

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to approve the letter extension to the natural gas sales contract between the Signal Oil and Gas Company and the Pacific Lighting Corporation covering the sale of natural gas from Agreement for Easement No. 392, effective November 1, 1946; for a period of three years, at a price of eleven cents per m.c.f., subject to the condition that the approval is to state that it shall not be construed as a waiver on the part of the State of any rule or regulation now or hereafter in effect governing State Agreement for Easement No. 392, or any provision of the Agreement inconsistent with any of the provisions of the sales 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.

5. (Application of Palos Verdes Corporation - Tide and Submerged Lands - Portuguese Bend, Los Angeles County - W.O. No. 11) The Commission was informed that pursuant to the authorization granted on March 24, 1947, the area proposed to be occupied by a pier to be constructed by the Palos Verdes Corporation at Portuguese Bend, Los Angeles County, has been appraised at \$2,400.00 which would result in an average annual rental of \$158.40, in accordance with the established policy of the Commission for rental of tide and submerged lands for commercial and industrial purposes.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to execute and issue to the Palos Verdes Corporation, a lease of 0.55 acres of tide and submerged lands at Portuguese Bend, Los Angeles County, for a term of fifteen years at an annual rental of \$158.40. The lessee is to pay the first and last years' rental upon execution of the lease, and file with the State a bond in the amount of \$2,000.00 to guarantee performance under the lease, including removal of any structures, and is to have an option for renewal of the lease for an additional period of ten years at such terms and conditions as may be determined by the State at the time of renewal.