

27. (PROPOSED AMENDMENTS TO RULES AND REGULATIONS OF THE STATE LANDS COMMISSION - W.O. 1855.) The following report was presented to the Commission:

"Experience during the past few years has shown that inconsistencies exist in the Rules and Regulations of the State Lands Commission (Title 2, California Administrative Code, 9/15/51) with respect to the requirements as to citizenship of applicants for the purchase of State school lands and of Federal lands and for the leasing of all kinds of lands under the jurisdiction of the State Lands Commission. It appears to be desirable to have these inconsistencies removed, and to prescribe, by regulation, uniform requirements with respect to citizenship.

"In connection with the sale of school lands, Section 2301 of the Rules and Regulations provides for a minimum acceptable offer of \$2 per acre for lands not within the exterior boundaries of a national forest or certain other national reservations, and for a minimum of \$5 per acre for lands in the excepted category. Occasionally appraisals have been made of the lands, prior to application for sale, which have been well in excess of the minimum prescribed. Present plans call for the appraisal of all remaining State school lands within the next two years, and it is expected that the appraisals will exceed the minimum amounts set forth in Section 2301 in many cases. It might therefore be appropriate to amend the regulations to provide, in effect, that the minimum acceptable offer shall be the appraised value or the presently prescribed minimum, whichever is the greater.

"If Assembly Bill 3402, as passed by the Legislature at the session just closed, becomes law, numerous amendments to the Rules and Regulations of the Commission will be necessary to conform to the requirements of the new legislation.

"Sections 11420 to 11427, inclusive, of the Government Code govern the adoption or amendment of regulations. The procedure is cumbersome and time consuming, and in order that amended rules and regulations may be put into effect at about the time A.B. 3402 might become law in September, immediate action toward revision appears to be advisable."

The Chairman brought up the problem of obtaining assistance on legal review of proposed changes to rules and regulations, indicating that a top-level legal technician in the field of oil and gas leases should be available. The Executive Officer was directed to confer with the Attorney General on this problem at an early date and to report back to the Commission,

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO INITIATE PROCEDURES UNDER THE PROVISIONS OF SECTIONS 11420-11427 OF THE GOVERNMENT CODE LOOKING TO THE AMENDMENT OF THE RULES AND REGULATIONS OF THE COMMISSION, SO AS (1) TO CLARIFY AND MAKE UNIFORM

THE CITIZENSHIP QUALIFICATIONS OF LESSEES, PURCHASERS, OR OTHER OCCUPANTS OF LANDS UNDER THE JURISDICTION OF THE COMMISSION, (2) TO MAKE APPROPRIATE AMENDMENTS WITH RESPECT TO ACCEPTABLE MINIMUM OFFERS FOR THE PURCHASE OF LANDS, AND (3) TO CONFORM TO THE PROVISIONS OF A.B. 3402 PERTAINING TO OIL AND GAS DEVELOPMENT; THE EXECUTIVE OFFICER IS FURTHER AUTHORIZED TO CONDUCT THE REQUISITE HEARINGS, AND IS DIRECTED TO REPORT HIS CONCLUSIONS AND RECOMMENDATIONS TO THE COMMISSION AS SOON AS PRACTICABLE.

28. (CONSULTING BOARD - W.O. 2049.)

The Executive Officer brought up for informal discussion the matter with respect to the areas being considered for oil and gas leases that have been assigned to experts for study, with reports to be made by July 1, 1955 and asked whether it might not be advisable to have the consultants give the Commission with their report a recommendation as to whether or not the leasing of the areas being studied should be done under the existing law or the provisions of Assembly Bill No. 3402. Mr. Peirce suggested that an analysis and digest of Assembly Bill No. 3402 be prepared, with copies to be furnished to the consultants to use as a basis in making their recommendations.

Mr. Pyles of the Monterey Oil Company was asked if he had given any consideration to whether the area westerly of Newport Beach should be leased under the present law or under the provisions of Assembly Bill No. 3402. He indicated that he would like to see the Commission proceed to lease the lands under present authority.

29. UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING ACTIONS OF THE EXECUTIVE OFFICER, PURSUANT TO AUTHORITY GRANTED BY THE COMMISSION, ARE HEREBY CONFIRMED:

<u>Application No.</u>	<u>Applicant</u>	<u>County</u>	<u>Form of Action</u>
W.O.----- P.R.C. 1318.2	D. Davis	San Bernardino	Cancellation
S.W.O. 5894 P.R.G. 1470.2	Frank McWhorter	Stanislaus	Lease
W.O. 2026 P.R.C. 1487.1	Pacific Gas and Electric Company	Marin	Right-of-way easement
W.O. 2066 P.R.C. 1503.9	U. S. Navy	San Diego	Permit
W.O. 2030 P.R.C. 1494.2	Trin-Co Forest Products	Trinity	Right-of-way easement
W.O. 2038 P.R.C. 226.1	William H. McLendon, Verlin J. McLendon	Solano	Sublease
W.O. 2059 P.R.C. 1298.2	Charles M. Schumacher	Los Angeles	Assignment