

MINUTE ITEM

This Calendar Item No. 22
was approved as Minute Item
No. 22 by the State Lands
Commission by a vote of 3
to 0 at its 1-21-88
meeting.

CALENDAR ITEM

A 80

- 29

01/21/88
W 23256
W 23656
Graber
Hoagland

S 37

**DENIAL OF APPLICATIONS FOR
GEOTHERMAL PROSPECTING PERMIT AND SURFACE LEASE,
IMPERIAL COUNTY**

APPLICANTS: Cape Mining and Exploration Company
Attn.: Mr. Doyle C. Cape
4605 Elder Road
Brawley, California 92227

Big Foot Development, Inc.
Attn.: Mr. Doyle C. Cape
4605 Elder Road
Brawley, California 92227

AREA, TYPE LAND AND LOCATION:
Approximately 640 acres of vacant State school
lands near the community of Niland, Sec. 36,
T10S, R14E, S8BM, Imperial County.

PROPOSED LAND USE:

To develop a geothermal hot water well to
provide direct heat applications for a proposed
3001 space recreational vehicle (RV) park. The
hot water from the well would be used for space
heating of facilities, hot water for showers
and laundry, and for planned spas, saunas and a
swimming pool at the RV park. Section 6910
(a)-(d) of the Public Resources Code authorizes
the Commission to negotiate and issue a
geothermal prospecting permit with a
preferential right to a lease upon discovery of
geothermal resource in commercial quantities.

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OTHER PERTINENT INFORMATION:

1. The applicant, Cape Mining and Exploration Company, submitted an application for a geothermal prospecting permit which was deemed complete on August 7, 1987. From that time, Staff has been working with the applicant to process the application. Doyle Cape has simultaneously applied with the Land Management Section for a surface lease on the State lands to construct and operate a 3001 space recreational vehicle park. The surface lease is being applied for by Bigfoot Development, Inc.

The County of Imperial Planning Department assumed the role as lead agency in the circulation of the EIR SCH #85021311 for the proposed project. On December 9, 1986, the County of Imperial Planning Department issued Conditional Use Permits (CUP's) authorizing development of the recreational vehicle park and geothermal water well. The CUP's were issued for a term of 1 1/2 years for the surface lease. County ordinance requires the applicant obtain his State permit and lease within 1 year of certification and issuance of the County CUP's. This period expired January 9, 1988. The applicant could have requested an extension of the time period but failed to do so within the time required by County ordinance. Therefore, the County use permits effectively expired January 9, 1988.

In order to comply with the time constraints of AB 884, the Commission must take action on the application before February 6, 1988. It is recommended that the Commission deny the applicant Cape Mining and Exploration Company and Big Foot Development, Inc. without prejudice because of the inability to come to agreeable terms on either the prospecting permit or the surface lease and for failure to furnish proof of financial capacity to carry out the surface development of the RV park, and because the County Conditional Use Permits have effectively expired by January 9, 1988.

CALENDAR ITEM NO. 29 (CONT'D)

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 CEQA as a statutory exempt project because CEQA does not apply to projects which a public agency rejects or disapproves.

(Authority: P.R.C. 21080(b)(5) and 14 Cal. Adm. Code 15270).

AB 8A4: 02/05/88.

EXHIBITS: A. Land Description.
B. Location Map.
C. 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 STATUTORY EXEMPT PROJECT PURSUANT TO P.R.C. 21080(b)(5) AND 14 CAL. ADM. CODE 15270, PROJECTS WHICH A PUBLIC AGENCY REJECTS OR DISAPPROVES.
2. DENY WITHOUT PREJUDICE THE APPLICATION OF CAPE MINING AND EXPLORATION COMPANY FOR A GEOTHERMAL PROSPECTING PERMIT AND BIG FOOT DEVELOPMENT, INC. FOR A SURFACE LEASE ON STATE-OWNED SCHOOL LANDS IN SECTION 36 T10S, R14E, S88M BY REASON THAT THE APPLICANT AND COMMISSION STAFF COULD NOT AGREE TO TERMS FOR EITHER THE PROSPECTING PERMIT OR SURFACE LEASE, THAT BIG FOOT DEVELOPMENT, INC. WAS UNABLE TO FURNISH PROOF OF FINANCIAL CAPACITY TO UNDERTAKE THE SURFACE DEVELOPMENT, AND BECAUSE THE COUNTY OF IMPERIAL CONDITIONAL USE PERMITS HAVE EXPIRED WITHOUT WHICH THE APPLICANT CANNOT DEVELOP EITHER THE SURFACE LEASE OR THE GEOTHERMAL RESOURCE.

EXHIBIT "A"
LAND DESCRIPTION

W 23656

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

Section 36, T10S, R14E, S8M.

END DESCRIPTION

PREPARED MARCH 4, 1987 BY BOUNDARY SERVICES UNIT, M. L. SHAFER,
SUPERVISOR

0875L

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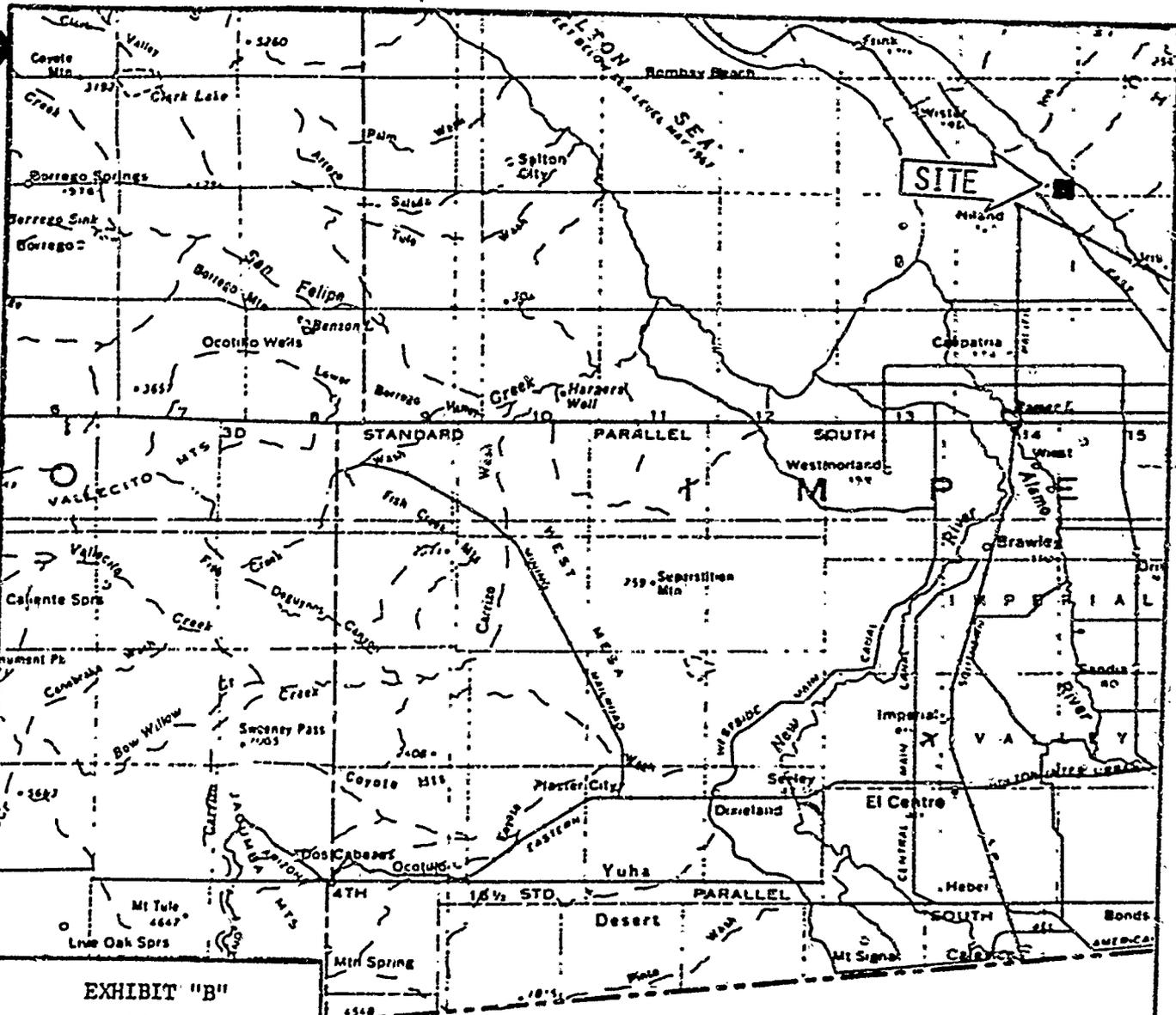


EXHIBIT "B"
W 23656



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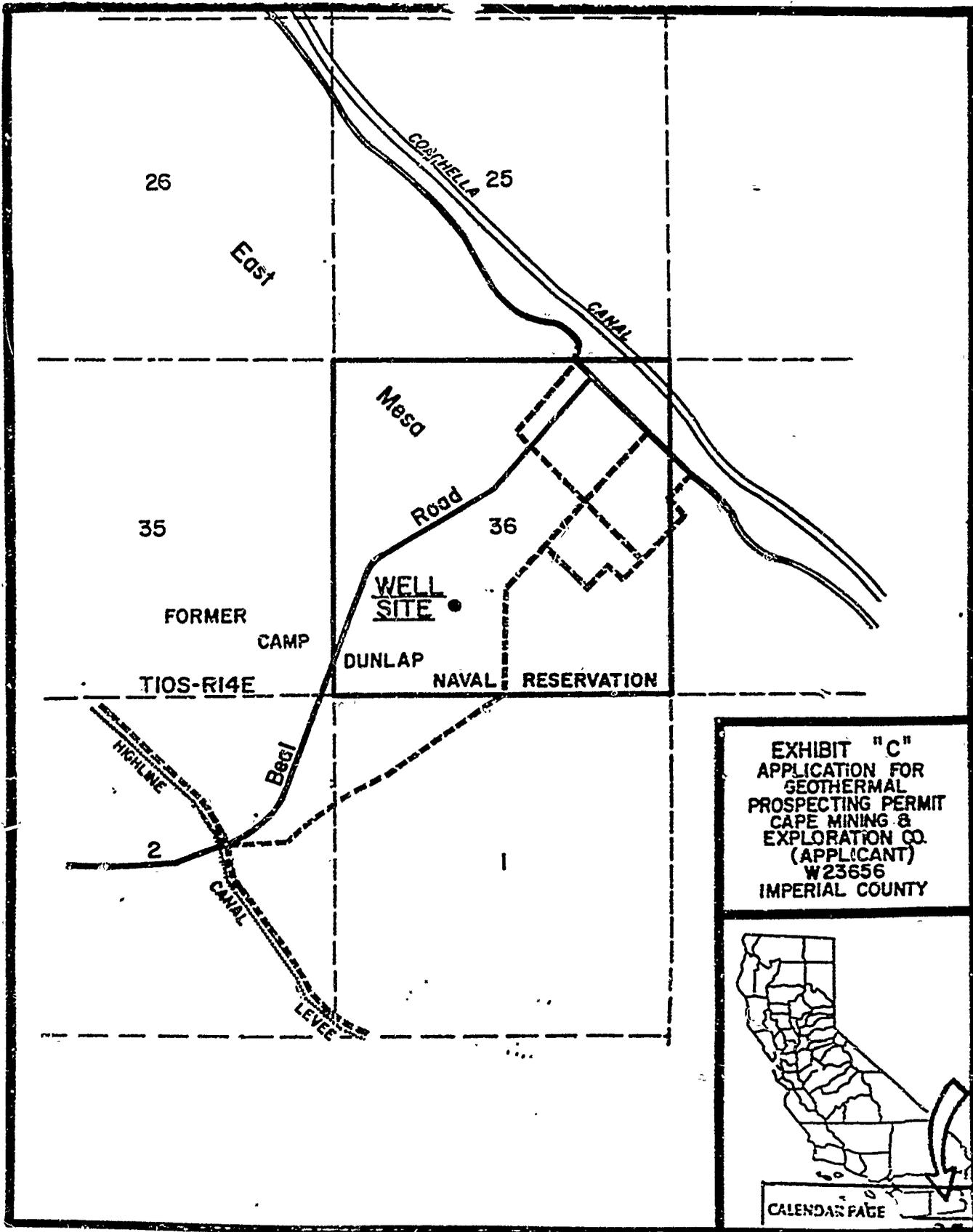


EXHIBIT "C"
 APPLICATION FOR
 GEOTHERMAL
 PROSPECTING PERMIT
 CAPE MINING &
 EXPLORATION CO.
 (APPLICANT)
 W23656
 IMPERIAL COUNTY



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