

was approved as Minute Item
No. 20 by the State Lands
Commission by a vote of 3
to 0 at its 6-24-76
meeting.

MINUTE ITEM

6/24/76
CPP

20. APPLICATION FOR PERMIT TO PROSPECT FOR GEOTHERMAL RESOURCES,
THE GEYSERS AREA, SONOMA COUNTY; SQUAW CREEK INVESTMENT COMPANY -
W 9896, PRC 5147.

During consideration of Calendar Item 20 attached, Mr Donald J.
Everitts, Manager, Energy and Mineral Resources Development,
explained to the Commission the proposed transaction.

Upon motion duly made and carried, the resolution as presented
in Calendar Item 20 was approved as presented by a vote of 3-0.

Attachment:

Calendar Item 20 (3 pages)

CALENDAR ITEM

6/76
C/P
W 9896

20.

APPLICATION FOR PERMIT TO PROSPECT FOR
GEOHERMAL RESOURCES

APPLICANT: Squaw Creek Investment Company.
150 Matheson Street
Healdsburg, California 95448

LOCATION: Geysers Area, Sonoma County.

TYPE OF LAND: Reserved Mineral Interests.

ACREAGE: 200 acres.

SURFACE OWNER: Squaw Creek Investment Company.

PREREQUISITE ITEMS:

- a. Statutory filing fee, permit fee and expense deposits have been submitted by the applicant.
- b. Land has not been classified as known geothermal resources land.

OTHER PERTINENT INFORMATION:

Commercial geothermal wells have been drilled within three miles of the parcel and the area is considered to have geothermal potential. Since a non-commercial well was drilled and abandoned approximately one and one-half miles from the parcel, the area is still regarded as a wildcat prospect. After reviewing available data, it is the staff's opinion that the parcel cannot be classified as being within a known geothermal resource area; therefore, a prospecting permit should be issued.

Burmah Oil and Gas Company will operate the property on behalf of the applicant. A well has been proposed for the parcel and will probably be drilled in late fall of this year. This will evaluate the geothermal potential of the parcel and if the well proves to be commercial, will support classification of the parcel and nearby State lands as a known geothermal resource area pursuant to Section 6912 of the Public Resources Code.

The permit form has been approved by the Office of the Attorney General as to compliance with applicable provisions of law and the rules and regulations of the Commission.

ENVIRONMENTAL IMPACT:

An Environmental Impact Report was prepared by the Sonoma County Board of Zoning Adjustments covering geothermal development in the project area. The report also covers the proposed drilling of a well on the State parcel. By Notices of Determination issued on July 31 and August 5, 1975, the Sonoma County Board of Zoning Adjustments certified that (1) the Environmental Impact Report was prepared pursuant to the provisions of the California Environmental Quality Act of 1970, as amended; (2) the project will not have a significant effect on the environment; and (3) the project has been approved by the Sonoma County Board of Zoning Adjustments. The Notices of Determination have been filed with the Secretary for Resources, the State Lands Division, and the County Clerk of Sonoma County, wherein the project is to be undertaken.

The draft EIP was circulated through the State Clearinghouse as required by the State EIR Guidelines (14 Cal. Adm. Code). The Clearinghouse has certified by letter dated April 29, 1976, that the State environmental review of the project is complete. The draft was also circulated to conservation groups and made available to the public. The environmental documents have been reviewed by the staff, and it is the staff's opinion that the intent of the provisions of CEQA has been satisfied. All mitigation measures identified in the Environmental Impact Report will be requirements in the proposed prospecting permit. Upon discovery of geothermal resources, the preferential right to convert the permit into a geothermal lease will be subject to an additional or supplemental Environmental Impact Report covering proposed commercial operations.

EXHIBITS: A. EIR Summary. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS BEEN PREPARED FOR THIS PROJECT BY THE SONOMA COUNTY BOARD OF ZONING ADJUSTMENTS ON JULY 31 AND AUGUST 5, 1975.

CALENDAR ITEM NO. 20. (CONTD)

2. CERTIFY THAT THE INFORMATION CONTAINED IN THE ENVIRONMENTAL IMPACT REPORT OF THE SONOMA COUNTY BOARD OF ZONING ADJUSTMENTS HAS BEEN REVIEWED AND CONSIDERED BY THE STATE LANDS COMMISSION.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZE THE ISSUANCE OF A PERMIT TO SQUAW CREEK INVESTMENT COMPANY TO PROSPECT FOR GEOTHERMAL RESOURCES IN THE FOLLOWING DESCRIBED PARCEL:

MINERAL INTERESTS RESERVED TO THE STATE IN THE NE-1/4 AND THE NE-1/4 OF THE SE-1/4 OF SECTION 33, T 12 N, R 9 W, MDM, SONOMA COUNTY, CONTAINING 200 ACRES, MORE OR LESS.

5. ADOPT THE PERMIT FORM ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF, SAID PERMIT SPECIFICALLY PROVIDES THAT APPLICANT SHALL DRILL ITS FIRST WELL WITHIN ONE YEAR OR THE PERMIT WILL EXPIRE.