

9. (CONTROVERSY WITH ORANGE COUNTY OVER OWNERSHIP OF TIDE AND SUBMERGED LANDS - W. O. 2274.)

The Executive Officer reported to the Commission that in the current budget there was a total of \$101,000, part of which could be used in defense of the State's ownership of the tide and submerged lands off the coast of Orange County, so that for the next several months at least the costs of financing the necessary litigation would present no problem.

A copy of the complaint in Orange County Superior Court Case No. 70717, entitled County of Orange v. State of California, State Lands Commission, et al., was given to each of the Commissioners and to Assemblyman Allen Miller.

The Chairman asked if the income derived from the wells in the area was going to have to be impounded, whereupon the Executive Officer indicated that perhaps an opinion should be had from the Attorney General on this point. Deputy Attorney General Jay Shavelson stated that there did not appear to be any request that funds be impounded, so at this time it would not appear to be a problem. Mr. Shavelson, upon being questioned by the Chairman, also indicated that if the case should be decided against the State, it was possible that Orange County would have at least a vested interest in the oil revenue from the area involved for the past 25 or 30 years.

The Executive Officer was requested by the Chairman to check with the office of the Attorney General with respect to the financial aspects of the situation, not on the basis of costs of defending the State's interest, but from the standpoint of their impact upon the State's funds and budget.

No formal action was taken.