

A meeting of the State Lands Commission was held in Room 302 State Building, Los Angeles, September 24, 1942, at 10 o'clock A. M.

Present

George Killion, Chairman
Ellis E. Patterson, Member

Absent

Harry B. Riley, Member

Minutes of the meetings of the Commission held in Los Angeles on July 18, 1942, in San Francisco, on July 30, 1942, and August 11, 1942, and in Los Angeles on August 14, 1942, were, upon motion of Mr. Patterson, seconded by Mr. Killion, unanimously approved and confirmed as submitted.

The Commission was informed of the findings of Dr. E. K. Soper relative to the oil possibilities of the tidelands in the Newport Beach-Balboa Bay Area.

Upon motion duly made and carried, a resolution was unanimously adopted approving a crude oil purchase contract dated August 1, 1942, between the Standard Oil Company and Centralia Oil Company for oil produced from Agreement for Easement No. 297 at Huntington Beach, with the stipulation that the approval does not waive any provisions of the easement nor prevent the State from exercising its right to take royalty in kind.

Inasmuch as Well "Speik" No. 4 under Agreement for Easement No. 300, Huntington Beach, has been an economic failure for over a year, and, as the proposed perforations would allow production from a portion of the main zone passed by in the original completion of the well, upon motion duly made and carried, a resolution was unanimously adopted approving the proposed intention to alter the casing in the well.

The Commission was informed that the Honolulu Oil Corporation had protested the Commission's action in connection with its notice of intention to cancel State Oil and Gas Lease No. 56 and had stated as grounds for such protest that the Attorney General had not considered all of the facts in the matter at the time his opinion relating thereto was issued. After careful consideration of all facts, upon motion duly made and carried, the following resolution was adopted:

WHEREAS, The entire file of the State Lands Commission had been submitted to the Attorney General at the time his opinion of the subject matter was requested, and

WHEREAS, No new or additional evidence had been presented to the State Lands Commission since that time,

NOW THEREFORE, IT IS RESOLVED That the request of the Honolulu Oil Corporation that the question with respect to the default of that company under State Oil and Gas Lease No. 56 be resubmitted to the Attorney General, is denied.

PRC 63

Pursuant to the request of the Federal Government for permission to construct a sewer over State tidelands in Richardson Bay near Sausalito to serve the barracks near the Marin Ship Plant, the Commission resolved that an easement to accomplish that purpose with the consent of the Commission attached, should be forwarded to the Director of Finance for execution.

After considering the fact that the Attorney General had issued an opinion (NS4490) to the effect that the State had no title to certain lands for which patents had heretofore been issued, the Commission, upon motion duly made and carried, authorized the filing of a disclaimer in the event a quiet title action involving said lands were instituted.

The proposed leasing to the County of Sonoma of 18 acres of filled tidelands at Bodega Bay was deferred pending further consideration.

Upon motion of Mr. Patterson, seconded by Mr. Killion, and unanimously carried, the following resolution was adopted:

WHEREAS, Due to Army restrictions Mr. Stanley S. Anderson is unable to repair and use the pier constructed by him pursuant to Easement No. 23 under Section 675 of the Political Code on the tidelands southeast of Hueneme Lighthouse.

It is resolved that, for the duration of the War, but not to exceed 5 years, the annual rental accruing under the easement shall be reduced to \$36.00 payable at the end of each year, provided that, should Mr. Anderson regain possession of the pier and be able to repair same before the expiration of such period, the rental shall be as specified in the easement; and

It is further resolved that a recommendation be made to the State Board of Control that Mr. Anderson be relieved of \$144.00 of the \$180.00 rental which became payable under the easement May 20, 1942.

The request of Ed. J. Murphy that Clause 9 in the Corte Madera lease covering his ark site be deleted was, upon motion duly made and carried, denied, but authorization to include in the lease a clause giving a preferential right to renewal was granted.

Upon motion duly made and carried, a resolution was unanimously adopted confirming the issuance of a permit (No. 59 P. & C.) to the 20th Century Fox Film Corporation for the use of the SE $\frac{1}{4}$ of Section 16, T. 16 S., R. 20 E., S. B. M., Imperial County, for the period of September 8, 1942, to September 29, 1942, for motion picture location work.

Upon motion duly made and carried, a resolution was unanimously adopted approving the issuance to the Division of Highways, Department of Public Works, of Easement No. 64 (Public Resources Code Series) pursuant to Chapter 672, Statutes of 1931, covering a 200 foot wide strip of land through the NE $\frac{1}{4}$ of Section 27, T. 26 N., R. 16 E., M. D. M., for highway construction and maintenance.

Upon motion duly made and carried, a resolution was unanimously adopted authorizing a settlement with Bressi and Bevanda Constructors, Inc., and A. Teichert and Son, Inc., for the gravel which has heretofore been extracted from Section 16, T. 28 N., R. 17 E., and the NE $\frac{1}{4}$ of Section 27, T. 26 N., R. 16 E., M. D. M., on a basis of not less than three cents per cubic yard.

Upon motion duly made and carried, a resolution was unanimously adopted approving action relative to grazing and Fish Canyon leases as follows:

(a) Cancellation of No. 1016 - Bert Ithurnburn - grazing lease approved June 25, but lessees failed to pay rental within statutory 15 days.

(b) Cancellation of No. 610 - A. A. Pressnall Jr. failed to pay annual rental on Fish Canyon Lot No. 61 within the statutory 15 days.

(c) Issuance of:

	<u>No.</u>	<u>Lessee</u>	<u>Area</u>	<u>Rental</u>	<u>Term</u>	<u>Years</u>
	1036	J. K. Houssels 21 Fremont St. Las Vegas, Nevada	Sec. 16, T. 13 N., R. 15 E., S.F.M., 640 acres	5¢/A/yr		5
(d)	1039	Harry Gant 2214 Marathon St. Los Angeles	SE $\frac{1}{4}$ of NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 36, T. 21 S., R. 42 E., M.D.M., 80 acres	10¢/ A/yr		3
(e)	1040	Bert Ithurnburn 1111 Arnold St. Susanville	Sec. 16, T. 31 N., R. 17 E., M.D.M., 640 acres	5¢/A/yr		5
(f)	1041	Long Valley Cattle Assn. Doyle, Calif.	Lot 2 & SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 6, T. 25 N., R. 17 E., and the following in T. 26 N., R. 16 E., NW $\frac{1}{4}$ of SW $\frac{1}{4}$, S $\frac{1}{2}$ of SW $\frac{1}{4}$ and SE $\frac{1}{4}$ of Sec. 14; E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 15; NW $\frac{1}{4}$, S $\frac{1}{2}$ of NE $\frac{1}{4}$, & SE $\frac{1}{4}$ of Sec. 22, W $\frac{1}{2}$	5¢/"/yr		5

No. Lessee Area Rental Term Years

NE $\frac{1}{4}$, W $\frac{1}{2}$ of SE $\frac{1}{4}$
of Sec. 23; NW $\frac{1}{4}$
& E $\frac{1}{2}$ of SW $\frac{1}{4}$ of
Sec. 24; All of
Sec. 25; All of
Sec. 26; W $\frac{1}{2}$ of
NW $\frac{1}{4}$, NE $\frac{1}{4}$ of NW $\frac{1}{4}$,
NE $\frac{1}{4}$, E $\frac{1}{2}$ of SE $\frac{1}{4}$
of Sec. 35; S $\frac{1}{2}$
of Sec. 36,
3603.02 acres

(g) Issuance of 1042 Leona M. Williams Sec. 36, 8¢/A/yr
P. O. Box 1031 T. 22 N., R. 17 E.,
Reno, Nevada M. D. B. & M.,
701.64 acres

(Note - this applicant offered 5¢/A/yr but Edith
M. Evans, App. 1043, offered 8¢/A/yr so applicant
1042 has first call to meet this rental)

(h)	"	"	1044 L. A. Lindreth	Lot 46 Fish Canyon 735 Winthrop Rd. San Marino	\$30.00	10 yrs.
(i)	"	"	1045 Aletha Rhodes	Lot 62 Fish Canyon McCormick, 638 W. 48th Pl. Los Angeles	\$30.00	10 yrs.
(j)	"	"	1046 Gilbert R. & Ruth A. Frick,	Lot 44 Fish Canyon 3032 E. Flower St. Huntington Park	\$30.00	10 "
(k)	"	"	1047 H. S. Houghton	Rt. 1, Box 317 Sanger	Lots 1, 2, 3, 6, 7, 8, 9 & 16, Sec. 16, T. 13 S., R. 26 E., M.D.M., 322.98 acres	5¢/A/yr 5 "
(l)	"	"	608 Frank E. Smouse	Lot 40 Fish Canyon 7301 So. Hoover Los Angeles	\$30.00	10 yrs.
(m)	"	"	1048 Burrell Reed	Caliente	Sec. 36, T. 29 S., R. 32 E., Sec. 36, T. 29 S., R. 33 E., M. D. M., 1160 acres	5¢/A/yr 5 Yrs.

	<u>No.</u>	<u>Lessee</u>	<u>Area</u>	<u>Rental</u>	<u>Term Years</u>
(n) Issuance of:	1050	Harold D. Hyde 256 S. Clark Ave. Beverly Hills	Lot 33A Fish Canyon	\$30/yr	10 yrs.

(o) Assignment of Grazing Lease No. 762 by C. W. Clarke Co. to T. E. Connelly, 461 Market Street, San Francisco.

The Commission, after considering the fact that a check in the sum of \$142.08 received in payment of the second installment of penalties and interest had been returned because of insufficient funds, unanimously resolved that, because of the failure to pay the required amount within the statutory period, the land applied for by Newman Bros. under Location 8415, Los Angeles Land District, was forfeited, and that such forfeiture should be reported to the Recorder of San Bernardino County.

Upon the application of E. B. Bishop, authorization was given to invite bids for a mineral lease for the development of sand and gravel for the property described as follows:

SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 9, T. 26 N., R. 16 E., M.D. B. & M., containing 40 acres
 NE $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 8, T. 26 N., R. 16 E., containing 80 acres
 S $\frac{1}{2}$ of S $\frac{1}{2}$ of NW $\frac{1}{4}$ of Section 22, T. 26 N., R. 16 E., containing 40 acres
 NE $\frac{1}{2}$ of NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 27, T. 26 N., R. 16 E., containing 20 acres,

situate in the County of Lassen, State of California, and instructions given to publish the following notice as required by law:

NOTICE OF INTENTION OF THE STATE LANDS COMMISSION TO RECEIVE
 OFFERS TO ENTER INTO LEASES FOR THE EXTRACTION OF GRAVEL AND/OR SAND
 FROM CERTAIN LANDS OF THE STATE SITUATE IN LASSEN COUNTY
 CALIFORNIA

Notice is hereby given by the State Lands Commission, acting pursuant to Division 6 of the Public Resources Code of Intention to enter into leases for the purpose of extraction of gravel and/or sand upon those certain parcels of real property situate in the County of Lassen, State of California, and more particularly described as follows:

SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 9, T. 26 N., R. 16 E., M.D.B.& M., containing 40 acres
 NE $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 8, T. 26 N., R. 16 E., containing 80 acres
 S $\frac{1}{2}$ S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 22, T. 26 N., R. 16 E., containing 40 acres
 NE $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 27, T. 26 N., R. 16 E., containing 20 acres

Each bid submitted pursuant to this notice may include not more than eighty acres and shall be accompanied by certified or cashier's check of a responsible bank in California, payable to the State of California in the sum of \$200.00 as a deposit of good faith, and except in the case of the successful bidder or bidders

will be returned to the respective bidder. Each bid submitted shall be accompanied by citizenship qualifications or other qualifications required under Division 6 of the Public Resources Code. Should the successful bidder or bidders fail or refuse to execute the lease within fifteen (15) days of the award thereof by the Commission, and fail to file with the Commission a good and sufficient corporate surety bond in the sum of \$1,000.00, the deposit shall be forfeited to the State of California, otherwise the amount of said deposit shall be applied upon the annual rental for the first year and the balance, if any, refunded to the lessee.

All bids made pursuant to this notice shall be addressed to the State Lands Commission, sealed and delivered to the State Lands Commission, Room 302 California State Building, Los Angeles, California, on or before 12 o'clock M., of the 15th day of October, 1942. Upon the sealed envelope containing such bid shall be written "Bid of (name of bidder) made pursuant to notice of intention of the State Lands Commission to enter into lease for extraction of gravel and/or sand from State lands in the County of Lassen, State of California."

Bids received pursuant to this notice will be publicly opened at 10 o'clock A. M., October 16, 1942, in Room 302 California State Building, Los Angeles, California, or at such other place, time and date as the Commission shall determine.

Form of bid entitled "State Mineral Lease No. _____", may be obtained at the office of the Commission, Room 302 California State Building, Los Angeles, California.

The Commission reserves the right to reject any and all bids received pursuant to this notice.

STATE LANDS COMMISSION,

By

J. M. CLIFFORD,
Executive Officer.

On motion duly made and carried, it was resolved that the application of D. F. Lane of Julian, California, to purchase the property described as the S $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Section 16, T. 14 S., R. 5 E., S. B. M., San Diego County, containing 80 acres, for \$1.25 per acre, be denied.

Upon motion duly made and carried, a resolution was unanimously adopted approving the reselection of the NW $\frac{1}{4}$ of Section 34, T. 27 N., R. 17 E., M. D. E. & M., Lassen County, in connection with the exchange program between the Federal Government and the State in the vicinity of the Sierra Ordnance Depot.

Upon motion duly made and carried, it was resolved that a refund of \$200.00 should be made to William D. Webster on account of the relinquishment of State Selection 10284, Los Angeles Land District.

Upon motion duly made and carried, a resolution was unanimously adopted approving the withdrawal of application of C. H. Holbrook, Jr. for a permit to prospect for chrome on the NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 16, T. 25 N., R. 7 W., M. D. M., and the return of \$40.00 deposited.

Upon motion duly made and carried, the Commission confirmed its previous action in authorizing the selection of property as follows:

<u>Section</u>	<u>Subdivision</u>	<u>Area</u>
1	Lots 1, 2, 3, 4, W.80 acres of fr. SE $\frac{1}{4}$, E $\frac{1}{2}$ of SW 160, SE $\frac{1}{4}$ of SW 160	296.92
7	SW $\frac{1}{4}$ of NE $\frac{1}{4}$	40
9	NW $\frac{1}{4}$, W $\frac{1}{2}$ of NE $\frac{1}{4}$, N $\frac{1}{2}$ of SW $\frac{1}{4}$, SW $\frac{1}{4}$ of SW $\frac{1}{4}$	360
10	NE $\frac{1}{4}$, SE $\frac{1}{4}$ of NW $\frac{1}{4}$, E $\frac{1}{2}$ of SW $\frac{1}{4}$	280
11	SW $\frac{1}{4}$	160
12	Lots 1, 2, 3, 4, N $\frac{1}{2}$ W.80 acres of fr. NE $\frac{1}{4}$, E $\frac{1}{2}$ NW 160 acres	193.24
13	Lots 1, 2, W.80 acres of fr. NE $\frac{1}{4}$, E $\frac{1}{2}$ NW 160 acres, SW $\frac{1}{4}$ of NW 160 acres, N $\frac{1}{2}$ SW 160 acres, N $\frac{1}{2}$ W. 80 acres fr. SE $\frac{1}{4}$	368.91
14	Lots 3, 4, 8 and NW 160 acres	371.15
15	W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ of SW $\frac{1}{4}$	120
17	E $\frac{1}{2}$ of SW $\frac{1}{4}$	480
18	Lots 3, 4, E 80 acres of SW $\frac{1}{4}$, SE 160 acres All in T. 26 N., R. 17 E., M. D. B. & M.	321.80
		<u>2,992.02 acres</u>

and issued instructions that steps be taken immediately to effect such exchange.

Upon motion duly made and carried, a resolution was unanimously adopted confirming the substitution of the W $\frac{1}{2}$ and NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 24, T. 33 N., R. 7 W., M. D. M., for the S $\frac{1}{2}$ and NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 24, T. 32 N., R. 6 W., M. D. M., selected by the State under Exchange Application 034260 which was classified as mineral by the Regional Field Examiner of the General Land Office and therefore not available for selection.

The application of Joseph Vitalie of San Francisco to purchase Chain Island which is located at the confluence of the Sacramento and San Joaquin Rivers and contains approximately 50 acres of lands was, upon motion duly made and carried, denied.

It was decided to defer until the next meeting in Sacramento action on the recommendations of Mr. Fred W. Links, Chief of the Division of Budgets & Accounts, relative to the proposed transfer of the Commission accounts to Los Angeles.

Upon motion duly made and carried, a resolution was unanimously adopted approving a sixty day extension from October 5, 1942, in which the Standard Oil Company may do further work relative to determining the basic acreage figures necessary for the setting of the royalty percentages under Agreement for Easement No. 415, Rio Vista.

Upon motion duly made and carried, a resolution was unanimously adopted, rescinding the former action of the Commission whereby the execution of an easement to Wm. Pierce for the construction and maintenance of a bulkhead and wharf at Morro Bay was authorized.

Upon motion duly made and carried, a resolution was adopted consenting to the issuance of a permit authorizing the Navy Department to use for the duration of the War 4/10 of an acre of tide and submerged lands in San Francisco Bay south of the abandoned ferry slips at Sausalito.

Relative to Exchange Application 034260, the Commission was informed that the following lands selected have been classified as mineral and are therefore not available for exchange:

<u>Description</u>	<u>Area</u>
Lot 2, Section 6, T. 33 N., R. 6 W., M. D. M.	40.57 acres
3, " " " "	40.34 "
N $\frac{1}{2}$ of SW $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 6, T. 33 N., R. 6 W., M. D. M.	20.00 "
N $\frac{1}{2}$ of SE $\frac{1}{4}$ of NW $\frac{1}{4}$ " " " "	20.17 "
NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 8, T. 33 N., R. 7 W., M. D. M.	40.00 "
W $\frac{1}{2}$ of W $\frac{1}{2}$ of Section 10	240.00 "
SE $\frac{1}{4}$ of SW $\frac{1}{4}$ and SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 10	
S $\frac{1}{2}$ of SW $\frac{1}{4}$ of Section 12	80.00 "
S $\frac{1}{2}$ of S $\frac{1}{2}$ of Section 22, T. 34 N., R. 6 W., M. D. M.	160.00 "
E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 28	160.00 "
SW $\frac{1}{4}$ of NE $\frac{1}{4}$ " "	
SE $\frac{1}{4}$ of NW $\frac{1}{4}$ " "	
	801.08 "

Upon motion duly made and carried, a resolution was unanimously adopted, approving the withdrawal of the SW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 6, T. 33 N., R. 6 W., containing 40 acres, and the full SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 6, containing 40.34 acres, and the substitution therefor of the following:

<u>Description</u>	<u>Area</u>
SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 24, T. 33 N., R. 7 W., M. D. M.	80.00 acres
SE $\frac{1}{4}$ of SE $\frac{1}{4}$ " " " "	
W $\frac{1}{2}$ of NW $\frac{1}{4}$ of Section 28, T. 34 N., R. 5 W.	80.00 "
SE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 28	40.00 "
All of Section 10, T. 34 N., R. 3 W.	640.00 "
	840.00 "

Due to the apparent inadvertent forfeiture by Emmett W. Knapp and relatives of the lands described as:

<u>Description</u>	<u>Area</u>
E $\frac{1}{2}$ of E $\frac{1}{2}$ of Section 16, T. 12 S., R. 34 E., M. D. M.	160.00 acres
S $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 36, T. 3 S., R. 29 E., "	80.00 "
W $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 36, T. 4 S., R. 29 E., "	80.00 "
SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 14, T. 13 S., R. 35 E., "	40.00 "
N $\frac{1}{2}$ of SE $\frac{1}{4}$ of Section 36, T. 3 S., R. 29 E., "	80.00 "
NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 16, T. 1 N., R. 30 E., "	40.00 "
	<hr/> 480.00 "

the Commission, upon motion duly made and carried, authorized their sale or portions thereof to holders of the certificates of Purchase, upon the following terms:

For the entire group of tracts \$1,860.58 (this amount would have been paid under the provisions of Chapter 372 - 1941 if the original purchases had been completed)

For individual tracts, the appraised valuation as fixed by either the Assessor of Inyo or Mono County or the balance outstanding on the original sales contract whichever is the greater.

Upon motion duly made and carried, a resolution was unanimously adopted authorizing the issuance to the Standard Oil Company of California of an easement for the construction and maintenance of a wharf on Montezuma Slough 2 $\frac{1}{2}$ miles northwest of Collinsville for the period of 12 years at an annual rental of \$144.00, with the provision that a \$1,000.00 bond be submitted to cover the removal of the pier.

Upon motion duly made and carried, a resolution was unanimously adopted approving the execution of a service agreement with the Division of Audits in a sum not to exceed \$250.00, to cover the expense of an accountant to assist in bringing the accounts up to date.

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