

so as to start seaward of Ocean Drive. Therefore, Standard Oil Company, as lessee under P.R.C. 735.1, has requested the grant of an additional period of 30 days from and after the completion of well 'State' D-4 for the commencement of the next succeeding well as provided for in the lease."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT THE STANDARD OIL COMPANY OF CALIFORNIA, LESSEE UNDER STATE OIL AND GAS LEASE P.R.C. 735.1, AN EXTENSION OF TIME TO NOT LATER THAN NOVEMBER 17, 1955 FOR THE COMMENCEMENT OF THE DRILLING OF THE WELL SUCCEEDING WELL "STATE" D-4 AS PROVIDED FOR IN OIL AND GAS LEASE P.R.C. 735.1.

7. (REQUEST FOR DELAY TO COMMENCE DRILLING, MONTEREY OIL COMPANY - P.R.C. 1550.1) The following report was presented to the Commission:

"A request dated September 26, 1955 has been received from the Monterey Oil Company, the operator under Oil and Gas Lease P.R.C. 1550.1, that the 'Commission grant the Lessee an initial extension of at least one (1) year beyond the initial sixty (60) days provided in the lease for the commencement of the drilling of the first well, in order to permit the lessee and the Commission to complete their studies and plans, and to permit the lessee to obtain necessary permits and approvals from applicable governmental agencies with respect to the offshore structure to be used for the initial well.'

"This lease provides in Exhibit 'A', paragraph 2, as follows:

"2. The term "commence operations" as used herein is hereby defined to be the actual penetration of the ground with a drilling bit. In the event that any required well is to be drilled from filled lands, the Lessee shall be allowed by the Commission additional time prior to commencement of operations, not to exceed two years, to secure any necessary permission from such federal and state agencies as may be required legally, and to place the filled lands."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO EXECUTE A PERMIT TO THE JOINT LESSEES OF LEASE P.R.C. 1550.1, MONTEREY OIL COMPANY, HUMBLE OIL & REFINING COMPANY, AND SEABOARD OIL COMPANY, CONSENTING TO EXTENSION FOR ONE YEAR OR UNTIL OCTOBER 16, 1956 OF THE TIME DURING WHICH LESSEES ARE TO "COMMENCE OPERATIONS" UNDER THE TERMS OF SAID LEASE.

8. (BID FOR MINERAL EXTRACTION LEASE, EUREKA SLOUGH, HUMBOLDT COUNTY - W. O. 2124, P.R.C. 1564.1.) The following report was presented to the Commission:

"One bid for a lease to permit extraction of sand, gravel and fill material from a portion of the bed of Eureka Slough, Humboldt County, has been received from Ben C. Gerwick, Inc., in accordance with an offer for standard lease bid, pursuant to the Rules and

Regulations and authorization by the Commission. The proposed material removal operations are to be performed in conjunction with the execution of a highway bridge construction contract for the Highways Division. The lease offer required a minimum bid of three cents per cubic yard for all sand, gravel and other material extracted in conformance with the established policy of the Commission. The bidder has offered the minimum royalty of three cents per cubic yard for all sand, gravel and material extracted under the lease."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO EXECUTE AND ISSUE TO BEN C. GERWICK, INC. A MINERAL EXTRACTION LEASE FOR A TERM OF 20 YEARS TO PERMIT THE REMOVAL OF SAND, GRAVEL AND MATERIAL FROM A PORTION OF THE BED OF EUREKA SLOUGH LYING IN SECTION 23, T. 5 N., R. 1 W., H.B. & M., CONTAINING APPROXIMATELY ONE ACRE, UPON PAYMENT OF THE ADVANCE ANNUAL RENTAL OF \$1 AND SUBJECT TO ROYALTY OF THREE CENTS PER CUBIC YARD FOR ALL SAND, GRAVEL AND MATERIAL EXTRACTED UNDER THE LEASE. A PERFORMANCE BOND IN THE PENAL SUM OF \$1,000 IS TO BE DEPOSITED BY THE LESSEE TO GUARANTEE THE FAITHFUL PERFORMANCE AND OBSERVATION OF ALL CONDITIONS IN THE LEASE. THE LEASE SHALL PROVIDE THAT ANY MATERIAL RE-DEPOSITED IN THE LEASED AREA SHALL BE PLACED SO THAT NO FILLS OR ISLANDS ARE FORMED TO INTERFERE WITH THE WATER FLOW IN THE SLOUGH.

9. (PROCEDURES FOR CONTROLLING WATER POLLUTION FROM OPERATIONS UNDER STATE LANDS LEASES - GEN. DATA - WATER POLLUTION.) The following report was presented to the Commission:

"The State Lands Commission and the State and Regional Water Pollution Control Boards may have overlapping statutory responsibility for controlling water pollution caused by waste discharges from operations under leases issued by the Commission. Therefore, in order to clarify control of waste discharges from operations under leases issued by the Commission, achieve coordination of activity, and prevent duplication of effort between agencies, a suggested outline of procedure has been developed pursuant to staff conferences with the State Water Pollution Control Board.

"The State Water Pollution Control Board has adopted, by formal resolution the outlined procedures for controlling water pollution, and has recommended that the State Lands Commission consider the adoption of similar operating procedures. The proposed procedures for controlling water pollution from operations under State land leases are set forth below."

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

THE COMMISSION ADOPTS THE FOLLOWING PROCEDURES FOR CONTROLLING WATER POLLUTION FROM OPERATIONS UNDER STATE LANDS LEASES AND DIRECTS THE APPLICATION OF THESE PROCEDURES BY THE STATE LANDS DIVISION IN THE ADMINISTRATION OF ALL LEASES UNDER AUTHORITY OF THE STATE LANDS COMMISSION: