



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

May 2010

ADMINISTRATION (ALAN)

1. Payments were made to UNR Mackay for the mining claim fee (\$391,302) and the Recruitment and Retention program (\$100,000).
2. Provided comments to Carson City BLM concerning the cost of design for the reclamation of the American Flat millsite.
3. Provided AML information to the RAMS delegation for congressional briefings.
4. Met with David Brickey of Terra Spectra to review the deliverables to NDOM under the USACE RAMS contract.
5. Facilitated the quarterly meeting of the Commission on Mineral Resources.
6. Contacted four candidates to discuss the AML Field Specialist position with NDOM.
7. Reviewed new geothermal fees and permit requirements proposed by Churchill County.
8. Met with the Governor's Office concerning the Ireland, Inc. project at Columbus Salt Marsh.
9. Attended the GSN Symposium.
10. Provided comments to the organizing committee for the budget for the NAAML P annual meeting to be held at Lake Tahoe in October of 2011.
11. Conducted an introductory meeting with the summer interns.
12. Attended, with Lowell and Commissioner Snow, the quarterly meeting of the BLM Geothermal Operators working group.
13. Reviewed a draft from Wayne Howle of the Attorney General's Office of the amicus brief for Nevada in the DOI vs. Earthworks lawsuit.
14. Set a date of June 9 for the meeting of the CMR Budget Committee.
15. All NDOM employees took the required furlough day resulting in 40 hours of lost productivity and no benefit to the state general fund.

RECLAMATION BOND POOL (DOUG)

1. Issued notice level bonds for Harvest Gold, Kokanee Minerals, Quatterra Alaska, Inc., and RMP Resources
2. Spoke with Buster Hunsaker about a future bond.
3. Worked on the invoices for participants on a June schedule.
4. Spoke with MGC Resources about a bond with another company they have acquired.
5. Released a notice level bond for Fred Hurt.
6. Reduced 2 notice level bonds for Western Energy Development.
7. Prepared a notice level bond for Bravo Alaska for issuance in June.

MINING, LAND AND OTHER ISSUES (DOUG)

1. Determined with Dept of Administration that overtime for the Summer Interns would be at the Administrator's discretion.

2. Approved sundries for Ormat, Standard Steam, and NGP.
3. Submitted the amendment to the Geotemps contract to the Budget Division.
4. Worked on the 2009 mineral production.
5. Made up a certificate for the Eagle Scout who secured AML sites with Paul.
6. Amended to the AML revisit contract for Environmental Protection Services.
7. Spoke with Jennifer at the Las Vegas Review Journal about gold prices.
8. Spoke with Terry Preston of Buildings & Grounds about mining rights.
9. Spoke with Lois Kelley of the Labor Commission about the Dayton Mine.
10. Attended the GSN Symposium.
11. Spoke with Susan Kaller of the BLM about NDOM's assistance agreement.
12. Spoke with Gene Spiering of Quatterra Alaska about the special mining claim fee.
13. Spoke with Nevada Cement about their Mustache Project.
14. Approved a permit for Vulcan Power and 2 geothermal area permits.
15. Worked on assistance agreement from the BLM.
16. Worked on the Major Mines booklet.

AML / PUBLIC AWARENESS - NORTH (MIKE)

1. Spoke with intern Jamie Loyola regarding summer employment and pay. She was considering another job offer, but after we confirmed that the interns would be allowed overtime she decided to turn down the other offer and stay with NDOM.
2. Geotemps contractor Pete Herrera accepted short term employment in Alaska and is wrapping up ownership research in Esmeralda County. Ownership for more than 3,000 unsecured hazards has been researched by Pete in nine counties.
3. Rachel Wearne began working part-time as a Geotemps contractor doing data entry and GIS work. Paul spent several hours during his last two days reviewing our GIS dataset with her so that she can help facilitate our GIS requests.
4. Professor Jim Carr (UNR) called inquiring about access and permission requirements at American Flats on behalf of a student doing work on historic mine sites. Contact information for Dan Jacquet (BLM-CC) was provided to him.
5. Dave Brickey with TerraSpectra Geomatics spent two days in the Carson office reviewing their work on our database to integrate all prior analog non-hazard information. Dave also reviewed the Adapx digital pen system with the staff, made modifications to our data entry forms and worked with Debbie to develop a streamlined workflow for acquisition and importation of data from the pen.
6. Two Rocks/Minerals/AML presentations were provided to 4th graders at Riverview Elementary School in Dayton. (2 presentations – 59 people)
7. Met with contractor Brian Breiter (EPS) to review revisit work and make plans for securing work in the Tonopah area. 25 hazards are planned for securing including an open shaft that was recently reported to the BLM by a sheriff's deputy.
8. Attended conference call for initial planning of 2011 NAAML Conference at Tahoe, to be jointly hosted by Nevada and California AML programs.
9. Traveled to Tonopah to drop off caches of T-posts and barbed wire at the NDOT station and Tonopah Historic Mining Park for use by the summer interns while securing hazards in Nye and Esmeralda counties. Also delivered T-posts and barbed wire to the Winnemucca NDOT equipment yard for use by the interns.
10. Logged two hazards and nine non-hazards in Esmeralda County.

11. Lined out contractor Rachel Wearne with data entry work, reviewing database protocols and file formats.
12. Spoke with Jenni Jeffers and Katie Miller (NDOW) regarding bat gating opportunities and plans. Set up a site visit with contractor Brian Breiter (EPS) and Jenni Jeffers for four hazards needing gates in Washoe County next week.
13. Conducted hazard revisits at the Polar Star mine in Elko County to assess viability for scout projects. Eight hazards were revisited and temporary warning signs posted. Two additional hazards were logged at the property.
14. Completed hazard inventory sheets and entered data into Access database for nine hazards logged by Katie Miller (NDOW) in Elko and Pershing counties.
15. Spoke with Chris Ross (BLM-NSO) and John Gebhardt and Jenni Jeffers (NDOW) regarding hard closure plans for western Nevada AML sites. Eleven sites in Douglas and Washoe counties are being considered for gating this year using money from the BLM.
16. Provided Rocks/Minerals/AML presentations to 3rd and 4th graders at Grace Christian Academy in Minden. (Two presentations – 25 people)
17. Collect and inventory all materials needed for summer interns. Major logging equipment has been doubled to provide each intern with their own GPS, camera, compass, backpack and all logging supplies. This should increase intern productivity and allows each intern to be responsible for their own equipment rather than using pooled supplies.
18. Field trucks were cleaned, prepped and outfitted for use by interns.
19. Changes were made to the non-hazard logging form and Access database based on work and suggestions by TerraSpectra.
20. Contractor Rachel Wearne completed maps for use during the interns' first week and began creating maps needed for subsequent weeks.
21. Eight Mackay students began their summer internship with the first week dedicated to introductions, paperwork, initiation to the AML program, training, safety, on and off-road driving procedures, and preliminary fieldwork and fence construction.
22. Worked with archaeologists Susan McCabe and Rachel Crews (BLM-Carson City) to complete the mandatory archaeological resource recognition class and field presentation for all interns and three contractors as part of the Assistance Agreements in place with BLM and USFS.
23. Sixty boxes each of 12 rock and 12 mineral samples were prepped for use at the Nevada Earth Science and Space Initiative (NESSI) workshop later this month. NvMA donated the boxes and NDOM donated the samples.
24. Completed letters of reference for scholarship applications for two former interns.
25. Received a request from Lindsay Gilbertson and Rocky Chase (Barrick) for a copy or portion of NDOM AML hazards shapefile for use in their internal 3-year and 5-year AML mitigation plans on properties held or leased by Barrick in Nevada.

AML / GIS (PAUL)

1. Completed Eagle Scout Project for Dillon Bryan in Winnemucca, NV. Dillon and his group of volunteers from Troup 21 built 3 barricades and one enclosure securing a total of 5 hazards in Thomas Canyon.
2. Researched hazards in Elko County for proposed Eagle Scout Projects. Used ArcGIS to construct maps of the sites.

3. Used ArcGIS to construct topographic maps for work to be done by contractor Brian Breiter for securing work in Nye County.
4. Backed up the M drive and stored the backup drive in safe.
5. Worked with GeoTemp contractor Rachel Wearne showing her where all the GIS files and map templates were located for future map work.

AML / PUBLIC AWARENESS - SOUTH (BILL)

1. Logging in photos of March and April Eagle Scout projects.
2. Met with staff at Clark County Property Management regarding the Mountain Vista gypsum mines near Durango and Windmill. The county is confirming the status of surface ownership of lands in the area and is checking the validity of a reported quit-claim of the Mountain Vista mining claim block (unpatented lode and placer claims) to Clark County (Dec. 2009). 31 AML hazards have been logged within the Mountain Vista claim block; the claimants have been notified repeatedly since 1992 and have not responded to date. The claim block is currently active on BLM records.
3. Received report of completion of the Cuprite Hills/Lida AML closure project by the USFS "Portal Posse". A total of 48 hazards were closed. 13 were gated with bat grates or culvert gates, 4 were closed with PUF/rock and 31 were backfilled.
4. Presented minerals/commodities, AML and "Birdseed Mining" for 4th graders at Elise Wolff Elementary School in Henderson (3 presentations - 63 students).
5. Inventoried minerals and rocks on-hand at Las Vegas storage for the Reno 2010 teacher workshop mineral and rock kits.
6. Participated in the monthly conference calls for SNPLMA and ARRA AML closure projects in Clark, Lincoln, and White Pine counties.
7. Secured Clark County AML hazard CL-352 – courtesy securing on a patented mining claim owned by Clark County. Clark County notified of securing.
8. Completed Tony Simpson's Eagle project. Three hazards were secured in the Primm and Sandy Valley areas, Clark County. This is the 114th completed project. To-date, Scouts have secured 565 hazards and made 74 repairs to existing securings.
9. Collected quartz and gneiss for teacher workshop mineral and rock kits from the Crescent Peak area west of Searchlight. Prepped 200 samples of each.
10. Attended Commission on Mineral Resources meeting in Reno.
11. Attended NvMA Education Committee meeting in Reno. Planning for the northern Nevada teacher workshop scheduled for July 20-22, 2010
12. Attended the GSN Symposium in Sparks.
13. Presented two sessions of minerals/commodities, "Birdseed Mining" and AML to three classes of 3rd graders at Sue Morrow Elementary School – Henderson (2 presentations - 75 students).
14. Work on PowerPoint presentation for a talk on the geology of Red Rock National Conservation Area at Spring Mountain Ranch State park scheduled for Saturday, May 29.
15. Reconnaissance visit to Spring Mountain Ranch State Park ahead of the Saturday, May 29 presentation on the geology of Red Rock National Conservation Area and field trip into Sandstone Canyon that will follow. Walked the Sandstone Canyon hiking trail. Work continued on PowerPoint for this presentation.

16. Presented twelve assembly sessions of “What is a Geologist?”, minerals and commodities and AML for students in grade levels K–3 and 5-12 for the annual Career Fair at Innovations International Charter School of Las Vegas (12 presentations – 705 students).
17. Traveled to Lake Tahoe to participate in visits to hotel/convention centers with California Department of Conservation staff and event planners to locate a venue for the 2011 National Association of Abandoned Mine Lands Programs (NAAML) meeting.

GEOHERMAL (LOWELL)

1. Reviewed Ormat Nevada’s sundry notice to deepen the Desert Peak 11-27 production well to 4,000 feet. Doug approved.
2. Reviewed Ormat Nevada’s sundry notice for the HSS II 57-8 production well. Sundry requests Ormat be allowed to re-enter well, clean out the well bore, deepen well from 5,449 to 6,000 feet, run 9 5/8 inch liner, and test well. Alan approved.
3. Reviewed Standard Steam Trust’s sundry notice to extend permitted depth from 500 to 1,000 feet. Doug approved.
4. Reviewed Vulcan Power Company’s sundry request to deepen the Patua 23-17 well from 10,000 to 11,000 feet. Alan approved.
5. Reviewed Earth Power Resources Tumbleweed Flat 11-5 observation well permit application and drilling program with Alan. Proposed total depth is 6,000 feet. Final approval is pending due to the lease being a split estate. Once NDOM is shown that the surface owner/lessee approves of Earth Power’s access to the drill location and associated activities the permit will be issued.
6. Reviewed Enel North America’s sundries for MIT testing at Stillwater. Waiting on response from Russ Land, UIC, before processing sundry requests.
7. Reviewed Enel North America’s sundry request to add more observation wells to their Stillwater Project area. Alan approved.
8. Wells drilling: Ormat McGinness Hills 27-16 production well (4,660’, drilling); Ormat Desert Peak 11-27 production well (2,996’, drilling); Ormat McGinness Hills 61-22 production well (rigging up on location); Ormat Tuscarora 66-5 production well (5,289’, rigging up Schlumberger loggers); Sierra Geothermal Power Alum 26-19 ST1 observation well (4,661’, coring); Vulcan Power Patua 21-19 production well (7,451’, drilling); Vulcan Power Patua 23-17 production well (11,047’, flow testing); Vulcan Power Patua 45-27 observation well (4,962’, coring).
9. Reviewed Nevada Geothermal Power’s Pumpnickel Valley 45-4 production well permit application and associated drilling program. The proposed total depth of this well is 5,000 feet. Alan approved.
10. Reviewed Ormat Nevada’s sundry notice to perform an acid stimulation of the Desert Peak 21-2 injection well. Coordinating approval with Russ Land.
11. Reviewed Sierra Geothermal Power’s sundry notice for the completion procedures of the Alum 26-19 observation well. Discussing procedures with John Menghini, BLM.
12. Wells drilling: Ormat McGinness Hills 27-16 production well (5,158’, drilling); Ormat Desert Peak 11-27 production well (2,996’, preparing to plug back in order to drill side track); Ormat McGinness Hills 61-22 production well (365’, nipping up to 20 inch casing); Ormat Tuscarora 57-8 production well (5,449’, killing well prior to re-entering); Sierra Geothermal Power Alum 26-19 ST1 observation well (4,870’, BOPE tests, witnessed by Michael Gilbreath, PET with BLM)); Vulcan Power Patua 21-19 production

well (7,832', reaming well bore); Vulcan Power Patua 23-17 production well (11,047', rig down, moving to Patua 44-21 location); Vulcan Power Patua 45-27 observation well (5,654', coring).

13. Reviewed Sierra Geothermal Power's observation well completion program sundry notice. Alan approved.
14. Reviewed Ormat Nevada's sundry notice to perform an acid stimulation of the Desert Peak 21-2 injection well. Coordinated approval with Russ Land, UIC. Alan approved.
15. Reviewed Ormat Nevada's sundry notice to plug back and sidetrack the Desert Peak 11-27 well. Alan approved.
16. Reviewed Enel North America's sundry notice to clean out and run 1.9 inch pipe in the Stillwater 45-19 observation well. Alan approved.
17. Reviewed Magma Energy's Soda Lake 41B-33 sundry notice to run a twenty eight day injection test. Coordinated approval with John Menghini, BLM, and Russ Land, UIC. Alan approved.
18. Reviewed the Vulcan Power permit application and drilling program for the Patua 77A-19 production well. The proposed total depth is 10,000 feet. Doug approved.
19. Wells drilling: Ormat McGinness Hills 27-16 production well (5,560', drilling); Ormat McGinness Hills 61-22 production well (1,541'; drilling); Ormat Desert Peak 11-27 sidetrack production well (1,592', time drilling); Ormat Tuscarora 57-8 production well (5,481', drilling); Sierra Geothermal Power Alum 26-19 ST1 observation well (4,870', running 2.75" tubing); Vulcan Power Patua 21-19 production well (8,897', reaming well bore); Vulcan Power Patua 44-21 (966', drilling); Vulcan Power Patua 45-27 observation well (5,883', coring).
20. Wells drilling: Ormat McGinness Hills 27-16 production well (6,177', performing injection tests); Ormat McGinness Hills 61-22 production well (1,767'; reaming hole after performing PT surveys and injection tests); Ormat Desert Peak 11-27 sidetrack production well (1,867', waiting on mud pump replacement to arrive on location); Ormat Tuscarora 57-8 production well (6,212', drilling); Sierra Geothermal Power Alum 26-19 ST1 observation well (4,870', rigged down and released rig); Vulcan Power Patua 21-19 production well (9,310', performing flow tests, preparing to rig down and move off location); Vulcan Power Patua 44-21 (2,195', drilling); Vulcan Power Patua 45-27 observation well (6,129', coring).

OIL AND GAS (LOWELL)

1. Attended the Nevada Petroleum Society meeting and dinner on May 6th.
2. Reviewed Grant Canyon's sundry notice to re-enter the Blackburn #10 well and perforate the Chainman. Coordinating approval with the BLM. Contacted representatives of Berry Petroleum, Breck Energy, Grant Canyon, and Makoil to arrange MIT tests during the week of June 21st through 25th. Russ Land will supervise testing in the field.
3. Reviewed Grant Canyon's sundry notice to re-enter the Blackburn #10 well and perforate the Chainman. Alan approved.
4. Continued with the coordination of MIT testing for injection wells operated by Berry Petroleum, Breck Energy, Grant Canyon, and Makoil to arrange MIT tests during the week of June 21st through 25th. Russ Land will supervise testing in the field.
5. Wells Drilling: Fasken Oil and Ranch Papoose Canyon 1-14 (Spudded well on May 21st, drilling at ~ 150 feet).

6. Attended the IOGCC biannual conference in Lexington, Kentucky, May 23rd through 25th. Primary topics of the conference dealt with shale gas, hydraulic fracturing, endangered species on public lands, and developing offshore policies. Flew to Lexington on Saturday the 26th, returned to Reno to attend BLM – Geothermal Operators quarterly meeting on Wednesday, May 26th.
7. Wells Drilling: Fasken Oil and Ranch Papoose Canyon 1-14 (1975', nipples up to 9 5/8" casing).

OTHER (LOWELL)

1. Attended the BLM geothermal lease sale on May 11th. Seventy five of one hundred fourteen parcels were sold. Bids ranged from \$2.00 to \$1,000.00 per acre. Total revenue raise was \$2,762,292.00. Attended the Commission on Minerals second quarter 2010 meeting on May 12th at NBMG GBSSL.
2. Attended the BLM – Geothermal Operators quarterly meeting on May 26th. Principal item discussed was a draft Instructional Memorandum developed by Sheila Mallory to provide guidance to the BLM District Offices for developing more efficient time frames and processes in issuing geothermal permits on public lands.