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**ALAN R. COYNER**  
Administrator

## ACTIVITY AND ACHIEVEMENTS

### November 2010

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#### ADMINISTRATION (ALAN)

1. Facilitated and led the Nevada Abandoned Mine Lands Environmental Task Force meeting in Reno attended by approximately 50 people.
2. Accepted an invitation to speak at the Landman's Institute in March, 2011 in Reno.
3. Met with NDOM staff and NDEP staff to discuss our AML program.
4. Discussed the Nevada financial assurance system for mining with Frank Ongaro of the Minnesota Mining Association.
5. Attended the IOGCC annual meeting in Tucson, AZ. Confirmed the attendance of the speakers and chaired the Public Lands session. Coordinated with Mike Smith, IOGCC executive director and staff in Senator Reid's office concerning language about hydraulic fracturing in the energy bill pending before Congress and providing alternative language.
6. Provided the mining claim filings by county for FY10/11 to Russell Guindon of the Legislative Counsel Bureau.
7. Responded to a request from the Nevada Minerals Exploration Coalition (NMEC) concerning the amount collected to date by the Additional Mining Claim Fee, which totaled \$2.8 million at the end of November.
8. Responded with "I do not know" to the Las Vegas Review Journal concerning a projection for the amount that will be collected under the Additional Mining Claim Fee.
9. Received a request from the John Mackay Club for support at the SME meeting and the International Mining Competition.
10. Set the time schedule for the NWMA annual meeting area reports session.
11. Obtained the current amount of mining financial assurance in Nevada from NDEP.
12. Participated in State Environmental Commission appeal panel concerning the Reid Gardner coal-fired power plant near Las Vegas brought by the Sierra Club.
13. Responded to ongoing questions from the Legislative Counsel Bureau concerning the agency budget submittal.
14. All employees took one furlough day as required in November, resulting in reduce pay to employees, loss of work production, and no benefit to the state general fund.

#### RECLAMATION BOND POOL (DOUG)

1. Met with Eric Scheetz of the controller's office and resolved deposit v. premium breakdown of previous refunds going back to the inception of the pool.
2. Issued five notice level bonds for Renaissance Exploration; Rye Patch Gold; Springer Mining Company; RMP Resources; and Cordex.
3. Spoke with Dave Wolfe of Timberwolf Minerals about a bond release for Union Summit Minerals.
4. Prepared a bond increase for Southern Nevada Liteweight and sent the paperwork to Spencer Apple for signatures and return.

## **MINING, LAND AND OTHER ISSUES (DOUG)**

1. Prepared and submitted a work program to receive an additional \$91,620 in revenue from the \$20/acre disturbance fee for the Gold Hill project at Round Mountain Gold.
2. Worked on and prepared the contract for the Clark County AML re-visit job and submitted it to the budget office for BOE approval scheduled for December 14, 2010.
3. Approved 3 geothermal sundries, one geothermal permit and one oil sundry.
4. Did a final review of Major Mines and sent it to the printer.

## **AML / PUBLIC AWARENESS - NORTH (MIKE)**

1. At the request of claimants, John and Joe Tarantino, checked ground and coordinate locations of claim corners relative to survey documents recorded in 2000. Locations found to be as recorded, at least within the accuracy limits of the agency GPS.
2. Made minor repairs to vandalized PUF closure, and reviewed work progress on two gates being constructed by contractor EPS in Washoe County.
3. Updated database with securing work and information from EPS's recent securing work at Painted Rock and Perry Canyon in Washoe County. Closure reports on gating work were sent to BLM.
4. Tom Hendricks (Calais Resources) called requesting a meeting in December to review their plans for AML securing work in Manhattan.
5. Met with Jack Yates, Jeff Collins, and another NDEP staff member met with Alan, Rachel and I to review our AML program and discuss possible synergies with respect to their environmental and remediation programs. A copy of our AML database was provided to them as a possible template for expansion and use by their agency, and in keeping track of known mine sites with environmental issues. Jack supplied us with several georeferenced historic maps of the Comstock. The locations of over 200 known millsites from that era and parcel information for Storey County.
6. Jon Brown (Telesto) requested and received specific NRS and NAC language related to our AML program, specifically as it relates to claimants responsibility to secure known hazards on their claims.
7. Updated and distributed latest version of the GUANO list to BLM, FS and NDOW. The list details approximately 100 abandoned mine features having significant bat habitat requiring gating.
8. Provided ranking criteria and FAQ sheet to geologist Rick Walker who is doing AML inventory and assessment work in the Aurora area for Great Basin Gold.
9. Updated AML database with recent logging and securing work performed by NDOM, contractors, and BLM in Elko, Eureka, Washoe and White Pine counties. Corresponding photo documentation was added to photo database.
10. Sent notification letters to two claimants and two property owners regarding securing status of hazards.
11. Constructed barricade at portal of an adit and posted signs at two other hazards near Perry Canyon in Washoe County. Features were planned for securing as part of a larger (six hazard) scout project, but the scout has not completed his proposal and any further securing work will likely not occur until next spring.
12. Geotemps contractor Kyle Cahill completed scanning all of the securing photographs submitted to NDOM-CC (by property owners and claimants) from 2000-2009. Earlier submissions (pre-2000) were collected at the shed and will be scanned next.
13. Attended NAMLET meeting in Reno and gave an update of the AML program.

14. Provided answers and information to Alex Rosenblatt (investment banker, New York) who called to inquire about general mining practices in Nevada and specific mines and active milling facilities near Tonopah.
15. Updated database with securing and revisit information from work done on patented claims on Treasure Hill, White Pine County. Sent notification letter to owners apprising them of current securing status of 12 hazards on their property.
16. Conducted research on AML and claim status near Pilot Peak, Elko County and provided information to interested claimants.
17. Answered questions from property owner in Pershing County regarding generic mineral and water rights issues. Provided contact information for county assessor and State Water Engineer.
18. Answered questions from scout, Tyrone Davis, regarding potential new Eagle Scout project out of Reno. Sent informational packet to Boy Scout Tyrone Davis in response to his expressed interest in doing an AML fencing project for his Eagle Service Award.
19. Supervised and assisted with Houston Mitchell's Eagle Scout Project (#116) in Elko County. It was a very ambitious project, with ten shafts secured by his crew of 13. Downloaded all securing work photos from the project, made a CD for inclusion in his final project report and sent it along with "Thank You" letter.
20. Delivered 24 test kits to Esther Bennett Elementary School in Sun Valley for use in their Earth Science activities.
21. Attended NVMA's Education Committee meeting in Reno to discuss and review plans for teacher workshops in 2011.

#### **AML / GIS (RACHEL)**

1. Accompanied Mike Visher to the Perry Canyon region to check on securing work being done by EPS. Accompanied Mike Visher to the Perry Canyon area to check on securing work being started / completed by EPS and KFC.
2. Compiled hazard ID sheets and photos for field work in the Desert Peak area. Drove out to Desert Peak with Jenny Jeffers from NDOW to investigate hazards on the GUANO list for potential bat gates/culvert gates. Found several new non hazards and revisited and updated UTM coordinates for hazards in the area.
3. Spoke with Pete Winn at Ashdown Project, LLC regarding hazards on his land that need to be secured. Re-sent him the information and coordinates to help him find the hazards.
4. Compared data collected in the Bull Run area by EPS to points from the USFS to determine where discrepancies were in the data. Could not determine why USFS mine features were not plotting on or near hazardous features in the field. This will require further research.
5. Updated the database with new non hazard and revisit data from the Desert Peak area.
6. Added October photos to the AML photo archive and backed up the photos.
7. Compiled a list of hazards in the Round Mountain area that are having bat gates installed and put together a map showing locations and proximity to other hazards for Brian of EPS. Also compiled photos for each site and sent coordinates to EPS.
8. Assisted Debbie Selig in the back up and removal of old information from computers that will be replaced in the near future. Cleared the AML computer of old and unnecessary files. Discussed different methods of tracking and sharing the photo database between the Las Vegas and Carson City offices with Debbie.
9. Uninstalled ArcMap 9.3 and installed ArcMap 10 for use on one computer and a laptop.

10. Worked on resolving issues with the USFS data points in the Bull Run area. It was discovered that the data provided was roughly 2000 meters away from where the USFS mine features should plot according to the paper maps. Referenced the Forest Service's geodata clearinghouse site and found a more accurate representation of the features in the region. After re-plotting the new data, it was determined that there are few remaining areas that need to be looked at – the majority of which may not be easily accessible due to private property and no trespassing signs, locked gates, etc.
11. Updated database with new logged hazards and non-hazards as well as new current securing data.
12. Worked on completing a map of hazards owned by Calais Resources Inc. in the Manhattan area of Nye County. Completed and printed a map of the Manhattan area for Calais resources.
13. Completed an online seminar through ERSI regarding new and improved features in ArcMap version 10.
14. Began researching points that are miss-plotted in Clark County. These points will be looked at on the Clark County maps next week in order to resolve conflicts.
15. Resolved discrepancies in the database regarding miss-plotted non hazard features and hazards that did not have a recorded hazard type. Updated the GIS data to match these changes.
16. Updated database with new logged hazards and non-hazards as well as new current securing data.
17. Composed several thank you letters to claimants regarding secured hazardous features on their property.
18. Worked with Geotemps contractor, Kyle Cahill on cleaning up the AML computer in order to free up space and make the transition to the new computer less difficult.
19. Put together information for the NAMLET meeting: Uploaded revised Google Earth information to laptop and put together a power point demonstration discussing the Capturx software. Attended the NAMLET meeting at the BLM in Reno
20. Attended the education meeting at the Nevada Mining Association.

#### **AML / PUBLIC AWARENESS - SOUTH (BILL)**

1. Participated in a conference call to assess status of the next round of BOR AML closures in Clark County. A total of 85 hazards are in this round of closures – final NEPA clearances are in process. Updated land status research for the 85 hazards in in-progress.
2. Updating land status research for 87 Clark County AML sites proposed for permanent closure. NEPA clearances are mostly done and the securing work will be performed by the BOR crew once cold weather terminates their current work in Lincoln County.
3. Participated in monthly conference calls for updates on Northern Nevada AML closure projects and status of work in Lincoln and White Pine Counties. To-date, 44 hazards have been permanently closed in Lincoln County by the BOR crew. NEPA clearance work (cultural and biological assessments) is well underway in White Pine County.
4. Conducted AML claim research – Clark County.
5. Logged in one new Clark County AML hazard investigated and ranked by Ken Maas (USFS)
6. Made AML PowerPoint for a presentation to the Nye Gold Seekers prospectors club – attended by 70 members and worked on a PowerPoint presentation on the Nevada Mining Industry and AML for the Las Vegas chapter of the Gold Prospectors Association of America (GPAA) scheduled for November 29.

7. Met with Utah dealer Richard Thomas regarding Nevada gold (Osceola/Hogum – White Pine County) for McCaw School of Mines.
8. Assisted with a McCaw School of Mines Open House for City of Henderson employees. Visitors included Mayor Andy Hafen, City Manager Mark Calhoun and approximately 30 other city employees and family members.
9. Completed an inventory of the Las Vegas storage unit for minerals and rocks for the 2011 Las Vegas teacher workshop kits.
10. Debbie Selig in the Carson City office setting up new computers and working on the Carson City GIS and AML databases.

### **GEOHERMAL (LOWELL)**

1. Reviewed Gerlach Geothermal's sundry notice to perform a short flow test, two to four hours, at their Great Boiling Springs Well 1 (Peregrine 1) near Gerlach. Alan approved.
2. Reviewed Nevada Geothermal Power's sundry notice to pull the pump from the Blue Mountain 44-14 production well. Alan approved.
3. Reviewed Nevada Geothermal Power's sundry notice to perform a one week flow test on Blue Mountain 44-14 production well. Alan approved.
4. Reviewed Nevada Geothermal Power's sundry notice to pull the pump, clean out the hole, run 9.625 inch liner, and re-install pump in the Blue Mountain 14-14 production well. Doug approved
5. Reviewed Ormat HSS II sundry notice to change the depth of the intermediate casing from 1900 feet to 3000 feet in the Hot Sulphur Springs/Tuscarora 65B (64)-8 production well. Doug approved.
6. Reviewed Enel North America's sundry notice to perform a pressure-temperature survey and perform a very short injection test, 100 barrels, in the Stillwater 51-6 observation well. Doug approved.
7. Wells drilling: Ormat Dead Horse 68-1 production well (1,727', drilling); Ormat HSS II 65B(64)-8 production well (2,620', drilling); Gradient Resources Patua 27-29 (6,691', rigged down); Gradient Resources Patua 16-29 (4,660', drilling); Gradient Resources Fallon1 13-36 observation well (2,422'; drilling); TGP Coyote Canyon 76-14 ST1 observation well (7,887', well temporarily shut-in); Magma Energy Soda Lake TG 44A-34 (720', blew off collars, set 50' plug on top of fish, set 2" tubing to 585'); Magma Energy Soda Lake TG88-27 (980', ran tubing, preparing to rig down) .
8. Reviewed Magma Energy's Soda Lake TG 64-29 temperature gradient hole permit application and drilling program. Alan approved.
9. Met with Jess McCulloch and Dave Foley, Terra-Gen, and Russ Land, UIC, at Terra-Gen's Reno office. Discussed what work is required in order to reinstate the Batz 1 injection well into the approved UIC permit.
10. Met with Monte Morrison and Greg Champneys, Magma Energy, at Russ Land's, UIC, office. Discussed the notification of violation Russ Land issued due to loss of geothermal fluids related to surface casing corrosion at the Soda Lake 87-29 injection well. Discussed methods of repair and future preventative actions for corrosion within all injection wells. Discussed upcoming MIT's as well.
11. Reviewed Ormat Nevada's sundry notice to perform a flow test at the Jersey Valley 18A-27 production well. Doug approved
12. Reviewed Ormat HSS II sundry notice to change the depth of the intermediate casing from 1900 feet to 3000 feet in the Hot Sulphur Springs/Tuscarora 65B (64)-8 production well. Doug approved.

13. Reviewed Enel North America's sundry notice to perform a pressure-temperature survey and perform a very short injection test, 100 barrels, in the Stillwater 51-6 observation well. Doug approved.
14. Wells drilling: Ormat Dead Horse 68-1 production well (2,389', drilling); Ormat HSS II 65B(64)-8 production well (3,020', drilling); Gradient Resources Patua 16-29 (5,057', running intermediate casing); Gradient Resources Fallon1 13-36 observation well (3,527'; conditioning hole for 3.5" casing); TGP Coyote Canyon 76-14 ST1 observation well (7,887', well temporarily shut-in); Magma Energy Soda Lake TG64-29 (980', preparing to run 1" tubing).
15. Reviewed the TGP Dixie Meadows 32-9 production well permitting during the week of November 8<sup>th</sup> through 12<sup>th</sup>. The proposed total depth of the hole is 10,000 feet. Permitting was handled through Ormat Nevada. Doug approved on November 18<sup>th</sup>. Side note: permit was withdrawn at the request of Brad Peters, Ormat Nevada, on November 22<sup>nd</sup>. The BLM has requested the well be drilled at the 42-9 location. Well will be re-permitted at a later date.
16. Reviewed Magma Energy's sundry notice to install a pressure sensor down hole in the Soda Lake 41B-33 production well. Doug approved.
17. Wells drilling: Ormat Dead Horse 68-1 production well (2,477', preparing to flow test); Ormat HSS II 65B(64)-8 production well (4,883', drilling with considerable water (drilling fluid) loss); Gradient Resources Patua 16-29 (5,057', running CBI log); Gradient Resources Fallon1 13-36 observation well (3,637'; coring); TGP Coyote Canyon 76-14 ST1 observation well (7,887', well temporarily shut-in); Magma Energy Soda Lake TG64-29 (980', rigged down); Nevada Geothermal Power Blue Mountain 86-22 injection well (1,027' drilling).
18. Reviewed Ormat Nevada's sundry notice to flow test the McGinness Hills 28-10 production well. Produced fluids will be pipelined to the 86-16 production well and injected. Alan approved.
19. Reviewed Gradient Resources' Fallon 1 44-36 production well application and associated drilling program. Proposed total depth for well is 10,000 feet. Alan approved.
20. Reviewed Terra-Gen's sundry notice to allow MIT testing in the Beowawe Batz 1 injection well. Waiting to receive Russ Land's input.
21. Wells drilling: Ormat Dead Horse 68-1 production well (2,477', rigged down after completion of flow tests); Ormat HSS II 65B(64)-8 production well (4,915', rigged down after completion of flow tests); Gradient Resources Patua 16-29 (6,730', drilling); Gradient Resources Fallon1 13-36 observation well (4,145'; coring); TGP Coyote Canyon 76-14 ST1 observation well (7,887', well temporarily shut-in); Nevada Geothermal Power Blue Mountain 86-22 injection well (1,311' drilling).

#### **OIL AND GAS (LOWELL)**

1. Empire Petroleum Paradise 2-12 (4,250', rigged down after completion of tests).
2. Reviewed Grant Canyon's information sundry describing repairs to tubing in the Blackburn #16 well. Repair work had been previously approved.
3. Attended the IOGCC Conference in Tucson with Alan from November 15<sup>th</sup> through 18<sup>th</sup>.