

State which would result in any additional drilling upon the Santa Barbara Mesa, without regard as to whether the derricks and drilling equipment are removed upon completion or abandonment of the well.

The Mayor informed the Commission that the City of Santa Barbara contemplated rezoning the area which the State had designated as acceptable for drilling sites in order to prevent by ordinance any future drilling or construction of derricks. Supervisor Stewart stated that the Board of Supervisors of the County of Santa Barbara supported the City in its protest.

Mr. Rico opposed the position of the City and County of Santa Barbara and pointed out that the enactment of any such ordinance could not prevent his Company from going ahead with their present upland drilling program. He stated further that the owner of the premises which Richfield were developing had no intention of sub-dividing, and that Richfield intended to operate this lease during its entire commercially productive life.

After hearing all of the views of Mayor Weyler, Mr. Stewart and Mr. Rico, the Commission asked for a report by the Commission's Consulting Geologist, Dr. E. K. Soper, who pointed out that the offshore was being drained, at least to a small extent, had been drained in the past, and would continue to be drained, at least to a small extent, by the operation of Richfield's leases, and that the State's interest in its oil could only be fully protected by leasing the offshore area presently being drained. Additional information was supplied by the Commission's Executive Officer and Assistant Executive Officer.

Upon motion duly made and unanimously carried, the Commission deferred action on the proposed notice of intention to lease until the next meeting of the State Lands Commission.

The Commission further requested that the Executive Officer or the Assistant Executive Officer attend a meeting of the Santa Barbara Planning Board to be held in Santa Barbara on February 5th, at which time the State's position will be fully discussed.

6. (Application to Assign Corte Madera Lease No. P.R.C. 41) Upon motion duly made and unanimously carried, the Commission authorized the Executive Officer to approve the assignment from Donald and Mary Fargo to E. H. and Ardyce Anderson. This assignment covers Corte Madera Ark Site No. 20, Lease No. P.R.C. 41. The assignment approval was contingent upon a lease modification providing that the rental of \$4.50 due quarterly shall be paid annually in the sum of \$18.00 the first of January of each year during the remainder of the term of said Lease.