

MINUTE ITEM

13. DEFERMENT OF OPERATING REQUIREMENTS, PREFERENTIAL MINERAL EXTRACTION LEASE P.R.C. 2150.2, KARL PIERCE, FEREE PIERCE AND FRANK PIERCE, SAN LUIS OBISPO COUNTY - W.O. 3848.

After consideration of Calendar Item 19 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO KARL PIERCE, FEREE PIERCE AND FRANK PIERCE A DEFERMENT OF THE OPERATING REQUIREMENTS SPECIFIED IN SECTION 10 OF PREFERENTIAL MINERAL EXTRACTION LEASE P.R.C. 2150.2 FOR THE LEASE-YEAR ENDING APRIL 13, 1961, ALL OTHER TERMS, CONDITIONS AND PERFORMANCE REQUIREMENTS UNDER THE LEASE TO REMAIN UNCHANGED.

Attachment

Calendar Item 19 (1 page)

CALENDAR ITEM

19.

DEFERMENT OF OPERATING REQUIREMENTS, PREFERENTIAL MINERAL EXTRACTION LEASE P.R.C. 2150.2, KARL PIERCE, FEREE PIERCE AND FRANK PIERCE, SAN LUIS OBISPO COUNTY - W.O. 3848.

Preferential Mineral Extraction Lease P.R.C. 2150.2 was issued on April 14, 1958, in accordance with Division 6 of the Public Resources Code, to Karl Pierce, Feree Pierce and Frank Pierce. The lease requires an advance annual rental of \$47.71 and the completion of 100 shifts of work during each year of the lease term. The work requirements for the initial lease-year ending April 13, 1959, were fulfilled. The State received \$1,046.00 in royalty on 349 tons of chrome ore mined during that period. Upon the request of the lessees, the Commission approved a deferment of the operating requirements for the lease-year ending April 13, 1960. The State has received the advance annual rental for the lease-year beginning April 14, 1960. No ore has been shipped during this lease-year.

A request has been received from the lessees for a further deferment of operating requirements for the lease-year ending April 13, 1961. Because of the depressed chrome market, the grade of ore being produced cannot be mined economically at present. The lessees have completed sufficient exploration work to allow immediate resumption of ore extraction whenever a market is available for such ore.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO KARL PIERCE, FEREE PIERCE AND FRANK PIERCE A DEFERMENT OF THE OPERATING REQUIREMENTS SPECIFIED IN SECTION 10 OF PREFERENTIAL MINERAL EXTRACTION LEASE P.R.C. 2150.2 FOR THE LEASE-YEAR ENDING APRIL 13, 1961, ALL OTHER TERMS, CONDITIONS AND PERFORMANCE REQUIREMENTS UNDER THE LEASE TO REMAIN UNCHANGED.