

10/21/65

16. APPLICATION FOR PROSPECTING PERMIT FOR GEOTHERMAL ENERGY, SONOMA COUNTY; DECCAXAGON CORPORATION - W.O. 5364, P.R.C. 3395.2.

After consideration of Calendar Item 18 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 FINDS THAT THE LANDS DESCRIBED BELOW ARE NOT KNOWN MINERAL LANDS AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE TO DECCAXAGON CORPORATION A TWO-YEAR PERMIT AUTHORIZING PROSPECTING FOR GEOTHERMAL ENERGY, FOR MINERAL WATERS, FOR NON-HYDROCARBON GASES, AND FOR ALL MINERAL OTHER THAN OIL AND GAS IN 160 ACRES MORE OR LESS OF LAND IN SONOMA COUNTY, AS DESCRIBED IN EXHIBIT "B" ATTACHED. THE FORM OF PERMIT, INCLUDING THE ROYALTY SCHEDULE TO BE USED, IS THE FORM APPROVED BY THE STATE LANDS COMMISSION ON APRIL 29, 1965, AND SHALL INCLUDE THE CONDITIONS CONTAINED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF. THE ROYALTY SCHEDULE SHALL ALSO PROVIDE THAT UPON ALL CARBON DIOXIDE AND OTHER NONHYDROCARBON GASES EXTRACTED AND SAVED UNDER THIS LEASE A PAYMENT OF 16-2/3% OF THE CURRENT MARKET PRICE AT THE WELL AND OF ANY PREMIUM OR BONUS PAID ON ALL NONHYDROCARBON PRODUCTION PRODUCED OR SOLD FROM THE LEASED LANDS SHALL BE PAID TO THE STATE.

Attachment

Calendar Item 18 (4 pages)

Action modified 3/31/66  
(Minute Item 32, pg. 12, 448)  
A. Denny

10/65

CALENDAR ITEM

18.

APPLICATION FOR PROSPECTING PERMIT FOR GEOTHERMAL ENERGY, SONOMA COUNTY;  
DECCAXAGON CORPORATION - W.O. 5364.

An application has been received from Deccaxagon Corporation, a California corporation, for a permit to prospect for "...all mineral products and deposits except oil and gas, both metallic and nonmetallic, solid and liquid, for mineral waters ....geothermal and mineral steam...." on 160 acres more or less of land in Section 18, T. 11 N., R. 8 W., M.D.B. & M., Sonoma County. The surface of the area is owned by the applicant.

The Department of Fish and Game and the Water Pollution Control Board have requested that certain provisions be included in the prospecting permit form. The substantive content of these requests has been met.

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

The Geysers steam field is situated one-half mile southwesterly of the parcel, the Little Geysers steam field is four miles southeasterly of the parcel, and the Sulphur Bank steam field is located one and one-quarter miles westerly of the subject parcel.

The applicant proposes to "...prospect for geothermal steam and natural steam for the purpose of eventually developing geothermal and mineral steam and steam power and the development of other mineral deposits....".

The applicant proposes to perform the exploratory work by engaging one of the companies currently involved in steam exploration work to drill a well on the property.

A field reconnaissance of the area has established that the land sought is not known to contain commercially valuable deposits of minerals.

The statutory filing fee of \$5 has been paid, and the permit fee of \$160 has been deposited by the applicant.

The office of the Attorney General has advised that the permit complies with the applicable provisions of law and the Rules and Regulations of the Commission.

IT IS RECOMMENDED THAT, PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION FIND THAT THE LANDS DESCRIBED BELOW ARE NOT KNOWN MINERAL LANDS AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE TO DECCAXAGON CORPORATION A TWO-YEAR PERMIT AUTHORIZING PROSPECTING FOR GEOTHERMAL ENERGY, FOR MINERAL WATERS, FOR NONHYDROCARBON GASES, AND FOR ALL MINERAL OTHER THAN OIL AND GAS IN 160 ACRES MORE OR LESS OF LAND IN SONOMA COUNTY, AS DESCRIBED IN EXHIBIT "B" ATTACHED. THE FORM OF PERMIT, INCLUDING THE ROYALTY

CALENDAR ITEM 18. (CONTD.)

SCHEDULE TO BE USED, IS THE FORM APPROVED BY THE STATE LANDS COMMISSION ON APRIL 29, 1965, AND SHALL INCLUDE THE CONDITIONS CONTAINED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF. THE ROYALTY SCHEDULE SHALL ALSO PROVIDE THAT UPON ALL CARBON DIOXIDE AND OTHER NONHYDROCARBON GASES EXTRACTED AND SAVED UNDER THIS LEASE A PAYMENT OF  $16\frac{2}{3}\%$  OF THE CURRENT MARKET PRICE AT THE WELL AND OF ANY PREMIUM OR BONUS PAID ON ALL NONHYDROCARBON PRODUCTION PRODUCED OR SOLD FROM THE LEASED LANDS SHALL BE PAID TO THE STATE.

Attachment

Exhibits "A" and "B"

EXHIBIT "A"

1. Permittee shall contact the Regional Water Pollution Control Board and submit a report on proposed waste discharge in accordance with Section 13054 of the California Water Code. Permittee shall comply with any waste discharge requirements established by the Regional Water Pollution Control Board.
2. All waste discharges resulting from geothermal operations shall be confined to land and not be permitted to enter State surface waters.
3. Any land disposal operation of said wastes must be conducted in a manner that will not adversely affect wildlife resources. The Permittee shall consult with the Department of Fish and Game prior to and during operations.

EXHIBIT "B"

Lots 2, 3, 6 and 7 of Section 18, T. 11 N., R. 8 W.,  
M.D.B. & M., Sonoma County, State of California.

The above-described land contains 160 acres more or  
less.