

damage to Owens Lake because of its failure to take care of surplus water which was turned on to Owens Lake in 1937, 1938, and 1939. Many attempts have been made to reach some solution to the City's problem with respect to Owens Valley surplus water, but the City will make no arrangements with the State for amicable adjustment of the problem.

Inyo County's reason for objection to the exchange is that no taxes are paid by the City of Los Angeles on lands acquired, and that as long as the lands are in Federal ownership there is always the possibility of the lands going into private ownership.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO FILE A PROTEST IN THE OWENS LAKE MATTER, AND TO NOTIFY SENATOR CHARLES BROWN OF ACTION TAKEN BY THE COMMISSION.

35. (GREY LODGE REFUGE, PROPOSED OIL AND GAS LEASE, BUTTE COUNTY, DIVISION OF FISH AND GAME - W.O. 1125.)

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO CONSULT WITH THE DIVISION OF FISH AND GAME, AND, AFTER A FULL UNDERSTANDING AND CONCURRENCES, TO OPEN FOR PUBLIC BID FOR A GAS LEASE THE 2,541.639 ACRES OF STATE LAND IN THE GREY LODGE REFUGE, BUTTE COUNTY, PURSUANT TO SECTION 6901 ET SEQ., AND PARTICULARLY IN ACCORDANCE WITH SECTIONS 6851 TO 6855 OF THE PUBLIC RESOURCES CODE.

*see also
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of minutes*

The Grey Lodge Refuge is now subject to gas drainage from a Honolulu Oil Corporation well in Section 17, T. 17 N., R. 1 E., M.D.M. This company and two other oil companies have asked for an opportunity to lease the area.

By informal opinion in a similar case, Assistant Attorney General Walter L. Bowers, with respect to leasing of State land dedicated to a public use (See 6851-54 P.R.C.), states: "In line with the general policy of the State to develop its natural resources and to protect its interests for the benefit of the citizens of the State, and in view of the specific statutory enactments since the decision in McNeil v. Kingsbury, it is my personal belief that the State Lands Commission is authorized, in accordance with the provisions mentioned and the general authority found in the Public Resources Code, to enter into a lease on behalf of the State for the production of oil and gas or other mineral deposits on the lands here involved, and that it is the only state agency having such authority."

36. (SALE OF VACANT FEDERAL LAND, OBTAINED THROUGH USE OF BASE, SCRIP APPLICATION NO. 4784, SACRAMENTO LAND DISTRICT, SONOMA COUNTY, ALBERT E. OTTOBONI - S.W.O. 5244.) An offer has been received from Mr. Ottoboni of Cloverdale, California, to purchase Lots 12 and 13 of Section 7, and Lots 4 and 5 of Section 18, T. 11 N., R. 8 W., M.D.M., containing 141.56 acres in Sonoma 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 cash. Mr. Ottoboni has made an offer of \$707.80, or \$5.00 per acre.

The Assessor of Sonoma County has assessed contiguous land at \$2.00 per acre, thus indicating an appraised value of the land applied for of \$4.00 per acre. An appraisal by the Commission's staff indicates that the offer as made is adequate.