

Upon motion duly made and unanimously carried, a resolution was adopted accepting the bid of the Permanente Metals Corporation and authorizing the issuance of a twenty year lease to them on 4.7 acres of land in Owens Lake at a royalty of 50 cents per ton or 2 per cent of the average bulk value received F.O.B. the plant at Owens Lake, whichever is greater, for all minerals extracted and sold from the lands to be leased subject to filing of a \$5,000 surety bond to guarantee performance under the lease.

13. (Audit of Owens Lake mineral Leases) The Commission was informed that examination of mineral royalty statements made by the Pittsburgh Plate Glass Co., Natural Soda Products Company and the Permanente Metals Corporation, all of whom hold Mineral Extraction Leases located at Owens Lake, has raised the question as to whether or not royalty payments made by said Companies for the period from November 1, 1946 to December 31, 1947, accurately represent the total royalties due the State. For this reason, and because the Division of Audits has unofficially recommended that these lease accounts be audited, the Division of State Lands is undertaking the project of performing such audit.

Since this work is highly specialized it was deemed advisable to enter into a contractual agreement with the Division of Audits, Department of Finance for the performance of the work, the estimated cost of which shall not exceed \$1,000.00.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to execute a contract with the Division of Audits, Department of Finance for the performance of an audit of the royalties due the State under mineral lease agreements Nos. 659, 738, P.R.C. 210, 257, 273 and 274, for the period November 1, 1946 through December 31, 1947, at a cost not to exceed \$1,000.00.

14. (Reversion of authority to acquire from United States lands littoral to Mono Lake -W.O.153) The Commission was informed that at the June 12, 1947, meeting in Sacramento incident to California Senate Resolution No. 81 of the 1947 session, in regard to acquisition of Federal lands in Inyo and Mono Counties by the Los Angeles Bureau of Water and Power, the Commission authorized sending a letter to the Secretary of Interior requesting that sale of any or all of the approximately 23,000 acres of Federal public lands applied for by the City of Los Angeles under application Sacramento No. 036130 be deferred, pending ultimate action by Congress on Bills S 36 and H.R. 727, and further authorizing the Acting Executive Officer on behalf of the State Lands Commission to make application under its authority for acquisition of all Federal public land within one mile of the meander line of Mono Lake, California, as heretofore established by the Federal Government for Mono Lake, Mono County, California.

The Commission will further recall that after protracted conferences and hearings between Attorneys for the Bureau of Water and Power, the Attorney General's office, the State Lands Commission, the Legislative Council, the Senate Interim Committee on Local Government, and the officials of Inyo and Mono Counties, that a satisfactory bill for consideration of Congress has now been worked out. The Commission has so advised the Senate Interim Committee and the City of Los Angeles, Bureau of Water and Power.

Upon motion duly made and unanimously carried, a resolution was adopted to rescind its action of June 12, 1947, and so advise the Secretary of Interior and others receiving a copy of the letter dated June 16, 1947, thus removing any commitment or interest of the State to the lands involved in the June 12, 1947 letter.

15. (Assignment of Fish Canyon Lease, No. P.R.C. 1026 Martha O. Dunmire to Wallace Winn) The Commission was informed that application has been received from Martha O. Dunmire lessee under Fish Canyon Lease, No. P.R.C. 1026, for approval to assign this lease to Wallace Winn. This lease was issued to Mrs. Dunmire on January 1, 1942, for a ten year period at an annual rental of \$30.00.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the approval of the assignment of Fish Canyon Lease No. P.R.C. 1026 from Martha O. Dunmire to Wallace Winn subject only to payment of the statutory \$5.00 filing fee.

16. (Application for Prospecting Permit - J. H. Byrd - San Bernardino County W. O. 201) The Commission was informed that on December 1, 1947, the Commission authorized the issuance of a permit to prospect for two years upon the $S\frac{1}{2}$ of Section 16, T. 6 N., R. 10 E., S.B.B. & M., to Mr. J. H. Byrd of Tucson, Arizona, upon the payment of the \$320.00 permit fee as prescribed by Statute. No reply has been received from Mr. Byrd pursuant to written notice that the prospecting permit would be issued upon receipt of the fee.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the cancellation of the application of Mr. J.H. Byrd for a prospecting permit on the $S\frac{1}{2}$ of Section 16, T. 6 N., R. 10 E., S.B.B. & M. San Bernardino County in accordance with Section 2412 (b) of Regulation D for the reason that the required payment has not been made within thirty days after written notification of the acceptance of the application.

17. (Cancellation of permit and refund of deposit, W. O. 217, Harry Heather) The Commission was informed that on February 6, 1948, the Commission authorized the execution of a prospecting permit to Harry F. Heather covering Lots 5 and 6 and the $SE\frac{1}{4}$ of $NW\frac{1}{4}$ of Section 36, T. 9 N., R. 4 E., S.B.B. & M., containing 120.61 acres, in San Bernardino County. Mr. Heather now advises that he does not care to go forward with the permit since it is believed the minerals are located on an area under prospecting permit issued to Loyd G. Adams and requests refund of the \$161.16 deposited for the two year permit. Mr. Heather has filed a cancellation with the San Bernardino County Recorder abrogating any rights he may have obtained in the original notices of prospecting permit recording application.

Upon motion duly made and unanimously carried, a resolution was adopted rescinding the permitting of the issuance of a prospecting permit to Mr. Heather on Lots 5 and 6 and the $SE\frac{1}{4}$ of $NW\frac{1}{4}$ of Section 36, T. 9 N., R. 4 E., S.B.B. & M., and furthermore that Mr. Heather be refunded his deposit of \$161.16 less Commission's cost incident to this permit of \$15.00, leaving a net amount refundable of \$146.16.