

1. FOR NONPRECIOUS METALLIC MINERALS:

$$R = 3.00 + 0.37 (C-60.00)$$

2. FOR NONMETALLIC MINERALS:

$$R = 1.00 + 0.20 (C-20.00)$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER TON OF ORE

C = WEIGHTED AVERAGE GROSS SALES PRICE PER TON DETERMINED AT THE END OF THE FIRST YEAR OF THE LEASE AND EVERY FOUR YEARS THEREAFTER.

THE MAXIMUM ROYALTY SHALL NOT EXCEED 25 PER CENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE FOR ALL NONPRECIOUS METALLIC AND NONMETALLIC MINERALS.

24. (APPLICATION FOR MINERAL EXTRACTION LEASE, E $\frac{1}{2}$ OF SECTION 16, T. 25 N., R. 7 W., M.D.N., TEHAMA COUNTY, L. EHORN - W.O. 1258.) An application has been received from Mr. L. Ehorn of Red Bluff, requesting that the E $\frac{1}{2}$ of Section 16, T. 25 N., R. 7 W., M.D.M., Tehama County, be offered for lease pursuant to competitive bidding for the extraction of chrome ore. The application was submitted with the statutory filing fee of \$5 and an expense deposit of \$75 in accordance with the rules and regulations of the Commission. Field inspection of the area by the Staff and review of the records of the Division of State Lands and the Division of Mines has confirmed the classification heretofore assigned to the property that it is known to contain commercially valuable deposits of minerals. Operations have been conducted sporadically in this area since 1894 with the production of chrome ore and indication of the existence of magnesite.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO PUBLISH A NOTICE OF INTENTION IN ACCORDANCE WITH THE PUBLIC RESOURCES CODE AND THE ROYALTY POLICY HERETOFORE ESTABLISHED BY THE COMMISSION, INVITING BIDS FOR A MINERAL EXTRACTION LEASE ON THE E $\frac{1}{2}$ OF SECTION 16, T. 25 N., R. 7 W., M.D.M., TEHAMA COUNTY, FOR THE EXTRACTION OF CHROME AND OTHER NONPRECIOUS METALLIC AND NONMETALLIC MINERALS.

25. (REQUEST FOR APPROVAL OF PIERS, PEBBLY BEACH, WHITE'S LANDING, FISHERMAN'S COVE, SANTA CATALINA ISLAND, LOS ANGELES COUNTY, SANTA CATALINA ISLAND COMPANY - P.R.C. 185.) Lease P.R.C. 185 was issued August 29, 1950, to the Santa Catalina Island Company, and included seventeen parcels of tide and submerged lands adjacent to Santa Catalina Island at an annual rental of \$1,293.60, based on 6.6% of an independent appraisal. By terms of the lease the right to install, maintain, operate, and sublease buoys and moorings was granted without further consent of the State. The construction, reconstruction, maintenance, and operation of piers still requires approval by the State. The old wharf at Pebbly Beach, owned by the Lessee and used for the unloading of supplies and oil, has been reconstructed, the Lessee requesting approval of such reconstruction. The U.S. Coast Guard Auxiliary Corporation has received a permit from the Santa Catalina Island Company to construct a pier 80 feet long in Fisherman's Cove, Parcel 10, under lease P.R.C. 185. The Pasadena Y.M.C.A. has also been given a permit to construct a boat

landing pier 88 feet in length at White's Landing, Parcel 7, under Lease P.R.C. 185. It has been requested that the Commission approve the construction of these two piers.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE RECONSTRUCTION OF THE PEBBLY BEACH WHARF AND THE CONSTRUCTION OF PIERS AT FISHERMAN'S COVE AND WHITE'S LANDING, SANTA CATALINA ISLAND, PURSUANT TO THE PROVISIONS OF LEASE P.R.C. 185 ISSUED TO THE SANTA CATALINA ISLAND COMPANY.

26. (RESCISSION OF MINUTE ITEM 27, PAGE 1540, APRIL 18, 1952, OCEANSIDE-CARLSBAD SPORTSMAN'S CLUB - W.O. 1222, P.R.C. 715.) On April 18, 1952, the Commission authorized the Executive Officer to issue to the Oceanside-Carlsbad Sportsman's Club, upon issuance by the U.S. Corps of Engineers of their permit for the operations, a permit to dredge a channel in the Pacific Ocean at the entrance to Aqua Hedionda Slough, San Diego County. We have been informed by the U.S. Corps of Engineers that permit for the proposed dredging has neither been applied for nor issued. Inspection of the site by the Staff showed no indication of any dredging. For these reasons it is deemed advisable to rescind the authorization granted by the Commission on April 18, 1952, and shown in the minutes of that date as Item 27 on Page 1540.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED RESCINDING THE COMMISSION'S ACTION SHOWN IN ITEM 27, PAGE 1540, MINUTES OF APRIL 18, 1952, WHICH AUTHORIZED THE EXECUTIVE OFFICER TO ISSUE TO THE OCEANSIDE-CARLSBAD SPORTSMAN'S CLUB A PERMIT TO DREDGE A CHANNEL IN THE PACIFIC OCEAN AT THE ENTRANCE TO AQUA HEDIONDA SLOUGH, SAN DIEGO COUNTY.

27. (TERMINATION OF LEASE P.R.C. 621, HAMMOND LUMBER COMPANY, NAPA RIVER, NAPA COUNTY.) Hammond Lumber Company holds Lease P.R.C. 621, covering a small area of tide and submerged lands in the Napa River at Napa on which was constructed a loading dock and a riprap bulkhead. The bulkhead was largely on land owned by that company, extending but a few feet on State land. The loading dock has now been removed, and termination of the lease is requested. The lease became effective on June 21, 1951, the first and last years' rental being paid. The portion of the bulkhead on State land is of no consequence insofar as occupancy is concerned.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO TERMINATE LEASE P.R.C. 621, EFFECTIVE JUNE 20, 1952, ISSUED TO HAMMOND LUMBER COMPANY COVERING CERTAIN TIDE AND SUBMERGED LANDS IN THE NAPA RIVER, NAPA COUNTY, AND RELEASE THE SURETY BOND IN THE AMOUNT OF \$1000, NO REFUND OF RENTAL PAID IN ADVANCE TO BE MADE.

28. (APPLICATIONS FOR APPROVAL OF LOCATION OF TELEPHONE CABLES CROSSING STATE LANDS, THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY - W.O. 369; W.O. 1291, P.R.C. 751.1; W.O. 1292, P.R.C. 752.1; W.O. 1293, P.R.C. 753.1; W.O. 1294, P.R.C. 754.1; W.O. 1298, P.R.C. 755.1; W.O. 1303, P.R.C. 756.1.) For some years past the Division of State Lands and the telephone and telegraph companies have been in an impasse over the right of the State to require those companies to take out permits and pay fees and rentals in the manner prescribed by the Public Resources Code and the rules and regulations of the State Lands Commission for occupation or use of State lands. The companies maintained that they are the beneficiaries of a grant by the State under the