



BRIAN SANDOVAL
Governor

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
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RICHARD PERRY
Administrator

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COMMISSION ON MINERAL RESOURCES
Legislative Counsel Bureau
401 South Carson St. #4100, Carson City, NV 89701

Thursday May 19, 2016

1:00 P.M.

Agenda

CALL TO ORDER

The Agenda for this meeting of the Commission on Mineral Resources has been properly posted for this date and time in accordance with NRS requirement.

ROLL CALL

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. All public comments will be limited to 5 minutes for each person. **ACTION WILL NOT BE TAKEN**

I. MINUTES

- A. Approval of the February 4, 2016 meeting minutes

FOR POSSIBLE ACTION

II. NEW BUSINESS

- A. Attracting mineral exploration and development capital to Nevada:

FOR DISCUSSION ONLY

A report on Nevada's presence at the Prospectors and Developers Association of Canada (PDAC) conference in Toronto, and Association for Mineral Exploration BC Roundup in British Columbia. Sheldon Mudd, GOED and Dave Shaddrick, Nevada Mineral Exploration Coalition. 30 minutes

- B. Strategic Planning Session for Fiscal Years 2018-19.

FOR POSSIBLE ACTION

The State budget kickoff meeting was held on March 9th, with directions and schedules from the Governor's finance office. The Governor's Office provided a new Strategic Planning framework document outlining a vision, mission and strategic priorities for State Agencies, Boards and Commissions. Division Staff held a meeting on April 1 to develop budget assumptions and possible initiatives. to align with the Governor's Strategic Planning Framework. Rich Perry will present assumptions and possible initiatives, and schedule for completing the budget process. 60 minutes

- C. Presentation on Nevada Mineral, Geothermal and Oil production for 2015.

FOR DISCUSSION ONLY

Production reporting for CY 2015 is now complete and will be presented. Mike Visser. 15 minutes

III. OLD BUSINESS

- A. NDOM fiscal year 2016 Forecast and Reserve.
Mike Visser – 15 minutes

FOR DISCUSSION ONLY

- B. Annual Oil and Geothermal well inspection update,
and new access database of oil wells in Nevada
Lowell Price – 15 minutes

FOR DISCUSSION ONLY

- C. BLM Proposed Mineral Withdrawal update
NDOM developed maps and backup information for the areas
of high mineral potential listed in the Governor's comment letter to BLM
of January 15, 2016. NDOM was chosen and agreed to act as a cooperating
agency in the development of the EIS on the mineral withdrawal.
Rich Perry - 15 minutes

FOR DISCUSSION ON

IV. STAFF REPORTS

- 1) Mining/Reclamation Bond Pool – Mike Visser
- 2) Correspondence

V. SPECIAL PRESENTATION

Presentation and award by the Commission to Bill Durbin for 27 years
of service to the Division of Minerals. Chairman Rich DeLong.

COMMISSION BUSINESS

- A. Determination of time and place of next CMR meeting

COMMENTS BY THE GENERAL PUBLIC

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ADJOURNMENT

NOTICE TO PERSONS WITH DISABILITIES

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Division of Minerals, 400 W. King Street, suite 106, Carson City, NV 89701 or contact Valerie Kneefel at (775) 684-7043 or Email Vkneefel@minerals.nv.gov

The Commission will be attending a field trip on Friday May 20, 2016. The Commission will tour the Hectatone Drilling Fluid Plant in Fernley at 9 A.M., and the AGRU Nevada liner plant in Fernley at 11:00 A.M. Members of the public may attend but must provide their own transportation and safety equipment. Advanced notification is required. Please call Valerie Kneefel at (775) 684-7043.

I. MINUTES



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COMMISSION ON MINERAL RESOURCES
Clark County Commission Chambers
500 S. Grand Central Pkwy., Las Vegas, NV 89155

Thursday February 4, 2016

9:00 A.M.

Minutes

COMMISSIONERS IN ATTENDANCE	STAFF IN ATTENDANCE
Richard DeLong (Chairperson) Fred Gibson Dennis Bryan John Snow David Parker Art Henderson John Mudge not in attendance	Richard Perry Valerie Kneefel Mike Visser Robert Ghiglieri Bryan Stockton (Senior Deputy Attorney General) Garrett Wake Bill Durbin

CALL TO ORDER

Meeting was called to order at 9:00 AM

The Agenda for this meeting of the Commission on Mineral Resources has been properly posted for this date and time in accordance with NRS requirement.

ROLL CALL:

Valerie Kneefel took roll call:

Richard DeLong, Dennis Bryan, David Parker, Fred Gibson, John Snow. (John Mudge was not in attendance)

PLEDGE OF ALLEGIANCE:

Led by Richard DeLong

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. All public comments will be limited to 5 minutes for each person.

ACTION WILL NOT BE TAKEN

I. MINUTES

A. Approval of the November 5, 2015 meeting minutes

FOR POSSIBLE ACTION

Motion Approval of the November 5, 2015 minutes by: page 2 of 11 change by Rich DeLong change the word "roads" to "area". Dennis Bryan made a motion to approve the change. Seconded by: Fred Gibson. Unanimously carried.

II. NEW BUSINESS

A. Thorium Energy Presentation

FOR POSSIBLE ACTION

Commissioner Henderson requested investigation of the use and availability of thorium for power production at the August 27, 2015 CMR meeting. Garrett Wake has researched this topic and will present findings.

G. Wake presented a power point on the use of Thorium (Th-232) as a replacement for Uranium (U-235) in the Production of Electrical Energy. As of 2014, the U.S. generated nearly 800b kWh of electricity by means of nuclear fission (NEI, 2015).

- This is almost double the production of the world's second largest producer (France; 418b kWh), and more than one third of the world's total nuclear-electricity generation (NEI, 2015).
- The estimated amount of electricity generated in the U.S. (from all sources) in 2013 was just above four-trillion kWh, of which 19% was produced from nuclear sources (Conti et al, p.24).
- Nearly one fifth of the U.S. electrical-energy production comes from nuclear sources.

Fissile uranium fuel rods, filled with enriched uranium (increased U-235 vs 238) pellets, are placed into a controlled environment. A catalyst (neutron source) is used to begin a sustained chain reaction in the fissile uranium rods. The chain reaction is maintained at a critical level (a net balance of neutron gain and loss). A by-product of nuclear fission is heat, which is used to boil a fluid (water) into steam. The steam is routed through a system of turbines, which generate electrical energy. In the U.S. there are two common types of nuclear reactors:

- Pressure Water Reactors (PWAs) and,
- Boiling Water Reactors

Both use basically the same concept (steam rotates turbines for electrical generation). Both have advantages and disadvantages when compared.

Pros:

Possibly 3-4x more crustal abundance, though skeptics argue U-238 is significantly abundant in seawater.

No Enrichment

Since Th-232 is fertile, a chain reaction could be stopped quickly (unlike traditional fissile U-235 reactions).

Few Th-fueled reactors exist today, but the technology has been tested and is viable.

The time could be near for a shift – nearly all U.S. reactors will be >60 years old by 2050 at the end of their 20 year license renewal.

Countries like China and India are already building/have built Th-based reactors.

Possibility of using spent-U/Pu waste in Th reactors, essentially reusing the waste over-and-over again, eliminating the need to store it.

Cons:

Start-up costs will be high. It may be difficult to retrofit current U.S. reactors to accept Th (to be viable) – methods have been proposed. Many models require separation of U-233 from Th-232, which could be costly and hazardous to human health (robotics technology could eliminate health hazard).

Unknowns:

Better/worse for proliferation? U-233 just as weaponizable as Pu-239, possibly harder to separate.

Radiotoxicity and storage? Th byproducts typically non-transuranic, but produce more gamma radiation. Less safe to work with.

Radioactive decay?:

Th waste <500yr half-life (vs 10,000yr U-Pu) and there is 1,000 to 10,000x less waste.

Thorium is becoming a “buzzword” in the media and on the internet, and it does have merit. Th-232 has qualities that surpass U-235/238, but it has some pitfalls as well. Remember, the design of the reactor can make as much of a difference in safety and production as the fuel used.

Commissioners thank Mr. Wake for the presentation. No motion was made.

B. Status on Regulation changes in NAC 513, including claim fee increase

FOR DISCUSSION ONLY

At the November 5, 2015 CMR meeting, the Commission directed staff to draft language and begin rule-making on changes to Chapter 513, including language clean-up and changes to the abandoned mine lands program and a possible fee increase of \$1.50 per claim to the statutory limit of \$10 per claim.

Rich Perry gave a power point presentation. The workshop was posted and they will be Feb 16 in Carson City video conference to Las Vegas and Feb 18 in Elko. Draft language can be found on the Minerals website.

CMR Instructed Division to begin rule-making process for NAC 513 at 11/5/2015

- Increase claim fee by \$1.50 to statutory limit of \$10 per claim (NRS 513.094 and NRS 517.185)
- Update regulations on AML hazard ratings, warning signs, methods of securing and eliminates obsolete language

LCB legal review complete, language attached as R127-15

Public workshops scheduled for

- Feb. 16 in Carson (Legislature Rm 2134 2-4 PM w/link to LCB room 4412 in Las Vegas)
- Feb. 18 in Elko (County Courthouse 10 AM-12 PM)

Small business impact evaluation

- Overall increase of \$1.50 per claim holding fee is a 0.9% annual increase (\$1.50 / (\$155 BLM + \$8.50 NDOM + \$2 County Recorder)
- 1,882 small business claim owners in Nevada would see average increase of \$73.67 per year.
- 86 operating companies would see average increase of \$1,240.24 per year.

R.DeLong: asked what did LCB change as opposed to what the Commission approved?

R.Perry: answered it was minor language re-ordering and wordsmithing and nothing substantive.

R. Perry: stated that after the workshops, we would like to post for the hearing and have it the day of Commission meeting. We'd like to have it in effect for next claim year, (Assessment Year 2017).

C. Update on Sage Grouse RMP/SFA activity and impacts.

FOR POSSIBLE ACTION

At the November 5, 2015 CMR meeting the Chairman formed a task force to evaluate the impacts of the Sage Grouse LUPA/RMP and proposed mineral withdrawal. With the assistance of the Nevada Bureau of Mines and Geology, the Division developed maps of high mineral potential which were utilized in the Governor's comments on the mineral withdrawal to the BLM. The Commission may discuss and consider recommendations to the Governor.

R. Perry: Stated he was working with Pam Robinson in the Gov. Office. The governor recommended against withdrawing any minerals. The alternative put forward to the Department of the Interior was essentially to look at the areas of high mineral potential and remove them from the proposed mineral withdrawal. As a component of the BLM resource management plan that they put forward, for the conservation of the sage grouse, BLM proposed a mineral withdrawal of 2.7 million acres across the upper part of the state. This was based on habitat and a number of other things. He went on to go over the maps showing claim density, historical mining districts and active mining districts.

R. DeLong: In looking at these areas to carve out, was it taken in account the need for facilities should there be a discovery?

R.Perry: If you look at the density of claims there are pretty sizable buffers around most of those.

J.Snow: what is the timing, when we might understand when they are going to work with us?

R. Perry: He wasn't sure he could answer that. Asked if he has read the Governor's press release last week in regards to this? He sounds pretty urgent to get moving but we aren't sure.

R.Perry: Stated that our GIS Field Specialist, Lucia Patterson, worked hard to put together these maps and the NBMG as well.

D.Bryan: Wanted to congratulate Rich, this is a fantastic job. This is what we as the Commission should be doing, input and recommendations to the Governor.

R.Perry: stated the task force met and discussed what the path forward would be. Since then, he discussed with the Governor's office and asked what was his needs are in regards to the ARMPA (Approved Resource Management Plan Amendment) from Commission. We have direction to develop items out of the ARMPA that the Commission thinks needs negotiation or clarification. The Governor's office would welcome a recommendation letter. He stated that we've come up with 3 items so far that they believe need some action to be included in a letter: 1. No surface occupancy restriction in the SFA for Oil, Gas and Geothermal exploration. 2. Transportation access in the SFA's and the PHMA's limit early stage exploration, needs clarification. 3. Clarification of the 3% disturbance cap. He recommends to review further, review with the task force and finalize a letter.

R.DeLong: Asked if there was any indication on timing from the Governor's Office?

R. Perry: It would be for the next Governor's meeting with DOI, so in the next week.

R. DeLong: he suggested that he would like to recommend having Rich send the letter to Governor's office even though it is not completed. Would the Commission like to recommend any items of concern for the letter?

Bryan Stockton: As far as the agenda item, when Rich drafted this he left it wide open so the Commission could decide what format to use and the agenda covers that.

D.Bryan: should consider some proposed regulation where restrictions include noise, buffers around leks, seasonal and time of day restrictions. Buffers should be site specific.

J.Snow: suggested to include fiscal impacts required from pit-less drilling operations.

D.Bryan: we should look into these issues. Would need more time to recommend.

R.Perry: I can gather what we have so far and have the task force look at it before it goes out. We need a motion to approve the task force to finalize the letter.

Motion Approval for task force to finalize the letter: Dennis Bryan

Seconded by: John Snow

Unanimously carried.

III. OLD BUSINESS

A. NDOM Fiscal Year 2016 forecast, Reserve Balance and Claim Fees for 2015 vs prior year.

FOR DISCUSSION ONLY

Mike Visher: passed out an updated sheet of claim fees. NDOM's primary revenue source is from mining claim fees. We are experiencing a 7.6% decline in revenue fees. Another sheet was passed out on the reserve balance. He had graphs showing the comparison and decline in fees. He went through the spending as well as personnel. He mentioned that NDOM will not be replacing a vehicle this year to save some money. In replacing vehicles in the future, it will be beneficial to use Fleet Services which will be cheaper. FY-18/19 will be the first time NDOM will be able to take advantage of this. The forecast on 3770 Surface Disturbance Fee is an unknown amount of approximately \$70,000 in FY16 and approximately \$75,000 in FY17.

R. DeLong: are you contemplating changing the regulation for flexibility on the 3770 Surface Disturbance fee? Can you elaborate?

M.Visher: We invoice for this fee, and often the mines don't know about this fee and don't budget for it. We can go through regulations and make it clearer. We would like to be more flexible to be able to work with the mine. The amount isn't a big amount and is dedicated to AML only.

D.Bryan: the small operator is very confused about this. I think some clarification would be good. It can be unexpected and hard for a small mine. The phased approach would make sense.

D.Bryan: this is not for notice level, how about plan exploration.

M.Visher: all plans of operations.

B. Update of Activities by the Nevada Bureau of Mines and Geology and proposal to update the Nevada Mineral and Energy Resource Exploration Survey with 2015 data, and cost to update Major Mines and Energy Producer maps - Jim Faulds

FOR POSSIBLE ACTION

Jim Faulds gave a power point presentation. He went over funded projects – FY13-14

Sample Curation – completed and ongoing.

Mineral Databases – completed and ongoing.

Exploration Survey – completed.

Framework Studies – Major NE Nevada project in progress.

Projects – FY 15-16

Sample Curation – on schedule.

Mineral Industry Reports – 2014 report nearly complete.

Databases – on schedule, ongoing work, with significant contributions in web applications.

Major Responsibilities

Curation

Information
Publication Sales
Repository
Collections
Outreach

Most visit website (Aug '15 to January '16):

Sessions – 12,878
Users – 8,123
Page-views – 57,759

Page views on Shopping Cart

Major Mines of Nevada – 445
Mineral Industry – 750
Mining Claim Procedures – 126
Nevada Active Mines and Energy Producers – 151
Nevada Petroleum and Geothermal Society – 214
NBMG Petroleum pubs and data – 172

2nd Annual Open House (October) – 75 visitors

Nevada's Big One: 1915 Pleasant Valley Earthquake
Discover Nevada through Maps
Carson City: The Capitol of Earthquake Country
From Comstock to Carlin: Nevada's Booming Legacy of Precious Metal Discoveries

Six months of activity (Aug'15-Jan'16)

All states
All continents
Dozens of countries
Multiple publication types

State support is only ~\$30k/year for GBSSRL

Repository of all state's geologic data
Critical for industries
Crucial for public safety
No fees designated for GBSSRL operations
Lost \$300k/year in funding during recession

Sample Curation:

FY2015-2016 - \$35,000 expended

Maintain staffing at GBSSRL

- Manager – Craig dePolo
- Physical Curator – David Davis
- Student Workers

Curate samples, cuttings, files for minerals, oil-gas, and geothermal

Develop, maintain, and enhance various web applications

General web maintenance and updates

Minerals

>680 mining district files added, with 300 added to spreadsheet

4th Ward School scanned and added to Mining District files

Retrieved large collection from Allied Nevada Gold, including Eureka, Searchlight, Flowery, Electrum, Minden, Hawthorne, Gabbs Valley

970 boxes of core catalogued in GBSSRL

Oil and Gas

Added 4 new records, 8 new sets of samples
300 sets of oil and gas cuttings placed in storage
Updated spreadsheets & web applications

Geothermal

Added 26 new records
8 sets of new cuttings
76 wells completed in 2010 released
Updated spreadsheets & web applications

Mineral Databases:

\$35k allocated in FY'15 – \$35k expended
Expended on staff at GBSSRL and Cart/GIS

Accomplishments:

- General web maintenance and development
- NBMG web server migration to UNR server
- Coordination with UNR IT
- Governor's office maps/GIS support on mineral resources in sage grouse habitat
- Development of new mining district web application/web database
- Updated 43-101 reports and web application
- Added topographic bases to all maps available on NBMG website
- Development and release of new shopping cart

Mineral Industry Reports:

- \$30k allocated, \$26+k expended
- Expended on staff and publications
- Less than expected as David Davis covered by College of Science in FY'15-16
- Completed and released 2014 Major Mines of Nevada.
- 2014 MI report nearly complete with release anticipated for March.
- Future: Need to compile and synthesize historic production and reserve data from reports

Sage Grouse Study Area Maps:

- Collaborated with NDOM to provide maps of mineral and geothermal potential
- Showed burn areas - ~25% of SFA's
- Submitted to Governor's office

Geologic Framework Studies –NE Nevada:

- \$100k allocated; \$76k expended
- Marys River-Starr Basins (oil and gas)
 - Published Heelfly Creek Quad
 - Ongoing Herder Creek Quad-75% complete
- Pequop-Ruby Mountains
 - Completed Pequop Summit Quad
 - Initiating Independence Valley NE (Long Canyon deposit)
 - Welcome Quad completed

- Central Robinson Mts
- Kinsley Mts
- RBM pit, Bald Mountain Mine
- McDermitt caldera geologic map
- Eureka Mining district
- Heath Canyon – Grant Range
- White Pine County geothermal potential report
- Geochronology – 20 Ar/Ar dates
- Chemical analyses
- GSN paper on Pequop Mts

Proposal – Update of Exploration Survey and Major Mines and Energy Producers Map:

- \$50k allocated and expended in FY13 for compiling 2011 data

Accomplishments

- Data from 185 companies
- \$675M spent in Nevada
- Completed report
- Discussed at previous meetings

Updates needed

- Important to document trends
- Rectify major non-compliers
- Available for 2017 legislature

Total costs - \$40,000

- Salaries for staff and faculty for Exploration Survey
- Cartographic/GIS work on Major Mines and Energy Map
- Editing and printing costs

D.Bryan: asked, \$40,000 to update the exploration survey from 5 years ago?

J.Faulds: If we did it now it would be for 2014.

D. Bryan: it also includes the map?

J. Faulds: Yes both the survey and the map, we just estimate the cost in lumping them together.

D.Parker: what kind of public interest did you find for the publication that was actually received? Do you have any statistics or numbers on how many publications were actually requested?

J. Faulds: It's free on the web, and we don't have the ability to see how many downloads there actually are.

R.Perry: commented that we asked Jim and his staff to come up with a cost of what it would take to update this. We were looking for a baseline year as a tool for concrete numbers on the last year before the sage grouse ARMPA went into effect.

R.DeLong: would that be done prior to 2017?

J.Faulds: yes. We have limited staff but can get it done.

D.Parker: would this be a negative impact on the division's budget?

R.Perry: we don't have the money right now. In the annual \$2/claim fee contract, you have the ability to request where that money goes. If the claim increase is successful, we could do this in the future at some point, but not at this point.

D.Parker: when do you need this money or commitment?

J.Faulds: we would need it in the next couple of months. We would really need to know by March.

R.DeLong: would these monies, assuming they get allocated, would this be this fiscal year or next?

J.Faulds: next FY

D.Bryan: asked for clarification if we have additional claim fees would we be able to cover this?

R.Perry: your talking about FY-17, and I can't predict that. We could propose to form a team to propose funding for the bureau at the next legislative session. That would require some organizing to go after some general funding. Not sure what kind of response they would receive. I would hate to say for long term using claim fees, since that doesn't seem to work well.

D.Bryan: the university has been adamant that any lobbying goes through the president's office at the university.

J.Faulds: there may be some distinction between the funds for statewide programs and the university. We are still restricted from lobbying. We might be able to combine our efforts with NDOM. It's worth discussing.

R.DeLong: I see benefit to reaching out to the president of the university. To make sure they understand how beneficial the Bureau is to the mining industry.

D.Parker: can the Commission act on your behalf?

J.Faulds: not sure

R. DeLong: we also need to go through the Governor's office.

R.Perry: I'm thinking a team of stakeholders including the Commission. Proposed through a legislator and we don't have to be the driver. If it were just CMR then yes we would need to go through the Governor's office.

No Motion was made.

C. 2015 AML Program re-cap and 2016 planning

FOR DISCUSSION ONLY

Activities, accomplishments trends and metrics for calendar 2105 will be presented and plans for 2016 outlined. Rob Ghiglieri

R. Ghiglieri gave a power point presentation.

AML Review:

The program completed its 29th year with 19,500 Hazards inventoried, 15,800 Secured at a 81% securing rate 56,000 non-hazards inventoried, 5 current staff members. This will be reduced to 4 on June 30th

One contractor, EPS.

2015 Review:

There were NO reported injuries or fatality reported in 2015!

This is the second year in a row without an incident. The summer internship was 6 students for 13 weeks

Held the first winter internship, 4 students for 3 weeks in both southern and northern NV. Performed permanent closures in Churchill, Esmeralda, & Nye Counties. Converted to a SQL database from the Access.

Performed the first digital field investigations

2015 Numbers:

663 Loggings, 435 Revisits, 879 Securings, 635 Fenced or posted, 244 gated / backfilled/ PUF

(Numbers are subject to change). Work was completed in all 17 counties.

Database Development:

The AML Access database was transferred to a SQL database and had a limited launch in May 2015.

The new database is a SQL based language with a web interface know as SOSA (Stay Out, Stay Alive)

Currently all data is managed from the SOSA interface with no NDOM direct access into SQL Server Management Studio (SSMS), NDOM staff has been introduced into SSMS and will be trained on to properly manage the AML database on the new SQL interface.

He brought up the website for the commission to view. <https://amlsosa.nv.gov/SOSA/>

Internet accessible site showing all the sites, selecting a specific site will show pictures and all the info.

R. DeLong: this has taken our database to a whole new level. What about the BLM and Forest Service, can they download their info into it?

R.Ghiglieri: not yet.

D.Parker: can you include their info?

R.Ghiglieri: yes, they send it to us and we upload it.

R.Ghiglieri: this database has been funded by USACE.

AML Program Funding Trends:

FY 2016 is estimated to have a \$298,691 or 58% decrease of AML funds expended from 2012.

The represented funding pays for:

AML supplies, Contracting work, AML specific computer software, Travel Per Diem, Trucks including maintenance, supplies & fuel, Mail-outs, Printing for AML field work and AML education

This does not include NDOM staff and intern salaries, or overhead

Program Alterations:

To adapt to the decreasing budget the AML program has:

Minimized work by the contractor, Reduced the amount of Summer Interns from 8 to 6. Deferred purchasing new a truck until FY 2017. Requested additional funding from Federal Agencies (Assistance Agreements and MOUs) and performed less fieldwork.

2016 Plan:

Continue working with USACE and TerraSpectra to develop the SQL database. Training for staff.

Possible continuation of funding for the next 2-3 years. Expand the digital field investigations and start beta testing with the summer interns. 6 summer interns (14 weeks) Continue our public awareness campaign. Possible remake of the NDOM "Stay Out, Stay Alive" video.

2016 Projects:

3 closure projects (FY16), Mint Shaft, Chukar 3, Mound House. Start resolving the logistical issues associated with the Arden complex closure. New Assistance Agreement with the BLM. Continue working with the USFS MOU. Categorical Exclusion with the BLM closures. Joint NDOM/NDEP UAV demonstration project Funded by RAMS.

FY 2017 Risks and Opportunities:

RAMS program funding. BLM/USFS Assistance agreements, \$49,000+\$18,000=\$67,000 FY16. Claim Fees Nevada BLM inventory program. Federal Legislation. Southern Nevada Public Land Management Act (SNPLMA).

R.DeLong: how does our database rank to other states database as far as for sophistication?

R.Ghiglieri: OSM oversees a lot of the database. Calif. and Colorado is way behind. Our database is top end and is much better now than what most other states have. NV BLM and Forest Service want to use our db.

J.Snow: does NDEP have their own database for tailings?

R.Ghiglieri: they don't do any physical closures they cap them. NDEP doesn't have an inventory list, they rely on ours.

D. Education Activities and Outreach

FOR DISCUSSION ONLY

Bill Durbin will present the accomplishments, challenges and metrics of the Division's educational outreach program for calendar 2015. Bill Durbin gave a power point presentation.

Public outreach and education staff presentations - calendar year 2015:

192 Presentations made. 17.5 Presentations per staff member. Exceeds NDOM performance indicator of 1 presentation per month per staff person (11x12=132 Presentations). Outreach to 18,482 persons. 114 Classroom presentations to 5,700 students. 41 presentations to civic groups, clubs, organizations. 5 media presentations, 10 presentations to scout troops and youth organizations. 11 AML safety training presentations to eagle scout service.

Project Participants:

112 Presentations in Northern Nevada. 76 Presentations in Southern Nevada. 4 presentations out of state (including AEMA conference-Spokane)

Upcoming Southern Nevada Education & Outreach:

Durango High School – January 20-23 – 13 sessions – Minerals in Dental Hygiene, Paste with a Taste activity,

AML – 560 to 600 students. Southern Nevada Science Teachers Association (SNSTA) Conference –NDOM display/handout materials –Western High School – February 6. Pat Diskin Elementary School Career Fair – March 18. Southern Nevada Earth Science Education Workshop – March 22-23 –Faith Lutheran High School Eagle Scout Service Projects – Calendar Year 2015:

11 projects completed in 2015-Clark (8), Lincoln (1) and Lyon (2). 44 Hazards secured. 12 previously secured hazards re-visited and re-secured. 7 projects pending for 2016 in Clark and Lyon counties, 1 proposed for Douglas county. Total to date: 165 Scout projects completed since 1992. Total of 740 hazards secured and 148 previously secured hazards re-visited and re-secured.

E. MSM annual \$2 per claim consideration

FOR POSSIBLE ACTION

The Commission signed an inter-local contract with the University in 2008 to collect \$2 per claim annually to assist with funding the Mackay School of Earth Science and Engineering education activities. The amount is based on mining claim filings for the previous year, or 2015. The current five-year agreement, which was renewed in early 2013, expires in 2018.

Note: Russ Fields at UNR was brought in by conference phone for this agenda item.

R.Perry: showed a graph/fee claim history of the Mackay \$2 claim fee history. The Commission has the ability under terms of the agreement item 4, goes to the final page, consultation with Dean as to where to allocate the funds. The final document in there is the first document from the University, regarding the Marigold royalty.

R.DeLong: Commissioner Mudge and I are on the committee to see how the funds are allocated from the Marigold endowment. D.Bryan is on the advisory board. They take a 3-year rolling average at a calculated interest rate, and so far funds have been available for the last 2 years. The decision has been for the past 2 years to retain funds and let the amount grow until it's a more meaningful amount to apply for appropriate use.

D.Bryan: the way the funds are put into the account, they can't use them for a while. Since it's an endowment, it needs to grow.

R.DeLong: Since it's based on a rolling average, the first year is essentially a few to \$10,000.

R.Perry: Russ Fields is on the phone. Do you want to add to the discussion?

R.Fields: Everything that has been said is correct. The Marigold quasi endowment is growing well but it takes a while because we are working on the earnings. The \$2 claim is being used for mining engineering faculty. We are very happy to come to the Commission and discuss how that money is being used. Primarily it used to offset the cost of mining engineering faculty.

R.Perry: had a question to R.Fields regarding the Marigold quasi endowment; is the market value number in the document sent to the Commission the amount that has gone in according to item 5 on the attachment? The detail there had the royalty going to the university, first ½ million and then the second \$250,000 to the Mackay endowment?

R.Fields: he indicated he wasn't looking at the attachment, but it should be. The only endowment involved with Marigold is the Mackay Quasi endowment. What goes to the University goes to the president and his staff.

R.DeLong: asked the Commission if we continue to provide the \$2 claim for an additional year. In addition, to go with that is there anything we as the commission want to add to does we want to direct how that money should be applied?

D.Bryan: the \$2 claim fee should go to Mackay. One of the things that he wanted to bring up to Russ was that part of the money is going to the NBMG, I think it's a great use of that money. Would like to see that continued.

R.Fields: the amount last year exceeded the approximate \$400,000 that it was originally based on. Now there some extreme needs at the gold building, sample center DRI. We were able to put a portion of the \$2 fee toward an individual who is just a key employee at the gold building as well as continued to fund a good portion of the faculty. As we look at the overall budget we always keep in mind how to best utilize those funds to meet the criteria in the 2008 agreement.

R. DeLong: would like to second Dennis' position and continue at least for this next year the \$2 claim to Mackay. I would like to see additional funds go to the NBMG, specifically going to the funding of updating the mineral exploration survey for 2015.

R.Fields: That's a good suggestion. we are looking for funds to support the positions within the faculty in mining and metallurgical engineering department. Industry has come forward in the past and have been very supportive. We've been working hard to make sure we are supported when the \$2 claim fee ends. He reads the Commission loud and clear when it comes to the support of NBMG, which is a part of Mackay of

course.

D.Parker: there was a request for \$40,000 to update the mineral exploration survey report. We were hoping you could see a way to fund that effort.

A.Henderson: we would like to support Mackay but also like to support the Bureau. I would like to see you send that message that we would like to keep the doors open for the Bureau.

R.Fields: Mackay and the Bureau are one in the same and know it has to be supported. When Jim gets back we will sit down with the Dean and look at these numbers.

Motion Approval of MSM annual \$2 per claim with support on the NBMG mineral exploration consideration by: Dennis Bryan with the stipulation that we highly encourage you to help the Bureau in updating the mining exploration survey for 2015.

Seconded by: Dave Parker

Unanimously carried.

IV. STAFF REPORTS

1) Mining/Reclamation Bond Pool – Mike Visher

Mike Visher showed a Bond pool report/graph

Activity is low. Limited increases and some reductions, seeing difficulty in companies raising money.

2) Oil, Gas, and Geothermal – Rich Perry (Oil and geothermal drilling update)

Rich Perry showed a map of NV showing the Oil and Geothermal wells drilled for 2015.

He then did a power point presentation going over total permits issued and total well drilled.

2016 Inspections, sundry notices. Oil, Gas and Geothermal activity 2015 through 4th quarter.

A.Henderson: received a call from Noble, decided to no longer invest in NV. They are focusing in Texas and Colorado. They are looking for someone to come in and take over.

J.Snow: Just goes to show that we are still a frontier state.

R. Perry: they still have 3 obligation wells that have to be drilled. Not sure that they will abandon it. We did remind them that we need to have plugging of wells and pad reclamation done.

3) Administrator's report- Rich Perry

4) Correspondence – none

COMMISSION BUSINESS

A.Determination of time and place of next CMR meeting. **Carson City (Hearing and Quarterly Meeting)**

May 19, 2016 Thursday. With a Field Trip on the 20th.

Henderson requested to have future CMR meetings on Thursday and Fridays.

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. All public comments will be limited to 5 minutes for each person. **ACTION WILL NOT BE TAKEN**

ADJOURNMENT AT 12:01 PM.

II. NEW BUSINESS

II. A. Attracting mineral exploration and development capital to Nevada

THIS SECTION IS INTENTIONALLY LEFT BLANK.
HAND OUTS AND PRESENTATION WILL BE GIVEN AT THE
MEETING.

II. B. Strategic Planning Session for Fiscal Years 2018-19

“Generations to Come”



2016 - 2020

**First Edition
April 11, 2016**



Nevada's Strategic Planning Framework



"We must continue to push forward, to build that stronger Nevada and make it a place where the generations to come will call home."

Governor Brian Sandoval
Second Inaugural Address
January 5, 2015



The Promise of Opportunity

For 150 years, Nevadans have exemplified the American Dream. Pioneers joined the American Indian tribes in calling this beautiful and rugged land "home." Miners and prospectors flocked here. Farmers and ranchers made the land their own. Engineers raised the Hoover Dam. Gaming and tourism innovators set the gold standard for an international market. Home builders and community visionaries carved whole new cities out of the desert landscape. And today, advanced manufacturers, information technology innovators, and Internet distributors are redefining the economy in new and previously unimagined ways.

Generation after generation has sought to fulfill the promise of opportunity afforded by Nevada's historic willingness to take risks, think outside the box, and get back up again on those rare occasions when we have been knocked down. We have, as Frank Sinatra would say, done it our way.

The early years of the 21st Century tested Nevadans' courage and our moxie. We responded. In the last five years, Nevadans from all walks of life have rededicated themselves to innovation and hard work. The results have been outstanding. As Nevada celebrated its sesquicentennial, the state's economic comeback from the Great Recession made national headlines.

But we are not done yet. We must ensure that all Nevadans have the opportunity to share in our new economic prosperity, and that all aspects of life in the Silver State continually improve. Toward that end, we must have a State Government focused on leadership, public service, and problem solving. This Strategic Planning Framework, dedicated to Nevada's generations to come, provides a roadmap to that future.

The Framework sets out the Goals and Objectives that will guide State Government for the next five years. Crafted by Governor Brian Sandoval and his Cabinet, the Framework acknowledges how far we have come and sets a point on the horizon toward which state agencies will steer. The budgets, legislation, and agency strategic plans that follow will implement this Framework because – just as Nevada has recently turned the page on the next chapter in its history – the story of the Nevada family is waiting to be told...



Where We Are Headed

Governor Sandoval has charted a course toward what he calls the new Nevada – a place of innovation, new and sometimes disruptive technologies, and policies that amplify Nevadans' innate desire to succeed. Each agency of government must play a role in ensuring this journey is a success. We are therefore bound together by common principles...

Vision: Nevada's best days are yet to come.

Mission: To create a new Nevada while honoring and enhancing 150 years of success.

Values: Action
Collaboration
Inclusiveness
Integrity
Leadership
Optimism
Service



How We Will Get There

The Governor has established four over-arching Strategic Priorities as the foundation of his administration:

- Vibrant and Sustainable Economy
- Educated and Healthy Citizenry
- Safe and Livable Communities
- Efficient and Responsive State Government

Within each of these priorities lie the programs and services of State Government, funded by the Executive Budget and given powers of implementation through legislation, regulations, and agency policy. Cabinet structures change, departments reorganize, procedures ebb and flow. But there are several essential Core Functions of Government that provide the organizational template for this Strategic Planning Framework:

- Business Development and Services
- Infrastructure and Communications
- Education and Workforce Development
- Health Services
- Human Services
- Public Safety
- Resource Management
- State Support Services



Within this organizational framework, the Goals and Objectives to be achieved by State Government over the next five years are presented. While not an exhaustive list of all that Nevada hopes to achieve, these tasks represent the unifying “To Do” list for state agencies and the dedicated employees who serve within them. Budgets, legislation, and agency actions will provide the strategies and tactics that carry out this Framework. Progress is monitored through the Executive Budget’s performance measures and the individual strategic plans of the many departments, agencies, boards and commissions which comprise State Government. The collective impact of this work will ensure that our shared vision for Nevada becomes a reality...

“I believe we now stand at the threshold of a new Nevada – a Nevada prepared to take its place among the most innovative, visionary, and well-prepared states in the union.”

Governor Brian Sandoval
State of the State Address
January 15, 2015



How The Framework Is Organized

Strategic Priority – one of the four organizing principals established by the Governor

1. Core Function of Government – statutory responsibilities of State Government
 - 1.1 Goal – broad statements of the desired result from State Agency action
 - 1.1.1 Objective – measurable indicators of progress toward a goal



Email your comments and suggestions to
stratplan@gov.nv.gov



VIBRANT AND SUSTAINABLE ECONOMY



No other state in the nation felt the effects of the Great Recession as severely as Nevada did. As a result, a decades-long conversation about diversifying an economy heavily dependent on disposable income reached a phase of urgency that compelled deliberate and targeted action to transform Nevada's economic landscape. While Nevada's traditional and foundational industries and sectors remain inextricably linked to the state's success, efforts must continue to recruit and retain dynamic, emerging businesses that are on the forefront of innovation and that offer job opportunities for a new generation of workers. While the new Nevada economy will be built on the emerging industries and technologies of the future, we must also guard our competitive

advantage and reputation for excellence in foundational industries such as gaming, tourism, agriculture, and mining. The momentum that has been generated over the last five years must continue, not only to ensure a full recovery from the economic downturn of 2008, but also to ensure that when the next downturn strikes, Nevada's economic vitality will be fortified.

1. BUSINESS DEVELOPMENT AND SERVICES

1.1 Lead the nation in high-quality job creation.

- 1.1.1 By 2020, the job growth rate in Nevada will exceed the national average.
- 1.1.2 Meet or exceed national real wage growth rates on an annual basis.
- 1.1.3 Nevada will increase the number of jobs in the following emerging sectors:
 - Advanced Manufacturing
 - Food Manufacturing
 - Information Technology
 - Health Care
 - Logistics
 - Renewable Energy Technology and Development
 - Unmanned (Autonomous) Systems and Advanced Mobility
 - Water Technology
- 1.1.4 Cultivate a diverse and inclusive workforce and ensure equal employment opportunities.

1.2 Ensure a business-friendly regulatory environment.

- 1.2.1 Instill a regulatory and administrative framework that minimizes bureaucratic barriers to business success.
- 1.2.2 Expedite professional licensure in all fields.

1.3 Maintain our historic leadership role in tourism and gaming.

- 1.3.1 Foster innovation in the gaming and entertainment industries.
- 1.3.2 Achieve a 25% increase in out-of-state visitor counts over the next decade.
- 1.3.3 Demonstrate quantifiable gains in the 18-34 age demographic.



2. INFRASTRUCTURE AND COMMUNICATIONS



2.1 Ensure a safe and reliable transportation infrastructure.

- 2.1.1 Reduce congestion on state highways.
- 2.1.2 Increase the percent of traffic incidents cleared within Quick Clearance Guidelines.
- 2.1.3 Improve condition of state's bridges and reduce the anticipated backlog of bridge preservation work.
- 2.1.4 Support expanded affordable, reliable public transportation options across all geographic regions within the state, especially for individuals with disabilities.
- 2.1.5 Reduce the incidents of animal/car collisions along state highways statewide.

2.2 Enhance access to broadband services and digitally-delivered information.

- 2.2.1 Increase the percent of cities, libraries and schools connected with broadband.
- 2.2.2 Increase the percent of Nevadans that have access to broadband at speeds that meet national benchmarks.

2.3 Improve pedestrian and traffic safety on streets and highways.

- 2.3.1 The rate of fatalities on streets and highways will be below the national average by 2020.
- 2.3.2 Increase the percent of primary seat belt usage.
- 2.3.3 Encourage civic planning that promotes the safety needs of those with disabilities.



EDUCATED AND HEALTHY CITIZENRY

Nevada's greatest resource is, and always has been, our people. We are the Battle Born state comprised of a citizenry defined by an indomitable spirit, an unflinching optimism, and a boundless faith in the ideals of hard work, enterprise, and determination. But in order for our people to fully pursue their dreams and aspirations, in order for our young



citizens to develop into the leaders, entrepreneurs, job creators and innovators of the future, they must have the tools they need to succeed. It is a fundamental responsibility of State Government to ensure that all citizens have access to high-quality education opportunities that prepare students for the new economy, not only as professionals and employees in an increasingly competitive, world economy, but also as participants in a civil society. State Government is also equally charged with safeguarding the health and welfare of Nevada's

citizens. The state must not only ensure access to high-quality and effective health care services, but must also promote initiatives that encourage citizens to take an active role in early detection, prevention, and self-care methods and practices that reduce preventable diseases and harmful conditions and lead the way in ensuring a safety net of services which contribute to sound health and a higher overall quality of life.

3. EDUCATION AND WORKFORCE DEVELOPMENT

3.1 Prepare all students for college and career success.

- 3.1.1 By 2025, all third grade students, including targeted subgroups, will demonstrate proficiency in reading needed to matriculate to fourth grade.
- 3.1.2 By 2020, double the number of students from each subgroup who score proficient on the ACT.
- 3.1.3 By 2020, Nevada's high school graduation rate will meet or exceed the national average.
- 3.1.4 Increase student proficiency, enrollment, and attainment rates in STEM-focused coursework and programs.

3.2 Ensure a highly skilled and diverse workforce.

- 3.2.1 By 2025, close the college attainment gap for traditional underrepresented populations.
- 3.2.2 Expand the availability of STEM-focused career pathways and training.
- 3.2.3 Increase the number of educational programs that require internship/work experience program completion.

3.3 Increase the number of Nevadans with a postsecondary credential or college degree.

- 3.3.1 By 2025, 60% of Nevadans aged 25-34 will have attained some form of post-secondary degree, certificate or credential.



4. HEALTH SERVICES



4.1 Promote health and wellness across all age groups.

- 4.1.1 By 2025, reduce the number of deaths from preventable diseases and conditions with proven early detection and treatment methods to below the national average.
- 4.1.2 By 2020, increase immunization rates among Nevada children for recommended combined vaccine series by 10%, from 67.7% to 77.7%.

4.2 Improve the quality and accessibility of primary medical services.

- 4.2.1 By 2025, connect all rural hospitals, health clinics, and state correctional facilities to a broadband connection sufficient to provide tele-health services.
- 4.2.2 Increase the number of medical professionals by leveraging educational resources, residencies, and streamlining State licensing.

4.3 Reduce the prevalence of risky and addictive behaviors.

- 4.3.1 Reduce suicide rates among Nevada's veterans, senior citizens, and those younger than 18 years to below the national average by 2020.
- 4.3.2 Reduce heroin and opioid overdose deaths by 5% per year beginning in 2017.
- 4.3.3 By 2020, institutionalize the use of Screening, Brief Intervention and Referral Treatment methodology in all integrated behavioral health and primary care settings.

5. HUMAN SERVICES

5.1 Reduce the unemployment rate among target populations.

- 5.1.1 By 2020, Nevada's overall unemployment rate will be lower than the national unemployment rate.
- 5.1.2 The unemployment rate for veterans will be below the national average.
- 5.1.3 The unemployment rate for persons with disabilities will be reduced by 50%.
- 5.1.4 The unemployment rate for African Americans will be at or below the state's unemployment rate.

5.2 Improve the accessibility and quality of supportive services for at-risk populations.

- 5.2.1 Increase by 20% the number of children screened for autism by age 24 months.
- 5.2.2 Increase by 20% the availability of home-and-community-based services to vulnerable adults.
- 5.2.3 Increase Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) screening ratio by 20% by 2020.

5.3 Be the most veteran-friendly state in the nation.

- 5.3.1 Complete the Northern Nevada Veterans Home by 2018 and implement facility modernization initiatives at the Southern Nevada Veterans Home by 2019.



- 5.3.2 Ensure that all Nevada veterans, no matter where they live in the state, have knowledge of and access to benefits and opportunities for which they are eligible.
- 5.3.3 Reduce veteran homelessness to functional zero by 2020.
- 5.3.4 Ensure that every Nevada veteran who obtains a postsecondary credential, certificate, or degree is fully employed with a livable wage six months after graduation.
- 5.3.5 Ensure that every generation of veterans is acknowledged in a ceremony, information campaign, or other form of annual recognition.

5.4 Reduce dependency on social services by 2020.

- 5.4.1 Incentivize workforce reintegration innovations in the social safety net.
- 5.4.2 Reduce dependency on Supplemental Nutrition Assistance Program (SNAP) by 10% by 2020.
- 5.4.3 Reduce dependency on Temporary Assistance for Needy Families (TANF) by 10% by 2020.

5.5 Reduce food insecurity

- 5.5.1 Increase participation in Federal Child Programs by 5 percent.
- 5.5.2 Increase utilization of all Federal Commodity funds to reduce Nevada's food insecure population.



SAFE AND LIVABLE COMMUNITIES

Perhaps no other responsibility of State Government is as critical as maintaining law and order and ensuring the public's safety in an environment that is conducive to their health and well-being. This priority is necessary not only as a quality of life consideration for



private citizens, but also within the context of economic development efforts, as new businesses consider relocating to Nevada and need confidence that employees and their families will be safe. Nevada's law enforcement personnel must be sufficiently trained and equipped to respond effectively to crime and public safety incidents and emergencies, including cyber-security threats, Nevada's safety infrastructure must be modernized to ensure optimum resiliency to natural and man-made disasters, and our families, our citizens, and our businesses must

have full and complete confidence that they live, work, and operate in a state that is safe and secure. All of this must take place against the backdrop of clean air and water, with sensible environmental stewardship rooted in the cultural and historic landscape that in turn makes Nevada unique. We must provide adequate open space, including state parks, and recognize that Nevada is a state with a long history of drought, while continuing to grapple with the issue of federal control over most of Nevada's public lands.

6. PUBLIC SAFETY

6.1 Prevent crime and protect the rights of all Nevadans.

- 6.1.1 By 2020, reduce prison inmate recidivism by 10% through education programs and intervention services and resources, particularly in the areas of behavioral health, drug addiction, and workforce training.
- 6.1.2 Reduce incidents of domestic violence by 10% by 2020.
- 6.1.3 Nevada's law enforcement officers will have access to offender, parole, and probation information through a secure interface with a mobile device.
- 6.1.4 Modernize public safety personnel training programs.
- 6.1.5 Improve the connectivity of the statewide emergency communication network.

6.2 Ensure Nevada's justice systems and law enforcement processes are effective and fair.

- 6.2.1 Reduce backlog of court cases by additional 20% by 2020.

6.3 Strengthen emergency preparedness resiliency.

- 6.3.1 By 2018, align Nevada's emergency management vision with the "100 Resilient Cities Initiative" to develop innovative methods for coordinating preparedness, response, recovery, and mitigation during emergencies and disasters.



- 6.3.2 Align existing resources to build statewide capacity to respond to and recover from man-made or natural emergencies and disasters, focusing especially on Cyber Security.
- 6.3.3 Apply new technologies such as Unmanned Aerial Vehicles in a way that better prepares the state's response capabilities to maximize emergency and disaster resiliency in the new Nevada.
- 6.3.4 Establish a statewide food security preparedness infrastructure that includes sustainable agricultural resources.

7. RESOURCE MANAGEMENT

7.1 Protect and sustainably manage natural resources.

- 7.1.1 Promote water conservation and management actions to prepare for severe drought conditions that affect Nevada and other states in the western region.
- 7.1.2 Implement both a state multiple-use lands policy and a statewide land use plan and process that outlines the state's commitment to utilizing public lands for conservation, recreation, sportsmen, grazing, mining, economic development, and community expansion purposes.
- 7.1.3 Determine a sustainable funding stream for the state park system and increase the number of state parks.

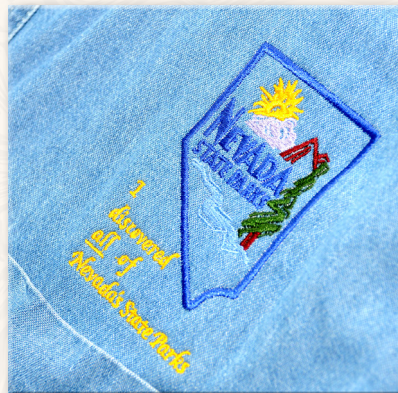


7.2 Become the nation's leading producer and consumer of clean and renewable energy.

- 7.2.1 By 2020, complete an "electric highway" system serving the entire state.
- 7.2.2 Significantly reduce the percentage of imported fossil fuels over the next 10 years.
- 7.2.3 Reduce carbon emission to a level at or below accepted federal standards.

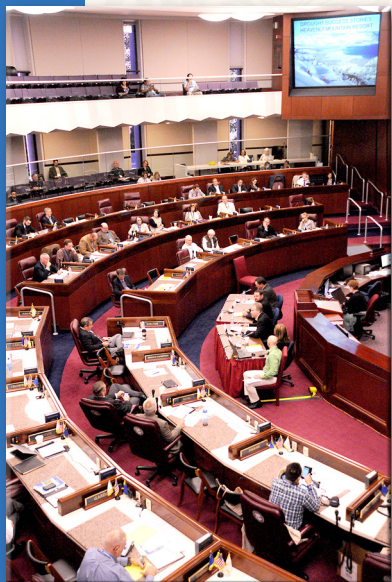
7.3 Celebrate and enhance cultural and heritage resources.

- 7.3.1 Increase the number of opportunities for educational, artistic and cultural enrichment.
- 7.3.2 Complete the Stewart Indian School Historic Experience by December, 2018.



EFFICIENT AND RESPONSIVE STATE GOVERNMENT

Nevada's State Government exists to serve Nevadans. The constituents who have placed their confidence in the Governor, and by extension in his administration and the various agencies and departments of which it is comprised, are fully deserving of a government culture that is responsive to their needs, prudent in the stewardship of public resources, efficient and transparent in conducting the people's business, and ever accountable to the citizens of this state for the decisions which are made on their behalf. Public agencies must, therefore, strive to offer unrivaled customer service in the execution of their respective missions. We must continually encourage innovation and the streamlining of processes where possible, reducing bureaucracy and cutting out regulatory red tape in order to maximize efficiency and reduce waste or redundancy. At the same time, government must be effective at establishing and maintaining a regulatory framework that is fair and that provides certainty, predictability, and stability. This means we must also continue to attract high-quality, talented, and service-oriented personnel who are committed to carrying out the roles and responsibilities of the state's public sector agencies and organizations in the new Nevada.



8. STATE SUPPORT SERVICES

8.1 Provide excellent customer service and improve transparent reporting.

- 8.1.1 Reduce wait times.
- 8.1.2 Simplify paperwork.
- 8.1.3 Develop opportunities to increase web-based transparency and customer engagement.
- 8.1.4 Transition state agency applications and records management processes to a "paperless" environment by 2020.

8.2 Improve the efficiency of operations and service delivery.

- 8.2.1 Eliminate redundant policies, procedures, and practices.
- 8.2.2 Focus information technology investments to streamline processes, eliminate paperwork, and improve the customer experience using data to make resource allocation decisions.
- 8.2.3 Streamline procurement of goods and services to increase buying power, save time, and reduce costs.

8.3 Recruit and retain a mission-ready workforce.

- 8.3.1 Support best practices to increase employment opportunities, foster innovation, and reduce barriers to employment for persons with disabilities.
- 8.3.2 Design systems that secure the retention of top-performing employees and promote professional development initiatives within state agencies.
- 8.3.3 Recruit career-focused employees to address attrition from retirement.
- 8.3.4 Reform state civil service to include a modernized job classification system, including a modernized job application system.



A Message From Governor Sandoval

Dear Fellow Nevadan:

The Strategic Planning Framework you've just read is the culmination of hundreds of hours of work on the part of Cabinet members, my staff, and state employees. But it also reflects the opinions and values of the people with whom we come in contact every day as stewards of your State Government. The Framework is not perfect; you no doubt have additions, observations, or corrections. We welcome your feedback and participation as the state agencies convert this planning tool into action through the submission of budget requests, legislative proposals, and agency rules. More importantly, we welcome your participation and engagement in writing the next chapters of the ongoing story of the Nevada family. As Governor, this narrative has been personally moving and humbling.

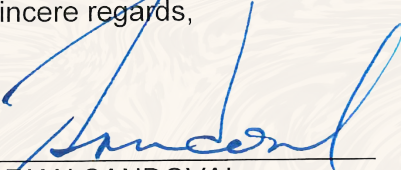
In my State of the State Address in 2015, I told the story of how I felt when I was asked to write a letter to a future Governor of Nevada as part of the Nevada Sesquicentennial time capsule project. I literally penned a note to someone who will succeed me, to be opened 50 years in the future during Nevada's bicentennial celebration.

What I know today to be true is that this Strategic Planning Framework and all the collective effort we have jointly invested into the creation of a new Nevada will in fact be evidenced in that future Governor, a Nevadan who will have inherited the state we now seek to build. Think of the possibilities...

- He or she will have been inspired by an innovator like Elon Musk or one of the engineers today exploring the boundaries of autonomous vehicles and synchronized transport.
- He or she will have benefited from a Zoom School for English language learners, or participated in Victory School and literacy funding, or chosen a STEM career based on our commitment to creating career pathways and building a diverse workforce.
- He or she will have witnessed neighborhoods transformed and re-gentrified, the environment preserved and protected, streets made safer and roadways more efficient.
- He or she will have been served by a state government that is transparent and customer-centered in its design.

The possibilities are endless – because the work we are doing now, and what we will do over these next few years, is truly redefining Nevada for the generations to come. It is work that makes me proud to be your Governor and ever and increasingly hopeful about the limitless potential of what this state can yet accomplish. Pursuing that promise has been the essence of the Nevada story for more than 150 years. I look forward to writing the next chapter with you.

Sincere regards,


BRIAN SANDOVAL
Governor



Nevada's Strategic Planning Framework

- Essential Core Functions of Government:
 - Business Development and Services
 - Infrastructure and Communications
 - Education and Workforce Development
 - Health Services
 - Human Services
 - Public Safety
 - Resource Management
 - State Support Services

Nevada's Strategic Planning Framework

- How the Framework is Organized:

1. Core Function of Government

- 1.1 Goal – broad results statement

- 1.1.1 Objective – measurable indicators

Changes from Last Biennium

Old	New
Core Function	Core Function
Objectives	Goals
Benchmarks	Objectives

- Core Functions have not changed
- Statewide Goals identified for each Core Function
- Each Goal will have Objectives

Changes from Last Biennium

- Statewide Activities
 - Predefined activities have been derived from existing activities (similar activities have been combined)
 - If an activity would be a better fit under a different activity/goal/core function you will need to do the following
 - Create a new activity
 - Transfer existing performance measures to the new activity
 - Delete old activity
 - Predetermined alignment of Activities to The Governor's Core Functions of Government and Mission-driven Goals
 - Activity mapping to Revenue GLs
 - Activities removed from Line Item Mapping
 - You must complete the Line Item mapping prior to Activity Mapping
 - Activities will automatically map to a line item

Changes from Last Biennium

- Performance Measures
 - Transfer to another activity within the same Division or copy to another Division
 - Ability to print more than 3 performance measures for the budget book
 - If performance measures are eliminated or revised you will need to report on the previous measure along with the new measures

FY18 and FY19 PPBB Structure

State of Nevada Priorities and Performance Based Budgeting Fiscal Years 2018 and 2019

Public Safety Core Function

Description & Purpose:

Programs and services to protect citizens, property, and commerce by providing a safe and secure environment and by preparing for and responding to emergencies that threaten life, property, and community well-being

Goals	Strengthen emergency preparedness & resiliency	Ensure the safety & security of residents & their property		Improve public safety response capabilities
Activities	All-Risk Emergency Services	Criminal History Background Checks	Pardons Board	Acquire and Administer Criminal Justice Grants
Activities	Command and Control of State Militia Force	Criminal Investigations and Prosecutions	Supervision of Offenders	Judicial Discipline and Adjudicatory Proceedings
Activities	Emergency Preparedness and Response Coordination and Recovery	Occupational and Workplace Safety Enforcement and Oversight	Parole Hearings	Court Administration and Support Services
Activities	Hazardous Materials Management	Forensic Services	Patrol Operations	Court of Appeals
Activities	Manage and Participate in Nevada Threats Analysis	Invocation of Sanctions and Maintenance of Driver Record Histories	Pre-Sentence Investigations Report	Dispatch Services

FY18 and FY19 PPBB Structure

Agency	Agency Name	FY16/17 Activity	FY18/19 Activity
010	GOVERNOR'S OFFICE	Constituent Services	Constituent Services
010	GOVERNOR'S OFFICE	Mansion and Event Support	Mansion and Event Operations and Support
010	GOVERNOR'S OFFICE	Policy and Administration	Departmental Policy Development and Management
010	GOVERNOR'S OFFICE	Policy Support	Departmental Policy Development and Management

Activities

- Primary Activities
 - Work performed associated with an Agency's Mission
 - While activities have been aggregated a text box has been provided to differentiate the work each agency performs
- Secondary Activities
 - Any activity that is not directly related to an Agency's Mission
 - Typically Administration, Fiscal, Training and other similar activities
 - Secondary Activities should be allocated to Primary Activities
 - Allocate similar to an overhead allocation
 - Do not need performance measures
 - If a performance measure was printed in the current Biennium, you can set it as eliminated and leave under the current activity
 - If no performance measures were printed, you can delete the performance measures and the activity once it has been allocated to a primary activity

Performance Measures

- Performance Measures
 - Each primary activity must have at least one Performance Measure
 - Performance Measures need to provide the full story of the operation and value of the activity
 - If the Agency and the Budget Division agree that a quantitative measure is not possible, the agency must submit a narrative description of the intended outcome of the activity

Performance Measures

- Why Measure Performance?
 - Performance metrics should be constructed to encourage performance improvement, effectiveness, efficiency and appropriate levels of internal controls
 - Determine efficient use of state resources
 - Gauge success or identify shortcomings, monitor progress
 - Tool to help understand and improve what your agency does

Performance Measures

- Types of Performance Measures
 - Efficiency
 - How are we performing our core mission?
 - Are we over, under or on budget?
 - Are we ahead of, behind or on schedule?
 - Are we utilizing more, less or forecasted amount of resources?
 - Outcome
 - Did we achieve the expected results?
 - Identifies the actual impact or benefit of an agencies actions.
 - Effectiveness
 - Is anyone better off?
 - Are we doing the right things?

Developing Performance Measures

- Key Elements of a Performance Metric
 - Alignment with Organizational Mission
 - Cost Reduction and/or Avoidance
 - Meeting Federal Grant Requirements
 - Quality of Product
 - Cycle Time Reduction
 - Meeting Commitments
 - Timely Delivery
 - Customer Satisfaction
 - Measureable

Developing Performance Measures

- Defining Performance Measures
 - Involve people responsible for the work
 - Identify critical work processes and customer requirements
 - Identify critical results desired and align them to customer requirements
 - Develop measurements for the critical work processes or critical results
 - Establish performance goals, standards or benchmarks

Developing Performance Measures

- Are your Performance Measures SMART?
 - S = Specific: clear and focused to avoid misinterpretation. Should include measure assumptions and definitions and be easily interpreted
 - M = Measurable: can be quantified and compared to other data. It should allow for meaningful statistical analysis. Is the data available? Avoid "yes/no" measures except in limited cases, such as start-up or systems-in-place situations
 - A = Attainable: achievable, reasonable, and credible under conditions expected
 - R = Realistic: fits into the organization's constraints and is cost-effective
 - T = Timely: doable within the time frame given

Developing Performance Measures

Examples:

- NDOT is developing a new freeway interchange to reduce traffic congestion
- There should be 2 phases of performance measures for this example
 - Performance in the development and construction of the interchange
 - Are we on schedule? Tasks scheduled to be completed versus Tasks completed
 - Are we on budget? Budget scheduled to be spent versus Budget spent
 - Reduction in congestion after the completion of the interchange
 - Did we meet our target reduction in congestion? Drive time between points before and after construction.
- Customer Service
 - Wait times
 - Processing Times
 - First contact resolution

Excerpt from NRS 353.205, Section 1, Part B, Subsection 3

- If available, information regarding such measurement indicators **must be provided for each of the previous 4 fiscal years**
- If a new measurement indicator is being added, **a rationale for that addition must be provided**
- If a measurement indicator is being modified, **information must be provided regarding both the modified indicator and the indicator as it existed before modification**
- If a measurement indicator is being deleted, **a rationale for that deletion and information regarding the deleted indicator** must be provided



**II. C. Presentation on Nevada Mineral,
Geothermal and Oil production for
2015**

THIS SECTION IS INTENTIONALLY LEFT BLANK.
HAND OUTS AND PRESENTATION WILL BE GIVEN AT THE
MEETING.

III. OLD BUSINESS

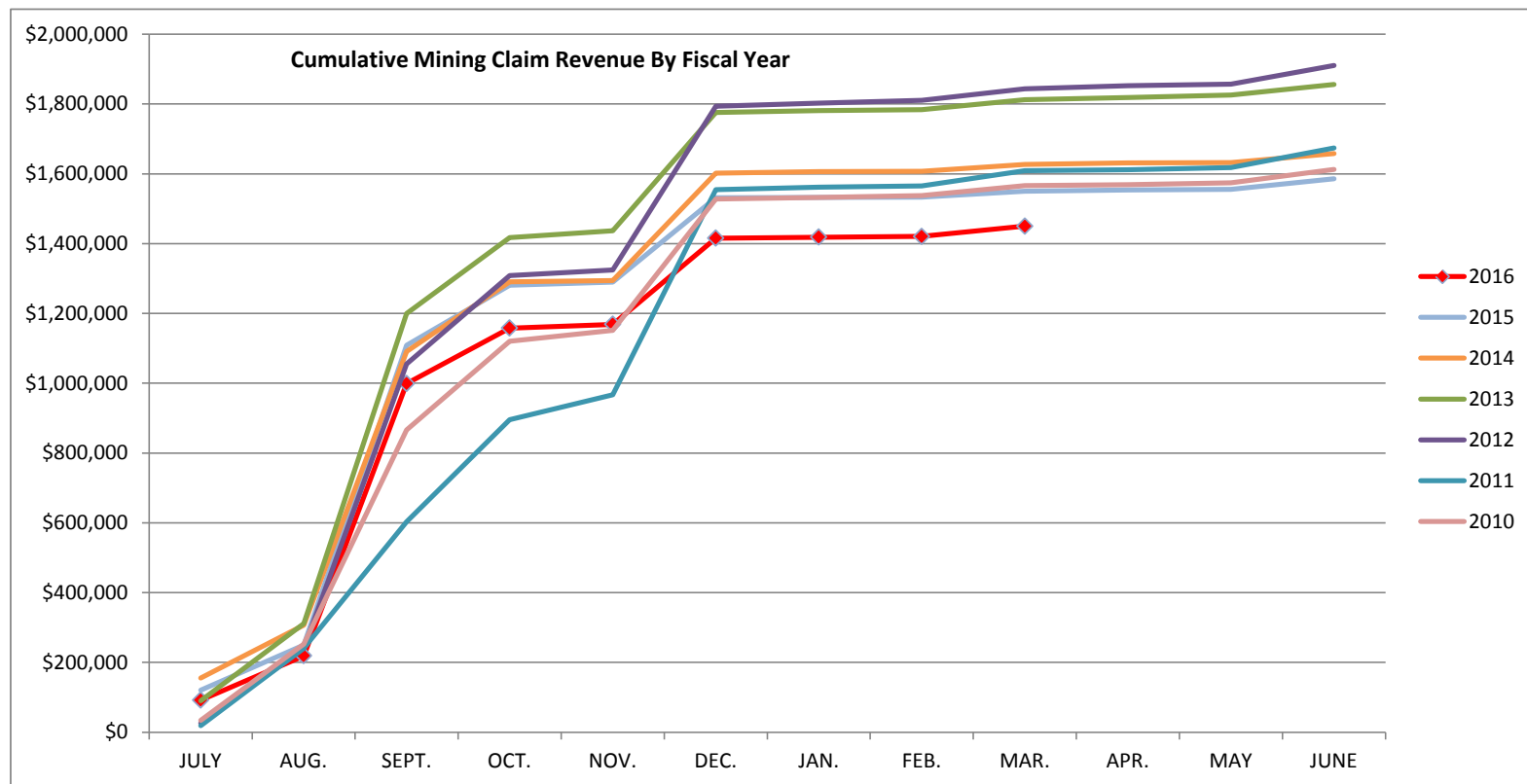
III. A. NDOM fiscal year 2016 Forecast and Reserve.

Fiscal Year Cumulative Mining Claim Revenue By Month

Fiscal Year	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JUNE	YOY	Total Claims
2016	\$92,072	\$219,020	\$999,082	\$1,158,219	\$1,168,827	\$1,415,769	\$1,418,574	\$1,420,520	\$1,450,126				-6.5%	
2015	\$120,352	\$250,079	\$1,108,417	\$1,280,687	\$1,290,241	\$1,531,683	\$1,532,431	\$1,533,349	\$1,550,247	\$1,553,571	\$1,555,211	\$1,585,539	-4.4%	186,534
2014	\$155,703	\$306,646	\$1,090,754	\$1,290,496	\$1,294,661	\$1,602,233	\$1,606,177	\$1,607,656	\$1,627,283	\$1,631,235	\$1,632,417	\$1,657,789	-10.7%	195,034
2013	\$90,253	\$311,806	\$1,199,622	\$1,417,171	\$1,437,104	\$1,775,803	\$1,781,575	\$1,783,870	\$1,812,217	\$1,818,745	\$1,825,571	\$1,856,460	-2.8%	218,407
2012	\$26,248	\$239,904	\$1,055,539	\$1,309,017	\$1,324,445	\$1,793,687	\$1,802,901	\$1,810,432	\$1,843,795	\$1,852,541	\$1,857,012	\$1,910,562	14.1%	224,772
2011	\$18,504	\$241,374	\$602,803	\$895,475	\$966,603	\$1,554,871	\$1,562,053	\$1,565,649	\$1,609,424	\$1,612,118	\$1,618,145	\$1,674,304	3.8%	196,977
2010	\$34,315	\$252,520	\$866,626	\$1,120,355	\$1,151,704	\$1,527,997	\$1,532,639	\$1,537,911	\$1,566,170	\$1,569,088	\$1,574,207	\$1,613,142		189,781

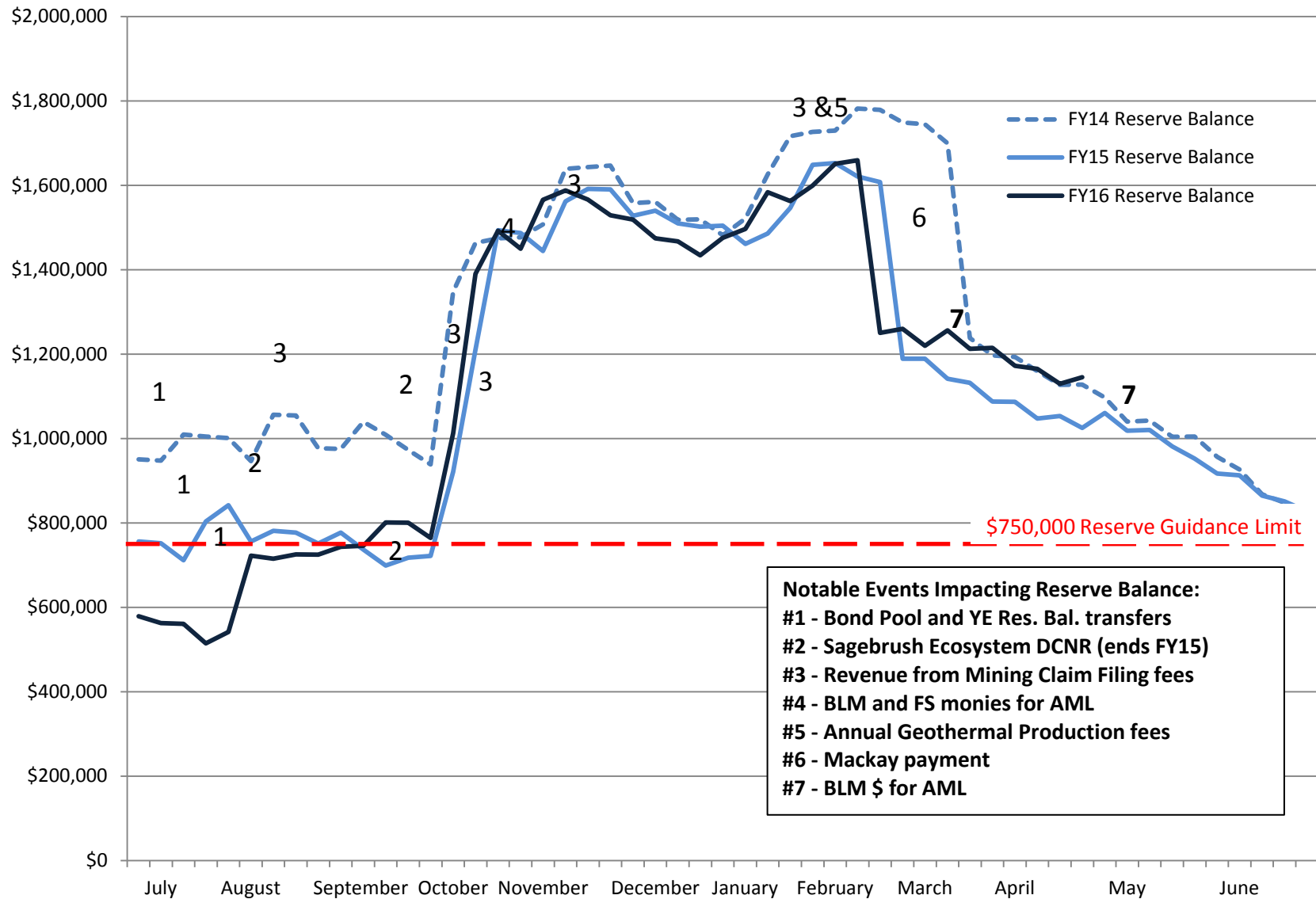
12 Counties pay quarterly: CC, CH, DO, ES, HU, LA, LI, LY, NY, PE, ST and WP

FY16 data as of 5/2/2016



NDOM Reserve Balance by Week for FY14 - FY16

(as of 4/29/2016)



DIVISION OF MINERALS - FORECAST OF REVENUE AND EXPENDITURES THROUGH FISCAL YEAR 2017

Division of Minerals - Forecast of Revenue and Expenditures Through Fiscal Year 2017 - as of 4/29/2016							
Scenario: Includes approved OGG fee increases, proposed \$1.50/claim increase, and \$2/claim to Mackay							
Revenue							
GL #	Description	FY14 Actuals	FY 15 Actuals	FY16 YTD	FY16 Forecast	FY17 Forecast	Remarks
2511	Balance Forward Previous Year	1,037,786	889,917	856,757	856,757	815,451	FY16 Balance Fwd includes \$28,697 returned as unused by DCNR
3578	BLM Cooperative Agreement	50,000	110,000	49,000	49,000	50,000	Assumes we receive \$50k each year
3580	USFS Assistance Agreement	42,002	21,713	17,859	17,859	36,000	\$71,000 available for reimbursement through May 2017
3654	Oil Production Fee	32,162	38,640	28,560	39,000	37,500	Assumes \$0.15/bbl x 260k bbls in FY16 and 250k in FY17
3717	Oil Permit Fees	2,800	2,000	3,700	3,700	2,000	Assumes 2 conv. in FY17
3718 & 3727	Mining Claim Fees	1,657,789	1,585,539	1,450,126	1,474,551	1,613,332	7% projected decline in FY16 and FY17
3736	Geothermal Fees	120,750	107,525	161,800	163,000	171,150	2.5% increase for FY16 +8 additional production wells, 5% increase for FY17, plus new fees
3770	Surface Disturbance Fee (AML)	125,300	106,320	45,100	53,020	70,000	Yearly forecasts based on what's in the pipeline with uncertainties on timing
4011	Copy Machines - Sales to Public	0	104	0	40	40	
4027	Publication Sales (AML signs)	2,757	2,390	1,007	1,100	2,000	
4252	Excess Property Sales (truck)	0	0	21,604	21,604	0	Insurance payout and salvage of totaled truck
4311	Medallion Royalty Fee	1,550	616	98	200	200	
4326	Treasurer's Interest	3,076	3,947	4,177	5,500	5,500	
4620	Transfer from Recl. Bond Pool	90,859	86,498	0	80,500	76,000	Steady decline tied to exploration activity
	TOTAL	\$3,166,831	\$2,955,209	\$2,639,788	\$2,765,831	\$2,879,173	
Expenditures							
CAT #	Description	FY14 Actuals	FY15 Actuals	FY16 YTD	FY16 Forecast	FY17 Forecast	Remarks
01	Personnel (Sal.,WC, PERS,OT)	1,033,398	1,009,184	800,292	1,096,852	1,020,025	FY16 - 11 FTE's, 6 interns, 1 PT intern, winter intern (4) program, 1 retirement payout; FY17 - 10 FTE's, 6 interns, 1 retirement payout
02	Out-of-State Travel (Staff, CMR)	11,947	7,250	5,131	7,468	7,692	Assumes annual 3% increase
03	In-State Travel (Non-AML)	29,337	13,218	14,051	15,862	16,337	20% increase for FY16 (GW), then 3% annual increase
04	Carson Operating Expenses	105,893	100,628	94,554	108,914	132,981	FY16 forecast from WP, FY17 assumes 3% annual increase, front desk P/T
08	CMR Travel (In-State)	2,911	2,381	1,793	2,452	2,526	Assumes 3% annual increase
09	Special Projects (Mackay, NBMG)	574,238	516,550	388,534	398,068	371,953	FY16 and FY17 - \$373,068/\$346,953 (Mackay), \$15k (NvMA Ed), \$10k publ/other
14	Las Vegas Operating Expenses	33,541	34,658	31,296	35,602	36,670	FY16 WP, FY17 Assumes 3% annual increase
17	Oil, Gas and Geothermal	0	8,943	6,537	9,211	9,488	Travel and equip. costs related to OGG; assumes 3% annual increase
18	AML Support (per diem, trucks, fuel, AML supplies and travel, SOSA supplies)	140,773	134,759	72,412	146,717	186,119	Assumes 6 interns thru FY17; each @ \$1,556/4 weeks; \$10k swag; 10% increase in FY16 (GW); 4 interns for 3 wks in winter (FY16 and FY17); replacement truck in FY17 (\$35,000); 3% annual increase
26	Computer and IT	22,044	6,984	9,815	18,000	31,161	FY16 forecast, FY17 Legislature approved budget
39	AML Enhancements(contracts, equip.)	90,429	105,448	14,001	54,792	54,792	FY16 and FY17 -Assumes \$50k contracted annually, plus \$4.8k materials
69	Sagebrush Ecosystem Transfer	141,364	131,572	0	0	0	FY15 transfer was last one
87 & 88 & 89	Cost Allocations (State, Purchasing, AG)	91,040	55,575	56,155	56,442	112,160	Actuals per Leg. approved budget
	Total	\$2,276,915	\$2,127,150	\$1,494,571	\$1,950,380	\$1,981,904	
86	Reserve - Balance Forward to Next Year	\$889,916	\$828,060	\$1,145,216	\$815,451	\$897,269	

DIVISION OF MINERALS - FORECAST OF REVENUE AND EXPENDITURES THROUGH FISCAL YEAR 2017

Division of Minerals - Forecast of Revenue and Expenditures Through Fiscal Year 2017 - as of 4/29/2016							
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Expenditures							
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87 & 88 & 89	Cost Allocations (State, Purchasing, AG)	91,040	55,575	56,155	56,442	112,160	Actuals per Leg. approved budget
	Total	\$2,276,915	\$2,127,150	\$1,494,571	\$1,950,380	\$1,981,904	
86	Reserve - Balance Forward to Next Year	\$889,916	\$828,060	\$1,145,216	\$815,411	\$654,290	

III. B. Annual Oil and Geothermal well inspection update

Well Inspections FY 16 as of May 2, 2016

	Total Wells	Wells Needed for FY16	Wells Inspected	% of Total Needed	Wells Remaining
Geothermal (25 Operators)	462	154	213		
Oil (9 Operators)	128	43	40		
Totals	590	197	253	128%	-56



Items Evaluated During Well Inspections

- Correct signage in place
- Well pad condition and access to wellhead
- Wellhead condition
- Wellhead cellar (if present)
- Condition of pipeline and tank battery (if either are present)
- Condition of collection pit
- Proximity of well location to general public access or surface waters

Corrective Actions

Letters are written to the operators describing

- Date of inspection.
- Wells requiring corrective action.
- Issue description for each of the wells.
- The corrective action that is required of the operator.
- A date by which the corrective action is to be completed and images of the corrective action are to be submitted.

Development of Well Inspection Field Applications for Oil and Geothermal Wells

- Applications were developed by Lucia Patterson.
- Lucia utilized all existing categories listed on the 'hard copy' form that was previously used in the field for inspections.
- Applications can be used on a Trimble hand held GPS device, tablet with GPS capability, or laptop.
- Data collected can be appended to the appropriate database, eliminating the need and time involved for hand entry.

Hard Copy Inspection Form Previously Taken Into The Field



STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
DIVISION OF MINERALS
WELL INSPECTION FIELD SHEET

INSPECTOR: _____ INSPECTION TIME AND DATE: _____

OPERATOR: _____ FIELD: _____

WELL NAME: _____ NDOI# PERMIT #: _____ BLM LEASE #: _____ API #: _____

COUNTY: _____ BLM / FEE / SPLIT ESTATE: _____ BLM FIELD OFFICE: _____

TOWNSHIP: _____ RANGE: _____ SECTION: _____ SECTION QTR/QTR: _____

LOCATION (UTM NAD83): _____ E; _____ N RESOURCE TYPE (Oil/Gas/Geothermal): _____

WELL TYPE (Dom/Obs/Prod/Inj): _____ YEAR WELL COMPLETED: _____ STATUS (TA/S/A): _____

RED FLAG SITE CONDITION: NO ☐ YES ☐ EXPLANATION: _____

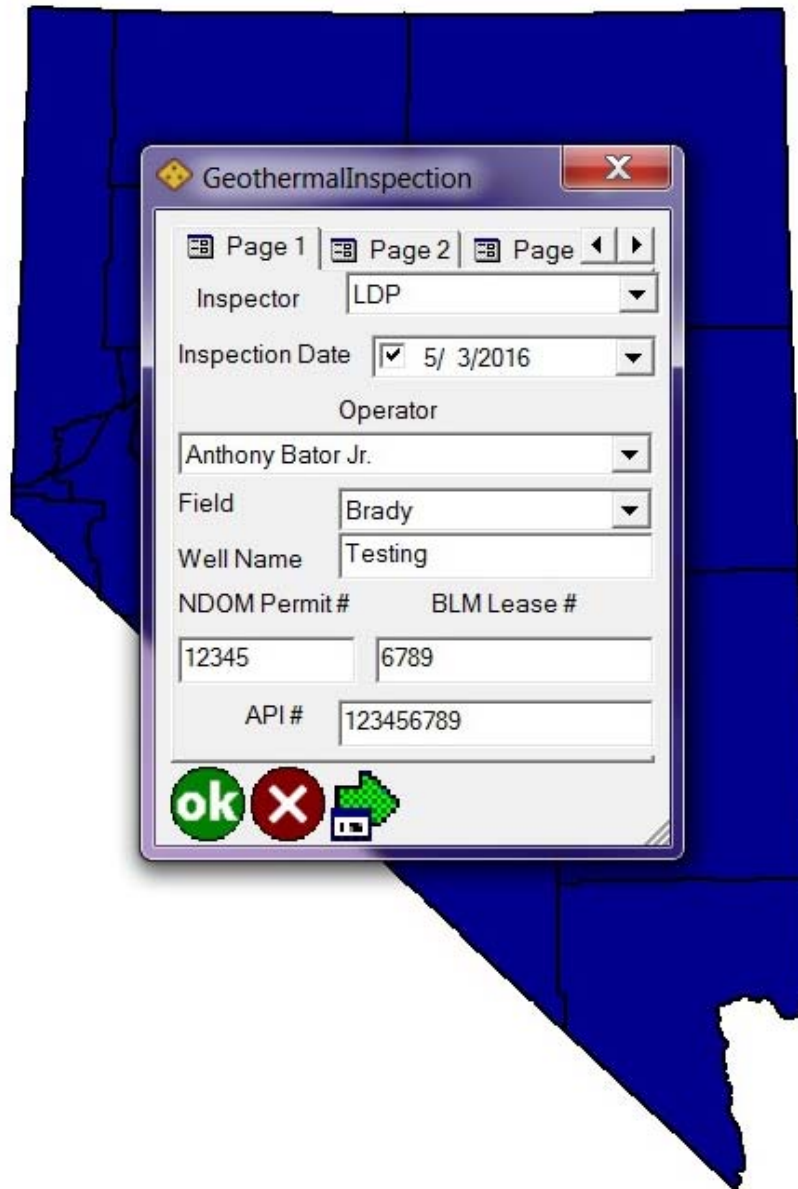
<u>SIGNAGE ADEQUACY:</u>	ADEQUATE <input type="checkbox"/>	NEEDS CORRECTION/REPAIR <input type="checkbox"/>	NEEDS SIGN <input type="checkbox"/>
<u>PAD CONDITION:</u>	N/A <input type="checkbox"/>	GOOD <input type="checkbox"/>	FAIR <input type="checkbox"/> POOR <input type="checkbox"/>
<u>WELLHEAD CONDITION:</u>	N/A <input type="checkbox"/>	GOOD <input type="checkbox"/>	FAIR <input type="checkbox"/> POOR <input type="checkbox"/>
<u>LEAKS PRESENT:</u>	NONE <input type="checkbox"/>	MINOR <input type="checkbox"/>	MODERATE <input type="checkbox"/> MAJOR <input type="checkbox"/>
<u>CELLAR:</u>	N/A <input type="checkbox"/>	DRY <input type="checkbox"/>	DAMP <input type="checkbox"/> WET <input type="checkbox"/> _____°F
<u>CONDITION OF TANK BATTERY AND/OR SURFACE PIPELINE:</u>	N/A <input type="checkbox"/>	GOOD <input type="checkbox"/>	FAIR <input type="checkbox"/> POOR <input type="checkbox"/>
<u>CONDITION OF RESERVE PIT:</u>	N/A <input type="checkbox"/>	GOOD <input type="checkbox"/>	FAIR <input type="checkbox"/> POOR <input type="checkbox"/>
<u>RELATIVE PROXIMITY TO THE PUBLIC OR SURFACE WATERS:</u>	REMOTE <input type="checkbox"/>	VISIBLE <input type="checkbox"/>	NEARBY <input type="checkbox"/> VERY CLOSE <input type="checkbox"/>

OTHER DOCUMENTATION: # OF PHOTOGRAPHS _____ # OF VIDEOS _____

ADDITIONAL INFORMATION: _____

INSPECTION RESULTS WERE REVIEWED WITH OPERATOR FIELD REPRESENTATIVE _____

Screen Shot of Inspection App, Page 1

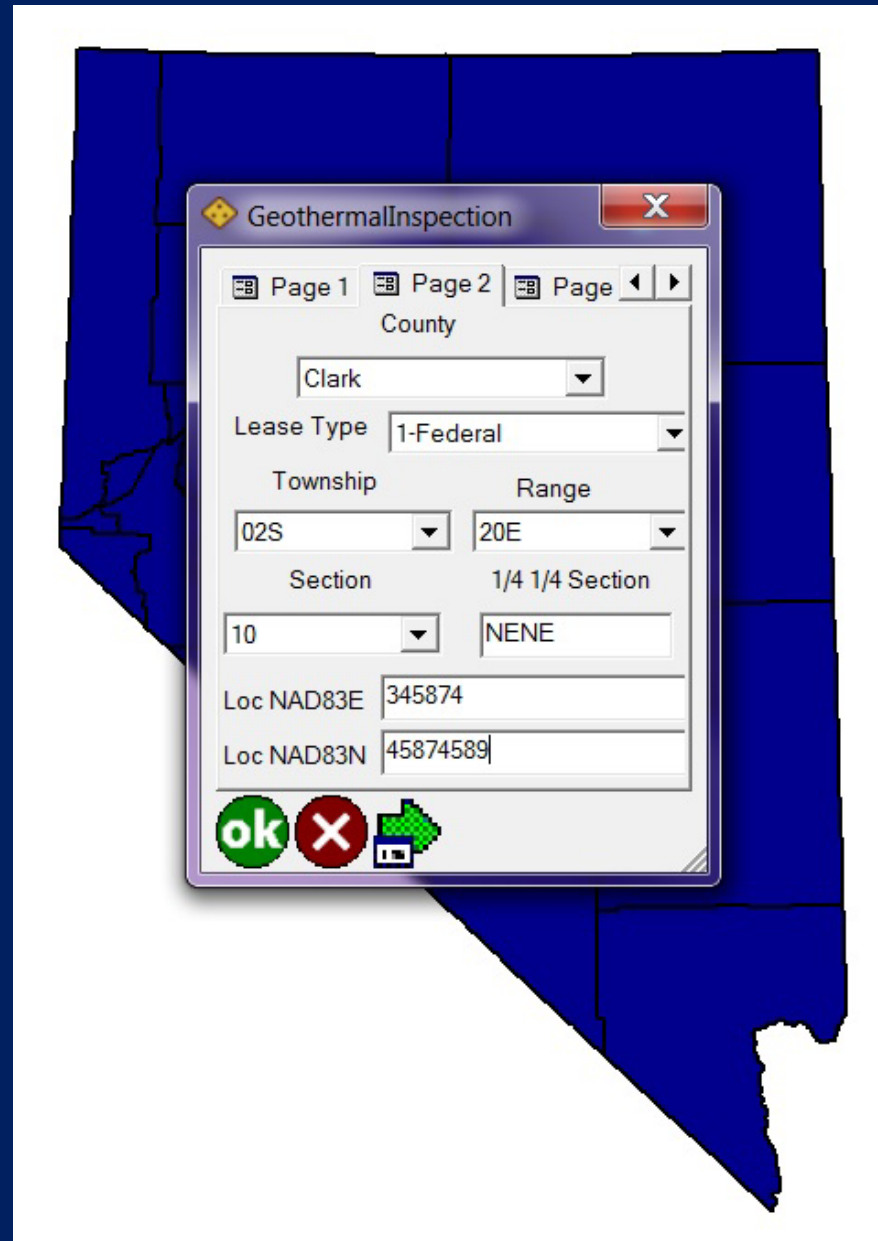


The image shows a screenshot of a software application window titled "GeothermalInspection" overlaid on a map of North Dakota. The window has a standard Windows-style title bar with a close button (X) in the top right corner. Below the title bar, there are three tabs labeled "Page 1", "Page 2", and "Page 3", with "Page 1" being the active tab. The form contains several input fields and dropdown menus:

- Inspector:** A dropdown menu with "LDP" selected.
- Inspection Date:** A date picker with a checkmark icon and the date "5/ 3/2016" displayed.
- Operator:** A dropdown menu with "Anthony Bator Jr." selected.
- Field:** A dropdown menu with "Brady" selected.
- Well Name:** A text input field containing "Testing".
- NDOM Permit #:** A text input field containing "12345".
- BLM Lease #:** A text input field containing "6789".
- API #:** A text input field containing "123456789".

At the bottom of the window, there are three buttons: a green "ok" button, a red "X" button, and a green arrow button pointing right.

Screen Shot of Inspection App, Page 2



The screenshot shows a software window titled "GeothermalInspection" overlaid on a map of Nevada. The window contains a form for data entry, organized into several sections. At the top, there are tabs for "Page 1", "Page 2" (which is active), and "Page 3". Below the tabs, the "County" field is set to "Clark". The "Lease Type" is set to "1-Federal". The "Township" is set to "02S" and the "Range" is set to "20E". The "Section" is set to "10" and the "1/4 1/4 Section" is set to "NENE". Below these, there are two text input fields: "Loc NAD83E" with the value "345874" and "Loc NAD83N" with the value "45874589". At the bottom of the window, there are three buttons: a green "ok" button, a red "X" button, and a green arrow button pointing right.

GeothermalInspection

Page 1 Page 2 Page 3

County

Clark

Lease Type 1-Federal

Township Range

02S 20E

Section 1/4 1/4 Section

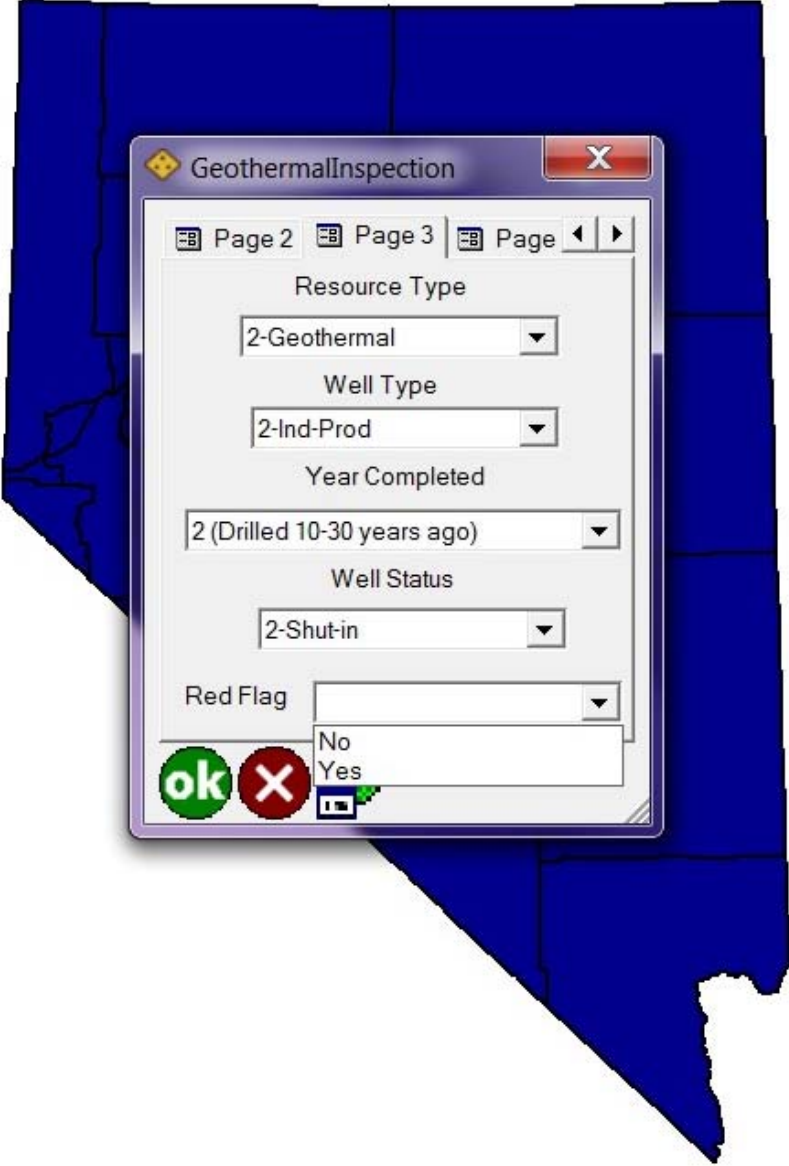
10 NENE

Loc NAD83E 345874

Loc NAD83N 45874589

ok X →

Screen Shot of Inspection App, Page 3



The screenshot displays a software window titled "GeothermalInspection" with a close button (X) in the top right corner. The window contains a form with several dropdown menus and a "Red Flag" section. The form is set to "Page 3" of a multi-page document, with "Page 2" and "Page" also visible in the navigation bar. The form fields are as follows:

- Resource Type:** A dropdown menu with "2-Geothermal" selected.
- Well Type:** A dropdown menu with "2-Ind-Prod" selected.
- Year Completed:** A dropdown menu with "2 (Drilled 10-30 years ago)" selected.
- Well Status:** A dropdown menu with "2-Shut-in" selected.
- Red Flag:** A dropdown menu with "No" selected.

At the bottom of the form, there are three buttons: a green "ok" button, a red "X" button, and a small icon of a computer monitor. The background of the screenshot is a dark blue map of the state of Tennessee.

Screen Shot of Inspection App, Page 4

GeothermalInspection

Page 3 Page 4 Page 5

Signage Adequacy

0-Adequate

0-Adequate

1-Needs Correction/Repair

3-Needs Sign

Enter Data

0-NA/Good

Leaks Present

2-Moderate

Cellar Present

Yes

Cellar

0-NA/Dry

Temp (F)

100

ok X next

Screen Shot of Inspection App, Page 5



The screenshot displays a software window titled "GeothermalInspection" with a standard Windows-style title bar (minimize, maximize, close buttons). The window contains a form for data entry, with tabs for "Page 4", "Page5", and "Page 6". The "Page5" tab is active. The form includes the following fields:

- Condition of Tank Battery and/or Surface Pipeline:** A dropdown menu with "2-Fair" selected.
- Collection Pit Present:** A dropdown menu with "Yes" selected.
- Condition of Collection Pit:** A dropdown menu with "2-Fair" selected.
- Relative Proximity to the Public or Surface Waters:** A dropdown menu with "Enter Data" selected. A list of options is visible below the dropdown:
 - 0-Remote
 - 1-Visible
 - 2-Nearby
 - 3-Very Close
 - Enter Data (highlighted in blue)

An "ok" button is located at the bottom left of the form area.

Screen Shot of Inspection App, Page 6

GeothermalInspection

Page5 Page6 Attribut

of Photos # of Videos

8 1

Additional Information

Here are my notes!!!

Inspection Results were Reviewed with Operator or Field Representative

Yes

ok X

Database Generated Forms

Fictitious and blank
well inspection form
with operator, well
name, and location
filled out



Nevada Division of Minerals

400 W. King Street, Suite 106

Carson City, NV 89703-4212

Office (775) 684-7040 Fax (775) 684-7052

Website: minerals.nv.gov

Well Inspection Field Sheet



Inspector: _____ Inspection Date: _____ Field: Green
Well Name: Augie No. 1 Operator: Lucia's Hot Springs LLC
NDOM Permit #: 9999 BLM Lease #: 2513500 API #: 86-753-09999
County: Carson BLM Field Office: CC Township: 47N Range: 27E Section: 36
1/4, 1/4 Section: NENW Location (UTM NAD83): 345874 E: 4521487 N
Red Flag Site Condition: Yes or No Explanation: _____

BLM = 1, Fee = 2, Split Estate = 2:

Resource Type (Oil = 1, Gas = 3, Geothermal = 2):

Well Type (Dom = 0, Obs = 1, Prod = 2, Inj = 4):

Status (TA = 1, SI = 2, A = 4):

Years From Completion Date (0-10 yrs = 1, 10-30yrs = 2, >30 yrs = 3):

Signage Adequacy (Adequate = 0, Needs Correction/Repair = 1, Needs Sign = 3):

Pad Condition (N/A = 0, Good = 0, Fair = 2, Poor = 4):

Wellhead Condition (N/A = 0, Good = 0, Fair = 2, Poor = 4):

Leaks Present (None = 0, Minor = 1, Moderate = 2, Major = 3):

Cellar (N/A = 0, Dry = 0, Damp = 1, Wet = 4):

Cellar Present: Yes or No Cellar Fluid Temp (F):

Condition of Tank Battery and/or Surface Pipeline (N/A = 0, Good = 0, Fair = 2, Poor = 4):

Collection Pit Present: Yes or No

Condition of Collection Pit (N/A = 0, Good = 0, Fair = 2, Poor = 4):

Relative Proximity to the Public or Surface Waters (Remote = 0, Visible = 1, Nearby = 2, Very Close = 3):



Total Risk Assessment Score:

Remarks:

Database Generated Reports

Fictitious completed well inspection form with operator, well name, location, and well inspection filled out.

Reports can be printed to mail to operators or electronically sent.

**Nevada Division of Minerals**
400 W. King Street, Suite 106
Carson City, NV 89703-4212
Office (775) 684-7040 Fax (775) 684-7052
Website: minerals.nv.gov
Well Inspection Report

Inspector:	<u>LDP</u>	Inspection Date:	<u>5/27/2016</u>	Field:	<u>Green</u>
Well Name:	<u>Augie No. 1</u>	Operator:	<u>Lucia's Hot Springs LLC</u>		
NDOM Permit #:	<u>9999</u>	BLM Lease #:	<u>2513500</u>	API #:	<u>86-753-09999</u>
County:	<u>Carson</u>	BLM Field Office:	<u>CC</u>	Township:	<u>47N</u>
		Range:	<u>27E</u>	Section:	<u>36</u>
1/4, 1/4 Section:	<u>NENW</u>	Location (UTM NAD83):	<u>345874</u>	<u>E</u>	<u>4521487</u> <u>N</u>
Red Flag Site Condition:	Yes	Explanation:	<u></u>		

BLM = 1, Fee = 2, Split Estate = 2:	<input type="text" value="2"/>
Resource Type (Oil = 1, Gas = 3, Geothermal = 2):	<input type="text" value="2"/>
Well Type (Dom = 0, Obs = 1, Prod = 2, Inj = 4):	<input type="text" value="2"/>
Status (TA = 1, SI = 2, A = 4):	<input type="text" value="4"/>
Years From Completion Date (0-10 yrs = 1, 10-30yrs = 2, >30 yrs = 3):	<input type="text" value="1"/>
Signage Adequacy (Adequate = 0, Needs Correction/Repair = 1, Needs Sign = 3):	<input type="text" value="1"/>
Pad Condition (N/A = 0, Good = 0, Fair = 2, Poor = 4):	<input type="text" value="0"/>
Wellhead Condition (N/A = 0, Good = 0, Fair = 2, Poor = 4):	<input type="text" value="4"/>
Leaks Present (None = 0, Minor = 1, Moderate = 2, Major = 4):	<input type="text" value="1"/>
Cellar (N/A = 0, Dry = 0, Damp = 1, Wet = 4):	<input type="text" value="1"/>
Cellar Present: <input type="text" value="Yes"/> Cellar Fluid Temp(F) <input type="text" value="90"/>	
Condition of Tank Battery and/or Surface Pipeline (N/A = 0, Good = 0, Fair = 2, Poor = 4):	<input type="text" value="0"/>
Collection Pit Present: <input type="text" value="Yes"/>	
Condition of Collection Pit (N/A = 0, Good = 0, Fair = 2, Poor = 4):	<input type="text" value="0"/>
Relative Proximity to the Public or Surface Waters (Remote = 0, Visible = 1, Nearby = 2, Very Close = 3):	<input type="text" value="1"/>
Total Risk Assessment Score:	<input type="text" value="40"/>

Remarks:

This hole is great!!

OIL, GAS, AND GEOTHERMAL ACTIVITY

2016 Permitting and Drilling Activity (Through May 2, 2016)

Permit Type	Issued 2013	Drilled 2013	Issued 2014	Drilled 2014	Issued 2015	Drilled 2015	Issued 2016	Drilled 2016
Geothermal - Ind Production	10	5	5	5	10	7	3	4
Geothermal - Ind Inj	2	2	2	2	1	2	---	---
Geothermal - Observation	7	6	10	3	1	1	1	1
Geothermal - TG	1	1	---	---	5	5	---	---
Geothermal - Com	---	---	---	---	---	---	---	---
Geothermal - Dom	1*	---	8**	4	8***	5	---	---
Geothermal - Project Area	---	---	1	---	1	---	---	---
Geothermal - Total	21	15	27	15	26	20	4	5
Oil & Gas	16	5	16	5	4	2	1	---

*Existing well, drilled in 1939; ** Includes 4 wells previously drilled and completed; Includes 2 wells previously drilled.

Activity to May 2, 2016	Geothermal	Ormat Nevada	Completed drilling the Dixie Hope 23A-8 and Tungsten Mtn 45A-22 production wells, and Dixie Hope 24A-8 observation well. Currently drilling Tungsten Mtn 84A-22 production well. Have reviewed the Dixie Hope 17(87-7)-8, Tungsten 56A-22, and Carson Lake 81(86-6)-7 proposed production well drilling programs, waiting on BLM approval.
		US Geothermal	Drilled 5 TG wells on the playa at San Emidio in 2015. Two of the TG wells converted to observation with current request to deepen. Waiting on BLM approval. Purchased 3 16MW (gross) 10 MW (net) power plants from Gradient Resources.
	Oil	Makoil	Permitted the Murphy Gap 14-23 in Lincoln County. It is unknown as to when this well will be drilled. The Soda Springs 1-22 in Nye County (RR Valley) is being reviewed by the BLM. The Munson Ranch 12-23X and 13-34 permits approved in 2015, but have not been drilled.
		Grant Canyon	The Blackburn 22 proposed permit application and drilling program is currently being reviewed. Waiting on additional information from Grant Canyon.
		Bright Sky Energy & Minerals	The White River Valley 1-35 well is currently being reviewed for a stimulation procedure. Waiting on additional information from Bright Sky and BLM approval.

Summary of Geothermal and Oil Well Inspections (Fiscal Year 2016) through the 4th Quarter

	Total Wells	Wells Needed for FY16	Wells Inspected	% of Total Needed	Wells Remaining
Geothermal (25 Operators)	462	154	213		
Oil (9 Operators)	128	43	40		
Totals	590	197	253	128%	-56

Areas in which inspections took place:

Operator	Location	Wells Inspected
Ormat Nevada	Wild Rose (Don Campbell)	10
Ormat Nevada	Tungsten Mountain	4
Ormat Nevada	Tuscarora	12
Ormat Nevada	Jersey Valley	11
Ormat Nevada	McGinness Hills	5
Ormat Nevada	Dixie Hope	1
Ormat Nevada	Desert Peak	16
Ormat Nevada	Brady	15
Terra-Gen	Dixie Valley	4
Terra-Gen	Beowawe	8
Enel	Stillwater	31
Cyrq	Soda Lake	18
Elko School District	Flagview Middle School	1
Gradient Resources	Patua	7
Gradient Resources	Carson Lake/Salt Wells/Fallon1	14
Homestretch 2010	Wabuska	5
City of Caliente	Caliente	1
Presco Energy	Rye Patch	8
AltaRock	Blue Mountain	28
US Geothermal	Crescent Valley	1
Fish Lake Power	Fish Lake Valley	5
Steam Reserve	Fish Lake Valley	2
Japango	Florida Canyon	2
HRH Ranch	West of Gabbs	1
Truckee – Wine Glass	Big Smoky Valley	3
Noble	Humboldt	2
Noble	Huntington	1
Noble	Marys River	1
Kirkwood/Wesco	Eagle Springs/Ghost Ranch	24
Bright Sky Energy	White River Valley	1
Geyser Petroleum	Pipeline Canyon	1
Geyser Petroleum	Railroad Valley	1
VF Neuhaus	Railroad Valley	1
VF Neuhaus	Railroad Valley	1
HBF Exploration	White River Valley	1
Bright Sky Energy	White River Valley	1
MTS Energy	Ferguson Spring	1
Desert Discoveries	West of Gabbs	3
Makcoil	East Inselberg	1
		253

213

40

Sundry Notice Activity through May 2, 2016

A total of forty-five sundry notices were approved through May 2, 2016. Thirty-three sundries were related to geothermal activities, and twelve sundries were related to oil activities.

III. C. BLM Proposed Mineral Withdrawal update

THIS SECTION IS INTENTIONALLY LEFT BLANK.
HAND OUTS AND PRESENTATION WILL BE GIVEN AT THE
MEETING.

IV. STAFF REPORTS

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

FY16

April 29, 2016

**Week: 43
Year %: 83%**

REVENUES

	Work Program	Actual	% of Work Program	Balance Remaining
Balance Forward From Prev. Yr. (2511)	\$856,757	\$856,757	100%	\$0
Federal BLM Cooperative Agreement (3578)	50,000	49,000.00	98%	1,000.00
USFS Assistance Agreement (3580)	0	17,859.00	0%	(17,859.00)
Oil Assessment Fees (3654)	90,000	28,560.28	32%	61,439.72
Oil Permit Fees (3717)	6,000	3,700.00	62%	2,300.00
Mining Claim Fees (3718)	1,053,185	1,023,618.00	97%	29,567.00
Dangerous Mine Fees (3727)	438,827	426,507.50	97%	12,319.50
Geothermal Fees (3736)	120,751	161,800.00	134%	(41,049.00)
Abandoned Mine Securing Fees (3770)	79,480	45,100.00	57%	34,380.00
Printing Sales (4011)	300	0.00	0%	300.00
Publication Sales (4027)	2,757	1,006.52	37%	1,750.48
Prior Yr Refunds (BOA Travel Card) 4203	0	26.32	0%	(26.32)
Excess Property Sales (4252)	21,144	21,604.00	102%	(460.00)
Medallion Royalty Income (4311)	1,550	97.50	6%	1,452.50
Treasurer's Interest Distribution (4326)	2,037	4,176.64	205%	(2,139.64)
Transfer frm Reclamation Bond Pool (4620)	80,500	0.00	0%	80,500.00
FY15 Revenues Received	\$1,946,531	\$1,783,055.76	92%	\$163,475.24
TOTAL REVENUES	\$2,803,288	\$2,639,812.76		

EXPENDITURES

	Work Program	Actual	% of Work Program	Balance Remaining
Personnel (01)	\$1,054,529	\$800,291.62	76%	\$254,237.38
Out of State Travel (02)	11,947	5,131.31	43%	6,815.69
In State Travel (03)	29,339	14,051.07	48%	15,287.93
Operating (04)	105,877	94,554.24	89%	11,322.76
Board Travel (08)	2,914	1,792.99	62%	1,121.01
Special Projects (09)	403,309	388,534.41	96%	14,774.59
Las Vegas Office (14)	35,602	31,296.04	88%	4,305.96
Oil, Gas Geothermal (17)	15,149	6,537.02	43%	8,611.98
AML Support (18)	155,750	72,411.90	46%	83,338.10
Bond Pool Expenses (19)	0	0.00	0%	0.00
County Royalty Grants (20)	0	0.00	0%	0.00
Computer H & S Ware, DOIT(26)	35,985	9,814.78	27%	26,170.22
AML Enhancement (39)	54,792	14,001.26	26%	40,790.74
SageBrush Ecosystem Trx to DCNR (69)	0	0.00	0%	0.00
Purchasing Assessment (87)	1,149	861.75	75%	287.25
State Cost Recovery (88)	0	0.00	0%	0.00
AG Cost Allocation (89)	55,293	55,293.00	100%	0.00
FY15 Expenditures	\$1,961,635	\$1,494,571.39	76%	\$467,063.61
Reserve Balance (86)	\$841,653	\$1,145,241.37	136%	(303,588.37)
TOTAL EXPENDITURES PLUS RESERVE	\$2,803,288	\$2,639,812.76		

This report reflects receipts and expenditures processed by the division to date.

Education Notes

When should we teach kids about rocks and minerals?

Since starting with the NvMA, I have been heavily involved with our Education Committee. Members of the committee include teachers and other education focused professionals. Another group we work closely with, the Nevada Division of Minerals, also does a fantastic job of not only supporting the Education Committee's and NvMA's efforts, but also spends a great deal of time in classrooms themselves, educating Nevada's students.

One topic the committee spends a fair amount of time discussing is what is the appropriate age to really start engaging children on rocks, minerals, and how mining impacts their everyday lives. Personally, I have advocated that third grade is the right time. Students start to become more interested in science at that age, and it gives them a good base as they move into fourth grade, where mining is tied into their education through Nevada history. As they continue to age, I have also noticed students becoming interested in the large equipment mines use, the explosions (of course), and the science that goes into it all.

However, my line of thought was completely thrown on its head last week sitting down with my family for dinner. We went through the usual routine of me asking my kids how their day went, and what they learned at school that day. As most parents know, this usually takes a little coaxing to find out what they've really been up to at school.

But to my surprise, my kindergarten aged daughter started eagerly discussing the visitor she'd had at school that day.. a "jolla-gis". Then she pulled out a bag of rocks she had been given by the Division of Minerals, with samples of obsidian, pumice, magnetite, and sulfur.

She could tell me all about the stinky rock, the one that floats, the glass rock (complete with knowing the name, obsidian), and the magnetic rock. Keep in mind, this is the same child whose highlight on a recent fieldtrip to the planetarium was sitting next to her friend on the bus. Since learning about geology from NDOM's wonderful Lucia Patterson, my daughter has asked me to go out rock collecting nearly every day.

To say I learned a thing or two from this experience would be an understatement. I'm completely rethinking my opinions of when to introduce young children to rocks and minerals. Thankfully, our friends at the Division of Minerals have already figured this out and are out there educating our sons and daughters about the unique geology in their state. I personally cannot wait to get out there and join them in a classroom as soon as possible.

You can reach Joe Riney at joseph@nevadamining.org

MEMORANDUM OF UNDERSTANDING

BETWEEN

Nevada Division of Minerals

AND

THE UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

BY AND THROUGH THE NEVADA BLM STATE DIRECTOR

REGARDING

DEVELOPMENT OF THE

ENVIRONMENTAL IMPACT STATEMENT FOR THE PROPOSED

SAGEBRUSH FOCAL AREAS WITHDRAWAL

RECEIVED

APR 18 2016

DIVISION OF MINERALS

**Memorandum of Understanding
Between the Nevada Division of Minerals
and the Bureau of Land Management, Nevada State Office**

Parties to and Purpose for this Document: This Memorandum of Understanding (MOU) is entered into between the Nevada Division of Minerals (NDOM) and the United States Department of the Interior (DOI), Bureau of Land Management (BLM) by and through the Nevada State Director (BLM), for the purpose of cooperating in conducting an environmental analysis and preparing the draft and final Environmental Impact Statement (EIS) to analyze and disclose the potential effects of withdrawing approximately 10 million acres of public and National Forest System lands from location and entry under the United States mining laws, but not from leasing under the mineral or geothermal leasing laws, subject to valid existing rights. The areas proposed for withdrawal are located in Idaho, Montana, Nevada, Oregon, Utah, and Wyoming.

Notice of Proposed Withdrawal; Sagebrush Focal Areas; Idaho, Montana, Nevada, Oregon, Utah, and Wyoming and Notice of Intent to Prepare an Environmental Impact Statement (Notice), informing the public of the proposed action, was published in the Federal Register on September 24, 2015 (80 FR 57635). Publication of the Notice initiated a 90-day public comment and scoping period and segregated the 10 million acres for up to two years while the application is processed. The DOI wants to make a decision before the segregation expires; therefore, this EIS will be prepared under expedited timeframes.

The BLM will serve as the lead agency and the United States Fish and Wildlife Service (USFWS) and the United States Forest Service (FS) are Cooperating Agencies on this EIS. Cooperating Agency status may be offered to other federal agencies, states, tribes and local government agencies as the BLM deems appropriate.

- 1. Cooperating Agency:** This MOU establishes NDOM as a Cooperating Agency in the environmental analysis and documentation process and establishes procedures through which the NDOM will participate with the BLM to help develop the EIS. The NDOM has been identified as a Cooperating Agency because it has special expertise concerning management information within the NDOM and its respective mandate and policy framework, plans or related plans as well as with the social and economic, natural resource management, and baseline information within Nevada that may be considered within the EIS relating to the SFA withdrawal (40 Code of Federal Regulations [CFR] 1508.5).
- 2. Authorities:** This MOU has been prepared under the authority of the National Environmental Policy Act (NEPA) of 1969, 42 U.S.C. 4321 et seq., and federal regulations codified at 40 CFR Part 1500-1508, and 43 CFR Part 46; and the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1701 et seq.
- 3. Background:** In March 2010, the USFWS published its listing decision for the greater sage-grouse (GRSG) indicating that listing was “Warranted but Precluded” due to higher listing priorities under the ESA. The inadequacy of regulatory mechanisms to conserve the sage-

grouse and its habitat was identified as a significant threat in the USFWS finding on the petition to list the sage-grouse as a threatened or endangered species.

Consistent with the National GRSG Planning Strategy (BLM 2011), the BLM as the lead agency, together with the FS as a cooperating agency, has completed 15 EISs to support associated plan amendments and revisions for the conservation of GRSG and its habitat. The BLM and FS GRSG Plans provide a layered management approach that offers the highest level of protection for GRSG in the most valuable habitat. Land use allocation in the Plans limit or eliminate new surface disturbance in Priority Habitat Management Areas, while minimizing disturbance in General Habitat Management Areas. These overlapping and reinforcing conservation measures work in concert to improve and restore GRSG habitat conditions and provide consistency on how the BLM and FS would manage activities in GRSG habitat.

On October 27, 2014, the USFWS provided the BLM and the FS a memorandum titled "Greater Sage-Grouse: Additional Recommendations to Refine Land Use Allocations in Highly Important Landscapes." The memorandum and associated maps provided by the USFWS identify areas that represent recognized "strongholds" for GRSG that have been noted and referenced as having the highest densities of GRSG and other criteria important for the persistence of the species. Within these areas, The BLM/FS identified SFAs, a subset of Priority Habitat Management Areas, with additional management including recommendation for withdrawal from location and entry under the Mining Law of 1872, subject to valid existing rights.

4. **Term of MOU:** This MOU will commence upon the date of the last signature made by the duly authorized representatives of the parties to this MOU, and will remain in full force and effect until terminated, as described in item 9i below.
5. **Responsibilities of NDOM:** In agreement with the time frames identified in Attachment A for this analysis effort, NDOM will participate in the environmental analysis and documentation process where appropriate given the NDOM's special expertise such as local demographic, fiscal or economic data, land development trends, use of public lands and management of natural resources and consistency with the NDOM policies or plans related to public lands or natural resources management. The schedule and preliminary timeframe for the respective stages of EIS development is included in Attachment A.

The NDOM will have the opportunity to provide review and input on draft documents prepared during the EIS process prior to public release of those materials. The Interdisciplinary Team Leader may, at any time during the effective term of this MOU, request records and/or information by contacting the NDOM point of contact identified in Section 9k below.

6. **Responsibilities of the BLM:** In accordance with 40 CFR 1501.5, the BLM is the lead agency. The point of contact for the preparation of this EIS is as designated in Section 9k of this MOU. The BLM will keep the NDOM representative apprised of current events and timeframes in relation to this EIS. The BLM will consider and may use NDOM input and

proposals to the maximum extent possible and consistent with responsibilities as lead agency as described in 40 CFR 1501.5. BLM may incorporate information provided by the NDOM into the draft and final EIS, as appropriate and deemed relevant to decision-making regarding the proposed withdrawal. The BLM is solely responsible for any determinations or recommendations made to the Secretary of the Interior or other individual in the Office of the Secretary of the Interior authorized to make a decision regarding the proposed withdrawal. Any BLM determination or recommendation made on the basis of the EIS applies only to BLM-administered lands and federal mineral estate.

- 7. Mutual Responsibilities of the Parties:** The NDOM and the BLM agree to cooperate by informing each other as far in advance as possible of any related actions, issues or procedural problems that may affect the environmental analysis and documentation process or that may affect either party. The parties agree to cooperate in the development and review of any operating guidelines or agreements between NDOM or BLM and other agencies involved in the EIS that may affect the environmental analyses and writing of the EIS.

Responsible parties identified in Section 9k serve as the MOU primary points of contact. The purpose of these points of contact is to ensure that timely and coordinated communication and exchange of information between the parties to the MOU occurs throughout the analysis process.

- 8. Payment:** No payment will be made to either party by the other as a result of this MOU. Each party is responsible for the costs of their participation. During the term of this MOU, should it become necessary for one party to purchase from or make payment or reimbursement to the other party, such arrangements will be covered in a separate cooperative agreement.

9. General Provisions:

- a. **Amendments.** Either party may request changes to this MOU. Any changes, modifications, revisions, or amendments to this MOU, that are mutually agreed upon by and between the parties to this MOU, will be incorporated by written instrument, executed and signed by both parties to this MOU, and are effective in accordance with the authorities defined herein.
- b. **Applicable Law.** The construction, interpretation and enforcement of this MOU will be governed by the applicable laws of the United States.
- c. **Entirety of Agreement.** This MOU, consisting of eight (8) pages, represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations and agreements concerning the parties' environmental documents, whether written or oral.
- d. **Severability.** Should any portion of this MOU be determined to be illegal or unenforceable, the remainder of the MOU will continue in full force and effect, and either party may renegotiate the terms affected by the severance.

- e. **Sovereign Immunity.** Neither the NDOM nor the BLM waives its sovereign immunity by entering into this MOU, and each fully retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this MOU.
- f. **Third Party Beneficiary Rights.** The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this MOU must not be construed so as to create such status. The rights, duties and obligations contained in this MOU will operate only between the parties to this MOU, and will benefit only the parties to this MOU. The provisions of this MOU are intended only to assist the parties in determining and performing their obligations under this MOU. The parties to this MOU intend and expressly agree that only parties signatory to this MOU will have any legal or equitable right to seek to enforce this MOU, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this MOU, or to bring an action for the breach of this MOU.
- g. **Exchange of Information/Confidentiality.** All records or information requested of either party by the other will be reviewed by the releasing party prior to release. To the extent permissible under law, any recipient of proprietary and/or pre-decisional information agrees not to disclose, transmit, or otherwise divulge this information without prior approval from the releasing party. Any breach of this provision may result in termination of this MOU. The BLM and NDOM recognize that applicable public records laws will require release of non-exempt documents.
- h. **Administrative Considerations.** Pursuant to 204(b) of the Unfunded Mandates Reform Act of 1995, responsible Federal Agency officials may meet or enter into project level MOUs with officials of State, Tribal and local governments or their designees. During such meetings and development, implementation and monitoring of such MOUs, views, information and advice are exchanged, or input relative to the implementation of Federal programs is obtained. Such meetings and MOUs will further the administration of intergovernmental coordination.

The meetings or MOUs referred to include, but are not limited to, meetings called for the purpose of exchanging views, information, advice or recommendations, or for facilitating any other interaction relating to intergovernmental responsibilities or administration.

Nothing in this MOU will be construed as limiting or affecting in any way the authority or legal responsibility of the NDOM or the BLM, or as binding either the NDOM or the BLM to perform beyond the respective authority of each, or to require either to assume or expend any sum in excess of appropriations available. It is understood that all the provisions herein must be within financial, legal, and personnel limitations, as determined practical by the NDOM and the BLM for their respective responsibilities. This MOU is neither a fiscal nor a funds obligation document.

Nothing in this MOU will be construed to extend jurisdiction or decision-making authority to BLM for planning and management of land and resource uses for any non-Federal lands or resources in the planning area. Similarly, nothing in this MOU will be construed to extend jurisdiction or decision-making authority to the NDOM for planning and management of land

or resource uses on the Federal lands or mineral estates administered by the BLM. Both NDOM and BLM will work together cooperatively and will communicate about issues of mutual concern.

Nothing in this MOU may be construed to obligate the DOI, the BLM, or the United States to any current or future expenditure of resources in advance of the availability of appropriations from Congress.

No member of or delegate to Congress shall be entitled to any share or part of this MOU, or to any benefit that may arise from it.

- i. **Termination:** Either party may terminate this MOU upon 30 days written notice to the other party of their intention to do so. During the 30-day period, the parties will conduct negotiations to resolve any disagreement(s). If the disagreement(s), if any, have not been resolved and the party initiating the termination has not rescinded its termination in writing by the end of the 30-day period, the MOU will terminate. In the event negotiations are progressing but are not concluded by the end of the 30-day period, the party initiating the termination notice may request in writing that termination be postponed for an additional 30-day period or longer while the negotiations continue; upon such request, the termination shall be postponed for the specified period.
- j. **Dispute Resolution:** In the event of any disagreement between the parties regarding their obligations under this MOU that cannot be resolved between the parties in a reasonable time, either party may refer the disagreement to the Nevada BLM State Director to timely resolve said issue. The decision of the Nevada BLM State Director will be the final decision for purposes of resolving the issue.
- k. **Contacts:** The primary points of contact for carrying out the provisions of this MOU are:

COOPERATOR

Primary	Secondary
Name Richard Perry NDOM Address 400 W. King Street, Suite 106 City, State Zip Carson City, NV 89703 Phone 775-684-7047 Email rmperry@minerals.nv.gov	Name Michael Visher NDOM Address 400 W. King Street, Suite 106 City, State Zip Carson City, NV 89703 Phone 775-684-7044 Email mvisher@minerals.nv.gov

BLM

Mark A. Mackiewicz, PMP
Senior National Project Manager
Bureau of Land Management
Washington Office
Division of Lands and Realty (WO-350)
Washington, D.C. 20036

Stationed At:

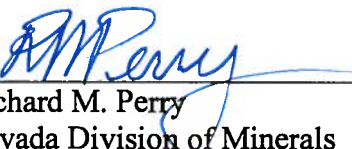
Price Field Office
125 South 600 West
Price, Utah 84501

Telephone: Office; (435) 636-3616
Cell: (801) 243-7921
Fax: (435) 636-3657
E-Mail: mmackiew@blm.gov

10. Signature: The parties hereto have executed this Memorandum of Understanding as of the dates shown below.

The effective date of this MOU is the latest signature date affixed to this page. This MOU may be executed in multiple originals or counterparts. A complete original of this MOU shall be maintained in the records of each of the parties.

Nevada Division of Minerals by and through:


Richard M. Perry
Nevada Division of Minerals
Administrator

3-25-2016
Date

Approved as to form
Adam Paul Laxalt
Attorney General

By: 
Deputy Attorney General

U. S. DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT, by and through:


John F. Ruhs
Nevada BLM State Director

11 April 2016
Date

Attachment A

Current EIS and Planning schedule, as of MOU signature:

EIS Stage	Proposed Completion Date (As of 3/16/16)
Scoping report and identify issues	April 19, 2016
Reasonable Future Development Report	August 9, 2016
Finalize alternatives	August 22, 2016
Administrative Draft EIS Review	October 17, 2016
Issue Draft EIS	December 27, 2016
Respond to comments	February 28, 2017
Administrative Final EIS Review	June 27, 2017
Issue Final EIS and ROD	August 22, 2017

ONE HUNDRED ONE NORTH CARSON STREET
CARSON CITY, NEVADA 89701
OFFICE: (775) 684-5670
FAX No.: (775) 684-5683




555 EAST WASHINGTON AVENUE, SUITE 5100
LAS VEGAS, NEVADA 89101
OFFICE: (702) 486-2500
FAX No.: (702) 486-2505

Office of the Governor

DATE: March 15, 2016

TO: Department Directors
Deputy Department Directors
Administrators

FROM: Annalyn Carrillo, Southern Nevada Office Manager 

SUBJECT: Governor's Service Awards

It is our pleasure to share the enclosed recognitions to your staff for their invaluable service to the State of Nevada. The Governor's Service Awards serves as a way to show gratitude and appreciation to employees that have displayed years of dedication and loyalty to State service. We understand highlighting these achievements is important; therefore, we recognize employees who have showcased their commitment to our State and ask you to join us in sharing this recognition with them.

Governor Brian Sandoval's employee service awards program, celebrates length-of-service milestones of employees' service in increments of ten years through retirement. These recognitions will be mailed to your office periodically to be presented or distributed to appropriate staff for recognition.

Should you have any questions or suggestions for employee recognition, please contact me directly at (702) 486-2500.

Thank you for joining us in recognizing the invaluable service and dedication of our state employees.

State of Nevada Office of Governor Brian Sandoval

CERTIFICATE OF APPRECIATION

Presented to

Richard Perry

In recognition of your 10 years of service to the State of Nevada.

As Governor of the State of Nevada, I commend your invaluable contributions and commitment to serving the citizens of our Silver State.

Given under my hand and by the Seal of the Great State of Nevada
this 14th day of March, 2016.

Brian Sandoval

Governor of the State of Nevada



State of Nevada Office of Governor Brian Sandoval

CERTIFICATE OF APPRECIATION

Presented to

John Mudge

In recognition of your 10 years of service to the State of Nevada.

As Governor of the State of Nevada, I commend your invaluable contributions and commitment to serving the citizens of our Silver State.

Given under my hand and by the Seal of the Great State of Nevada
this 14th day of March, 2016.

Brian Sandoval

Governor of the State of Nevada



V. SPECIAL PRESENTATION

CHANGES AT THE NEVADA DIVISION OF MINERALS

Geologist Bill Durbin Chief, Southern Nevada Operations Abandoned Mine Lands/Mineral Education Programs will be retiring on June 30th.

After 41 years in mining and mining-related fields and over 26 years with the Nevada Division of Minerals, Durbin said, "I cannot believe my good fortune to have spent my entire working life in my chosen field of geology. Not many folks can say that. The 26-plus years since have been filled with similar adventures, incredible opportunities and best of all, the wonderful friendships and working relationships that I have had the good fortune to acquire."



Bill began his career as a mining and exploration geologist in the tungsten industry. For nearly seven years he worked on a variety of interesting projects including abandoned mine surveys, mineral resource evaluation and geothermal exploration.

"During the first two years I was on the road inventorying hazardous abandoned mines and conducting land ownership research at county courthouses. I inventoried 1,919 abandoned mine hazards. We estimate 50,000 hazards exist in Nevada. As a geologist and outdoorsman, I was, and still am awed by the geology, the variety and complexity of the mineral deposits, the diverse scenery and the incredible beauty of Nevada."

"I have been fortunate to work on some great projects, including the Tonopah Historic Mining Park (THMP). At the request of former THMP Foundation Chairman Mimi Rodden, I inventoried 107 stopes, shafts, adits and other mine workings on the Mining Park property in May of 1994. The Nevada Division of Minerals (re-named in 1995) was able to provide assistance to the Mining Park for the installation of fencing and warning signs to secure the Park's mine hazards. In 2012, after the Mizpah Air Shaft opened up, we assisted in the closure of the shaft, constructing a nine-foot thick polyurethane expansive foam (PUF) plug at the collar. Next to the plugged collar is a descriptive sign with a quick response (QR) code that allows access to a video of the PUF closure project. Fellow staffer Rob Ghiglieri conducted a downhole video survey of the Mizpah Shaft, sending a camera 500 feet down the shaft and producing excellent footage of the shaft from the collar to the 500-foot level. Information assisted Atkinson Construction, engineers and crew who completed an extensive renovation of the collar and top 15 feet of the shaft."

Durbin thoroughly enjoyed working with the Boy Scouts and Girl Scouts. "Thanks to the efforts of 163 Boy Scouts (Eagle Scout candidates) and 2 Girl Scouts (Silver Award and Gold Award candidates), 740 abandoned mine hazards have been secured by fencing and several by PUF plugs. These wonderful young people planned and organized their projects, recruited helpers, provided material lists and showed off their management skills during each project. They give me a great deal of hope for our future."



Bill and Garrett congratulate Eagle Scout Jared Brady on completion of his Eagle Scout Service Project - 2015

Students from the Mackay School of Earth Sciences and Engineering and UNLV were hired as summer interns to assist our Abandoned Mine Lands (AML) program. They investigated and secured abandoned mine hazards across the state.

“The AML program is in its 29th year and to date, over 19,400 abandoned mine hazards have been investigated

and over 15,700 have been secured by Division staff, mining companies, claimants, property owners, land management agencies and contractors. Nevada’s lands host a wealth of opportunities, whether you are a prospector, hiker, photographer, off highway vehicle operator or a hunter, Nevada has it all. The efforts of Nevada’s AML program have helped to make those recreational opportunities safer for Nevadans and visitors alike.”

“An important aspect of the AML program is public outreach and education. Though a great deal of inventory and securing work has been accomplished over many years, it is still extremely important to convey the “Stay Out and Stay Alive” message to the public. We speak about the hazards of abandoned mines during each and every school classroom presentation we make. Annually over 80,000 “Stay Out and Stay Alive” informational brochures are mailed to 4th and 7th graders in every Nevada public and private school. “We urge everyone to remember to “*Stay Out and Stay Alive*” when it comes to abandoned mines and report unsecured mines to the Nevada Division of Minerals.”

“In 1990 I was introduced to my first Las Vegas mineral education teachers’ workshop during spring break. The Division of Minerals partners with the Nevada Mining Association to co-sponsor these annual workshops. Our 27th Southern Nevada workshop takes place in Las Vegas and our July workshop in Reno will be our 32nd Northern Nevada workshop. Over 5,800 teachers have attended these workshops. We give teachers the tools they need to teach future generations about geology and Earth science and the use of mineral resources in our daily lives.”

Bill Durbin has been involved with the McCaw School of Mines since its inception in the 1990s. “It is a one-of-a-kind field trip destination for Clark County School District students. The “Mine” consists of a simulated underground mine building, a visitor’s center and a yard filled with historic and modern mining equipment

Inside the mine building are four rooms with a variety of displays and hands-on activities. Student visitors have the opportunity to learn how to pan for gold and silver. McCaw was built entirely from private donations of money and materials; not a penny of Clark County School District or general fund tax money was used. This year the 100,000th student will have visited McCaw. I am pleased to be on the McCaw School of Mines Foundation Board and will become a docent at the “Mine” in the 2016-2017 school year.”

Garrett Wake was hired in August and will be taking my position this spring. He has a Bachelor of Science degree in geology and experience in mineral exploration and geo-technical engineering. Garrett served four years of active duty with the U.S. Air Force and is now in the U. S. Air Force Reserves.

“Garrett is a valuable asset to us. He is an excellent communicator with great “people skills”, a skilled writer/editor/researcher, and a competent and safety-minded field person and has a solid command of all the latest technology. There is no doubt in my mind that I will leave the Division’s Las Vegas office in very good hands. He can be reached at (702) 486-3915 and his e-mail address is gwake@minerals.nv.gov. “I hope his time with the Nevada Division of Minerals will be as satisfying and rewarding as my time has been.”

Garrett Wake and Bill Durbin – Simplot Silica Mine Clark County, NV - Feb. 2016

“In conclusion, it has been amazing to be a part of the Nevada Division of Minerals team. I am grateful for the guidance, leadership and support of the members of the Commission on Mineral Resources, especially Fred D.



Gibson, Jr. It has been an honor and a pleasure to serve under three Division administrators: Russ Fields, Alan Coyner and Rich Perry. I am thankful for all of my co-workers, past and present, for their passion and enthusiasm. They have truly been my second family! Together, we have gone through life’s ups and downs and MANY, MANY great times. I will stay in Las Vegas and continue to be a “Mojave Desert Rat”. I plan to stay plugged into outreach and education and will actively support the McCaw School of Mines and the Tonopah Historic Mining Park to the best of my ability and resources. I am also looking forward in retirement to attacking the long list of “round-to-its” that have been stacking up around the house and a little travel on the side. To all of the wonderful people who have been a part of my great journey, I send you a heart-felt THANK YOU!!”

The Tonopah Historic Mining Park congratulates Bill and thanks him for his many years of support and dedication.