

MINUTE ITEM

This Calendar Item No. 14
was approved as Minute Item
No. 14 by the Lands
Commission by a vote of 2 MINUTE ITEM
to 0 at its 11/30/77
meeting.

11/30/77
CP

14. PERMIT TO PROSPECT FOR GEOTHERMAL RESOURCES; GEOTHERMAL
KINETICS, INC.; BOGGS MOUNTAIN STATE FOREST, LAKE COUNTY; W 6893;
PRC 5412.

During consideration of Calendar Item 14 attached, Mr. R. S.
Golden, Assistant Executive Officer, read a statement into the
record, attached as Exhibit 1. Commission-alternate Carl D'Agostino
asked the staff if there were any other objections to this proposed
permit that have not been answered to date. Mr. Robert C. Hight,
Chief Counsel, stated that all objections have been answered.

Upon motion duly made and carried, the resolution as presented
in Calendar Item 14 was approved as presented by a vote of 2-0.

Attachments:
Exhibit 1
Calendar Item 14 (4 pages)

CALENDAR ITEM

14.

11/77
W 6893
Priddy
PRC 5412

PERMIT TO PROSPECT FOR GEOTHERMAL RESOURCES

APPLICANT: Geothermal Kinetics, Inc.
501 West Indian School Road
Phoenix, Arizona 85013

LOCATION: Boggs Mountain State Forest, Lake County.

SURFACE OWNER: California Department of Forestry

PREREQUISITE ITEMS:

- A. Statutory filing fees, permit fees, and expense deposits have been submitted by the applicant.
- B. The State Forest area has not been classified as known geothermal resources land.
- C. Department of Forestry has agreed to exploration for geothermal resources on the State Forest subject to the conditions contained in Exhibit "C" on file with the office of the State Lands Commission, in accordance with Sec. 6924 of the Public Resources Code, and has adopted rules and regulations for exploration and development of geothermal resources within a State Forest.

OTHER PERTINENT INFORMATION:

Applications for permits to prospect for geothermal resources in the State forest area were originally submitted by Geothermal Electric Corporation which later assigned its interest in applications to Geothermal Kinetics, Inc., the present applicant.

The applicant proposes to conduct exploratory work adjacent to or in the permit area, to determine if geothermal resources occur beneath State land. Such exploratory work may include geological, geochemical and geophysical work as well as the drilling

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of exploratory wells. The permit will state that the permittee is limited to two wells within the confined permit area and to the use of one drilling rig.

Commercial geothermal wells have been drilled within approximately three miles of the parcel and the area is considered to have geothermal potential, but the permit area is still regarded as a wildcat prospect. After reviewing available data, it is the staff's opinion that the parcel cannot be classified as being within a known geothermal resources area; therefore, a prospecting permit should be issued.

The permit form has been approved by the Office of the Attorney General as to compliance with the applicable provisions of law and the rules and regulations of the Commission.

ENVIRONMENTAL IMPACT:

A draft E.I.R. on the project was prepared and circulated to all interested parties. A joint public hearing on the draft E.I.R. was held by the State Lands Commission at the Lake County Planning Commission, in Lakeport at the Lake County Courthouse on January 13, 1977.

Pursuant to Division 13 of the Public Resources Code, Environmental Impact Report No. 215, has been prepared by the Division and is on file in the office of the State Lands Commission, available for public review. Upon discovery of geothermal resources, the preferential right to convert the permit into a geothermal lease will be subject to an additional environmental impact report covering proposed commercial operations.

EXHIBITS:

- A. Property Description.
- B. Location Map.
- C. Department of Forestry Conditions.
- D. E.I.R. Executive Summary.
- E. Mitigation Measures

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.

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2. CERTIFY THAT THE FINAL ENVIRONMENTAL IMPACT REPORT (E.I.R. 215) 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.
4. AUTHORIZE THE ISSUANCE OF A PERMIT TO GEOTHERMAL KINETICS, INC. TO PROSPECT FOR GEOTHERMAL RESOURCES IN BOGGS MOUNTAIN STATE FOREST, FOR THAT AREA DESCRIBED IN EXHIBIT "A", ATTACHED, AND BY REFERENCE MADE A PART HEREOF.
5. UTILIZE THE FORM OF PERMIT ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF.

Attachment: Exhibit "A"

EXHIBIT "A"

W 6293

Those parcels of land (containing 1784.90 acres more or less) within
Boggs Mountain State Forest described as follows:

T11N, R7W, MDM

Section 6) Lot 2, 3, 6; SE 1/4 of SE 1/4;
W 1/2 of SE 1/4 and E 1/2 of SW 1/4

Section 7) All

Section 18) Lots 1, 2, 3; N 1/2 of NE 1/4;
E 1/2 of NW 1/4

T11N, R8W, MDM

Section 1) S 1/2 of SE 1/4

Section 12) E 1/2

Section 13) NE 1/4

END OF DESCRIPTION

Prepared Jan Checked John W. Spring
Reviewed Edward T. Lang Date 10/14/77