MINUTE ITEM

This Calendar Item No._____ was approved as Minute Item No. _____ by the State Lands Commission by a vote of to 0 at its .5 37.76 meeting.

CALENDAR ITEM C13

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QUITCLAIM OF PERMITS TO PROSPECT FOR GEOTHERMAL RESOURCES PRC 4700 AND PRC 4701, IMPERIAL COUNTY

PERMITTEE:

Atlantic Oil Company 523 West Sixth Street Los Angeles, California 90014 PRC 4700 - Wister Waterfowl Management Area.

LOCATIONS:

PRC 4701 - Wister Waterfowl Management Area.

PRC 4700 - 1854 Acres more or less. ACREAGE:

PRC 4701 - 2039 Acres more or less.

DATE OF ISSUANCE:

August 31, 1972.

REASON FOR QUITCLAIM:

Atlantic Oil Company's prospecting permits expired on August 30, 1975. On February 18, 1976, they submitted a quitclaim.

OTHER PERTINENT INFORMATION:

Atlantic Oil Company holds the permits as agent for Southern Pacific Land Company. The permits were issued for a primary term of 3 years and expired August 30, 1975.

A status report was submitted on January 14, 1974. As of that date, no work had been conducted on the permitted lands. Surface entry is restricted by the Department of Fish and Game and evaluation of nearby geothermal projects was considered to satisfy the work requirements of the permit. Southern Pacific Land Company conducted research on the brines produced from the Sinclair No. 4 Well. As of November 30, 1973, the company had expended \$255,000 exclusive of land costs and in-house expenses. Reports covering exploratory work and research connected with the permits have been submitted to this office.

Since Atlantic Oil Company does not propose to conduct work that will determine the character of resources beneath the permitted lands within the term of a 2-year extension, they have decided to terminate the permits by submitting a quitclaim. Staff inspection of

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CALHNDAR ITEM NO. C13(CONTD)

the site reveals that no work has been done by Atlantic Oil Company and that the site is in the same condition it was in before the issuance of the prospecting permit.

PREREQUISITE TERMS:

A. Quitclaims submitted by permittee, dated February 18, 1976.

B. Compliance with terms and conditions of permits through August 30, 1975.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ACCEPTANCE OF QUITCLAIMS TO TERMINATE PERMITS TO PROSPECT FOR GEOTHERMAL RESOURCES PRC 4700 AND PRC 4701, IMPERIAL COUNTY, EFFECTIVE AUGUST 30, 1975; IN ACCORDANCE WITH SECTION 29 OF THE PERMITS, AS REQUESTED BY THE PERMITTEE, ATLANTIC OIL COMPANY.