

15. (APPLICATION OF THE CITY OF CORONADO TO FILL TIDE AND SUBMERGED LANDS IN SAN DIEGO BAY, SAN DIEGO COUNTY - W.O. 2045.) The following report was presented to the Commission:

"The City of Coronado through the City Manager and the City Attorney, and as a result of conferences with the Attorney General's Office and the staff of the State Lands Commission, has been authorized by the City Council to enter into an agreement with the State with respect to dredging and filling a portion of San Diego Bay adjacent to Coronado. Through this agreement the City of Coronado has made application to the Commission to fill approximately 65 acres of tide and submerged lands.

"The problem started by a request by Coronado to the U. S. Corps of Engineers for a realignment of the harbor lines in San Diego Bay. The State, while having no objection to the realignment of the harbor lines, did question the position taken by the City of Coronado that the realignment of the harbor lines would feed the legislative grant under Chapter 1563 of the Statutes of 1947. The matter was fully discussed with the Office of the Attorney General, who rendered an informal opinion to the effect that even though the harbor lines were changed the portion of San Diego Bay between the new and the old lines did not augment the legislative grant to the City of Coronado. The City of Coronado, through its City Attorney, has not agreed to the opinion of the Attorney General.

"In order to make the recreational development contemplated by the City of Coronado on the tide and submerged lands to be filled, the City of Coronado has now agreed to make application to the State Lands Commission for occupancy of State tide and submerged lands without prejudice to its position that the lands have heretofore been granted by the Legislature to Coronado. It is expected that the disagreement will be resolved either by court action or by further legislation."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ENTER INTO AN AGREEMENT WITH THE CITY OF CORONADO WITH RESPECT TO A CONTROVERSY OVER THE DISPUTED TIDE AND SUBMERGED LANDS IN SAN DIEGO BAY ADJACENT TO THE CITY OF CORONADO, WHEREIN THE CITY OF CORONADO WILL MAKE APPLICATION TO THE STATE FOR A LEASE OF APPROXIMATELY 65 ACRES OF TIDE AND SUBMERGED LANDS TO BE FILLED AT THE EXPENSE OF THE CITY OF CORONADO, WHICH LEASE WILL BE ENTERED INTO WITHOUT PREJUDICE TO THE POSITION OF EITHER THE STATE OR THE CITY OF CORONADO WITH RESPECT TO THE GRANT HERETOFORE MADE BY CHAPTER 1563 OF THE STATUTES OF 1947; AND THE EXECUTIVE OFFICER IS FURTHER AUTHORIZED TO ISSUE THE LEASE WITHOUT PREJUDICE FOR THE DISPUTED LANDS.

16. (REVISION OF PARTICIPATION, COMPENSATORY ROYALTY AGREEMENT P.R.C. 255.1, STANDARD OIL COMPANY OF CALIFORNIA, KIRBY HILL, SOLANO COUNTY, CALIFORNIA.) The following report was presented to the Commission:

"Pursuant to Exhibit 'C', Compensatory Royalty Agreement P.R.C. 255.1, entered into with the Standard Oil Company of California February 9, 1953, the individual well pressure and production allocation factors

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shall be revised annually upon the basis of the shut-in pressures of the individual wells as of March 1 of each year.

"The revision data to be effective March 1, 1955, as presented by the Standard Oil Company of California, have been reviewed by the staff and found to be computed correctly. This revision would result in a State percentage participation in the Kirby Hill gas field production under Compensatory Royalty Agreement P.R.C. 255.1 in the percentage of 5.426, as against 5.219 which was effective from March 1, 1954 to March 1, 1955."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ANNUAL MODIFICATION OF THE STATE PARTICIPATION PERCENTAGE UNDER COMPENSATORY ROYALTY AGREEMENT 255.1, TO BE 5.426 PER CENT FOR THE PERIOD MARCH 1, 1955 TO MARCH 1, 1956.

17. (PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, HUNTINGTON BEACH, ORANGE COUNTY - W.O. 1809.) The following report was presented to the Commission:

"On March 10, 1955 (Minute Item 3, pages 2275-2280) the Commission directed a study by a special Board of Consultants on the bases for lease offer of approximately 2,640 acres of tide and submerged land adjoining the Huntington Beach State Beach Park and the westerly limits of the City of Newport Beach, which had been recommended for lease offer January 21, 1955 (Minute Item 6, pages 2244-2246). The aforesaid recommendation of January 21, 1955 has been reviewed after consideration of the reports submitted June 30, 1955 by Consultants Bennett, Homan and Stanley, with the following conclusions as to the applicability of the Consultants' recommendations to the subject lease offer. (Copies of these reports are attached as Exhibits 'A', 'B' and 'C' respectively.)

"Engineering (E. R. Stanley)

1. While no planning specification has been recommended by Mr. Bennett as to minimum distance for the location of offshore drillsites from the shore, the suggestion has been offered by Mr. Stanley that 'if not inconsistent with the findings of' the 'planning consultant', . . . 'we suggest consideration be given to altering the current "not less than one mile seaward' restriction of the lease form." However, it would appear desirable that the original specification of not less than one mile from shore for the placement of filled land drillsites should be maintained in this instance, in view of the location of the proposed operations in front of the Huntington Beach State Beach Park, and in consideration of no foreseeable construction difficulties.
2. Technical amendment of the definition of an oil and gas zone as specified in Exhibit 'A' of the proposed lease form is recommended by Mr. Stanley and is concurred in by the staff.