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**ALAN R. COYNER**  
**Administrator**

## ACTIVITY AND ACHIEVEMENTS REPORT FOR JULY, 2006

### ADMINISTRATION

1. Met with the summer interns concerning workplace issues.
2. Completed the submittal to the Mackay School of Earth Sciences and Engineering concerning the AML hazards on the Paul Bible patented claims near Eureka.
3. Submitted the plan for corrective action in response to the LCB audit to the Department of Administration.
4. Met with USFS and SHPO concerning AML hazards on USFS lands.
5. Visited Nevada Geothermal Partners project at Blue Mountain near Winnemucca.
6. Attended, with Commissioner Fagan and Christy Morris, the Nevada Geothermal Council meeting in Reno.
7. Delivered Victorine mine maps to NBMG for scanning and archiving.
8. Discussed the U.S. Gold bond expansion at Tonkin Springs with Rich Hoops, acting DSD Minerals at BLM to determine cause for adjudication delay.

### RECLAMATION BOND POOL

1. Issued notice level bonds for Ventura Gold and Western Energy Development Corp.
2. Initiated the partial release of The Doe Run Resources' notice level bond.
3. Spoke with Larry Creek of Specialty Clays Corp. and prepared papers for termination of their bond.
4. Spoke with Paul Muto about the bond pool.
5. Worked on bond pool expenses for FY-06 and a bond pool budget for FY-07.
6. Issued notice level bonds for BH Minerals USA, and Tonkin Springs LLC.
7. Spoke with Connie Davis at NDEP about bonding.
8. Spoke with John Unverzagt (equipment broker) about the status of the Pallas Resource bankruptcy proceedings and the Gooseberry Mine. The U.S. Trustee is seeking to either dismiss the case or convert it to a Chapter 7. The hearing is scheduled for August 9.
9. Issued 3 notice level bonds for Piedmont Mining Company, White Knight Gold (US), and Fortune River Resources.
10. Issued 2 new notice level bonds for Galway Resources and Bravo Alaska, Inc.
11. Sent e-mail instructions to Alan Holmes in England to wire money on behalf of Specialty Clays bond pool premiums. The payment was made, and Specialty Clays is now current.
12. Spoke with Green Castle Limited USA, and Idaho General Mines about future notice level bonds.
13. Received a notice from the BLM that AuEx, Inc.'s reclamation had been reduced by \$167,500.00. Sent instructions to the Controller's Office to issue AuEx, Inc. a refund check for their partial deposit and unused premium.
14. Worked on the bond pool budget for FY-07.

15. Received a demand letter from BLM for \$34,000.00 for Combined Metals Reduction Company's terminated reclamation bond.

#### MINING AND LAND USE ISSUES

1. Called and e-mailed Barrick about exploration survey.
2. Made calls to prospective Summer Intern replacements.
3. Prepared report on annual medallion royalty and submitted it to Dept. of Administration.
4. Interviewed 2 replacement Summer Interns.
5. Worked on the text for the Major Mines booklet.
6. Began a review of the proposals received for the MacArthur Mine reclamation project. Three proposals were received. The selection committee will formally meet July 25.
7. Spent 3 days in the field with the Summer Interns securing and logging AML sites in the Lida (Esmeralda County) vicinity.
8. Sent text portion of Major Mines booklet to Dick Meeuwig at NBMG.
9. Attended the Nevada Miners & Prospectors Association meeting in Reno.
10. Made a final review of the Major Mines booklet. It is at the printer now.
11. Applied for a complimentary booth at the 2008 Las Vegas Mine Expo. NDOM hopes to have its booth next to the Mackay School of Sciences & Engineering, NBMG, and the Association of American State Geologists.
12. Hosted the selection committee meeting for the MacArthur Mine reclamation contract. Three proposals were received. All 3 bids exceeded the amount of money available. The front runner at this point is American Asphalt & Paving. Negotiations will be required to reduce the price and/or modify the scope of work.

#### AML / PUBLIC AWARENESS – NORTH

1. Prepared rocks and minerals for inclusion in rock and mineral kits for Teachers Workshop in August.
2. Assisted and reviewed report prepared by summer interns summarizing their findings on the Paul Bible patented mining claims in Eureka County.
3. Summer interns completed their seventh week performing tasks around the office, preparing the above mentioned report, prepping materials for the Teachers Workshop and preparing vehicles for next week's planned securing work in Downeyville.
4. Assisted with the retrieval of two agency vehicles stuck in sand while performing AML work on Hot Springs Mountain south of Carson City.
5. Met with representatives from USFS and SHPO to streamline the approval process required in order to secure orphan hazards on public lands managed by the USFS. An amendment to the existing programmatic agreement between the three agencies was discussed that could vastly increase NDOM's ability and efficiency to secure orphans.
6. Responded to questions from claimant Platte River Gold regarding letter they received from NDOM about a recently logged hazard located on their claim.
7. Received inquiry for AML fencing project from another Boy Scout.
8. Received a request for AML presentation to the Reno Gem and Mineral Society members at their August meeting.
9. Summer interns completed their eighth week; securing 19 hazards, posting temporary signs at seven additional hazards, and identifying 34 new hazards and 160 non-hazards, all in northern Nye County. All hazard identification is now complete on the state-owned patents in Downeyville, north of Gabbs. All but seven hazards have been secured with fencing. In order to secure these remaining hazards, more permanent closure methods will need to be considered.

10. Communicated with scout Robbie Ayers about possible dates for his fencing project northeast of Washoe Lake; now planned for August 20<sup>th</sup>.
11. Contacted by Kavika Fisher, in Fallon, regarding AML as a suitable Eagle service award project for his son Kai, age 14. Letter and informational packet sent to Kai by mail.
12. Spoke with Elaine Ezra (TerraSpectra) and Jeryl Gardner (NDEP) regarding next week's AML GIS demonstration.
13. Created Teachers Workshop flyer highlighting Carl Wikstrom's contributions to mining and minerals education on behalf of NDOM, NBMG, and NvMA. The flyer will be used as a cover for the binders and be provided to all the teachers. This summer's workshop is dedicated to him.
14. Attended Education Committee meeting at WNCC to visit facilities and plan next month's workshop.
15. Provided a digital copy of the "Cultural Resource Avoidance Certification" BLM form to Fred Frampton (USFS) for review and comment. Fred added two USFS references but kept form otherwise intact and will pursue the use of it as part of our on-going efforts to streamline the orphan securing process on lands managed by USFS.
16. Received call from Steve Tognoli, Mason Valley Fire Protection District Chief, regarding recent fires from two local abandoned mines and requesting a visit. The Blue Jay, Copper Ridge and Bluestone minesites were visited. Two previously identified hazards, both on patented mining claims, are being utilized for the dumping of household trash and burning of vehicles and other debris. Neither hazard is appropriately secured. Information regarding the hazards and their claim ownership was provided to Mr. Tognoli. He plans to discuss better securing options with the owners and the County Commission. Letters will be sent to the claim owners updating them on the recent activity and reminding them of their responsibility to secure these hazards.
17. One Lyon County mine feature reported as a hazard by BLM-CC was visited and found to be a non-hazard.
18. Attended a meeting with TerraSpectra, ACOE, NDEP and NDOM to review the AML GIS project, its scope, progress, and plans. A thorough review of TerraSpectra's work to date was provided by Elaine Ezra, President. A demo of the project's capabilities (using Clark County as an example) was requested to be shown at the upcoming Commission Meeting in Elko. To date, ~75% of all of NDOM's "working" topo maps containing logged hazards have been scanned, ~50% have been geo-referenced, and ~15% of the completed digital topo quads have been QA/QC'd by DOM staff. The AML GIS Project is scheduled to be complete and deliverable to NDOM by late-September.
19. Edited Teachers Workshop activity "Just Drill It" to include all appropriate units.
20. Delivered 4 "Danger – Unsafe Mine" signs to Ron Cobb, realtor for Chalk Bluff property owners, to complete the securing of three hazards.
21. Planned next week's work for summer interns in Nye County. Spoke with Tinker Fannin, Round Mountain Gold, to arrange mine tour for interns.
22. Summer interns completed their ninth week, securing 24 hazards, logging 34 new hazards and 171 non-hazards in Esmeralda County and logging and securing 1 new hazard in Mineral County.
23. The historic site of Downeyville, north of Gabbs, was visited to review status of hazards and securings on State-owned patented claims and collect mineral specimens for upcoming Teachers Workshop. Two additional hazards and one non-hazard were logged.
24. A reconnaissance trip of several unsecured hazards in Washoe County was made with Boy Scout, Andy Haskin. Met with Boy Scout, Mitch Benning, to sign his completed

- Eagle Service Award Project. Spoke with two other Boy Scouts to confirm dates and times of upcoming fencing projects.
25. Communicated with Fran Hull, BLM-CC, regarding hazards she has visited recently in Lyon County while reviewing trails for several upcoming off-road races.
  26. Received call from claimant, Bruce Ellithorpe, wishing to have an additional time to secure a minimal hazard on his patented mining claim in Washoe County. Permission is required from the Pyramid Lake Paiute Tribe to gain access, he's in poor health and he lives in Las Vegas. He was informed that there are a number of nearby orphans which are slated for securing in August and NDOM should be able to secure his hazard at that time as well. He will be notified if/when securing is completed.
  27. Sent the last batch of original topo maps to TerraSpectra for scanning.
  28. A clean set of topographic maps covering Yerington and the Mason Valley region were sent to Steve Tognoli, Mason Valley Fire Protection District, as requested.
  29. Emailed several pictures of this summer's interns working in the field to Liz Ball for use in a magazine article she is preparing.
  30. Reviewed, organized, and edited previous week's work by interns.
  31. The summer interns completed their tenth week, securing 13 hazards in Esmeralda County and logging 12 new hazards and 40 non-hazards in Nye County. The interns were fortunate to be given a 4-hour tour of the Round Mountain Mine; many thanks to Tinker Fannin and Richard Musselman (Round Mountain Gold).

#### AML / PUBLIC AWARENESS – SOUTH

1. Presented minerals and their uses, birdseed mining and AML to 2 groups of 1st graders at Sue Morrow Elementary School in Henderson (two presentations - 105 students).
2. Reviewed the transcript of the deposition given June 5 in the case of Robert Lord vs. Argentina Consolidated Mining Company (AML incident of October 2002 involving the scavenger hunt group). Corrections were made and forwarded to the deposition recorder.
3. Prepared copies of hazard inventory sheets and topographic maps for Clark County Round 5 AML sites on USFS and NPS-managed lands. The information will be provided to the contract archaeologists and biologists when they arrive to begin field surveys.
4. Garnet, quartz, rhyolite, sandstone, quartzite and marble samples were prepared for use in mineral and rock kits for the August 9-11 Carson City teacher workshop.
5. Conducted research through the Clark County Assessor website to determine ownership of patented claims in the vicinity of the proposed Yellow Pine Rail Trail. NDOM's participation in this project is to advise the Rail Trail Committee on AML issues, assist in the development of "Stay Out and Stay Alive" themed materials for the planned Rail Trail informational kiosks and visitor's center, and to apprise the Committee of land ownership situations that could impact or alter the project.
6. Presented minerals and their uses, birdseed mining and AML to 3rd graders at Sue Morrow Elementary School in Henderson. (one presentation - 42 students)
7. Preparing handout materials for grade level 4-5 concurrent sessions at Carson City teacher's workshop.
8. Attended the Nevada Mining Association Education Committee meeting held at Western Nevada Community College in Carson City. This is the final meeting before the August 9-11 teacher workshop. The meeting included a walk-through of facilities and a review of final workshop details.
9. Met with Terra-Spectra Geomatics staff to review the GIS work completed to-date on Clark County AML data.

10. Barite and limestone samples were prepared for use in mineral and rock kits for the August 9-11 Carson City teacher workshop.
11. Met with Yellow Pine Rail Trail Committee members Donn and Mary Blake and National Park Service project facilitator Liz Smith-Incer (via phone) to discuss a number of elements regarding the Yellow Pine Rail Trail.
12. An Eagle Scout project package was sent out to Shane Palmer (#74) for securing 5 hazards in Clark County.
13. Collected limestone and barite from the Goodsprings area for teacher workshop rock and mineral kits.
14. Collected GPS data for a cluster of mine sites in the Goodsprings area questioned by TerraSpectra in their work on the Division's AML GIS system development process.
15. Attended a presentation in Carson City with NDOM and NDEP personnel by Terra Spectra staff who provided an overview of the process and status of development of the Division's AML GIS system. Work completed in Clark County was highlighted.
16. Participated in the monthly Clark County SNPLMA conference call. Las Vegas office staff have prepared maps and copies of hazard inventory sheets for distribution to contractors who will conduct cultural and biological resource surveys for 330 AML sites in Clark County. A tour of selected Clark County AML sites will be led by Chief-SNO on July 26 for U.S. Army Corps of Engineers and BLM personnel.
17. Las Vegas office staff are revising and preparing materials for the Carson City mineral education conference for teachers.
18. Was notified by a concerned citizen of badly vandalized fences at 5 AML sites near Blue Diamond. Three are interconnected and were the scene of three injury incidents occurring in 1996, 1998, and 2004. The hazards are on unpatented claims. A site visit revealed fences in poor condition, no warning signs present and extensive trash dumping. An owner notification package is in progress. Extensive development is within a quarter mile of the hazards, including a new school under construction.
19. Sent a notification letter to claimants who have five badly vandalized AML sites near Blue Diamond.
20. Prepared gold ore samples for Carson City teacher workshop.
21. Las Vegas office staff worked on teacher workshop materials (signs, handout materials, activity session materials for grade level 4-5).
22. Led a field trip to the Nelson and Searchlight area with Chris Ross, Nevada BLM AML lead and Kim Mulhern of the Army Corps of Engineers to observe a variety of the 330 AML sites that will be surveyed for cultural and biological resources funded under SNPLMA Round 5. The Army Corps of Engineers received the Round 5 Funds and has hired the contractors who will undertake the surveys.
23. A report on the activities of the Southern Nevada office is being prepared for the August 17 Commission meeting.

#### OIL AND GAS

1. **Tierra Nevada** Sage 1 well drilling ahead with Equipment 2000 rig.
2. Reviewed Foreland refinery's discharge permit draft. No comments.
3. Notice of change of owner of Cobble Cuesta well to Empire Petroleum. Require revised paperwork to proceed.
4. Deerfield 1-34 rework done, well on line. Requested backup materials.
5. **Tierra Nevada** Sage 1 well drilling ahead with Equipment 2000 rig. Reviewed application for Golden Eye well. Review complete, no changes required.
6. **Neuhaus** entered Current Creek 31-1 well, deepen to 2500', requested paperwork. M.Tyler monitoring on site.

7. Went on the Nevada Petroleum Society field trip, took the scenic route from Delta to Tonapah.
8. Neuhaus Current Creek 31-1 placed in temporary abandonment for 30 days pending availability of rig for P&A.
9. Coordinating with Ely BLM on land issue in Eureka County, North Willow Creek Field
10. Coordinating with Ely BLM and NDEP on injection issue, Blackburn Field, Eureka County
11. Received NOI, **Mr. Borgna** on reopening oil well in Churchill County,
12. Received Application to Drill, **Eagle Exploration**, White Pine County. Reviewed and approved program.
13. Tierra Nevada, Sage 1, drilling ahead. Golden Eye drilling application review complete, ready for approval.

#### GEOTHERMAL

1. **Nevada Geothermal Power** drilling ahead with Calco rig on 26A-14. WDC rig setting surface casing on 66-14. Mighty Moe auger rig setting conductor on 38-14 and 34-23.
2. Worked with BLM and Bureau of Reclamation to move forward on three geothermal leases in the Carson Lake area.
3. Provided input on drilling activity to Ormat for their US Senate Testimony.
4. Coordinating with Cayley Geothermal on direct use permitting.
5. Coordinating with TG Power on drilling bond for Tuscarora.
6. Visit to **Nevada Geothermal Power** site. Drilling ahead with Calco rig on 26A-14 after rig repairs. WDC rig setting surface casing on 66-14. Received hard copy sundry for conductor, BOPE, and surface casing changes. Approved and sent.
7. Visit to **Ormat** Desert Peak II geothermal plant. Sundries approved for pump replacement at Steamboat Complex.
8. Reviewed and approved application for a domestic well heat pump system in Pahrump.
9. Approved sundry for Dixie Valley well cleanout.
10. Received completion reports for Nevada Geothermal Power, TG 7 and 12. Drilling ahead on 26A-14 and 66-14.
11. Registered for Geothermal Resource Council annual meeting, Sept. 06.