

MINUTE ITEM

4. (APPLICATION FOR EXTENSION OF PROSPECTING PERMIT, HERMAN AKERS AND HAROLD EADE, SAN BENITO COUNTY - P.R.C. 1509.2.)

After presentation of Calendar Item 18 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION CONFIRMS THE ONE-YEAR EXTENSION, GRANTED BY THE EXECUTIVE OFFICER, OF THE TERM OF PROSPECTING PERMIT P.R.C. 1509.2, HELD BY HERMAN AKERS AND HAROLD EADE, FROM APRIL 22, 1957 TO APRIL 21, 1958. ALL OTHER TERMS AND CONDITIONS OF THE PERMIT ARE TO REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

Attachment
Calendar Item 18 (1 page)

CALENDAR ITEM

MINERAL LEASE

18.

(APPLICATION FOR EXTENSION OF PROSPECTING PERMIT, HERMAN AKERS AND HAROLD EADE, SAN BENITO COUNTY - P.R.C. 1509.2.)

Prospecting Permit P.R.C. 1509.2 covering the NW $\frac{1}{4}$ of Section 16, T. 18 S., R. 12 E., M.D.B. & M., San Benito County, was issued April 22, 1955 to Herman Akers and Harold Eade authorizing the prospecting for precious, radioactive, nonprecious metallic and nonmetallic minerals for a term of two years. A request for extension of the term of Permit P.R.C. 1509.2 through April 21, 1958 has been received from the permittee.

Prospecting Permit P.R.C. 1509.2 provides, in part, in conformance with Division 6 of the Public Resources Code, that "in no event shall the term of this permit exceed two years from date hereof except as the Commission may, in its discretion, extend the term of this permit for an additional period of one year".

The permittee has complied with all of the terms and conditions of the permit. However, operation reports covering three-quarters of the second year indicate only 26 shifts completed; 320 shifts are required under the terms of the permit. During the quarter ending June 30, 1955, 215 tons of chromite ore were mined and shipped on which royalty of \$129 was paid to the State. The ore remaining in this deposit was not acceptable for concentration at the mill due to the low quality.

Application for a preferential mineral extraction lease was received April 18, 1956. A mineral inspection of the area was made May 7, 1956; the permit area did not meet the requirements of a preferential mineral extraction lease as no commercially valuable deposits of minerals were found. The permittee was not notified of this conclusion. Another mineral inspection of the area was made on March 29, 1957. The requirements necessary for the issuance of a preferential mineral extraction lease have not been fulfilled.

The work reported during the shifts completed in the last three quarters consisted of prospecting for additional ore bodies. This work is being continued. A one-year extension of the term of the permit has been granted under executive authority.

IT IS RECOMMENDED THAT THE COMMISSION CONFIRM THE ONE-YEAR EXTENSION, GRANTED BY THE EXECUTIVE OFFICER, OF THE TERM OF PROSPECTING PERMIT P.R.C. 1509.2 HELD BY HERMAN AKERS AND HAROLD EADE FROM APRIL 22, 1957 TO APRIL 21, 1958. ALL OTHER TERMS AND CONDITIONS OF THE PERMIT ARE TO REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.