17. (Oil and Gas Lease No. 115, P.R.C. - Pure Oil Company) Upon motion duly made and unanimously carried, execution of an oil and gas lease upon vacant school land was authorized in the NW¼ and the E½ of SW¼ (Parcel A) consisting of 240 acres, and the SE¼ of NE¼, NE¼ of NE¼ (Parcel B consisting of 280 acres) in Section 36, T. 10 S., R. 9 E., S.B.M., Imperial County. This Lease shall provide a royalty factor of 1.3 applied to the royalty formula of the Lease for any production from Parcel A, and a royalty of one sixth (16 2/3) for any production obtained from Parcel B. The Lease will provide that there shall be paid an annual rental for the area leased, of $5.00 per acre per year. The rental shall be a deductible item from any royalty payments. There shall be a definite obligation of the Pure Oil Company to drill a well on Parcel A within fifteen months from December 15, 1943.

18. (School Land Exchange No. 034260 with the Federal Government) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the substitution of 120 acres in the NE¼ of Section 28, T. 33 N., R. 10 W., M.D.M., in lieu of the N½ of the NW¼ of Section 14 in the NW¼ of the NW¼ of Section 17, T. 33 N., R. 10 W., M.D.M., which land had been selected by the State under Exchange No. 034260.

19. Upon motion duly made and unanimously carried, a resolution was adopted wherein the Executive Officer was instructed to confer with the San Diego Harbor Commission and the City Attorney of San Diego in an effort to determine a solution to the jurisdictional problem created as a result of the San Diego Board of Harbor Commissioners' administration of lands in San Diego Harbor. Attorney General's Opinion No. 4656 holds these lands to be under the jurisdiction of the State Lands Commission.

20. A letter was read from the State Controller in which he stated that the sum of $350,000.00 should be transferred from the State Lands Act Fund to the General Fund, State Beach Fund and State Park Fund in the proportions of 30%, 23 1/3% and 46 2/3%, respectively. Upon motion duly made and unanimously carried, a resolution was adopted approving this transfer.

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