

**STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS**

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**MEETING MINUTES (DRAFT-Subject to Commission Approval)
Thursday, October 10, 2013**

**COMMISSIONERS PRESENT
IN RENO:**

Mr. Fred D. Gibson, Jr., Chairman
Mr. Dennis Bryan, Vice-Chairman
Mr. Richard DeLong, Commissioner
Mr. John Mudge, Commissioner
Mr. Arthur Henderson, Commissioner

COMMISSIONERS ABSENT:

Mr. David Parker, Commissioner
Mr. John H. Snow, Commissioner

**STAFF PRESENT IN
RENO :**

Mr. Bryan Stockton, Attorney General's Office
Ms. Valerie Kneefel, Administrative Assistant, NDOM
Mr. Mike Visher, Deputy Administrator, NDOM

I. OPEN MEETING AND INTRODUCTIONS

Chairman Fred D. Gibson Jr.: Opened the meeting at 9:00 a.m. Confirmed that the meeting was posted in accordance with Nevada's Open Meeting Law. Chairman Gibson asked all the Commissioners and attendees to introduce themselves for the record.

II. PUBLIC COMMENT NOTICE:

No vote or action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken. (NRS 241.020) Comments will be limited to three minutes per person and persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Committee Chair may elect to allow additional public comment on a specific agenda item when the item is being considered.

Chairman Gibson: Asked if there was any public comment and there was none.

III. ADOPTION OF AGENDA

MOTION: Move to approve the adoption of the Agenda
BY: Commissioner Dennis Bryan

Action Item

SECOND: Commissioner Richard DeLong
VOTE: The vote was unanimous in favor of the motion

IV. INTERVIEWS FOR ADMINISTRATOR POSITION AT NEVADA DIVISION OF MINERALS

Commissioner Mudge: Described the interview process. He noted that there were three applicants. He stated that the commission members would ask each applicant the same questions and added that they had allocated 45 minutes for each one. He said once this initial process was completed the applicants would be escorted to another room. He said the commission members would hold discussions with a view to making a decision at the 12:30 p.m. meeting.

Chairman Gibson: Asked what specifically interested her about the position.

A. Naomi Duerr, President, Desert Pacific Exploration: Responded that over the years she had been impressed with the work done by the commission and its staff. She made reference to the work done by the staff in managing a difficult claim refund process. She noted that she had seen the commission tackle the fracking process issue and adopt a resolution to address that in addition to supporting the staff in establishing rules. She stated that she had observed Alan Coyner at the Nevada Legislature do an excellent job on some key bills and said she was impressed with the commission's support of that process.

She added she was impressed by the annual report put out by the commission in addition to the work done on abandoned mines. She stated she thought the commission working with companies to fence off abandoned mines for public safety was impressive. She also said that the way the commission had been promoting the mineral, energy and industrial minerals industries was excellent. She thought that the commission had established itself and had put into place a solid foundation. She cited the commission's work with the Mining Oversight & Accountability Commission (MOAC) which had been a challenge but also represented an important aspect of the work of the commission. She said that she had done many things that fit into the commission's public service and technical role including education, and policy, management of staff and budgets.

Commissioner DeLong: Asked why she felt she was qualified for the position and what particular knowledge, skills or abilities would she bring to help her succeed in the position. **Naomi Duerr,** President, Desert Pacific Exploration: Responded that she had laid out in the cover letter her qualifications but it also expressed her passion about the field. She stated that she had experience working for the state having managed a division similar to the Nevada Division of Minerals (NDOM). She noted that the division had 14 staff. She added she had also managed other groups over the last 25 years with staff varying from 5 to 800 with budgets ranging from \$1 million to \$350 million. She said that she had also managed the Truckee River Flood Project which was a \$1.6 billion project so she had excellent experience with capital projects.

She made reference to her management skills and said she had won awards and had been recognized for her ability to manage and control budgets. She also commented about the work products they had put out which had won awards, for example, the Nevada State Water Plan. She stated that she was a geologist and had worked all over Nevada. In reference to her management skills she noted that the Nevada State Water Plan had to be a consensus document and that many groups, urbanites, environmentalists, ranchers and miners all agreed and supported it which was an accomplishment as it concerned water, a sensitive topic in Nevada.

Commissioner DeLong: Noted that the division had to work closely with the Department of Conservation, the Governor's Office and legislature. He asked what specific experience she had that would help the NDOM meet those requirements. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she managed an agency, the Division of Water Planning which was within the Department of Conservation and Natural Resources (DCNR). She said during her seven years there she established connections and understood the way the agency worked and all the divisions within the department and its perspective. She stated that she had gotten to know Leo Drozdoff, the head of the DCNR. She said she was not familiar with the Governor's staff as she had been out of that role. She added that she was familiar with the legislature. She said with her lobbying during the last session she had met almost all the legislators when advocating on the issue of additional taxes on mining. She stated that her history and knowledge of the process would serve her well in the position.

Commissioner DeLong: Asked her who she had been lobbying for in the legislature. **Naomi Duerr**, President, Desert Pacific Exploration: Responded she had been lobbying for a company. She said as a small business owner she had wanted the legislature to understand the effect of proposed regulations, whether it might be a new property tax on mining claims or increased taxes on mining in general. She noted that she had not been lobbying on behalf of Nevada Mineral Exploration Coalition (NMEC) or the alliance. She said she gave the presentation for the Nevada Mineral Exploration Coalition with two other team members.

Commissioner Bryan: Stated if she were to be hired for the position to describe what she would do during the first year. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she felt it would be critical to become acquainted with the staff and learn the processes. She said she did not think it was good for new leadership to make dramatic changes during the first 30 days. She stated it was better to take a measure of the people. She commented that the administrator would provide the leadership but the staff did the hard work so it was key to understand the strengths and weaknesses of the staff.

She said during the job application process she had looked at the website. She noted it had a great amount of good material but she stated some was difficult to find. She said that one of the goals was public education, outreach and one of the key ways people learned about organizations now was through a website. She thought it could be organized better to facilitate locating information and documents.

She said that the fracking laws, statutes, regulations would be of key importance. She gave as an example Noble Energy which had wanted to do drilling and she said at the moment they appeared to have only an oil and gas permit. She indicated that she had been very involved during her career in adopting statutes and regulations and had moved such processes along leading to more effective management.

She added that also during that first year budget issues would have to be tackled. She referred to the last legislative session where the NDOM withstood an effort to be consolidated with the DCNR. She commented that their company had supported the commission's position as they felt it was important for the commission to have its own identity.

She acknowledged that the commission had done an excellent job in promoting the industry but that more could be done. She noted that they could follow through and see if there were other groups that

they could work with to increase investor dollars. She indicated that she thought the Nevada Mining Association (NvMA) had a strong role. She stated that she was aware that state agencies had to be careful to be an arbiter of truth, providing independent analysis and independent data.

Commissioner Dennis Bryan: Asked what her goals would be for the position three to five years down the road. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that by that timeline the focus would have to be on the energy sources and geothermal. She stated that if natural gas was found in Nevada through fracking that they would have to prepare for an onslaught and the subsequent increase in workload and demand. She referred to the abandoned mines program and said although quite advanced they should have more of a handle on that. She said there had been discussion of the role of the counties, would they receive funding or who would be handling the process. She thought the program would be on good footing. She said there was the internship program to consider and noted that one of the reasons she was on the School and Mines Advisory Board was because she was an advocate of education and was aware of the importance of and increasing science in general and earth science knowledge specifically.

Commissioner Bryan: Asked about her personal long-term goals for five, ten years in the future. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she had committed herself to public service and it was a continuing theme during her career. She noted she began in the industry and then followed public service, after which she returned once again to private industry. She gave details about her group of companies, its progress and current status and explained why she was ready once again to commit to public service. She said she had received a master's degree in public administration as well. She stated that the job was always more important than the pay as a deciding factor. She said she had lived in Nevada for over 40 years, was educated in Nevada and was committed to the State of Nevada and its future.

Commissioner Mudge: Asked if she would envision being in the position long-term. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she could not confirm it would be 15 years like the previous administrator. She noted that based on her resume she had changed jobs approximately every six years which might be more realistic although she had noted that challenges on a job tended to drive her.

Commissioner Henderson: Asked about her communication style and what style she would use to effectively manage the staff. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she had had varying numbers of staff and felt she brought a similar approach. She stated that she first would like to get to know them as individuals. She said she would say she was open-minded and did want to hear other people's opinions. She noted that for almost every agency she had headed she usually had a weekly staff meeting to review and assess. She said she had also had periodic staff retreats for team-building. She commented that she had never run an agency as a one-man show, for her the concept of team was important. She said she would consider her style to be listen and learn, then give directions.

Commissioner Mudge: Asked if she liked to delegate or do more herself or did she see herself as a doer or a manager that oversaw people. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she was both. She confirmed that she was a doer and a leader but at the same time gave examples of how she had inspired her staff and had given them opportunities to think and grow on their own which had given them confidence.

Commissioner Mudge: Stated that she was probably aware that there were issues among the mining operators, the large mining companies and the pure exploration companies which had been brought up in the legislature regarding claim fees and potential net proceeds of mine tax increases and such. He confirmed that a fair amount of work had been done to bring that together. He asked her what she would do to make sure the whole gamut of exploration through small and large mines was properly represented and promoted. He asked also what she would do to ensure that all the parties worked well together. **Naomi Duerr**, President, Desert Pacific Exploration: Stated that the response would be what had she already done. She stated she was not part of the dispute when it all happened during the special session and she acknowledged there was a lot of hard feelings in the NvMA and with the small explorationists. She stated she was not a person who had hard feelings but her approach was more, what could be done to fix this. She said what had happened was there were two exploration groups formed, the Nevada Mineral Resource Alliance (NMRA) and the Nevada Mineral Exploration Coalition (NMEC) and she noted she had joined both. She said she also joined the Nevada Mining Association Exploration Committee which was an effort to bridge the relationship between exploration and big mining. She noted she had been a personal friend of Tim Crowley for a long time, respected him and he was an easy person to reach out to. She stated that many people felt it was purposeful, to increase claim fees and protect the big miners at the expense of others. She said she did not see it that way. She noted that it was her approach to view people as having good intentions but some people did not always think things through. She indicated that during her career she had always reached out and gave several examples of how she had been able to find common ground among groups that historically had not gotten along well.

Commissioner Mudge: Asked if there was anything in her past or throughout any of those processes that might hinder her going forward. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she held views that could support two different ideas. She explained that she had won an environmental award but had also advocated for mining issues. She stated that mining could be done responsibly and when she had worked on regulations she had always been conscious of environmental impacts. She said that she had done both things, held both views and was not an advocate for just one.

Commissioner Henderson: Asked her about her experience with the oil and gas industry and also what were her thoughts and opinions on hydraulic fracturing. **Naomi Duerr**, President, Desert Pacific Exploration: Responded that she worked for numerous oil and gas companies but not in the oil and gas arena. She stated that she worked for Phillips Petroleum, Conoco, Placid Oil but stated she had worked in the uranium division, not oil and gas so her knowledge was somewhat restricted. She said her only experience with oil and gas was when she worked on the mines and mining subcommittee. She referred to the hydraulic fracturing process and stated it was a technique to obtain a precious resource and was underway in about 25 states and many regulations had been written. She said that she thought they could build on the experience of other states and put a good set of regulations together that supported the industry and would allay public fears. She said, personally she was not for it or against it. She said she had no strong opinions but was in favor of it if it provided an alternate source of energy.

Commissioner Mudge: Thanked her for her responses and asked if she had any questions. **Naomi Duerr**, President, Desert Pacific Exploration: Referred to the question from Commissioner Bryan about what she would do during the first and fifth year. She said she would like to know where the commission saw things going in the future, or what did the commissioners see as the big topics coming up? **Commissioner DeLong:** Responded that the big things on their agenda would be ensuring they put together a good set of fracking regulations that would meet the statute and the

intent of the public. He said the other issue was budget-related and what was happening with mining claims. He explained that the budget for the commission came from that source and he stated that things did not look good regarding where claim fees were going. He said the number of mining claims was decreasing. He said every claim generated \$8-10 for the budget and if they had dropped 100,000 claims it would have an extreme adverse effect. **Commissioner Bryan:** Responded that the commission was also the target of the state legislature and he thought that the legislature might one day attempt to take the claim fees. **Chairman Gibson:** Added it was important to remember that the fees funded the commission and towns so there were players beside the commission who were anxious about what was happening in mining. He stated that for all the resources, the recovery of gas, oil and minerals was going to bring a continuing conflict often between producers and users. He considered that one of the bigger challenges. **Commissioner Bryan:** Noted that AML (Abandoned Mine Lands) would go forward too. He said it had established itself and it had a long way to go.

Commissioner Bryan: Asked about the candidate's involvement in Desert Pacific Exploration. He asked if there could be a conflict of interest. **Naomi Duerr,** President, Desert Pacific Exploration: Responded that the company had been in existence for 18 years. She said when she was state water planner she took a background role. She stated she would step down as president, would hold in fact no officer position. She confirmed that she would be a shareholder. She said she had always filled out her financial disclosure forms and would continue. She confirmed she did not think there would be a conflict of interest. **Commissioner Bryan:** Explained that there could be a perception if there were hearings on permitting for example. **Naomi Duerr,** President, Desert Pacific Exploration: Responded she could be independent and unbiased on those types of issues.

B. Richard LaPrairie, LMI Engineering: Introduced himself to the commission members.

The members of the Commission on Mineral Resources introduced themselves to the candidate and explained the process.

Chairman Gibson: Asked what interested him about the position.

Richard LaPrairie, LMI Engineering: Responded that he was a third-generation mining engineer. He said that in his opinion no wealth is generated until someone takes something out of the ground, improves it and sells it to someone else. He stated that his father and grandfather were mining engineers and his other grandfather sold explosives to the mining industry and was inducted into the Canadian Mining Hall of Fame. He noted that being involved in the mining industry was something that he had been doing for about 40 years and he wanted to continue. He indicated that the position was a good opportunity to meet people, network. He stated that he has known Alan Coyner and Doug Driesner for many years. He stated that it was a position he felt he would be both good at and enjoy doing.

Commissioner Mudge: Asked why he was interested in this position now. He noted that he had been all over the world and had been involved in many things in mining. **Richard LaPrairie,** LMI Engineering: Responded that during the last six years he had hardly been in Nevada. He noted he had been in Bolivia, Southern Mexico, Greenland and Costa Rica and for family reasons he wanted a position that would keep him closer to home. He said he would look forward to travelling throughout Nevada, meeting the people and visiting operations.

Commissioner DeLong: Asked why he felt he was qualified for the position and what particular knowledge or skills or aptitudes he had that would help him in the position. **Richard LaPrairie,**

LMI Engineering: Responded that he was involved in mining and during his career had done grassroots exploration, lived in bush camps, flew in helicopters, been a diamond driller, had been an underground mining laborer, had been a shift boss, had been a mining supervisor, had been a mining manager and a general manager. He said he had also constructed mineral processing plants, done a startup and obtained the permits for mines. He said that was his background. He referred to the technical end of things and confirmed that he could use the computer and basic software and CAD. He said he had recently given a talk to a school in Nevada about the importance of mining and he showed 22 thank you letters for the presentation. He said he had created some CDs for the students about his mining presentation called "Mining Around the World". He invited the commissioners to review it outside of the interview time. He explained that he wanted to be an ambassador for mining.

Commissioner Bryan: Asked him if he had ever participated in the teachers' workshops sponsored by the Nevada Mining and the Division of Mining. **Richard LaPrairie, LMI Engineering:** Responded no but mentioned that he had given a talk at UNR (University of Nevada, Reno) at one time for some mining students. He explained that during the last six years he had been out of the United States so was not able to get involved locally.

Commissioner DeLong: Stated that the Division was required to work closely with the DCNR and the Governor's Office and the legislature. He asked what in his experience and skillset would help him to be able to fill those roles. **Richard LaPrairie, LMI Engineering:** Responded that his experience had been dealing with government officials, mine inspectors throughout various locations in French, English and Spanish which was challenging. He referred to government work and noted he was part of the team involved with work at Meridian Land at Merrills where they had done an exchange, a Circle West Coal Exchange where they traded certain blocks of coal reserves with the federal government to consolidate and make a mining unit. **Commissioner Mudge:** Asked if he had experience with the state regulators and legislators or the DCNR. **Richard LaPrairie, LMI Engineering:** Responded not specifically in Nevada. He commented that people are people and if you can express ideas and make concise reports then he did not see a problem working with them.

Commissioner Bryan: Said if he was hired for the position could he describe what he would do during the first year. **Richard LaPrairie, LMI Engineering:** Responded that he would start making contacts, making sure that he knew where the mines were and who the people were, personal contacts. He noted that gold was a substantial part of the mining industry in Nevada but there were other operations including industrial minerals, an area that he had experience in and noted several. He said he was licensed as both a mining and a civil engineer with the Board of Nevada. He said one of the first things would be to network, see who is out there, where they are and what was going on with their operations. He said the Northwest Mining Association meets in December and he thought that would be a good starting point. **Commissioner Bryan:** Asked about goals for the position, long-term of three to five years. **Richard LaPrairie, LMI Engineering:** Responded that he felt what they should be doing was trying to help the smaller miners in obtaining permits to make mining easier. He thought getting smaller operations moving would be a good goal. **Commissioner Bryan:** Asked what about personal or professional goals: **Richard LaPrairie, LMI Engineering:** Stated that he would still be working in five to ten years as he enjoyed his work. He said he had no plans to retire but would still like to work and be productive. **Commissioner Mudge:** Asked if he had any thoughts regarding the AML program or current events taking place with regard to oil or gas. **Richard LaPrairie, LMI Engineering:** Responded that petroleum and geothermal were not big in Nevada but it would have to be reviewed. He said his first task would be to orient himself to all the specifics going on in Nevada.

Commissioner Henderson: Asked about his communication style and what style would he use to effectively manage the staff. **Richard LaPrairie, LMI Engineering:** Stated it was his opinion that a manager had to be firm but fair and friendly. He said he felt he had always been known as a good guy to work for and also many companies had considered him a good employee and had provided recommendations. **Commissioner Henderson:** Asked if he liked to delegate authority or do much of the work himself. **Richard LaPrairie, LMI Engineering:** Responded with smaller operations where he had tended to work more he had usually done much of the work himself. He said, however, if there was an employee who knew how to do the job then delegating was the best course. He said if an employee needed help he felt it was important to be able to assist and point them in the right direction. He said in his career as a general manager for various mines he had had employees in accounting, warehousing, purchasing, budgeting, mining and mill superintendents all reporting to him. He commented on the challenges of working in locations like Greenland with his staff.

Commissioner Mudge: Noted that he was not sure if he knew about this as he had worked overseas but over the last few years there had been a division between smaller exploration companies and the larger miners which played out in the legislature with increased claim fees and potential increases to net proceeds of mine tax. He asked how he would work to advocate for all aspects of the mining industry from exploration with small mines through to large mines. He also asked what he would do to try to keep everyone aligned. **Richard LaPrairie, LMI Engineering:** Responded that he thought public education was part of the problem. He said mining was different from other manufacturing. He said in mining, the gold or base metal industry was forced to deal with the international price for the metal. He said raising taxes would increase operating costs. He made the point that if people were educated to appreciate that fact then they would not go after the mining industry.

Commissioner Mudge: Asked if there was anything in his past that would hinder him in doing the job. **Richard LaPrairie, LMI Engineering:** Responded that he did not believe so. He said the experience obtained throughout his career would help with the position.

Commissioner Arthur Henderson: Asked about his experience in the oil and gas industry. **Richard LaPrairie, LMI Engineering:** Responded that he did not have any direct experience in that area. He said he did have experience with drill rigs and drilling. He thought that drilling for oil and gas was a bit larger. He noted his experience would be something that he could transition over into that area.

Commissioner Henderson: Referred to hydraulic fracturing regulations that would have to be put into effect for some future exploration. He asked about his opinion or thoughts on hydraulic fracturing. **Richard LaPrairie, LMI Engineering:** Responded that he thought it should be done as long as it was done according to regulations and the environment was not adversely affected.

Commissioner Mudge: Asked the candidate if he had any questions for the commissioners. **Richard LaPrairie, LMI Engineering:** Asked who the position reported to. **Commissioner Mudge:** Responded that the administrator would report to the commission. **Commissioner Bryan:** Asked how many years of experience he had in the State of Nevada. **Richard LaPrairie, LMI Engineering:** Responded he had lived in Nevada for 18 years but much of his work had been international. He gave details about his experience in the state. **Commissioner Mudge:** Asked if there was anything else that the candidate wanted to tell them about himself. **Richard LaPrairie, LMI Engineering:** Gave additional details about his experience as an engineer. There was some discussion about uranium and recycling. **Commissioner Mudge:** Asked if he thought the Division of Minerals should take a position on that: **Richard LaPrairie, LMI Engineering:** Responded that agencies could not

always be neutral though he felt they should take a position. He acknowledged that there was some public sensitivity about the issue. **Commissioner Henderson:** Referred to his working periods in France and asked if he was familiar with nuclear energy there. **Richard LaPrairie,** LMI Engineering: Responded that he had only been to France several times. He stated he had worked in Slovakia where there was a Chernobyl -type reactor. He noted the French references referred to Quebec, Canada, not France.

Commissioner Bryan: Stated that the funding for the division came from the mining claim fees. He asked what would his feeling be down the road, not knowing whether the number of mining claims would go up or down and did he see any other opportunities for funding. **Richard LaPrairie,** LMI Engineering: Responded he would not want to see increased taxes. He spoke about the importance of staying within a budget with a limited amount of dollars. He suggested donations from the mining industry if they perceived the commission as being beneficial or helpful to them.

C. Richard Perry, State of Nevada, Department of Water Resources

The members of the Commission on Mineral Resources introduced themselves to the candidate and explained the process.

Chairman Gibson: Asked the candidate what interested him about the position. **Richard Perry,** State of Nevada, Department of Water Resources: Responded that he was looking for a new challenge. He said he had reached the point where he had accomplished what he could for the state engineer in Elko and what he had done for an elected position with the city. He referred to the administrator position and noted that it fit with much of his history and background. He explained that his background was in all of the different representations of the commission. He said he had worked in large-scale mining and started his career in exploration in Reno. He said he had worked with a small mining company in Goldfield, Nevada after graduate school. He noted that he had spent three months in geothermal in college as a geologist. He referred to the other components of the position, the public relations aspect. He said he had a strong background there having been a vice president of a mining company. He said he had also been an elected official as a city councilman. He commented because of those positions he had dealt with the media a lot. He said he felt he had good communication skills and this included dealing with governmental agencies. He said he was both familiar with and excited about the position. He indicated that he was ready for the challenge.

Commissioner Mudge: Noted that he lived in Elko and had an elected official position. He asked how he would manage that if he was selected for the position. **Richard Perry,** State of Nevada, Department of Water Resources: Responded that he would resign his position with the state engineer and hand over the duties. He said that the state engineer was aware that he was interviewing. He said he would resign as city councilman and would begin the process immediately if selected. He said that transition period would be completed in a few weeks.

Commissioner DeLong: Asked why he felt he was qualified for the position and what knowledge or skills or abilities did he have that would help him succeed in the position. **Richard Perry,** State of Nevada, Department of Water Resources: Responded that he had mentioned some of his background details that would qualify him. He said that he had been involved in the Nevada natural resource industry for 31 years. He said he knew the landscape well and many of the people involved in the industry, both operations and exploration. He said his position in Elko had expanded the network of people he knew. He said that in the job that he had with the state engineer there were substantial contacts because he had dealings with the water side of geothermal oil and gas.

Commissioner DeLong: Said the division was required to work closely with the DCNR as well as the governor and the legislature. He asked what in his skillset or experience would facilitate a good working relationship between the division and those other entities. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that he knew most of the people. He said he felt that many of the entities and how the division would communicate with them was process-oriented with steps and public involvement. He said that the skills would involve understanding how the state regulatory agencies worked and he had those skills having worked for water resources.

Commissioner Mudge: Noted that occasionally the previous administrator had to testify in front of the legislature and work within that process. He asked what kind of experience he would bring that would show those skills. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that he had testified during the last session as the representative for the City of Elko. He said that he was the person on the city council who was looked to review EISs (Environmental Impact Statement) when the city was a participating agency.

Commissioner Bryan: Asked if he was hired for the position could he describe what he would see himself doing during the first year. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that when a person had held a position for a long time there was always the feeling of wanting to make changes. He said that he thought it was important to go slowly. He noted that there was the urgency for the regulations on fracking as there was a timeline. He stated that he would want to talk and spend some time individually with all the commissioners in their respective areas and determine what their thoughts would be. He said he would be interested in knowing things like how often would they want to be communicated with and what did they see as the constraints to better economics and progress in each of their represented areas. He said he would be interested in determining the things that could bring more mineral, oil, gas and geothermal companies to Nevada. He said he would want to spend time with the staff to learn more about details in different areas such as the AML program and permitting issues. He said that he thought the website needed to be revamped to see how the website could better serve the different companies and businesses.

Commissioner Bryan: Asked him to describe what he would see himself doing in the longer term like three to five years. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that would depend on the strategic plan that the commission would develop. He said he was a planner by nature and although he did not know the specifics he thought that the development of a long-term strategic plan detailing where the commission was going would be the preferred method. **Commissioner Bryan:** Asked him to describe where he wanted to be professionally in ten years. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that professionally he would view the position as the final stop in his career. He stated that he would like to work in that position for the commission for the next ten years. He thought it a challenging position. He stated that he did not have aspirations to go back to operating mining. He noted that if he was given the position and moved into the area that he would also become involved in the community.

Commissioner Henderson: Ask about his communication style and what style would he use to effectively manage the staff. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that he felt there were two different communication styles. He said the staff would find that he would ask many questions at the beginning. He said he would consider himself hands-off and would let staff do what they needed to do unless they asked for help. He said he would always have an open-door policy. He stated that he liked the term, matrix in management and if he found people

on staff were good at certain things, use them in that context. He summarized his approach as an open-door policy and that communication should go both ways. He referred to external communications and stated that with the public there were statutory things the division needed to do. He noted that if there was a sensitive issue then he would like the commission to approve the message beforehand.

Commissioner Mudge: Referred to his earlier comments about revamping the website and asked if he saw further opportunity there in terms of the general public and how it could be used to better promote the industry. **Richard Perry, State of Nevada, Department of Water Resources:** Responded yes he did. He said he felt there were two basic customers, the industry and the general public. He said the public could search issues such as abandoned mine lands and minerals education.

Commissioner Mudge: Noted that over a number of years there was some animosity between the exploration community and the large miners over some issues such the net proceeds of mine tax, taxes on mining claims. He said things had improved. He said if he was given the position, could he describe how he would help bridge that and represent everything from small-scale exploration through small mining, mineral development and then large-scale mining. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that he was aware of the position between the two groups. He said he felt education might be a big part of that. He said that to him the way the industry worked in Nevada and how the three inter-related that there was a value chain, i.e. one group needed what the other had and vice versa.

Commissioner Mudge: Referred to his background in exploration and then executive, he asked if there was anything in his background that would hinder him in the position. **Richard Perry, State of Nevada, Department of Water Resources:** Stated that he didn't have any concerns as far as people were concerned. He said the one perception that he would be seen as a big miner might be something that he would have to bridge with the exploration world. He said there was nothing major but he just needed to re-engage with the exploration community.

Commissioner Henderson: Asked about his experience with the oil and gas industry. **Richard Perry, State of Nevada, Department of Water Resources:** Responded that from a drilling standpoint he had worked in geothermal and the geysers, he said those were oil drilling rigs. He said other than that he had not been deeply involved in oil and gas in his career. He said that he could give an explanation of fracking and had to meet with a group in Elko who had questions about the wells and ground water. He said he had obtained a video of a fracking well being drilled and had shared it with his colleagues. He said the process was not new but had revolutionized gas and oil production.

Commissioner Mudge: Said the process was controversial and had many misperceptions. He asked about his approach, i.e. how would he balance the public's concern versus the promotion of the industry and ensuring that Nevada was seen as a good place to do this. **Richard Perry, State of Nevada, Department of Water Resources:** Suggested producing a video and putting it on the website. He said the video he had seen had explained it well to him. He thought education was a key factor. He said the main concerns he had heard were about contaminated ground water. He thought there would always be certain NGOs who did not like it and it would be difficult to convince them otherwise.

Commissioner Henderson: Indicated he wanted to follow up on some of his comments about the website. He said they had been involved in reviewing the website and videos but most came from the industry such as Noble or BP. He said they had been reluctant to put them on the website. He

stated that they considered they should remain more with the academic world, i.e. petroleum engineering schools, Texas A&M, the University of Oklahoma and Stanford and use those to inform the public. He asked for his opinion. **Richard Perry**, State of Nevada, Department of Water Resources: Responded that he thought they might be better served using a credible third party as the commissioner had just described. **Commissioner Henderson**: Mentioned that these third parties were often funded by the industry for their research. He asked if he would still agree. **Richard Perry**, State of Nevada, Department of Water Resources: Responded yes.

Commissioner Mudge: Asked if the candidate had any questions for the commission. **Richard Perry**, State of Nevada, Department of Water Resources: Asked what the commissioners saw as the future and their role about where they thought the commission was going. **Commissioner Bryan**: Responded that one of their main issues down the road was fracking which was an immediate concern. He stated other than that the State of Nevada at the moment was controlled by southern Nevada. He said they had a presence down there but it was limited. He said they would like to address that especially for education. He noted that the issue of education was more of a major issue in a city like Las Vegas as opposed to a city like Elko. He stated they were also interested in providing more assistance to the small miners. **Commissioner Henderson**: Stated the promotion of the state as a favorable place to do natural resource business was also a high priority. **Chairman Gibson**: Stated that the NvMA had sublet an office from him in Clark County for the purpose of educating the legislators, the majority of whom came from that area. He stated that it was critically important that they be informed about the industry. **Commissioner Bryan**: Advised that the commission had been historically based on being funded by mining claims. He said that they appeared to have an opportunity in the oil and gas business to generate some revenue. This was an issue they were considering. He said they also wanted to ensure that more of the business was done with the people of Nevada as opposed to business being done by out-of-state companies that used their own labor and contacts. **Commissioner Mudge**: Indicated that he was very interested in developing a long-term strategic plan for their industry and an appropriate approach. They needed to ascertain who they should approach to work with, for example, the Governor's Office in economic development.

V. DISCUSSION OF INTERVIEWS

Action Item

Commissioner DeLong: Stated his views starting with Naomi Duerr. He said from the pro-perspective she had managed a regulatory agency and she knew Nevada. He said from the con-perspective he did not like the comment that she was good at starting programs but once up and running she noted it was a good time to leave. He said he did not feel she conveyed a strong management style during the interview although her resume did project that. He noted for Richard LaPrairie that he knew the mining industry but had a limited knowledge of Nevada's current regulatory or legislative environment. He stated that he did not come across as if he understood how a state agency operated and that included the division. He noted for Richard Perry, he had 31 years in the Nevada mining industry and knew the industry in Nevada. He showed a good knowledge of how the Nevada regulatory adoption process operated. He said his statement about developing a strategic plan was impressive as he appeared to be thinking big-picture. He said no negatives for him.

Commissioner Henderson: Stated his views starting with Naomi Duerr. He said she had a good public service record and had worked for a regulatory agency. He said a con was a lack of oil and gas experience and knowledge of hydraulic fracturing. He said the length of time that she was willing to commit already sounded like it had an end date. He noted for Richard LaPrairie there was good industry experience. He said the cons again, was oil and gas exploration and no research to

discuss in the interview process. He had no experience with the legislature and limited understanding of the functions of the commission. He noted for Richard Perry that he had government service and public service and there was also the wish to stay until he retired. He had good knowledge of the mining industry. He did not know oil and gas as his first knowledge but he had some knowledge that he was able to discuss it. He did know something about hydraulic fracturing and he did want to create a strategic plan. He said no negatives for him.

Commissioner Mudge: Stated his views starting with Naomi Duerr. He said she was articulate with a strong personality and clearly had a lot of good experience and had developed many relationships. He said she got things done but he thought she might be too strong which was a concern. He was concerned about her comment about leaving after a certain period as they wanted continuity. He was impressed. He noted for Richard LaPrairie that he was disappointed in that he stated he was a mine engineer with all the experience but had not done any homework as far as minerals was concerned and did not know anything about the programs or issues. He thought with the responsibilities of the position being articulate was important. He needed to be a better communicator. He noted with Richard Perry he had a lot of great experience. He thought although he did not have the knowledge of oil and gas but was researching the topic. He said reviewing his career path he could see him being happy within the position of administrator. He noted as a negative, he had worked with big mining firms and what would the perception be.

Chairman Gibson: Noted he did not have a lot to add. He said he had had a personal relationship with Richard Perry for a long time. He said the comments he had heard about Naomi Duerr he considered appropriate. He said with regard to Richard Perry he thought that he represented the industry well and reflected progressive views about the industry. He thought this was evident in his views about education and how his family and colleagues viewed his career. He stated that it was a good group to choose from for the position.

Commissioner Bryan: Noted with regard to Naomi Duerr, he said she was a strong personality, was very intelligent but agreed that it could also be a weak point. He referred to Richard LaPrairie and noted that he did not know anything about the functions of the division and did not do suitable research before the interview. He referred to Richard Perry and said he agreed with all comments on his pros. He said that he had a presence and commanded respect when speaking and sounded intelligent.

Mike Visher, Deputy Administrator, NDOM: Referred to the comments of Naomi Duerr when she said she had had a chance to meet with some staff in Carson City. He said it was telling. He said she had taken it upon herself to meet with them. He said she brought passion but they were looking for someone who could represent the commission well and long-term. He said that did not appear to be on her agenda. He said he was disappointed with Richard LaPrairie as he had not done his research. He thought he was a great advocate for mining but the administrator's role was broader and required a different skillset. He referred to Richard Perry and said he had an air of authority without ego and spoke well. He noted he had seen him testify in front of the legislature and he had done well. He thought the fact he had considered long-term goals was great. He thought he would represent the division well in public workshops. He thought the only negative was a start date.

VI. PUBLIC COMMENT NOTICE:

No vote or action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken. (NRS 241.020) Comments will be limited to three minutes per person and

persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Committee Chair may elect to allow additional public comment on a specific agenda item when the item is being considered.

Chairman Gibson: Asked if there was any public comment and there was none.

VII. ADJOURNMENT

MOTION: Move to adjourn the meeting
BY: Commissioner DeLong
SECOND: Commissioner Henderson
VOTED: The vote was unanimous in favor of the motion