

1. That the State School lands involved in Case 2054-Y shall be included in the lease and the title taken in this action shall be revested in the State. Also, that in so far as the lands in this action are concerned, the lease rental shall be payable from the date of original taking.
2. That as of some recent date, the State School lands involved in what is now called the Chocolate Mountain area shall be included within the proposed lease.
3. That the Navy will immediately enter into negotiations as to the rental payable under the proposed lease.
4. That the term of the lease shall be for such reasonable period as the Navy desires the land, but in no event shall it exceed a period of forty-nine years.

The Public Works Office of the Eleventh Naval District has indicated that it will recommend to a higher authority that the lands in the condemnation as well as the additional lands requested be obtained from the State by lease. Pending approval by higher authority the Eleventh Naval District has requested a letter permit for temporary use of the lands. No filing fee, nor expense deposit is required.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE TO THE UNITED STATES A USE PERMIT FOR THE 11,960 ACRES OF SCHOOL LAND IN THE EXTENDED CHOCOLATE MOUNTAIN GUNNERY RANGE FOR A PERIOD OF NOT TO EXCEED ONE YEAR ON THE CONDITION THAT THE NAVY WILL ENTER INTO IMMEDIATE NEGOTIATIONS FOR A LEASE ON THESE PARTICULAR LANDS AS WELL AS FOR THE 12,442.6 ACRES OF THE ORIGINAL TAKING UNDER CASE NO. 2054-Y. THE RENTAL FOR THE LATTER LANDS TO COMMENCE AT THE DATE OF THE ORIGINAL ORDER OF POSSESSION.

22. (ASSIGNMENT OF LEASE P.R.C. 279, ARK SITE NO. 2, CORTE MADERA CREEK, MRS. S. E. CARRICO TO G. L. CARRICO - W.O. 633) The Commission was informed that Mrs. S. E. Carrico has requested that Lease No. P.R.C. 279 issued January 1, 1947, for a term of five years and which she holds, covering Ark Site No. 2, Corte Madera Creek, be assigned to G. L. Carrico.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE ASSIGNMENT OF LEASE NO. P.R.C. 279, ARK SITE NO. 2, CORTE MADERA CREEK, FROM MRS. S. E. CARRICO TO G. L. CARRICO.

23. (CANCELLATION OF EASEMENT, MALIBU QUARTERDECK IMPROVEMENT COMPANY - W.O. 147, P.R.C. 346) The Commission was informed that on October 29, 1947, it authorized the issuance of a 15-year right of way easement to Malibu Quarterdeck Improvement Company (Malibu Quarterdeck Club) on 1,040 feet of State tide and submerged lands at Malibu Beach, Los Angeles County.

Soon after the granting of this authority, the President of the Company died and attempts to reorganize have not prevailed so that as of February, 1948, the permit with the State Corporation Commission lapsed.

Three letters to the Attorneys for the Malibu Quarterdeck Improvement Company since June 8, 1949, have not resulted in the compliance with the requirements of the Company as to filing of a bond and other conditions incident to the issuance of the lease. On January 11, 1950, notice was served on the Attorneys for the Malibu Quarterdeck Improvement Company that unless performance resulted, the application for lease would be presented to the State Lands Commission for cancellation. No response to this latter letter has resulted.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED RESCINDING THE ACTION OF OCTOBER 29, 1947, (MINUTE ITEM NO. 6) WHICH GAVE AUTHORITY TO ISSUE A RIGHT OF WAY EASEMENT TO THE MALIBU QUARTERDECK IMPROVEMENT COMPANY FOR 15 YEARS ON STATE TIDE AND SUBMERGED LANDS AT MALIBU BEACH, LOS ANGELES COUNTY.

24. (SALE OF VACANT FEDERAL LANDS OBTAINED THROUGH USE OF BASE, LOS ANGELES LAND DISTRICT, LOS ANGELES COUNTY, PAUL HERBOLD) The Commission was informed that on March 24, 1947, authorization was given for the selection from the Federal Government of the N $\frac{1}{2}$  of NE $\frac{1}{4}$  of Section 14, T. 4 N., R. 13 W., S.B.M., containing 80 acres in Los Angeles County, and the sale thereof to Mr. Paul Herbold at a cash price of \$6.00 per acre, subject to all statutory reservations including minerals.

Mr. Herbold has never complied with the requirements with respect to this selection and the indemnity filing with the Federal Government has never been made.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED RESCINDING THE ACTION OF THE COMMISSION AUTHORIZING THE SELECTION OF THE N $\frac{1}{2}$  OF NE $\frac{1}{4}$  OF SECTION 14, T. 4 N., R. 13 W., S.B.M., BY REASON OF FAILURE OF THE APPLICANT MR. PAUL HERBOLD TO CONFORM TO STATUTORY REQUIREMENTS.

25. (ASSIGNMENT OF MINERAL LEASE NO. P.R.C. 224, INYO COUNTY, MR. MERLE F. OTTO - W.O. 635) The Commission was informed that an application has been received pursuant to Mineral Lease P.R.C. 224, from Mr. Merle F. Otto, Lessee on 40 acres in Section 36, T. 23 S., R. 42 E., M.D.B. & M., Inyo County, for approval of a conditional assignment to Mr. Russell A. Donnelly of Los Angeles.

An option to purchase the lease through installment payments has been given to Mr. Donnelly by Mr. Otto, subject to approval by the Commission of the assignment of the lease. Mineral Lease No. P.R.C. 224 was issued June 12, 1947, for a term of twenty years for the extraction and processing of gold, silver and other valuable metallic minerals, and provides in part that the Lessee shall not transfer nor assign the lease and shall not sublet said land or any part thereof except upon the prior written consent of the State first had and obtained.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE ASSIGNMENT OF MINERAL LEASE P.R.C. 224 FROM MR. MERLE F. OTTO TO MR. RUSSELL A. DONNELLY SUBJECT TO THE FOLLOWING CONDITIONS:

1. MINERAL LEASE P.R.C. 224 IS TO BE AMENDED BY MUTUAL CONSENT OF THE RESPECTIVE PARTIES TO PROVIDE THAT THERE SHALL BE PERFORMED UNDER THE LEASE A MINIMUM OF 720 SHIFTS OF WORK EACH YEAR.

2. THE OPTION TO PURCHASE THE SUBJECT LEASE P.R.C. 224 IS TO BE EXERCISED BY MR. RUSSELL A. DONNELLY ON OR BEFORE JULY 29, 1950.

3. ALL LEASE RESPONSIBILITY IS TO BE RETAINED IN FULL BY MR. MERLE F. OTTO UNTIL FINAL COMPLETION OF THE LEASE SALE.

4. UPON COMPLETION OF THE LEASE SALE MR. RUSSELL A. DONNELLY IS TO DEPOSIT THE PERFORMANCE BOND OF \$1,000. REQUIRED BY LEASE P.R.C. 224.

26. (WURZ VS. STATE, NAPA COUNTY SUPERIOR COURT NO. 11838, QUIET TITLE ACTION AGAINST VACANT STATE SWAMP LANDS - W.O. 560) The Commission was informed that this action was brought by Louis O. and Anna I. Wurz pursuant to authority of Stats. 1949, Chapter 844. The 44.23 acre parcel of land claimed by plaintiffs included approximately 22.5 acres of land patented to the State as swamp lands,