

MINUTE ITEM

31. PROPOSED MINERAL EXTRACTION LEASE, SOVEREIGN LANDS, OWENS LAKE, INYO COUNTY - W.O. 4485, P.R.C. 2957.1.

After consideration of Calendar Item 15 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE A MINERAL EXTRACTION LEASE TO GUY L. WEATHERLY, AN INDIVIDUAL, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 43.25 ACRES OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF, AT A ROYALTY RATE ON ALL MINERALS OR MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD, IN THE SUM OF FIFTY CENTS PER TON OR 2% OF THE WEIGHTED AVERAGE SALES PRICE, WHICHEVER IS THE GREATER, F.O.B. THE EXTRACTION PLANT, FOR THE AGGREGATE OF ALL MINERALS AND MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD.

Attachment  
Calendar Item 15 (2 pages)

CALENDAR ITEM

15.

PROPOSED MINERAL EXTRACTION LEASE, SOVEREIGN LANDS, OWENS LAKE, INYO COUNTY - W.O. 4485.

On October 22, 1962, one bid was received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for mineral extraction and as a right-of-way on an area 100 feet wide and 18,884.12 feet long, a total of 43.35 acres of land, in Sections 4, 5, 8, 9, and 17, T. 18 S., R. 37 E., M.D.B. & M., Inyo County, designated as W.O. 4485. This offer was authorized by the Commission on August 28, 1962 (Minute Item 19, page 8275).

Minerals will be extracted from brine produced by wells drilled along the right-of-way and into the bed of Owens Lake.

The bidder, Guy L. Weatherly, an individual, of Lone Pine, California, offered a royalty of 50¢ per ton or 2% of the weighted average sales price, whichever is greater, f.o.b. the extraction plant, for all mineral products extracted from the leased premises and sold.

The bid submitted was reviewed by the staff as to technical sufficiency and economic factors; the office of the Attorney General has determined that it conforms with the requirements set forth in the lease offer, applicable provisions of law, and the rules and regulations of the Commission.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE A MINERAL EXTRACTION LEASE TO GUY L. WEATHERLY, AN INDIVIDUAL, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 43.35 ACRES OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBE IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF, AT A ROYALTY RATE ON ALL MINERALS OR MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD, IN THE SUM OF FIFTY CENTS PER TON OR 2% OF THE WEIGHTED AVERAGE SALES PRICE, WHICHEVER IS THE GREATER, F.O.B. THE EXTRACTION PLANT, FOR THE AGGREGATE OF ALL MINERALS AND MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD.

Attachment  
Exhibit "A"

EXHIBIT "A"

Situated in the County of Inyo, State of California, parcels of land 100 feet wide, 50 feet on each side of the following-described centerlines:

PARCEL NO. 1

Beginning at the S.E. corner of the N.E. Quarter of the S.E. Quarter of Section 5, T. 18 S., R. 37 E., M.D.M., and running thence S.  $33^{\circ} 07'$  E., a distance of 5,000 feet.

PARCEL NO. 2

Beginning at a point which bears S.  $33^{\circ} 07'$  E., 500 feet and S.  $26^{\circ} 32'$  W., 57.94 feet from the S.E. corner of the N.E. Quarter of the S.E. Quarter of Section 5, T. 18 S., R. 37 E., M.D.M., and running thence S.  $26^{\circ} 32'$  W., a distance of 6,942.06 feet.

PARCEL NO. 3

Beginning at a point which bears S.  $33^{\circ} 07'$  E., 3,400 feet and S.  $26^{\circ} 32'$  W., 57.94 feet from the S.E. corner of the N.E. Quarter of the S.E. Quarter of Section 5, T. 18 S., R. 37 E., M.D.M., and running thence S.  $26^{\circ} 32'$  W., a distance of 6,942.06 feet.

The total length of the above-described centerlines is 18,884.12 feet. The total area of lands defined is 43.35 acres more or less.