

MINUTE ITEM

Item No. 37  
Minute Item  
to 0 at its 8/21/84  
meeting.

CALENDAR ITEM

A 34  
S 16

37

08/21/84  
W 40409  
Hart  
PRC 6721.2

APPROVAL OF A PROSPECTING PERMIT FOR  
MINERALS OTHER THAN OIL, GAS, GEOTHERMAL  
RESOURCES, SAND AND GRAVEL, KERN COUNTY

APPLICANTS:

J. S. Gillespie, M. Prevedello, M. Grossi,  
M. A. Grossi, C. M. Grossi, J. Lutz, and  
S. Yacovelli  
39613 Country Club Drive  
Palmdale, California 93550

AGENT:

Jerry S. Gillespie  
39613 Country Club Drive  
Palmdale, California 93550

PROPOSED AUTHORIZATION:

Approval of a Prospecting Permit for two years  
to prospect for gold, silver and other valuable  
minerals, other than oil, gas, geothermal  
resources, sand and gravel, on approximately  
160 acres of land located in Kern County.

CONSIDERATION:

Filing fee of \$25, expense deposit of \$100 and  
an acreage deposit of \$160.

TYPE OF LAND AND LOCATION:

Patented State school land - NW 1/4, Sec. 16,  
T29S, R39E, MDM, Kern County, one mile  
northwest of Garlock.

PROPOSED PROJECT:

The applicants will conduct rock outcrop chip  
sampling and sampling of old tailings piles  
with a pick and shovel to prospect for valuable  
minerals. This work will be done by the

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applicants on foot. No surface disturbance such as road construction, trenching, blasting or clearing will be permitted.

Any proposed activity not authorized by this permit will not proceed without prior approval of a project amendment processed under the regulations of CEQA. If commercial mining operations are proposed, appropriate environmental documentation will be prepared and certified prior to issuing a mineral extraction lease.

**TERM:**

The primary term of a Prospecting Permit is two years. The Commission may, in its discretion, extend the term for one additional year.

**ROYALTY:**

Royalty payable under the permit shall be 20 percent of the gross value of the minerals secured from the permit area and sold or otherwise disposed of or held for sale or other disposition.

**PREREQUISITE ITEMS:**

1. Required statutory filing fee, expense deposit and acreage deposit have been submitted by the applicants.
2. Subject parcel is not known to contain a commercially valuable deposit of minerals.
3. Royalty payable under any preferential lease issued shall not be less than ten percent of the gross revenue, less specific charges, as approved by the Commission related to transporting and processing as set forth in said lease.

**STATUTORY REFERENCES:**

- A. P.R.C.: Div. 6, Section 6891.
- B. California Administrative Code: Title 2, Section 2200.

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AB 884: 10/01/84.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (California Administrative Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorical exemption under Class 6, Information Collection, 14 Cal. Adm. Code 15306.  
Authority: P.R.C. 21084 and 14 Cal. Adm. Code 15300.
2. Pursuant to P.R.C. Section 6895, upon establishing to the satisfaction of the Commission that commercially valuable deposits of minerals have been discovered within the limits of the permit, the applicants would have a preferential right to a lease for a maximum of 160 acres embraced within the permit. Said right shall be subject to all necessary environmental approvals. The permit will not affect the discretion of the Commission in granting or denying the lease because of such environmental considerations.

APPROVALS OBTAINED:

Pursuant to P.R.C. Section 6890, the subject permit application has been approved by the Office of the Attorney General as to compliance with the applicable provisions of the law.

EXHIBITS:

- A. Land Description.
- B. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION, 14 CAL. ADM. CODE 15306. THE PROJECT SHALL INCLUDE THIS PROSPECTING PERMIT AND ANY

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EXTENSION THE COMMISSION MAY GRANT IN ITS DISCRETION FOR THE SAME PROJECT DESCRIBED IN THE PERMIT. ANY EXTENSION SHALL NOT EXCEED ONE YEAR.

2. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT PRESENTLY KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS.
3. AUTHORIZE THE ISSUANCE OF THE PROSPECTING PERMIT TO J. S. GILLESPIE, M. PREVEDELLO, M. GROSSI, M. A. GROSSI, C. M. GROSSI, LUTZ, AND S. YACOVELLI FOR A TERM OF TWO YEARS, FOR ALL MINERALS, OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL ON THE NORTHWEST 1/4, SEC. 16, T29S, R39E, MDM, KERN COUNTY, CONTAINING APPROXIMATELY 160 ACRES; IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. ROYALTY PAYABLE UNDER THE PERMIT SHALL BE 20 PERCENT. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON THE DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS FOR ANY AND ALL MINERALS EXTRACTED OR REMOVED FROM SAID PREMISES FOR SALE OR STOCKPILING SHALL NOT BE LESS THAN TEN PERCENT OF THE GROSS REVENUE, LESS SPECIFIC CHARGES, AS APPROVED BY THE COMMISSION, RELATED TO TRANSPORTING AND PROCESSING, AS SET FORTH IN SAID LEASE. THE DETERMINATION OF SAID ROYALTIES SHALL BE AT THE DISCRETION OF THE COMMISSION.

EXHIBIT "A"

LAND DESCRIPTION

W 40409

A parcel of California State school lands in Kern County, California, described as follows:

NW 1/4 of Section 16, T 29S, R 39E, MDM.

END OF DESCRIPTION

PREPARED JULY 11, 1984 BY BOUNDARY AND TITLE UNIT.

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JULY 1983

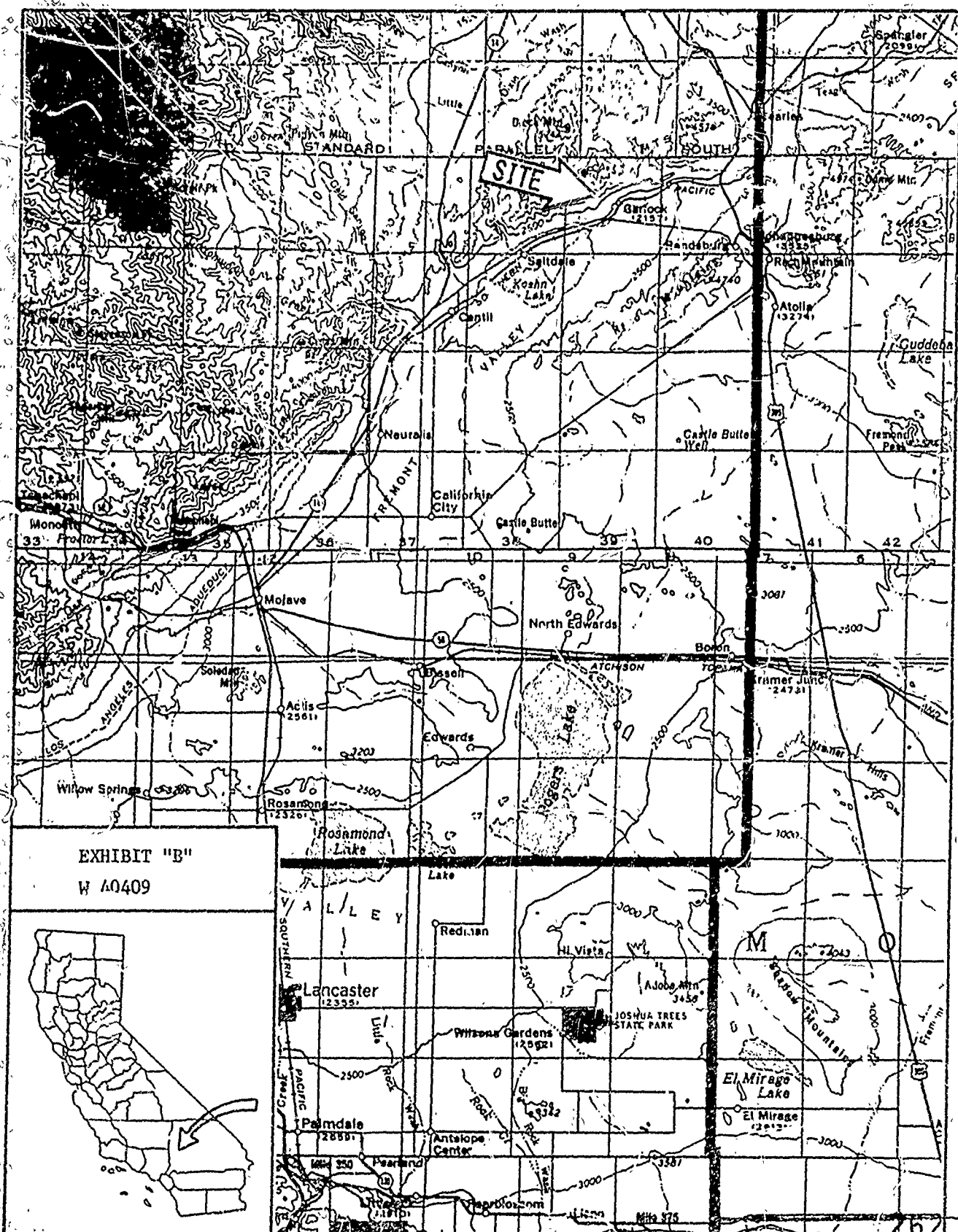


EXHIBIT "B"  
W 40409

