CALENDAR ITEM

38.

11/78 PRC 3101.2 Faber

REFUND OF EXCESS ROYALTY PAYMENT

On January 30, 1964 the State Lands Commission authorized a mineral extraction lease with S. E. Ryerson and Eugene Pinner. The subject land is located in Imperial County (see Exhibit "A") near the City of Brawley. Subsequently, the whole lease was assigned to Mr. Ryerson.

An audit report of Mr. Ryerson's account was completed by the Commission's staff on August 25, 1978. It covered the 2 lease years beginning January 30, 1976 and January 30, 1977. The report revealed that royalty payments amounting to \$1,715 were made for that period. During that time, the amount actually due the Commission was \$866. The excess payment resulted from the lessee using the 1975 royalty rate to compute payments for 1976 and 1977. The accounting unit has determined that the correct royalty rate for 1976 and 1977 is somewhat lower. As a result, the balance due the lessee is \$849.

Under P.R.C. Section 6217, the Commission is authorized to refund money which is collected by mistake, inadvertence, or error.

EXHIBIT:

A. Site Location.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE A REFUND OF \$849 TO MR. STANLEY E. RYERSON FOR THE OVERPAYMENT ON HIS ACCOUNT.

A 75

S 38

