

20. (PROPOSED RESERVATION OF MINERALS, WALTER'S ISLAND, SAN JOAQUIN COUNTY (CHAPTER 979/1955); PORTION OF STATE PRISON SITE, CHINO, SAN BERNARDINO COUNTY (CHAPTER 1668/1953) - GEO.-SAN JOAQUIN COUNTY; GEO.-SAN BERNARDINO COUNTY.)

The following report was presented to the Commission:

"Section 6404, Public Resources Code, provides in part that any State agency that sells any of the lands listed in Section 6403, Public Resources Code (e.g., land acquired by the State for public use) may, with the approval of the State Lands Commission, reserve to the State any or all oil, gas, oil shale, coal, phosphate, gold, silver, or other mineral deposits therein, together with the right to prospect for, mine and remove such deposits, and to occupy and use so much of the surface of the land as may be necessary therefor. Pursuant to this provision, the Director of Finance, through the Public Works and Acquisition Division, has requested the recommendation of the Commission with respect to the reservation to the State of the mineral rights in two proposed sales of surplus State property.

"Parcel 6 (Ch. 1668/1953) consists of three 10-acre parcels in the City of Chino. Record review as to this land and field inspection by the State Lands Division has shown that no mineral deposits exist on or near the property. The nearest oil production, which is minor, is approximately five miles south of the State property. About 1930 the entire area was leased and an exploratory hole was drilled on adjoining lands without success. This lease was quitclaimed. There does not appear to have been any attempt to lease the property for oil or other mineral development during the time the land was under the jurisdiction of the Department of Corrections. Therefore, it would appear preferable not to reserve the mineral rights in the subject parcel in any sale by the State.

"Parcel 14 (Ch. 979/1955), Walter's Island, San Joaquin County, is located within the Stockton Deep Water Channel Project approximately one mile from Vulcan Island for which the Commission has heretofore approved the reservation of minerals (Minute Item 16, pages 2515-2517). Record review of this area and prior field inspection by the State Lands Division of the general area has shown that while there have been no tests of mineral value of the property, the McDonald Island gas field is located only 2½ miles westerly. The subject property probably has the same geological formations as the McDonald Island gas field. Therefore, the mineral rights in this land should be retained because of the future possibility of development of gas production."

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

THE COMMISSION APPROVES THE RESERVATION TO THE STATE, PURSUANT TO SECTION 6404 OF THE PUBLIC RESOURCES CODE, OF THE MINERAL RIGHTS IN THE SALE OF THE FOLLOWING DESCRIBED PARCEL OF LAND:

PARCEL 14, CH. 979, STATUTES OF 1955, DESCRIBED AS THE PROPERTY KNOWN AS WALTER'S ISLAND, LOCATED IN THE STOCKTON DEEP WATER CHANNEL PROJECT OF THE SAN JOAQUIN RIVER, COMPRISING APPROXIMATELY 15 ACRES, AND BEING A PORTION OF SECTION 28, T. 2 N., R. 5 E., M.D.B. & M., COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

THE COMMISSION APPROVES THE NON-RESERVATION TO THE STATE OF THE MINERAL RIGHTS IN THE SALE OF THE FOLLOWING DESCRIBED PARCEL OF LAND:

PARCEL 6, CH. 1668, STATUTES OF 1953 (ALSO DESCRIBED AS PARCEL 19, CH. 979, STATUTES OF 1955), DESCRIBED AS LOTS 20, 29 AND 30 IN SECTION 14, T. 2 S., R. 8 W., CITY OF CHINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

THE EXECUTIVE OFFICER IS AUTHORIZED TO ADVISE THE PUBLIC WORKS AND ACQUISITION DIVISION OF THE DEPARTMENT OF FINANCE ACCORDINGLY.

21. (APPLICATION, LEASE OF TIDE AND SUBMERGED LANDS, UTAH CONSTRUCTION COMPANY, CONTRA COSTA COUNTY - W. O. 2270, P.R.C. 1689.1.) The following report was presented to the Commission:

"An application has been received from the Utah Construction Company of One Hundred Bush Street, San Francisco 4, California, for a lease of 382.76 acres, more or less, of tide and submerged lands adjacent to the Mountain Copper Company properties northerly from the City of Martinez, Contra Costa County. The applicant desires a lease for a term of sixty years, on a form of lease which is a modification of the Commission's standard lease form. Title to the adjoining upland, comprising an area of 250 acres, is now owned by the Utah Construction Company. In its application, the applicant sets forth the purpose for which it desires to use the property. Paragraph 10 of the application is quoted, as follows:

'Applicant proposes that the property to be leased will be used for commercial and industrial purposes. It is intended that major improvements will be made upon the property at no cost to the State. Permanent filled land and waterfront will be created by means of hydraulic and dry fill and by the construction of bulkheads, dikes or other improvements. The attached lease form provides for approval by the State of fill and bulkheading plans and contains a provision requiring the Lessee to expend not less than \$500,000 upon such work. It is intended that the improved land will be made available to business organizations, by sublease or other suitable arrangement, for construction and use of such facilities as warehouses, docks, manufacturing plants, and similar installations which are economically desirable on industrial property with access to both land and ocean transportation. If most of the property to be leased were filled, as is contemplated, the total cost of fill alone at present prices