

sampling in place of extensive deposits of volcanic cinders. The application states further that by research development and application of sales effort market demand for the mineral has been created. The survey and testing of the mineral deposit and development of a commercial market constitute the discovery of commercially valuable deposits of minerals within the limits of the permit. Such discovery is required by the Public Resources Code as a condition precedent to the issuance of a preferential mineral lease. Field inspections and office studies by this Division substantiate the statements in the application.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to issue a preferential mineral lease pursuant to the Public Resources Code to Mr. Robert Livingstone covering the SE $\frac{1}{4}$  of NW $\frac{1}{2}$ , SW $\frac{1}{4}$  of NE $\frac{1}{4}$ , NE $\frac{1}{4}$  of SW $\frac{1}{2}$  and NW $\frac{1}{4}$  of SE $\frac{1}{4}$  of Section 16, T. 6 N., R. 10 E., S.B.B. & M., containing 160 acres for a term of 20 years with the option on the part of the lessee to renew for an additional period of 10 years under such terms and conditions as the State may determine at the time of renewal. The royalty rate payable under the preferential mineral lease is to be \$.02 per ton of 2,000 pounds for all volcanic cinders mined and shipped from the land as specified in Prospecting Permit P.R.C. 392.

28. (ASSIGNMENT OF LEASE P.R.C. 431 - COLUMBIA STEEL COMPANY TO THE UNION OIL COMPANY - W.O. 648) The Commission was informed that an application has been received from the Columbia Steel Company for Commission's permission to assign Lease P.R.C. 431 covering approximately one-half acre of State tide and submerged lands in New York Slough easterly of the City limits of Pittsburg. This lease was issued on July 26, 1949, for a period of fifteen years with a right of renewal for an additional ten years with annual rental of \$50.00, bond in the amount of \$2,000 having been furnished. In consolidating its plant site, the Columbia Steel Company proposes to exchange this lease for one of similar nature held by the Union Oil Company on 0.293 acres in the vicinity of the lands covered by P.R.C. 431. (The Union Oil Company are correspondingly requesting assignment of their Lease (26-69/29) to the Columbia Steel Company). (See next item).

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to approve the assignment of Lease P.R.C. 431 from the Columbia Steel Company to the Union Oil Company subject to receipt of the statutory filing fee, and to relieve the Columbia Steel Company of all liabilities under this lease provided that the Union Oil Company assumes all the liabilities and obligations of the lease including the filing of a \$2,000.00 surety bond.

29. (APPLICATION FOR ASSIGNMENT OF LEASE 26, CHAPTER 69, STATUTES OF 1929 FROM THE UNION OIL COMPANY TO COLUMBIA STEEL COMPANY - W.O. 650) The Commission was informed that an application has been received from the Union Oil Company for approval by the State Lands Commission of an assignment of Lease 26, issued pursuant to Chapter 69, Statutes of 1929, from the Union Oil Company to the Columbia Steel Company. This lease was entered into by the State on June 8, 1933 and covers 0.293 acres of tide and submerged lands in New York Slough, Contra Costa County. The lease was issued for a term of 40 years with the right of renewal for an additional twenty-five years with an annual rental of \$31.75. There was no bond for a performance or removal of facilities built on the property required with this lease. As stated in the previous item, the purpose of this assignment is to permit the Columbia Steel Company to consolidate its

plant site by removal of Union Oil Company's occupancy of the land under this lease for which the Columbia Steel Company was to provide the Union Oil Company with similar property as set forth in the prior item.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to approve the assignment of Lease No. 26, issued pursuant to Chapter 69/29 from the Union Oil Company to the Columbia Steel Company subject to receipt of the statutory filing fee and assumption of all obligations under this lease by Columbia Steel Company and release of Union Oil Company of obligations of this lease. Columbia to file a surety bond in the amount of \$2,000.00 to guarantee performance of the terms of the lease and the removal of any structures at the expiration of the lease.

30. (APPLICATION FOR PROSPECTING PERMIT - OSCAR L. HOERNER - SAN BERNARDINO COUNTY - W. O. 628 - P. R. C. 501) Application has been received from Mr. Oscar L. Hoerner of Newberry, for a permit to prospect for uranium and kindred metals on the 160 acres of vacant State school land in the SW $\frac{1}{4}$  of Section 16, T. 9 N., R. 6 E., S. B. B. & M., San Bernardino County. No data are available from the records of the Division of Mines as to any known mineral deposits on the subject area. However, field inspection by the State Lands Division has shown the existence of radioactive ore on the subject property. A commercial assay laboratory analysis furnished by the applicant indicates that the source of radioactivity is uranium oxide. Additional samples taken by the State Lands Commission indicate that there may also be other radioactive source materials. These samples have been transferred to the Division of Mines for further analysis and classification. The manner of occurrence of the radioactive ore, the currently limited surface exposure on the subject properties, and the low concentration of uranium oxide reported for the assayed sample, establish the conclusion that the deposit for which application has been made cannot be classified as containing commercially valuable minerals without the expenditures of further prospecting effort.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to execute and issue a two-year prospecting permit to Mr. Oscar J. Hoerner, for 160 acres of vacant State school land in the SW $\frac{1}{4}$  of Section 16, T. 9 N., R. 6 E., S. B. B. & M., San Bernardino County, pursuant to the Public Resources Code, with royalty payable under any preferential lease, issued upon development of a commercially valuable mineral deposit, to be in accordance with the following schedule: On all ore produced and sold up to 100 short tons per month, 5% of the gross selling price; above 100 short tons per month and up to 500 short tons per month, 10% of the gross selling price; 12 $\frac{1}{2}$ % of the gross selling price on all tonnage in excess of 500 short tons per month, which gross selling price shall be not less than the reasonable market value of all the minerals secured from the land and sold or otherwise disposed of or held for sale or other disposition.

31. (PATENTED LANDS IN THE SE $\frac{1}{4}$  OF SECTION 33, T. 21 N., R. 7 E., S.B.M., INYO COUNTY - BLOSS ELIAS - W.O. 615) The Commission was informed that at the meeting of the State Lands Commission on June 14, 1949, a resolution was adopted authorizing the Executive Officer to hold a public hearing in the vicinity of Tecopa Hot Springs, California, for the purpose of inquiring into the transactions relating to the sale of lands in the SE $\frac{1}{4}$  of Section 33, T. 21 N., R. 7 E., S.B.M., Inyo County, to Mr. Bloss A. Elias. In compliance with these instructions a public hearing was held on November 15 and 16, 1949, at Shoshone, California, a few miles distant from the properties involved. A large number of persons attended and