

MINUTE ITEM

23. (1957 LEGISLATION - W. O. 2115.)

Following presentation to the Commission of Calendar Item 21 and Calendar Item marked Exhibit "A" attached, Mr. Kirkwood suggested that the Commission consider action to recommend to the Governor the approval of A.B. 47. To assist in the review of the bill, Deputy Attorney General Jay L. Shavelson was requested to prepare a legal analysis to be transmitted to the Governor's office, with copies to be submitted to each of the Commissioners.

UPON MOTION MADE BY MR. KIRKWOOD, SECONDED BY MR. POWERS, AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED THAT A REPORT BE TRANSMITTED TO THE GOVERNOR THAT THE STATE LANDS COMMISSION RECOMMENDS THE APPROVAL OF A.B. 47.

Attachments

Calendar Item 21 (35 pages)

Unnumbered Calendar Item, Exhibit "A" (2 pages)

CALENDAR ITEM

SUPPLEMENTAL

21.

(1957 LEGISLATION - W. O. 2115.)

The status of bills suggested for legislative consideration by the staff with Commission approval is given in the following tabulation:

<u>BILL NO., AUTHOR, AND ABSTRACT</u>	<u>STATUS</u>
<u>S. 309</u> (Erhart) (Gov. Eff.) Amends Ch. 647, 1955 Stats., (grant of tide, submerged, swamp and overflow lands to Port San Luis Harbor District) to include Lease P.R.C. 478.1 between State and Union Oil Company, to become operative November 21, 1957.	Approved. Chapter 302
<u>S. 796</u> (Cunningham) (Nat. Res.) Excludes from well spacing requirements, lands of acre or more in area and owned by State or in which State owns mineral rights, if subject to lease for production of oil and gas from wells drilled on such lands or from structures, piers, islands, or fills upon State lands.	Held in committee. Legislation not required because of agreement with Division of Oil and Gas.
<u>S. 1054</u> (Cunningham) (Nat. Res.) Repeals Secs. 6211 and 6212, P.R.C., re investigations of land titles by State Lands Commission and reports thereon to Governor and Legislature, and preparation of uniform blank forms relating to land title registration.	Passed Sen. 4/8. Assem. third reading file 5/25.
<u>S. 1095</u> (Regan) (Gov. Eff.) Authorizes commission, by resolution, to designate officer or employee of commission to conduct public hearings which commission is required to hold under any state law. Requires designated officer or employee to make written report to commission of all relevant matters presented at hearings and transmit to commission written statements, arguments, or contentions presented. Prohibits commission from making any finding or declaration or adopting, amending, or repealing any regulation considered at such hearing until it has considered written report of officer or employee and written statements, arguments, or contentions.	Passed Sen. 5/6. Assem. third reading file 6/6.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

S. 1096 (Regan) (Gov. Eff.)

New act, validating rules and regulations of State Lands Commission contained in California Administrative Code.

Tabled 4/24 by Sen. Gov. Eff.

S. 1550 (Gibson) (Gov. Eff.)

Corrects description of granted lands.

Approved Chapter 117.

Requires State Lands Commission at grantee's cost to survey and record area of lands granted.

S. 1796 (Cunningham) (Gov. Eff.)

Revises description of lands granted to be such lands landward of entrance to, rather than bordering upon and under, Newport Bay in Orange County, and declares revision is declaratory only of existing law.

Held in committee.

S. 2668 (Erhardt) (Gov. Eff.)

Corrects description of lands granted to San Luis Obispo County in Morro Bay.

Passed Sen. 5/10.
Passed Assem. 6/6.

A.B. 40 (Shell) (M., O., & M. I.)

Substitutes for present royalty requirements governing oil and gas leases of state lands, royalty on oil of not less than $12\frac{1}{2}$ percent or a sliding scale royalty beginning at $12\frac{1}{2}$ percent, as determined by State Lands Commission, and royalty of not less than $12\frac{1}{2}$ percent for gas and products extracted from gas; rather than present royalty requirements of flat rate royalty of $12\frac{1}{2}$ percent on oil and 10 percent on gas as to lands not within known geologic structure of a producing oil or gas field, and fixed royalty for oil of $16\frac{2}{3}$ percent or sliding scale royalty beginning at $16\frac{2}{3}$ percent, as determined by commission, and 15 percent for gas as to lands within known geologic structure of a producing oil or gas field; thereby eliminating differential in royalties as between lands within such geologic structures and lands not within such geologic structures.

Held in committee.

Makes allowance for oil treatment and dehydration of not exceeding 5¢ per barrel applicable to all such leases, rather than present allowance of such amount with respect to tide and submerged lands not within known geologic structure of producing oil or gas field and reasonable allowance with respect to state lands within such structure.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

Extends scope of provision requiring commission to reserve rights with respect to spacing and production restrictions, to cover oil and gas leases of all state lands under jurisdiction of commission and such leases of tide and submerged lands granted in trust to City of Long Beach.

Eliminates requirement that right of commission to regulate spacing and production of wells on leased lands be exercised only through rules and regulations. Deletes requirement that commission restrict rate of production to that provided by federal or state laws or rules or regulations, or by reasonable plan ordered by commission or agreed to by majority of total production.

Requires commission to make determination as to offering of lands for lease where hearing held, in not less than 30 days, rather than within 30 days, after hearing. Clarifies provisions re determination of commission as to offering lands for oil and gas leases by making it clear that commission may, after such hearing, determine either to offer the lands for lease or not to do so.

Makes other technical changes.

A.B. 45 (Shell) (M., O., & M. I.)

Held in committee.

Permits grantees of State to participate in such plans. Requires State and its lessees, at determination by State, rather than permits State's lessees upon determination of State Lands Commission, to participate in such plans. Permits such plans to cover part of a pool or field.

Requires consent of undivided 75 percent of total working interests, as defined, in area to be affected as condition precedent to State's determination.

A.B. 3540 (Donald D. Doyle) (Jud.)

Passed Assem. 5/11.
Sen. third reading
file 5/31.

Amends Ch. 1939, Stats. 1955, re conveyance of lands in San Joaquin River to City of Antioch, making no substantive change.

A.B. 4078 (MacBride) (G. O.)

Passed Assem. 5/31.
Sen. Gov. Eff:
Do Pass 6/7.

Authorizes investment of any impounded funds accruing from oil and gas leases on disputed submerged land areas.

SUPPLEMENTAL 21. (CONTD.)

Bills pending currently which could affect the administrative cognizance of the Commission are tabulated in the following:

BILL NO., AUTHOR, AND ABSTRACT

STATUS

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| <p><u>S. 15</u> (Breed) (Gov. Eff.)
New act, conveying certain tide and submerged lands to City of Oakland, subject to specified uses and restrictions, and reserving certain rights and interests to State.</p> | <p>Approved. Chapter 709</p> |
| <p><u>S. 40</u> (Gibson) (Gov. Eff.)
Conveys certain of such lands to City of Vallejo, subject to specified uses and restrictions, and reserving certain rights and interests to State.</p> | <p>To Governor 6/5.</p> |
| <p><u>S.C.R. 96</u> (Collier and others) (Rules)
To create a Joint Interim Committee on Oil and Gas Conservation.</p> | <p>Re-referred to Rules 5/28.</p> |
| <p>S. 98
<u>S. 99</u> (McCarthy) (Gov. Eff.)
Amends Ch. 18, 1952 (1st Ex. Sess.), to permit State Lands Commission to exchange certain State lands in Marin County without reserving mineral rights to State.</p> | <p>Approved. Chapter 17</p> |
| <p><u>S.R. 104</u> (Hollister) (Rules)
To recommend immediate resumption of oil and gas leasing by the State Lands Commission</p> | <p>To Rules 4/16</p> |
| <p><u>S. 565</u> (Murdy) (Nat. Res.)
Excepts deposit on, or passage into, waters of ocean, bay, or inlet of water not containing hydrocarbons or vegetable or animal matter, from provision requiring such leases to prohibit pollution and contamination of, and deposit of residuary products of oil or any refuse into, such waters.</p> | <p>Approved. Chapter 104</p> |

Authorizes State Lands Commission to amend existing leases, with consent of lessee to conform with present law governing drilling operations, pollution and contamination of waters, and drilling structures; but requires amended leases to incorporate rules and regulations of commission governing drilling operations and offshore filled lands or structures used in drilling operations, which were in effect at time of amendment of lease rather than at time of invitation for bids pursuant to which lease was awarded.

SUPPLEMENTAL 21. (CONTD.)BILL NO., AUTHOR, AND ABSTRACTSTATUSS. 709 (Sutton) (Nat. Res.)Re-referred to Fin.
4/11

Creates Natural Resources Fund, substitutes that fund for Investment Fund into which flows State's share of oil and gas revenues from tide and submerged lands granted to City of Long Beach, and abolishes Investment Fund.

Creates State Beach and Park Fund, substitutes that fund for State Beach Fund and State Park Fund, and abolishes latter two funds.

Provides that proceeds from royalties and drilling bonuses accruing from leasing of state lands for extraction of oil and gas shall be deposited in Natural Resources Fund rather than State Lands Act Fund.

Appropriates \$1,000,000 out of Natural Resources Fund for support of State Lands Commission and provides for allocation, when specifically appropriated by Legislature, of remaining balance to various new funds pursuant to prescribed allocation formulas, including allocations to a Regional and County Allocation Reserve Fund for acquisition, development, and maintenance of recreational areas of regional or county character approved by Department of Finance, by counties and regional park districts.

S. 717 (Sutton) (Nat. Res.)

Held in committee.

Establishes committee in Department of Natural Resources, composed of representatives from designated state agencies.

Declares authority of committee is limited to advisory and informational activities.

Requires committee to concern itself with proposals, programs, activities, and courses of action of several constituent agencies in field of public recreation which may affect or limit other programs of individual agencies in field of public recreation and conservation, development, exploitation, or regulation of natural resources of State.

Appropriates \$100,000 to be expended during 1957-1958 Fiscal Year for operation of committee.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

- S. 795 (Cunningham) (Gov. Eff.)
Amends 6827 P.R.C. to 16-2/3% oil royalty, 15% gas royalty on "wildcat" leases and \$10 per acre per year delay rental on "wildcat" and "proven" leases. Held in Sen. Gov. Eff. 6/5
- S. 978 (McCarthy) (Rev. & Tax.)
Authorizes City and County of San Francisco to lend money to district for organization and operation prior to first receipt of assessment revenues, to be repayable from first assessment revenues. Held in committee.
- Deletes provisions re exchange of state lands for district lands, and grants to city and county State's title to public highways within district and lands within such highways, reserving mineral rights to State. Authorizes City and County to realign or vacate such highways when board of supervisors and trustees of district determine it to be in best interest of district, and if vacated, requires land to be disposed of in same manner as other city and county surplus lands.
- S. 992 (McCarthy) (Departmental) (Gov. Eff.)
Creates Public Ports Loan Fund for such loans, and appropriates unspecified amount for deposit in such fund from moneys received from mineral leases of state lands except state school land. Held in committee
- S. 1019 (Murphy, Hollister) (Loc. Gov.)
Limits city annexation of tide and submerged lands to the area within the extension of the upland city boundaries. Passed Sen. 5/27
To Assem. Mun. & C.G. 5/28
- S. 1076 (H. Johnson) (Departmental) (Nat. Res.)
Eliminates necessity of approval of State Lands Commission for reservation of mineral rights to State in sale of state lands by any state agency. To Governor 6/5
- S. 1321 (Christensen) (Nat. Res.)
Appropriates \$1,000,000 annually out of fund to Department of Fish and Game for natural habitat improvement for fish and wildlife and access thereto, stream flow improvement, and acquisition of rights of way for access to hunting and fishing areas. Held in committee.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

S. 1517 (Arnold) (Nat. Res.)

Authorizes State Lands Commission to sell abandoned channel Guadalupe Canal, San Mateo County and accreted tide and submerged land in Gallinas Canal, Marin County.

Passed Sen. 5/8
Assem. third reading
file 6/5

S. 1885 (McBride) (Nat. Res.)

Appropriates \$4,000,000 to governing board of Ventura Port District for harbor, to be repaid from port revenues at 2 percent interest within 40 years.

Held in committee.

S. 2062 (Kraft) (B. & P.)

Creates within Department of Professional and Vocational Standards a Bureau of Boat Registration administered by a registrar appointed by Governor.

Held in committee.

Prescribes powers and duties of bureau including registration of boats and detachable motors.

To become operative on January 1, 1958.

S. 2082 (Kraft) (Gov. Eff.)

Revises purposes for which such lands may be used and terms, conditions and reservations to State with reference thereto.

Passed Sen. 5/6
Assem. third reading
file 5/30.

S. 2107 (Kraft) (Nat. Res.)

Deletes existing provisions vesting jurisdiction of small craft harbors in State Lands Commission.

Passed Sen. 5/30.
Assem. W. & M.:
Do Pass 6/7

Establishes Division of Small Craft Harbors, administered by a chief, and Small Craft Harbors Commission, consisting of five members appointed by Governor with consent of Senate for four-year terms, in Department of Natural Resources. Chief to be appointed by Director of Natural Resources on nomination by commission.

Requires that general policies for construction, operation, and development of small craft harbors by division be determined by commission. Prohibits expenditure of money appropriated to division for acquisition of real property for, and construction and development of, such harbors without approval of commission.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

Requires commission to study and consider acquisition of real property for, and construction and development by, State of small craft harbors, and to make recommendations thereon to Legislature.

Establishes Small Craft Harbor Fund, and continuously appropriates all moneys therein to Department of Natural Resources for support of commission and division and, when specifically appropriated by Legislature, for acquisition of real property for, and construction and development of, small craft harbors by division.

S. 2108 (Kraft) (Nat. Res.)

Held in committee.

Amends Sec. 6496, P.R.C., to declare that appropriation of state funds for development of particular site for small craft harbor and recreation area constitutes determination of state-wide interest therein.

S. 2109 (Kraft) (Nat. Res.)

Held in committee.

Deletes provisions creating Small Craft Harbors Revolving Fund and appropriating money in fund to State Lands Commission for support in carrying out provisions of chapter re small craft harbors.

Creates Small Craft Harbors Revolving Fund, requires transfer of \$10,000,000 to it from Investment Fund, and appropriates all money in revolving fund to commission for acquisition and development of small craft harbors in accordance with provisions of chapter re small craft harbors.

Requires return to Investment Fund of any money in revolving fund in excess of \$10,000,000.

Requires harbors developed to be transferred, and operation and maintenance relinquished, to county or city in which located, and agreement entered into whereby local authority agrees to pay State, for credit to revolving fund, net revenues received from operation of harbor, and including an amount equal to taxes collected from privately owned improvements on harbor property and equal to property taxes collected on small craft.

SUPPLEMENTAL 21. (CONTD.)BILL NO., AUTHOR, AND ABSTRACTSTATUSS. 2118 (Kraft) (Gov. Eff.)

Held in committee.

New act, conveying certain salt marsh tidelands, and submerged lands to City of Coronado, subject to specified uses and restrictions.

S. 2143 (Hollister) (Nat. Res.)

Held in committee.

Appropriates unspecified sum to State Lands Commission for study of feasibility of establishing small boat harbor in Goleta Airport area.

S. 2212 (Abshire) (Wat. Res.)

Passed Sen. 5/13.

Deletes authorization for investigation and study of Chipps Island Barrier.

Assem. third reading
file 6/6.

Provides that report required to be made by Department of Water Resources re study and investigation by March 30, 1957, shall be an interim report.

To take effect immediately, urgency measure.

S. 2220 (Abshire) (Nat. Res.)

Held in committee.

New act, declaring policy of State to provide system of small boat harbors and refuges on coastal and inland waters and requiring State to provide for an assist other governmental agencies and persons in establishment of such harbors.

S. 2238 (H. Johnston) (Nat. Res.)

Passed Sen. 5/30.

Appropriates \$30,000 to State Lands Commission for clearing stumps, snags, and old pilings from Lake Tahoe.

To Assem. C.P. & P.W.
5/31

S. 2375 (Richards) (Gov. Eff.)

Held in committee.

Amends Sec. 1, H. & N. C., re short title, making no substantive change.

S. 2470 (Miller) (Nat. Res.)

Held in committee.

Provides that State Lands Commission, when offering state tide and submerged lands for oil and gas leases, shall specify the flat-rate royalty of 12½ percent for oil and 10 percent for gas, unless commission determines lands are within known geologic structure of producing oil or gas field, rather than when the commission has determined that such lands are not within such a structure.

Makes similar change in provisions re drilling terms of oil and gas leases of state lands,

SUPPLEMENTAL 21. (CONTD)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

notice of intention to lease, and size of parcels, which provisions distinguish between lands which are within known geologic structure of a producing oil or gas field and lands which are not.

S. 2503 (Murdy) (Gov. Eff.)

Declares portions of lands granted to county under Ch. 526, Stats. 1919, which have been filled and reclaimed, to be no longer useful for navigation commerce, and fishing, and no longer tide or submerged lands, and to be free of public trust for navigation, commerce, and fishing.

Passed Sen. 5/13.
Assem. third reading
file 6/5.

Permits future reclaiming and filling of portions of granted lands in connection with development of Newport Bay as harbor, and makes similar declaration as to such lands when so reclaimed and filled.

Permits county to convey such lands free of public uses and trust to owners of contiguous uplands in exchange for lands desirable for development and conduct of harbor.

Permits county to convey such lands free of public uses and trusts for consideration to highest bidder upon following prescribed procedure, and requires consideration received therefor to be used by county only for harbor purposes.

S. 2546 (McCarthy) (Trans.)

Amends Sec. 1, H. & N.C., re short title, making no substantive change.

Held in committee.

S. 2554 (McCarthy) (Jud.)

New act authorizing and providing for suits against State to quiet title to certain salt marsh and tidelands previously sold by State but as to which no deed was executed and delivered or any deed executed and delivered was lost and never recorded.

Held in committee.

S. 2583 (Cobey) (Nat. Res.)

Amends Sec. 6210.9, P.R.C., authorizing purchase, lease, gift, exchange, or condemnation for rights of way or easements across private land to reach public land whether such public land is for sale or not.

Held in committee.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

A.J.R. 12 (Patee and others) (C. P. & P. W.)

Stricken from file

Memorializes Congress to transfer control to the State of federally owned lands bordering the Colorado River.

A.B. 32 (Lowrey) (C., P., & P. W.)

Passed Assem. 5/31.
To Sen. Nat. Res. 6/3.

Declares purpose of act is to create a public outdoor recreation committee and to provide for preparation of a public outdoor recreation plan.

Creates Committee for Development of the California Public Outdoor Recreation Plan, consisting of designated state officers, and requires committee to consider, develop, and recommend to Legislature a California Public Outdoor Recreation Plan based on survey of present and future needs of people in State for outdoor recreation opportunities and facilities, including designated matters.

Prescribes powers and duties of committee and requires committee to appoint technical consultant group, to assist committee in developing plan, composed of designated officers and, when requested by chairman of committee, representatives of federal agencies which control land or water areas within State.

Creates advisory council consisting of designated state officers and additional members appointed by committee, and requires that it advise committee and committee staff of methods to be used in preparation of plan, consult with organizations represented on advisory council on proposals under consideration for inclusion in planning, and review plan before adoption by committee.

Requires committee to submit preliminary reports and final plan to Governor and Legislature.

Appropriates \$300,000 to committee, for expenditure without respect to fiscal years, for support and operations of committee and for contractual services as may be required for development of plan during Fiscal Years 1957-58, 1958-59, and 1959-60.

A.C.R. 33 (Miller and others) (M., O. & M. I.)

Adopted. Resolution
Chapter 92.

Requests suspension of oil and gas lease offers on T&S lands.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

A.B. 36 (Miller) (M., O., & M. I.)

Authorizes State Lands Commission to order unit operation of oil and gas pool, or portion thereof, if it finds following conditions present or met:

To Rules 5/15 for interim study assignment.

Surface area of pool contains public lands, as defined, comprising at least 50 percent of total surface area of pool; unit operation necessary to prevent waste and increase recovery of oil and gas; additional recovery will exceed additional cost of conducting unit operation.

Specifies requirements of unit operation order, including: allocation of production based on relative contribution, other than physical equipment, made by tracts to unit operation; adjustment of equipment contributions as unit operation expense; allocation of unit operation expenses, operating committee, and provisions to prevent waste.

Provides for amendment of unit operation order and new unit operation order embracing unit area covered by a previous order.

Entitles person to whom debt is owed for unit operation expense to lien on interest of debtor in unit area production.

Makes violation of chapter or regulation or order of commission subject to penalty of not more than \$1,000 per day for each act of violation, recoverable in action brought by Attorney General.

Authorizes commission to bring injunctive action against violations or threats thereof.

Defines "waste" for purposes of chapter as physical waste; waste or improper use of reservoir energy; locating, drilling, or producing of well causing reduction in oil or gas ultimately recoverable under prudent and proper operations.

A.B. 47 (Miller) (M., O., & M. I.)

Substitutes for present royalty requirements governing oil and gas leases of state lands, sliding scale royalty on oil beginning at 16-2/3% and royalty of 16-2/3 percent for gas and products extracted from gas; rather than present royalty requirements of flat rate royalty of 12-1/2 percent on oil and 10 percent on gas as to lands not

To Governor 6/9

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within known geologic structure of a producing oil or gas field, and fixed royalty for oil of 16-2/3 percent or sliding scale royalty beginning at 16-2/3 percent, as determined by commission, and 15 percent for gas as to lands within known geologic structure of a producing oil or gas field; thereby eliminating differential in royalties as between lands within such geologic structures and lands not within such geologic structures.

Makes allowance for oil treatment and dehydration of not exceeding 5¢ per barrel applicable to all such leases, rather than present allowance of such amount with respect to tide and submerged lands not within known geologic structure of producing oil or gas field and reasonable allowance with respect to state lands within such structure.

Adds alternative lease award on royalty bid.

Requires commission to make determination as to offering of lands for lease where hearing held, in not less than 30 nor more than 90 days, rather than within 30 days, after hearing. Clarifies provisions re determination of commission as to offering lands for oil and gas leases by making it clear that commission may, after such hearing, determine either to offer the lands for lease or not to do so.

Makes other technical changes.

A.B. 80 (Miller) (G. E. & E.)

Directs commission to require, as condition to issuance of permit for geological or geophysical surveys on state lands or taking cores or other samples on and under tide and submerged lands of State, that permittee furnish to commission, upon request, all factual and physical exploration results, logs, and records resulting from operations under permit.

Declares such results, logs, and records shall be for confidential use of commission and forbids opening to inspection by any other person or agency without written consent of permittee. Declares unauthorized disclosure to be a misdemeanor.

Passed Assem. 3/25.
Passed Sen. amended
4/16. Conference
report adopted 6/4

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

A.B. 91 (Lindsay) (C., P., & P. W.)

Requires transfer, upon order of Controller, from balance remaining in fund after payment of refunds and administrative expenses and required transfers of funds to State Beach Fund and State Park Fund, of \$500,000 annually to Division of Forestry, for basic research, field studies, and operations with respect to activities under its jurisdiction.

Passed Assem. 6/1.
To Sen. Nat. Res. 6/3.

A.B. 124 (Belotti) (C., P., & P. W.)

Appropriates \$1,000,000 annually out of fund to Department of Fish and Game for natural habitat improvement for fish and wildlife and access thereto, stream flow improvement, and acquisition of rights of way for access to hunting and fishing areas.

Passed Assem. 6/2.
To Sen. Nat. Res. 6/3.

A.C.R. 137 (Miller) (Rules)

To create a Joint Interim Committee on Oil and Gas Conservation.

To Rules 4/15.

A.B. 166 (Lindsay) (M., O., & M. I.)

Abolishes present Division of Oil and Gas, Department of Natural Resources, and substitutes therefor Division of Oil and Gas Conservation under chief appointed by Governor and confirmed by Senate. Provides that new division succeeds to all functions of old division and to functions and jurisdiction of State Lands Commission re extraction of oil and gas from state lands.

Held in committee.

Creates advisory board in new division consisting of seven members appointed by Governor.

Deletes present provisions regulating oil and gas production and enacts Oil and Gas Conservation Law, administered by new division.

Prohibits waste of oil and gas. Defines "waste" as: physical waste; waste or improper use of reservoir energy; locating, drilling, or producing of well to cause reduction in quantity of oil and gas ultimately recoverable from pool under prudent and proper operations.

Grants division various powers with respect to prevention of waste, including power to limit production of oil and gas in pool to that which can be produced without waste.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

Authorizes division to establish spacing units for pools to prevent waste or avoid drilling of unnecessary wells, except pools already developed under certain conditions. Specifies requirements to be followed by division in establishing spacing units. Provides for compulsory pooling of interests in spacing unit where two or more separately owned tracts are contained in unit.

Declares that agreements for unit development or operation of tracts in same pool are valid and binding and, if approved by division as necessary to prevent waste or increase ultimate recovery, such agreements do not violate state laws re monopolies or restraint of trade.

Provides for compulsory unit operation of field if consented to by 51 percent of persons owning working interests in field, as defined, and by owners of working interest in 51 percent of total surface area of field; or consented to by 75 percent of persons owning working interests in field; or consented to by persons owning working interests in 75 percent of total surface area of field; and division after public hearing, makes prescribed findings, including finding that: unit operation is necessary to prevent waste, increase recovery of oil or gas, and protect correlative rights; value of additional recovery will exceed additional cost; agreement is fair and reasonable; that agreement provides for allocation of production to separately owned tracts based on relative contribution to operation of each tract, adjustments for equipment investments of tracts, allocation of expenses of unit operation, operating committee, and such additional provisions as division deems appropriate for prevention of waste and protection of interested parties.

Provides for converting voluntary unit agreements and existing unit agreements into compulsory unit operation orders, and for inclusion of additional tracts under unit operation order.

Makes violation of law or rule or order of division subject to penalty of not more than \$1,000 per day for each violation, recoverable in suit by Attorney General.

SUPPLEMENTAL 21. (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

Empowers division to bring injunctive action to enjoin violations or threats thereof, and provides for such action by others if division fails to bring action.

A.B. 168 (Lindsay) (C., P., & P. W.)

Creates Division of Public Lands within Department of Natural Resources, headed by Chief appointed by Public Lands Commission.

Held in committee.

Establishes within department the Public Lands Commission composed of seven members appointed by Governor subject to confirmation by Assembly.

Abolishes State Lands Commission and Division of State Lands of Department of Finance and vests their functions and jurisdiction in Public Lands Commission to be administered through Division of Public Lands.

To become operative January 1, 1958.

A.B. 322 (McCollister) (C., P., & P. W.)

New act, conveying tide and submerged lands in Richardson Bay, Marin County, to Strawberry Recreation District, in trust and subject to specified uses, purposes, conditions, and reservations.

Held in committee.

A.B. 323 (McCollister) (C., P., & P. W.)

Conveys tide and submerged lands in San Francisco Bay, lying within boundaries of City of Sausalito, to such city in trust for specified purposes and subject to specified conditions and reservations.

To Governor 5/27.

Repeals previous grants of tide and submerged lands to city.

A.B. 501 (Brown) (Jud.)

Changes and revises various provisions requiring publication of notice by state and local agencies, to provide for uniformity in such provisions by cross-reference to general publication provisions contained in Secs. 6060-6066, inclusive, Gov. C.

Approved. Chapter 357.

A.B. 541 (Chapel) (C., P., & P. W.)

New act, conveying tide and submerged lands to City of Palos Verdes Estates, in trust and subject to specified uses, purposes, conditions, and reservations.

Held in committee.

SUPPLEMENTAL 21. (CONTD.)BILL NO., AUTHOR, AND ABSTRACTSTATUSA.B. 606 (Lindsay) (C. P., & P. W.)Re-referred to
C. P. & P. W. 4/1

Establishes Division of Recreation, Department of Natural Resources and vests in it all jurisdiction presently vested in Division of Beaches and Parks over beaches and recreational parks and all jurisdiction presently vested in State Lands Commission over small craft harbors.

Changes title of Division of Beaches and Parks to Division of Parks and authorizes Governor to transfer administration and control of any park from State Park Commission to Division of Recreation if he determines park is primarily recreational in character. Requires Governor report transfer to Legislature.

Continues Recreation Commission in existence and requires that commission, with written approval of Governor, establish policies for guidance of Chief of Division of Recreation.

Abolishes State Beach Fund and establishes a Beach and Park Recreational Fund which is appropriated for improvement and maintenance of state beach and recreational parks and when specifically appropriated by the Legislature for construction and acquisition of state beaches and recreational parks and roads, trails, and pathways providing access thereto.

Revises disposition of balance remaining in State Lands Act Fund after payment of refunds and expenses to require that, upon order of Controller, 66-2/3 percent be transferred to Beach and Recreation Park Fund and 33-1/3 percent be transferred to State Park Fund. Limits total aggregate amount which may be transferred to both said funds in single fiscal year to not exceeding \$7,000,000.

A.B. 678 (McCollister) (C., P., & P. W.)

To Governor 5/27.

New act, conveying unspecified tide, submerged, swamp and overflowed lands to Bolinas Bay Harbor District, subject to specified conditions and restrictions.

A.B. 759 (O'Connell) (C., P., & P. W.)

Held in committee.

Provides for exchange of state lands for district lands, and grants to city and county state's title to public highways within district and lands within such highways. Authorizes city and county

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to realign or vacate such highways when board of supervisors and trustees of district determine it to be in best interest of district.

A.B. 865 (Shell) (M., O., & M. I.)

Excepts deposit on, or passage into, waters of ocean, bay, or inlet of water not containing hydrocarbons or vegetable or animal matter, from provision requiring such leases to prohibit pollution and contamination of, and deposit of residuary products of oil or any refuse into, such waters.

Held in committee.

Authorizes State Lands Commission to amend existing leases, with consent of lessee, to conform with present law governing drilling operations, pollution and contamination of waters, and drilling structures; but requires amended leases to incorporate rules and regulations of commission governing drilling operations and offshore filled lands or structures used in drilling operations, which were in effect at time of amendment of lease rather than at time of invitation for bids pursuant to which lease was awarded.

A.B. 903 (Allen) (Jud.)

Amends Ch. 29, Stats. 1956 (First Ex. Session) re revenues from hydrocarbon substances derived from tide and submerged lands granted to City of Long Beach, making no substantive change.

Held in committee.

A.B. 904 (Allen) (Jud.)

Amends Ch. 526, Stats. 1919, re tide and submerged lands conveyed in trust to Orange County, making no substantive change.

Held in committee.

A.B. 930 (Grant) (M., O., & M. I.)

Permits grantees to enter into agreements for cooperative development, unit operation, regulation of drilling and operating of wells, or for secondary recovery operations, with respect to oil or gas field, or part thereof, in granted lands.

Passed Assem. 5/31.
Re-referred Sen. Fin.
6/5

A.B. 949 (Chapel) (Jud.)

Authorizes city to use such lands for public park, parkway, highway, and playground purposes.

Re-referred to Jud. 3/15

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A.B. 1063 (Coolidge) (Departmental) (C., P., & P.W.)

Creates State Beach and Park Fund as successor of State Park Maintenance Fund, State Beach Fund, and State Park Fund, which are abolished, and provides for use of such fund for state park and similar purposes.

Provides money appropriated from abolished funds remain available for expenditure from State Beach and Park Fund for same period as originally made.

Passed Assem. 5/31.
To Sen. Nat. Res. 6/3.

A.B. 1108 (Hegland) (C., P., & P. W.)

Appropriates \$50,000 to City of Carlsbad for research and study with regard to construction and development of small craft harbor.

Held in committee.

A.B. 1111 (Hegland) (C., P., & P. W.)

Appropriates \$750,000 to the City of Ocean-side to extend Camp Pendleton jetties and construct breakwaters for small craft harbor and refuge.

Held in committee.

A.B. 1114 (Beaver) (Rev. & Tax.)

Permits State Soil Conservation Commission to make grants to soil conservation districts for district works if commission finds work necessary for welfare of State.

Passed Assem. 6/1.
To Sen. Gov. Eff. 6/3.

Appropriates \$1,000,000 annually out of State Lands Act Fund to commission for such purpose.

A.B. 1428 (Hanna) (C., P., & P. W.)

Amends Sec. 1, P.R.C., re natural resources, making no substantive change.

Held in committee.

A.B. 1435 (Hanna) (Trans. & C.)

Amends Sec. 100, H. & N. C., re navigation, making no substantive change.

Held in committee.

A.B. 1607 (Kelly) (G. O.)

Authorizes division to undertake experimental work in development of ores or mining and appropriates \$500,000 annually out of State Lands Act Fund to division therefor.

Passed Assem. 6/1.
To Sen. Nat. Res. 6/3.

A.B. 1642 (Allen) (Departmental) (M., O., & M.I.)

Declares purpose of act to study State's oil and gas regulatory laws.

Passed Assem. 5/31.
To Sen. Gov. Eff. 6/3.

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Creates commission for that purpose, composed of seven members appointed by Governor, and provides for participation of two Senate members and two Assembly members to extent compatible with legislative functions.

Provides for compensation of members and for duties of commission.

Appropriates unspecified sum out of State Lands Act Fund for purposes of act.

A.B. 1670 (Allen) (Jud.)

Amends Ch. 102, Stats. 1925, re tide and submerged lands granted in trust to City of Long Beach, making no substantive change.

Held in committee.

A.B. 1784 (McMillan and others)

To provide a loan of \$2,000,000 to the County of Los Angeles for the development of Marina del Rey small craft harbor.

Passed Assem. 5/31.
Re-referred Sen. Fin.
6/6.

A.B. 1927 (Kelly) (Departmental) (M., O., & M.I.)

Requires exclusive use of area of mineral estate in determining parcel areas for purposes of well spacing requirements.

Approved. Chapter 405

Requires owner or operator of leasehold in which land is included under well spacing requirements to record quitclaim to such land if leasehold terminated.

Limits definition of gas for purposes of oil and gas regulatory provisions to hydrocarbon gas.

Requires oil and gas supervisor to prevent damage to oil and gas deposits from loss of reservoir energy.

Revises oil and gas districts.

Revises requirement re appointment of agents by well operators and owners for service of process.

Requires person who acquires operation of well, as well as one who acquires ownership, to give required notice thereof to oil and gas supervisor or district deputy.

Requires notice of intention to commence drilling of well to include estimate of depths be-

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tween which production will be attempted, rather than depths at which oil or gas producing sand or formation will be encountered.

Permits extension of time for filing of well records.

Limits requirement of notice of removal of equipment from well to notice of removal of well casing.

Revises power of district commissioners to issue subpoenas.

Requires, where parcel on which well may be drilled under certain circumstances, is less than 150 feet in width, producing interval of well shall be as far as practicable from lateral property boundary.

Deletes requirement that directional survey plat required under spacing provisions be open to inspection.

Provides for inclusion of land of less than one acre surrounded by leasehold covering at least one acre in such lease at request of owner or lessee of lands of less than one acre.

Provides for determination of which lease surrounded lands shall be included within where land of less than one acre surrounded by at least two oil and gas leaseholds and where no largest common boundary with surrounded lands.

Makes other technical changes.

A.B. 1930 (Kelly) (M., O., & M. I.)
Amends Sec. 3013, P.R.C., re oil and gas, making no substantive change.

Held in committee.

A.B. 1931 (Kelly) (M., O., & M. I.)
Adds Sec. 3000.5, P.R.C., to add short title to provisions re oil and gas conservation.

Held in committee.

A.B. 1969 (Weinberger) (G. O.)
Amends, amends and renumbers, renumbers, adds and repeals various secs., various codes and

Passed Assem. 5/7.
Read third time -
amended 6/5.

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general laws, to correct references and make technical and clarifying changes re administration of water resources.

A.B. 2073 (Brown) (G. E. & E.)

Adds Secs. 6109 and 6110, P.R.C., requiring meetings of State Lands Commission to be open to public.

To Governor 6/3.

A.B. 2133 (Collier) (G. O.)

Deletes provisions which require deposit of moneys in Investment Fund and requires such moneys be deposited in General Fund.

Re-referred to G. O.
4/11.

Transfers all moneys and investments in or pertaining to Investment Fund to General Fund.

A.B. 2173 (Weinberger) (Departmental) (Jud.)

Creates Public Ports Loan Fund for such loans, and appropriates unspecified amount for deposit in such fund from moneys received from mineral leases of state lands except state school land.

Held in committee.

A.B. 2237 (Shell) (M., O., & M. I.)

Makes royalties for oil and gas on lands not within known geological structure of producing oil or gas field same as royalties on lands within such structure.

Passed Assem. 5/7.
Held in Sen. Gov. Eff.
6/5.

Makes royalty on gas and gas products not less than 16-2/3 percent, rather than flat 10 percent re lands not within known geological structure and 15 percent re lands within such structure.

Makes allowance for oil treatment and dehydration of not exceeding five cents per barrel applicable to all such leases rather than present allowance of such amount re lands not within known geologic structure and reasonable allowance re lands within such structure.

Extends scope of provision requiring commission to reserve rights re spacing and production restrictions, to cover oil and gas leases of all state lands under jurisdiction of State Lands Commission and such leases of tide and submerged lands granted in trust to City of Long Beach. Eliminates requirement that right

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of commission to regulate spacing and production of wells on lease lands be exercised only through rules and regulations. Deletes requirement that commission restrict rate of production to that provided by federal or state laws or rules or regulations, or by reasonable plan ordered by commission or agreed to by majority of total production.

Requires commission to make determination as to offering of lands for lease where hearing held, in not less than 30 days, rather than within 30 days, after hearing.

Clarifies provision re determination of commission as to offering lands for oil and gas leases by making it clear that commission may, after such hearing, determine either to offer lands for lease or not to do so.

Provides for lease award on alternative royalty bid.

Makes other technical changes.

A.B. 2400 (Belotti) (W. & M.)

Appropriates \$100,000 from State Lands Act Fund to State Lands Commission for removal of island from Eel River channel.

Held in committee

A.B. 2423 (Coolidge) (P. U. & C.)

Declares state-wide interest therein.

Passed Assem. 6/2.
To Sen. Nat. Res. 6/3.

Establishes Small Craft Harbor and Port of Refuge Financing Fund and provides that money in such fund shall be available to city, city and county, or port district for acquisition of real property for, and construction and development of, small craft harbor or port of refuge when appropriated by Legislature.

Requires repayment in such manner and upon such terms as Legislature may prescribe.

Authorizes Director of Finance to invest and reinvest unneeded money in fund, and requires transfer to such fund of an unspecified amount annually from State Lands Act Fund.

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A.B. 2531 (Shell) (M., O., & N. I.)

Establishes commission composed of seven members appointed by Governor and State Oil and Gas Supervisor and Director of Natural Resources.

Provides for participation in work of commission of two members each of Senate and Assembly, to extent compatible with their positions as Legislators.

Requires commission to study State's oil and gas regulatory laws and to render report to Legislature.

Provides for termination of commission on June 30, 1959.

Re-referred to committee 5/4.

A.B. 2618 (Cunningham) (P. U. & C.)

Appropriates \$4,000,000 to governing board of Ventura Port District for harbor, to be repaid from port revenues at 2 percent interest within 40 years.

Passed Assem. 5/31.
Re-referred Sen. Fin. 6/5.

A.B. 2624 (Coolidge) (C., P., & P. W.)

Requires State Controller to apportion annually to each city or county having within its boundaries state-owned tide and submerged lands, or such lands in which State has reserved rights to mineral deposits contained therein, 1 percent of value of gas, oil, gasoline, or other hydrocarbons on which royalty is paid to State, from such tide and submerged lands which are within limits of particular city or, in case of a county, within limits of county but not within limits of a city. Limits amount which may be apportioned in a single year to a city or county to \$75,000 per mile, or fraction of mile, of ocean frontage, within and owned by such city and county, leased by State Lands Commission for production of oil, gas, and other hydrocarbons and available to public free of charge for recreational purposes.

Prescribes manner in which amount apportionable to each city and county to be determined and makes determination and apportionments final.

Referred to Rules 5/29
for interim study
assignment.

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Requires amounts paid to cities and counties be paid into special tide and submerged lands fund established by cities and counties and prescribes purposes for which money in such funds may be expended.

Declares purposes for which fund may be expended constitute matters of state-wide interest and expenditure of funds therefor will benefit all people of State.

Provides that provisions shall be operative with respect to all revenues received in State Treasury on October 1, 1957, and for two years thereafter.

Deletes present provisions relating to disposition of balance of State Lands Act Fund remaining after payment of refunds and administrative expenses, and requires, upon order of Controller, balance be transferred as follows:

1. 30 percent to General Fund
2. 46-2/3 percent to State Park Fund
3. 23-1/3 percent, as required to pay apportionments to counties and cities, as provided above, balance to State Beach Fund.

<u>A.B. 2659</u> (Chapel) (P. U. & C.) Amends Sec. 6475, P.R.C., re small craft harbors, making no substantive change.	Held in committee
<u>A.B. 2660</u> (Chapel) (P. U. & C.) Amends Sec. 6478, P.R.C., re small craft harbors, making no substantive change.	Re-referred to P. U. & C. 3/25.
<u>A.B. 2678</u> (Schrade) (C., P., & P. W.) New act, granting in trust described tide and submerged lands to City of Coronado, subject to specified uses, conditions, and reservations.	To Governor 5/27.
<u>A.B. 2725</u> (Grant) (M., G., & M. I.) Requires State Oil and Gas Supervisor, if he believes subsidence is caused by oil or gas drilling or extraction from any pool, which is causing loss or damage to surface improvements, after a public hearing and notice, to issue orders requiring producers in such pool to inject gas or fluids into producing formations.	Held in committee.

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- Makes violation of orders misdemeanor.
- A.B. 2727 (Grant, Klockslem) (M., O., & M. I.)
Establishes a Subsidence District Law in the Health and Safety Code. Held in committee.
- A.B. 2732 (Grant) (M., O., & M. I.)
Adds Ch. 4, Div. 3, P.R.C., to permit formation of districts for prevention, correction, and control of subsidence of lands caused by oil or gas extraction. Held in committee.
- A.B. 2733 (Grant) (M., O., & M. I.)
Adds Ch. 5, Div. 3, P.R.C., to authorize formation of districts for prevention, control, and correction of land subsidence pursuant to division of Wat. C., re reclamation districts. Held in committee.
- A.B. 2760 (Miller) (Rls.)
Requires that a Member of Senate, appointed by Senate Committee On Rules, and a Member of Assembly, appointed by Speaker, constitute an interim committee and meet with and participate in work of commission to extent participation not incompatible with their positions as Members of Legislature. Passed Assem. 5/24.
To Sen. Rules 5/24.
- A.B. 2920 (Kelly) (M., O., & M. I.)
Entitles persons who perform labor or furnish materials or services in drilling or operating oil or gas well, constructing a pipeline, or constructing or repairing material so used, liens for amounts due for such labor, material, and services. Passed Assem. 4/16
Re-referred Sen. Jud. 6/5.
- Specifies conditions under which lien attaches, and procedure for claiming and enforcing lien.
- A.B. 2925 (Shell) (C., P., & P. W.)
Amends Sec. 6816, P.R.C, to change maximum amount of annual transfer of money in State Lands Act Fund to State Beach and State Park Funds to unspecified amount, and makes maximum amount applicable to 1957-58, rather than 1956-57 Fiscal Year. Passed Assem. 5/31.
Re-referred Sen. Fin. 6/5.
- A.B. 3025 (Chapel) (C., P., & P. W.)
Amends Ch. 479, Stats. 1919, re stating terms of grant of tide and submerged lands to City of Hermosa Beach. Re-referred C.P. & P.W. 4/8.

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A.B. 3038 (Hegland) (C., P., & P. W.)

Provides for payment by State of one-half of cost of local cooperation re federal beach erosion control projects, requiring Department of Water Resources to report annually to Governor and Legislature re amounts required therefor. Requires report to be approved by State Lands Commission and Director of Finance when works are included in small boat harbor development project.

Passed Assem. 5/23.
Assem. third reading
file 6/4.

Authorizes department, with approval of Director of Finance, to advance money from General Fund to meet federal share, and requires local agency to deposit its share in State Treasury in advance of work when department is construction agency.

A.B. 3071 (Chapel) (P. U. & C.)

Requires transfer, upon order of State Controller, from balance remaining in fund after payment of refunds and administrative expenses and transfers to State Beach and State Park Funds, of \$500,000 annually for five fiscal years, beginning with 1958-1959 Fiscal Year, to Small Craft Harbors Revolving Fund.

Passed Assem. 5/31.
To Sen. Nat. Res. 6/3.

A.B. 3153 (Grant, Klocksien) (Jud.)

Provides for exercise of eminent domain in connection with protection of land from surface subsidence.

Passed Assem. 5/17.
Assem. third reading
file 6/4.

A.B. 3154 (Grant) (Jud.)

Provides that prevention, arrest, or reduction of land subsidence is public use, and land that is subsiding or threatened with subsidence or land linked therewith by geological structure may be taken or damaged for such use for acquisition of facilities for injection of water or other substance.

Re-referred Jud. 5/16.

A.B. 3165 (Lanterman) (G. E. & E.)

Authorizes Secretary of State to purchase and operate laminating equipment and supplies for lamination of deteriorating and damaged records in archives and in state and other agencies.

Passed Assem. 5/31.
To Sen. Gov. Eff. 6/3

Authorizes making charge for services for other agencies and appropriating \$23,000.

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A.B. 3200 (Shell) (M., O., & M. I.)

Adds Sec. 3451, P.R.C., to define "maximum efficient rate" for purposes of provisions providing for recommendation of maximum efficient rates of production for oil pools.

Approved. Chapter 437.

A.B. 3201 (Shell) (M., O., & M. I.)

Empowers State Oil and Gas Supervisor to establish well spacing units for oil and gas pools, or portion thereof, and prescribes procedure therefor.

Referred to Rules 5/29 for interim study assignment.

Provides for compulsory pooling of properties in spacing units, and specifies procedure therefor.

A.B. 3324 (Lindsay) (M., O., & M. I.)

Establishes commission consisting of five members appointed by Governor, and Speaker of Assembly and President pro Tempore of Senate to extent participation is compatible with positions as legislators.

Re-referred to M. O. & M. I. 3/25.

Fixes annual salary of appointive members at \$25,000 and provides for reimbursement of expenses of all members.

Requires Commission to study all facts re production of oil and gas in State to determine whether conservation laws require revision and to report thereon to Legislature.

Appropriates \$250,000 for purposes of act.

To take effect immediately, urgency measure.

A.B. 3523 (Schradz) (Jud.)

Amends Ch. 593, Stats. 1953, re tide and submerged lands conveyed to City of Chula Vista, making no substantive change.

Held in committee.

A.B. 3524 (Schrade) (Jud.)

New act, conveying in trust tide and submerged lands within limits of City of Imperial Beach to such city subject to specified uses, conditions and reservations.

Held in committee.

A.B. 3610 (Belotti) (C., P., & P. W.)

Declares certain described lands in Humboldt County to be no longer useful for navigation or fisheries and free from public trust for navigation and fisheries.

Passed Assem. 5/21.
To Sen. Gov. Eff. 5/21

3269

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Empowers State Lands Commission to sell such-lands to abutting landowners.

A.B. 3689 (Donahoe) (G. O.)

Revises membership of commission to delete Director of Finance, and to add State Treasurer, Chairman of Senate Finance Committee, Chairman of Assembly Ways and Means Committee, the legislative members, as interim committee, to participate to extent compatible with legislative positions.

Held in committee.

A.B. 3715 (Pattee) (C., P., & P. W.)

Add Sec. 7700, P.R.C., to prohibit disposition of state lands, or control thereof, without reservation of right of people to hunt thereon, subject to laws of State including those regulating hunting.

Held in committee.

A.B. 3812 (O'Connell) (F. & G.)

New act, releasing certain railroad right of way and all street areas in Hunters Point Reclamation District from trust for navigation and fishery.

Passed Assem. 6/1.
To Sen. Gov. Eff. 6/3.

A.B. 3813 (O'Connell) (C., P., & P. W.)

Requires State Lands Commission to determine boundaries of such lands, and authorizes it to bring actions and employ special counsel for that purpose.

Passed Assem. 5/31.
To Sen. Gov. Eff. 6/3.

Appropriates unspecified sum from Investment Fund to commission for such purposes.

A.B. 3814 (Meyers) (Mun. & C. G.)

Appropriates unspecified sum from State Lands Act Fund out of revenue from tidelands oil and gas to appropriate state agency for small harbor improvement.

Held in committee.

A.B. 3831 (Meyers) (W. & M.)

Appropriates unspecified amount out of unnamed fund for improvement of San Francisco Yacht Harbor.

Held in committee.

A.B. 3864 (Allen) (Jud.)

Amends Ch. 526, Stats. 1919, to revise description of tide and submerged lands granted in trust to Orange County.

Held in committee.

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A.B. 3869 (Allen) (M., O., & H. I.)

—Passed Assem. 5/7.
Held in Sen. Gov. Eff.
6/5.

Substitutes present royalty requirements governing oil and gas leases of state lands, royalty on oil of not less than $12\frac{1}{2}$ percent and sliding scale royalty beginning at $16\frac{2}{3}$ percent, as determined by State Lands Commission, and royalty of not less than $16\frac{2}{3}$ percent for gas and products extracted from gas, rather than present royalty requirements of flat rate royalty of $12\frac{1}{2}$ percent on oil and 10 percent on gas for lands not within known geologic structure of producing oil or gas field and fixed royalty of $16\frac{2}{3}$ percent or sliding scale royalty beginning at $16\frac{2}{3}$ percent, as determined by commission, and 15 percent on gas for lands within known geologic structure of producing oil or gas field; thereby eliminating differential in royalties as between lands within such geologic structures and lands not within such geologic structures.

Makes allowance for oil treatment and dehydration of not exceeding five cents per barrel applicable to all such leases rather than present allowance of such amount re lands not within known geologic structure of producing oil or gas field and reasonable allowance re lands within such structure.

Authorizes commission, if specified in bid invitation, to award lease to one who undertakes to pay highest royalty rate.

Makes maximum drilling term of three years applicable to oil and gas leases of all state lands whether within or not within known geologic structure of producing oil or gas field.

Extends scope of provision requiring commission to reserve rights re spacing and production restrictions, to cover oil and gas leases of all state lands under jurisdiction of commission and such leases of tide and submerged lands granted in trust to City of Long Beach.

Eliminates requirement that right of commission to regulate spacing and production of wells on leased lands be exercised only through rules and regulations. Deletes requirement that commission restrict rate of production to that provided by

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federal or state laws or rules or regulations, or by reasonable plan ordered by commission or agreed to by majority of total production.

Requires commission to make determination as to offering of lands for lease where hearing held, in not less than 30 days, rather than ~~within 30 days, after hearing.~~ Clarifies provisions re determination of commission as to offering lands for oil and gas leases by making it clear that commission may, after such hearing, determine either to offer the lands for lease or not to do so.

Makes other technical changes.

- A.B. 3870 (Allen) (M., O., & M. I.) Held in committee.
Deletes requirement that lease of such lands as are not within known geologic structure of a producing oil or gas field embrace not less than 1,920 acres.
- A.B. 3871 (Allen) (M., O., & M. I.) Held in committee.
Amends Sec. 6826, P.R.C., re state lands, making no substantive change.
- A.B. 3891 (Crown) (F. & G.) Held in committee.
Appropriates unspecified sum from Wildlife Restoration Fund to Department of Fish and Game for construction of small boat launching site on east shore of San Leandro Bay by City of Alhambra.
- A.B. 3892 (Crown) (C., P., & P. W.) Held in committee.
Appropriates unspecified sum from State Park Fund to Division of Beaches and Parks for construction of small boat launching site on San Leandro Bay on east shore by City of Alameda.
- A.B. 3896 (Crown) (P. U. & C.) Held in committee.
Amends Sec. 6478, P.R.C., re small craft harbors, making no substantive change.
- A.B. 4002 (Lanternman) (G. E. & E.) Held in committee.
Appropriates 50 percent of revenues received from oil and gas leases of tide and submerged lands to counties in which, or off shores of which, such tide or submerged lands are located, in proportion moneys were

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received from each of such counties, for water projects, promotion of health and welfare, beaches, parks, recreation, education, and highways.

A.B. 4006 (Meyers) (Mun. & C. G.)

Allows annexation of territory including ~~portion of city in San Mateo County to City~~ and County of San Francisco. Requires city and county to assume annexed city territory's liability for debts previously contracted. Deletes requirement that consent of county be obtained to annexation of incorporated territory. Makes other technical and clarifying changes.

Referred to Rules 5/29.
for interim study
assignment

A.B. 4099 (Meyers) (G. E. & E.)

Amends Sec. 90, H. & N. C., re harbors, ports, navigable waters, and navigation, making no substantive changes.

Held in committee.

A.B. 4100 (Meyers) (G. E. & E.)

Amends Sec. 1, H. & N. C., re harbors, ports, and navigation, making no substantive change.

Held in committee.

A.B. 4137 (McMillan) (M., O., & M. I.)

Provides that no lessee may hold more than five tide and submerged land oil and gas leases.

Referred to Rules 5/29
for interim study
assignment.

A.B. 4141 (Shell) (M., O., & M. I.)

Specifies maximum lease acreage of 800.

Referred to Rules 5/3
for interim study
assignment.

A.B. 4157 (Caldecott) (Jud.)

To provide for a commission for the investigation of powers and duties in the exercise of eminent domain.

Re-referred to W. & M.
5/23.

Bills S. 2110, 2669, 2678, A.B. 4160, 4163, 4165 reported following have not been reported previously to the Commission as possibly affecting the administrative cognizance of the Commission:

S. 2110 (Kraft) (Nat. Res.)

Adds Sections 6499.5 and 6499.6 Public Resources Code to authorize loans by the State Lands Commission to cities, counties, or districts for small craft harbor development. Appropriates \$100,000 for expenditure by the Commission for the purposes of the act.

Passed Sen. 5/30.
Re-referred Assem.
W. & M. 6/6

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- S. 2669 (Brown) (Gov. Eff.)
Amends Section 23136 Government Code to clarify description of Inyo-San Bernardino County boundary.
Passed Sen. 5/27.
Read second time.
Amended 6/5.
- S. 2678 (Dorsey) (Gov. Eff.)
Amends Section 6827 P.R.C. to authorize "wildcat" lease on highest flat rate royalty ~~bid not less than 16-2/3%.~~ Also amends section to provide for "proven" area leases with both flat rate royalty and cash bonus as biddable elements. Adds Section 6830.5 to require relinquishment to State of one-half of any "wildcat" lease area whenever oil or gas is being produced in paying quantities.
Held in committee.
- A.B. 4160 (Coolidge and others) (Trans. & C.)
Appropriates \$200,000 to State Lands Commission for planning small craft harbors of refuge.
Passed Assem. 6/2.
To Sen. Nat. Res. 6/3.
- A.B. 4163 (Grant, Klockslem) (M., O., & M. I.)
Establishes Long Beach Subsidence Abatement District.
To Rules 5/31 for interim study assignment.
- A.B. 4165 (MacBride) (C., P., & P. W.)
Authorizes the State Lands Commission to sell Chain Island, San Joaquin River, Sacramento County.
Passed Assem. 6/1.
To Senate Gov. Eff. 6/3.

EXHIBIT "A"
CALENDAR ITEM
SUPPLEMENTAL

(1957 LEGISLATION - W. O. 2115.)

The current status of existing bills suggested for legislative consideration by the staff with Commission approval is given in the following tabulation:

<u>BILL NO., AUTHOR, AND ABSTRACT</u>	<u>STATUS</u>
<u>S. 309</u> (Erhart) Correction of Ch. 647/1955 tide and submerged land grant to Port San Luis Harbor District.	Approved Chapter 302.
<u>S. 1054</u> (Cunningham) Repeal of 6211, 6212, P.R.C., to eliminate requirement for reporting on repealed Torrens Title Registration.	To Governor 6/10/57.
<u>S. 1095</u> (Regan) Authorize designation of employees to conduct public hearings.	To Governor 6/12/57.
<u>S. 1550</u> (Gibson) Correction of Ch. 483/1947 tide and submerged land grant to City of Vallejo.	Approved Chapter 117.
<u>S. 2668</u> (Erhart) Correction of Ch. 1076/1947 tide and submerged land grant to County of San Luis Obispo.	To Governor 6/12/57.
<u>A.B. 3540</u> (D. Doyle) Correction of Ch. 1939/1955 tide and submerged land grant to City of Antioch.	To Governor 6/10/57.
<u>A.B. 4078</u> (MacBride) Authorization for investment of impounded tide and submerged land rentals and royalties.	To Governor 6/12/57.
The status of the principal bills pending currently which could affect the administrative cognizance of the Commission are tabulated in the following:	
<u>S. 2107</u> (Kraft) Transfers jurisdiction over Small Craft Harbor program to Department of Natural Resources.	Concurrence in Assembly Amendments pending 6/12/57.
<u>A.B. 47</u> (Miller) Amends P.R.C. to authorize oil and gas leases on alternative bonus-royalty or royalty bid bases, from a minimum of 16 2/3%.	To Governor 6/11/57.

SUPPLEMENTAL (CONTD.)

BILL NO., AUTHOR, AND ABSTRACT

STATUS

A.B. 2423 (Coolidge)

Establishes \$10,000,000.00 Small Craft Harbor
and Port of Refuge Financing Fund to be admin-
istered by State Lands Commission.

To enrollment 6/12/57.