

MINUTE ITEM

This Calendar Item No. 34
was approved as Minute Item
No. 34 by the State Lands
Commission by a vote of 2
to 0 at its 2/9/82
meeting.

CALENDAR ITEM

34

1/28/82
PRC 5820
PRC 5821
Priddy

GEOHERMAL POOLING

LESSEE: Aminoil U.S.A., Inc.
P. O. Box 11279
Santa Rosa, California 95406

AREA, TYPE LAND AND LOCATION:
PRC 5820.2 - 40 acres of reserved mineral
interest lands in the Geysers, Sonoma County.
PRC 5821.2 - 200 acres of reserved mineral
interest lands in the Geysers, Sonoma County.

- PREREQUISITES:
1. Geothermal Pooling Declaration has been executed.
 2. Statutory filing fees have been paid.

AB 884: N/A.

OTHER PERTINENT INFORMATION:
State Geothermal Resources Leases 5820.2
and 5821.2 were issued by competitive public
bid. Lease PRC 5820.2 was issued on May 15,
1980, to Geothermal Power Corporation,
the highest qualified bidder, for a net
profit bid of 72.5 percent. Lease PRC 5821.2
was issued to the surface owner, Squaw
Creek Investment Company, for a net profit
bid of 76.1 percent. Both leases are proposed
to be assigned to Aminoil under separate
items appearing on this agenda.

Lease PRC 5820.2 is a small parcel that
will have to be developed by slant drilling
from adjacent parcels due to the rugged
terrain. Aminoil proposes to pool the two
leases so that the parcels can be developed
jointly. Section 14 of the leases provides
that the lessee may, with the consent of
the State, pool the leased lands by executing
a Geothermal Pooling Declaration. Aminoil
has executed a Geothermal Pooling Declaration

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creating the "Wild Horse Unit" and has submitted the declaration to this office for approval. For the purposes of royalties, expenses, and net profit calculations, production from any well drilled upon such unit shall be allocated to the respective leases in the proportion that the acreage in the lease bears to the total acreage in the unit.

The proposed pooling will not have an environmental impact and is considered to be a non-project under the Guidelines for Implementation of the CEQA (Title 14, Cal. Adm. Code). An EIR covering geothermal development in the area was certified by Sonoma County and the State Lands Commission prior to issuing the lease.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISION OF TITLE 14, CAL. ADM. CODE 15060.
2. APPROVE THE GEOTHERMAL POOLING DECLARATION BY AMINOIL U.S.A., INC., COVERING GEOTHERMAL RESOURCES LEASES PRC 5820.2 AND PRC 5821.2, ALL OTHER TERMS AND CONDITIONS OF THE LEASES TO REMAIN IN FULL FORCE AND EFFECT.

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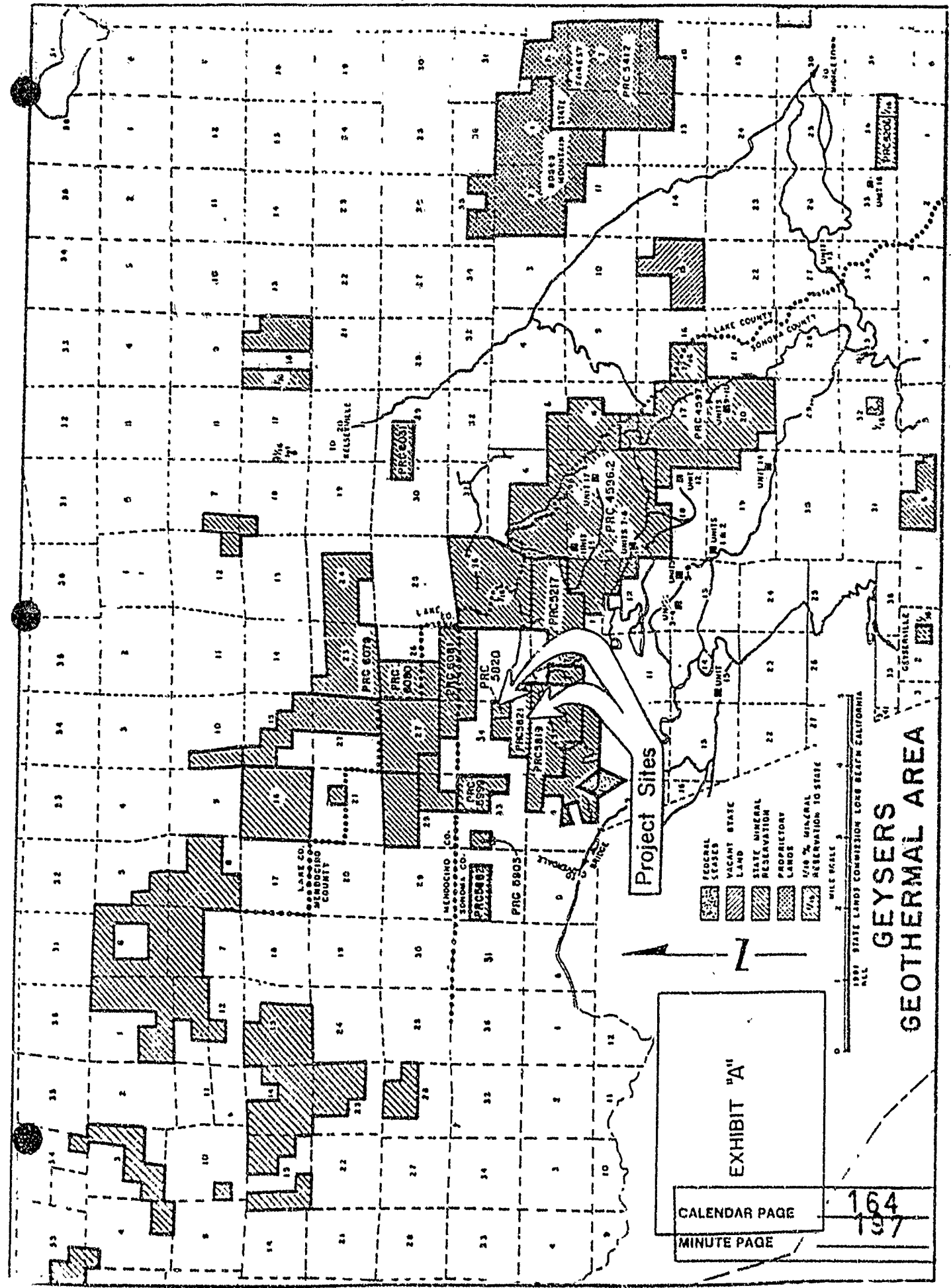


EXHIBIT "A"

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1991 STATE LANDS COMMISSION LOGS BEAFM CALIFORNIA

ALL

GEYSERS
GEOTHERMAL AREA

Project Sites

- FEDERAL STATE LAND
- VACANT STATE LAND
- STATE MINERAL RESERVATION
- PROPRIETARY LANDS
- 1/10 % MINERAL RESERVATION TO STATE

0 1 2 MILE SCALE

