#### MINUTE ITEM

This Calendar Item No. 33 was approved as Minute Item No. 33 by the State Lands not at its <u>care</u> to <u>at its</u> <u>care</u> meeting.

#### CALENDAR ITEM

## 33.

6/80 PRC 3842 Gonzalez

## QUITCLAIM OF MINERAL EXTRACTION LEASE PRC 3842.1

LESSEE:

Thomsen/Tidewater Co. 4501 Tidewater Avenue Oakland, California 94601

LOCATION: San Joaquin River, Near West Island, Contra Costa and Sactimento Counties.

ACREAGE: 105 Acres.

TYPE OF LAND: Tide and submerged.

**REASON FOR QUITCLAIM:** 

Lessee was unable to competitively produce sand at West Island and transport it for sale at Oakland; Lessee was unable to reach agreement with third parties for possible assignment of lease. Lessee did not execute the lease renewal and modification authorized by Commission on May 31, 1978 but did continue production from the lease ar' i through August 25, 1978. The staff he sought and obtained back payment of tental, royalties, penalties, and interest incurred during the period of October 25, 1977 through August 25, 1978, and a quitclaim of the lease.

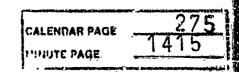
PREREQUISITE TERMS:

A. Quitclaim Deed duly executed by lessee.

A 4, 10

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# CALENDAR ITEM NO. 33. (CONTD)

B. Compliance by lessee with terms and conditions of lease through October 26, 1977, and payment of \$7,387.20 as negotiated settlement for rental, royalty, penalties and interest on mineral production during period of unsuccessful lease renewal negotiations ending August 25, 1978.

# OTHER PERTINENT INFORMATION:

Lease PRC 3842.1 was originally issued on October 26, 1967, to Thomsen/Tidewater Co., A Joint Venture, and renewed on October 26, 1972. The joint venture was terminated and Tidewater Sand and Gravel, Inc., became sole lessee. Competition from local private sand and gravel sources and transportation costs caused Tidewater Sand and Gravel, Inc., to halt operations in the lease area.

#### STATUTORY AND OTHER REFERENCES: A. Sections 3 and 14 of the lease.

B. P.R.C. Section 6804.1.

EXHIBIT: A. Location Map

IT IS RECOMMENDED THAT THE COMMISSION:

ACCEPT THE QUITCLAIM DEED OF MINERAL EXTRACTION LEASE PRC 3842.1 EFFECTIVE JUNE 2, 1980 ON FILE IN THE OFFICE OF THE COMMISSION.

