

extension of the gas sales contract between the Standard Oil Company and the Pacific Lighting Company dated January 1, 1937 and expiring August 31, 1946, approved heretofore by the State Lands Commission providing for the payment of eight cents per m.c.f. for all gas delivered under the agreement from August 31, 1946 to and including August 31, 1951.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to approve the letter agreement extension of the gas sales contract of January 1, 1937 between the Standard Oil Company of California and the Pacific Lighting Corporation, effective August 31, 1946 and expiring August 31, 1951 for the sale of natural gas from Easement No. 338, subject to the condition that the approval shall not be construed as a waiver on the part of the State of any rule or regulation now or hereafter in effect covering Agreement for Easement No. 338, or any reasonable rule or regulation which may hereafter be promulgated by the Commission with reference to said agreement, or any provision of the above mentioned Agreement for Easement inconsistent with any of the provisions of said contract, and that such approval shall not prevent the State from exercising its right to take, and to take, its royalty in kind after reasonable notice to the lessee.

8. (Advertisement for Bids for Leases for Extraction of Oil and Gas from Tide and Submerged Lands - Goleta Point, Santa Barbara County - W. O. 87) Bids for leases for the extraction of oil and gas from tide and submerged lands near Goleta Point, received pursuant to the publication of notice of intention as authorized by the Commission on January 8, 1947, were presented to the Commission for consideration.

One bid was received for each parcel advertised. Both bids were presented by the Honolulu Oil Corporation, Signal Oil and Gas Company and Macco Corporation as joint bidders, offering a bid factor of 0.925 which would yield a royalty of 25.90 per cent on an average daily production per well of 200 barrels. A full discussion of the bids submitted was held. Mr. A. C. Mattei of Honolulu Oil Corporation and Mr. D. H. Lycan of the Signal Oil and Gas Company representing the bidders were present.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to execute and issue a lease for 1,920 acres of tide and submerged lands near Goleta Point, being Parcel 1 as advertised in the notice of intention authorized by the Commission on January 8, 1947, and a lease of 1,920 acres, being Parcel 2 to the Honolulu Oil Corporation, Signal Oil and Gas Company and Macco Corporation, joint tenants, for a term of twenty years in accordance with the bids as submitted.

9. (Application for Lease of Tide and Submerged Lands - Point Orient - San Francisco Bay - Standard Oil Company of California - W. O. No. 38) The Commission was informed that an application had been received from the Standard Oil Company of California for a lease of an area of tide and submerged lands at Point Orient, southerly of Point San Pablo in San Francisco Bay, for

the maintenance and operation of a wharf and salt water intake line.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to execute and issue a lease for 11.567 acres of tide and submerged lands at Point Orient, San Francisco Bay to the Standard Oil Company of California for the maintenance and operation of a wharf and salt water intake line for a term of fifteen years at an annual rental of \$267.17, subject to the condition that the lessee post a surety bond in the amount of \$2,000. to guarantee removal of any structures on the demised premises at the termination of the lease. The lessee is to have the option of renewal for an additional period of ten years at such reasonable terms and conditions as may be determined by the Commission at the time of renewal.

10. (Application for Permit to Conduct Submarine Geophysical Exploration - Orange County - Honolulu Oil Corporation - W. O. No. 89) The Commission was informed that permission had been granted to the Honolulu Oil Corporation, subject to confirmation by the Commission, for the conduct of submarine geophysical operations on tide and submerged lands of the State between Huntington Beach and Newport Beach, Orange County.

Upon motion duly made and unanimously carried, a resolution was adopted confirming the issuance of the permit to the Honolulu Oil Corporation for the conduct of submarine geophysical exploration on tide and submerged lands in Orange County between Huntington Beach and Newport Beach, excepting those areas currently leased under State Oil and Gas Lease No. P.R.C. 91 and State Agreement for Easement No. 392, for a period of six months beginning March 1, 1947 for the consideration of the statutory \$5.00 filing fee deposited.

11. (Application for Lease of Tide and Submerged Lands - Ozol, Contra Costa County - Ozol Land and Wharf Company - W. O. 12) The Commission was informed that an application had been received from the Ozol Land and Wharf Company for a lease of tide and submerged lands at Ozol near Martinez, Contra Costa County for the maintenance and operation of a wharf originally constructed and maintained under a franchise from the County of Contra Costa.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to execute and issue a lease for 5.326 acres of tide and submerged lands at Ozol, Contra Costa County, to the Ozol Land and Wharf Company for the operation and maintenance of the existing wharf for a term of fifteen years at an annual rental of \$439.41, subject to the condition that the lessee post a surety bond in the amount of \$3,000. to guarantee the removal of any structures on the leased premises at the termination of the lease, but not to guarantee payment of rental. The effective date of the lease is to be October 18, 1940, the date of the expiration of the franchise from the County of Contra Costa and the lessee is to pay the first and last years' rental together with any accrued rentals, upon execution of the lease. The lessee is to have the option of renewal for an additional period of ten years at such reasonable terms and conditions as may be determined by the Commission at the time of renewal.