

MINUTE ITEM

This Calendar Item No. 34
was approved as Minute Item
No. 34 by the State Lands
Commission by a vote of 2
to 0 at its 3/23/82
meeting.

CALENDAR ITEM

34

3/23/82
W 40255
Gonzalez
PRC 6135

APPROVAL OF A PROSPECTING PERMIT
IMPERIAL COUNTY

APPLICANT: Newmont Exploration Limited
200 West Desert Sky Road
Tucson, Arizona 85704

PROPOSED AUTHORIZATION:

Approval of a prospecting permit for two years to prospect for gold, silver and other valuable minerals other than oil, gas, other hydrocarbons and geothermal resources, on approximately 607.52 acres of land located in Section 16, T15S, R21E, SBM, Imperial County.

CONSIDERATION: Filing and expense fees of \$125 and an acreage deposit of \$608.

TYPE OF LAND AND LOCATION:

State school land consisting of approximately 607.52 acres, being a portion of Section 16, T15S, R21E, SBM, in Imperial County.

PROPOSED PROJECT:

The applicant proposes to drill exploratory bore holes, five-inches by 750 feet deep in a grid pattern, in phases, total of to discover and delineate any possible orebody.

TERM:

The primary term of this prospecting permit is two years. The Commission may, in its discretion, extend the term for one additional year.

PREREQUISITE ITEMS:

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 38

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3. Royalty payable under any preferential lease issued shall be as follows: not less than ten percent of the gross value of all minerals produced from the leased lands, less any charges incurred by the lessee and approved by the State in processing and transporting said minerals.

STATUTORY REFERENCES:

P.R.C. Div. 6, Section 6891, Cal. Adm. Code, Title 2, Section 2200.

AB 884:

9/4/82.

PERTINENT INFORMATION:

1. A Negative Declaration, ND 304, was prepared by the Commission's staff pursuant to CEQA and implementing regulations.
2. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1 and is classified in a use category class "A", which authorizes Restricted Use.
3. An archaeological survey was conducted by archaeologists of the Imperial Valley College Museum staff to assess the cultural values of this parcel. Mitigation measures were proposed to protect the identified sites within the State school parcel.

The mitigation measures consist of protecting the ribboned and flagged sites and confining prospecting activities near these sites to existing roads. The project as proposed will not have a significant effect upon the identified environmental values.

4. Staff has coordinated this project with those agencies and organizations which nominated the site as containing significant environmental values. They

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have found this project to be compatible with their nomination.

ADDITIONAL PERTINENT INFORMATION:

Pursuant to P.R.C. Section 6895, the applicant would have a preferential right to a lease for a maximum of 160 acres embraced within the permit. It is understood, however, that such preferential right to a lease shall be subject to all necessary environmental approvals. This permit shall not in anyway affect the discretion of the Commission in giving or denying such approvals.

APPROVALS OBTAINED:

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

EXHIBITS:

- A. Legal Description.
- B. Location Map.

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'S STAFF.
2. CERTIFY THAT THE NEGATIVE DECLARATION, ND 304, HAS BEEN COMPLETED IN COMPLIANCE WITH THE CEQA OF 1970, AS AMENDED, AND THE STATE CEQA 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 AND THAT THE MITIGATION MEASURES FOR PROTECTING THE IDENTIFIED SITES WILL AVOID POTENTIALLY SIGNIFICANT EFFECTS.
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 NEWMONT EXPLORATION, LTD., FOR A TERM OF TWO YEARS, FOR MINERALS OTHER THAN OIL, GAS, OTHER HYDROCARBONS

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AND GEOTHERMAL RESOURCES ON APPROXIMATELY 607.52 ACRES OF LAND AS DESCRIBED IN EXHIBIT "A", BEING LOCATED IN SECTION 16, T15S, R21E, SBM, IMPERIAL COUNTY, IN ACCORDANCE WITH THE STANDARD PERMIT FORM. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON THE DISCOVERY OF COMMERCIALY 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 TEN PERCENT OF THE GROSS REVENUE, LESS SPECIFIC CHARGES, AS APPROVED BY THE COMMISSION, RELATING TO TRANSPORTATION AND PROCESSING AS SET FORTH IN SAID LEASE. DETERMINATION OF SUCH ROYALTY SHALL BE AT THE DISCRETION OF THE COMMISSION.

EXHIBIT "A"

LAND DESCRIPTION

W 40255

A parcel of California State school lands in Imperial County, California, described as follows:

Section 16, T15S, R21E, SBM.

EXCEPTING THEREFROM all those validly patented lands identified as mineral surveys Nos. 3246 and 4266 as shown upon the U.S. township plat of T15S, R21E, SBM, dependent resurvey and survey dated March 25, 1965.

Containing 607.52 acres, more or less.

END OF DESCRIPTION

PREPARED JANUARY 27, 1982 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.

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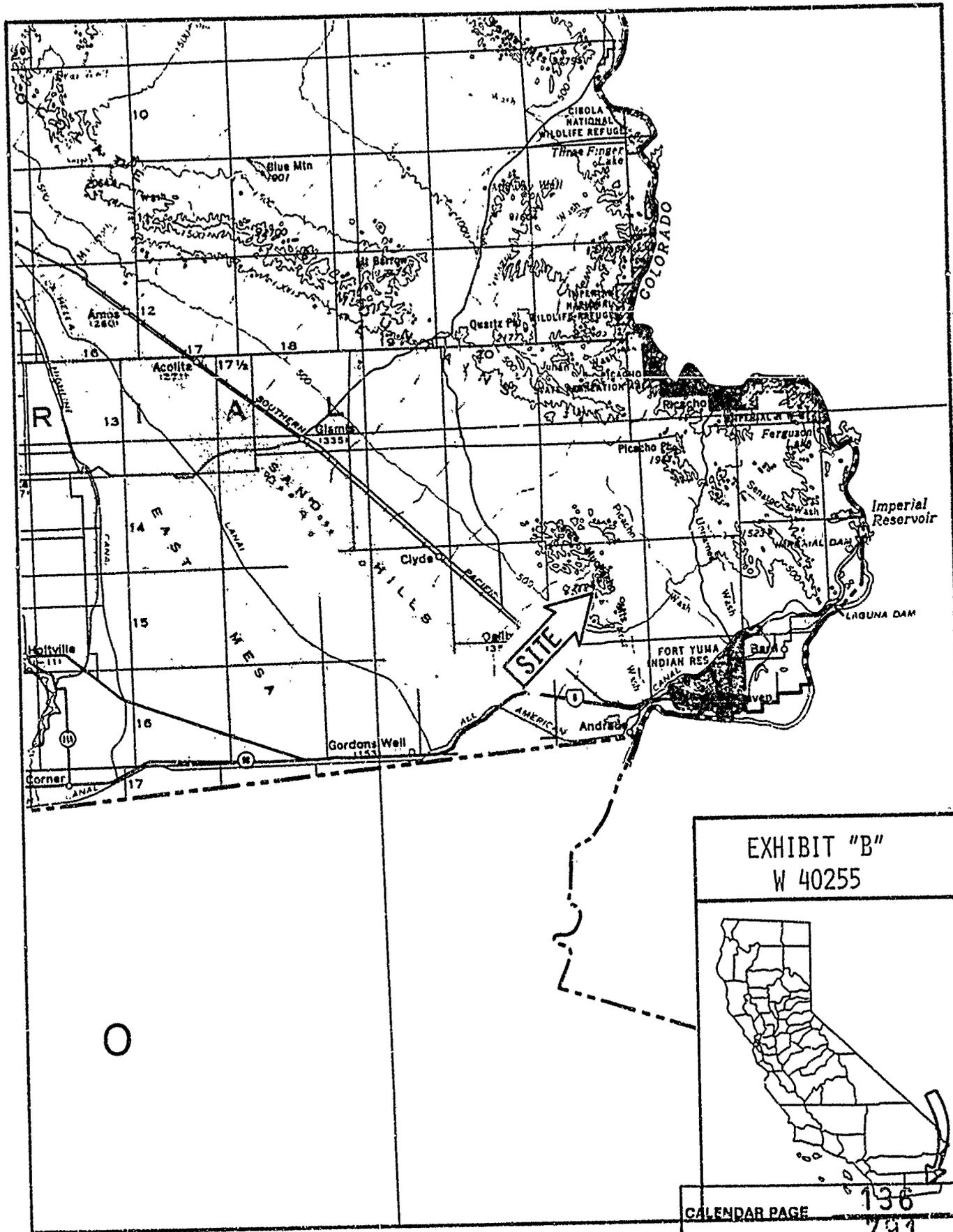


EXHIBIT "B"
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