

32. (Oil and Gas Development - Guadalupe Area - San Luis Obispo County - W. O. 296) The Commission was informed that Well "Le Roy No. 2" has been completed by the Continental Oil Company in the Guadalupe Area of San Luis Obispo County approximately 350 feet from the ordinary high water mark of the Pacific Ocean with an estimated current daily production of 80 barrels of oil and 80 barrels of water. Field reconnaissance and review of geologic data indicate that the productive area will extend under the Pacific Ocean and that the tide and submerged lands will be threatened by drainage in the event of any further development. Complete investigation of all projects in the area is being made and the matter of consideration of the leasing of an area of tide and submerged land will be presented to the Commission upon determination of definite drainage, the extent thereof and the most practicable location for an area of tide and submerged land to be offered for lease.

33. (Geophysical Exploration - City of Santa Barbara - W. O. 297) The Commission was informed that a resolution of the City Council of the City of Santa Barbara addressed to the Governor, the Fish and Game Commission and the State Lands Commission has been received. This resolution requests that all permits for geological blasting in the Santa Barbara Channel be revoked forthwith on the grounds that:

1. It is a nuisance.
2. It is destructive to marine life in the Santa Barbara Channel.

The phases of the geophysical exploration operations carried on under the cognizance of the Commission are being investigated and the Council of the City of Santa Barbara have been informed that the matter will be reported fully to the Commission, and that the determinations of the Commission will be transmitted immediately upon completion.

34. (Application for Mineral Lease - Feather River - W. O. 250, B. E. Oliver) The Commission was informed that on February 6, 1948, the Commission authorized the advertising of a notice of intention to receive bids for a mineral lease on 80 acres in the Feather River for the extraction of sand and gravel. Only one bid technically incomplete was received pursuant to the advertising, in that a cashier's check in the sum of \$2,000 as a deposit of good faith as required by the notice of intention was not submitted.

Mr. Graydon Oliver appeared before the Commission upon behalf of the applicant.

After a full discussion, upon motion duly made and unanimously carried a resolution was adopted, authorizing the acceptance of the bid received from Mr. Boyd Oliver for a 20 year lease of 80 acres of submerged land in the Feather River for the extraction of sand and gravel at a royalty of \$.025 per ton, provided no objections to the award which the Commission feels are sound, are submitted by the U.S.E.D., the Reclamation Board or the Division of Fish and Game.