

MINUTE ITEM

This Calendar Item No. C23
was approved as Minute Item
No. 23 by the State Lands
Commission by a vote of 2
to 0 at its 5/22/86
meeting.

CALENDAR ITEM

C23

A 34

S 25

05/22/86
W 40481 PRC 6984
Pelka

APPROVAL OF A PROSPECTING PERMIT
FOR MINERALS OTHER THAN
OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL,
INYO COUNTY

APPLICANT: Nash J. Dowdle
44-159 Elba Court
Palm Desert, California 92260

PROPOSED AUTHORIZATION:

Approval of a Prospecting Permit for two years
to prospect for precious metals, sulphur and
other valuable minerals, other than oil, gas,
geothermal resources, sand and gravel on
640 acres of land located in Inyo County.

CONSIDERATION: Filing fee of \$25, processing fee of \$250 and
an acreage deposit of \$640 has been received.

TYPE OF LAND AND LOCATION:

State school land, Section 36, T6S R39E, MDM,
Inyo County, located in the northern Last
Chance Range.

PROPOSED PROJECT:

Nash Dowdle proposes to prospect for precious
metals and sulphur by contracting for an
aeromagnetic and aerogravity survey of the
permit area. In addition soil and rock chip
samples will be taken on a grid pattern
utilizing a hand held geological rock hammer.
One hundred rock samples weighing approximately
eight ounces each and 100 soil samples weighing
approximately four ounces each will be taken
and placed in sample bags. All rock and soil
samples will be taken off-site and assayed.

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Any vehicle access will be restricted to existing roads and jeep trails. No surface disturbance such as road construction, trenching, blasting or clearing will be permitted.

Any proposed activity not authorized by this permit will not proceed without prior approval of a project amendment processed pursuant to the requirements of CEQA. If commercial mining operations are proposed, appropriate environmental documentation will be prepared and certified prior to issuing a mineral extraction lease.

TERM: The primary term of a Prospecting Permit is two years. The Commission may, in its discretion, extend the term for one additional year.

ROYALTY: Royalty payable under the permit will be 20 percent of the gross value of the minerals secured from the permit area and sold or otherwise disposed of, or held for sale or other disposition.

PREREQUISITE ITEMS:

1. Required statutory filing fee, processing fee and acreage deposit have been submitted by the applicant.
2. Subject parcel is not known to contain a commercially valuable deposit of minerals.
3. Royalty payable under any preferential lease issued will not be less than ten percent of the gross value of all mineral production from the leased lands, less any charges approved by the Commission made or incurred with respect to transporting or processing the State's royalty share of production. The determination of said royalty charges will be at the discretion of the Commission and set forth in said lease.

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STATUTORY REFERENCES:

- A. P.R.C.: Div. 6, Section 6891.
- B. Cal. Adm. Code: Title 2, Section 2200.

OTHER PERTINENT INFORMATION:

- 1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorical exempt project. The project is exempt under Class 6, Information Collection, 2 Cal. Adm. Code 2905(e)(3).

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300 and 14 Cal. Adm. Code 2905.

- 2. Pursuant to P.R.C. Section 6895, upon establishing to the satisfaction of the Commission that commercially valuable deposits of minerals have been discovered within the limits of the permit, the permittee would have a preferential right to a lease for a maximum of 640 acres embraced within the permit. Said right shall be subject to all necessary environmental approvals. The issuance of the permit shall not affect the discretion of the Commission in granting or denying such lease because of environmental considerations.

APPROVALS OBTAINED:

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

AB 884: 06/30/86.

EXHIBITS: A. Land Description.
B. Site Map.

CALENDAR ITEM NO. C23 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION, 2 CAL. ADM. CODE 2905. THE PROJECT SHALL INCLUDE THIS PROSPECTING PERMIT AND ANY EXTENSION THE COMMISSION MAY GRANT IN ITS DISCRETION FOR THE SAME PROJECT DESCRIBED IN THE PERMIT. ANY EXTENSION SHALL NOT EXCEED ONE YEAR.
2. DETERMINE THAT THE LANDS DESCRIBED IN THE PERMIT ARE NOT PRESENTLY KNOWN TO CONTAIN COMMERCIALY VALUABLE DEPOSITS OF MINERALS.
3. AUTHORIZE THE ISSUANCE OF THE PROSPECTING PERMIT TO NASH J. DOWDLE FOR A TERM OF TWO YEARS, FOR ALL MINERALS OTHER THAN OIL, GAS, GEOTHERMAL RESOURCES, SAND AND GRAVEL ON SECTION 36, T8S, R39E, MDM, INYO COUNTY, CONTAINING APPROXIMATELY 640 ACRES; IN ACCORDANCE WITH THE STANDARD FORM OF PERMIT. ROYALTY PAYABLE UNDER ANY PREFERENTIAL LEASE ISSUED UPON THE DISCOVERY OF COMMERCIALY VALUABLE DEPOSITS OF MINERALS SHALL NOT BE LESS THAN TEN PERCENT OF THE GROSS VALUE OF ALL MINERAL PRODUCTION FROM THE LEASED LANDS, LESS ANY CHARGES APPROVED BY THE COMMISSION MADE OR INCURRED WITH RESPECT TO TRANSPORTING OR PROCESSING THE STATE'S ROYALTY SHARE OF PRODUCTION. THE DETERMINATION OF SAID ROYALTY AND CHARGES SHALL BE AT THE DISCRETION OF THE COMMISSION.

EXHIBIT "A"

LAND DESCRIPTION

W 40481

A parcel of California State school lands in Inyo County, California,
described as follows:

Section 36, T8S, R39E, MDM.

END OF DESCRIPTION

PREPARED JANUARY 15, 1986, BY BOUNDARY SERVICES UNIT, M.L. SHAFER, SUPERVISOR.

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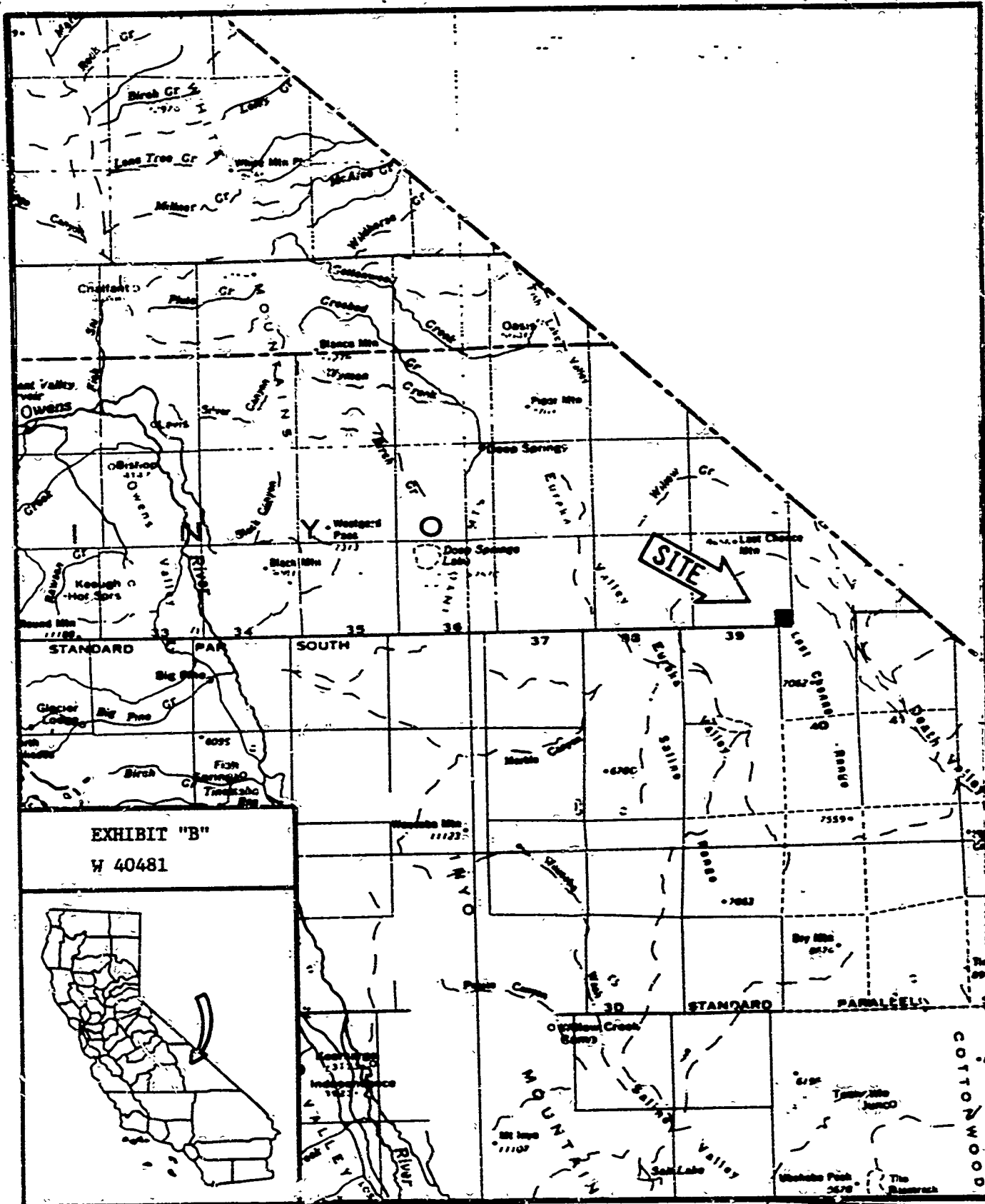


EXHIBIT "B"
W 40481

