

A meeting of the State Lands Commission was held in the office of the Lieutenant Governor, State Building, Los Angeles, at 10:30 a.m., August 7, 1939.

Present were:

Ellis E. Patterson, Member
Harry B. Riley, " "

Absent was:

Phil S. Gibson, Chairman

The Executive Officer submitted for confirmation minutes of the meetings of the State Lands Commission for February 10, March 9, May 3 and May 16, for 1939.

Upon motion of Mr. Patterson, seconded by Mr. Riley, the minutes of the said meetings were confirmed and approved as submitted.

The Executive Officer reported to the Commission as follows:

1. Upon negotiations being conducted for execution of compensatory agreement to compensate the State on account of gas being extracted by various operators in the Rio Vista Field.

2. That at an earlier meeting a recommendation was made that the State Lands Commission authorize the execution of compensatory agreement to compensate the State on account of gas being removed by the Standard Oil Company at McDonald Island. The compensatory agreement was recommended to cover this property for the reason that the interest of the State in relation to the interest of other landowners in same field is negligible.

3. That the engineers of the Division of Lands would have ready for consideration of the Commission at the September meeting locations for oil and gas wells at Huntington Beach to offer to the highest bidders.

4. That an endeavor is being made to determine whether the State lands within the exterior boundaries of and in the vicinity of State Oil and Gas Lease No. 90 operated by Honolulu Oil Corporation is being drained of gas by an adjacent upland well.

5. That our engineers have determined that cable from the mainland to the gambling ship "Rex" does not pass over ungranted tidelands and submerged lands, and, in consequence, the State is not interested in any trespass that may have occurred on account of the maintenance of such cable.

6. That the application on file of the Termo Company for consent to redrill its No. 4 well described in Agreement for Easement No. 272, Huntington Beach, be deferred until it is determined whether adjacent well of the Petroleum Company is to be abandoned or again placed on production.

7. That the request to offer Section 36, T. 31 S., R. 21 E., M.D.M., San Luis Obispo County, for the extraction of oil and gas to the highest bidder be deferred since it does not appear that this section of State land is now being drained or is likely to be drained.

8. That applications have been received from a number of operators at Huntington Beach to allow them some means of credit for the periods their wells are closed in observance of voluntary curtailment. The form of the Agreement used there in 1933 permits a credit only when curtailment is conducted pursuant to a conservation law of the State or Federal Government or shut down because of mechanical difficulty. Due to the imminence of the effectiveness of the State Oil and Gas Conservation Act, it is recommended that no action be taken upon this, at least until this act has become effective on September 19, 1939, or the People have declined to approve it.

9. That in an effort to determine the line of ordinary high water mark adjacent to property of the late Will Rogers at Santa Monica, arrangements have been made for representatives of the Estate of Will Rogers, deceased, to present their maps and other information, to our Consulting Sea Coast Engineer, who will make a report to the State Lands Commission of his findings.

The foregoing report of the Executive Officer was approved and ordered filed.

Upon motion of Mr. Riley, seconded by Mr. Patterson, by resolution adopted by unanimous vote, the Executive Officer was authorized and directed to perform the acts, and his acts were approved and confirmed, as follows:

1. Substitution of operators in Agreement for Easement Nos. 308 and 327, Huntington Beach.

2. Plans to construct two groins at Sandyland under Application No. 49 of George W. Clyde, et al. and approval of plans for the construction of groins at Sandyland, Santa Barbara County, under Application No. 51 of C.K.G. Billings.

3. Issuance of Certificate of Purchase Nos. 11113, 11114, in the names of A. W. Tindall and Mrs. Della S. Lindley, for 1.96 and 86.60 acres of lieu land, respectively.

4. Refund indemnity certificate No. 277 for refund to Gus F. Eilers of \$400.00.

5. Relaxation in demand upon lessee of State Mineral Lease No. 266.

6. Withdrawal of applications of State to the Federal Government whereby certain Federal lands would have been acquired for sale to Robert Hays, and to Messrs. Lawson and Engels, and authorized the refund of any moneys held by the State which may be lawfully refunded to the respective parties. The action was taken because of the lack of State authority to transfer lands of the State to the Federal Government which would constitute the basis for selection of the lands for the applicants.

7. Investigation be conducted to determine the reason for refusal of J. H. Jackson to vacate certain State lands in San Luis Obispo County, for which application has been made to lease by J. H. Jackson and Ernest Vollmer, the latter of San Luis Obispo.

8. Execution of certificates to the Governor requesting him to execute three patents, as follows:

18031 in the name of F. H. Davis
406 " " " " R. S. Rodman
407 " " " " Yolo Water and Power Company

9. Issuance of certificate of purchase and patent to the Metropolitan Water District under Chapter 507, Statutes of 1933, of 960.91 acres in Riverside County at the statutory rate of \$1.00 per acre.

10. Cancellation of lessees in Fish Canyon, who are delinquent in rental for a period of six months or more.

11. Sale of Lots 6 and 7, Block 4, Delhi State Land Settlement, to Wm. J. Henley, et ux., for the sum of \$60.00 and directed deed be executed upon behalf of State and delivered to grantee, and refused to grant lease of Block 33, Delhi Townsite, to Roy Dawson, on the ground that he is already indebted to the State.

12. Employment of Florence Freeman, Intermediate Stenographer-Clerk, upon behalf of the State Lands Commission, and her transfer to office of the Lt. Governor, for period of two months commencing at noon July 26, 1939, and empowered the Executive Officer to execute agreement to effect such transfer.

13. With the approval of the Attorney General to accept the sum of \$4,000.00 from the Texas Company or Texas Corporation in settlement of any claim which the State may have against it on account of the Bestmi Corporation having sold oil and gas produced from Bestmi No. 1 well which was found to be trespassing upon lands of the State at Huntington Beach, and further authorized the Executive Officer with the approval of the Attorney General to take further action against the remaining defendants and endeavor to collect the balance due the State.

14. No immediate action be taken to collect delinquent rentals from Natural Soda Products Company, holder of State Mineral Lease No. 605, in the sum of \$1,000.75 Great Western Electro-Chemical Company, State Mineral Lease No. 604, in the sum of \$94.00, J. E. McClellan, State Mineral Lease No. 635, in the sum of \$154.00 and J. E. McClellan, State Mineral Lease No. 661, in the sum of \$18.94.

15. Execute agreement with the Division of Highways for placing of certain tablets between Santa Monica Canyon and the City of Ventura in collaboration with the U.S.C. & G.S. for the sum of \$300.00.

16. Application to the Federal Communications Commission for assignment of an experimental radio frequency for the purpose of radio telephone in triangulation work, at no expense to the State.

17. Apply to the Attorney General for an opinion to determine whether the State Lands Commission has liability for charges authorized by Section 695 of the Political Code.

18. Issuance of leases to Russell R. Travis and Chas. W. Henderson at Vidal Junction, California, for a period of two years at \$5.00 each per year, with the limitation that no spirituous liquors or wines be kept upon the premises or served.

19. Publication of notice for bids to lease certain lands of the State in San Bernardino County described as E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Section 16, T. 3 S., R. 10 E., S.B.M., for production of gold.

20. Assignment of Fish Canyon Lease No. 632 and assignment of State Mineral Prospecting Permit No. 391.

21. Reduction of rental per acre from 10 cents to 5 cents of Section 16, T. 39 N., R. 12 E., Modoc County, California, which had been offered to Victor Christensen, Likely, California.

22. Sign consent to Director of Finance to execute easement to America Mines, Inc., for a period of 12 years, upon annual payments of \$100.00, for the purpose of drilling and maintaining a water well, and producing water therefrom, for domestic and industrial uses of the grantee.

23. Writing off of accounts at Delhi State Land Settlement to the persons and in the amounts, as follows:

R. F. Waters	-	\$1.54
W. B. Powers	-	4.00
Geo. Allard	-	10.00
Lewis Allen	-	18.33

24. Request to Director of Finance to execute easement upon Lot 91-K of Delhi State Land Settlement, to Pacific Telephone and Telegraph Company, for substitution of one location for another location, subject, however, to the requirement that the grantee remove the pole upon demand of the State or its successors.

25. Payment of the sum of \$17.71 to the Sacramento-San Joaquin Drainage District, on account of assessment levied in 1915 against lands acquired by the State now known as Decker or Horse Shoe Island, Solano County, upon condition that it is finally determined that such lands are under the jurisdiction of the State Lands Commission.

26. Transfer of the sum of \$70,000.00 from the State Lands Act Fund to the General Fund and State Park Maintenance and Acquisition Fund in percents of 70 and 30.

27. Employments heretofore made, as follows:

a.	Kathryn Hart, Intermediate Account Clerk	-	\$110
b.	Joseph W. Kean, Jr. Petroleum Engineering Aid	-	\$120
c.	F. F. Davis, " " " "	-	\$120
d.	C. L. Moore, Oil Gauger	-	\$150
e.	W. V. Brady, Associate Civil Engineer	-	\$215

28. Sale of indemnity certificates be discontinued until further order of the Commission, and if legally possible to make demand for all outstanding indemnity certificates and arrange for refunds therefor.

There being no further business to come before the Commission, the meeting was adjourned.