

d. All pipe lines on the oceanward side of the highway, and beneath the highway, itself, shall be buried beneath the surface of the ground in a manner which will keep them concealed from view at all times. The pipe lines shall be buried at such depth as to insure adequate protection against any hazards.

e. All pumping or lifting facilities from any producing well or wells shall be housed within a structure which has been designed and constructed in accordance with good architectural and building practice. Notwithstanding whether such structure shall project above the surface of the ground or shall be countersunk below the surface of the ground, such structure shall be architecturally in keeping with the aesthetic and scenic properties of the surrounding area and shall in no event be incompatible therewith. You, as Lessees, shall submit architectural elevations or designs of this housing structure for the approval of the Commission before the construction, thereof, shall commence; and in no event shall such construction commence until the State Lands Commission shall have approved such construction in writing.

f. It is hereby mutually agreed pursuant to the provisions of Section 27 of the awarded Lease that Section 2 on Page 3 of said Lease shall be interpreted to mean that the reasonable market price of the oil at the well as determined by the State shall be the total of the highest price which a major oil company then buying oil of like gravity and quality in substantial quantities at the Rincon Oil Field in Ventura County is offering for oil of like gravity and quality at the well plus any subsidy or extra payment which the Lessees might receive at any future time during the term of said Lease. In all other respects, said Section 2 on Page 3 of Lease No. P.R.C. 144. shall have the same force and effect as to all other provisions, terms, covenants, conditions, agreements and stipulations therein contained.

The award is further subject to the bidder appointing an agent with whom the State shall transact all business matters with respect to said Lease, and upon whom the State shall serve such notices as might become necessary during the term of said Lease.

2. (State Oil and Gas Lease No. P.R.C. 145) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to seek agreement on amendment to the Lease No. P.R.C. 145, awarded on May 5th in Sacramento. This amendment to the lease is to contain the same provisions a to f, which were conditions of the awarding of No. P.R.C. 144.

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