

**CALENDAR ITEM  
C56**

A 34  
S 18

06/28/10  
PRC 7527.2  
J. Porter

**CONTINUATION OF RENT**

**LESSEE:**

El Paso Natural Gas Company  
P.O. Box 1087  
Colorado Springs, CO 80944

**AREA, LAND TYPE, AND LOCATION:**

7.1 acres, more or less, of State Indemnity school lands in Sections 26 and 27, Township 9 North, Range 2 East, SBM, southeast of Barstow, San Bernardino County

**AUTHORIZED USE:**

Conversion, use, and maintenance of an existing 30-inch diameter crude oil pipeline to natural gas.

**LEASE TERM:**

30 years, beginning May 1, 2005.

**CONSIDERATION:**

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be continued at \$3,685 per year, effective May 1, 2010.

**BACKGROUND:**

School Lands were granted to the State of California by the federal government under the Act of March 3, 1853 (10 Stat. 244), and consisted of the 16<sup>th</sup> and 36<sup>th</sup> sections of land in each township (with the exceptions of lands reserved for public use, lands taken by private land claims, and lands known to be mineral in character). In cases of preemption due to the exceptions described above, the State was given the opportunity to select replacement lands from the United States in lieu of a Section 16 or a Section 36. These replacement lands are now known as Indemnity School Lands or Lieu Lands.

CALENDAR ITEM NO. **C56** (CONT'D)

**EXHIBIT:**

- A. Site and Location Map

**RECOMMENDED ACTION:**

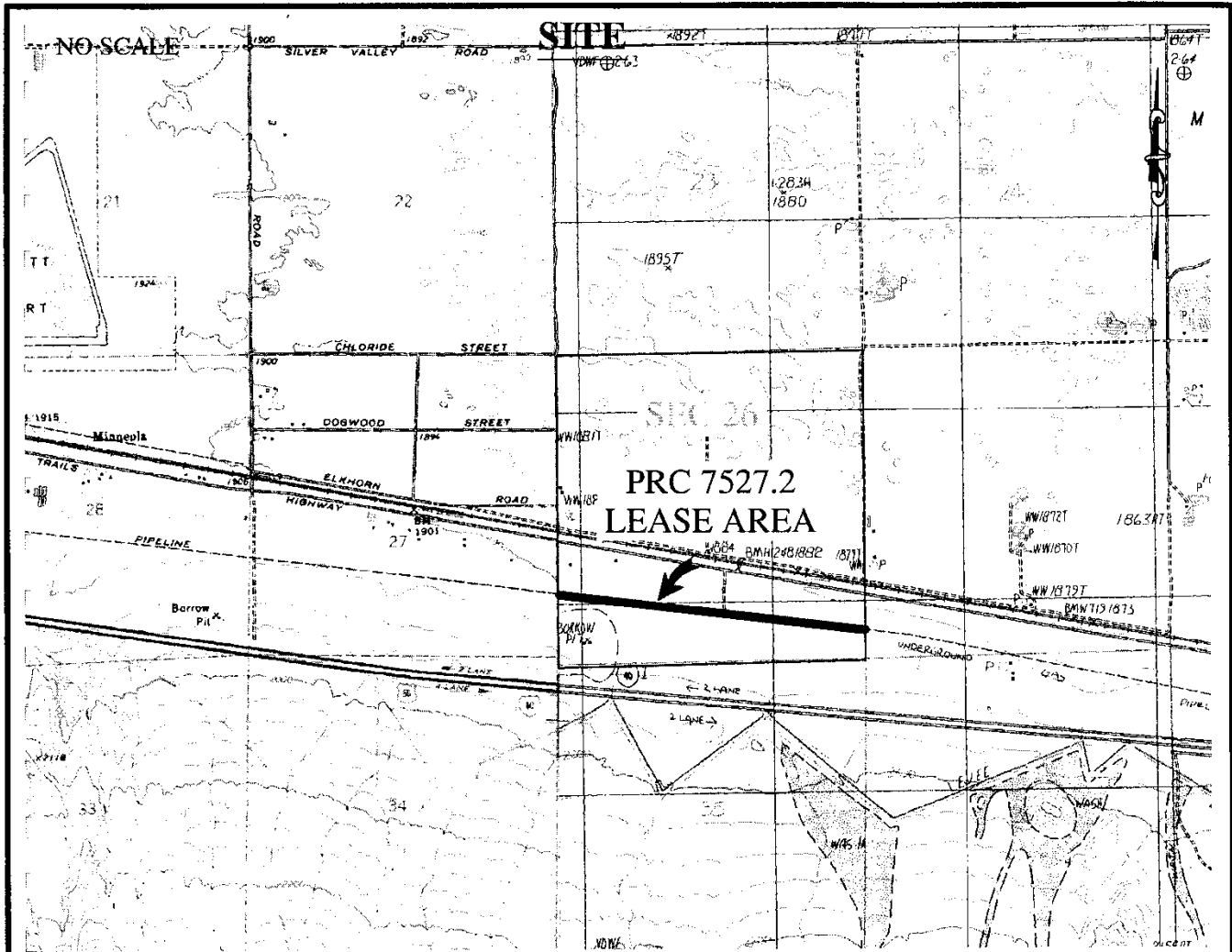
IT IS RECOMMENDED THAT THE COMMISSION:

**CEQA FINDING:**

Find that the activity is not subject to the requirements of CEQA pursuant to Title 14, California Code of Regulations, section 15060(c)(3) because the activity is not a project as defined by Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

**AUTHORIZATION:**

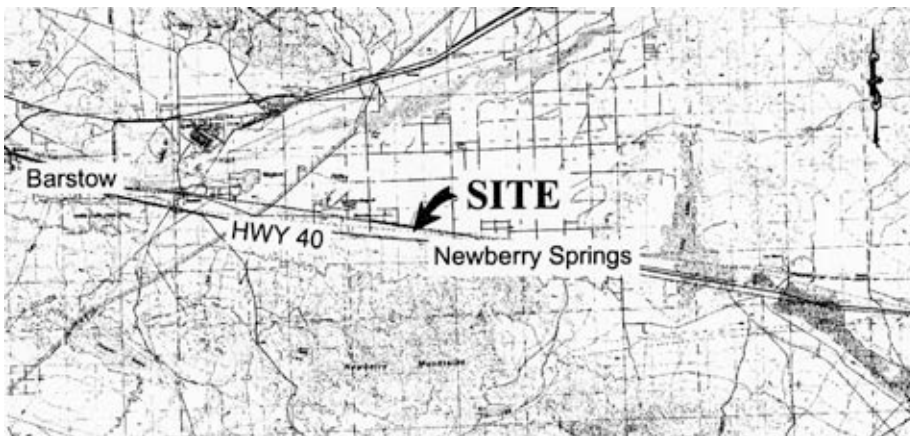
Approve the Continuation of Rent for Lease No. PRC 7527.2 at \$3,685 per year, effective May 1, 2010.



S 1/2 OF S 1/2 OF SECTION 26; S 1/2 OF SE 1/4 OF SECTION 27; T9N; R2E, SBM

NO SCALE

**LOCATION**



MAP SOURCE: USGS QUAD

**Exhibit A**

PRC 7527.2  
EL PASO NATURAL GAS CO.  
RIGHT OF WAY LEASE  
BARSTOW  
SAN BERNARDINO CO.



MJJ 05/10

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.