

A further discussion followed, during which Mr. Paul K. Home appeared on behalf of the Standard Oil Company. He stated very definitely that if the condition of the permit to make available the information obtained as a result of its exploratory operations for certain areas for the confidential information of the Commission were adopted it did not plan to go ahead with this work. He explained that such explorations were merely supplementary to work already done, and the information obtained as a result thereof would be fragmentary and incomplete and for that reason probably not very useful to the Commission.

Mr. Paul A. Lower, of the Superior Oil Company, appeared as Chairman of a subcommittee of the Western Oil and Gas Association studying regulations, stating that he did not know this particular item was coming up for discussion. He wished to protest any provision in a permit requiring that confidential information be made available to the State Lands Commission. Pending settlement of this question in connection with amendment of rules and regulations, on which matter he was not prepared to submit further information at the current meeting, he suggested deferment of consideration of this particular calendar item.

On the basis that it would be doing Standard an injustice by penalizing it as a "guinea pig", the Executive Officer suggested the withdrawal of the recommendation pertaining to inclusion in the permit of the condition requiring that the results of the explorations be made available for review by the Commission on a confidential basis, provided that this action would not be construed as constituting a precedent in future cases.

It was suggested that the staff confer with Mr. Paul A. Lower and his group prior to the next Commission meeting, and be prepared at that time to make definite recommendations concerning the problem of confidential information obtained as a result of offshore explorations.

Mr. Robert K. Cutler, Deputy District Attorney, appeared on behalf of the County of Santa Barbara to ask that the existing policy for issuing permits offshore from that county be continued, and was assured that this was being done.

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE PERMITS, CONFORMING TO ALL OPERATING CONDITIONS ESTABLISHED BY THE COMMISSION, TO THE STANDARD OIL COMPANY OF CALIFORNIA FOR THE CONDUCT OF GEOPHYSICAL EXPLORATION OPERATIONS ON THOSE TIDE AND SUBMERGED LANDS UNDER THE JURISDICTION OF THE STATE LANDS COMMISSION LYING SOUTH OF A LINE DRAWN DUE WEST FROM POINT ARGUELLO, SANTA BARBARA COUNTY, AND NORTHERLY OF A LINE DRAWN SOUTH 60° WEST FROM DANA POINT, ORANGE COUNTY, FOR A 90-DAY PERIOD COMMENCING JANUARY 3, 1956. THE PERMITTEE IS TO REIMBURSE THE STATE LANDS DIVISION FOR ALL OF ITS INSPECTION COSTS. THE PERMITS ARE TO BE EFFECTIVE ONLY AS LONG AS A CONCURRENT PERMIT BY THE FISH AND GAME COMMISSION IS IN EFFECT FOR THE SAME OPERATING AREA.

7. (ATTORNEY GENERAL'S OPINION RE VALIDITY OF AMENDED RULES AND REGULATIONS.)
The following report was presented to the Commission:

"At the meeting of August 16, 1955, the Commission approved and adopted amended Rules and Regulations (Minute Item 28, pages 2435-2443), the validity of which amendments was contested by

*Revised
see pgs 2538, 2539*

representatives of the Public Lands Committee of the Western Oil and Gas Association. In accordance with the directive of the Commission the opinion of the Attorney General was requested as to whether the subject amendments to the Rules and Regulations are valid and effective as adopted. The opinion of the Attorney General was received under date of November 15, 1955 and states in summary, 'It is our conclusion that the Rules and Regulations discussed in your interdepartmental communication were legally adopted and are valid and effective, as amended.' The full text of the informal opinion of the office of the Attorney General is attached."

Attachment: Attorney General's Opinion

(C O P Y)

STATE OF CALIFORNIA

LOS ANGELES 12

Inter-Departmental Communication

Col. Rufus W. Putnam
Executive Officer
TO: State Lands Commission
302 State Building
Los Angeles 12, California

Date: Nov. 15, 1955
File No. Your File No. W.O. 1855
W.O. 396.____

FROM: Department of Justice

This will reply to your inter-departmental communication of September 16, 1955, in which you have requested our opinion on the validity of certain regulations adopted by the State Lands Commission August 16, 1955. Specifically, you have asked concerning the statement of a representative of the Western Oil and Gas Association, made at the August 16th meeting of the Commission, to the effect that the regulations in question are invalid because the notice of the hearing which preceded their adoption did not specify the proposed amendments in the detail required by statute.

In a letter to our office dated October 7, 1955, the author of the aforementioned objection to the validity of the regulations has informed us that the Public Lands Committee of the Western Oil and Gas Association does not intend to "take issue" with the Commission on the procedural matter. In order to set the question at rest, however, we have made a study of the regulations, paying special attention to the requirements of Government Code Sections 11423 and 11424, the statutes which we understand were the basis for the objection.

Subdivision (c) of Section 11424 of the Government Code requires that official published notice of hearing concerning proposed amendments to administrative regulations include a description of the proposals. The statute provides that the amendments or an "informative summary" of them must be set forth in the notice. As you have pointed out in your communication, a representative of this office, prior to publication of the notice in question, approved it in connection with the foregoing statutory requirement. Pursuant to your request, we have now carefully re-examined the notice and all of the proposed amendments to the regulations, and we again advise that in our opinion the "informative summary" given in the notice was legally sufficient. Moreover, following publication of the notice, verbatim copies

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of the amendments were made available to all persons requesting them, including the Western Oil and Gas Association. At the hearing (held July 25, 1955) an extensive written statement was presented by the Association representative who later questioned the validity of the regulations; the language of that statement evidences familiarity with the specific wording of the proposed amendments.

It is our conclusion that the Rules and Regulations discussed in your interdepartmental communication were legally adopted and are valid and effective, as amended.

/s/ Walter S. Rountree

WALTER S. ROUNTREE
Assistant Attorney General

WSR:rh

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