23. PROPOSED ADDITION TO THE RULES AND REGULATIONS OF THE STATE LANDS COMMISSION; DISPOSAL OF ROYALTY OIL, GAS OR OTHER HYDROCARBONS - W 9603.

After consideration of Calendar Item 21 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES INITIATION OF PROCEDURES UNDER THE PROVISIONS OF SECTIONS 11420, ET SEQ., OF THE GOVERNMENT CODE, TO ADD ARTICLE 3.5, SECTIONS 2150 THROUGH 2163, TO THE CALIFORNIA ADMINISTRATIVE CODE, TITLE 2, DIVISION 3, RULES AND REGULATIONS OF THE STATE LANDS COMMISSION, IN THE FORM SET FORTH IN EXHIBIT "A" ON FILE IN THE OFFICE OF THE COMMISSION AND BY REFERENCE MADE A PART HEREOF.

Attachment:
Calendar Item 21 (1 page)

27.

PROPOSED ADDITION TO THE RULES AND REGULATIONS
OF THE STATE LANDS COMMISSION;
DISPOSAL OF ROYALTY OIL, GAS OR OTHER HYDROCARBON'S

Section 6815.1 of the Public Resources Code provides in part that, whenever the Commission exercises a right to take oil, gas, or other hydrocarbons, in kind, the Commission shall enter into an agreement for the disposition and sale of such oil, gas, or other hydrocarbons in accordance with procedures set forth in rules and regulations adopted by the Commission.

A proposed addition to the California Administrative Code has been drafted to meet the requirements of Section 6815.1 for rules and regulations necessary to implement this law. The proposed rules and regulations have been reviewed and approved as to legality by the Office of the Attorney General.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE INITIATION OF PROCEDURES UNDER THE PROVISIONS OF SECTIONS 11420, ET SEQ., OF THE GOVERNMENT CODE, TO ADD ARTICLE 3.5, SECTIONS 2150 THROUGH 2163, TO THE CALIFORNIA ADMINISTRATIVE CODE, TITLE 2, DIVISION 3, RULES AND REGULATIONS OF THE STATE LANDS COMMISSION, IN THE FORM SET FORTH IN EXHIBIT "A" ON FILE IN THE OFFICE OF THE COMMISSION AND BY REFERENCE MADE A PART HEREOF.