

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

interest the State of California may have, now or in the future, over the present channel and old bed of the Colorado River. The staff considers that bond is not required. Considering the uncertainty at this time as to what right, title or interest the State of California may have, the staff also considers that a rental of \$100 is adequate."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE TO SOUTHERN PACIFIC PIPE LINES, INC., AN EASEMENT FOR A PERIOD NOT IN EXCESS OF 49 YEARS FOR WHATEVER RIGHT, TITLE OR INTEREST THE STATE OF CALIFORNIA MAY HAVE IN THE PRESENT CHANNEL OF THE COLORADO RIVER AND THE OLD BED OF THE SAME RIVER AT A TOTAL RENTAL OF \$100, PURPOSE OF EASEMENT BEING THE INSTALLATION, MAINTENANCE AND USE OF A PIPE LINE TRANSPORTING PETROLEUM AND/OR PETROLEUM PRODUCTS, NO BOND TO BE REQUIRED.

9. (SALE OF VACANT SCHOOL LAND, APPLICATION NO. 5115, SACRAMENTO LAND DISTRICT, TEHAMA COUNTY, KENNETH PETERS, WILLIAM FOEY AND MABEL FOEY - S.W.O. 6006.) The following report was presented to the Commission:

"An offer has been received from Kenneth Peters, William Foey and Mabel Foey of Red Bluff, California, to purchase Section 16, T. 26 N., R. 7 W., M.D.M., containing 640 acres in Tehama County. The applicants made an offer of \$1,280, or \$2 per acre.

"The Assessor of Tehama County has assessed contiguous land at \$1.75 per acre, thus indicating its appraised value to be \$3.50 per acre.

"An inspection and appraisal by a member of the Commission's staff on June 9, 1955 establishes the value of the subject land at \$4 per acre.

"Before the land was advertised for sale, the applicants were advised that the appraised value was \$4 per acre. They posted the necessary amount to meet the appraised value of \$2,560.

"The land was advertised for sale with a stipulation that no offer of less than \$2,560 would be accepted. Pursuant to the advertising the application (5184, Sacramento Land District, S.W.O. 6193) of Max H. Small of Beverly Hills, California, was received and filed. Mr. Small made an offer of \$4,480, or \$7 per acre. The first applicants have the right, within 20 days after notice, to deposit the amount necessary to meet the price fixed by the Commission."

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

THE SALE IS AUTHORIZED OF SECTION 16, T. 26 N., R. 7 W., M.D.M., CONTAINING 640 ACRES IN TEHAMA COUNTY, TO THE FIRST APPLICANTS, KENNETH PETERS, WILLIAM FOEY AND MABEL FOEY, AT A CASH PRICE OF \$4,480, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS. IN THE EVENT THE FIRST APPLICANTS, MR. PETERS AND MR. AND MRS. FOEY, FAIL TO EXERCISE THEIR RIGHT TO MEET THE PRICE FIXED BY THE COMMISSION, THE SUBJECT LAND SHALL BE SOLD TO THE SECOND APPLICANT, MAX. H. SMALL, WHO IS THE HIGH BIDDER, AT \$4,480, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS.