

35. (GRAZING LEASE APPLICATION, KERN COUNTY, BURRELL REED - S.W.O. 5519, P.R.C. 1255.2.) Application has been received from Burrell Reed of Caliente, California, for a grazing lease for a term of five years on Section 36, T. 29 S., R. 32 E., M.D.M., containing 640 acres in Kern County. This is a request for renewal of his Grazing Lease P.R.C. 1184, which expires on September 30, 1952. We are informed by the Assessor of Kern County that adjoining lands are assessed at \$1.75 per acre.

The applicant advises that the carrying capacity in animal units on this section is about 60 acres per animal, throughout the year; the W $\frac{1}{2}$  of this section is not suitable for grazing. The applicant offers 20¢ per acre per year as rental for the 640 acres, which was the rental paid under his former Lease P.R.C. 1184.

UPON MOTION INILY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE A FIVE-YEAR GRAZING LEASE FOR SECTION 36, T. 29 S., R. 32 E., M.D.M., CONTAINING 640 ACRES IN KERN COUNTY, TO BURRELL REED, AT AN ANNUAL RENTAL OF \$128 (20¢ PER ACRE), UPON THE TERMINATION OF HIS PRESENT LEASE, THE FIRST AND LAST YEARS' RENTALS TO BE PAID AT THE TIME OF EXECUTION OF THE LEASE.

36. (CONSTRUCTION OF AN ISLAND AND DRILLING OF A WELL; TEXAS COMPANY, WILMINGTON ASSOCIATES, INC., AND MONTEREY OIL COMPANY - P.R.C. 186.) The Commission has been informed, through a letter of September 22, 1952, with respect to the history of Lease P.R.C. 186 at Seal Beach and the proposed construction of the island for further lease development for oil and gas.

The Commission will recall that the City of Seal Beach filed two cases against the State's lessees in the Municipal Court in Seal Beach: (1) A criminal complaint alleging that the defendants, the State's lessees, have violated City Ordinance No. 230, which prohibits oil derricks and drilling within Seal Beach; and (2) a complaint alleging violation of Ordinance No. 354, in that no permit had been applied for or issued under the Building Code. In both of these cases the defendants, the State's lessees, were to appear in court on Friday, September 26, 1952. They have informed the Commission that they would file motions to dismiss the complaints, upon the grounds that the Court had no jurisdiction for the reason that the ordinances are constitutionally invalid. The motions for dismissal were denied on September 26. Pleas of not guilty were entered, and the trial of the actions is set for October 10, 1952. It is probable that the State's lessees will apply to the Superior Court in Orange County for Writs of Prohibition to restrain the Municipal Court at Seal Beach from trying or proceeding with the cases.

The counsel for the State's lessees has advised that it is necessary to name all of the other interested parties, which would include the State Lands Commission. In view of this, the counsel for the State's lessees has requested that the State Lands Commission consider the matter of the State being named in the petition, and further consider requesting the Attorney General to appear in the prohibition proceedings in support of the contentions to be advanced on behalf of the State's lessees.

In consideration of this request the Commission's attention was called to Attorney General's Opinion No. 47-64 of April 4, 1947, wherein the Commission

was advised that Ordinance No. 230 does not place restrictions upon the State's lessees and that the lessees are at liberty to erect derricks in the area leased; and to Attorney General's Opinion No. 47-66 of June 12, 1947, wherein the Commission was advised that the building of an island constitutes compliance with Section 6873 of the Public Resources Code, which requires that drilling into State tide and submerged land be either from upland drill sites or from filled lands.

As a result of the inability of the State's lessees to reach the oil-bearing zones from an upland drill site, and in consideration of the two above mentioned opinions, the Commission took the following action with respect to the development of Lease P.R.C. 186 and the development therefrom by means of the filled island:

Resolution of October 14, 1948, Item 44, Minute Page 903, in which the Commission directed that a communication be sent to the Army Engineers in support of the breakwater extension and proposed fill to make possible development of the lease.

Resolution of October 27, 1948, Item 5, Minute Page 904, in which the Commission approved location plans and general specifications for the filled land as set forth in the Marine Exploration Company's application to the War Department.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO REQUEST THE ATTORNEY GENERAL TO REPRESENT THE STATE LANDS COMMISSION IN THE PROCEEDINGS IN THE ABOVE MATTER AND OTHERWISE PROTECT THE INTERESTS OF THE STATE.

37. (TIDE AND SUBMERGED LANDS CONTROVERSY - W.O. 721.) Several conferences with the Office of the Attorney General of California and others interested in the proper solution of the controversy over the tide and submerged lands along the coast of California have resulted in the adoption of a program which will further this result. One step which has been recommended by Assistant Attorney General Everett W. Mattoon is the reaffirmation by the State Lands Commission of its position in the matter.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, the Congress of the United States has twice enacted laws to restore to the States their traditional ownership of submerged lands, including the resources thereof, under navigable waters within their boundaries which, prior to a decision of the United States Supreme Court in 1947, were recognized for a century as being their property; and

WHEREAS, each of said enactments has received a veto at the hands of the President, the last veto having been made on May 29, 1952;

BE IT RESOLVED that the State Lands Commission of California reaffirms its long established and unswerving position, which is that of a united stand to bring about the restoration of California's traditional property rights and the permanent