MINUTE ITEM
This Calendar Item No. C54
was approved as Minute Item
No. 54 by the State Lands
Commission by a vote of 3
to Ø at its 10/28/96
meeting.

CALENDAR ITEM
C54

A 80

S 37

PRC7468

10/28/96
WP 7468
Kruger

APPROVE EXTENSION OF A PROSPECTING PERMIT FOR VALUABLE MINERALS OTHER THAN OIL, GAS, GEOTHERMAL, SAND AND GRAVEL ON 640 ACRES OF STATE-OWNED SCHOOL LANDS, IMPERIAL COUNTY

APPLICANT:

American Girl Mining Joint Venture
Mr. Dennis Laybourn
P.O. Box 879
Winterhaven, California 92283

AREA, TYPE LAND AND LOCATION:

Approximately 640 acres of vacant, fee-owned State school land located in Section 36, T14S, R20E, SBM and situated in the Cargo Muchacho Mountains of southeast Imperial County, about 15 miles north of Winterhaven.

BACKGROUND:

American Girl Mining (AGM) Joint Venture has requested the Commission to authorize a one-year extension of the subject permit, which was designated the "Oro Cruz Project", an approved project. In August 1994, the Commission approved the Mineral Prospecting Permit No. WP 7468 for a primary term of two years (September 1, 1994 to August 31, 1996). The term of the proposed extension would be from September 1, 1996, to August 31, 1997, the final year of the permit. Permitted prospecting activity for the extension period includes field mapping and data analysis to determine the significance of mineralized zones and to develop a geologic interpretation from the exploration results of gold mineralization underlying the State parcel.

The Commission's approval of Mineral Prospecting Permit No. WP 7468 in August 1994 included a proposed exploration drilling project. AGM completed a total of 15 exploratory holes on the State parcel. All exploration data pertaining to the drilling project has been submitted to the State. No exploratory drilling, and therefore no surface disturbance, will be conducted during the proposed permit extension period.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

The required filing fee and processing costs have been received from the Applicant.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code: Div. 6, Sections 6890 and 6891.
B. Cal. Code Regs.: Title 2, Section 2000.

AB 884:

N/A

OTHER PERTINENT INFORMATION:

1. The Imperial County Planning Department (County) was lead agency for the purpose of compliance with the Surface Mining and Reclamation Act (SMARA). The County prepared and circulated Negative Declaration SCH# 92061029 for the drilling project, and subsequently approved Conditional Use Permit #1041-92 and Reclamation Plan #151-92 for the project. In August 1994, the Commission reviewed and considered the information contained in SCH# 92061029 and authorized the issuance of Mineral Prospecting Permit No. WP 7468 to AGM which covers the proposed field mapping and data analysis.

2. The proposed activity involved land identified as possessing significant environmental values (Public Resources Code Sections 6370, et. seq.) with a restricted land use classification (Class A). Based on Commission staff again conferring with the agency nominating this land and through the CEQA review process, it is the staff's opinion that the proposed activity is consistent with it's use classification.

3. After examining the Permittee's request for a permit extension, Commission staff believe there are no circumstances surrounding the project and no changes in the permitted activity of the project which indicate the proposed extension will have a significant adverse impact on the environment. No adverse impacts or irreversible environmental changes will result from activities to be conducted during the period of the proposed extension.

4. Pursuant to Public Resources Code Section 6895, upon establishing to the satisfaction of the Commission that commercially valuable mineral deposits have been discovered within the limits of the permitted area, Permittee would have a preferential right to a lease for a maximum of 640 acres within the permitted area, if the Commission elects to issue such a lease. The approval of this permit extension will not affect the discretion of the Commission to grant or deny a lease based on environmental conditions.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT A NEGATIVE DECLARATION SCH NO. 92061029 WAS PREPARED AND ADOPTED FOR THIS PROJECT BY IMPERIAL COUNTY; AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED.

2. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET. SEQ.

3. PURSUANT TO PUBLIC RESOURCES CODE SECTION 6891, AUTHORIZE AN EXTENSION OF MINERAL PROSPECTING PERMIT NO. WP 7468 THROUGH AUGUST 31, 1997, TO AMERICAN GIRL MINING JOINT VENTURE, TO CONTINUE PROSPECTING FOR VALUABLE MINERALS OTHER THAN OIL, GAS, GEOTHERMAL, SAND AND GRAVEL.

4. ALL OTHER TERMS AND CONDITIONS OF THE PERMIT REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.