

10. (SALARY ADJUSTMENTS, JULY 1, 1951, EXEMPT POSITIONS - PERSONNEL.) The Commission was informed that at the meeting held July 6 and 7, 1951, the State Personnel Board adjusted salary ranges for nearly all classes of Civil Service employees. This action did not include exempt positions. Increases have been granted to classes immediately below that of Executive Officer, thus affecting internal salary relationships adversely.

Department of Finance Circular Letter No. 751-20, dated July 9, 1951, approved increases for a large number of exempt positions, but deferred action on others, including that of the Executive Officer, State Lands Commission. The circular letter contained the following statement: "Increases for classes for which ranges have not been established nor classification studies undertaken will require in most cases initial action by the appointing power."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED APPROVING REVISION OF THE SALARY RATE FOR THE POSITION EXECUTIVE OFFICER, STATE LANDS COMMISSION, FROM \$745 IN THE RANGE (\$613-\$745) AUTHORIZED FEBRUARY 28, 1951, TO \$782, EFFECTIVE JULY 1, 1951, IN THE RANGE (\$644-\$782). IN ADDITION, THE EXECUTIVE OFFICER, AS APPOINTING POWER, IS AUTHORIZED TO EXECUTE AND SUBMIT DOCUMENTS AS NECESSARY TO EFFECT THE REVISION.

11. (REVISION OF RULES AND REGULATIONS OF STATE LANDS COMMISSION - W.O. 278.) At the meeting of the Commission on February 28, 1951 (Minute Item 14, Pages 1268-1320), proposed revisions of the Rules and Regulations of the State Lands Commission were presented, and the Executive Officer was authorized to conduct the public hearings prescribed by the Code of Administrative Procedure. At the Commission meeting of April 12, 1951 (Minute Item 19, Pages 1332-1356), the Rules and Regulations submitted on February 28, 1951, were approved by the Commission with certain specific amendments.

On May 21, 1951, a public hearing was held in Room 115, 217 West First Street, Los Angeles, California, by the Executive Officer, at which each and every one of the Rules and Regulations was presented to those attending, and discussed with them. A hearing was also held in the Business and Professions Building, Sacramento, California, at 9.00 a.m., May 25, 1951, by the Executive Officer.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED APPROVING THE FOLLOWING AMENDMENTS TO THE REVISED SET OF RULES AND REGULATIONS WHICH WAS APPROVED BY THE COMMISSION ON APRIL 12, 1951:

Section 1900.1: In subsection (f) delete the word "lines" after the word "transmission" and insert "lines for the" after the words "pipe lines".

Insert "and distribution of electricity, telephone lines," after the word "transmission".

Section 2002, Paragraph (a): Delete "overhead" after the words "pipe lines", the word "lines" after the word "transmission" and "licensee thereof, or" after the words "owner or". Insert "lines for the" after the words "pipe lines," "and distribution of electricity, telephone lines," after the word

"transmission," "to the owner of licenses or easements from such littoral owners for the proposed work, or" after the words "owner or".

Section 2201, Paragraph (c); Insert the word "similar" after the words "all other".

Section 2202; Insert the words "which can result in a different routing of production to or from the gauge tanks" after the words "of equipment".

Section 2210, Paragraph (e); Delete the words "at the request of the Inspector" after the word "removed". Insert the words "at the request of the Inspector." after the word "sampling".

Section 2220, Paragraph (c); Delete the words "the full capacity of the tank will be considered to have been run and" after the words "do so,"; delete the words "this presumed" after the words "State for"; delete the words "at the" after the words "for the run". Insert the word "the" after the words "State for"; insert the words "as estimated by the Inspector at the" after the words "for the run".

Paragraph (d); Delete the word "written" after the words "unless the".

Insert the words "Such consent must be confirmed by the Inspector in writing, otherwise the procedure specified in 2220 (c) will govern." after the words "first obtained."

Section 2221; Delete the words "and quality" after the words "the quantity".

Insert the words "and the quality shall be fixed by laboratory tests made pursuant to Section 2250 hereof," after the words "by the Inspector".

Section 2230, Paragraph (a); Insert the words "until the maximum level of nonmerchable oil and water shall be at least four inches below the bottom of the outlet connection." after the words "the tank."

Paragraph (c); Delete the word "dry" after the words "reduced to" and delete the words "the dry" after the words "gravity and". Insert the words "5% wet" after the words "reduced to"; insert the word "such" after the words "gravity and".

Paragraph (d); insert the words "to another wet gravity or" after the words "wet gravity".

Section 2240, Paragraph (a); Delete the word "company" after the words "Inspector in the". Insert the word "presence" after the words "Inspector in the"; insert "after having been given an opportunity to be present," after the words "is not present".

Section 2250, Paragraph (d) as follows: "Lessee may furnish necessary laboratory equipment to A.P.I. standards, in which event the Inspector may make use thereof."

Section 2250, Paragraph (a); Delete the words "within 4 hours of the close of the Lessee's operating day." after the words "shall be furnished" and insert in place thereof the words "as required."

Section 2300, Paragraph (b); Insert the words "not under the control of the drilling operator," after the words "of any well".

Paragraph (3), subparagraph (2); Delete the words "but in no instance less than \$25,000.00" after the words "by the Commission". Insert the words "and for a period" after the word "amount".

Section 2301, Paragraph (a); Insert the words "at least" after the words "shall be".

Section 2302, Paragraph (a); Delete the word "the" following the words "consent from" and the words "of each area containing any" after the word "Lessee". Insert the word "why" after the words "consent from" and the words "having a" after the word "Lessee".

Paragraph (b); Delete the words "but in no instance less than \$10,000.00" after the words "the Commission,"; insert the words "and for a period" after the word's "in an amount".

Section 2303; Delete the words "all of the quality of that in the formation being drilled." after the words "into the hole" and insert the words "such

circulation regaining media as are approved in good engineering practice and are most applicable, in the opinion of the inspector, to the zone in which the hole is located." after the words "into the hole".

Section 2304; Delete the words "light refined oil, such as kerosene, distillate, or high gravity cruds." after the words "well with" and insert the words "a suitable perforation washing fluid." after the words "well with".

Section 2310, Paragraph (c); Delete the words "directly or indirectly" after the words "an operator"; insert commas after the words "or elsewhere" and "third parties".

Paragraph (d); Delete the words "Foreign circulating oil is any oil not produced from the specific lease of the affected lessee." following the words "well's completion."

Paragraph (e); Delete the words "The value of said oil shall be that fixed by the lease for the quality and gravity of the oil so produced. Foreign oil is any oil not produced from the specific lease of the affected lessee." following the words "such operations."

Insert Paragraph (f); "Subsections (d) and (e) shall not apply to cases where the volume of circulating oil lost exceeds 5,000 barrels for any one operation. Such cases will be the subject of specific determinations as to periods and the amount of credit to be allowed."

Insert Paragraph (g); "The value of oil used as a circulating medium or for washing perforations shall be that fixed by the lease for the quality and gravity of the oil so produced. Foreign oil is any oil not produced from the specific lease of the affected lessee."