MINUTE ITEM

CALENDAR ITEM

22.

3/78 W 9592 Priddy

APPLICATION FOR PERMIT TO PROSPECT FOR GEOTHERMAL RESOURCES

APPLICANT:

Management Engineering Corporation

P. O. Box 309

Corona Del Mar, California 92625

TYPE OF LAND:

Reserved mineral interests.

LOCATION:

Randsburg Area, San Bernardino County.

ACREAGE:

320 acres.

PREREOUISITE ITEMS:

A. Statutory filing fee, permit fee and expense deposit have been submitted by the applicant.

B. Land has not been classified as known

geothermal resources land.

OTHER PERTINENT INFORMATION:

Getty Oil Company originally submitted an application covering the proposed permit area and notified the surface owners of the application pursuant to Section 2252(d), Article 4.1, Division 3, Title 2 of the California Administrative Code. A group of surface owners, doing business as Management Engineering Corporation, elected to exercise their preferential right and submitted an application for a prospecting permit.

The applicant proposes to conduct exploratory work adjacent to, or in the permit area to determine if geothermal resources occur beneath State land. Such exploratory work may include geological, geochemical, and geophysical work, as well as the drilling of exploratory wells.

The parcel is located in an area that has geothermal potential. The area contains Cenozoic volcanic and intrusive rocks. The parcel is located south of a Federally designated KGRA, near wells that contain

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mineral waters. Since there are no commercial geothermal wells on or near the parcel, the parcel cannot be classified as being within a known geothermal resources area.

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

ENVIRONMENTAL IMPACT:

Pursuant to Division 13 of the Public Resources Code, EIR No. 211, has been prepared and is on file in the Office of the State Lands Commission, available for public review. If a discovery of geothermal resources is made, the preferential right to convert the permit into a geothermal lease will be subject to an additional EIR covering proposed commercial operations.

EXHIBITS:

- A. Property Description. B. Location Map.
- C. EIR Summary.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. DETERMINE THAT A FINAL EIR HAS BEEN PREPARED FOR THIS PROJECT BY THE COMMISSION'S STAFF FOLLOWING EVALUATION OF COMMENTS AND CONSULTATION WITH PUBLIC AGENCIES WHICH WILL ISSUE APPROVALS FOR THE PROJECT.
- 2. CERTIFY THAT THE FINAL EIR (EIR 211) HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
- DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
- 4. AUTHORIZE THE ISSUANCE OF A PERMIT TO MANAGEMENT ENGINEERING CORPORATION TO PROSPECT FOR GEOTHERMAL RESOURCES ON THE PARCEL DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF.
- 5. WILLIZE THE FORM OF PERMIT ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION.

Attachment: Exhibit "A"

EXHIBIT "A"

W 9592

DESCRIPTION

SW/4 of SW/4, SE/4 of NW/4, S/2 of SW/4 of NE/4, S/2 of NE/4 of SW/4 of NE/4, NE/4 of SW/4 of SW/4. NE/4 of SW/4 of NE/4, NE/4 of SW/4, N/2 of SE/4 of NE/4, N/2 of NE/4 of NW/4 of SE/4, N/2 of NE/4 of NW/4 of SE/4, NW/4 of SE/4, NW/4 of SW/4 of NW/4 of SW/4 of NW/4. N/2 of NW/4 of SW/4 of NW/4, N/2 of NW/4 of SW/4, N/2 of SW/4 of SW/4, N/2 of SW/4 of SW/4, N/2 of SW/4 of SW/4, and S/2 of NE/4 of NE/4 all in Section 16, Township 30 South, Ange 42 East, N.D.M., San Bernardino County, containing 320 acres, more or less.