

A special meeting of the State Lands Commission was held in Room 5100 State Capitol, Sacramento 14, California, on Wednesday, April 13, 1955, at 9 a.m.

Present: Robert C. Kirkwood, Chairman
John M. Peirce, Member

Absent: Harold J. Powers, Member

Staff Members in Attendance:

Rufus W. Putnam, Executive Officer
J. Stuart Watson, Assistant Executive Officer

1. With regard to W. O. 2049 the Executive Officer presented an interdepartmental memorandum reading as follows:

"Pursuant to the further directives of the Commission on March 31, 1955 (Minute Item 17, page 2315)..., further review of the requirements for a study of engineering and legal problems in the development of tide and submerged lands for oil and gas has been conducted, together with inquiries as to the bases for employment and availability of experts to conduct the requisite studies and to present recommendations on future operating conditions for consideration by the Commission.

"Preliminary consultations have been completed with the following as to interest, qualifications, and availability for study of prescribed sections of the cumulative problems:

- (1) Mr. E. R. Stanley, Stanley & Stolz, Consulting Geologists and Engineers;
- (2) Dr. P. T. Homan, Chairman, Department of Economics, University of California at Los Angeles;
- (3) Mr. Charles B. Bennett, Consulting Planner, formerly chief of the City Planning Department, City of Los Angeles.

"The composite problems of the initial study phase will include:

- (a) The elements of exploration, development and production of oil and gas, which could be assigned for study to Mr. Stanley.
- (b) The bases for most effective leasing procedures to accomplish lease development in the best interests of the State, for study by Dr. Homan.
- (c) The utilization of surface land resources and the interrelated effects of oil and gas developments in the area, for study by Mr. Bennett.

"It is suggested that the Commission now consider authorizing the Executive Officer to negotiate contracts for consulting services with Mr. E. R. Stanley, Dr. P. T. Homan, and Mr. Charles B. Bennett, at a total cost not to exceed \$20,000, to make the most complete evaluation and report on the initial study phase outlined hereinbefore that can be accomplished within a period of sixty (60) calendar days. Authorization to perform and complete the requisite fiscal arrangements should also be granted."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO NEGOTIATE AND ENTER INTO CONTRACTS WITH THE FIRM OF STANLEY & STOLTZ, AND WITH DR. P. T. HOMAN AND MR. CHARLES B. BENNETT FOR CONSULTING SERVICES AND FOR PREPARATION OF REPORTS ON PROBLEMS RELATED TO THE PROJECT CURRENTLY CONTEMPLATED BY THE COMMISSION FOR THE LEASING OF TIDE AND SUBMERGED LANDS EXTENDING WESTERLY FROM THE EASTERLY CITY LIMITS OF HUNTINGTON BEACH, APPROXIMATELY TWO AND ONE-HALF MILES; SAID CONTRACTS SHALL CALL FOR COMPLETION OF THE TASKS ASSIGNED WITHIN 60 DAYS OF THE DATE OF APPROVAL THEREOF AND THE TOTAL COST TO THE STATE SHALL NOT EXCEED THE SUM OF \$20,000.

The Executive Officer then presented to each member of the Commission an inter-departmental memorandum which reads:

"The State Lands Commission on March 31, 1955 (Minute Item 17 page 2315) adopted, in part, that the Executive Officer define the scope of a State-wide study of offshore leasing problems, and make an estimate of the cost for the purpose of presenting to the Legislature an item in the 1955-56 Budget.

"While further review of the initial study contemplated for the Huntington Beach area has indicated that additional desirable criteria for the State-wide study may be developed during the course of the initial analysis, any proposed revision to the 1955-56 Budget must be presented currently.

"While it has been suggested that the over-all survey covering the entire California coast line be undertaken, an alternative is suggested which will comprehend an investigation of specific areas that may become critical during the current budget year. These may include:

- (1) Seal Beach - Long Beach (Orange, Los Angeles Counties). An area to the westward of that in Lease P.R.C. 186.1 which presently involves drainage by the Monterey Oil Company's island project.
- (2) Summerland (Santa Barbara County). Tide and submerged land area currently being drained to a limited extent by existing onshore wells.

- (3) Montalvo (Ventura County). Tide and submerged lands easterly of oil and gas Lease P.R.C. 735.1, subject to drainage from wells under development on existing lease.
- (4) Capitan (Santa Barbara County). Tide and submerged land area subject to threat of drainage from wells planned for upland development.
- (5) Guadalupe (San Luis Obispo County). Tide and submerged land area currently being drained to a limited extent by existing onshore wells.

"A pre-planned program for the review of all elements entering into leasing of these areas may be more directly to the point than an over-all survey of the coast, which contains many areas of no particular significance.

"With this in mind it is recommended that a special item of \$50,000 be included in the 1955-56 Budget to accomplish the purpose. The scope of the investigations will be patterned after the one currently proposed for the south Huntington Beach area, with such modifications as experience there will dictate."

After full discussion it was decided to defer action on this matter pending review of the suggested program by the consulting board.

There being no further business to come before the Commission, the meeting was adjourned.

Note: Lieutenant Governor Powers, having been unable to attend, was conferred with in respect to the foregoing actions on April 14, 1955. He concurred with the action taken.

Rufus W. Putnam
RUFUS W. PUTNAM
Executive Officer

APRIL 28, 1955