

MINUTE ITEM

4/26/73
JFS

16. AWARD OF MINERAL EXTRACTION LEASE, OWENS LAKE, INYO COUNTY; MORRISON AND WEATHERLY CHEMICAL PRODUCTS - W 7205, PRC 4754.1.

After consideration of Calendar Item 14 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE ISSUANCE OF A MINERAL EXTRACTION LEASE TO MORRISON AND WEATHERLY CHEMICAL PRODUCTS, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 4,480 ACRES OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, AT A ROYALTY DETERMINED IN ACCORDANCE WITH THE FORMULA $R = 0.10 (C - 0.04M)$ 1.0 PER TON FOR ALL MINERALS EXTRACTED AND/OR PRODUCED AND/OR SOLD FROM THE PROPOSED LEASE AREA ON OWENS LAKE. THE MINIMUM ROYALTY SHALL BE NINETY CENTS (\$0.90) PER TON, AND THE ANNUAL RENTAL SHALL BE \$2.50 PER ACRE.

Attachment:

Calendar Item 14 (3 pages)

CALENDAR ITEM

4/73
JFS
W 7205

14.

AWARD OF MINERAL EXTRACTION LEASE

APPLICANT: Morrison and Weatherly Chemical Products.
LOCATION: Owens Lake, Inyo County.
DESCRIPTION: See Exhibit "A".
ACREAGE: 4,480.
MINERAL: Trona.
TYPE OF LAND: Sovereign.
BID OPENING DATE: March 29, 1973.
SUCCESSFUL BIDDER: Morrison and Weatherly Chemical Products.
BID: B = 1.0 to be applied to the royalty formula.
R = 0.10 (C - 0.04M) B. The minimum royalty payment to the State shall be \$0.90 per ton for all materials extracted and sold from the proposed lease area on Owens Lake. The minimum extraction shall be 10,000 tons per year.

OTHER PERTINENT INFORMATION:

1. At the Commission meeting of February 22, 1973 (Minute Item 7, pages 111-114), the Commission made a finding that a mineral extraction lease in the area under application will not have a significant detrimental effect (EIR 87).
2. Approved by:
 - a. Office of the Attorney General.
 - b. Staff of the State Lands Division.

EXHIBIT: A. Legal Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ISSUANCE OF A MINERAL EXTRACTION LEASE TO MORRISON AND WEATHERLY CHEMICAL PRODUCTS, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 4,480 ACRES OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED AND BY

CALENDAR ITEM NO. 14 (CONTD)

REFERENCE MADE A PART HEREOF, AT A ROYALTY DETERMINED IN ACCORDANCE WITH THE FORMULA $R = 0.10 (C - 0.04M) 1.0$ PER TON FOR ALL MINERALS EXTRACTED AND/OR PRODUCED AND/OR SOLD FROM THE PROPOSED LEASE AREA ON OWENS LAKE. THE MINIMUM ROYALTY SHALL BE NINETY CENTS (\$0.90) PER TON, AND THE ANNUAL RENTAL SHALL BE \$2.50 PER ACRE.

Attachment: Exhibit "A"

EXHIBIT "A"

W 7205

Sections 13, 14, 15, 23, 24, 25, the north half of Section 22 and east half of Section 26, all in T 17 S, R 37 E, MDM, Inyo County, comprising 4,480 acres.