

MINUTE ITEM

7. LONG BEACH UNITIZATION PROGRAM - W.O. 2323.7.

Mr. Carr opened discussion on the matter of the legal position of the City of Long Beach in joining granted tidelands areas in unitization agreements, and asked for comments from attorneys on the legal procedures proposed.

Mr. Brady, Deputy Attorney of the City Attorney's office, Long Beach, stated that, in spite of legislative authority, some operators felt that judicial confirmation of basic authority is required. Due to the unique constitutional question involved in committing tidelands to unitization with private lands, the Supreme Court might be prevailed upon to take original jurisdiction of the matter. Mr. Lingle stated that the legal review as contemplated would not delay putting water in the ground, since the several existing, approved cooperative agreements now permit water injection and offer interim protection. Mr. Carr re-emphasized the need for early adjudication of this matter since the threat of claims for damage incident to waterflooding does exist.

The Chairman raised the question of the need for amendment of the Long Beach City Charter so that the City can proceed under Assembly Bill No. 2400 (Ch. 1552/59) to renegotiate and extend leases with certain operators, with the prior approval of the State Lands Commission, so that the operators would be protected if the areas in question were ultimately determined to be State-owned tidelands. Mr. Brady thereupon explained the various legal and contractual problems involved and the implications of the boundary determination problem on existing contracts.