

MINUTE ITEM

This Calendar Item No. 25
was approved as Minute Item
No. 25 by the State Lands
Commission by a vote of 5
to 0 at its 8/26/76
meeting.

CALENDAR ITEM

25.

8/76
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PROPOSED GEOTHERMAL RESOURCES LEASE OF
RESERVED MINERAL INTERESTS, SONOMA COUNTY

It is proposed that the Commission offer for lease by competitive public bid 440 acres of land in which the minerals are reserved to the State. The parcel is located in Sonoma County adjacent to the Geysers Steam Field.

Section 6912(b), of the Public Resources Code, provides that a known geothermal resources area shall contain at least one well capable of producing geothermal resources in commercial quantities.

The State parcel is located in the northwestern edge of the geothermal area. It is underlain by the same type of rocks that occur in the proven steam fields, lies on structural trend with the steam fields, and is adjacent to commercial geothermal wells as close as 250 feet. There are six producing steam wells within one-half mile of the State parcel, and P.G. & E.'s power plant No. 11 is located approximately 1,000 feet from the State parcel and is operating with steam from these and other nearby producing wells. It is the Staff's opinion that the criteria listed above satisfy the requirements of the Public Resources Code and that the State parcel should be declared to be within a known geothermal resources area (KGRA). State Leases PRC 4596 and PRC 4597, adjacent to the State Parcel, were declared to be KGRA lands by the State Lands Commission in May 1971. It is recommended that the limits of the KGRA be extended to include the State parcel.

Pursuant to Section 6912(s) of the Public Resources Code, lands within a KGRA may be leased by competitive public bid on the basis of cash bonus, net profit or other biddable factor. The State parcel is adjacent to leases that were recently put up for bid by the Federal Government. The cash bonus on these leases ranged from \$76.89 to \$478.31 per acre.

Section 6922, of the Public Resources Code, provides that the surface landowner may, within 10 days after notification by the Commission, submit a bid identical to the highest acceptable bid, in which case the Commission shall issue a lease to such surface landowner. If the surface landowner does not file such a bid, then the Commission may proceed with the award of the bid.

An Environmental Impact Report was prepared by the Sonoma County Planning Commission covering geothermal development in the area including the State parcel. The impacts of the project proposed by the staff are essentially the same as the impacts covered by the EIR. By Notice of Determination

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CALENDAR ITEM NO. 25. (CONTD)

issued on February 26, 1976, the Sonoma County Planning Commission certified that (1) the Environmental Impact Report was prepared pursuant to the provisions of the California Environmental Quality Act of 1970, as amended; (2) the project will not have a significant effect on the environment; and (3) the project has been approved by the Sonoma County Planning Commission. The Notice of Determination has been filed with the Secretary for Resources, the State Lands Division, and the County Clerk for Sonoma County, wherein the project is to be undertaken.

The draft Environmental Impact Report was circulated through the State Clearinghouse, as required by the State EIR Guidelines (14 Cal. Adm. Code), and was also made available to interested Federal and local government agencies as well as the public. The Clearinghouse has certified by letter dated October 17, 1975, that the State environmental review of the project is complete. The environmental documents have been reviewed by the staff, and it is the staff's opinion that the provisions of CEQA have been satisfied.

EXHIBITS: A. Site Map. B. EIR Summary.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS BEEN PREPARED FOR THIS PROJECT BY THE SONOMA COUNTY PLANNING COMMISSION ON FEBRUARY 26, 1976.
2. CERTIFY THAT THE INFORMATION CONTAINED IN THE ENVIRONMENTAL IMPACT REPORT OF THE SONOMA COUNTY PLANNING COMMISSION HAS BEEN REVIEWED AND CONSIDERED BY THE STATE LANDS COMMISSION.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. EXTEND THE LIMITS OF THE KNOWN GEOTHERMAL RESOURCES AREA DESIGNATED BY THE COMMISSION ON MAY 27, 1971 (MINUTE ITEM 9), TO INCLUDE THE FOLLOWING-DESCRIBED LANDS:

MINERAL INTERESTS RESERVED TO THE STATE OF CALIFORNIA LOTS 1, 2, 3, 4, 5, 6, 7, 8, 11 AND 12 OF SEC. 1, AND LOT 8 OF SEC. 2, T. 11 N., R. 9 W., MDM, SONOMA COUNTY, CONTAINING 434.16 ACRES MORE OR LESS.

5. AUTHORIZE THE STAFF TO OFFER, PURSUANT TO DIVISION 6 OF THE PUBLIC RESOURCES CODE, FOR BID FOR THE EXTRACTION OF GEOTHERMAL RESOURCES THE FOLLOWING-DESCRIBED PARCEL:

MINERAL INTERESTS RESERVED TO THE STATE OF CALIFORNIA, LOTS 1, 2, 3, 4, 5, 6, 7, 8, 11 AND 12 OF SEC. 1 AND LOT 8 OF SECTION 2, T. 11, R. 9 W., MDM, SONOMA COUNTY, CONTAINING 434.16 ACRES MORE OR LESS.