

MINUTE ITEM

7/20/65

12. APPLICATION FOR PROSPECTING PERMIT, MONTEREY COUNTY; CHARLES CROCKER -  
W.O. 5607, P.R.C. 3339.2.

After consideration of Calendar Item 17 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE TO CHARLES CROCKER A TWO-YEAR PROSPECTING PERMIT, AUTHORIZING PROSPECTING FOR MINERALS OTHER THAN OIL AND GAS ON 32.52 ACRES OF LIEU LAND UPON WHICH THE STATE HAS RETAINED ALL MINERAL RIGHTS, DESCRIBED AS:

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

LOT NUMBERED 6 OF SECTION THIRTY-THREE (33), TOWNSHIP TWENTY-THREE (23) SOUTH, RANGE FIVE (5) EAST, MOUNT DIABLO MERIDIAN, AND LOTS NUMBERED 4, 5 AND 7 OF SECTION THIRTY-THREE (33), TOWNSHIP TWENTY-THREE (23) SOUTH, RANGE FIVE (5) EAST, MOUNT DIABLO MERIDIAN. EXCEPTING THEREFROM THAT PORTION THEREOF DESCRIBED AS FOLLOWS: BEGINNING AT AN IRON PIPE IN THE GROUND WITH A BRASS CAP MARKED T. 23, S. R. S. E. L. P. 1 S. 33, FROM WHICH THE SECTION CORNER TO SECTIONS 33, 34, 4 AND 3 BEARS S. 56° 54' E., 14.70 CHAINS; THENCE S. 18° 15' W., 549.12 FEET TO A 3/4" IRON PIPE ON THE SOUTH BOUNDARY OF THE TOWNSHIP; THENCE N. 89° 30' W., 166.00 FEET TO A 3/4" IRON PIPE IN THE GROUND ON THE SOUTH BOUNDARY OF THE TOWNSHIP; THENCE N. 18° 15' E., 599.73 FEET TO A 3/4" PIPE AND POST IN THE NORTH BOUNDARY OF LOT 7; THENCE S. 76° 07' E., 158.10 FEET TO THE POINT OF BEGINNING, CONTAINING 2.07 ACRES. ALSO ALL OF LOT 4, CONTAINING 0.77 ACRE. ALSO A RIGHT OF WAY FROM THE COUNTY AND FOREST ROAD OVER THE EXISTING ROAD 15 FEET WIDE RUNNING THROUGH LOT 6 TO THE SOUTHEAST CORNER OF LOT 7 ON THE SOUTH BOUNDARY OF THE TOWNSHIP, ALL IN SECTION 33, T. 23, S. R. 5 E., M.D.M., CALIF. AS SHOWN ON THE UNITED STATES SUPPLEMENTAL SURVEY DECEMBER 16, 1959. SAID LANDS, MINUS THE EXCEPTIONS, CONTAINING AN AREA OF 32.52 ACRES MORE OR LESS.

ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS OF MINERALS, UPON ANY AND ALL MINERALS PRODUCED, EXTRACTED, OR SOLD FROM SAID LEASE PERMITS, TO BE DETERMINED AS FOLLOWS:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS

$$R = 3.00 + .01 (C - 20.00)^2$$

2. FOR NONPRECIOUS METALLIC MINERALS

$$R = 3.00 + 0.37 (C - 60.00)$$

3. FOR NONMETALLIC MINERALS

$$R = 1.00 + 0.20 (C - 15.00)$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER TON OF ORE

C = WEIGHTED AVERAGE OF GROSS SALES PRICE PER TON OF ORE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD ON A QUARTERLY BASIS DURING THE FIRST YEAR OF THE LEASE, AND EACH YEAR THEREAFTER THE WEIGHTED AVERAGE TO BE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD DURING THE PREVIOUS YEAR.

THE MINIMUM ROYALTY UNDER ANY LEASE ISSUED PURSUANT TO THIS PERMIT SHALL BE:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS,

\$3.00 PER TON OF ORE

2. FOR NONPRECIOUS METALLIC MINERALS,

\$3.00 PER TON OF ORE

3. FOR NONMETALLIC MINERALS,

\$1.00 PER TON OF ORE

THE MAXIMUM ROYALTY FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS SHALL NOT EXCEED 50 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.

THE MAXIMUM ROYALTY FOR ALL NONPRECIOUS METALLIC AND NONMETALLIC MINERALS SHALL NOT EXCEED 25 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.

Attachment

Calendar Item 17 (2 pages)

7/65

CALENDAR ITEM

17.

APPLICATION FOR PROSPECTING PERMIT, MONTEREY COUNTY; CHARLES CROCKER - W.O. 5607.

An application has been received from Charles Crocker, an individual, for a permit to prospect for minerals other than oil and gas on 32.52 acres of lieu land within the SE $\frac{1}{4}$  of Section 33, T. 23 S., R. 5 E., M.D.B. & M., Monterey County, wherein the State has retained all mineral rights.

Section 6891 of the Public Resources Code provides for the issuance to a qualified applicant of a prospecting permit for lands that are not known mineral lands.

The applicant, who is the surface owner, proposes to explore a number of old abandoned shafts that exist on the property. Gold was discovered in this area in the past, but not in commercial quantities. The property is presently being used by the applicant as a farm.

A field reconnaissance of the area has established that the land to be prospected is not known to contain commercially valuable deposits of minerals. The statutory filing fee of \$5 has been paid, and the permit fee of \$32.52 has been deposited by the applicant.

As required under Section 6890 of the Public Resources Code, the application was referred to the office of the Attorney General, which advised that it complies with the applicable laws and the Rules and Regulations of the State Lands Commission.

IT IS RECOMMENDED THAT, PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE TO CHARLES CROCKER A TWO-YEAR PROSPECTING PERMIT, AUTHORIZING PROSPECTING FOR MINERALS OTHER THAN OIL AND GAS ON 32.52 ACRES OF LIEU LAND UPON WHICH THE STATE HAS RETAINED ALL MINERAL RIGHTS, DESCRIBED AS:

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

LOT NUMBERED 6 OF SECTION THIRTY-THREE (33), TOWNSHIP TWENTY-THREE (23) SOUTH, RANGE FIVE (5) EAST, MOUNT DIABLO MERIDIAN, AND LOTS NUMBERED 4, 5 AND 7 OF SECTION THIRTY-THREE (33), TOWNSHIP TWENTY-THREE (23) SOUTH, RANGE FIVE (5) EAST, MOUNT DIABLO MERIDIAN. EXCEPTING THEREFROM THAT PORTION THEREOF DESCRIBED AS FOLLOWS: BEGINNING AT AN IRON PIPE IN THE GROUND WITH A BRASS CAP MARKED T. 23, S. R. S. E. L. P. 1. S. 33, FROM WHICH THE SECTION CORNER TO SECTIONS 33, 34, 4 AND 3 BEARS S. 56° 54' E., 14.70 CHAINS; THENCE S. 18° 15' W., 549.12 FEET TO A 3/4" IRON PIPE ON THE SOUTH BOUNDARY OF THE TOWNSHIP; THENCE N. 89° 30' W., 166.00 FEET TO A 3/4" IRON PIPE IN THE GROUND ON THE SOUTH BOUNDARY OF THE TOWNSHIP; THENCE N. 18° 15' E., 599.73 FEET TO A 3/4" PIPE AND POST IN THE NORTH BOUNDARY OF LOT 7; THENCE S. 76° 07' E., 158.10 FEET TO THE POINT OF BEGINNING, CONTAINING 2.07 ACRES. ALSO ALL OF LOT 4, CONTAINING 0.77 ACRE.

A 34  
S 25

CALENDAR ITEM 17. (CONTD.)

ALSO A RIGHT OF WAY FROM THE COUNTY AND FOREST ROAD OVER THE EXISTING ROAD 15 FEET WIDE RUNNING THROUGH LOT 6 TO THE SOUTHEAST CORNER OF LOT 7 ON THE SOUTH BOUNDARY OF THE TOWNSHIP, ALL IN SECTION 33, T. 23, S. R. 5 E., M.D.M., CALIF. AS SHOWN ON THE UNITED STATES SUPPLEMENTAL SURVEY DECEMBER 16, 1959. SAID LANDS, MINUS THE EXCEPTIONS, CONTAINING AN AREA OF 32.52 ACRES MORE OR LESS.

ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS OF MINERALS, UPON ANY AND ALL MINERALS PRODUCED, EXTRACTED, OR SOLD FROM SAID LEASE PREMISES, TO BE DETERMINED AS FOLLOWS:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS

$$R = 3.00 + .01 (C - 20.00)^2$$

2. FOR NONPRECIOUS METALLIC MINERALS

$$R = 3.00 + 0.37 (C - 60.00)$$

3. FOR NONMETALLIC MINERALS

$$R = 1.00 + 0.20 (C - 15.00)$$

WHERE R = ROYALTY IN DOLLARS AND CENTS PER TON OF ORE

C = WEIGHTED AVERAGE OF GROSS SALES PRICE PER TON OF ORE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD ON A QUARTERLY BASIS DURING THE FIRST YEAR OF THE LEASE, AND EACH YEAR THEREAFTER THE WEIGHTED AVERAGE TO BE DETERMINED BY THE ACTUAL GROSS SALES VALUE OF THE ORE SOLD DURING THE PREVIOUS YEAR.

THE MINIMUM ROYALTY UNDER ANY LEASE ISSUED PURSUANT TO THIS PERMIT SHALL BE:

1. FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS,

\$3.00 PER TON OF ORE

2. FOR NONPRECIOUS METALLIC MINERALS,

\$3.00 PER TON OF ORE

3. FOR NONMETALLIC MINERALS,

\$1.00 PER TON OF ORE

THE MAXIMUM ROYALTY FOR GOLD, SILVER, OTHER PRECIOUS MINERALS, AND RADIOACTIVE MINERALS SHALL NOT EXCEED 50 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.

THE MAXIMUM ROYALTY FOR ALL NONPRECIOUS METALLIC AND NONMETALLIC MINERALS SHALL NOT EXCEED 25 PERCENT OF THE AVERAGE GROSS SALES PRICE OF THE ORE.