

MINUTE ITEM

This Calendar Item No. 39
was approved as a Minute Item
No. 39 by the State Lands
Commission by a vote of 3
to 0 at its 11/21/78
meeting.

CALENDAR ITEM

39.

PROSPECTING PERMIT

11/78
W 40062
Smith
PRC ~~5536~~ ⁵⁵³⁶

APPLICANT: American Copper and Nickel Company, Inc.
11437 West 48th Avenue
Wheat Ridge, Colorado 80033

TYPE OF LAND: School land.

AREA AND LOCATION:
North 1/2 of Section 36, T12S, R19E, SBB&M,
Imperial County. Approximately 10 to 11
miles east of Glamis.

PROPOSAL: To evaluate the potential for mineral values
other than oil, gas, and geothermal of
the subject State lands. The primary explor-
ation objective is to determine if uranium
ore exists in commercial quantities and,
if so, propose a plan for its extraction.

METHOD OF EXPLORATION:
Initially the surface will be carefully
mapped by plane table and surface samples
taken for analysis. Two exploratory drill
holes are tentatively scheduled to a maximum
depth of 1,500 feet. Access will be by
existing roads and no structures will be
erected. All data obtained will be made
available to the Commission and will be
correlated with that from adjacent federal
claims.

ROYALTY: The royalty under a preferential lease
shall be 10% of the mine value of the ore
as detailed in Exhibit "B" of the permit
on file in the Office of the Commission.

PREREQUISITE TERMS:
1. Statutory filing fees and permit fees
have been deposited by the applicant.
2. The subject permit has been reviewed
and approved by the Office of the Attorney
General as to compliance with applicable
provisions of law pursuant to Section
6890 of the P.R.C.

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3. The area is not known to contain commercially valuable deposits of minerals.
4. The Commission has certified the negative declaration, prepared for this project, on October 26, 1978.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT GRANTING OF THE APPLICATION WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1 ET SEQ. OF THE P.R.C.
2. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS.
3. APPROVE THE PROSPECTING PERMIT FORM AS PREPARED BY THE COMMISSION STAFF AND APPROVED BY THE OFFICE OF THE ATTORNEY GENERAL.
4. AUTHORIZE ISSUANCE OF THE PROSPECTING PERMIT, TO THE AMERICAN COPPER AND NICKEL COMPANY, INC., FOR A TERM OF 2 YEARS FOR ALL MINERALS OTHER THAN OIL, GAS AND GEOTHERMAL RESOURCES IN NORTH $\frac{1}{2}$ SECTION 36, T12S, R19E, SBB&M, IMPERIAL COUNTY; IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS, FOR ANY AND ALL MINERAL PRODUCTS EXTRACTED OR REMOVED FROM SAID PREMISES FOR SALE OR STOCKPILING SHALL BE DETERMINED AS SET FORTH IN THE PROSPECTING PERMIT.

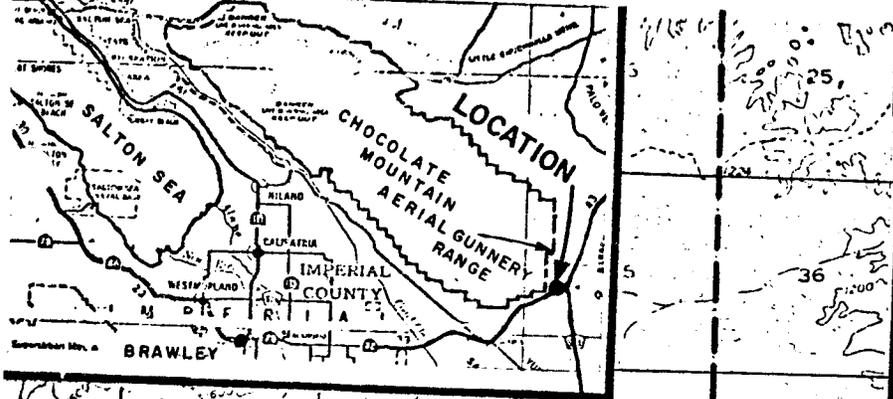
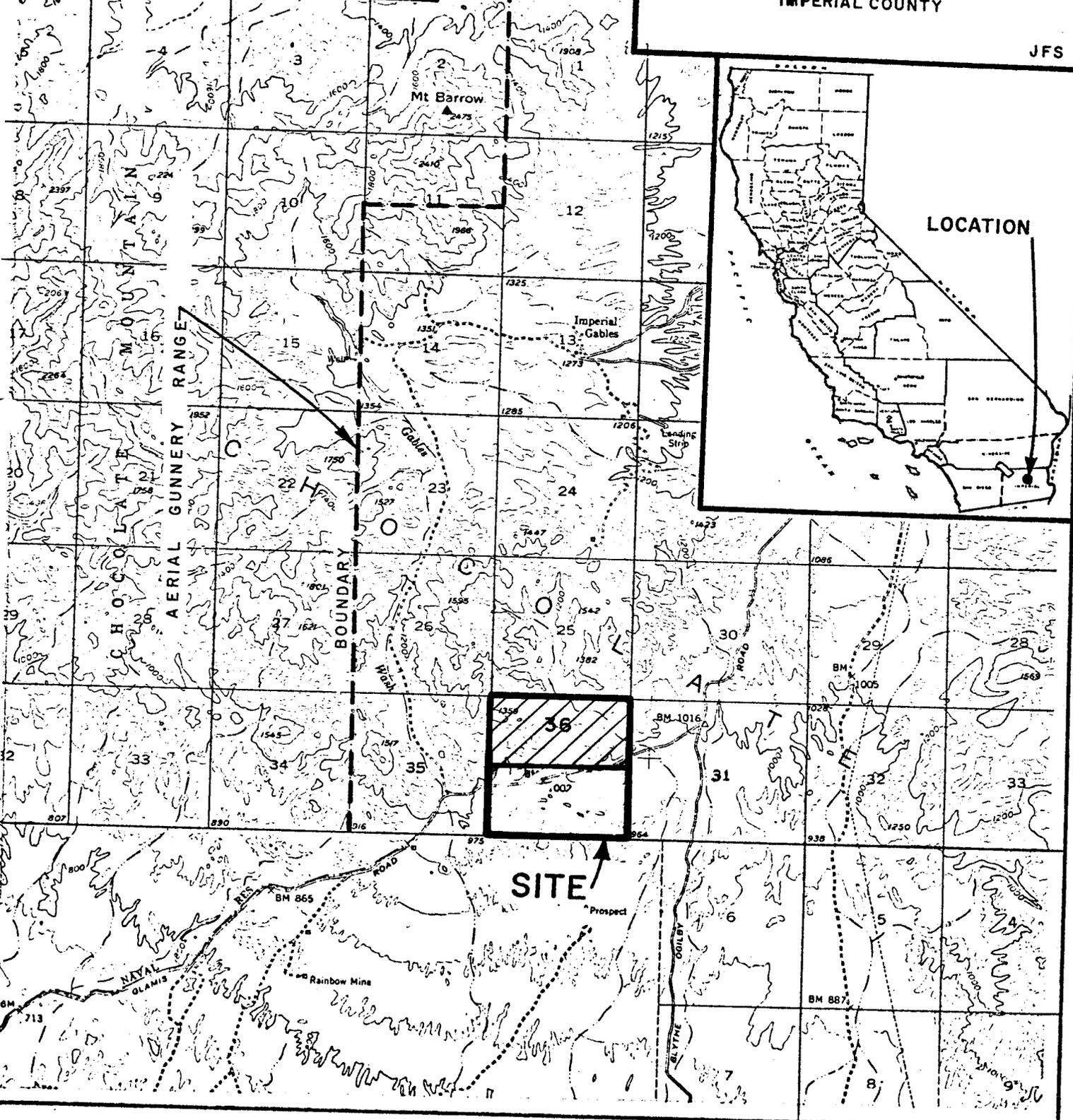


EXHIBIT "A"
W 40062
STATE LANDS COMMISSION
 Application for Prospecting Permit
 by
American Copper & Nickel Company Inc.
 N 1/2 Section 36, T.12S., R.19E.
IMPERIAL COUNTY

JFS



K.L. 1978