

Agreement No. 392 or State Lease No. P.R.C. 163 shall be considered modified or amended except to the extent that the Lessee under No. P.R.C. 163 shall not be obligated to drill the deep test within their leased premises, and that the Grantee under State Easement No. 392 shall be relieved only for the period of such deep test drilling, of the continuous drilling obligation required under said Easement No. 392.

(b) That the drilling of such deep well on the leased premises described in Easement No. 392 shall not be considered as one of the number of wells required to be drilled under said Easement, regardless of whether said deep test well shall or shall not result in a commercial producer.

4. (Agreement No. 415 - Standard Oil Company) Upon motion duly made and unanimously carried, a resolution was adopted confirming the Executive Officer's approval of the 51st and 52nd Revisions of the State's participating interest in the productive areas of the Rio Vista Field. Under these revisions, the State's participating interest is as follows:

<u>Revision</u>	<u>Effective Date</u>	<u>State's Participation</u>
51st	11-9-44	9.838 %
52nd	12-2-44	9.876 %

This approval is granted subject to any change which might result in necessary adjustments of the basic acreage figures to be agreed upon with respect to the 11th and 12th Revisions, and is further subject to the Standard Oil Company's agreeing to extend, for a period of sixty days after the submission by the Standard Oil Company to the Commission of the revised map of the Rio Vista Field which the Standard Oil Company has agreed to submit, the time within which the State might make formal objection to the 11th to 52nd Revisions, inclusive, of the State's percentage allotment.

5. (Request of A. Russell Galloway, Jr., Sacramento, for State Lands Commission to Institute Quiet Title Proceedings to Chain Island, a Portion of Section 27, T. 3 N., R. 1 E., M.D.M., California) Upon motion duly made and unanimously carried, the Commission declined to grant the request of A. Russell Galloway, Jr., for the institution on the part of the State of quiet title proceedings to Chain Island, being a portion of Section 27, T. 3 N., R. 1 E., M.D.M., California.

The State Lands Commission instructed the Executive Officer to inform Mr. Galloway that they would be willing to receive and consider offers to purchase Chain Island from the State of California, but that any sale would, in accordance with the Statutes, reserve to the State of California all of the minerals, oil or gas contained within the lands.

6. (Hunters' Point Navy Project) Upon motion duly made and unanimously carried, the Commission authorized the Executive Officer to negotiate with Captain Nicolson in an effort to obtain a satisfactory settlement of the problem created by the Navy's requirement that their sub-contractors (Gerwick, Morrison-Knudsen & Twaits) furnish approximately two and one-half million yards of sand for the Hunters' Point Navy project. This sand is to be dredged from certain tide and submerged lands owned by the State of California and under the jurisdiction of the State Lands Commission. The Navy has applied for a permit to remove and redeposit this material which has a value of approximately three cents per cubic yard.

7. (Application for Water Line Permit Across Montezuma Slough - No. P.R.C. 164) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to issue to the Standard Oil Company a fifteen year right of way for a pipe line crossing of Montezuma Slough in Solano County upon the following terms and conditions:

(a) Payment by the Standard Oil Company of California of an annual rental of \$46.70.

(b) Filing with the Commission of a satisfactory faithful performance bond.

8. (Application of City of San Diego for Construction of a Sanitary Collection Sewer on Tidelands - Mission Bay, San Diego County - No. P.R.C. 171) Upon motion duly made and unanimously carried, the Commission authorized the Executive Officer to execute an agreement with the City of San Diego whereunder the City of San Diego will be permitted to construct a sanitary collection sewer line from Mission Bay to their central city disposal system.