5. (REVISION OF PARTICIPATION-COMPENSATORY ROYALTY AGREEMENT P.R.C. 255.1, STANDARD OIL COMPANY OF CALIFORNIA, KIRBY HILL, SOLANO COUNTY, CALIFORNIA.) Under Exhibit "C", Compensatory Royalty Agreement P.R.C. 255.1, entered into with the Standard Oil Company of California February 9, 1953, the individual well pressure factors shall be revised annually upon the basis of the individual widual well shut-in pressures as of March 1 of each year.

The revision data to be effective March 1, 1954, as presented by the Standard Oil Company of California, have been adjusted in accordance with computations recommended by the Staff. This revision would result in a State percentage participation in the Kirby Hill Gas Field production under Compensatory Royalty Agreement P.R.C. 255.1 in the amount of 5.219% as against 5.135% which was effective from March 1, 1953 to March 1, 1954.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ANNUAL MODIFICATION OF THE STATE PARTICIPATION PERCENTAGE UNDER COMPENSATORY ROYALTY AGREEMENT P.R.C. 255.1 TO BE 5.219% FOR THE PERIOD MARCH 1, 1954 TO MARCH 1, 1955.

6. (APPLICATION FOR PROSPECTING PERMIT, B. A. TUNISON, SAN LUIS OBISPO COUNTY - W.O. 1682.) An application has been received from Mr. Basil A. Tunison of Portland, Oregon, for a permit to prospect on approximately 110 acres of tide and submerged land in San Luis Obispo County, lying in a strip 1-1/2 miles long by 600 feet wide, approximately two miles north of Point Piedras Blancas. The applicant proposes to develop production of gravel in types and sizes particularly suitable for gravel-packing oil and water wells. A small portion of adjoining upland has been leased by the permit applicant as a potential plant and operations site. Two individual letters and two petitions protesting any proposed gravel extraction operations in the area have been received. Conversely, two letters in favor of the operation have been received from potential buyers of the product, in addition to one letter from a resident and a petition with 75 signatures in support of the project. The majority of these petition signatures are from residents of the Cambria area approximately 15 miles south of the location of the proposed operation. The statutory filing fee and permit fee deposits have been paid by the applicant. Inspection of the site by the Division of Mines and the Staff has shown that the area is subject to continuous coastal erosion, even without the effects of any artificial excavations. The records of the Assessor of San Luis Obispo County indicate that a portion of a former lounty road and former school site in the locality have been completely eroded heretofore. This erosion may have been augmented to some minor degree by unauthorized gravel excavation by local road departments and building contractors.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE COMMISSION FINDS THAT THE REMOVAL OF GRAVEL AS PROPOSED IN THE APPLICATION FOR PROSPECTING PERMIT BY BASIL A. TUNISON, W.O. 1682, WOULD INTERFERE WITH THE RECREATIONAL USE OF LANDS LITTORAL TO TIDELANDS OR SUBMERCED LANDS INVOLVED IN SUCH APPLICATION, AND AUTHORIZES THE EXECUTIVE OFFICER, IN ACCORDANCE WITH SECTION 6901, PUBLIC RESOURCES CODE, TO SUBMIT THE SUBJECT APPLICATION TO THE DIVISION OF BEACHES AND PARKS TO MAKE AN EXAMINATION AND REPORT AS TO WHETHER THE PROPOSED OPERATIONS WOULD UNREASONABLY INTERFERE WITH THE MAINTENANCE OR USE THEREOF FOR RECREATIONAL FURPOSES OR PROTECTION OF SHORE PROPERTIES.