TRANSCRIPT OF
MEETING
of
STATE LANDS COMMISSION
LOS ANGELES, CALIFORNIA
August 28, 1962

PARTICIPANTS:
The Commission:
Hon. Alan Cranston, Controller, Chairman
Hon. Glenn M. Anderson, Lieutenant Governor
Hon. Hale Champion, Director of Finance

Mr. F. J. Hortig, Executive Officer

Mr. Alan Sieroty, Executive Secretary
to Lieutenant Governor Anderson

Office of the Attorney General:
Mr. Howard S. Goldin, Assistant Attorney General

Appearances:
(In the order of their appearance)

Mr. Harry S. Leasure, Senior Construction Engineer,
Southern California Edison Company

Mr. Forrest E. Macomber, Attorney-at-Law,
representing Teachers Beach Association
(In accordance with Calendar Summary)

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OFFICE OF ADMINISTRATIVE PROCEDURE, STATE OF CALIFORNIA
MR. GRANSTON: The meeting will please come to order. The first item is confirmation of minutes of meetings of June 28 and July 19, 1962. Are there any corrections or omissions? If not, they will stand approved as submitted.

Item 3 -- Permits, easements, and rights-of-way to be granted to public and other agencies at no fee, pursuant to statute: Applicant (a) State of California, Division of Highways -- Right of-way easement, 3.716 acres submerged lands of Sacramento River, Yolo and Sacramento counties, for protection, construction and maintenance of bridge on State Highway Route III-Yol, Sac-6-c, Sac.

Item (b) Los Angeles County Flood Control District -- Life-of-structure permit, 32.30-acre parcel of tide and submerged lands at mouth of San Gabriel River, Orange County, for flood control purposes.

Item (c) Sacramento Municipal Utility District -- Amendment of legal description of life-of-structure permit P.R.C. 2847.9 covering tide and submerged lands of the American River near Carmichael, Sacramento County; occasioned by need to relocate proposed power line to avoid crossing golf course to be built by County of Sacramento.

Item (d) City of San Clemente -- Replacement lease for additional twenty-year period of P.R.C. 53.9, 9.15 acres tide and submerged lands of Pacific Ocean at San Clemente, Orange County, for maintaining and operating municipal pier for public recreational use.
GOV. ANDERSON: I have a question on that. On this kind of a pier permit, what happens when they become broken down and dilapidated? Who is responsible for that and how are we protected on that?

MR. HORTIG: Governor Anderson, the permittee is responsible and there are periodic and regular inspections by the State Lands Commission. Such inspections are conducted by the staff and it is only since there have been pier permits issued by the Lands Commission that there has been a minimum of problem with occupancy of tide and submerged lands with structures that are unsafe for operation. The only remaining structures of which we are aware that are unsafe for operation on tide and submerged lands, which are piers that were constructed forty, fifty years ago -- and I believe there are only two of these now -- are under investigation for replacement or removal. These permits were issued by the County Board of Supervisors and at a time that actually preceded the formation of the State Lands Commission.

GOV. ANDERSON: In other words, when we see these pier posts and these piers that are abandoned, these things were done prior to the formation of the State Lands Commission and there is no way we can clean these up?

MR. HORTIG: Not unless we can find the responsible agency who actually financed the construction in the first instance. Some of these, it develops, were placed by real estate developers in the interest of adjoining; beach lots and
real estate developers of subdivisions, who evaporated entirely in the 1920's and 1930's, leaving these derelict piers on tide and submerged lands.

In the case of an abandoned pier down in Del Mar, which was there prior to the time of the State Lands Commission and which is not there any more, we were able to arrange with the Navy to conduct their demolition team exercises on the tide and submerged lands and we were successful in having it removed from the beach.

GOV. ANDERSON: On anything, we are covered now?

MR. HORTIG: Yes.

MR. CRANSTON: Item (e) Union Oil Company of California -- Permit to dredge 35,000 cubic yards of sand and silt from tide and submerged lands adjoining company's wharf at Oleum, Contra Costa County, to provide draft for vessels docking at the pier.

That concludes Item 3. Motion to approve is in order.

GOV. ANDERSON: Move.

MR. CHAMPION: Second.

MR. CRANSTON: Moved, seconded, and approved unanimously. Item 4 -- Permits, easements, leases, and rights-of-way issued pursuant to statutes and established rental policies of the Commission:

(a) State of California, Department of Parks and Recreation -- 49-year road easement, 0.11 acres school lands,
San Diego County, crossing a right-of-way granted to San Diego and Arizona Eastern Railway Company, total rental $100; to be maintained as a public crossing in Anza-Borrego Desert State Park.

Item (b) Southern California Edison Company -- Two-year lease of 4.7-acre parcel of filled tidelands fronting Steam Station at El Segundo, Los Angeles County; total rental $24,567.84, for expansion of existing generating plant; and permit to place approximately 175,000 cubic yards of dune sand on State tidelands fronting the El Segundo Steam Station.

GOV. ANDERSON: May I ask a question on this? Now, we are permitting them to take the sand dunes and place them on State tidelands. What happens to that sand there? Does that blow up and down the beach there?

MR. HORTIG: The sand is anticipated, in the period of two years after the original placement, Governor, to migrate in the manner in which sand has always migrated along this particular section of Santa Monica Bay -- to go to the communities southerly of the El Segundo Steam Station and probably as far down as Manhattan Beach, to the benefit of the beaches in that area inasmuch as the material to be placed is clean beach dune sand.

GOV. ANDERSON: When you say "migrate in the usual way," do you mean by blowing down there?

MR. HORTIG: It will be carried by the littoral drift of the ocean.
GOV. ANDERSON: In other words, there isn't the danger of that sand blowing down?

MR. HORTIG: No sir, because it will be placed out into and adjacent to the water, and in a manner which the State Water Pollution Board has reviewed, which will assure minimal amount of discoloration of the water while it is being so placed.

In addition, we have a report, which follows the specific item in the agenda, from Herbert A. Howlett, Erosion Engineer with the Department of Water Resources, State of California, indicating that in their opinion this placement will be of benefit to the downcoast beaches as far as recreational utilization.

GOV. ANDERSON: I assume El Segundo has cleared this. What about Manhattan Beach?

MR. HORTIG: No sir.

GOV. ANDERSON: They wouldn't know this was going on?

MR. HORTIG: No sir. On the other hand, to assure against the possibility of any adverse effect, there is complete provision for thirty-day cancellation of the project and necessity for restoration of the beach and removal of the material if any adverse effects should occur. These, of course, are not expected. These would be entirely outside of the normal range; it would be entirely outside of what all our consultants have told us would happen; but, nevertheless, the control is in the State Lands Commission under this permit.
to terminate this if the unforeseen should occur.

GOV. ANDERSON: Would it be out of order to suggest
that Manhattan Beach look at this before it starts? This is
awfully close to their boundary line.

MR. HORTIG: This is correct. I would think that
in general Manhattan Beach is aware of it. They are not aware
of it officially by our Division. However, representatives
of our applicant this morning, the Southern California Edison
Company, who are proposing to conduct this project, are in the
audience and they may have discussed this subject with Man-
hattan Beach. Might I recommend these gentlemen be called
upon for comment on that question?

GOV. ANDERSON: Is the representative of Southern
California Edison here?

MR. LEASURE: Yes.

GOV. ANDERSON: Does the City of Manhattan Beach
know what you are doing here?

MR. LEASURE: To my knowledge they have not been
advised officially -- I don't know personally that they have
been notified officially.

GOV. ANDERSON: I would think, Frank, they should
know about it, even if it is a good idea.

MR. HORTIG: Mr. Chairman, might I suggest as a
matter of procedure, inasmuch as a microphone has been provided
for people responding from the audience, that for future
replies it be indicated that the microphone be used so the
MR. CRANSTON: If there is no further comment on this -- Item (c) Standard Oil Company of California, Western Operations, Inc. -- Geological survey permit, tide and submerged lands in Santa Barbara, San Luis Obispo, Monterey, Santa Cruz, San Mateo, San Francisco, Marin, Sonoma, Mendocino, Humboldt, and Del Norte counties for period August 28, 1962 through February 27, 1963.

Item (d) Teachers Beach Association -- Rejection of application.....

MR. HORTIG: Mr. Chairman, excuse me, but in connection with item (d), Teachers Beach Association, the question having arisen requiring further review as to the application of certain legal principles specifically related to the physical facts as recited in connection with this application, it is recommended that these questions be referred by the staff to the Office of the Attorney General for a review or for a report at the next regular meeting of the Commission.

The attorney for the applicant had indicated the possibility of appearing today to present material and despite the report that this matter would be re-referred to the Attorney General's Office on recommendation of the staff, apparently the gentleman is here.

MR. MACOMBER: Mr. Chairman, my name is Forrest E. Macomber from Stockton and I have come here because this matter was regularly scheduled on the calendar and I'd like to be
heard on this matter as to the facts. Now, if the Commission
desire to refer this matter for legal opinion to their counsel
thereafter, I have no objection to that . . .

MR. CRANSTON: I presume . . .

MR. MACOMBER: At the appropriate time, I'd like
to be heard.

MR. CRANSTON: ... it would be in order that you be
heard now, since it was on the agenda. Is there any objection
to that?

MR. HORTIG: No. I do wish the record to show that
Mr. Macomber was informed that there would be no need for
this presentation today in view of the circumstances and the
staff reaction that the item be withdrawn from the agenda for
re-reference to the Office of the Attorney General; but Mr.
Macomber preferred to appear today to give this presentation
to the Lands Commission.

MR. MACOMBER: Yes. I was called last night and
at that time it was too late for me to cancel all my reserva-
tions. May I proceed?

MR. CRANSTON: Without objection, you may proceed.

MR. MACOMBER: My name is Forrest E. Macomber and
I am a lawyer from Stockton, California. I am a member of the
Board of Governors and Vice President of the State Bar of
California. I am appearing here on behalf of the Teachers
Beach Association; and in order for the Commission to form an
opinion on this matter, I'll have to give a little . . .
I'll make it as short as I can, since I know your calendar is long -- a little history of this matter.

In 1955 -- on October 13, 1955, on behalf of a group of twelve persons from Stockton, I formed a nonprofit corporation called Teachers Beach Association; and on December 14, 1956, I obtained a permit from the Commissioner of Corporations to issue a total of twelve membership certificates to these members of this corporation.

I'll have to go back a little bit and tell you how this situation arose. Doctor Mitchell, of the College of the Pacific, had a home in Inverness, California. As you gentlemen know, that's on Tomales Bay, and he found there was a parcel of land of approximately eleven acres that bordered on Tomales Beach, right next to Shell Beach, the State park there.

MR. HORTIG: Excuse me, Mr. Macomber. The Commissioners have on their agenda a reproduction of that same map, so they can refer to it right on the table.

MR. MACOMBER: Thank you. Doctor Mitchell purchased this property as trustee for the other eleven of us and then we had a surveyor survey the property, and it was divided up into twelve different lots bordering on a road around the circumference of the property; but there was carved out of this property what is called Parcel A, consisting of .2 acres of what we call "common" lands. There is a creek running down into the bay and that land is rather steep, and there are great fern banks on it, and trees, and it is quite a beautiful...
place, and this is a mile and a half north of the town of
Inverness on Tomales Bay and it fronts for a considerable
distance on Tomales Bay.

Now, that Parcel A was deeded to this corporation
and the purpose of this corporation was to hold this common
land, so that it could be used by the owners of these twelve
lots for recreational purposes only -- instead of dividing the
thing into twelve small parcels. It was thought better to
have this one large parcel and have it in common.

Now, there are twelve different persons who own lots
surrounding this common land and there is one house presently
there and two others are about to be built. The owners of
this land are the same owners; with one exception, none of
these lots have been sold since 1955.

Now, what we propose to do is to put a pier -- and
I have the specifications for the pier, the same specifications
that were furnished to the Army Engineers; and that pier would
be concrete piers extending 120 feet into the bay, with wood
railings and wood floor. There is another pier right next to
us, (I have an aerial map here) of about the same length put
up by the person who owns the adjoining parcel of land on the
south. This is the aerial map of the area and this is Teachers
Beach -- this area right in here. (Indicating on map) Right
next to it on the south a man named Heckes, who owned that
land, put up that pier, very similar to the one -- you have
specifications on that particular pier.
Now, we come down to -- I have filed an application under the provisions of Section 6503 for a permit to construct a private recreational pier for the use of a littoral landowner. The littoral landowner in this case is not a private person or an individual, but it is a nonprofit corporation. The attorney for the Commission has said that in his opinion this section applies to "a" -- he emphasizes the word "a" -- littoral landowner; in other words, one individual person, I think he means. I think this is a very strained construction. I think the Legislature intended by the enactment of this section in 1955 to permit just exactly such a use as this.

For example, you have to be realistic about these things, and practical. Supposing that this Commission turns us down and we are not able to build one pier there, 120 feet in length. Tomales Bay is very shallow there. It has to be 120 feet to reach out into any water at all. If we were turned down, there could be no question but what we could subdivide this common land into twelve pieces, little slivers of land running out into the bay, and we could come back to the Commission and say we want twelve permits to build twelve piers at intervals of forty feet or so. The Commission would have nothing to do but to grant this. It would be clearly under the terms of your counsel's construction of this section that such a thin would be all right; and I say that we have to be realistic about these things, and that for this reason, and to
save eleven other piers being built there, I think that the Commission should grant the permit.

Thank you. Any questions, Mr. Chairman?

MR. GOLDIN: Mr. Macomber, my name is Howard Goldin. I am an Assistant Attorney General, and for informational purposes I'd like to ask one question: Under your organizational setup, is it possible for any of the twelve individual lot owners to sell his individual lot and retain his interest in the commonly owned Parcel A?

MR. MACOMBER: It is possible but it requires -- Let me explain it this way: The twelve individuals own individually the fee title to these particular twelve lots -- I'll call them house sites; but the common lands are owned by the corporation and that corporation in turn has issued twelve membership certificates of a value of one dollar each.

In order to transfer your membership certificate, you must obtain at a regular board of directors' meeting of these twelve persons -- you must obtain the consent of the majority of those persons. As a practical matter, it would be impossible to secure the consent of those people if you sold your lot to one person and tried to keep your membership from being transferred because the whole purpose of this thing is to preserve intact and as a beautiful site -- there are few sites like this in California -- a private beach with twelve persons owning it; and the whole purpose of it would be thwarted if they permitted such a thing; but technically, yes.
MR. CHAMPION: What I can't understand -- how can you prevent somebody from holding on to the membership?

MR. MACOMBER: The transfer is under the rule of the majority of the directors; so if they sold the lot, the lot would not permit the person who bought that lot to use the beach facilities at all -- they would be a trespasser, and the lot is useless for recreational purposes if you intend to use the beach; you could not use the beach if you bought the lot.

MR. CHAMPION: But that isn't the question Mr. Goldin asked. He asked if one of them sold a lot, could he still hold his interest in Parcel A.

MR. MACOMBER: Technically, yes; practically, no.

MR. HORTIG: Mr. Chairman, in view of the fact that the problem before the Commission is clearly one of a resolution of interpretation of the statutes and which form of lease offer authorization does apply under the statutes -- either the recreational pier permit which Mr. Macomber is seeking, or the commercial type of lease of tide and submerged lands which the Commission can authorize -- I renew my recommendation that this matter be resubmitted to the Attorney General's Office for report to the Commission.

MR. MACOMBER: I have no objection, Mr. Chairman.

MR. CRANSTON: If there is no objection, that will be the disposition of the matter. When you report back, will you comment on the specific points he made?
MR. GOLDIN: Most certainly.

MR. CRANSTON: Thank you, Mr. Macomber.

Item (e) Texaco Inc. -- Deferment of drilling requirements under Oil and Gas Lease P.R.C. 2206.1, Santa Barbara County, to April 2, 1963, due to limited market outlet for gas currently, and to provide additional time needed to study geological, geophysical, and reservoir engineering information.

That completes the item under Classification 4 and with the action already taken on (d), a motion is in order on the remaining items.

GOV. ANDERSON: So move.

MR. CHAMPION: Second. I'd like to ask a question. Which parcel is that under item (e)?

MR. HORTIG: It's the fifth most easterly parcel from Point Conception, Mr. Champion. It is one of the earlier leases issued. The number of wells that already have been drilled have already been in excess of the minimum required under the lease requirements.

MR. CRANSTON: Approval of these items has been moved and seconded and is unanimously adopted.

MR. HORTIG: I should like the record to reflect that when I said "in excess of the minimum lease requirements" this is not for all time; this is as of the present time of performance.

MR. CRANSTON: Item 5 -- City of Long Beach
approvals required pursuant to Chapter 29/36, First E.S.:

(a) Prior approval for expenditure of $27,737.60 by City of Long Beach from its share of tideland oil revenue for purchase of two four-wheel-drive heavy duty dump trucks for maintenance of beach areas, subject to adjustment if it is later determined that percentage of area allocable to tideland beaches is lesser or greater than 88%.

(b) Approval of requests submitted by Long Beach Board of Harbor Commissioners for locations of injection intervals of Wells FR-106 and FR-107, by Richfield Oil Corporation pursuant to provisions of Fourth Agreement Supplementing Drilling and Operating Contract dated March 12, 1947, Parcel "A". Frank?

MR. HORTIC: Mr. Chairman, with respect to item (b), this is the one contract, by amendment which was desired by the City of Long Beach, which was approved by the State Lands Commission. The other parties to the contract desired that amendment require in the future State Lands Commission approval and not merely staff approval with respect to mechanical and operating features, such as the manner and location of completing these certain injection wells. So this type of proposal is brought to the Commission the minimum number of times. The vast majority of these well approvals are authorised to be and are reviewed and granted by the staff. This is the exceptional case.

MR. CRANSTON: You recommend approval?
MR. HORTIG: We do recommend approval.

MR. CRANSTON: Motion is in order.

GOV. ANDERSON: What limitations are there on how far away from tidelands we go to put these injection wells and still be under our jurisdiction?

MR. HORTIG: Actually, we are not away from tidelands under these proposed wells.

GOV. ANDERSON: I understand these are on tidelands, but can we go out of tideland areas to inject the water? In this whole operation, are we limited to tidelands?

MR. HORTIG: I can foresee reservoir conditions where this might be a desirable technical recommendation, but we have never had that question, therefore we have not explored whether the Commission would have legal authority.

GOV. ANDERSON: That was my question, because in order to protect a particular area we might want to go out in areas outside of our area.

MR. HORTIG: The only way we can accomplish this -- and this is particularly applicable to Long Beach -- we could drill a series of fence wells, or actually construct a tideland fence on the upland boundary, to assure transport of the oil reservoir from the tidelands.

GOV. ANDERSON: If we do that and repressurize and find we still push out beyond our boundary, isn't it conceivable we might want to go outside that fence line you are talking about?
MR. HORTIG: There could be circumstances --

This is not the case in Long Beach, because the programs have been designed not to push out beyond the boundary and have a fence at the boundary today within practical limitations.

GOV. ANDERSON: I'll move.

MR. CHAMPION: Second.

MR. CRANSTON: Approval of items in Item Classification 5 is moved, seconded, and adopted unanimously.

Item 6 -- Land items -- sales, selections, et cetera.

All land-sale items here presented have been reviewed by all State agencies having a land acquisition program and, unless otherwise indicated, no interest has been reported by those agencies in any of the lands proposed for sale.

(a) Sales of vacant Federal lands: (1) Approval of selection of 1,746.70 acres San Bernardino County, and authorization for sale to Riverside Cement Company at appraised price of $120,908.30. Confirmation of 62-day extension granted to applicant within which to deposit additional funds to meet the appraised value.

(b) Selection of vacant Federal lands on behalf of the State -- Applicants do not desire to proceed with acquisition of the lands: (1) Authorization to cancel application of Raymond Joseph Krantz and Leland LeRoy Westphall to purchase 115.80 acres in Kern County and to refund deposits less expenses incurred to date of cancellation; approval of selection of said lands on behalf of State.
(e) Proposed purchase (exchange) of Federal land, Trinity County: (1) Authorization for certification to Governor that it is to advantage of State to exchange with the United States 45.23 acres of school lands in Trinity County for 31.21 acres of Federal lands, and for preparation of appropriate instrument of conveyance for execution by the Governor. Upon acquisition from Federal Government, lands to be offered for sale in accordance with rules and regulations. (Pursuant to application of County of Trinity).

GOV. ANDERSON: I'd like to go back to that first item and ask a question. The sale of this property to the Riverside Cement Company -- Does that include all mineral rights, too?

MR. HORTIG: No sir, it does not include minerals. Minerals are reserved to the State. This is the surface only.

GOV. ANDERSON: In other words, this is not why they are going to be taking this mountain off there?

MR. HORTIG: No sir; unless subsequently there were development of known mineral resources beneath these lands, which then could only be developed pursuant to a prospecting permit or lease issued by the State Lands Commission.

GOV. ANDERSON: In other words, if one of these mountains turned out to be something they want, they would still have to come back?

MR. HORTIG: Definitely leasable only.

MR. CRANSTON: Motion is in order to approve.
MR. CHAMPION: Move.

GOV. ANDERSON: Second.

MR. CRANSTON: Moved, seconded and unanimously approved.

Item 7 -- Index of lands under the jurisdiction of the United States, pursuant to Section 127, Government Code: Authorization for Executive Officer to execute supplementary agreement to Agreement LC-175, dated May 23, 1960, between Remington Rand and State Lands Commission, effective September 1, 1962, to increase rate payable for Records (Project) Supervisor from $48.96 to $54.03 per day, and to increase rate payable to Assistant Records Supervisor from $40.00 to $44.14 per day.

Motion is in order to approve.

MR. CHAMPION: I'll move.

GOV. ANDERSON: I'll second it.

MR. CRANSTON: Moved, seconded and unanimously adopted.

Item 8 - Mineral Extraction Lease Offer, Owens Lake, Inyo County -- Authorization for Executive Officer to offer, pursuant to competitive public bidding, 43.35 acres of land in bed of Owens Lake, at minimum annual rental of $2.50 per acre and at royalty rate on all minerals or mineral products extracted in the sum of fifty cents per ton or two per cent of weighted average sales price per ton F.o.b. the extraction plant, whichever is the greater, on the aggregate on all
minerals and mineral products extracted from the premises and sold. Application of Guy L. Weatherly.

Motion is in order. (motion and second inaudible to reporter). Approval is moved, seconded and made unanimously.

9 -- Termination of Oil and Gas Lease, Santa Barbara County -- Determination that as a result of failure of lessee, B. D. Owens, to perform and observe terms and conditions of oil and gas lease extension and renewal P.R.C. 773.1, no further extension of the lease should be authorized after September 30, 1962. Frank?

MR. HORTIG: September 30, 1962 will be the nominal expiration date, failing the granting of an extension by the State Lands Commission. In view of the fact that the lease has not produced oil and gas since 1950, it is one well leased which remains with us since issuance in 1932 containing only four acres immediately adjoining the shore, it is recommended that in view of the fact that the same general area will probably be included in the recommendation for a parcel to be leased by the Commission in the future inclusive of this same area, that no further renewal and extension of this lease be granted. The lessee was notified that the Commission would consider this action today.

MR. CRANSTON: He apparently has no interest in maintaining it.

MR. HORTIG: We have had no response from him.
MR. SIEROTY: Mr. Chairman, does the lessee have the responsibility to remove the equipment?

MR. HORTIG: The lessee has the responsibility both to plug and abandon the well and remove the surface equipment. The plugging and abandonment are covered by a surety bond filed with the Division of Oil and Gas; the removal of the surface equipment is also covered by a surety bond filed with the State Lands Division.

GOV. ANDERSON: Moved.

MR. CHAMPION: Second.

MR. CRANSTON: Approval is moved, seconded, made unanimously.

Item 10 -- Consent to assignment of an undivided one-half interest ......

MR. HORTIG: Mr. Chairman, the Item 10 you were just starting to read was drafted on assurances by the applicant's attorney that all necessary documentation to qualify the assignees to hold the lease would be in the Lands Division offices prior to Commission meeting. Our latest report is now it appears there will be a two or three week delay. Therefore, it is requested no action be taken at this time.

MR. CRANSTON: With that objection, Item 10 will be put over.

Item 11 -- Approval of location of and authorization for Huntington Harbour Corporation to construct a 52-foot-wide reinforced concrete three-span bridge having a mid-channel
horizontal clearance of fifty feet and a minimum vertical
clearance of sixteen feet about mean lower low water, over the	named arm of Sunset Bay, Orange County, pursuant to provision
of Agreement P.R.C. 2818.1 authorized by the Commission on
November 22, 1961, for exchange of State lands for other lots
owned by Huntington Harbour Corporation.

MR. CHAMPION: Move approval.

GOV. ANDERSON: This is a public bridge, open to the
public?

MR. HORTIG: It will be.

GOV. ANDERSON: This will be owned privately, but
open to the public?

MR. HORTIG: It will be part of the transportation
system into and out of the State highway into the Huntington
Harbour area, which is under development currently at Seal
Beach.

GOV. ANDERSON: Will this bridge be operated by the
Huntington Harbor Corporation?

MR. HORTIG: The Huntington Harbor Corporation will
be responsible for maintenance of the bridge.

MR. SIEROTY: The bridge will remain open to the
public?

MR. HORTIG: That's correct.

MR. CRANSTON: Approval has been moved and seconded
and made unanimously.

Item 12 -- Confirmation of transactions consummated
by Executive Officer pursuant to authority confirmed by the Commission at its meeting on October 5, 1959.

MR. HORTIG: These items consisted of six renewals of extensions of previously authorized exploration permits, Mr. Chairman.

MR. CRANSTON: No action is necessary.

GOV. ANDERSON: Moved.

MR. CHAMPION: Seconded.

MR. CRANSTON: Moved, seconded, approved unanimously.

Item 13 -- Informative only. No Commission action required.

MR. HORTIG: That is the report on the status of Commission litigation. The agenda indicates no changes in the status. A matter of particular interest to the Commission at this time is that the first week in October is bearing down on us, at which time there will be the first action in Court on the case U. S. versus Anchor Oil, relating to the United States Government's contentions as to the responsibility for subsidence damage to Federal installations in the Long Beach Harbor area. The Assistant Attorney General who is going to carry the battle for us is sitting at the table, if you feel there is anything at this time he can add to the report.

MR. CHAMPION: We don't want to distract him.

Mr. CRANSTON: Is that all we have on the calendar? Then we come to the supplemental calendar. Is 23 the only one?

MR. HORTIG: Yes.
MR. CRANSTON: We have Supplemental Calendar Item No. 23, which is acceptance of bid and award of oil and gas lease, tide and submerged lands, Santa Barbara County -- W. O. 4480, Parcel 8A, P.R.C. 2920.1. Frank?

MR. HOSTIG: As the Commission will recall, on August 9, 1962 four bids were received in response to authorized published notice of intention of the Commission to enter into a lease for the extraction of oil and gas from the designated 4,250.14-acre parcel of tide and submerged lands in Santa Barbara County.

All bids submitted were reviewed by the staff as to technical sufficiency and economic factors; and the Office of the Attorney General reviewed the highest bid, that submitted by Standard Oil Company of California and Shell Oil Company in a joint bid, and determined:

(a) That the Commission has complied with the procedural requirements of the law; and

(b) That the bid submitted conforms with the bid requirements specified in the proposal of the Commission and the applicable provisions of law and rules and regulations of the Commission.

Therefore, it is recommended that, in accordance with the provisions of Division 6 of the Public Resources Code, the Commission accept the highest qualified bid made by the Shell Oil Company and Standard Oil Company of California on August 9, 1962, and authorize the Executive Officer to issue an oil and...
gas lease to the said joint bidders for the 4,250.14-acre
parcel of tide and submerged lands designated as W. O. 4480,
Parcel 8A, P.R.C. 2920.1 in Santa Barbara County, as detailed
in the published notice of intention published July 20 and
July 25, 1962. The cash bonus payment in consideration of
issuance of the lease is to be $14,080,713.82, as offered in
the bid.

MR. CRANSTON: Motion is in order to approve the
acceptance of the bid in accordance with the staff recommen-
dation.

GOV. ANDERSON: Move.

MR. CHAMPION: Second.

MR. CRANSTON: Moved, seconded, approved unanimously.

I would like to ask about one other matter; that is,
the State lands management program, which is presently being
held up due to Senate action requesting that we hold it up.
As I understand it, I don't think this has been referred to
any committee and I think we should discuss what we can do to
speed up this matter. Frank, what is the current status?

MR. HORTIG: The current status is exactly as you
outlined it, Mr. Chairman. Might I suggest, in keeping with
the proprieties in view of the reference of the resolution
requesting inaction by the State Lands Commission, that the
Commission might direct that I forthwith level it at the re-
quest of the Lands Commission -- that which I have done pre-
viously at my own level -- and ask the Senate committee to
expedite this matter.

MR. CHAMPION: I am concerned. I think we ought to show a Senate resolution all due respect. However, it seems to me we ought to explore with the Senate Rules Committee, or whatever committee possible, the proceeding giving them an opportunity to review this and if they want to enact laws and change this we will be glad to cooperate then; but we should not delay this until another legislative session. There is money involved, there is time involved, and there are also land management matters that ought to be gone into immediately; and I think we ought to call this to their attention and try to work out an agreement to proceed without waiting for a lengthy study by the Senate committee.

MR. HORTIG: The distinction I was making in my suggestion, Mr. Chairman, which was in accordance with what you suggested, was that I might be able to report that the State Lands Commission as a commission has directed that I seek to have them expedite this matter -- that I, not only as the Executive Officer, request it.

MR. CHAMPION: Beyond that, we want to proceed now before study; not at the expiration of the study, but we would like to proceed. We would be very happy to cooperate with them on their study, but we have responsibilities here which we cannot meet.

MR. HORTIG: We will certainly report this to both the Rules Committee and the subject committee to whomever this
may be assigned.

MR. CRANSTON: Is there any necessity of our taking action on this in the north rather than south, if we choose to proceed? The next meeting is scheduled for Los Angeles and it seems to me we might consider placing this on the agenda for the next meeting of the Lands Commission and advise those interested in the Senate that unless our position is changed by communication and consultation with them that we propose to proceed with this at the next meeting of the Lands Commission; but make plain to them that any action we will take we will not consider final; if they wish to consider the matter and make suggestions for changes in our policy, we will give their recommendations all consideration.

MR. HORTIG: The combination of both suggestions is ....

GOV. ANDERSON: What is their attitude to suggestions made in your own capacity?

MR. HORTIG: It will be referred to a committee.

GOV. ANDERSON: When?

MR. HORTIG: No. There are still other resolutions adopted at the special session as well as the budget session that have not been assigned to the Rules Committee for study and, actually, this resolution was adopted on the last day of the special session; therefore, in line of assignment it is pretty well down on the totem pole.

MR. CRANSTON: Will you proceed as indicated?
will be in consultation with you on the matter.

Let's proceed at the present time to the next item on the agenda, which is the next meeting?

MR. HORTIG: Yes, sir.

MR. CRANSTON: Is there anything else to come before the Commission at this time?

MR. HORTIG: Nothing, other than the confirmation of the next meeting of the Commission.

MR. CRANSTON: Confirmation of date, time, and place of next Commission meeting -- now scheduled for Thursday, September 27, 1962, at 10 a.m. in Los Angeles.

MR. HORTIG: In view of the fact that this was the originally designated date before the prior meetings were re-organized by the Commission, the question is whether the Commission would prefer to hold a meeting again in Sacramento.

MR. CRANSTON: On that day?

MR. HORTIG: On that same date.

GOV. ANDERSON: They sent this to our office. We've got this scheduled in accordance with your suggestion.

MR. CRANSTON: It's scheduled that way presently.

You better leave it that way.

MR. HORTIG: Meetings were alternated, as you gentlemen know, between Los Angeles and Sacramento; and under the normal situation it would have again been time to meet in Los Angeles, except you have interposed two other Los Angeles meetings.
MR. CHAMPION: I think everybody here is scheduled on this date for Los Angeles.

MR. CRANSTON: The meeting will then be scheduled September 27th, here, at ten o'clock.

If there is no other business before us, we now stand adjourned.

ADJOURNED 10:50 a.m.
CERTIFICATE OF REPORTER

I, LOUISE H. LILLICO, reporter for the Office of Administrative Procedure, hereby certify that the foregoing twenty-nine pages contain a full, true, and correct transcript of the shorthand notes taken by me in the meeting of the STATE LANDS COMMISSION held in Los Angeles, California, on August 28, 1962.

DATED: Los Angeles, California, August 29, 1962.

[Signature]

OFFICE OF ADMINISTRATIVE PROCEDURE, STATE OF CALIFORNIA