

STATE OF NEVADA COMMISSION ON MINERAL RESOURCES DIVISION OF MINERALS

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COMMISSION ON MINERAL RESOURCES

Nevada Division of Minerals Eureka County Courthouse 10 South Main St Commission Chambers Eureka, NV 89316

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Meeting ID: 971 282 5638 Passcode: NDOM

Wednesday November 8, 2023 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 the relevant Nevada Revised Statutes ("N.R.S.") and Nevada Administrative Code ("N.A.C.") requirements.

ROLL CALL

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. Chapter 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 <u>ACTION WILL NOT BE TAKEN</u>

I. AGENDA

A. <u>Approval of the Agenda</u>

II. MINUTES

A. <u>Approval of the August 10, 2023, meeting minutes</u>

III. NEW BUSINESS

A. Introduction of the new CREG Director

- Simon Jowitt

B. Request by Carson City Children's Museum

FOR POSSIBLE ACTION

FOR POSSIBLE ACTION

FOR POSSIBLE ACTION

FOR DISCUSSION ONLY

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

II. MINUTES



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Thursday, August 10, 2023



10:00 A.M.

Nevada Legislative Building 401 S. Carson St. Room 3138 Carson City, NV 89701

MINUTES

CALL TO ORDER

10:07 AM by Josh Nordquist

Commission S	taff	Public
Josh Nordquist	Mike Visher	John Spring
Art Henderson	Rebecca Tims	Sam Spearing
Stephanie Hallinan	Carol Shelton	
Bob Felder	Garrett Wake	
Randy Griffin	Robert Ghiglieri	
Nigel Bain		
Mary Korpi	Daniel Nubel, DAG (via Zoom)	

Roll Call

All commissioners were present.

PLEDGE OF ALLEGIANCE

Led by Josh Nordquist

COMMENTS BY THE GENERAL PUBLIC

There were no comments by the general public.

I. AGENDA

A. Approval of the Agenda

Josh Nordquist: There will be an agenda change. The FY23- FY25 financial agenda item (V.B.) will be moved to be heard

first upon returning from the lunch recess.

Motion to approve the modified agenda made by: Mary Korpi

Seconded by: Stephanie Hallinan

Unanimously approved.

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II. New Business

A. Interview selected candidates for the Administrator position.

Chair Nordquist invited Rob Ghiglieri to come forward for his interview and asked John spring to wait outside of the room until called in for his interview.

<u>Josh Nordquist</u>: What are the main challenges for the State of Nevada in mineral and geothermal, and how do you see this role being involved with those in the future?

Rob Ghiglieri: There has been a large amount of discussion at the federal level about critical minerals and production. The permitting reform is going to affect not only the State of Nevada but the US in general for the minerals industry. Recently I read through new proposed rules for NEPA reform as I was sitting in public comment for IFC yesterday. It is a fairly large reform, but these reforms that are being proposed are going to affect the interaction with personnel, tribal liaisons, and the general public. The NEPA reform moving forward, is looking to be more of a protection category, rather than a multiple use. The role moving forward for the minerals industry is going to be the left hand saying we want to have more rules and regulations, we're going to have more public interaction with tribal groups, which is great. But the right hand saying we need more critical mineral production. So, are we going to focus on just critical minerals only and ignore the rest of the production across the US? We have still yet to see that. This role is going to be key with the Division and what it has done since I have been here. It is the ability for us to be able to communicate. Not only to communicate with the public at large, but also with state and local legislators as well as at the federal level. Having the ability to reach out to our representation within the State of Nevada and interactions with the Interstate Mining Compact Commission or IOGCC to be able to effectively communicate the need, desire, and benefit of mineral production here in Nevada, as well as the US. To add to that, just the opportunity of many events that we attend. In New Orleans at the Interstate Mining Compact Commission, it was meeting with Dr. Feldgus, who oversees the mining law reform group, and having the ability to sit down and talk with him and explain the differences. Having the state perspective is very important.

<u>Stephanie Hallinan</u>: The Division is required to work closely with the Department of Conservation and Natural Resources and interface with the Governor's office and Legislature. What skills or experience do you have to facilitate that working relationship?

Rob Ghiglieri: Over my last 10 plus years at the Division, constant collaboration on behalf of the AML program was important to build the program. The relationship with DCNR is strong. I was sending emails to DCNR last night to collaborate on different efforts. I was with a DCNR employee all day on Tuesday for a reclamation bond pool trip. Having an open dialogue with our partner agencies is very important. We all know there is expertise in different groups, and we are a very fortunate Division as we are not as siloed as others. But having that vision from an outside perspective of looking in helps bring those groups together. The things the Division does to create these types of relationships is like the reclamation award tour. We are pulling DCNR, Wildlife, BLM, and

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the Forest Service all together saying hey let's go look at these reclamation projects and at that point when you are traveling with people you get the opportunity to communicate, discuss, and build relationships there. As for the Legislature, we have our interactions with them. One key thing with them that I have learned over the years is as much as they are trying do what their goals and agendas are, they are people as well. Being able to approach them in just the aspect of what are you guys looking to do? What is your goal? What can we do to help educate you about this? How do we meet the common good for what we are both trying to accomplish? Partnership is vital and will be key in moving forward in the future.

Bob Felder: Why didn't you apply the first go around for the administrator position? What are your long-term goals for the next 5-10 years?

Rob Ghiglieri: I did apply after the announcement was extended. At that point, there were a lot of conversations, and this is going back to April, I had been working in our role at the Division with the Interstate Mining Compact Commission (IMCC) and the National Association of Abandoned Mine Land Programs (NAAMLP) on the development of the National Hardrock AML Program policy. I was approached by the Office of Environmental Policy and Compliance Director to ask if I was interested in a job there. I was offered that job last week, I declined it. It was lots of lengthy conversations, it was not something I went and looked for, it came to me. It was conversations with my wife and I and a lot of internal thinking of where I want to be. In my opinion, I saw the biggest way for me to make the most impact was here at the Division. I had the goal for the last ten years to be the administrator long term. I wanted to make sure I had all my T's crossed and my I's dotted and to make sure the decision I was making was the one I wanted to stick to long-term. To follow up to your second question, the ten-year mark, in the past, I have been told that the administrator position is a minimum five-year position. I have also seen other administrators that were here for ten years or even longer. I see this as an opportunity for me to continue to develop and build the agency. There are a lot of moving parts with the Division right now and the only one I don't see growing at the moment is oil and gas just because of a lot of different aspects going on but the abandoned mines program is going to grow. We are seeing geothermal planning starting to grow, and to be able to be involved from where we have been in the past to where I think this agency is going to end up in the future is something I plan to be a part of for a long time.

Randy Griffin: What made you major in geology?

<u>Rob Ghiglieri:</u> I started my college education as a mechanical engineer and realized that I did not like electronics. So, I floated for a little while and I was doing secondary education of natural science. I love science and I wanted to do something in the science-related field. So, I thought I could become a teacher and figure it out long-term. I did a semester abroad in New Zealand and was fortunate enough to take a geology/geography mixed course and came back to UNR and switched. I switched the beginning of my fourth year. I kind of crammed taking two and three hundred-level classes at the same time. But the idea for me in geology is the understanding of where materials come from, was a big aspect. But also, being able to look at this history of the

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earth and everything to do with outside. I am a very avid outdoors man. I am travelling tonight to Eureka for a hunt. Being outside is a big part of it. It's the general sense of understanding the history of where things come from is what got me into geology.

<u>Mary Korpi</u>: We hear in the State the difficulties of filling jobs, the Division is now going to be in a position of two open spots. Any insights how we can incentivize to bring in more staff?

Rob Ghiglieri: This isn't just the State or the Division, it's everywhere. Being able to incentivize is going to be difficult and it always has been for the agency. I was working in exploration, and what made me want to come to the State was family reasons. I wanted to be home with my wife, that is what drove me to work for the State. We encourage growth and development. We don't want to bring in someone who is, say for example, a reclamation bond writer who is told, here is what you're going to do, and you don't have time to go to conferences, you don't have time for training. Being able to encourage the growth and people's development, to let them explore and having the ability to look at different aspects. Having relationships with other state agencies is helpful to pull possible candidates from other states that might want to relocate.

<u>Josh Nordquist:</u> You're aware of the administrator position, what do you see as your biggest challenge in taking on this role and what would be your approach to solve it?

<u>Rob Ghiglieri:</u> Mike and I had a lot of long conversations about me applying for this position. One of the things is, would it be ideal if I had another three to five years of experience? Yes, but unless you make the step forward to the position, you will never get the true experience that you need for that position. To answer your question, the biggest thing for me is that I have a very strong grasp of the industry, I have a very strong grasp of what is going on. But I don't have two plus decades of knowledge of the personnel or the people. Being able to attend the conferences where you are interacting with people and being able to meet with commissions like this who are experts in their fields and to rely on those resources so if there is something that comes up, I have you guys. The biggest thing for me is to acknowledge that I have big shoes to fill.

Josh Nordquist: How would you work to solve that?

<u>Rob Ghiglieri:</u> Continue reaching out to experts in the field, to other agencies, other partners, expose myself to new situations and listen. I have been fortunate throughout my career to start with a small exploration company and got to work with an unbelievable geologist. Being able to walk around with Radu and if I could comprehend ten percent of what he was telling me that day, I would be much better off the next day. Listening to what has happened, learning from previous experiences, but as well as taking a different approach. I am a younger person who does have a different perspective on some things, and I am seeing more of the younger youth and their perspective, and I can relate to it more, but it doesn't mean one way or the other is right, but it has the ability to see multiple perspectives.

<u>Randy Griffin:</u> What would you consider if you were going to name the top highlights of your career, what projects would be the pinnacle of success for you? What would be the worst project you were associated with?

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Rob: The best project is not an individual project itself. But it would be the presentation with our federal partners, we are getting more money every single year. They want to give us more money, they want to hand us the work. The reason why they want to do that is because we have proven success in getting the work done efficiently and effectively. Our AML program is one of the most well-developed physical safety programs in the nation. For individual projects, I still would love to talk about Virginia City. By the way, we did win the NAAMLP award for that project, which will be received in Chicago. But that was one of those sites where it was a National Historic Landmark. If you talk to the archeologist, it's you're not going to be able to get anything done there, we got it through with a no adverse effect through SHPO on that project. The largest wildlife-compatible closure in the US, no adverse effect. So, being able to show the resources to develop the relationships to prove to other agencies that we are deserving of getting this work, and that they want to give us the money to do the additional work, I think is the biggest success for me. For the second question, the biggest failure I see is, I am struggling with that one. If you don't mind, can we go to another question?

<u>Nigel Bain:</u> Can you think back over the last 10 years and pick out a failure and explain what went wrong, what the challenges were, and what you figured out about yourself?

Rob Ghiglieri: I look at it in this way, this is an internal project at the Division and not so much with the partners, it's not a failure, it's a work in progress. We thought we were going to be transitioning to a new data collection format five years ago. We've kind of been limping along with the system that isn't the most ideal and we have not got to the point to pull the trigger to move forward because allocating the time and energy to properly do the research internally, myself, to where I am going to staff instead of saying well this is why we don't want to move away from it. I wasn't doing the background as much as I should have been to get us to move forward. It's easy to stay with as-is when that is just the norm. But as-is sometimes is great, but in this case, we know we need to move forward and so now we are behind the curveball in some respects to where we could have been doing more but since we haven't made that transition, we've gone a long way but there is more we could have done. There is more technology that we could have incorporated to help streamline some of these processes to reduce the errors in the program. As well as the bond pool database, Mike gave that to me and said it needs to be updated a couple years ago, and it is currently down, and I am tracking it all on paper because we need to get caught up on other aspects before we launch the new one. That should have been done two years ago, but that is something that I didn't prioritize properly, and I am now paying for it with additional hours of tracking paper instead of being able to look up a quick search.

Stephanie Hallinan: Now that you identified that situation, what is your plan in place?

Rob Ghiglieri: Yes, we met last week. Again, it's back on me. I need to go through a certain aspect of it and update the entire system. I need to work on prioritizing my schedule to make that the focus for me. Once that is done, then we will be able to launch and test. That is an aspect that comes back to I've got everything in place from everybody else and it's coming back to me. I sent an invite to myself for next week to not forget about it.

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This is one of those projects where the bond pool is a big aspect of the Division but truly, it's less than a quarter of the time that I am focusing on. There are a lot of other aspects that we are dealing with.

Bob Felder: In my opinion, leadership and management are skills that are often born into a person, as administrator you will have more high-level direct reports. Do you have any experience in supervision, performance appraisals, things like that?

Rob: The way the Division is laid out is the administrator is the top person and everyone else is below on a flat system. There is always a step from the staff for the most part, if the deputy can't solve it then it goes to the administrator. My goal over the last three years is trying to avoid things having to go to Mike, if it could be resolved before it got to him that would be the ideal situation. There have been plenty of times where I went to him because I didn't feel comfortable, or I needed help with a decision, or the decision wasn't mine to make. In an official capacity, no, I am not the supervisor of all of them and I haven't done evals. I am currently taking a certified public manager course. This is exactly what this course covers, how to approach every person individually. As we know everyone is not managed the same way. It is very different by personalities, some people need congratulations, some people need to be walked through the process. I would be able to sit down with everybody individually and have a lot more frequent update. Being able to give positive feedback and the ability to walk them in the right direction would be my focus.

Randy Griffin: How many people are in the division, not counting interns?

<u>Rob Ghiglieri:</u> Currently 11 FTE's, hopefully 12 in October. Relatively small. I like to use Mike's phrase "small but mighty" I would like to see another agency of 11 people to get as much done as we do. Which is also a direct reflection of you guys and the way you get us going in the right direction.

Stephanie Hallinan: If you are granted this role, what is the one thing you would change?

Rob Ghiglieri: When Richard Perry was here, we had monthly staff meetings. Staff meeting overkill. When Mike came in, we reduced them drastically. I would go back to an increased number of staff meetings to make sure everybody is on the same page and to make sure we all have the same goals and objectives. There has been a decent amount of turnover for the Division recently. We have Peter (Engh) who started in May who has basically lived in the field since he started with us, and he doesn't yet fully understand what happens in the office. Dustin (Holcomb), who is also new in the fluid minerals position. Carol (Shelton) has been with us for less than a year. So, getting everyone on the same page and make sure there is clear communication. Also letting them know what my goals and objectives are. I am not going to go into this position and flip everything. What has been laid out in front of me has been fantastic and great to work off and has been a fantastic foundation.

Nigel Bain: Can you tell us what is the mission of the Division of Minerals?

<u>Rob Ghiglieri:</u> To promote and enhance the responsible exploration for and production of minerals, oil, gas, and geothermal energy that are economically beneficial to the State. I know I am missing part of this, as well as the

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physical safety of abandoned mine programs. I know there was a slight change recently, and the reason why I remember looking at it, I am picturing it on my computer screen, we have to put it in every work program. **Nigel Bain:** Do we need to do more to promote the production of minerals?

<u>Rob Ghiglieri:</u> Education is key. Promoting is difficult, right? Who are we promoting it to? If we are going to conferences where we are preaching to the choir, then we are not going to get the effective message out. But also, being able to go to those conferences and be able to answer the questions to the people that don't quite know what we are doing is also very effective at the same time. What Carol and others do at the Division for education and outreach is educating the youth and promoting critical minerals. There is always additional room for education and promotion, but it needs to be in the right venues, and the goals and what Mike and Rich have outlined for the Vegas field specialist position. There is always more that needs to be done. We are seeing as a nation, a better understanding of where minerals come from, which I think is a benefit, but also out of sight out of mind is a big problem that we see everywhere.

<u>Art Henderson</u>: Do you agree with the regulations in place for oil and gas in the State of Nevada, and are you comfortable to defend them as part of your duties as administrator?

Rob Ghiglieri: Yes, I do feel confident in the regulations we have in place. They are very strong regulations. For the production and exploration for oil and gas we have the hydraulic fracturing regulations that are very strong, but they are not restricting it to where in New York, you just can't do it. We have good regulations. One of the biggest aspects that is going to be drastically affecting Nevada is exploration and production of the current administration is the ten-fold increase of fees for leasing oil and gas on federal lands. That is going to drastically affect the number of new leases in the state. That is going to decrease activity. Let's say there is something that changes in D.C. in two years, and it goes the other direction, I think the regulations we have right now for oil and gas are strong. We are referencing those for what, in my opinion, I think may be the higher priority of looking at long term administrative code for geothermal. With newer technologies coming in in geothermal, using oil and gas technology and knowledge, I think that will be a larger focus at first, looking at what people are trying to do with oil across the US and having that ability to go to IOGCC, helps bring up the ability to where if there are changes going forward, we can review our regulations and make sure that we would be able to adapt to that, if needed.

<u>Art Henderson:</u> The Us is still the number one producer of oil in the world, a lot of things that come from oil are necessary for a long period of time. In the Great Basin we have reserves that are able to be produced if the price is higher, it's too low now of course. I just don't want us to lose sight of oil and gas in the future. Thank you. <u>Josh Nordquist:</u> Speaking of the regulations, can you describe for us your current level of knowledge and confidence in the regulations that NDOM currently oversees?

<u>Rob Ghiglieri:</u> Current regulations that NDOM oversees and the main aspects that I can read to you are Abandoned Mines (Chapter) 513 and the Commission. Over the last few years, with the change of my role to

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deputy administrator, the change of oil and gas regulations and the bond pool (519A) and geothermal as well as the new dissolved minerals. Those are regulations that I am currently tracking and following, and I have a strong understanding of them. I will admit, I am not as strong as Mike, but I do have the knowledge on it. I went to the TopCorp training last year and that got me more comfortable in understanding the language in those. That is something that I have been working on over the last few years. Am I an expert in those ones? Those specific oil, gas, and geothermal? No, but am I comfortable enough to where I can talk to a legislator about them? Yes, I am. I don't consider myself an expert as somebody in the Mike Visher or Richard Perry level who did it for years. It's going to be studying and asking questions to you guys, asking questions to previous administrators, making sure that those are meeting the goals and regulations and that knowing this going into it. The oil, gas, and fluid mineral aspect of the Division is we have a new fluid minerals manager and a potential new administrator. That would be a very high focus early on in the program.

<u>**Randy Griffin:**</u> How would you measure progress? Do you have any ideas whether you are doing any good or not out in the field?

<u>Rob Ghiglieri:</u> For the abandoned mines program, it's not so much the number of presentations, but more of are we invited back? Did we do a good enough job? The demand of more is one way to measure, because we are wanted to come back.

Stephanie Hallinan: The current strategy and outreach for the political side, knowing where things are headed, is there a strategy on the approach of getting out ahead of this in the political framework?

Rob Ghiglieri: Creating the ability for us to be the resource for answering questions. When a legislator has a question on the minerals industry, they think of the Division of Minerals. But it's not just making ourselves known now, right? We did great presentations and Mike led them at the legislature. This is who we are, this is what we do, and if you have questions on anything about mining to come out and talk to us, and it worked. There was a bill on geothermal that was brought to Mike, and they had the ability to have the conversations and work through that process. But that was that session, we are now in an interim where we are going to be dealing with different aspects and potentially other studies. As well as the next session, and continuously reaching out. I have a great relationship with Congresswoman Lee's staffer, but he may move on and so you then have to re-develop that relationship and make sure that we want to be known as a resource for these types of questions.

<u>Josh Nordquist:</u> A few years down the road with you as the administrator, how would you measure success in your role in the department?

<u>Rob Ghiglieri:</u> Continued development and growth in the abandoned mines program, growth in geothermal, and pending oil prices, potential growth in oil. As well as growth in the ability to be known as the point of contact. Having us be that name to where we are the resource. That would be the success for the Division long term. To really continue to move forward in the progress and not take any steps back.

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Bob Felder: The open data site that Lucia created is good, I am not sure if it is getting a lot of use in industry. Can you address that and things you might think to do to make it more widely used and accepted in the industry? **Rob Ghiglieri:** I've had some thoughts on this, just yesterday, we were dealing with the BLM here at the Sierra Front office and the Navy FRTC boundary came up, and they said, we can't share that data outside of the BLM. Well, here is the link to our open data site that has all the data, and they were caught off guard that that was there. They didn't understand that that was there. Lucia does do multiple presentations every year showing this, but I do think there are other avenues that we can use, different venues potentially. As well as do some better advertisement.

<u>Mary Korpi</u>: There is a lot on the plate, do you see anything between the commissioners and the administrator that can lead to the continued success of the department?

<u>Rob Ghiglieri:</u> I'm a big proponent on just because that's the way it's been done doesn't mean it needs to be the way to go forward. I do see the potential for leaning on the commission, in my role I don't see if Mike is having the conversation with you or not. So, it's hard for me to say increasing or decreasing that, but I do see increase in my perspective in the ability to rely on and that is the point of the commission to be able to advise. I do see that as a potential increase in communication with the commissioners. There is also the potential to get the commissioners to help advertise the open data site, and to have the commissioners to possibly attend some of these conferences. There are opportunities out there and that is something we would have to explore together.

<u>Randy Griffin:</u> John Spring listed you as a reference, what is your relationship with Mr. Spring, and what can you tell us about his strong and weak points?

Rob Ghiglieri: I encouraged John to apply for this position. The reason behind that is because at that point when Mike announced his retirement, was the week after the application was due for the other position I was looking at. I met him at the mineral education workshop, he is a great geologist, very programmatic, and very diplomatic. I would be happy to work for John, he's a good person, he is very honest, he knows the industry. The one difference between us, is that he doesn't have that State experience that I have.

Randy Griffin: Is it because you were considering that other position?

Rob Ghiglieri: At that time, yes.

<u>Josh Nordquist:</u> More questions are welcome, but we are approaching an hour. Thank you for your time, Rob. <u>Rob Ghiglieri:</u> Sounds good. Thank you.

Chair Nordquist allowed Rob to leave the room and invited John Spring forward.

<u>Josh Nordquist:</u> John, welcome. Thank you for waiting. I will kick things off. Are you aware of the agency's mission? What do you see as the role of NDOM in the State of Nevada?

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<u>John Spring</u>: As far as my understanding, it comes down to one, carrying out the policies set out by yourselves, also educating the public on mineral resources for the State of Nevada, the permitting and monitoring regulation, with respect to drilling natural gas, oil, and geothermal. Finally, the abandoned mine lands. Carrying out the final reclamation of historic mining across the State of Nevada.

Randy Griffin: You listed a college in New Zealand, for about a year. What did you do there?

<u>John Spring</u>: One of my bachelor's degrees is in Natural Science, I thought I was going to be a science teacher my entire life and so when I first left university, I worked for a year internationally down at John McGlashan. It's a college but it's a secondary school. Then I followed up with that in a year in Wisconsin.

Randy Griffin: You taught natural science down there, is that right?

<u>John Spring</u>: It was a mix, I selected to do some of my student teaching internationally and got linked up with the school down there. I had some chemistry; science classes and I think biology too.

Randy Griffin: These were freshmen or sophomore people?

John Spring: Years 6-13. It was middle and high school science.

Nigel Bain: It was a high school just like here.

Stephanie Hallinan: What particular knowledge, skills, or abilities do you have that will help your success in this position?

<u>John Spring:</u> I spent the last 15 years working in the precious metals and hard rock industry, that experience has been here in Nevada and in Alaska. That obviously brings a wealth of technical experience in that aspect. I do feel that I am uniquely positioned that I have exposure to classical professional education training as well, I am quite passionate about teaching. Not to mention one of the reasons why I have been involved with mining for the last fifteen years is because I have really grown to be quite passionate about the industry and being a bit of a history nut, hooked me all in one swoop.

<u>Josh Nordquist</u>: Considering this move from private to public position, what is at the heart of this particular move?

<u>John Spring</u>: One of the drivers for me, I have always been driven to leave some kind of a lasting impact either on my geologists or fellow co-workers and the work that we do. Being a personal strong advocate for mining, I feel that coming to the public side coming to the Division will give me a larger audience and the ability to do some positive, lasting effects in the community. I feel like the Division right now is in a unique time because the global eye is really focused on the transition into renewable energies and for once, mining actually has a voice and people are more cognizant of it. I feel that effective communication gives us a rare opportunity that we can really try to change the public narrative on mining.

Bob Felder: It looks like you have worked for several companies, in any of those jobs did you have interactions with regulatory bodies, state and federal governments?

John Spring: I have worked on projects through all stages of the mine cycle. The majority of my interactions have been with MSHA, since they are the safety governing body that works directly with the mining industry. However, in one of my last assignments with Nevada Gold Mines, I was the lead geo scientist in the Cortez District. As we started to bring and move our Robertson project into a feasibility stage and you know, gain some experience with respect to the permitting aspects of it, and all the stage gates that we have to move the project through.

<u>Mary Korpi</u>: The staff within the Division is 11, you've got some experience with leadership of teams, this will be a more diversified group, how do you see yourself in that role?

<u>John Spring</u>: One thing I learned with teaching, everyone within your group brings their own unique set of experience and skill sets. When I work and interact in environments like that, I recognize that everyone has a voice and an opinion and has a right to be heard, so I spend a lot of time listening to everyone's viewpoint and then I share my internal opinion and experience as well. I couple that with a motivational approach where, I mean there are two different ways, you can either be authoritarian in nature where you are trying to mandate and controlling how things are going to go, or you can do it through inspiration and motivation, and I have noticed that with teams, if you align around the common goal or whatever the objective is that it gives something the entire team is participating in and it's just a lot more effective.

<u>Josh Nordquist:</u> Coming into the role, what do you see as your biggest challenges to adapt to it and be successful?

<u>John Spring</u>: For one, I will have to go back to my middle school and dust off my parliamentary procedure. Without a doubt, the transition to the public sector, I think one always has to be cognizant of the environment and the audience and it is important to, I shouldn't say that this is like a challenge for me, but it will definitely be front and foremost because the relationships that are built with various agencies and individuals, those relationships are critical to get the job done.

Randy Griffin: What made you choose geology as your occupation?

John Spring: I grew up in a small farming town in Wisconsin, my father never got to go to any kind of tertiary schooling, so he was adamant that all the kids got an opportunity to do so. I was a science and math nerd. I took everything I possibly could. I graduated with over 100 credits. I thought that's what I was always going to do, I went to the registrar's office to fill out my paper for graduation and was told I had a lot of geology credits. It's one of those classes that after you take, you start to fall in love with it. The amount of outdoor work that goes along with it. They said in fact, you have taken every course in the catalog. They asked if I wanted a degree in geology. So, I said what do I do? They slid a form across and said fill this out and it's \$25. One of the reasons I am passionate about geology, it is multi-faceted as it uses chemistry, physics, biology so it kind of combined everything that I individually loved anyway. Plus, being in the field is the best part. You're lucky I didn't show up in my mine reflective gear because that's generally how I go around.

<u>Art Henderson:</u> I want to know your opinion on hydraulic fracking, there is a lot of positive and negative depending on which way your persuasion is, and I would like to hear your view on hydraulic fracking. <u>John Spring:</u> When it comes to natural gas and oil, fracking is a technology that has brought about a very bipolar opinion. Personally, I feel for the productivity of the wells, the benefits are very clear. Like any tool in the toolbox, its application needs to be evaluated on a case-by-case basis. In other words, depending on the host and what the situation is and the regional structures and things that are going on, the need may be required for those projects to move forward. In large, I am in support of it. I do feel that due to the heightened level of concern though that it is very important to have forward communication with the public.

<u>Art Henderson:</u> In the oil, gas, and geothermal exploration and production, what is the best way to protect the waters of the State of Nevada?

<u>John Spring:</u> It really comes down to a case-by-case basis. When it comes to the watershed itself as a whole, and waters and making sure that there is a good understanding in sensitive areas. That approach, fracking and those areas may be too sensitive to carry out such activities. Therefore, when it comes to that it comes down to the particular project and where it's at. That's critical, both with the mining and also with drilling like that. It is our license to operate, if you will, because we are the stewards of the environment, so therefore, we do a disservice to ourselves if we don't do an appropriate job when it comes to managing those types of activities and deciding where it's going to happen and where it's not.

<u>Nigel Bain:</u> Can you tell us about a failure that you had and how you overcame it and what you learned about how to conduct yourself from that challenge?

John Spring: One in particular, you get into resource estimation and the overall conversion of ounces whether it's from indicated or measured, the case may be that it's very important for some of the non-technical management to understand the true amount of time that is required when it comes to converting those ounces to make sure that the resource is ready to put in to production. I was working for a company in Alaska, as the mine life was getting shorter, there was an unrealistic expectation that in the funding for the drilling they thought it could be a little bit more piece meal and they would get the results more rapidly and so I at the time was a senior geologist and I allowed the chief to have the direct interaction with the management and I felt like it was important to follow chain of command and assume that that communication was taking place. It did lead to some hiccups in the project, and I've found from that that it comes down to those relationships. To make sure that you have those relationships that everyone can feel like that no matter what their level in the project is, that they can have a communication about it and make sure that everybody is in the loop. So that we can manage expectations because again everybody is going to have a slightly different ways that they are looking at the project.

<u>Josh Nordquist:</u> Can you describe your current knowledge of the regulations that the department oversees? John Spring: Specifics wise?

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<u>Josh Nordquist:</u> Just a description of where you are at with your knowledge in mining. John Spring: With the respect to mining, I believe this comes down to just dissolved minerals and so not necessarily in the hard rock aspects.

<u>Josh Nordquist:</u> Maybe as a follow-up and just a description of where you are at with your knowledge of the other areas that we oversee such as oil gas and geothermal.

John Spring: With respect to all the drilling activities for oil and gas and geothermal, that's my understanding is the Divisions largest impact because they're responsible for granting and approval of the permits as well as the routine inspection and follow up with all of those activities to make sure that the policies are correct.

Bob Felder: Imagine yourself as the newly appointed administrator for the Division of Minerals, what would you hope to accomplish in the first year, and then say in the next 5 years?

<u>John Spring</u>: Reflecting back to my comment before on how it is kind of a pivotal time with the interest and all eyes being on Nevada, there needs to be a bit of effort placed and Nevada will naturally fall into the leading curve of lithium exploration for the US. It's definitely very important that we have our ducks in a row because the policies that we put into place for that exploration largely will be copied or duplicated across the US. Nevada has been the mining hub for a very long time for the US. Nevada is unique in the aspects of the lithium deposits coupled with the geothermal as well. That's more in that five year, I guess that's kind of a short term and long term projective but in that first year I think it's going to be critical to start wrapping around what our strategy and message is going to be.

Bob Felder: As a follow up question, your experience is in the mining side, so in the first year what would be your strategy for getting up to speed with oil, gas and geothermal?

<u>John:</u> Absolutely, and that would definitely fall within that first six-to-twelve-month period. I have worked with Ormat with respect to the Cortez Canyon for sharing data sets and helping their work along there. However though, for the oil and gas, that's definitely going to be a, I have no experience in oil and gas so there is some technical overlap with respect to the drilling aspects, however, largely that would be an area that I would have to draw off my experience.

Stephanie Hallinan: The Division is required to work with DCNR and the legislature, what skills do you have in the political realm?

<u>John Spring</u>: Outside of MSHA, it would be limited to our interactions with the BLM and some of our projects on the public lands, but outside of that, that would be the extent.

<u>Randy Griffin:</u> What made you give up teaching? It looks like you had about three years' worth of teaching. Was it the money or you wanted to relocate to Nevada?

<u>John Spring:</u> I always had a travel adventure bug in me, it started off with I had 2 bachelor's degrees, I felt what's the point of having one that I had no practical experience in. After teaching for a few years, I had an opportunity to join Newmont Mining and to come out West and start working as a geologist. It really revolved

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around you know someone getting a degree and then they never use it and go a different path, and so I thought it would be a good move to gain some practical experience in it. Again, I found that as far as the balance of science and working with teams and that coupled with how it can take me around the globe doing work, just fascinated me and scratched that itch.

Randy Griffin: What is an economic geologist versus a run of the mill geologist?

<u>John Spring:</u> An economic geologist focuses on whatever the commodity may be, once it's assembled into a quantity that's actually economically viable. It just comes down to concentrations of the mineral and that assessment of what bodies are economically.

Bob Felder: The big companies often put people through various kinds of soft-skills training, have you had any of that in your experience?

<u>John Spring</u>: No, I have not. If you look at my progression, it's been a fairly rapid progression. Part of that, in my opinion, is due to my teaching experience and just that natural ability to interact effectively. You are correct in that the larger companies do provide that kind of training and I have some of my fellow geologists and my future leaders of tomorrow that we do roll those through programs because leadership is not an easy skill for some to pick up. So far it appears that I have been effective in leading teams and guiding them to objectives.

Bob Felder: Can you give us an example where you encountered a conflict or disagreement and how you managed through it?

John Spring: I was working for Klondex here in northern Nevada at their Fire Creek project, I worked for them approximately two years. Hecla then acquired them, so my role within the company essentially stayed the same but just a change in ownership. When there is a change in management, there is a change in philosophy and culture. Sometimes it comes from a lack of full understanding of the project. When Hecla first came into the fold, they were trying to really understand those assets. There was a little bit of, I don't know if I would necessarily say conflict, but definitely a little bit of strife and perhaps frustration as they had a little bit of buyer's remorse. They came in and they had full access to our complete data catalog. Our geologic records, everything. One of the shortcomings for Klondex was that we were starting to oxide our ore body, it wasn't gone but it was starting to deplete and we found that some of the additional resources was a transitional ore body to moderate refractory and Hecla did not possess any processing facilities for that ore type so then the way to monetize your assets and learning to interact with the management team and move that project forward even past that point for a number of years was definitely a struggle, at first. But once they saw the site team was very competent and that a lot of it stemmed from a barrier of communication.

<u>Josh Nordquist</u>: As the administrator for the department, a few years down the road in this role, how do you measure your success in this role?

<u>John Spring</u>: Since this is a public entity, I think one always has to, hopefully the Division is here and thriving in a time of fiscal crisis I think a lot of the government starts to look for the parts that they can make redundant or

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remove so, hopefully the need and requirement and the roles that the team and the projects that we oversee, if that number goes up, essentially expanding our value to the State of Nevada. That would be a measure of success, for sure. On a personal or management note, when it comes to the team, albeit it a smaller team, the tenure amongst your team and what is the attrition rate.

Josh Nordquist: Any other questions for John at this point? No, John thank you very much.

John Spring: Absolutely. Thank you, commissioners.

B. Discussion and possible selection of a new Administrator

The Commission discussed the merits of each candidate.

Motion to make Robert Ghiglieri the Administrator of NDOM, and if approved, he will meet with Chairman Nordquist

to come to terms with his compensation was made by: Arthur Henderson

Seconded by: Nigel Bain

Unanimously approved.

Following a brief recess, the two candidates rejoined the meeting. The Commission thanked them both for their time and for their thoughtful responses to their questions and let them know that they had chosen Rob Ghiglieri as the new Administrator.

III. Recess Until 1:15 PM

Β.

V. Old Business

Financial Update FY23 to FY25 (Taken out of order as previously approved)

Administrator Visher presented the FY23-FY25 financial projections, see attachment.

Josh Nordquist: Just for clarity, we are now in FY24?

<u>Mike Visher</u>: Correct. We have not yet closed FY23. That happens in another week or so. We are waiting for some final numbers to come through that have not officially come through. But yes, we are already in FY24. <u>Josh Nordquist</u>: Also, Mike, just to be clear, section 9 does not include any of the proposals we are hearing today?

Mike Visher: Correct

Josh Nordquist: Any other questions, commissioners? If there are none will move on to the next agenda item.

IV. New Business Continued

A. Rock, Mineral, and Geology Display Proposal

Josh Bonde, Director of the State Museum, provided a presentation for a proposal for a new rock, mineral, and geology display at the Nevada State Museum, see attached.

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<u>Art Henderson</u>: Garrett did a lot of work on those other museums, will this require the division to provide the same amount of work, or will you take the full load on yourself?

<u>Josh Bonde</u>: What we are looking at doing is utilizing work that has already been done by NDOM and rebuilding another one of those stand-alone exhibits, so I think a lot of the heavy lifting has already been done. We would like to see some tweaks such as tailoring that exhibit to what we would need in that space, which I don't think would be major edits. We have some nit-picky stuff at the museum like fonts, and things like that that we would work with you guys on.

Nigel Bain: This is the museum just up the street?

Josh Bonde: Yes

<u>Josh Nordquist</u>: Maybe I'll pass the question to Garrett for a moment. Are we aware of any suppliers that we have used before, and do we have any known concerns producing the same exhibit again?

<u>Garrett Wake</u>: The builder of the last exhibit has expressed interest in doing these as they come about. We told them this was something that hopefully we could continue to do. As far as I know, I spoke to him a year ago or so and he has expressed interest. The cost of goods is increasing so it may cost a little different. But there are no issues that I know of with the builder.

Josh Nordquist: Have we reached out for a quote?

Garrett Wake: No, we have not.

Stephanie Hallinan: What is the time schedule?

<u>Josh Bonde</u>: There is currently no timeframe. We are hoping to have our first phase this fiscal year, or at least close to having it done this fiscal year. Within a year would be great.

<u>Nigel Bain</u>: The modern mining industry wants to cast the old mining away, and kids have to understand modern mining is full of new technology. From my point of view, we would support you, but we need to get the right message out.

<u>Josh Bonde</u>: I was on the Board of Directors for the Geological Society in Nevada for over a decade, and I am aware of all the different aspects that come to bear on the modern mining industry. I think future collaborations with NDOM would be important.

Josh Nordquist: I don't think we have any geothermal related exhibits at this time?

Josh Bonde: There is lots of space for a geothermal exhibit.

<u>Randy Griffin</u>: We have had a number of these in my tenure here, one thing that pops into my mind is when we are trying to get people interested in it that we would post the starting salaries. Why not post the salaries for mining engineer on these exhibits.

<u>Josh Bonde</u>: I agree with you. Like I said, I grew up in Fallon. I think the earning potential for these fields should be highlighted, especially in our discovery lab where the kids can come in and do their hands on activities. These are viable careers. Even in the hallway as part of the big exhibit, absolutely.

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<u>Randy Griffin</u>: Mike and I went to the McCaw School of Mines, and it was a great exhibit, and I haven't seen any of these things.

Josh Bonde: Me and Garrett both sit on the McCaw Board so we will work on that.

<u>Josh Nordquist</u>: I recognize that the goals of the Museum align with the goals of the Division, are we asking for a specific request today?

Mike Visher: For clarification, there is a request letter included in your packet.

<u>Josh Bonde</u>: The request is for a stand-alone exhibit similar in model to the two others this Division has had built, and for a hands-on activity in the discovery lab. Project not to exceed \$80k.

Josh Nordquist: Does this \$80k align with what this exhibit project cost in the past?

<u>Garrett Wake</u>: In the past it was about \$50k but they are asking for an additional item in the discovery lab. I also want to remind the Commission that this would have to go through the contracting process again, just like we have in the past. So, if that additional portion for the same contract we would have to bid for that and apply for it just like we did the last time.

<u>Josh Bonde</u>: Just to clarify, the \$80k not to exceed amount is taking in to account the rising cost of goods over the last few years.

Stephanie Hallinan: If we approve this, is there any type of marketing campaign after the exhibit is completed? Josh Bonde: Yes, we have a marketing team through the Department of Tourism, and they are very keen on highlighting and advertising any new exhibit. They also have contacts with all the periodicals around the State of Nevada and with the major newspapers. They would do a press release and some sort of marketing event. Mike Visher: As a member, I'll also add that there is a newsletter as well. I think what we were kind of looking at is the ability to move forward to get the bids and see what the increase was from where we were before, knowing that it is going to be more than \$50k and with any additional monies that are available from the \$80k cap that we would then put together a scope of work that would meet the other two bullets which is the activity in the lab and then any seed for what might be used in the hallway.

<u>Rob Ghiglieri</u>: If this were to be approved today, when it comes to the bids, what we would be authorizing is up to \$80k. If we did not receive a bid in that range, then we would have to come back to the commission. But, if the bids did come underneath, it would be under the state contracting policies for us to select a bid. At that point you're saying for this it would be yes, we do want to move forward up to \$80k, if it's more than \$80k, then we would have to come back to the Commission and ask for additional funding or find additional partners to be able to cover the rest of that money. With that, I was the one that put that \$80k figure out there and that was because of inflation as well as this is going to be mirroring the other exhibits that were built, but we are giving a little bit more of a Nevada twist on the geology, so there is a little bit of tweaks that we want to look at.

<u>Art Henderson</u>: I would like to make a motion to approve the proposal with the cost not to exceed \$80k and to be managed by the Division.

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<u>Josh Nordquist</u>: Art, can you clarify what you mean by managed by the Division? <u>Art Henderson</u>: The Division will manage the bidding process and will report back to the commission at a later meeting to give us progress of how the bids fell within the budget.

Seconded by: Nigel Bain Unanimously Approved

B. Proposal to fund purchase of new equipment at the Mining Center of Excellence

Sam Spearing provided a presentation for the proposal to fund the purchase of new equipment at the Mining Center of Excellence, see attached.

Bob Felder: Sam, I assume you are reaching out to other stakeholders, how is that going? Are the mining companies being supportive?

<u>Sam Spearing</u>: We have approached Nevada Gold Mines and they wanted to know what we needed to fix up the building and make it fit for purpose. We are putting in a grant for a full-time mining instructor. As it stands now, we have about twenty scholarships for the dual credits. But we haven't worked on a lot of the building because we didn't have a firm price for it. The other thing was that we didn't have the MOU between UNR and GBC which was signed again towards the end of June.

Bob Felder: So, the question was more about your sources of funding, are you succeeding in bringing in money or are we a major part of that, or how does that look?

<u>Sam Spearing</u>: As it stands at the moment, you are the largest one. We have got the meeting September 1 and we have had another meeting with NGM. Our president is talking to NGM, and we have the Governor visiting us on Tuesday where we will be showcasing what we are doing. Part of the problem has been moving very, very quickly. Without having, to be honest, all our ducks in a row, we've got those in a row now, so we are moving forward with that. But as it stands now, absolutely, NDOM is our biggest sponsor to date.

Bob Felder: One last question, with the MOU with UNR, you get 100% of the funds, is that right? **Sam Spearing:** Yes.

Josh Nordquist: Sam, what is the schedule with the current items that we are funding?

<u>Sam Spearing</u>: We will have a schedule by this month because we have only just formed our steering committee with UNR and because that funding was approved for the Mining Center of Excellence but through UNR there are some hoops to go through to be transferring things and organizing that.

Rob Ghiglieri: To update the Commission on the previous approved items, I had a conversation with Annie Huhta just the other day and yesterday was the IFC meeting and we are good to push that funding from FY23 to FY24, so we are good to use that in FY24. The wait to purchase the items were for the many things Sam Spearing had said.

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Stephanie Hallinan: I live in Spring Creek and work with Kinross. When you mention addressing the parents in the area, do you have a plan? What is the plan to catch some of those folks that enrollment does increase for the program. What is the plan for actually getting the word out more?

<u>Sam Spearing</u>: We have got Heather Steel on our advisory council; she looks out for dual credits for both of the high schools. We will be producing a note saying, "is your child thinking of going to college". If so, these are the options they have related to mining so they can go to the CTE trades. They can look at the dual credits for geology, mining, and metallurgy.

<u>Nigel Bain</u>: From personal experience, Barrick was supporting the Great Basin trade school in Winnemucca and giving scholarships out. When we see those notes through the school system, there is zero participation. When we went to the parents at the mine, we had a greater turnout. The kid gets the note, but it never makes it out of the lunch box.

<u>Sam Spearing</u>: Absolutely, our ATC scholarship gives them \$5k towards their education. It gives them an internship on Fridays and Saturdays or whatever else they want to work where they get paid \$20 an hour, and it allows the company over that year to see if the student has the beliefs, values, etc. and it's very popular and we are trying to grow that even more. It's been running for over 20 years. It's a very popular program and we do it through the parents as well.

<u>Art Henderson:</u> I think this is a very good program, but I would like to see more progress before we commit to more funds. I suggest you come back maybe next quarter or the quarter after that and show some progress and maybe show that your equipment that we have already given you has been ordered and then we can consider it again.

<u>Sam Spearing</u>: That makes sense. I have got no problem with that. We need to show progress. I agree to that. <u>Art Henderson</u>: Let me ask Rob, if we delay the second batch of purchasing for this equipment, do we still have time before the building is ready to go?

<u>Rob Ghiglieri</u>: With the approved funding by the Commission, what we did is we budgeted for it in FY23, then there were quite a few surprises with the building, so it was delayed. The way the contract is written we have until December 13, 2024, for that contract before we would need to amend the contract. Right now, the authority for this funding is in FY24. So, delaying it, we have ten months until we would have to look at that again. Does that answer your question?

<u>Art Henderson</u>: I'm not talking about the equipment that we already approved, I am talking about the new proposal that he is asking for today. He is asking for the spectrometer and the VR sets. So, if we don't approve this today, they still have a lot of work to catch up with the building, the electrical, and we can revisit this in three to six months, and it probably won't cause any delays for them to implement into their excellence program.

Rob Ghiglieri: No, I don't see any issues with that at all.

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<u>Josh Nordquist</u>: I support that approach too. We remain committed to what we've already contracted, and I agree with that approach to come back to that in a quarter or two and see what progress we have made. <u>Sam Spearing</u>: The VR sets could be used not just for us but at McCaw and at the museums and things like that because they are the kind of thing that apart from training students, they are very appealing for the mining industry and for kids to look at them and to see wow this is an open pit mine I can navigate myself around. If it's delayed, it really doesn't affect things but I'm just saying that doesn't need a building and can be mobile and used immediately. Thank you.

<u>Josh Nordquist</u>: I will take this opportunity for a motion to be presented otherwise, we will come back to this at a later date.

Mike Visher: Do you want to table this to the next commission meeting?

<u>Josh Nordquist</u>: Yes, lets look at towards the next commission meeting and look towards what progress we've got at that time.

C. Review of Division of Minerals recent education and outreach

Carol Shelton and Garrett Wake presented a review of the recent education and outreach for the Division of Minerals, see attachments.

<u>Stephanie Hallinan</u>: I haven't looked for this on the NDOM website yet, is there a list of what schools in the towns or cities within Nevada that we are visiting? The reason I ask that is because our GM at Bald Mountain Mine his girlfriend is a teacher in Reno, and our GM was curious one day he was saying he doesn't know how we are reaching the young people through the teachers, and I mentioned how there is the education workshop and Joe was saying that they had received some misinformation and he had heard that somebody talked about coal mining at some of the schools in Reno, but it was all pretty negative and that's where he was thinking how are we reaching out and so I knew we did and I wondered if there is a list of the schools in the areas.

<u>Garrett Wake</u>: We have a very advanced database and it's an Excel spreadsheet, with the names of all the schools that we go to. We do have that information. I do think that is another area where we can improve that. Many years ago, I tried to track where we were going in terms of zip code to see where we were doing presentations across the state, and it came out well, but it really showed a lot in Reno and Las Vegas, and I thought well maybe that's not the best thing. But we do have that information and it would be good to polish it up a little bit and make it available.

<u>Mike Visher</u>: Because it's something we do internally to keep track of our performance measures, it would be easy to update and put on the website and then add in if you would like a presentation at your school, click here. A mechanism so that the public and the interested parties can see where we are doing this outreach, and

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if they don't see them being represented, how can they raise their hand, and it wouldn't require any additional work on our part.

Randy Griffin: How do you all reach out to the schools?

<u>Garrett Wake</u>: We have tried many avenues. I have emailed superintendents across the State, of course I didn't get any emails back. The mechanisms we have found to be the most beneficial, aside from word of mouth and recurring and building a network. The few things that have worked out really well, we are part of a network called CHOLLA, they are a network of groups in Clark County aligned with companies and non-profits that support schools and so that network has a lot of Southern Nevada schools in their distribution database, so we plug them, and I send them an email blast. We got a lot of responses on that. I set up an appointment scheduling website which worked out well, but it had some challenges. If there are any ideas that anyone has, we are open to hearing them.

V. Old Business continued

A. Review of Division of Minerals federal AML partner agreements

Rob Ghiglieri presented an overview of the federal AML partner agreements for the Division of Minerals, see attachment.

<u>Mike Visher</u>: Rob, if you want to add what you have done to prepare for the contracts and the money coming in so that we are not reacting. What pro-active work has the agency done?

Rob Ghiglieri: Looking into the future we have a lot of contracts that do very similar work. So, working with State Purchasing, we decided to come up with a statewide contract. This will affect the county funding as well, that \$400k. What we are going to do is start a final scope of work. We will have a statewide contract that will go out for bid. The statewide contract will cover anything and everything you can imagine with the AML work. From fencing, inventory, environmental, wildlife surveys, cultural surveys and anything and everything in between. They will release this and companies will be able to bid on it to become on the list. Then there will be a contractor on the list for us to be able to use and then we go through and make the agreement with them on a specific project or for a two-year basis or a four-year basis and then be able to get that work done. So, it will open the opportunity to get work done. This will help get through the RFP process a lot faster.

<u>Stephanie Hallinan</u>: I have one quick question, when you mentioned program innovation for your final slide and there is room for improvement, did you guys go through and find out what did work well for FY23 so that you can track what went well so that we can do a little better the next time.

<u>Rob Ghiglieri</u>: Yes so, I mentioned earlier in the day that the transition in technology to have a data gathering, the technology we are using works. Also looking at what other states are doing.

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VI. Commission Business

- A. Review of staff monthly activity reports
- B. Set date for next commission meeting.

Josh Nordquist: We will target early November, I assume. The week of the 6th or the week of the 13th. Rob Ghiglieri: Normally the November meeting is in Carson, the August meeting is in a rural location, and the February meeting is in Las Vegas. We kind of got turned around this last calendar year on the locations. <u>Mike Visher:</u> We had initially looked at doing this meeting in Eureka with a field visit of the Gibellini Mine and Ron Espell has offered to do that. I think that would be a good one because that one is coming up for a record of decision. They have some novel approaches that they have done for both permitting and land issues and mitigation that I think would be beneficial to the Commission. We can do it in Eureka. It's been a while since we have been there. I can check with Ron and see what is available, but we would be looking at a Wednesday and Thursday because Friday is a holiday so Wednesday the 8th and Thursday the 9th either a morning or afternoon tour.

Josh Nordquist: Can we do the meeting in Eureka as well?

Mike Visher: Yes

Josh Nordquist: We will tentatively schedule for November 8th or 9th.

COMMENTS BY THE GENERAL PUBLIC

Rob Ghiglieri: I would like to thank Mike for all he has done for the last 19 years at the agency and spent the last eleven years mentoring me and others. This is a great place to work and a great place to have a resource to go to anytime and you will be missed at the Division, and I do have your cell phone number just letting you know.

Josh Nordquist: I think we all would like to thank Mike as this is his last commission meeting before his retirement.

ADJOURNMENT

3:39 pm

III. A NEW BUSINESS Introduction of the new CREG Director

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III. B NEW BUSINESS <u>Request by Carson City</u> <u>Children's Museum</u>



Becky Hall Director BHall@CMNN.org (775) 884-2226

To: Nevada Division of Minerals

From: Children's Museum of Northern Nevada

Date: October 19, 2023

Re: Collaborating to update existing exhibits to include additional educational material on Mining in Nevada

Background: The Children's Museum of Northern Nevada, located in the heart of downtown Carson City, has been serving the local community, surrounding rural towns in Northern Nevada, and visitors from afar who visit the State Capital to learn more about the great State of Nevada for nearly 30 years. The Children's Museum now serves approximately 25,000 annually, an increase from pre-pandemic numbers.

In 1994, the local Carson City community came together to volunteer, provide materials, and fundraise to bring the Children's Museum to life as a private 501(c)(3). As the Museum approaches its 30^{th} anniversary in 2024, there has been a fast-track goal to update, revitalize, and add additional educational content. The Museum will utilize the new educational content in the field trip program, introducing new topics, and to serve a broader guest experience from the current young-child family to an all-age Children's Museum.

Proposal: As the Children's Museum updates to modern and fresh exhibits, there will be a need for prefabricated materials to meet specific goals and needs. The Children's Museum is looking for a collaboration from Nevada Division of Minerals as well as reaching out to the mining industry to support our efforts to include more Mining education in the Museum's exhibits. The Museum is currently constructing a new Geology and Fossil Learning Laboratory as well as displays of minerals, rocks, and fossils. This \$15,000 project will open the Museums lower level to the public as well as create learning opportunities for students to visit during field trips and create opportunities for mature students (high school-college), to intern in a working lab. To supplement this exhibit, the Museum is looking to add prefabricated software and materials to install an augmented reality geology sandbox and a virtual open pit mining experience.

Specifics:

- Cost not to exceed \$5,000
- Detailed "off-the-shelf" material and supply list (e.g. projector, software, monitor, sandbox supplies)
- Taking initial steps for further collaborations with mining industry in Nevada

Thank you for your consideration,

Becky Hall Director



CHILDREN'S MUSEUM OF NORTHERN NEVADA

813 North Carson Street Carson City, NV 89703 Becky Hall

Director BHall@CMNN.org (775) 884-2226

Augmented Reality Sandbox



Interactive Nevada Open Pit Mine



III. C NEW BUSINESS Update on Division of Minerals Staff Changes

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III. D NEW BUSINESS AML Program Update

2023 NDOM AML UPDATE

TOPICS SAFEGUARDING

CONTRACTS

HARD CLOSURES

OUT REACH



SAFEGUARDING NUMBERS

INVENTORY – ANNUAL – 438 TOTAL – 25,010 SECURINGS – ANNUAL – 431 TOTAL – 20,588

REVISITS – ANNUAL – 1,106 TOTAL – 9,000+

too L

NONHAZARDS – ANNUAL – 3,000+ TOTAL – 128,000+

HARD CLOSURE PROJECTS

Project Areas

- Logandale Clark County 30 Sites

Pine Nuts
Douglas, Carson City, and Lyon
Counties
67 Sites

Twin Buttes5 SitesPershing County

- Buckingham Mine Lander County 22 Sites

Olinghouse (CX approval)Washoe County68 Sites


CONTRACTS

Bureau of Land Management

McGinley – Bob Thomas

~ Friedburg

Broadbent – Alain Pollock

~ Friedbrug

CONTRACTS

US Forest Service

Broadbent - Alain Pollack – Cultural

- Boulder Hill
- Ely 10 Mile
- Aurora 2

West Consultants - Jason Williams - Wildlife

- Boulder hill

- Ely I0 mile
- Aurora 2 - Jumping Jack

- Jarbidge

- Treasure Hill

AMLAWARENESS



Billboard in Vegas

2022 Summer Field Season

Sulpher

Candeleria

Mount Lewis

Winnemucca + Teachers Workshop

Mount Lewis v.2

Yerington x 2

Rawhide

White Pine County x 2

2023 Interns -

Jake Cheney – Junior, Mine Engineering Juan Diaz – Junior, Forest Managegment Lindey Smith – Junior, Geological Engineering Tim Miller – Junior, Geological Engineering Fallon Rose – Junior, Metallurgical Engineering





Out Reach

Expanding the Intern Applicant Pool

- Western Colorado University
- University of Oregon





THANKYOU

Peter Engh

Phone 775-721-1774

Email Peterengh@minerarls.nv.gov

III. E NEW BUSINESS <u>2023 Fluid Minerals</u> <u>Program Update</u>





State of Nevada's Oil, Geothermal, and Dissolved Minerals Activity 2023

Commission Meeting – November 2023

Dustin Holcomb Fluid Minerals Program Manager Nevada Division of Minerals



Nevada Division of Minerals

NEVADA division of MINERALS



Dustin Holcomb Fluid Minerals Program Manager dholcomb@minerals.nv.gov



120 Open Wells

- 65 Producers Active Wells
- 40 Producers Shut In
- 12 Active Injection Wells
- 3 Shut In Injection Wells
- 7 Orphan Wells(BLM surface)

Oil Wells Drilled in Nevada ~742 Total Wells Drilled











Oil Exploration Drilling and Permitting

West Grant Canyon Development, LLC - Railroad Valley, Nye County

Butterfield Federal 1, approved June 2019, Completed & Plugged June 2023

Great Basin Operating, LLC – North Diamond Valley, Elko County

North Diamon Valley 1-27, Approved July 2022, Shut-In September 2023

Hussey Oil & Gas Ventures, LLC- Grant Canyon, Nye County

• Permitted Soda Spring 1-22, approved February, expires in 2025

Hussey Oil & Gas Ventures, LLC- Grant Canyon, Nye County

Permitted North Grant Canyon 1-8, approved February, expires in 2025

Permit Type	Issued	Drilled										
Year	2018	2018	2019	2019	2020	2020	2021	2021	2022	2022	2023	2023
Oil & Gas	3	1	3	1	4	3	1	2	1	1	2	2





Future of Oil in Nevada

NEVADA DIVISION OF MINERALS

- **Reserves continue to decline-new discoveries could reverse this trend.**
- Geology of Nevada makes large new field discoveries difficult because of highly faulted and complex stratigraphy, plus volcanics can interfere with seismic interpretation.
- Higher prices due to global instability could entice out of state operators to explore Nevada.
- New techniques to extract from existing fields could increase production.
- Federal leases and permitting could become more difficult depending on the political environment.



Geothermal

NEVADA Division Of MINERALS

- Geothermal wells drilled within Nevada, on either private or federally managed lands, must be permitted by the Nevada Division of Minerals.
- Drilling and completion programs must be approved by the Division before either program is implemented.
- Drilling operations through daily reporting to the Division by the operator, as well as inspect the wells after they are completed.
- Approve all maintenance and work-over operations during the life of the well, as well as the final plugging and abandonment of a well at the end of its useful life.
- Geothermal production and injection information is submitted to the Division on a monthly basis, where the information is tabulated both monthly and annually.





Esmeralda County Activity



Geothermal Drilling

- Fish Lake Geothermal
 - 6 Permits
 - 1 Production Well
- Ormat Lone Mountain
 - 5 Permits
 - 4 Thermal Gradient Completed
 - 1 Observation Well ReEntry
- Ormat Pearl Project
 - 6 Permits
 - 3 Observation Wells Completed





Future of Geothermal in Nevada

Continued exploration of traditional geothermal systems.

- EGS- Enhanced Geothermal System, closed loop and hydraulically stimulated systems, combination of solar and geothermal systems.
- Improved power plant efficiency.
- More remote areas available due to increased infrastructure(NV Energy Greenlink).
- Government funded projects in existing oilfields.
- Lithium extraction from brine water.



https://www.sciencedirect.com/science/article/abs/pii/S0960148119316118



https://www.eavor.com/





Dissolved Mineral Resource Exploration

- DMRE Borehole Notice of Intents 16
- DMRE Well Permits –4
 - Usha Resources 2
 - Origin Minerals 2
- DMRE Wells Drilled 4*
- Wells Pumped this year 3
- Cumulative Acre-Feet: 4.5
 - W0007 0.004
 - W0008 0.218
 - W0017 4.230



NEVADA DIVISION OF MINERALS



Esmeralda County Activity



DMRE Drilling Total: 10 Exploration Wells 39 Exploration Boreholes

GeoXplor

- 1 Borehole, Clayton Valley
- 1 Exploration Well, Clayton Valley
- Intor Resources
 - 2 Boreholes, Lida Valley
- Dome Rock Resources
 - 8 Borehole, Lida Valley
- Morella Minerals
 - 4 Boreholes, Fish Lake Valley





Clark County Activity



- Usha Resources
 - 3 Exploration Wells, Garnet Valley



NEVADA division of Minerals



Nye County Activity

DMRE Drilling Total: 0 Exploration Wells 1 Exploration Boreholes

- Ionic Minerals (Bonaventure)
 - 1 Borehole, Sarcobatus Flat



NEVADA division of Minerals



Future of Dissolved Mineral Resource Exploration in Nevada

NEVADA Division of MINERALS

- Increase in demand and price of lithium.
- Direct lithium extraction, removes need for evaporation ponds and provides timely production of high-grade lithium.
- Exploration of new claims.
- Government support to become more dependent on domestic lithium resources.



Inspections



FY 2024 Well Inspections	Total Wells	Wells Needed for FY24 (1/3 of total)	Wells Inspected	% of Total Needed	Wells Remaining
Geothermal (20 Locations)	480		72		
Oil (23 Locations)	122		0		
Totals	602	201	108	54%	93





Dustin Holcomb Fluid Minerals Program Manager dholcomb@minerals.nv.gov







III. F NEW BUSINESS <u>NDOM Strategic</u> <u>Plan</u>



JOE LOMBARDO Governor STATE OF NEVADA COMMISSION ON MINERAL RESOURCES DIVISION OF MINERALS

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

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



ROBERT GHIGLIERI Administrator

Nevada Division of Minerals November 8, 2023 Strategic Plan (FY 24 - 29)

Vision:

To foster responsible mineral, oil, natural gas, and geothermal energy development essential to the state's economy and safeguard the public from dangerous legacy abandoned mines.

Mission Statement:

To encourage and assist in the responsible exploration for and the production of minerals, oil, natural gas, and geothermal energy which are economically beneficial to the State, to provide for public safety by identifying, ranking, and securing dangerous conditions at mines that are no longer operating, and collecting and disseminating information on mineral exploration, production, and related topics.

Agency Background:

The Nevada Division of Minerals (the Division) is part of the Commission on Mineral Resources (the Commission), a seven-member body appointed by the Governor who are each chosen for their knowledge of a specific facet of Nevada's mineral industry. The Commission serves to advise the Governor on mineral-related issues and to guide the Division. The agency is almost entirely fee-funded and receives no monies from the State's general fund.

The Commission and Division's history can be traced back to 1943, when the Nevada Legislature, in its 41st session, established the Advisory Mining Board, then as now, its members appointed by the Governor. The purpose of this board was to: 1) study ways and means of furthering the mining industry of the state; 2) further explore and develop the oil and gas industry; 3) report results of such studies to the governor; and 4) call upon the Nevada Bureau of Mines and its analytical laboratory in furthering the objectives and purpose of the legislative act.

In 1977, the Legislature combined the Oil and Gas Commission with the Advisory Mining Board to serve in an advisory capacity to the newly created Division of Minerals under the Department of

Conservation and Natural Resources (DCNR). It was the responsibility of this office to study the means of furthering the mining industry, develop the oil and gas industry, evaluate relevant federal policies, and administer the Oil and Gas Conservation Law. In 1983, the agency left DCNR when the Legislature created the Department of Minerals, supervised by the Commission on Mineral Resources, with all the authority and duties remaining much the same today. In 1987, the Legislature added the Abandoned Mine Lands (AML) program to NRS 513, requiring the inventory, notification of potential owners, and securing of dangerous conditions created by abandonment of mines.

Sweeping departmental changes occurred in 1993 and the Department was changed to the Division of Minerals within the newly created Department of Business and Industry. This only lasted for six years when the Legislature, in recognition of the importance of the mining, oil and gas, and geothermal industry to Nevada, moved the Division for the last time where it became a stand-alone, non-cabinet executive branch agency consisting of the Commission on Mineral Resources and the Division of Minerals.

NDOM Statutes:

- NRS 513: Commission on Mineral Resources
- NRS 517: Mining Claims, Mill Sites and Tunnel Rights
- NRS 522: Oil and Gas
- NRS 534A: Geothermal Resources
- NRS 534B: Dissolved Mineral Resources
- NRS 519A: Reclamation of Land

Existing Environment, Challenges, and Opportunities:

Nevada is the nation's leader in production of gold, lithium, barite, magnesite, and a current producer of several other minerals, including three minerals deemed critical by the federal government. We are at the forefront of our nation's current and future domestic supply of lithium. Nevada's diverse mineral endowment, strong mining history, and stable regulatory environment uniquely position us to supply our nation with vital minerals from a domestic, well-regulated source. Over the past decade, Nevada has ranked in the top five jurisdictions in the world and is currently number one for investment attractiveness based on the most current Survey of Mining Companies Investment Attractiveness Index, published annually by the Fraser Institute.

In 2022, the U.S. Department of Interior released an updated list of 50 mineral commodities critical to the U.S. economy and national security. Minerals on this list are integral to the function of our society and have been identified as having a supply chain vulnerable to disruption. Further, global decarbonization initiatives are driving rapid growth in energy minerals vital to electric vehicle and grid storage battery manufacturing, solar panel production, and energy infrastructure expansion. At current, eight critical minerals are either actively being explored for, developed, or have been produced here in the past.

There have been various challenges to mineral development in Nevada, but permitting has always been a point of contention. Recent national permitting policy reforms, rules, and guidance have the potential to drastically impact mineral development and infrastructure projects. Proposals from the Burau of Land Management (BLM) to change conservation leasing, the Department of the Interior (DOI) report from the Interagency Working Group (IWG) on Federal Mining Law Reform to change the 1872 Mining Law, the Council of Environmental Quality's (CEQ) proposed National Environmental Policy Act (NEPA) reform, among other potential changes, all bring uncertainty to U.S. and Nevada mineral development. Continuous changes in rules that govern the permitting of mineral development and infrastructure projects deter investment into Nevada and may result in increased litigation, further delaying important projects.

Methods of reducing uncertainty and shortening the time it takes to permit a mine have been identified by both political parties, but the variance on how to achieve these reforms are drastic. However, Nevada leads by example in both permitting and development by taking a holistic approach to mineral development; this starts with a strong, collaborative relationship between industry and regulatory agencies.

Approximately 86% of Nevada's land is managed by the federal government. In total, over 17 million acres or 28% of the state's land has been effectively or completely withdrawn from mineral entry. In the last 20 years, nearly 7-million acres of land within Nevada has been withdrawn from mineral entry. In the past two years, key areas such as the Avi Kwa Ame National Monument and the Navy's Fallon Range Training Complex Modernization have withdrawn land from mineral entry; both of which include areas that are known to have some of the highest critical mineral potential in the state. Continual land withdrawals from mineral entry will limit the potential of our state's mineral resource endowment, removing the ability to uncover and develop useful mineral deposits that may be vital to future technologies. Providing information on proposed land withdrawals and working with State partners and stakeholders is critical to informing policy makers when making balanced land-use decisions.

Existing and proposed solar and wind leases are also impacting lands available for mineral development. The 2013 Segregation of Lands-Renewable Energy Rule enabled the segregation of lands from mineral entry for two years while evaluating wind or solar lease right-of-way (ROW) applications. Once a ROW is approved, the land becomes subject to the authorized ROW use which effectively precludes mineral development. One point to emphasize is that mineral and geothermal resources are "where they are," and do not have the potential to be relocated like a solar field or wind farm. Opportunities for the Division to work with and provide data to stakeholders and working groups may eliminate potential conflicts and keep mineral resources available for development in the future.

Nevada has many opportunities to further the responsible production of minerals, including vital critical minerals within the state, and lead the U.S. in lithium production. The 2023 strategic plan put forth by

the Nevada Governor's Office of Economic Development (GOED) identified Nevada's ability to become a "major player in the EV supply chain" as Nevada may be the only location in the world with a complete, vertically integrated lithium supply chain.

Nevada is also the United States' second leading producer of geothermal energy – a carbon free and baseload energy supply. We have seen strong growth in the geothermal energy sector across the state in recent years and expect the industry to continue to expand. However, Nevada's current transmission line infrastructure restricts the potential locations of new geothermal power plants. Current permitting constraints for both the geothermal power plant and new transmission line infrastructure can pose significant challenges or delays to future development.

The Division prides itself for their constant pursuit of efficiency and improving program processes. Over the past decade, the Division has substantially expanded its largest program, the AML program, and drastically changed how it presents mining claim, permitting, and mineral production data to the public. Further, the agency has developed both hydraulic fracturing and dissolved mineral exploration regulations used by companies across the state. The Division is also known by industry, non-government organizations (NGOs), media, and other state agencies, including the Governor's Office, as the key point of contact for mining or mineral related topics. The Division plans to maintain and build new relationships over the next five years.

Activity	Performance Measure	Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Forec ast	FY 2025 Forecast
AML Public Safety Program	Percent of Hazardous Abandoned Mine Openings Secured	Percent of Inventoried Abandoned Mine Land Openings Which Are Currently Secured (Goal: Secured vs. Inventoried > 70%)	81%	83%	83%	83%	83%
K-12 Education Programs and Services	Minerals Education and AML Presentations per Employee	Number of Minerals Education and Public Safety (Abandoned Mine Land) Presentations Provided to Schools, Civic and Trade Groups Per Employee (Goal: ≥ 24 per Employee)	36	31	30	24	24

Existing Performance Measures

	Percent of Oil,						
Well	Gas, and	Percent of Active Oil, Gas, and					
Inspections	Geothermal	Geothermal Wells Inspected	66%	50%	35%	50%	50%
inspections	Wells Inspected	(Goal: \geq 33%)					
	per Year						

Strategic Goals

This Strategic plan has identified five goals to meet the mission and vision of the Division. Each goal has multiple objectives, each with an identified benchmark for success. The goals and objectives are not ordered by prioritization.

Goal 1: Continue to explore opportunities to encourage and assist the economic development of responsible exploration for and production of minerals, oil, gas, and geothermal energy.

With the inception of the Advisory Mining Board in 1943, the Nevada Legislature identified the importance of furthering responsible mining, oil and gas, and providing industry information to the public, stakeholders, and Governor's office. The mining industry continues to be one of the largest contributors to Nevada's economy and in most rural counties it is the largest contributor. Responsible production of minerals is vital to both the Nevada and the world economies, and the Division of Minerals aims to continue the provide the public, stakeholders, NGOs, and Government agencies the most reliable data on mineral exploration and production in Nevada. The Division works collaboratively with federal and state regulators to administer the annual Nevada Excellence in Reclamation awards, a program that seeks to share innovative, industry-leading reclamation activities with mining companies across the state.

Objective 1: Continue to build upon Nevada's strong presence at industry trade events.

Attendance at industry events allows the Division to promulgate Nevada mining and fluid minerals statistics and information with all stakeholders and learn about new emerging technologies and business that would affect the mining industry in Nevada. The Division also utilized these events and other AML specific conferences to educate about the dangers of legacy abandoned mines, as mandated in NRS 513, to respective key audiences. Networking with regulators, companies, NGOs and individuals from other states, the federal government and international partners has been greatly beneficial in broadening Division staff's institutional knowledge and has driven innovation in the Division's AML program.

Success benchmark:

• Success will be measured by the number of events attended and the number of interactions with individuals before, during and after each event.

Objective 2: Continue to enhance the Division's open-data website in the following ways:

• Provide additional education on responsible mineral, oil, natural gas and geothermal energy exploration and production within the state;

- Provide publicly available datasets available for free download and use;
- Expand map-based platforms in ways that may assist executive branch agencies and the Nevada legislature in making policy decisions based on publicly available data and science.

The Division's open-data website is a publicly available platform where users can interact with geospatial and table data in an interactive format. The Division began this service in 2017 and we have since expanded the number of datasets and tools significantly. Regulators from federal and state agencies, as well as members of private companies and the public, have made use of our open data website and consistently provide positive feedback.

Success benchmark:

• Success will be measured by at least one new online mapping software launched a year and an increase of the open data site usage by a 10% average each year over the next five years.

Objective 3: Assist in the production of Nevada-specific, industry-related reports and studies, on an annual CMR approval basis, with the Nevada Bureau of Mines and Geology (NBMG) or another institute to include:

- Bi-annual Mineral Exploration Survey
- Annual Mineral Industry Report (MI Report)
- Major Mines and associated maps
- Other Commission approved special reports

The Division produces several annual or biannual reports as prescribed by NRS 513. These reports seek to educate and inform on industry specific statistics, such as production and exploration, or gauge future investment and development. The Commission has directed the Division to conduct special reports in the past, the most recent being a 2018 report titled "Opportunities for Precious Metals Toll Milling and Copper Concentrate Processing in Nevada". This report stemmed, in part, from a lack of capacity in the state and U.S. to refine copper produced in Nevada. Much of this copper is currently shipped overseas to China for processing.

Success benchmark:

• Success will be measured by the timely production of regular reports made available to the public in a free downloadable format or in hard copy.

Objective 4: Provide mineral education presentations and activities in Nevada classrooms and seek to expand our audiences.

Currently the Division follows a performance measure of mineral education and AML related presentations or activities per FTE per year. This performance measure has been surpassed every year since 2013. In addition, the Division has found unique ways of reaching various audiences, including the creation of web-hosted video content, educational applications, and an online, do-at-your-own-pace

course titled "All About Mining: Mining for a STEM Education"; this virtual course was created alongside the Nevada and Colorado Mining Associations and provides Contact Unit credits to Nevada's K-12 educators.

Success benchmark:

• Success will be measured by continuing to meet the existing performance measure standard of 24 presentations per FTE and developing one new classroom activity per year.

Objective 5: Monitor federal, State, and local legislation and policy changes that may affect the minerals industry and provide this information to the Governor's Office or related regulatory authorities.

Division staff review news periodicals and websites, receive emails from the State clearinghouse distribution list, and attend industry functions, among other avenues to fulfill this objective. In addition, the Division is currently pursuing membership to the Interstate Mining Compact Commission (IMCC) -- a commission made up of representatives from U.S. mineral-producing states' regulatory agencies -- that collaborate to share insight on legislation and policy changes and have a shared voice in Washington DC centering on the responsible production of minerals. Currently the Division is a contributing member of multiple working groups or committees to provide the mining data and knowledge for policy decisions.

Success benchmark:

• Success will be measured by the Division remaining as the point of contact in mineral related questions or policy decision with industry, NGOs, stakeholders, and other government agencies.

Goal 2: Expand the Division's Abandoned Mine Lands Program

The Division's AML physical safety program is one of the largest hardrock (non-coal) programs in the nation. While the Division has made tremendous progress in the inventory of nearly 25,000 physically dangerous abandoned mines statewide, there are still decades of work at current and forecasted funding levels. An internal estimate showed that at current funding levels it would take over 100 years to complete the goal of the program.

County mining claim filing fees provide nearly 80% of the Division's funding; this source can be difficult to forecast in the long term due to volatility in commodity prices and potential state or federal policy changes affecting mining. The AML program currently consumes approximately 50% of the agency budget. At present, it appears that the mining industry is stable or experiencing growth, allowing the Division to reasonably project near-term funding. The Division is also successful in securing additional funding through federal partnerships and will continue to pursue additional funding mechanisms.

Objective 1: Continue to build on the foundational relationships with our federal, state, and local partners. Currently, federal partners see the Division's AML program as a success and have steadily increased annual assistance funding for work on the lands they manage.

Success benchmark:

• Success will be measured by maintaining existing partnerships and securing additional federal funding for the Division's AML program. The Division will seek a 33% increase in funding from current levels over FY 23 to FY 29 and one additional state or federal partner would be considered a success.

Objective 2: Prepare for, and work with the Office of Environmental Policy and Compliance (OEPC) new national hardrock AML program. The new program was created under Section 40704 of the Bipartisan Infrastructure Law (BIL) and is the first of its kind for hardrock AML. Since the passage of the BIL, the Division has been working with OEPC to give a state perspective on the new program.

Success benchmark:

• Success will be measured by being an annual recipient of OEPC's AML grants and continuing our existing relationship in development and implementation of the program.

Objective 3: Continue Nevada's presence at the National Association of Abandoned Mine Lands Programs (NAAMLP) and pursue membership at the Interstate Mining Compact Commission (IMCC) to help develop the new national hardrock AML program, stay up to date on ongoing mining and AML related topics, and coordinate with other state, tribal, and federal AML programs to improve efficiencies in our own program.

Success benchmark:

• Success will be measured by active engagement with both NAAMLP and IMCC to further the Nations Hardrock AML program to be prepared for any changes that could affect the Divisions program. Nevada becoming a full member of IMCC would also be considered a success.

Objective 4: Rebranding and developing new AML Stay Out, Stay Alive (SOSA) educational materials and activities. In FY23 the Division initiated a new SOSA campaign using online ad purchases with short one minute to 15 second videos. These videos were used to target the more common digital audience such as YouTube, Instagram, Facebook, and other platforms and received more video views in a few weeks than materials presented during the previous few years. Now the Division needs to revamp all AML SOSA materials, find additional ways to get the message to the public, and continue the new digital ad campaign.

Success benchmark:

• Success will be measured by the development of a new AML SOSA campaign and updated content.

Objective 5: Build the AML program staff and enhance personnel and technological capabilities to shorten the overall timeline to complete inventory and securing AML hazards. Nevada's hardrock AML problem will take decades if not a full century to mitigate at the current funding rate. If long-term funding solutions in objectives 1 and 2 are met, additional staff will help shorten the AML mitigation timeline.

Success benchmark:

• Success will be measured by an increase of at least one AML staff member and ability to perform additional AML remediation work.

Goal 3: Continue to regulate the drilling for oil, gas, geothermal, and dissolved mineral exploration, while adapting to new and emerging technologies.

Although the oil and gas production in Nevada is near an all-time low, monitoring new extractive technologies will allow the agency to better prepare for growth within the industry. The U.S. energy transition to renewables is incentivizing every state to look for opportunities to build their renewable portfolios. Neighboring states are looking at Nevada's geothermal potential for their renewable portfolios and monitoring proposed technological advances in the industry. Nevada is the second largest geothermal energy producing state in the country and is on track to become the largest producer in the country. Exploration and new development plans are on the rise and various new technologies from the oil and gas industry are now being tested to help enhance existing geothermal production as well as identify new geothermal resources.

Nevada is the only state in the nation to produce lithium carbonate from extracted brines and has seen a major influx in exploration efforts and exploration expenditures (141% from 2021 to 2022) for the delineation of lithium resources. The national spotlight has been placed on Nevada for the enormous potential of not only primary lithium production, but also for downstream manufacturing and recycling. The Division of Minerals helps in the process of lithium brine exploration. The Dissolved Mineral Resource Exploration regulation, NRS 534B, allows exploration companies to pump and test up to 5-acre feet of water per project to further refine potential lithium resources providing a key step in the exploration phase.

Objective 1: Continue to regulate the drilling for oil, gas, geothermal, and dissolved mineral resources while continuously monitoring rapidly changing technologies to prevent degradation of the waters of the state. If warranted update the Nevada Administrative Codes (NACs) to meet the demands of new and emerging technologies.

Success benchmark:

• Success will be measured by efficiently and effectively permitting new drilling operations within the state that include proposed new technologies that will increase mineral resources.

Objective 2: With an anticipated increase in geothermal and dissolved minerals, the Division will closely evaluate the workload and then build the Fluid Minerals program staff (if warranted) and capabilities to meet increased drilling permits, underground injection control (UIC) permit approvals, and projects applications. This objective will require that the workload and long-term revenue from permit fees justify additional staff members.

Success benchmark:

• Success will be measured by an increase of one Fluids Mineral staff member and ability to perform additional drilling permitting (if warranted).

Goal 4: Improve the public and stakeholders' ability to input data to and receive data from Division.

Objective 1: Improve the ability to receive and report mineral production data required under NRS 513.073 Sec. 3. The Division is mandated to be the repository of all mineral production data which is used to correlate and validate the Nevada Department of Taxation Net Proceeds of Minerals Tax. This tax has provided over \$2.4 billion in tax revenue since 2002. Half of these taxes go to the producing County and the remaining half to the State General Fund. In 2021 the Nevada Legislature approved an additional 0.75% - 1.1% tax increase depending on the amount of gross revenue reported to specific gold and/or silver producers, that is dedicated towards funding k-12 education.

Success benchmark:

• Success will be measured by a 20% reduction in time processing and performing QAQC on the submitted data and improving coordination with the Department of Taxation.

Objective 2: Create an online interface for Fluids Minerals operators to enter required applications, forms, and data. This platform would be similar to North Dakota's <u>NorthSTAR</u> program or California's <u>CalGEMs</u>. The application could be a cloud-based application designed to help manage information by streamlining operations, simplifying processes, and providing a better way for operators and the Division to collaborate, collect, and analyze data.

Success benchmark:

• Success will be measured by implementing an online interface that will reduce overall time spent processing the submitted data as well as a better more direct communication path with the Division's Oil & Gas, Geothermal, and Dissolved Minerals databases.

Objective 3: Digitize the Division's Reclamation Performance Bond Pool program.
The Division administers the Nevada Reclamation Performance Bond Pool through which, mine or exploration operators may apply for bond coverage to satisfy the bond requirements of the regulating agency, either the Bureau of Land Management or the Nevada Division of Environmental Protection. The program is designed to reduce the financial burden of, and timeframe for, obtaining a reclamation bond for small operators. Currently the Bond Pool is mostly in paper format with an incomplete Microsoft Access Database and accompanying Excel tables.

Success benchmark:

• Success will be measured by implementing a streamlined digital process for the Bond Pool program and a completed database.

Activity	Performance Measure	Description	Goal
AML Public Safety Program	Percent of Hazardous Abandoned Mine Openings Secured	Percent of Inventoried Abandoned Mine Land Openings Which Are Currently Secured	Secured/Inventoried > 70%
K-12 Education Programs and Services	Minerals Education and AML Presentations per Employee	Number of Minerals Education and Public Safety (Abandoned Mine Land) Presentations Provided to Schools, Civic and Trade Groups	≥ 24 per Employee
Well Inspections	Percent of Oil, Gas, and Geothermal Wells Inspected per Year	Percent of Active Oil, Gas, and Geothermal Wells Inspected	≥33%

Goal 5: Maintain existing Performance Measures

Nevada Division of Minerals Staff:

Title	Name	Email	
Administrator	Rob Ghiglieri	rghiglieri@minerals.nv.gov	
Deputy Administrator	Garrett Wake	gwake@minerals.nv.gov	
Chief, Abandoned Mine Lands Program	Sean Derby	sderby@minerals.nv.gov	
Field Specialist	Peter Engh	peterengh@minerals.nv.gov	
Project Manager	Keith Hayes	khayes@minerals.nv.gov	

Fluids Minerals Program Manager GIS Analyst Administrative Assistant IV Education Specialist Administrative Assistant IV Program Officer II Field Specialist Dustin Holcomb Lucia Patterson Debrah Selig Carol Shelton Rebecca Tims Vacant Vacant dholcomb@minerals.nv.gov Impatterson@minerals.nv.gov dselig@minerals.nv.gov cshelton@minerals.nv.gov rtims@minerals.nv.gov

IV. A OLD BUSINESS <u>Request to</u> <u>Amend Existing Contract with</u> <u>Territory6</u>

SOSA & EDUCATION OUTREACH ENHANCEMENTS

SEAN DERBY EUREKA CMR NOVEMBER 8, 2023

CONTINUING OUR MISSION

1. Jimmy King Holiday Reboot



2. Update Education Content



3. Billboards



Jimmy King Reboot

Continuing Engagement



Jimmy King Reboot



Targeted Ad Buy

- Focusing on 3, :15 second ads not promoted during 2022 Campaign
- YouTube
- Facebook, Instagram
- Targeted Websites
- State and Federal Partners

Spending Request

- \$50,000 for 45-day campaign
- Realtime analytics through NDOM dashboard
- End of Campaign Reporting and Conclusions
- Instagram Engagement and Agency Outreach

MINING IN NEVADA Activity Book



Education Outreach Enhancements

Material and Content Updates

Education Outreach Enhancements



Content Updates

- Update literature and illustration of most widely used AML education outreach
- AML Brochure
- AML Minicourses
- Mining in Nevada Activity Book

Spending Request

- \$56,000 for new content development of 4 current publications
- \$31,000 for AML brochure and Education Activity Booklet Rewrite
- Option to fund items separately.

Billboards

New Locations

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Billboards



New Locations

- 1. Elko
- 2. Lovelock
- 3. Goldfield
- 4. Las Vegas Digital

Spending Request

- \$26,000 for installation, 4-month term, removal.
- Uses current content

Request

	Option 1	Option 2	Option 3	Option 4
Jimmy King Reboot	50,000	50,000		
AML Outreach Content Update	56,000	31,000 (Brochure and Activity Book Only)		
Billboards	26,000	26,000		
	132,000	107,000		



Thank you

Sderby@minerals.nv.gov

775-721-0282

IV. B OLD BUSINESS Administrator Report

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V. A COMMISSION BUSINESS Correspondence to the Commission

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V. B COMMISSION BUSINESS Review of Staff Monthly Activity Reports

Reports