

MINUTE ITEM

This Calendar Item No. C10
was approved as Minute Item
No. 10 by the State Lands
Commission by a vote of 3
to 0 at its 08/30/89
meeting.

CALENDAR ITEM

C10

A 34

08/30/89

S 25

WF 4627

Reese

ASSIGNMENT OF GENERAL LEASE RIGHT-OF-WAY USE

ASSIGNOR: QMC Mining Corporation (formerly Quintana
Minerals Corporation)
2525 Harrodsburg Road, Ste. 320
Lexington, Kentucky 40504

ASSIGNEE: Blue Range Mining Company, L.P.
56 E. Mercury
Butte, Montana 59701

AREA, TYPE LAND AND LOCATION:

A 12.97-acre parcel of State school land in the
west half of Section 16, T19S R41E, MDM, Inyo
County.

LAND USE:

Operation and maintenance of existing utility
lines (4-inch water pipeline, electric power
line, and a telephone line.)

TERMS OF EXISTING LEASE:

Initial period: 15 years beginning May 9,
1977.

Renewal options: One successive period of ten
years each.

Surety bond: \$3,000.

Public liability insurance: Combined single
limit coverage of \$150,000.

Consideration: \$412.80 per annum; five-year
rent review.

CALENDAR ITEM NO. C10 (CONT'D)

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Code Regs. 2003.

	<u>Annual Rental</u>
a. Water line, \$0.02 per diameter inch per lineal foot (.02 x 4 in. x 2,560 lin. ft. = \$212.80.....	212.80
b. Power Line, \$100 minimum.....	100.00
c. Telephone Line, \$100 minimum.....	100.00
TOTAL.....	<u>\$412.80</u>

APPLICANT STATUS:

Applicant is lessee of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Processing costs of \$300 have been received.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 7.7;
Div. 13.

B. Cal. Code Regs.: Title 2, Div. 3;
Title 14, Div. 6.

AB 884:

N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Code Regs. 15378.

2. Assignee purchased Darwin Mine Property from the Assignor on February 28, 1989.

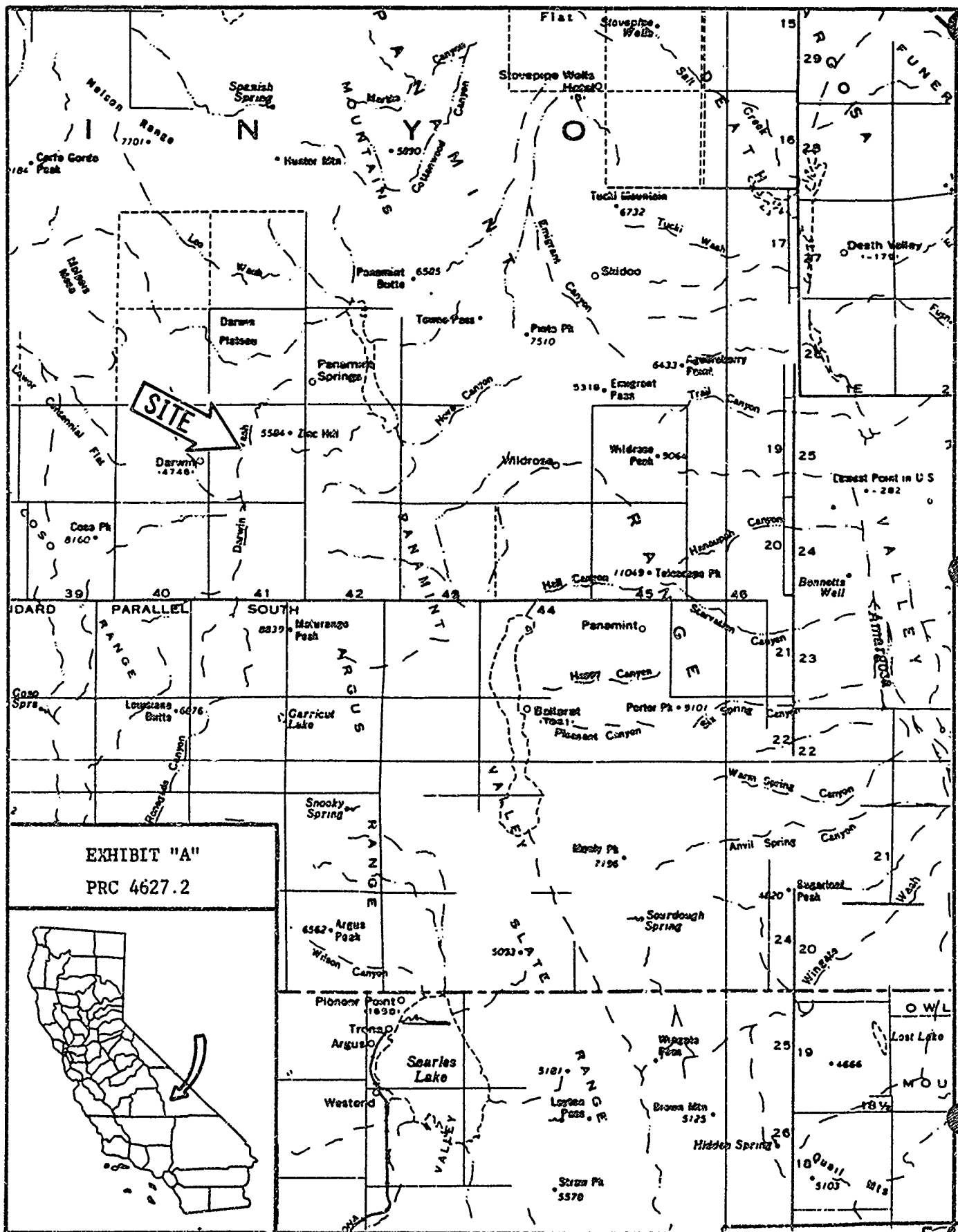
CALENDAR ITEM NO: C10 (CONT'D)

3. Staff has on file a Certificate of Status that the Assignor has complied with the requirement of California law for the purpose of registering to transact intrastate business in the State of California.
4. This lease prohibits fencing of the area or otherwise interfering with free public passage across the land.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. AUTHORIZE ASSIGNMENT OF PRC 4627.2 TO BLUE RANGE MINING COMPANY, L.P., EFFECTIVE FEBRUARY 28, 1989. ALL TERMS AND CONDITIONS OF THE LEASE REMAIN UNCHANGED.



SITE

EXHIBIT "A"
PRC 4627.2

