

MINUTE ITEM

7. QUITCLAIM OF MINERAL EXTRACTION LEASE P.R.C. 2495.2, IMPERIAL COUNTY;
CROWN MINING CO., INC. - W.O. 4775.

After consideration of Calendar Item 21 attached, and upon motion duly made
and unanimously carried, the following resolution was adopted:

THE COMMISSION APPROVES THE TERMINATION OF MINERAL EXTRACTION LEASE P.R.C.
2495.2, COVERING THE NW $\frac{1}{4}$ OF SECTION 36, T. 12 S., R. 19 E., S.B.B.& M.,
IMPERIAL COUNTY, BY MUTUAL CONSENT OF THE STATE AND OF THE LESSEE; AND THE
EXECUTIVE OFFICER IS AUTHORIZED TO ACCEPT THE QUITCLAIM OF MINERAL EXTRACTION
LEASE P.R.C. 2495.2. THE TERMINATION AND THE QUITCLAIM ARE TO BE EFFECTIVE
AUGUST 29, 1963.

Attachment

Calendar Item 21 (1 page)

CALENDAR ITEM

21.

QUITCLAIM OF MINERAL EXTRACTION LEASE P.R.C. 2495.2, IMPERIAL COUNTY; CROWN MINING CO., INC. - W.O. 4775.

Mineral Extraction Lease P.R.C. 2495.2 was issued on November 18, 1959, to Crown Mining Co., Inc., pursuant to mineral discovery under Prospecting Permit P.R.C. 2358.2, covering 160 acres in the NW $\frac{1}{4}$ of Section 36, T. 12 S., R. 19 E., S.B.B. & M., Imperial County.

Record review by the staff discloses that 1,185 tons of pyrophyllite ore have been extracted and sold from the lease area. Royalty amounting to \$897.70 and the annual rental for the lease year ending November 17, 1962, have been paid.

The former purchaser of the pyrophyllite is no longer interested in the grade of ore produced. All attempts to find another market have failed. According to the lessee, considerable money has been spent in the attempt to develop a market for this grade of pyrophyllite in order that operations under the lease could be continued. As a result of this expenditure and because of a recent illness, lessee states he has been unable to pay the \$160.00 rental for the lease year commencing November 18, 1962.

Mr. W. H. Fielden, President of Crown Mining Co., Inc., has submitted a letter requesting termination of the lease effective November 17, 1962, and has submitted a quitclaim deed dated May 29, 1963.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE TERMINATION OF MINERAL EXTRACTION LEASE P.R.C. 2495.2, COVERING THE NW $\frac{1}{4}$ OF SECTION 36, T. 12 S., R. 19 E., S.B.B. & M., IMPERIAL COUNTY, BY MUTUAL CONSENT OF THE STATE AND OF THE LESSEE; AND THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO ACCEPT THE QUITCLAIM OF MINERAL EXTRACTION LEASE P.R.C. 2495.2. THE TERMINATION AND THE QUITCLAIM ARE TO BE EFFECTIVE AUGUST 29, 1963.