

Meeting Date: 10/25/22  
Application Number: A3708  
Lease Number: 5464  
Staff: D. Dillon, V. Perez

# Staff Report 55

## **LESSEE:**

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U.S. Borax Inc.

## **PROPOSED ACTION:**

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Amendment to increase the performance bond, reduce the lease area by 124.26 acres, and to acknowledge a partial Quitclaim Deed, for Mineral Extraction Lease No. 5464

## **AREA, LAND TYPE, AND LOCATION:**

Approximately 15,543 acres of State sovereign land, Townships 17 South and 18 South, Range 37 East, Mount Diablo Baseline & Meridian, located on the dry lakebed of Owens Lake. This sovereign land is located east of U.S. Highway 395, approximately 10 miles south of the town of Lone Pine, Inyo County.

## **AUTHORIZED USE:**

Extraction of industrial minerals, a sodium carbonate mineral (trona), and any other mineral deposits except oil, gas, other hydrocarbons, and geothermal resources.

## **TERM:**

10 years, effective August 1, 2018.

## **CONSIDERATION:**

- **State's royalty:** 10 percent for unprocessed trona and 7 percent for processed trona.
- **Annual rent:** \$2.50 per acre or \$38,858.
- **Minimum annual royalty:** \$120,000. If the cumulative amount of quarterly royalties paid during the prior lease year exceeds \$120,000, there is no minimum annual royalty owed.

**PROPOSED AMENDMENT:**

- **New lease acreage:** Approximately 15,419 acres, following Lessee's partial quitclaim of 124.26 acres.
  - Replace Exhibit A, Land Description, in the Lease with a new Exhibit A, Land Description, and Exhibit B, Location Map (See Exhibits A and B, attached).
- **Annual rent:** \$2.50 per acre which equates to \$38,547.50, changing the Annual rent due to the reduced acreage.
- **Performance Bond:** Lessee will increase their financial security to \$160,000 from \$60,000 to guarantee performance of the lease terms and conditions.

**BACKGROUND**

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In 1978, Lease 5464, a mineral extraction lease, was originally issued to Lake Minerals Corporation, for an initial term of 20 years ([Item 26, March 30, 1978](#)). On January 24, 1980, the Commission approved the assignment of mineral extraction Leases 4754, 4996, and 2967 by Morrison & Weatherly Chemical Products to Lake Minerals Corporation ([Item 31, January 24, 1980](#)). These four leases were consolidated into Lease 5464 (Lease) in June 1980, increasing the leased acreage, minimum annual royalty, and performance bond ([Item 18, June 26, 1980](#)). In 1998, Lake Minerals Corporation assigned the Lease to the Lessee and the Lease was renewed for a 10-year period ending July 31, 2008 ([Item 115, June 19, 1998](#) and [Item 116, June 19, 1998](#)). In October 2004, the Commission authorized amendment of the Lease to increase the bond and provide for four renewal periods of 10 years each ([Item 52, October 6, 2004](#)).

On December 17, 2009, the Commission approved the first of the 10-year renewals, retroactive from August 1, 2008, through July 31, 2018, due to holdover and an amendment, which reduced the leased acreage from 16,120 to 15,700 acres ([Item 35, December 17, 2009](#)). The Lease amendment also resulted in a modification of the royalty. In 2015, the acreage was reduced to 15,543 acres to allow the City of Los Angeles Department of Water and Power (LADWP) to use a portion of the previously leased lands for dust abatement ([Item 72, August 19, 2015](#)). On June 21, 2018, the Commission authorized another 10-year Lease renewal to the Lessee, which will expire on July 31, 2028 ([Item 80, June 21, 2018](#)).

## **STAFF ANALYSIS AND RECOMMENDATION:**

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### **AUTHORITY:**

Public Resources Code sections 6005, 6216, 6301, 6804, 6890, and 6898; California Code of Regulations, title 2, section 2200 et seq.

### **PUBLIC TRUST AND STATE'S BEST INTEREST:**

Public Resources Code section 6804.1 provides that "a lessee may at any time make and file with the commission a written quitclaim or relinquishment of all rights under any lease or of any portion thereof comprising a 10-acre parcel or multiple thereof in a compact form, or of any separate or distinct zone or geological horizon or portion thereof underlying such 10-acre parcel or multiple thereof," and that "such quitclaim or relinquishment shall be effective as of the date of its filing." The statute further provides that a lessee shall be released from all obligations thereafter accruing with respect to such quitclaimed lands, so long as the lessee has fulfilled all obligations of the lease, including payment of rent and royalties, and abandonment of the lease facilities.

On August 26, 2022, the Commission received Lessee's partial quitclaim deed dated July 19, 2022 (Exhibit C, attached) pursuant to Public Resources Code section 6804.1. This partial quitclaim deed quitclaims to the State all the Lessee's right, title, and interest in 124.26 acres of the leased lands.

This partial quitclaim is necessary to facilitate the construction of two new Dust Control Areas (DCA), T1A-4 Addition and T10-3a Addition, by LADWP. The two new DCAs are surrounded by the existing Lake Minerals Road. Design of the new DCAs include improvements to Lake Minerals Road. As part of LADWP's proposed project, new perimeter berm/roads will be constructed to provide a complete, drivable loop around each DCA. An amendment to the City's lease for dust control measures on Owens Lake has been considered and approved by the Commission ([Item 26, August 23, 2022](#)).

Staff has reviewed the files, and there are no outstanding defaults or breaches of the lease pending the partial quitclaim. The Lessee has complied with all applicable laws and Lease provisions and has paid all rentals and royalty under Mineral Extraction Lease No. 5464.

Section 3, Paragraph 4 of Lease No. 5464, requires the Lessee to pursue reclamation of the leased lands in accordance with its approved Surface Mining Reclamation Plan and reclaim the leased lands to the satisfaction of the Commission and Inyo County. The Surface Mining and Reclamation Act of 1975 (SMARA, Public

Resources Code, Sections 2710-2796) provides a comprehensive surface mining and reclamation policy with the regulation of surface mining operations to assure that adverse environmental impacts are minimized, and mined lands are reclaimed to a usable condition.

On July 8, 2022, staff sent a letter to the Lessee, confirming Lessee's assertion they have not mined, altered, or otherwise disturbed the quitclaimed area. The only remaining indication of historical mining operations on the quitclaimed area is remnant trona piles that will be leveled by LADWP during construction of their new dust control measures. Therefore, the Lessee will be released from all obligations with respect to the quitclaimed area.

**CONCLUSION:**

For all the reasons stated above, staff finds the proposed amendment and partial quitclaim will not substantially interfere with Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State. Staff recommends acknowledgment of the partial quitclaim deed effective on July 19, 2022, the filing date, and recommends approval of the lease amendment.

**OTHER PERTINENT INFORMATION:**

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1. Acceptance of the partial quitclaim deed and amendment of the Lease is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

2. This action is consistent with the "Meeting Evolving Public Trust Needs" and the "Leading Climate Activism" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
3. No default payments currently exist on the lease, and the Lessee has complied with all applicable laws and lease provisions.

**EXHIBITS:**

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- A. Land Description (with quitclaim)
- B. Location Map

- C. Quitclaim Deed
- D. Lease Amendment

## **RECOMMENDED ACTION:**

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It is recommended that the Commission:

### **PUBLIC TRUST AND STATE'S BEST INTERESTS:**

Find that the acknowledgment of a partial quitclaim deed and the amendment will not substantially interfere with the Public Trust needs and values at this time; is consistent with the Public Trust Doctrine; and is in the best interests of the State.

### **AUTHORIZATION:**

1. Acknowledge receipt of a partial Quitclaim Deed effective on July 19, 2022, the filing date, for Mineral Extraction Lease No. 5464, wherein the Lessee quitclaims to the State all of its rights, title, and interest in 124.26 acres of the leased lands described in the attached Exhibit C.
2. Authorize the Amendment of State Mineral Extraction Lease No. 5464 to U.S. Borax, Inc., effective August 23, 2022, through July 31, 2028, pursuant to the terms substantiated in the Amendment form, attached hereto as Exhibit D. All other terms and conditions of the Lease shall remain in full force and effect without amendment.
3. Release U.S. Borax Inc. from any obligations accruing after July 19, 2022, the filing date of the partial quitclaim deed, with respect to the 124.26 acres quitclaimed and removed from Mineral Extraction Lease No. 5464.

**EXHIBIT A**

**A 3708**

**PRC 5464.1**

**LAND DESCRIPTION**

All those portions of the state-owned bed of Owens Lake, Inyo County, State of California, described as follows:

COMMENCING at Mineral Monument No. 58, a white marble stone monument with a metal plate in cross form stamped "MM #58", as said monument is shown on that certain map filed in Book 11 of Record of Surveys at Page 7, Official Records of said county, said monument having coordinates North y-coordinate 2,064,076.37 feet, East x-coordinate 6,890,187.91 feet; thence South 36°50'11" West 19,945.92 feet to the POINT OF BEGINNING;

thence South 00°19'49" West 5241.49 feet;  
thence South 89°45'01" West 1325.80 feet;  
thence South 00°17'15" West 5245.05 feet;  
thence South 89°50'16" West 1332.98 feet;  
thence South 00°08'18" West 4097.25 feet;  
thence South 53°23'55" West 1014.32 feet;  
thence South 37°30'32" West 2130.95 feet;  
thence South 13°07'26" West 1332.93 feet;  
thence South 44°24'42" West 334.75 feet;  
thence South 89°58'08" West 2640.90 feet;  
thence South 00°05'45" West 1312.95 feet;  
thence South 45°13'11" West 189.63 feet;  
thence North 55°36'56" West 796.96 feet;  
thence South 34°55'53" West 2008.83 feet;  
thence South 55°04'02" East 167.04 feet;  
thence South 32°03'55" West 20.41 feet;  
thence South 29°56'09" West 212.95 feet;  
thence South 52°57'31" West 378.81 feet;  
thence South 25°14'18" West 506.21 feet;  
thence South 55°06'18" East 123.63 feet;  
thence South 27°30'52" East 324.90 feet;  
thence South 51°17'39" East 184.13 feet;  
thence South 80°18'49" East 131.33 feet;  
thence South 19°49'15" East 397.94 feet;  
thence South 67°46'36" West 211.60 feet;  
thence South 62°29'13" West 99.69 feet;  
thence North 77°43'12" West 112.97 feet;  
thence South 53°40'25" West 140.10 feet;  
thence South 07°30'45" East 185.99 feet;  
thence South 19°45'18" West 303.80 feet;  
thence South 65°48'26" West 151.93 feet;

thence South 40°52'58" West 158.39 feet;  
thence South 23°08'55" East 155.83 feet;  
thence South 80°22'18" East 273.34 feet;  
thence South 47°28'01" West 225.02 feet;  
thence South 32°34'09" West 203.27 feet;  
thence South 26°59'35" West 228.56 feet;  
thence South 00°31'55" East 304.15 feet;  
thence South 13°44'35" West 55.48 feet;  
thence South 00°30'46" East 163.15 feet;  
thence South 03°22'59" East 105.15 feet;  
thence South 00°24'28" East 204.49 feet;  
thence South 00°36'01" West 296.46 feet;  
thence South 89°57'01" West 150.12 feet;  
thence South 40°13'18" West 68.21 feet;  
thence South 02°28'30" East 281.87 feet;  
thence South 03°47'15" East 79.97 feet;  
thence South 04°05'51" East 154.15 feet;  
thence South 03°00'20" East 73.91 feet;  
thence South 03°36'36" West 68.25 feet;  
thence South 17°26'31" West 62.61 feet;  
thence South 20°12'45" East 693.37 feet;  
thence South 24°28'59" West 39.95 feet;  
thence South 19°40'47" East 39.69 feet;  
thence North 86°46'59" West 1723.65 feet;  
thence South 54°07'17" West 64.44 feet;  
thence North 78°25'30" West 111.33 feet;  
thence North 34°57'02" West 477.59 feet;  
thence North 00°24'55" East 372.26 feet;  
thence North 66°30'28" West 42.43 feet;  
thence North 65°03'59" West 821.38 feet;  
thence South 55°59'41" West 1200.89 feet;  
thence South 8°51'45" West 579.24 feet;  
thence South 63°29'56" East 49.26 feet;  
thence South 26°30'07" West 796.37 feet;  
thence South 36°21'52" West 78.80 feet;  
thence South 36°21'47" West 128.12 feet;  
thence South 36°21'47" West 552.25 feet;  
thence South 8°26'47" East 490.72 feet;  
thence South 89°48'46" West 7239.02 feet;  
thence North 00°10'30" West 2705.08 feet;  
thence South 89°26'29" West 1671.69 feet to the southeast corner of Lake Land Location 2175, as described in patent by the State of California dated November 12, 1907;  
thence northerly along the easterly boundary of said Lake Land Location 2175 to a point from which a point having coordinates North y-coordinate 2,027,039.38 feet, East -coordinate 6,855,637.39 feet bears North 90°00'00" East;

thence North 90°00'00" East to said point having coordinates North y-coordinate 2,027,039.38 feet, East -coordinate 6,855,637.39 feet;  
thence North 00°03'32" East 1304.23 feet;  
thence North 90°00'00" East 2638.74 feet;  
thence North 00°00'00" East 1513.29 feet to the southerly boundary of Lake Land Location 2168, as described in patent by the State of California dated July 23, 1907;  
thence easterly along said southerly boundary to the most easterly corner of said Lake Land Location 2168;  
thence northwesterly along the northeasterly boundary of said Lake Land Location 2168 to a point from which a point having coordinates North y-coordinate 2,032,311.29 feet, East x-coordinate 6,858,272.70 feet bears North 00°07'36" West;  
thence leaving said northeasterly boundary North 00°07'36" West to said point having coordinates North y-coordinate 2,032,311.29 feet, East x-coordinate 6,858,272.70 feet;  
thence South 89°59'56" West 1330.36 feet;  
thence North 00°09'17" West 2626.40 feet;  
thence South 89°55'06" West 1331.28 feet;  
thence North 00°10'30" West 2624.53 feet;  
thence South 89°52'43" West 1339.34 feet;  
thence North 00°00'54" East 5208.39 feet;  
thence South 89°42'10" West 1322.09 feet;  
thence North 00°17'34" West 7886.23 feet;  
thence North 89°45'58" East 1330.20 feet;  
thence North 00°14'29" West 7919.47 feet;  
thence North 89°41'22" East 13393.27 feet;  
thence South 00°02'02" West 9253.82 feet;  
thence North 89°46'29" East 7995.44 feet;  
thence South 00°14'50" West 1317.57 feet;  
thence North 89°47'00" East 2659.98 feet to the POINT OF BEGINNING.

TOGETHER WITH Road Access described as follows:

COMMENCING at Mineral Monument No. 58, a white marble stone monument with a metal plate in cross form stamped "MM #58", as said monument is shown on that certain map filed in Book 11 of Record of Surveys at Page 7, Official Records of said county, said monument having coordinates North y-coordinate 2,064,076.37 feet, East x-coordinate 6,890,187.91 feet; thence South 30°22'12" West 48,931.589 feet to the POINT OF BEGINNING;

thence South 52°23'42" West 712.86 feet;  
thence South 52°13'03" West 2198.67 feet;  
thence North 36°21'47" East 128.12 feet;  
thence North 52°13'03" East 2767.89 feet;  
thence South 66°30'28" East 42.43 feet to the point of BEGINNING



EXCEPTING THEREFROM all those portions leased under California State Lands Commission lease PRC 2976.1

The BASIS OF BEARINGS of this description based on prior descriptions is the California Coordinate System CCS83, Zone 4 (1992), expressed in U.S. Survey feet. Distances are grid distances.

To convert grid distances to ground distances multiply by 1.000223215.

**END OF DESCRIPTION**

Prepared 9/22/2009 by the California State Lands Commission Boundary Unit  
Revised 03/13/2018 by the California State Lands Commission Boundary Unit  
REVISED 08/05/2022 by Rio Tino, US Borax Inc., reviewed and approved by the Los Angeles Department of Water and Power Northern Aqueduct Survey Department

Legal Description prepared by or under the Supervision of:

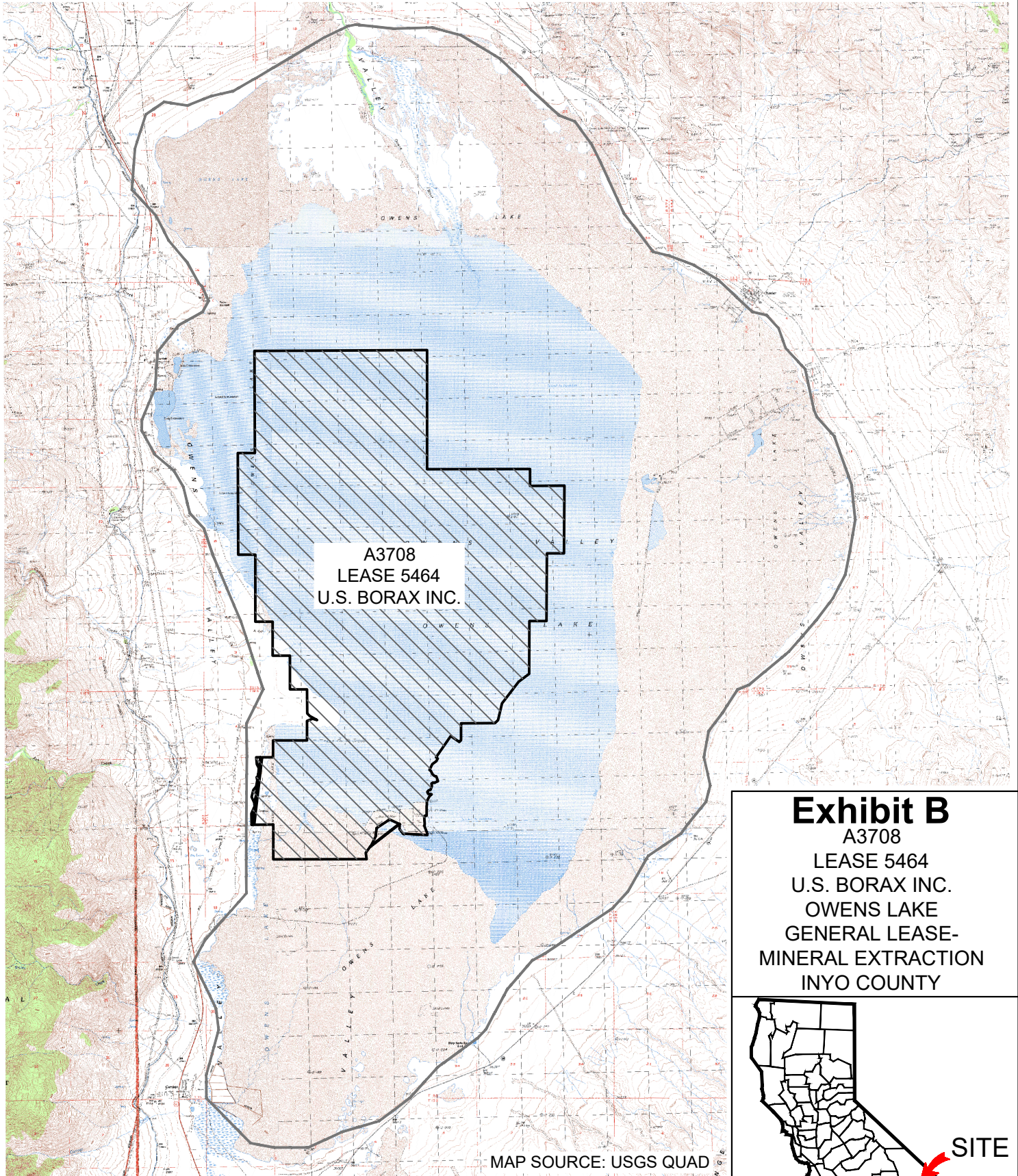
John R. Williams  
John R. Williams      8/11/2022  
P.L.S. 8441





NO SCALE

# SITE



MAP SOURCE: USGS QUAD

## Exhibit B

A3708

LEASE 5464

U.S. BORAX INC.

OWENS LAKE

GENERAL LEASE-

MINERAL EXTRACTION

INYO COUNTY



THIS EXHIBIT IS SOLELY FOR PURPOSES OF GENERALLY DEFINING THE LEASE PREMISES, IS BASED ON UNVERIFIED INFORMATION PROVIDED BY THE LESSEE OR OTHER PARTIES AND IS NOT INTENDED TO BE, NOR SHALL IT BE CONSTRUED AS, A WAIVER OR LIMITATION OF ANY STATE INTEREST IN THE SUBJECT OR ANY OTHER PROPERTY.

TS 09/06/2022



RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:

**STATE OF CALIFORNIA**

State Lands Commission  
100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202  
Attn: Title Unit

EXHIBIT C

A3708  
Lease 5464

**STATE OF CALIFORNIA**  
**OFFICIAL BUSINESS**

Document entitled to free recordation  
pursuant to Government Code Section 27383

No Tax Due

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**LEASE QUITCLAIM DEED FOR STATE OIL AND GAS LEASE**

State Mineral Extraction Lease No. 5464 (Lease), covering certain State lands located in Inyo County, State of California, was issued by the State of California, acting through the California State Lands Commission (State), on August 1, 1978, and amended and extended through a series of amendments and renewals, the most recent of which took effect August 1, 2018.

U.S. BORAX INC. (Lessee) is the present holder of the Lease.

Pursuant to the terms of the Lease and Section 6804.1 of the Public Resources Code, the Lessee may at any time make and file with the State a written quitclaim or relinquishment of all rights under the Lease or of any portion of the Lease comprising a 10-acre parcel or multiple thereof in compact form, or of any separate or distinct zone or geological horizon thereof underlying such 10-acre parcel or multiple thereof.

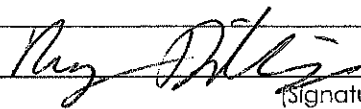
Acting in accordance with such terms, the **Lessee** does hereby release, remise and forever quitclaim unto the **State of California** all of its right, title and interest in and to the State lands or that portion of the State lands held by virtue of the Lease, which lands are, or portion is described in the attached exhibit.

Such quitclaim and relinquishment is subject to the continued obligation of the Lessee to make payment of all rentals and royalties theretofore accrued, to place all wells on the lands, or in the zones or horizons to be quitclaimed or relinquished, in a condition of abandonment in accordance with the terms of the Lease and all applicable state, local, and federal regulations, and to comply with all other terms and obligations of the Lease. Such quitclaim and relinquishment does not release Lessee from any liability for breach of any obligation of the Lease with respect to which the Lessee is in default at the time of filing the quitclaim.

IN WITNESS WHEREOF, this Quitclaim Deed is executed this 19<sup>th</sup> day of 2022 July.

LESSEE: U.S. BORAX Inc.

By:

  
(Signature)

RENNY DILLINGER  
(Name of Officer)

General Manager  
(Title)

Acknowledgment

# ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

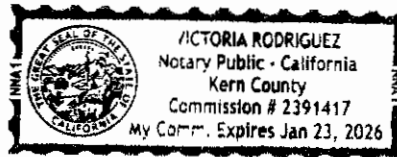
State of California  
County of KERN)

On JULY 19, 2022 before me, VICTORIA RODRIGUEZ, NOTARY PUBLIC  
(insert name and title of the officer)

personally appeared RENNY ERIC DILLINGER,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.



Signature

*Victoria Rodriguez*

(Seal)

**EXHIBIT A**  
**Legal Description**  
**Owens Lake**  
**T10-3A US BORAX BOUNDARY**

**A parcel** of State-owned sovereign land in the bed of Owens Lake in the County of Inyo, State of California, being more particularly described as follows:

BEGINNING at a point from whence Mineral Monument No. 58, a white marble stone monument with a metal plate cross stamped "MM #58", as said monument is shown on that map filed in Book 11, of Record of Surveys at page 7, Official Records of the County of Inyo, State of California, bears North 30° 24' 26" East, a distance of 41,031.01 feet; thence along the following described courses:

South 55° 36' 56" East, 851.10 feet to a point from whence said mineral monument bears North 29° 13' 24" East 41,098.82 feet;  
South 45° 42' 14" West, 783.77 feet;  
North 68° 56' 32" West, 100.90 feet;  
North 75° 02' 33" West, 158.04 feet;  
South 64° 24' 33" West, 42.24 feet;  
South 64° 26' 51" West, 142.74 feet;  
South 54° 28' 42" West, 59.10 feet;  
South 62° 24' 28" West, 65.54 feet;  
South 62° 24' 24" West, 1.04 feet;  
South 46° 37' 53" West, 98.96 feet;  
South 47° 54' 21" West, 174.04 feet;  
South 36° 14' 45" West, 58.67 feet;  
South 24° 55' 37" West, 56.32 feet;  
South 23° 57' 27" West, 44.77 feet;  
South 31° 06' 45" West, 11.36 feet;  
South 18° 45' 55" West, 12.46 feet;  
South 17° 33' 51" West, 13.18 feet;  
South 16° 22' 42" West, 14.40 feet;  
South 15° 38' 17" West, 14.69 feet;  
South 13° 46' 51" West, 14.76 feet;  
South 11° 12' 48" West, 7.93 feet;  
South 15° 15' 33" West, 17.77 feet;  
South 10° 09' 49" West, 11.77 feet;  
South 16° 53' 21" West, 8.39 feet;  
South 21° 43' 07" West, 15.27 feet;  
South 33° 51' 26" West, 13.65 feet;  
South 45° 06' 34" West, 31.78 feet;  
South 56° 29' 08" West, 35.21 feet;  
South 82° 01' 28" West, 93.40 feet;

South 69° 27' 34" West, 26.24 feet;  
South 47° 34' 41" West, 23.80 feet;  
South 32° 22' 29" West, 38.12 feet;  
South 32° 22' 29" West, 109.73 feet;  
North 55° 04' 03" West, 217.21 feet;  
North 34° 55' 53" East, 2008.83 feet to the point of BEGINNING

Containing 22.64 acres, more or less.

The Bearings used in this description are on the California Coordinate System, NAD83, (CCS83/92), Zone 4. The Coordinate values, in U.S. Survey feet, of said Mineral Monument No. 58, also known as Triangulation Station "Keeler" are: Northing 2,064,076.37, Easting 6,890,187.91. All distances shown herein are grid distances in U.S. Survey feet. To obtain ground surface distances, multiply the distances shown by 1.0002206574.

**END OF DESCRIPTION**

SUBJECT TO, any and all agreements covenants, conditions, easements, restrictions, reservations, right-of-way, and other matters of record.

Prepared June 27, 2022 by the  
Los Angeles Department of Water and Power  
Northern Aqueduct Survey

*John R. Williams*



**EXHIBIT A**  
**Legal Description**  
**Owens Lake**  
**T1A-4 US BORAX BOUNDARY**

**A parcel** of State-owned sovereign land in the bed of Owens Lake in the County of Inyo, State of California, being more particularly described as follows:

BEGINNING at a point from whence Mineral Monument No. 58, a white marble stone monument with a metal plate cross stamped "MM #58", as said monument is shown on that map filed in Book 11, of Record of Surveys at page 7, Official Records of the County of Inyo, State of California, bears North 31° 22' 30" East, a distance of 49,022.03 feet; thence along the following described courses:

South 65° 03' 59" East, 821.38 feet to a point from whence said mineral monument bears North 30° 25' 10" East 48,936.68 feet;  
South 52° 13' 03" West, 2767.89 feet;  
North 36° 21' 48" East, 78.80 feet;  
North 26° 30' 07" East, 796.37 feet;  
North 63° 29' 53" West, 49.26 feet;  
North 8° 51' 45" East, 579.24 feet;  
North 55° 59' 41" East, 1200.89 feet to the point of BEGINNING

Containing 33.25 acres, more or less.

TOGETHER WITH:

BEGINNING at a point from whence Mineral Monument No. 58, a white marble stone monument with a metal plate cross stamped "MM #58", as said monument is shown on that map filed in Book 11, of Record of Surveys at page 7, Official Records of the County of Inyo, State of California, bears North 30° 22' 12" East, a distance of 48,931.58 feet; thence along the following described courses:

South 00° 24' 56" West, 372.26 feet to a point from whence said mineral monument bears North 30° 09' 14" East 49,254.47 feet;  
South 34° 57' 03" East, 477.59 feet;  
South 78° 25' 31" East, 81.38 feet;  
South 54° 07' 17" West, 1371.67 feet;  
South 35° 26' 03" West, 1367.05 feet;  
South 89° 48' 46" West, 1006.11 feet;  
North 08° 26' 46" West, 479.5 feet;  
North 36° 21' 48" East, 552.25 feet;  
North 52° 13' 03" East, 2198.67 feet;  
North 52° 23' 42" East, 712.86 feet to the point of BEGINNING  
Containing 68.37 acres, more or less.

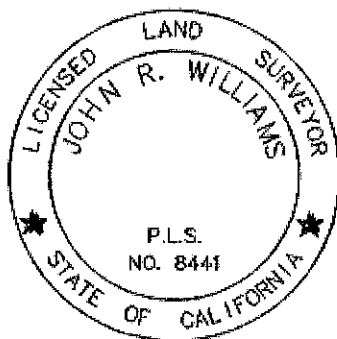
The Bearings used in this description are on the California Coordinate System, NAD83, (CCS83/92), Zone 4. The Coordinate values, in U.S. Survey feet, of said Mineral Monument No. 58, also known as Triangulation Station "Keeler" are: Northing 2,064,076.37, Easting 6,890,187.91. All distances shown herein are grid distances in U.S. Survey feet. To obtain ground surface distances, multiply the distances shown by 1.0002206574.

**END OF DESCRIPTION**

SUBJECT TO, any and all agreements covenants, conditions, easements, restrictions, reservations, right-of-way, and other matters of record.

Prepared June 27, 2022 by the  
Los Angeles Department of Water and Power  
Northern Aqueduct Survey

*John R. Williams*





## EXHIBIT D

A3708  
Lease 5464

### **AMENDMENT OF MINERAL EXTRACTION LEASE NO. 5464, OWENS LAKE, INYO COUNTY, CALIFORNIA**

This amendment is entered into by and between the State of California, through the California State Lands Commission as Lessor ("State"), and U.S. Borax, Inc., a corporation organized and existing under the laws of the State of Delaware, as Lessee (the "Company").

#### **RECITALS**

WHEREAS, on August 1, 1978, the State and Lake Minerals Corporation entered into Mineral Extraction Lease PRC 5464.1 (the "Lease"), covering 6,440 acres, for an initial term of 20 years, with an option to renew for three successive periods of ten (10) years each; and

WHEREAS, effective August 1, 1980, the Lease was amended, increasing the leased lands to 16,120 acres, increasing the performance bond from \$10,000 to \$30,000, and increasing the minimum annual royalty to \$120,000; and

WHEREAS, effective October 7, 1993, the Lease was amended, removing 3,480 acres from the leased lands, but adding 3,480 new acres to maintain the total leased acreage of 16,120 acres; and

WHEREAS, effective August 1, 1998, the Lease was renewed for a period of 10 years, beginning August 1, 1998, and ending July 31, 2008; and

WHEREAS, effective May 1, 1999, the Lease was assigned by Lake Minerals Corporation to U.S. Borax Inc.; and

WHEREAS, effective November 1, 2004, the Lease was amended, providing the option to renew the Lease for four successive 10-year terms following the July 31, 2008 expiration, increasing the bond to \$60,000, and limiting permitted activities under the Lease to those set forth in Conditional Use Permit No. 2002-13/U.S. Borax and Reclamation Plan No. 2002-1/U.S. Borax that were approved by the Inyo County Planning Commission on April 28, 2004 (allowing construction of a water well, wash plant, and drying/calcining facility); and

WHEREAS, effective August 1, 2008, the Lease was renewed for a period of 10 years, beginning August 1, 2008, and ending July 31, 2018, and amended to revise the royalty calculation, require insurance in the amount of \$2,000,000 per occurrence, require reclamation in accordance with the Surface Mining and

Reclamation Act and Lessee's Surface Mining and Reclamation Plan, and replace the Land Description and revise the acreage under lease to 15,700 acres, so that the City of Los Angeles Department of Water and Power (LADWP) could use a portion of the land previously under lease for dust abatement; and

WHEREAS, effective June 22, 2015, the Lessee quitclaimed to the State approximately 157 acres of the leased lands, reducing the acreage under Lease to 15,543 acres; and

WHEREAS, effective August 1, 2018, the Lease was renewed for a period of 10 years, beginning August 1, 2018, and ending July 31, 2028; and

WHEREAS, Lessee wishes to quitclaim a portion of the leased land to the State, and thereby reduce the acreage under Lease from 15,543 acres to 15,418.74 or 15,419 acres; and

WHEREAS, the State wishes to increase the performance bond requirement from \$60,000, as agreed to in the 2004 amendment, to \$160,000; and

WHEREAS, it is the desire of the State and the Lessee to amend the Lease as follows.

### **AGREEMENT**

The Parties hereto agree as follows:

1. Exhibit A, Land Description, of the Lease, as amended effective August 1, 2008, and June 22, 2015, is deleted in its entirety and replaced with the new Exhibit A, Land Description, attached hereto. Such Land Description includes approximately 15,419 acres.
2. Section 1, Paragraph 4, of the Lease, as previously amended in 2004, is further amended to read: "The performance bond required pursuant to paragraph 19 of Section 5 is to be in the amount of \$160,000. Lessee shall furnish this bond by December 1, 2022."
3. All other terms and conditions of the Lease shall remain in full force and effect.

**Signatures on next page**

**IN WITNESS WHEREOF**, the parties hereto have executed this amendment as of the dates hereafter affixed.

**A3708**  
**Lease 5464**

LESSEE: U.S. BORAX INC.

STATE OF CALIFORNIA  
STATE LANDS COMMISSION

By: \_\_\_\_\_

By: \_\_\_\_\_

Colin Connor

Title: \_\_\_\_\_

Title: Assistant Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ACKNOWLEDGEMENT**

Execution of this document was authorized by the California State Lands Commission on October 25, 2022

**EXHIBIT A**

**PRC 5464.1**

**LAND DESCRIPTION**

All those portions of the state-owned bed of Owens Lake, Inyo County, State of California, described as follows:

COMMENCING at Mineral Monument No. 58, a white marble stone monument with a metal plate in cross form stamped "MM #58", as said monument is shown on that certain map filed in Book 11 of Record of Surveys at Page 7, Official Records of said county, said monument having coordinates North y-coordinate 2,064,076.37 feet, East x-coordinate 6,890,187.91 feet; thence South 36°50'11" West 19,945.92 feet to the POINT OF BEGINNING;

thence South 00°19'49" West 5241.49 feet;  
thence South 89°45'01" West 1325.80 feet;  
thence South 00°17'15" West 5245.05 feet;  
thence South 89°50'16" West 1332.98 feet;  
thence South 00°08'18" West 4097.25 feet;  
thence South 53°23'55" West 1014.32 feet;  
thence South 37°30'32" West 2130.95 feet;  
thence South 13°07'26" West 1332.93 feet;  
thence South 44°24'42" West 334.75 feet;  
thence South 89°58'08" West 2640.90 feet;  
thence South 00°05'45" West 1312.95 feet;  
thence South 45°13'11" West 189.63 feet;  
thence North 55°36'56" West 796.96 feet;  
thence South 34°55'53" West 2008.83 feet;  
thence South 55°04'02" East 167.04 feet;  
thence South 32°03'55" West 20.41 feet;  
thence South 29°56'09" West 212.95 feet;  
thence South 52°57'31" West 378.81 feet;  
thence South 25°14'18" West 506.21 feet;  
thence South 55°06'18" East 123.63 feet;  
thence South 27°30'52" East 324.90 feet;  
thence South 51°17'39" East 184.13 feet;  
thence South 80°18'49" East 131.33 feet;  
thence South 19°49'15" East 397.94 feet;  
thence South 67°46'36" West 211.60 feet;  
thence South 62°29'13" West 99.69 feet;  
thence North 77°43'12" West 112.97 feet;  
thence South 53°40'25" West 140.10 feet;  
thence South 07°30'45" East 185.99 feet;  
thence South 19°45'18" West 303.80 feet;  
thence South 65°48'26" West 151.93 feet;

thence South 40°52'58" West 158.39 feet;  
thence South 23°08'55" East 155.83 feet;  
thence South 80°22'18" East 273.34 feet;  
thence South 47°28'01" West 225.02 feet;  
thence South 32°34'09" West 203.27 feet;  
thence South 26°59'35" West 228.56 feet;  
thence South 00°31'55" East 304.15 feet;  
thence South 13°44'35" West 55.48 feet;  
thence South 00°30'46" East 163.15 feet;  
thence South 03°22'59" East 105.15 feet;  
thence South 00°24'28" East 204.49 feet;  
thence South 00°36'01" West 296.46 feet;  
thence South 89°57'01" West 150.12 feet;  
thence South 40°13'18" West 68.21 feet;  
thence South 02°28'30" East 281.87 feet;  
thence South 03°47'15" East 79.97 feet;  
thence South 04°05'51" East 154.15 feet;  
thence South 03°00'20" East 73.91 feet;  
thence South 03°36'36" West 68.25 feet;  
thence South 17°26'31" West 62.61 feet;  
thence South 20°12'45" East 693.37 feet;  
thence South 24°28'59" West 39.95 feet;  
thence South 19°40'47" East 39.69 feet;  
thence North 86°46'59" West 1723.65 feet;  
thence South 54°07'17" West 64.44 feet;  
thence North 78°25'30" West 111.33 feet;  
thence North 34°57'02" West 477.59 feet;  
thence North 00°24'55" East 372.26 feet;  
thence North 66°30'28" West 42.43 feet;  
thence North 65°03'59" West 821.38 feet;  
thence South 55°59'41" West 1200.89 feet;  
thence South 8°51'45" West 579.24 feet;  
thence South 63°29'56" East 49.26 feet;  
thence South 26°30'07" West 796.37 feet;  
thence South 36°21'52" West 78.80 feet;  
thence South 36°21'47" West 128.12 feet;  
thence South 36°21'47" West 552.25 feet;  
thence South 8°26'47" East 490.72 feet;  
thence South 89°48'46" West 7239.02 feet;  
thence North 00°10'30" West 2705.08 feet;  
thence South 89°26'29" West 1671.69 feet to the southeast corner of Lake Land Location 2175, as described in patent by the State of California dated November 12, 1907;  
thence northerly along the easterly boundary of said Lake Land Location 2175 to a point from which a point having coordinates North y-coordinate 2,027,039.38 feet, East -coordinate 6,855,637.39 feet bears North 90°00'00" East;

thence North 90°00'00" East to said point having coordinates North y-coordinate 2,027,039.38 feet, East -coordinate 6,855,637.39 feet;  
thence North 00°03'32" East 1304.23 feet;  
thence North 90°00'00" East 2638.74 feet;  
thence North 00°00'00" East 1513.29 feet to the southerly boundary of Lake Land Location 2168, as described in patent by the State of California dated July 23, 1907;  
thence easterly along said southerly boundary to the most easterly corner of said Lake Land Location 2168;  
thence northwesterly along the northeasterly boundary of said Lake Land Location 2168 to a point from which a point having coordinates North y-coordinate 2,032,311.29 feet, East x-coordinate 6,858,272.70 feet bears North 00°07'36" West;  
thence leaving said northeasterly boundary North 00°07'36" West to said point having coordinates North y-coordinate 2,032,311.29 feet, East x-coordinate 6,858,272.70 feet;  
thence South 89°59'56" West 1330.36 feet;  
thence North 00°09'17" West 2626.40 feet;  
thence South 89°55'06" West 1331.28 feet;  
thence North 00°10'30" West 2624.53 feet;  
thence South 89°52'43" West 1339.34 feet;  
thence North 00°00'54" East 5208.39 feet;  
thence South 89°42'10" West 1322.09 feet;  
thence North 00°17'34" West 7886.23 feet;  
thence North 89°45'58" East 1330.20 feet;  
thence North 00°14'29" West 7919.47 feet;  
thence North 89°41'22" East 13393.27 feet;  
thence South 00°02'02" West 9253.82 feet;  
thence North 89°46'29" East 7995.44 feet;  
thence South 00°14'50" West 1317.57 feet;  
thence North 89°47'00" East 2659.98 feet to the POINT OF BEGINNING.

TOGETHER WITH Road Access described as follows:

COMMENCING at Mineral Monument No. 58, a white marble stone monument with a metal plate in cross form stamped "MM #58", as said monument is shown on that certain map filed in Book 11 of Record of Surveys at Page 7, Official Records of said county, said monument having coordinates North y-coordinate 2,064,076.37 feet, East x-coordinate 6,890,187.91 feet; thence South 30°22'12" West 48,931.589 feet to the POINT OF BEGINNING;

thence South 52°23'42" West 712.86 feet;  
thence South 52°13'03" West 2198.67 feet;  
thence North 36°21'47" East 128.12 feet;  
thence North 52°13'03" East 2767.89 feet;  
thence South 66°30'28" East 42.43 feet to the point of BEGINNING

EXCEPTING THEREFROM all those portions leased under California State Lands Commission lease PRC 2976.1

The BASIS OF BEARINGS of this description based on prior descriptions is the California Coordinate System CCS83, Zone 4 (1992), expressed in U.S. Survey feet. Distances are grid distances.

To convert grid distances to ground distances multiply by 1.000223215.

**END OF DESCRIPTION**

Prepared 9/22/2009 by the California State Lands Commission Boundary Unit  
Revised 03/13/2018 by the California State Lands Commission Boundary Unit  
REVISED 08/05/2022 by Rio Tino, US Borax Inc., reviewed and approved by the Los Angeles Department of Water and Power Northern Aqueduct Survey Department

Legal Description prepared by or under the Supervision of:

John R. Williams  
John R. Williams      8/11/2022  
P.L.S. 8441

