

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.