

5. (APPLICATION FOR PROSPECTING PERMIT, IMPERIAL COUNTY - W. H. FIELDEN, W.O. 1951, P.R.C. 1481.2; W. G. STRICKLAND, W.O. 1967; W. D. WILSON, W.O. 1968; MR. AND MRS. G. M. ROBBINS, W.O. 1980; AND APPLICATION FOR MINERAL LEASE, IMPERIAL COUNTY, MR. AND MRS. G. M. ROBBINS, W.O. 1959.) The following report was presented to the Commission by the staff:

"An application was received October 18, 1954 from Mr. W. H. Fielden of Compton, California, to prospect for radioactive, gold, silver and other precious minerals on the N $\frac{1}{2}$  of Section 36, T. 12 S., R. 19 E., S.B.B. & M., containing 320 acres of vacant State school land in Imperial County. Field reconnaissance by the staff, review of the records of this Division and of the Division of Mines, and reference to partial reports from the Atomic Energy Commission have shown that the subject area cannot be classified at this time as known to contain commercially valuable deposits of minerals. The N $\frac{1}{2}$  of the NW $\frac{1}{4}$  of the subject section has heretofore been included in Lease 266 (303-1921), issued May 5, 1933, for the production of nonmetallic minerals. This lease was cancelled November 13, 1940, after operations had become subcommercial.

"On November 2, 1954, Mr. and Mrs. G. M. Robbins of Yuma, Arizona, filed an application requesting that the N $\frac{1}{2}$  of the NW $\frac{1}{4}$  of subject Section 36 be offered for lease (W.O. 1959) pursuant to competitive public bidding, on the allegation that '...applicants have discovered commercially valuable deposits of minerals...'

"In support of this allegation, a copy of analyses by the U. S. Geological Survey of samples removed from the State land by the Robbinses, without authorization, was furnished, indicating a maximum radioactivity equivalent to a content of 0.055% uranium. This value is considerably below the minimum concentration of 0.10% which the Atomic Energy Commission will authorize for purchase. Further, a field inspection by the Atomic Energy Commission's office of the State land, made at the request of W. H. Fielden, resulted in a report in part that '...expenditure of additional funds at this time does not seem warranted, and investing of capital by you in some other likely property would be more advantageous.'

"Additional applications for a prospecting permit have also been received from Mr. G. W. Strickland for the NW $\frac{1}{4}$  of the NE $\frac{1}{4}$  of subject Section 36, on November 22, 1954 (W.O. 1967), from Mr. W. D. Wilson for the NE $\frac{1}{4}$  of the NW $\frac{1}{4}$  on November 22, 1954 (W.O. 1968), and from Mr. and Mrs. G. M. Robbins for the N $\frac{1}{2}$  of the NW $\frac{1}{4}$  on December 16, 1954.

"The statutory filing fee and the permit and deposit fees have been deposited by all applicants. All applicants have been notified that this matter is to be considered.

"Consideration of this matter was deferred from the meeting of December 17, 1954 at the request of the attorney for Mr. and Mrs. Robbins. The only further data submitted relate to ore sales and analyses of mineral samples not identified as having come from the State lands."

Mr. Franklin Lane III appeared on behalf of Mr. and Mrs. G. M. Robbins to state that, in his opinion, there were equities involved as far as his clients were concerned which would give justification to the Commission for a rejection of the application of Mr. W. H. Fielden and a decision to offer the lands for competitive bidding for a mineral lease. He advanced the idea that his clients had previously erroneously prospected the area (not knowing that they were on State school lands) and that the present applicant for a prospecting permit was merely claim jumping. It developed that subsequent to the filing of the application by Mr. Fielden the Robbinses had removed some substantial amount of ore from the State school lands without permit from the State.

Mr. W. H. Fielden, the applicant in this case, stated that he had at all times proceeded on the assumption that the lands involved belonged to the State of California and that he had not knowingly done any "claim jumping".

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE COMMISSION FINDS THAT THE LANDS DESCRIBED HEREIN ARE NOT KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS; THE COMMISSION AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE A TWO-YEAR PROSPECTING PERMIT TO MR. W. H. FIELDEN, THE FIRST APPLICANT, FOR 320 ACRES OF VACANT STATE SCHOOL LAND IN THE N $\frac{1}{2}$  OF SECTION 36, T. 12 S., R. 19 E., S.B.B. & M., IMPERIAL COUNTY, FOR PROSPECTING FOR RADIOACTIVE, GOLD, SILVER AND OTHER PRECIOUS MINERALS. THE ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMERCIALY VALUABLE MINERAL DEPOSITS SHALL BE IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

FOR RADIOACTIVE, GOLD, SILVER AND OTHER PRECIOUS MINERALS:

$$R = 2.00 + 0.01 (C - 20.00)^2$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER TON OF ORE

C = WEIGHTED AVERAGE GROSS SALES PRICE PER TON,  
DETERMINED AT THE END OF THE FIRST YEAR OF  
THE LEASE AND EVERY FOUR YEARS THEREAFTER.

THE MAXIMUM ROYALTY SHALL NOT EXCEED 50% OF THE AVERAGE GROSS SALES PRICE OF THE ORE FOR ANY SUCH MINERALS.