

MINUTE ITEM

This Calendar Item No. 25
was approved as Minute Item
No. 25 by the State Lands
Commission by a vote of 3
to 0 at its 9-24-80
meeting.

CALENDAR ITEM

25.

9/80
W 40137
Smith
PRC 5906

PROSPECTING PERMIT FOR MINERALS OTHER THAN
OIL, GAS AND GEOTHERMAL, SAN BERNARDINO COUNTY.

APPLICANT: Duval Corporation
4715 East Fort Lowell Rd.
Tuscon, Arizona 85712

TYPE OF LAND, LOCATION, AND AREA:

Approximately 269 acres of patented school
land comprising the SE $\frac{1}{4}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$ and
SW $\frac{1}{4}$ Section 36, T.8N., R.5E., SBB&M, San
Bernardino County. Parcel is south of Highway
40 between the towns of Newberry Springs
and Ludlow, approximately 38 miles east
of Barstow and 42 miles west of Amboy.
The State retained 100% of the minerals.

PROPOSAL:

The 269 acres of State reserved mineral
interest to be evaluated is part of an
exploration program of approximately 2000
acres which Duval has named the "Mojave
Project" and on which they have drilled
twenty exploratory holes to date. It is
Duval's intent to evaluate the potential
of the area for all minerals other than
oil, gas and geothermal resources, and
the primary exploratory objective is to
determine if borate minerals exist in commercial
quantities.

METHOD OF EXPLORATION:

Three drill holes are scheduled for the
area of State interest, with drill depths
proposed for 1400 to 2000 feet. Data will
be analyzed with data previously acquired
in drilling the adjacent areas in an attempt
to determine if a commercial ore body exists.

PREREQUISITE TERMS:

1. Required statutory filing fee, permit
fee, and expense deposit have been
submitted by the applicant.

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S 16

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2. The subject parcel is not known to contain commercially valuable deposits of minerals.
3. Royalty payable under any preferential lease issued shall be not less than 10% percent of the Gross Sales Revenue less specific charges, as approved by the Commission.

APPROVALS OBTAINED:

Pursuant to Section 6890 of the Public Resources Code, the subject permit application has been approved by the Office of the Attorney General as to compliance with applicable provisions of the law.

The Commission staff in accordance with Article 10, Section 2905(b) of the Cal. Adm. Code, has conducted an initial study and has determined that the project will not have a significant effect on the environment. Therefore, in compliance with Section 2905(c) of the Cal. Adm. Code, a Negative Declaration was prepared and filed with the State Clearinghouse.

The Negative Declaration was circulated to responsible agencies and agencies having jurisdiction by law. No adverse comments were received on the initial study.

OTHER PERTINENT INFORMATION:

1. This project is situated on State land which has not been classified as possessing significant environmental values.
2. Pursuant to Public Resources Code, Section 6985, the applicant would have a preferential right to a lease for a maximum of 160 contiguous acres embraced within the permit area.

EXHIBITS: A. Location Map. B. Negative Declaration.

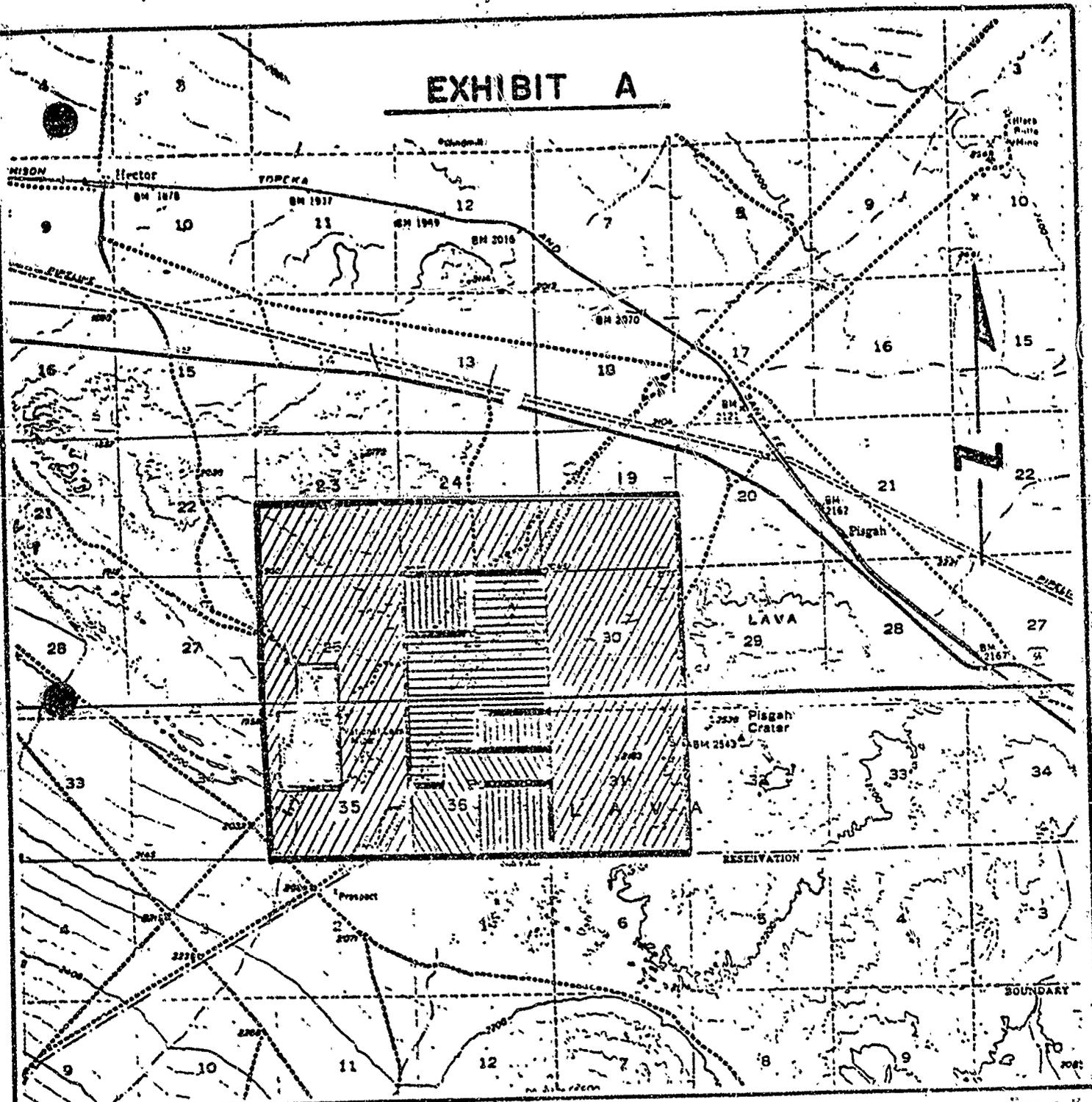
IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS PROJECT, BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE COMMISSION STAFF.

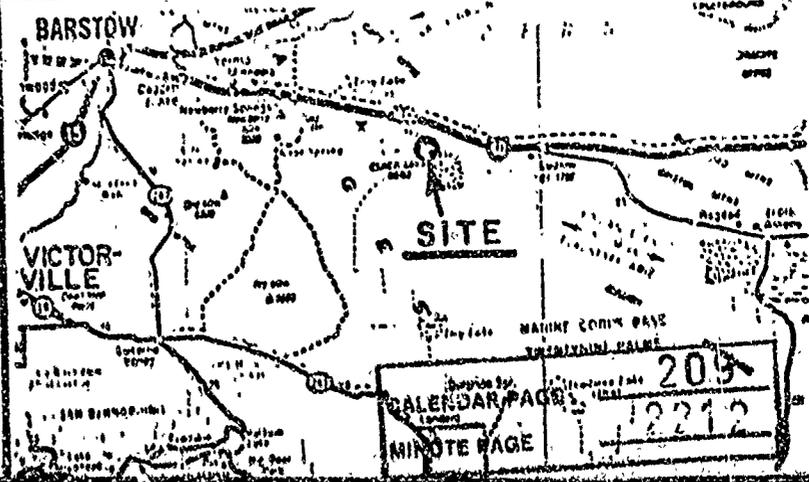
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2. CERTIFY THAT THE NEGATIVE DECLARATION NO. 269 HAS BEEN COMPLETED IN COMPLIANCE WITH THE CEQA OF 1970, AS AMENDED, AND THE STATE E.I.R. GUIDELINES, AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS.
5. AUTHORIZE THE ISSUANCE OF THE PROSPECTING PERMIT TO DUVAL CORPORATION FOR A TERM OF 2 YEARS: FOR ALL MINERALS OTHER THAN OIL, GAS AND GEOTHERMAL RESOURCES ON THE SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ OF SECTION 36, T.8N., R.5E. SBB&M, SAN BERNARDINO COUNTY, APPROXIMATELY 269 ACRES; IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMERCIAL VALUABLE MINERAL DEPOSITS FOR ANY AND ALL MATERIALS EXTRACTED OR REMOVED FROM SAID PREMISES FOR SALE OR FOR STOCK PILING SHALL NOT BE LESS THAN 10% OF THE GROSS REVENUE LESS SPECIFIC CHARGES, AS APPROVED BY THE COMMISSION, RELATED TO TRANSPORTING AND PROCESSING. SET FORTH IN SAID PERMIT.

EXHIBIT A



-  APPLICATION AREA STATE OWNS MINERALS ONLY
-  MINING CLAIMS LOCATED BY DUVAL CORP.
-  SOUTHERN CALIFORNIA EDISON
-  N. L. INDUSTRIES
-  PRIVATE LAND LEASED BY DUVAL CORP.



William Smith - L.B.
EDMUND G. BROWN JR., Governor

STATE LANDS COMMISSION

KENNETH CORY, Controller
MIKE ENRICH, Lieutenant Governor
WARREN GRAVES, Director of Finance

EXECUTIVE OFFICE
1807 - 13th Street
Sacramento, California 95814

WILLIAM F. NORTHROP
Executive Officer



7/2/80
1375
DJE
CFE
ADW
RGF
FILE

EIR NO: 269

File Ref.: W 40137

Draft NEGATIVE DECLARATION

Final

Project Title: Prospecting Permit for Industrial Minerals

Project Location: SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ of Section 36, T.8N., R.5E.,
S.B.B. & M., San Bernardino County, some 269 acres

Project Description: Three exploration drilling and/or core holes are scheduled for the project to gather data to determine the mineral potential of the area.

This NEGATIVE DECLARATION is prepared pursuant to the requirements of the California Environmental Quality Act (Section 21000 et. seq. of the Public Resources Code), the State EIR Guidelines (Section 15000 et. seq., Title 14, of the California Administrative Code), and the State Lands Commission regulations (Section 2901 et. seq., Title 2, of the California Administrative Code).

Based upon the attached Initial Study, it has been found that:

the project will not have a significant effect on the environment.

the attached mitigation measures will avoid potentially significant effects.

Contact Person: Ted Fukushima
1807-13th Street
Sacramento, CA 95814

(916) 322-7813

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INITIAL STUDY

(1) Project and Its Location

An application has been made to the State Lands Commission by the Industrial Minerals Department of the Duval Corporation to prospect for all minerals other than oil, gas and geothermal resources in the SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ of Section 36, T. 8N., R. 6E, SBB&M, San Bernardino County, some 269 acres. ^{59/11}

The State owns only the minerals on the application area, however the surface owner did not choose to exercise his right, pursuant to Section 6893 of the Public Resources Code, therefore, Duval Corporation's application is being considered at this time.

The Duval Corporation is currently conducting a large scale exploration program, covering hundreds of square miles of desert, which they have designated as their "Mojave Project". The application area of 269 acres is a very small part of an approximately nine square mile portion of the "Mojave Project". This nine square mile area lies within T. 8N., R. 5.E. and R. 6E.

The subject Section 36, T. 8N., R. 6E containing the 269 acres, is about 1.3 miles west of the Pisgah Crater and some 2.5 miles southwest of the Highway 40 from a point between the towns of Newberry Springs and Ludlow, said point being approximately 38 miles east of Barstow and 42 miles west of Amboy.

(2) Statement of the Objectives Sought by the Proposed Project.

The objective is to conduct a mineral exploration program on the proposed permit area to verify the existence of sub-surface beds of industrial minerals and if such minerals do occur, to determine if it is economically feasible to mine the deposit. The industrial minerals anticipated could include clay, borates and possibly some zeolites.

(3) General Description of the Project

The "Mojave Project", of which the application area is a very small portion, consists of examining large areas of desert lands by using existing data (U.S.

- Quick Foam - A biodegradable foaming agent.
- Caustic Soda - Sodium Hydroxide, used in small amounts as a pH control.
- Kwik Seal - Wood fiber, used as a lost circulation material.
- Q-Broxin - Ferrochrome Lignosulfonate, used in relatively small quantities as a mud thinner.

All of the above products are distributed by Bariod Division of NL Industries, and have been tested for possible adverse affects on the environment.

If anhydrites or other evaporate beds are encountered in process of drilling, 4 inch I.D. casing will be set in the drill hole. From this point, the next 350 to 450 feet will be core drilled to a total depth of approximately 1700 feet, using Longyear's HQ (2.5 inch diameter core) wireline core system.

Upon completion of the drilling, geophysical logs will be run in the hole, and any evaporite section that may be encountered will be sealed off with cement. The casing will be retrieved when possible, and the hole back filled with cuttings and top 50 feet filled with cement in compliance with State and County regulations. Any remaining drill cuttings will be discretely dispersed on the surface with the drill site being returned to its natural state as nearly and as practicable.

This initial study has been prepared to address the impact of the exploration program only. An additional environmental document must be prepared for the production phase should a lease be required. It is believed that any such production would require underground mining techniques due to the depth of the anticipated mineral deposit.

(4) Description of the Environmental Setting

The surface of the area in general is dominated by the basalt flows, related to Quaternary volcanic activity at Pisgah Crater (Section 32, T.8N., R.6E.), with the subject section 36 being completely covered by the flow. These flows are believed to be an average of 2 to 50 feet in thickness over the area. The top of the flows are buckled in numerous broken folds and wind blown sand is usually found in the low pockets and cracks with the vegetation being very sparse.

The detailed structure is unknown. A major fault, the Pisgah, runs northwest-southeast, and is located as close as $\frac{1}{2}$ mile to the southwest of Section 36. Several minor faults have been mapped and can be projected along the margin of Section 36.

The basalt flows lie directly on Pleistocene to recent alluvium or redbrown clays and mudstones, probably Upper Tertiary. An inclined shaft from an old mining operation in the $S\frac{1}{2}$ NW $\frac{1}{4}$ of Section 36, penetrated the basalt and is reported to have encountered redbrown clay below the basalt. Where alluvium is present it will lie on the older redbrown sediments. The redbrown sediments are locally grey and contain beds of sandstone and minor beds of limestone and ash, which may be altered to zeolites. The sediments were probably formed in a playa and/or lake. The redbrown sediments grade downward into the lacustrine grey-green mudstones with some anhydrite and limestone probably of Miocene age. Older Tertiary volcanic deposits may be present below the lacustrine sediments. In the southern portion of Section 36, flanglomerates may be found in place of the playa and lacustrine deposits.

Within the general area there are no present activities, with the exception of the mining operations being conducted by N.L. Industries in Section 26 and 35 where Hectorite, a lithium bentonite, associated with travertine is mined from Upper Tertiary-Pleistocene sediments. Borates, mostly colemanite, have been reported in a drill hole in Section 25. The borates are associated with Miocene lacustrine deposits. This mining operation consists of open pit mining techniques and has been operating since 1939, employing about 20 people. The mine infrastructure and waste dumps are clearly visible. A well maintained gravel road leads from Interstate Highway 40 to the mining operations of N.L. Industries in Section 26. In addition, there is a well maintained gravel road that serves as the maintenance road for high voltage power transmission lines. These power lines bisect the area from northeast to southwest. The right of way for these power lines extends through the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the proposed permit area and contains four sets of high voltage power lines, two 250,000 KV and two 500,000 KV, which provide power for the greater Los Angeles area. The balance of the area is criss-crossed by numerous unmaintained roads and trails, most of which resulted from previous exploration activity.

The southern boundary of the general vicinity and the proposed permit area is the southern boundary of the U.S. Marine Corps Twenty-Nine Palms Gunnery

Range, while on the north, the area is bounded by U.S.40, a four lane highway, to the west of Section 36 is N.L. Industries' open pit mine and to the east is a cinder mine operating at Pisgah Crater.

The nearest population center lies 16 miles to the west on Highway 40 at Newberry Springs, population 715. Vegetation on subject area is sparse and non-existent in some areas due to the lava flow. The climate is one of extremes, with intense heat in summer often averaging 120°F and cold and windy in the winter. Average rainfall is 3-4 inches with little or no runoff except during periods of storms.

The California State Department of Fish and Game had no data on the flora and fauna of the subject area since they had not conducted a survey of the area. The Desert Plans Office of the Bureau of Land Management in Riverside California had made a study of the area in connection with the wilderness inventory recommendations for the California Desert Conservation Area Board. Mr. William Landenslayer of the Desert Plans Office, informed the applicant that there are no rare or endangered plants native to the area and no rare or endangered fauna had been sighted.

At the request of the applicant, Dr. Joanne M. Mach, Chief Archaeologist for the San Bernardino County Museum Association conducted an archaeological study of the application area. The study reported no cultural resources exist on the property and that the proposed exploration program would have no impact on the cultural resources of San Bernardino County.

The report was reviewed by Dr. Gerald A. Smith, Historic Preservation Officer for San Bernardino County, and he concurred with the negative finding and stated that there are no sites now listed or being proposed for nomination to the National Register of Historic Sites that would be adversely impacted.

(4) Water Quality Aspects

Because of the unlikelihood of encountering groundwater in this area, the San Bernardino County Environmental Health Services Department has waived permit requirements for this project until such time that groundwater is encountered. In 1964, Congdon and Carey drilled Hector No.2 (SE½ Sec.8., T.8N., R.5E.) to a depth of 900 feet and Hector No.3 (SW½ Sec. 25, T.8N., R.5E) to a depth of 1660 feet. Summary logs of these holes published by the U.S. Geological Survey, do not show the presence of groundwater. Personnel from

N.L. Industries indicated that they have not encountered significant amounts of groundwater in 40 years of operation in the area, therefore, the applicant anticipates no adverse effect on water quality. However, if, groundwater is encountered, the applicant will comply with all requirements of the San Bernardino County Environmental Health Services Department.

(5&6) Assessment of Impact

Since the exploration program is limited in scope (possible 3 drill holes) and of short duration, any environmental impact would be of a temporary nature. The subject land is not being utilized, at this time, except for a narrow corridor in the northwest corner of the SW $\frac{1}{4}$ which supports a power transmission line. The only other activity in the general area is N.L. Industries open pit mine on the west and a cinder mine at Pisgah Crater to the east.

Because of the geological characteristics of the area, and the resulting sparse flora and fauna, the impact on the ecological system should be minimal.

With the already existing network of roads and trails it is anticipated that little or no site preparation or road work will be needed other than possibly filling the voids in the lava flow when needed to obtain a level site. Fill material would be used from the N.L. Industries mine site. In this respect, the applicant may option the surface owner's land and thus be granted in exchange certain usage of the surface, such as a site preparation.

Except for the visual appearance of the drilling rig, the remoteness of the area predominates, any noise, dust or fumes from such equipment will be of short duration and of little or no consequence except to the operating crew.

The nearest population center, Newberry Springs (pop. 715), 16 miles to the west, will probably be unaware of the existence of the exploration program.

Even with the mining activity in the area, with its waste dumps and the transmission power lines, there are some who consider the rather bleak and barren lava flows to be very scenic. Such aesthetic values would only be temporarily interrupted by the exploration program, since all equipment will be removed on completion of exploration program. Abandonment of drill holes is discussed in the General Description of the project.

(7) Any Significant Environmental Effects Which Cannot Be Avoided If the Proposal Is Implemented

Any adverse effects such as noise, dust or fumes that result from the exploratory phase are unavoidable, but these will be minimal and of short duration. All equipment will be removed on completion of the exploration phase and no structures are contemplated.

(8) Mitigation Measure Proposed To Minimize the Significant Environmental Effects

Water is non-existent on the site and must be hauled from Newberry Springs, a distance of 16 miles. Air will be used in drilling the top 1000 to 1300 feet. If caving and/or hydration of clays pose problems, there will be a change made from air to a potassium based drilling mud, with such fluid being contained in a portable sump.

Any evaporite section that may be encountered in the drilling will be cemented off.

The applicant agrees to perform all exploratory operations in a manner which shall be least detrimental to the environment, conducting all operations in a workmanlike manner in compliance with all State and County regulations.

(9) Alternatives To the Proposed Action

The only alternative is a "no project", for potential mineral deposits must be evaluated where geological data infers that such deposits may occur.

A "no project" precludes the possible growth potential to the local economy and tax base, should a viable mineral resource be discovered. However, a "no project" would not affect or preclude the mining in the area which has been active since 1939 and is the dominant activity of the area.

A "no project" would preclude the collection and study of geologic data which would provide the State additional insight into the geological knowledge of the area.

A "no project" would preclude any temporary disruption of the aesthetic values of the area.

(10) The Relationship Between Local Short-Term Uses of Man's Environment and the Maintenance and Enhancement of Long-Term Productivity

The prospecting phase of the proposed operation will be of short duration, conducted by a small number of people and will have no local short-term impact. The discovery and development of a viable mineral deposit would have certain long-term impacts on the environment and would be addressed in a separate E.I.R.

(11) Any Significant Irreversible Environmental Changes Which Would Be Improved in the Proposal Action Should It Be Implemented

The project should not cause any irreversible environmental change during this prospecting phase.

(12) Growth-Inducing Impact Of the Proposed Action

The exploration phase will have a negligible impact on the growth of the area because of its short duration and limited number of people involved.

(13) Energy Conservation

None for the exploration phase.

(14) Organizations and Person Consulted

San Bernardino County Environmental Health Services Department

San Bernardino County Planning Commission

California Fish and Game Department

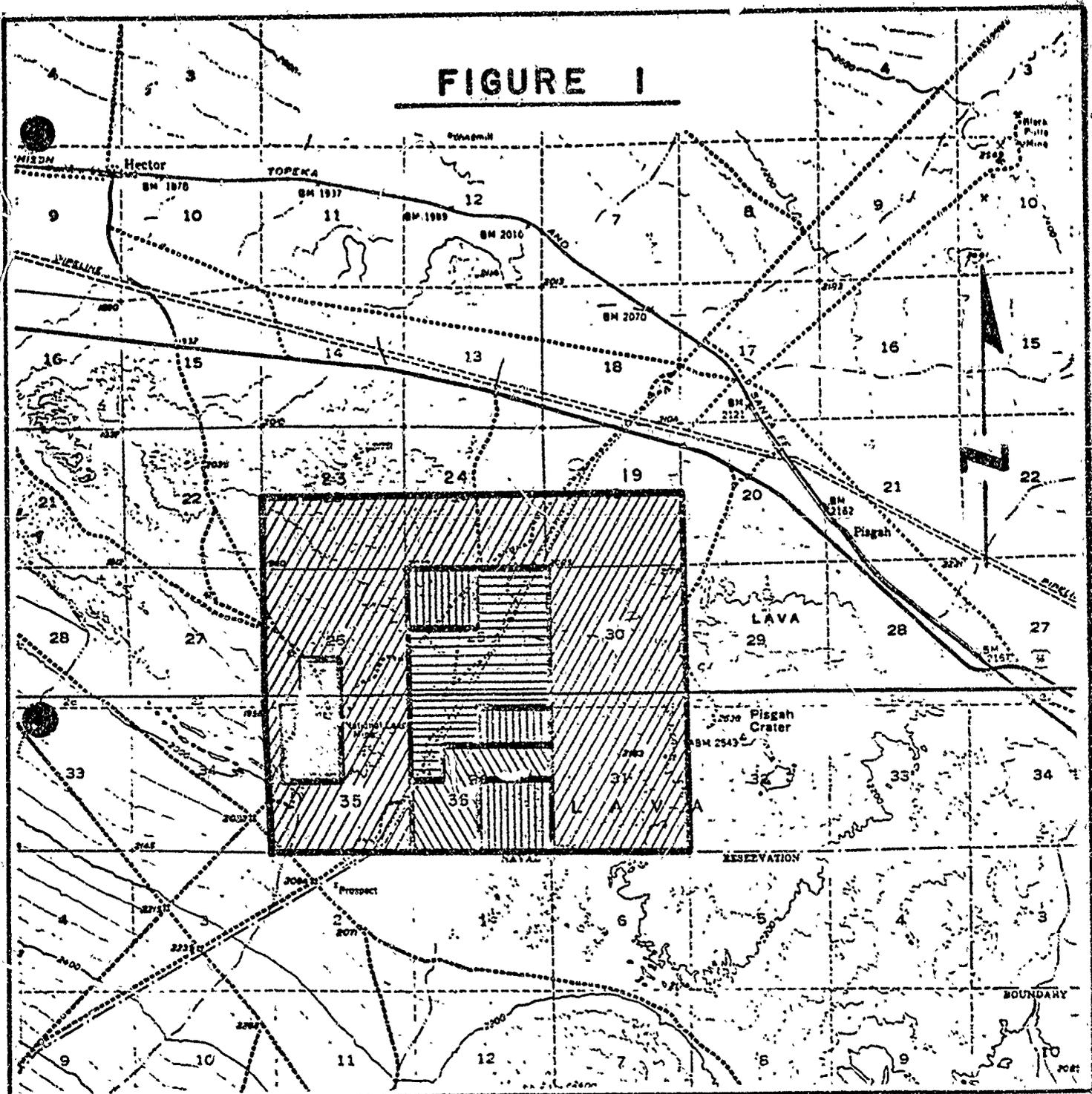
Desert Plans Office, Bureau of Land Management

Duval Corporation

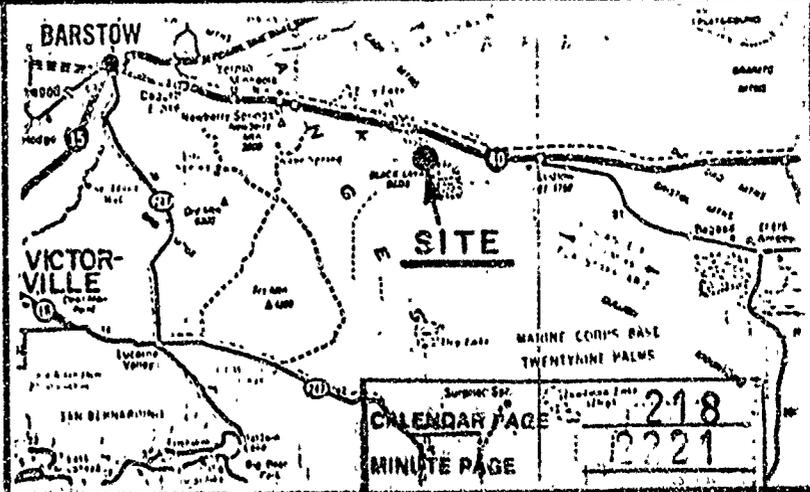
San Bernardino County Museum Association

San Bernardino County Historic Preservation Office

FIGURE 1



-  APPLICATION AREA
STATE OWNS MINERALS ONLY
-  MINING CLAIMS LOCATED
BY DUVAL CORP.
-  SOUTHERN CALIFORNIA EDISON
-  N. L. INDUSTRIES
-  PRIVATE LAND LEASED BY
DUVAL CORP.



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1" = 1000'

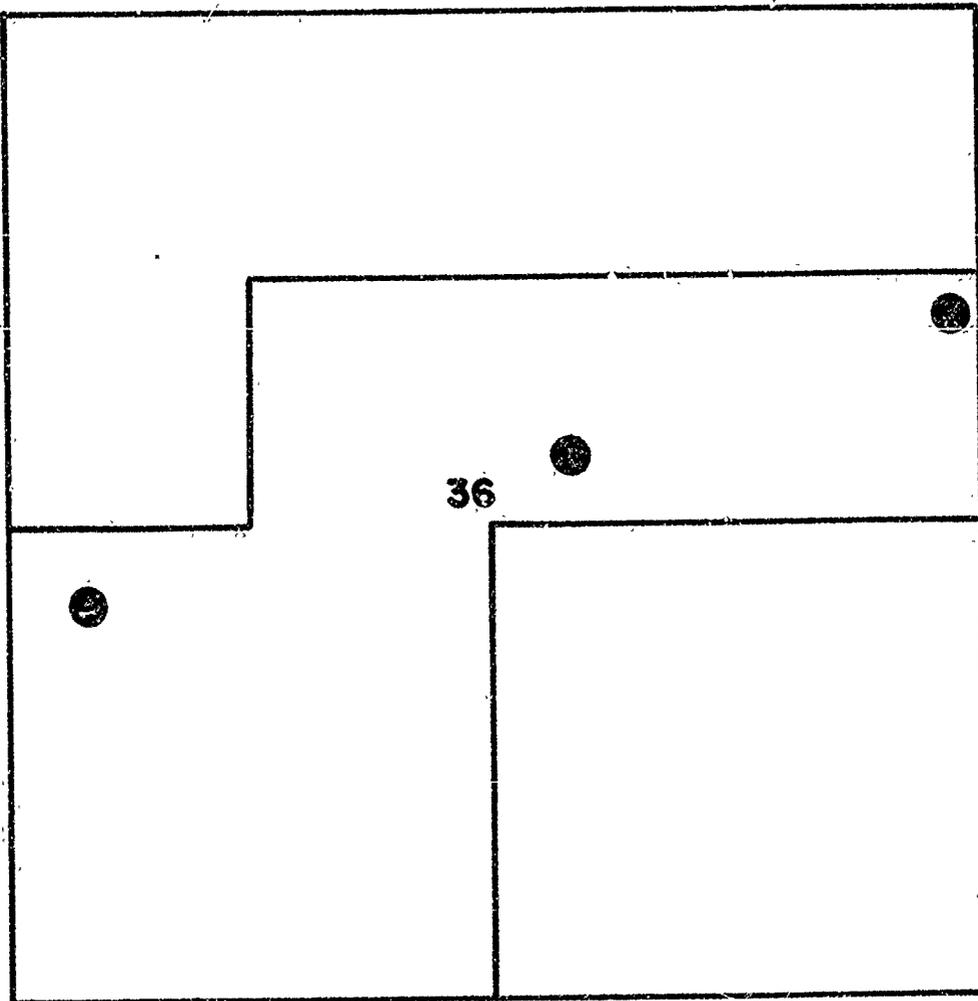
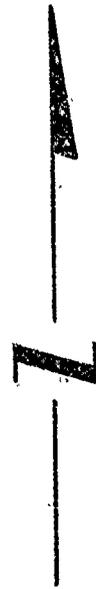


FIGURE 2

PROPOSED DRILL HOLES ON THE
APPLICATION AREA.

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SAN BERNARDINO COUNTY
MUSEUM

ASSOCIATION
TELEPHONE (714) 792-1334 OR (714) 825-1825

MAILING ADDRESS

2024 ORANGE TREE LANE • REDLANDS, CALIFORNIA 92373

December 12, 1979

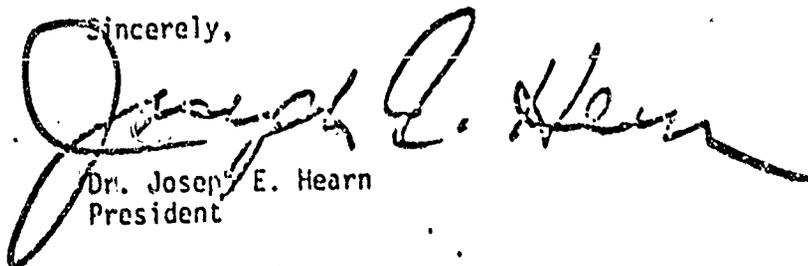
R. G. Fleming
Duval Corporation
4715 East Fort Lowell Road
Tucson, Arizona 85712

Re: Cultural Resources Assessment
Section 36, Township 8 North, Range
5 East, San Bernardino Base and Meridian,
San Bernardino County, California.

Attached is the study report requested. No cultural resources exist on the property and your proposed project will have no impact on the cultural resources of San Bernardino County.

This study was completed by Dr. Joanne M. Mach, Chief Archaeologist for the San Bernardino County Museum Association. The report has been reviewed by Dr. Gerald A. Smith, Historic Preservation Officer for San Bernardino County, who concurs with the negative findings and states that there are no sites now listed or being proposed for nomination to the National Register of Historic Sites that will be adversely impacted.

Sincerely,



Dr. Joseph E. Hearn
President

JEH:bm

Attachments

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LETTERS: Mailing List

San Bernardino County APCD
22850 Cooley Drive
Colton, CA 92324
(714) 824-2660

San Bernardino County Planning Department
1111 East Mill St., Bldg. 1
San Bernardino, CA 92415
(714) 383-1215

Attention: Mr. John Jaques

San Bernardino Public Works Agency
825 East 3rd Street
San Bernardino, CA 92415
(714) 383-2131

Attention: Mr. John Bernard

Native American Heritage Commission
1400 Tenth Street
Sacramento, CA 95814
(916) 322-7791

Attention: Mr. Steven Rios, Executive Secretary
w/cc of each to Native Area Heritage

Mr. Henry Duro, Tribal Chairman
San Manuel Reservation
Route 2, North Victoria
Highland, CA 92346
(714) 862-2737

Twenty-nine Palms Reservation
67305 Laguna Pl
Palm Springs, CA 92262

Ms. Theresa Green
3790 Bronson
Muscoy, CA 92405

Ms. Julie Williams
Route 2 North Victoria
Highland, CA 92346

Letters

Mr. Franklin McCabe
Colorado River Indian Tribe
Route Box 23 B
Parker Arizona 85344

Chemehuevi Indian Reservation
P. O. Box 1807
Chemehuevi Valley, CA 92363

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MEMORANDUM: Mailing List

Department of Fish and Game, Region 5
550 Golden Shore
Long Beach, CA 90802 (213) 590-5177

Colorado River Regional Water
Quality Control Board
73-271, Highway 111, Suite 21
Palm Desert, CA 92260 (714) 346-7491

Department of Conservation
Division Mines & Geology
1416 9th Street
Sacramento, CA 95814 (916) 445-1825

South Coast Air Quality Management District
Eastern Zone
22850 Cooley Drive
Colton, CA 92324 (714) 824-2660

Attention: Mr. Harold Lange

Ms. Laurie Wright
Office of Planning & Research
1400 Tenth Street
Sacramento, CA 95814 (916) 322-9374
w/Mailing List