

4. (PARTIAL ASSIGNMENT OF AGREEMENTS FOR EASEMENTS NOS. 274, 275, 400, AND 401, ELSINORE C. MACHRIS, HUNTINGTON BEACH - W.O. 1547.) On February 9, 1953 (Minute Item 24, Pages 1738-39), the Commission authorized the assignment in part of Agreements for Easements Nos. 274, 275, 400, and 401, Huntington Beach, from the Wilshire Oil Company, Inc. to Elsinore C. Machris. Mrs. Machris has now submitted an application for assignment of her interest in the subject easement agreements to the Suniland Oil Corporation, a Delaware corporation.

The proffered assignment documents are in the same form as approved by the office of the Attorney General for the previous partial assignment from Wilshire Oil Company, Inc. to Elsinore C. Machris. The statutory application filing fee of \$5 has been paid. As a corollary condition of the assignment of the subject properties, a transfer of right-of-way agreements for the courses of the wells drilled under Agreements for Easements Nos. 400 and 401 must also be approved. While the State is not a party to the specific right-of-way agreement, such agreement for the courses of the subject wells provides that the upland crossing permit is personal to the lessee and shall not be assigned in whole or in part without written consent of the State Lands Commission.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

The Executive Officer is authorized:

1. To approve the assignment of an undivided 33.336% interest held by Elsinore C. Machris in Agreements for Easements 274, 275, 400, and 401, Huntington Beach, to the Suniland Oil Corporation, subject to the following conditions:
  - (1) Certification by the Suniland Oil Corporation as to qualifications to hold a State lease as required by Section 6801, Public Resources Code.
  - (2) Continuation of assumption by Monterey Oil Company of full responsibility for the performance of all terms, covenants and conditions, without modification, for Agreements for Easements Nos. 274, 275, 400, and 401, including the deposit of the performance bond specified by the respective easements, as required heretofore in the approval of the assignment of the easements from Wilshire Oil Company, Inc. to Elsinore C. Machris.
2. To approve the assignment of the undivided 33.336% interest of Elsinore C. Machris in the upland subsurface crossing permits for operations in conjunction with Agreements for Easements Nos. 400 and 401 to the Suniland Oil Corporation.

5. (QUITCLAIM OF GAS LEASE P.R.C. 820.4, HONOLULU OIL CORPORATION, BUTTE COUNTY.) Gas Lease P.R.C. 820.4, issued July 27, 1953 to the Honolulu Oil Corporation as high bidder (Minute Item 2, Pages 1844-45), provides in part that the "Lease may be surrendered and terminated in whole or in part, or as to any zone or zones or portions thereof, upon the payment of oil royalties and other obligations due and payable to the State, but in no event shall such termination be effective until the Lessee has complied with all of the then existing laws and rules and regulations relative to the abandonment of oil and gas wells".

The first well drilled under the subject lease was unproductive and has resulted in a proffer of a quitclaim deed of the entire lease by the Honolulu Oil Corporation. The abandonment of the one well drilled has been completed under a program approved by the Division of Oil and Gas and the Division of State Lands.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

The Executive Officer is authorized to accept the quitclaim of State Oil and Gas Lease P.R.C. 820.4 from the Honolulu Oil Corporation.

6. (AUTHORIZATION FOR EXTRACTION OF SAND AND GRAVEL, SAN FRANCISCO BAY, DIVISION OF HIGHWAYS, P.R.C. 860.9, W.O. 1533.) An application has been received from the Division of Highways, pursuant to Section 101.5 of the Streets and Highways Code, for an authorization to remove approximately 2,200,000 cubic yards of sand and gravel from the Fort Knox and Presidio Shoal areas of San Francisco Bay for use in construction of a portion of the Eastshore Freeway in Alameda County. The material is to be removed from areas that are exclusively under the jurisdiction of the State Lands Commission.

Authorization has been granted by the Commission heretofore (Minute Item 46, Page 1440, meeting of August 29, 1951) for the removal by the Division of Highways of a maximum amount of 600,000 cubic yards of material from the same area for which application has now been made. However, no material has been removed under this authorization. Removal of sand and gravel from the same area is also authorized under nonexclusive Mineral Extraction Lease P.R.C. 709.1, issued February 14, 1952, to Construction Aggregates Corp. No materials have been extracted under this lease to date.

Section 101.5 of the Streets and Highways Code provides that the Department of Public Works may file for record with the Division of State Lands such maps as are necessary to furnish an accurate description of lands which are needed as a source of materials for the construction, maintenance or improvement of any highway, and that upon approval of such map by the Division of State Lands, the lands described therein are reserved for such use by the Department of Public Works.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

The Executive Officer is authorized to approve a map presented by the Division of Highways, pursuant to Section 101.5 of the Streets and Highways Code, and to authorize the removal of not to exceed 2,200,000 cubic yards of material from the Fort Knox and Presidio Shoal areas of San Francisco Bay for use in construction of the Eastshore Freeway in Alameda County, State Route 69, 206-Env, Ber, Alb. This authorization is to supersede the authorization granted by the State Lands Commission, August 29, 1951 (Minute Item 46, Page 1440), as shown on approved map dated September 27, 1951.