

A meeting of the State Lands Commission was held in Room 301 State Building, Los Angeles, on December 10, 1948, at 10:00 A.M.

Present: Honorable James S. Dean, Chairman
Honorable Goodwin J. Knight, Member

Absent: Honorable Thomas H. Kuchel, Member

1. Upon motion duly made and unanimously carried, the minutes of the meetings of the State Lands Commission held in Sacramento on October 14, 1948, and October 27, 1948, were approved and confirmed as submitted.

2. Upon motion duly made and unanimously carried, it was decided to defer setting of a date for the next Commission meeting. The suggestion was made, however, that the meeting should be held in January, and probably in Sacramento.

3. (Approval of Extension of Gas Sales Contract - Signal Oil and Gas Company - Leases Nos. 98 and P.R.C. 208 - Elwood) The Commission was informed that on October 14, 1948, Minute Page 891, Item 6, the Commission authorized the Executive Officer to approve the extension of July 19, 1948 of the gas sales contract by and between the Signal Oil and Gas Company and the Southern Counties Gas Company, covering the sale of gas from Lease No. P.R.C. 129 at Elwood, Santa Barbara County, The Signal Oil and Gas Company, as lessee of the adjoining leases Nos. 98 and P.R.C. 208, has requested the extension of the approval of the Commission to the gas sales contract to cover the sales of gas from said leases. Extension of the contract provides for the sale of gas during the period beginning August 1, 1948 and ending July 1, 1950, and in consideration of the extension, the price of gas which is now fixed at 9 cents per m.c.f. plus a compression charge of 2 cents per m.c.f. is to be increased to 11 cents per m.c.f. plus a compression charge of 2 cents per m.c.f.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to approve extension of the July 19, 1948 Gas Sales Contract between the Signal Oil and Gas Company and the Southern Counties Gas Company as submitted by Signal Oil and Gas Company for approval, pursuant to the provisions of Leases 98 and P.R.C. 208, subject to the condition that these approvals are not to be considered in any manner modifying the right of the State at its option to take its wet or dry royalty gas, natural gasoline and any other products in kind.

4. (Request to the Board of Control for Discharge from Accountability - Easements No. 291, 326, 351, \$16,848.22 - Our W.O. No. 268) The Commission was informed that for several years the Commission has been carrying on its records Accounts Receivable as follows:

Easement 291 - Mar Rico Oil Company	\$3,274.98
Easement 326 - Elyod Oil Corporation	3,866.41
Easement 351 - Bestmi Petroleum Corp.	9,706.83

representing balances of deferred royalties due the State under settlements made in March of 1934 with operators in the Huntington Beach area. By letter dated October 27, 1946, the Attorney General advised the Commission that these accounts are uncollectible. He further advises that they were subject of the following actions commenced by the Attorney General on behalf of the Commission: People vs. McKeon, et. al., L.A. No. 475,228 (AGO:H212) Filed 4-9-42; People vs. Bestmi et. al.,