

21. AWARD OF MINERAL EXTRACTION LEASE, OWENS LAKE, INYO COUNTY; MORRISON AND WEATHERLY CHEMICAL PRODUCTS - W.O. 6412, P.R.C. 3894.1.

After consideration of Calendar Item 14 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE ISSUANCE OF A MINERAL EXTRACTION LEASE TO MORRISON AND WEATHERLY CHEMICAL PRODUCTS, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 1,360 ACRES OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED, AT A ROYALTY DETERMINED IN ACCORDANCE WITH THE FORMULA $R = [0.70 + 0.10 (C - 8.75)] 1.0$ PER TON FOR ALL MINERALS EXTRACTED AND/OR PRODUCED AND/OR SOLD FROM THE PROPOSED LEASE AREA ON OWENS LAKE. THE MINIMUM ROYALTY SHALL BE SEVENTY CENTS (\$0.70) PER TON, AND THE ANNUAL RENTAL SHALL BE \$2.50 PER ACRE.

Attachment

Calendar Item 14 (2 pages)

CALENDAR ITEM

1/68
W.O. 6412

14.

AWARD OF MINERAL EXTRACTION LEASE

APPLICANT: Morrison and Weatherly Chemical Products
 LOCATION: Owens Lake, Inyo County
 DESCRIPTION: See Exhibit "A"
 ACREAGE: 1,360
 MINERAL: Trona
 TYPE OF LANDS: Sovereign
 BID OPENING DATE: December 11, 1967
 SUCCESSFUL BIDDER: Morrison and Weatherly Chemical Products
 BID: B = 1.0, when applied to the royalty formula
 $R = \frac{0.70 + 0.10 (C - 8.75)}{B}$ results in a minimum
 royalty payment to the State in the amount of \$0.70 per
 ton for all minerals extracted and sold from the proposed
 lease area on Owens Lake.

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Sec. 6897
- b. Administrative Code: Sec. 2204
- c. Commission policy: Minute Item 20, 10/24/51, pp. 1468-73

OTHER PERTINENT INFORMATION:

- a. Approved by:
 - 1. Office of the Attorney General
 - 2. Staff of the State Lands Division

EXHIBITS: A. Legal description B. Location map

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ISSUANCE OF A MINERAL EXTRACTION LEASE TO MORRISON AND WEATHERLY CHEMICAL PRODUCTS, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 1,360 ACRES OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED, AT A ROYALTY DETERMINED IN ACCORDANCE WITH THE FORMULA $R = \frac{0.70 + 0.10 (C - 8.75)}{1.0}$ 1.0 PER TON FOR ALL MINERALS EXTRACTED AND/OR PRODUCED AND/OR SOLD FROM THE PROPOSED LEASE AREA ON OWENS LAKE. THE MINIMUM ROYALTY SHALL BE SEVENTY CENTS (\$0.70) PER TON, AND THE ANNUAL RENTAL SHALL BE \$2.50 PER ACRE.

Attachment: Exhibit "A"

EXHIBIT "A"

The northwest quarter of Section 31, T. 17 S., R. 38 E., M.D.M., containing 160 acres.

The south half and the northeast quarter of the northeast quarter, and the north half and the southwest quarter of the southeast quarter, and the east half of the southwest quarter, and the southeast quarter of the northwest quarter of Section 36, T. 17 S., R. 37 E., M.D.M., containing 360 acres.

The west half of the northeast quarter, and the north half and the southwest quarter of the southwest quarter, and the northwest quarter of Section 1, T. 18 S., R. 37 E., M.D.M., containing 360 acres.

The southeast quarter of the northeast quarter, and the east half of the southwest quarter, and the southeast quarter of Section 2, T. 18 S., R. 37 E., M.D.M., containing 280 acres.

The east half of the Northwest quarter, and the west half and the northeast quarter of the northeast quarter of Section 11, T. 18 S., R. 37 E., M.D.M., containing 200 acres.

Total of above: 1,360 acres.