

MINUTE ITEM
This Calendar Item No. C26
was approved as Minute Item
No. 26 by the State Lands
Commission by a vote of 3
to 0 at its 2/6/89
meeting.

CALENDAR ITEM

A 80
S 37

C.26

02/06/89
PRC 6378
PRC 6552
Tanner

ASSIGNMENT OF STATE GEOTHERMAL RESOURCES LEASES
PRC 6378 AND PRC 6552, IMPERIAL COUNTY

ASSIGNOR: Kennecott Explorations (Australia) Ltd.
Attn.: R. R. Dimock
Vice President
10 East South Temple
Salt Lake City, Utah 84133

ASSIGNEE: Freeport-McMoRan Resource Partners
Limited Partnership
Attn.: Gerald A. Vaughan
Contract Agent
P. O. Box 11279
Santa Rosa, California 95406-1279

AREA, TYPE OF LAND AND LOCATION:
State Geothermal Resources Lease PRC 6378
consists of approximately 40 acres of sovereign
land and State Geothermal Resources Lease
PRC 6552 consists of approximately 2,735 acres
of proprietary land, both located on the
southeastern shore of Salton Sea, Imperial
County.

- PREREQUISITES:
1. Assignment forms have been executed by the Assignor and Assignee.
 2. Assignee is qualified to hold a State lease.
 3. The statutory filing fees have been submitted.

(ADDED 02/03/89)

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PERTINENT INFORMATION:

State Geothermal Resources Lease PRC 6378 was issued to Kennecott Corporation on July 1, 1987. The lease was later assigned on November 1, 1987 to Kennecott Explorations (Australia) Ltd.

State Geothermal Prospecting Permit PRC 6552 was issued to Bear Creek Mining Company, exploration subsidiary of Kennecott Corporation, on January 24, 1984. The permit was assigned to Kennecott Explorations (Australia) Ltd. on November 1, 1987. Appearing on today's agenda is consideration for conversion of the prospecting permit to a Geothermal Resources Lease PRC 6552.

Kennecott Explorations (Australia) Ltd. has requested Commission approval of the assignment of Geothermal Resource Leases PRC 6378 and PRC 6552 to Freeport-McMoRan Resources Partners, Limited Partnership.

OTHER PERTINENT INFORMATION:

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

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

STATUTORY AND OTHER REFERENCES:

- A. Assignment Section of the Lease.
- B. P.R.C.: Section 6804.

AB 884: N/A.

EXHIBIT: A. Location Map.

(ADDED 02/03/89)

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IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. CONSENT TO THE ASSIGNMENT OF STATE GEOTHERMAL RESOURCE LEASES PRC 6378.1 AND PRC 6552.1 FROM KENNECOTT EXPLORATIONS (AUSTRALIA) LTD. TO FREEPORT-MCMORAN RESOURCE PARTNERS, LIMITED PARTNERSHIP WITH THE ASSIGNEE TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THE LEASES, ANY CONDITIONS IN THE ASSIGNMENT DOCUMENTS NOTWITHSTANDING.

(ADDED 02/03/89)

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EXHIBIT "A"
STATE OF CALIFORNIA
STATE LANDS COMMISSION

ASSIGNMENT OF STATE
GEOTHERMAL RESOURCE
LEASES PRC 6378 AND PRC 6552

IMPERIAL COUNTY

1-19-1989

K.T.K.

