

MINUTE ITEM

11. REQUEST FOR EXTENSION OF LEASE TERM, GRAZING AND AGRICULTURAL LEASE, INYO COUNTY; R. W. KELSEY - P.R.C. 3006.2, S.W.O. 7961.

After consideration of Calendar Item 3 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO EXECUTE FOR R. W. KELSEY AN AMENDMENT TO STATE LEASE P.R.C. 3006.2 TO EXTEND THE TERM THEREOF FROM THE ORIGINAL FIVE-YEAR PERIOD TO THE MAXIMUM TERM OF TEN YEARS, FROM MAY 23, 1963, THE EFFECTIVE DATE OF THE LEASE.

Attachment
Calendar Item 3 (1 page)

CALENDAR ITEM

3.

REQUEST FOR EXTENSION OF LEASE TERM, GRAZING AND AGRICULTURAL LEASE, INYO COUNTY; R. W. KELSEY - P.R.C. 3006.2, S.W.O. 7961.

The Commission, at its meeting of May 23, 1963, authorized issuance of a grazing lease to R. W. Kelsey, covering 3,520 acres of State school land in Inyo County, for a term of five years commencing May 23, 1963, with an annual rental of \$70.40. Subsequently, the lessee requested and the Commission approved by resolution adopted March 24, 1965, an amendment to the aforesaid lease to authorize, in addition to grazing, the agricultural use of two parcels therein, described as the E $\frac{1}{2}$ of Section 36, T. 8 S., R. 37 E., and the E $\frac{1}{2}$ of Section 16, T. 9 S., R. 38 E., M.D.M., containing 640 acres. The lease was amended accordingly with the total annual rental increased to \$281.60.

The lessee has now requested that Lease P.R.C. 3006.2 be extended from its original term of five years to the maximum term of ten years, as authorized by statute and the regulations of the Commission. The lessee bases this request on the fact that substantial sums of money are to be expended in developing the lands involved for agricultural purposes, including the drilling of water wells, and that the additional period of time is necessary in order that he may properly amortize his investment.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE FOR R. W. KELSEY AN AMENDMENT TO STATE LEASE P.R.C. 3006.2 TO EXTEND THE TERM THEREOF FROM THE ORIGINAL FIVE-YEAR PERIOD TO THE MAXIMUM TERM OF TEN YEARS, FROM MAY 23, 1963, THE EFFECTIVE DATE OF THE LEASE.