

39. (CORRECTION TO MINUTES OF MEETINGS OF JULY 16, 1951, ITEM 12, PAGE 1414, AND OF OCTOBER 24, 1951, ITEM 20, PAGE 1473 - REVIEW AND SUGGESTED REVISION OF RENTAL RATES AND ROYALTIES - W.O. 1087.) Corrections to these items are necessary because of a typographical error showing the amount of the automatic increase of appraised value every five years for Commercial and Industrial Leases under the new Rental Rates and Royalties to be "100%" instead of "10%".

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED CORRECTING THE MINUTES OF THE MEETING OF JULY 16, 1951, ITEM 12, MINUTE PAGE 1414, AND OF THE MEETING OF OCTOBER 24, 1951, ITEM 20, MINUTE PAGE 1473, UNDER THE "REMARKS" COLUMN FOR ITEM (3), TO READ: "AMT. OF BOND FIXED BY REMOVAL COST. APPRAISED VALUE AUTOMATICALLY INCREASED BY 10% EVERY FIVE YEARS."

40. (REQUEST FOR RENEWAL AND EXTENSION OF MINERAL LEASE #15 (303/1921), UNITED STATES BORAX CO., INYO COUNTY - W.O. 674.) The extension of the term of Mineral Lease #15 (303/1921), authorized July 1, 1940, effective May 10, 1942, for a period of ten years, provides that the lessee shall have the preferential right to again renew said mineral lease for successive periods of ten years upon such reasonable terms and conditions as may be prescribed by the Commission, unless otherwise provided by law, at the time of the expiration of such periods. Section 6898 of the Public Resources Code, relating to leases for minerals other than oil and gas, provides currently that such leases shall contain the preferential right in the lessee to renew the lease for successive periods of ten years upon such reasonable terms and conditions as may be prescribed by the Commission. The United States Borax Company, lessee under Lease #15 (303/1921), has requested renewal and extension of the lease for a period of ten years, and has stated willingness to accept the renewal and extension in the form of the proposed lease. Authorization of the proposed lease will result in a simplification of administration and accounting procedures because such renewal would conform to the standard form of mineral lease authorized heretofore by the Commission, and would include the standard royalty schedule authorized by the Commission on October 24, 1951 (Minute Page 1471, Item 20). This schedule would produce a royalty of \$1.55 per ton of ore produced and sold during the first year of the extension of the lease, with increased rates for any increased values of production. The minimum royalty under the schedule in the future will be \$1.27 per ton, which is equal to the average royalty paid during the nine years of operation under the present lease extension.

Mr. Frank Buren, Attorney, submitted a written protest on behalf of the Suckow Borax Mines Consolidated, Inc., against the renewal or any extension of Mineral Lease #15, based on the grounds that the United States Borax Co. is a monopoly. In addition, Mr. Paul O. Tobeler, Secretary, protested orally on the grounds that the United States Borax Co. does not meet the necessary qualifications as to citizenship.

Mr. Ray J. Coleman, Attorney, appeared on behalf of his client, the United States Borax Co., stating that this company has not been adjudicated a monopoly in any sense of the word, or prevented from leasing properties of the United States Government, and claiming that his client can justify its qualifications as far as citizenship is concerned.

It was agreed that both sides should be given an opportunity to present briefs outlining their arguments for and against the issuance of the lease renewal, such briefs to be in the hands of the Office of the Attorney General in Los Angeles by April 30, 1952.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED DEFERRING FINAL ACTION ON THE AUTHORIZATION FOR RENEWAL AND EXTENSION OF MINERAL LEASE #15 (303/1921) UNTIL COMPLETION OF A REVIEW BY THE OFFICE OF THE ATTORNEY GENERAL OF THE QUALIFICATIONS OF THE UNITED STATES BORAX CO. AS A LESSEE.

41. (AMENDMENT OF PROSPECTING PERMIT, HENRY O. JACOBS, LOS ANGELES COUNTY - P.R.C. 1223.) On November 28, 1951, the Commission authorized the issuance of a prospecting permit to Mr. Henry O. Jacobs covering approximately one acre in Section 16, T. 1 N., R. 10 W., S.B.B. & M., Los Angeles County, Fish Canyon (Minute Page 1,88, Item 21). Operations pursuant to this authorization have led the permittee to conclude as to the desirability of concentrating further exploration on approximately two-tenths of an acre of area lying in Fish Canyon, southerly of the original permit area. None of the additional area desired for prospecting by the permittee lies within the limits of any of the recreational camp sites now under lease in Fish Canyon.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO MODIFY PROSPECTING PERMIT P.R.C. 1223 TO PERMIT PROSPECTING PURSUANT TO ALL THE TERMS AND CONDITIONS OF THE PERMIT ON APPROXIMATELY 0.2 ACRES OF LAND DESCRIBED AS FOLLOWS:

THAT TRACT OF LAND LYING BETWEEN THE EASTERLY SIDE OF FISH CANYON TRAIL AND THE WESTERLY BANK OF FISH CANYON CREEK, BOUNDED ON THE NORTH BY THE TRIBUTARY CREEK BETWEEN LOTS 17 AND 18, AND BOUNDED ON THE SOUTHEAST BY THE WESTERLY LINE OF LOT 13, ALL BEING IN THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SECTION 16, T. 1 N., R. 10 W., S.B.B. & M.

42. (APPLICATION FOR RENEWAL OF LEASE, VENTURA COUNTY, DAVID L. FIALKOFF - W.O. 1234, P.R.C. 719.) Lease No. 23, issued pursuant to Section 675 of the Political Code on May 20, 1940, for a period of twelve years, to Stanley S. Anderson and Marguerite S. Anderson, was assigned to David L. Fialkoff by authorization of the Commission on November 21, 1949. Rental under terms of the lease was \$180 annually. Mr. Fialkoff has requested that the lease be renewed. There being no renewal clause in the lease now expiring, a new lease must issue if authorized. Value of the land occupied is such as to require the minimum annual rental of \$100 under the present schedule of rentals, that rental at 6.6 percent of the land value permitting a land value in excess of \$1500 for the area occupied, such value being considerably above the actual value. Filing fee has been paid.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE TO DAVID L. FIALKOFF A LEASE OF APPROXIMATELY 1.15 ACRES, 100 FEET IN WIDTH BY 500 FEET IN LENGTH, OF TIDE AND SUBMERGED LAND IN THE PACIFIC OCEAN, AT SYCAMORE CANYON, VENTURA COUNTY, FOR A PERIOD OF FIFTEEN YEARS AT AN ANNUAL RENTAL OF \$100, WITH THE RIGHT OF RENEWAL FOR TWO ADDITIONAL PERIODS OF TEN YEARS EACH AT SUCH