

A meeting of the State Lands Commission was held in the office of the State Lands Commission, Room 302 California State Building, Los Angeles, July 24, 1941, at 10:30 A. M.

Present were:

George Killion, Chairman,
Harry B. Riley, Member
Ellis E. Patterson, Member.

Absent was:

None.

Minutes of the meetings of May 28 and 29 and June 5, 1941, were upon motion of Mr. Riley, seconded by Mr. Patterson, unanimously approved and confirmed as submitted.

Mr. Killion stated that J. M. Clifford had reported for duty on July 10, 1941, and that the Board had taken no action at a formal meeting regarding his appointment. He thereupon moved that J. M. Clifford be confirmed as Executive Officer of the State Lands Commission as of the 10th of July, 1941, and that his salary be fixed at \$480.00 per month. Mr. Riley seconded this motion and it was unanimously carried.

Mr. J. R. Covington appeared before the Commission on behalf of Mr. C. W. Camp protesting the disallowance by the State of his claim for dehydration costs in connection with Agreement for Easement No. 295, Huntington Beach. After discussion by the Commission, it was moved by Mr. Patterson, seconded by Mr. Riley, and unanimously carried, that the claim of Mr. Camp be disallowed.

Dr. Robert Kyle, together with Mr. A. M. Smith and Mr. E. F. Filley, appeared before the Commission in regard to the State Oil and Gas Lease No. 82 issued to the Rincon Oil Company. Mr. Smith as spokesman for the group informed the Commission that the well had been destroyed as a result of a severe storm on January 8, 1940, and that no production has been had and no steps taken to replace the well since that date. He stated, however, it was the position of the interested parties that under the terms of the modification agreement the lease was not subject to cancellation in that the drilling requirements had been met and that the State had accepted the rent for the current year. He further informed the Commission that the lessee was in a position to meet any additional drilling which the State should require.

Mr. Killion moved that the Executive Officer take such steps as may be necessary to cancel the lease because of the failure of the lessee to perform in that said Lessee has failed to exercise reasonable diligence in the operation of its wells. This motion was seconded by Mr. Riley and unanimously carried.

Attorney for Stanley S. Anderson and Margaret J. Anderson, holders of State Easement No. 23 (Section 675 F. C.), appeared before the Commission and requested a reduction in the rental because of the fact that a portion of the pier had been destroyed by a storm in December 1940. Request was denied.

H. J. March, President, Southwest Exploration Company, grantee of Agreement for Easement No. 392, Huntington Beach, appeared before the Commission for the purpose of effecting a settlement in regard to the price upon which Southwest Exploration Company should base its royalty for gas produced under the agreement. A report by Mr. Watson involving the matter was submitted and discussed.

On motion of Mr. Riley, seconded by Mr. Patterson, a resolution was adopted consenting to the acceptance of royalty payments accruing from Agreement for Easement No. 392, Huntington Beach, on the basis of the selling price with a minimum of five cents per m.c.f. for that portion of the gas produced from Agreement for Easement No. 392, Huntington Beach, sold by Southwest Exploration Company. No determination was made in regard to the basis upon which the royalty accruing to the State should be computed on that portion of the gas sold by Standard Oil Company. The Executive Officer was instructed to confer with officials of the Southwest Exploration Company and Pacific Lighting Corporation for the purpose of obtaining if possible a higher price for the State's gas produced from Agreement for Easement No. 392, Huntington Beach, and to report the results of such negotiations at the next meeting. The Commission further instructed the Executive Officer on the basis of additional study, to report at the next meeting concerning the value of gas produced from Agreement for Easement No. 392, Huntington Beach, sold by Standard.

The Commission agreed to defer final action until next meeting in connection with the cancellation of State Mineral Leases Nos. 396 and 397 upon the representation of Mr. McCall that he would pay the delinquent rental and file within two weeks a statement as to a possible market for any ore which may be produced together with a schedule of operations which the lessee would institute.

Thereupon the Commission took a recess until 2 P. M. of the same day.

The meeting which began in the morning was resumed at 2 P. M., all members being present.

Mr. R. F. Wilson appeared before the Commission to discuss his application for an easement to construct a pier at Rameras Canyon. He requested that the easement be granted for a period of twenty years in lieu of the twelve year period heretofore authorized. Mr. Wilson informed the Commission that the pier would cost in excess of \$40,000 and that he was investing in excess of \$200,000 in the entire project. Upon motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, authorization was given to extend the period of the easement to twenty years provided the consideration therefor was increased to \$8,000 payable \$400 per annum in advance.

Upon motion of Mr. Patterson, seconded by Mr. Riley, and un-animously carried, the proposal of Standard Oil Company that it account to the State on the basis of 15% of 100% of the gasoline produced from Agreement for Easement No. 338, Huntington Beach, California, was accepted.

Dr. E. K. Soper, Consultant to the Commission, submitted his report relating to the Rincon Field. Mr. Killion suggested that the staff study this report in connection with the special audit of the State Lands Commission and be prepared to discuss the entire problem at the next meeting of the Commission.

It was further the determination of the Commission, upon motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, that notices of default be given to holders of Leases Nos. 55 and 56, and thereafter if drilling requirements are not complied with, notices of cancellation be given.

Thereupon the Commission took a recess until the following day at 10:00 A. M.

The meeting of July 24 was resumed in the office of the State Lands Commission, Room 302 California State Building, Los Angeles, at 10:00 o'clock A. M., July 25, 1941.

Present were:

George Killion, Chairman,
Harry B. Riley, Member,
Ellis E. Patterson, Member.

Dr. Soper submitted his report on the possibility of obtaining oil and gas from tidelands and submerged lands fronting Seal Beach. After considerable discussion, it was moved by Mr. Patterson, seconded by Mr. Riley, and unanimously carried, that the matter be further investigated before the area was opened for bids. The Commission instructed the Executive Officer to confer with the proper officials of Seal Beach, Long Beach, and the State Park Commission, and to report the results of these conferences at the next meeting of the Commission.

Mr. T. L. Atherton was authorized to continue for a period of sixty days his readings of the tide gauge installed at Goleta and to expend if necessary an additional sum not to exceed \$24 to perfect the gauge.

Mr. J. S. Watson submitted an audit report of the total gas outlet for McDonald Island which indicates that the bulk of the gas produced from the McDonald Field is sold at a price based on fuel oil in accordance with the contract and that the balance or approximately ten percent is sold at $3\frac{1}{2}$ cents per m.c.f. The report further indicates that the cost of an audit to establish the amount the State may recover for the approximate 10% sold at the lower price is not warranted in that, if all the gas were sold at the higher fuel oil base price, the additional amount payable to the State would not exceed \$500. Upon

motion, unanimously carried, the question of whether the necessary auditing is warranted was left to the discretion of the Executive Officer.

A report of Dr. E. K. Soper, Consultant to the Commission, containing a recommendation that the Commission approve and adopt revisions of the State's interests in the Rio Vista Gas Field, was submitted. From this report it appeared that percentages of the State's interest in the field have changed from the inception of the agreement to and including June 21, 1941, as follows:

June 3, 1940 (date of easement)	= 12.62%
September 1, 1940	- 13.816%
October 14, 1940	- 13.790%
April 9, 1941	- 13.333%
May 6, 1941	- 12.737%
May 29, 1941	- 14.218%
June 19, 1941	- 13.780%
June 21, 1941	- 13.742%

Upon motion of Mr. Patterson, seconded by Mr. Riley, the report of Dr. Soper was approved as submitted and report ordered filed.

It was reported to the Commission that some of the operators under the Huntington Beach easements have refused to pay, or have paid under protest, the gas royalty accruing to the State as computed under the rule adopted May 1, 1941. Upon motion of Mr. Patterson, seconded by Mr. Riley, a resolution was unanimously adopted, authorizing the Executive Officer to request the office of the Attorney General to file such suits for the collection of the royalties as in the opinion of the Executive Officer was necessary.

Upon motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, authorization was given to grant a temporary easement to October 1, 1941, to the U. S. Government to use certain submerged lands of the State located at San Diego, California, known as Silver Strand, Coronado Beach.

In the matter of the disabled Ferry Boat "Solano" on the submerged lands adjacent to Antioch, the Commission authorized the execution of a lease or easement to Mr. Cesa provided the superstructure is removed from the boat, the hull painted and proper fire protection installed.

Request of Mr. A. W. Henry, Larkspur, California, that the State take counteraction against the plaintiff in the case involving the arks along the Corte Madera Creek was denied by the Commission. The Commission, however, instructed the Executive Officer to have an inspection made of the area and, if possible, to negotiate proper leases with the owners of those arks which are obviously trespassing on State lands. It was the consensus that the small amount which might accrue to the State would not warrant the expenditure of between two and three thousand dollars for a survey of the neighborhood.

It was moved by Mr. Killion, seconded by Mr. Patterson, and unanimously carried, that the staff of the Commission be provided with identification cards or badges.

A report was made to the Commission that due to the pressure of other work, together with the inability to obtain engineering personnel, the check up survey at Manhattan Beach authorized December 14, 1940, had not been completed. The Commission authorized the expenditure of not to exceed \$200 to proceed with this survey.

Acceptance of \$80 for the annual rental due from E. F. Dunn under State Mineral Lease No. 339 was authorized.

The Commission was informed of the requests of Bert Ithuburn, Grazing Lease No. 775, and J. L. Humphrey, Grazing Lease No. 780, that each be issued a lease for five years instead of three inasmuch as they are apparently unable to receive a Federal permit unless a State lease runs for a period of five years. The requests were refused inasmuch as it was felt that the additional period warranted a higher consideration. Authorization was given to re-advertise for bids on a five year basis.

In the matter of the application for a grazing lease covering Section 16, T. 40 N., R. 12 E., M. D. M., 640 acres, Modoc County, by Jacob F. Derner, and of Claude E. Halsell, for Section 16, T. 12 N., R. 16 E., S. B. M., 640 acres in San Bernardino County, the Commission authorized the issuance of three year leases for consideration of not less than five cents per acre per year.

F. J. Hortig, Petroleum Production Inspector, reported that portions of Section 36, T. 14 N., R. 15 E., S. B. M., San Bernardino County, to which the State of California became entitled on February 15, 1928, and which the State of California subsequently leased to the highest bidders for the extraction of tungsten is now claimed by other persons, and recommended that the State of California, through the Executive Officer of the State Lands Commission, make application to the United States of America for a patent to said section in accordance with the Act of Congress approved June 21, 1934 (Public No. 440-73d Congress), entitled "An Act Authorizing the Secretary of the Interior to issue patents to the numbered school sections in place, granted to the States by the Act approved February 22, 1889, by the Act approved January 25, 1927 (44 Stat. 1026), and by any other Act of Congress".

Upon motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, resolution was adopted authorizing and directing the Executive Officer to make application to the United States of America for a patent to Section 36, T. 14 N., R. 15 E., S. B. M., in accordance with above act, and to do all other things necessary to effectuate acquisition of such patent.

With reference to resolution of the Commission adopted at a meeting held in the State Capitol, Sacramento, May 28, 1941, appearing on page 264 of minutes of the Commission relating to patenting of

Section 16, T. 9 N., R. 14 E., S. B. M., San Bernardino County, to one Harry H. Parsons, Webb Shadle, Attorney for the Division of State Lands, reported to the Commission that upon the investigation and report of Mr. Hortig, the Attorney General has decided to institute an action against the said Harry H. Parsons to recover said lands for the State of California, and that it is necessary according to the Attorney General that notice in writing be given to said Harry H. Parsons containing a demand that he reconvey said lands to the State of California, which notice would be preliminary to institution of action.

Upon motion of Mr. Riley, seconded by Mr. Patterson, and un-animously carried, resolution was adopted authorizing and directing the Executive Officer to sign upon behalf of the State of California notice in form prescribed by the Attorney General to Harry H. Parsons demanding that he reconvey said lands to the State of California, and further, that the Attorney General be requested to institute an action against Harry H. Parsons in the event he should refuse to reconvey the land in order that the State of California may regain title and again be in possession of said lands.

Webb Shadle, Attorney for the Division of State Lands, reported that, as Executive Officer, upon application of A. R. Asbill, and receipt from him of the sum of \$50.00 to defray advertising costs, he caused notice to be given on June 23 and 24, 1941, of the intention of the State Lands Commission to invite bids to extract chromite from lands of the State of California in Tehama County described as follows:

SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 16, T. 25 N., R. 7 W., M. D. M.;

that A. R. Asbill submitted a purported bid which, on examination, did not qualify as a bid under the rules of the Commission and notice inviting bids, and thereupon the then Executive Officer advised A. R. Asbill that he had not submitted a bid which could qualify. Subsequently A. R. Asbill again requested that notice be given and authorized the use of the balance of said sum of \$50.00 to defray advertising costs. In accordance therewith the then Executive Officer caused notice of invitation to bid for leases to extract chromite from the hereinbefore described lands to be run in the Red Bluff News and the Los Angeles News on July 19, 1941, in words and figures as follows, to wit:

NOTICE OF INTENTION OF THE STATE LANDS COMMISSION TO
RECEIVE OFFERS TO ENTER INTO LEASES FOR THE EXTRA-
CTION OF CHROMITE FROM CERTAIN LANDS OF THE STATE
SITUATE IN TEHAMS COUNTY, CALIFORNIA

Notice is hereby given by the State Lands Commission, acting pursuant to the "State Lands Act of 1938" (Chapter 5, Statutes of California, 1938, extra session), of intention to enter into leases for the purpose of extraction of chromite upon those certain parcels of real property situate in the County of Tehama, State of California, and more particularly described as follows, to wit:

SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 16, T. 25 N., R. 7 W., M.D.M.

Each bid submitted pursuant to this notice shall be accompanied by certified or cashier's check of a responsible bank in California payable to the treasurer of the State of California in the sum of \$200.00 as a deposit of good faith, and except in the case of the successful bidder or bidders will be returned to the respective bidder. Should the successful bidder or bidders fail or refuse to execute the lease within fifteen (15) days of the award thereof by the Commission, the deposit shall be forfeited to the State of California, otherwise the amount of said deposit shall be applied upon the annual rental for the first year and the balance, if any, refunded to the Lessee.

All bids made pursuant to this notice shall be addressed to the State Lands Commission, sealed and delivered to the State Lands Commission, Room 302 California State Building, Los Angeles, California, on or before 12 o'clock M of the 24th day of July, 1941. Upon the sealed envelope containing such bid shall be written "Bid of (name of bidder) made pursuant to notice of intention of the State Lands Commission to enter into lease for extraction of chromite from State lands in the County of Tehama, State of California".

Bids received pursuant to this notice will be publicly opened at 2 o'clock P. M., July 24, 1941, in Room 302 California State Building, Los Angeles, California, or at such other place, time and date, as the Commission shall determine.

Form of bid entitled "State Mineral Lease No. ___", may be obtained at the office of the Commission, Room 302 California State Building, Los Angeles, California.

The Commission reserves the right to reject any and all bids received pursuant to this notice.

STATE LANDS COMMISSION
By J. M. Clifford,
Executive Officer.

Upon motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, a resolution was adopted in confirmation of action taken by the Executive Officer, in words and figures, as follows, to wit:

RECITAL:

It appearing that the Executive Officer having proceeded in accordance with the law and the rules and regulations of the State Lands Commission relating to the issuance of leases to extract minerals from the lands of the State to which reference is hereinbefore made, and that said lands are known to contain chromite and were properly classified as containing a commercially valuable mineral deposit,

NOW THEREFORE BE IT RESOLVED That the acts of the Executive Officer heretofore taken to invite bids for the issuance of leases to extract chromite from the hereinbefore described real property of the State by publication of notices in Los Angeles News and Red Bluff News on June 23 and 24 and in the same publications on July 19 are hereby confirmed.

Webb Shadle, Attorney, Division of State Lands, presented one bid for lease to extract chromite from above described lands of the State of California filed pursuant to latter notice to which reference is hereinbefore made, and requested consent of the Commission to publicly open said bid.

Upon motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, a resolution was adopted authorizing and directing Mr. Shadle to open said bid and to read same to the Commission. Thereupon Mr. Shadle opened said bid and reported to the Commission that A. R. Asbill had bid a royalty of five percent upon the hereinbefore described lands.

Resolution was adopted directing the Executive Officer to ascertain from the State Mineralogist whether the bid so offered is a fair and just bid to the State of California and to report to the Commission at the next meeting.

In order that the Department of the Interior may be provided with all instruments preliminary to a State selection, authorization was given the Executive Officer by the Commission to execute a waiver under Section 24 of the Federal Water and Power Act.

Letter from the State Controller dated June 13, 1941, was read, in which he advised that the sum total of \$60,000 should be transferred from the State Lands Act Fund to the General Fund and State Park Maintenance and Acquisition Fund in percents of 70 and 30, respectively.

Upon motion of Mr. Riley, seconded by Mr. Patterson, and unanimously carried, a resolution was adopted directing the transfer from the State Lands Act Fund in accordance with the suggestion of the State Controller.

Report was made to the Commission that a calculator was damaged by one of the employees of the Department of Finance engaged in the audit of the State Lands Commission. The damage amounted to \$30.00. Approval was sought to pay this item, however, upon motion of Mr. Riley, seconded by Mr. Patterson (Mr. Killion not voting) payment of the item was denied.

Action on the application of I. W. Parks to purchase the NW $\frac{1}{4}$ and W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Section 36, T. 35 N., R. 1 W., M.D. M., Shasta County, was deferred until an appraisal could be made and information obtained as to the proposed use of the property.

The Executive Officer reported receipt of an application from the Humphreys Gold Corporation, Sloughouse, California, that the hereinafter described lands of the State of California in Stanislaus County be offered for leases to extract manganese therefrom, and that it appeared from information furnished by the State Mineralogist that all or a portion of said N $\frac{1}{2}$ of S $\frac{1}{2}$ of SW $\frac{1}{4}$ and S $\frac{1}{2}$ of N $\frac{1}{2}$ of SW $\frac{1}{4}$ of Section 36, T. 4 S., R. 5 E., M. D. M., probably contains minerals in commercial quantities.

Upon motion of Mr. Riley, seconded by Mr. Patterson, and un-animously carried, resolution was adopted in words and figures as follows, to wit:

RECITAL:

The State Lands Commission is authorized by the "State Lands Act of 1938" to lease lands belonging to the State which have been classified by the Commission as lands containing commercially valuable mineral deposits to the highest responsible bidder by competitive bidding in areas not exceeding 80 acres and tracts which will not exceed in length two and one-half times the width;

NOW THEREFORE BE IT RESOLVED That it appears to, and is hereby the determination of, the State Lands Commission, that manganese is known to be contained in the hereinafter described lands of the State of California and said lands are hereby classified as containing a commercially valuable mineral deposit;

That it is the determination of the Commission that such action be taken in the manner contemplated and authorized by the "State Lands Act of 1938" to lease the hereinafter described lands of the State of California;

That each bid submitted pursuant to this notice shall be accompanied by a certified or cashier's check of a responsible bank in California payable to the Treasurer of the State of California in the sum of \$200, as a deposit of evidence of good faith, and except in the case of the successful bidder or bidders will be returned to the respective bidders. Should the successful bidder fail or refuse to execute the lease within fifteen days of the award thereof by the Commission, or fail to furnish an approved surety bond, the deposit shall be forfeited to the State of California; otherwise the amount of said deposit shall be applied upon the annual rental for the first year, and the balance, if any, be refunded to the lessee;

That bids received pursuant to this notice will be publicly opened, at 10o'clock A. M., August 28, 1941, at Room 302 California State Building, Los Angeles, or at such later time, date and place as the Commission shall determine;

That a form of lease prepared by the Commission entitled "State Mineral Lease No. _____", contains a provision among others, as follows:

"(b) To commence within sixty days and perform with reasonable diligence the necessary work to extend the lower tunnel in a southerly direction a distance of eighty feet. If, after completion of such work, and upon certification thereof, by the State Mineralogist, it is determined by the State Lands Commission that a sufficient ore body has not been encountered to make the mine a commercial project, the State shall forthwith relieve the lessee from further performance under this lease. If, however, ore in commercial quantities is encountered, the lessee shall immediately commence and prosecute with reasonable diligence the extraction and sale of such mineral deposits and said lessee further agrees to complete at least 1,000 shifts each and every year during the term of this lease and during any extension thereof (a shift is hereby defined to be the work of one man for a day of at least six hours); is hereby adopted by the Commission and shall constitute the form of bid for each of the parcels of the hereinafter described lands of the State of California;

That the Executive Officer of this Commission be, and he is hereby, authorized and directed to publish notice of intention to offer said parcels of the hereinafter described lands of the State of California for the purpose of extraction of manganese therefrom, in words and figures, as follows, to wit:

NOTICE OF INTENTION OF THE STATE LANDS COMMISSION TO
RECEIVE OFFERS TO ENTER INTO LEASES FOR THE EXTRACTION OF MANGANESE FROM CERTAIN LANDS OF THE STATE
SITUATE IN STANISLAUS COUNTY, CALIFORNIA

NOTICE is hereby given by the State Lands Commission, acting pursuant to the "State Lands Act of 1938" (Chapter 5, Statutes of California, 1938, extra session), of intention to enter into leases for the purpose of extraction of manganese upon those certain parcels of real property situate in the County of Stanislaus, State of California, and more particularly described as follows, to wit:

N $\frac{1}{2}$ of S $\frac{1}{2}$ of SW $\frac{1}{4}$ and S $\frac{1}{2}$ of N $\frac{1}{2}$ of SW $\frac{1}{4}$ of Section 36, T. 4 S.,
R. 5 E., M. D. M.

Each bid submitted pursuant to this notice shall be accompanied by certified or cashier's check of a responsible bank in California payable to the treasurer of the State of California in the sum of \$200.00 as a deposit of good faith, and except in the case of the successful bidder or bidders will be returned to the respective bidder. Should the successful bidder or bidders fail or refuse to execute the lease within fifteen (15) days of the award thereof by the Commission, the deposit shall be forfeited to the State of California, otherwise the amount of said deposit shall be applied upon the annual rental for the first year and the balance, if any, refunded to the lessee.

All bids made pursuant to this notice shall be addressed to the State Lands Commission, sealed and delivered to the State Lands Commission, Room 302 California State Building, Los Angeles, California, on or before 12 o'clock M. of the 27th day of August, 1941. Upon the sealed envelope containing such bid shall be written "Bid of (name of bidder) made pursuant to notice of intention of the State Lands Commission to enter into lease for extraction of manganese from State lands in the County of Stanislaus, State of California."

Bids received pursuant to this notice will be publicly opened at 10 o'clock A. M., August 28, 1941, in Room 302 California State Building, Los Angeles, California, or at such other place, time and date, as the Commission shall determine.

Form of bid entitled "State Mineral Lease No. ___" may be obtained at the office of the Commission, Room 302 California State Building, Los Angeles, California.

The Commission reserves the right to reject any and all bids received pursuant to this notice.

STATE LANDS COMMISSION
By

J. M. Clifford,
Executive Officer.

That those certain parcels of lands of the State of California situate in the County of Stanislaus, State of California, are more specifically described as follows, to wit:

N $\frac{1}{2}$ of S $\frac{1}{2}$ of SW $\frac{1}{4}$ and S $\frac{1}{2}$ of N $\frac{1}{2}$ of SW $\frac{1}{4}$ of Section 36, T. 4 S., R. 5 E., M.D.M.

That the Executive Officer be, and is hereby, authorized and directed to perform all acts and to do all things necessary and desirable to effectuate the purposes of this resolution.

The Commission authorized the execution of sub-lease covering the premises now under lease from the State at Vidal Junction, San Bernardino County, to Standard Oil Company of California.

Authorization was given for the execution of a contract in the sum of \$7.80 with Dan Vickers for servicing files in the Sacramento office.

Upon motion of Mr. Patterson, seconded by Mr. Riley, and un-animously carried, it was resolved that the State Lands Commission convene regularly on the last Thursday of each month at 10:30 A. M., in Room 302 California State Building, Los Angeles, California; the time and place of such meetings to be changed only upon mutual consent of the members.

The Commission authorized the issuance of an easement to the Southern California Telephone Company one hundred feet wide across Section 36, T. 6 N., R. 11 E., S. B. M., subject to appraisal and negotiations as to consideration with the provision, however, that in no event was such grant to be made for less than \$100.00.

At the request of the Attorney General, Mr. Atherton was authorized to appear and testify as an expert witness in the case of State vs. J. D. Weir, et al., with the understanding that the State Lands Commission would be reimbursed for his time and expenses.

The Commission approved the payment of expenses incurred by Governor Patterson in connection with his trip to San Diego in regard to the application of the U. S. Government for temporary easement covering certain submerged lands at San Diego.

The report by F. J. Hortig upon carbon dioxide production in Imperial County was submitted and considered. After some discussion, upon motion of Mr. Patterson, seconded by Mr. Riley, and un-animously carried, resolution was adopted authorizing the Executive Officer to invite bids covering NW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 36, T. 10 S., R. 13 E., and the E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 16, T. 11 S., R. 13 E., S. B. M., if, in his opinion, such advertising appeared to be in the interest of the State, with the understanding that any leases which may be granted shall contain a ninety day drilling clause.

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