

Court Case No. 16468 involving land in which the State had interest, and received therefor a settlement of \$100,000.00.

Due to the fact that the expenditure was incurred during the 97th fiscal year (July 1, 1945 to June 30, 1946) funds of which were no longer available for encumbrance at the time this invoice was received, and also that there was insufficient evidence on the records of the Division of a request for said services, Mr. Oglesby's claim was referred to the Board of Control.

By letter dated March 3, 1948, the Board of Control has requested that the matter be referred to the State Lands Commission for action prior to their approval of said claim.

There is now on file in the principal office of the Commission, a letter from Mr. R. G. Nadey, staff Assistant Civil Engineer, who states that Mr. Oglesby's services were requested in this matter by Mr. C. F. Lynton, then Executive Officer of the Division, by means of an oral request to Mr. Phillip Bush, President of California Packing Corporation, which concern was also interested in this case. Mr. Nadey further states that said services were performed and he believes are a just charge against the State.

Upon motion duly made and unanimously carried a resolution was adopted to the effect that favorable recommendation on the legislative claim of Mr. J. C. Oglesby in the amount of \$448.90 be made to the State Board of Control.

26. (Quitclaim of Oil and Gas Lease No. P.R.C. 132 - Marine Exploration Company - Seal Beach) The Commission was informed that the Marine Exploration Company, lessee under State Oil and Gas Lease No. P.R.C. 132, Seal Beach, have submitted a proposed quitclaim of said lease as of June 16, 1947, reserving, however, all rights in and to the area heretofore acquired and now held by the Marine Exploration Company under Oil and Gas Lease No. P.R.C. 186, dated September 24, 1945.

The quitclaim was executed and acknowledged last June, but was not submitted at that time for two reasons; the first being the desire of the State Lands Division to give study to the situation which arose as a result of the decision of the United States Supreme Court in the case of United States vs. California, and the second reason being that the lessees felt that formal surrender of the lease was unnecessary in that the interest created by Lease No. P.R.C. 132 was merged in that created by the issuance of the subsequent Lease No. P.R.C. 186, covering the identical land.

The office of the Attorney General has reviewed all of the factors involved and has suggested that the best way to clear the situation would be for the lessee to quitclaim Lease No. P.R.C. 132 and that under the circumstances the Commission should accept the quitclaim already executed as of the date thereof and thereby avoid any further payment of double rental for the same areas included in both leases.

Upon motion duly made and unanimously carried a resolution was adopted authorizing the Executive Officer to execute an acceptance of the quitclaim of Lease No. P.R.C. 132, as tendered by the lessee, the Marine Exploration Company.

27. (Acquisition of Forest Land - State Division of Forestry - W.O. 256) The State Lands Commission was informed that in collaboration with the State Division of Forestry, precursory investigation has been made of some 23,382 acres of school lands which are under the jurisdiction of the State and which are partially covered with timber. These lands are within the boundaries of National Forests. It is estimated the total value of these lands within the National Forest to the State Lands Commission, would be a minimum of \$150,000 for the timber and \$117,000 for the bare land.

The State Division of Forestry is desirous of acquiring additional forest lands in the State, but the State Lands Commission's school lands, being in the National Forest, are not available or advantageous to them. It has, therefore, been suggested that the State Lands Commission exchange the school lands within the National Forest for other federal lands outside of the forest, which latter lands shall be sold to the Division of Forestry. Through this exchange, it is anticipated that a consolidated tract of timber lands could be obtained which would be advantageous to the Division of Forestry in its State forest program.

Messrs. DeWitt Nelson, Candless and Goldsmith of the Division of Forestry, appeared before the Commission in regard to this matter and presented the views of the Board of Forestry.

Upon motion duly made and unanimously carried a resolution was adopted authorizing for subsequent submission to the State Lands Commission a report in collaboration with the Division of Forestry, on a program of consolidation of school land and forest lands by exchange with the U.S. and a determination of values of such consolidated lands are to be purchased by the Division of Forestry. Before such lands are sold to Division of Forestry, said lands are to be advertised for sale by the Commission under pertinent statutes and policies.

28. (Utilization of Base in National Monuments for Acquisition by the State of Vacant Federal Public Domain - Section 7405.1 of the Public Resources Code added by 1947 Statutes) The Commission was informed that in the 1947 legislative session, authority was given to the Commission to obtain from the Federal Government lands in lieu of school lands now belonging to the State and contained in National Monuments, such lieu lands after acquisition by the State to be sold in the same manner as school lands. The State owns approximately 108,000 acres and 43,000 acres in Death Valley National Monument and Joshua Tree National Monument, respectively, which lands have been withheld from sale by the State as a matter of policy. It is therefore in the interests of the State to take advantage of Section 7405.1 of the Public Resources Code, as above mentioned, and acquire lieu lands equivalent in area which could be sold advantageously at the present time because of the great demand on the part of the public.