



BRIAN SANDOVAL
Governor

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 • Fax (775) 684-7052
<http://minerals.state.nv.us/>

Las Vegas Branch:
2030 E. Flamingo Rd.
Suite #220
Las Vegas, Nevada 89119
(702) 486-4343
Fax (702) 486-4345

RICHARD PERRY
Administrator

EXECUTIVE SUMMARY AND MONTHLY ACTIVITY REPORTS APRIL 2014

EXECUTIVE SUMMARY

Statutory Programs:

- **Industry Relations** – Nevada hosted the 2014 annual meeting of the Interstate Mining Compact Commission at the Peppermill in Reno on April 27-30. Governor Sandoval gave the welcoming speech, followed by Tim Crowley and Alan Biaggi with talks on Nevada Mining and the potential impacts of listing the Sage Grouse. Nevada has been an associate member of IMCC for two years, and can remain in this status for another two years. Associate member dues are \$5K per year. Full membership requires a vote of the legislature, at which time annual dues would increase significantly.
- **Public Relations and Minerals Education** – The annual southern Nevada Earth Science Education Workshop was held at Faith Lutheran School in Las Vegas on May 15-16th. 102 teachers attended and were treated to one day of classroom training and a field trip to Barrick's Bullfrog mine and the nearby historic mining town of Rhyolite. 5 employees of NDOM assisted in this effort, which is jointly funded by NDOM and NMA. Teachers attending receive materials for earth science classroom exercises and can elect to receive continuing education credits. Rachel Wearne and Bill Durbin are instructors in several of the classes. Year-to-date, we are exceeding our goal of one public educational presentation per NDOM employee per month.
- **Abandoned Mine Lands (AML)** – YTD, 94 AML sites were logged and 153 sites were secured. Preparation and planning for the summer intern field program was underway. NDOM submitted a \$250K grant application to the US Army Corps of Engineers restoration of abandoned mine sites (RAMS) program for development and implementation of a new AML software database. If successful, this new database platform would replace our current MS ACCESS software, which has reached its limits in size and requires constant manual back-up.
- **Reclamation Bond Pool** - Bond pool activity continues to be very slow with no additions or increases, two notice-level reductions, and one notice-level bond release.
- **Oil, Gas and Geothermal (OGG) Permitting and Inspections** – No new oil and gas drilling permits were received and 10 oil and gas sundries were processed. For geothermal, one each industrial production and injection well application and two domestic well applications were processed. Corrective-action letters for several non-producing wells on private land were sent to operators requesting timing and status for well plugging.

Financial, Personnel and Projects:

- At the end of April the Division was fully staffed with 11 full-time employees. Erik Langenfeld joined the Division as a Field Specialist on April 14th. Erik worked as a mine geologist at Goldstrike for six years prior to joining NDOM, and prior to that as an oil and gas well logging geologist in California. Erik will be splitting his time between AML and OGG work in the next year.
- **Development of regulations for hydraulic fracturing** – Weekly meetings of the hydraulic fracturing working group (Art Henderson, Rich Perry, Mike Visser, Lowell Price, Dave Gaskin, Alan Tinney and Tom Gallagher) continued through April, with public comments from industry, environmental groups, local governments and the general public considered. There will be changes in the proposed regulations based on the comments from these public workshops conducted in March. The HF working group intends to have all comments considered by early June and a final draft of the regulations submitted to LCB by mid-June.

refresher and include the NDOM slides. Compiled and created packets with all necessary transportation documents and AML information in each truck. Started driving each field truck to confirm that they are field ready.

6. Compiled and prepared the 2013 Abandoned Mine Lands Report. The report will be printed in May.
7. Started training the new AML/OGG field specialist Erik Langenfeld.
8. Performed an Eagle Scout project in Washoe County securing and repairing three hazards.
9. Helped George and Valerie with Carson Valley Farm Days, presenting rocks, minerals and the Stay Out, Stay Alive message, around 250 kids for the day.
10. Held a meeting with Ken Mass from the USFS concerning all 2014 NDOM summer intern field work on USFS land. Ken gave some suggestions on where and where not to go.
11. Had a call with John Callan from the BLM about the 2014 NDOM summer intern field work on BLM land. John was happy with all locations picked by NDOM and suggested some locations for EPS to perform some logging on BLM land.
12. Updated the NDOM AML internal controls.
13. Responded to claimant's securings from the December notification mail out.
14. Provided the BLM with updated hazard information for the BLM "Black Rock Project".

AML Hazard Statistics

COUNTY	SITES DISCOVERED	SITES SECURED	% SECURED	TOTAL UNSECURED	% UNSECURED STATEWIDE
Carson	76	76	100%	0	0.00%
Churchill	685	560	82%	125	3.49%
Clark	2,145	1,673	78%	472	13.17%
Douglas	200	187	94%	13	0.36%
Elko	708	542	77%	166	4.63%
Esmeralda	2,653	2,311	87%	342	9.55%
Eureka	775	706	91%	69	1.93%
Humboldt	797	700	88%	97	2.71%
Lander	575	474	82%	101	2.82%
Lincoln	686	545	79%	141	3.94%
Lyon	1,024	867	85%	157	4.38%
Mineral	1,540	1,318	86%	222	6.20%
Nye	2,532	1,896	75%	636	17.75%
Pershing	1,521	1,049	69%	472	13.17%
Storey	194	169	87%	25	0.70%
Washoe	428	394	92%	34	0.95%
White Pine	1,423	912	64%	511	14.26%
TOTAL (Since 1987)	17,962	14,379	80%	3583	100.00%
2014 Year to Date	94	153	163%		

Data as of 5/01/2014

AML / GIS

Rachel Wearne

1. Completed routine back-up and archiving of the AML photo database.
2. Inventoried all rocks and minerals and work with Bill Durbin to determine what supplies needed to be brought down to Las Vegas for the Teacher Workshop.
3. Sent a draft summer internship schedule to Ken Maas (USFS) and John Callan (BLM) so that they are able to review the areas and let us know where we should be focusing our efforts.
4. Tested loading KML points to google earth on the smartphone in order to navigate in the field using google earth and known hazard and non-hazard features in the Virginia City area. While this method works well and information on hazards can be pulled up while navigating, it only works in areas with cell coverage or in areas where maps have been pre-loaded.
5. Reviewed sessions I will be teaching at the upcoming Teacher Workshop. Added additional information and edited the topographic map session lesson.
6. Traveled to Las Vegas for the 25th Earth Science Workshop. Taught three classes: Minerals, Rocks, and Topographic Maps to an estimated total of 35 teachers. Assisted with the field trips and spoke on a "Careers in Mining" panel to all of the participants attending the workshop.
7. Continued work on the new NDOM Website using the State Web managed Ektron software. All programs pages have been built and navigation has been completed for the programs section. Work is continuing on the Commission page, About Us page, and the News and Events page.
8. Worked with our new intern contracted through Geotemps. Worked on organization, AML database function, data entry, editing photos, and several other aspects of office work and the AML program. Showed her how to conduct land research for weeks that the summer interns will be in the field.
9. Worked with Debbie on revising the current AML database to meet the requirements of the LCB Audit.
10. Completed routine database QA/QC. Added new hazard information, securing information, and revisit information to the AML database.
11. Inventoried supplies for the upcoming intern field season.
12. Requested, ordered, and installed a new ArcGIS Desktop license for Erik.

AML/Public Awareness – Southern Nevada

Bill Durbin

1. Completed Caden Marshall's Eagle Scout Service Project. Three hazards were secured in the Crescent Peak area west of Searchlight, Clark County. This is the 146th completed Scout project. To-date, 662 hazards have been secured and 133 hazards have been re-secured.
2. Completed prep of mineral and rock samples for teacher workshop sample kits.
3. Participated in bi-monthly conference call with BLM/BOR – progress report on permanent AML closures.
4. Logged in 11 new Clark County BOR permanent AML closures.
5. Attended a McCaw Foundation Gala planning and progress meeting.
6. AML presentation to the Southern Nevada Chapter of GSN attended by 30 members.
7. Manned display at the annual Foothill High School Career Fair – Henderson. Materials available on educational opportunities at the Mackay School of Earth Sciences and Engineering and Great Basin College. Discussed with students professional and vocational opportunities in the mining industry and the educational backgrounds they require. Display visited by 40 students. One student requested additional information – his contact information has been forwarded to Liz Ball.
8. Completed Jared Gibson's Eagle Scout Service Project. Three mine openings were secured south of Potosi Spring in the Spring Mountains, Clark County.
9. 25th Annual Southern Nevada Earth Science Education Workshop: Held April 15-16 at Faith Lutheran School – Las Vegas. Division staff included Rich, Rachel, Valerie, Bill and Debbie. Attended by 102 teachers (up from 79 in 2013). Staff participated in set-up, registration, credit check-in and verification, opening welcome, teaching classroom activity sessions, "Stay Out and Stay Alive"

general session presentation, coordination of the Barrick Bullfrog/Rhyolite field trip including teacher check-in and post-workshop tear-down.

10. Presented “Stay Out and Stay Alive” and abandoned mine awareness training for 30 Great Basin Institute interns who will work throughout Nevada during the summer of 2014 performing land health assessments for the BLM and US Forest Service.
11. Participated in a bi-monthly conference call/progress report on the BLM/BOR AML closure projects.
12. Received 15 shift reports from BOR on mine closures completed in Clark County during the second half of March 2014.
13. Presented two sessions of minerals and commodities, fluorescent minerals, “Cookie Mining” and “Birdseed Mining - Revised” (new version using sand and gravel – NO birdseed) and AML for Pre-K and Kindergarten students at Omar Haikal Islamic Academy – Las Vegas – total of 35 students. April 22.
14. Participated in a conference call with Tonopah Town Manager James Eason and Mike Schriber of Underground Explorers regarding their proposal to map underground workings at the Tonopah Historic Mining Park.
15. Bill was informed that he is being honored as the Southern Nevada Science Teachers Association “Friend of Science” for 2014 at their May Social to be held May 15.
16. Preliminary land research conducted for Lincoln County AML sites proposed for investigation by staff and interns the week of June 2-6, 2014.
17. Accompanied teacher Mary Shane’s (Advanced Technologies Academy High School – Las Vegas) honors earth science class on a tour of Red Rock National Conservation Area. Provided a geologic overview of Red Rock and AML for 23 students. April 24.
18. Prepped materials for Kason Horlacher’s Eagle Scout Service Project scheduled for Saturday, April 26.
19. Completed Eagle Scout project reconnaissance site visits for Mark Bowler (#179) and Griffin Coleman (#179). Both Scouts will secure groups of openings at the Arden gypsum mine on the west side of Las Vegas.
20. Completed Kason Horlacher’s Eagle Scout Service Project. Four mine openings were secured at the Arden Mine – west side of Las Vegas. This is the 148th completed project.
21. Attended the McCaw School of Mines Foundation Gala/Fundraiser – Henderson Convention Center.
22. Attended the Interstate Mining Compact Commission conference in Reno.
23. Completed an edit on the latest draft of the 2013 AML report.
24. Work conducted to convert AML database format to meet 2013 audit standards for owner and county notifications and tracking.

Geothermal, Oil and Gas Other

Lowell Price

1. Review of the comments obtained from public workshops for NDOM’s proposed hydraulic fracturing regulations began on April 10th. Subsequent meetings to review comments occurred on April 17th, April 24th, and May 1st. Numerous proposed regulations have been revised, at least in part, due to comments received and reviewed. Representatives from both NDOM and NDEP are involved in the review and revision process, along with Commissioner Henderson. Meetings will continue to be held until all comments have been reviewed. The Well Spacing Task Force met for the first time on April 16th. The task force is reviewing Nevada statutes and regulations for the spacing of wells, as well as reviewing other western spacing regulations. The task force may determine NAC 522 may need to be updated/revised in order to provide the most appropriate spacing regulations for both vertical and horizontal wells, minimum distance between wells, and setbacks. The task force may make determinations as to how best protect correlative rights. The task force will report to the Commission on Mineral Resources as to their recommended practices for well spacing, spacing units, and correlative rights in the Fall of 2014. Well inspections of all geothermal and oil related wells was completed on April 2nd. Well risk assessment categories are being created from field observations.

Each well will be assigned a risk assessment value, which in turn will determine the frequency of future inspection. In the event a problem is observed with a well, through either operator notification or future well inspection, the risk assessment for the well will be re-evaluated. Geothermal permits issued during April is as follows: 1 industrial production well, 1 industrial injection well, and two domestic wells. No oil permits were issued in April. Ten geothermal sundry notices and ten oil sundry notices were processed and approved in April.