

MINUTE ITEM

12

09/26/85  
W 40472  
PRC 6894  
Pelka

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

Calendar Item C12, attached, was pulled from the agenda prior  
to the meeting.

Attachment: Calendar Item C12.

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CALENDAR ITEM

C12

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09/26/85

W 40472 PRC 6894

Pelka

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

APPLICANT: Robbers Roost Refinery, LTD  
24942 Grissom Circle  
Laguna Hills, California 92653

AGENT: Melvin K. Hammond  
13217 Aurora Drive, S-65  
El Cajon, California 92021

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 160 acres of land located in Kern County.

CONSIDERATION: Filing fee of \$25, processing fee of \$250 and an acreage deposit of \$160.

TYPE OF LAND AND LOCATION:

Patented school land, SE 1/4, Section 16, T27S R37E, MDM, Kern County, approximately 20 miles west of Ridgecrest, California.

PROPOSED PROJECT:

Robbers Roost Refinery, LTD who is the surface owner of the land under application, will prospect for gold and silver by digging up to 100 holes on a grid pattern, to a maximum depth of five feet, in soft earth areas utilizing a hand post hole digger. A sample will be removed from the earth, and the remainder will be returned to the hole. Where bedrock is exposed and holes cannot be made, surface

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samples will be collected utilizing a hand held rock hammer. All samples collected will be removed from the property for analysis and assaying.

Any vehicle access will be restricted to existing roads and jeep trails. 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 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, processing fee 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 charges shall be at the discretion of the Commission and set forth in said lease.

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STATUTORY REFERENCES:

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

AD 884: 12/11/85.

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 exempt project. The project is exempt under Class 6, Information Collection, 2 Cal. Adm. Code 2905(e)(3).

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300 and 14 Cal. Adm. Code 2905.

- 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 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 the permit shall not affect the discretion of the Commission in granting or denying such 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.

EXHIBITS:

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

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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, 2 CAL. ADM. CODE 2905. 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. 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 ROBBIE'S ROOST REFINERY, LTD FOR A TERM OF TWO YEARS, FOR ALL MINERALS OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL ON SECTION 16, T27S R37E, MDBM, KERN COUNTY, CONTAINING APPROXIMATELY 160 ACRES; IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. 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.

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EXHIBIT "A"

LAND DESCRIPTION

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

SE 1/4 of Section 16, T27S, R37E, MDM

END OF DESCRIPTION

PREPARED JULY 3, 1985 BY BOUNDARY SERVICES UNIT, M. L. SPAHR, SUPERVISOR

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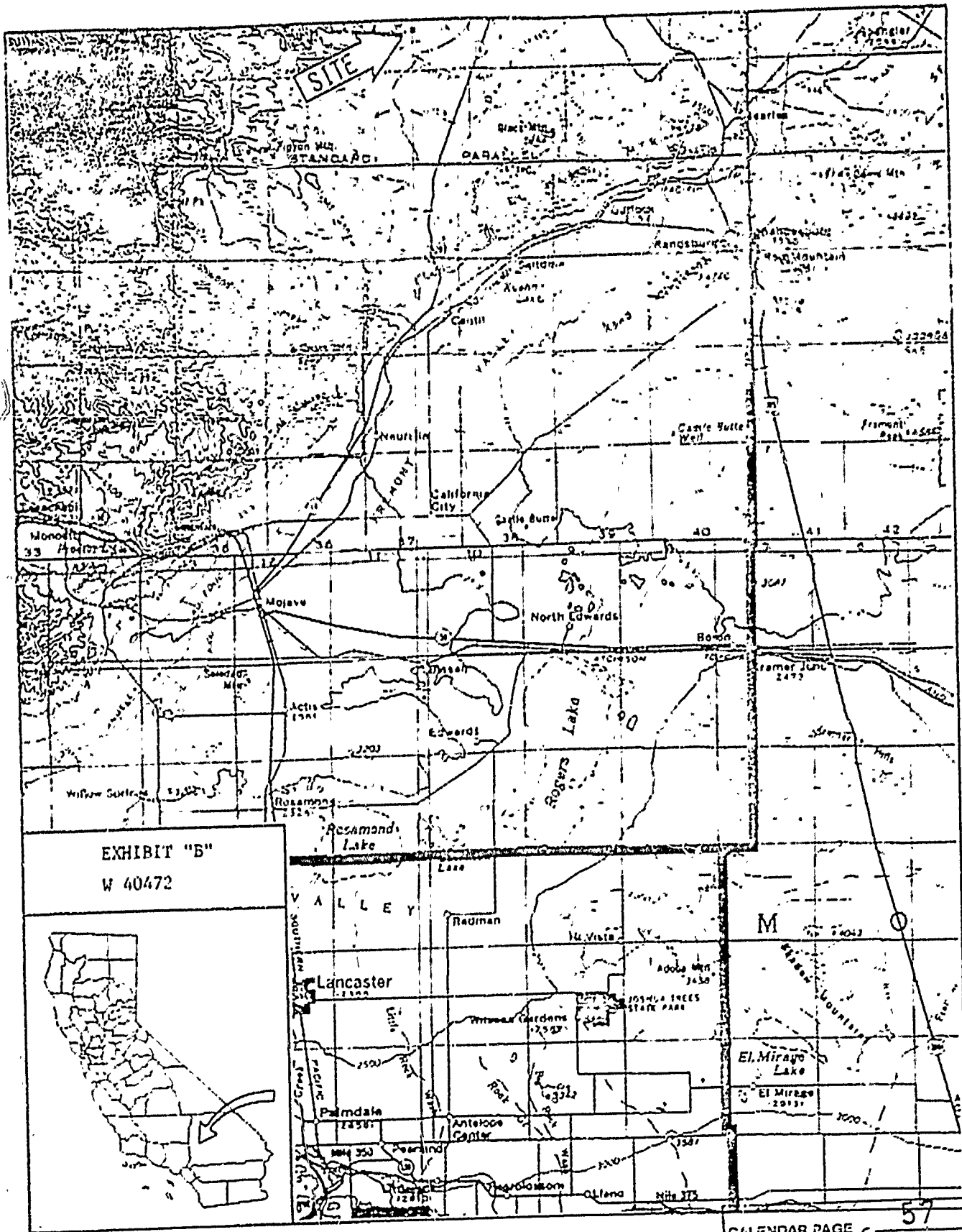


EXHIBIT "B"  
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