

44. (Refund, Overpayment Oil Royalties - Easements Nos. 272-2, Roscoe F. Oakes, et al.; 337, Roscoe F. Oakes, et al.; 352, Orco Oil Company; 409, 410, 411, The Termo Company; 331, Ruchti Oil Company; 392, Southwest Exploration Company - Chapter 303/1921 - W.O. 456.4, 456.10 and 456.11) At its meeting held in Sacramento on April 27, 1949, the Commission was advised of action being taken by the Division of State Lands to close the balances of accounts receivable with tideland lease operators as of June 22, 1947. Claims from the respective tideland lease operators, properly executed, have now been received.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing submission to the State Board of Control with favorable recommendation, claims for repayment to the following holders of Agreements for Easements under Chapter 303, 1921, the amounts of overpayment of oil royalties to the State of California, to and including June 22, 1947:

<u>Lessee</u>	<u>Easement No.</u>	<u>Amount of Claim</u>
Roscoe F. Oakes, et al.	272-2	\$ 460.08
Roscoe F. Oakes, et al.	337	463.55
Orco Oil Company	352	392.96
The Termo Company	409	988.16
The Termo Company	410	1,124.00
The Termo Company	411	949.47
Ruchti Oil Company	331	661.87
Southwest Exploration Company	392	1.07.

45. (Request for Discharge of Accountability - Easement No. 336, Chapter 303/1921 - W. K. Company - \$691.96; Easement No. 276, Chapter 303/1921 - Reading Oil Company - \$57.73) In connection with the closing of Accounts Receivable between tideland lease operators and the State of California as of June 22, 1947, it was found that no credit had been allowed to the W. K. Company, Operators of Easement No. 336, for charges placed on the records of the State Lands Commission for the period May, 1941 through November, 1941, as a result of the May First Rule. Furthermore, only a partial credit had been allowed the Reading Oil Company for like recorded charges.

It was noted that the May First Rule was later rescinded by Commission action and charges made to the accounts of the various lease operators were refunded by means of a credit entry to operators accounts, as the result of a discharge of accountability allowed by the Board of Control on July 13, 1944.

In the audit made of the May First Rule charges, the entire credit due the W. K. Company and credit due the Reading Company May through October, 1941, were overlocked. Accounts have been examined and working papers compiled, which indicate that during this period Easement No. 336 was overcharged by the amount of \$691.96, while the Reading Oil Company was overcharged \$60.70 against which a credit of \$2.97 was allowed.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to request discharges of accountability from the State Board of Control as follows: Easement No. 336, The W. K. Company, \$691.96; Easement No. 276, The Reading Company, \$57.73, Said amounts are to be allowed as a credit against the accounts receivable of the lessees as of June 22, 1947. Said credits to be allowed as an offset to the overcharges placed on the records of the Commission during the period May through November, 1941 as a result of the rescission of the May First Rule.

It was further resolved that, upon approval of the Board of Control of the Discharge of Accountability requested for the Reading Company under Easement 276, in the amount of \$57.73, the Executive Officer present to the Board of Control for payment a claim of the Reading Company for overpayment of oil royalties in the amount of \$76.54, said amount being the sum of the recorded account balance June 22, 1947, \$18.81 credit, plus the credit of \$57.73 set forth in the above resolution.

46.

(Proposed Rules and Regulations Pursuant to Section 126 of Government Code - W.O. 455) At the meeting of the Commission on April 27, 1949, the Commission authorized the Executive Officer to proceed with the hearing specified by the Code of Administrative Procedure for the adoption of the proposed rules to Government Administrative Procedure under Section 126 of the Government Code which relates to the consent of the Legislature to the acquisition of land by the United States. Shortly thereafter notices of the proposed hearing were mailed directly to all believed to be concerned and notices were also published in newspapers in Los Angeles, and Sacramento, California, on May 10, 1949. A public hearing was held in Room 115 State Building, Los Angeles, California, pursuant to such notices at 2 P.M., on June 10, 1949. Resolutions of the State Lands Commission pertaining to the preparation and adoption of these rules were read and also the provisions of Section 126 of the Government Code. The proposed rules were then read twice and opportunity was given to those in attendance to comment on them pro and con. The only suggestion for amendment was contained in a letter dated May 24, 1949, from Colonel Dwight F. Johns, United States Division Engineer, South Pacific Division, on behalf of the Department of the Army in which he stated that the subject matter of the rules should relate to the acquisition of Federal jurisdiction rather than the acquisition of lands by the United States. This suggested change has been discussed with the office of the Attorney General and rejected in view of the fact that the terms used were direct quotations from Section 126.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the adoption of rules and regulations as prepared by the office of the Attorney General and as presented at the Public Hearing on June 10, 1949 as follows:

"STATE LANDS COMMISSION  
301 State Building  
Los Angeles, California

Proposed Rules and Regulations Governing Conditions and Procedures Under Government Code Section 126 of California

"ARTICLE 8. Rules Relating to Hearing to Determine Compliance With Conditions and Reservations of Consent by the Legislature of California to Acquisition of Land by United States, Pursuant to Section 126, Government Code.