

MINUTE ITEM

11/21/74  
JFS

29. APPROVAL OF AUTHORIZATION TO OFFER MINERAL EXTRACTION LEASE, TIDE AND SUBMERGED LAND IN OWENS LAKE, INYO COUNTY; MORRISON AND WEATHERLY CHEMICAL PRODUCTS - W 9514.

After consideration of Calendar Item 29 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. DETERMINES THAT A FINAL ENVIRONMENTAL IMPACT REPORT HAS BEEN PREPARED FOR THIS PROJECT BY THE DIVISION FOLLOWING EVALUATION OF COMMENTS AND CONSULTATION WITH PUBLIC AGENCIES WHICH WILL ISSUE APPROVALS FOR THE PROJECT.
2. CERTIFIES THAT THE FINAL ENVIRONMENTAL IMPACT REPORT (EIR NO. 162) HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINES THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZES THE OFFERING FOR LEASE, PURSUANT TO COMPETITIVE PUBLIC BIDDING OF THE AREA OF LAND IN THE BED OF OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, AT AN ANNUAL RENTAL OF \$2.50 PER ACRE AND AT A MINIMUM ROYALTY OF \$0.90 PER TON OF ALL MINERALS EXTRACTED AND/OR PRODUCED AND/OR SOLD FROM THE PROPOSED LEASE AREA ON OWENS LAKE.

ROYALTY PAYMENT UNDER THE LEASE WILL BE IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

$$R = 0.10 (C - 0.04 M)B$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER TON OF MATERIAL EXTRACTED AND/OR PRODUCED AND/OR SOLD

C = WEIGHTED AVERAGE GROSS SALES PRICE PER TON DETERMINED BY ACTUAL GROSS VALUE OF THE MATERIAL SOLD ON A MONTHLY BASIS

M = ONE WAY MILES FROM THE LEASE PREMISES TO THE POINT OF SALES

B = BID FACTOR (EXPRESSED AS 1.0, 1.1, 1.2, ETC., AND IN NO EVENT LESS THAN 1.0)

MINIMUM ROYALTY SHALL BE \$0.90 PER TON.

Attachment:

Calendar Item 29 (3 pages)

CALENDAR ITEM

11/74  
JFS  
W 9514

29.

AUTHORIZATION TO OFFER  
MINERAL EXTRACTION LEASE

APPLICANT: Morrison and Weatherly Chemical Products.

AREA, TYPE LAND AND LOCATION:

Approximately 4,120 acres of tide and submerged land in Owens Lake, Inyo County.

MINERAL: Trona deposited as a thin crust of sodium sesquicarbonate.

OTHER PERTINENT INFORMATION:

1. Pursuant to Division 13 of the Public Resources Code, Environmental Impact Report No. 162 has been prepared by the State Lands Division, which is on file in the office of the Commission and by reference made a part hereof and is available for public review. The report concludes that the proposed mineral extraction lease would not have a significant detrimental environmental effect.
2. All interested agencies and persons have reviewed the environmental impact report and have indicated that they have no objections to the proposed lease.
3. The Office of the Attorney General has reviewed and approved the proposed bid-lease form for compliance with applicable provisions of the law and the rules and regulations of the Commission.

EXHIBITS: A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT A FINAL ENVIRONMENTAL IMPACT REPORT HAS BEEN PREPARED FOR THIS PROJECT BY THE DIVISION FOLLOWING EVALUATION OF COMMENTS AND CONSULTATION WITH PUBLIC AGENCIES WHICH WILL ISSUE APPROVALS FOR THE PROJECT.
2. CERTIFY THAT THE FINAL ENVIRONMENTAL IMPACT REPORT (ETR NO. 162) HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

CALENDAR ITEM NO. 29. (CONTD)

4. AUTHORIZE THE OFFERING FOR LEASE, PURSUANT TO COMPETITIVE PUBLIC BIDDING OF THE AREA OF LAND IN THE BED OF OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, AT AN ANNUAL RENTAL OF \$2.50 PER ACRE AND AT A MINIMUM ROYALTY OF \$0.90 PER TON OF ALL MINERALS EXTRACTED AND/OR PRODUCED AND/OR SOLD FROM THE PROPOSED LEASE AREA ON OWENS LAKE.

ROYALTY PAYMENT UNDER THE LEASE WILL BE IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

$$R = 0.10 (C - 0.04 M)B$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER TON OF MATERIAL EXTRACTED AND/OR PRODUCED AND/OR SOLD

C = WEIGHTED AVERAGE GROSS SALES PRICE PER TON DETERMINED BY ACTUAL GROSS VALUE OF THE MATERIAL SOLD ON A MONTHLY BASIS

M = ONE WAY MILES FROM THE LEASE PREMISES TO THE POINT OF SALES

B = BID FACTOR (EXPRESSED AS 1.0, 1.1, 1.2, ETC., AND IN NO EVENT LESS THAN 1.0)

MINIMUM ROYALTY SHALL BE \$0.90 PER TON.

Attachment: Exhibit "A"

EXHIBIT "A"

W 9514

NE $\frac{1}{4}$  NW $\frac{1}{4}$ , NW $\frac{1}{4}$  NE $\frac{1}{4}$ , W $\frac{1}{2}$  W $\frac{1}{2}$ , Section 36, T 17 S, R 37 E;  
E $\frac{1}{2}$ , SW $\frac{1}{4}$ , Section 35, T 17 S, R 37 E;  
NE $\frac{1}{4}$  NE $\frac{1}{4}$ , W $\frac{1}{2}$  NE $\frac{1}{4}$ , NW $\frac{1}{4}$ , SW $\frac{1}{4}$  SW $\frac{1}{4}$ , Section 2, T 18 S, R 37 E;  
E $\frac{1}{2}$ , SW $\frac{1}{4}$ , Section 3, T 18 S, R 37 E;  
N $\frac{1}{2}$ , SW $\frac{1}{4}$ , Section 10, T 18 S, R 37 E;  
All of Sections 8 and 9, T 18 S, R 37 E;  
N $\frac{1}{2}$ , Section 17, T 18 S, R 37 E;  
N $\frac{1}{2}$ , Section 16, T 18 S, R 37 E;  
NW $\frac{1}{4}$ , Section 15, T 18 S, R 37 E;

Approximately 4,120 acres, all in Inyo County, MDM.

EXCEPTING THEREFROM the following portions of Sections 8, 9 and 17, T 18 S, R 37 E, that comprise the greater portion of PRC 2967:

Situated in the County of Inyo, State of California, parcels of land 100 feet wide, 50 feet on each side of the following described centerlines:

PARCEL 1:

BEGINNING at the southeast corner of the northeast quarter of the southeast quarter of Section 5, T 18 S, R 37 E, MDM, and running thence S 33° 07' E, a distance of 5,000 feet.

PARCEL 2:

BEGINNING at a point which bears S 33° 07' E, 500 feet and S 26° 32' W, 57.94 feet from the southeast corner of the northeast quarter of the southeast quarter of Section 5, T 18 S, R 37 E, MDM, and running thence S 26° 32' W, a distance of 6,942.06 feet.

PARCEL 3:

BEGINNING at a point which bears S 33° 07' E, 3,400 feet and S 26° 32' W, 57.94 feet from the southeast corner of the northeast quarter of the southeast quarter of Section 5, T 18 S, R 37 E, MDM, and running thence S 26° 32' W, a distance of 6,942.06 feet.

The total length of the above described centerlines is 18,884.12 feet. The total area of lands defined is 43.35 acres, more or less.

END OF DESCRIPTION.