MINUTE ITEM

This Calendar Item No. <u>C11</u> was approved as Minute Item No. <u>11</u> by the State Lands Commission by a vote of <u>S</u>_CALENDAR ITEM to <u>0</u> at its <u>6130(11)</u> meeting. C19.

6/77 W 503,729 SCL

RATIFICATION OF ACTION OF ATTORNEY GENERAL IN FILING DISCLAMMER OF RIGHT TO COMPENSATION FOR 1/16 MINERAL INTEREST IN PARCEL 9 OF U.S. W. 429.09 ACRES, ETC., NO. F-729, UNITED STATES DISTRICT COURT (EASTERN DISTRICT OF CALIFORNIA), KINGS COUNTY.

In 1972, the United States filed a condemration action to acquire land for construction of sewage facil ties at Lemoore Naval Air Station. The State of California holds a one-sixteenth mineral interest in a small portion of Parcel 9 of the condemnation action, said interest extending to approximately four and one-half acres.

Based upon a study of the available geological data concerning lands in the vicinity of Barcel 9, the State Lands Division concluded that it could not establish that there was a reasonable possibility that the land in question contained minerals in paying quantities. Development of additional data would involve exploratory drilling on the property at a cost of several hundred thousand dollars. In view of the small amount of State acreage involved and the existing geological data, such an expensive exploratory effort would not be warranted. Based upon these facts, the Office of the Attorney General concluded that the State was not prepared to assert and prove a right to compensation for its one-sixteenth mineral interest.

The above-referenced factual and legal determinations were made in response to a motion for judgment determining compensation and for an order of default made by the federal government, the motion to be heard on June 6, 1977. Because of the shortness of time, a disclaimer of the right to compensation was filed on behalf of the Commission by the Office of the Attorney General on June 6, 1977, after consultation with the staff.

IT IS RECOMMENDED THAT THE COMMISSION:

RATIFY THE ACTION OF THE OFFICE OF THE ATTORNEY GENERAL IN FILING A DISCLAIMER OF THE RIGHT TO COMPENSATION FOR THE STATE OF CALIFORNIA'S 1/16 MINERAL INTEREST IN PARCEL 9 OF U.S. V. 429.09 AGRES OF LAND, ETC., NO. CIVIL F-729, UNITED STATES DISTRICT COURT (EASTERN DISTRICT OF CALIFORNIA), KINGS COUNTY.

EXHLBIT: A. Location Map.

21

S. 18