

MINUTE ITEM

6. (DEFERMENT OF OPERATING REQUIREMENTS, MINERAL EXTRACTION LEASE P.R.C. 709.1, CONSTRUCTION AGGREGATES CORPORATION, SAN FRANCISCO AND MARIN COUNTIES - W. O. 2841.)

After presentation of Calendar Item 6 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ACCEPT THE PAYMENT SUBMITTED TO COVER THE ROYALTY DUE THE STATE ON THE REQUIRED MINIMUM EXTRACTION OPERATIONS AND TO GRANT A DEFERMENT OF THE OPERATING REQUIREMENTS SPECIFIED IN SECTION 10 OF MINERAL EXTRACTION LEASE P.R.C. 709.1 FOR THE LEASE YEAR ENDING FEBRUARY 13, 1958, ALL OTHER TERMS, CONDITIONS, AND PERFORMANCE REQUIREMENTS UNDER THE SUBJECT LEASE TO REMAIN UNCHANGED.

Attachment

Calendar Item 6 (1 page)

CALENDAR ITEM

MINERAL LEASE

6.

(DEFERMENT OF OPERATING REQUIREMENTS, MINERAL EXTRACTION LEASE P.R.C. 709.1, CONSTRUCTION AGGREGATES CORPORATION, SAN FRANCISCO AND MARIN COUNTIES - W. O. 2841.)

Construction Aggregates Corporation, lessee under Mineral Extraction Lease P.R.C. 709.1 issued February 14, 1952 pursuant to competitive public bidding, has reported that no material has been removed from the lease during the operating year ending February 13, 1958. Lease P.R.C. 709.1 requires an advance rental of \$900, which has been paid, and a royalty of three cents per cubic yard for all sand extracted, together with the performance of a specified minimum of 100 shifts of extraction operations during each year of the term of the lease. The operator's estimate of the amount of sand that would be extracted in completing 100 shifts is 10,000 tons, or approximately 6,667 cubic yards.

A payment in the amount of \$200 was submitted with the application for deferment of operations to cover the State's royalty under the required minimum lease operations. The lessee is interested in continuation of the lease because of several prospects for future operations.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO ACCEPT THE PAYMENT SUBMITTED TO COVER THE ROYALTY DUE THE STATE ON THE REQUIRED MINIMUM EXTRACTION OPERATIONS AND TO GRANT A DEFERMENT OF THE OPERATING REQUIREMENTS SPECIFIED IN SECTION 10 OF MINERAL EXTRACTION LEASE P.R.C. 709.1 FOR THE LEASE YEAR ENDING FEBRUARY 13, 1958, ALL OTHER TERMS, CONDITIONS, AND PERFORMANCE REQUIREMENTS UNDER THE SUBJECT LEASE TO REMAIN UNCHANGED.