

A meeting of the State Lands Commission was held in Room 180, Business and Professions Building, Sacramento, California, on May 24, 1951, at 9:30 a.m.

Present: Honorable James S. Dean, Chairman
Honorable Goodwin J. Knight, Member
Honorable Thomas H. Kuebel, Member

In attendance were:

Senator Arthur H. Breed, Jr.
Anthony Kennedy, Esq.

1. UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE MINUTES OF THE MEETING OF APRIL 25, 1951, WERE APPROVED AND CONFIRMED AS SUBMITTED.

2. UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS DECIDED TO DEFER SETTING A DATE FOR THE NEXT COMMISSION MEETING.

3. (SIGNAL OIL COMPANY, APPLICATION FOR LEASE, TIDE AND SUBMERGED LANDS, PETALUMA CREEK, SONOMA COUNTY - W.O. 1058, P.R.C. 613.) Signal Oil Company has applied for a lease of a small part of an acre of tide and submerged land in Petaluma Creek, Sonoma County, occupied by fender piles and pipe line for transporting petroleum and petroleum products. Because of the small area applied for, rental will be at the minimum of \$50.00 annually.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE TO SIGNAL OIL COMPANY A LEASE OF A SMALL AREA OF TIDE AND SUBMERGED LANDS IN PETALUMA CREEK, SONOMA COUNTY, FOR THE MAINTENANCE AND USE OF FENDER PILES AND PIPE LINES TRANSPORTING PETROLEUM AND PETROLEUM PRODUCTS, FOR A PERIOD OF FIFTEEN YEARS AT AN ANNUAL RENTAL OF \$50.00, WITH RIGHT OF RENEWAL FOR TWO ADDITIONAL PERIODS OF TEN YEARS EACH AT SUCH TERMS AS MAY BE DETERMINED PRIOR TO EACH RENEWAL DATE, BOND IN THE AMOUNT OF \$1,000.00 TO BE FURNISHED.

4. (DIVISION OF HIGHWAYS, REQUEST FOR APPROVAL OF RIGHT OF WAY ACROSS TEN MILE RIVER, MENDOCINO COUNTY - W.O. 411, P.R.C. 614.) The Division of Highways has requested approval of a highway crossing over Ten Mile River, Mendocino County, Road I-Men-56-F. The right of way as planned is 500 feet in length and 300 feet in width. Permit has been issued by the U. S. Army Corps of Engineers.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE A HIGHWAY CROSSING 500 FEET IN LENGTH AND 300 FEET IN WIDTH ACROSS TEN MILE RIVER, MENDOCINO COUNTY, PURSUANT TO THE PROVISIONS OF SECTION 101.5 OF THE STREETS AND HIGHWAYS CODE AND SEC. 6210.3 (1st) OF THE PUBLIC RESOURCES CODE.

5. (SEASIDE COUNTY SANITATION DISTRICT, APPLICATION FOR RIGHT-OF-WAY EASEMENT FOR OUTFALL SEWER, MONTEREY BAY, MONTEREY COUNTY - W.O. 1052, P.R.C. 613.) The Seaside County Sanitation District has applied for a right-of-way easement 50 feet in width extending approximately 625 feet into Monterey Bay from the line of mean high tide at Seaside, easterly of Monterey in Monterey County.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE TO THE SEASIDE COUNTY SANITATION

DISTRICT A RIGHT-OF-WAY EASEMENT 50 FEET IN WIDTH AND EXTENDING APPROXIMATELY 625 FEET INTO MONTEREY BAY FROM THE LINE OF MEAN HIGH TIDE FOR SUCH A PERIOD AS THE LAND IS OCCUPIED BY AN OUTFALL SEWER, AT NO FEE AND NO RENTAL, THE CONSIDERATION BEING THAT THE PROJECT IS IN THE INTEREST OF THE PUBLIC.

6. (REQUEST FOR APPROVAL OF GAS SALES CONTRACT - SIGNAL OIL AND GAS COMPANY - LEASES P.R.C. 163, P.R.C. 426 - HUNTINGTON BEACH.) The Commission was informed that State Oil and Gas Leases P.R.C. 163 and P.R.C. 426, Huntington Beach, held by the Signal Oil and Gas Company, provide that in the event the State should elect to take royalty in money instead of in kind the lessee shall not sell or otherwise dispose of the products of the lease except in accordance with sales contracts or other methods first approved in writing by the State. In accordance with this provision the Signal Oil and Gas Company has submitted for approval a copy of a gas sales contract between the Signal Oil and Gas Company and the Pacific Lighting Gas Supply Company to cover the delivery of all gas marketed from the subject leases. The general terms and conditions of the contract relating to delivery, price, and measurement of gas are in conformance with the respective lease terms and general practice in the Huntington Beach Field. The contract is for a period of 1-1/2 years from January 1, 1951, and thereafter is subject to cancellation by either party upon ninety days' written notice.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE GAS SALES CONTRACT OF JANUARY 1, 1951, BETWEEN THE SIGNAL OIL AND GAS COMPANY AND THE PACIFIC LIGHTING GAS SUPPLY COMPANY FOR THE INITIAL FIRM TERM OF 1-1/2 YEARS AS THE BASIS FOR THE SALE AND DELIVERY BY SIGNAL OIL AND GAS COMPANY OF ALL DRY GAS MARKETED FROM STATE OIL AND GAS LEASES P.R.C. 163 AND P.R.C. 426, SUBJECT TO THE EXPRESS CONDITION THAT THE APPROVAL OF THE SALES CONTRACT SHALL NOT BE CONSTRUED TO MODIFY OR AFFECT IN ANY MANNER ANY OF THE LEASE TERMS, INCLUDING FULL COMPLIANCE BY THE LESSEES WITH ALL THE TERMS AND CONDITIONS OF OIL AND GAS LEASES P.R.C. 163 AND P.R.C. 426 RESPECTIVELY, AND THE RULES AND REGULATIONS OF THE COMMISSION.

7. (REQUEST FOR APPROVAL OF GAS SALES CONTRACT, SIGNAL OIL AND GAS COMPANY - LEASES P.R.C. 129, 208, AND 428, ELWOOD OIL FIELD.) The Commission was informed that Leases P.R.C. 129, 208, and 428 of the Signal Oil and Gas Company, Elwood Oil Field, Santa Barbara County, all provide that in the event the State should elect to take royalty in money instead of in kind, the lessee shall not sell or otherwise dispose of the products of the lease except in accordance with sales contracts or other methods first approved in writing by the State. Pursuant to this provision of the respective leases, the Signal Oil and Gas Company has submitted for approval a copy of the Gas Sales Contract between it and the Southern Counties Gas Company covering the sale of all marketable dry gas under the subject leases. The general terms and conditions of the contract relating to the manner of delivery, price, and quantity measurement are in conformance with the lease terms and general practice in the Elwood Oil Field. The contract is for a term of one year from January 1, 1951, and thereafter subject to cancellation by either party upon thirty days' written notice.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE GAS SALES CONTRACT OF JANUARY 1, 1951, BETWEEN THE SIGNAL OIL AND GAS COMPANY AND THE SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA FOR THE INITIAL FIRM TERM OF ONE YEAR