

MINUTE ITEM
This Calendar Item No. 20
was approved as Minute Item
No. 20 by the State Lands
Commission by a vote of 3-2-88
to 0 at its 3-2-88
meeting.

CALENDAR ITEM

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03/02/88
WP 2976 PRC 2976
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AMENDMENT AND TEN-YEAR RENEWAL OF
GENERAL LEASE - INDUSTRIAL USE

APPLICANT:

Lake Minerals Corporation
P.O. Box 3087
Spokane, Washington 99220

AREA, TYPE LAND AND LOCATION:
204.36 acres of sovereign land in the bed of
Owens Lake, Inyo County.

LAND USE: Right-of-Way and mineral processing site.

TERMS OF ORIGINAL LEASE:

Initial period: Ten years beginning
January 24, 1978.

Renewal options: Two successive periods of ten
years each.

Surety bond: \$3,500.

Public liability insurance: Combined single
limit coverage of \$1,000,000.

Consideration: \$2,452.32 per annum;
five-year rent review.

TERMS OF PROPOSED LEASE:

Initial period: Ten years beginning
January 24, 1988.

Surety bond: \$3,500.

Public liability insurance: Combined single
limit coverage of \$1,000,000.

(CALENDAR ITEM NO. 20 CONT'D)

CONSIDERATION: \$6,435 per annum; with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:
Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:
N/A.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:
Filing fee has been received.

STATUTORY AND OTHER REFERENCES:
A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884:
N/A.

OTHER PERTINENT INFORMATION:

1. This lease was issued by the Commission on January 24, 1978 with a term of ten years and the option to renew for two additional ten-year periods. The action proposed herein is to exercise the first of the ten-year option periods and to increase the annual rental. All other terms and conditions of the existing lease are to remain in full force and effect.
2. On July 26, 1977, the Commission adopted Negative Declaration No. 210. This document addressed the impacts associated with the proposed operations of the Lake Minerals Corporation, at the location covered by the subject lease. Based on the information contained in the document, the Commission determined that there was no substantial evidence that the project would have a significant effect on the environment. Staff believes that the information and conclusions of said document remain valid for the proposed activity, i.e., the exercise of the first option for a ten-year renewal of the existing lease.

(CALENDAR ITEM NO. 20 CONT'D)

APPROVALS OBTAINED:

N/A.

EXHIBITS:

- A. Land Description.
- B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT ON JULY 26, 1977, THE COMMISSION ADOPTED A NEGATIVE DECLARATION, ND 210, WHICH DISCUSSED THE PROPOSED ACTIVITIES OF THE LAKE MINERALS CORPORATION AT THE SUBJECT LOCATION, AND DETERMINE THAT THE INFORMATION THEREIN REMAINS APPLICABLE TO THE PROPOSED ACTIVITY.
2. DETERMINE THAT THE PROJECT, AS PROPOSED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
3. AUTHORIZE THE ISSUANCE OF AN AMENDMENT AND TEN-YEAR RENEWAL OF LEASE PRC 2976, EFFECTIVE JANUARY 24, 1988, PROVIDING;
 - a) AN EXERCISE OF THE FIRST OF TWO TEN-YEAR RENEWAL OPTIONS OF SAID LEASE,
 - b) AN INCREASE IN THE ANNUAL RENTAL TO \$6,435,
 - c) THAT ALL OTHER TERMS AND CONDITIONS OF SAID LEASE ARE TO REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT,

FOR A RIGHT-OF-WAY AND MINERAL PROCESSING SITE ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

EXHIBIT "A"

LAND DESCRIPTION

WP 2976

Five parcels of land in the State-owned bed of Owens Lake, Inyo County, California, situated in Section 24, T18S, R36E, and Sections 5, 6, 7, 18 and 19, T18S, R37E, MDM, said parcels are described as follows:

PARCEL 1

That portion of the west half of the south half of the north half of Section 5, T18S, R37E, MDM, lying southerly of the southerly line of Lake Land Locations Nos. 2159 and 2168.

PARCEL 2

The west half of the north half of the south half of Section 5, T18S, R37E, MDM.

PARCEL 3

That portion of Section 6, T18S, R37E, MDM, lying easterly of the easterly line of Lake Land Locations Nos. 2159 and 2175.

EXCEPTING THEREFROM any portion lying within the 100-foot strip of land described in Parcel 5 below.

PARCEL 4

BEGINNING at the U.S. meander corner common to fractional Sections 7 and 18, T18S, R37E, MDM; thence S 89° 14' E, 700 feet along the projected section line of Sections 7 and 18, T18S, R37E, MDM; thence S 0° 15' W, 1000 feet; thence N 89° 14' W, 700 feet to a point on the meander line; thence N 0° 15' E, 1000 feet along the meander line to the Point of Beginning.

PARCEL 5

A strip of land 100 feet in width lying 50 feet on each side of the following described centerline:

COMMENCING at the meander corner between Sections 24 and 25, T18S, R36E, MDM; thence northeasterly along the meander line 1103.06 feet to the POINT OF BEGINNING of the herein-described centerline; thence N 46° 08' 48" E, 6157.05 feet to a point on

the south line of Section 18, T18S, R37E, MDM, 50 feet easterly of the southwest corner of the southeast quarter of the southeast quarter of said section; thence N 0° 15' E, 5280 feet to the north line of Section 18; thence N 0° 46' E, 50 feet; thence parallel with the north line of Section 18, N 89° 14' W, 150.21 feet; thence N 7° 25' E, 3941.66 feet; thence N 5° 17' E, 1200.5 feet; thence N 8° 20' E 2200 feet; thence N 51° 36' 05" E, 811.89 feet to a point on the westerly line of Section 5 of said township, distant 64.49 feet southerly from the west quarter corner of said section and the end of the herein described centerline.

END OF DESCRIPTION

Prepared

Lucy F. Wood

Checked

C. J. Dargie

Reviewed

Ray, Mink

Date

7/12/79

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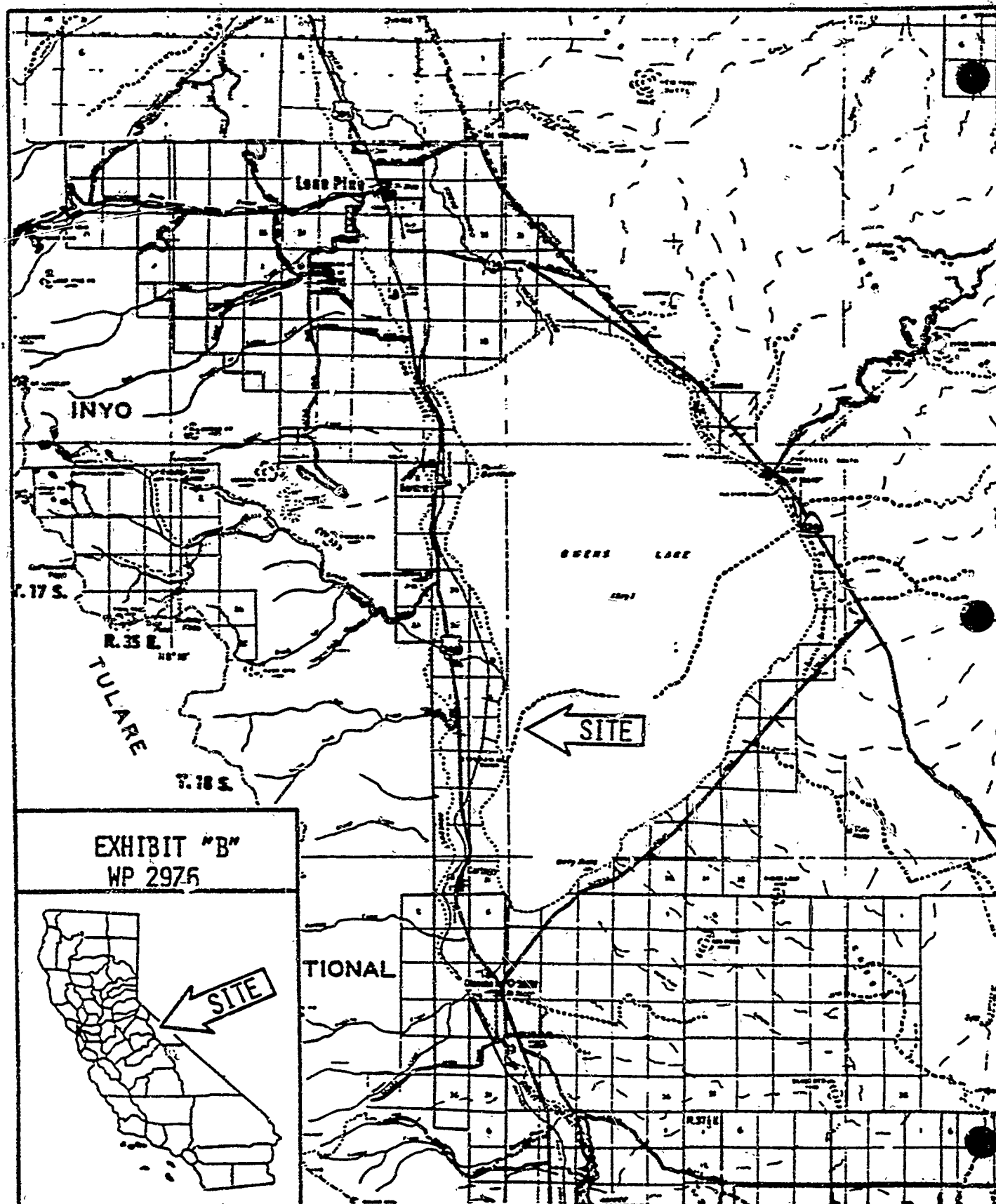


EXHIBIT "B"
WP 2975



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