

rate of 7.34% on ore valued at \$70 per ton, in comparison with the minimum royalty rate of 5% for ore valued at \$60 per ton as specified in the lease. Filing fee and expense deposit have been paid.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE AND ISSUE A MINERAL EXTRACTION LEASE FOR THE E $\frac{1}{2}$  OF SECTION 16, T. 25 N., R. 7 W., M.D.B. & M., TEHAMA COUNTY, CONTAINING 320 ACRES, TO THE CONCONULLY MINING & MILLING CO. AS HIGH BIDDER WITH A BID FACTOR OF 0.20 FOR AN INITIAL PERIOD OF 20 YEARS, SUBJECT TO THE DEPOSIT BY THE LESSEE OF THE PERFORMANCE BOND IN THE AMOUNT OF \$2000 AS REQUIRED BY SECTION 13 OF THE LEASE OFFER.

17. (TERMINATION AND RENEWAL OF LEASES, FISH CANYON, LOS ANGELES COUNTY - W.O. 1325.) Thirty-nine leases covering lots in Fish Canyon, Los Angeles County, are now in force. Of these eleven expire on December 31, 1952. During the past two years new leases have been issued for a period of one year, with the right of renewal for an additional period of ten years, in anticipation of the completion of an exchange with the United States for other lands of equal value for Section 16, T. 1 N., R. 10 W., S.B.M., in which Fish Canyon lies. This section is part of the proposed exchange of State Lands in National Forests for lands in the Mountain Home Tract. Due to objections in some instances and difficulties in others, the proposed exchange has not been completed in the time anticipated. It has been the intention to protect the State's lessees by a ten-year renewal immediately prior to the transfer of title and jurisdiction, but, due to the protracted negotiations, it is now considered inexpedient to continue the renewals as originally planned. In lieu of the procedure which has been followed, it is deemed advisable to put all of the outstanding leases on an equal basis, and, because of the possible time element, uncertainty of date of transfer of title and inability to renew all leases by an unknown date, to terminate all leases on December 31, 1952, and issue renewals for a period of ten years on January 1, 1953, this to be accomplished with the approval of the lessees.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO TERMINATE, WITH THE APPROVAL OF THE LESSEES, ALL LEASES OF CABIN SITES IN FISH CANYON, LOS ANGELES COUNTY, TERMINATION TO BE EFFECTIVE DECEMBER 31, 1952, AND TO ISSUE NEW LEASES, EFFECTIVE JANUARY 1, 1953, FOR A PERIOD OF TEN YEARS, EACH LEASE SO ISSUED TO CALL FOR A RENTAL OF \$30 PAYABLE ANNUALLY, AND TO BE SUBJECT TO THE PAYMENT OF THE STATUTORY FILING FEE.

18. (PROPOSED BUDGET, DIVISION OF STATE LANDS, 1953-54 - W.O. 1278.) Appropriations requested for 1953-54 for support are \$242,997, while other current expense items total \$80,000. A resume of expenditures for the current and budget years follows:

Description	Estimated		Increase or Decrease
	1952-53	1953-54	
Number of Positions	70.0	70.0	0
Expenditures for Support	\$213,151	\$242,997	+ \$29,846
Other Current Expenses	103,500	80,000	- 23,500
Total Expenditures	\$316,651	\$322,997	+ \$ 6,346
Contributions to Retirement Fund	16,037	16,681	+ 644
Grand Total Expenditures	\$332,688	\$339,678	+ \$ 6,990