

Commission. He did not believe it was in the interest of the State to offer wildcat lands for lease until the State is in a position to get good competitive bidding.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED THAT ACTION ON THE FOLLOWING ITEMS BE DEFERRED UNTIL SOMETIME DURING THE WEEK FOLLOWING MAY 15, 1956:

- A. AMENDMENTS AND ADDITIONS TO TITLE 2, CALIFORNIA ADMINISTRATIVE CODE - W. O. 1855 (CALENDAR ITEM 46).
- B. OIL AND GAS LEASE AUTHORIZATION, SUMMERLAND AREA, SANTA BARBARA COUNTY - W. O. 2046 (CALENDAR ITEM 39).
- C. OIL AND GAS LEASE APPLICATION, SECTION 6871.3, PUBLIC RESOURCES CODE, SANTA BARBARA COUNTY - W. O. 2253 (CALENDAR ITEM 41).
4. (SUBMARINE GEOPHYSICAL EXPLORATION, LOS ANGELES COUNTY, EDWIN W. PAULEY - W. O. 2298, P.R.C. 1685.1.) The following report was presented to the Commission:

"Mr. Edwin W. Fauley has made application for authorization to conduct submarine geophysical exploration operations on those tide and submerged lands under the jurisdiction of the State Lands Commission lying between Pt. Dume, Los Angeles County, and the seaward prolongation of the common boundary line between the Cities of Los Angeles and Long Beach. An operating permit has been requested for a 90-day period starting April 15, 1956. The Board of Supervisors of the County of Los Angeles has been informed that this application is to be considered. The statutory filing fee has been paid by the applicant.

"In view of the request of the Western Oil and Gas Association for deferment of consideration of any general conditions relating to access to geological and geophysical data, the opinion of the office of the Legislative Counsel relative to the requirements for data upon which to predicate a land classification, and the pending request to the office of the Attorney General for further opinion on the same subject, it is suggested that a specific condition be included, as follows, in any permit issued for the conduct of geophysical exploration:

The Commission reserves the right to receive, and upon demand by the Commission the permittee shall furnish, copies of all exploration results, logs, and records for the confidential use of the State Lands Commission for the sole purpose of its determination as to whether the areas or any portion thereof embraced within the permit lie within a known geologic structure of a producing oil or gas field."

The Executive Officer referred to a telephone conversation he had had with Mr. J. Barton Hutchins, representing the applicant, and also to a telegram

which had been received by him and by the members of the Commission relating to this permit, in which the applicant acceded to the proposed special requirement.

Mr. Carlyle F. Lynton appeared on behalf of Edwin W. Pauley & Associates, referred to in the telegram mentioned above, and stated that he felt it should in no way set a precedent. While his company would have preferred that the condition requiring submission of confidential information not be included in the permit, they are willing to accede to this requirement.

The Executive Officer pointed out that this is an interim arrangement, and also that all permits issued have a cancellation clause and can be revised.

Mr. Lynton informed the Commission that his company already has the necessary permit from the Department of Fish and Game, and is anxious to obtain a permit from the Commission so that it will run concurrently.

The Executive Officer brought out that the reason for recommending the "confidential information clause" was that the staff was concerned with the implications of two opinions just recently received, one issued by the Legislative Counsel to Assemblyman Allen Miller to the effect that the Commission, in determining whether or not lands to be put under lease are wildcat lands or proven lands, must have information on which to act, and another issued by the Attorney General's office, confirming, in general, the opinion given by the Legislative Counsel.

Mr. Paul Lower remarked that he thought this current action might be an attempt "to divide and conquer before we ever get around to deciding the final answer to this question". He asked "if it was intended by the Legislature and everybody else that you have to have a producing oil field (before offering lands for lease), how would that information assist the Commission in determining that the area was in a producing oil and gas field?"

Upon a request to the Executive Officer by the Chairman for his recommendation, the Executive Officer stated that in light of the discussion he would recommend approval of this item.

Mr. Morrison stated that although he was taking no position on this matter, he would like to point out for the record the last paragraph of the letter of April 4 to the Commission from the Western Oil and Gas Association, re continuing with interim regulations.

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE A PERMIT CONFORMING TO ALL OPERATING CONDITIONS ESTABLISHED BY THE COMMISSION TO MR. EDWIN W. PAULEY FOR THE CONDUCT OF GEOPHYSICAL EXPLORATIONS ON THOSE TIDE AND SUBMERGED LANDS UNDER THE JURISDICTION OF THE STATE LANDS COMMISSION LYING SOUTHERLY OF A LINE DRAWN DUE WEST FROM FT. DUME, LOS ANGELES COUNTY, AND NORTHERLY OF THE PROLONGATION SEAWARD OF THE COMMON BOUNDARY LINE BETWEEN THE CITIES OF LOS ANGELES AND LONG BEACH FOR A 90-DAY PERIOD COMMENCING APRIL 15, 1956. AUTHORIZATION OF THE PROPOSED EXPLORATIONS SHALL BE SUBJECT TO THE CONDITION THAT THE COMMISSION

RESERVES THE RIGHT TO RECEIVE, AND UPON DEMAND BY THE COMMISSION THE PERMITTEE SHALL FURNISH, COPIES OF ALL EXPLORATION RESULTS, LOGS, AND RECORDS FOR THE CONFIDENTIAL USE OF THE STATE LANDS COMMISSION FOR THE SOLE PURPOSE OF ITS DETERMINATION AS TO WHETHER THE AREAS OR ANY PORTION THEREOF EMBRACED WITHIN THE PERMIT LIE WITHIN A KNOWN GEOLOGIC STRUCTURE OF A PRODUCING OIL OR GAS FIELD.

THE PERMITTEE IS TO REIMBURSE THE STATE LANDS DIVISION FOR ALL OF ITS INSPECTION COSTS. THE PERMIT IS TO BE EFFECTIVE ONLY AS LONG AS A CONCURRENT PERMIT BY THE FISH AND GAME COMMISSION IS IN EFFECT FOR THE SAME OPERATING AREA.

5. (SUBMARINE GEOPHYSICAL EXPLORATION, LOS ANGELES, VENTURA, SANTA BARBARA COUNTIES, TIDE WATER ASSOCIATED OIL COMPANY - W. O. 2301, P.R.C. 1687.1.) The following report was presented to the Commission:

"The Tide Water Associated Oil Company has made application for authorization to conduct submarine geophysical exploration operations on those tide and submerged lands under the jurisdiction of the State Lands Commission lying south of a line drawn due West from Pt. Conception, Santa Barbara County, and northerly of a line drawn due West from Pt. Dume, Los Angeles County. An operating permit has been requested for a 90-day period starting May 1, 1956. The boards of supervisors of the Counties of Los Angeles, Ventura, and Santa Barbara, and the City Council and Mayor of the City of Santa Barbara have been informed that this application is to be considered.

"The statutory filing fee has been paid by the applicant.

"In view of the request of the Western Oil and Gas Association for deferment of consideration of any general conditions relating to access to geological and geophysical data, the opinion of the office of the Legislative Counsel relative to the requirements for data upon which to predicate a land classification, and the pending request to the office of the Attorney General for further opinion on the same subject, it is suggested that a specific condition be included, as follows, in any permit issued for the conduct of geophysical exploration:

The Commission reserves the right to receive, and upon demand by the Commission the permittee shall furnish, copies of all exploration results, logs, and records for the confidential use of the State Lands Commission for the sole purpose of its determination as to whether the areas or any portion thereof embraced within the permit lie within a known geologic structure of a producing oil or gas field."

The Chairman asked the representatives present from Tide Water Associated Oil Company if they wanted action on this item to proceed on the basis of the discussion on Calendar Item 23 (Minute Item No. 4). They indicated that they do not wish a precedent to be set regarding the requirement by the Commission at