

MINUTE ITEM

This Calendar Item No. 36
was approved as Minute Item
No. 36 by the State Lands
Commission by a vote of 2
to 0 at its 2/28/85
meeting.

CALENDAR ITEM

A 80

S 37

36

02/28/85
W 40439 PRC 6811
Hart

APPROVAL OF A PROSPECTING PERMIT FOR
MINERALS OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES,
SAND AND GRAVEL, IMPERIAL COUNTY

APPLICANT: Texasgulf Minerals and Metals, Inc.
5932 McIntyre Street
Golden, Colorado 80403

AGENT: Gordon R. Peake
5932 McIntyre Street
Golden, Colorado 80403

PROPOSED AUTHORIZATION:
Approval of a Prospecting Permit for two years
to prospect for gold, silver and other valuable
minerals, other than oil, gas, geothermal
resources, sand and gravel on 633.95 acres of
land located in Imperial County.

CONSIDERATION: Filing fee of \$25, expense deposit of \$100 and
an acreage deposit of \$634.

TYPE OF LAND AND LOCATION:
State school land - Sec 16, T12S R20E, SBM,
excepting power line and State highway
right-of-way easements, Imperial County,
approximately 17 miles northeast of Glamis.

PROPOSED PROJECT:
Texasgulf Minerals and Metals, Inc. proposes to
conduct multiphased exploration for valuable
minerals with the execution of each phase
dependent upon the achievement of success in
the immediately preceding phase.

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CALENDAR ITEM NO. 36 (CONT'D)

Phase I - A geologist on foot will conduct detailed geologic mapping of the area at the scale of 1 inch equals 200 feet.

Phase II - A geologist will use hand tools to conduct a rock-chip sampling program of mineralized outcrop areas. The samples will be assayed for precious and base metal content.

Phase III - Three, 5 1/2 inch diameter holes will be drilled with a reverse circulation drill rig to a maximum depth of 700 feet each (Map C of Initial Study). The average depth of each hole will be 500 feet. Support vehicles will include three, 3/4 ton four-wheel drive trucks. Drill sites B and C are naturally level and will not require any construction of drill pads. A level pad approximately 30 feet by 50 feet will be constructed at site A. The holes will be drilled with air as the drilling fluid. Drill mud will not be used. Prior to abandonment, each hole will be cemented from the surface to a depth of 50 feet. Prior to cementing of any drill hole in which ground water is encountered, the permittee shall contact the staff of the State Lands Commission's Long Beach office and Jack L. Spruill of the Department of Fish and Game at (213) 590-5137.

Surface Disturbance - Old road repair is not required. The estimated maximum surface area disturbance for new road building will be 1.4 acres. The access road will be flagged extensively to prevent additional and unnecessary tracks from being made. The road will be posted to warn against traveling off flagged access. The permittee shall avoid the destruction and/or removal of perennial vegetation in wash areas.

The permittee will contact the staff of the Commission's Long Beach office and the Imperial County coroner if any human remains are uncovered during the project.

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CALENDAR ITEM NO. 36 (CONT'D)

Any proposed activity not authorized by this permit will not proceed without prior approval of a project amendment processed pursuant to the requirements of CEQA. If commercial mining operations are proposed, appropriate environmental documentation will be prepared and certified prior to issuing a mineral extraction lease.

TERM: The primary term of a Prospecting Permit is two years. The Commission may, in its discretion, extend the term for one additional year.

ROYALTY: Royalty payable under the permit shall be 20 percent of the gross value of the minerals secured from the permit area and sold, or otherwise disposed of or held for sale or other disposition.

PREREQUISITE ITEMS:

1. Required statutory filing fee, expense deposit and acreage deposit have been submitted by the applicant.
2. Subject parcel is not known to contain a commercially valuable deposit of minerals.
3. Royalty payable under any preferential lease issued shall not be less than 10 percent of the gross value of all mineral production from the leased lands, less any charges approved by the Commission made or incurred with respect to transporting or processing the State's royalty share of production. The determination of said royalty and charges shall be at the discretion of the Commission and set forth in said lease.

STATUTORY REFERENCES:

- A. P.R.C.: Div. 6, Section 6891.
- B. Cal. Adm. Code: Title 2, Section 2200.

AB 824: 03/30/85.

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CALENDAR ITEM NO. 3.6 (CONT'D)

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15025), the staff has prepared and circulated for public review a proposed Negative Declaration identified as EIR ND 375, State Clearinghouse 84090503 pursuant to the provisions of the CEQA. A copy of this environmental document is attached as Exhibit "C".

Based upon the initial study, the proposed Negative Declaration, and the comments received in response thereto, there is no substantial evidence that the project will have a significant effect on the environment (14 Cal. Adm. Code 15074 (b)).

2. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370 et. seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.
3. Pursuant to P.R.C. Section 6895, upon establishing to the satisfaction of the Commission that commercially valuable deposits of minerals have been discovered within the limits of the permit, the applicant would have a preferential right to a lease for a maximum of 160 acres embraced within the permit. Said right shall be subject to all necessary environmental approvals. The issuance of the permit shall not affect the discretion of the Commission in granting or denying such lease because of environmental considerations.
4. Permit shall provide for a performance bond of \$10,000 in favor of the State.

APPROVALS OBTAINED:

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

EXHIBITS:

- A. Land Description.
- B. Site Map.
- C. Negative Declaration.

IT IS RECOMMENDED THAT THE COMMISSION:

1. CERTIFY THAT A NEGATIVE DECLARATION EIR NO. 375, STATE CLEARINGHOUSE 84090503, WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF THE CEQA AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN. THE PROJECT SHALL INCLUDE THIS PROSPECTING PERMIT AND ANY EXTENSION THE COMMISSION MAY GRANT IN ITS DISCRETION FOR THE SAME PROJECT DESCRIBED IN THE PERMIT. ANY EXTENSION SHALL NOT EXCEED ONE YEAR.
2. DETERMINE THAT THE PROJECT, AS PROPOSED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
3. FIND THAT THIS ACTIVITY AS PROPOSED IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370 ET SEQ.
4. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT PRESENTLY KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS.
5. AUTHORIZE THE ISSUANCE OF THE PROSPECTING PERMIT TO TEXASGULF MINERALS AND METALS, INC. FOR A TERM OF TWO YEARS, FOR ALL MINERALS, OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL ON LANDS DESCRIBED IN EXHIBIT "A" ATTACHED AND MADE A PART HEREOF, CONTAINING 633.95 ACRES; IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. ROYALTY PAYABLE UNDER THE PERMIT SHALL BE 20 PERCENT. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON THE DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS OF MINERALS SHALL NOT BE LESS THAN TEN PERCENT OF THE GROSS VALUE OF ALL MINERAL PRODUCTION FROM THE LEASED LANDS, LESS ANY CHARGES APPROVED BY THE COMMISSION MADE OR INCURRED WITH RESPECT TO TRANSPORTING OR PROCESSING THE STATE'S ROYALTY SHARE OF PRODUCTION. THE DETERMINATION OF SAID ROYALTY AND CHARGES SHALL BE AT THE DISCRETION OF THE COMMISSION.

EXHIBIT "A"

LAND DESCRIPTION

W 40439

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

Section 16, T12S, R20E, SBM:

EXCEPTING THEREFROM those portions thereof in the power
line and highway right of way easements described in
State Lands Commission File Nos. PRC 551.2 and PRC 3010.2.

END OF DESCRIPTION

PREPARED JANUARY 17, 1985 BY BOUNDARY SERVICES UNIT, M.L. SHAFER, SUPERVISOR

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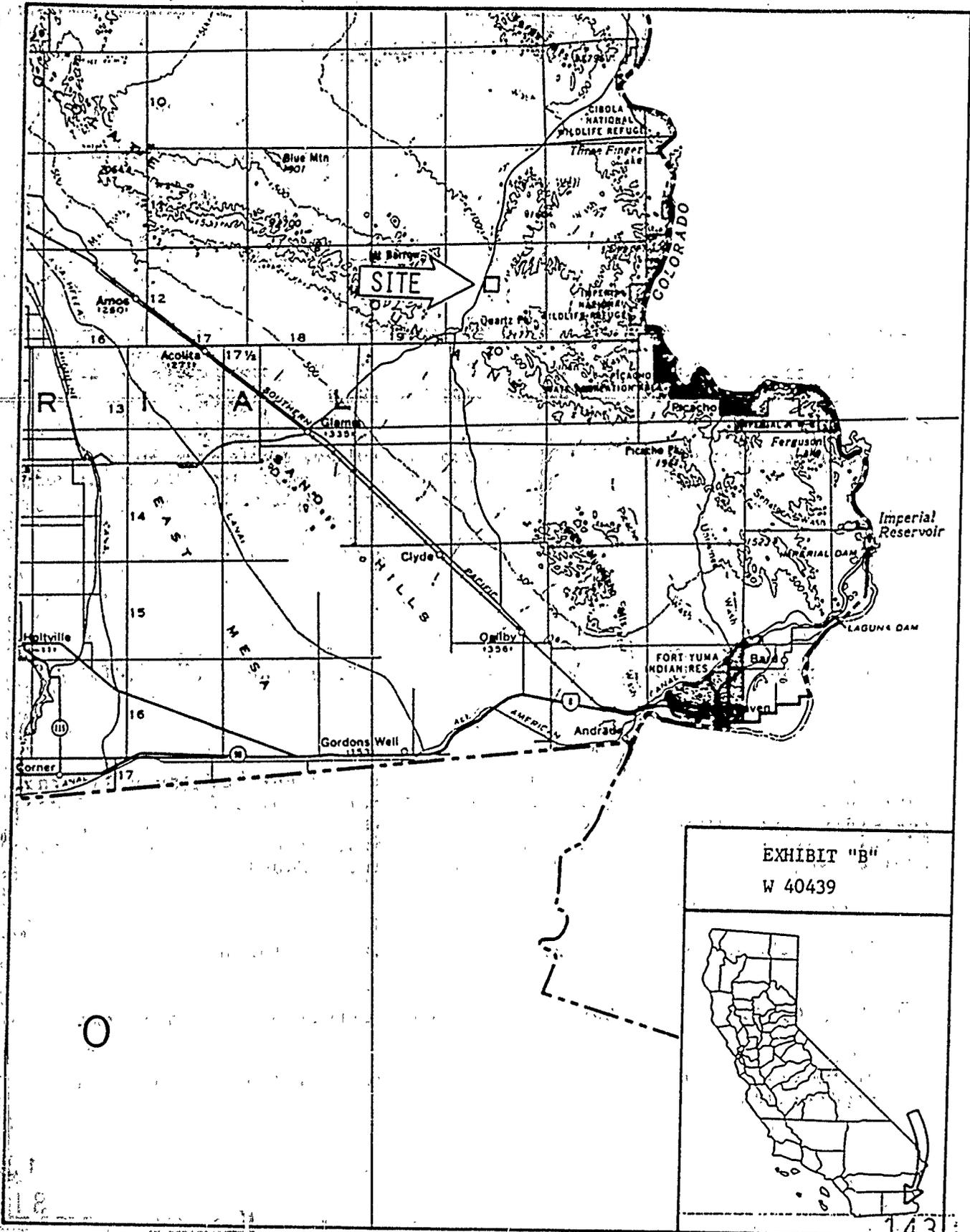


EXHIBIT "B"
W 40439



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EXHIBIT "C"
PROPOSED NEGATIVE DECLARATION

EIR ND 375

File Ref.: W-40439

SCH#: 84090505

Project Title: Mineral Prospecting Permit - Peter Kane Mountains

Project Proponent: Texasgulf Minerals and Metals, Inc.

Project Location: Section 16, T. 12 S., R. 20 E., SBE&M, approximately 14 miles northeast of Glamis, Imperial County.

Project Description: The applicant will map the geology, sample rock outcrops, drill three holes, and assay the samples for gold and silver to discover and delineate any possible orebody.

Contact Person: Ted T. Fukushima

Telephone: (916) 322-7813

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

mitigation measures included in the project will avoid potentially significant effects.

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File Ref.: W 40439
SCH# 84090503

MITIGATION MEASURES

1. If any human remains are discovered during any activity on Section 16, permittee shall notify the staff of the State Lands Commission's Long Beach office and the Imperial County coroner. The coroner will notify the Native American Heritage Commission if the remains are Native American.
2. The permittee shall contact the staff of the State Lands Commission's Long Beach office and Bonnar Blong at (714) 659-2970 or Jesus Garcia at (619) 348-0978 of the Department of Fish and Game prior to the backfilling of any drill hole in which water is encountered.

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File Ref.: W 40439
SCH# 84090503

COMMENTS RECEIVED ON INITIAL STUDY
AND RESPONSES TO COMMENTS

1. Native American Heritage Commission

Comments:

"In order to accomplish this mandate, Native American groups or individuals should be notified during the cultural resource survey. If requested, the Commission will provide a list of those groups or individuals who have expressed their interest and are of the appropriate heritage to the project area.

The Commission has the further responsibility of assisting Native Americans in cemetery and burial protection pursuant to Section 5097.94(k) of the Public Resources Code. We request that the County Coroner's Office be contacted if human remains of Native American origin are encountered during the project, pursuant to the procedures set forth in Section 7050.5 of the Health and Safety Code. Should this occur, the Commission will assist in expediting the preservation and protection of the remains in a respectful manner".

Response:

No comments were received from the Quechan Indian Tribe or the Colorado River Tribes on the Initial Studies mailed to them for review and comment. See Mitigation Measures.

2. Department of Fish and Game

Comments:

"We could concur with the preparation of a Negative Declaration for the project if Item C 6 (Discussion of Environmental Evaluation) is amended to read as follows:

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Drilling may penetrate one or more aquifers with a subsequent flow path through the drill hole; however, it is anticipated that no waterbearing formations will be penetrated. If groundwater is encountered, the drill hole will be retained in a condition so that a windmill or pump can be installed whenever feasible to provide water for wildlife use".

Response:

See Mitigation Measures.

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1008

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File Ref.: W 40439
SCH# 84090503

October 1, 1984

INITIAL STUDY
INTRODUCTION

Texasgulf Minerals and Metals, Inc. has applied to the State Lands Commission for a prospecting permit on State lands located on the north flank of the Peter Kane Mountains in eastern Imperial County. The proposed project consists of geologic mapping, rock chip sampling, and drilling three holes to a maximum depth of 700 feet each to discover and delineate any possible orebody. The permit, when issued, is for a two-year period and may be extended for a maximum of one year.

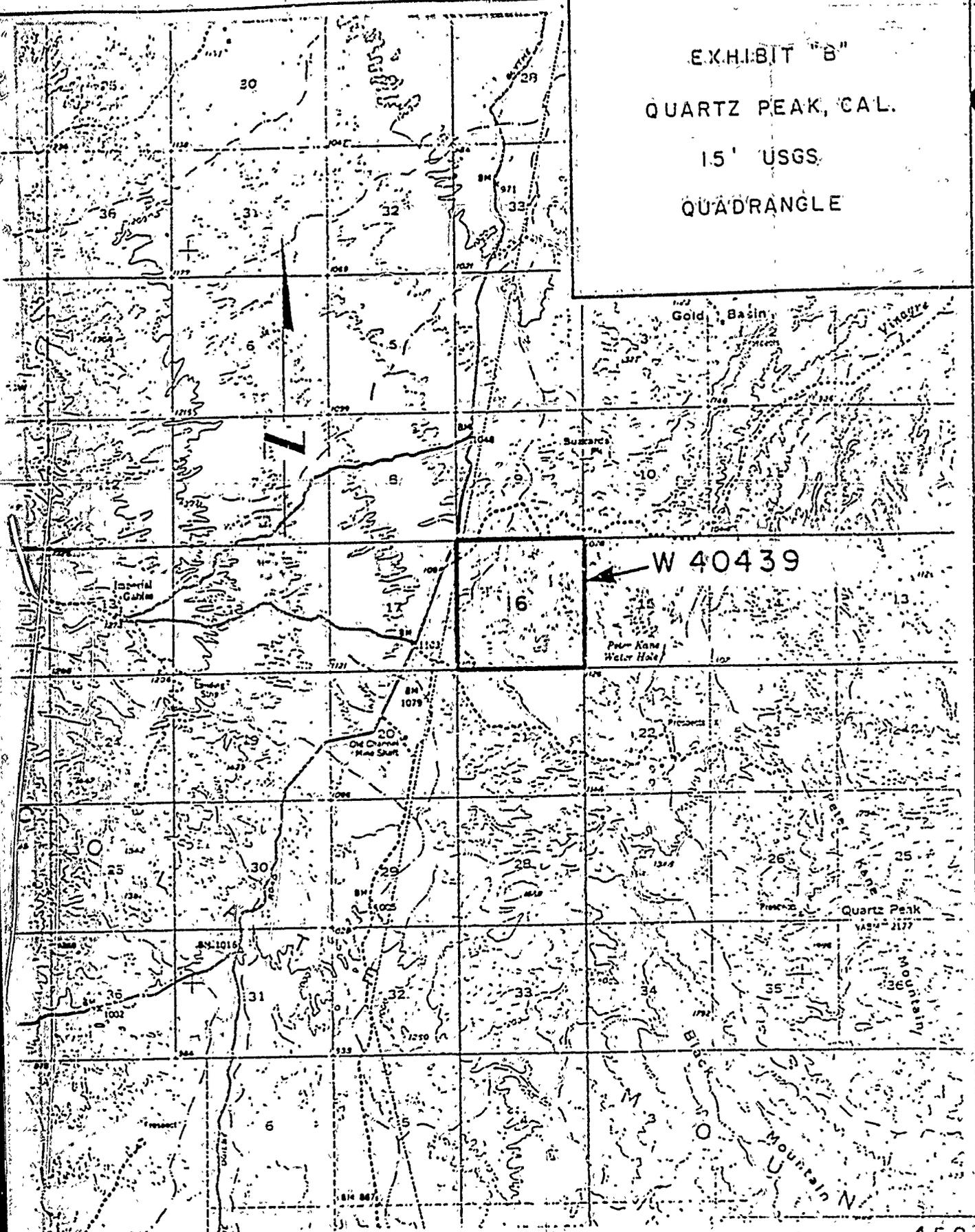
This Initial Study consists of an environmental impact assessment checklist, information form responses, and maps.

STATE LANDS COMMISSION
October 1984

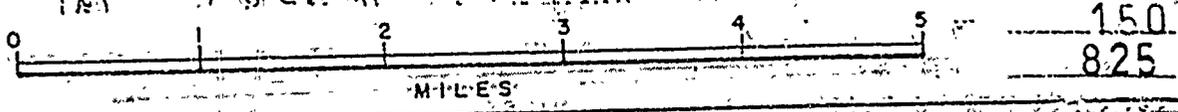
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EXHIBIT "B"
QUARTZ PEAK, CAL.
15' USGS
QUADRANGLE



W 40439



ENVIRONMENTAL IMPACT ASSESSMENT CHECKLIST - PART II

File Ref.: W 40439

Form 12-20 (7/83)

I. BACKGROUND INFORMATION

A. Applicant: Texasgulf Minerals and Metals, Inc.
255 Glendale Ave., Suite #15
Sparks, NV 89431

B. Checklist Date: 9 / 20 / 84

C. Contact Person: James B. Hart, State Lands Commission
Telephone: (213) 590-5201

D. Purpose: Prospect for valuable minerals.

E. Location: Section 16, T. 12 S., R. 20 E., SBB&M, Imperial County.
See attached maps.

F. Description: Applicant will map, chip sample, and drill a maximum of
three holes in favorable areas to discover and delineate any possible
orebody. See detailed project description.

G. Persons Contacted:
[Empty lines for contact information]

II. ENVIRONMENTAL IMPACTS. (Explain all "yes" and "maybe" answers)

A. Earth. Will the proposal result in:

- 1. Unstable earth conditions or changes in geologic substructures?
2. Disruptions, displacements, compaction, or overcovering of the soil?
3. Change in topography or ground surface relief features?
4. The destruction, covering, or modification of any unique geologic or physical features?
5. Any increase in wind or water erosion of soils, either on or off the site?
6. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay, inlet, or lake?
Exposure of all people or property to geologic hazards such as earthquakes, landslides, mudslides, ground failure, or similar hazards?

Yes Maybe No

Grid of checkboxes for Yes, Maybe, No corresponding to the list items.

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Yes Maybe No

B. Air. Will the proposal result in:

- 1. Substantial air emissions or deterioration of ambient air quality? Yes Maybe No
- 2. The creation of objectionable odors? Yes Maybe No
- 3. Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally? Yes Maybe No

C. Water. Will the proposal result in:

- 1. Changes in the currents, or the course or direction of water movements, in either marine or fresh waters? Yes Maybe No
- 2. Changes in absorption rates, drainage patterns, or the rate and amount of surface-water runoff? Yes Maybe No
- 3. Alterations to the course or flow of flood waters? Yes Maybe No
- 4. Change in the amount of surface water in any water body? Yes Maybe No
- 5. Discharge into surface waters, or in any alteration of surface water quality, including but not limited to temperature, dissolved oxygen or turbidity? Yes Maybe No
- 6. Alteration of the direction or rate of flow of ground waters? Yes Maybe No
- 7. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations? Yes Maybe No
- 8. Substantial reduction in the amount of water otherwise available for public water supplies? Yes Maybe No
- 9. Exposure of people or property to water-related hazards such as flooding or tidal waves? Yes Maybe No
- 10. Significant changes in the temperature, flow or chemical content of surface thermal springs? Yes Maybe No

D. Plant Life. Will the proposal result in:

- 1. Change in the diversity of species, or number of any species of plants (including trees, shrubs, grass, crops, and aquatic plants)? Yes Maybe No
- 2. Reduction of the numbers of any unique, rare or endangered species of plants? Yes Maybe No
- 3. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species? Yes Maybe No
- 4. Reduction in acreage of any agricultural crop? Yes Maybe No

E. Animal Life. Will the proposal result in:

- 1. Change in the diversity of species, or numbers of any species of animals (birds, land animals including reptiles, fish and shellfish, benthic organisms, or insects)? Yes Maybe No
- 2. Reduction of the numbers of any unique, rare or endangered species of animals? Yes Maybe No
- 3. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals? Yes Maybe No
- 4. Deterioration to existing fish or wildlife habitat? Yes Maybe No

F. Noise. Will the proposal result in:

- 1. Increase in existing noise levels? Yes Maybe No
- 2. Exposure of people to severe noise levels? Yes Maybe No

G. Light and Glare. Will the proposal result in:

- 1. The production of new light or glare? Yes Maybe No

H. Land Use. Will the proposal result in:

- 1. A substantial alteration of the present or planned land use of an area? Yes Maybe No

I. Natural Resources. Will the proposal result in:

- 1. Increase in the rate of use of any natural resources? Yes Maybe No
- 2. Substantial depletion of any nonrenewable resources? Yes Maybe No

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- J. Risk/Impact.** Does the proposal result in:
- | | Yes | Maybe | No |
|--|--------------------------|--------------------------|-------------------------------------|
| 1. A risk of an explosion, or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals, or radiation) in the event of an accident or upset conditions? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Possible interference with emergency response plan or an emergency evacuation plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- K. Population.** Will the proposal result in:
- | | | | |
|---|--------------------------|--------------------------|-------------------------------------|
| 1. The alteration, distribution, density, or growth rate of the human population of the area? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|-------------------------------------|
- L. Housing.** Will the proposal result in:
- | | | | |
|---|--------------------------|--------------------------|-------------------------------------|
| 1. Affecting existing housing, or create a demand for additional housing? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|-------------------------------------|
- M. Transportation/Circulation.** Will the proposal result in:
- | | | | |
|---|--------------------------|--------------------------|-------------------------------------|
| 1. Generation of substantial additional vehicular movement? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Affecting existing parking facilities, or create a demand for new parking? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3. Substantial impact upon existing transportation systems? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4. Alterations to present patterns of circulation or movement of people and/or goods? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5. Alterations to waterborne, rail, or air traffic? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6. Increase in traffic hazards to motor vehicles, bicyclists, or pedestrians? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- N. Public Services.** Will the proposal have an effect upon, or result in a need for new or altered governmental services in any of the following areas:
- | | | | |
|---|--------------------------|--------------------------|-------------------------------------|
| 1. Fire protection? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Police protection? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3. Schools? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4. Parks and other recreational facilities? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5. Maintenance of public facilities, including roads? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6. Other governmental services? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- O. Energy.** Will the proposal result in:
- | | | | |
|---|--------------------------|--------------------------|-------------------------------------|
| 1. Use of substantial amounts of fuel or energy? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Substantial increase in demand upon existing sources of energy, or require the development of new sources? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- P. Utilities.** Will the proposal result in a need for new systems, or substantial alterations to the following utilities:
- | | | | |
|------------------------------------|--------------------------|--------------------------|-------------------------------------|
| 1. Power or natural gas? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Communication systems? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3. Water? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4. Sewer or septic tanks? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5. Storm water drainage? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6. Solid waste and disposal? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- Q. Human Health.** Will the proposal result in:
- | | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| 1. Creation of any health hazard or potential health hazard (excluding mental health)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Exposure of people to potential health hazards? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- R. Aesthetics.** Will the proposal result in:
- | | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| 1. The obstruction of any scenic vista or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|-------------------------------------|
- S. Recreation.** Will the proposal result in:
- | | | | |
|---|--------------------------|--------------------------|-------------------------------------|
| 1. An impact upon the quality or quantity of existing recreational opportunities? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|-------------------------------------|

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Yes Maybe No

T. Cultural Resources.

- 1. Will the proposal result in the alteration of or the destruction of a prehistoric or historic archaeological site?
- 2. Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure, or object?
- 3. Does the proposal have the potential to cause a physical change which would affect unique ethnographic values?
- 4. Will the proposal restrict existing religious or sacred uses within the potential impact area?

U. Mandatory Findings of Significance.

- 1. Does the project have the potential to degrade the quality of the environment, reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?
- 2. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals?
- 3. Does the project have impacts which are individually limited, but cumulatively considerable?
- 4. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

DISCUSSION OF ENVIRONMENTAL EVALUATION (See Comments Attached)

See attached Detailed Project Description, Discussion of Environmental Evaluation, and Form 69.5.

PRELIMINARY DETERMINATION

On the basis of this initial evaluation:

- I find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A NEGATIVE DECLARATION will be prepared.
- I find the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

Date: 10/23/84

James R. Hart
For the State Lands Commission

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DETAILED PROJECT DESCRIPTION

Texasgulf Minerals and Metals, Inc. proposes to conduct multiphased exploration in the permit area. The project consists of phases of increasing magnitude and expense. An exploration program to evaluate the mineral potential of this area is proposed as follows:

Phase I:

Conduct detailed geologic mapping of the area at the scale of 1 inch equals 200 feet.

Phase II:

Conduct a rock-chip sampling program of mineralized outcrop areas. Assay the samples for precious and base metal content.

Phase III:

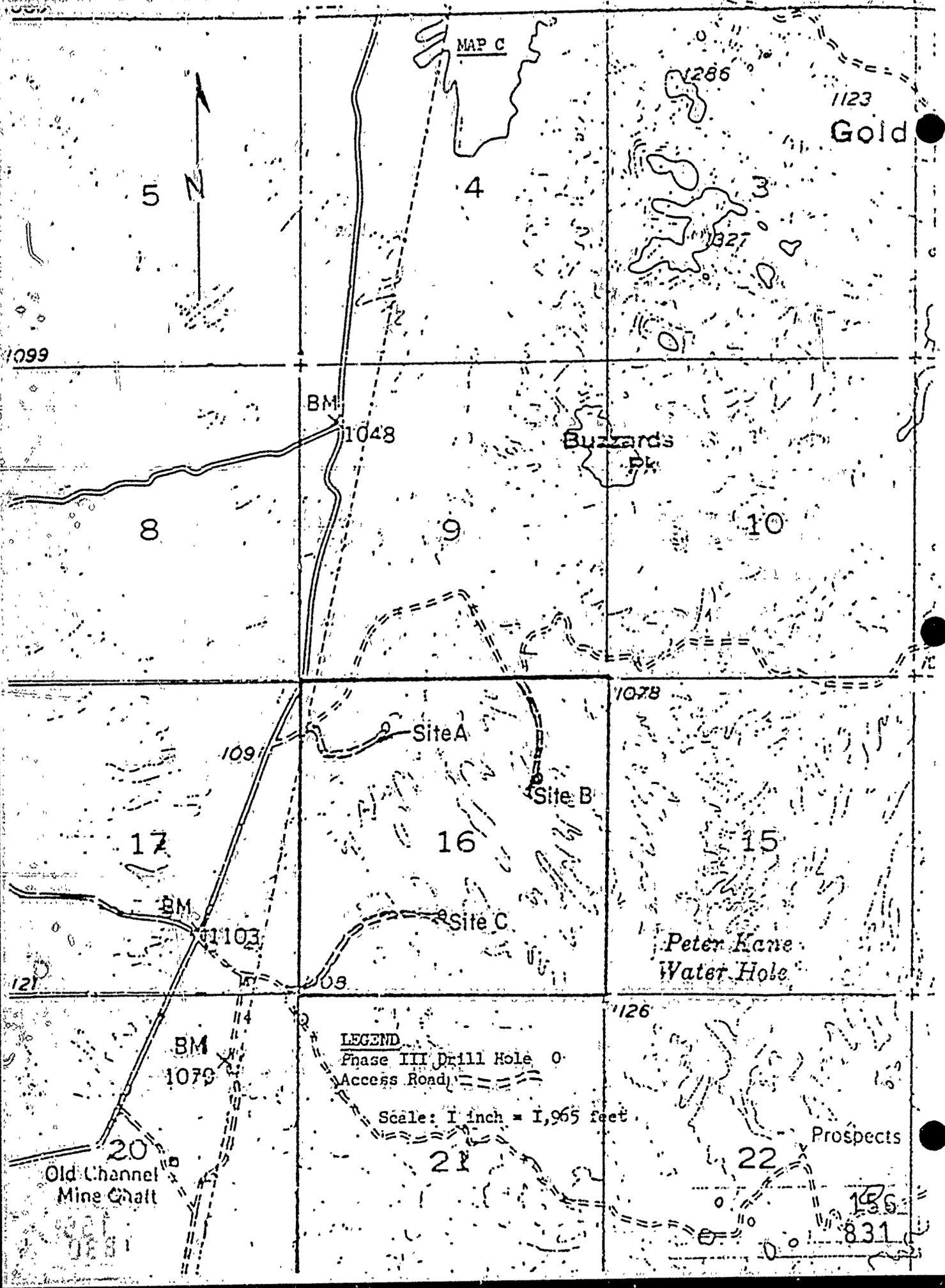
Three, 5 1/2 inch diameter holes will be drilled with a reverse circulation drill rig to a maximum depth of 700 feet each (Map C). The average depth of each hole will be 500 feet. Support vehicles will include three, 3/4 ton four-wheel drive trucks. Drill sites Band C (Map C) are naturally level and will not require any construction of drill pads. A level pad approximately 30 feet by 50 feet will be constructed at site A. The holes will be drilled with air as the drilling fluid. Drill mud will not be used. Prior to abandonment, each hole will be cemented from the surface to a depth of 50 feet.

Surface Disturbance:

Old road repair is not required. The estimated maximum surface area disturbance for new road building will be 1.4 acres. The access road will be flagged extensively to prevent additional and unnecessary tracks from being made. The road will be posted to warn against traveling off flagged access.

The estimated maximum surface area disturbance from the site A drill pad construction will be 0.05 acre.

If a commercially valuable mineral deposit is discovered through prospecting efforts under authorization of a prospecting permit, a comprehensive environmental impact report will be required on the future impacts of mining the deposit.



MAP C

Gold

Buzards Pk.

Peter Kane Water Hole

Prospects

Old Channel Mine Shaft

LEGEND
Phase III Drill Hole 0
Access Road

Scale: 1 inch = 1,965 feet

5

4

1286

1123

1327

1099

BM

1048

8

9

10

1078

Site A

Site B

17

16

15

BM

103

Site C

121

109

126

BM

1079

20

21

22

126

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III. Discussion of Environmental Evaluation

- A 2. Disruption, displacement, compaction, and overcovering of the soil will occur in the immediate vicinity of the drill sites and access road building if Phase III is executed. All new excavations will be restored to the natural ground contour, as nearly as possible, if Phase III prospecting is unsuccessful.
- A 5. An increase in wind and water erosion of the disturbed soil at the drill sites will take place during wind and rain storms. An increase in wind and water erosion of the soil at newly constructed roads will occur during rain and wind storms.
- B 1. Temporary dust emissions will occur during drilling, access road construction and/or vehicle travel on access roads.
- C 6. Drilling may penetrate one or more aquifers with a subsequent flow path through the drill hole. If ground water is encountered, the drill hole will be plugged with cement upon abandonment.
- F 1. Access road construction, drilling, and accessory activities will temporarily increase the existing noise levels.

ENVIRONMENTAL IMPACT ASSESSMENT FORM - Part I

(to be completed by applicant)
W 69.3(11/82)

GENERAL INFORMATION

Name, address, and telephone number:

a. Applicant

Texasgulf Minerals and Metals, Inc.

5932 McIntyre Street

Golden, Colorado 80403

303/273-2400

b. Contact person if other than applicant:

Paul D. Hartley

Texasgulf Minerals and Metals, Inc.
255 Glendale Ave., Suite #15

Sparks, Nevada 89431

702/331-6014

2. Project location: (Please reference to nearest town or community and include county)

25 miles south-southwest of Blythe, California

In Imperial County, Section 16, T. 12 S., R. 20 E., San Bernardino Meridian.

b. Assessor's parcel number: Sec. 16, T. 12 S., R. 20 E., San Bernardino Meridian.

Existing zoning of project site: Extremely arid desert, adjacent BLM land is Class L and M under California Desert Conservation Plan.

Existing land use of project site: Not in use.

Proposed use of site: Mineral prospecting.

Other permits required: BLM Plan of Operations (in preparation).

PROJECT DESCRIPTION

For building construction projects, complete "ATTACHMENT A".

For non-building construction projects: Describe fully, the proposed activity, its purpose and intended use, e.g. for proposed mineral prospecting permits, include the number of test holes, size of holes, amount of material to be excavated, maximum surface area of disturbance, hole locations, depth of holes, etc. Attach plans or other drawings as necessary.

ENVIRONMENTAL SETTING

Describe the project site as it exists before the project, including information on topography, soil stability, plants and animals, and any cultural, historical, or scenic aspects. Describe any existing structures on the site, and the use of the structures.

Describe the surrounding properties, including information on plants and animals and any cultural, historical, or scenic aspects. Indicate the type of land use (residential, commercial, etc.), intensity of land use (one-family, apartment houses, shops, department stores, etc.), and scale of development (height, frontage, set-back, rear yard, etc.).

ENVIRONMENTAL IMPACT ASSESSMENT

Answer the following questions by placing a check in the appropriate box. Discuss all items checked "yes" or "maybe". (Attach additional sheets as necessary)

All the project involve:

YES MAYBE NO

- a change in existing features of any bays, tidelands, beaches, lakes, or hills, or substantial alteration of ground contours?
- a change in scenic views or vistas from existing residential areas or public lands or roads?
- a change in pattern, scale, or character of the general area of project?
- a significant effect on plant or animal life?
- significant amounts of solid waste or litter?
- a change in dust, ash, smoke, fumes, or odors in the vicinity?
- a change in ocean, bay, lake, stream, or ground water quality or quantity, or alteration of existing drainage patterns?
- a change in existing noise or vibration levels in the vicinity?
- construction on filled land or on slope of 10 percent or more?
- use or disposal of potentially hazardous materials, such as toxic or radioactive substances, flammables, or explosives?
- a change in demand for municipal services (police, fire, water, sewage, etc.)?
- an increase in fossil fuel consumption (electricity, oil, natural gas, etc.)?
- a larger project or a series of projects?

CERTIFICATION

I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

Date: June 1, 1984

Signed: *Paul S. Hartley*

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Texasgulf Minerals and Metals, Inc.
Prospecting Application for Section 16,
T. 12 S., R. 20 E., San Bernardino Meridian

Form 69.3

B.2.) The proposal is restricted to exploratory work for precious and base metal deposits. The exploratory work is to consist of:

- a) Detailed geological mapping at 1" to 200'.
- b) Rock chip sampling.
- c) Drilling 3 reverse circulation drill holes.

Maximum depth of each hole will be 700 feet. Access to the sites will be along proposed new access roads illustrated on Plate-1. Old road repair is not required. The estimated maximum surface area disturbance for new road building will be 1.40 acres. The road along areas that will not require excavation will be flagged extensively to prevent additional and unnecessary tracks from being made. The road will be posted to warn against travelling off of flagged access. One drill rig will be used during the program. A Cyclone Model TH60 reverse circulation rig or equivalent, using 5½ inch outside diameter drill bits, will be used. A 500 CFM capacity compressor will be required. Support vehicles will include 3, ¾ ton 4WD trucks. Drill site preparation will be completed by a D-8 (or equivalent) bulldozer. If the sites are not naturally flat, a pad approximately 30 x 50 feet will be cut. However, sites will be selected to maximize the use of naturally flat areas. When drilling is completed, the holes will be plugged with cement from the surface to a depth of 50 feet.

2 of the sites are naturally flat and no excavation will be required. On the remaining site approximately 90 cubic yards will be moved to provide a flat drill site. Maximum surface disturbance will be less than 0.2 acres.

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Diesel fuel and gasoline will be used to run machinery and support vehicles. The holes will be drilled with air and additives will not be required. No radioactive substances nor explosives will be required.

C.1.) Elevations within Section 16 range from 1000 feet ASL to 1110 feet ASL. Topography is locally steep along wash banks, but overall it is gentle. It is within the alluvial wash area adjacent to the Peter Kane Mountains. Soil development is typical of extremely arid, low elevation, desert environments and only becomes locally unstable (i.e. along arroyo banks) during heavy down pours. Plants are primarily creosote bushes and ironwoods within the washes. Wildlife are small desert reptiles and mammals. Section 16 is outside of the planned fish and wildlife management areas designated in the California Desert Conservation Area Plan. Texasgulf is not aware of any cultural or historical aspects of Section 16. Scenic aspects are not spectacular by general standards. The Peter Kane Mountains are not easily distinguished from other small ranges within eastern Imperial County. There are no existing structures in Section 16.

2.) The surrounding property to Section 16 is uninhabited. Vegetation and wildlife is similar to Section 16. The Peter Kane Mountains range in elevation from 1100 feet to 2000 feet. Texasgulf is not aware of any distinguishing cultural or historical aspects on the property adjacent to Section 16. There are no readily apparent structures that may be of historical significance. However, the adjacent area is under Class L and M of the California Desert Conservation Area Plan of 1980.

D.1.) During access road, and drill site construction some local modification of ground contours will be necessary. This will be minimal in this relatively flat topography. The access roads will be very primitive and only passable by four wheel drive vehicles. All materials moved will be readily available for reclamation fill.

6.) During drilling with reverse circulation, some dust will be apparent especially when blowing out the hole after each five foot run. In addition, dirt access roads will have 2 to 6 vehicles making one round trip per day during the drilling phase.

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3.) Engine noise from 2 or 3 small diesels will be heard within one mile of the drill rig. Only one shift per day is currently planned.

13.) If the drilling program is successful in indicating an economic precious and/or base metal deposit, an expanded drilling program will be recommended. Hopefully, the additional drilling will prove up an economically mineable deposit and plans for a full scale mining operation can be initiated.

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MAILING LIST - LETTERS

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Quechan Indian Tribe
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Colorado River Indian Tribes
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Parker, AZ 85344

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MAILING LIST - MEMOS

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Air Resources Board
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MINUTE PAGE	839

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