

Committee. Decrease in the productive capabilities of wells in the southernmost end of the field not on State lands, results in a minor net increase in production allotment to the State lands for the West Emigh and West Hamilton pools. The West Emigh and West Hamilton are the most productive pools of the entire field and therefore, there will be a corresponding increase in net gas royalty to the State.

Pool	Total Participating Area (Acres)	Estimated Protective Area of State Lands (Acres)	Allotment to State Lands (42nd Revision)	Allotment to State Lands (43rd Revision)
East Emigh	2589.69	12.39	0.4763%	0.4768%
West Emigh	16984.09	1838.94	10.7139%	10.8274
West Hamilton	9216.57	1161.61	12.8198	12.8205
East Midland	4852.90	99.68	2.0540	2.0540
Anderson A-6	103.77	-0-	-0-	-0-

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE 43RD REVISION (POOL BASIS) TO THE STATE'S ALLOTMENT OF PRODUCTIVE LANDS EFFECTIVE AUGUST 1, 1950, AS PRESENTED BY THE STANDARD OIL COMPANY OF CALIFORNIA ON SEPTEMBER 12, 1950, PURSUANT TO AGREEMENT FOR EASEMENT NO. 415.

7. (SALE OF VACANT FEDERAL LAND, OBTAINED THROUGH USE OF BASE, SCRIP APPLICATION NO. 4697, SACRAMENTO LAND DISTRICT, INYO COUNTY, MAURICE L. SORRELLS - SAC. W.O. 5169) The Commission was informed as follows: An offer has been received from Mr. Sorrells of Shoshone, California, to purchase the SE $\frac{1}{4}$  and S $\frac{1}{2}$  of NE $\frac{1}{4}$  of Section 13, T. 22 N., R. 7 E., S.B.M., containing 240 acres in Inyo County. This land may be obtained by the State from the Federal Government through use of base. The minimum price for scrip for this type of land has been set heretofore at \$5.00 per acre.

The Assessor of Inyo County has assessed contiguous land at \$4.00 per acre, thus indicating an appraised value of the land applied for of \$8.00 per acre. However, the contiguous land has developed water supplies while that applied for has not. An appraisal by the Commission's staff indicates that the offer as made is adequate.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE SALE OF THE SE $\frac{1}{4}$  AND S $\frac{1}{2}$  OF NE $\frac{1}{4}$  OF SECTION 13, T. 22 N., R. 7 E., S.B.M., TO MAURICE L. SORRELLS AT THE APPRAISED CASH PRICE OF \$1,200., SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS, UPON THE LISTING (CONVEYANCE) OF SAID LANDS TO THE STATE BY THE FEDERAL GOVERNMENT.

8. (PACIFIC PORTLAND CEMENT COMPANY LEASE NO. 1, CHAP. 829, STATS. 1921 - W.O. 213) The Commission was informed as follows: On January 15, 1923, the State entered into a lease with the Morgan Oyster Company for an area of 4730 acres of State tide and submerged lands in San Mateo and Alameda counties for

the removal and redeposit or use of materials therein contained. This lease was subsequently assigned to the Pacific Portland Cement Company. In 1923 the Pacific Portland Cement Company applied to the Corps of Engineers for a dredging permit. The Corps of Engineers issued on August 23, 1923, a dredging permit, which permit extended to December 31, 1926. This permit has been renewed at three year intervals since that time, the last expiring on December 31, 1950; application for renewal is now pending. As a result of the lease from the State, the permit from the Corps of Engineers and the fact that the Pacific Portland Cement owned in fee simple tidelands upon which the oyster shell deposits occurred, it built on West Point Slough and Redwood Creek in 1924, a large cement plant to utilize the shells dredged. On June 6, 1927, the Board of Supervisors of San Mateo County requested the State Engineer to fix the width of a draw bridge for the proposed San Mateo Bridge, which said Board authorized by Ordinance No. 352 on July 11, 1927. Through some lack of coordination the bridge was built across a portion of the State lands under lease to the Pacific Portland Cement Company and apparently the Surveyor General was not taken into consideration when this bridge was built. As a result of this, the Pacific Portland Cement Company found themselves unable to get their dredger through to the greater portion of the State leased land which up to this time have not been dredged for the shell needed in their cement plant.

Pacific Portland Cement Company has now found it essential to reach the State leased land for the purpose of extracting shell contained therein. In order to reach the State lease it is necessary to cross certain tide and submerged lands in the center of the Bay which are involved in a question of title. State patent was issued to submerged lands below the low water mark in the early days and it is a question as to whether there was any authority to sell such lands. In order to cross these lands, the Pacific Portland Cement Company have now requested that the lease as originally issued be modified as to description by excluding some 880 acres of the described lands in the lease and substituting therefor 880 acres of land over which there is a title question, thus making the total area under lease the same as it always has been. The Pacific Portland Cement Company would then thus pay the State the same total annual rental as required in the original lease, which is 30% per acre per year, or a total of \$1419 per year.

The State's records show that since January 15, 1923, the Pacific Portland Cement Company have paid the State a rental of \$20,812. The original lease has a term of seven years to run or until January 15, 1958.

During the balance of the term of the contract, Pacific Portland Cement Company will pay the State an additional sum of \$9,933. There are a number of equities involved, namely:

1. The State in good faith entered into a lease with the predecessors in interest of Pacific Portland Cement for an area of State tide and submerged lands upon which the Legislature through Chapter 829 of 1921, authorized the removal, redeposit or use, of materials contained therein.
2. Through some inadvertence on the part of the State and the County Board of Supervisors, the leased lands were divided by the San Mateo Toll Bridge, thus

making it impossible for the Pacific Portland Cement Company to reach the major area under lease without going through the main bridge in the center of the Bay, and then cutting a channel into the larger area of leased lands.

3. In order to reach the larger area under lease, it will be necessary for the Pacific Portland Cement Company to dredge a channel through lands which the State had earlier patented to predecessor in interest of the Pacific Portland Cement Company.
4. The Pacific Portland Cement Company have spent an enormous amount of money in building the cement plant on Redwood Creek, which plant is an important producer of cement at this time.
5. Practically no extraction of shell has been made by the Pacific Portland Cement Company from the leased lands although they have paid the State over the years a total of \$20,812.00 and will during the balance of the term of the lease pay the State an additional \$9,933.00.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO CHANGE THE DESCRIPTION OF THE LEASE NO. 1 ISSUED PURSUANT TO CHAPTER 829 OF 1921 TO EXCLUDE THEREFROM THE FOLLOWING:

The West half of the East half of Section 9 and the Northwest quarter of Section 9, Township 4 South, Range 3 West, San Mateo County -	320 acres
The North half of the Northeast quarter of Section 8, Township 4 South, Range 3 West, San Mateo County -	80 "
The West half of Section 4, Township 4 South, Range 3 West, situate partly in San Mateo County and partly in Alameda County-	320 "
The Southwest quarter of Section 33, Township 3 South, Range 3 West, situate partly in San Mateo County, and partly in Alameda County -	160 "
Total-	880 "

AND TO SUBSTITUTE IN LIEU THEREOF THE FOLLOWING:

Location No. 87 of State Tide Lands, being Tide Land Survey No. 127 of Alameda County, which includes and is composed of fractional Section 12, and fractional Northeast quarter of Section 13, Township 4 South, Range 4 West -	560 "
The Southeast quarter of Section 1, Township 4 South, Range 4 West -	160 "
The Northwest quarter of Section 7, Township 4 South, Range 3 West -	160 "
Total-	880 "

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL LEASE TO BE UNCHANGED; THE CONSIDERATION FOR THE SUBSTITUTION BEING THE INTEREST OF THE PUBLIC.

9. (ACQUISITION BY THE UNITED STATES OF LANDS OCCUPIED BY THE U. S. NAVY EL TORO MARINE CORPS AIR BASE, ORANGE COUNTY, CALIFORNIA, UNDER THE PROVISIONS OF SECTION 126, GOVERNMENT CODE - W. O. 486) The Commission was informed as follows: On July 26, 1949, the Commission authorized the Executive Officer to order and conduct the requisite hearings pursuant to Section 126 of the Government Code and under the rules and regulations adopted by the Commission on June 14, 1949, on applications for consent to acquisition by the United States of lands comprising a number of installations, among which was the United States Navy Marine Corps Air Base at El Toro, Orange County, California. On June 16, 1950, an application for acceptance of jurisdiction by the United States of the lands pertaining to this installation was executed by Francis P. Matthews, Secretary of the Navy.

Pursuant to said application, arrangements were made to conduct the requisite public hearings at San Diego, California, in connection with other similar hearings scheduled for the same day and place. The notice of such public hearing was published in the Santa Ana Register at Santa Ana, California, on September 1, 1950, and service on the Clerk of the Board of Supervisors of Orange County was made on August 28, 1950. Notices were thus published and served in compliance with Section 2702, California Administrative Code, Title 2.

Hearings were held by the Executive Officer at Headquarters, U. S. Naval Station, San Diego, California beginning at 10 A.M., September 19, 1950. These hearings were adjourned to and completed on October 17, 1950. A record of the hearing was made and the transcript was made a part of the Commission record in this case. The Attorney General was represented by Mr. Walter Rountree, Deputy Attorney General.

Appearances were made on behalf of the Navy by the Commanding Officer of the El Toro Marine Air Base, Colonel Pierson E. Conradt, U. S. M. C., also by Commander L. N. Evans and Mr. R. G. Muench representing the 11th Naval District. No other appearances were made in support of this application and none were made against it.

Section 126 of the Government Code requires that the State Lands Commission must have found and declared to have occurred and to exist the fulfillment of certain specified conditions. Oral and documentary evidence were presented and received at the hearings in support of the contention of the applicant that these conditions have been met and complied with. Conclusions in regard to their presentations are as follows:

As applied to this case the acquisition "must be for the erection of forts, magazines, arsenals, dockyards, and other needful buildings, or other public purpose within the purview of Clause 17, Section 8 of Article 1 of the Constitution of the United States."

The mission of the Marine Corps Air Station at El Toro is to furnish personnel, supplies and operating facilities for units of the Fleet Marine Force Aviation