Development of the Nevada Alternative Withdrawal Area boundaries for the BLM Mineral Withdrawal EIS

NMEC ANNUAL MEETING RENO, NV October 16, 2016



Richard Perry, Administrator, NDOM

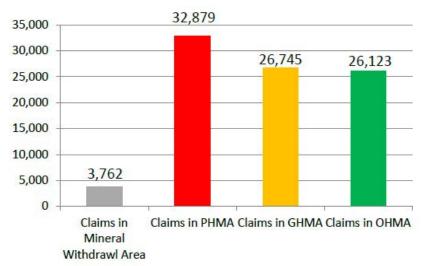
NEVADA Division of MINERALS



Chronology of Mineral Withdrawal

- BLM issues Record of Decision on "Nevada and NE CAL Greater Sage Grouse FEIS and LUPA"
 - Eliminates oil/gas, geothermal and wind energy projects on almost 2.8 million acres of NV along Idaho border
 - Segregates same 2.7 M acres (called the Sagebrush Focal Areas) to new mineral claims. Existing claims valid, but a mineral analysis would be needed if ultimately removed. Can segregate under FLPMA for 2 years while EIS is prepared.
 - All this driven by USFWS, to "avoid" listing the sage grouse as endangered
- Separate EIS begun by BLM for mineral withdrawal
- During this process CMR issued a policy recommendation letter to Governor Sandoval concerning the FEIS/LUPA on 7/8/15

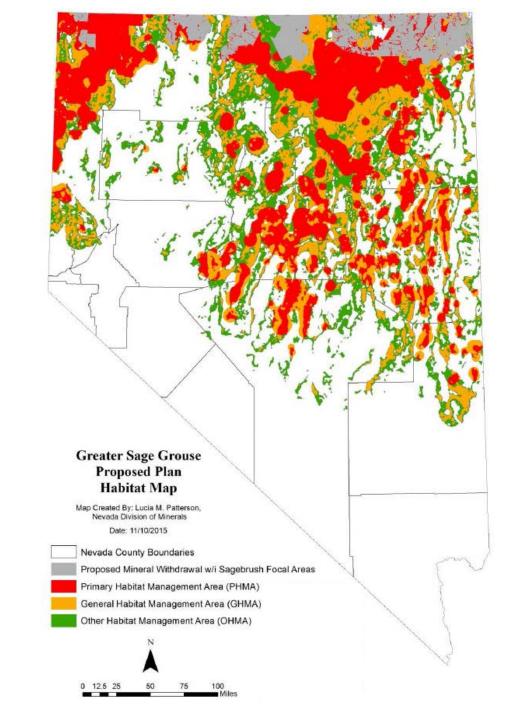
Assessment Year 2016 Active Mining Claims As of 10/16/2015

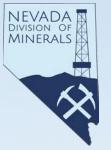


Total Active Mining Claims for Assessment Year 2016 As of 10/16/2015 163,542 Approximate # of claims impacted by Plan: 89,509 (55%)



Approximate # of claims <u>not</u> directly impacted by Plan: 74,033 (45%)





Chronology

- NDOM enlists assistance from NBMG in development of maps of high mineral, OG and Geothermal potential
- Governor's office enlists NDOM and NDOW to develop a "Nevada Alternative" to proposed SFA boundaries.
- Nevada Alternative was introduced in letter from Governor on Jan 15, 2016.
 - Nevada prefers the "no action" alternative in the EIS (no withdrawal), Sagebrush Ecosystem Council conservation credit system was set up to avoid a withdrawal.
 - Nevada Alternative is "Plan B"



DEVELOPMENT METHOD FOR AREAS OF HIGH MINERAL POTENTIAL IN PROPOSED

MINERAL WITHDRAWAL

- The process used to evaluate the area for high mineral potential (HMP) was a collaborative effort by the Nevada Bureau of Mines and Geology (NBMG) a unit of the University of Nevada, Reno, and the Nevada Division of Minerals (NDOM), a State Agency
- Development of final HMP maps a collaborative effort with NDOW and NDOM, directed by Governor's office
- CMR updated at quarterly meetings throughout the process



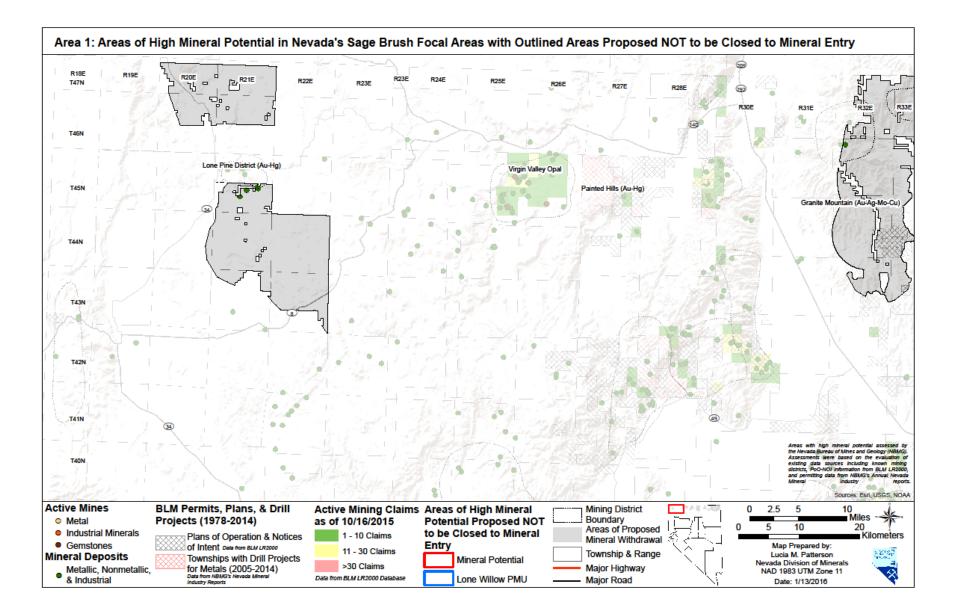
DEVELOPMENT METHOD FOR AREAS OF HIGH MINERAL POTENTIAL

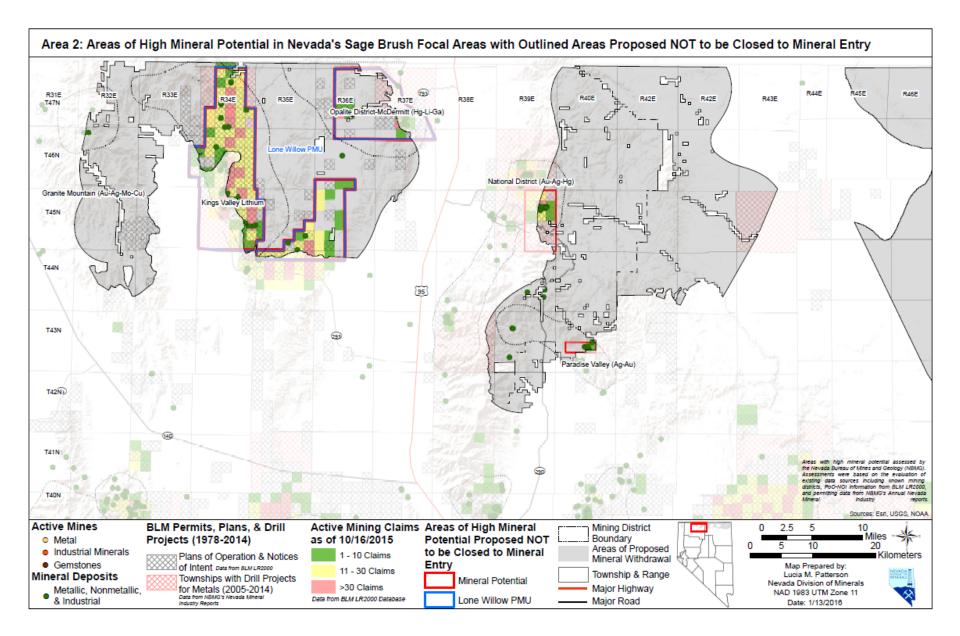
- Historic occurrences of metals and industrial minerals from NBMG archives. From historic NBMG and USGS reports and maps.
- Plans of Operations (POO's) and Notices of Intent (NOI's) for exploration and mining projects from BLM LR 2000 database
- Townships with drill projects from 2004 -2014, from annual NBMG MI reports

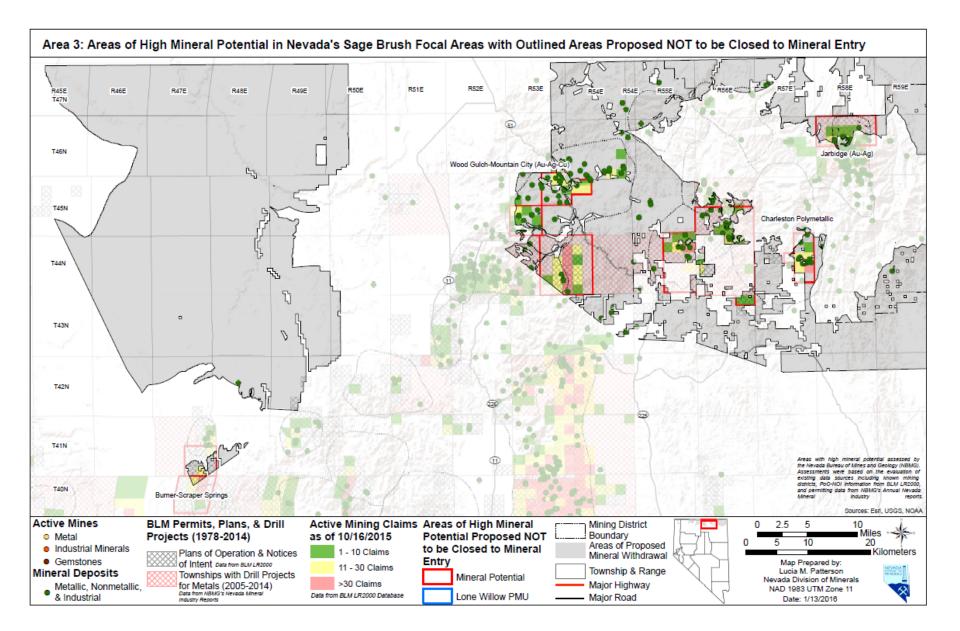


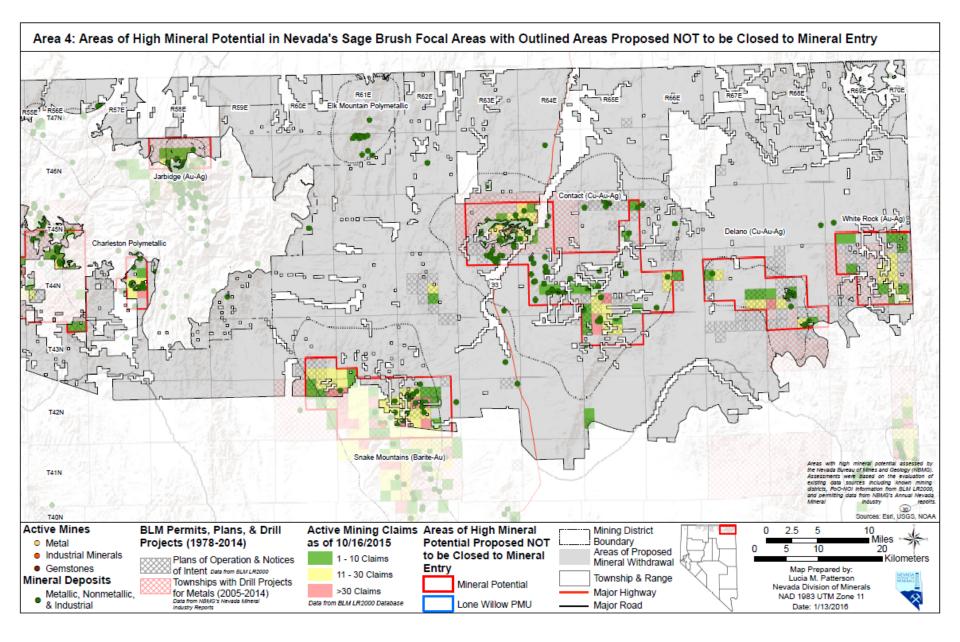
DEVELOPMENT METHOD FOR AREAS OF HIGH MINERAL POTENTIAL (CONT.)

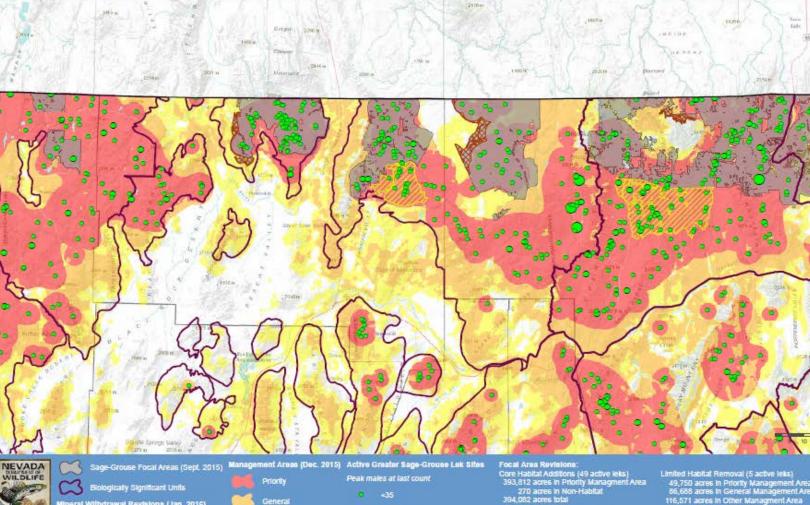
- Active unpatented mining claims, from BLM LR 2000 database, 2016 assessment year.
- Discussions with active exploration and mining companies with holdings within areas.
- Discussions with NBMG specialists
- Comparison of high mineral potential maps, at township scale, with NDOW active Sage Grouse lek maps.
 Boundaries of high mineral potential area buffer adjusted to minimize impact on leks











35 - 100

100 - 200

No servanty is made by the State of Newsda as to the ecourary reliability or completeness of State data for individual use or appropriate use with other data

Area 1: Proposed Greater Sage-Grouse Mineral Withdrawal Areas

General

Other

seral Withdrawal Revisions (Jan. 2016)

Addition (Core Habitat)

Removal (Limited Habitat)

49,750 acres in Priority Management Area 86,688 acres in Ceneral Management Area 116,571 acres in Other Management Area 63,041 acres in Non-Habitat 316,050 acres total

1/19/2016 Projection: UTM Zone 11 North, NAD83

- 24

5456.4



DEVELOPMENT METHOD FOR AREAS OF

HIGH MINERAL POTENTIAL

- MINERAL POTENTIAL RESULTS
- These data and records were the basis for delineation of 12 areas with high mineral potential.
- BIOLOGICAL AND MINERAL VALIDATION FOR THE NEVADA PROPOSED ALTERNATIVE MINERAL WITHDRAWAL AREA, 47-page report, included with Governor's letter to Secretary of Interior, June 3, 2016 (on NDOM web .
- Method developed from this data to predict *"FORSEEABLE FUTURE MINERAL DEVELOPMENT"* in the SFA area

One Hundred One North Carson Street Carson City, Nevada 89701 Office: (775) 684-5670 Fax No.: (775) 684-5683



555 East Washington Avenue, Suite 5100 Las Vegas, Nevada 89101 Office: (702) 486-2500 Fax No.: (702) 486-2505

Office of the Governor

June 3, 2016

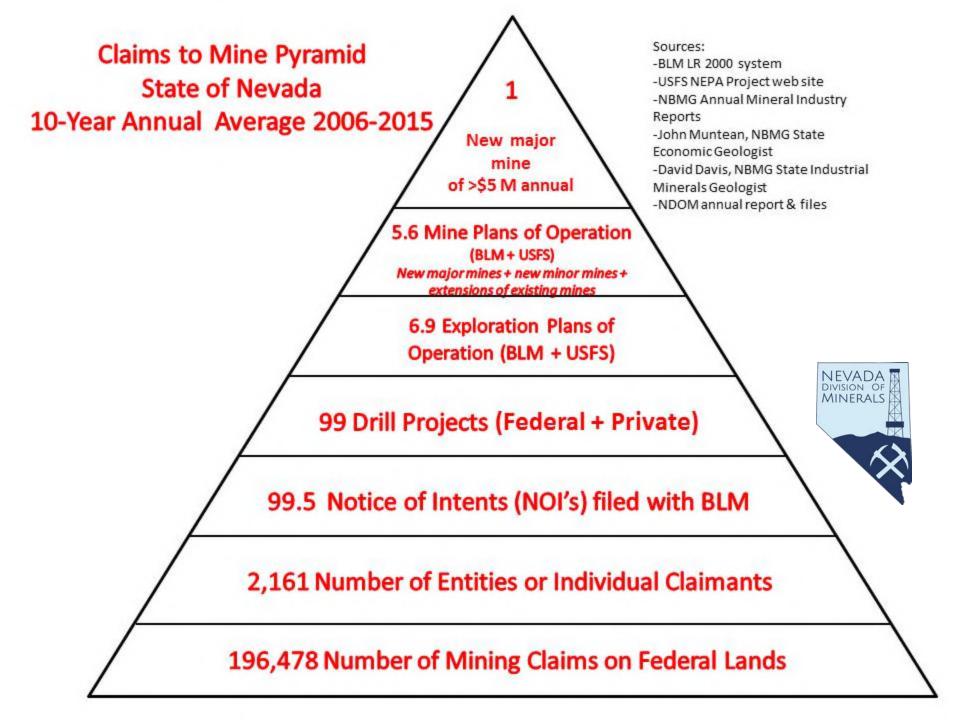
The Honorable Sally Jewell Secretary of the Interior Department of the Interior 1849 C Street, NW Washington, D.C. 20240

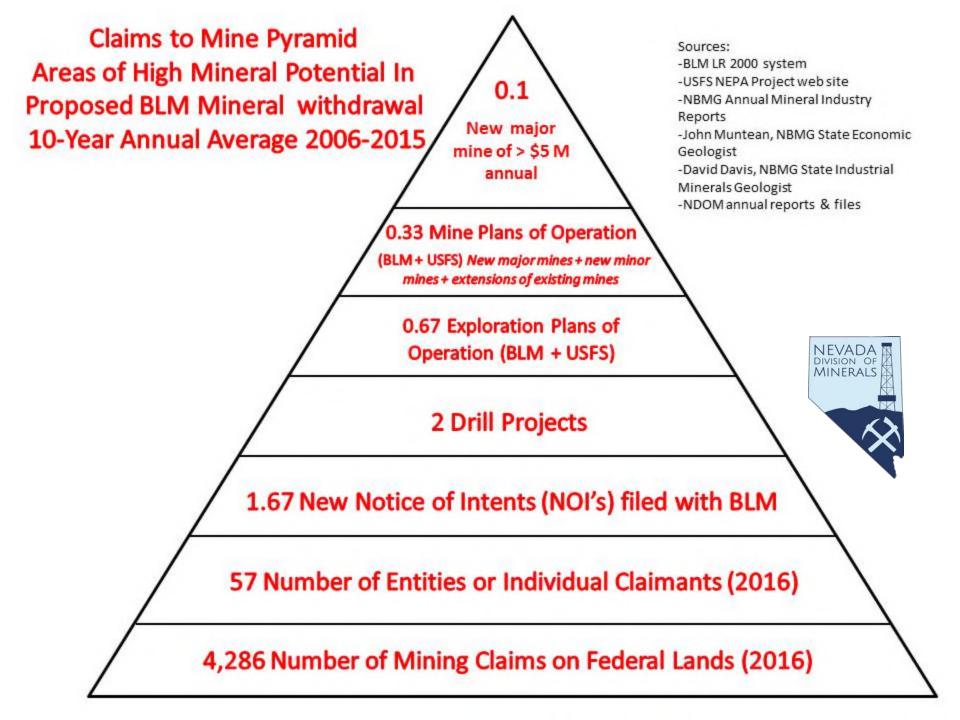
Re: Biological and Mineral Analysis of Nevada's Proposed Alternative Mineral Withdrawal Boundary

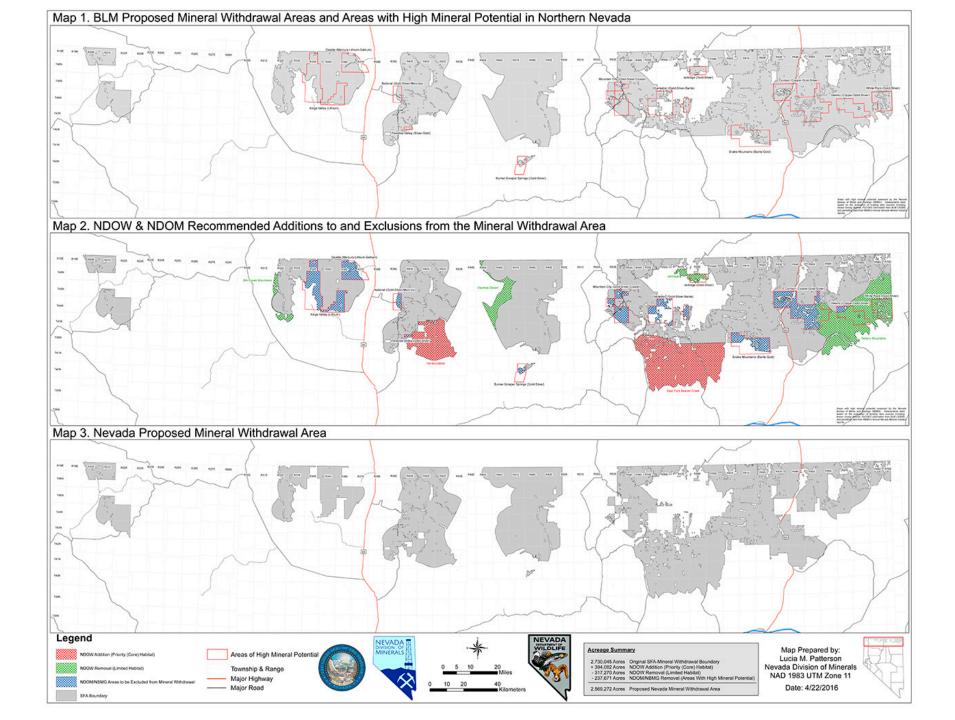
Dear Secretary Jewell:

Enclosed is the additional information you requested when we met in Washington, D.C. on Nevada's proposed alternative to the mineral withdrawal boundary (Nevada Alternative). I appreciate the ongoing discussion on Nevada's concerns regarding the Greater Sage-grouse, specifically on my proposed withdrawal boundary revisions.

I want to reiterate that I do not think the mineral withdrawal proposed for the Sagebrush Focal Area (SFA) is necessary and that the withdrawal will not address the most significant risks to Greater Sage-grouse habitat in Nevada. I've seen no justification by the Bureau of Land Management (BLM), the U.S. Fish and Wildlife Service (FWS), or the Western Association of Fish and Wildlife Agencies (WAFWA) that explains or quantifies the threat of mining and mining exploration on Greater Sage-grouse in Nevada; identifies mining and exploration as a significant risk to conservation of the species; or describes the process and reasoning for the proposed SFA boundaries. That being said, I am pleased you acknowledge the merits of the Nevada Alternative as evidenced by your request for additional information.







NET CHANGE IN NEVADA ALTERNARIVE vs. PROPOSED SFA

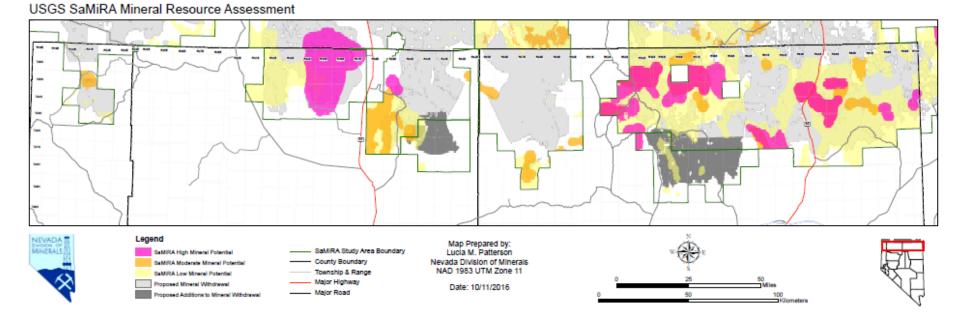
Acreage Summary

- 2,730,045 Acres Original SFA-Mineral Withdrawal Boundary
- + 394,082 Acres NDOW Addition (Priority (Core) Habitat)
- 317,270 Acres NDOW Removal (Limited Habitat)
- 237,671 Acres NDOM/NBMG Removal (Areas With High Mineral Potential)

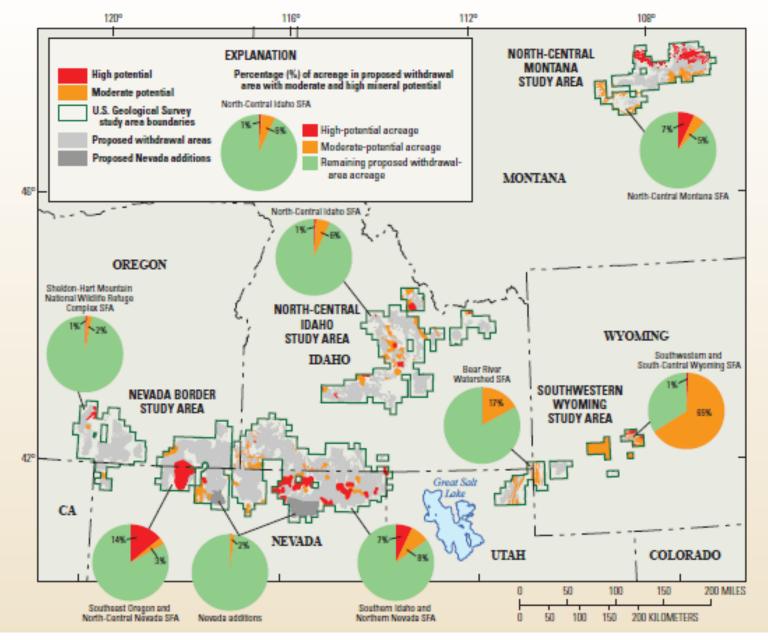
2,569,272 Acres Proposed Nevada Mineral Withdrawal Area

USGS SaMiRA Study, required under FLPMA Title II, Sec 204 The Secretary must provide a report on mineral deposits, claims, leases, potential and market demand to Congress if a withdrawal is recommended.

- USGS was chosen to prepare this report
- 61 USGS personnel worked on 244 page report
- Available on USGS web site: <u>https://pubs.er.usgs.gov/publication/fs20163074</u>



Potential for Locatable Minerals in Proposed Withdrawal Areas



From USGS Fact Sheet 2016-3074, October, 2016



- Nevada Alternative submitted in EIS process
- Nevada Alternative would remove areas of high mineral potential, 99 % of active claims within.
- USGS SaMiRA study validates Nevada Alternative
- Draft EIS to public expected late December, 2016
- Goal: Nevada Alternative as the preferred alternative in draft EIS.
- Final EIS by September, 2017 (end of 2-year segregation)
- Interior Secretary decides on final EIS



Important Links

- Increase in Mining Claim Fees Now In Effect
 Effective July 1, 2016, mining claim filing fees paid to County Recorders have increased from \$8.50 to \$10 per claim.
 NAC 513 regulation update R127-15
- State and Federal Permits Required Before Mining or Milling Can Begin February 2015
- NDOM YouTube Channel
- Nevada Bureau of Mines and Geology

Public Workshop(s) and Hearings(s)

There are currently no scheduled public workshops or hearings.