

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the initiation of legislation to effectuate the removal of the word "thereafter" from Section 6827 of the Public Resources Code.

The Commission was also informed that Section 6873 provides that wells shall be built "only upon filled lands or shall be slant drilled from an upland or littoral drill site to enter into the subsurface of the tide and submerged lands covered by the lease". It has been suggested that the Code be modified so as to permit the drilling of oil wells from structures to be built a distance of a minimum of one mile from shore without the necessity of such structures being placed on filled lands.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the initiation of legislation permitting the drilling of oil wells from structures to be built a distance of a minimum of one mile from shore without the necessity of such structures being placed on filled lands.

The Commission was also informed that Section 6813 provides that "the Commission may enter into an agreement with any person, association of persons, corporation, city, or county, or any of them claiming the oil and gas in land adversely to the State of California." It has been suggested that in connection with the tideland litigation and Congressional Enactments it may be necessary for the State to enter into some agreement with the United States in order to clear up the tideland problem with the United States. In order that the Commission can effectuate such agreement with the United States it is suggested that the words "United States" be amended into the above quoted section.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the initiation of legislation to provide for the inclusion of the words "United States" in Section 6813 of the Public Resources Code.

Finally, the Commission was informed that Section 6834 of the Public Resources Code provides that a Notice shall contain "a description of the land." In the early days of offering lands for lease for bid it so happened that the area offered extended only one mile from shore. Subsequently, leases after improvement in the art of direction and drilling have been issued extending three miles from shore. At the present time in case of certain places where full development has been made to the seaward boundaries of the one mile lease, actual drainage is now taking place and because of the upland drill site situation, it will probably not be possible for the State to receive bids for areas seaward of existing leases. With this in mind, it has been suggested that amendments to the Code be proposed giving authority to the Commission for seaward extensions of existing leases without the necessity of putting the area out for bid and where such extension is in the interest of the State.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing such extension of leases under Section 6834 and other pertinent sections of the Public Resources Code.

56. (Defense of State's rights in tide and submerged lands - N-5092) The Commission was informed that information has been received in letter dated January 25, 1949, from Fred N. Howser, Attorney General and Chief of the Department of Justice, that

funds allotted to said Department per Contractual Agreement LC-87, dated August 23, 1948, in the amount of \$25,000 are insufficient to continue the prosecution of the State's defense of its marginal sea area. He has requested that said contract be augmented by additional funds in the amount of \$25,000. The granting of this request, together with anticipated miscellaneous expenditures in the amount of \$10,000, during the current fiscal year would create a deficit of approximately \$15,000 in appropriation Item 180, Defense, Tide and Submerged Lands, Chapter 23/1948.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to issue a supplementary contract augmenting allotments granted to the Department of Justice for prosecution of the State's defense of its marginal sea area in the amount of \$25,000, and authorizing a request to the Director of Finance for a deficiency authorization in the amount of \$15,000, to augment appropriation Item 180, Defense, Tide and Submerged Lands, Chapter 23/1948. Said deficiency to augment the aforementioned appropriation, and to be used for the purpose of defraying expenses incurred in connection with the State's defense of its marginal sea area.

There being no further business to come before the Commission, the meeting was adjourned.