

A meeting of the State Lands Commission was held in Room 306 State Capitol, Sacramento on December 19, 1946, at 10:00 A.M.

Present: Honorable James S. Dean, Chairman  
Honorable Thomas H. Kuchel, Member

Absent: Honorable Frederick F. Houser, Member.

1. Upon motion duly made and unanimously carried, the minutes of the meeting of the State Lands Commission held in Los Angeles on November 25, 1946 were approved and confirmed as submitted.

2. Upon motion duly made and unanimously carried, the matter of a date for the next meeting of the Commission was deferred for later determination.

3. (Filing of Bond in Connection with Assignment of State Oil and Gas Lease No. 93 - Pacific Western Oil Corporation) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the acceptance of the deposit with the State Treasurer by the Pacific Western Oil Corporation of United States Government Bonds with a face value of \$100,000.00 as the surety bond to guarantee performance under State Oil and Gas Lease No. 93, including Paragraph N of Section 2 thereof which provides for the removal of installations on the leased premises, subject to the following instructions:

- (1) No instruction relating to said bond shall be accepted by the State Treasurer except upon authorization of the Executive Officer of the State Lands Commission, and then only provided such authorization is accompanied by certification of a resolution recorded in the minutes of the State Lands Commission approving such instructions.
- (2) Pacific Western Oil Corporation shall be entitled to receive all matured coupons until the State Treasurer is instructed otherwise by the State Lands Commission.
- (3) None of the documents filed with the State Treasurer shall be delivered to anyone other than the State Lands Commission.

4. (Application for Occupancy of Tide and Submerged Lands - Avon, Contra Costa County - Tide Water Associated Oil Company - W. O. 14, P.R.C. 187) The Commission was informed that application had been made by the Tide Water Associated Oil Company for a lease of tide and submerged lands in Suisun Bay for the purpose of maintaining a wharf and marine terminal constructed heretofore under a franchise granted by an ordinance of the Board of Trustees of the town of Martinez, which franchise has expired.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to execute and issue to the Tide Water Associated Oil Company a lease for 6.18 acres of tide and submerged lands at Avon, Contra Costa County for the maintenance of the existing wharf and marine terminal of the Tide Water Associated Oil Company for a term of fifteen years at an

average annual rental of \$407.88 in accordance with the established rental policy of the Commission. The Lessee is to have an option for renewal for an additional period of ten years at such reasonable terms and conditions as may be prescribed by the Commission at the time of renewal. The issuance of the lease is to be subject to the condition that the Tide Water Associated Oil Company file a corporate surety bond in the amount of \$5,000.00 to guarantee performance, including removal at the termination of the lease of any structures which may have been erected on the demised area, but not including payment of rental.

5. (Occupancy of State Sovereign and School Lands under Section 536 of the California Civil Code - Request for Opinion) The Commission was informed that the Southern California Telephone Company has requested permission to occupy State lands at no cost purportedly under the provisions of Section 536 of the California Civil Code; whereas, preliminary discussions with the Attorney General's office have developed the statement that said section of the Civil Code may not necessarily give the right to occupy such land without compensation to the State.

Upon motion duly made and unanimously carried a resolution was adopted authorizing the Acting Executive Officer to request a formal opinion from the Attorney General as to the validity of the occupancy by the Southern California Telephone Company and similar public utility companies without compensation to the State of State sovereign and school lands pursuant to Section 536 of the California Civil Code.

6. (Pipe Line Right of Way Easements - Nos. P.R. C. 240, 247, 248, 249 and 250 - Kirby Hills Gas Field Area) The Commission was informed that Pacific Public Service Company in transferring to its wholly-owned subsidiary, Coast Industrial Gas Company, the pipe line laid under right of way easements Nos. P.R.C. 240, 247, 248, 249 and 250 desired that these easements heretofore approved by the Commission for issuance to the Pacific Public Service Company be granted directly to the Coast Industrial Gas Company, a California corporation.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to execute and issue right of way easements Nos. P.R.C. 240, 247, 248, 249 and 250 to the Coast Industrial Gas Company.

7. (Notice of Intention to Receive Offers to Lease Lands in Owens Lake for Extraction of Minerals) The Commission was informed that there were questions as to the possible validity of the individual bids submitted, and that there were conflicts as to the desired extraction areas in the bids received pursuant to the publication of notice of intention to receive offers to lease lands at Owens Lake for the extraction of minerals as authorized on October 17, 1946; and that the respective bidders had requested that another notice of intention be published.

Upon motion duly made and unanimously carried, a resolution was adopted rejecting the bids of the Natural Soda Products Company (W.O. 49) and the Permanente Metals Corporation (W.O. 7) received heretofore pursuant to the notice of intention to receive offers to lease lands at Owens Lake for the extraction of minerals as authorized on October 17, 1946 and authorizing the publication of a notice of intention to receive offers to lease lands in Owens Lake for the extraction of minerals as detailed in the attached copy of Notice of Intention designated Appendix "A".