

CHAPTER 110.

[S. B. 321.]

LICENSE TO SELL OIL AND MINING LEASES.

AN ACT relating to the public sale of oil, gas, metalliferous and non-metalliferous mining leases, providing for the regulation and supervision thereof, licensing of agents, filing of statutory statements, and prescribing penalties and fees therefor.

Be it enacted by the Legislature of the State of Washington:

Definitions: SECTION 1. The following words, terms and phrases shall, whenever used in this act, have the meaning set forth in this section.

"Company." (a) "Company" shall mean every natural person, firm, partnership, association, private or public corporation and trustees (but not including executors, administrators, receivers or other trustees acting under the authority of a court).

"Lease" or "leases." (b) "Lease" or "leases" includes any instrument or instruments conveying title to oil, gas, metalliferous or non-metalliferous rights on a piece of real property, exclusive of title to the real property.

"Public sale." (c) "Public sale" shall mean and include any offering of three (3) or more leases to residents of the State of Washington.

License certificate. SEC. 2. No person shall sell or offer for sale to the public any oil, gas, metalliferous or non-metalliferous mining lease until such person shall have applied for and secured a certificate issued by the Director of Licenses, authorizing such person to engage in the business of selling leases. Every such license certificate shall be issued for a term of one (1) year but may be revoked for cause as provided in this act.

Application. To obtain such certificate, the applicant shall file an application verified before an officer empowered to administer oaths. Said application shall set forth the following:

- (a) The name and address of applicant;
- (b) The business in which the applicant has been engaged for the five (5) years immediately preceding the date of the application, and, if employed by another, the name of each employer;
- (c) The city, town and street address, if known, at which the business is to be conducted; and when established at a location, this information shall be furnished;
- (d) Such other information as the Director of Licenses may reasonably require to enable him to determine the trustworthiness of the applicant.

SEC. 3. Every company, as herein defined, desiring to sell at public sale any oil, gas, metalliferous or non-metalliferous mining lease shall, before such offering to the public of the State of Washington, file in triplicate with the Director of Licenses, a written statement herein called a "statutory statement," verified under oath, which shall contain the following information:

Statutory
statement.

- (a) Address of the registered business office within this state;
- (b) Names and address of all officers, directors, trustees or other managing agents and terms of office;
- (c) A complete description of the property, including maps designating location;
- (d) A full engineering or geological report on such lease signed by a qualified mining engineer or geologist. Such signed report, to be acceptable for filing, must have been made within three (3) years prior to the filing thereof;
- (e) The price at which said lease is to be offered to the public;
- (f) Amount of commission to be paid for the sale thereof;
- (g) Such other information as the Director of Licenses may require, including a financial state-

ment and statement of proposed development, if any.

Filing of statement.

SEC. 4. If such statutory statement or amended statement is, in the judgment of the Director of Licenses, sufficiently complete and definite and found to comply with the provisions of this act, he shall, within fifteen (15) days after receipt thereof, file the same and return to the office of the applicant, two (2) of the copies endorsed by the Director of Licenses on its face as filed. Such company shall be permitted to amend or revise the statutory statement from time to time in the same manner as original statements.

Prospectus.

SEC. 5. Every company, as herein defined, shall also prepare from such statutory statement, a printed prospectus containing only such information as is included in the statutory statement filed with the Director of Licenses, and such prospectus shall be left with the prospective purchaser for examination. Such prospectus shall further contain the statement that these leases have not been approved or disapproved by the department of licenses.

Fraud.

SEC. 6. The Director of Licenses on satisfactory proof that the holder of a certificate, as provided in section 2, is guilty of fraud or fraudulent misrepresentation of any fact in the sale or offering for sale of said lease, may revoke said certificate. He may, also, for good cause shown, temporarily suspend any rights granted under the certificate, provided that before any certificate is revoked, the Director of Licenses shall notify the holder of such certificate that such action is contemplated and such certificate holder shall have ten (10) days within which to submit evidence to show why such action should not be taken.

Fees.

SEC. 7. The Director of Licenses shall charge the following fees:

(a) For filing an application for a license certificate to sell, five dollars (\$5) annually;

(b) For filing a statutory statement, twenty-five dollars (\$25);

(c) For filing amendments to statutory statement, ten dollars (\$10).

SEC. 8. Every person who shall violate or knowingly aid or abet the violation of any provision of this act, and every person who fails to perform any act which it is his duty to perform herein, shall be guilty of a gross misdemeanor. Penalty.

Passed the Senate March 6, 1939.

Passed the House March 6, 1939.

Approved by the Governor March 12, 1939.

CHAPTER 111.

[S. B. 371.]

BIG TREE STATE PARK.

AN ACT relating to Big Tree State Park, authorizing the disposition thereof by the state parks committee, creating the Federation park fund and providing therefor, making an appropriation and declaring that this act shall take effect immediately.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. In accordance with the wishes of the Washington State Federation of Women's Clubs, for the purpose of preventing the timber in Big Tree State Park from being further damaged and a continued menace to public safety, the state parks committee is hereby authorized to sell or enter into an exchange for the disposition of said park, being a portion of the northwest quarter (NW $\frac{1}{4}$) of section 15 and of the northeast quarter (NE $\frac{1}{4}$) of section 16, all of township 22 north, range 10 east, W. M., described as follows: