

MINUTE ITEM

27. PROPOSED MINERAL EXTRACTION LEASE, OWENS LAKE, INYO COUNTY; PITTSBURGH PLATE GLASS COMPANY - W.O. 5429, P.R.C. 3308.1.

After consideration of Calendar Item 27 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE A MINERAL EXTRACTION LEASE TO THE PITTSBURGH PLATE GLASS COMPANY, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 91.11 ACRES MORE OR LESS OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF, AT A ROYALTY RATE ON ALL MINERALS OR MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD, IN THE SUM OF \$0.50 PER TON, OR 2% OF THE WEIGHTED AVERAGE SALES PRICE, WHICHEVER IS THE GREATER, F.O.B. THE EXTRACTION PLANT, FOR THE AGGREGATE OF ALL MINERALS AND MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD.

Attachment

Calendar Item 27 (3 pages)

CALENDAR ITEM

27.

PROPOSED MINERAL EXTRACTION LEASE, OWENS LAKE, INYO COUNTY; PITTSBURGH PLATE GLASS COMPANY - W.O. 5429.

On April 15, 1965, one bid was received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for mineral extraction and as a right-of-way on five parcels covering an area 100 feet wide and 39,688.68 feet long, containing a total of 91.11 acres more or less in the dry bed of Owens Lake, located in portions of Sections 20, 21, 22, 27, 28, 29, 32, 34, and 35, T. 17 S., R. 37 E., and a portion of Section 3, T. 18 S., R. 37 E., M.D.B. & M., Inyo County, designated as W.O. 5429. (Exhibit "C") This offer was authorized by the Commission on February 25, 1965. Minerals will be extracted from brine produced by wells drilled along the right-of-way and into the bed of Owens Lake.

The bidder, Pittsburgh Plate Glass Company, who is currently operating State leases on Owens Lake, offered a royalty of \$0.50 per ton, or 2% of the weighted average sales price, whichever is greater, f.o.b. the extraction plant, for all mineral products extracted from the leased premises and sold. The bid submitted was reviewed by the staff as to technical sufficiency and economic factors; the office of the Attorney General has determined that it conforms with the requirements set forth in the lease offer, the applicable provisions of law, and the rules and regulations of the Commission.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE A MINERAL EXTRACTION LEASE TO THE PITTSBURGH PLATE GLASS COMPANY, THE HIGHEST QUALIFIED BIDDER, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, ON 91.11 ACRES MORE OR LESS OF SOVEREIGN LANDS IN OWENS LAKE, INYO COUNTY, MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF, AT A ROYALTY RATE ON ALL MINERALS OR MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD, IN THE SUM OF \$0.50 PER TON, OR 2% OF THE WEIGHTED AVERAGE SALES PRICE, WHICHEVER IS THE GREATER, F.O.B. THE EXTRACTION PLANT, FOR THE AGGREGATE OF ALL MINERALS AND MINERAL PRODUCTS EXTRACTED FROM THE LEASED PREMISES AND SOLD.

Attachment  
Exhibit "A"

EXHIBIT "A"

Five Parcels of land situated in the bed of Owens Lake, County of Inyo, State of California. Said parcels of land being 100 feet wide, and lying 50 feet on each side of the following described centerlines.

Parcel No. 1 Beginning at the southwest corner of Section 28, T. 17 S., R. 37 E., M.D.M., which is located on Parcel 3 of State Lease P.R.C. 257, thence bear N.  $0^{\circ} 32'$  E., a distance of 5280.00 feet, thence N.  $89^{\circ} 14'$  W., a distance of 1090.20 feet to the true point of beginning which lies on the north easterly border of land described as Parcel 1 of State Lease P.R.C. 257 and lies on the northerly boundary of Section 29, T. 17 S., R. 37 E., M.D.M.

Thence bear S.  $89^{\circ} 14'$  E., along the northerly boundaries of Sections 29, 28, and 27 a distance of 11650.20 feet to the northeast corner of Section 27, T. 17 S., R. 37 E., M.D.M.

Parcel No. 2 Beginning at the southwest corner of Section 28, T. 17 S., R. 37 E., M.D.M., which is located on Parcel 3 of State Lease P.R.C. 257, thence bear N.  $0^{\circ} 32'$  E., a distance of 2640.00 feet, thence bear S.  $89^{\circ} 14'$  E., 100 feet which is the true point of beginning and lies on the easterly boundary of land described as Parcel 4 of State Lease P.R.C. 257.

Thence bear S.  $89^{\circ} 14'$  E., a distance of 10460.00 feet to the eastern boundary of Section 27, T. 17 S., R. 37 E., M.D.M., which point is S.  $0^{\circ} 32'$  W., 2640.00 feet from the northeast corner of Section 27, T. 17 S., R. 37 E., M.D.M.

Parcel No. 3 Beginning at the southwest corner Section 28, T. 17 S., R. 37 E., M.D.M., which is located on Parcel 3 of State Lease P.R.C. 257, thence bear S.  $0^{\circ} 32'$  W., a distance of 2860 feet, to the true point of beginning.

Thence bear N.  $89^{\circ} 14'$  W., 5280.00 feet to the west boundary of Section 32, T. 17 S., R. 37 E., M.D.M., which point lies on the easterly boundary of land described as L.L.L. No. 2168.

Parcel No. 4 Beginning at the northeast corner of Section 34, T. 17 S., R. 37 E., M.D.M., which is located on Parcel 3 of State Lease P.R.C. 257, thence bear S.  $0^{\circ} 32'$  W., 50 feet to the true point of beginning.

Thence bear S.  $0^{\circ} 32'$  W., along the easterly boundary of Section 34, T. 17 S., R. 37 E., M.D.M., a distance of 3438.86 feet, thence bear S.  $45^{\circ} 0'$  W., a distance 2569.62 feet to the southerly boundary of Section 34, T. 17 S., R. 37 E., M.D.M.

Thence bear S.  $0^{\circ} 15'$  W., 5280.00 feet to the southerly boundary of Section 3, T. 18 S., R. 37 E., M.D.M.

EXHIBIT "A" (CONT'D.)

Parcel No. 5 Beginning at the point of intersection of Parcel 4, above, with the southerly boundary of Section 34, T. 17 S., R. 37 E., M.D.M. which point is N. 89° 14' W., a distance of 1800.00 feet from the south-east corner of Section 34, T. 17 S., R. 37 E., M.D.M., thence bear N. 45° 0' W., 50.00 feet to the true point of beginning.

Thence bear N. 45° 0' W., a distance of 1010.00 feet.

The total length of the above-described centerlines is 39688.68 feet. The total area of the lands defined by these centerlines, excluding lands already covered by existing leases is 91.11 acres more or less.