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ALAN R. COYNER
Administrator

ACTIVITY AND ACHIEVEMENTS DECEMBER

ADMINISTRATION (ALAN)

1. Arranged a tour of the Newmont Twin Creeks mine for Chairman Gibson.
2. Spoke with State Parks about additional hard closures at Berlin-Ichthyosaur State Park. No additional closures are needed at this time.
3. Attended the Northwest Mining Association annual convention and gave the Nevada update with co-author Jon Price, NBMG.
4. Attended with Commissioners Bryan and Snow the first meeting of the Mining Oversight and Accountability Commission. Provided information to the Commission concerning the activities of the CMR and NDOM.
5. Responded to Greg Conrad of IMCC concerning a membership proposal for Nevada.
6. Participated in a conference call of the IOGCC Steering Committee.
7. Responded to an inquiry from the USFS concerning the NDOM AML database.
8. Received a letter from the Citizens for Smart Geothermal Growth in Lyon/Churchill counties concerning impacts associated with geothermal development.
9. Monitored the uncontrolled release at oil well Blackburn 18 in Pine Valley near Carlin.
10. Reviewed a proposal from the Nevada Mineral Exploration Coalition concerning a meeting to discuss the future of the Nevada Bureau of Mines and Geology.
11. Submitted two work programs for the IFC meeting on February 9.
12. Attended the monthly meeting of GSN.
13. Attended a meeting of the American Institute of Professional Geologists in Reno.

RECLAMATION BOND POOL (DOUG)

1. Issued notice level bonds for MAX Resource Corporation and Clipper Gold LLC.
2. Rejected a bond application by Jetco Enterprises for approximately \$340,000.
3. Processed releases for 2 notice level bonds for Cordex and 1 for Golden Odyssey.
4. Processed a reduction for Cantex and a release for Blue Lithium, both pending vendor numbers.
5. Issued a new bond for Nevada Bentonite Enterprises which replaces the bond for Specialty Clays. This is a name change only, with no change in bond amount or POO.
6. Prepared invoices for bond pool participants on a December premium schedule.
7. Responded to an audit regarding NV Gold Corporation's bonds.
8. Responded to an audit request regarding Sniper Resources' bond.

MINING, LAND AND OTHER ISSUES (DOUG)

1. Approved 1 oil permit, 1 geothermal permit and 11 geothermal sundries.
2. Attended the Northwest Mining Association's convention in Sparks.
3. Spoke with Adella Harding of the Elko Daily Free Press about the exploration survey.

4. Attended a meeting of the Personnel Commission with Valerie regarding prohibitions and penalties. NRS now requires that each agency has written policies regarding this. Valerie had prepared these, and they were approved by the Commission.
5. The contract amendments for Environmental Protection Services, Geotemps, and Hergon Mine Securing Solutions were all approved by the Board of Examiners.

AML / PUBLIC AWARENESS - NORTH (MIKE)

1. Research and answered questions from claimant regarding historical information about the Addison mine, Clark County.
2. Met with fencing contractor for claimant John Reynolds to discuss fencing requirements and signage suggestions for several hazards in Pershing County.
3. Communicated with Pat Martinez (UNR Real Estate) regarding reported vandalism of bat gate and cupola at the Burrus mine, interest in additional securing work there and at the nearby Campbell mine, plus a recently discovered hazard near TMCC.
4. Brian Breiter submitted requested estimates for gating and plugging work at four hazards on two UNR managed parcels and one gate on a parcel owned by Washoe County. Proposed work at two hazards is to repair previous closures recently found vandalized by metal scrappers. Brian has proposed alternate, vandal-resistant, designs for consideration.
5. Spoke with Lynn Ruward (UNR Buildings and Grounds) regarding AML signage at the Burrus property. I informed him that I had recently posted new signs at the individual hazards. Since he hasn't been to Burrus before, I recommended that a site visit should be made, in order to review the considerable amount of trash and vandalism at Burrus, prior to spending any additional UNR time, money and materials. A site tour with Lynn and Pat Martinez (UNR Real Estate) will be made in early January.
6. Provided documentation photos of King mine gating efforts to Stephanie Livingston (GBI) and Jenni Jeffers (NDOW).
7. Contractor Brian Breiter (Environmental Protection Services) and crew secured 21 hazards in Humboldt County. In addition, four adits in Washoe County proposed for bat gating (3) or caving (1) were visited to prepare cost estimates.
8. Entered inventory and securing information into database from FS work.
9. Provided claimant Fred Tarantino with information he requested on AML issues at Olinghouse and who to talk to at NDEP about active mine permits.
10. Communicated with management of Gold Canyon Resources and NevGold to work out appropriate EPS invoicing related to the recent securing work at the Cordero mine. They agreed to pay for all the costs associated with fence work on their combined property positions. EPS will invoice them directly. NDOM will only incur a cost to fence four hazards on a patented parcel jointly owned by two trusts with out-of-state trustees. All related securing documentation was updated in the database and photo archive.
11. Provided additional closure information to Cordero mine claimants and researched complex multiple trust ownership of two patents with four hazards. Sent notification letters, with securing pictures, ID sheets and maps to trustees and updated database.
12. Notification letters, and photo documentation, sent to NevGold and Gold Canyon Resources informing them of satisfactory fencing work recently performed by EPS.

13. Conducted a site visit with Brian Breiter to the Combination shaft to obtain additional overview pictures and determine additional equipment needs in order to use the downhole camera in early January. Provided pictures to Brian to assist with final design proposal.
14. Visited Combination shaft with Brian Breiter to discuss closure design specifics and obtain photographs to assist with presentation to BLM and SHPO.
15. Brian Breiter presented his design drawings and proposed gating plans for securing the Combination shaft in Virginia City. Final engineering plans and materials costs will be provided in early January.
16. Communicated with Geotemps regarding work plans, dates and wage rates for contractor Dustin White. An early January start is anticipated with 6 to 8 weeks of inventory and revisit work planned in Lyon and Mineral counties.
17. Communicated with Geotemps and contractor Dustin White regarding work plans, schedule, pay rate and field equipment needs. Dustin will start on January 4th and perform AML inventory and revisit work in the Hawthorne and Schurz areas.
18. Received information from Jason Williams on known bat gates throughout Nevada. Some information, such as UTM's, NDOM ID numbers and removable bar presence, was added and returned to him. Some data was new to our database and subsequently added by Geotemps contractor Murya Dube.
19. Attended Nevada Bat Working Group meeting along with representatives from NDOW, Natural Heritage, and Forest Service; reviewed bat gating work conducted in the past year and future plans.
20. Reviewed and signed Eagle Project proposal by Boy Scout Tyrone Davis.
21. Created informational poster of the 2011 summer intern accomplishments for display at NWMA and other outreach venues.
22. Attended Northwest Mining Association Conference and manned agency informational booth. Approximately 2,500 attendees.
23. Queried LR2000 dataset to estimate current number of unique active claims in Nevada for administrator. There are approximately 200,500 active claims.
24. Assisted the administrator with FY2012 Category 18 (AML Support) anticipated expenditures and funding needs for development of Work Program.

AML / GIS (RACHEL)

1. Completed routine back-ups of external hard drives both on the network and on local computers. Added securing photos to the AML photo database. Updated additional securing information to the database and updated the list of unsecured orphans throughout the state.
2. Compiled the GIS shapefiles for the property lines of the land around the Cordero Mine site to send to Jack Yates with NDEP.
3. Received securing photos and documentation from contractor Brian Breiter of EPS showing the work completed at the Cordero Mine. Updated the database and added the photos to the staging folder.
4. Spoke with Debbie Selig in the Las Vegas office regarding revisit work for contractor Pete Herrera who is conducting revisits in Clark County. Assisted with questions in ArcMap regarding the parameters used in determining what sites needed to be revisited.
5. Began researching regions that need to be investigated surrounding the Walker River Paiute Reservation for future GeoTemps work.

6. Received information from a claimant who had planned to secure 20 plus sites in Esmeralda County before the first of the year. The claimant stated that as of September, the claims were no longer controlled by him and that if he were to re-stake them in the coming months he would secure them as needed. The sites were updated in our database and added to the list of unsecured orphans to address in the future.
7. Worked on completing an updated revisit list for the Reno-Carson City corridor for future work to be conducted by EPS. Compiled maps and spreadsheets showing the features that will need to be revisited in the coming year.
8. Received a phone call from Allen Branham with American Innovative Minerals regarding unsecured hazards on claims previously owned by Century Gold. American Innovative Minerals has since acquired the property and secured the sites in question. They will be sending the securing photos in the near future.
9. Received an email from Steve DePaoli regarding hazards on patented claims controlled by his elderly mother. He requested an extension of the deadlines set in place by the NAC because of recent snowfall and access issues. He stated that the sites should be secured by May of 2012 and will send the necessary documentation when the securing work is completed.
10. Addressed requests from claimants who contacted NDOM in order to acquire additional information about securing hazards on their claims. Re-researched several sites in order to determine the correct ownership of hazardous features in question.
11. Completed an updated map showing the work completed to date on bat compatible closures. This information will be presented at the upcoming Nevada Bat Working Group meeting. To date there are 370 bat gates and culvert gates, 28 grates, 24 cupolas, and 2 steel netting closures for a total of 414 bat compatible closures statewide.
12. Began compiling information and maps for revisits and new loggings that will be completed by a new GeoTemps contractor in the area surrounding the Walker River Paiute Reservation.
13. Compiled a list of sites surrounding two hazards in Humboldt County that the BLM is interested in securing. Added 23 additional sites on the Pronto and Gaskell Quadrangles off of the Jungo Road west of Winnemucca. Researched current claim holders and sent this information to the BLM so they may begin conducting wildlife surveys.
14. Updated the database with new securing information and ownership research.
15. Spoke with Cindy Perry who has been conducting securing work for a claimant in Humboldt County. She requested maps and photos for the sites in order to determine which hazards had been secured. Received the securing information from her and updated our records to show the sites in question as secured.
16. Completed maps showing the extent of the hazards in the area affected by added tourism in the Virginia City area because of the Virginia and Truckee Railroad. Revised the list to show additional hazards along the truck route and those in canyons near the railroad. Addressed issues raised by BOR in locating and securing hazards in Humboldt County. There are a total of 265 hazards within the area affected; 67 of those sites are closed (closed with a cupola, by backfill or caved by nature, foamed closed or gated). The remaining 198 sites are either secured with a fence, barricade, posting, or they are not secured.
17. Attended the Nevada Bat Working Group meeting at the NDOW office in Reno.

18. Received securing information documenting the closures that were completed at the Robinson Mine in Ruth.
19. Received a package of information from Barrick Gold documenting the securing work completed in Humboldt and Lander Counties. Cross referenced the photos to make sure the photos of the securing work coincided with the photos of the same hazards documented in our database.
20. Compiled a list of hazards needing to be revisited in the areas surrounding the Walker River Paiute Reservation. This list of revisits will be given to a new contractor that will be working in and around the reservation as time allows.
21. Began researching all hazards logged or secured on USFS lands so that work could begin on compiling the 2011 year-end report.
22. Spent time setting up and outlining work that will be completed by GeoTemps Contractor Murya Dube during the coming weeks. She will be assisting with database entry and update of new AML information. She will also be organizing and updating our photo database and assisting with keeping our records up to date and accurate.
23. Installed ArcMap 10 on the GIS computer – installed additional updates and service packs needed to maintain the computers performance. Backed up all AML GIS files and added the December photos to the AML photo archive.
24. Began exploring the options and what software upgrades would be needed to migrate data collection from a paper based form to a digital form. Several changes will need to be discussed and explored before moving forward with this project.
25. Researched the possibility of batch geotagging images using ArcMap. Form research completed it does not look like batch geotagging is an option using the ArcView software. The different options will continue to be looked into.
26. Attended the Northwest Mining Association's annual conference in Sparks. Assisted with the NDOM Booth and attended a few technical talks.
27. Began coordinating with Elizabeth Ball and Katia Albright at UNR in order to set up interviews for the Summer Internship Program. Interviews will be conducted at UNR on February 8th and 9th. Updated the flyer advertising the program and sent it to Katia Albright to post on campus.

AML / PUBLIC AWARENESS - SOUTH (BILL)

1. Evaluation and correlation of Clark County re-visit information and photographs.
2. Logged in three unsolicited securings, four new loggings and six re-visits for sites in Esmeralda County. Conducted land status/ownership research.
3. Logged in 11 new Clark County AML hazards investigated and secured by re-visit contractor.
4. Investigated and ranked two hazards in Clark County.
5. Four hazards investigated and ranked in Nye County.
6. Site visit to Grapevine Spring east of Johnnie, Nye County with Chris Ross, Anne Wanbaugh (BLM-NSO), Dave Fanning (BLM – Pahrump Field Station) and Michelle Lieber (Las Vegas Field Office) – investigation of an adit/developed spring proposed for bat gate closure.
7. Participated in the bi-monthly progress report conference calls for the BLM/ACOE/BOR AML closure projects – Northern Nevada, Lincoln and White Pine Counties.

8. Filled requests for “Stay Out and Stay Alive” videos to two Clark County middle schools and a California MSHA mine rescue trainer.
9. Provided information on the status of permitting for the proposed White Beauty gypsum mine to staff of Clark County Commissioner Chris Giunchigliani, per request.
10. Data entry by Geotemps employee Ryan Haeberlin.
11. Worked with Geotemps contractor to resolve Clark County AML re-visit and photo identification questions.
12. Completed Harrison Kelly’s Eagle Scout Service project. Six previously secured hazards were re-secured in the Sandy Valley area of Clark County.
13. Conducted Trevor Boehme’s Eagle Project reconnaissance visit to sites east of Searchlight.
14. Met with Eagle Scout candidate Ross Tate (#155) – gave him a project proposal to re-secure 5 hazards in the Goodsprings area, Clark County.
15. Completed Morgan Thompson’s Eagle Scout project reconnaissance trip. Seven previously secured hazards will be re-secured in the Sandy Valley area of Clark County.
16. Presented 5 assembly sessions of minerals and commodities, Nevada mining and AML for 13 7th grade science classes at Cortney Middle School in Las Vegas (5 presentations - 430 students).
17. Congratulations McCaw School of Mines! Their float in the December 10 Henderson Christmas Parade won first prize for best design and decoration. The prize was \$1,000.
18. Attended the annual Christmas luncheon for the McCaw School of Mines volunteers.
19. Work on 2012 Las Vegas teacher workshop tours – confirmation on tours of Valley of Fire State Park, Red Rock National Conservation Area, PABCO Gypsum, McCaw School of Mines, and Cashman Equipment.

GEOHERMAL (LOWELL)

1. Reviewed Gradient Resources’ sundry notice for change in drilling program for the 85-19 production well. Alan approved.
2. Reviewed Gradient Resources’ sundry request to perform a flow test on the Patua 77A-19 production well. Doug approved.
3. Reviewed Enel North America’s sundry notice to reclassify the undrilled Salt Wells 46-36 temperature gradient hole permit to the 46-35 observation well. The proposed engineering for the well qualifies it to be an observation well. Doug approved.
4. Reviewed Enel North America’s sundry request for a pump extraction and replacement in the Stillwater 45-30 production well. Doug approved.
5. Reviewed HSS II’s sundry notices to reclassify the 66-5, 66A-5, and 72-8 production wells to injection wells. Russ Land, at UIC, recently approved these wells for the Tuscarora/Hot Sulfur Springs UIC Permit. Doug approved.
6. Reviewed Nevada Geothermal Power’s permit application and drilling program for the Blue Mountain 55-10 injection well. Reviewed drilling program with Russ Land, UIC, where Russ approved the construction of the well. BLM approved the well. Proposed total depth is 9,000 feet. Doug approved.
7. Reviewed US Geothermal’s sundry request to for a change in the drilling program for the San Emidio OW-8 observation well. Doug approved.
8. Wells drilling or completed: Gradient Resources Patua 85-19 production well; Ormat Nevada Leach Hot Springs 75-31 observation well; Ormat Nevada McGinness Hills 28B-

- 10 production well; Ormat McGinness Hills 36-10 production well; US Geothermal San Emidio OW-8 observation well.
9. Reviewed HSS II's sundry request for an injection test in the Tuscarora/Hot Sulfur Springs 87A-5. Reviewed request with Russ Land at UIC. Russ and Doug approved.
 10. Reviewed HSS II's sundry request for an injection test in the Tuscarora/Hot Sulfur Springs 53-8. Reviewed request with Russ Land at UIC. Russ and Doug approved.
 11. Reviewed HSS II's sundry request to run PTS and RA survey's in the 53-8, 87A-5, 66-5, 66A-5, and 72-8 wells. Doug approved.
 12. Reviewed ORNI 15's (Ormat Nevada) sundry request for an injection test in the Jersey Valley 14-34 injection well. Reviewed request with Russ Land at UIC, Russ approved. Doug approved.
 13. Reviewed Enel Stillwater's 84-7 production well application and drilling program. Proposed total depth is 7,000 feet. Waiting on BLM notification of approval.
 14. Reviewed Enel Stillwater's 15-8 production well application and drilling program. Proposed total depth is 8,000 feet. Waiting on BLM notification of approval.
 15. Reviewed Presco Energy's sundry request to perform a flow test on the Rye Patch 44-28 production well. Doug approved.
 16. Reviewed Ormat Nevada's Wild Rose 24B-6 injection well permit application and drilling program. Reviewed with Russ Land, UIC. The proposed total depth is 2,025 feet. Alan approved.
 17. Reviewed Ormat Nevada's sundry notice to perform a flow test on the Wild Rose 85-11 production well. Waiting on BLM notification of approval.
 18. Reviewed Enel North America's Stillwater 67-31 injection well permit application and drilling program. Proposed total depth is 2,000 feet. Waiting on BLM notification of approval.
 19. Reviewed Ormat Nevada's Carson Lake 18-5 observation well permit application and drilling program. Proposed total depth is 3,500 feet. Waiting on BLM notification of approval.
 20. Reviewed ORNI 47's (Ormat Nevada) Wild Rose 24A-6 observation well permit application and drilling program. The proposed total depth is 3,500 feet. Alan approved.
 21. Reviewed Enel North America's sundry notices to winterize the Stillwater 26-7 and 63-7 injection wells due to their not being in use. Reviewed procedure with Russ Land at UIC, where he approved the mineral oil to be used for the winterization. Alan approved.
 22. Reviewed Ormat Nevada's sundry notice to perform a flow test on the Wild Rose 85-11 production well. Waiting on BLM notification of approval.
 23. Wells drilling or completed: Gradient Resources Patua 85-19 production well; Ormat Nevada Leach Hot Springs 75-31 observation well; Ormat Nevada McGinness Hills 28B-10 production well; Ormat McGinness Hills 36-10 production well; US Geothermal San Emidio OW-8 observation well.

OIL AND GAS (LOWELL)

1. Reviewed Andromeda Oil LLC permit application and revised drilling program for the Tomera Ranch #3. Proposed total depth is 1,200 feet. Doug approved.
2. Reviewed Tetuan Resources' sundry notice to move the Marys River 34-26 location approximately 105 feet to the north-northwest and change in required single shot directional survey interval from every 250 feet to 500 feet. Alan approved.

3. Travelled to the Blackburn Field, south of Carlin, on Tuesday, December 20th, in response to the Blackburn 18 production well blowing out over the December 17-18 weekend. Darrell Carter (BLM P.E.T) and I found the well to be blowing steam higher than the top of the Riley Paige work-over rig derrick. There appeared to be a very minor amount of water being blown out of the well's casing as well. The blowout preventer and casing flange (bolted to the blowout preventer) had been blown off the surface casing. Oil had flowed out of the well primarily to the north and northeast onto approximately four to five acres. Grant Canyon had bermed the entire area in the event more oil started flowing from the well. It appeared the well had initially unloaded over the weekend due to the volume of oil on the ground. We did not see oil flowing from the well while we were there. Darrell and I met with Tom Schmidt, Elko BLM District Office Manager, and Rod Prosceno, Grant Canyon LLC, to discuss Grant Canyon's proposed process to get the well under control. Grant Canyon had already been able to hook up a 'kill' line to the tubing still held by the BOP and running into the well approximately 3,000 feet. Grant Canyon planned to pump an approximate 12 pound kill fluid down the well. Grant Canyon was successful in their efforts and got the well under control on Thursday, December 22nd. The blowout is believed to have occurred due to a casing flange failure. The casing flange was a slip-on type and welded (just tacked?). The weld(s) broke and the pressure from the well lifted the casing flange and BOP off the casing approximately two feet. Darrell and I found the casing flange/BOP leaning to the rear of the drill floor area with the tubing the crew had been pulling still in place in the casing and BOP. Fortunately, the work-over crew was not on location when the blowout occurred. They had shut the BOP in on the production string they were pulling out of the hole, and had gone home for the weekend. The pumper who loads out oil from the tank battery found Blackburn 18 out of control on Sunday morning, December 18th. Grant Canyon is working with the BLM and NDEP in cleaning up the oil that flowed out of the casing.
4. Drilling/Completion: HBF Charity #2; Tetuan Resources Marys River 34-26 (conductor set), Andromeda Oil Tomera Ranch #3.

OTHER (LOWELL)

1. Attended the BLM Oil and Gas Lease Sale on Tuesday, December 13th. The results of the lease sale are as follows:
Competitive Oil and Gas Lease Sale Results Summary
December 13, 2011
 1. Parcels offered: 137
 2. Acres offered: 293,057.110
 3. Parcels sold: 70
 4. Acres sold: 160,338.920
 5. Total Bonus Bids: \$401,396.00
 6. Highest bid/parcel: \$17,920.00
 7. Highest bid/acre: \$8.00
 8. Were all monies due received? Yes
 9. Number of Sale Parcels subject to presale offers: 0
 10. Number of acres subject to presale offers: 0
 11. Number of presale offers sold competitively: 0
 12. Number of acres in presale offers sold competitively: 0
 13. Total receipts: \$652,418.00