

# MINUTE ITEM

This Calendar Item No. 23  
was approved as Minute Item  
23 by the State Lands  
Commission by a vote of 3  
to 0 at its 5/7/84  
meeting.

## CALENDAR ITEM

23 4.

05/07/84  
W 3443  
W 21809  
Hamilton  
Small

### REVISION OF INFORMATION LISTS AND CRITERIA FOR DETERMINING THE COMPLETENESS OF APPLICATIONS, EXTRACTIVE DEVELOPMENT OF STATE LANDS

In accordance with Government Code Sections 65920, et seq. (AB 884), the State Lands Commission at its April 27, 1978 meeting adopted application lists and criteria for projects requiring Commission approval. These lists specify in detail the information required from an applicant for a development project (permit, lease or other entitlement for use) on State lands and also indicates the criteria that will be applied for determining the completeness of an application submitted for a development project. The adopted lists and criteria are known as the Commission's General Application Requirements and appropriate items (Forms) from these requirements are currently used by the staff of the Extractive Development Program Division.

Recent changes in various statutes and the need to simplify the permit and leasing process has prompted staff to develop new and revised application lists and criteria. State Administrative Manual (SAM) Section 1082 directs agencies to revise information lists and criteria as needed so as to be current and accurate at all times. The staff has incorporated the statutory changes into relevant parts of the Commission's General Application Requirements package resulting in a revised application form and format entitled: "General Information Regarding Applications for Extractive Development of State Lands" (attached to a five-part application form called) "Application for Lease, Permit or Other Entitlement for Use to Develop Mineral (Geothermal, Oil, Gas or Other Minerals) Resources Contained in State Lands". This proposed new statement and form apply only to extractive projects. The statement describes the general application requirements and procedures for obtaining an extractive development permit or lease and has attached to it an application form for such

permit or lease. The proposed new statement and form have been reviewed by the Leasing Section and Staff Counsel.

In addition to the revision, staff is proposing an increase in the non-refundable processing fee. Currently, the fee for processing routine, uncomplicated transactions, including the initial title review, is \$100. This fee, however, has remained unchanged since December 1972. Because costs of preparing the initial environmental assessment and other services (such as the initial title review, staff time, postage and public notification) have increased, staff is recommending that the current processing fee be increased from \$100 to \$250, to reflect increases in actual costs and services. Staff is recommending that the Commission adopt the revised information lists and criteria that contain the new processing fee, and which are attached hereto as Exhibit "A".

Finally, considerable Commission and staff time and expense has occurred over the years in clearing out incomplete applications. There is a need to establish a procedure whereby the staff, acting pursuant to procedures from the executive office, may cancel incomplete applications and close inactive files. Staff is therefore recommending that the Commission delegate authority and responsibility to the staff to cancel incomplete applications and close inactive files.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code (P.R.C.)  
Sections 6218, 6501.2, 6502 and 21089.
- B. Government Code Section 65942.
- C. Cal. Adm. Code, Title 2, Div. 3, Chap. 1.
- D. State Adm. Manual Section 1080.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

- 1. Staff Counsel has reviewed the revised information lists and criteria (General Information and Application Form) for legal sufficiency and has determined them to be adequate.

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

EXHIBIT: A. Revised Information Lists and Criteria (General Information and Application Form).

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. DETERMINE THAT THE REVISED INFORMATION LISTS AND CRITERIA SHOWN ON EXHIBIT "A" AND ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION ARE CONSISTENT WITH THE PRACTICES, POLICIES AND REQUIREMENTS OF THE COMMISSION.
3. ADOPT THE REVISED INFORMATION LISTS AND CRITERIA (WHICH CONTAINS THE NEW FEE SCHEDULE) SHOWN ON EXHIBIT "A" AND ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION.
4. DELEGATE TO THE EXECUTIVE OFFICER, AND TO SUCH STAFF AS THE EXECUTIVE OFFICER DETERMINES APPROPRIATE, AUTHORITY AND RESPONSIBILITY TO CANCEL INCOMPLETE APPLICATIONS, WITH APPROVAL OR DENIAL OF COMPLETED APPLICATIONS FOR DEVELOPMENT PROJECTS TO REMAIN WITH THE COMMISSION.

## EXHIBIT "A"

### GENERAL INFORMATION REGARDING APPLICATIONS FOR EXTRACTIVE DEVELOPMENT OF STATE LANDS

The State Lands Commission has jurisdiction and control over public lands belonging to the State of California and any mineral interest therein. Generally, these lands include all ungranted tidelands and submerged lands, beds of navigable rivers, streams, lakes, bays, estuaries, inlets and straits, school lands, swamp and overflowed lands, and some proprietary lands. The Extractive Development Program Division of the State Lands Commission administers the development of all mineral (geothermal, oil, gas and other minerals) resources contained in such lands.

All applications to develop lands for mineral (geothermal, oil, gas and other minerals) extraction are subject to an extensive review and analysis by the staff of the Extractive Development Program Division prior to approval or rejection by the State Lands Commission. Each project or activity involving the issuance of a lease, permit or other entitlement for use must be reviewed for compliance with a variety of statutes, rules and regulations and land management policies of the Commission. To list the specifics for every project is not possible due to the many variables involved; however, certain basic factors apply to all transactions. The following outlines the general steps involved in developing State lands for mineral extraction.

#### Land and/or Mineral Ownership

Before offering lands for mineral development, the Title Unit of the State Lands Commission reviews the information in its files and that submitted by the applicant to determine the extent of the State's interest. In cases of complex land and mineral ownership, the applicant may be requested to provide a title report or chain of title guarantee.

#### Leasing Policies and Procedures

Any applicant who meets the qualifications of section 6801 of the Public Resources Code (P.R.C.) and desiring to develop any of the lands owned by the State, or in which the State may have an interest, and which are under the jurisdiction of the Commission, may make application to the Commission. The application shall be accompanied by a filing and processing fee. All prospective applicants should be aware that some lands or portions of land may not be available for mineral development or that certain conditions may be imposed before any development is allowed.

The State Lands Commission manages the State lands for multiple use. Should the State Lands Commission determine

CALENDAR PAGE	127
MINUTE PAGE	844

that the development of the particular resource will not interfere with the purpose for which the lands were acquired or are managed, the applicant will be informed of such determination and any conditions by which it may develop the resource.

#### Statutory Compliance

Any qualified person, firm or corporation desiring to develop any lands owned by the State or under its jurisdiction, may make application to the Commission and shall describe the lands sought to be leased by legal subdivisions or by any other method as the Commission may prescribe. Division 6, Part 2 of the P.R.C. describes in detail the Commission's statutory responsibilities with respect to the leasing of public lands. Such development is briefly described in the attachments for each specific resource category: geothermal, oil and gas, and other minerals.

#### California Environmental Quality Act (CEQA)

The issuance of a lease, permit or other entitlement for use requires legal review for compliance with the California Environmental Quality Act (CEQA). No development project will be approved until compliance with CEQA has been achieved (P.R.C. sections 21000 et seq.). Additionally, if the application involves "Significant Lands" pursuant to P.R.C. 6370 et seq., consistency of the proposed project with the identified values must also be determined through the CEQA process (California Administrative Code (C.A.C.) Title 2, Division 3, Chapter 1, Article 11 and Title 14, Division 6, Chapter 3).

The initial step in reviewing an application is to determine whether the proposed project is exempt from CEQA. Exemptions from CEQA are either statutory or categorically found by the State Lands Commission. Most of these exemptions are listed in Article 10, Chapter 1, Division 3, Title 2, and Articles 18 and 19, Chapter 3, Division 6, Title 14 of the C.A.C.

If a project is not exempt from CEQA, the staff will conduct an Initial Study to determine whether a project may have a significant effect on the environment, unless it is determined that the project will clearly have a significant effect. The Initial Study is circulated for approximately two (2) weeks to all appropriate permitting agencies and interested parties for public review and comment. Based on the responses received, a determination is made as to whether a Negative Declaration or Environmental Impact Report (EIR) is required.

A Negative Declaration is the simpler of the two types of documents and requires less processing time than an EIR. Generally, it consists of the Initial Study accompanied by a determination that the project will not have a significant effect on the environment and may include mitigation measures.

It is circulated for thirty (30) days to appropriate agencies and interested parties. Review by involved State agencies is provided through the State Clearinghouse. If no significant environmental effects are identified, the Commission considers the Negative Declaration together with any comments received, and certifies and approves or disapproves it.

An EIR is required in instances where responses to the Initial Study reflect concern that the proposed project may, or when it has been determined that the project will, have a significant effect on the environment. Usually a third party consultant will be hired by the staff to prepare the EIR. The applicant will be required to cover the costs of the consultant prior to the preparation of the EIR.

Past experience has shown that EIR costs vary considerably, from a low of \$5,000 to an amount exceeding \$100,000. The applicant must deposit an amount specified by the staff within twenty-one (21) days after written notice that an EIR is required. The staff will not solicit requests for proposals from independent consultants until the deposit is provided by the applicant. In addition, if the cost for the preparation of the EIR exceeds the amount deposited, the amount of excess costs must be deposited within fifteen (15) days after written notice is given. (Any unexpended portion of the deposit will be refunded to the applicant after the EIR is determined by the Commission to be adequate.) Should the applicant fail to deposit the requested costs, the application may be canceled without further notice.

In most instances, the preparation of an EIR takes from six (6) to nine (9) months. The Draft EIR is circulated for forty-five (45) days to agencies and individuals concerned about the project. The State Clearinghouse provides for circulation to State agencies. During the 45-day review period, a public hearing may be held. Comments and recommendations received and significant environmental points raised in the review and consultation process are responded to in a Final EIR. This document is then circulated for an additional fifteen (15) days to those agencies and persons who commented on the Draft EIR. After the review period has ended, the Final EIR, including any mitigation measures, is presented to the Commission for certification and approval or disapproval.

#### Time Constraints/Completeness of Application

Most leases, permits or other entitlements for use require approvals from other public agencies. Usually the State Lands Commission is the Lead Agency or the public agency having the principal responsibility for carry out or approving a project when the project occurs solely on State lands.

Where an EIR is prepared, such responsibility requires the Commission to approve or disapprove a development project within one (1) year from the date on which an application requesting approval of the project has been received and accepted as complete by the staff of the Commission. Where a Negative Declaration is prepared or if the project is exempt from CEQA, the development project shall be approved or disapproved within six (6) months from the date on which an application requesting approval has been received and accepted as complete by the staff. An additional time period of up to ninety (90) days may be allowed if mutually agreed to by the staff and the applicant.

Not later than thirty (30) calendar days after the Commission receives an application for a development project, the staff will notify the applicant in writing whether the application is complete. In the event the application is determined not to be complete, the staff will specify what additional information is required. Upon receipt of the additional material, the staff will respond within thirty (30) days as to whether the application is complete. Should the applicant fail to provide a complete application within ninety (90) days after being notified of its incompleteness, the file may be closed and all or part of the fees retained. The adequate completion of Parts I-V of the attached Application Form shall constitute a complete application.

The following are some of the circumstances that may cause the Commission to deny a project:

1. Failure of applicant to furnish requested additional information;
2. Environmental considerations;
3. Failure to meet any statutory requirements;
4. Failure to submit requested fees or deposit for EIR;
5. Failure to conclude negotiations or to execute documents;
6. Under specified circumstances, inability of applicant to meet financial qualifications;
7. Misrepresentation; or
8. The Commission may decide not to grant a lease, permit or other entitlement for use for specific lands at this time.

CALENDAR PAGE	130
MINUTE PAGE	847

### Preparation of Document

As soon as an application is accepted as complete by the staff, the staff will prepare the appropriate document for the proposed transaction. State statutes require that the Commission specify the type of royalty method, the minimum royalty, rental and other document provisions. However, since most transactions are considered on a case-by-case basis, some negotiations may take place between staff and applicant.

### Miscellaneous Information

The following concerns all applications:

An applicant acquires no property interest in State lands until the Commission grants a lease, permit or other entitlement for use.

An application is not transferable; therefore, an agent should not submit an application without disclosing his agency status and the principal's identity, nor should an application be submitted with the later intention of attempting to transfer the application or an interest in an application.

An application should be submitted for each development activity and shall encompass State lands that are contiguous.

The preceding information is an outline of the general requirements and procedures applicable to all extractive development transactions. Prospective applicants wishing to obtain a lease, permit or other entitlement for use should read and complete the attached Application Form and return it together with the data requested to the staff of the Commission for review and processing. Questions involving oil, gas or other minerals transactions should be directed to:

Extractive Development Program  
State Lands Commission  
245 W. Broadway, Suite 425  
Long Beach, CA 90802-4471  
Telephone: (213)-590-5201

Geothermal or dredging transactions should be directed to:

Extractive Development Program  
State Lands Commission  
1807-13th Street  
Sacramento, CA 95814  
Telephone: (916) 322-7777



-INSTRUCTIONS-

APPLICATION FOR LEASE, PERMIT OR OTHER ENTITLEMENT FOR  
USE TO DEVELOP MINERAL (GEOTHERMAL, OIL, GAS OR OTHER  
MINERALS) RESOURCES CONTAINED IN STATE LANDS

Pursuant to section 65940 of the Government Code, the attached Application Form has been developed. The form has been designed to apply to a variety of extractive development transactions and was developed to allow an applicant the opportunity to describe fully its proposed project, and consists of five parts: Part I-General Data; Part II-Project and Environmental Data; Part III-Special Requirements; Part IV-Other Information; and Part V-Certification.

The information sought in the attached Application Form is required from the applicant and the sufficiency of the information provided by the applicant will be the basis by which the staff will determine the completeness of the application as specified by sections 65940 et seq. of the Government Code.

When completing the attached Application Form, please type or print clearly and submit it to the address below. Please answer all questions and write "N.A." where questions do not apply. Applications not submitted on the attached forms are unacceptable and will be returned to the applicant.

In addition, please submit any information believed important in support of the application. All plans or other materials submitted become part of the official file and cannot be returned; however, certain information deemed proprietary by statute will not be made available for public review.

Applications to develop oil, gas or other mineral resources should be submitted to:

Extractive Development Program  
State Lands Commission  
245 W. Broadway, Suite 425  
Long Beach, CA 90802-4471  
(213) 590-5201

Applications to develop geothermal resources or for dredging permits should be submitted to:

Extractive Development Program  
State Lands Commission  
1807-13th Street  
Sacramento, CA 95814  
(916) 322-7777

-APPLICATION FORM-

PART I

GENERAL DATA

SECTION A: IDENTIFICATION OF APPLICANT

1. Applicant:

Name: \_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

2. Applicant's authorized representative or agent (if any):

Name: \_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

3. Who should receive correspondence relevant to this application? (Check one)

Applicant: \_\_\_\_\_ Representative: \_\_\_\_\_ Both: \_\_\_\_\_

FOR COMMISSION USE ONLY:

Date Received: \_\_\_\_\_  
Work Order No.: \_\_\_\_\_  
Filing Fee: \_\_\_\_\_

Other Fees: \_\_\_\_\_  
Assigned to: \_\_\_\_\_  
Type of Document: \_\_\_\_\_

SECTION B: TYPE OF APPLICANT

Check one and submit the required information.

- \_\_\_ 1. CORPORATION: Attach a Certificate of Incorporation issued by the State of California or a Certificate of Incorporation issued by the state of incorporation with the Certificate of Good Standing of Foreign Corporation issued by the Office of the Secretary of State of California authorizing the transaction of business in California; a certified statement of the names of the corporate president, secretary, and/or officer authorized to execute contracts; and a board resolution or other evidence of authority to enter into the requested transaction.
- \_\_\_ 2a. PARTNERSHIP: Attach a certified copy of the partnership statement. If no partnership statement has been filed in the county in which the partnership does business, so state in the application and further give all particulars of the partnership. Individuals of a partnership who are not United States citizens by birth shall submit a copy of their birth certificate and certificate(s) of naturalization, or evidence of their foreign citizenship.
- \_\_\_ 2b. OTHER ASSOCIATION: State its nature, membership and other particulars regarding its legal existence. Individuals of this association who are not United States citizens by birth shall submit a copy of their birth certificate and certificate(s) of naturalization, or evidence of their foreign citizenship.
- \_\_\_ 3. INDIVIDUAL: Individual applicants who are not United States citizens by birth shall submit a copy of their birth certificate and certificate(s) of naturalization, or evidence of their foreign citizenship.
- \_\_\_ 4. PUBLIC AGENCY: Generally, all permits or leases issued by the State Lands Commission require monetary consideration. However, a public agency applicant may qualify for a royalty-free dredging permit. In order to qualify, the applicant must submit in writing a statement of justification for the royalty-free status, which status shall be based on a statewide as compared with a primarily local public benefit. Such statement shall detail the statewide public benefit derived from the project. The State Lands Commission shall determine whether a statewide public benefit is derived from the project.

SECTION C: TYPE OF TRANSACTION REQUESTED (check one)

- 1. Geothermal Prospecting Permit
- 2. Geothermal Lease
- 3. Oil and Gas Lease
- 4. Mineral Prospecting Permit
- 5. Dredging Permit
- 6. Other Entitlement for Use

SECTION D: FEE SCHEDULE

All applicants shall pay at the time of filing this application non-refundable filing and processing fees. These fees are necessary to reimburse the Commission for the cost of processing routine, uncomplicated transactions and making the initial title review for leases or permits.

- 1. Filing fee. \$ 25
- 2. Processing fee.
  - a. All geothermal, oil, gas and other mineral transactions. \$250
  - b. Dredging permits. \$300

In addition to the above fees, the Commission may require funds or deposits for other services. These services include but are not limited to:

- 1. Processing environmental documents.
- 2. Advertising or public notification.
- 3. Duplicating or certifying papers.
- 4. Searching records or ordering title reports.
- 5. Processing archaeological, biological or other necessary survey(s).

## Part II

### PROJECT AND ENVIRONMENTAL DATA

#### SECTION A: PROJECT INFORMATION

Please answer all questions and provide the following information on separate sheet(s) of paper. Please respond in detail. The information is needed to process the application. If any question is inapplicable or otherwise inappropriate to the application, please state the reasons for so concluding.

1. Project Location. Submit the following maps and/or drawings: (a) a small-scale (topographic) map or drawing showing the general vicinity of the proposed project including nearby landmarks, roads and other features that would make clear its relationship to the general vicinity, and (b) a large-scale (topographic) map or drawing showing the project location in detail and such features as existing structures, fills, dredged areas and public access. On one of these maps, indicate the property(ies) that are adjacent to the State lands in question and that are owned, leased or otherwise available for use by the applicant. Include copies of all conveyances, leases, permits, easements or other documents that show the extent of the applicant's interest to use or have access to the property(ies) adjacent to the State lands in question.
2. Existing Zoning and General Plan Designation of Project Site. Submit all zoning information and include (to the extent available and applicable) the project's street address, city, county, Assessor's parcel number, quad sheet name, section, township, range, base and meridian designation, and/or legal description of the property.
3. Existing Land Use of Project Site. Describe the current land use of the area (e.g., residential, commercial, agricultural).
4. Project Description and Proposed Use of Site. Describe fully and in detail the proposed activity, its purpose and intended use.
5. Other Permits Required. Identify other public agencies having approval authority over the proposed project (e.g., Corps of Engineers, Coastal Commission, county and city agencies) and submit copies of all acquired approvals relating to this project.

## SECTION B: ENVIRONMENTAL SETTING

The data and degree of specificity required in this section shall correspond with the data and degree of specificity involved in the underlying activity. Typically, larger projects require more data and a greater degree of specificity, and smaller projects require less data and a lesser degree of specificity.

1. Describe the project site as it exists before commencement of the project. Include information such as topography, soil stability, plants and animals, and any cultural, historical or scenic aspects. Describe any existing structures on the site, the use of the structures, and whether they will be retained or removed. Include photograph(s) of the site, if available.
2. Describe the surrounding properties. Include information such as topography, soil stability, plants and animals, and any cultural, historical or scenic aspects. Indicate the type of land use (e.g., residential, commercial, agricultural), intensity of land use (e.g., one-family dwellings, apartment buildings, shops, department stores) and scale of development. Include photograph(s) of the area, if available.
3. Include a statement of the proposed liquid, solid or gaseous waste disposal methods necessary for the protection and preservation of existing land and water uses.

## SECTION C: ASSESSMENT OF ENVIRONMENTAL IMPACTS

All phases of a project, such as planning, acquisition, development and operation, shall be considered when evaluating its impact on the environment. Please answer the following questions by placing a check in the appropriate box. Discuss all items checked "yes" or "maybe" on additional sheet(s).

Will the project involve:

- |   | yes | maybe | no  |
|---|-----|-------|-----|
| 1. A change in existing features of any bays, tidelands, beaches, lakes or hills, or substantial alteration of ground contours? | [ ] | [ ]   | [ ] |
| 2. A change in scenic views from existing residential areas or public lands or roads?   | [ ] | [ ]   | [ ] |
| 3. A change in pattern, scale or character of the general area of the project?  | [ ] | [ ]   | [ ] |
| 4. Significant effect on plant or animal life?  | [ ] | [ ]   | [ ] |

- |  | yes | maybe | no  |
|--|-----|-------|-----|
| 5. Significant amounts of solid waste or litter?   | [ ] | [ ]   | [ ] |
| 6. A change in dust, ash, smoke, fumes or odors in the vicinity?   | [ ] | [ ]   | [ ] |
| 7. A change in ocean, bay, lake, stream or ground water quality or quantity, or an altering of existing drainage patterns? | [ ] | [ ]   | [ ] |
| 8. A change in existing noise or vibration levels in the vicinity?   | [ ] | [ ]   | [ ] |
| 9. Construction on filled land or on a slope of 10 percent or more?  | [ ] | [ ]   | [ ] |
| 10. Use or disposal of potentially hazardous materials such as toxic or radioactive substances, flammables or explosives?  | [ ] | [ ]   | [ ] |
| 11. A change in demand for municipal services (e.g., police, fire, water, sewage)?   | [ ] | [ ]   | [ ] |
| 12. Increase in fossil fuel consumption (e.g., electricity, oil, natural gas)?   | [ ] | [ ]   | [ ] |
| 13. A larger project or a series of projects?  | [ ] | [ ]   | [ ] |

PART III  
SPECIAL REQUIREMENTS  
FOR GEOTHERMAL PROSPECTING PERMIT

Public Resources Code section 3715.5 provides that the Division of Oil and Gas, or a county which has adopted a geothermal element for its general plan, is the lead agency for geothermal exploratory projects. Government Code sections 65920 et seq. mandates review and approval of development projects within a prescribed time period. For the purposes of implementing Government Code sections 65920 et seq., the State Lands Commission will be the responsible agency as defined by Government Code section 65933 for the issuance of geothermal prospecting permits. Applications for geothermal prospecting permits shall include the following:

1. The project description required in Section A of the Project and Environmental Data (Part II of the Application Form) shall also contain a prospecting program, including a time schedule to conduct surveys, tests, or experiments using geological, geophysical or other exploratory methods, and exploration drilling.
2. Reports covering resource exploration by the applicant within the general area of the State parcel. This should include all geological data, geophysical surveys, well logs, well test data and other related data.
3. The application shall be accompanied by a rental deposit equal to the amount of \$1 per acre for each acre or fraction thereof within the desired permit area.
4. In the case where an application for a prospecting permit involves lands that have been sold by the State with a reservation to the State of the mineral rights, and where the applicant is not the surface owner of such lands, the Commission will notify the surface owner that an application to prospect the parcel has been received. This notice will be sent by registered mail, will contain a copy of the application and will state that the surface owner has a preferential right within four (4) months after receiving this notice in which to file an application for a



permit. If the surface owner fails to exercise this right within the four (4) month period or waives this right before the end of the period, this preferential right to apply for a prospecting permit shall terminate and the original applicant shall be permitted to proceed with the application. In this particular case, the original application will not be considered complete until after the four (4) month period has lapsed or sooner if surface owner waives his right to a permit before this period ends.

5. Where the surface of state-owned lands is under the jurisdiction of a state department or agency other than the Commission, no application will be considered complete until the other agency has given its consent under such reasonable terms and conditions as may be required to insure the adequate utilization of the surface of the lands for the purpose for which they are then being administered or for which they were acquired.

PART III  
SPECIAL REQUIREMENTS  
FOR GEOTHERMAL LEASE

All leases issued by the State Lands Commission for geothermal development are subject to the provisions of the Public Resources Code (P.R.C.) sections 6901 to 6925.2 (enclosed). These statutes require that all leases for geothermal development be issued by competitive bidding unless the criteria of P.R.C. section 6919 are met. The information provided by the applicant in this application for a geothermal lease will be used to determine whether such lease is in the public interest and whether the lands sought for development are suitable for competitive bid or negotiated leasing. Should it be determined that the lands are available for competitive bid leasing, the staff will request that the applicant nominate the lands for competitive leasing. However, if the applicant does not nominate the lands, then the staff will recommend to the Commission that the application be denied. A nomination of public lands for competitive bidding is not considered an "application" for the purposes of sections 65920 et seq. of the Government Code. A detailed description of the competitive bidding process will be sent to the nominator as soon as a determination has been made. The nominator (applicant) will be required to pay all environmental, special studies and other costs incurred before the lands will be placed for bidding. If the nominator is not the successful bidder, these costs will be reimbursed from the lease sale. Applications for geothermal leases shall include the following:

1. Copies of all geological and geophysical data (e.g., well logs, histories, surveys, test data and other related data) covering the area. This information should be of sufficient detail to enable the staff to determine the extent of State ownership and/or participation and to support a recommendation to the Commission for such leasing.
2. On the Project Location maps (Part II, Section A of the Application Form) include:
  - a. Location(s) of drillsite(s) and proposed bottom hole location(s).
  - b. Size of drillsite(s).
  - c. Anticipated minimum and maximum development (if known).
  - d. Proposed access route(s) to the drillsite(s).

3. Statement of proposed drilling program including anticipated timetable or schedule.
4. Description of type (electric or diesel) of drilling rig(s) and structure(s) to be used. Include a discussion of types and amounts of air emissions expected to be produced (if known).
5. Method for obtaining utilities (e.g., fresh water, electricity, gas, fuel).
6. Discussion of associated development projects (e.g., storage and treating facilities, pipelines).
7. Contingency plan for controlling geothermal related accidents.
8. When specifically requested by the staff, data for the preparation of a plan for the control of subsidence and the prevention of pollution which might occur as a result of the proposed geothermal operation.

PART III  
SPECIAL REQUIREMENTS  
FOR OIL AND GAS LEASE

All leases issued by the State Lands Commission for oil and gas development are subject to the provisions of the Public Resources Code (P.R.C.) sections 6801 to 6879 (enclosed). These statutes require that all leases for oil and gas development be issued by competitive bidding unless the criteria of P.R.C. section 6815 are met. The information provided by the applicant in this application for an oil and gas lease will be used to determine whether such lease is in the public interest and whether the lands sought for development are suitable for competitive bid or negotiated leasing. Should it be determined that the lands are available for competitive bid leasing, the staff will request that the applicant nominate the lands for competitive leasing. However, if the applicant does not nominate the lands, then the staff will recommend to the Commission that the application be denied. A nomination of public lands for competitive bidding is not considered an "application" for the purposes of sections 65920 et seq. of the Government Code. A detailed description of the competitive bidding process will be sent to the nominator as soon as a determination has been made. The nominator (applicant) will be required to pay all environmental, special studies and other costs incurred before the lands will be placed for bidding. If the nominator is not the successful bidder, these costs will be reimbursed from the lease sale. Applications for oil and gas leases shall include the following:

1. Copies of all geological and geophysical data (e.g., well logs, histories, surveys, test data and other related data) covering the area. This information should be of sufficient detail to enable the staff to determine the extent of State ownership and/or participation and to support a recommendation to the Commission for such leasing.
2. On the Project Location maps (Part II, Section A of the Application Form) include:
  - a. Location(s) of drillsite(s) and proposed bottom hole location(s).
  - b. Size of drillsite(s).
  - c. Anticipated minimum and maximum development (if known).
  - d. Proposed access route(s) to the drillsite(s).

3. Statement of proposed drilling program including anticipated timetable or schedule.
4. Description of type (electric or diesel) of drilling rig(s) and structure(s) to be used. Include a discussion of types and amounts of air emissions expected to be produced (if known).
5. Method for obtaining utilities (e.g., fresh water, electricity, gas, fuel).
6. Discussion of associated development projects (e.g., storage and treating facilities, pipelines).
7. Contingency plan for controlling oil spills.
8. When specifically requested by the staff, data for the preparation of a plan for the control of subsidence and the prevention pollution which might occur as a result of the proposed oil and gas operation.

PART III  
SPECIAL REQUIREMENTS  
FOR MINERAL PROSPECTING PERMIT

Lands which have not been classified by the State Lands Commission as containing commercially valuable mineral deposits are subject to application for a mineral prospecting permit, pursuant to Public Resources Code (P.R.C.) sections 6890 to 6900 (enclosed). Applications for mineral prospecting permits shall include the following:

1. A detailed statement of the minerals expected to be located within the proposed permit area. Applicant should specify the basis upon which the statement is made and include all background and reference materials.
2. A statement of the proposed methods to be utilized in prospecting. Applicant should specify, in detail, an exploration program, including the proposed equipment, sampling locations, new road construction, total surface disturbance, drill hole abandonment procedures, and reclamation plans.
3. A deposit of \$1.00 per acre or fraction thereof for each acre embraced within the boundaries of the lands described in the application.

PART III  
SPECIAL REQUIREMENTS  
FOR DREDGING PERMIT

Dredging permits may be issued by the Commission on a non-competitive basis in the event that only a specified amount of material will be removed and the removal is for the improvement of navigation, reclamation, flood control, or for purposes connected with the erection or maintenance of structures authorized under Public Resources Code (P.R.C.) section 6321. Applications for dredging permits shall include the following:

1. Location of proposed spoils area.
2. Specification by analysis of composition and volume of material to be dredged.
3. Intended use of dredge spoils.
4. Proof of owner's approval for location of any proposed upland spoils; specification of compensation paid to or to be paid to, or received or to be received by upland owner for use of upland as disposal site.
5. Type of dredge or removal equipment that will be used.
6. Proposed transportation routes for upland disposal of spoils.

PART IV  
OTHER INFORMATION

In the course of processing this application, the staff of the Commission may require the applicant to clarify, amplify, correct or otherwise supplement the information requested. The following is some of the information which may be needed from the applicant in order to complete the requested transaction:

1. Chain of title or other title search, including legal description of the area to be developed.
2. Deposit to cover costs of preparing an archaeological, biological or other site study/survey.
3. Deposit to cover the cost of preparing an Environmental Impact Report or an analysis of specific impact (such as air quality). This cost may range from a low of \$5,000 to an amount exceeding \$100,000, depending on the complexity of the issues to be addressed, the available data, and the size and nature of the project.



PART V  
CERTIFICATION

I certify that all information and materials furnished in this application are true and complete to the best of my knowledge and belief. I recognize that this application and the project it addresses are subject to all laws of the State of California, and the regulations and discretionary policies of the State Lands Commission.

Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Agent: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_