 59 lots owned by the group in the Beverlywood area.

Signal, operator for itself and the Richfield Oil Corp., now has leases for more than 75% of the Beverlywood property.

Lease Signed

The lease signed by the Beverlywood Homes Assn. has been deposited in escrow, during which time the association's title was verified and an insurance policy issued, according to a Signal official.

"Since more than 60% of our membership appear to favor the lease, it is clear that offsite drilling techniques, as limited and restricted by municipal regulation, does make possible a workable method of tapping natural resources without jeopardizing the rights, privileges and conveniences of a residential community," Kent said.

At the same time, Signal officials reported that it has applied to the Los Angeles city oil administrator for the establishment of a drilling district adjacent to the productive Beverly Hills community lease.

New District

The proposed district is bounded on the west by Roxbury Dr., on the north by the Beverly Hills and Los Angeles city line, on the east by Rodeo and Beverwil Drs.

and Castello Ave., and on the south by Saturn St. and the projected northern boundary line of the Hillcrest Country Club.

Signal plans to drill under the 48-acre district from a

site on the Hillcrest Country Club.

Exploration of this district will start as soon as possible after Los Angeles approves it for oil drilling, officials added.