

MINUTE ITEM

16. QUITCLAIM OF PROSPECTING PERMIT P.R.C. 2140.2, CROWN MINING CO., INC., IMPERIAL COUNTY - W.O. 3113.

After consideration of Calendar Item 14 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ACCEPT THE QUITCLAIM OF PROSPECTING PERMIT P.R.C. 2140.2, COVERING THE $W\frac{1}{2}$ OF THE $NW\frac{1}{4}$ OF SECTION 36, T. 12 S., R. 19 E., S.B.B. & M., IMPERIAL COUNTY, AS REQUESTED BY THE PERMITTEE, CROWN MINING CO., INC.

Attachment

Calendar Item 14 (1 page)

CALENDAR ITEM

14.

(QUITCLAIM OF PROSPECTING PERMIT P.R.C. 2140.2, CROWN MINING CO., INC., IMPERIAL COUNTY - W.O. 3113.)

Pursuant to Section 6891 of the Public Resources Code, Prospecting Permit P.R.C. 1843.2, covering the $W\frac{1}{2}$ of the $NW\frac{1}{4}$ of Section 36, T. 12 S., R. 19 E., S.B.B. & M., Imperial County, authorizing prospecting for nonmetallic minerals, was issued to the Crown Mining Co., Inc. on January 3, 1957. In order to secure preferential rights to all minerals in the event of the discovery of commercial deposits of minerals not included in P.R.C. 1843.2, an application for a permit covering the same area which would authorize prospecting for gold, silver, other precious minerals, radioactive minerals, and metallic minerals was submitted, and Permit P.R.C. 2140.2, covering these minerals, was issued to Crown Mining Co., Inc. on January 2, 1958.

Upon expiration of Prospecting Permit P.R.C. 1843.2 on January 2, 1959, the Crown Mining Co., Inc. submitted a request for approval of a quitclaim of the area included in Permit P.R.C. 2140.2, and, at the same time, submitted a new application for a permit to prospect for all minerals in the $NW\frac{1}{4}$ of Section 36, T. 12 S., R. 19 E., S.B.B. & M., Imperial County.

Section 6804.1 of the Public Resources Code provides for the quitclaim or relinquishment of rights under a lease. In the opinion of the office of the Attorney General, under the provisions of this section the State Lands Commission may, in its discretion and if it feels such action will effectually protect the interest of the State in mineral deposits reserved to the State, authorize a permittee to quitclaim his interest. A copy of the opinion of the office of the Attorney General relative to this subject is attached to preceding Calendar Item 13.

It is possible that, in the development of a commercial deposit of minerals listed in one of the above permits, valuable amounts of minerals might be developed for which removal authorization had not been granted heretofore. Therefore, an authorization for the lessee to extract any minerals in the permit area would provide more desirable lease operations.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ACCEPT THE QUITCLAIM OF PROSPECTING PERMIT P.R.C. 2140.2, COVERING THE $W\frac{1}{2}$ OF THE $NW\frac{1}{4}$ OF SECTION 36, T. 12 S., R. 19 E., S.B.B. & M., IMPERIAL COUNTY, AS REQUESTED BY THE PERMITTEE, CROWN MINING CO., INC.