

5. (Lease No. 112, Public Resources Code.) Upon motion duly made and unanimously carried, a resolution was adopted wherein approval was given to the construction by the City of Seal Beach of a stone revetment on the south side of the inlet adjacent to both the highway and Pacific Electric trestle between the two portions of Seal Beach located in Anaheim Bay Inlet, Orange County. This construction is to be in accordance with the rules and regulations of the State Lands Commission, and subject to final engineering inspection by the Commission's engineering staff upon completion.

6. (Grazing Lease Application of Guy Redwine.) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to advertise for bids for grazing lease on Lot 8 and the SW $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 27, Lots 2, 3 and 7 of Section 34, all in T. 23 N., R. 15 W., M.D.M., containing 197.6 acres in Mendocino County, embraced in grazing lease application of Guy Redwine of Ukiah, California. Mr. Redwine's application to the Commission for advertising of these properties contained a minimum offer of 20 cents per acre per year.

7. (Application of Charles Fryer to Purchase School Land.) Charles Gilmore, Esq., appeared before the Commission upon behalf of his client, Mr. Charles W. Fryer. Mr. Gilmore stated that Mr. Fryer desired to purchase the E $\frac{1}{2}$  of the SW $\frac{1}{4}$  and W $\frac{1}{2}$  of SE $\frac{1}{4}$  of Section 36, T. 11 N., R. 4 W., M.D.M., Napa and Yolo Counties. The land is contiguous to property now owned by Mr. Fryer and, though not suitable for cultivation, may be used for grazing purposes. Action on the matter was deferred pending a conference between the Executive Officer and Mr. Gilmore after the latter had obtained a definite offer for either purchase or lease of the lands by Mr. Gilmore's client.

8. (Lease No. 427.) Upon motion duly made and unanimously carried, a resolution was adopted approving the sales contract submitted by Explorers, Inc., whereby the Barker Corporation agrees to develop minerals on the lands covered by State Mineral Lease No. 427 and pay to the lessee the price established under the schedule of the Metal Reserves Corporation, such approval, however, being subject to the right of the State, to give notice of cancellation at any time in the event the scheduled prices become unreasonable in the judgment of the State.

9. (Mineral Prospecting Permit No. 99, P.R.C.) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the issuance of Permit No. 99, P.R.C., to Ed. D. Hodges and A. R. Contreras, embodying a provision to the effect that, if a preferential lease is entered into, the royalty to the State shall be based upon the value received by the lessees for any mineral produced, provided it is the reasonable market value of such mineral. Such royalty payment is to be determined on the basis of the following royalty schedule:

15% of gross value on ore testing 40% or under Manganese  
20% of gross value on ore testing 40.1% to 44.0% Manganese  
25% of gross value on ore testing over 44.0% Manganese.