

41. (Proposed Budget, Division of State Lands, 1949-50 Fiscal Year - W. O. 348)  
The Commission was informed that the proposed budget for the Division of State Lands, State Lands Commission, for the 1949-50 Fiscal Year was estimated as follows:

|                        |                   |
|------------------------|-------------------|
| Support                | \$288,252.00      |
| Other Current Expenses | 134,300.00        |
| Capital Outlay         | 1,050.00          |
| Total Expenditures     | <u>442,040.00</u> |

Revenues estimated were as follows:

|                                       |              |
|---------------------------------------|--------------|
| State Lands Act Fund                  | 1,329,810.00 |
| General Fund                          | 600.00       |
| School Fund                           | 29,200.00    |
| School Land Fund                      | 72,000.00    |
| Impounded from Marginal<br>Sea Leases | 9,620,000.00 |

Upon motion duly made and unanimously carried, a resolution was adopted approving the proposed budget for the 1949-50 Fiscal Year for submission to Department of Finance for review and inclusion in the Budget Act Appropriation for that year, subject to review by Mr. Dean as Director of Finance.

42. (Tideland Litigation) The Commission was informed of the two phases of the tideland litigation, i. e.,

1. Legislation on the quitclaim bill deferred in closing minutes of the 80th Congress, and
2. Supreme Court on July 2, 1948, appointed Honorable D. Lawrence Groner as Special Master.

Assistant Attorney General Everett W. Mattoon appeared and discussed in full the second item. Request was made to the Commission that a sum of \$10,000 be made available for obtaining the services of expert witnesses to be presented when Judge Groner holds hearings with respect to designation by California of other areas of its coast which should be included in the scope of the reference to the Master for recommendations to the Supreme Court.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Commission's staff to work out the details of a plan to employ expert witnesses at initial maximum of \$10,000 and submit the plan to the Director of Finance for approval.

43. (Application for pipeline right-of-way. Dow Chemical Company - W. O. 380)  
The Commission was informed that the Dow Chemical Company has filed an application for construction of a 5" gas pipeline right-of-way across Three-Mile Slough, Jackson Slough and the San Joaquin River, in San Joaquin County. They have acquired certain wells on the borders of the Rio Vista Gas Field, from which wells they expect to extract sufficient gas for chemical plant operations at Pittsburg. In addition to the right-of-way easements, the State is concerned in protecting the gas withdrawals from this field wherein the State has approximately a 10% interest in the total gas in the field.