MINUTE ITEM

This Calendar Item No. C40 was approved as Minute Item No. 40 by the California State Lands Commission by a vote of 3 to ϕ at its 02/05/07 meeting.

CALENDAR ITEM
C40

A 7

S 5

PRC 8742

02/05/07
W 40930
S. Mulqueen

CONSIDER APPLICATION FOR A PROSPECTING PERMIT FOR MINERALS OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL ON 480 ACRES OF STATE LANDS, MONO COUNTY

APPLICANT:

Enigma Resources LLC
Attn.: Mr. Anthony L. Eng
2221 South Lompa Lane
Carson City, NV 89701

AREA, TYPE LAND AND LOCATION:

Approximately 480 acres of land of which the State owns a 100 percent (100%) reserved mineral interest. The propery includes the SW 1/4 and E 1/2 of section 16, T5N, R27E, MDBM, and is situated about 15 miles northeast of Bridgeport in Mono County, California (see Exhibit A, attached hereto).

BACKGROUND:

Enigma Resources LLC has submitted an application for a mineral prospecting permit for precious metals on approximately 480 acres of privately owned land of which the State retains a 100 percent reserve mineral interest. Mineral prospecting activities to be conducted under this proposed permit will be limited to rock chip geochemical sampling, soil sampling and geologic mapping to determine potential drilling targets. No surface disturbance will be done. Vehicular access will be confined to existing roads and jeep trails. The majority of the activities will be conducted on foot. Results from field work and sample analyses will determine if more intensive exploration such as exploratory drilling is warranted. Such activities would require amendment to the existing permit or a new permit following appropriate environmental documentation and consideration by the Commission.

TERMS OF PROPOSED PROJECT:

The primary term of a CEQA-exempt mineral prospecting permit shall be one

year. The Commission in its discretion may extend the term for additional periods not to exceed one year each. In no event shall the term of any permit exceed three years.

ROYALTY:

Royalty payable under this permit shall be 20 percent of the gross value of the minerals secured from the permitted area and sold, or otherwise disposed of or held for sale or other disposition.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

1. Required filing fee, processing fee and acreage deposit have been submitted by the applicant.

2. The subject parcel is not known to contain commercially valuable mineral deposits.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code section: Division 6, section 6891
B. California Code of Regulations: Title 2, section 2200

OTHER PERTINENT INFORMATION:

1. 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 as a categorically exempt project. The project is exempt under Class 6, Information Collection.. The collection of data for information purposes where minimal disturbance of state property is involved, Title 2, California Code of Regulations, section 2905(e)(3).

   Authority: Public Resources Code section 21084, Title 14, California Code of Regulations, section 15300, and Title 2, California Code of Regulations, section 2905.

2. This mineral prospecting permit shall provide for a performance bond or other security device in favor of the State in the amount of $10,000.

APPROVALS OBTAINED:

Pursuant to Public Resources Code section 6890, the prospecting permit document has been approved by the Office of the Attorney General as to

compliance with the applicable provisions of the law.

EXHIBITS:

A. Land Description
B. Site Map

PERMIT STREAMLINING ACT DEADLINE:

May 5, 2007 (CSLC acting as a lead agency under the CEQA)

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 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION, TITLE 2, CALIFORNIA CODE OF REGULATIONS SECTION 2905(e)(3). THE PROJECT SHALL INCLUDE THIS PROSPECTING PERMIT AND ANY OTHER EXTENSION THE COMMISSION MAY GRANT IN ITS DISCRETION FOR THE PROJECT AS DESCRIBED IN THE PERMIT. ANY EXTENSION SHALL NOT EXCEED ADDITIONAL PERIODS OF ONE YEAR EACH. IN NO EVENT SHALL THE TERM OF A PERMIT EXCEED THREE YEARS.

OTHER FINDING:

DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT PRESENTLY KNOWN TO CONTAIN COMMERCIALLY VALUABLE MINERAL DEPOSITS.

AUTHORIZATION:

AUTHORIZE THE ISSUANCE OF A CEQA-EXEMPT MINERAL PROSPECTING PERMIT TO ENIGMA RESOURCES LLC FOR A PRIMARY TERM OF ONE YEAR FOR ALL MINERALS OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES AND SAND AND GRAVEL IN THE SW ¼ AND E ½ OF SECTION 16, T5N, R27E, MDBM, MONO COUNTY, IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT.

EXHIBIT A

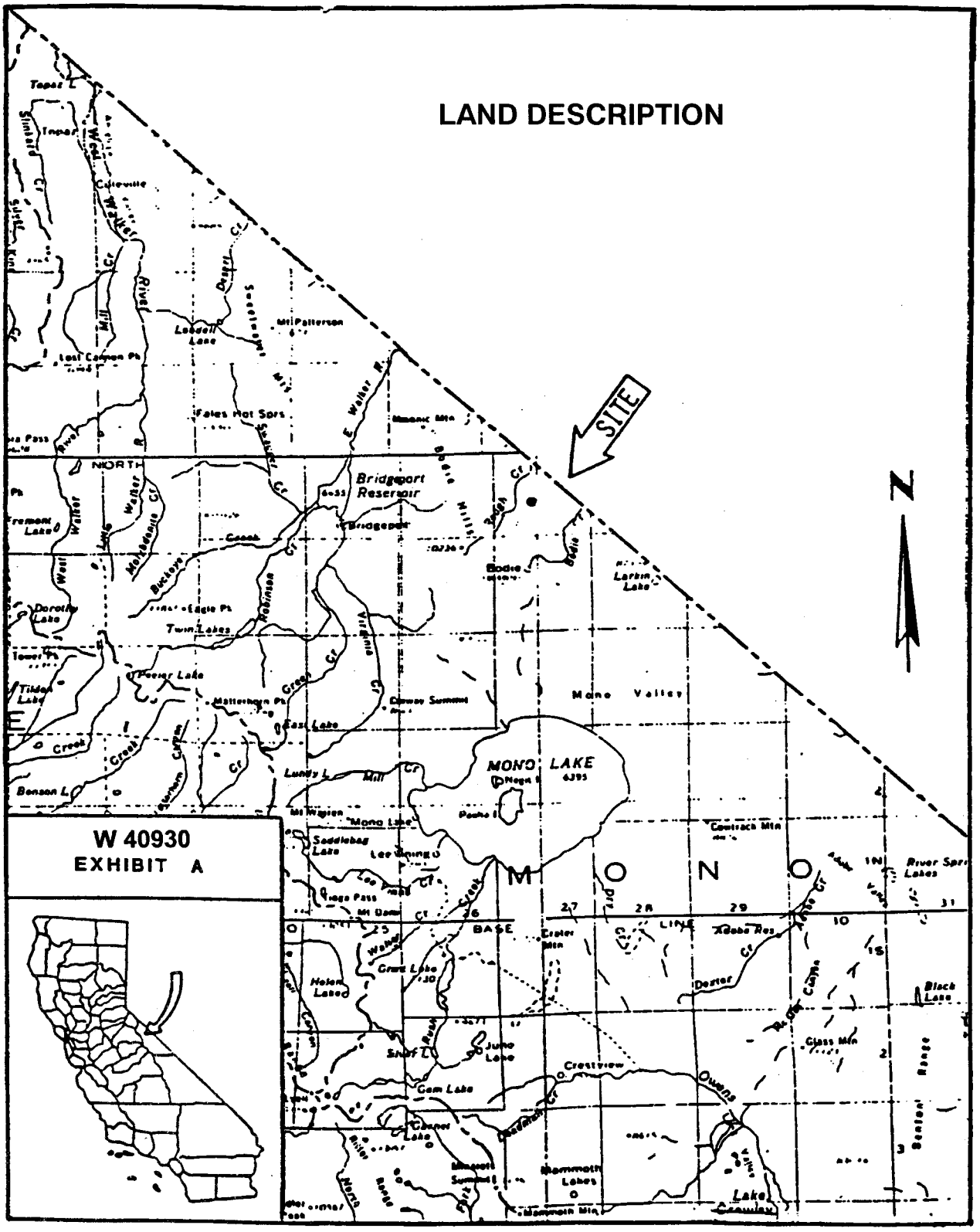
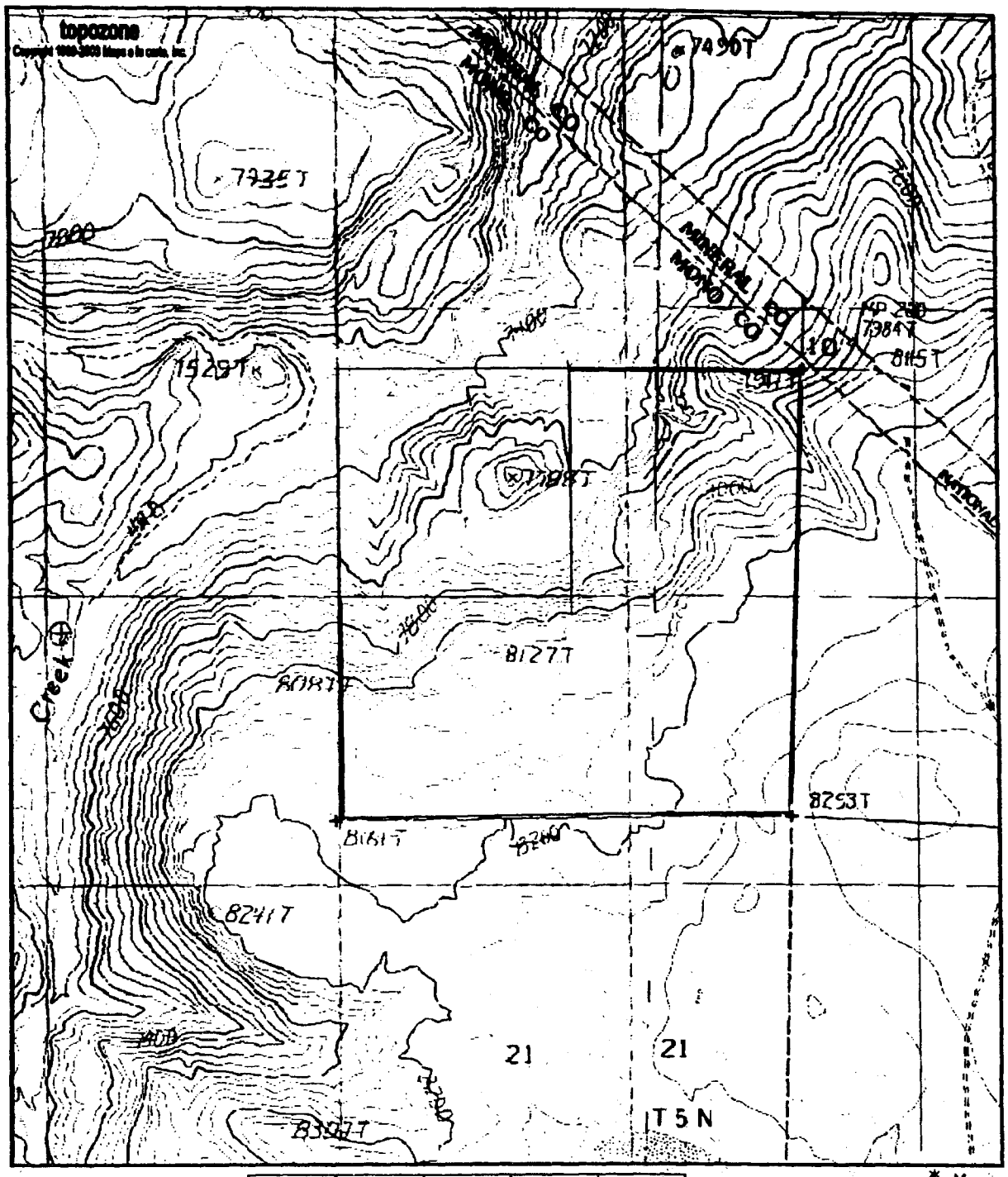

LAND DESCRIPTION
SITE
N
NORTH
Bridgeport Reservoir
Bridgeport
Mono Valley
MONO LAKE
M O N O
BASE LINE
W 40930
EXHIBIT A

EXHIBIT B



0 0.3 0.6 0.9 1.2 1.5 km

0 0.2 0.4 0.6 0.8 1 mi

UTM 11 324580E 4240028N (NAD27)

USGS DOME HILL (CA,NV) Quadrangle

Projection is UTM Zone 11 NAD83 Datum

M=15.006

G=-1.244