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**ALAN R. COYNER**  
Administrator

ACTIVITY AND ACHIEVEMENTS  
JULY, 2007

**ADMINISTRATION**

1. Met with Dirk Van Zyl to discuss a proposed paper on the growth in reclamation bonding in Nevada and the factors that have affected the growth.
2. Met with the new geothermal commissioner John Snow and updated him about current NDOM activities. Announced Commissioner Snow's appointment to the geothermal community via the Nevada Geothermal Council.
3. Answered questions from Chris Ross BLM concerning an inquiry by BLM auditors about the NDOM AML program.
4. Investigated possible mining fraud concerning El Capitan Precious Metals and MCHT.
5. Met with Art Wilson concerning issues the state water engineer has with the main supply well for the Adams Claim gypsum mine in Moundhouse.
6. Executed the agreement with the UNR Office of Sponsored Projects concerning the \$100,000 grant for the NBMG GBSSRL.
7. Resent request for nominations for 2007 Nevada Excellence in Mine Reclamation Awards.
8. Met with Steve Salzman, BLM Washington Office, concerning the Programmatic Environmental Impact Statement for geothermal.
9. Assisted Cody Hyman of Gardnerville with employment possibilities in oil and gas and geothermal drilling.
10. Assisted Bill Wahl of IMV Nevada with NDEP air permit requirements.
11. Hired Paul Buffington of Winnemucca as an AML Field Specialist for NDOM.
12. Provided comments to the Governor's Office concerning HR 2262, The Hardrock Mining and Reclamation Act of 2007.
13. Facilitated the CMR meeting held in Eureka, Nevada.
14. Met with the USACE representatives to discuss GIS hardware options.

**RECLAMATION BOND POOL**

1. Issued notice level bonds for Molycor Gold Corp., Redstar Gold USA, General Metals Corp., Cordex Exploration, Cypress Development, and Ammex Gold Mining.
2. Worked on the Bond Pool budget for FY-08.
3. Figured out the administrative expenses for the Bond Pool for FY-07.
4. Sent out 3 late notices for bond pool payments.

**MINING, LAND AND OTHER ISSUES**

1. Reviewed NBMG's Mining Claim Procedures for Nevada Prospectors and Miners.
2. Toured Art Wilson Company's gypsum mine and plant.
3. Investigated the southwest rim of the Loring Pit, west of the 4<sup>th</sup> Ward School in Virginia City with Alan and Mike. Two vehicles have gone over the edge of the pit recently, one incident resulting in a fatality.

4. Helped Wanda with the work program to accept the money from SNPLMA for the Clark County AML inventory work.
5. Attended the CMR meeting in Eureka and toured Barrick's Ruby Hill Mine.
6. Worked on compiling Nevada gold reserves.

#### **AML / PUBLIC AWARENESS – NORTH**

1. The interns completed their seventh week with 3 securings, 18 re-visits (with 6 repairs), 17 new hazards and 128 non-hazards logged in Storey and Lyon counties. The emphasis for the week was on sites easily accessible or visible from the highways, or the proposed V&T railroad route, between Virginia City and Silver City.
2. Logged four new hazards and 20 non-hazards in Esmeralda County.
3. Summer interns completed their ninth week, securing 35 hazards, and logging 13 new hazards and 15 non-hazards in Nye County.
4. The summer interns completed their tenth week, securing 19 hazards, logging 27 new hazards and 26 non-hazards in Eureka County. In addition, they attended the CMR meeting and toured Barrick's Ruby Hill Mine.
5. Communicated with claimant Joe Nicholls regarding 13 unsecured hazards on claims near Lida. Reportedly, his claims have been optioned and the new interests will perform the required securing work soon. At his request a map showing the hazard locations in better detail than our field map was sent to him via email.
6. Located the access road and site above the Loring Pit (Virginia City) where two incidents have occurred in the last 5 weeks. In both cases, the drivers accessed an old exploration drill road on private property above the pit and got into precarious situations. The road could be bermed or otherwise made inaccessible by the owner. A letter requesting action will be sent.
7. Several proposed backfill sites at Jumbo were re-visited with archeologist Liz Lane (BLM-CC) and found to have been filled in by previous exploration work and will be dropped from the backfill list. We also toured the Painted Rock hazards west of Wadsworth as these will be proposed for backfill in 2008.
8. Spoke with Jerry Buzzard, Washoe County Parks, regarding the backfills proposed at Jumbo Grade near where Park Rangers provide a walking tour. They fully support our efforts and the hike doesn't go far enough up the grade to pose a risk from AML. Wayne Keysor, District Ranger, gave permission to use the large gravel parking lot at the trailhead as a load-out and staging area for our backfill program in September.
9. Provided a tour of the Ruhenstroth hazards proposed for backfill to Chris Ross and Bob Kelso (BLM-NSO).
10. All biological data from the pre-closure surveys at Downeyville was provided by NDOW and will be used to update the closure list for use by Coeur in completing their SEP.
11. Geotemps contractor Danielle Villa completed the ownership research for all unsecured, logged hazards in Pershing County as well as performing some AML database entry work.
12. Assisted with planning and implementation of bat blitz in Tonopah. For three nights an average of 20 people from NDOW, NDOM, USFS, Park Service and BLM performed external bat surveys on 41 abandoned mine hazards near Lida and Gold Point proposed for backfill later this year. NightVision binoculars and video cameras outfitted with auxiliary infrared lamps were used to assist in the counting and recording of bat use. During the day, videos recorded the previous night were analyzed for bat use and another team performed downhole closed circuit camera surveys to assist in the analysis of bat habitat. After reviewing all the data, NDOW will make closure recommendations. Approximately 40 sites were already recommended for backfill after the preliminary site surveys in June.
13. Communicated with Ken Maas (USFS) regarding status of this summer's AML work on FS land and priority for closures.

14. Communicated with Boy Scout, Casey Sylvester, regarding AML Eagle Project near Lovelock.
15. Assisted Boy Scout, Paul Herget, and his work crew with the completion of his Eagle Service Award project; five hazards were fenced in Washoe County.
16. Toured, along with the interns, Art Wilson's gypsum mine and facilities.
17. Spoke with Arlene Flanigan at the 4<sup>th</sup> Ward School regarding progress on the Stay Out, Stay Alive exhibit. She said that work was underway but that Barbara Mackey was on vacation for three weeks and she would have Barbara provide a more detailed update upon her return.
18. Requested Richard Musselman (Round Mountain Gold) provide a tour for the six interns. Past interns Garret Schult and Marcie Purkey will also be available to help out on the tour.
19. A meeting to discuss the AML GIS program was held with NDOM staff and Brian Jordan (ACOE), David Brickey (TerraSpectra), Mike Gibbs (ECO and Associates) and Martha Bullock (ACOE). Several versions of database web-implementation were reviewed to demonstrate how the AML database might be more efficiently managed and shared. The ACOE is proposing to begin work on all Clark County data so that the process of data acquisition and management could be tested when the Nevada Conservation Corps begins work on the SNPLMA contract to complete inventory work on the remaining hazards in Clark County, set to start sometime in October. TerraSpectra will provide technical support and begin field testing of the GeoExplorer XT handheld GIS/GPS unit to assess its worthiness to the program.
20. The large format plotter was assembled and hooked up to the office network.
21. 36 images of mining activity in Nevada were supplied for use in the Major Mines 2006.
22. Provided an AML presentation to 96 people at the Reno Gem and Mineral Society's monthly meeting (one presentation – 96 people).
23. Assisted NvMA with their paver activity for school kids and distributed "Stay Out, Stay Alive" literature and stickers to the 120 children and parents (one presentation – 120 people).

#### **AML / PUBLIC AWARENESS – SOUTH**

1. The summer intern crew spent their ninth week in Lincoln County. Thirteen orphan hazards were secured in the Worthington Peak area. Inventory work was conducted in the Delamar area of central Lincoln County.
2. Investigated and ranked 8 hazards in Esmeralda County; logged 48 non-hazards in Esmeralda County and 2 in Nye County.
3. Participated in the Lida/Gold Point "Bat Blitz" in Esmeralda County. Over 40 "orphan" sites were surveyed for bats using infrared cameras, down-hole video and night vision scopes. Determinations will be made from the surveys regarding suitability for backfilling or bat-compatible closure.
4. Field checks were performed to verify the locations of 17 AML hazards originally investigated and ranked in 1989 south of Gold Point – Esmeralda County. 13 sites were visited, GPS coordinates taken and locations plotted; the other 4 were located late on the last field day – future visit needed.
5. Participated in the monthly Clark County AML SNPLMA program progress report conference call.
6. Copper ore was collected at Green's Camp in Esmeralda County for future teacher workshop mineral kits.
7. Calcite, garnet and quartz samples were collected from various locations in Lincoln County for teacher workshop mineral kits.
8. Prepped mineral and rock samples for the Elko teacher workshop including barite, garnet, quartz, sulfur, rhyolite, basalt, gabbro, sandstone, limestone, schist, quartzite, and marble.

9. Completed a PowerPoint presentation on mining claim procedures and AML and presented it at the July 21 meeting of the Pahrump chapter of the Gold Prospectors Association of America (GPAA) (one presentation – 60 people).
10. Attended the CMR meeting in Eureka and toured the Ruby Hill Mine.
11. Attended a meeting on the AML GIS project in Carson City with other NDOM staff.
12. Worked on education materials and activity sessions for the Elko teacher workshop.

## **GEOHERMAL**

1. Ormat, flow testing 44A-6, Steamboat hills production well.
2. TG Power, drilling ahead on 72-8 production well, Tuscarora. Reported on site accident, employee treated and released, OSHA report filed. TG Power, Tuscarora project, drilling ahead on 72-8. Approved program for flow test of 65-8. Crew and equipment sent to help fight a local wildfire. Testing well 65-8.
3. Nevada Geothermal Power completed drilling 38-14 production well, evaluating.
4. Truckee Geothermal, mobbing in Lang rig on Big Smokey project area, 54-9 production well. Production well was spudded.
5. Received and reviewed three apds for injection wells, ENEL, Stillwater project. Returned to operator for program revision. Received revised program for three injection wells at Stillwater. Reviewing.
6. BLM has announced the joint competitive lease sale for NV and CA. There are 43 parcels, 122,849 acres offered in NV and 6 parcels, 2710 acres in CA.
7. Ormat Steamboat Hills, TD'd production well 44A-32, flow testing. Approved acid job on 23-5 production well. Approved sundry for workover of 42-32 production well. Received completion report and logs for 83b-6. Approved push/pull on SB PW 2-1. Five production well drilling applications for Jersey Valley approved. Ormat drilling ahead on well 44A-32. Testing well 86B. Workover in progress on injection well 42-32.
8. Nevada Geothermal Power, Blue Mt project, preparing to spud production well 23-14. Reviewing disposition of 38-14.
9. Received change in company name and transfer of well for Cayley Geothermal to Sierra Geothermal.
10. Vulcan Power completed setting conductor in nine observation wells in the Carson Lakes project. Mobbed in Rocket DrillCo rig 2 for deeper drilling on 86-15, set conductors on 86-15, 31-14, 56-14, 47-11, 62-15, 53-9, project area permit public notice completed. One verbal comment received. Approved.
11. Received the OIT GeoHeat Center final report for the DOE Task Order Agreement for GRID's Hazen project.
12. Provided information to the State of Idaho on how federal funds received from geothermal leasing and royalties are distributed in NV. Idaho for the first time is looking at a substantial amount of money from federal revenue from a small number of federal geothermal leases auctioned in June.
13. Approved three sundry notices for push-pull well maintenance at Steamboat.
14. Truckee Geothermal mobbing in Layne Rig for production well 68-04. Set conductor.
15. Met with G.Johnson DSD BLM on problems with geothermal permitting. He will be the guest at the NGC luncheon on August 2 to discuss this issue with industry.
16. Invited to speak at the Las Vegas Futurist monthly meeting in November to speak on geothermal potential in NV. The group is composed of academics and business people interested in technological advances.
17. Attended BLM Geothermal PEIS public scoping. State will provide potential and restriction maps to help expedite their efforts.

18. Raser Technologies, project area permit for Trail Canyon, Big Smokey Valley. Out for public notice. Received activity reports and rig information from Truckee Geothermal, still rigging up. Truckee Geothermal project area notice period complete, no comments received. Approved.

## **OIL AND GAS**

1. Submitted information to World Oil Reporter for 1<sup>st</sup> half of 07.
2. PXP, drilling ahead on Pluto 27-1, ~7500'.
3. Received and review program for workover on Toano Draw 15-19. Waiting for BLM review. Approved containment program on Toano Draw 15-19, approved workover program for DY Exploration.
4. EOG Resources, mobbing in True #9 rig, for ORG 1-7 gas well, and spudded, drilling ahead. Received cementing and test records from EOG Resources, ORG 1 well.
5. Received adequate commitment to finalize work on the Current Creek 31-1 well from Neuhaus Properties. Approved APD for 17-1 well in Elko County.
6. Trail Mountain's application for Palisades #1, reviewed and sent for approval.
7. Sent a message to Meritage to do some fire hazard cleanup at the North Willow Creek site. Weeds and open electrical box pose a potential hazard.
8. Plugging of Neuhaus' Tomera Ranch 33-22R completed. Started on 1-5.
9. Meritage sundry notice for reworking Eagle Springs 44-35 and 4-32 approved.

## **OTHER**

1. Edited mailing list and letter for request of information from mining claimants in the Humboldt Toiyabe National Forest as part of the State effort to provide information to the Forest Plan revision. Sent out request for information from mineral claimants within the HTNF.
2. RETF Mineral potential maps with restricted area overlay completed. PDFs will be posted on Senator Reid's website. Interactive map will be posted on the Great Basin Centers website.
3. Met with Hatice Gecol. Given overview of fluid minerals history and activity in the state. Reviewed obstacles in permitting and development.