



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/>



STEVE SISOLAK
 Governor

Las Vegas Office: 2030 E. Flamingo Rd. #220, Las Vegas, NV 89119
 Phone: (702) 486-4343; Fax: (702) 486-4345

RICHARD PERRY
 Administrator

Thursday, November 21, 2019

2:30 P.M.

MINUTES

CALL TO ORDER

2:30 PM by Richard DeLong

Commission	Staff	Public
Richard DeLong	Richard Perry	Christy Bauer
Randy Griffin	Mike Visher	Dennis Bryan
Bob Felder	Rob Ghiglieri	Nancy Morris
Mary Korpi	Courtney Brailo	Molly Hunsaker
Josh Nordquist	Sherrie Nuckolls	Buster Hunsaker
Nigel Bain	Lowell Price	Dana Bennett
Art Henderson (absent)	Greg Ott, AG	Deborah Goetz

PLEDGE OF ALLEGIANCE

Led by Richard DeLong

COMMENTS BY THE GENERAL PUBLIC

There were no comments by the public.

HOUSEKEEPING

Richard DeLong: Asked Mary Korpi if she would be the Co-Chairman of the Commission.

Mary Korpi: Replied yes.

Richard DeLong: Mentioned that the Governor acted on the three vacancies to the Commission, two of the three are new which are Josh Nordquist and Randy Griffin along with Bob Felder who was reappointed by the Governor. He welcomed both Randy and Josh and asked them to give a brief introduction of their background.

Josh Nordquist: I've been in Nevada for 15 years, originating from Pennsylvania and some time in California. I've come on as the geothermal resources Commissioner because I've had experience in the geothermal industry; I've been involved with development of geothermal projects as well as drilling exploration, and legislative affairs for a little over 11 years now and happy to bring that experience and knowledge to the Commission.

Randy Griffin: I've also been in Nevada for 15 years, a native Texan; I've been in the mining industry since I arrived. And in the chemical industry for 40 years. I work for Lhoist America which is a Belgium based company, they've been in the lime production business for about 130 years, it's a family owned company and has operations all over the world. We have 3 locations here, Armargosa which is a clay mine, a lime producer at APEX Nevada and a hydrator in Henderson, Nevada.

Richard DeLong: Thanked and acknowledged two former Commissioners, John Snow who was the Geothermal Commissioner for 12 years who was unable to be here today and Dennis Bryan who was the Small-Scale Mining and Prospecting Commissioner. He also presented Dennis Bryan with a plaque and Nevada State pin.

Dennis Bryan: I was originally appointed by Governor Kenny Guinn in February 2000, I took Hugh Engle's place who unfortunately passed away and I finished out his term, I was then reappointed by Governor Kenny Guinn and reappointed by Governor Jim Gibbons, then reappointed twice by Governor Sandoval. I had a very good time and loved being on the Commission, it was a great experience, I was able to bring my perspective on industrial minerals to the Commission. I want to thank the Commission, I hope you guys continue on with all the good stuff you do and take care of some of the other industry out there.

I. AGENDA

A. Approval of the Agenda

Motion to approve the agenda made by: Josh Nordquist

Seconded by: Bob Felder

Unanimously approved

II. MINUTES

A. Approval of the August 15, 2019 meeting minutes

Mary Korpi: Correction to IV. C, the acronym should be NEPA instead of NEFA.

Motion to approve the agenda with corrections made by: Mary Korpi

Seconded by: Bob Felder

Unanimously approved

III. NEW BUSINESS

A. Use of Lidar, InSAR and Drones by the Division of Minerals

Courtney Brailo gave a PowerPoint presentation highlighting some of the technological advancements occurring at the Division. This included examples of the use of existing NDOM data (geothermal temperature data), external data (InSAR and LiDAR), and the collection of new data (UAS/drone surveys). This was done by first presenting examples of in-house processing to see temperature changes of pumped water from geothermal fields, and then Courtney showed how InSAR can be used to show basin changes around geothermal fields. She then presented analysis of 2017 LiDAR data which the Division is using to identify AML features in Washoe and Storey counties. Finally, Courtney summarized UAS/Drone use conducted by the Division, including for AML feature identification and the possible future of UAS capabilities to be explored.

Randy Griffin: Why does Idaho not allow drones?

Courtney Brailo: There was a push in a lot of states from the public that didn't want government entities to have drones because of privacy issues.

B. Requiring exploration entities to share data once a project is completed

Rich Perry: At the last Commission meeting there was a request, by the Commission, to do a review of the legal implications or legal possibilities or the statutory reviews and so forth of the idea of asking for explorationists to submit exploration data that could be archived somewhere. He then presented a PowerPoint presentation going through the review at the Federal level, Nevada Statutory review - NDOM's 513.073 Statutes, and the Nevada Statutory review - NBMG 514.040 Statutes.

Rich then talked about the regulatory, statutory and voluntary options, and feedback collected at NMEC on November 13, 2019.

He mentioned in going forward with this he thinks if the Commission wanted to do a statutory change that's the strongest but that's going to require going to the Legislature and it also requires opening up Chapter 513 and I'm not sure that's a good idea and the statutory the language would have to be such that when LCB reviewed it they would find it consistent with the regulatory statutes and for the voluntary option, it just needs a mechanism, and that was the least objectionable to everyone.

Richard DeLong: Before we talk about it among the Commissioners I'd like to see if anyone from the general public would like to comment or discuss this item.

Dennis Bryan: I was the moderator for that panel at the NMEC last week and I'm the one that suggested some of the questions based on our membership. A couple of things I wanted to bring up is the difference between private property and public lands, there was a strong indication that private property is not involved in this, unless it's voluntary of course, and there was a lot of opposition from the explorers who don't want to give up their data, they indicate a mining claim is a private property and if they do something on that mining claim it's their information and they're not about to give it up. Others say these are public lands so you should be able to give it up.

Rich Perry: John Price, Geologist with the NBMG, did submit an email with a detailed analysis of this archival exploration data and he has stated what it consists of if something was in place.

Richard DeLong: We'll bring it back to the Commission for discussion and I'd like to start. From the perspective of the Commission and our charge of promoting the industry, I think the collection, the archiving and making the data available is in the best interest of the State because it helps to promote exploration. I do have a number of concerns on how it would work and how we would enforce it.

Bob Felder: I'd like to bring up a different perspective, there was a woman in the audience last week at the NMEC meeting who was from Australia and she brought a perspective that I think is important, we're trying to promote investment in Nevada. The Frasier Institute ranked Nevada as the number one investment jurisdiction for mining in the world, as a State we want to do that, her biggest complaint was she came to Nevada and she has to start from scratch so I think that's an important perspective because if we all agree we want to attract investments to our State then it's something to consider. I can tell you in the last 2-3 years there's a lot of money coming into North America from other countries, Australia in particular, so I think it's an important point to make, as a counter point to that what I saw at the NMEC meeting was everyone interpreted the topic from the stand point of how does it affect me right now and in the very near future. It's a competitive industry, we pay for data and we don't want to share with anyone I think it's a matter of considering maybe this starts out voluntary, I think voluntary wouldn't be a big step because there's already mining district files that were submitted voluntarily to the Bureau of Mines and Geology but I think thinking in the long term how do we get from the current status to a more free data sharing status is really the question it's not going to be instantaneous; today it's all private and tomorrow it's all going to be public I'm not suggesting an answer, it's a complex issue but I think the phased approach is something to consider. I support it but I'm also very mindful of the confidentiality proprietary aspect to it.

Josh Nordquist: In the geothermal world it's commonplace when we drill wells, I believe its 5 years, a certain amount of time afterwards some of the data from these wells, core and cuttings have to be delivered to the state. In our view any type of development or project the land has been secure the resource, whatever it may be, has been secured at that time and at some level there's no risk of losing it or of that information being used to take it away from us, it's a very interesting discussion and being exposed to it for the first time.

Bob Felder: In geology and mineral exploration, something someone did 10 or 15 years ago and they may have drilled some holes might not have found anything it's all about new ideas, new models and new concepts. In geothermal, if you test an area and it's dry and not hot enough that's not going to change in the next 20 years so it's a really different dynamic with what it takes for you guys to share data from what it takes the mineral exploration to share data. We've followed the model, geothermal has to do it, oil and gas has to do it, but this is very different. We continue to live on fresh ideas because it might be the next idea someone has that makes the breakthrough the last guys didn't make.

Nigel Bain: I would agree this is a very aspirational goal but I've definitely seen the situation where someone's information can destroy your value or will create value so I don't think you can see it as an intangible, no value thing. Everyone's idea has a value whether it can be even tied to something like a drug patent or something like that. Today's drilling or yesterday's drilling will certainly have a value to someone in the future. It would be a great thing to see that become part of the public record but I think there's got to be some value changes too.

Buster Hunsaker: My daughter Molly and I are prospect generators and we took the opposition side at the NMEC meeting and I really appreciate Dennis Bryan bringing up the topic, I think you have made some really good points and this is headed in the right direction. We are so thankful for all of the efforts that go out there for bringing people to the state, what the Division of Minerals does, certainly was GSN does, Nevada Bureau of Mines and Geology, it's huge for us. But we still we want to be careful, we don't want to change that little bit of vision where someone says I can get on my donkey and go out there, sack up some ore, come back, build a mill and make a ton of money. You don't want to remove that perception of the incentive. That's the thing I think you should worry about when you think about this thing philosophically, thank you.

Richard DeLong: As it relates to NRS 513, I'm loath to think about opening that statute up, particularly given the upcoming Legislative session, I don't think we want to go there and I would not like to see that happen. One other thing to think about is what is the appropriate data, to me it's really the fundamental information, the geochemical data sheets, the geophysical logs, the geology of the drill holes, it's not the interpretation I think the interpretation of those data should remain with whoever generates that basically intellectual property, just a couple of additional thoughts.

Deborah Goetz: I'm a consultant and a member of the public. I'd like to bring a little different idea here, in view of what Bob Felder just said and current legislative issues, I strongly recommend you take some time to really consider this from a couple of different perspectives. I'm not a geologist, so I'm not coming at this with a geologic perspective. I'm looking at things from a confidential perspective and also liability. I think it's important you define exactly what data is because if any data can be construed even 10 years down the road as being intellectual property, there could be lawsuits and that's something that I've seen, things which started as a non-existing issue 20 years ago and is now becoming an issue. Also, I think you have to keep in perspective the long term business strategies of many companies, they may be looking at a project today and it doesn't look like it's anything today but who know what 20 years from now it will look like. The data is important but I think it has to not have any suggestion of interpretative data. I'd like you to consider the issue of private property vs public lands, people view the 1872 Mining Law as being much more of a vested property right so I think you need some legal interpretation on this.

Randy Griffin: I just want to make sure I understand this. In my business we have mining claims around the state and let's say we're just going to give up the mining claim so what this topic is about is the data we collect and that it would remain with the property being public for someone else to come in and use to possibly do whatever they want to do, is that what the issue is here?

Richard DeLong: Yes, the data collected would become public information.

Randy Griffin: Does any other country or state have something like this that is public?

Molly Hunsaker: Member of the public. In California they require the data to be submitted. The way it works there is you have to submit on a quarterly basis a report on any production you've done and any sort of data that is collected needs to be submitted to California. Canada and Australia operate on these same systems.

Mary Korpj: What I hear is it seems like most people think this is a good idea but it's so undefined as to what it's going to look like, the suggestion of a task force or a group I think has to happen before we can even take it to any other level and if we go that route I think each entity of interest needs to be a part in that task force, I personally don't feel I'm ready to make a decision at this point and time.

Richard DeLong: As far as making any kind of recommendation to move forward on anything relating to this I agree there are much more discussion and a lot more needs to be considered. As the Chairman I will request that Rich Perry set up a task force that consists of the appropriate staff that you would like to have involved and 2 or 3 Commissioners as you deem appropriate, I think we can also have members of the public involved in a task group, is that right Greg?

Greg Ott: Creation of a task force gets a little bit more regimented and structured if it is created by this public body because then you start running into open meeting law issues.

Richard DeLong: That's why I asked the Administrator to do it.

Greg Ott: And that's where I was about to go. Assuming that the Administrator is going to be creating it it would be under his descretion to determine those members that are most beneficial to him and would be advising him as so that would be in his purview to have members of the public because it's going to be giving advice to him and he can pick the best people most suited to do that.

Richard DeLong: Thank you; how does that sit with the rest of the Commissioners?

Bob Felder: I agree, I think we're no way near making any kind of motion, it's way too undefined. I think Deborah's comments about taking your time and making sure you've got your ducks lined up, it's good advice, and I think there are things we haven't considered yet.

Richard DeLong: We'll go forward with that approach.

IV. OLD BUSINESS

A. Revisit of Claim Fee Reduction

Mike Visher talked about NAC 517.200 Filing fee. The Commission wanted NDOM to move forward with looking at reducing the claim fee by \$.50 for this portion it was from \$6.00 to \$5.50 additionally we chose this chapter to try and rectify some problems that were arising from the location of Placer claims in non-surveyed townships. The NRS tells the claimant how claims should be described, the NAC describes how a county should record the filings, maintain the maps

and the issue came from one county who rejected a map that was adequate for the BLM but did not adequately address the concerns under statute by the county. Mike handed out an updated Fiscal Year Cumulative Mining Claim Revenue by Month sheet and discussed in detail. Mike also shared feedback he received from a meeting he attended at a meeting of the Recorder's Association of Nevada. There was a unanimous consensus hoping that the mining claim fee decrease does not happen. This is important for you to consider as you decide to move forward with a claim fee reduction or not or do you want to move that component from proposed regulation changes for NAC 517 and are there any other considerations that we need to take into count as we move forward with proposed regulation changes.

Richard DeLong: Was the topic of the claim fee brought up at all at the NMEC meeting last week?

Mike Visher: No.

Richard DeLong: Does the Nevada Mining Association have any concerns with the claim fee adjustment?

Dana Bennett: We do not at this time.

Richard DeLong: Anything else from the Division on this or any discussion from the Commissioners?

Mike Visher: I should state one other thing, the agenda states I will present options for moving forward and I failed to mention that part. The options are obviously to attempt to spend more money to put that \$.50 to use in other ways. I'm sure NDOM can put our heads together and come up with some other ways to do that should you decide to go down that route and at the February meeting we can put forth some alternatives and options for you to consider prioritizing how we might do so.

Richard DeLong: As it relates to the map issue with the filing of the claims and unsurveyed sections, so I understand, is the idea to deal with the fact that the statute doesn't address unsurveyed but protracted townships; are you primarily dealing with that by refining the definitions?

Mike Visher: That's correct.

Nigel Bain: Is there a problem we're solving there or is it just clean up?

Mike Visher: I see it as a problem and that the claimant in order to satisfy the current statute and regulations has to submit a different map for his claim to the county than to the BLM. I don't like the idea that we're not in lock step in what is being filed and don't want to put an additional burden on some of the claimants. This has only come to light because of the activity for lithium brine in playas and these remote areas which have not been surveyed and so they're in these projection areas as well as some new players to the claim staking and exploration industry from outside the United States that are not familiar with how it's done in Nevada, which is kind of unique, and not understanding the process, so we're just trying to clean this up.

Richard DeLong: Any additional input or thoughts on the map issue before we touch on the fee issue?

Richard DeLong: Any thoughts on the fee issue?

Nigel Bain: I can multiply \$10.00 times my number of claims, I can multiply \$1.00 times my number of claims, I can multiply \$.50 times my number of claims, that can't be a reason not to reduce a tax.

Bob Felder: In reading comments received from the Recorder's Association of Nevada meeting, the comments from the recorders make a lot of good points, some of it may be a little whiney; it's going to make our jobs harder, it was raised recently and now it's being decreased., Is the balance in the fund going to change where we have to think about raising it again, I kind of side with the recorders that maybe it's more trouble than it's worth and we can probably spend the money usefully.

Mary Korpi: I'd like to hear some of those projective proposals because we talk about there's a lot of work that needs to be done and it could be done if we have the funds so I would favor in postponing that decision until we can take a look at some other options specific to the \$.50 not the language.

Richard DeLong: My thoughts are I'm always in favor of trying to put the dollars in the ground with our programs and that's one of our primary missions besides educating the public, I'm particularly thinking of the Abandoned Mine Land Program and the more we can do on that the better. I do think the county recorders do make some worthy points of consideration.

Motion to approve the draft proposed changes to NAC 517 mining claim fees with the exception of the \$.50 decrease and direct the Division to move forward with a regulatory change by: Mary Korpi

Seconded by: Bob Felder

Passes 5 to 1

B. Recap of 2019 AML Program

Rob Ghiglieri presented a PowerPoint presentation of the 2019 NDOM AML Program Update showing present day AML statistics, summer intern statistics from 2007-2019, intern program safety overview, upcoming winter interns and 2020 summer interns, contracted AML work, USACE RAMS database update and automated processing of data collected in the field, Tonopah NV Point project, Tonopah Historic Mining Park, and a forecast of contracted work. Rob also talked about the AML Video RFP update, 4th Ward School, Gold Butte Award and the NAAML 2020 Conference.

Randy Griffin: How do you determine hazardous vs non-hazardous sites?

Rob Ghiglieri: A hazardous site, in NAC 513, defines a vertical feature more than 8 feet that there's no way to get out, and horizontal features over 20 feet, we physically have to go to every one of them to look.

COMMISSION BUSINESS

A. Determination of time and place of next CMR meeting

The meeting will be on February 6, 2020 in Las Vegas with a tour on February 7th.

Richard DeLong mentioned Dana Bennett, President of the Nevada Mining Association, is retiring in January 2020 and wanted to thank her for her service to the industry and the State. Stating, she'll be missed.

COMMENTS BY THE GENERAL PUBLIC – None

ADJOURNMENT

4:40 pm