MINUTE ITEM

This Calendar Item No. C12 was approved as Minute Item No. 12 by the State Lands Commission by a vote of 3 to 0 at its 2/6/86 meeting.

CALENDAR ITEM

C 12

A 34

S 25

02/27/86
PRC 6416
Marsh

APPROVAL OF EXTENSION OF A PERMIT
TO PROSPECT FOR MINERALS
OTHER THAN OIL, GAS AND GEOTHERMAL RESOURCES,
INYO COUNTY

PERMITTEE: Queenstake Resources (U.S.A.) Inc.
P. O. Box 50098
Reno, Nevada 89513

PROPOSED AUTHORIZATION:
Approval of an extension of a permit to prospect for gold, silver and other valuable minerals other than oil, gas, geothermal resources, sand and gravel on 320 acres of vacant school land in Inyo County.

TERMS OF EXTENSION:
June 1, 1985 through May 30, 1986.

AREA, TYPE LAND AND LOCATION:
Approximately 320 acres of vacant school land in the South 1/2, Section 36, T23S R42E, MDM, Inyo County, 11 miles north of Trona.

PREREQUISITE ITEMS:
Application and statutory processing fees were submitted by Applicant on May 14, 1985.

OTHER PERTINENT INFORMATION:
A prospecting permit, PRC 6416, was approved for issuance by the Commission on April 28, 1983, effective June 1, 1983. The permit granted the Permittee an exclusive right for a period of two years to prospect for minerals other than oil, gas and geothermal resources.

During the two year period, the Permittee performed geologic mapping, rock chip sampling, data compilation and drafting. The original program approved the drilling of four holes, 200 to 400 feet deep; these holes are to be drilled during the one year extension of the permit. The delay in drilling seems to have been due to the lack of financial backing, now resolved by an expressed willingness of Tenneco Minerals, Denver, to participate in this program. The additional time requested to complete the original exploration program seems reasonable, and should allow a better assessment of the value of the State's mineral interest in this parcel.

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

The renewal is in the best interests of the State.

A Negative Declaration was prepared by the Commission staff pursuant to CEQA and implementing regulations, and was certified by the Commission April 28, 1983.

The project is situated on lands identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in use category "C" which authorizes Multiple Use.

The agency which nominated the parcel as containing significant environmental values reviewed this project and found it to be compatible with their nomination.

STATUTORY REFERENCES:

A. P.R.C.: Div. 6, Section 6891.

B. Cal. Adm. Code: Title 2, Section 2200.

ENVIRONMENTAL 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 because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

   Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

2. Any change in the proposed prospecting activities will require an environmental review pursuant to CEQA Regulations.

AB 884: N/A.

EXHIBITS:
A. Land Description.
B. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT A NEGATIVE DECLARATION FOR THE PROJECT WAS ADOPTED BY THE COMMISSION ON APRIL 28, 1983 PURSUANT TO THE PROVISIONS OF THE CEQA, THAT A DETERMINATION WAS MADE THAT THE PROJECT WOULD NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT, AND THAT SAID DOCUMENT AND DETERMINATION REMAIN VALID FOR THE PROPOSED ACTION.

2. FIND THAT THIS EXTENSION IS EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.

3. PURSUANT TO SECTION 6891 OF THE P.R.C., AUTHORIZE THE EXTENSION THROUGH MAY 30, 1986 OF PROSPECTING PERMIT PRC 6416 ISSUED TO QUEENSTAKE RESOURCES (U.S.A.) INC. TO PROSPECT FOR ALL MINERALS OTHER THAN OIL, GAS AND GEOTHERMAL RESOURCES; ALL OTHER TERMS AND CONDITIONS OF THE PERMIT ARE TO REMAIN IN FULL FORCE AND EFFECT.

EXHIBIT "A"

LAND DESCRIPTION PRC 6416

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

S½ of Section 36, T23S, R42E, MDM.

END OF DESCRIPTION

PREPARED NOV. 29, 1982 BY BOUNDARY AND TITLE UNIT, LEROY WEED, SUPERVISOR.

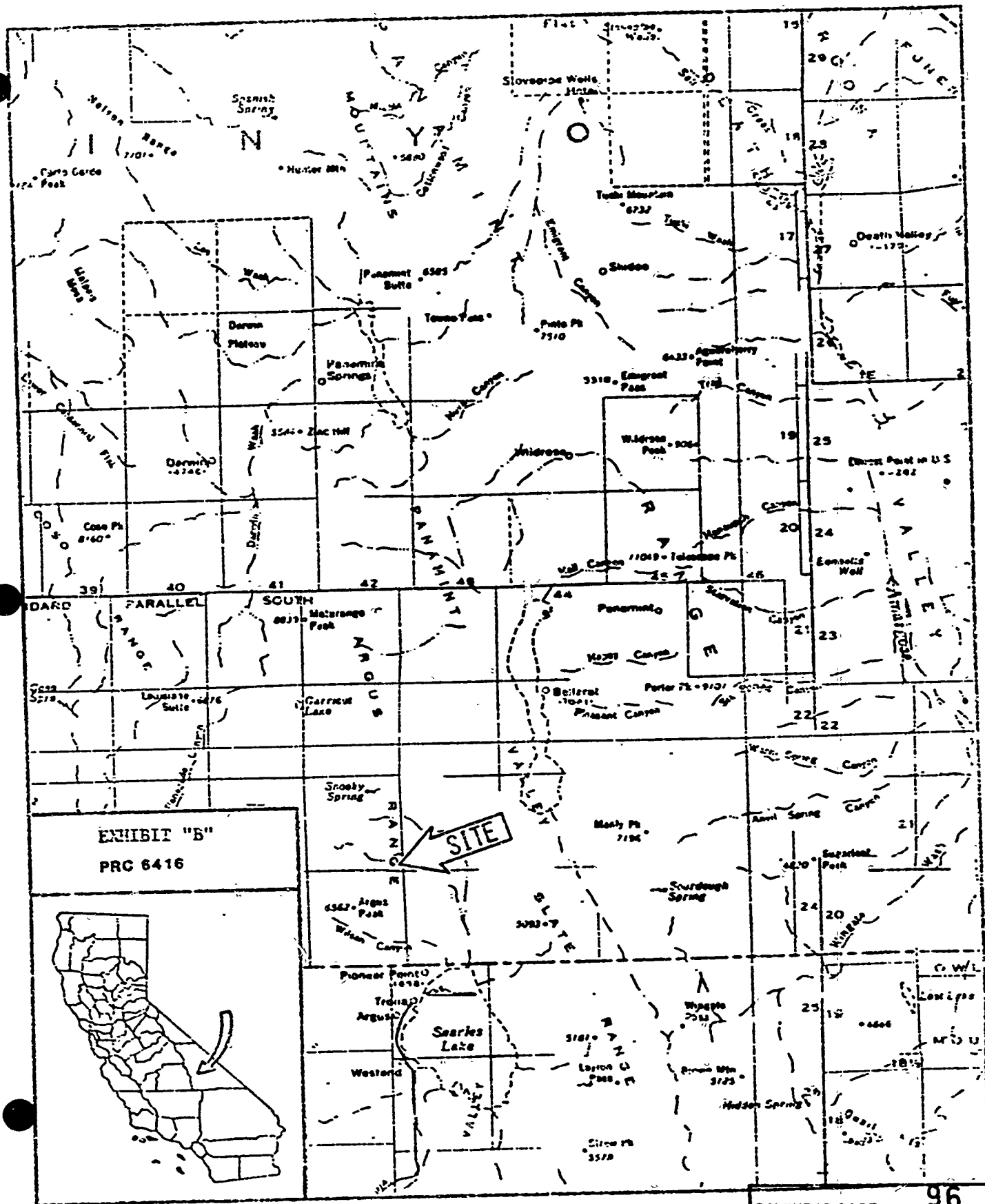
EXHIBIT "B"
PRC 6416
SITE
Spanish Spring
Slovenia Wells
Death Valley
Panamint Butte
Panamint Springs
Darwin Plateau
Darwin
Zinc Hill
Wildrose Peak
Wildrose
Telescope Pk
Emigrant Pass
Shoshone
Panamint
Bellevue
Porter Pk
Pleasant Canyon
Garrisons Lake
Snowy Spring
Mesty Pk
Sourdough Spring
Argus Peak
Pioneer Point
Searles Lake
Westend
Trona
Argus
Slate Pk
Hidden Spring
Maturango Peak
Coso Pk
Coso Peak
Hunter Mtn
Telescope Pk
Eureka Well
Death Point in U.S.
PARALLEL
SOUTH
IDARO
RANGE
SIERRA
NEVADA
MOUNTAINS
SLATE
RANGE
SALINE
VALLEY
AMARGOSA
RANGE
COSO
RANGE
CALENDAR PAGE 96
MINUTE PAGE 517