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**RICHARD PERRY**  
Administrator

## EXECUTIVE SUMMARY AND MONTHLY ACTIVITY REPORTS JANUARY 2015

### EXECUTIVE SUMMARY

- Industry and Public Relations – Presentations on NDOM activities, and activities in minerals, geothermal energy and oil exploration and production were given to several civic groups by the Administrator. Commissioners and the Administrator met individually with members of the Senate and Assembly Natural Resources Committees to discuss the need for Senate Bill 44. Meetings with NDEP to further the memorandum of understanding between agencies for oil and geothermal permitting continued with a third draft of the document produced. NDOM, NDEP, DRI, and Noble Energy met to review the second report of the AQUA study, which is now available on the Division's web site:  
[http://minerals.nv.gov/Programs/Oil\\_and\\_Gas/ForPublic/](http://minerals.nv.gov/Programs/Oil_and_Gas/ForPublic/)  
As a result of a presentation on the BLM's draft Carson City Resource Management Plan at the January Geothermal Council meeting, the Division developed a map of geothermal wells, springs and occurrences from both NDOM and NBMG data. The map was submitted as comment to the draft RMP, to be used as an overlay to ensure existing geothermal resources are not removed from fluid mineral leasing and development.
- Minerals Education and Outreach – 7 educational presentations were given by staff which reached 444 citizens: 254 students in Nevada schools, 120 adults in civic and trade organizations, and 70 in public forums. The AML program was highlighted in two Las Vegas TV news reports where Bill Durbin was interviewed. These news reports reached thousands of citizens and many elected officials in Clark County.
- Abandoned Mine Lands (AML) - For calendar 2015, no new AML sites were logged and 18 sites were secured. Work continued on the AML Database Upgrade Project with Terra Spectra Geomatics. Planning work is underway for AML securing summer field work. Applications for summer, 2015 interns are available on the Division web site, and career days visits by NDOM staff to UNR are planned for March. Bill Durbin has visited the geology department and Southern Nevada chapter of GSN to advertise the intern positions to UNLV students.
- Reclamation Bond Pool - No new bonds were issued. There were four notice-level bond decreases and one complete release in January. Total bonding stands at \$3.07 M. Notice-level activity in the bond pool is very slow, indicating exploration activity is slow. The pool has capacity for small plan-level projects.
- Oil, Gas and Geothermal (OGG) Permitting and Inspections – 5 geothermal drilling permits were issued and one geothermal well was drilled. 11 geothermal sundries were approved. One oil well drilling permit was issued and no wells were drilled. Seven oil & gas sundries were approved. At the end of January, staff had completed 72 percent of the annual inspection goal for geothermal and oil wells in the State. Wells in the Patua and McGinness Hills geothermal fields were inspected in January.

### **Financial, Personnel and Projects:**

- With the retirement of George Bishop on January 2, 2015, the Division was staffed with 10 full-time employees. Former summer intern and Mackay geology student Alaina Nowakowski was hired part-time through summer, 2015, when a decision will be made if the Division has resources to hire a permanent replacement to fill George's vacancy.
- The Division reserve balance stood at \$1,648,317 at the end of January. All annual claim and geothermal fees have now been collected for the fiscal year.

## MONTHLY ACTIVITY REPORTS

### Reclamation Bond Pool:

Mike Visher

1. There were four notice-level bond decreases and one complete release in January. There are four notice-level projects for which the annual premium due by December 31<sup>st</sup> has not been paid. Letters providing a 30-day notice of pending termination will be mailed out in mid-February.
2. The quarterly bond pool reconciliation report, for the quarter ending December 31, 2014, was submitted to the Controller's office with zero variance.
3. End-of-January financial summary of bond pool:

Reclamation Bond Pool Status Report		Current to: 1/31/2015						
Plan-level Bonds -Company	Project	Entry Date	Bond Amount	% of Pool	Comments	Deposit	Premiums Paid	% Bond Whole
Custom Details	Bovie-Lew	11/17/2006	\$25,364.00	0.82%		\$ 12,217.11	\$18,090.56	119.5%
Art Wilson	Silverpeak	9/5/1991	\$124,017.00	4.03%		\$ 18,602.55	\$127,542.06	117.8%
Nevada Rae	Black Rock Canyon	4/15/2005	\$369,255.00	11.99%		\$197,937.54	\$220,729.65	113.4%
So. NV Liteweight	Money Pit	5/21/2004	\$395,514.00	12.84%		\$ 213,055.61	\$216,687.30	108.7%
Specialty Clays	Bentonite	12/11/1997	\$209,900.00	6.82%		\$ 31,485.00	\$179,351.94	100.4%
Western Mine Dev.	Victorine Mine	5/24/2000	\$45,875.39	1.49%	terminated	\$ -	\$0.00	
Western Mine Dev.	Kingston Mill	5/24/2000	\$100,450.00	3.26%	terminated	\$ -	\$0.00	
Western Mine Dev.	Manhattan Mill	5/24/2000	\$114,288.77	3.71%	terminated	\$ -	\$0.00	
TNT Venture	Big Canyon	1/27/2010	\$60,711.00	1.97%		\$ 30,664.40	\$30,183.34	100.2%
Dun Glen Mining	Dun Glen	8/11/2014	\$359,155.00	11.66%		\$192,159.52	\$30,287.99	61.9%
<b>Statewide Notice-Level</b>	<b>Various</b>	<b>various</b>	<b>\$1,275,962.00</b>	<b>41.43%</b>	<b>106 Notice-level bonds</b>			
<b>Total Bond Amount</b>			<b>\$3,079,492.16</b>	<b>100%</b>				
<b>Cash in Pool's Account (From BSR - 1/30/15)</b>			<b>\$3,885,665.83</b>					
<b>Unfunded Amount</b>			<b>-\$806,173.67</b>					
<b>Percent funded</b>			<b>126.2%</b>					

### Mining, Land and Other Issues:

Mike Visher

1. Reviewed the Mine Safety and Training's registry of mine operations and vendors to cast a broader net for our annual mine production mail-out. Sand and gravel operations were included this year to assist NBMG's efforts for their MI report. Debbie updated the 2014 annual status and production report forms and Valerie and Alaina sent out approximately 160 letters to mine operators who have until April 15<sup>th</sup> to submit.
2. Attended an AQUA partners meeting and another conference call to review and discuss elements of the Noble-funded study by DRI.
3. Reviewed expenditures and prepared end-of-fiscal year forecasts with Linda for categories 01 (personnel), 04 (CC office), 14 (LV office), and 17 (OGG). A work program for CAT 01 was generated and submitted to the Budget Office for approval to increase our spending authority by \$61,000.
4. Continued with data entry of 2014 well inspection results.

### Abandoned Mine Lands Program-Chief

Robert Ghiglieri

1. Responded with maps, photos, and any other information to claimants from the 10/24/2014 reminder notification and 11/24/2014 new owner notification; as well as, maintain the AML database with all response and securing information received from the claimants.

2. Held a meeting with the USFS to discuss the AML work performed by NDOM on USFS lands during 2014. Reviewed areas for potential work in 2015.
3. Reviewed the AML 4<sup>th</sup> & 7<sup>th</sup> grade Mini-Units and updated the photos and cover. Order enough for each class in Nevada and attached a survey to see if they are being used and if we can improve them.
4. Sent the annual AML notifications to the County Commissioners.
5. With Jenni Jeffers from NDOW performed 3 wildlife surveys in the Silver City area.
6. Performed AML field work with Erik in Carson and Douglas Counties. Logged over 50 non-hazards, revisited 15 hazards, and performed one down-hole camera survey.
7. Sent a draft SOW to the US Army Corps of Engineers for a 50/50 cost share agreement up to \$100,000 for inventorying and securing abandoned mines in Nevada.
8. Helped finalize the statewide Bat Gating RFP. Purchasing will review and finalize the RFP and release it to the public February 2<sup>nd</sup> 2015.
9. Prepared the Draft RFP for NDOM AML Contract. I will work with Purchasing to finalize the RFP and hopefully release it by the end of the month.
10. Attended a northern Nevada GIS user group meeting in Carson City. Discussed the needs of GIS users in Nevada and what each agency can do to help each other.
11. Exceeded the 2007 Dodge truck. The truck was donated to the Governor's Sagebrush Ecosystem Council.
12. Reviewed the BLM 2014 closures and confirmed that they were all entered in the AML database.

AML Hazard Statistics  
Data as of 2/02/2015

COUNTY	SITES DISCOVERED	SITES SECURED	% SECURED	TOTAL UNSECURED	% UNSECURED STATEWIDE
Carson	76	76	100%	0	0.00%
Churchill	707	570	81%	137	3.74%
Clark	2,151	1,686	78%	465	12.68%
Douglas	204	201	99%	3	0.08%
Elko	783	579	74%	204	5.56%
Esmeralda	2,793	2,376	85%	417	11.37%
Eureka	774	709	92%	65	1.77%
Humboldt	797	700	88%	97	2.65%
Lander	591	508	86%	83	2.26%
Lincoln	722	576	80%	146	3.98%
Lyon	1,035	962	93%	73	1.99%
Mineral	1,620	1,355	84%	265	7.23%
Nye	2,614	1,958	75%	656	17.89%
Pershing	1,593	1,141	72%	452	12.33%
Storey	197	186	94%	11	0.30%
Washoe	445	402	90%	43	1.17%
White Pine	1,554	1005	65%	549	14.98%
<b>TOTAL (Since 1987)</b>	<b>18,656</b>	<b>14,990</b>	<b>80%</b>	<b>3666</b>	<b>100.00%</b>
<b>2015 Year to Date</b>	<b>0</b>	<b>18</b>	<b>-</b>		

Lucia Patterson

1. Backed up M drive (Every day that I was in the Office)
2. Archived AML Photos
3. Updated Hazard Rank Monthly
4. Generated BLM Quarterly Hazard Report (~1/4 day)
5. Generated USFS biannual Hazard Report (~1/2 day)
6. Automated Hazards Maps for mass production (~1 day)
7. Generated 2014 CRAC Report for BLM (~2 days)
8. Updating Topo Rank (~2 days)
9. Intern Planning (Generated statistical approach for planning) (~7 days)
10. Land Research (~4 days)
11. Education Brochure(~2 days)
12. Updated Education Mini Unit (~1 day)
13. Updated Company Hazards (Renaissance, Barrick, Diversified Inholdings) (~1 day)
14. Put together presentation for Cupcake Core Drilling (~1 day)

**December Meetings Attended:**

1. 01/06/2015 Staff Meeting
2. 01/12/2015 Education Committee Meeting
3. 01/16/2015 Geological Society of Nevada
4. 01/28/2015 Geographic Information Systems Meeting at USGS

**December Public Outreach-Education:**

1. None for January

**December Classes Attended:**

1. None for January

**AML/Oil/Gas/Geothermal/GIS Erik Langenfield**

1. AML securing mail-out notifications were sent to unpatented claim owners reminding them that it is their responsibility to maintain securings that were installed by NDOM.
2. Cleaned geothermal database tables. 1,354 data records were cleaned and organized so the data can be searched and separated. Simplified Geothermal Operators in database so they are easier to search. There were multiple names for one operator due to company subsidiaries, misspelling, different abbreviations to same name and updated ownership of wells assigned to companies that have been sold off.
3. Logged 49 non hazards & revisited 11 hazards in the Pine Nut Range.
4. Developed a Carson District Geothermal Map that was used for public comment on the Carson District resource management plan. .
5. Attended the January Nevada Mining Association Teacher's Workshop meeting. Discussed needs and teaching schedule for the next teachers workshop. I will be teaching a geothermal energy section at the LV workshop in April.
6. Converted and Updated 220 Geothermal Well locations- Converted geothermal well locations (490) in the database from NAD 27 to NAD 83. Updated the results in the database for future mapping.
7. Followed up on returned AML notification letters to claim owners. Re-researched 10 hazard owners- Mail returned to sender due to outdated addresses in NDOM system, BLM system or county system. Checked hazards to make sure the owner is correct, and looked up business address to confirm records. Resent 7 notifications. 3 had no option for address change.
8. Developed an excel sheet for all of the wells with Missing UTM's by operator and field. We can send the well information out to the operators so they can give us their record of locations and then check it when doing inspections.

9. Created a geothermal inspection table in the database to record inspections on a laptop or tablet while in the field.

### **AML/Public Awareness – Southern Nevada**

Bill Durbin

1. Completed drafts of tour request letters for the 2015 Las Vegas teacher workshop.
2. Las Vegas staff attended the January staff meeting via Skype.
3. Received requests for Eagle Scout AML securing projects from Riley Houston (#189) and Hunter Thompson (Scout #191). Projects have been located for both and project packets have been mailed out.
4. Updated the Division's AML fact sheet.
5. Prepared and sent a biographical sketch, abstract and photo for a presentation requested by the Pahrump Valley Museum and Historical Society, scheduled for February 14, 2015.
6. Received a request from KVBC Las Vegas Channel 3 (NBC) for an interview on the AML program scheduled for Tuesday, January 13.
7. Organizing minerals and rocks for the Las Vegas teacher workshop kits at the storage unit. Prepped talc, shale, conglomerate and marble for 2015 Las Vegas teacher workshop mineral and rock kits.
8. Attended Nevada Mining Association Education Committee meeting in Reno. Final preparations nearly complete for the 2015 Las Vegas teacher workshop.
9. Conducted AML interview on January 13, 2015 with reporter Denise Rosch and camera man Rob Klein of NBC Channel 3 TV station. Toured various mines in the Goodsprings District, looking at various securing and closure options; discussion of the hazards posed by abandoned mines, AML statistics and the Division's "Stay Out and Stay Alive" public outreach program.
10. Discovered a formerly backfilled hazard (CL-1335) partly re-opened. Settling of the backfill material has occurred. The mine opening will be fenced until it can be backfilled again.
11. Completed an inventory of education materials available at the Las Vegas office for the 2015 Las Vegas teacher workshop.
12. Sent another round of information on the 2015 summer intern program to Geology Department staff at UNLV.
13. Attended Bendorf Elementary School's Family Science and Math Night event on January 14. Presented "Minerals and Commodities", "Mineral Identification and Testing" and AML for 130 students, teachers and family members.
14. Conducted interview on January 19, 2015 with reporter Robert Goldberg from Sun City Anthem private cable TV station SCA-980. Subjects included Nevada mining history, latest mineral production statistics, Nevada minerals and commodities and AML activities and public outreach.
15. Completed the nomination and supporting documentation for the McCaw School of Mines for the 2015 IMCC Public Outreach Award.
16. Completed and mailed tour request letters for the 2015 Las Vegas teacher workshop to Cashman Equipment, McCaw School of Mines, Simplot Silica and the Lost City Museum.
17. Responded to a request for more information as a follow-up to an AML notification letter for a claimant in White Pine County. Collected two buckets of marble from the Carrara site south of Beatty for teacher work rock kits. Enough on-hand for the Reno 2015 workshop and 2016 workshops.
18. Assembled materials for Dustin Morris' Eagle Scout AML securing project scheduled for January 31.
19. Presented three sessions of "What Geologists Do" and AML at the Dorothy Eisenberg Elementary School Career Fair on Friday, January 30, 2015. Total of 90 5<sup>th</sup> grade students.
20. Received word that Gordon McCaw Elementary School teacher and science coordinator Andrea Perry was nominated by principal Jennifer Furman-Born for the IMCC Mining Awareness Educator

Award. Ms. Perry coordinates training for the McCaw School of Mines adult volunteers and the 4<sup>th</sup> and 5<sup>th</sup> grade “Mighty Miners”.

21. Received three requests for Eagle Scout AML securing projects.
22. Completed Dustin Morris’ Eagle Scout Service Project on Saturday, January 31. Four mine openings were secured at the Arden Mine, Clark County. Total of 30 project volunteers assisted in the project.

**Geothermal, Oil and Gas Other** Lowell Price

Five geothermal production well permits were issued in January: four at Ormat’s Wild Rose field and one at Enel’s Salt Wells field. Ormat Nevada Inc. completed drilling of the McGinness Hills 27C-10 production well. Eleven geothermal sundries were approved. One oil & gas drilling permit was issued to Petro-Hunt for a well in White Pine County. Seven oil & gas sundries were approved.

I witnessed the surface and intermediate casing BOPE tests electronically for the McGinness Hills 27C-10 well. The well was visited and inspected on January 11<sup>th</sup>.

**FY15 Well Inspection Progress**

	Total Wells	Wells Needed for FY15	Wells Inspected	% of Total Needed	Wells Remaining
Geothermal	440	147	115		
Oil	127	43	22		
Totals	567	190	137	72.1	53