

MINUTE ITEM

This Calendar Item No. C16
was approved as Minute Item
No. 16 by the State Lands
Commission by a vote of 3
to 0 at its 5/26/77
meeting.

CALENDAR ITEM

C16.

5/77
WP 3511
SA
PRC 3511

AMENDMENT TO COMMISSION ACTION

BACKGROUND:

On July 22, 1976, the Commission authorized a 10-year renewal of a lease for the continued maintenance of a right of way for a road and drainage ditches, in the bed of Owens Lake, to Morrison and Weatherly Chemical Products. The lease provided for an annual rental of \$400, a \$2,000 surety bond, and public liability insurance of \$1,000,000.

At this same meeting the Commission also authorized a sublease from Morrison and Weatherly to Lake Minerals Corporation of this lease.

CURRENT SITUATION:

The Division has been notified by the sublessee, Lake Minerals Corporation, that they are experiencing difficulty in obtaining the \$2,000 bond that was requested. It is the recommendation of the Division staff that the bond be waived in that this lease authorizes only a road and drainage ditches. There will be no improvements to be removed in the event the lease terminates.

EXHIBITS: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AMEND ITS APPROVAL OF A 10 YEAR RENEWAL FOR A LEASE ALLOWING THE CONTINUED MAINTENANCE OF A RIGHT OF WAY FOR ROAD AND DRAINAGE DITCHES TO MORRISON AND WEATHERLY CHEMICAL PRODUCTS AND THEIR SUBLESSEE LAKE MINERALS CORPORATION, DELETING THE REQUIREMENT FOR A \$2,000 SURETY BOND; Inyo County.