

Consultants. On April 28, 1955 (Minute Item 3, pages 2321-22) the Executive Officer was authorized to proceed with an augmentation of \$75,000 in the Commission's 1955-56 budget for consulting services for an extended study and survey of offshore leasing problems. This specific item of \$75,000 has been included in the approved Governor's budget for 1955-56. The activities proposed heretofore for the Consulting Board for the fiscal year 1955-56 were to be a preplanned program for the review of all elements entering into the leasing of at least five specific tide and submerged land areas at Seal Beach-Long Beach (Orange and Los Angeles Counties), Summerland (Santa Barbara County), Montalvo (Ventura County), Capitán (Santa Barbara County), and Guadalupe (San Luis Obispo County), where operations and required protective leasing may become critical during the current budget year. It is suggested, in addition, that the services of the Board of Consultants should also be available for independent evaluation of the conditions for leasing specific tide and submerged land areas pursuant to the provisions of Chapter 1724, Statutes of 1955, as such areas are delimited by written request for lease offers, or as such areas are designated for offer by the Commission in the best interests of the State, all as provided for under the revised Statutes."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO NEGOTIATE AND ENTER INTO CONTRACTS WITH THE FIRM OF STANLEY & STOLZ AND WITH DR. P. T. HOGAN AND MR. CHARLES B. BENNETT FOR CONSULTING SERVICES AND FOR PREPARATION OF REPORTS ON PROBLEMS RELATED TO TIDE AND SUBMERGED LAND OIL AND GAS LEASES BY THE STATE LANDS COMMISSION DURING THE BUDGET YEAR 1955-56, PURSUANT TO CHAPTER 1724, STATUTES OF 1955, AT A TOTAL COST NOT TO EXCEED \$50,000.

6. (INSPECTION OF OFFSHORE OIL AND GAS OPERATIONS AND FACILITIES - GEN. DATA.)
The following report was presented to the Commission:

"Section 6873(a) Public Resources Code (Chapter 1724, Statutes of 1955) provides in part that "...each well drilled pursuant to the terms of the lease may be drilled...from platforms or other fixed or floating structures in, on or over the tide or submerged lands covered by the lease...". Wells have been drilled by these methods and are in operation in the tide and submerged lands of Louisiana and Texas, as well as in the Outer Continental Shelf lands of the Gulf of Mexico under the jurisdiction of the United States Department of the Interior. Therefore, in consideration of the inauguration of such operations in California, it would appear advantageous that the Executive Officer and the Mineral Resources Engineer be authorized to review the principal offshore oil and gas field operations in the Gulf of Mexico and to consult with the Outer Continental Shelf Lands Office of the Bureau of Land Management, Department of the Interior, at New Orleans.

It is believed that a reasonably sufficient initial review to permit more effective administration of California lands should be made in 12 days during the latter part of September."

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

THE EXECUTIVE OFFICER AND THE MINERAL RESOURCES ENGINEER ARE AUTHORIZED TO INSPECT OFFSHORE OIL AND GAS FIELD OPERATIONS IN THE GULF OF MEXICO AT THE EARLIEST OPPORTUNITY.

7. (DEFERMENT OF OPERATING REQUIREMENTS, MINERAL EXTRACTION LEASE P.R.C. 709.1, CONSTRUCTION AGGREGATES CORPORATION, SAN FRANCISCO AND MARIN COUNTIES.) The following report was presented to the Commission:

"Construction Aggregates Corporation, lessee under Mineral Extraction Lease P.R.C. 709.1, issued February 14, 1952 pursuant to competitive public bidding, has reported that no material has been removed from the lease during the operating year ending February 14, 1955. Lease P.R.C. 709.1 requires an advance annual rental of \$900, which has been paid, and a royalty of \$.03 per cubic yard for all sand extracted, together with the performance of a specified minimum of 100 shifts of extraction operations during each year of the term of the lease. The lessee is interested in continuation of the lease because of several prospects for future operations, but feels that the performance of the minimum shift requirements, without commercial removal of material, would serve no useful purpose. Therefore it has been requested that the requirement for extraction operations be waived for the lease year ending February 13, 1955. In consideration of the lack of competition in bidding at the time of the lease offer, the prepaid annual rental and the fact that no State lands have been occupied or utilized,"

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT A DEFERMENT OF THE OPERATING REQUIREMENTS SPECIFIED IN SECTION 10 OF MINERAL EXTRACTION LEASE P.R.C. 709.1 FOR THE LEASE YEAR ENDING FEBRUARY 13, 1955, ALL OTHER TERMS, CONDITIONS AND PERFORMANCE REQUIREMENTS UNDER THE SUBJECT LEASE TO REMAIN UNCHANGED.

8. (APPLICATION FOR EASEMENT FOR PIPE LINE, COLORADO RIVER, IMPERIAL COUNTY, SOUTHERN PACIFIC PIPE LINES, INC. - W.O. 2134, P.R.C. 1552.1.) The following report was presented to the Commission:

"Southern Pacific Pipe Lines, Inc., a subsidiary of the Southern Pacific Company, is constructing a 12-inch pipe line for the transportation of petroleum from Texas to California. As planned, the pipe line will cross the present bed of the Colorado River easterly of Yuma and the old bed of the river northeasterly of Yuma. Between these two crossings the pipe line will be within the old river bed for a distance of approximately 2,000 feet. Part of the second crossing noted above will be in California regardless of where the interstate boundary is likely to be placed. To be prepared for any possible realignment of the interstate boundary, an application has been submitted for an easement under whatever right, title or