MEMBERS PRESENT

Leo T. McCarthy, Lieutenant Governor, Chairman

aFenus Stancell, representing Jesse R. Hoff, Direct or Finance, Commissioner

Jim Tucker, representing Gray Davis, State Controller, Commissioner

Staff Participating

Claire Dedrick, Executive Officer
James F. Trout, Assistant Executive Officer
Robert Hight, Chief Counsel
N. Gregory Taylor, Deputy Attorney General
Lance Kiley
Wilbur Thompson
Gail Moore, Executive Secretary II
Lisa Lynn, Executive Secretary I
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PETERS SHORTHAND REPORTING CORPORATION
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CHAIRMAN MC CARTHY: I'm pleased to have Commissioner Tucker sitting in for Commissioner Davis on my left, and Commissioner Stancell sitting in for Commissioner Huff on my right.

The minutes of the last meeting, motion that they be approved as read. Unanimous.

Consent calendar. We're pulling off 2-U, 3, 4, 5, 6, 9, and 16.

EXECUTIVE OFFICER DEDRICK: Excuse me, Mr. Chairman, not five. It's 4, 6, and 9.

CHAIRMAN MC CARTHY: Did I say 5?

EXECUTIVE OFFICER DEDRICK: Yes.

CHAIRMAN MC CARTHY: 4, 6, 9, and 16. Thank you.

EXECUTIVE OFFICER DEDRICK: You're very welcome.

CHAIRMAN MC CARTHY: 17 is off. We're on the regular calendar. 18.

EXECUTIVE OFFICER DEDRICK: 18, the Enderle Group. This is an approval of an additional one-year salvage permit to those people to hunt for the second silver at Owens Lake.

CHAIRMAN MC CARTHY: Any questions? All right. Unanimously approved as requested. 20.

EXECUTIVE OFFICER DEDRICK: Item 20, Chevron,
Exxon, and Arco are asking for a deferment of drilling on leases in Santa Barbara County for a period of two years. Staff recommends in the affirmative.

CHAIRMAN MC CARTH: Any questions?

Audience? Commissioners?

COMMISSIONER STANCELL: None.

CHAIRMAN MC CARTH: The request is unanimously granted.

EXECUTIVE OFFICER DEDRICK: 21, this is an assignment of a geothermal lease in Imperial County from Union Oil Company to Freepcraft-McMoran and Santa Fe Pacific.

CHAIRMAN MC CARTH: Any questions? Audience?

Commission members?

All right. Unanimously granted.

EXECUTIVE OFFICER DEDRICK: 22, Golden West Refining Company is the high bidder on a royalty oil sale contract in Huntington Beach Field. The bid is .7591.

CHAIRMAN MC CARTH: Questions by Commissioners?

Audience? That's unanimously granted.

EXECUTIVE OFFICER DEDRICK: Casex Company.

This is approval if a letter amendment to the gas purchase agreement allowing them to sell the royalty gas to
CHAIRMAN MC CARthy: Questions from the Commissioners? Audience?

Authorization granted unanimously.

EXECUTIVE OFFICER DEDRICK: 24 and 25 are both Sachse Engineering. 24 is a geophysical survey permit below two kilojoules and in compliance with the Commission's regulations. 25 is a geological survey permit. Neither item is controversial.

CHAIRMAN MC CARthy: Any questions from the members of the Commission? From the audience? All right. Motion by Commissioner Stancell on 24 and 25 that the recommendation be accepted. Second. Unanimous.

EXECUTIVE OFFICER DEDRICK: Ralph Fuchslin, a dredging permit for 3,000 cubic yards in Lake Tahoe. And it complies with all the normal -- all the regulations.

CHAIRMAN MC CARthy: Questions from the Commissioners? The audience?

The recommendation is unanimously approved.

EXECUTIVE OFFICER DEDRICK: 28, the City of Long Beach. This is the approval of the 1989-90 plan and budget for the city. The Director of the Division of Oil
Properties, Xan Collassus, from the city is here to make sure that this gets carried out.

CHAIRMAN MC CARTHY: Questions from the Commissioners? From the audience? All right. Approved as requested.

29.

EXECUTIVE OFFICER DEDRICK: 29 is the status report on the first nine months of operation of the 88-89 plan.

CHAIRMAN MC CARTHY: Questions from the Commissioners? Questions from the audience on 29? Accepted. 30.

EXECUTIVE OFFICER DEDRICK: 30 is again the City of Long Beach, the fourth modification of the 88-89 plan. Staff recommends approval.

CHAIRMAN MC CARTHY: Questions by the Commissioners? By the audience?

Approval is unanimously granted.

32.

EXECUTIVE OFFICER DEDRICK: The next three items are legal. Mr. Hight will present them.

MR. HIGHT: Mr. Chairman, 32 is the cession of concurrent criminal jurisdiction over Devil's Postpile National Monument. We've held hearings. The county and the Federal Government is in support of this action.
CHAIRMAN MC CARTHY: Questions from the Commissioners? From the audience?

You're addressing just this one item, 32?

MR. HIGHT: 32.

CHAIRMAN MC CARTHY: 32. Unanimously approved.

33.

MR. HIGHT: 33 is the approval of a land exchange between the City and an individual in the City of San Mateo. The Commission is receiving fair value in exchange for the land.

CHAIRMAN MC CARTHY: Any questions by the Commissioners?

From the audience on 33? All right. Approved as requested. 34.

MR. HIGHT: 34 is the annexation to the City of Stockton of an area owned by Basell Land Company. And the Commission's role in this action is to approve the boundaries and legal sufficiency and also to approve the annexation as -- for Commission's ownership. We recommend approval.

CHAIRMAN MC CARTHY: Questions from the Commissioners on Item 34? From the audience? All right. Approved as requested unanimously.

EXECUTIVE OFFICER DEDRICK: That's it.

CHAIRMAN MC CARTHY: Thank you all very much,
ladies and gentlemen.

EXECUTIVE OFFICER DEDRICK: Thank you, Commissioners.

(Thereupon the meeting was adjourned at 3:34 p.m.)

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CERTIFICATE OF SHORTHAND REPORTER

I, Nadine J. Parks, a shorthand reporter of the State of California, hereby certify that I reported the meeting of the State Lands Commission in shorthand writing and thereafter transcribed my shorthand writing into typewriting.

I further certify that I am a disinterested person herein and am not of attorney or counsel for any of the parties to said meeting, nor interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of March, 1989.

[Nadine J. Parks]
Shorthand Reporter