

5. (State Oil and Gas Lease No. 272.) Upon motion duly made and unan-
imously carried, the Commission authorized the Executive Officer to ap-
prove the redrilling of Well Fee No. 5, Easement No. 272. The Executive
Officer brought to the attention of the Commission the fact that Termo
Company was willing to revise by mutual consent, the royalty schedule
presently applicable to this easement agreement and that they would
hereafter pay to the State a sliding scale royalty based on production,
but at no time would the State receive less than 12½ per cent. It was
brought to the Commission's attention that the State was not receiving
at the present time any minimum under this easement and that the aver-
age royalty was approximately eight per cent.

6. (Grazing Lease Application - Lloyd W. Martin, No. 1116, P.R.C.)
Upon motion duly made and unanimously carried, a resolution was adopted
whereunder the Executive Officer was authorized to advertise for bids
for a grazing lease upon 160 acres of land situated in Mono County.
The Commission was informed that an applicant had offered a minimum
rental of 20 cents per acre per year, for this land and that the adver-
tising would be at the expense of the applicant under Lease Application
No. 1116. The Commission was further informed that a report relative to
all bids received would be furnished the Commission at a later meeting
subsequent to the time within which such bids would be received.

7. (Nora P. Merrick - Location No. 9980, Los Angeles Land District,
P.R.C. No. 1118) Upon motion duly made and unanimously carried, a
resolution was adopted wherein the Executive Officer was authorized
to execute an extension of time contract with Nora P. Merrick. It
was brought to the attention of the Commission that Mrs. Merrick had
conformed to all of the conditions pre-requisite to the granting of
such extension of time.

8. (Condemnation Action in Kern County) The Executive Officer re-
ported that the State had been awarded a partial judgment in the amount
of \$888.50 for a 320 acre portion of School Land involved in a con-
demnation action (No. 453-J) brought by the Federal Government against
several thousand acres of State School Land. It was brought to the
attention of the Commission that the District Court of the United States
had awarded to the Federal Government, fee title to this property without
any reservation of minerals to the State. Upon motion duly made by
Lieutenant Governor Houser, seconded by Commissioner Riley and unani-
mously adopted the Commission recorded itself as being opposed to any fur-
ther conveyance of State Lands to the Federal Government without insist-
ing upon reserving to the State, the minerals which might be contained
therein. The Executive Officer was instructed to confer with the Attor-
ney General to demand reservation to the State of all minerals in any
State lands which the Federal Government seeks to condemn or other-
wise acquire.