

20. PROSPECTING PERMIT TO PROSPECT FOR MINERALS OTHER THAN OIL AND GAS AND GEOTHERMAL RESOURCES, SCHOOL LANDS, SAN BERNARDINO COUNTY; JAMES ARTHUR PARKER - W.W. 6550, P.R.C. 4210.2.

After consideration of Calendar Item 48 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION FINDS THAT SECTION 36, T. 10 N., R. 11 E., S.B.B. & M., CONTAINING 640 ACRES MORE OR LESS IS NOT KNOWN MINERAL LAND, AND AUTHORIZES THE ISSUANCE TO JAMES ARTHUR PARKER OF THE STANDARD FORM OF PROSPECTING PERMIT FOR A TERM OF TWO YEARS TO PROSPECT FOR ALL MINERALS OTHER THAN OIL AND GAS AND GEOTHERMAL RESOURCES IN SAID LAND.

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

$$R = 3.00 + .01 (C - 60.00)^2$$

2. FOR NONPRECIOUS METALLIC MINERALS

$$R = 1.00 + 0.10 (C - 15.00)$$

3. FOR NONMETALLIC MINERALS

$$R = 1.25 + 0.15 (C - 15.00)$$

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,

\$1.00 PER TON OF ORE

3. FOR NONMETALLIC MINERALS,

\$1.25 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.

Attachment

Calendar Item 48 (2 pages)

CALENDAR ITEM

4/69
W.O. 6550

48.

APPLICATION FOR PERMIT TO PROSPECT FOR MINERALS
OTHER THAN OIL AND GAS AND GEOTHERMAL RESOURCES

APPLICANT: James Arthur Parker.

LOCATION: Section 36, T. 10 N., R. 11 E., S.B.B.M.,
San Bernardino County.

TYPE OF LAND: School lands.

ACREAGE: 640 acres.

SURFACE OWNER: State of California.

MINERALS SOUGHT: Aeolian magnetite deposits.

METHOD OF EXPLORATION:
Magnetic separators.

PREREQUISITE ITEMS: 1. The required fees have been submitted.

2. Area inspected for evidence of commercially valuable
deposits of minerals; area remains a prospect.

3. Proposed royalty schedule has been approved by appli-
cant.

4. Application and documents have been approved by the
Office of the Attorney General.

IT IS RECOMMENDED THAT, PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE,
THE COMMISSION FIND THAT SECTION 36, T. 10 N., R. 11 E., S.B.B.& M., CONTAINING
640 ACRES MORE OR LESS IS NOT KNOWN MINERAL LAND, AND AUTHORIZE THE ISSUANCE TO
JAMES ARTHUR PARKER OF THE STANDARD FORM OF PROSPECTING PERMIT FOR A TERM OF
TWO YEARS TO PROSPECT FOR ALL MINERALS OTHER THAN OIL AND GAS AND GEOTHERMAL
RESOURCES IN SAID LAND.

~~ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMER-~~
CIALLY 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

$$R = 3.00 + .01 (C - 60.00)^2$$

2. FOR NONPRECIOUS METALLIC MINERALS

$$R = 1.00 + 0.10 (C - 15.00)$$

CALENDAR ITEM 48. (CONTD.)

3. FOR NONMETALLIC MINERALS

$$R = 1.25 + 0.15 (C - 15.00)$$

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,

\$1.00 PER TON OF ORE

3. FOR NONMETALLIC MINERALS,

\$1.25 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.