MINUTE ITEM
This Calendar Item No. C16 was approved as Minute Item No. 16 by the California State Lands Commission by a vote of 3 to 0 at its 8-17-04 meeting.

CALENDAR ITEM
C16

A 34

S 18

08/17/04
PRC 6375.2
N. Lee

CONTINUATION OF RENT

LESSEE:
Molycorp, Inc.

AREA, LAND TYPE, AND LOCATION:
5.48 acres, more or less, of State School Lands located in the Northeast 1/4 of Section 16, Township 16 North, Range 13 East, SBM, near Mountain Pass Summit, on Interstate Highway 15, San Bernardino County.

AUTHORIZED USE:
Operation and maintenance of a 14-inch diameter potable water transportation line.

LEASE TERM:
49 years, beginning January 20, 1983.

CONSIDERATION:
This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be continued at $668 per year, effective January 20, 2005.

OTHER PERTINENT INFORMATION:

1. On January 27, 1983, the Commission authorized a General Lease – Right Of Way Easement to Molycorp, Inc. for a term of 49 years. The easement is for a 14-inch diameter pipeline for the transportation of potable water on approximately 5.48 acres of State School Lands located near Mountain Pass Summit. This lease will expire on January 19, 2032.

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it 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, sections 15060(c)(3) and 15378.

EXHIBIT:

A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

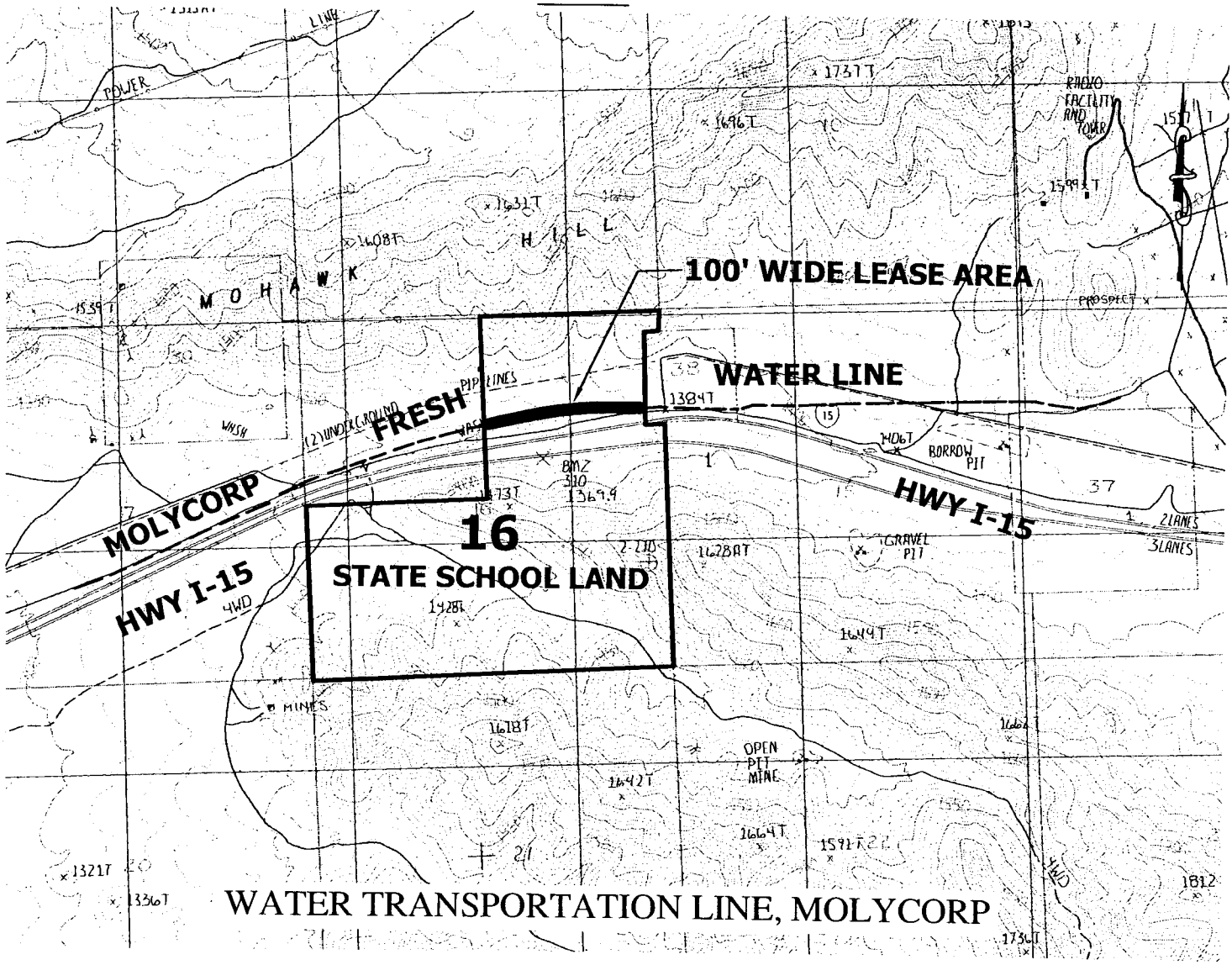
FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

APPROVE THE CONTINUATION OF RENT FOR LEASE NO. PRC 6375.2 AT $668 PER YEAR, EFFECTIVE JANUARY 20, 2005.

NO SCALE

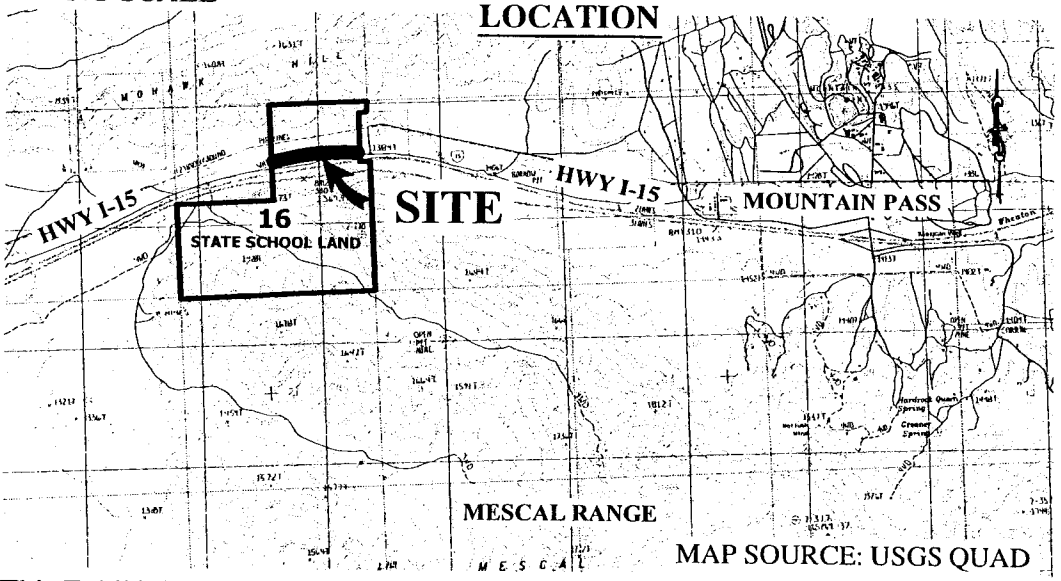
SITE



WATER TRANSPORTATION LINE, MOLYCORP

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 6375.2

MOLYCORP, INC.

GENERAL LEASE

MOUNTAIN PASS SUMMIT

SAN BERNARDINO CO.

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties 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.

MJJ 05/04