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Richard Perry
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ACTIVITY AND ACHIEVEMENTS OCTOBER 2013

ADMINISTRATION (MIKE)

1. Met with the LCB auditors to review a first draft of their Final Findings report and discuss preliminary responses from NDOM to their issues of concern.
2. Naomi Duerr requested a meeting to discuss agency programs. Met with her and provided general overview of programs and staffing.
3. Our budget analyst requested completion of a worksheet detailing short, mid and long-term impacts to agency programs resulting from a federal government shutdown and a memo detailing our options for addressing any potential impacts. Minor impacts to our AML program are possible due to semi-annual fiscal assistance programs from the BLM and USFS. No agency staff will be impacted; any revenue shortfalls are accommodated by reductions in AML enhancements (e.g. contracted work).
4. Submitted two Work Programs to increase expenditure authority for Categories 02, 03 and 08. The Cat 08 Work Program was approved, the other Work Program will be considered at the December 9th meeting of the Interim Finance Committee.
5. Updated NDOM's portion of the Nevada Taxpayers Association's "Tax Facts" publication to reflect FY13 production and economic impacts due to mining.
6. Met with representatives from NDEP and the Desert Research Institute (DRI) to review status of DRI's AQUA program.
7. Met with Commissioner Henderson to continue working on HF program elements.
8. Provided Rich Perry's press release to the Elko Daily Free Press, Reno Gazette Journal, Nevada Appeal and Las Vegas Review Journal newspapers as well as to GSN.
9. Worked with Governor's office to have official appointments made for representation at the upcoming Interstate Oil and Gas Compact Commission (IOGCC) annual meeting. A letter from Fred Gibson was submitted to the Governor for recommending the appointment of Lowell Price as Associate Representative and Rich Perry as the Official Representative at future meetings.
10. Lowell and I met with Tim Wilson (DWR) and Brad Platt and Ashley Smith (Enel) to review aspects of the Stillwater geothermal field and interaction history with nearby residents.
11. Entered contractual information into CETS pertaining to proposed contract with Tom Gallagher (Nevada Water Solutions, LLC). Sent Tom a Scope of Work for review as well as required insurance types, amounts, and terms.
12. Attended the joint Geothermal Resources Council (GRC) and Geothermal Energy Association (GEA) conference in Las Vegas. Worked exhibit booth with Lowell providing information related to geothermal issues in Nevada, as well as our AML program, to some of the 1,600 attendees.

13. Traveled to San Antonio and attended the mid-year meeting of the Interstate Mining Compact Commission (IMCC) as the representative for Nevada.
14. Attended the State Environmental Commission (SEC) meeting with Commissioner Henderson to answer any questions related to hydraulic fracturing if they came up. The SEC requested an overview presentation on the subject from NDOM at its December 4th meeting.
15. Attended special meeting of the CMR to interview candidates for administrator of NDOM.
16. Attended quarterly CMR meeting and provided agency updates to the Commission.

RECLAMATION BOND POOL MINING, LAND AND OTHER ISSUES (MIKE)

1. Researched other states' regulations related to ensuring well-bore integrity.
2. Received a request from Southern Nevada Liteweight for a bond increase. Prepared a worksheet detailing payment requirements and provided that to them.
3. Met with Dave Marlow (State Lands) to receive deed reconveyance paperwork related to a bond for the Art Wilson Company.
4. Processed bond release for Silverthorn Exploration and Walker Lane Gold.
5. Researched and provided reference information to claimant regarding overlapping of placer and lode claims.
6. Conducted AML hard closure site assessment in Virginia City with Rob and contractor Brian Breiter.
7. Provided additional historic mine production data to Applied Analytics and answered questions related to assorted variances between numbers reported by NDOM versus those from Taxation.
8. Received request from Southern Nevada Liteweight to increase their reclamation bond. Created increase worksheet and submitted it along with payment history to Lacy Trapp (BLM-NSO) for approval as required under MOU.
9. Provided LCB auditors with requested information from draft version of 2012 Major Mines report, plus 2012 oil and geothermal production numbers.
10. Worked up new bond packet for Channel Gold.
11. Lowell and I traveled to the Stillwater geothermal field and met with two property owners to assess their domestic geothermal wells, discuss their permit issues, and listen to alleged impacts to their wells by Enel's adjacent Stillwater geothermal operations.
12. Attended the annual meeting of the Nevada Mineral Exploration Coalition.
13. Provided answers and reference information related to basalt, pumice, and perlite production in Nevada to Todd Valline (Governor's Office of Economic Development).
14. Attended annual 8-hour MSHA underground refresher training provided by Bill Collins (Mine Safety and Training).
15. Provided requested historical gold production in Nevada and information on Comstock history to reporters from the Las Vegas Review Journal newspaper.
16. Provided requested modern gold and silver production numbers and associated updated graphs to reporter from the Mining Journal trade publication.
17. Provided requested total Carlin gold production to Dean Heitt (Newmont) for upcoming AIPG presentation.
18. Responded to requests for information from three auditors representing bond pool participants.
19. Completed the quarterly bond pool reconciliation and submitted it to Eric Scheetz (Controller's Office).

AML / PUBLIC AWARENESS - NORTH (ROB)

1. Held a meeting with Robinson Mining at their mine in Ruth. Discussed their unsecured hazards issues and concerns, as well as, their possible plans of closures with Eric Heinbaugh and Blair Davis.
2. With Mike and EPS visited the Sutro Air shaft #4 (ST-0067) and Mint shaft (ST-0081) in the Virginia City area. Determined the best possible locations for the chain link fence posts that will enclose ST-0067.
3. Started working on the NV Quicksilver hard closure project in Pershing County with EPS and NDOW. Familiarized myself with all 14 hazards that are included in the project, as well as, the surrounding area. EPS was able to build 2 bat gates and 1 grate.
4. Logged 9 hazards and 39 non-hazards in Pershing County.
5. Revisited 6 hazards for the possible NV Quicksilver #2 hard closure project in Pershing County.
6. Replied to claimants responses concerning the July 30th notifications.
7. Attended the NVMA Education Workshop committee meeting in Reno.
8. Attended the Commission on Mineral Resources Meeting in Reno.
9. Entered all field data collected from the previous week in Pershing County into the database.
10. Researched a shaft that was brought to our attention by Commissioner Snow. It is located in Esmeralda County in an area that NDOM has not inventoried yet. The area has multiple mining related features that all fall on orphan land. A field visit is being planned in the future.
11. With Rachel, put up exclusion netting on all eight hazards in the Chukar 2 hard closure project.
12. Continued working on the NV Quicksilver hard closure project. EPS built 1 bat gate, 1 grate, 1 cupola, 2 culverts, and 2 polyurethane foam closures.
13. Performed three down-hole camera surveys for the possible Nevada Quicksilver 2 hard closure project in Pershing County.
14. Replied to claimants responses concerning the July 30th notifications.
15. Led an NDOM AML meeting with Mike, Bill, Rachel, Debbie, and John to discuss the progress and future on the Division AML program.
16. Research land ownership on hazards logged in 2012, with unknown land status in the database.
17. With Dan Erbes (BLM), put up exclusion netting on two hazards at the Monarch mine BLM closure project. Reviewed with Dan the exclusion netting work previously installed on the Chukar project.
18. Finished the NV Quicksilver hard closure project. EPS built 2 bat gates, 1 backfill, and 1 Polyurethane foam closure.
19. Replied to, and updated the AML database with, claimant's responses concerning the July 30th notifications.
20. Research land ownership on hazards logged in 2012, with land status "Unknown" in the database.
21. Presented NDOM's AML internship program to the John Mackey Club at UNR. A total of 30 persons present. (1 presentation – 30 people)
22. Reviewed and corrected the AML database with the Lynn district BLM logging data from spring 2013. Correlated the data with previously logged hazards, entered the information into the database, removed the incorrect logging information from the AML database, and provided the new Eureka County ID #'s to Whitney Wirthlin of the BLM.

23. Discussed BLM's Elko Districts AML 2013 field work and upcoming personnel changes with Whitney Wirthlin.
24. Registered for the 2013 ESRI Southwest User Conference in Salt Lake City.

AML / GIS (RACHEL)

1. Completed routine monthly back up and updates to the AML photo archive and database.
2. Received securing information from claimants and updated the database with these changes. Added photos to the archive and sent "Thank you" letters acknowledging the securing work completed.
3. Updated the database with securing documentation received from Metallic Goldfield for nearly 300 sites that had been backfilled. The documentation received did not include photos, so these sites will need to be field checked in the future.
4. Met Brian Breiter (EPS) and Ken Maas (USFS) in order to discuss closures of two open mine shafts on Peavine Mountain in Northwest Reno. These sites will be closed with bat grates in the near future. A site visit was conducted in order to determine access and materials needed for the upcoming work.
5. Began researching recently logged hazards on public land that need to be researched.
6. Conducted two classroom presentations with Valerie Kneefel at Miguel Sepulveda Elementary School in Sparks. Two "Paste with a Taste" activities were taught to a total of 65 second grade students. (2 presentations – 68 people)
7. Continued conducting land research on public lands throughout the state for hazards listed in database with "Unknown" ownership status.
8. Attended the education committee meeting in Reno at the Nevada Mining Association
9. Downloaded and tested the most recent version of the AML app. Worked on discovering and noting issues in current version.
10. Traveled to the Chukar mine in Douglas County with Rob in order to put exclusion netting over several shafts and adits in the area. These sites will be backfilled during the last week of October and first week of November.
11. Traveled to the Nevada Quicksilver site with Rob in order to meet Jenni Jeffers (NDOW) and Brian Breiter (EPS). Conducted three down-hole camera surveys with Rob and discussed mine shaft closure options with Jenni.
12. Spoke with Tim Lewis at purchasing regarding methods and steps that the division should take to move forward with the AML and other databases. Spoke with Debbie regarding this matter as well and how we want to move forward.
13. Attended a meeting with Rob, Bill, Mike, and John regarding the AML program and how we are moving forward.

AML (JOHN)

1. Performed 7 ½ days of AML field work in Lyon and Storey Counties.
2. Added photos, re-visit, and securing info to the database from AML work performed in Storey and Lyon counties.
3. From September 9th – October 25th work along the V&T corridor near Virginia City includes: 63 re-visits and 4 new hazards in Lyon County logged. In Storey County there have been 23 re-visits and 2 new hazards logged. 21 repairs and 5 securings were performed on these hazards during this time frame.
4. Attended the Commission on Mineral Resources meeting in Reno.
5. Attended the Nevada Mining Association Education Committee meeting in Reno. Items discussed were the planning for the 2014 Southern Nevada teacher workshop next

Spring, education events in northern Nevada this Fall, and tentative dates for the 2014 Northern Nevada workshop (July 14-17).

6. Attended the AML staff meeting in Carson City, with Rob, Rachel, Bill, Mike, and Debbie – also attended the retirement get-together for Alan Coyner.
7. Gave 2 “Paste with a Taste” classroom presentations (37 and 22 students) to second graders at Miguel Sepulveda Elementary School in Sparks. (2 presentations – 62 people)

AML / PUBLIC AWARENESS - SOUTH (BILL)

1. Assisted Lowell Price with display set-up for the Geothermal Energy Association conference at the MGM Grand – Las Vegas.
2. Presented minerals and commodities, “Birdseed Mining”, “What a Geologist Does” and AML for the 4th and 5th grade “Mighty Miners” (student tour guides) at the McCaw School of Mines – Henderson – total of 30 students. (1 presentation – 30 people)
3. Conducted an Eagle Scout reconnaissance site visit with candidate Mason Reid (#173). Three hazards will be secured in the Keyhole Canyon area between Nelson and Searchlight in Clark County.
4. Presented minerals and commodities, “Birdseed Mining”, “What a Geologist Does” and AML for 30 4th grade students at Carolyn Reed Elementary School – Las Vegas. (2 presentations – 32 people)
5. Logged in two AML securings completed by Corvus Gold (US)/Mineral Ridge Gold LLC in Esmeralda County (response to notification letter).
6. Attended Commission on Mineral Resources meeting in Reno. Reported on Southern Nevada activities in education and AML.
7. Attended MSHA 8-hour underground mine refresher training course in Carson City.
8. Attended AML staff meeting in Carson City and retirement gathering for former administrator Alan Coyner.
9. Logged in securings completed in Lincoln County by a contractor for Greenfield Environmental Trust (Kerr/McGee patented claims).
10. Prepped materials for display at Henderson National Trail Days event scheduled for Saturday, October 5.
11. Las Vegas staff set up and manned display at Henderson National Trail Days event – Cornerstone Park – Henderson. The display showcased AML information and handouts and Division materials – approximately 300 visitors.
12. Worked at McCaw School of Mines “Haunted Mine” Halloween open houses – Wednesday, Oct. 23 for students, parents and teachers of Gordon McCaw Elementary School; Thursday, October 24 open house for general public.
13. Researched and found a Lincoln County AML securing project for an Eagle Scout candidate (#174) who lives in the Pioche area.
14. Conducted Rheuben Trotter’s (#169) Eagle Project reconnaissance site visit. Four hazards will be re-secured and one site will be secured in the Crescent Peak area in Clark County.
15. Sent an Eagle Project package to Lincoln County Scout Derek Mathews (#174) for securing seven hazards in the Fairview Peak area, northwest of Pioche.
16. Received an inquiry for an Eagle Scout AML securing project from Jared Gibson (#175).
17. Conducted Max Ridenour’s Eagle Project reconnaissance visit. Due to access issues, the original project was abandoned. A new project has been located and a new information package has been prepared and sent.
18. Completed revisits to 10 AML hazards in the Crescent Peak area, Clark County.

19. Prepared and sent Eagle Scout AML project package to Todd Polley (#172). One hazard will be secured and three previously secured hazards will be repaired – Crescent Peak area west of Searchlight.
20. Attended Nevada Mining Association Education Committee meeting in Reno. Planning for the 2014 Southern Nevada teacher workshop, fall 2013 education events in northern Nevada and proposed dates for the 2014 Northern Nevada workshop tentatively scheduled for July 14-17.

GEOHERMAL (LOWELL)

1. Worked NDOM's booth at the Geothermal Resource Council annual conference in Las Vegas.
2. Reviewed Ormat Nevada's sundry notices to inject tracers into Steamboat injection wells IW-1, IW-3, IW-5, IW-6, and 23-33 in order to perform a field wide survey of fluid movements. Mike approved.
3. Reviewed Brady Power Partners' sundry notice to perform a short term baseline injection test in the Brady 15-12 production well. Testing is expected to last less than eight hours. Mike approved.
4. Reviewed US Geothermal's sundry notice to extend the approved total depth of the 58A-33 observation well from 3,000 feet to 4,000 feet. Mike approved.
5. Reviewed US Geothermal's sundry notice to perform a work-over operation on the 61-21 production well at San Emidio. Mike approved.
6. Reviewed ORNI 15 LLC's (Ormat Nevada) sundry notice to perform mechanical integrity tests on the 81-28 injection well. MI testing is being coordinated by Ormat through UIC.
7. Reviewed ORNI 39 LLC's (Ormat Nevada) permit application and drilling program for the McGinness Hills 25-10 production well. Proposed total depth is 5,000 feet. Received BLM notification of approval. Mike approved.
8. Reviewed ORNI 39 LLC's (Ormat Nevada) permit application and drilling program for the McGinness Hills 27-10 production well. Proposed total depth is 4,475 feet. Received BLM notification of approval. Mike approved.
9. Reviewed ORNI 39 LLC's (Ormat Nevada) permit application and drilling program for the McGinness Hills 35-10 production well. Proposed total depth is 4,475 feet. Received BLM notification of approval. Mike approved.
10. Reviewed ORNI 15 LLC's (Ormat Nevada) sundry notices to inject tracers into the Jersey Valley 14-27, 81A-28, and 81-28 injection wells. Tracers are to be used to track reservoir continuity. Received UIC approval. Received BLM notification of approval. Mike approved.
11. Reviewed Ormat Nevada's sundry notice to repair or replace the pump in the Steamboat 28-32 production well. Received BLM notification of approval. Mike approved.
12. Reviewed Brady Power Partners (Ormat Nevada) sundry notice to perform a 29 day injection test in the Brady 15-12 production well. The test is to be preceded by an 8 hour baseline injection test. Received BLM notification of approval. Mike approved.
13. Reviewed Gradient Resources' sundry notice to perform a 29 day injection test in the 38(25)-21 production well. Gradient is working with UIC to re-classify the well as an injection well. Received UIC approval. Mike approved.
14. Wells drilling: ORNI 43 LLC Tungsten Mountain 84-22 observation well; US Geothermal San Emidio 58A-30 observation well.

OIL AND GAS (LOWELL)

1. Reviewed MTS Energy's sundry on the Ferguson Spring 7-33 shut-in well, where monthly casing and tubing pressure reports are required by NDOM. Mike approved.
2. Reviewed Grant Canyon LLC's sundry notice to perform mechanical integrity testing on the Blackburn 21 well. Grant Canyon wants to convert the well to a water injection well. Testing is being coordinated through UIC. Mike approved.
3. Spent majority of week at Noble Energy's M2C-M2-21B well site. Witnessed running and cementing of casing. Witnessed casing pressure test.
4. Reviewed Wesco Operating (Kirkwood Oil and Gas) sundry notice to repair the Eagle Springs 1-34 injection well. UIC approved. Mike approved.
5. Reviewed Grant Canyon LLC's informational sundry notice on the completion of the Blackburn 16 well. Mike approved.
6. Drilling/Completion: Noble Energy Humboldt M2-M2C-21B (11,689', hole has reached total depth, running gyro survey, will run suite of logs after gyro run).

OTHER (LOWELL)

1. Spoke at the Nevada Landman's Association meeting on Friday, October 11th, where hydraulic fracturing was the main topic. The audience was quite inquisitive and had numerous excellent questions.
2. Missed the Commission on Mineral Resources quarterly meeting in Reno due to being on Noble Energy's well site at the time.
3. Was on Jim Faulds' panel at the Nevada Mineral Exploration Coalition meeting along with John Snow and Jerry Walker. The panel discussed oil and geothermal exploration in Nevada.
4. Mike and I went to Stillwater to inspect the domestic geothermal wells on Freeman Lane. Each location has production and injection wells in place. Only one geothermal permit has been issued (1991). DWR is trying to ascertain whether or not they permitted the remaining three wells. If the three wells have been permitted by DWR, the permits may be transferred to NDOM. If the three wells have not been permitted by DWR, NDOM and DWR will decide which agency will new permits for the wells. Mike and I also visited the new Gradient Resources' Patua Power Plant on the way back to Carson City. One of the three 10MW cells has been synced to the grid. A second 10MW cell was being synced during our visit.
5. Mike and I met with Art to discuss possible regulations related to hydraulic fracturing, as well as possible regulations to satisfy SB 390.
6. Mike and I met with John Menghini to discuss the upcoming BLM rule on hydraulic fracturing, as well as NDOM's possible regulations on hydraulic fracturing. The rule has received over one million comments that the BLM is working through. The BLM will have to address the comments.
7. Mike and I met with Art to discuss possible regulations related to hydraulic fracturing, as well as possible regulations to satisfy SB 390. We also discussed general COA's concerning hydraulic fracturing that will be posted on the web site.