

MINUTE ITEM

This Calendar Item No. 21
was approved as Minute Item
No. 21 by the State Lands
Commission by a vote of 2
to 0 at its 10/25/84
meeting.

CALENDAR ITEM

A 34

S 25

21

10/25/84
W 40432
Hart
PRC 6744.

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

APPLICANT: James W. Cole
628 Northridge Drive
Boulder City, Nevada 89005

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 640 acres of land
located in San Bernardino County.

CONSIDERATION: Filing fee of \$25, expense deposit of \$100 and
an acreage deposit of \$640.

TYPE OF LAND AND LOCATION:

State school land - Sec 16, T11N R14E, SBM, San
Bernardino County, 12 miles northeast of Kelso.

PROPOSED PROJECT:

The applicant will use hand tools to conduct
geologic mapping, rock outcrop chip sampling,
shallow soil sampling, and geophysical
(electrical resistivity, gravimetric and/or
magnetometer) surveys to prospect for valuable
minerals. The subject activities will be
accomplished by a geologist on foot. Any
vehicle access shall be restricted to existing
roads and jeep trails. No surface disturbance
such as road construction, pitting, trenching,
blasting or clearing will be permitted.

CALENDAR ITEM 21 (CONT'D)

camping or parking near any springs and seeps or other wildlife watering sources will be permitted.

Any proposed activity not authorized by this permit will not proceed without prior approval of a project amendment processed pursuant to the requirements 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 applicant.
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 value of all mineral production from the leased lands, less any charges approved by the Commission made or incurred with respect to transporting or processing the State's royalty share of production. The determination of said royalty and charges shall be at the discretion of the Commission and set forth in said lease.

STATUTORY REFERENCES:

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

CALENDAR ITEM 21 (CONT'D)

AB 884:

11/27/84.

OTHER PERTINENT INFORMATION:

1. 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 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 15306.

2. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370 et. seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.
3. 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 applicant 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 issuance of this permit shall not affect the discretion of the Commission in granting or denying such a lease because of 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.

CALENDAR ITEM 21 (CONT'D)

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 EXTENSION THE COMMISSION MAY GRANT IN ITS DISCRETION FOR THE SAME PROJECT DESCRIBED IN THE PERMIT. ANY EXTENSION SHALL NOT EXCEED ONE YEAR.
2. FIND THAT THIS ACTIVITY AS PROPOSED IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370 ET SEQ.
3. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT PRESENTLY KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS.
4. AUTHORIZE THE ISSUANCE OF THE PROSPECTING PERMIT TO JAMES W. COLE FOR A TERM OF TWO YEARS, FOR ALL MINERALS, OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL ON SEC. 16, T11N R14E, SBM, SAN BERNARDINO COUNTY, CONTAINING APPROXIMATELY 640 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 OF MINERALS SHALL NOT BE LESS THAN TEN PERCENT OF THE GROSS VALUE OF ALL MINERAL PRODUCTION FROM THE LEASED LANDS, LESS ANY CHARGES APPROVED BY THE COMMISSION MADE OR INCURRED WITH RESPECT TO TRANSPORTING OR PROCESSING THE STATE'S ROYALTY SHARE OF PRODUCTION. THE DETERMINATION OF SAID ROYALTY AND CHARGES SHALL BE AT THE DISCRETION OF THE COMMISSION.

EXHIBIT "A"

LAND DESCRIPTION

W 40432

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

Section 16, T11N, R14E, SBM.

END OF DESCRIPTION

PREPARED SEPTEMBER 10, 1984, BY BOUNDARY AND TITLE UNIT.

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| CALENDAR PAGE | 134 |
| MINUTE PAGE | 2494 |

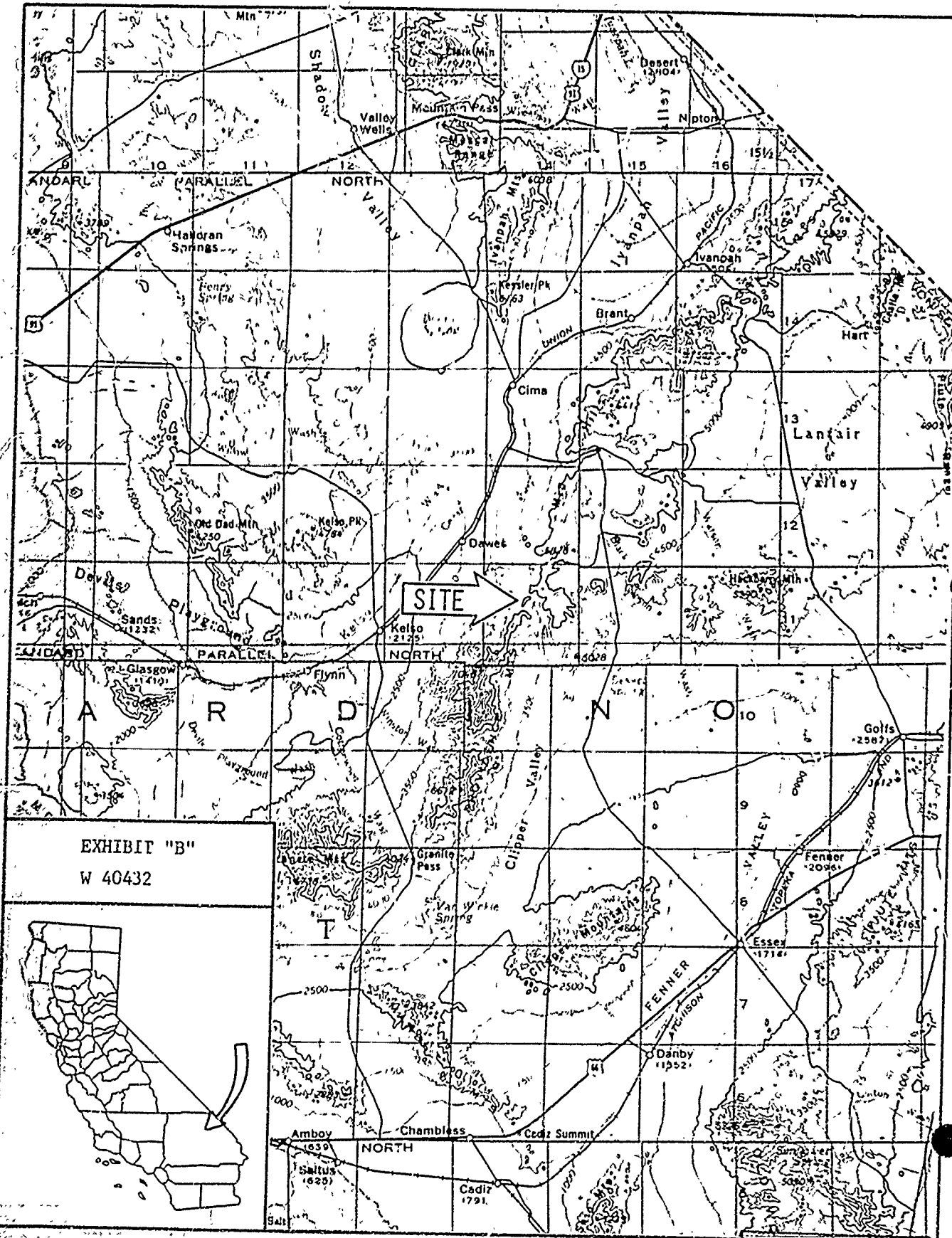


EXHIBIT "B"
W 40432