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Governor

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COMMISSION ON MINERAL RESOURCES  
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**ALAN R. COYNER**  
Administrator

## **ACTIVITY AND ACHIEVEMENTS**

### **May 2011**

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#### **ADMINISTRATION (ALAN)**

1. Attended the Division's budget closing hearing at which a vote was taken to not consolidate the Division into the DCNR.
2. Provided comment to the legislature concerning AB516 which consolidates the Division into the DCNR. This bill was rendered moot by the vote not to consolidate during the Division's budget closing hearing.
3. Attended an AML meeting at the BLM Reno office concerning the proposed requirement by the BLM for claimants to post a bond to construct a fence around an AML hazard. We stated our absolute and unequivocal opposition to this requirement.
4. Did recon near Walker Lake for an Eagle Scout AML project.
5. Logged additional AML sites near Walker Lake for an Eagle Scout project.
6. Drafted a memorandum of understanding between NDOM and the Walker River Paiute Tribe to allow access to AML sites near Walker Lake.
7. Met the summer interns for 2011 and introduced them to NDOM personnel and policies.
8. Secured the Storey County building permit for the bat cupola near 4<sup>th</sup> Ward School.
9. Arranged for AML presentations for two elementary schools.
10. Participated in conference call with CA AML reps concerning the NAAMLTP meeting.
11. Notified speakers of abstract acceptance for the NAAMLTP technical sessions.
12. Met with representatives of Ormat, NDEP, Water Engineer, and BLM concerning surface flow from a mineral exploration borehole at Jersey Valley geothermal plant.
13. Participated in a conference call with former Commissioner John McDonough concerning mining opportunities in Nevada.
14. Solicited and secured two speakers for the public lands session at the IOGCC mid-year meeting in Bismarck, ND.
15. Provided input to Jon Price concerning budget cuts to NBMG.
16. Attended the monthly meetings of the GSN and the Nevada Geothermal Council.
17. All employees took the required furlough day in May.

#### **RECLAMATION BOND POOL (DOUG)**

1. Issued notice level bonds for Gold Standard Ventures, Roi Fortuna, Willow Creek Enterprises, and Rye Patch Gold US.
2. Processed a bond reduction for Animas Resources US.
3. Prepared invoices for bond pool participants on a quarterly (June) premium schedule.
4. Processed a bond release for Pilot Gold and a bond reduction for Medallion Resources.

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

1. Worked on Major Mines booklet throughout the month.
2. Discussed possible hiring some intern candidates for part time data entry.
3. Worked on cutting up the Photo ID boards for the Summer Interns.

4. The board of Examiners approved the amendment to the Geotemps contract. Five summer intern candidates who we did not hire were contacted about possible part-time data entry work through Geotemps.
5. Approved 15 geothermal sundries, 3 permits, and 3 name changes.

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

1. Coordinated with NDOW and USFS to arrange an underground refresher class with the State Mine Inspector's office for June 1.
2. Logged three hazards, nine non-hazards, and revisited four older hazards in Washoe County in preparation for a scout project. Conducted ownership research and notified scout of viable project with six securings.
3. Purchased and prepared fencing supplies and logging equipment for summer interns.
4. Data entry of EPS field work at Cordero. Maps and data CD provided to BLM-NSO.
5. Met with Angel Markins (Geotemps) to discuss NDOM contract and staffing issues.
6. Along with Alan and Rachel, met with BLM to discuss concerns over claimants and AML fencing requirements.
7. John Lee called to express concerns over vandalized AML fences near his private property along Highway 50 at Sand Springs Pass. He will also document additional securing work planned for next week.
8. Returned downhole camera to NDOW in Battle Mountain.
9. Conducted claim ownership research at Lander County courthouse.
10. Assisted property owner Phil Lambert with mine hazard locations and securing requirements for sites in Washoe County. Assorted assessor maps, air photos and inventory sheets were provided and reviewed.
11. Readied equipment, logging supplies and vehicles for interns' start next week.
12. Eight Mackay students started their summer internship. Most of the week was spent on AML overview, introductions to state employment (paperwork), safety training, field, office, and communication protocols, and disbursement of necessary field and vehicle supplies.
13. Attended and supervised BLM archaeological resource recognition training class for interns taught by Susan McCabe (BLM-CC), including field visit to sites in Lyon County.
14. Brian Breiter provided a fence building course to interns.
15. Logging, securing and revisit work was conducted by staff and interns in Lyon, Storey and Washoe counties.
16. Off-road driving techniques and proper tire changing procedures were demonstrated and practiced by the interns in the field.
17. Trained interns on data workflow protocols, including information downloads, and file naming conventions.
18. Participated in RFP process for NDEP archaeological inventory contract. Evaluated proposals from nine vendors for the location and inventory of nearly 300 historic Comstock millsites. Met with three NDEP staff and Purchasing Department to review and rank vendors.
19. Spoke with several Mackay students regarding their interest and availability to work as a Geotemps contractor performing data entry services in the Carson or Las Vegas office. Paul Malone accepted the offer for work in Carson and will start May 25<sup>th</sup>. Bill will meet with and review several LV applicants.

20. Geotemps contractor and Mackay student Paul Malone began work, assisting with a variety of data entry, scanning, and report generation for BLM compliance. It is anticipated that there will be sufficient work needs to keep him employed mostly full-time through the summer.
21. Participated at the Reno Gem and Mineral Society's "Jackpot of Gems" show on Mother's Day weekend at the Reno Livestock Events Center. The "Stay Out, Stay Alive" message was delivered via a lighted display cabinet with a variety of images and props, plus a table of handouts, and through personal conversations. Over 3,000 people attended the two day show. (2 presentations – 3,000 people)
22. Communicated with scout Tyrone Davis regarding his proposed fencing project.

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

1. Spoke with several claimants regarding notification letters sent out by NDOM. Printed photos and made maps requested by some claimants in order to better locate hazardous features.
2. Assisted Deborah Selig in building maps for contractor Pete Herrera so that he may continue work conducting revisits in Clark County.
3. Downloaded data from the digital pens recorded by EPS in the Cordero Mine area of Humboldt County. There were a total of 92 non hazards and 17 hazardous features logged during the site visit. New non hazards and hazards were also logged in the Gold Point area. This data was downloaded from the digital pens and added to the database.
4. Compiled a new map of the Cordero Mine for the BLM showing new hazards and non-hazards logged.
5. Attended a meeting with the BLM to discuss the proper operating procedure for claimants who wish to construct a fence around a hazard for public safety. BLM regulations state that claimants must bond for a fence before constructing it. It was decided at the meeting that this issue needs to be resolved within the BLM so that claimants may continue to erect fences on their claims as requested by the state without consulting with the BLM.
6. Met with Karen and Dave Hardy who have patented claims in the Virginia City area. They had received a notification letter from NDOM and secured the hazardous features on their land. They informed us of two hazards that were secured but did not appear on the maps provided. Conducted a site visit accompanied by Karen and Dave in order to assess the features in question. 3 new hazards were logged along with 9 non hazards during the site visit.
7. Attended the 3 day Nevada Geographic Information Society conference at the Atlantis in Reno. Attended several technical sessions discussing new means of data collection, tips and tricks for using ArcGIS 10 and new information in local and state governments.
8. Responded to several letters and phone calls regarding the AML notification letters. Compiled maps and photos for claimants requesting additional information.
9. Worked on maps for use with the Summer Interns in the Virginia City Area.
10. Printed maps and photos for revisit work that will be completed by EPS in Ludwig. This project will be completed to better assess the hazards that are on patented claims belonging to the Art Wilson Company.
11. Began training the summer interns hired on for AML work. Spent two days in the field with them going over how to log and secure hazards, the different situations that may be encountered, proper off road driving and office work after the week spent in the field.

12. Compiled maps and photos for logging and securing work that will be done in the following week with the summer interns. Areas of interest include Tonopah, Beatty and an area of western Nevada that has not been visited by NDOM staff. This week will be their second training week and first full week in the field.
13. Spoke with John Lee about hazards he has secured on his patented claim at the Summit King Mine. He brought in securing photos, recent UTM coordinates and a map showing where these hazards were found.
14. Responded to several phone calls and e-mails regarding the AML Hazard Notification letter. Sent maps and photos to claimants requesting additional information and updated the database to reflect these changes. Completed additional land research on hazards that claimants did not appear to own.
15. Traveled to Tonopah, Beatty and the Sylvania Canyon area with the eight summer interns for the first full week of training in the field. Met Bill Durbin in Tonopah for some securing work on 6 unsecured moderate and high hazards in the area. Traveled to Beatty to secure moderate and high hazards in the area along with few unsecured orphans ranking minimal to low. Continued work logging in areas on the Springdale and Beatty topographic quadrangles that have not yet been logged. Traveled to the Sylvania Canyon area west of Lida to assess hazards that have not been visited before by NDOM staff. There were a total of 59 loggings, 19 total securings, and 216 non hazards logged by the interns and NDOM staff during the week.
16. Went over the process of plotting hazards and non-hazards on the topographic maps with the interns. Showed them how to input the non-hazard data collected on the GPS units during the week and how to fill out the timesheets at the end of the pay period.

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

1. Investigated and ranked four hazards and logged 5 non-hazards in Nye County near Tonopah. Re-visited three hazards in Nye County – posted warning sign on one hazard.
2. The Las Vegas office handled numerous calls and e-mails in response to AML notification letters.
3. Met with a City of Henderson survey crew to locate AML hazard CL-865.
4. Handled numerous calls and e-mails in response to AML notification letters.
5. Assisted property owners in locating abandoned mine hazards on their patented mining claims west of Goodsprings.
6. Met with a representative of Barrick to discuss unsecured hazards adjacent to the Bullfrog Mine near Beatty. Provided GIS shape file, maps and photographs.
7. The Las Vegas office handled numerous calls and e-mails in response to AML notification letters.
8. Received reports from the BOR of 12 AML closures completed in Clark County in late April and early May. Two bat gates, six culvert bat gates and four PUF/rock closures were completed.
9. Worked with Rachel Wearne and our 8 student interns logging and securing AML hazards in the Tonopah, Beatty, Springdale and Sylvania Canyon areas of Nye and Esmeralda Counties.
10. Interviewed student Kelly August for part-time data entry position.
11. Prepped materials for Cameron Rose's Eagle Scout scheduled for Saturday, May 7.

12. Completed Cameron Rose's Eagle project 7 miles west of Jean, Clark County. One hazard was secured and five hazards were re-secured. This is the 119<sup>th</sup> completed Scout project.
13. Completed Dustin Marshall's Eagle Scout project. Two hazards were secured and two hazards were re-secured in the Christmas Tree Pass and Cal-Nev-Ari areas south of Searchlight, Clark County. This is the 120<sup>th</sup> completed Scout project and the final spring 2011 project in southern Nevada. Projects will resume after October 1.
14. Two new Eagle Scouts contacted the office to request AML securing projects and two Scouts terminated.
15. Prepped materials for Dustin Marshall's Eagle Scout scheduled for Saturday, May 14.
16. Made AML presentation for 13 adults and children at the "Locate, Assess, Stabilize and Transport" (LAST) workshop at the Tonopah Historic Mining Park. Display set up at the new Tonopah Fire Department station – visited by 20 adults and children. Witnessed and photographed underground mine rescue simulation taught by State Mine Inspector Ed Tomany (one presentation – 13 people).
17. Display set up and manned at the Red Rock Science Festival – Red Rock NCA Visitor's Center. This event is part of Science Week, sponsored by the Clark County Natural History Museum. Display included minerals and commodities, fluorescent minerals and AML (one presentation – 200 people).
18. Presented "Cookie Mining" to Pre-K and "Birdseed Mining" to the kindergarten class and AML to both classes at Omar Haikal Islamic Academy – Las Vegas. AML materials and activity books handed out to students (2 presentations – 47 students).
19. Presented "Minerals and Commodities, "Animal, Vegetable or Mineral?" "Birdseed Mining" and AML to 3<sup>rd</sup> graders at Wallin Elementary School – Henderson (5 presentations – 110 students).
20. Presented Minerals and Commodities, "Animal, Vegetable or Mineral?", "Birdseed Mining" and AML to 4<sup>th</sup> graders at Lewis Rowe Elementary School – Las Vegas (two presentations – total of 60 students).
21. Presented Minerals and Commodities, "Animal, Vegetable or Mineral?", "Birdseed Mining" and AML to 4<sup>th</sup> graders at Lewis Rowe Elementary School – Las Vegas (2 presentations – 56 students).
22. Presented Minerals and Commodities, "Animal, Vegetable or Mineral?", "Birdseed Mining" and AML to 6 classes of 3<sup>rd</sup> graders at Aggie Roberts Elementary School – Henderson (3 presentations - 150 students).
23. The Las Vegas staff attended a Nevada Mining Association Education Committee meeting in Reno.
24. Presented Minerals and Commodities, "Animal, Vegetable or Mineral?", "Birdseed Mining" and AML to 6 classes of 3<sup>rd</sup> graders at Sue Morrow Elementary School – Henderson (4 presentations - 120 students) over a two day period.

### **GEOHERMAL (LOWELL)**

1. Reviewed sundry notice from Brady Power partners (Ormat Nevada) for Brady. Russ Land, UIC, coordinated his approval with NDOM. Alan approved.
2. Reviewed two sundry notices from Nevada Geothermal Power for Blue Mountain. Alan approved.
3. Wells drilling (as of 5-3-2011): Gradient Resources Patua 88(18-20)-29; Gradient Resources Patua 24-29 (moving equipment in, rigging up).

4. Reviewed Homestretch Geothermal's request to rename the company as Homestretch Geothermal 2010 LLC, along with the transfer of three wells. Doug approved.
5. Reviewed three sundry notices from Magma Energy for Soda Lake. Doug approved.
6. Reviewed sundry notice from Enel North America for Stillwater. Doug approved.
7. Reviewed second sundry notice from Enel North America for Stillwater. Alan approved.
8. Reviewed two sundry notices from Presco Energy for Rye Patch. Doug approved.
9. Wells drilling: Gradient Resources Patua 88(18-20)-29 production well; Gradient Resources Patua 24-29 production well; Ormat Nevada Tungsten Mountain TG 35-23 (rigging down, moving rig to TG 86-22); TGP Dixie Valley 58-22 observation well.

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

1. Reviewed V.F. Neuhaus' permit application and drilling program for the East Hogback 31-2 in Nye County. Well is to be drilled on a patented lease ~ 9 miles southwest of Carrant. Proposed total depth is 2,200 feet. Alan approved.
2. Drilling (as of 5-4-2011): Emergent Value FLT 1.
3. Reviewed sundry notice from Grant Canyon for the Grant Canyon Field. Alan approved.

#### **OTHER (LOWELL)**

1. Discussed very minor 'leakage' of geothermal fluids from an older mineral exploration core holes at Jersey Valley with John Menghini, BLM, Russ Land, UIC, and Alan.
2. On vacation from May 5<sup>th</sup> through 22<sup>nd</sup>.