

August 31, 1955. The subject wells were returned to production September 1, 1955 and, therefore, again pursuant to the provisions of the compensatory royalty agreement, the State participation would be revised to 5.426% effective October 1, 1955.

"The data for the proposed revisions in percentage participation have been reviewed by the staff."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE MODIFICATION OF THE STATE PERCENTAGE PARTICIPATION UNDER COMPENSATORY ROYALTY AGREEMENT P.R.C. 255.1 TO BE 7.548% AS OF SEPTEMBER 1, 1955 AND 5.426% FOR THE PERIOD OCTOBER 1, 1955 TO MARCH 1, 1956.

15. (DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE P.R.C. 735.1, MONTALVO AREA, VENTURA COUNTY.) The following report was presented to the Commission:

"On October 10, 1955 (Minute Item 6, pages 2458-59) the Commission authorized the Executive Officer to grant the Standard Oil Company of California, lessee under State Oil and Gas Lease P.R.C. 735.1, an extension of time to not later than November 17, 1955 for the commencement of the drilling of the well succeeding well 'State' D-4, as provided for in Oil and Gas Lease P.R.C. 735.1. Authorization for this grant of deferment was based on consideration of elimination of mutual subsurface title problems between the Standard Oil Company and the County of Ventura, which proceedings were anticipated could be completed during October. The documents for elimination of the aforesaid title problems have been completed and were in escrow awaiting action by the Board of Supervisors of the County of Ventura on November 29, 1955. Therefore, the Standard Oil Company of California, as lessee under Oil and Gas Lease P.R.C. 735.1, has again requested the grant of an additional period of 45 days from and after November 17, 1955 for the commencement of the next succeeding well required to be drilled under the lease."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT THE STANDARD OIL COMPANY OF CALIFORNIA, LESSEE UNDER STATE OIL AND GAS LEASE P.R.C. 735.1, AN EXTENSION OF TIME TO NOT LATER THAN JANUARY 2, 1956 FOR THE COMMENCEMENT OF THE DRILLING OF THE WELL SUCCEEDING WELL "STATE" D-4, AS PROVIDED FOR IN OIL AND GAS LEASE P.R.C. 735.1.

16. (PROPOSED RESERVATION OF MINERALS, VETERANS' HOME, YOUNTVILLE, NAPA COUNTY (1668/1953); VULCAN ISLAND, SAN JOAQUIN COUNTY (979/1955); AND REYNOLDS RANCH, SONOMA COUNTY (979/1955).) The following report was presented to the Commission:

"Section 6404, Public Resources Code, provides in part that any State agency that sells any of the lands listed in Section 6403 (e.g. land acquired by the State for public use) may with the approval of the State Lands Commission reserve to the State any