



BRIAN SANDOVAL
Governor

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 • Fax (775) 684-7052
<http://minerals.state.nv.us/>

Las Vegas Branch:
2030 E. Flamingo Rd.
Suite #220
Las Vegas, Nevada 89119
(702) 486-4343
Fax (702) 486-4345

ALAN R. COYNER
Administrator

ACTIVITY AND ACHIEVEMENTS JULY 2012

ADMINISTRATION (ALAN)

1. Participated in a conference call with the GAO concerning information about mine production from public versus private lands in Nevada.
2. Logged and secured two hazards in Mineral County south of Yerington.
3. Visited AML sites with GRG International near Mason.
4. Completed the core function benchmark information for the FY14/FY15 budget.
5. Provided the Governor's Office with a letter of response to an inquiry concerning hydraulic fracturing in Nevada.
6. Provided information to Department of Taxation concerning Gypsum Resources LLC, the current owner of the closed James Hardie Blue Diamond gypsum mine.
7. Participated in the IOGCC Steering Committee monthly conference call.
8. Met with representatives of the Secretary of State Securities Division concerning mining fraud in Nevada.
9. Attended a meeting of the Nevada Geothermal Council.
10. Provided information concerning mine permitting in Nevada to BLM Washington Office.
11. Setup interview schedules for the AML Chief position.
12. Participated in the Northern Nevada Earth Science Teacher's Workshop. Taught a session on topographic maps and abandoned mines.
13. Met with representatives of Churchill County concerning proposed changes to special use permits for geothermal exploration and development.
14. Began to coordinate speakers for the NWMA State and Provincial Reports session.

RECLAMATION BOND POOL (MIKE)

1. Processed bond increase for Avidian Gold and Cordex Exploration.
2. Prepped and forwarded several bond worksheets to Enviroscientists, Inc. for future Wolfpack Gold bonding.
3. Worked on FY12 bond pool reconciliation, incorporating suggestions from Eric Scheetz (Controller's Office).
4. Researched mine and patent information for a few patented mines in the Cuprite District for property owner, Don Miller.
5. Processed bond releases for Midway Gold, NV Gold, Nevada Moray and three bond releases for Renaissance Exploration.
6. Spoke to Bill Houston regarding bond history with Meridian Minerals' Clover Project.
7. Prepped four bond document packets for Enviroscientists.
8. Processed full bond release for Plum Mining/Comstock Mining's "Billie the Kid" project.
9. Spoke with Rory Lamp (NDOW) regarding vendor registration status for Bristlecone for receipt of the CMR approved money in support of plastic claim post pulling efforts.

10. Sent out vendor registration forms to three companies expecting bond releases soon.
11. Spoke with Dave Mathewson (JKR) regarding overdue premiums.
12. Spoke with Mitch Geisler (Nevada Rae) regarding bond increase. Prepped and submitted worksheet and bond documents to him.
13. Assisted claimant with researching historic mining information relevant to his claims. NBMG links were forwarded along with some mine information.
14. Answered questions from, and forwarded contact information to, BLM intern gathering mine permitting information for various states.

AML / PUBLIC AWARENESS - NORTH (MIKE)

1. Conducted site visit with property owner, Jenni Jeffers (NDOW) and Brian Breiter (EPS) and performed internal survey of adit in Pleasant Valley proposed for bat gating. Culvert gate planned for installation in August by EPS will be paid for by NDOW.
2. Two hazards were closed with PUF and dirt fill in Washoe County as part of Zac Newman's Eagle project. (1 presentation – 11 people)
3. Spoke to claimant Eric Saderholm regarding securing requirements of claimants, funding of AML program, timelines of securing work by staff and contractors, and potential of liability issues if securing work is not performed by active claimant.
4. Communicated with Daniel Atkinson (BLM-Winnemucca) regarding backfill plans for Shively AML complex by EPS. Arrange with F&H Mine Supply (Battle Mountain) to deliver PUF order to job site.
5. Supervised and assisted with scout Tyrone Davis' Eagle Project, five hazards were secured in Washoe County. (1 presentation – 15 people)
6. Attempt to track down our cognizant agency's indirect cost rate approval to facilitate USFS grant for AML work in HTNF. BLM-DOI is our cognizant agency but there has never been an approved rate for DOM. USFS will redistribute allocations to keep grant amount the same.
7. After discussions with BLM-Winnemucca Environmental and Fire Operations personnel, we decided to postpone the Shively AML complex backfill work until later in the year when fire conditions are more conducive to our plans.
8. Completed prep work on rock and mineral samples for workshop.
9. Spoke with Scott Henry at Wolfpack Gold regarding our AML database and his request for information on known hazards. He will supply Rachel with a boundary shapefile to be used to clip our AML datasets and provide him with the necessary information.
10. Worked with Washoe County Parks and Recreation Public Information Officer, Bob Harmon, on text and photos for article on Red Hill bat habitat work at AML site.
11. Contractor EPS logged 33 hazards and 30 non-hazards in the Quinn Canyon Range in Nye County.
12. Spoke with Jane Tors (media relations – UNR) regarding story on Mackay intern program. Arranged site visit, photographs and interviews with four interns working in Virginia City next week.
13. Spoke with Detective Dan Hoss (San Mateo County Sheriff's Office) regarding arson investigations possibly involving an AML site in Nevada. He will send a CD with video clips for review.
14. Assisted with NvMA Teachers Earth Science Education Workshop in Reno along with Murya Dube, Joey Winkler and Eric Dougherty.

AML / GIS (RACHEL)

1. Worked through hazards logged and secured by GRG in Yerington to determine what sites required additional information.
2. Completed routine updates and computer maintenance as needed. Worked on addressing database issues and discrepancies within MS Access and ArcMap.
3. Compiled information for contractor Brian Breiter to address while visiting sites north of Winnemucca. Several revisits and securings will need to be addressed in the area.
4. Worked on planning and printing maps for the summer interns to use and reference during the week of July 9th which will be spent east of Eureka.
5. Began preparations for the Northern Nevada Teachers workshop. Worked with the interns on assembling the needed supplies for handouts.
6. Received an email from David Paszkiet with Freeport McMoRan providing us with hazard and non-hazard information collected by their AML Hazard personnel. Cross referenced this information with the data recorded in our database to find that several of the sites identified by Freeport McMoRan crews had not been inventoried by us. Began work on adding hazard and non-hazard information to the database and assigning new numbers for those hazards not previously logged by NDOM. Completed a map showing the areas investigated by NDOM and Freeport crews in order to give the information to Stephanie Livingston who will be completing the archeological work on the sites. Hard closures will be completed in the near future.
7. Compiled a packet of AML data for Scott Henry of Wolfpack Gold. They will be assessing AML hazards on their properties in the coming months.
8. Worked on printing maps for the summer interns for the coming weeks in Humboldt, Lander, Eureka, Elko and White Pine Counties.
9. Met with Barrick, NDOW and BLM personnel to discuss closure options of AML features on Barrick BLM leased land and private land. Barrick is beginning the first stages of work towards mitigating these features and was interested in communicating with all parties that will be involved. They will provide us with their claim blocks so that we can share our AML data with them and work towards identifying and securing any hazards on Barrick land. This will be an ongoing process and we will be working very closely on this in the coming months.
10. Traveled to Valmy to meet with James Carver of Marigold Mine who provided a tour of the mine for the summer interns.
11. Received a request from UNR to have photos taken of the summer interns working in the field during the week of the teachers' workshop. Located a few potential features in the Virginia City area that need to be fenced and would also be a good location for photographs of the interns. Compiled maps for the photographer and the interns.
12. Attended the Northern Nevada Teachers Workshop along with Valerie Kneefel and Debbie Selig. Assembled rock and mineral boxes, aided in setting up classrooms and preparing the bags for the teachers. Taught a session on minerals and another session on rocks. Assisted in clean up and packing up of trucks and classrooms after the lessons were over. Accompanied the teachers on the day field trip to the EP Minerals and McClelland labs in Sparks.
13. Reviewed work completed by the interns during previous weeks. Found mistakes and flagged them for correction as needed.

14. Received information from a friend who was in the Rockland mine area in the Pine Grove Mountains south of Yerington about an adit that was being frequented by locals and ATV enthusiasts. The fence was reported to be in need of repair and there was concern for the amount of people entering and exploring the adit. Found and identified the site as LY-0757 and compiled maps and photos so that EPS could travel out to the site and assess the amount of work that needed to be completed as well as accessibility issues. Informed Ken Mass of the site – he is interested in working towards a more permanent closure.

AML / PUBLIC AWARENESS - SOUTH (BILL)

1. Work on 2011 AML report.
2. Conducted AML claim research for sites visited in Esmeralda and White Pine Counties.
3. Participated in the bi-monthly progress report conference call for the BLM/ACOE/BOR AML closure projects – Lincoln and White Pine Counties. The Bureau of Reclamation crew is anticipated to continue closure work in Lincoln County (SNPLMA Round 7 funding) in August.
4. Conducted re-visits to AML sites located on the Tonopah Historic Mining Park. Assessed the sites for potential new fencing.
5. Assisted claimants and property owners calling or e-mailing with questions on AML notification letters.
6. Participated in the “Camp Corridor” summer program at Old Mormon Fort State Park. Presented minerals and commodities, Nevada mining-past and present, “Birdseed Mining” and AML for 25 children and adults (one presentation – 25 people).
7. Collected apache tears from the Coaldale area in Esmeralda County and mica schist near Beatty.
8. Completed prep of mineral and rock samples for Reno teacher workshop kits.
9. Participated in the 28th Annual Northern Nevada Earth Science Education Workshop for teachers in Reno. Assisted with workshop set-up activities, coordinated teacher registration and credit, taught four hands-on activity sessions, assisted with the Virginia City workshop tour, assisted with tear-down.
10. Completed and mailed credit certificates for all teachers taking the 28th annual workshop for Department of Education credit.

GEOHERMAL (LOWELL)

1. Completed review of ORNI 32 LLC’s (Ormat Nevada) Dixie Hope 11-17 observation well. The proposed total depth of the well is 4,000 feet. Waiting on BLM approval.
2. Completed review of ORNI 32 LLC’s (Ormat Nevada) Dixie Hope 11A-17 production well. The proposed total depth of the well is 9,500 feet. Waiting on BLM approval.
3. Reviewed Enel North America’s sundry notice for well maintenance line in the Stillwater 13A-6 production well. Alan approved.
4. Reviewed Enel North America’s sundry notice to repair or replace the pump in the Stillwater 13A-6 production well. Alan approved.
5. After receiving permit fee, reviewed ORNI 32 LLC’s (Ormat Nevada) Dixie Hope TG 22A-8 permit application and drilling program with Alan. The proposed total depth of the hole is 1,000 feet. Alan approved.

6. After receiving permit fee, reviewed ORNI 32 LLC's (Ormat Nevada) Dixie Hope TG 22B-8 permit application and drilling program with Alan. The proposed total depth of the hole is 1,000 feet. Alan approved.
7. After receiving permit fee, reviewed ORNI 32 LLC's (Ormat Nevada) Dixie Hope TG 86-7 permit application and drilling program with Alan. The proposed total depth of the hole is 1,000 feet. Alan approved.
8. Reviewed HSS II's permit application and drilling program for the Tuscarora 35-8 observation well. The proposed total depth is 3,500 feet. Alan approved.
9. Reviewed Terra-Gen's sundry notice for their proposed procedure to plug and abandon the 46-22 observation well in the Dixie Valley Coyote Canyon area. Received BLM notification of approval. Alan approved.
10. Wells drilling: Gradient Resources Patua 21-19 ST1; ORNI 32 Dixie Hope TG 22B-8 core hole.

OIL AND GAS (LOWELL)

1. Reviewed Tri Valley's proposed plug and abandonment program for the Midland Trail 1-32 well in Railroad Valley. The well has a total depth of 7063 feet. Four cement plugs are proposed for the abandonment. Waiting on BLM approval.
2. Reviewed Andromeda Oil LLC's permit application and drilling program for the Tomera Ranch 4 well. The proposed total depth of the well is 2,200 feet. Alan approved.
3. Reviewed Andromeda Oil LLC's permit application and drilling program for the Tomera Ranch 5 well. The proposed total depth of the well is 2,400 feet. Alan approved.
4. Reviewed Andromeda Oil LLC's permit application and drilling program for the Tomera Ranch 6 well. The proposed total depth of the well is 1,600 feet. Alan approved.
5. Reviewed Wesco Operating (Kirkwood Oil and Gas) sundry to workover injection string and packers in the Eagle Springs 84-35 injection well. Russ Land (UIC) and the BLM approved the procedure. Alan approved.
6. Reviewed Wesco Operating (Kirkwood Oil and Gas) sundry to workover injection string and packer in the Eagle Springs 81-35 injection well. Russ Land (UIC) and the BLM approved the procedure. Alan approved.
7. Began reviewing the Department of Interior/BLM proposed hydraulic fracturing 'rules'. Also reviewed other States and energy groups draft responses to the proposed regulations. A common thread in the draft responses is that the BLM is proposing rules, or regulations, that the States already have in force, creating increased paperwork for the operators, as well as possible additional time delays related to BLM approval.
8. Drilling/Completion: No wells active at this time. Major Oil notified NDOM and the BLM on July 27th of their intention to start testing operations at the Eblana 1 well in Hot Creek Valley by the third week of August.

OTHER (LOWELL)

1. Attended Governor Sandoval's Greater Sage Grouse Advisory Committee meeting on Monday, July 2nd. The meeting covered reviews of the Idaho and Wyoming sage grouse plans that have been implemented, as well as preliminary discussions of potentially prime sage grouse habitat in Nevada. NDOW's mapping to date is more of a broad-brush mapping of lek concentration. Continued field checking by local working groups in affected counties is needed to better define where the sage grouse actually are located.

2. Attended Governor Sandoval's Greater Sage Grouse Task Force committee meeting via the internet on Thursday, July 12th. Habitat management, identification, and mitigation were discussed. Local working groups continuing to field check NDOW suggested habitat, where mapping committee is updating maps with information.
3. Alan, John, and I met with BJ Selinder, Interim Churchill County Manager, and Eleanor Lockwood, Churchill County Planning Director. The meeting was requested by Churchill County to discuss the County's proposed geothermal regulations. We informed BJ and Eleanor that the proposed regulations concerning exploratory and development geothermal drilling were already covered by Nevada statutes and/or regulations through NDOM, NDEP, or DWR. Churchill County would like to meet with representatives from NDEP and DWR in the near future.
4. Attended Governor Sandoval's Greater Sage Grouse Task Force committee meeting via the internet on Wednesday, July 25th. The meeting concentrated on refining the proposed draft to Governor Sandoval concerning Nevada's plan for sage grouse habitat management strategy, utilizing location information of current leks and nesting areas through the input of local working groups.