

may be sold by the State, are more valuable than the land in Death Valley National Monument offered in exchange which must be withheld from sale.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO PROCEED WITH THE EXCHANGE APPLICATION AND ACQUIRE THE SOUTHEAST 160 ACRES (OR THE SE $\frac{1}{4}$) OF SECTION 13, T. 18 N., R. 3 E., S.B.B. & M., IN EXCHANGE FOR THE SE $\frac{1}{4}$ OF SECTION 16, T. 23 N., R. 3 E., S.B.B. & M., PURSUANT TO SECTION 7303 PUBLIC RESOURCES CODE.

34. APPLICATION FOR LEASE TO MINE SAND AND GRAVEL FROM FEATHER RIVER, GRAYDON OLIVER - W.O. 260) The Commission was informed that on December 21, 1949 (Minute Item 32, Page 1065) the Commission authorized the publication of Notice of Intention to receive bids for the extraction of sand and gravel from 80 acres of the bed of the Feather River as applied for by Graydon Oliver. The requisite Notice of Intention was published, setting a closing date for the receipt of bids of May 22, 1950. No bids were received.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO CANCEL LETTER APPLICATION OF GRAYDON OLIVER FOR A LEASE TO MINE SAND AND GRAVEL FROM THE FEATHER RIVER AND REFUND TO MR. OLIVER ANY REMAINING BALANCE OF THE COST DEPOSIT MADE BY HIM IN CONNECTION WITH THE APPLICATION.

35. (APPLICATION FOR PERMIT TO DREDGE ENTRANCE TO ALAMITOS BAY, LOS ANGELES AND ORANGE COUNTIES, CITY OF LONG BEACH - W.O. 724, P.R.C. 525) The commission was informed that the City of Long Beach has applied for a permit to dredge an entrance channel between jetties now in place at the entrance to Alamitos Bay. The area to be dredged is partially in Orange County and partially in that portion of the lands originally granted by the State to the City of Long Beach but subsequently quit-claimed to the State and now under the jurisdiction of the State Park Commission. Dredger spoils are to be deposited on the beach of Alamitos State Park increasing the beach area. The State Park Commission has approved the proposed project. A Corps of Engineers permit has been issued.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE TO THE CITY OF LONG BEACH A PERMIT TO DREDGE AN ENTRANCE CHANNEL TO ALAMITOS BAY AND DEPOSIT OF SPOILS ON THE STATE PARK BEACH AT NO FEE AND NO RENTAL, THE CONSIDERATION BEING THAT THE USE OF THE DREDGER SPOILS FOR A BEACH IS IN THE PUBLIC INTEREST.

36. (APPLICATION FOR LEASE TO MINE PERLITE, VACANT STATE SCHOOL LAND, SAN BERNARDINO COUNTY, H. M. FREY AND R. A. MATTEY - W.O. 704, P.R.C. 526) The Commission was informed that an application has been received from Messrs. H. M. Frey and R. A. Mattey requesting the issuance of a mineral extraction lease for the production of perlite from the N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Section 36, T. 31 S., R. 44 E., M.D.B. & M., San Bernardino County, containing 80 acres. Field inspection of the subject land by the Division has shown the existence of extensive perlite deposits of good quality.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED CLASSIFYING THE N $\frac{1}{2}$ OF SW $\frac{1}{4}$ OF SECTION 36, T. 31 S., R. 44 E., M.D.B. & M., SAN BERNARDINO COUNTY, AS LANDS KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS AND AUTHORIZING THE PUBLICATION, PURSUANT TO THE PUBLIC RESOURCES CODE AND THE RULES AND REGULATIONS OF THE COMMISSION, OF A NOTICE OF INTENTION TO RECEIVE BIDS FOR

THE EXTRACTION OF PERLITE FROM THE SUBJECT LANDS AT A ROYALTY OF NOT LESS THAN 5% OF THE REASONABLE MARKET VALUE OF THE MINERAL.

37. (APPLICATION FOR PREFERENTIAL MINERAL LEASE, PROSPECTING PERMIT P.R.C. 382, J. E. HICKS) The Commission was informed that an application has been received from Mr. J. E. Hicks, pursuant to the Public Resources Code, for a preferential mineral lease on the SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 36, T. 31 S., R. 44 E., M.D.B. & M., San Bernardino County, containing 40 acres. Mr. Hicks is the permittee under Prospecting Permit P.R.C. 382, issued December 6, 1948, for a term of two years to cover prospecting for gold, silver and non-metallic minerals on the subject property. Under Section 6895 of the Public Resources Code and the terms of the permit, upon establishment to the satisfaction of the Commission that commercially valuable deposits of minerals have been discovered within the limits of the permit, the permittee shall be entitled to a lease. Field inspection of the permit area by this Division has shown that the prospecting work has uncovered deposits of good grade perlite, with the indications that such deposits are extensive.

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. J. E. HICKS COVERING THE SW $\frac{1}{4}$ OF SW $\frac{1}{4}$ OF SECTION 36, T. 31 S., R. 44 E., M.D.B. & M., CONTAINING 40 ACRES, FOR A TERM OF TWENTY YEARS WITH THE OPTION ON THE PART OF THE LESSEE TO RENEW FOR AN ADDITIONAL PERIOD OF TEN 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 TO BE IN ACCORDANCE WITH THE SCHEDULE AS SPECIFIED IN PROSPECTING PERMIT P.R.C. 382 AS FOLLOWS:

5% ON ALL ORE PRODUCED UP TO \$20.00 PER TON ASSAY VALUE.
SLIDING SCALE FROM 5% AT \$20.00/TON VALUE TO 30% AT
\$100.00/TON VALUE AS DETERMINED FROM FORMULA:

$$R = KV^N$$

where R = Royalty rate in percent

K = Constant 0.00390625

V = Assay Value of ore (\$/ton-above \$20.00)

N = 2;

the maximum royalty rate to be 50%

38. (REQUEST FOR SUSPENSION OF OPERATION REQUIREMENTS UNDER MINERAL LEASE P.R.C. 50, W.O. 595 - TULAR E. WARNER) The Commission was informed that a letter request has been received from Mr. Tular E. Warner, lessee under State Mineral Lease P.R.C. 50 covering portions of the abandoned channel of the Tuolumne River, for permission to suspend dredging operations, required by the lease, until June 1, 1953. Lease P.R.C. 50 was issued October 23, 1942 for a term of 20 years with the preferential right in the lessee to renew for successive periods of ten years upon such conditions as may be prescribed at the time of renewal. No operations were carried on under the lease from 1942 to 1946 because of Federal orders suspending gold mining. On October 29, 1947 the Commission approved the suspension of operations until March 1, 1948. The lessee has reported that he has been unable to secure production since that date for the reason that his privately owned fee land and the land leased from the State are included in a development contract to the Yuba Consolidated Gold Fields. This organization has reported that the high cost of