

9. (OIL LEASE APPLICATIONS UNDER SECTION 6871.3 OF THE PUBLIC RESOURCES CODE, LONG BEACH AT ORANGE COUNTY BOUNDARY, LOS ANGELES AND ORANGE COUNTIES - W. O. 1898, W. O. 2224.)

Mr. Rountree gave a brief report on the Long Beach situation, with respect to the 2,200-foot strip of land discussed at the meeting of October 10, 1955, in connection with which the office of the Attorney General had been asked to review its Opinion No. 46/215 of January 3, 1947, to determine if a current opinion would be the same in the light of later litigation and legislation. He stated that after a careful review of the opinion, he did not at this time expressly reaffirm or reject the views expressed therein, and that it appears that the only safe course to follow is to obtain a judicial determination as to whether the State is the legal owner of the land in question, and whether or not it may grant leases. He reserved his opinion as to whether the boundary problem should also be settled at this time, or whether there should first be a determination by the State Lands Commission, stating that if judicial determination is requested by the Commission, the office of the Attorney General probably would seek an action in quiet title or an action in declaratory relief under the appropriate sections of the Code of Civil Procedure.

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

THE EXECUTIVE OFFICER IS DIRECTED TO REQUEST THE ATTORNEY GENERAL TO COMMENCE APPROPRIATE ACTION TO CLARIFY THE STATE'S INTEREST IN THE AREA OF TIDE AND SUBMERGED LANDS QUITCLAIMED TO THE STATE OF CALIFORNIA BY THE CITY OF LONG BEACH BY DEED OF OCTOBER 15, 1932, SAID LANDS HAVING ORIGINALLY BEEN GRANTED TO THE CITY OF LONG BEACH BY THE STATE OF CALIFORNIA PURSUANT TO CHAPTER 676 OF THE STATUTES OF 1911, AS AMENDED BY CHAPTER 102 OF 1925.

10. (TIDELANDS OIL AND GAS - W. O. 721, W. O. 1835.)

The Executive Officer reported that a letter received by the Governor from the U. S. Department of the Interior, in connection with offshore oil leases, had been referred to him for consideration. The foregoing letter is quoted in full as follows:

"United States
Department of the Interior
Office of the Secretary
November 14, 1955

"My dear Governor Knight:

"This Department is interested in promoting the development of oil and gas in the submerged lands of the outer Continental Shelf off the coast of California. We feel such development to be of prime importance in the interest of national defense. As you know, substantial quantities of oil are being imported into your State from southeast Asia to meet ordinary peacetime needs. This source of supply would be cut off or substantially curtailed in time of war.

"We have been repeatedly urged by responsible oil operators to open the area in question to leasing but have hesitated to do so because of the unsettled question of the location of the State boundary. That question is one for judicial determination and I believe that an effort will be made at an early date to have it finally decided. However, the question is extremely complex and judicial proceedings are necessarily slow. In the meantime, it has occurred to us that you might agree to consider with us, the possibility of designating a line which both the State and the United States can agree is seaward of the outer boundary of the submerged area now claimed by your State. Such a designation would determine the area of the outer Continental Shelf which is, undisputably, subject to the provisions of the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 462) and enable us to issue oil and gas leases in that area.

"I will appreciate it if you will give consideration to this matter and advise me. In the event that you are agreeable to entering into a discussion of the matter with a view to a possible agreement, I shall be glad to designate representatives of this Department to join with representatives of the State of California in exploring its possibilities.

Sincerely yours,

/s/

Wesley A. D'Ewart
Secretary of the Interior

Hon. Goodwin J. Knight
Governor of California
Sacramento, California"

The Executive Officer reported that the matter of ownership and control of the lands in question has been in the hands of the United States Supreme Court, through a report of a Special Master, for about three years, but that no action has been taken by the Supreme Court. He suggested that the matter was of extreme importance to the interests of the State of California and probably warranted a high-level conference between the members of the State Lands Commission, the Attorney General, and the Governor, such a conference to be called by the Governor.

Mr. Peirce asked whether it was intended that this should be concluded in two steps: First, a conference of the afore-mentioned State officials for the purpose of resolving the State's position; and, second, for the State, through the Governor, to advise the Secretary of the Interior of the State's willingness to participate in the conference requested in the latter's letter of November 14, 1955. The Executive Officer stated that such was his intention.

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

THE GOVERNOR OF THE STATE OF CALIFORNIA IS TO BE REQUESTED TO CALL A MEETING OF THE ATTORNEY GENERAL AND THE STATE LANDS COMMISSION FOR THE PURPOSE OF ARRIVING AT AN UNDERSTANDING AS TO THE POSITION TO BE TAKEN BY THE STATE IN THE PROPOSED CONFERENCES WITH REPRESENTATIVES OF THE DEPARTMENT OF THE INTERIOR, AS PROPOSED IN THE LETTER FROM THE ACTING SECRETARY OF THE INTERIOR TO THE GOVERNOR WITH RESPECT TO THE DEVELOPMENT OF OIL AND GAS IN SUBMERGED LANDS OFF THE COAST OF CALIFORNIA. MEANWHILE THE EXECUTIVE OFFICER IS TO REQUEST THE ATTORNEY GENERAL TO REVIEW THE MATTER IN ADVANCE OF THE GOVERNOR'S MEETING OF THE CALIFORNIA AGENCIES.

11. (OIL AND GAS LEASE APPLICATION, ST. ANTHONY OIL CORPORATION, SANTA BARBARA-W. O. 2046.) The following report was presented to the Commission:

"On October 10, 1955 (Minute Item 4, pages 2456-57) the Commission deferred consideration of the request of the St. Anthony Oil Corporation for the offering of an oil and gas lease on tide and submerged lands in Santa Barbara County pursuant to Section 6871.3, Public Resources Code, pending receipt of an opinion from the office of the Attorney General relative to the scope of discretionary authority of the Commission under Chapter 1724, Statutes of 1955. The opinion of the office of the Attorney General was received under date of October 19, 1955, and in subsequent telephone conferences with Messrs. Kirkwood and Peirce, the Executive Officer was authorized to proceed with the publication of the notice required by Section 6873.2 of the Public Resources Code that the Commission will consider the subject application for an offering for oil and gas lease. Pursuant to this authorization, the requested notice was published as specified in Section 6873.2 and Section 6834 of the Public Resources Code."

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

THE COMMISSION CONFIRMS AND APPROVES THE ACTION TAKEN BY THE EXECUTIVE OFFICER IN THE PUBLICATION OF THE NOTICE OF CONSIDERATION OF AN OIL AND GAS LEASE OFFERED BY THE STATE LANDS COMMISSION AS SPECIFIED BY SECTION 6873.2, PUBLIC RESOURCES CODE, PURSUANT TO THE RECEIPT OF A WRITTEN REQUEST FROM ST. ANTHONY OIL CORPORATION UNDER SECTION 6871.3, PUBLIC RESOURCES CODE.

12. (OIL AND GAS LEASE APPLICATION, ST. ANTHONY OIL CORPORATION, SANTA BARBARA-W. O. 2046.) The following report was presented to the Commission:

"Pursuant to the directive of the Commission (Calendar Item 5, this Calendar), the requisite notice specified by Section 6871.3 of the Public Resources Code was published relative to consideration of an application for an offering for oil and gas lease of tide and submerged lands in the Summerland area, Santa Barbara County. The notice was published in Santa Barbara November 14 and 21, 1955, with the result that the thirty days within which any affected city or county may request in writing to the Commission that a hearing be held with respect to the lease consideration will expire December 21, 1955.

"Pursuant to the aforesaid notice, the Board of Supervisors of the County of Santa Barbara have filed a written request for a public hearing in connection with the proposed lease."