

MINUTE ITEM

12. (DEFERMENT OF OPERATING REQUIREMENTS, MINERAL EXTRACTION LEASE, VERDI DEVELOPMENT COMPANY, KERN COUNTY - P.R.C. 1498.2.)

After presentation of Calendar Item 9 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT A DEFERMENT OF THE OPERATING REQUIREMENTS SPECIFIED IN SECTION 10 OF MINERAL EXTRACTION LEASE P.R.C. 1498.2 FOR THE LEASE YEAR ENDING MAY 31, 1957, ALL OTHER TERMS AND CONDITIONS AND PERFORMANCE REQUIREMENTS UNDER THE LEASE TO REMAIN UNCHANGED.

Attachment

Calendar Item 9 (1 page)

CALENDAR ITEM

MINERAL LEASE

9.

(DEFERMENT OF OPERATING REQUIREMENTS, MINERAL EXTRACTION LEASE, VERDI DEVELOPMENT COMPANY, KERN COUNTY - P.R.C. 1498.2.)

Mineral Extraction Lease P.R.C. 1498.2 was issued on May 31, 1955 to Verdi Development Company as a preferential lease pursuant to prospecting permit. During the first year of the lease approximately 1,000 shifts of work were completed and 1,430 tons of subcommercial ore were shipped for experimental purposes in developing a process for concentrating this type of ore.

An application has been received requesting a deferment for the lease year ending May 31, 1957 of the operating requirements specified in Section 10 of the lease. During this lease period the company was in the process of reorganization, and additional experimental work on ore concentration has been in progress.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT A DEFERMENT OF THE OPERATING REQUIREMENTS SPECIFIED IN SECTION 10 OF MINERAL EXTRACTION LEASE P.R.C. 1498.2 FOR THE LEASE YEAR ENDING MAY 31, 1957, ALL OTHER TERMS AND CONDITIONS AND PERFORMANCE REQUIREMENTS UNDER THE LEASE TO REMAIN UNCHANGED.