MINUTE ITEM

This Calandar Item No. 1.4

was approved as Minute Item
No. 14 by the State Lands
Commission by a yote of
to 0 at its 11/29/80
meeting.

CALENDAR ITEM

14

14/29/82 PKC 5906 Gonzalez

APPROVAL OF EXTENSION OF PERMIT TO PROSPECT FOR MINERALS OTHER THAN OIL AND GAS AND GEOTHERMAL RESOURCES, SAN BERNARDINO COUNTY

PERMITTEE:

Duval Corporation 4715 E. Fort Lowell Road Tucson, Arizona 85712

AREA, TYPE LAND AND LOCATION:

Approximately 269 acres of patented State school land comprising the SEX NWX, SZ NEX and SWX Section 36, T8N, R5E, SBB&M, San Bernardino County. Parcel is south of Highway 40 between the towns of Newberry Springs and Ludlow, approximately 38 miles east of Barstow and 42 miles west of Amboy. The State retained 100 percent of the minerals.

MINERALS:

Primarily borate minerals, as well as all other minerals other than oil, gas and geothermal resources.

TERMS OF EXTENSION:

November 1, 1982 to October 31, 1983.

PREREQUISITE ITEMS:

Application submitted by applicant:

Statutory fees have been submitted by applicant.

AB 884:

N/A.

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OTHER PERTINENT INFORMATION:

- 1. Prospecting Permit PRC 5906.2 was approved by the Commission on September 24, 1980, effective November 1, 1980. The permit granted the permittee an exclusive right for a period of two years to prospect for minerals other than oil and gas and geothermal resources.
- Duval has drilled three exploratory drill holes on the State parcel and has found minor and thin borate mineralization. Drilling on adjacent private and federal lands has revealed the existence of a fairly substantial borate orebody which may be amenable to solution mining. Duval plans to conduct pilot testing on the private and federal lands to study the feasibility of solution mining and recovery of borates. If the studies indicate that this method is economically feasible, the borates present on the state parcel may become producible at a profit through unitization of the orebody. Duval has requested a one-year extension of the prospecting permit during which time the pilot operations may be conducted. No new drilling will take place on the state parcel.
- 3. This project is situated on state land which has not been classified as possessing environmental values.
- 4. Section 6891 of the P.R.C. provides that the Commission may, in its discretion, extend the term of any prospecting permit for a period not to exceed one year.

ENVIRONMENTAL IMPACT:

Pursuant to Section 21C00 of the P.R.C., a Negative Declaration EIR ND No. 269 was prepared for the prospecting permit. The Negative Declaration was circulated and cercified by the Commission on September 24,

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1980, as being in compliance with CEQA. Certification included the determination that the proposed project would not have a significant effect on the environment.

Authority Cited: Section 15060, Title 14, Cal. Adm. Code.

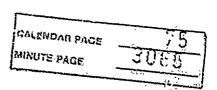
EXHIBITS:

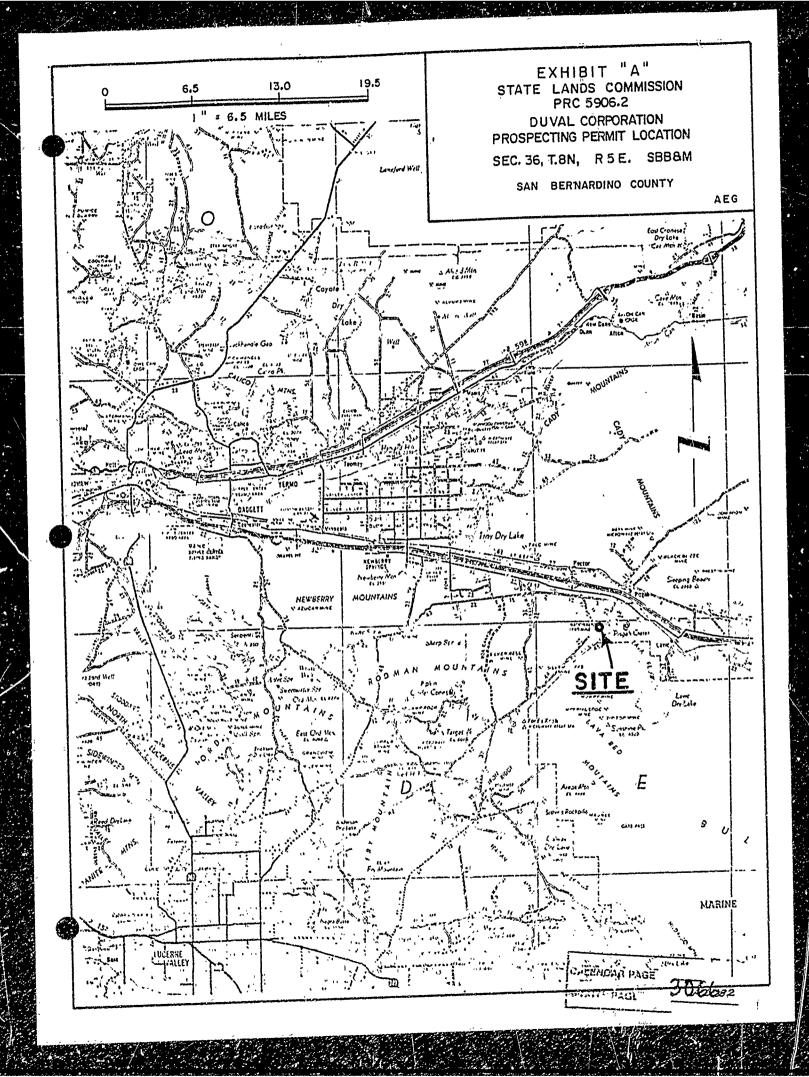
A. Area Map.

B. Parcel Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT NEGATIVE DECLARATION AJ EIR 269 HAS PREVIOUSLY BEEN CIRCULATED AND CERTIFIED BY THE COMMISSION FOR THIS PROJECT IN COMPLIANCE WITH CEQA OF 1970 AS AMENDED AND THE CEQA GUIDELINES.
- 2. PURSUANT TO SECTION 6891 OF THE P.P.C., AUTHORIZE THE EXTENSION THROUGH OCTOBER 31, 1983 OF PROSPECTING PERMIT PRC 5906.2, ISSUED TO DUVAL CORPORATION TO PROSPECT FOR ALL MINERALS OTHER THAN OIL AND GAS AND GEOTHERMAL RESOURCES, ALL TERMS AND CONDITIONS OF THE PERMIT ARE TO REMAIN IN FULL FORCE AND EFFECT.





1" = 1000 '

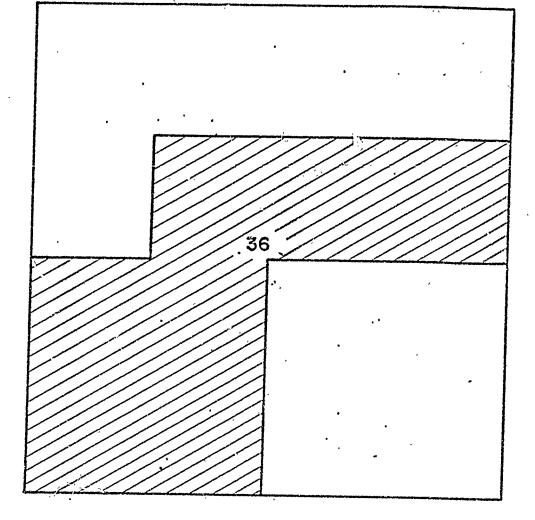


EXHIBIT "B"
STATE LANDS COMMISSION
PRC 5906.2
DUVAL CORPORATION

STATE MINERAL INTEREST PORTION SECTION 36, T.8N., R.5E., S B 8 M

SAN BERNARDING COUNTY

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