

MINUTE ITEM

This Calendar Item No. 39  
was approved as Minute Item  
No. 39 by the State Lands  
Commission by a vote of 2  
to 0 at its 5/23/85  
meeting.

CALENDAR ITEM

A 68

39

05/23/85

S 36

WP 5167 PRC 6843

Pelka

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

APPLICANT: Southern Desert Gold Corporation  
1219 Main Street  
Angels Camp, California 95222

AGENT: Mr. Brian Wilmot  
Post Office Box 999  
Angels Camp, California 95222

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 640 acres of land  
located in Riverside County.

CONSIDERATION: Filing fee of \$25, processing fee of \$250 and  
an acreage deposit of \$640.

TYPE OF LAND AND LOCATION:  
State school land, Section 16, T8S, R17E, SBM,  
Riverside County, 20 miles southeast of Desert  
Center.

PROPOSED PROJECT:  
Southern Desert Gold Corporation will use hand  
tools to obtain 100 samples of one cubic foot  
each by digging small holes on a grid pattern  
to a maximum depth of four feet to prospect for  
valuable minerals. Each sample hole will be  
reclaimed after the removal of the sample  
amount. Any vehicle access will be restricted  
to existing pads and jeep trails. No surface

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disturbance such as road construction, trenching, blasting or clearing will be permitted.

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 the 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, processing fee 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 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 and set forth in said lease.

**STATUTORY REFERENCES:**

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

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AB 884: 06/05/85.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorical exempt project. The project is exempt under Class 6, Information Collection, 2 Cal. Adm. Code 2905(e)(3).

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300 and 14 Cal. Adm. Code 2905.

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.

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 the applicable provisions of the law.

EXHIBITS:

- A. Land Description.
- B. Site Map.

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IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION, 2 CAL. ADM. CODE 2905. 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. FIND THAT THIS ACTIVITY AS PROPOSED IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370 ET SEQ.
3. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT PRESENTLY KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS.
4. AUTHORIZE THE ISSUANCE OF THE PROSPECTING PERMIT TO SOUTHERN DESERT GOLD CORPORATION FOR A TERM OF TWO YEARS, FOR ALL MINERALS OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL ON SECTION 16, T8S, R17E, SBM, RIVERSIDE COUNTY, CONTAINING APPROXIMATELY 640 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.

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EXHIBIT "A"

LAND DESCRIPTION

WP 6187

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

Section 16, T8S, R17 E, SBM.

END OF DESCRIPTION

PREPARED MARCH 28, 1985 BY BOUNDARY SERVICES UNIT, M.L. SHAFER, SUPERVISOR.

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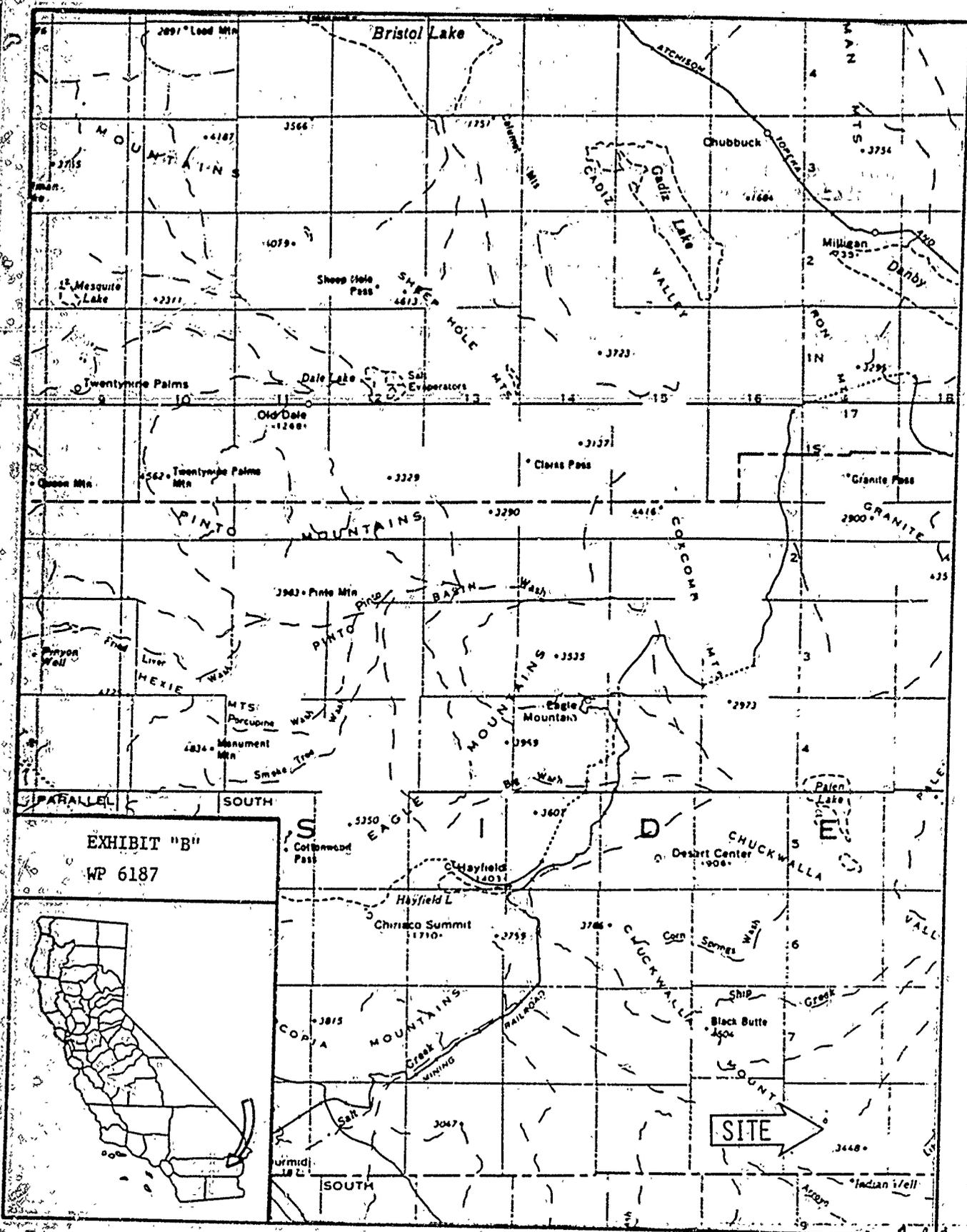


EXHIBIT "B"  
WP 6187



SITE

144  
1702

DATE: 11/1/54  
DRAWING NO: 1702