

A meeting of the State Lands Commission was held in the office of the Director of Finance, State Building, Los Angeles, December 11, 1939.

Present were: John R. Richards, Chairman
Harry B. Riley, Member

Absent was: Ellis E. Patterson

The Executive Officer presented for confirmation minutes of the meeting held November 1, 1939. On motion of Mr. Riley, seconded by Mr. Richards, said minutes were approved and confirmed as submitted.

The Executive Officer submitted applications of The Terno Company and The Petroleum Company to redrill wells described in Agreements for Basements Nos. 272 and 290, Huntington Beach. Upon recommendation of the Executive Officer, applications were continued to the next meeting.

The Executive Officer reported to the Commission that well of Standard Oil Company of California completed due east of the southwest corner of the State Zoological Park in Kern County is producing at the rate of 100 barrels of oil per day. Due to the distance of the well from the park property which is in excess of 600 feet, it is recommended by the Executive Officer that it is not necessary to offset to protect the lands of the State from drainage, if any. The members of the Commission concurred with this recommendation.

At this point, Honorable Ellis E. Patterson, Lt. Governor, and member of the Commission, joined the Commission.

The next matter presented by the Executive Officer related to the State's ownership in gas field at Rio Vista, California. It was explained to the Commission that one of the prospective bidders, the Bishop Oil Company, had been unable to obtain drilling sites for slant drilling southerly of the City of Rio Vista, and, in consequence, it appeared that competition could not exist in a measure desirable to the State unless all potential bidders could have access to drilling sites on each side of Rio Vista. It was further explained that efforts are now being made to obtain drilling sites southerly of Rio Vista and along the River from the Federal Government, and to that end surveys would be made and applications presented to the Federal Government. At the same time efforts were being made to obtain drilling sites on the other side of Rio Vista from the Reclamation Board.

A tentative program was discussed for bidding which involved proposals to invite bids for compensatory agreement, straight royalty to the State, and guaranteed royalty to the State with participation in a division of the profits between the grantee and the State.

Upon motion of Mr. Riley, seconded by Mr. Richards, motion was made and unanimously carried, approving the actions heretofore taken by the Division of State Lands in the Rio Vista matter.

A report was made to the Commission by the Engineer of the Division and the Executive Officer, of an agreement reached between the State and representatives of the Estate of Will Rogers, deceased, in relation to establishment of line of ordinary high water mark, at and in the vicinity of Lighthouse Cafe, Santa Monica, California. The procedure for the agreement so reached involved presentation of engineering data and other information by both sides to Chas. T. Leeds, Consulting Seacoast Engineer of the State. The Executive Officer recommended that the data now be referred to the Attorney General, with request upon behalf of the Commission that he institute a suit against the Estate of Will Rogers, deceased, and other proper parties, to quiet title of the State as determined by this location of ordinary high water mark. Upon motion of Mr. Patterson, seconded by Mr. Riley, and unanimously carried, that steps heretofore taken by the Division of Lands were approved and confirmed, and the Executive Officer was directed to institute or cause the institution of a suit to quiet title to lands claimed by the State at or in the vicinity of Lighthouse Cafe, Santa Monica, California.

The Executive Officer reported that the County of San Luis Obispo, acting through the Board of Supervisors, has no objection to the issuance of easements to John F. Meyer and Pacific Railway Company and construction of wharves, piers or other seacoast structures by such applicants in accordance with applications heretofore filed by them with the State Lands Commission. On motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, resolution was adopted authorizing and directing the Executive Officer to give consent of the State Lands Commission to the Director of Finance to execute said easements under the provisions of Section 675 of the Political Code for terms of 12 years at annual rentals of \$104.00.

The Executive Officer presented a letter from the Long Bay Corporation, in which that corporation took exception to the amount of rental or consideration proposed to be assessed against it for occupancy of certain tidelands and submerged lands at Point Mugu, Ventura County, California. After discussion of the objections of the applicant, the Commission directed the Executive Officer to advise the applicant the rental or consideration appeared reasonable to the Commission and the use to which premises would be put by the applicant or income to the applicant could not figure as a decisive factor in determination of the rental or consideration.

A report was made to the Commission by the Executive Officer of the use along the Estuary at Oakland of certain premises claimed by the State by the Southern Pacific Company or Southern Pacific-Golden Gate Ferries and Hogan Lumber Company. The Executive Officer gave the Commission a brief outline of the legislative history of attempts of both the City of Oakland and the named corporations to obtain jurisdiction of these properties, and that the corporations have been and are now occupying these properties without the payment of rental or any other consideration to the State. The Executive Officer recommended that an appraisal be sought from the Oakland Real Estate Board of the

values of these properties, and, after consideration by the Commission, that steps be taken to obtain a return upon the properties for the State. Mr. Riley suggested that the Controller's Inheritance Tax Appraiser in the area be consulted independently as to the probable values of the properties. Upon motion of Mr. Patterson, seconded by Mr. Riley, and unanimously carried, resolution was adopted directing the Executive Officer to obtain a survey of these properties and obtain appraisements of these properties by Oakland Real Estate Board, and also obtain an independent appraisement by the Inheritance Tax Appraisers of the State Controller's Office resident in that area.

The Executive Officer handed an inquiry to the Commission from A. O. Kelly, a constituent of Senator Ed Fletcher of San Diego County, to ascertain whether the Commission would consider an application for the privilege of constructing an artificial reef adjacent to a State park in San Diego County. After some discussion, Mr. Patterson made a motion, seconded by Mr. Riley, and unanimously carried, that the Executive Officer be instructed to advise A. O. Kelly that the proposal does not appear to be in the interests of the State, and the reef, if constructed, could constitute an impediment to navigation as well as the normal use of the ocean in that locality.

A report was made by the Executive Officer of the progress made by the Attorney General in litigation instituted by the State of California against the City of Los Angeles through the Department of Water and Power. At the instance of the Executive Officer, Mr. Richards stated that he would be agreeable to attending a conference at a later time with representatives of the Department of Water and Power.

The Commission heard from Eugene Overton, Esq., and V. S. Pallette, in support of claims filed by Messrs. Overton, Lyman and Plumb, upon behalf of Hammill Oil Corporation, Vicarco Oil Corporation and Richrow Oil Corporation, for refunds on account of overpayments made by such claimants to the State. The said claims had received the approval of the Board of Control and both houses of the Legislature but were deleted from the general claims bill by the Governor. At Mr. Patterson's instance, the Chairman of the State Lands Commission was requested to ascertain from the Governor his reason for deleting the claims, and to report back to the Commission at the next meeting.

Upon motion of Mr. Riley, seconded by Mr. Patterson, by resolutions adopted by unanimous vote, the Executive Officer was authorized and directed to perform the acts, and his acts were approved and confirmed as follows:

1. Obtain an appraisement of that school lands in San Luis Obispo County described as Lots 1, 2 and 3 and the SW¹/4 of NE¹/4 of Section 36, T. 29 S., R. 13 E., M. D. M., now being occupied by J. H. Jackson, and to refund to Ernest Vollmer the sum of \$151.00 tendered by him as a first annual rental for the herein described real property.

2. Issuance under Chapter 352, Statutes of 1909, of six rights-of-ways to City of Los Angeles, more particularly described as follows to wit:

That certain piece and parcel of land in the County of San Bernardino, State of California, more particularly described and bounded as follows:

All that portion of Section 36, T. 12 N., R. 4 E., S. B. B. & M., lying within the boundaries of a strip of land 257 feet in width, the southeasterly boundary line of said strip being the northwesterly boundary line of that certain 450 foot strip of land described in permit issued by the State of California to The City of Los Angeles, and recorded in Book 1084, Page 194 of Official Records of San Bernardino County.

Those certain pieces and parcels of land in the County of San Bernardino, State of California, more particularly described and bounded as follows:

All that portion of the $\frac{1}{4}$ of Section 16, T. 12 N., R. 5 E., S. B. B. & M., lying within the boundaries of a strip of land 265 feet in width, the southeasterly boundary line of said strip being the northwesterly boundary line of that certain 450 foot strip of land described in permit issued by the State of California to The City of Los Angeles, and recorded in Book 1087, Page 61 of Official Records of San Bernardino County.

That certain piece and parcel of land in the County of San Bernardino, State of California, more particularly described, and bounded as follows:

All that portion of the $\frac{1}{4}$ of Section 36, T. 14 N., R. 6 E., S. B. B. & M., lying within the boundaries of a strip of land 770 feet in width, the side lines of said strip of land being parallel with and distant, respectively, 97.5 feet southeasterly of, and 677.5 feet northwesterly of, a center line described as follows, to wit:

Beginning at a point in the west line of Section 35, said Township and Range, distant thereon North $1^{\circ} 38' 02''$ East 2516.90 feet from a 2" x 2" stake and a mound of earth set to mark the southwest corner of said Section 35; thence from said point of beginning North $71^{\circ} 24' 05''$ East 7788.67 feet; thence West $520^{\circ} 49' 15''$ East 4014.61 feet to a point in the east line of Section 25, said Township and Range distant thereon North $09^{\circ} 05' 09''$ East 2249.49 feet from a Juniper stake in a mound of rocks set to mark the south-east corner of said Section 25.

That certain piece and parcel of land in the County of San Bernardino, State of California, more particularly described and bounded as follows:

All that portion of the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 16, Township 14 North, Range 7 East, S. B. B. & M., lying northwesterly of that certain 450 foot strip of land, described in permit issued by the State of California to the City of Los Angeles, and recorded in Book 1087, Page 83 of Official Records of San Bernardino County.

That certain piece and parcel of land in the County of San Bernardino, State of California, more particularly described and bounded as follows:

All that portion of the NW $\frac{1}{4}$ of Section 36, Township 15 North, Range 7 East, S. B. B. & M., lying within the boundaries of a strip of land 265 feet in width, the southeasterly boundary line of said strip being the northwesterly boundary line of that certain 485 foot strip of land described in permit issued by the State of California to the City of Los Angeles, and recorded in Book 1080, Page 351 of Official Records of San Bernardino County.

That certain piece and parcel of land in the County of San Bernardino, State of California, more particularly described and bounded as follows:

All that portion of Section 16, Township 17 North, Range 14 East, S. B. B. & M., lying within the boundaries of a strip of land 325 feet in width, the northwesterly boundary line of said strip being the southeasterly boundary line of that certain 450 foot strip of land described in permit issued by the State of California to the City of Los Angeles, and recorded in Book 1084, Page 193 of Official Records of San Bernardino County; the southeasterly boundary line of said 325 foot strip to be prolonged so as to terminate in the west boundary line of said Section 16.

3. Issuance of an easement to the City of Los Angeles through the Department of Water and Power over the E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Section 16, T. 8 N., R. 1 W., S. B. M., more particularly described in application, of City of Los Angeles now on file with the Division of State Lands, for the sum of \$50.00.

4. Issuance of refund Certificate No. 279 to State Controller authorizing payment to Maude E. Molby of the sum of \$200 on account of failure of her Application No. 10252, Los Angeles Land District, to receive approval of Federal Government for lieu lands.

5. Issuance of lease to L. B. Negwer of 40 acre tract in Section 36, T. 6 S., R. 5 W., S. B. M., for period of five years, at an annual rental of ten cents per acre, the rental to be payable annually in advance.

6. Intermittent appointment of two consulting geologists and Petroleum engineers from recently established civil service eligible list for work at Santa Barbara Mesa and adjacent tidelands and submerged lands, and Rio Vista Gas Field, at minimum salary rates.

7. The employment of two men from civil service lists for temporary work at Rio Vista.

8. Transfer of the sum of \$70,000 from the State Lands Act Fund to General Fund and State Park Maintenance and Acquisition Fund in percents of 70 and 30, respectively.

9. The application to the Attorney General for an opinion to determine whether the Commission is empowered to extend the term of a State mineral case made pursuant to the provisions of Chapter 303, Statutes of 1921.

10. Cancellation of State Mineral Prospecting Permit No. 390, of H. Earl Wilcox, and Nos. 393 and 395, of John Phillip Zannaras, for failure to perform prospecting work in accordance with the terms of the permit and furnishing reports.

11. Prospecting Permit No. 405 to E. Auclair covering the E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Section 16, T. 3 S., R. 10 E., S. B. M., containing 50 acres, with provision in permit that a lease subsequently issued shall carry a royalty to the State at the rate of 10% at the mine of the gross value of the mineral extracted.

There being no further business to come before the Commission, the meeting was adjourned.