

9. (Application for Right of Way Over Sec. 36, T. 15 N., R. 8 E., S.B.M., San Bernardino County - Division of Highways - No. P.R.C. 230) The Commission was informed that the Division of Highways, pursuant to Section 6210.3 (1st) of the Public Resources Code, had filed with the Commission an application for a two hundred foot right of way over vacant School land in San Bernardino County for a highway heretofore built. Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to grant an easement to the Division of Highways for a two hundred foot right of way across Sec. 36, T. 15 N., R. 8 E., S.B.M., in accordance with the description filed in the application.

10. (Cancellation of Mineral Lease No. 427 (Chapter 5, Statutes of 1938) - Explorers, Incorporated) The Commission was informed that a request had been made, in accordance with the provisions of the lease, by Explorers, Incorporated for cancellation of Mineral Lease No. 427. The Commission was further informed that the State Mineralogist had furnished certification to the effect that termination of this lease would not impair the public interest. Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to terminate Mineral Lease No. 427. Such cancellation is to be subject to payment of all royalties and rentals due, and further subject to the filing with the Commission of a quitclaim deed by Explorers, Incorporated for the land leased.

11. (Grazing Lease Application No. P.R.C. 1162 - Andy Maze - San Benito County) Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to execute and issue a five year grazing lease to Mr. Andy Maze of Hollister, California. The area to be embraced in the lease is the $S\frac{1}{2}$ of $SE\frac{1}{4}$ of Section 25, and all of Section 36, T. 15 S., R. 9 E., M.D.M., San Benito County, and contains a total of 720 acres. Lessee is to pay the first and last years' rental of twenty-five cents per acre per year at time of execution of the lease, and to pay subsequent rentals annually in advance.

12. (Application of San Luis Obispo County to Lease Tide and Submerged Lands in Morro Bay - No. P.R.C. 233) The Commission was informed that in accordance with instructions given at the last meeting, several conferences with regard to terms to be included in the lease had been held by the Acting Executive Officer with officials of San Luis Obispo County. Upon motion duly made and unanimously carried, a resolution

was adopted authorizing the Acting Executive Officer to enter into a fifteen year standard lease with the County of San Luis Obispo for approximately 3,300 acres of tide and submerged lands in the upper portion of Morro Bay and its entrance into the Pacific Ocean. Said lease, in addition to the standard provisions, is to specifically contain the following terms and conditions:

- a. Payment by the County of San Luis Obispo to the State Lands Commission as rental for the properties located in and about the Morro Bay area, the sum of \$2,000.00 per year, plus fifty percent of the gross income received from sublessees over a gross income amount of \$5,000.00 per year, the rental from the Roberts-Carver lease (No. F.R.C. 207), other than the first and last years' rental heretofore paid to the State, to be included in the gross receipts to the County.
- b. Right of the County of San Luis Obispo to use gross income received by it and retained after payment of rental, said moneys to be placed in a fund to be expended wholly for public development of State lands connected with harbor development anywhere within the limits of San Luis Obispo County.
- c. Filing by the County of San Luis Obispo of copies of all subleases entered into between itself and private groups, with the State Lands Commission, it being understood that the County will attempt to set equitable rates for similar types of activity, and to keep rates from being so high as to retard public development in the area leased.

13. (Request for Publication of Notice to Receive Bids for Purpose of Extracting Minerals from a Right of Way Lease on Owens Lake)
The Commission was informed that lessees under leases issued pursuant to Chapter 612, Statutes of 1911, are paying a statutory royalty of twenty-five cents per ton for minerals extracted from Owens Lake. This Statute reserves to the Legislature the right to change the royalty. Further legislation is necessary to make lessees under the