

MINUTE ITEM

This Calendar Item No. 23
was approved as Minute Item
No. 23 by the State Lands
Commission by a vote of 2
to 0 at its 11/23/81
meeting.

INFORMATIONAL
CALENDAR ITEM

23

11/23/81
W 9684
W 9577
W 40286
Martinez

GEOHERMAL RESOURCE LEASES
REVIEW OF MATCHING BIDS

On June 24, 1981 the State Lands Commission authorized staff to offer three parcels totaling 1,480 acres of State reserve mineral lands in Lake, Mendocino and Sonoma Counties for lease by competitive public bid for the extraction of geothermal resources. These lands were subsequently offered for lease on the basis of a net profits bid factor. In addition to the net profits payment, the lease provided for the payment of a 12.5 percent royalty on gross revenue received for the sale of steam and an annual rental of \$1 per acre.

Nine bids (three for each parcel) were submitted on October 1, 1981 and on October 30, the Commission determined that Central California Power Agency was the highest qualified bidder on all three parcels with their bids of 97.5 percent on Lease Sale 1, 80.1 percent on Lease Sale 2 and 70 percent on Lease Sale 3, all other bids were rejected.

The surface landowners for each of the respective parcels, having been notified of the subject bids, have now exercised their rights to match the highest acceptable bid within the time prescribed by P.R.C. 12. The matching bids are presently being reviewed by staff for legal, technical and economic qualification.

AB 884: N/A.

EXHIBIT: A. Site Map.

A 2

S. 2

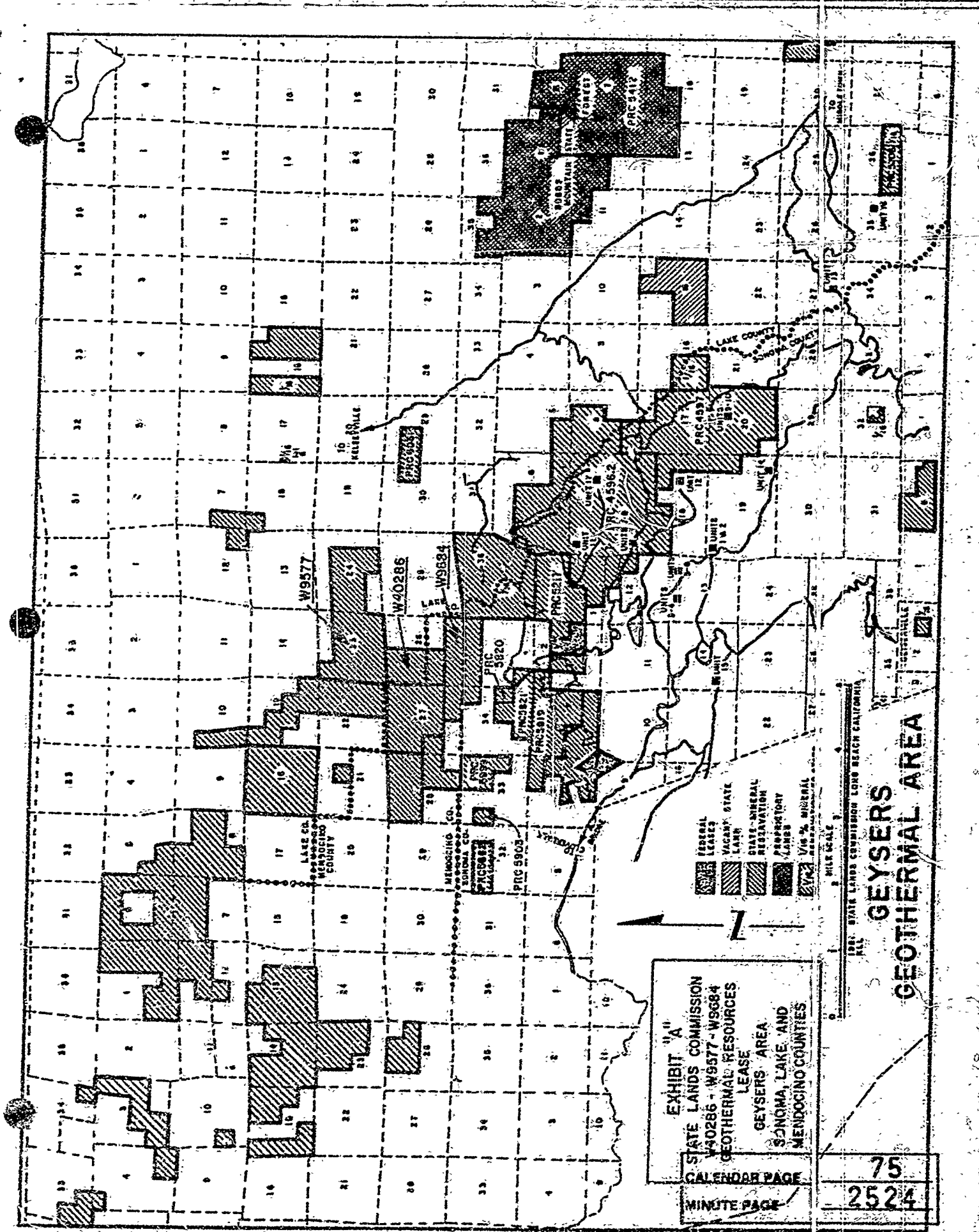


EXHIBIT "A"
STATE LANDS COMMISSION
W9286 - W9577 - W9684
GEOTHERMAL RESOURCES
LEASE
GEYSERS AREA
SONOMA, LAKE, AND
MENDOCINO COUNTIES

CALIFORNIA DEPARTMENT OF CONSERVATION
 DIVISION OF LAND MANAGEMENT
 SACRAMENTO, CALIFORNIA

- FEDERAL LEASES
- VACANT STATE LAND
- STATE-MINERAL RESERVATION
- GEYSERS AREA
- GEOTHERMAL RESOURCES

2 MILE SCALE
 1967 STATE LANDS COMMISSION LONG BEACH CALIFORNIA

GEYSERS
GEOTHERMAL AREA

75
 2524