

MINUTE ITEM

Is Calendar Item No. 21
submitted for information
only, no action thereon
being necessary.

MINUTE ITEM
21

4/28/83
PRC 5979
Gonzalez

20. Denial Without Prejudice Of An Application to Prospect For Minerals Other Than Oil And Gas And Geothermal Resources, Riverside County.
21. Request for Issuance of a Preferential Mineral Extraction Lease for Minerals Other Than Oil, Gas or Geothermal On State School Land Located in Riverside County.

During consideration of Calendar Item 20 attached, Mr. Larry Boerner, President, Baby Comstock Mining Corporation, appeared to object to staff's handling of Mr. Boerner's Application for a Mineral Prospecting Permit.

A lengthy discussion followed the merits of the issues associated with Mr. Boerner's application and his request for a Preferential Mineral Extraction Lease under an existing Prospecting Permit.

Following the discussion, and upon motion duly made by Commissioner McCarthy and seconded by Chairman Cory, Calendar Item 20 was approved as presented by a vote of 2-0. Calendar Item 21 was submitted for information only, no action thereon being necessary.

For a verbatim account, please see transcript.

Attachment:

Calendar Items 20 and 21.

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INFORMATIVE
CALENDAR

21

4/28/83
PRC 5979.2
Gonzalez

REQUEST FOR ISSUANCE OF A PREFERENTIAL
MINERAL EXTRACTION LEASE FOR MINERALS OTHER
THAN OIL, GAS OR GEOTHERMAL ON STATE SCHOOL LAND
LOCATED IN RIVERSIDE COUNTY

APPLICANT: Baby Comstock, Inc.
Larry Boerner, President
828 Sharon Way
El Cajon, California 92020

AREA, TYPE LAND AND LOCATION:
Approximately 160 acres of State school
land described as N $\frac{1}{2}$ N $\frac{1}{2}$, Section 16, T.6 S.,
R.13 E., SBBM, Riverside County, 34 miles
east of Indio, one mile south of Interstate 10.

BACKGROUND: Baby Comstock, Inc., Larry Boerner, President,
holds a prospecting permit to 160 acres
of school lands located in Riverside
County. Mr. Boerner has requested issuance
of a preferential mineral extraction lease
claiming discovery of a commercially valuable
gold deposit exposed while excavating a
60 foot inclined shaft authorized under
the prospecting permit. Mr. Boerner submitted
a statement that the mineralization exposed
in the shaft averages 0.20 ounces of gold
per ton. Samples taken by Mr. Boerner's
consultant, TRI-R Engineering Corp, tested
a gold content of 0.074 ounces of gold
per ton. Samples taken by the engineering
staff of the State lands Commission showed
a gold content of 0.06 ounces per ton.
Mr. Boerner was informed that the independent
samples taken by his consultant and the
SLC staff did not confirm the discovery
of a commercially valuable mineral deposit
using the industry and Federal Court approved
criterion that a "valuable mineral deposit"
is one from which the mineral can be extracted,

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(Revised 4/26/83)

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removed and marketed at a profit. Staff suggested that further sampling of the prospect and processing of the already extracted shaft material be done—either by a professionally qualified person or jointly by Mr. Boerner and the SLC staff—to obtain grade, tonnage reserves, processing yield and cost data for an economic analysis and a feasibility determination of his project.

Mr. Boerner has rejected the staff's suggestion and has stated that he must block out several million tons of ore by continuing the inclined shaft for 500 to 800 feet with extensive lateral tunneling and processing or bulk sampling of the extracted material to verify the commercial value of the deposit. Mr. Boerner has advised staff that he must have a long term mineral lease to do the proposed work and, also, to raise capital for the project.

Mr. Boerner has requested permission to appear before the Commission to discuss this matter.

AR 884:

N/A.

EXHIBIT:

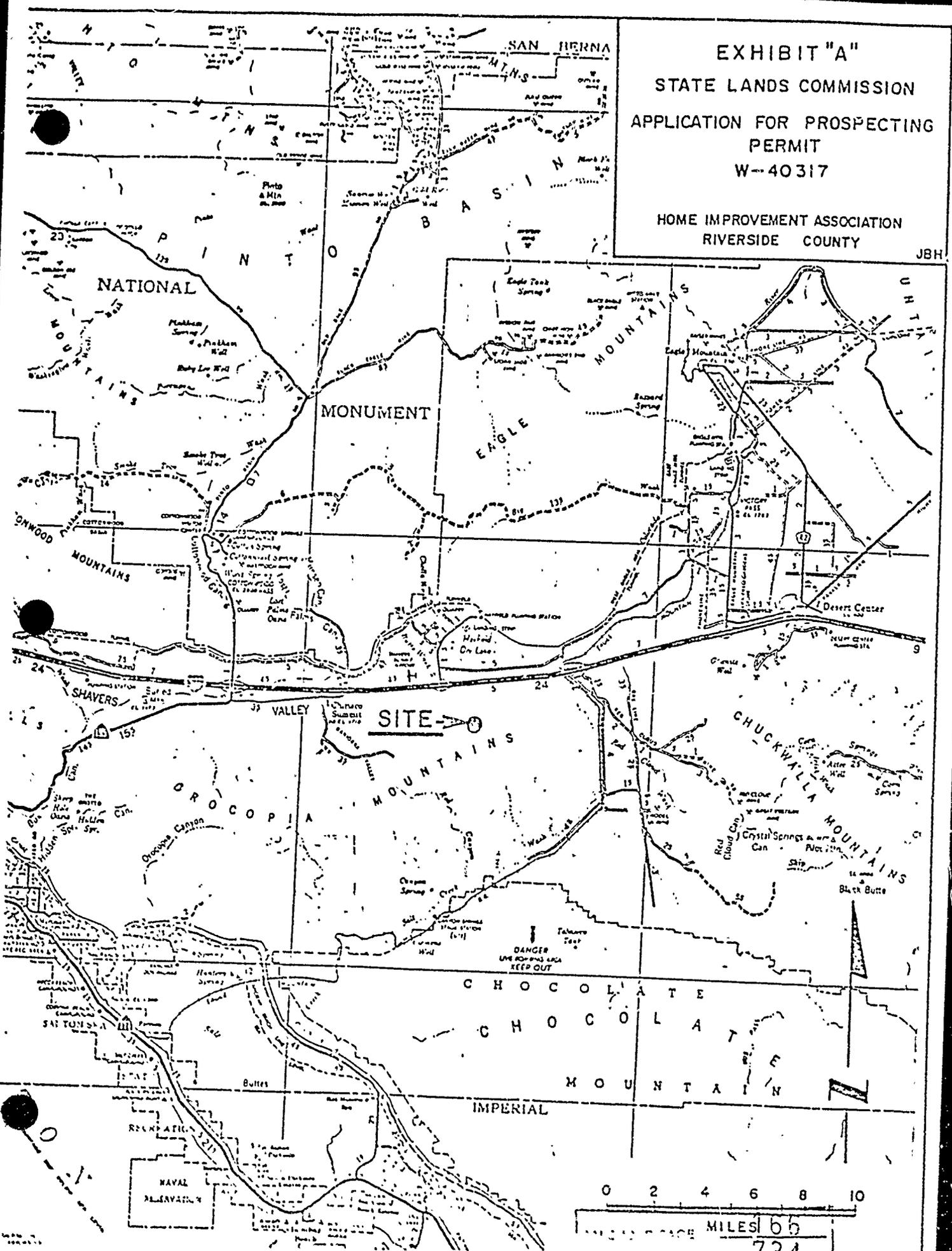
A. Site Map.

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EXHIBIT "A"
 STATE LANDS COMMISSION
 APPLICATION FOR PROSPECTING
 PERMIT
 W-40317

HOME IMPROVEMENT ASSOCIATION
 RIVERSIDE COUNTY

JBH



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SCALE MILES 66
 734