

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.

Mr. Thomas N. Holm appeared on behalf of Mr. Haight and requested that the State approve the permit so that the U. S. Corps of Engineers can then make the necessary determination.

In response to a question by Mr. Motschman as to whether the State would control the length of the boom, the Executive Officer informed him that the State has initial control because it will be on State lands, but that the State will issue the permit only for whatever length the U. S. Corps of Engineers approves.

Mr. Holm, in response to an inquiry, was informed that if additional structures were proposed later, separate permits would be required.

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE PLANS SUBMITTED BY DANIEL P. HAIGHT (D.B.A. MILL CREEK LOGGING CO.) FOR THE CONSTRUCTION OF A LOG RE-LOAD ON STATE TIDE AND SUBMERGED LANDS LEASED TO HIM UNDER P.R.C. 792.1, PROVIDED THE U. S. CORPS OF ENGINEERS INDICATES THAT IT WILL ISSUE A PERMIT.

6. (DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE P.R.C. 735.1, MONTALVO AREA, VENTURA COUNTY.) The following report was presented to the Commission:

"State Oil and Gas Lease P.R.C. 735.1, issued June 30, 1952 to the Standard Oil Company of California, pursuant to competitive public bidding, provides in part that within 30 days after the completion of the first well the lessee shall commence operations for the drilling of the next well, and operations for the drilling of each succeeding well thereafter shall be commenced within 30 days from and after the date of the completion of the preceding well. Four wells have been completed to production to date, with the completion of the fifth well 'State' D-4 scheduled for September 18, 1955. Therefore, the commencement of the next succeeding well would nominally be required to start on or before October 18. The surface locations for all wells drilled to date under this lease have been located landward of a road known as Ocean Drive, paralleling the ordinary high water mark. The subsurface ownership of the road area has been guaranteed by a title insurance policy to be vested in the upland lessors to the Standard Oil Company. However, recent adjudications in Ventura County have raised the possibility that the road subsurface is actually vested in the County of Ventura. Therefore, the Standard Oil Company of California has initiated proceedings with the County of Ventura to acquire any county subsurface rights, which proceedings are reasonably anticipated to be completed during October.

"Because of the risks involved and of the time spent and the nearness of the completion of the negotiations, Standard Oil Company would prefer not to undertake any work on drilling new wells through the lands in question until all title transfers have been formalized. This solution of the problem would avoid delays and necessity of installation of productive facilities along the ocean front if all new wells required under the State lease were relocated