MINUTE ITEM

This Calendar Item No. <u>C27</u> was approved as Minute Item No. <u>27</u> by the State Lands Commission by a vote of <u>2</u> to <u>2</u> at its <u>2/25/82</u> meeting.

CALENDAR ITEM

C27

2/25/82 W 40250 Gonzalez PRC 6123

APPROVAL OF A PROSPECTING PERMIT SAN BERNARDINO COUNTY

APPLICANT:

Union Mines, Inc.

445 Union Boulevard, Suite 202

Denver, Colorado 80228

PROPOSED AUTHORIZATION:

Approval of a prospecting permit for two years to prospect for gold, silver and other valuable minerals other than oil, gas and geothermal, on 666 acres of land located in Section 16, T7N, R15E, SBM,

San Bernardino County.

CONSIDERATION: Filing and expense fees of \$125 and an

acreage deposit of \$666.

TYPE OF LAND AND LOCATION:

666 acres of school land, Section 16, T17N,

R15E, SBBM in San Bernardino County.

PROPOSED PROJECT:

The applicant will conduct geologic mapping and chip sampling of surface rocks in the area to prospect for gold and silver mineralization. This work will be done by geologist

on foot.

TERM:

Primary term of a prospecting permit is two years. The Commission may, in its discretion, extend the term for one additional year.

PREREQUISITE ITEMS:

1. Required statutory filing fee and expense deposit have been submitted by the applicant.

 Subject parcel is not known to contain a commercially valuable deposit of minerals.

A 34

S 16

-1-

CALENDAR PAGE

155 461

CALENDAR ITEM NO. C 27(CONTD)

Royalty payable under any preferential lease issued shall be as follows: Not less than ten percent of the gross value of all minerals produced from the leased lands, less any charges incurred by the Lessee and approved by the State in processing and transporting said minerals.

STATUTORY REFERENCES:

A. P.R.C.: Div. 6, Section 6891.

B. Cal. Adm. Code: Title 2, Section 2200.

AB 884:

12/14/82.

PERTINENT INFORMATION:

1. This project is exempt from CEQA as a minor, temporary use of land having no permanent effect on the environment and as a geologic information collecting activity.

Authority: Class 6 categorical exemption, Cal. Adm. Code 15106; Class 4-E categorical exemption, Cal. Adm. Code 15104; P.R.C. Section 21085.

- 2. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1 and is classified in a use category, Class A, which authorizes restricted
- 3. Staff has coordinated this project with those agencies and organizations which nominated the site as containing significant environmental values. They have found this project to be compatible with their nomination.
- 4. Any change in the proposed prospecting activities will require an environmental review pursuant to CEQA Regulations.

ADDITIONAL PERTINENT INFORMATION:

Pursuant to P.R.C. Section 6895, the applicant would have a preferential right to a lease

CALENDAR PAGE 156
MINUTE PAGE

CALENDAR ITEM NO. C 2 7(CONTD)

for a maximum of 160 acres embraced with the permit. Said right shall be subject to all necessary environmental approvals. The permit will not effect the discretion of the Commission in granting or denying such environmental approvals.

APPROVALS OBTAINED:

Pursuant to Section 6890 of the P.R.C., the subject permit application has been approved by the Office of the Attorney General as to compliance with applicable provisions of the law.

EXHIBIT:

A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21085, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2907.
- 2. FIND THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
- 3. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT KNOWN TO CONTAIN COMMERCIALLY VALUABLE DEPOSITS OF MINERALS.
- 4. AUTHORIZE THE ISSUANCE OF THE PROSPECTING PERMIT TO UNION MINES, INC. FOR A TERM OF TWO YEARS, FOR ALL MINERALS OTHER THAN OIL, GAS AND GEOTHERMAL RESOURCES ON SECTION 16, T7N, R15E, SBBM, SAN BERNARDINO COUNTY, APPROXIMATELY 666 ACRES IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON THE DISCOVERY OF COMMERCIAL VALUABLE MINERAL DEPOSITS FOR ANY AND ALL MATERIALS EXTRACTED OR REMOVED FROM SAID PREMISES FOR SALE OR FOR STOCK PILING SHALL NOT BE LESS THAN TEN PERCENT OF THE GROSS REVENUE LESS SPECIFIC CHARGES, AS APPROVED BY THE COMMISSION, RELATED TO TRANSPORTING AND PROCESSING AS SET FORTH IN SAID LEASE. THE DETERMINATION OF SUCH ROYALTY SHALL BE AT THE DISCRETION OF THE COMMISSION.

CALENDAR PAGE 157
MINUTE PAGE 463

