

2. Request an opinion as to the possible results of any action by the Commission in connection with authorizing the Executive Officer to proceed with publication of a notice about its consideration of a lease; i.e., would the Commission, by such action, lose discretion to discontinue such proceedings; furthermore, when does the discretion of the Commission cease under the word "may", as used in Section 6871.3 of Chapter 1724, Statutes of 1955?
3. Request advice as to the advisability and method of clearing the State's title to the land in question before proceeding with a lease offer, through declaratory relief or other court action.
4. Request the drafting of lease provisions to be included in new leases that would require the lessee, at the option of the State, to conduct production operations through pressure maintenance, either through gas or water injection or other means.
5. Request assistance in working out an agreement with the lessees to modify P.R.C. 186.1 to provide for pressure maintenance as under 4 above.

No formal action was taken by the Commission. The matter is to be set for hearing as soon as the necessary information can be obtained from the Attorney General, with a representative from the Attorney General's office to be present at the hearing. Long Beach is to be furnished a copy of any opinion or information received from the Attorney General and given an opportunity to review it in advance of such hearing.

4. (OIL LEASE APPLICATION UNDER SECTION 6871.3 OF THE PUBLIC RESOURCES CODE, SANTA BARBARA COUNTY - W. O. 2046.) The following report was presented to the Commission:

"Application has been received from the St. Anthony Oil Corporation requesting that the State Lands Commission proceed pursuant to the Cunningham-Shell Act to issue a lease on approximately 1,670 acres of tide and submerged lands seaward of the ordinary high water mark and easterly of but adjacent to the excluded area in Santa Barbara County (Section 6871.2(b) of Chapter 1724 of the Statutes of 1955). The area involved includes in part the tide and submerged lands in the Summerland area upon which oil was produced in 1895 and upon which the last lease (Lease 16 under Chapter 303 of Statutes of 1921) was cancelled in 1940. Specifically, the area for which the application has been made extends from the easterly boundary of the area excluded in Santa Barbara County under Section 6871.2(b), easterly along the ordinary high water mark a distance of 4,700 feet and seaward a distance of three miles. For a number of years the Commission's staff has considered the area applied for as being possibly productive of oil; in fact, approximately 3,650,000 barrels of oil was produced from the area heretofore, and at the present time there is one well producing on the upland landward of this described area."

Mr. Hal Stratton, representing the Union Oil Company offshore group, raised the question of the actual acreage to be included in this lease offer, and was informed that it is not definitely known as yet.

No action was taken on this item, the Commission indicating that it will await the opinion by the Attorney General's office on point 2 of the preceding item (Minute Item 3), after which it will hold a meeting to act on this item.

5. (APPROVAL OF PLANS, DANIEL P. HAIGHT, d.b.a. MILL CREEK LOGGING CO., FOR INSTALLATION ON LANDS UNDER LEASE P.R.C. 792.1, KLAMATH, DEL NORTE COUNTY - W. O. 2129.) The following report was presented to the Commission:

"Application has been made by Mr. Daniel P. Haight (d.b.a. Mill Creek Logging Co.), one of the joint lessees under P.R.C. 792.1, for permit for construction of a log re-load on tide and submerged lands adjacent to Taylor Island on the left bank of the Klamath River southerly from the Douglas Memorial Highway Bridge at Klamath, Del Norte County.

"Ordinarily the approval of structures on leased lands would be given by the Executive Officer under the authority heretofore delegated by the Commission. In this case there is a protest to the building of the log re-load from the Klamath Chamber of Commerce, claiming that the proposed structure 'would completely shut off navigation at this point, and constitute an invasion of public rights as well as an infringement of Federal laws.' Further objection is made on the grounds 'that the title to Taylor Island is in question; ...' The protestant makes the following request of the Commission:

'WHEREFORE, The Objector herein, having filed its objections to the use of Taylor Island or any parcel thereof for reasons herein before set forth, prays that the State Lands Commission, and the Executive Officer thereof, hold a public hearing in the town of Klamath, California; and, that the Klamath Chamber of Commerce be given ten (10) days notice thereof.'

"The State, under Del Norte County Superior Court Case No. 5323, People v. Ward Redwood Company, et al., has pending a quiet title suit to the Island. There is no question but that the State owns the tide and submerged lands upon which the structure is to be built. Furthermore, the interference with navigation by the proposed structure is a matter under the jurisdiction of the Corps of Engineers, U. S. Army."

Mr. Charles Motziman, President of the Klamath Chamber of Commerce, appeared and objected to issuance of a permit for a log re-load, his objection being based principally on the problem of navigation. He stated that he felt the map which had been presented by Mr. Haight was in error as to the contours of the river bottom, and also that it shows depths far in excess of what they actually are. He claimed that if building of the log re-load was permitted, it would definitely impair navigation. It was pointed out to him by the staff that the problem of interference with navigation was one for determination by the U. S. Corps of Engineers, and not by the State Lands Commission.