

MINUTE ITEM

4. APPLICATION FOR PROSPECTING PERMIT, SAN BERNARDINO COUNTY; PERCY LOUISE JEBSEN - W.O. 4579, P.R.C. 2972.2.

After consideration of Calendar Item 1 attached, and upon motion duly made and unanmously carried, the following resolution was adopted:

PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION AUTHORIZES THE EXECUTIVE OFFICER TO EXECUTE AND ISSUE A TWO-YEAR PROSPECTING PERMIT FOR ALL MINERALS OTHER THAN OIL AND GAS TO PERCY LOUISE JEBSEN, AN INDIVIDUAL, FOR 160 ACRES MORE OR LESS OF VACANT STATE SCHOOL LAND IN THE NW $\frac{1}{4}$ OF SECTION 16, T. 3 N., R. 16 E., S.B.B. & M., SAN BERNARDINO COUNTY, WITH ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS OF MINERALS, UPON ANY AND ALL MINERALS PRODUCED, EXTRACTED, OR SOLD FROM SAID LEASE PREMISES, TO BE DETERMINED AS FOLLOWS:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS

$$R = 3.00 + .01 (C - 20.00)^2$$

2. FOR NONPRECIOUS METALLIC MINERALS

$$R = 3.00 + 0.37 (C - 60.00)$$

3. FOR NONMETALLIC MINERALS

$$R = 1.00 + 0.20 (C - 15.00)$$

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

C = WEIGHTED AVERAGE OF GROSS SALES PRICE PER TON OF ORE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD ON A QUARTERLY BASIS DURING THE FIRST YEAR OF THE LEASE, AND EACH YEAR THEREAFTER THE WEIGHTED AVERAGE TO BE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD DURING THE PREVIOUS YEAR.

THE MINIMUM ROYALTY UNDER ANY LEASE ISSUED PURSUANT TO THIS PERMIT SHALL BE:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS,

\$ 3.00 PER TON OF ORE.

2. FOR NONPRECIOUS METALLIC MINERALS,

\$ 3.00 PER TON OF ORE.

3. FOR NONMETALLIC MINERALS,

\$ 1.00 PER TON OF ORE.

THE MAXIMUM ROYALTY FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIO-ACTIVE MINERALS SHALL NOT EXCEED 50 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.

THE MAXIMUM ROYALTY FOR ALL NONPRECIOUS METALLIC AND NONMETALLIC MINERALS SHALL NOT EXCEED 25 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.

Attachment

Calendar Item 1 (2 pages)

CALENDAR ITEM

1.

APPLICATION FOR PROSPECTING PERMIT, SAN BERNARDINO COUNTY; PERCY LOUISE JEBSEN - W.O. 4579.

An application has been received from Percy Louise Jebesen, an individual, for a permit to prospect for all minerals other than oil and gas on approximately 160 acres of vacant State school land in the NW $\frac{1}{4}$ of Section 16, T. 3 N., R. 16 E., S.B.B. & M., San Bernardino County.

Field reconnaissance and record review by the staff have shown that the area for which the application has been made cannot be classified at this time as known to contain commercially valuable mineral deposits.

The application was referred to the office of the Attorney General, as required under Section 6890 of the Public Resources Code, which office has advised that the application complies with the applicable laws and the rules and regulations of the State Lands Commission.

The \$5 statutory filing fee has been paid, and the permit fee of \$160 has been deposited by the applicant.

IT IS RECOMMENDED THAT, PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE AND ISSUE A TWO-YEAR PROSPECTING PERMIT FOR ALL MINERALS OTHER THAN OIL AND GAS TO PERCY LOUISE JEBSEN, AN INDIVIDUAL, FOR 160 ACRES MORE OR LESS OF VACANT STATE SCHOOL LAND IN THE NW $\frac{1}{4}$ OF SECTION 16, T. 3 N., R. 16 E., S.B.B. & M., SAN BERNARDINO COUNTY, WITH ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS OF MINERALS, UPON ANY AND ALL MINERALS PRODUCED, EXTRACTED, OR SOLD FROM SAID LEASE PREMISES, TO BE DETERMINED AS FOLLOWS:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS

$$R = 3.00 + .01 (C - 20.00)^2$$

2. FOR NONPRECIOUS METALLIC MINERALS

$$R = 3.00 + 0.37 (C - 60.00)$$

3. FOR NONMETALLIC MINERALS

$$R = 1.00 + 0.20 (C - 15.00)$$

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

C = WEIGHTED AVERAGE OF GROSS SALES PRICE PER TON OF ORE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD ON A QUARTERLY BASIS DURING THE FIRST YEAR OF THE LEASE, AND EACH YEAR THEREAFTER THE WEIGHTED AVERAGE TO BE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD DURING THE PREVIOUS YEAR.

CALENDAR ITEM 1. (CONTD.)

THE MINIMUM ROYALTY UNDER ANY LEASE ISSUED PURSUANT TO THIS PERMIT SHALL BE:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS,
\$ 3.00 PER TON OF ORE.
2. FOR NONPRECIOUS METALLIC MINERALS,
\$ 3.00 PER TON OF ORE.
3. FOR NONMETALLIC MINERALS,
\$ 1.00 PER TON OF ORE.

THE MAXIMUM ROYALTY FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS SHALL NOT EXCEED 50 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.

THE MAXIMUM ROYALTY FOR ALL NONPRECIOUS METALLIC AND NONMETALLIC MINERALS SHALL NOT EXCEED 25 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.