

MINUTE ITEM

This Calendar Item No. 31.  
 was approved as Minute Item  
 No. 31 by the State Lands  
 Commission by a vote of 3  
 to 0 at its 1-24-80  
 meeting.

CALENDAR ITEM  
 31.

1/80  
 PRC 4754.1  
 PRC 4996.1  
 PRC 2967.1  
 PRC 3511.1  
 PRC 2976.1  
 Smith

REQUEST FOR APPROVAL OF LEASE ASSIGNMENTS

LEASES:                    Extractive - PRC's 4754.1, 4996.1 and 2967.1  
                               Use Permit and Right-of-Way - PRC's 2976.1  
                               and 3511.1

LESSEE/ASSIGNOR:        Morrison & Weatherly Chemical Products

ASSIGNEE:                Lake Minerals Corporation

AREA, TYPE LAND AND LOCATION:  
                               Approximately 16,293 acres in all, situated  
                               on the bed of Owens Lake, Inyo County,  
                               and more particularly described in Exhibit "A".

LAND USE:                Mineral Extraction Program; production  
                               of trona.

TERMS OF PRESENT LEASE:  
 PRC 4754.1                Initial Period:     5 years from April 20,  
   1973, with two 5 year  
   renewal options, on conditions  
   as specified in said  
   lease.

PRC 4996.1                Initial Period:     5 years from February 20,  
   1975, on conditions as  
   specified in said lease.

PRC 2967.1                Initial Period:     20 years from December 6,  
   1962, with one 10-year  
   renewal option, on conditions  
   as specified in said  
   lease.

A    34  
 S    16

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CALENDAR ITEM NO. 31. (CONTD)

PRC 3511.1      Initial Period:    10 years from July 12, 1966, with three 10-year renewal options and one 9-year renewal option, on conditions as specified in said lease.

PRC 2976.1      Initial Period:    15 years from January 24, 1963, with three 10-year renewals on conditions as specified on said lease.

CONSIDERATION:    None.

- PREREQUISITES:
1. Assignment documents, executed by Lake Minerals Corporation as assignee, and Morrison & Weatherly Chemical Products, as assignor, have been received.
  2. Lease performance and payments are current.
  3. The statutory filing fee and expense deposit have been submitted.

OTHER PERTINENT INFORMATION:

1. Lake Minerals Corporation, presently the sublessee of these five (5) leases, operated the subject leases since the subletting was approved by the State Lands Commission in July, 1976, producing rentals and royalties to the State averaging between \$90,000 and \$130,000 per year. Projected revenue to the State for Fiscal Year 1980-81 is \$185,000.
2. The terms of the assignments provide that the assignor Morrison and Weatherly, will remain fully liable to the State for all covenants and conditions in each respective lease, the fact of of the assignment not withstanding.

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

CALENDAR ITEM NO. 31. (CONTD.)

IT IS RECOMMENDED THAT THE COMMISSION APPROVES THE ASSIGNMENT BY MORRISON & WEATHERLY CHEMICAL PRODUCTS, AS ASSIGNOR, OR MINERAL EXTRACTION LEASES PRC'S 4754.1, 4996.1, 2987.1, USE PERMIT PRC 2976.1, AND RIGHT-OF-WAY LEASE PRC 3511.1, TO LAKE MINERALS CORPORATION AS ASSIGNEE, SUCH ASSIGNMENT TO BE EFFECTIVE FROM AND AFTER JANUARY 24, 1980. ALL OTHER TERMS AND CONDITIONS AND REQUIREMENTS OF THE LEASES ARE TO REMAIN UNCHANGED.

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C1s2

EXHIBIT "A"

PRC 2967.1

Parcel No. 1

Beginning at the S.E. corner of the N.E. Quarter of the S.E. Quarter of Section 5, T. 18 S., R. 37 E., M.D.M., and running thence S.  $33^{\circ} 07'$  E., a distance of 5,000 feet.

Parcel No. 2

Beginning at a point which bears S.  $33^{\circ} 07'$  E., 500 feet and S.  $26^{\circ} 32'$  W., 57.94 feet from the S.E. corner of the N.E. Quarter of the S.E. Quarter of Section 5, T. 18 S., R. 37 E., M.D.M., and running thence S.  $26^{\circ} 32'$  W., a distance of 6,942.06 feet.

Parcel No. 3

Beginning at a point which bears S.  $33^{\circ} 07'$  E., 3,400 feet and S.  $26^{\circ} 32'$  W., 57.94 feet from the S.E. corner of the N.E. Quarter of the S.E. Quarter of Section 5, T. 18 S., R. 37 E., M.D.M., and running thence S.  $26^{\circ} 32'$  W., a distance of 6,942.06 feet.

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

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PRC 4754.1

Sections 13, 14, 23, 24, 25, the N $\frac{1}{2}$  of Section 22 and E $\frac{1}{2}$  Section 26 in all in T. 17 S., R. 37 E., M.D.B.M., Inyo County, containing approximately 4480 acres.

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PRC 4996.1

ALL M.D.B.M.

- (1) NE $\frac{1}{2}$  NW $\frac{1}{2}$  & NW $\frac{1}{2}$  NE $\frac{1}{2}$  & W $\frac{1}{2}$  W $\frac{1}{2}$  - Sec. 36, T. 17 S., R. 37 E.
- (2) E $\frac{1}{2}$  & SW $\frac{1}{2}$  - Sec. 35, T. 17 S., R. 37 E.
- (3) NE $\frac{1}{2}$  NE $\frac{1}{2}$  & W $\frac{1}{2}$  NE $\frac{1}{2}$  & NW $\frac{1}{2}$  & W $\frac{1}{2}$  SW $\frac{1}{2}$  - Sec. 2, T. 18 S.,  
R. 37 E.
- (4) E $\frac{1}{2}$  & SW $\frac{1}{2}$  - Sec. 3, T. 18 S., R. 37 E.
- (5) N $\frac{1}{2}$  & SW $\frac{1}{2}$  - Sec. 10, T. 18 S., R. 37 E.
- (6) All Sec. 9, T. 18 S., R. 37 E.
- (7) All Sec. 8, T. 18 S., R. 37 E.
- (8) N $\frac{1}{2}$  - Sec. 17, T. 18 S., R. 37 E.
- (9) W $\frac{1}{2}$  - Sec. 16, T. 18 S., R. 37 E.
- (10) NW $\frac{1}{2}$  - Sec. 15, T. 18 S., R. 37 E.

Some 4120 acres.

Excepting therefrom the following portions of Sections  
8, 9, 17, T. 18 S. R. 37 E. that comprise the greater portion  
of PRC 2967.

PRC 2976.1

Parcel "A"

A strip of land 100 feet in width, situate in the bed of Owens Lake, Inyo County, the centerline being described as follows:

Beginning at the meander corner between Sections 24 and 25, T. 18 S., R. 36 E., M.D.M., thence northeasterly along the meander line 1103.06 feet to the true point of beginning of the herein-described centerline; thence N.  $46^{\circ} 08' 48''$  E., 6157.05 feet to a point on the south line of Section 18, T. 18 S., R. 37 E., M.D.M., 50 feet easterly of the southwest corner of the southeast quarter of the southeast quarter of said section; thence N.  $0^{\circ} 15' E.$ , 5280 feet to the north line of Section 18; thence continuing N.  $0^{\circ} 46' E.$ , 50 feet; thence parallel to the north line of Section 18, N.  $89^{\circ} 14' West$ , 150.21 feet; thence N.  $7^{\circ} 25' E.$ , 3941.66 feet; thence N.  $5^{\circ} 17'' E.$ , 1200.5 feet; thence N.  $8^{\circ} 20'' E.$ , 2200 feet; thence N.  $51^{\circ} 36' 05'' E.$ , 811.89 feet to the westerly line of Section 5 of said township, distant 64.49 feet southerly from the west quarter corner of said section, containing 45.4 acres more or less. Two parcels of land situated in the bed of Owens Lake, Inyo County, California, described as follows:

Parcel "B"

Commencing at the U. S. meander corner common to fractional Sections 7 and 18, T. 18 S., R. 37 E., M.D.M.; thence S.  $89^{\circ} 14' E.$ , 700 feet along the projected section line of Sections 7 and 18, T. 18 S., R. 37 E., M.D.M.; thence S.  $0^{\circ} 15' W.$ , 1000 feet; thence N.  $89^{\circ} 14' W.$ , 700 feet to a point on the meander line; thence N.  $0^{\circ} 15' E.$ , 1000 feet along the meander line to the point of beginning and containing 16.07 acres more or less.

Parcel "C"

The northern half of the southern half of Section 5, T. 18 S., R. 37 E., M.D.M., containing 160 acres more or less.

PRC 3511.1

A STRIP OF LAND 100 FEET WIDE IN THE BED OF OWENS LAKE,  
INYO COUNTY, CALIFORNIA; LYING 50 FEET ON EACH SIDE OF  
THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT A POINT ON THE NORTH BOUNDARY LINE OF PROJECTED  
SECTION 16, T. 17 S., R. 38 E., M.D.B.&M., WHICH IS DISTANT  
EASTERLY ALONG THE SECTION LINE 406 FEET FROM THE NORTHWEST  
CORNER OF SAID SECTION 16; THENCE SOUTHWESTERLY APPROXIMATELY  
10,340 FEET TO A POINT WHICH IS 3,165 FEET EAST AND 400  
FEET NORTH OF THE SOUTHWEST CORNER OF PROJECTED SECTION  
18 IN THE ABOVEMENTIONED TOWNSHIP AND RANGE; THENCE SOUTHERLY  
11,394 FEET MORE OR LESS TO A POINT ON THE NORTH BOUNDARY  
LINE OF PROJECTED SECTION 31 OF THE ABOVEMENTIONED TOWNSHIP  
AND RANGE WHICH IS DISTANT EASTERLY ALONG THE SECTION LINE  
1,477 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 31;  
CONTAINING 49.89 ACRES MORE OR LESS.

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# EXHIBIT "B"

Request for Assignment of Leases  
PRC 4754.1, 4996.1, 2967.1, 2976.1,  
3511.1 from Morrison & Weatherly

Assignor, to Lake Minerals Corp.  
Assignee,

By L.M.C.

January 1980

