



BRIAN SANDOVAL
Governor

STATE OF NEVADA
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ALAN R. COYNER
Administrator

ACTIVITY AND ACHIEVEMENTS MARCH 2013

ADMINISTRATION (ALAN)

1. Responded to investor's questions concerning the Major Oil Elbana #1 oil well.
2. Provided the Governor's Office with statistics concerning oil and gas taxes levied in other western states.
3. Responded to John Muntean, NBMG concerning Round Mountain gold production and Robinson copper production totals.
4. Reviewed problems caused by Gold Rush Expeditions on AML securings.
5. Identified a GRE-type mining claim promoter on Ebay.
6. Discussed issues concerning oil and gas well Elbana #1 with Major Oil CEO Brian McDonald.
7. Communicated extensively with CMR, NDEP, and Governor's Office concerning hydraulic fracturing permit process.
8. Met separately with NDEP and with Noble Energy to discuss aspects of the oil well permitting process and each areas of authority.
9. Assisted Lowell in the development of the draft drilling/completion program for the Noble Energy oil exploration wells in Elko County
10. Responded to a citizen inquiry concerning the Ponderosa Dairy in Armagosa Valley.
11. Attended the monthly meeting of the Nevada Petroleum and Geothermal Society.
12. Attended the oil and gas lease sale at the BLM state office.
13. Attended the SME monthly meeting in Reno.
14. Attended internal controls training in the Carson City office.
15. Participated in the IOGCC Steering Committee monthly conference call.
16. Made a presentation to the American Association of Professional Landmen in Reno.
17. Attended the Division budget closing and responded to questions from legislators. Answered questions concerning the contribution to the Sagebrush Ecosystem Task Force.
18. Gave a presentation to the Great Basin chapter of the Association of Engineering and Environmental Geologists titled "Update on Nevada Exploration and Production".
19. Responded to questions from Mine Development Associates concerning the NPOM tax.
20. Responded to questions from Comstock Mining concerning the proposed securing of the one of the Sutro Tunnel air shafts.
21. Calculated the average per acre bond cost for a notice level activity at about \$6,000/acre.
22. Met with Jeryl Gardner of NDEP concerning their renewed interest in AML.
23. Met with Rachel Yelderman the new environmental manager for Comstock Mining.
24. Attended the IMCC Western Region Hardrock/Noncoal Symposium in Salt Lake City with Mike. Gave a presentation on Exploration and Production Update for Nevada.
25. Met with Dave Gaskin and Colleen Cripps of NDEP concerning the Noble well permits and SB 390, the hydraulic fracturing bill.

26. Responded to an inquiry from the World Gold Council on behalf of the Governor.
27. Responded to inquiry from Bill Ehni concerning SB 390.
28. Responded to an inquiry concerning mining properties controlled by Einar Erickson.

RECLAMATION BOND POOL (MIKE)

1. Communicated with new representative for Kona Gold to resolve outstanding bond pool issues.
2. Spoke with representatives from Kona Gold, Basin and Range Resources, and Kokanee Placer to resolve older outstanding bond issues.
3. Mailed out reminder invoices to seven quarterly bond pool participants.
4. Continued working on Plan of Operations fee (GL3770) tracking spreadsheet.
5. Processed bond refund for Basin and Range Resources.
6. Provided new bonding estimator spreadsheets to Enviroscientists and Elliot Crist.
7. Continued working on Plan of Operations fee (GL3770) tracking spreadsheet.
8. Worked with Valerie to review current status of Bond Pool database in Access and reporting requirements. To date, 51 projects out of 146 have been entered in the new database, including all payment histories and actions.
9. Completed audit questionnaire relating to Queensgate's Coal Canyon project bond held in the Bond Pool. Answered questions from the CFO of Animas Resources regarding their current participation in the bond pool, premium payments, and refunds.
10. Worked up estimate of Bond Pool administrative costs for FY13.
11. Spoke with widow of bond pool participant Steve Bowers to assist her with refund of bond deposit.

MINING, LAND AND OTHER ISSUES (MIKE)

1. Completed Work Program spreadsheets detailing expected expenditures for Cat. 18 (AML Support) and Cat. 39 (AML Enhancements) through FY13.
2. Met with AML staff to review status of projects and goals for rest of FY13.
3. Met with Alan, Bill, and John to discuss NDOM's response options to Gold Rush Expedition's flipping of claims recently staked in a number of historic mining districts and inherent AML liability exposure.
4. Mailed out letters reminding mine operators to submit their 2012 Annual Status and Production Reports.
5. Broke rock and mineral samples with Rob and Rachel for material to be used at Teachers Workshop at Las Vegas later in March.
6. Along with Alan and Lowell, met with Dave Gaskin and Alan Tinney (NDEP) to discuss permitting issues with regard to hydraulic fracturing.
7. Along with Alan and Lowell, met with Jeff Schwarz and Lee Hinman (Noble Energy) to review their proposed plans for drilling in NE Nevada and information required to permit with NDOM.
8. Along with Alan and Lowell, reviewed NRS and NAC's applicable to oil and gas drilling and discussed with DAG Geddes and Commissioners Gibson and Snow.
9. Along with AML staff, met with Brian Breiter and Bill Flint to review status of their AML inventory application and discuss modifications.
10. Completed necessary calculations, reporting and submitted invoice for AML reimbursement request to USFS for cost-sharing work conducted within last 8 months.
11. Researched mining laws pertinent to States' rights regarding mining claim markers and impacts from removal of plastic claim posts. Provided case law and examples as requested to Ken Maas (USFS).

12. Worked on EPS contract amendment.
13. Along with Valerie, Linda, and Alan, attended Internal Controls certification class.
14. Attended NvMA Education Committee meeting for planning of Teachers Workshop.
15. Along with AML staff and Alan, met with Jeryl Gardner (NDEP) to review and discuss joint AML efforts and means of data sharing.
16. Along with Alan, attended Division's Budget Hearing.
17. Spoke with Sara Wittenberg (Elko Daily Free Press) answering questions regarding the Commission's funding of plastic claim post pulling efforts.
18. Attended Interstate Mining Compact Commission's Western Region Hardrock/Noncoal Symposium in Salt Lake City, along with Alan and Bruce Holmgren (NDEP).
19. Reviewed updates with Alan on Sagebrush Ecosystem Council and future financial impacts to NDOM.
20. Submitted contract amendment information to the Contract Entry and Tracking System (CETS) for Brian Breiter's existing AML fencing contract.

AML / PUBLIC AWARENESS - NORTH (JOHN)

1. Prepared with Rob and delivered the AML 7 ½ minute topo sheets for Lander County and Mineral County to the Nevada Archives to be scanned. Picked up the already scanned maps for Eureka County and Lyon County.
2. Received confirmation from our eight selected interns that they accepted NDOM's offer for Summer Intern employment.
3. Corresponded with the selected interns that we will begin the hiring process by asking them to send us their DMV records and check their tetanus vaccination status.
4. Corresponded with each Summer Intern candidate we interviewed that we didn't select of our decision to move forward with other candidates, and provided them with other summer employment options.
5. Met with archaeologist Stephanie Livingston from the Great Basin Institute and her assistant Lydia, biologist Jenni Jeffers from NDOW, and archaeologist Patrick Haynal from the BLM at the Long Mine near Lovelock regarding AML hard closures.
6. With the help of Rachel and Rob, we began to prepare data on claimants who are flipping claims on EBAY that have AML features.
7. Worked on a Claimant Notice Letter with Bill regarding claimants who are "flipping" claims on EBAY in Nevada with AML features.
8. At the request of Jenni Jeffers, Biologist NDOW, completed and sent an amended CX for one of the features to the original Long Mine CX to the BLM with the help of Mike.
9. Began to receive DMV records from the 2013 Summer Interns.
10. Spent a day in the field with Rachel and Rob doing AML revisits, loggings, and repairs while doing field checks for potential summer intern work or Eagle Scout project work.
11. Prepared with Rob and delivered the AML 7 ½ minute topo sheets for Pershing County and Washoe County to the Nevada Archives to be scanned. Picked up the already scanned maps for Lander County and Mineral County.
12. Drafted a "GRANT OF RIGHT OF ENTRY TO REAL PROPERTY FOR ABANDONED MINE HAZARD" letter to be reviewed by Kristen Geddes. The main purpose for this letter is for NDOM to use volunteers (Scouts) to secure hazards on Patented Claims where the owners are unable or unwilling to do the work themselves while providing more ideal options for Eagle Scout projects.
13. Prepared with Rob Ghiglieri and delivered the AML 7 ½ minute topo sheets for Northern Nye County to the Nevada Archives to be scanned. Picked up the already scanned maps for Pershing County and Washoe County.

14. Prepared and mailed out a Notice to Secure letter to GRE regarding AML features on GRE's active claims.
15. Prepared and mailed out Notice to Secure letters and Notice of Securing letters to new claimants who recently purchased claims from GRE on EBAY regarding their responsibility for AML features on their active claims.
16. Performed a down hole camera survey on shaft CC-0068 with Mike, Rachel, and Rob. Jenni Jeffers, Bat Biologist from NDOW was on site and witnessed the survey.
17. Made the requested changes by Kristen Geddes to my draft "GRANT OF RIGHT OF ENTRY TO REAL PROPERTY FOR ABANDONED MINE HAZARD" letter.
18. EPS completed 88 AML revisits and 29 AML securings in Mineral County and logged 254 non hazards in Churchill County.
19. Prepared for and sent to Jenni Jeffers at NDOW photos and Hazard Inventory Sheets for hazards associated with the Cowden Mine in northern Humboldt County.
20. Trimmed and folded new 7 ½ minute topo maps for Washoe and Nye County.
21. Prepared for my class presentation at the Teachers Workshop in Las Vegas.
22. Bagged and tagged diatomite samples for the Las Vegas teachers workshop.
23. Performed land research on LR 2000 regarding GRE's Nevada activity.
24. Attended the NMA Education Committee Teachers Workshop in Las Vegas.
25. Rob and John gave an AML presentation to a class of 6 teachers in Las Vegas.
26. NDOM had a booth at the Las Vegas NMA teacher's workshop where AML information was distributed to 79 attendees.
27. Picked up the already scanned maps for northern Nye County from the Nevada Archives and dropped off southern Nye County and Esmeralda County maps to be scanned.
28. Made additions to the AML database from data from Jason Williams from NDOW.

AML / GIS (RACHEL)

1. Finished updating new AML information collected and submitted by Jason Williams (NDOW). Matched up photos with existing hazards in our database and added new NDOM numbers to new sites logged. Sent the updated list back to Jason Williams so that he can correlate the new information.
2. Inventoried GPS units, cameras, backpacks and other AML intern supplies in order to determine what equipment will be needed for the upcoming intern season. Found that additional cameras will be needed and began researching the different options available for geotagging point and shoot cameras. Came up with three different options and will research them further as time allows.
3. Broke rocks at the shed with Mike and Rob for the upcoming workshop in Las Vegas.
4. Discussed methods of locating AML features not on topographic maps with Debbie.
5. Spoke with a representative at ESRI about the cost of updating our ArcMap licenses from Basic to Standard and the possibility and cost of implementing ArcMap for Server.
6. Completed routine copying and back-up of the networked drives.
7. Traveled to BLM in Reno with Rob in order to find and copy claim maps for a handful of new claims filed in eastern Nevada.
8. Georeferenced several claim blocks picked up at BLM on Friday, March 1st. Once all maps were georeferenced, a shapefile was created in ArcMap showing the distribution of claims and claim names. Determined how many hazards were on these claims and which ones were unsecured. This information was given to John so that a letter can be sent out to claimants notifying them of their responsibility to secure any hazards.

9. Added several photos from Debbie to the AML staging folder. These photos will be added to the photo archive at the end of the month. Began compiling all new photos to send back to Debbie at a later date.
10. Traveled to the Hussmann Spring quadrangle between Yerington and Schurz to conduct revisits and log new AML features with Rob and John. Several new non-hazards were logged along with one new hazard. Several sites were revisited in order to determine potential Boy Scout projects. There is additional logging work that will need to be done.
11. Completed routine data entry of new hazards logged in recent weeks.
12. Queried the database in order to find all AML work that has been completed to date on BLM land. Created a map showing AML work done on BLM land and distinguished between those sites secured by BLM or BOR and all other entities. Submitted this information to Chris Ross along with a newest update of our AML database.
13. Met with Brian Breiter and Bill Flim in order to discuss the progress of the AML app and assessment of the tablet currently being tested by Brian Breiter and EPS. Attended the meeting with Mike, Rob, and John. Several concerns were addressed and methods of moving forward were discussed. Rob and I will begin testing the app on smart phones when new field work is done.
14. Dropped off activity books and information that will need to be loaded onto flash drives for the teacher's workshop at NvMA. Discussed some details and what needs to be done before the workshop with Joe Riney.
15. Sent an updated version of the Virginia and Truckee Railroad Google Earth movie to John Snow so that it could be used as an example and referenced during an upcoming Google Earth Seminar put on by NGPS.
16. Looked for any outstanding information from 2012 that needed to be entered into the database. Fixed any discrepancies that were found and created a snapshot of the AML database for 2012 so that it can be referenced for the 2012 AML report. Sent the spreadsheet to John so that work can begin.
17. Received a request from Stephanie Livingstone with Great Basin Institute for photos of hazards in Humboldt County.
18. Updated information in the database sent from Debbie regarding securings completed by URS for Barrick.
19. Compiled information and maps needed for a meeting and site visit with Comstock Mining. Traveled to Comstock with Rob in order to meet with Jenni Jeffers (NDOW), Nancy McMillen, Brandon MacDougal and Rachel Yelderman (all from Comstock). Logged two new hazards on Comstock claims and discussed logging procedures and closure methods for future work.
20. Accompanied Mike, Rob, John, and Jenni Jeffers to a shaft located in New Brunswick Canyon so that we could use the down-hole camera to determine depth and wildlife potential. Reviewed proper procedures for the set up and navigation of the down-hole camera.
21. Began researching a quantifiable way of developing a camping rate for our summer interns. Looked into different methods of completing this and found that the best way would be to use tools only available through the advanced version of ArcMap. Downloaded the free trial of the software and will spend the next few weeks assessing the value of this software and determining if it is beneficial to upgrade our licenses. Completed the query with the advanced version and gave the findings to Mike for review.
22. Finished setting up the new computer. Uninstalled all programs from the old one and re-installed them on the new one.

23. Prepped all materials needed for the teachers workshop. Loaded the truck with Rob and made sure we had all the supplies needed for rock boxes and handouts. Met Joe Riney at the NVMA storage shed and helped load the trailer with supplies for the workshop.
24. Traveled to Echo Loader Elementary School in Reno with Rob in order to present rocks and minerals to students in Head Start classes. Two presentations were given to a total of 34 students and 4 parents/teachers. Rock and mineral samples were given to the students to take home and share with their families. (2 presentations – 38 people).
25. Conducted re-visits on several hazards in the Cold Springs area north of Reno. Logged a few new non-hazards. There are additional sites to investigate in the area and may be a good project for summer interns.
26. Attended a Google Earth Seminar at the NBMG. The Seminar was put on by NPGS. 30 people were in attendance – brought AML swag to hand out to attendees and teachers.
27. Logged two new hazards outside of Goldfield on the return trip with Rob. These hazards were located just east of Hwy 95 and were already fenced.
28. Attended the Southern Nevada Earth Science Teachers Workshop at Faith Lutheran High School in Las Vegas. Taught two sessions on Rocks and Minerals. There were a total of 25 students in each class session. Assisted other teachers in helping in classrooms, set-up and tear-down. Valerie assisted Debbie with registration and helping the teachers determine where to be. Valerie also volunteered in classrooms where needed and cleaned up after the teachers workshop.

AML / GIS (ROB)

1. Provided AML hazard information and created maps for claimants upon response to the December 2012 reminder mail out.
2. Updated the AML Hazard database with information provided by claimants AML Hazard securing's.
3. Prepared information for a field visit of Hussman Springs Quadrangle.
4. Contacted Chris Ross of the BLM for a spring AML training of BLM personal in Pershing County.
5. Compiled and pulled maps for Lander and Mineral counties NAD 27 Topo Quad Maps with AML work done since 2006 for scanning.
6. Prepped rocks with Mike and Rachel for the 2013 Las Vegas Teacher Workshop.
7. Created roughly 50 7.5' NAD 83 Topographic Quadrangle maps for White Pine, Lyon, and Pershing counties.
8. Printed and cut all 7.5' NAD 83 Topographic Quadrangle maps for White Pine County with AML hazards and non-hazards.
9. Helped Mine Safety locate a mine and identify a claim owner for an accident in Esmeralda County that happened on the mine.
10. Went to the state BLM office with Rachel to acquire active GRE claim maps.
11. Correlated all of GRE active claims in Nevada looking for AML features.
12. With John, compiled and pulled the AML NAD27 topographic quadrangle maps, with AML work done since 2006, in Pershing and Washoe counties for digital scanning.
13. Updated the AML database with information provided by claimants securing hazard on their claims; as well as, started entering securing and revisit data from EPS's February and March Mineral County work.
14. With Rachel, digitized the GRE claim maps that we acquired from the BLM, and correlated all logged AML features on the GRE claims. Provided the information to John so he could send out notification letters to the claimant.

15. With Rachel and John, preformed a filed visit in Hussman Spring topographic quadrangle for a potential Eagle Scout project. Revisited 12 sites, logged one new hazard and 30 non-hazards. Compiled the data and forwarded the patented claimants contact data to John for future preceding.
16. Reviewed and edited with John, the contract agreement between NDOM and Robert Miller for the potential Eagle Scout project closure of 5 hazards on Mr. Millers Patent.
17. Created roughly 40 7.5' NAD 83 topographic quadrangle maps for Lyon, Carson, Washoe, and Douglas counties.
18. Printed all 7.5' NAD 83 topographic quadrangle maps for Mineral County with AML hazards and non-hazards.
19. Reviewed, updated, and prepared the AML and topographic map classroom exercises for the March 2013 Las Vegas Teacher Workshop.
20. Using ArcMap I compiled a list of hazards for ALM notification letters mail outs for the end of March.
21. Updated the AML database by entering securing and revisit data from EPS's February and March Mineral County work. A total of 87 revisits with 9 re-securings, and 27 new securings.
22. With John, reviewed the finalized contract agreement between NDOM and Robert Miller for the potential Eagle Scout project closure of 5 hazards on Mr. Millers Patent.
23. With Rachel, instructed Rachel Yelderman, Brandon McDougall, and Nancy McMillan from Comstock Mining how to log new hazards on their property. Logged 2 High hazards (ST-0185 & ST-0186) with Comstock Mining.
24. With Mike, Rachel, and John preformed a downhole camera survey of CC-0068, a potential hard closure project, for possible bat habitat.
25. With John, compiled the list of AML NAD27 topographic quadrangle maps, with AML work done since 2006, in northern Nye County for digital scanning.
26. Created roughly 40 7.5' NAD 83 topographic quadrangle maps for Churchill, Pershing, and Washoe counties.
27. Printed and cut all 7.5' NAD 83 topographic quadrangle maps for Lyon, Carson, Douglas, and Storey Counties with AML hazards and non-hazards.
28. Replaced all Carson, Lyon, Mineral, and Storey Counties NAD27 topographic maps for the new NAD83 topographic maps in the file cabinets.
29. With John, compiled the final list of AML NAD27 topographic quadrangle maps, with AML work done since 2006 for digital scanning.
30. Created roughly 35 7.5' NAD 83 topographic quadrangle maps for Churchill and Pershing counties.
31. Printed and cut all 7.5' NAD 83 topographic quadrangle maps for northern Nye Counties with AML hazards and non-hazards.
32. Replaced all Douglas and Washoe Counties NAD27 topographic maps for the new NAD83 topographic maps in the file cabinets.
33. Attended a meeting with Alan, Mike, John, Rachel, and Jeryl Gardner of NDEP to discuss the revamping of the dual agency AML cooperation.
34. With Rachel, prepared rock bags and presented basic rock uses for two Early Start program (age 3-5) presentations at Eco Loader Elementary School in Washoe County; a total of 38 students and teachers. (2 presentations – 38 people).
35. Finish preparing the AML presentation and Topographic exercise for the 2013 Southern Nevada Teachers Workshop.
36. Attended John Snow's Nevada Petroleum & Geothermal Society Google Earth Workshop and demonstration at the Great Basin Science Samples Records Library.

37. Drove to and from Las Vegas with Rachel with supplies for the 2013 Southern Nevada Teachers Workshop.
38. Helped Bill at the Las Vegas NDOM office move supplies for the Teachers Workshop.
39. Helped with the Teachers Workshop Committee prepared and setup all necessary classroom activities and supplies.
40. John and I presented the AML and topographic map exercise to 6 teachers (one presentation – 6 people).
41. Assisted Rachel with the rocks and minerals sessions to 42 teachers (one presentation – 42 people).
42. Helped Sam Macaluso present Gold through Curriculum to 36 teachers.
43. Assisted Sam Macaluso, who gave a geologic road guide to the Mineral Park Copper/Molybdenum Mine in Arizona to 35 teachers.
44. With Rachel, logged two hazards and one non-hazard in Esmeralda County.
45. Discussed hard closures on WP-1265 with Eric Heinbaugh on Robison Mines Property.
46. Performed a database backup and added all new photos from March to the database.

AML / PUBLIC AWARENESS - SOUTH (BILL)

1. Participated in conference call with BLM and BOR – progress update on NEPA work in-progress for 25 BLM-funded permanent AML closure sites in Clark County.
2. Visited the Grapevine Springs adit near Johnnie, Nye County with the BOR construction crew. The adit is on formerly patented land recently purchased by BLM. The adit will be permanently closed with a culvert gate.
3. Prepped mineral and rock samples for Las Vegas teacher workshop kits.
4. Sent Eagle Scout candidate Colton Myhre (#168) an AML securing project package for three sites in the Goodsprings/Sandy Valley area, Clark County.
5. Conducted claim research for Esmeralda, Lincoln and White Pine County AML sites.
6. Completed prep of mineral and rock samples for Las Vegas teacher workshop kits.
7. Updating classroom session materials for Las Vegas teacher workshop.
8. Work on road logs for Las Vegas teacher workshop tours.
9. Presented three sessions of minerals and commodities, “Birdseed Mining” and AML for 5 classes of third graders at Wallin Elementary School – Las Vegas – total of 130 students (3 presentations – 130 people).
10. Presented two sessions of minerals and commodities, “Birdseed Mining” and AML for 6 classes of third graders at Aggie Roberts Elementary School – Henderson – total of 150 students (2 presentations – 150 students).
11. Prepared and sent Eagle Scout AML project package for Jacob Eckersley (#161).
12. Conducted AML claim research – Lincoln and White Pine Counties.
13. Participated in conference call with BLM and BOR – progress report on AML closures in southern Nevada. Five permanent closures were completed in Clark County and one (Grapevine Spring) was secured with a culvert gate in Nye County.
14. Updating classroom session materials for Las Vegas teacher workshop.
15. Completed work on road logs for Las Vegas teacher workshop tours.
16. Conducted AML claim research – Lincoln and White Pine Counties.
17. Sent information package to patented claim owners in White Pine County regarding overstaking of their property by GRE, Inc.
18. Las Vegas staff participated in a conference call of the Nevada Mining Association Education Committee – final details for the 2013 southern Nevada teacher workshop.
19. Updating and copying classroom session materials for Las Vegas teacher workshop.
20. Pack and load up teacher workshop materials.

21. Contacted teacher workshop tour destinations to confirm tour date and arrival times.
22. Attended Foothill High School Career Fair – Henderson. Display featured Mackay materials and AML handouts – visited by 30 sophomore and junior students. (1 presentation – 30 people).
23. Completed the reconnaissance site visit for Colton Myhre’s Eagle Scout AML securing project. Three hazards will be secured north of Sandy Valley in Clark County.
24. The Las Vegas office staff participated in the 24th annual Southern Nevada Earth Science Education Workshop. Duties included set-up of workshop facilities and classrooms, packing mineral and rock kit boxes, teacher credit registration, teaching activity sessions, field trip logistics and tour leading, tear-down and clean-up. There were 79 registered attendees.
25. Workshop activity sessions taught by Bill: Mineral Detective, Rocks and Geology, Cupcake Core Drilling, Birdseed Mining and Extraction of Metal from an Ore. Led Tour 3 to Aggregate Industries Sloan Quarry and Las Vegas Rock’s sandstone finishing facility at Jean, Nevada.

GEOHERMAL (LOWELL)

1. Reviewed Terra-Gen’s review of the condition of four legacy wells in Dixie Valley. The four wells reviewed (out of six legacy wells) by Stephen Pye, a consulting engineer, are in response to the BLM Carson District requesting the six legacy wells be plugged and abandoned. Stephen Pye states three out of the four wells are in good mechanical integrity condition, and the fourth well reviewed needs further evaluation. The work on the fourth well needing further evaluation and the two remaining legacy wells are to be performed during the second quarter of 2013.
2. Reviewed ORNI 47 LLC’s (Ormat Nevada) Wild Rose 42-11 observation well permit application and drilling program. The proposed total depth is 3,000 feet. Alan approved.
3. Reviewed Gradient Resources’ Patua 21A-28 production well permit application and drilling program. The well is proposed to be drilled to 10, 474’ (MD). Received BLM notification of approval. Alan approved.
4. Reviewed ORNI 32 LLC’s (Ormat Nevada) Dixie Hope 84-7 observation well and drilling program. The proposed total depth is 6,000 feet. Received BLM notification of approval (BLM approved as a TG hole). Alan approved.
5. Reviewed Kinross’ sundry notices to plug and abandon the two remaining geothermal wells at Round Mountain Gold, 51-36 (production) and 34A-25 (injection). Alan approved.
6. Reviewed Ormat Nevada’s sundry notice to reclassify the Desert Peak 27-15 production well to an injection well. Received Russ Land’s notification that the well will be included on the Desert Peak UIC Permit. Alan approved.
7. Reviewed Gradient Resources sundry notice to sidetrack the 23-17 production well. The sidetrack is proposed to be drilled to 10,000 feet. Alan approved.
8. Reviewed HSS II’s sundry notice to perform tracer tests using the Tuscarora 53-8, 66-5, 66A-5, 72-8, and 87A-5 injection wells. Received UIC approval of the tracer use and procedure. Mike approved.
9. Reviewed Magma Energy’s sundry notice to perform a tracer survey in the Soda Lake 25A-33 injection well. Received Russ Land’s, UIC, approval for the tracer proposed. Alan approved.
10. Participated in a teleconference with the BLM and representatives from the geothermal industry concerning permitting issues, such as allowed depth of a TG hole. In terms of TG holes, it was decided the BLM and NDOM will discuss the possibility of allowing

deeper TG holes, utilizing proper well bore construction and BOP's, where another MOU between NDOM and the BLM may develop. Other items discussed were possible conversion of TG holes to observation wells and issues related to the BLM NEPA process.

11. Reviewed ORNI 15's (Ormat Nevada) Jersey Valley 14-27 injection well sundry notice to hang 9 5/8" liner from the 13 3/8" intermediate casing and cement in place. Waiting on notification of approval from the BLM.
12. Reviewed Terra-Gen's TGP 45-14 sundry notice to run a tracer test in the 45-14 observation well. The tracer test is a part of the mechanical integrity testing requested by the BLM. Alan approved.
13. Reviewed Enel Stillwater's sundry notice to repair or replace the pump in the 62A-30 production well. Alan approved.
14. Reviewed Enel Salt Wells sundry notice to repair the surface connector to the 46A-35 production well. Enel is to pull the pump out of the well during the repair. Received BLM notification of approval. Alan approved.
15. Reviewed ORNI 3 LLC's (Ormat Nevada) sundry notice to perform a one day flow test on the Desert Peak 27-15 injection well. Received UIC notification of approval. Alan approved.
16. Wells drilling: Gradient Resources Patua 78-20 injection well; Gradient Resources Patua 23-17 ST1 production well; Gradient Resources Patua 36-17 production well; Gradient Resources Patua 38(51-28)-21 production well; ORNI 39 McGinness Hills 22-10 observation well; ORNI 39 McGinness Hills 22A-10 observation well.

OIL AND GAS (LOWELL)

1. Reviewed True Oil LLC's permit application and drilling program for the DY Federal 13-31, located in Railroad Valley approximately 23 miles southwest of Currant, T7N, R57E, NW4 SW4 Section 31. The proposed total depth of the well is 6,200 feet. Waiting on outcome of the BLM Tonopah review.
2. Worked on rewriting the drilling program submitted by Noble Energy for drilling a well and utilizing hydraulic fracturing as its completion method in order for it to fit NDOM's requirements.
3. Reviewed Makoil's Portuguese Mountain 14A-12 sundry notice to plug back hole. Received BLM notification of approval. Alan approved.
4. Reviewed Tetuan Resources' request to extend the confidentiality period of the Marys River 34-26 well for an additional six months. The well is located outside of Wells, SW/4 SE/4 S 26, T38N, R61E. Alan approved.
5. Reviewed Noble Energy's permit application for the EOS-3N core hole drilled in Elko County in 2012, NE/4 NE/4 S 36, T34N, R55E, a few miles south of Elko. The well was plugged and abandoned at completion of drilling. Reviewed Completion and Plugging Reports. Alan approved.
6. Reviewed casing and cementing program submitted by Bill Ehni for the Bestoso ARC 1 proposed well in White River Valley, T5N, R61E, NW4 SW4 Section 20.
7. Reviewed Andromeda Oil's informational sundry on the completion of Tomera Ranch 6X. Alan approved.
8. Drilling/Completion: Makoil Portuguese Mountain 14A-12; Major Oil Eblana 1.

OTHER (LOWELL)

1. Traveled to Tonopah with John Menghini on Wednesday, February 27th. Reviewed Major Oil's sundry notices and actual work performed with Tom Seley and Nazila Hummer at the BLM Tonopah office. Traveled out to Hot Creek Valley and met with Brian McDonnell (CEO of Major Oil) and Soran Talabani (contracting petroleum engineer to Major Oil). NDOM and the BLM had been told the Eblana 1 was testing oil at a rate of 60 BOPD prior to our visit. However, we did not find any oil on site other than a few jugs and jars of oil. There was no oil in the tank, and only a skim of oil on a flotation type tank they were using. We were told the 60 BOPD was only a calculated rate (but had been reported as a producing rate), and when asked to review the calculations we were told they did not have them on hand. John and I visited the Desert Discoveries Paradise 2-12 location west of Gabbs on Thursday, February 28th. We found a rather large pump jack in place, but the sucker rods and down-hole pump were on a rack on the ground. We saw numerous jars of oil, as well as oil in a wheelbarrow near the pump jack. It appears this well may actually have the ability to produce some oil, but with the high paraffin content the company needs to keep the oil moving (to keep the wellbore warm), insulate the production tubing between the pump jack and the collection tank, and utilize the steam piping in the collection tank (again, to keep the oil warm), in order to reduce the 'setting-up' effects of the paraffin in the oil.
2. Alan, Mike and I met with Dave Gaskin and Alan Tinney of NDEP to discuss items related to hydraulic fracturing in Nevada, primarily Noble Energy at this time. The discussion centered on regulatory authorities of both Divisions, where NDOM's authority lies essentially with the fracturing process and NDEP's authority overseas chemical use and water related issues. A temporary permit for Noble's chemical and water related issues, along with NDOM's drilling permit were discussed. NDEP's position is that the temporary permit can be turned into a general permit within six months or so. Cassandra Joseph and Katy Armstrong, NDEP's Deputy AG's, joined the meeting where legal aspects were discussed.
3. Alan, Mike, and I met with Jeff Schwarz and Lee Hinman of Noble Energy later that day, March 4th. Alan discussed the possibility of the NDEP temporary to general permits with Noble, which Jeff Schwarz seemed quite interested in pursuing, as long as it definitely did not involve UIC. Jeff and Lee went to talk with Dave Gaskin at the conclusion of our meeting.
4. Attended the BLM Oil and Gas Lease Sale at the BLM State Office on March 12. The results of the sale are as follows:

**Bureau of Land Management
Nevada State Office
Competitive
Oil and Gas
Lease Sale Results Summary
March 12, 2013**

1. Total number of parcels offered: 35
2. Total number of acres offered: 45,561.55
3. Total number of parcels receiving bids: 29
4. Total number of acres receiving bids: 35,889.450
5. Total sum of high bids: \$1,212,919.00
6. High bid per parcel: \$163,840.00
7. High bid per acre: \$152.00
8. Total receipts: \$1,271,113.00
9. Were there any disruptions or unusual events during the sale? No

10. Total number of parcels protested: 0
11. Total number of protests received on the sale: 0
12. Total number of acres protested: 0
13. Total number of protested parcels offered: 0
14. Total number of parcels withdrawn as a result of protests: 0
15. Total number of parcels withdrawn for other reasons: 0
16. Total number of acres deferred from the preliminary list for sage grouse: 41,294.260
17. All monies due were received? To be determined

**Bureau of Land Management
Nevada State Office
Non-competitive Oil and Gas Lease Sale Results
March 2013**

Offers filed: 7
Offers rejected: 0
Offers returned for correction: 0
Parcels available for NCO: 5
Parcels receiving offers: 2
% parcels receiving offers: 40.00%
Parcels receiving multiple offers: 0
Acres available for NCO: 9672
Acres receiving offers: 2795
% acres receiving offers: 28.90%
Total rental collected (all parcels): \$15,449.37
Rental fees retained: \$4,192.50
Filing fees collected: \$2,730.00
Total fees retained: \$18,179.37
Total deposit: \$6,922.50
Refund: \$11,256.87

5. Alan and I met with Jason Hefner of Gradient Resources. Jason is absorbing some of Ken Bonin's work due to Ken's retirement. We discussed permitting with NDOM, as well as discussing the manner in which Gradient is moving forward to obtain a UIC permit for the Patua Field near Hazen. The Patua electrical generation plant is to have a 60MW nameplate capacity.
6. Met with Mojra Hauenstein (Fernley Economic Director) and Carla James (BLM) to discuss what inspections of drill sites, pipe lines, plants, etc. associated with geothermal exploration, development, and production the two agencies cover. The city of Fernley wanted to know if there are any gaps of the inspection process that the city should try to fill in.
7. Attended the Sagebrush Ecosystem Council meeting on Wednesday, March 27th.
8. Attended the Mining Oversight and Accountability Committee (MOAC) meeting on Thursday, March 28th.