



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

ALAN R. COYNER
Administrator

ACTIVITY AND ACHIEVEMENTS

DECEMBER 2012

ADMINISTRATION (ALAN)

1. Finalized the Power Points for the Northwest Mining Association annual meeting; Update on Exploration and Production in Nevada, and Nevada Land Withdrawal (co-authored by Commissioner Bryan).
2. Participated in the NWMA annual meeting in Spokane, WA. Chaired two sessions of area reports and helped man the NDOM booth. Commissioner Snow, Mike Visser, and John Penton also attended.
3. Arranged for Plains Exploration to meet past Oil and Gas Commissioner Peter Hummel.
4. Assisted Richard Taylor of Art Wilson Company in locating a source for elemental sulfur or iron pyrite for soil acidification.
5. Responded to Bruce Holmgren of NDEP concerning an apparent graphite discovery by USA Graphite in Nevada.
6. Assisted Marc Brennan of Thermosource concerning drilling activities in Nevada.
7. Discussed the proposed Pine Grove Wilderness in Lyon County with Tony Eng.
8. Discussed a letter concerning the Pine Grove Hills wilderness bill with Cory Hunt of the Governor's Office.
9. Assisted Cindy Southerland of the LCB concerning a mining history project for the Legislative Building display.
10. Attended a briefing concerning the state's Sagebrush Ecosystem Program.
11. Attended the Mining Oversight and Accountability Commission meeting.
12. Attended the monthly GSN meeting.
13. Participated in the IOGCC Steering Committee monthly conference call.
14. Facilitated a conference call by the Marigold Royalty Committee of the Mackay Executive Advisory Board.
15. Submitted a work program for additional authority in Special Projects – Cat 09.
16. Initiated an audit of invoices for the AML \$20 per acre fee associated with new approved plans of operations on public lands for FY11, FY12, and FY13.
17. Reviewed the energy and resource permitting page on the NDOM website and deleted it until it can be updated.

RECLAMATION BOND POOL (MIKE)

1. The Bond Pool MOU with the BLM was signed by Alan Coyner and Kristen Geddes (DAG). A signed original was delivered to Lacy Trapp (BLM-NSO).
2. Valerie updated the address and premium requirements for bond participants on the December invoicing schedule.
3. Mailed out annual premium notices to 37 notice-level bond pool participants; a total of 64 projects are on the December schedule.

4. Mailed out quarterly premium notices to 5 plan-level bond pool participants.
5. Provided property information from Lyon County Recorder's office to John Yingling (Sandusky, Ohio) who inquired about retained mineral rights on a parcel near Silver City.
6. Worked to resolve outstanding bond issues with Max Resource Corp. on several bonds.
7. Worked with General Metals to resolve two outstanding bonding issues.
8. Provided checklist for bonding of plan-level projects to Wolfpack Gold.
9. Processed bond release for Pediment Gold/Gold Summit.
10. Updated bond packets and bond status reports with received annual premium payments and statewide bonding status spreadsheets with December revenues and refunds.
11. Researched new address information for several bond participants with returned or undeliverable December invoices and resent updated invoices.

MINING, LAND AND OTHER ISSUES (MIKE)

1. Researched and updated transaction history on Medallion Royalty funds (GL4311). Worked with Eric Scheetz (Controllars Office) to address previous omissions and how to capture all data when querying DAWN and VISTA for budget reports.
2. Prepared bi-annual report on Medallion Royalty revenue (GL4311) and submitted it to budget analyst Dennis Humphrey. Forwarded amount available to Bill for reference in request for fence work at Tonopah Historic Mining Park.
3. Traveled to Spokane, Washington along with Alan Coyner, Commissioner Snow, and John Penton to attend the Northwest Mining Association Annual Conference. Assisted Alan with presentations, manned exhibit booth and provided information to, and answered questions from, conference attendees.
4. Micromine has completed their analysis of a portion of our AML database and attended webinar to review Micromine's proposal for use of their GeoBank data management software to create summary reports of AML hazard data with photos.
5. Researched POO's on LR2000 to fulfill review of agency procedures for invoicing operators for \$20/acre fee on approved disturbance. Significant differences were found between numbers provided by NDEP's permit approval letters and BLM's website and BLM Field Office staff. A meeting with NDEP staff is planned to resolve procedural issues and generate new invoicing workflow and data capture.
6. Spoke with Ken Maas (USFS) regarding PUF hole-plug product, uses, and our experiences recently at Cordero.
7. Spoke with Whitney Wirthlin (BLM-Elko) regarding closure reports and her request for additional AML information.
8. Assisted Jenni Jeffers (NDOW-Fallon) with underground surveys for bat habitat at five AML features on private property just west of the town of Mason, owned by Mason Valley Copper Properties. Significant habitat was found at four of the five sites.
9. Attended update meeting on Governor's Sage Grouse plan with Lowell and Alan and Commissioner Snow.
10. Attended quarterly Mining Oversight and Accountability Commission (MOAC) meeting with Lowell and Alan.
11. Participated in an AML review/planning session with all the AML staff. Discussed plans to migrate database from NAD27 to NAD83, create customized topo maps and phasing out of USGS versions, digital capture and dataflow updates.

12. Attended Nevada Bat Working Group annual meeting along with all AML staff. Reviewed each agency's accomplishments and discussed future plans and workflow improvements.
13. Spoke with Jeff Herrera regarding AML work plans/opportunities for Hergon in 2013.
14. Brian Breiter (EPS) submitted hazard inventory sheets and closure photographs for securing work done for NDOW at NAS Fallon and at Berlin Ichthyosaur State Park.
15. Attended GSN meeting and assisted with raffle fundraising event.

AML / PUBLIC AWARENESS - NORTH (JOHN)

1. Compiled and completed packets on 72 Secured Hazard Notices which were mailed out this week with the help of George Bishop to the appropriate Claimants/Property Owners.
2. Reviewed with Bill the first draft edition of the Mizpah air shaft PUF plug interpretative sign to be placed at the site in the Tonopah Historic Mining Park. The sign is being developed and built by Ted Faye of Gold Creek Films.
3. Continued AML database clean-up while working on Secured Hazard Notices.
4. Field checked the securing status of AML site WA-0381 to determine if owners need to be notified. This site is known to have a high visitation rate.
5. Downloaded and entered into the NDOM photo database AML closure photos received from the Elko BLM District office.
6. E-mail correspondence with Brian Breiter of EPS regarding his bat gate closure bids at the MOMI Mine in Lyon County.
7. Attended with Rachel Wearne, Rob Ghiglieri, Bill Durbin, and Mike Visser, the Division of Wildlife Bat Meeting led by Jenni Jeffers of NDOW. Over 20 people were in attendance including Ken Mass from USFS and Chris Ross from BLM.
8. Compiled and completed CX request packets (Notification and Approval to Secure Mine Hazard) to the BLM for 11 AML features at the Long Mine in Pershing County.
9. Attended the MicroMine conference call meeting with Mike Visser, Rachel Wearne, and Rob Ghiglieri to in regards to new AML database software.
10. Answered several phone calls from claimants who received securing notices from a recent NDOM mailing and answered their questions regarding the notices.
11. Attended the annual Northwest Miners Association conference in Spokane, WA December 3rd – December 7th with Mike Visser, Alan Coyner, and John Snow and manned the NDOM booth in the exhibit hall.
12. Attended the December GSN meeting in Reno.

AML / GIS (RACHEL)

1. Completed routine backup and archiving of data and photos for shared hard drives. Compiled a new hazard rank monthly report to assess all unsecured orphans by county.
2. Received securing information from Freeport McMoRan documenting closure work completed on 22 hazards in Lander County. Began cross referencing the photos with those in our records and will update the database accordingly.
3. Traveled to northern Pershing County with Rob to investigate unsecured hazards. Secured two sites as needed, logged one additional hazard and 26 non-hazards in the area.
4. Revisited two sites in the Virginia City area with Rob to determine securing status. Found one to be mostly caved and posted a warning sign. The second site was located on private property. Spoke with the owner regarding the securing status of the site. She showed us the now filled hazard. The securing method was documented and a revisit performed.

5. Received a request for AML data along the Truckee River east of Sparks, NV from the Nature Conservancy. Queried the database for relevant information and found no unsecured hazards to exist in the area. Sent information regarding the one hazard and few non hazards in the area.
6. Spoke with Debbie Selig regarding the process for switching our AML database from NAD 27 into NAD 83. Researched the different methods for making the switch and which would be best.
7. Compiled maps and photos for underground bat surveys in the Yerington area. Traveled to Mason to meet with Linda Wimberley of Mason Valley Copper Properties to conduct site visits and underground surveys with Mike Visser, Rob Ghiglieri and Jenni Jeffers (NDOW – Fallon). Visited upwards of five sites in the area and will return at a later date to survey the remaining sites.
8. Worked on locating all topo quadrangles that have had new logging data added to them since May of 2006. This list will be compared with a list created by Rob in order to determine those quadrangles that should be re-scanned before transitioning to digital maps. Addressed several issues with hazards in the database that were discovered in completing this task.
9. Wrapped up data entry on hazards logged by National Park Service in the Death Valley.
10. Met with Chris Ross in order to acquire BLM securing information that may be missing from our records. Rob will begin working on resolving these sites.
11. Performed database QA/QC on both hazards and non-hazards with John.
12. Spoke with personnel at JBR regarding an unlogged site on Comstock claims. Set up a date after the first of the year to meet them and log the site.
13. Completed a flyer advertising the summer intern program and sent it to Katia Albright at Mackay for distribution. Completed revisions to the PowerPoint presentation advertising the AML Summer Internship. Traveled to UNR with Rob Ghiglieri to present an information session on the summer internships. A total of 40 Mackay students attended.
14. Worked to develop an application for prospective summer interns. Since we no longer have to work through the state in our hiring process, it was decided a separate application would be beneficial for us to make sure all students applying meet the qualifications. Worked with Valerie Kneefel to finish and sent to Katia Albright for review and posting.
15. Attended a meeting with Mike Visser, Bill Durbin, Rob Ghiglieri and John Penton to discuss the future of the AML program and the need to transition our database from NAD 27 into NAD 83.
16. Attended the Nevada Bat Working Group Meeting at NDOW in Reno.
17. Attended an information session on Geobank technology in order to determine if this would be a possible solution for running reports in the database with photos.

AML / GIS (ROB)

1. Continued researching the claimants who have received a NDOM AML listing of hazards notification letter since 3/31/2011, and who have not responded or sent the proper confirmation needed. Researching the current claim status and preparing to send a reminder/update letter to the claimants.
2. Gave presentation to UNR students on information about the AML summer internship with Rachel Wearne. (one presentation - 40 total people)
3. Built barricades on PE-0098 and PE-0099 as well as located 26 Non-Hazards in the area.
4. Put posting on LY-0819 and revisited LY-0822 which was recently backfilled by owner.

5. Finished researching the claimants who have received a DOM AML listing of hazards notification letter since 3/31/2011, and who have not responded or sent the proper confirmation needed. Prepared all letter for resends to the claimants.
6. Performed underground surveys for bats with Mike Visher, Rachel Wearne, and Jenni Jeffers, at GRG claims.
7. Input BLM Elko hard closure data. A total of 57 hard closures, fill, foam and bat gates.
8. Prepared maps for December 17th AML meeting.
9. Entered new data into the NDOM AML Database and performed QAQC for all 2009-2012 BLM and BOR hard closures in the state of Nevada.
10. Performed QAQC on AML Hazard and Non-Hazard database.
11. Input NDOW Lander county new hazard data. A total of 8 new hazards.
12. Prepared Nevada AML Bat compatible closures map for NDOM, NDOW, BLM, and USFS Bat meeting in Reno.
13. Finalized NDOM new NAD83 Topographic maps layout design.
14. Attended NDOM AML meeting with Bill Durbin, Mike Visher, John Penton, and Rachel Wearne. Presented the new NDOM NAD83 Topographic maps and received all input for the design
15. Attended NDOM, NDOW, BLM, and USFS Bat meeting with Mike Visher, John Penton, and Rachel Wearne.

AML / PUBLIC AWARENESS - SOUTH (BILL)

1. Visited AML hazards CL-873 (November 10 accident site) through 875 with Las Vegas BLM staff. The sites have been given categorical exclusions for permanent closure by PUF plugging and backfill.
2. CL-876, thought to be within Henderson Corporate Boundary (per boundary line on topo map) is on BLM per Clark County Assessor parcel maps and records. BLM was notified.
3. AML hazards CL-872 through 876 were permanently closed by Environmental Protection Services (EPS). CL-872, 874, 875 and 876 - backfilled; CL-873 – 6' by 6' by 8' thick PUF plug installed in winze – covered with rock and dirt – the remaining adit is essentially a non- hazard - the fence barricade placed at the entrance on November 13 was re-installed at the portal.
4. Logged one non-hazard in Clark County.
5. Reviewed and edited the first draft edition of the Mizpah air shaft PUF plug interpretative sign to be placed at the site in the Tonopah Historic Mining Park. The sign is being developed and built by Ted Faye of Gold Creek Films.
6. Approved three Eagle Project AML securing project packages and signed off on one completed project.
7. Logged in the closure information and photographs for the 22 White Pine County closures completed to date by BOR.
8. Participated in the bi-monthly progress report conference call for the BLM/ACOE/BOR AML closure projects – White Pine County – SNPLMA Round 8. The BOR crew completed 22 closures from October 30 through December 6. Work included construction of 3 culvert bat gates and 19 PUF/Rock closures. The crew is moving out of White Pine County due to winter weather conditions and will begin recon in Clark County for sites in the Searchlight area that will be permanently closed using BLM funding.

9. Presented five assembly sessions on minerals and commodities, mining industry careers and AML for 470 7th grade students at Lawrence Middle School – Las Vegas (5 presentations – 470 people).
10. Presented five assembly sessions on minerals and commodities, mining industry careers and AML for 500 7th grade students at Lied Middle School – Las Vegas (5 presentations – 500 people).
11. Participated in planning and strategy meeting with Carson City AML staff.
12. Attended Nevada Bat Working Group meeting in Reno.
13. Presented 6 assembly sessions on minerals and commodities, mining industry careers and AML for 440 7th grade students at Cortney Middle School – Las Vegas (6 presentations – 440 people).

GEOHERMAL (LOWELL)

1. Reviewed Rockwood Lithium's permit application and drilling program for the Silver Peak 47-24 observation well. The well is to be drilled to explore a potential geothermal resource for their lithium operation, to help supply electrical needs in order to reduce cost of utilities. The well is proposed to be drilled to 5,000 feet. Received BLM notification of approval. Alan approved.
2. Reviewed Enel Stillwater LLC's revised plugging procedure for the Stillwater 26-7 injection well. This well is located in the southern portion of the Stillwater Field very near the community of Stillwater. Received UIC's notification of approval. Alan approved.
3. Reviewed Enel Salt Well's sundry notice to install a pump in the recently drilled 46A-35 production well. Alan approved.
4. Reviewed ORNI 15's (Ormat Nevada) sundry notice to perform tracer tests at the Jersey Valley geothermal field. The tracers are proposed to be injected through the 14-27 and 15-27 injection wells and detected in the 77A-28 and 87-28RD production wells. Received BLM and UIC notifications of approval. Alan approved.
5. Reviewed ORNI 39's (Ormat Nevada) sundry notice to perform tracer tests at the McGinness Hills geothermal field. The tracers are proposed to be injected through the 58B-22 and 66B-22 injection wells. Received BLM and UIC notifications of approval. Alan approved.
6. Reviewed Ormat Nevada's sundry notice to perform a logging operation in the continued MI testing of the Steamboat 23-33 injection well. Received UIC notification of approval. Alan approved.
7. Reviewed Ormat Nevada's sundry notice to install a pump and perform a flow test up to 30 days in the Steamboat 41-5 production well. Alan approved.
8. Reviewed Ormat Nevada's sundry notice to excavate and examine casing at the near surface in the Steamboat 85-29 (PW1) production well. If any leakage is found greater than 20 feet from surface Ormat proposed a plan to plug and abandon the well. Alan approved.
9. Reviewed Gradient Resources' sundry notice to perform a casing work-over operation on the Patua 88(18-20)-19 production well. Alan approved.
10. Reviewed Gradient Resources' sundry notice to deepen the permitted depth of the 21-28 production well from 9,400 feet to 10,400 feet. Received BLM notification of approval. Alan approved.

11. Wells drilling: Jersey Valley 15-27 injection well; Gradient Resources Patua 21-28 production well; Gradient Resources Patua 88(18-20)-19 production well; Enel Salt Wells 46A-35 production well.

OIL AND GAS (LOWELL)

1. Reviewed Wesco Operating (Kirkwood Oil & Gas) informational sundry for the repair of tubing and packers in the Eagle Springs 84-35 injection well.
2. Reviewed MTS Energy's procedure to temporarily abandon the Ferguson Spring 7-33 well, south of Wendover ~25 miles. Alan approved.
3. Reviewed Gary Borgna's permit application and drilling program for the re-entry into the plugged and abandoned Reis Federal 36-1 well. The original well was drilled to 4,117 feet. The well is proposed to be deepened to 5,000 feet. Received BLM notification of approval. Alan approved.
4. Reviewed Sam Oil LLC's permit application and drilling program for the re-entry and sidetracking the Pluto 27-1, located ~ ½ mile east of Highway 50 at the eastern base of Robinson Summit west of Ely (T18N, R61E, NE/4 SE/4 Section 27). The new well would be called the Pluto 27-1R. The proposed depth is 9,350 feet. Received BLM notification of approval. Alan approved.
5. Drilling/Completion: Tomera Ranch 6X; Winn Exploration Ragged Ridge 1-31; MTS Energy Ferguson Spring 7-33.

OTHER (LOWELL)

1. NDOM, along with DCNR, DWR, NDEP, and the BLM met with Noble Energy in Carson City. Noble Energy gave a presentation to explain their exploration project in Elko County. Noble Energy will be drilling as many as vertical eight wells in 2013 to explore the potential of the shales and carbonates in the Elko Formation (lacustrine deposits).
2. Attended the Mining Oversight and Accountability Committee meeting on Wednesday, December 12th. Alan presented the committee with the activities of the committee along with mining activity and mineral exploration in Nevada. Dr. Jim Faulds discussed geothermal potential and exploration in Nevada.