

MINUTE ITEM

This Calendar Item No. C18
was approved as Minute Item
No. 18 by the State Lands
Commission by a vote of 3
to 1 at its 1-24-81
meeting.

CALENDAR ITEM

C18

1/81
W 40197
Smith
PRC 5952

PROSPECTING PERMIT FOR MINERALS
OTHER THAN OIL, GAS AND GEOTHERMAL
KERN COUNTY

APPLICANT: Mr. Carl Austin
Route 1 - Box 240
Inyokern, California 93527

TYPE OF LAND AND LOCATION:
School Land - Section 36, T28½S, R40E,
SBB&M, Kern County, less than ½ mile to
the east of Highway 395 and approximately
5 miles north of the town of Johannesburg.

PROPOSAL: Main objective is to determine whether
the subject section contains sufficient
disseminated placer gold to support a family
run dry placer gold mining operation. Should
results of the exploration be positive,
the project is not anticipated to return
any substantial amount of income to the
applicant, but is designed to be a family
project to give summer employment to the
applicants' sons, and possibly allow them
to earn some money to defray their college
expenses.

METHOD OF EXPLORATION:
Using small dry washer equipment and hand
tools, a carefully planned systematic sampling
program of the area will be conducted and
a detailed map prepared. Sampling will
be directed to the fanglomerate gravels
and washes. The concentrate from the dry
wash will be washed and if productive,
weighed and recorded.

PREREQUISITE TERMS:

1. Required statutory filing fee, and
expense deposit have been submitted
by the applicant.
2. Subject parcel is not known to contain
a commercially valuable deposit of
minerals.

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S 16

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3. Royalty payable under any preferential lease issued shall be as follows:
- (a) 10% of the gross value of all mineral production, less any processing and transportation charges as incurred by the lessee and approved by the State, or less any such charges made for any mineral concentrates sold to a mineral processing or reduction works.
 - (b) 10% of the gross sales price for all mineral production sold other than to a smelter or mineral reduction works.

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 on October 17, 1980, to responsible agencies and agencies having jurisdiction by law. No adverse comments were received to 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 6895, the applicant would have a preferential right to a lease for a maximum of 160 acres embraced within the permit.

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Maximum acreage under this permit would be 144+ acres.

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.
2. CERTIFY THAT THE NEGATIVE DECLARATION NO. 279 HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, AND THE PROVISIONS OF TITLE 14, CALIFORNIA ADMINISTRATIVE CODE, CHAPTER 2, 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 CARL AUSTIN FOR A TERM OF 2 YEARS, FOR ALL MINERALS OTHER THAN OIL, GAS AND GEOTHERMAL RESOURCES ON SECTION 36, T28½S, R40E, SBB&M KERN COUNTY, APPROXIMATELY 144 ACRES; IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON THE DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS FOR ANY AND ALL MATERIALS, EXTRACTED OR REMOVED FROM SAID PREMISE FOR SALE OR STOCKPILING SHALL BE 10% OF GROSS VALUE OF ALL MINERAL PRODUCTION, LESS ANY PROCESSING AND TRANSPORTATION CHARGES AS INCURRED BY THE LESSEE AND APPROVED BY THE STATE, OR LESS ANY SUCH CHARGES MADE FOR ANY MINERAL CONCENTRATES SOLD AT A MINERAL PROCESSING OR REDUCTION WORKS; 10% OF THE GROSS SALES PRICE FOR ALL MINERAL PRODUCTION SOLD OTHER THAN TO A SMELTER OR MINERAL REDUCTION WORKS.

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EXHIBIT "A"

W - 40197

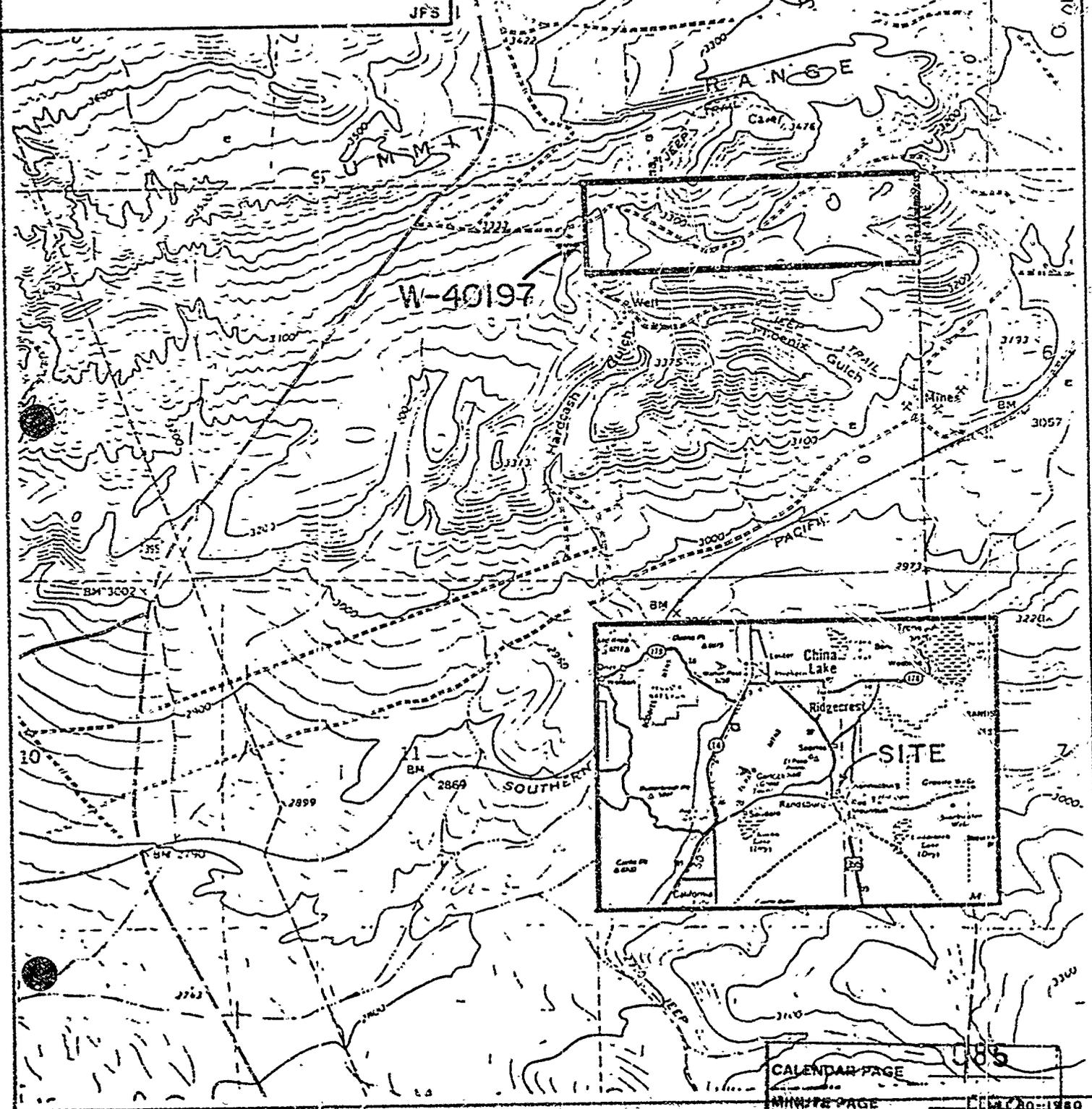
APPLICATION FOR A PROSPECTING PERMIT

SECTION 36, T.28 1/2 S., R.40E. MDB8M

BY
MR. CARL F. AUSTIN

KERN COUNTY

SCALE 1:24000



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STATE LANDS COMMISSION

EXHIBIT "B"

KENNETH CORY, Controller
 M. KE CURB, Lieutenant Governor
 MARY ANN GRAVES, Director of Finance

EXECUTIVE OFFICE
 1807 - 13th Street
 Sacramento, California 95814

WILLIAM F. NORTHROP
 Executive Officer

EIR NO: 279

File Ref.: W 40197

SCH No.: 80100954

Draft NEGATIVE DECLARATION
 Final

Project Title: Prospecting Permit for Gold

Project Location: Lots 1, 2, 3, and 4, Section 36, T.28 $\frac{1}{2}$ S., R.40 E.,
 M.D.M., Kern County approximately 5 miles north of Johannesburg.

Project Description: The project will consist of sampling the gravel by
 shoveling a measured number of shovels full into a dry washer then
 hand panning and weighing the resultant concentrate if any.

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 regula-
 tions (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 T. Fukushima
 State Lands Commission
 1807-13th Street
 Sacramento, CA 95814

(916)322-7813

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INITIAL STUDY1. PROJECT AND ITS LOCATION

An application has been made to the State Lands Commission to prospect for placer gold on Section 36, T. 23½ S., R. 40 E., M.D.B. & M., some 146 acres, by Dr. Carl F. Austin, geologist currently employed by the Navy at China Lake. Section 36 is situated less than ½ mile to the east of Highway 99 approximately 5 miles north of Johannesburg. The section does not appear on the current El Paso Peak Quadrangle, the plat of resurvey being dated January 16, 1978.

The applicant has five claims adjacent to the W½ of the section on BLM lands, known as the Golden Jubilee claims 1 through 5 and accordingly has named his prospect on State lands the Golden Jubilee.

2. STATEMENT OF THE OBJECTIVES SOUGHT BY THE PROPOSED PROJECT

The main objective is to make an evaluation of the placer gold potential of the subject parcel, however, equally as important, it should be noted that the project is not anticipated to return any degree of income to the applicant, but is designed to be a family project to primarily give summer employment to applicant's sons and possibly allow them to earn some money to defray their college expenses.

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STATEMENT OF THE OBJECTIVES SOUGHT BY THE PROPOSED PROJECT (CONT'D)

To help make this project feasible, a carefully planned systematic sampling program of the area will be conducted and a detailed map prepared to determine whether or not the subject area contains sufficient disseminated placer gold to support a family type gold placer mining operation, using dry washer equipment together with hand and small machine tools.

3. GENERAL DESCRIPTION OF THE PROJECT

The potential for deposits of placer gold consists of small linear zones located in caliche horizons within partially dissected conglomerate deposits (older gravels) and small linear zones on the floors of present day dry washes cutting across and exposing these caliche horizons.

The prospecting program will consist of sampling the conglomerate gravel by shoveling up a measured number of shovels full into a dry washer (small portable, home fabricated concentrating device) and then hand panning and weighing the resultant concentrate if any. The sampling of the caliche-gravel areas will be done on a grid basis, while the dry wash areas will be sampled on a linear basis. Where the bedrock is crossed by active washes samples will be taken from small narrow trenches. Sample spacings will be approximately 100 feet, dropping to 50 feet if and when any values are encountered.

GENERAL DESCRIPTION OF THE PROJECT (CONT'D)

In all the sampling, the amount of material removed will amount to only a few cubic feet of gravel which will be run through the dry washer and then returned to the sample area. Where caliche or other false bedrock is encountered, the surface will be vacuumed. Where bedrock is crossed by active dry washes the bedrock joints will be vacuumed and picked to determine if gold is present. Sample results will be plotted on a map to determine the distribution value, if any. In the event a caliche zone of importance is found a portable mechanical seismic method (sledge and plate) will be used to trace the caliche beneath the surface.

All sample points will be backfilled and marked with a small stake. The work can only be performed in summer and fall when the surface is dry and amenable to the use of a dry washer.

Again the project is designed to be a family project, the applicant anticipates that should workable values be found, it would keep his two teenage sons occupied for two full summers. If they can recover gold at a rate of \$5.00 an hour, they can help defray their school expenses. If gold becomes stabilized at or near today's record levels, the goal of achieving \$5.00/hour with a dry washer becomes geologically possible and worth the evaluation effort.

The initial exploration program will probably involve 2 to 4 people, using for the most part hand tools and possibly a miniature end loader such as a Clark Minibobcat. No structures will be constructed

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GENERAL DESCRIPTION OF THE PROJECT (CONT'D)

and existing trails and roads will be used for transporting all equipment.

If a lease is requested as a result of the exploration program, the applicant upon his retirement will continue the operation with the help of his wife and sons when available, supplemented by hiring local teenagers. An additional environmental impact report would be prepared to cover such production phase in detail.

4. DESCRIPTION OF THE ENVIRONMENTAL SETTING

(a) REGIONAL SETTING:

The area is for the most part open desert with no public projects. It is of moderate relief (100 to 300 feet), readily accessible from Highway 395, therefore, popular with the motorcyclists and the ORV's, as is evidenced by the many existing trails, though some are from earlier prospecting. The area has been prospected for gold as early as 1893 and prospecting has continued intermittently to the present time. However, no production has been recorded for this area that lies north of the Randsburg and Johannesburg areas and south of the Rademacher Mining District. Most of the reported prospects were placer types, probably most active during the depression era of the 1930's. Currently, prospecting in the area is primarily conducted by weekenders. Some parts of the area have been used for grazing in the past, but no such use has been noted in the last five years.

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LOCAL SETTING:

The west boundary of Section 36 is less than ½ mile east of Highway 395. Located on the southern flank of the Summit Range, the average elevation is 3300 feet above mean sea level. The surface area is typical of the northern portion of the western Mojave Desert with extensive cover of perennial creosote brush and scattered annuals, depending on the rainfall for a particular year. Because of its nearness to the highway the area is very popular with the motorcycle advocates, as evidenced by the many trails that cross the area and apparently, is used on occasion for organized races. Weekend hobbyists have numerous small placer claims in the general area. There is no existing commercial development within several miles of the area, and there is no development in the adjacent area, except for the applicant's mining claims on the adjacent BLM land.

Reference is made in the literature (Kern Co. Report CDMG) to the Summit Placer claims which were made up of numerous holdings in Sections 1, 12, and 6, T. 29 S., R. 40 E., M.D.B. & M. These claims were briefly described. The most extensive holding were in Sections 1, 12, but the main diggings were in Section 6. No production was reported. The claims appear to have been worked during the 1930's.

DESCRIPTION OF THE ENVIRONMENTAL SETTING (CONT'D)

Principal source of gold was reported as being in the reworked older alluvium, some 2 to 10 feet thick, containing 35¢ to \$1.00 worth of gold per cubic yard, however, there is no reported production. Section 36, some 146 acres was originally a part of the north end of Section 1. The surface is partially covered by a Pleistocene fanglomerate that may contain traces of placer gold on the zones of false bedrock such as caliche horizons. Most of the surface is covered by Pliocene volcanics with a small outcrop of Miocene sandstone. Where crossed by active present day washes these bedrock outcrop areas will be prospected for localized accumulations of placer gold in the joints and bedding plane openings.

Tilly C. Barlung, Natural Resources Management Specialist made a study of the area and reported no sensitive, i.e., rare, threatened or endangered floral or faunal species is known to be present on this parcel. A summary of her study has been made a part of this initial study and is as follows:

SUMMARY

Environmental Analysis Record - Sensitive Species Golden Jubilee Prospect

"The parcel under consideration is located in the northern Mojave Desert of California at approximately 3,300 feet mean sea level. It can be classified as a Creosote Bush Scrub Community. The dominant plant species being Creosote Bush (Larrea tridentata).

SUMMARY (CONT'D)

Vegetative cover is sparse, approximately 30%. Past and present uses of this land which include organized off-road events, casual off-road recreation, sheep grazing, prospecting and mining, have disturbed no less than one-half of the surface, exclusive of active washes. Washes are used as throughways in the general area as well as on Section 36. No sensitive plant species (rare, threatened or endangered) are known to be present on Section 36 or its immediate vicinity.

Native wildlife in the area are limited by the availability of water and food. Coyotes (Canis latrans), bobcat (Lynx rufus) probably hunt in the area. The majority of the wildlife population consists of lagomorphs and rodents. Black-tailed hares (Lepus Californicus) are frequently seen. Burrows indicate numerous fossorial rodents in the area, probably kangaroo rats (Dipodomys sp.), mice (Peromyscus sp.), and pocket mice (Perognathus sp.). Also observed were several wood rat (Neotoma lepida) workings. It is also likely that desert kit fox (Vulpes macrotis sp.) and badgers (Taxidea taxus) are resident. (1)

No rare, threatened or endangered faunal species are known to be present on this parcel. (2)

1. It should be noted that this region is distant from the habitat of the endangered San Joaquin kit fox (V.M. mutica) and separated by the physiographic barrier of the Sierra Nevada.
2. Within the general region, e.g., 20 square miles, there may be Mojave ground squirrels (Spermophilus mohavensis) or desert tortoises (Gopherus agassizi), both classed rare by the California Department of Fish and Game. However, the preferred food plants for the Mojave ground squirrels, atriplex, are not present on Section 36; and the elevation is at the upper limits of the range for desert tortoises. Additionally, the terrain is not the type preferred by tortoises for their burrows.

DESCRIPTION OF THE ENVIRONMENTAL SETTING (CONT'D)

SUMMARY

The level of effort described for the proposed project will create minimal additional disturbance to native plants or wildlife. The principal disturbance will be motorized access where there is no existing road or trail. Destruction, deformation or severe pruning of shrubs can be mitigated by avoiding them. This strategy will also minimize the likelihood of crushing fossorial animals in their burrows since the majority of burrows are around the bases of the large shrubs. General mitigation to seedling shrubs can be effected by the avoidance of wearing in additional roads or trails by repeated travel.

As described, the proposed project will not create long-range, irreversible damage to the plant or wildlife communities on Section 36, T. 28½ S., R. 40 E., M.D.B. & M., Kern County. Minor disturbance to the surface will recover after annual rainfall. No sensitive, i.e., rare, threatened or endangered floral or faunal species is known to be present on this parcel."

The cultural resources potential of the subject area was checked by Carolyn A. Shepherd, Cultural Resources Specialist. She summed up her findings as follows:

"The parcel under consideration is located on Section 36, T. 28½ S., R. 40 E., M.D.B. & M., Kern County, California. On July 15, 1980 I conducted a surface investigation for the presence of cultural

DESCRIPTION OF THE ENVIRONMENTAL SETTING (CONT'D)

SUMMARY

resources on the subject parcel. Since any anticipated major adverse impacts, from the proposed project would most likely occur in wash areas, these received the most thorough survey. These washes are seasonally active; this greatly reduces the possibility of cultural resources remaining in situ. The general terrain of this parcel is broken and rugged, covered by volcanics and recent alluvium. Over 45% of the parcel is surface disturbed by what appears to be large numbers of motorcycles and off-road vehicles.

This survey revealed no prehistoric cultural resources. Evidence of historic human activity in the area is limited to tailings and a few collapsing shacks attributable to depression era prospecting. Judging from the trash dumps, it is likely these activities took place from the early 1930's through the late 1940's. Such sites are to be found through the desert west. No such remains were found on the subject property.

A search of the National Register of Historic Places noted no listing of properties on or adjacent to the application site. Examination of regional site survey records indicated no recorded archaeological or historic sites present in the application parcel. The minor disturbance caused by the proposed project will not adversely impact cultural resources."

(b) WATER QUALITY ASPECTS

Since all phases of the exploration will be conducted on the surface or relatively close to the surface the water table does not become a factor. The depth of water in the area exceeds 125 feet as shown by adjacent dry shaft and is expected to be in the order of 500 to 1000 feet. The prospecting plans require no water other than the small amounts (about 20 gallons a day), brought to the adjacent claim for panning the drywasher concentrate. While there is no perennial water on or near the project site, occasional flash flooding occurs in the washes during the summer months.

5. ASSESSMENT OF IMPACT

The prospecting will create small disturbed areas of approximately 4 square feet per sample area on a spacing of roughly 100 feet per sample. Samples that show some values will then have adjacent samples taken at half the distance in order to establish possible trends. The bulk of the sample material will be returned to the sample site, after concentrating. In the washes, sampling will be done from narrow short trenches, which will be backfilled. There will be added vehicle tracks as the dry washer is moved from one sample site to another, however, such tracks will be lost in the morass of the existing motorcycle and off-road vehicle tracks. Some dust will be created in the drywash process, but it is not expected to be visible for any distance and will not be

ASSESSMENT OF IMPACT (CONT'D)

continuous and only minor in consequence. The creosote brush common to the area, will not be disturbed, in fact, avoided whenever possible. Noise generated by the drywasher and the shoveling will be lost in the remoteness of the area and certainly will be well below the level of noise of the motorcycles that frequent the area. The concentrates from sampling in the wash areas will be subject to reworking by runoff from rains and as is evident from the old placer tailings will eventually be discernable only to the experienced eye.

Any impact on the area will be minor and of short duration.

6. SIGNIFICANT ENVIRONMENTAL EFFECT OF THE PROJECT

None are known or anticipated.

7. ANY SIGNIFICANT ENVIRONMENTAL EFFECTS WHICH CANNOT BE AVOIDED IF THE PROPOSAL IS IMPLEMENTED

None are known or anticipated.

8. MITIGATION MEASURES PROPOSED TO MINIMIZE THE SIGNIFICANT ENVIRONMENTAL EFFECTS

None are anticipated - Prudent operation dictates that sample holes should be backfilled and existing roads used wherever possible. The creosote brush cover should be left intact. All of this is possible in a family type operation such as has been proposed.

9. ALTERNATIVES TO THE PROJECT

- (a) No project resulting in the compilation of no data and no potential for future mining in the event a deposit of interest is present.
- (b) Sampling by heavy equipment methods, which has the potential for causing considerable scarring of the land surface. Applicant believes such an approach for their type of operation to be unnecessary and would serve no purpose other than to save time.

10. RELATIONSHIP BETWEEN LOCAL SHORT-TERM USES OF MAN'S ENVIRONMENT AND THE MAINTENANCE AND ENHANCEMENT OF LONG-TERM PRODUCTIVITY

Present uses of the area are very limited. The prospecting project might divert a few motorcyclist activities from trespassing and might entice a few passersby to drive over and see what is taking place. There are no long-term health or safety aspects. The principle reason for not deferring the project is the present rising trend in gold prices which make the project feasible and from an energy efficiency point of view, it is far more effective to prospect the area as a whole and to be able to interpret the results as a whole than to do so in a scattered and piecemeal fashion.

11. ANY SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES WHICH WOULD BE INVOLVED IN THE PROPOSED ACTION SHOULD IT BE IMPLEMENTED

None are known.

12. GROWTH-INDUCING IMPACT OF THE PROPOSED ACTION

Again, the project is planned as a family-type operation to help the applicant's sons gain field experience and summer employment, to possibly help with their college costs. It is not anticipated to have any degree of economic impact, not even to the applicant's family. If successful, however, the project could provide future summer employment for other local teenagers. There will be no permanent occupation of the land per se.

13. ENERGY CONSERVATION

Trips to the site involve a 40 mile round trip. By conducting this project concurrent with other prospecting in the area, the consumption of gasoline should be halved.

14. ORGANIZATIONS AND PERSONS CONSULTED

Applicant - Dr. Carl F. Austin

T. C. Barling - Natural Resources Management Specialist

Carolyn A. Shepherd - Cultural Resources Specialist

State Lands Commission - Staff

15. SPECIFICITY OF DATA

This is a very small and rather insignificant project, but in view of the nature of the ongoing adjacent prospecting, the data is quite specific.