MINUTE ITEM

This Calendar Item No. 27.
was approved as Minute Item No. 27.
by the State Lands Commission by a vote of 27.
to 27.
meeting.

CALENDAR ITEM

37.

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APPROVAL OF AGREEMENT REGARDING REAL PROPERTY LOCATED IN NEVADA COUNTY

APPLICANT/SURFACE OWNER:

Earl E. Gillham 535 Dimm Street Richmond, California 94805

AREA, TYPE OF LAND, LOCATION:

Approximately 480 acres of patented school land, Section 16, T15N, R8E, MDBM, Nevada County. The State retained a 100 percent mineral interest in the land when patented.

PERTINENT INFORMATION:

1a. Section 6401(b) of the P.R.C. provides in relevant part:

"....upon a finding by the State Lands Commission that there are no known deposits of commercially valuable minerals in and above a plane located 500 feet below the surface of any lands sold or exchanged ... by the State to another ..., and wherein any or all of the mineral deposits have or are required by law to be reserved to the State, the Commission may be (sic) ... appropriate instrument, modify the accompanying rights of the State to the use of the surface of such lands, including any right to enter such lands to a depth of 500 feet below the surface of such lands, as will permit the orderly use and development of all such sold or exchanged lands .... Nothing in this subdivision shall be construed to authorize the relinquishment of any mineral rights in such lands owned or reserved to the State."

b. Section 6373 of the P.R.C. provides in relevant part:

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CALENDAR FACE 210
MINUTE PAGE 2155

## CALENDAR ITEM NO. 37. (CONTD)

"Before any disposition of State lands to a private party or other governmental agency, the intended recipient of such lands shall submit to the Commission and to the legislature a general plan, as specified by the Commission, for the use of the subject lands to be transferred, together with the review and comments of other interested State agencies."

2. The applicant/surface owner has applied to the Commission for the relinquishment of the State's surface entry rights pursuant to Section 6401(b) of the P.R.C.

The staff and the applicant have negotiated an agreement whereby the State will immediately relinquish its right to the use of the surface of 114-acres of the subject land.

The proposed Agreement further provides that, if within 10 years of the date when the Agreement becomes effective the applicant has obtained and recorded a subdivision of the remaining 366- acres of the subject land, the State will deliver a similar relinquishment to the applicant for that 366- acres. The applicant would simultaneously deliver grant deeds to the State of two 5 acres parcels which are designated in the proposed Agreement. The staff believes that State's title to these 2 parcels will allow the State to maintain lateral access to the land included in both quitclaim deeds for the purpose of mineral extraction.

 The applicant has indicated that the proposed relinquishment is necessary for the applicant's orderly use and development of the subject land.

## CALENDAR ITEM NO. 37. (CONTD)

- 4. A negative declaration, ND 76-244, has been prepared and certified by the County of Nevada. That negative declaration covers the 60<sup>±</sup> acres of presently subdivided land.
- 5. Sylvester Engineering Inc., an acceptable consulting firm, reports that the subject land does not contain commercially valuable minerals in and above a plane located 500 feet below the surface of the subject land. The staff has reviewed this report and has conducted an independent evaluation of the mineral potential in the upper 500 feet of the subject lands and has concluded that at this time there are no known commercially valuable minerals within this interval.
- 6. The applicant has filed the following items with the Commission:
  - a. Copies of ND 76-244.
  - b. The applicant's plan of development for the subject land.
  - c. The geologic report prepared by Sylvester Engineering, Inc.

The Commission staff has distributed these items as follows:

- a. One copy of each to the Chairman and Members of the State Lands Commission.
- b. One copy of each to the Chief Clerk of the Assembly.
- c. One copy of each to the Secretary of the Senate.

The applicant has duly executed copies of the proposed agreement and has returned them to the Commission.

## CALENDAR ITEM NO. 37. (CONTD)

EXHIBITS:

Site Map.

IT IS RECOMMENDED THAT THE COMMISSION.

- FIND THAT THERE ARE NO KNOWN DEPOSITS OF COMMERCIALLY VALUABLE MINERALS IN AND ABOVE A PLANE LOCATED 500 FEET BELOW THE SURFACE OF THE SUBJECT LAND.
- AUTHORIZE THE EXECUTION OF THAT AGREEMENT ENTITLED "AGREEMENT REGARDING REAL PROPERTY LOCATED IN NEVADA COUNTY, CALIFORNIA" ON FIBE IN THE OFFICE OF THE COMMISSION.
- AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO TAKE ALL ACTIONS WHICH ARE NECESSARY AND PROPER TO IMPLEMENT SAID AGREEMENT INCLUDING ACCEPTING GRANT DEEDS FOR PARCELS TO BE RECEIVED BY THE STATE.

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