MINUTE ITEM
This Calendar Item No. 70
was approved as Minute Item
No. 70 by the State Lands
Commission by a vote of 3
to 0 at its 8-22-90
meeting.

CALENDAR ITEM

A 61

S 25

70

08/22/90
W 24025
Chatfield

INDEMNITY SELECTION

PARTY:
State Lands Commission
1807-13th Street
Sacramento, California 95814

AREA, TYPE LAND AND LOCATION:
1120 acres of Bureau of Land Management (BLM) at the Castle Mountain Project site in San Bernardino County.

LAND USE:
Water line and power lines for Castle Mountain Heap-leach gold extraction project.

STATUTORY AND OTHER REFERENCES:
A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13,
B. Cal. Code Regs.: Title 2, Div. 3; Title 14, Div. 6.

AB 884: N/A.

OTHER PERTINENT INFORMATION:
1. The Castle Mountain is a Viceroy Gold Corp. open pit heap-leach gold mining and extraction project in the eastern San Bernardino County. Water for the project could come from a State-owned school section and adjoining BLM land. The water wells would require power lines for the pumps and a water line to the project. A natural gas pipeline will also cross BLM land to serve the project.

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The State is proposing to acquire sufficient BLM land for the benefit of the State Teachers' Retirement System. Viceroy has filed mining claims, and has received permission to drill for water from BLM in the area of selection. The staff believes these claims can be preempted by the selection process, and has tentatively filed an application for Indemnity Selection, seeking status for such challenge.

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 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. Code Regs. 15378.

EXHIBIT: A. Land Description.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.

2. APPROVE THE FILING OF AN INDEMNITY SELECTION APPLICATION ON THE BLM LAND DESCRIBED IN EXHIBIT "A" ATTACHED.

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EXHIBIT "A" W 24075

LAND DESCRIPTION

Three parcels of land in eastern San Bernardino County, California described as follows:

PARCEL 1

The SE 1/4 of Section 9, T14N, R17E, SBM.

PARCEL 2

The W 1/2 of Section 14, T14N, R17E, SBM.

PARCEL 3

All of Section 15, T14N, R17E, SBM.

END OF DESCRIPTION

PREPARED JULY 19, 1990 BY LLB.

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