30. APPLICATION FOR PROSPECTING PERMIT FOR GEOTHERMAL EMERGY, SONOMA COUNTY; CEASER GIANNECCHINI, ET AL. - W.O. 5517, P.R.C. 3472.2.

After consideration of Calendar Item 4 attached, a motion was made by Commissioner Anderson that the Commission defer action. Motion lost for want of a second.

Thereafter, upon motion duly made and carried, the following motion was adopted, with Commissioner Anderson Voting No:

PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION FINDS THAT THE LANDS DESCRIBED BELOW ARE NOT KNOWN MINERAL LANDS, AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE TO CEASER GIANNECCHINI, ALBERT E. OFFOBONI, ANTONIO OTTOBONI, LOUIS OTTOBONI, DAVID FERRARI, ELMER FERRARI, FERRARI, JOHN GIAMPACLI, ILVA FILIPPI GIAMPACLI, ICHE GIOVANNETTI CETTECHI PELIEGRINI. PATRICIA IONE OPPOBORE, JAMES BARTHOLOGIEV CTEORONI, AND LOUISE CAROLYN CTEORONI A THO-YEAR PERMIT AUTHORIZING PROSPECTING FOR GEOTHERNAL ENVACY, FOR MINERAL WATERS, FOR HOWHYDROCARBON GASES, AND FOR ALL MINERALS OTHER THAN OIL AND GAS IN 418.57 ACRES OF LIEU LAND IN SONOMA COUNTY, AS DESCRIBED IN EXECUTE "B" ATTACHED. THE APPLICANTS, PAICR TO THE EXECUTION OF THE PERMIT, SHALL SUSAIT AN AUTHORIZATION STORY DE ALL THE PERMITTEES, DESIGNATING ONE FERSON TO RECEIVE HOPICES PACE THE STATE ON BURALF OF ALL THE NAMED PERMITTEES AND TO HAVE FULL AUTHORITY TO ACT FOR AND ON BEHALF OF THE PERMITTEES. THE FORM OF PERMIT, INCLUDING THE ROYALTY SCHEDULE TO BE USED, IS THE FORM APPROVED BY THE STATE LANDS COMMISSION ON MARCH 31, 1966, AND SHALL INCLUDE THE CONDITIONS CONTAINED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF. THE ROYALTY SCHEDULE SHALL ALSO PROVIDE THAT UPON ALL CARBON DIOXIDE AND OTHER NONHYDROCARBON GASES EXTRACTED AND SAVED UNDER THIS LEASE A PAYMENT OF 16-2/3% OF THE CURRENT MARKET PRICE AT THE WELL AND OF ANY PREMIUM OR BONUS PAID ON ALL NONHYDROCARBON PRO-DUCTION PRODUCED OR SOLD FROM THE LEASED LANDS SHALL BE PAID TO THE STATE.

Attachment Calendar Item 4 (4 pages) 4.

APPLICATION FOR PROSPECTING PERMIT FOR GEOTBERMAL ENERGY, SONOMA COUNTY; CEASER GIANNECCHINI, ET AL. - W.O. 5517.

This item originally appeared on the January 26, 1966, agenda, but the Commission acted to defer the item at the request of the Senate Fact Finding Committee on Natural Resources. Further deferment was rescinded on March 1, 1966.

An application has been received from Ceaser Giannecchini, et al., for a permit to prospect for geothermal energy, for all mineral products, metallic and non metallic solid and liquid, and for mineral waters including but not limited to mineral steam, on the formula more or less of lands in Sections for all hands in Sections for all hands in Sections for the area is owned by the applicants.

The Department of Fish and Game and the Water Pollution Control Board have requested that certain provisions be included in the prospecting permit form. The substantive content of these requests has been met.

Section 6891 of the Public Resources Code provides for the issuance to a qualified applicant of a prospecting permit for lands which are now known mineral lands.

The Geysers steam field is located one-quarter mile south of the proposed permit area, the Little Geysers steam field is four miles southeast, and the Subphur Bank steam field is located one mile southwest of the property.

The applicants propose to "...drill for, produce, extract, take and remove natural steam from the land and develop steam power therefrom for conversion into electrical power or for processing to obtain by-products therefrom.

The applicants propose to perform the exploratory work by engaging one of the companies currently involved in steam-exploration work to Irill a well on the property.

A field reconnaissance of the area has established that the land sought is not known to contain commercially valuable deposits of minerals.

The statutory filing fee of \$5 and the permit fee of \$418.57 have been paid.

The office of the Attorney General has advised that the permit complies with the applicable provisions of law and the Rules and Regulations of the Commission.

IT IS RECOMMENDED THAT, PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION FIND THAT THE LANDS DESCRIBED BELOW ARE NOT KNOWN MINERAL LANDS, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE TO CEASER GIANNECCHINI, ALBERT E. OTTOBONI, ANTONIO OTTOBINO, LOUIS OTTOBONI, DAVID FERRARI, ELMER FERRARI, PETER MAZZANTI, JOHN GIAMPAOLI, ILVA FILIPPI GIAMPAOLI,

CALENDAR ITEM 4. (CONTD.)

IONE GIOVANNETTI OTTOBONI PELLEGRINI, PATRICIA IONE OTTOBONI, JAMES BARTHOLOMEW OTTOBONI, AND LOUISE CAROLYN OFTOBONI A TWO-YEAR PERMIT AUTHORIZING PROSPECTING FOR GEOTHERMAL ENERGY, FOR MINERAL WATERS, FOR NONHYDROCARBON GASES, AND FOR ALL MINERALS OTHER THAN OIL AND GAS LN 418.57 ACRES OF LIEU LAND IN SONOMA COUNTY, AS DESCRIBED IN EXHIBIT "B" ATTACHED. THE APPLICANTS, PRIOR TO THE EXECUTION OF THE PERMIT, SHALL SUBMIT AN AUTHORIZATION SIGNED BY ALL THE PERMITTEES, DESIGNATING ONE PERSON TO RECEIVE NOTICES FROM THE STATE ON BEHALF OF ALL THE NAMED PERMITTEES AND TO HAVE FULL AUTHORITY TO ACT FOR AND ON BEHALF OF THE PERMITTEES. THE FORM OR PERMIT, INCLUDING THE ROYALTY SCHEDULE TO BE USED, IS THE FORM APPROVED BY THE STATE LANDS COMMISSION ON MARCH 31, 1966, AND SHALL INCLUDE THE CONDITIONS CONTAINED IN EXETBIT "A" ATTACHED AND HEREBY MADE A FARE HEREOF. THE ROYALTY SCHEDULE SMALL ALSO PROVIDE THAT UPON ALL CARBON DIOXIDE AND OTHER NONHYDROCARBON GASES EXTRACTED AND SAVED UNDER THIS LEASE A PAYMENT OF 16-2/34 OF THE CURRENT MARKET PRICE AT THE WELL AND OF ANY PREMIUM OR BONUS PAID ON ALL NONHYDROCARBON PRO-DUCTION PRODUCED OR SOLD FROM THE LEASED LANDS SHALL BE PAID TO THE STATE.

Attachments Exhibits "A" and "B"

EXHIBIT "A"

W.O. 5517

- 1. Permittee shall contact the Regional Waver Pollution Control

 Board and submit a report on proposed waste discharge in accord
 ance with Section 13054 of the California Water Code. Permittee

 shall comply with any waste discharge requirements established by

 the Regional Water Pollution Control Board.
- 2. All waste discharges resulting from geothermal operations shall be confined to land and not be permitted to enter State surface waters.
- 3. Any land-displeal operation of said wastes must be conducted in a manner that will not adversely affect wildlife resources. The Permittee shall consult with the Department of Fish and Game prior to and during operations.

EXHIBIT "B"

W.O. 5517

Lots 17 and 24, Section 6, and Lots 4 and 5 of Section 7, Township 11 North, Range 8 West, Mount Diablo Meridian, and Lots 9, 10, 15, 16 (or the fractional southeast quarter), and Lot 14 (or the fractional southeast quarter of the southwest quarter) of fractional Section 1, and Lots 1 and 2 (or the fractional north half of the northeast quarter) of fractional Section 12, Township 11 North, Range 9 West, Mount Diablo Meridian, Sonoma County, State of California.

The above-described land contains approximately 418.57 acres.