MINUTE :TEM
This Calendar Item No. 16 was anproved as Ninute Item No. Commission by a vote of $\frac{2}{2}$ to 0 at its uleile3 meeting.

APPROVAL OF A ONE-YEAR EXTENSION OF A GEOTHERMAL PROSPECTING PERMIT'

APPLICANT: Exploration Engineering, Inc. 2278 Market Street San Francisco, California 94114

Attention: Mr. Larry T. Durkan

11/21/83 PRC 6096 Dorsey

## CALENDAR ITEM

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President

AREA, TYPE OF LAND AND LOCATION:
Approximately 1:670 acres of proprietary land (Department of Developmental Services) at Sonoma State Hospital, Eldridge, Sonoma County.

LAND USE:
Drill from one to $t$ 'ee wells at iocations approved by hospital administratior, to assess geothermal potential of area.

TERMS OF ORIGINAL PERMIT:
Initial period: Two years from December 20 , 1981.

Renewal Options: One period of up to two years.
Surety bond: $\$ 50,000$.
Public liability insurance: Combined sirgle limit coverage of $\$ 500,000$. b.

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Consideration: Rental of $\$ 1$ per acre per annum during first year, $\$ 5$ per acre per annum during the second year, and $\$ 25$ per cicre per annum during any extension. In the event a preferential lease is executed, it will provide for rertal of \$i per acre per annum, and a royalty of ten percent of gross revenues recerved from the sale of geothermal resources, with a minimum royalty of $\$ 2$ per acre per annum.

Special:
Upon discovery of geothermal resources in commercial quantities, permittee wi:ll be entitled to apply for : preferential lease upon notice of intention to exercise this right: subject, however, to the discretion of the Commission and review of environmental documentation pertaining to full field development of the resource.

TERMS OF PROPOSED PEKriít EXTENSION:
Period: One year commencing December 20, 1983. A.ll other terms and conditions of the permit remain in full force and effect.

CONSIDERATION: Rental at the permi.t extension rate of $\$ 25$ per acre and royalties as indicated above in the event a lease is executed.

STATUTORY TERMS, FLES AND EXPENSES:
A. P.R.C.: Div. 6, Part 1 and 2; Div. 13; Div. 20.
B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

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AE 884: N/A.
OTHER PERTINENT INFCRMATION:
On December 17, 1981, the Commission authorized issuance of a geothermal prospecting permit to Larry T. Durkan covering the grounds of Sonoma State Hospital, an area of approximately 1,670 acres near Glen Ellen, Sonoma County. After a series of assignments, the permit is now assigned io Exploration Engineering, Inc.

A well was comnenced in July 1982, and drilled to a depth of about 1,500 feet when it was suspended duc to disagreement hetween the then parties over financing. the assignee now indicates that the dispute has beer settled and he has the promise of adequate funding from another source. As a well was commenced during the primary term of the permit, it is considered extendable, in the Commission's discretion pursuant to P.R.C. 6910, for a period not exceeding two years; provided that the combination of the cerm and extensirn of any prospecting permit shall not exceed a tutal fí four years. Permittee has requested extension for one year.
ENVIRONMENTAL INFORMATION:

1. This activity is exempt from CEQA as it is not a project which may have a significant effect on the environment pursuant to D.R.C. 21065, 14 Cal. Ad'n. Code 15378.
2. At the outset of the proposed project, a Negative Declaration was prepared and circulated by the California Division of Oil and Gas, which Declaration was reviewed and considered by the state Lands Commission at its meeting of December 17, 1981, at which time it was determined that the project would not have a significant effect on the environment. Since adoption of that Negative Declaration, there have been no changes in the project or the environment to indicate any possibility that the project may have a significant effect.


## CALENDAR ITEM NET. 16 (contd)

EXHIBITS: $\quad$ A. Land Description.
IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT CEQA IS NOT APPLICABLE TO THIS ACTION AS IT IS NOT A "PROJECT WHICH MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT", AS DEFINED IN THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND JTS IMPLEMENTING GUIDELINES.
2. AUTHORIZE THE EXTENSION OF GEOTHERNAL PROSPECTING PERMIT PRC 6096 FOR ONE YEAR FROM DECEMBER 20, 1983, TO EXPLORATION ENGINEERING, INC., WITH THE OPTION TO APPLY FOR A PREFERENTIAL LEASE, SUBJECT TO THE COMMISSION'S DISCRETION IF A COMMERCIAI, RESOURCE IS DLSCOVERED. RENTAL DURING THE EXTENSIOM YERIOD SHALL BE $\$ 25$ PER ACRE PER ANNUM. ALL OTHER TERMS AND CONDITIONS OF THE PERMIT SHALL REMAIN IN EFFECT.

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All that certain piece Darcel or tract of land, situat d in the County of. Sonoma, State of Califormis, bounded and described as follows:

Beginning at a stake in a mound of rocks, on the summit of Sonoma Mountain, said mound of rocks heing the same as that mentioned in the deed from P. "onahan Sr. and P. Vonahnn Jr., to Wim. YePherson Siill, dated Sentember 19,1877 and recorded on pare 95 of Bock 51 of deeds in the office of the County Recorder of Sonoma County; thence North $67^{\circ}$ East 79.15 chains to a stake on the \%est line of the land of Patrick Yonahan; thence along the land of said Patrick Nonahan North 190 West $3: 75$ chains; thence :'orth $177^{\circ}$ East 8.40 chains; thence North $27^{\circ}$ West. ${ }^{2} 3$ chains; thence storth $2030^{\circ}$ West 4.20 chains: thence North $24^{\circ} 30^{\prime}$ ' East ${ }^{2} .64$ chains; thence Borth $22^{\circ}$ 30: East ${ }^{2}$. Kis chains; thence South $73^{\circ} 15^{\prime}$ East 2.15 chains: thence South $63^{\circ} 30^{\prime}$ East 4.18 chains; thence South $72^{\circ} 45^{\circ}$ East 2.26 chains; thence South $76^{\circ} 30^{\circ}$ East l. 71 chains to a young fir tree marked with 3 notches and standing in Patrick Monahan's yard; thence South $86^{\circ}$ East 0.48 chains to a corner under Patrick Jonahan's wagon shed from which forner a Madrona tree marked with three notches bears : iorth $32^{\circ}$ East 0.85 chains distant thence North $67^{\circ} 30^{\prime}$ East 36.94 chains; thence South $20^{\circ}$ East 3.37 mains to an old redwood stake marked " $H$ I $L^{\prime}$ " and standing in the sorner of a picket fence; therice North $67^{\circ}$ East 73.56 chains to the middle of Sonoma Creek; therice leandering in the middle of said creek North $25^{\circ} 15^{\prime}$ West 3.73 chains; chence North $42^{\circ} 25^{\prime}$ West 4.77 chains; thence North $68^{\circ} 45^{\circ}$, Wose 1.08 chains; thence North $56^{\circ} 45^{\prime}$ West 2.73 chains, North $42^{\circ} 45$, West 4.25 chains; thence leaving said Sonoma Creak, North $66^{\circ}$ I6' East 59.06 chains to the middle of the public roud leading from Glen Ellen to Sonoma; thence following the meandarings of said Dublic road North $27^{\circ} 45^{\prime}$ West 10.00 chains, North $47^{\circ} 45^{\prime}$ West 3.00 chains: North $22^{\circ} 25^{\prime}$ West If. 00 chains, North $37^{\circ} 45^{\circ}$ West 20.00 chains, North $33^{\circ} 45^{\prime}$ West 15.55 chains to a point in the middle of said mublic road, which is opposite to a rock marked 'N.H.C." olanted in the Westerly edge of said road; thenee North $37^{\circ} \mathrm{L5}$ ' West 25.49 chains to the Northeast corner of the land of F. G. Thierkoff; thence leaving said, public road South $57^{\circ} 45^{\prime}$ West 54.55 chains along the land of said $F$. G. Thierkoff; thence South $13^{\circ} 45^{\circ}$ East 12.00 chains to a stake; thence south $57^{\circ} 45^{\prime}$ West 13.14 chains along the land of said Thierkoff to the middle of Sonoma Creek; thence meandering in the middle of said Sonoma Creck South $7^{\circ}$ 15' West 6.00 chains; thence South $16^{\circ} 15^{\prime}$ West 2.70 chains; thence Sonth $2 n^{\circ} 3 n^{\prime}$ East 10 . On chains; thence South $29^{\circ} 37^{\prime}$ Eest $70^{\prime} .53$ chains; thence leaving said creek South $23^{\circ} 45^{\prime}$ West 17 . Kh chains along the land of $J$. Chavert; thence North in Ashhury chan chains alonr the lard of said J. Chauvet to a stake Canyon to the summit of on followin wour the nearderings of said ashtury bearings and distarces; orn out an, according to the following

 chains, South co $15^{\prime}$ : iest 1.41 chams, fouth 50045 , West hest 2.78



West, D.f.4 chairis, South $54^{\circ}$ West 0.83 chaing, South $47^{\circ} 45^{\prime}$ West 1.26 chaina, South $17^{\circ} 15^{\prime}$ West 1.03 chains, South $16^{\circ} 45^{\prime}$ Wnst, 73 chains, South $21^{\circ} 15^{\prime}$ liest 1.79 chains, South $14^{\circ} 15^{\prime}$ Fast 2.95 chains, South $38^{\circ} 25^{\prime \prime}$ East 2.88 chains, South $52^{\circ}$ East $1 .{\text { Ka chains, South } 74^{\circ} 30^{\prime \prime}}^{\circ}$ East ${ }^{2} .53$ chains, South $44^{\circ} 15^{\prime}$ East 1.20 chains South $38^{\circ} 45^{\circ}$ East 2.00 chains, South $43^{\circ} 25^{\prime}$ East 2.57 Ehairs, South $15^{\circ} 15^{\prime}$ East L.62 chains, South $21^{\circ} 45^{\prime}$ East 2.00 chains, South $50^{\circ} 45^{\prime}$ East 1, 68 chains, South $19^{\circ}$ East 2.13 chains, South $5^{\circ} 1.5^{\prime}$ East. 3.18 chains, South $19^{\circ}$ West 4.48 chains, South $2^{\circ} 15^{\prime}$ East 3.43 chains, South $18^{\circ} 45^{\circ}$ East 17.58 chains, South $38^{\circ} 30^{\prime}$ East 2.57 rhains to an old black jak tree on summit of Sonema Kiountain; thence on said summit, South ?lo East 9.22 chains to a stake in a mound of rocks, the place of berinning, containing one thousaid six hundred and sixty nine and $93 / 100$ ths. (16k9.93) acres. Bearings true, Uagnetic Variation 17-1/40 East as Burveyed by L. E. Ricksecter, Surveyor.
The above description includes Lots No's. $14,26,21,23,24,25,26$ and 28 of Section lio. 15 and Lots No's. 1,2 ard 5 of Section No. 22 in Townshis 6, North of Range Śix West, Mount Diablo Meridian and portione of the Ranchos "Petaluma" and Agua Caliente.
Saving and excepting thercfrom that portion th reof conveyed to Charles J. Pagani, by deed dated January 28, 1948 recorded May 26,1948 under Sonoma County Recorder'a Serial No. C-58235.

END OF DESCRIPTION

REVIEWED NOVEMBER 2, 1981 bY TECHNICAL SERVIC:S UNIT, ROY MINNICK, SUPERVISOR.

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