

average ore production value of \$20 per ton, but is not applicable to the operations expected under the subject prospecting permit. The expected primary ore production under any potential preferential mineral lease is iron ore, with a currently estimated minimum value of \$2 per ton, and average production value of \$5 per ton.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

The Executive Officer is authorized to modify the authorization of March 24, 1953, and issue to Mr. William R. Law a prospecting permit with royalty payable under any preferential lease issued upon discovery of commercially valuable deposits of nonprecious minerals in accordance with the following schedule:

$$R = 0.10 + 0.06 (C-2.00)$$

13. (BID FOR MINERAL EXTRACTION LEASE, R. A. DONNELLY AND E. H. BRAWNER, INYO COUNTY - W.O. 1389, P.R.C. 1314.2.) One bid has been received jointly from Mr. R. A. Donnelly and Mr. E. H. Brawner for a lease to permit extraction of gold and other metallic minerals from 40 acres of vacant State school land in Inyo County, in accordance with the offer for lease bid as authorized by the Commission on February 9, 1953 (Minute Page 1735, Item 18). The joint bidders have offered a royalty bid factor of 0.01 to apply to the production of all gold, silver and other precious metallic and radioactive minerals.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

The Executive Officer is authorized to issue jointly to Mr. R. A. Donnelly and Mr. E. H. Brawner a mineral extraction lease for a term of 20 years to permit the removal of gold and other metallic minerals from the NW $\frac{1}{4}$  of NW $\frac{1}{4}$  of SW $\frac{1}{4}$ , the S $\frac{1}{2}$  of NE $\frac{1}{4}$  of NW $\frac{1}{4}$  of SW $\frac{1}{4}$ , S $\frac{1}{2}$  of NW $\frac{1}{4}$  of SW $\frac{1}{4}$  and the N $\frac{1}{2}$  of NE $\frac{1}{4}$  of SW $\frac{1}{4}$  of SW $\frac{1}{4}$ , Section 36, T. 23 S., R. 42 E., M.D.B.&M., containing 40 acres, upon payment of an advance annual rental of \$40, and subject to royalty payments on all mineral production as specified by the bid submitted. A performance bond in the penal sum of \$1000 is to be deposited by the lessee to guarantee the faithful performance and observance of all the conditions of the lease.

14. (AMENDMENT OF LEASE P.R.C. 374, COUNTY OF LOS ANGELES, LOS ANGELES COUNTY.) The California Sports Car Club has requested a permit to use the Grey Butte Airfield for time trials. The airfield is under lease to the County of Los Angeles "only for lawful commercial purposes, and as an aviation landing field for public use", the lease being for fifteen years from June 25, 1948, at an annual rental of \$177.60. The County has agreed to give further consideration to the request provided a waiver of use is granted by the Commission, and public liability insurance in an amount of \$25/50,000 is posted naming the County as joint assured. Amendment of lease as to use is considered by the Staff as being better than a waiver.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS: