MINUTE ITEM
This Calendar Item No. C38 was approved as Minute Item No. 38 by the California State Lands Commission by a vote of 3 to 0 at its 9-3-99 meeting.

CALENDAR ITEM
C38

A 34

S 17

PRC 7132.2

09/03/99
WP 7132.2
J. Smith

AMENDMENT OF LEASE

LESSEE:

Shell Oil Company
P.O. Box 576
Houston, Texas 77001-0576

AREA, LAND TYPE, AND LOCATION:

25.60 acres, more or less, of State lieu lands in three miles south of Mojave, Kern County.

AUTHORIZED USE:

Water pipeline, monitoring well, and a portion of a processing pond.

LEASE TERM:

Ten years, beginning August 1, 1997.

CONSIDERATION:

$4,838 per year; with the State reserving the right to fix a different rent periodically during the lease term as provided in the lease.

PROPOSED AMENDMENT:

Amend authorized use and legal description to delete water pipeline. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Applicant owns and has a right to use the lands adjoining the lease premises.

2. Lease No. PRC 7132.2 was issued to Lessee in conjunction with its gold ore operations. The lease covers a water pipeline, monitoring well, and a portion of a processing pond on State lieu lands. The Lessee is in the final phases of the closure process of its gold ore operations. There is presently no active mining being conducted. Lessee has sold its mineral

lease and mining equipment to Granite Construction Company, who is crushing reclaimed rock to make aggregate. The water pipeline, which occupies .37 acres more or less, will be used by Granite Construction Company in conjunction with its crushing operation. Lessee has requested that Commission staff amend Lease No. PRC 7132.2 to delete the water pipeline. Therefore, staff is requesting that the lease be amended to delete the water pipeline as an authorized use and revise the legal description and annual rent accordingly. The lease area will be reduced to 25.23 acres and the new annual rent will be $4768, effective September 1, 1999.

3. Pursuant to the calendar item that follows, the Commission is being asked to issue a General Lease - Right of Way to Granite Construction Company for maintenance of the water pipeline.

4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 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 the CEQA and the State CEQA Guidelines.

   Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 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.

EXHIBITS:

A. Land Description
B. Location and Site Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:
IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

SIGNIFICANT LANDS INVENTORY FINDING:

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

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 7132.2, A GENERAL LEASE - INDUSTRIAL USE, OF LANDS DESCRIBED ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE SEPTEMBER 1, 1999, TO DELETE THE WATER PIPELINE AS AN AUTHORIZED LAND USE; REVISE THE LEGAL DESCRIPTION TO REFLECT A LEASE AREA OF 25.23 ACRES; THE NEW ANNUAL RENT WILL BE $4,768; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

EXHIBIT "A"
LAND DESCRIPTION

PRC 7132.2

A parcel of California State lieu lands in Kern County, California, described as follows:

Lot 1, Section 28, T11 N, R12W, SBM.

EXCEPTING THEREFROM that portion thereof patented August 30, 1971 to the California State Department of Public Works, Division of Highways.

ALSO EXCEPTING THEREFROM the following 20 foot strip of land, lying 10 feet on each side of the following described centerline;

COMMENCING at the corner common to Sections 28, 29, 32 and 33 Township 11 North, Range 12, West San Bernardino Meridian; thence N51°06'E, 416.7 feet to the POINT OF BEGINNING of the herein described strip of land; thence N82°54'E, 1021.7 feet to the end of the herein described centerline.

END DESCRIPTION

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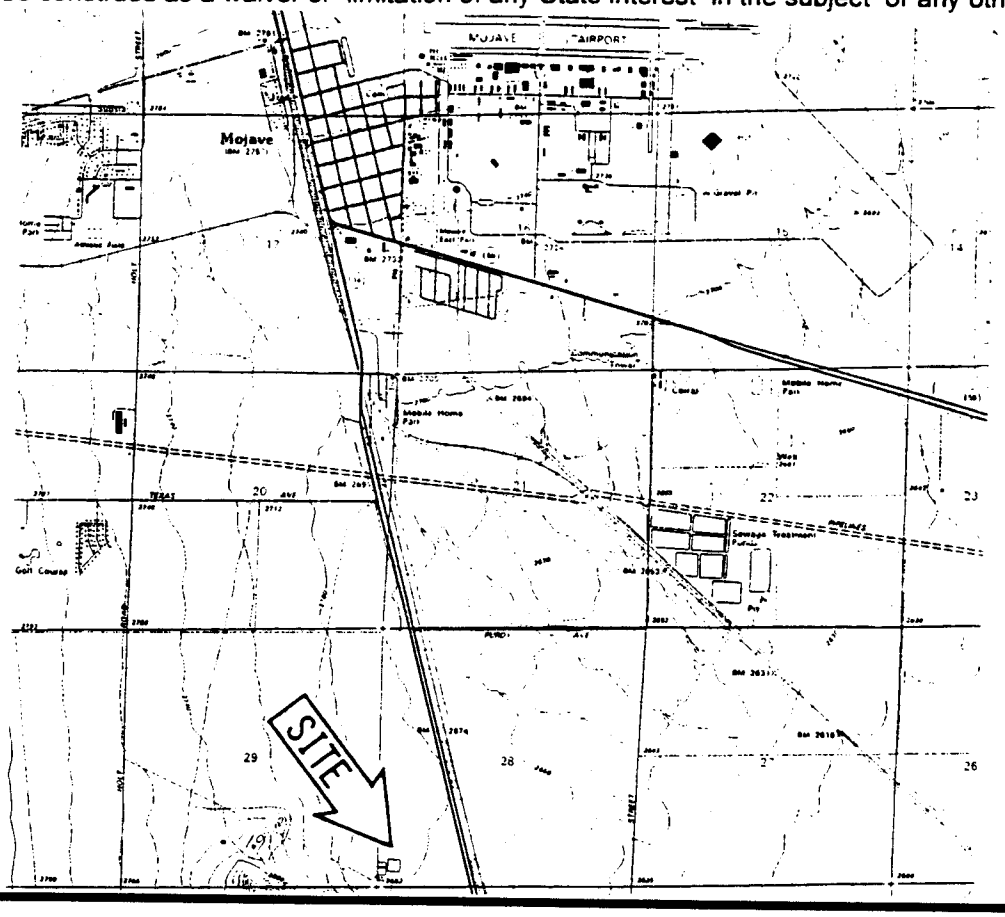
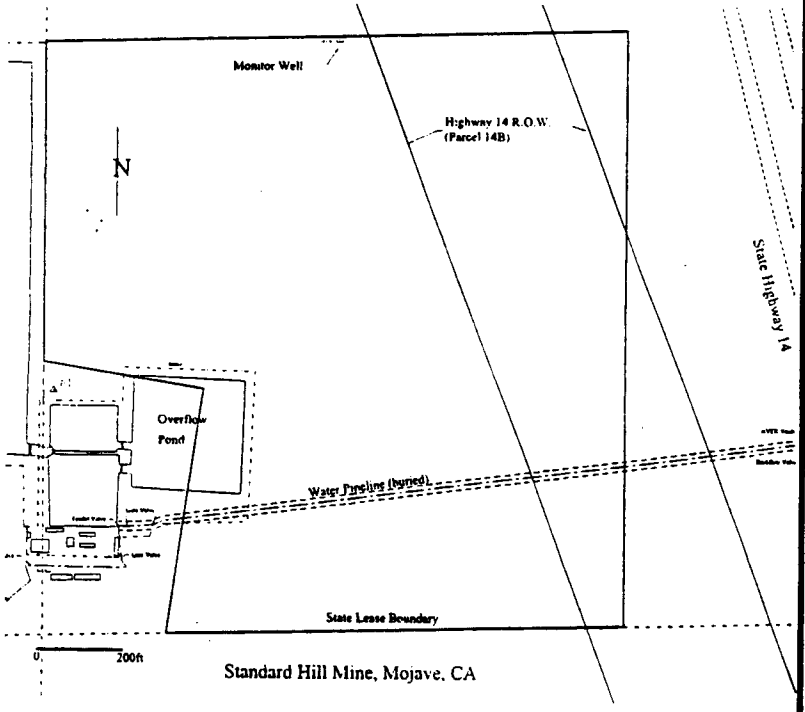
This Exhibit is solely for purposes of generally defining the lease premises and is not intended to be, nor shall it be construed as a waiver or limitation of any State interest in the subject or any other property.



DRAWING NOT TO SCALE



Standard Hill Mine, Mojave, CA

EXHIBIT "B"

LOCATION MAP
PRC 7132.2
SHELL OIL COMPANY
SEC.28,T11N,R12W,SBM
KERN COUNTY

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