The terms of the lease and provisions of the Public Resources Code require the collection of rentals within fifteen days after the due date. However, the Commission may defer action to declare the lease in default for failure to pay rental, thus providing a means of granting Mr. Hewitt's request.

UPON NOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE DEFERMENT OF ANY ACTION TO DECLARE LEASE P.R.C. 218 IN DEFAULT FOR NON PAYMENT OF THE FOURTH ANNUAL RENTAL DUE APRIL 13, 1950, UNTIL AFTER AUGUST 15, 1950, SUBJECT TO THE CONDITION THAT SUCH RENTAL BE PAID IN MONTHLY INSTALLMENTS OF \$150.00 ON MAY, JUNE, JULY AND AUGUST 15, 1950, AND THAT IN THE EVENT OF THE FAILURE OF THE LESSEE TO MAKE SUCH PAYMENTS AS OF THE DUE DATES, THE LEASE SHALL BE DECLARED IN DEFAULT FOR FAILURE TO PERFORM IN ACCORDANCE WITH ITS TERMS.

36. (APPLICATION FOR LEASE TO MINE SAND AND GRAVEL, VACANT SCHOOL LAND, IMPERIAL COUNTY, R. T. PINNER - W.U. 658) The Commission was informed that a letter application has been received from Mr. R. T. Pinner requesting the issuance of a mineral extraction lease for the removal of sand and gravel from the SE2 of the SE4 and the NE2 of the SE4 of Section 16, T. 13 S., R. 16 E., Imperial County, containing 80 acres.

Field inspection of the subject land has shown the existence of sand and gravel deposits of good quality.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE COMMISSION TO CLASSIFY THE SET OF THE SET AND THE NET OF THE SET OF SECTION 16, T. 13 S., R. 16 E., IMPERIAL COUNTY, AS LANDS KNOWN TO CONTAIN COMMERCIALLY VALUABLE DEPOSITS OF MINERALS AND AUTHORIZE THE PUBLICATION PURSUANT TO THE PUBLIC RESOURCES CODE AND THE RULES AND REGULATIONS OF THE COMMISSION OF A NOTICE OF INTENTION TO RECEIVE BIDS FOR THE EXTRACTION OF SAND AND GRAVEL FROM THE SUBJECT LANDS AT A ROYALTY OF NOT LESS THAN THREE CENTS PER CUBIC YARD.

- 37. (STATE LANDS, STERRA ORDNANCE DEPOT, LASSEN COUNTY W.O. 56h, P.R.C. 51h) The Commission was informed that on January 29, 19h2, the State Lands Commission authorized immediate occupancy by the War Department and entering into of an exchange with the Rederal Government for approximately 15,500 acres of school lands within the War Department's Sierra Ordnance Depot as withdrawn for military purposes by Presidential Proclamation for an equal area of Federal lands in the vicenity of Shasta Reservoir. Five years after the selection of the Shasta lands by the State the Department of Interior made a withdrawal of the lands for the benefit of the Bureau of Reclamation. Thus, it was impossible to complete the transaction, as a result the War Department has occupied State land since early 19h2. In order to give the War Department necessary authority to use the State lands involved discussions have been had with the Corps of Engineers and the Commanding Officer of the Depot and his staff preliminary to issuance of a lease for the State lands involved. The discussion has covered the following points:
 - 1. Lease to apply only to the 15,500 odd acres to Sierra Ordnance.
 Depot including the 1,440 acres in the safety zone. Additional half sections (outside of the safety zone) not to be in this agreement.
 - 2. Lease should be retroactive to the date of entry by the Army.