

8. TIDELANDS OIL AND GAS - W. O. 721, W. O. 1835

The Executive Officer referred the Commission to Item No. 10 (minute pages 2511-13) of the minutes of the meeting of November 30, 1955, about the conference to be arranged through the Governor's office with representatives of the Department of the Interior, as proposed in a letter of November 15, 1955, from Wesley A. D'Ewart, Acting Secretary of the Interior, with respect to the development of oil and gas in submerged lands off the coast of California. He reported that Mr. Mattoon had prepared a review of the status of the tidelands controversy, subsequent to which legislation was introduced in the 1956 Budget Session of the Legislature to make it clear that the State Lands Commission would be the State agency to enter into these negotiations. The legislation was passed as Senate Bill No. 5.

The Chairman reported that he had discussed the matter at length with the Governor, and that before the Governor's office is brought into the picture the State Lands Commission, its staff, and the Attorney General's office and its staff should work out preliminary arrangements.

The Executive Officer indicated that it was his thought that the Commission should request the Attorney General and instruct the staff of the Commission to prepare an outline of what should be presented to the Governor, and then submit it to the Commission for consideration. He suggested that the scope of the inquiry be enlarged, as the letter from the Secretary of the Interior confined the field of consideration to designating the line upon which the State and the United States might agree. His thought was that the Attorney General's office and the staff of the Commission should inquire into that field thoroughly, with the idea of perhaps requesting the Secretary of the Interior to expand the agenda of the conference to include the areas in dispute.

Attorney General Edmund G. Brown remarked that he felt confident the State could confer with the Secretary of the Interior and, under the authority now granted, reach an agreement on leasing of submerged lands for oil development and provide for impounding of funds temporarily, but that sooner or later a determination is going to have to be made as to the State's outer boundary. The Special Master's report is adverse to the position taken by the State in this matter, and he thought that after the Attorney General's office confers with the staff of the Commission, the Commission should be advised as to what course to take. Also, an effort should be made to decide whether the State could enter into an agreement with the Secretary of the Interior, to be presented to the Congress of the United States. He believed that the Department of Justice would like to have the problem finally settled by the Supreme Court, but that this would be very dangerous for the State, and that it would be best for the Commission and its staff and the office of the Attorney General to reach an agreement first. He proposed arranging a conference within the next 30 days for this purpose, after which the Attorney General's office would present a confidential report to the Commission, perhaps recommending a compromise in order to settle the problem. He thought it might be well to watch the pending cases involving Louisiana, Texas, and Florida before proceeding.

Mr. Mattoon reported on the trip which he had recently made to Washington, D. C., at which time he conferred not only with Mr. D'Ewart, but also with many others in Government circles, and learned much that is pertinent to the State's case. The purpose of his trip, he stated, was to assure the proper officials that California is definitely interested in working out arrangements for leasing the submerged lands now in controversy. He pointed out the urgency of the situation so far as practical considerations are concerned. However, he does not think any action will be taken immediately, and believes California has now made known its interest in the situation so that there will be no misunderstanding as to the State's deep concern over the entire subject.

In response to a question about the Department of Justice re the Special Master's report, Mr. Mattoon referred Attorney General Brown to Mr. D'Ewart's statement in his letter that the matter is one for judicial determination. Mr. Brown thought it would be well if we could compromise this matter in some way.

It was decided informally that within the next 30 days designated representatives of the office of the Attorney General should meet with representatives of the State Lands Commission and assemble basic information and ideas with regard to preparing an agenda which can be submitted to the Governor. Mr. Brown thought it might be well to advise the Department of the Interior that these meetings are being held and that some proposal will be ready for submission in the not distant future.

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

AN INFORMAL CONFERENCE IS TO BE HELD WITHIN THE NEXT THIRTY DAYS BY DESIGNATED REPRESENTATIVES OF THE ATTORNEY GENERAL'S OFFICE AND OF THE STAFF OF THE STATE LANDS COMMISSION, FOR THE PURPOSE OF OUTLINING AN AGENDA IN CONNECTION WITH NEGOTIATIONS WITH THE DEPARTMENT OF THE INTERIOR AS TO LEASING OF SUBMERGED LANDS OFF THE COAST OF CALIFORNIA; THIS AGENDA IS TO BE PRESENTED TO THE GOVERNOR AFTER IT HAS BEEN REVIEWED BY THE COMMISSION.