

- (a) APPLICATION TO PURCHASE THE MINERAL RESERVATION SHALL BE ACCEPTED ONLY FROM THE OWNER OF THE SUBJECT LANDS (SURFACE) AND APPLICATIONS SO RECEIVED SHALL BE FILED UPON PAYMENT OF THE STATUTORY \$5.00 FILING FEE. IN CASE IT IS NECESSARY TO EXPEND MONEY TO MAKE THE DETERMINATION OF NON-MINERAL CHARACTER, THE APPLICANT SHALL DEPOSIT WITH THE COMMISSION SUCH REASONABLE SUMS OF MONEY AS SHALL BE ESTIMATED TO BE EXPENDED BY THE COMMISSION IN SUCH DETERMINATION.
- (b) SALE OF THE ESTATE REPRESENTED BY THE MINERAL RESERVATION SHALL BE MADE TO THE APPLICANT BY GRANT DEED FROM THE STATE, ACTING THROUGH THE COMMISSION, AND APPROVED BY THE GOVERNOR, FOR A PRICE OF \$10.00 PURSUANT TO A SPECIFIC RESOLUTION BY THE STATE LANDS COMMISSION.

2. LANDS OF THE CLASS SPECIFIED IN SECTION 6403 (b) PUBLIC RESOURCES CODE, KNOWN TO CONTAIN MINERALS:

WHERE A DETERMINATION HAS BEEN MADE THAT THE LANDS DO CONTAIN MINERALS AND MINERAL VALUES HAVE BEEN ESTIMATED:

- (a) UPON RECEIPT OF APPLICATION ACCOMPANIED BY STATUTORY \$5.00 FILING FEE AND A DEPOSIT IN SUFFICIENT AMOUNT TO COVER COST OF PUBLICATION AND MINERAL VALUE APPRAISAL FROM THE OWNER OF THE LAND (SURFACE), THE MINERAL RESERVATION SHALL BE SOLD TO THE HIGHEST BIDDER IN ACCORDANCE WITH A PUBLISHED NOTICE OF INTENTION TO RECEIVE BIDS. THE OWNER OF THE SURFACE SHALL HAVE A PREFERENTIAL RIGHT TO MEET THE HIGHEST BID MADE. SAID NOTICE IS TO CONTAIN A PROVISION THAT THE SUCCESSFUL BIDDER SHALL PAY THE COST OF PUBLICATION AND THE COMMISSION'S COST IN APPRAISING THE LAND FOR MINERAL VALUES.
- (b) SALE OF THE ESTATE REPRESENTED BY THE MINERAL RESERVATION SHALL BE MADE TO THE SUCCESSFUL BIDDER OR PREFERENTIAL BIDDER BY GRANT DEED FROM THE STATE, ACTING THROUGH THE COMMISSION AND APPROVED BY THE GOVERNOR, FOR THE BID PRICE, PLUS COSTS, PURSUANT TO SPECIFIC RESOLUTION BY THE STATE LANDS COMMISSION.

26. (PERMIT FOR USE OF SMALL AREAS OF TIDE AND SUBMERGED LANDS FOR OTHER THAN COMMERCIAL USE - S. D. MISC., - POLICIES) The Commission was informed that at numerous locations throughout the State small fixed or floating structures of low cost occupy small areas of tide and submerged lands, such as in the delta and slough country and in Lake Tahoe. These structures are used for recreation, mooring a small boat, fishing, etc., not on a commercial basis. Because of the small area occupied and use for personal recreation it appears that an annual rental of \$50.00 on a lease basis is excessive. However, some means of equitably reaching the owners of these low cost structures and of controlling the use and maintaining the records of tide and submerged lands thus occupied should be found and a policy adopted.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE POLICY OF GRANTING THE RIGHT TO USE A RESTRICTED AREA OF TIDE AND SUBMERGED LANDS WHERE THE COST OF THE STRUCTURE IN PLACE OR PROPOSED IS NOT IN EXCESS OF \$500.00 AND THE LAND IS TO BE USED FOR NON-COMMERCIAL PURPOSES UNDER THE FOLLOWING CONDITIONS:

1. PERIOD OF PERMIT TO BE FOR A FIVE YEARS' MAXIMUM.
2. FILING FEE OF FIVE DOLLARS AND CONSIDERATION OF \$15.00 TO COVER THE PERMIT TERM SHALL BE PAID AT TIME OF RECEIPT OF FORMAL APPLICATION.
3. NO BOND REQUIREMENTS.
4. WATERS OCCUPIED TO BE KEPT FREE OF POLLUTION AND CONTAMINATION.
5. LESSEE TO REMOVE ANY STRUCTURES AT TERMINATION OR EXPIRATION OF PERMIT AT HIS EXPENSE.
6. ALL OTHER APPLICABLE PROVISIONS OF STANDARD LEASE FORM.

27. (APPLICATION TO PURCHASE MINERAL RESERVATION, STANDARD PAPER BOX CORPORATION AND MADSEN RANGE COMPANY, LOS ANGELES COUNTY - W.O. 676) The Commission was informed that an application has been made by the Standard Paper Box Corporation and the Madsen Range Company, Incorporated, to purchase the mineral reservation of the State of California in the following described land:

Lots 12, 13, 14 and 15, Block J of the Day-Star Tract in the City of Vernon as per map recorded in Book 25, Page 66 Miscellaneous Records, County Recorder of Los Angeles.

The application is made pursuant to Section 6406 of the Public Resources Code which authorizes the Commission to sell such reservation made heretofore. The subject lands were seized by the State and sold by the Controller to the Standard Paper Box Corporation July 19, 1945, pursuant to Section 7891 of the Revenue and Taxation Code, which section concerns seizure of land for delinquencies in payment of the Motor Vehicle License Tax. The deed from the State Controller to the Standard Paper Box Corporation specifies that it "excepts and reserves to the State of California all deposits of minerals, including oil, gas, and other hydrocarbons in said real property and the right of the State of California or persons authorized by the State of California to prospect for, mine, and remove such deposits from said real property."

The sale of these lands from the Standard Paper Box Corporation to the Madsen Range Company, Inc., is now in escrow. The mineral potentialities of the subject land in surrounding area have been reviewed by the Staff with the following conclusions:

1. Seven wild cat wells drilled between 1923 and 1948, between 1 and 5 miles from the subject property, have failed to demonstrate any commercial oil and gas production.
2. The Baldwin Hills oil field $7\frac{1}{2}$ miles west of Vernon, and the Los Angeles City field 5 miles north of Vernon, have been the closest localities of commercial production of oil and gas.
3. The surface material in the area is alluvium deposited by the Los Angeles River consisting of sands, clay and gravel. These deposits have been mined elsewhere in the locality.