32. (MINERAL CLASSIFICATION AND TRANSFER OF JURISDICTION, N¹/₂ OF NW¹/₄ OF SECTION 12, T. 9 N., R. 2 W., S.B.B.& M., SAN BERNARDINO COUNTY - S.W.C. 5219, J.T.O. 2.) The N¹/₂ of W¹/₄ of Section 12, T. 9 N., R. 2 W., S.B.B.& M., San Bernardino County, was sold to the Earstow Union School District under Certificate of Purchase No. 19491. In order that the School District may proceed with the construction of school buildings under a loan from the State, the Local Allocation Division of the Department of Finance has requested that steps be taken to insure continued State ownership of the mineral reservation in the lands during the period in which the State has a financial interest in the school buildings. Due to the repayment provisions in Chapter 1.6 of Division 3, Education Code, the School District will repay to the State the amount borrowed in a period of not to exceed 30 years, and hence the retention by the State of the mineral interest in the land is requested for not to exceed this period.

Prior to the sale of the land by the State, the field inspection and land appraisal reported that the land contains sand and gravel, which report could serve as the basis for classification of the land by the Commission as known to contain commercially valuable deposits of minerals pure it to Sections 6201 and 6891, Public Resources Code. Custodianship of the reserved mineral rights in the subject lands could be transferred to the Local Allocation Division under Section 13110 of the Government Code in accordance with an informal opinion of the Office of the Attorney General.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED CLASSIFYING THE NZ OF NWZ OF SECTION 12, T. 9 N., R, 2 W., S.B.B.& M., AS KNOWN TO CONTAIN COMMERCIALLY VALUABLE DEPOSITS OF MINERALS; AND AUTHORIZ-ING THE EXECUTIVE OFFICER TO EXECUTE AN AGREEMENT FOR TRANSFER OF JURISDIC-TION AND CONTROL TO THE LOCAL ALLOCATION DIVISION, DEPARTMENT OF FINANCE, OF THE MINERAL RESERVATION HELD BY THE STATE IN SAID LANDS FOR A PERIOD NOT TO EXCEED 30 YEARS, SAID MINERAL RESERVATION TO REVERT TO THE JURISDICTION OF THE STATE LANDS COMMISSION UPON EXPIRATION OF THE AGREEMENT FOR TRANSFER OF JURISDICTION AND CONTROL.

33. (RENEWAL OF LEASE P.R.C. 146, SAN BERNARDINO COUNTY, U. S. NAVI.) Lease P.R.C. 146, issued to the United States as a Navy Mojave "B" Gunnery Range and including 4,967.68 acres, as modified on September 11, 1947, for an annual rental of \$149.20, automatically terminates on or about October 27, 1952, rental having been paid to June 30, 1952. The Eleventh Naval District has requested that the lease be modified to permit the Government's continued occupancy on an annually renewable basis until June 30, 1955.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO MODIFY LEASE P.R.C. 146, ISSUED TO THE UNITED STATES, PROVIDING FOR THE CONTINUED OCCUPANCY OF THE LEASED AREA ON AN ANNUALLY RENEWABLE BASIS UNTIL JUNE 30, 1955, RENTAL AND OTHER TERMS AND CONDITIONS TO REMAIN UNCHANCED.

34. (APPLICATION FOR PERMIT TO DREDGE SAND AND GRAVEL, TUOLUMNE RIVER, STANISLAUS COUNTY, SANTA FE ROCK AND SAND COMPANY- WO 1289, FRC 774.1) Application has been received from the Santa Fe Rock and Sand Company for permission to dredge material from the bed of the Tuolumne River in T. 4 S., R. 11 E., M.D.B.& M., Stanislaus County, and redeposit such material on both banks of the stream to provide flood-crosion protection for the adjoining upland

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corrers. Such protective work has been necessitated by the prior unauthorized removal of sand and gravel from the bed of the stream by the Santa Fe Rock and Sand Company, with the result that the natural sand banks have been removed to the point where it is anticipated that stream flow during the winter may overrun and erode upland properties on both banks. The abutting upland owners have agreed tentatively with Santa Fe Rock and Sand Company on the conduct of the remedial operations as proposed. The applicant has also requested that, as partial compensation for the time, money and expenditures involved in the operation, the State give to the Santa Fe Rock and Sand Company any surplus sand resulting from the dredging. Compliance with this latter request would be contrary to Section 6401 of the Public Resources Code, which provides that mineral deposits in State lands are reserved to the State and may: be removed only upon a rental and royalty basis.

UPON MOTION DULY MADE ANL UMANIMOUSLY CARRIED, A RESOLUTION WAS ADOFTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE AN APPROPRIATE ORDER FOR REMOVAL EEFORE THE FLOOD SEASON BEGINS OF THE ROAD WHICH THE SANTA FE ROCK AND SAND COMPANY HAS BUILT OR USED IN THE BED OF THE TUOLUMNE RIVER, SO THAT THERE WILL BE NO INTERFERENCE WITH THE NORMAL FLOW OF THE STREAM; AND FURTHER AUTHORIZING THE EXECUTIVE OFFICER AS FOLLOWS:

- 1. TO INVITE BIDS FOR THE REMOVAL OF SAND AND GRAVEL FROM THE BED OF THE TUOLUMNE RIVER IN T. 4 S., R. 11 E., STANISLAUS COUNTY, M.D.B.& M., UNDER A MINERAL EXTRACTION LEASE ISSUED PURSUANT TO SECTION 6801 ET SEQ. OF THE FUBLIC RESOURCES CODE AND SECTIONS 1903 AND 2204 OF THE RULES AND REGULATIONS. IN VIEW OF THE INCIDENTAL BENEFITS TO FLOOD CONTROL AND NAVIGATION TO RESULT, THE MINIMUM ACCEPTABLE LEASE ROYALTY SHALL BE SET AT \$0.01 PER CUBIC YARD.
- 2. TO ISSUE A PERMIT TO THE SUCCESSFUL BIDDER FOR SUCH LEASE TO DEPOSIT MATERIAL ON BOTH BANKS OF THE TUOLUMNE RIVER IN T. 4 S., R. 11 E., M.D.B.& M., IN CONSIDERATION OF THE BENEFITS OF FLOOD-CONTROL PROTECTION TO ACCRUE, SUBJECT TO THE FOLLOWING CONDITIONS:
 - (1) A COFY OF A WRITTEN AGREEMENT BETWEEN THE STATE MINERAL LESSEE AND E. B. BUTTERFIELD AND/E: SHORT (ABUTTING LAND OWNERS) SHALL BE FILED WITH THE DIVISION OF STATE LANDS, AGREEING TO THE CONDUCT OF THE HROTECTIVE WORK AS PER-MITTED, AND SAVING THE STATE FREE AND HARMLESS FROM ANY CLAIM, DEMAND, OR ACTION AS A RESULT OF THE CONDUCT OF SUCH OPERATIONS.
 - (2) AGREEMENT BY THE ABUTTING UPLAND OWNERS THAT THE LOCATION OF THE PLACEMENT OF DREDGED MATERIAL WILL NOT BE CONSTRUED TO BE DETERMINATIVE IN ANY MANNER OF THE BOUNDARY LINE BETWEEN THE STATE PROPERTY IN THE BED OF THE TUOLUMNE RIVER AND THE ADJOINING PRIVATE LAND.
 - (3) ISSUANCE OF THE PERMIT AND THE AFORESAID. MINERAL LEASE IS NOT TO HE CONSTRUED AS RELEASING THE SANTA FE ROCK AND SAND COMPANY OR ANY OTHER OPERATOR IN ANY MANNER FROM LIABILITY WHICH MAY HAVE ACCRUED BY REASON OF PRIOR UNAUTHORIZED REMOVAL OF SAND AND GRAVEL FROM STATE LANDS IN THE HED OF THE TUOLIAME RIVER.