

5. (Technical Default in Drilling Performance Under Oil Leases) The Commission was informed that the initial date for consideration of final action by the Commission relative to possible cancellation of oil and gas leases would be July 4, 1947 for those leases heretofore served with notices of default on June 4th, as follows:

<u>Lease Number</u>	<u>Lessee</u>	<u>Field</u>
P.R.C. 91	Huntington State Company	Huntington Beach
132	Marine Exploration Company	Seal Beach
144	Fullerton Oil Company	Rincon
145	Fullerton Oil Company	Rincon
163	Signal Oil and Gas Company	Huntington Beach
186	Marine Exploration Company	Seal Beach

Upon motion duly made and unanimously carried, a resolution was adopted in consideration of the clouded title to the submerged lands, which are involved in part in the afore-stated leases, deferring any action pursuant to the notices of intention served heretofore on the subject leases, and further, upon request of the lessee, to defer any current drilling requirements under the terms of any State oil and gas leases until such time as the status and equity of such requirements have been clarified.

6. (Royalty Payments under State Oil and Gas Leases on Tide and Submerged Lands) The Commission was informed that the office of the Attorney General has indicated that the earliest effective date of the Supreme Court decision relative to title to the submerged lands of the Pacific Ocean would be the date of the entry of a decree, which under the decision of the Court will not occur earlier than October, 1947.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Acting Executive Officer to notify all lessees under State oil and gas leases and easements involving submerged lands, that royalty payments on all current production continue to be due and payable and that failure to remit such payment when due constitutes a default under the terms of the respective leases and easements.

7. (Geophysical Exploration Permit - Shell Oil Company, Inc. - W.O. Nr. 158) The Commission was informed that permission had been granted to the Shell Oil Company, Inc., pursuant to application, to conduct seismograph operations in the sloughs of Solano County, subject to confirmation by the Commission.

Upon motion duly made and unanimously carried, a resolution was adopted confirming the permission issued heretofore to the Shell Oil Company, Inc. for the conduct of seismograph operations in the sloughs of Solano County in Sections 13, 14, 15, 22, 23 and 24, T. 4 N., R. 1 W., N.D.B. & M., for a period of six months starting July 1, 1947, for the consideration of the