

## STATE OF NEVADA COMMISSION ON MINERAL RESOURCES

#### **DIVISION OF MINERALS**

400 W. King Street, Suite 106 Carson City, Nevada 89703 (775) 684-7040 • Fax (775) 684-7052 http://minerals.nv.gov/



**Las Vegas Office**: 375 E. Warm Springs Rd. #205, Las Vegas, NV 89119 Phone: (702) 486-4343; Fax: (702) 486-4345

#### COMMISSION ON MINERAL RESOURCES

Nevada Division of Minerals 400 W. King St. #106 Carson City, NV 89703

Join us from a PC, Mac, iPad, iPhone, or Android Device: Please click this URL to join, https://us02web.zoom.us/j/9712825638?pwd=YkZPbHJIdUQ0cUo3bldzb2k3aS9UUT09

Meeting ID: 971 282 5638 Passcode: NDOM

Tuesday, May 30, 2023 2:00 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. Public comments may be limited to 5 minutes for each person.

ACTION WILL NOT BE TAKEN

#### I. AGENDA

A. Approval of the Agenda

FOR POSSIBLE ACTION

FOR POSSIBLE ACTION

#### II. OLD BUSINESS

#### A. Review of NBMG Interlocal Contract for Fiscal Years 2024 and 2025

The scope of work relating to the biennial interlocal contract with the Nevada Bureau of Mines and Geology (NBMG) for fiscal years 2024 and 2025 will presented for review and approval by the Commission. The presentation will include a discussion of projects, deliverables, timeframes, and costs associated with the proposed contract.

— Mike Visher

#### 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

Nigel Bain; Large-Scale Mining Commission on Mineral Resources

Robert Felder; Exploration and Development
Randy Griffin; Small-Scale Mining and Prospecting Josh Nordquist, Chairman; Geothermal Resources

Stephanie Hallinan; *Large-Scale Mining*Art Henderson; *Oil and Gas*Mary Korpi; *Public at Large* 

#### **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 89703 or contact Rob Ghiglieri at (775) 684-7048 or by email at <a href="mailto:rghiglieri@minerals.nv.gov">rghiglieri@minerals.nv.gov</a>.

## **II. Old Business**

Α.

# Scope of work for the contract between the Nevada Division of Minerals (NDOM) and Nevada Bureau of Mines and Geology (NBMG)

NBMG agrees to complete the following work in fiscal years 2024 and 2025 in cooperation with the Nevada Division of Minerals and Commission on Mineral Resources. NBMG serves as the state geological survey and is a public service unit of the University of Nevada, Reno. State statutes require that NBMG "serve as a bureau of information and exchange on Nevada's mineral industry, mineral resources, and geology". The projects will produce reports or make available data on Nevada's mineral and energy resources, which helps to stimulate exploration and development in Nevada. The total funding request is \$163,460, \$60,500 in fiscal 2024, and \$102,960 in fiscal 2025. This funding includes the Governor's recommended COLA increases of 10% in FY24 and 4% in FY25. If the rates applicable to NSHE are changed as a result of passage of Assembly Bill 522 in the 2023 Legislative Session, then the fiscal year funding will be adjusted accordingly. This contract does not include an indirect cost rate. Three primary continuing projects are proposed. Table 1 provides itemized budgets for the projects in each fiscal year.

#### **Project 1 – Sample Curation (\$20,000 per year):**

The GBSSRL serves as a repository for oil, gas and geothermal (OGG) well cuttings and well logs. Specific deliverables include:

- Cataloguing and curation of all new OGG well cuttings and core.
- Digitizing oil, gas, and geothermal well logs into a searchable database
- One annual report listing the cuttings and well logs that have been archived and digitized, including any backlog.

#### Deliverables timeline:

On or before June 30 of each fiscal year, NBMG provides NDOM a list of what sample curation was completed during that fiscal year.

#### Project 2 – Publication of the annual Nevada Mineral Industry Report (\$35,000 per year):

NBMG produces an annual report on activities of the mining and energy industries in Nevada. Specific deliverables:

#### Deliverables timeline:

- 1. Nevada Mineral Industry Report in each fiscal year by December 1 each year.
- 2. Update the Active Mines and Energy Producer Maps by December 31, 2024 (every other year).

#### Project 3 – Exploration Survey (\$35,000 in FY 2025):

This project involves preparing a sixth edition in FY25 of exploration activities conducted in Nevada. Funds will be allocated toward a survey of mineral and geothermal exploration completed by companies in 2023/2024. Periodic assessments are critical for defining industry trends, which will provide insights into future economic impacts on the State. In addition to a traditional survey being distributed to mining and exploration companies, information on exploration activities and expenditures will be compiled from company websites and stock exchange filings.

#### Deliverable timeline:

Report will be completed prior to the 2025 legislative session (by February 1, 2025) and thus available for consideration of any resource-related legislation.

**Table 1. Budgets for Proposed Projects** 

	Fiscal 2024			Fiscal 2025			
Project	Base Cost	COLA @ 10%	Project Cost with COLA	Base Cost	COLA @ 4% (including FY24 COLA)	Project Cost with COLA (including FY24 COLA)	Totaled Including COLA
Project 1: Sample Curation	\$20,000	\$2,000	\$22,000	\$20,000	\$2,880	\$22,880	\$44,880
Project 2: MI Reports	\$35,000	\$3,500	\$38,500	\$35,000	\$5,040	\$40,040	\$78,540
Project 3: Exploration Survey	\$0	\$0	\$0	\$35,000	\$5,040	\$40,040	\$40,040
Total	\$55,000	\$5,500	\$60,500	\$90,000	\$12,960	\$102,960	\$163,460

# Scope of work for the contract between the Nevada Division of Minerals (NDOM) and Nevada Bureau of Mines and Geology (NBMG)

(October 2022 UPDATE)

NBMG agrees to complete the following work in fiscal years 2022 and 2023 in cooperation with the Nevada Division of Minerals and Commission on Mineral Resources. NBMG serves as the state geological survey and is a public service unit of the University of Nevada, Reno. State statutes require that NBMG "serve as a bureau of information and exchange on Nevada's mineral industry, mineral resources, and geology". The projects will produce reports or make available data on Nevada's mineral and energy resources, which help to stimulate exploration and development in Nevada. The total request is for \$180,000, \$90,000 per fiscal year, with an 8% indirect cost rate for a grand total of \$194,400. Four primary continuing projects are proposed. Table 1 provides itemized budgets for the projects in each fiscal year.

#### **Project 1 – Sample Curation (\$20,000 per year):**

The GBSSRL serves as a repository for oil, gas and geothermal (OGG) well cuttings and well logs. Specific deliverables include:

- Cataloguing and curation of all new OGG well cuttings and core.
- Digitizing oil, gas, and geothermal well logs into a searchable database
- One annual report listing the cuttings and well logs that have been archived and digitized, including any backlog.

#### Deliverables timeline:

On or before June 30 of each fiscal year, NBMG provides NDOM a list of what sample curation was completed during that fiscal year.

#### Project 2 – Publication of the annual Nevada Mineral Industry Report (\$35,000 per year):

NBMG produces an annual report on activities of the mining and energy industries in Nevada. Specific deliverables:

#### Deliverables timeline:

- 1. Nevada Mineral Industry Report in each fiscal year by December 1 each year.
- 2. Update the Active Mines and Energy Producer Maps by November 15, 2022 (every other year).

#### Project 3 – Exploration Survey (\$35,000 in FY 2023):

This project involves preparing a fifth edition in FY23 of exploration activities conducted in Nevada. Funds will be allocated toward a survey of mineral and geothermal exploration completed by companies in 2021/2022. Periodic assessments are critical for defining industry trends, which will provide insights into future economic impacts on the State. In addition to a traditional survey being distributed to mining and exploration companies, information on exploration activities and expenditures will be compiled from company websites and stock exchange filings.

#### Deliverable timeline:

Report will be completed prior to the 2023 legislative session (by February 1, 2023) and thus available for consideration of any resource-related legislation.

#### Project 4 – Lithium in Nevada Report – Special Report Requested by CMR (\$35,000 in FY 2022):

Lithium (Li) is one of the 35 critical minerals identified by the USGS, which are partly defined as "nonfuel minerals or mineral material essential to the economic and national security of the U.S.". Lithium is on the list because of its use in 1) rechargeable batteries for electric vehicles and independent power, and 2) aluminum-lithium alloys for aerospace applications.

This report aims to present a Nevada-centric scientific understanding of Li geochemistry and mineral resources, while also engaging the general-science reader by offering interesting photos and graphics. The objectives for this work are:

- Describe global geochemical cycle of Li and its geological occurrences, in Nevada and the Great Basin. Maps of known Li distribution in rocks, sediments and soils, and surface and groundwaters will be included.
- Describe geological models for mechanism(s) of Li introduction to the crust and its transport through the surface, via mineral weathering and groundwater flow.
- Describe the types of mineral resources that host Li globally, with a focus on deposits found in NV and the Great Basin (i.e., Li brines and clays).
- Compare and contrast characteristics of Nevada Li resources to others in the U.S. and globally.

#### Deliverable timeline:

A project status report due by July 15, 2022 with an accompanying invoice not to exceed (NTE) 50% of the total project costs

Final report will be completed and printed by June 30, 2023

Table 1. Budgets for Proposed Projects (Updated January 2022)

Fiscal	Project 1	Project 2	Project 3	Projects 1-3	Project 4	Grand
Year	Sample Curation	MI Reports	Exploration	Total	Lithium in Nevada	Total
	and Well log	_	Survey		Report	
	Scanning/ Database				_	
2022	\$21,600	\$37,800		\$59,400	NTE 50% of project	
					costs	
2023	\$21,600	\$37,800	\$37,800	\$97,200	Remaining % of	
					project costs	
Total –	\$43,200	\$75,600	\$37,800	\$156,600	\$37,800	\$194,400
Each						
Project						

<sup>\*</sup>All costs include the 8% indirect cost rate