

Mr. Pierce has made an offer of \$764.50 or \$5.00 per acre. The Assessor of Ventura County has assessed contiguous land at \$1 to \$4 per acre, thus indicating an appraised value of the land of \$2 to \$8 per acre. The Commission was further informed that it is now felt that this land may have potential oil value. Upon motion duly made and unanimously carried, a resolution was adopted, rejecting the single bid received from Mr. Pierce for the land.

26. (Sale of Vacant Federal Land, Obtained Through exchange, Scrip Application No. 10413, Los Angeles Land District, Riverside County - George T. Friedrich) Upon motion duly made and unanimously carried a resolution was adopted confirming the filing for  $E\frac{1}{2}$  of  $SE\frac{1}{4}$ ,  $SW\frac{1}{4}$  of  $SE\frac{1}{4}$  and  $SE\frac{1}{4}$  of  $SW\frac{1}{4}$  of Section 30, T. 5 S., R. 15 E., S.B.M., containing 160 acres in Riverside County, with the Federal Government and approving, subject to the approval of the selection by the District Land Office, the sale of said land, in Riverside County to Mr. Friedrich at a cash price of \$800.00 subject to all statutory reservations including minerals.

27. (Sale of Vacant School Land, Application No. 10407, Los Angeles Land District - Los Angeles County - Louis J. Friedman) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the sale of  $NW\frac{1}{4}$  of  $SE\frac{1}{4}$  of Section 18, T. 6 N., R. 9 W., S.B.M., containing 40 acres in Los Angeles County at a cash price of \$250.00 to Mr. Friedman, who was the single bidder pursuant to the advertising. The land is to be sold subject to all statutory reservations including minerals.

28. (Quiet Title Action - City and County of San Francisco vs. State, San Francisco Superior Court, Case No. 374016) The Commission was informed that during the 1947 Legislative Session by Assembly Bill No. 1592, Chapter 434 of the 1947 Statutes, the Legislature granted certain street areas in San Francisco that formerly were tide and submerged lands to the City and County of San Francisco. This legislation was enacted to correct inconsistencies and ambiguities of an earlier statute. The City and County of San Francisco have had occasion to request a title company to pass upon the title to the property granted by the State, and the title company has indicated that it questions the constitutionality of the legislative granting act.

In order to clear up the constitutional question, the City has now brought quiet title action against the State as authorized by the Legislature in Chapter 1554, Statutes of 1947, under which statute and appropriation to the State Lands Commission was made to defray the costs of such actions.

The Attorney General has now requested from the State Lands Commission an expression of the attitude of the Commission with reference to this litigation.

Upon motion duly made and unanimously carried, a resolution was adopted directing the Executive Officer to advise the Attorney General that since the Legislature has established the policy with respect to granting of

the land to the City and County of San Francisco, the question of policy has already been determined, and therefore, the legal aspects of the problem, being in the hands of the Attorney General, are for his sole determination, but that the Attorney General in proceeding in the case may charge his costs to the Commission pursuant to Chapter 1554 of 1947.

29. (Application T. D. Harney for Tide and Submerged lands lease fronting on Presidio Military Reservation - W. O. 301) The Commission was informed that an application has been received from T. D. Harney of San Francisco for a fifty year and renewal option for an additional forty years lease on the Presidio Military Reservation on San Francisco Bay. An undetermined portion of this land is within the military reservation as ceded by the State to the Federal Government by Chapter 81 of 1897.

It is proposed to fill in this portion of San Francisco Bay at a cost of \$4,500,000 and erect thereon a low rental housing project and shopping facilities for 8,000 families at an estimated cost of \$30,000,000. This matter is being investigated for full report to the Commission.

30. (Application for Redrill - Well "H.B. 19" - Wilshire Oil Company - Agreement for Easement No. 275 - Huntington Beach) The Commission was informed that on April 14, 1948, the Commission authorized the redrilling of Well Wilshire "H.B. 19" under Agreement for Easement No. 275 in such manner that all drilling operations within the productive horizons would be conducted at distances in excess of 200 feet from any other well existing in the productive horizons and to permit such redrilling, suspended the provisions of Section 2300 (a) of the rules and regulations of the State Lands Division for this one specific project only. At a subsequent conference with McIntyre Faries, Esquire, representing the McVicar-Rood Companies and the Mar Rico Oil Company, Mr. H. H. McVicar, President of the Huntington Beach Townsite Association, and Mr. John H. Marion, Operator of Agreement for Easement 291, Huntington Beach, objection was made to the suspension of a rule and regulation by the State Lands Commission.

Mr. Don Weaver appeared before the Commission in this connection.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the redrilling of Well "H.B. 19" on the basis that the well be kept 200 feet away from all other wells and as far away as possible from the Termo Well "McIntyre 1-A" under Agreement for Easement No. 337. The Executive Officer was further authorized to attempt to obtain a waiver from the Termo Company, but failing in this to permit the redrill of Wilshire "H.B. 19" without any further meeting of the Commission.

31. (Oil and Gas Operating Regulations) The Commission was informed that in consideration of the unwarranted inferences on the part of certain operators of oil and gas leases as presented in the foregoing item, it is suggested that the Commission may wish to restate a definite and specific policy of administering operations under State oil and gas leases in full and strict accord with the terms and conditions of the leases and the rules and regulations of the Commission without any exceptions whatsoever.