



JIM GIBBONS
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

November 2009

ADMINISTRATION (ALAN)

1. Presented a summary of mining activity in Nevada to the Legislature's Public Lands Committee in Winnemucca.
2. Met with DAG Robert Kilroy and Lee Ogle of Ogle-Noland Mining to discuss mine permitting issues in Nevada.
3. Met with DAG Robert Kilroy and Mike Visser to discuss AML liability issues.
4. Issued a notice level bond for Quaterra Alaska Copper Canyon project.
5. Spoke with several county managers concerning the possible cessation of geothermal royalty payments to the counties by Dept. of Interior.
6. Provided Barbour Drilling permit information for drilling at Darrough's Hot Springs.
7. Assisted the City of Elko with mining information for their bond offering document.
8. Provided Adella Harding of the Elko Free Press with information on the increase of mining fraud in Nevada.
9. Travelled to the Tonopah area with Jon Price, Dave Gaskin, and Paul Lechler to sample three playas for precious metal content.
10. Completed and published with NBMG a new active mines poster.
11. Received information concerning gold-silver-platinum ores stockpiled at the Black Butte mine near Goldfield.
12. Met with Commissioner Bryan and Kate Berry of the UNR Mackay School Geography Department to discuss support for a mapping project concerning a map atlas that would portray various lands withdrawn from mineral exploration in Nevada.
13. Participated in a conference call with Bruce Jordan (USACE) and contractor Maxfour concerning baseline studies at the American Flats millsite in Virginia City.
14. Attended the monthly conference call of the IOGCC Steering Committee.
15. Attended the scoping meeting for the Salt Wells Energy Projects geothermal EIS.
16. Attended the quarterly meeting of BLM geothermal working group.
17. Attended with Commissioner Bryan, the monthly meeting of the SME Reno chapter.
18. Attended the Nevada Geothermal Council bimonthly meeting.
19. Attended the GSN Symposium committee meeting and monthly GSN meeting.
20. Informed the CMR of the intent of the Division to discontinue the practice of publishing legal notices for geothermal drilling permits.
21. All NDOM employees took their November furlough day resulting in a loss of 80 man hours of work and no impact to the state budget shortfall.

RECLAMATION BOND POOL (DOUG)

1. Issued a notice level bond for Icon Industries.
2. Worked on invoices for the participants on a December premium schedule.

MINING, LAND AND OTHER ISSUES (DOUG)

1. Worked on a contract amendment for Environmental Protection Services (the AML revisit contract).

AML / PUBLIC AWARENESS - NORTH (MIKE)

1. Completed hazard inventory sheets, plotted corresponding location, archived photographs, and completed ownership research of five new hazards identified by Katie Miller (NDOW) and Ken Maas (USFS) in White Pine County. Updated three other hazards (WP and EL) with revisit information supplied by NDOW and updated ownership information.
2. Jordan Tucker (BLM-NSO) requested and received a spreadsheet of known AML hazards in the Battle Mountain District being considered for hard closure.
3. Performed QA/QC and minor editing to information on revisits conducted this year in AML database.
4. Claimant William Carter requested and received claim staking procedure information and LR2000 reports for sections near his claims in Lincoln County.
5. A contractor performing AML securing work for Rye Patch Gold called to confirm the necessary documenting requirements for secured hazards.
6. Ken Maas (USFS) provided CD with photo documentation of closure work done this year in Lander and Clark counties.
7. Disposed of 30-40 empty blasting cap shells reported south of Dun Glen in Pershing County. First reported by Mackay student Megan Hanke, all the caps turned out to be empty shells and harmless. The somewhat ominous-looking "trash" initially proved difficult to locate because of tumbleweed cover. Updated GPS coordinates and photographs provided by Megan's father made the task simple and straight-forward. Revisits were conducted on five nearby AML features and 27 non-hazards were inventoried.
8. Met with, and provided information to, contractor Dave Smith regarding bat gate construction in Nevada. His contact information was added to the AML contractors list on our website.
9. Collected two five-gallon buckets of feldspar samples at the Crystal Peak Mine for use in workshop mineral kits.
10. Met with contractor Brian Breiter (EPS) to review the previous month's work in the revisit program. 96 previously secured hazards were revisited in Douglas and Lyon counties; repairs were made to 40. There is \$7,224.90 remaining on the contract, which should fund work through early to mid-December.
11. Entered non-hazard and revisit data from work done last week in Pershing County.
12. Continued with QA/QC and editing of recently scanned AML documentation slides and entry into photo database.
13. Linda completed and submitted the BLM quarterly report BLM-NSO regarding FFYQ4 AML work.
14. Updated and edited statewide bat gate spreadsheet and potential closures spreadsheet with information from USFS and NDOW.
15. Communicated with Tracy Guinand (Nevada Landman's Association) regarding their membership directory to facilitate the hazard ownership research contract.
16. Documentation was received on behalf of Rye Patch Gold for nineteen unsolicited securings in Pershing County. The packet required conversion of all coordinate data, but resulted in 19 new loggings and securings.

17. Claimant James Lenec called to discuss securing plans for hazards on his claims in Humboldt County and concern over the BLM's plan for a trail system on Winnemucca Mountain, the increased traffic over his claims and the associated risks of visitation to AML hazards on his claims. He was provided with contact information for the Winnemucca BLM office so that his concerns are heard and, if possible, addressed.
18. Kelly Mills and Keith Belingheri (Secret Pass Gold) called to provide information on hazard ownership and securing status hazards on their claims in Humboldt County.
19. Participated in a conference call on status of remediation plans for hazards at American Flats (Storey County). Contractor MaxFour is evaluating several options for partial burial-in-place of numerous structures. Final cost estimates for each option should be completed around the end of the year.
20. Ken Maas (USFS-NSO) provided NDOM with additional coordinate and securing information regarding various permanent closures of AML hazards on FS-managed lands in Nevada during 2009. The information was entered into our AML database and other pertinent spreadsheets.
21. Communicated with Scott Hall (Geotemps, Inc.) and contractor Pete Herrera to set-up ownership research at the beginning in Elko County courthouse to begin immediately after approval, on or around November 16th, of the first \$9,999 of the \$25,000 contract.
22. Contractor Pete Herrera began ownership research on AML hazards proposed by BLM for closure in Elko County. He'll continue to work through December doing research on sites in other counties, sites with unknown ownership and updating ownership on sites still listed in our database as unsecured.
23. Provided Geotemps contractor Pete Herrera with specific MT Plat and locational information for various AML hazards in Elko County for updated ownership research while he was working at the Elko County courthouse.
24. Former summer intern Jason Henderson was approached to work part-time over the winter school break entering ownership research data into our AML database. He will be working as a contractor through Geotemps and will start mid-December. Coordinated with Scott Hall (Geotemps) to facilitate his work for us.
25. Provided land status, geological and historical research, and internet links on Millers Tailings (Esmeralda County) west of Tonopah for Bryan Read (Las Vegas). Shea Mining and Milling, LLC is promoting the property and looking for investors in order to re-start the mill and process the existing tailings at the site on private property.
26. Met with Dave Miller (Department of Information Technology) and reviewed TerraSpectra's Scope of Work with regards to Task 1 (planning of web-implementation of AML database). If and when the implementation occurs, prior approval by DoIT is required and a Technology Investment Request (TIR) form packet must be completed. He strongly recommended that I sign up for the TIR Workshop he will teach on November 18th, the day after our meeting with TerraSpectra. Registration was completed with NEATS Training to attend the class.
27. Held a day-long meeting with David Brickey (TerraSpectra Geomatics – LV) and staff to review and discuss the four tasks listed under their Scope of Work agreement with the Army Corps of Engineers (ACOE). Most of the meeting involved a review of our AML procedures and workflow. State IT professionals, Orion Bobo and David Miller, attended part of the meeting and discussed the web-implementation our AML database.
28. Attended a Technology Investment Request (TIR) workshop to better understand the many required documents needed to purchase, or even receive authority to spend funds on, any IT-related project greater than \$50k. After review and discussion with Alan, we

decided to limit (if possible) any additional work on web-implementation (Task 1) and request the ACOE to reinstate Task 3, the evaluation of field equipment and processes to streamline our AML data acquisition and information workflow. We are awaiting a response from the ACOE.

29. Met with scout Jason Groffman (Minden) and his mother to discuss his interest in doing an AML Eagle Scout project. Jason was added as scout #131 to our list of scout projects.
30. Noble Studios requested a variety of mining related images for use in the interactive mining display they are working on for the Fourth Ward School project. A variety of sources were queried, NDOM, NvMA and personal. A "SOSA" flash drive was loaded with over 400 images and provided to them.
31. Assisted Debbie with answers to a citizen's questions on sand and gravel operations and production in Clark County.
32. Made two classroom Rocks/Minerals/AML presentations at the CSA Head Start School, Reno. (2 presentations – 44 people)
33. Attended (via conference call) monthly NvMA Education Committee meeting to continue planning for 2010 Teachers Workshops.
34. Queried and selected a variety of summer intern images for use by Liz Ball in her Mackay presentations. A CD was provided for her use.

AML / GIS (PAUL)

1. Received a call from Megan Hanke's father concerning the possible blasting caps found in the Dun Glen area. Mr. Hanke came into the office to drop off a GPS unit with exact GPS coordinates for the location.
2. Sent an email to Megan Hanke about the possible blasting caps she reported finding in the field and thanked her for her assistance in getting the situation taken care of.
3. Worked on a BLM master list spreadsheet for Katie Miller with the Nevada Department of Wildlife Elko office.
4. Updated hazard ID sheets in the hazard ID binders.
5. Copied revisit photos supplied by Brian Breiter from CD to the AML computer in the Carson City office. Relabeled the photos to the proper format.
6. Mike Visher and I met with the revisit contractor Brian Breiter to discuss how the program is progressing. Collected field data from Brian and used ArcGIS to construct and print out some maps for Brian to use in the field.
7. Received an email from Debbie Lambin concerning her GIS class project on AML hazards that are visible from the V&T railroad route. Returned Debbie's email listing the days that I would be available and in the office to assist her with interpreting the portion of our database I clipped and supplied to her.
8. Worked on updating the hazard ID sheets in the hazard ID binders with the revisit information turned in by Brian Breiter.
9. Worked on querying the NDOM database and preparing the data for ownership research to be done in the Elko County courthouse.
10. Traveled to Elko, NV and met with Katie Miller at the NDOW Elko office. Discussed the proposed hard closure sites in the Contact mining district and supplied field topographic maps to Katie to copy to assist the field work being done by NDOW.
11. Met with Pete Herrera to provide him with maps and paperwork to assist him in Elko County ownership research. Worked with Pete in the recorder's office doing ownership research on the Contact and Blanchard sites north of Wells.

12. Used ArcGIS to query NDOM database to create spreadsheets containing data for the hazards not secured in Lander, Eureka, and Humboldt Counties for Pete Herrera to do ownership research.
13. Pulled topographic maps for Lander, Eureka, and Humboldt counties to assist contractor Pete Herrera doing ownership research on unsecured hazards in these counties.
14. Attended the AML meeting with Mike Visher, David Brickey of Terra Spectra, Dave Miller of DOIT, and Orion Bobo of Division of Industrial Relations.
15. Received email from Liz Lane with Lake Mead Recreational Area on data sharing agreement and copy of their geodatabase. Was not able to receive e-mail with database attached. Liz working on posting it to FTP site so we can download it.

AML / PUBLIC AWARENESS - SOUTH (BILL)

1. Conducted site visit with BOR construction crew to Arden Quarries who will begin work next week repairing vandalized bat gates.
2. Conducted two AML site re-visits in Clark County.
3. Site visits with BLM staff and contract archaeologists to the Cuprite Hills AML sites in Esmeralda County proposed for permanent closure using Federal stimulus funding. Conducted 11 hazard re-visits.
4. AML field investigations, Esmeralda County, in the Devils gate area of the Monte Cristo Range. Investigated and ranked 5 hazards and logged 14 non-hazards.
5. Conducted AML claim research at the Esmeralda County Courthouse.
6. Work on PowerPoint presentation for the November monthly meeting of the Association of Environmental and Engineering Geologists (AEG). AML presentation on the challenges of permanent closures on public lands. Presentation slated for November 10.
7. Made “dry run” and prepared tour log for AEG field trip scheduled for November 14, 2009 to Goodsprings AML sites and Crystal Pass.
8. AML presentation to the Association of Environmental and Engineering Geologists (AEG) – Las Vegas Chapter. (one presentation – 30 attendees).
9. Led field trip for 10 members of the Association of Environmental and Engineering Geologists (AEG) – Las Vegas Chapter. Visited fenced AML hazards and hazards with bat gates and cupolas near Goodsprings. Collected feldspar crystals at Crystal Pass south of Goodsprings. AEG members assisted with repairs to CL-543 shaft fence damaged by the collapse of an old wooden headframe.
10. Investigated and ranked one hazard in Clark County.
11. Attended NDOM GIS database improvement project meeting in Carson City.
12. Signed off on Eagle Scout Mark Boggess’ completed Eagle project package. (Scout #110, Project #96)
13. Prepared Eagle Scout project package for Cody Echler (Scout #128) – Clark County.
14. Reconnaissance site visit conducted for Eagle Scout candidate Carter Crompton (#126). Three hazards south of Nelson, Clark County are proposed for fencing.
15. Attended Nevada Mining Association Education Committee meeting in Reno.
16. Conducted 5 assembly-type presentations of minerals and commodities and AML for 375 7th grade students at Cortney Middle School (5 presentations – 375 children).
17. Conducted “Volcano Making” and “Metamorphic Sandwiches” activities for 8 K-4 students at Innovations International Charter School.
18. Presented minerals and commodities, “Birdseed Mining” and AML for 23 4th grade students at Lewis Rowe Elementary School (one presentation – 23 people).

19. Debbie Selig presented an overview of NDOM programs and AML for 20 education students at Nevada State College, Henderson Campus (one presentation – 20 people).

GEOHERMAL (LOWELL)

1. Reviewed Terra-Gen Dixie Valley sundry notice to replace the wellhead connection on the 37-33 production well from a “T” connection to one with a master valve. Alan approved.
2. Reviewed Nevada Geothermal Power’s request to extend their 47-14 drilling permit for two years. Alan approved, permit will now expire 1/31/2012.
3. Reviewed Nevada Geothermal Power’s sundry notice to change the Blue Mountain 55-15 drilling program. Hole and total depth changes were approved by Alan. Total depth has been extended from 6,000 to 8,000 feet.
4. Reviewed Nevada Geothermal Power’s sundry notice to move the Blue Mountain 98-11 injection well location to the 58-11 drilling location. Sundry notice also called for a drilling program change, where a slimmer hole will be drilled in place of the usual, and larger, industrial injection well. Alan approved.
5. Reviewed Ormat Nevada’s Jersey Valley 87-28RD sundry notice, requesting approval to re-enter the 87-28 well, plug back to approximately 1700 to 1800 feet, and then drill a new directional hole. Alan approved.
6. Informed Don Maggioli, Alares LLC, the 8 inch casing in the VA observation hole would have to be cemented in entirely if the VA wanted to utilize the hole in the future (Alares had proposed to only cement bottom 20 feet of casing). I had previously discussed response to Alares with Russ Land, UIC. I was later informed by Don Maggioli that the entire run of casing (360 to 1225 feet) would be cemented.
7. Worked on geothermal presentation for the Northwest Mining Association annual meeting in early December.
8. Wells drilling: Ormat Nevada McGinness Hills 86-16 production well (5,073’, preparing to drill after successful recovery of fish at bottom of hole); Ormat Nevada Jersey Valley 87-28RD (preparing to plug back for re-drill operation, original hole drilled to 3,045 feet); Nevada Geothermal Blue Mountain 55-15 injection well (177’, drilling); Sierra Geothermal Power Alum 25-29 observation well (2,332’, drilling); Sierra Geothermal Reese River 73-32 TGH (940’, running tubing, preparing to move to 54-35 TGH location).
9. Alan and I attended the Nevada Geothermal Council meeting at Austin’s Restaurant on November 19th. John Casteel, Project Geologist for Nevada Geothermal Power, gave a presentation pertaining to the geology of the Blue Mountain geothermal resource.
10. Reviewed Peppermill #9 production well permit application and drilling program. Discussed drilling program with Russ Land, UIC, due to the potential the proposed well may be converted to an injection well.
11. Reviewed Ormat Nevada’s Jersey Valley 81A-28 production well permit application and drilling program. Discussed drilling program with John Menghini, BLM, due to the extended run of the 13.375” intermediate casing, as compared to previous holes drilled at Jersey Valley.
12. Reviewed Enel North America’s sundry notice where the Stillwater 88-1 production well is being added to the production stream at the Stillwater 2 generation facility.
13. Wells drilling: Ormat Nevada McGinness Hills 86-16 production well (5,793’, drilling); Ormat Nevada McGinness Hills 27-16 (moving on location to set conductor); Nevada Geothermal Blue Mountain 55-15 injection well (177’, drilling); Sierra Geothermal

Power Alum 25-29 observation well (3,314', drilling/repairing top drive); Sierra Geothermal Reese River 54-35 TGH (1000', rig repairs).

OIL AND GAS (LOWELL)

1. Reviewed Makoil's San Springs 15-41 plug and abandon procedure. Alan approved.
2. Reviewed Blackburn's sundry notice to clean out well #3 gas injection well and re-perforate the Devonian section. Alan approved.
3. Reviewed True Oil's permit application for the DY Federal 43-36 well in Nye County. The well has a proposed total depth of 6,500 feet. Alan approved.
4. Wells drilling: Makoil San Springs 15-41 (5,917', plugged and abandoned on November 17th and 18th).
5. The True Oil DY Federal 43-36 is expected to spud in Railroad Valley, Nye County, in two weeks or so.