

Hercules Powder Company  
Wm. F. McCandlish

County of Santa Barbara  
Robert K. Cutler, Deputy District Attorney

1. UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE MINUTES OF THE MEETING OF THE STATE LANDS COMMISSION HELD IN SACRAMENTO ON OCTOBER 10, 1955 WERE CONFIRMED.
2. UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED THAT THE NEXT MEETING OF THE STATE LANDS COMMISSION WOULD BE HELD AT THE CALL OF THE CHAIRMAN.
3. (EXCHANGE OF SOVEREIGN LANDS, IMPERIAL IRRIGATION DISTRICT, IMPERIAL COUNTY W. O. 2218, SOV. LANDS, P.L.R.S.) The following report was presented to the Commission:

"The Imperial Irrigation District, in order to comply with the requirements of the International Boundary and Water Commission, which Commission is to build a levee along the right or westerly bank of the Colorado River in the vicinity of the International Boundary with Mexico, has filed a quiet title action against the State and others in the Superior Court of Imperial County, Case No. 29807, to the required lands which they claim are naturally accreted lands to adjacent uplands owned by the District. Because time is of the essence in the acquisition of these lands by the Imperial Irrigation District, the District has now made application to the State Lands Commission to obtain the lands required through the exchange provisions of Section 6307 of the Public Resources Code, which is as follows:

'Section 6307. Exchange of lands: Status of land acquired. Whenever it appears to the commission to be in the best interests of the State, for the improvement of navigation, aid in reclamation, or for flood control protection, on navigable rivers, sloughs, streams, lakes, bays, estuaries, inlets, or straits, the commission may exchange lands of equal value, whether filled or unfilled with any state agency, political subdivision, person, or the United States or any agency thereof. Any land so acquired shall have the same status as to administration, control and disposition as the lands for which it was exchanged.'

"It is the opinion of the Commission's staff that the lands desired by the Imperial Irrigation District are lands that come within the categories of the above-quoted section. It is the further opinion of the staff that the lands offered by the Imperial Irrigation District, which the State will acquire through the provisions of the exchange in the above-quoted code section, are also within the categories described in the above-described section, and specifically that they are lands that may be reclaimed. The lands offered

by the Imperial Irrigation District consist of 40 acres in the SE<sup>1</sup><sub>4</sub> of the SE<sup>1</sup><sub>4</sub> of Section 14, T. 11 S., R. 13 E., S.B.M. They have been appraised by the Commission's staff and have a value equal to or greater than that of the approximately 40 acres described in Case No. 29807 cited above.

"The office of the Attorney General, through Walter S. Rountree, Assistant Attorney General, has informally advised that the exchange suggested complies with the provisions of the Public Resources Code, and that the State may issue a patent for the lands desired by the Imperial Irrigation District, in exchange for the lands offered to the State by the Imperial Irrigation District, and that Case No. 29807 may then be compromised."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO EXCHANGE, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS, APPROXIMATELY 40 ACRES OF LANDS CLAIMED BY THE STATE TO BE SOVEREIGN LANDS, IN SECTIONS 25, 35 AND 36, T. 11 S., R. 21 E., S.B.M., AND TO RECEIVE THEREFOR FROM THE IMPERIAL IRRIGATION DISTRICT 40 ACRES OF LAND IN THE SE<sup>1</sup><sub>4</sub> OF THE SE<sup>1</sup><sub>4</sub> OF SECTION 14, T. 11 S., R. 13 E., S.B.M., PURSUANT TO SECTION 6307 OF THE PUBLIC RESOURCES CODE; FURTHER, THE COMMISSION FINDS THAT THE LANDS TO BE RECEIVED BY THE STATE ARE OF EQUAL OR GREATER VALUE THAN THE LANDS TO BE PATENTED BY THE STATE TO THE IMPERIAL IRRIGATION DISTRICT. FURTHER, THE EXECUTIVE OFFICER IS AUTHORIZED TO REQUEST THE ATTORNEY GENERAL TO CONSUMMATE THE EXCHANGE AND ENTER INTO A STIPULATION TO COMPROMISE IMPERIAL COUNTY SUPERIOR COURT CASE NO. 29807. (\* amended January 19, 1956 by following):

4. (APPLICATION FOR COMPENSATORY ROYALTY AGREEMENT, COLUSA COUNTY, HUMBLE OIL & REFINING COMPANY AND HONOLULU OIL CORPORATION - W. O. 2162, P.R.C. 1583.1.)  
The following report was presented to the Commission:

"An application has been received from the Humble Oil & Refining Company, a Texas corporation, and the Honolulu Oil Corporation, a Delaware corporation, for consideration of a compensatory royalty agreement whereunder the State would be compensated for drainage from State sovereign lands in a portion of the bed of the Sacramento River in Colusa County, from wells drilled and produced by the Humble Oil & Refining Company and the Honolulu Oil Corporation on leased uplands surrounding the State lands. Such compensation would be in lieu of drilling offset wells upon the State lands.

"Section 6815 of the Public Resources Code provides 'Whenever it appears to the Commission that wells drilled upon private lands are draining or may drain oil or gas from lands owned by the State, the Commission may enter into an agreement with the owners or operators of such wells for the payment of compensation to the State for such drainage in lieu of drilling offset wells upon such State land'.

"The Humble Oil & Refining Company and Honolulu Oil Corporation are the principal lessees of uplands adjoining the Sacramento River and extending from the East-West centerline of Section 31, T. 18 N., R. 1 W., M.D.B. & M., to the south line of the N<sup>1</sup><sub>2</sub> of the

AND FURTHER SUBJECT TO CONVEYANCE OF THE MINERALS TO THE UNITED STATES, PURSUANT TO SECTION 6102 OF THE PUBLIC RESOURCES CODE, UPON NOTICE OF CONVEYANCE OF THE LAND THEREOF.

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