



FIELD MANAGERS REPORT BATTLE MOUNTAIN FIELD OFFICE July 20, 2004

Non-Renewable Program Activities

Minerals

- The Record of Decision for Newmont Mining Corporation's Phoenix Project was issued November 28, 2003. The 30 day appeal period ended March 22, 2004. An appeal was filed by Great Basin Mine Watch and Western Shoshone Defense Project. The first step in the appeal process is review by the State Director, which is currently ongoing. A Joint meeting with BLM, Newmont, and Solicitor's Office staff is scheduled the week of July 19, 2004, to work toward finalizing the Trust Agreement required to fund the Contingent Long Term Groundwater Management Plan.
- Cortez Gold Mines has submitted an amendment to deepen their Pipeline/South Pipeline open pit gold mine. Public meetings were held on July 13 and 14 in Crescent Valley and Battle Mountain. The Draft SEIS is available. Comments are due by August 9th to ensure their full consideration.
- The discovery of additional mineralization in April 2003 has resulted in Cortez Gold Mines reevaluating their proposed Pediment Project, located on the western and southern slopes of Mt. Tenabo. Based on additional exploration, CGM is planning on submitting an amended proposal in the latter part of 2004. Native American Consultation has been ongoing.
- The Ruby Hill East Archimedes Plan of Operation Amendment has been received by BLM. Homestake, the operator, proposes to deepen and expand the open pit near Eureka. The Notice of Intent to prepare a Supplemental EIS (SEIS) was sent to BLM's Washington Office on 2/6/2004. ENSR was selected as the contractor to write the SEIS. Public scoping meetings were held on June 16th in Battle Mountain and on June 17th in Eureka. Baseline data is being gathered; the prep-plan has been written. In September, the draft SEIS will be reviewed by BLM and is projected to be ready for public view and comment in November. Projected end date for the SEIS is mid-May, 2005.
- Another revised Plan of Operations with associated Environmental Assessment for the Carico Turquoise Lake Mine was received July 7th.
- A Plan of Operations for mining at Tonkin Springs was received the week of March 15, 2004. Internal review determined that the plan was not complete and an EIS would be required. Data adequacy standards are being written and baseline data is being gathered and compiled to be used in the EIS.

EXHIBIT <u>2</u> Lands	Document consists of <u>62</u> pages
<input checked="" type="checkbox"/> Entire document provided.	
<input type="checkbox"/> Due to size limitations, pages ____ through ____ provided.	
A copy of the complete document is available through the Research Library (775-684-6827 or e-mail library@icb.state.nv.us).	
Meeting Date <u>7-20-04</u>	

- A Plan of Operation has been submitted for the Black Rock Canyon Dry Placer Mine and Mill by Nevada Rae Gold Inc. BLM is currently evaluating.
- An Environmental Impact Statement (EIS) is being prepared for Round Mountain Gold Corporation's (RMGC) Gold Hill Project. The U.S. Forest Service, Tonopah Ranger District, and the Nevada Department of Wildlife are cooperating agencies with the BLM in preparation of the EIS. MOU's between the BLM, the Forest Service, RMGC and a consultant are being finalized. Public scoping meetings were held in Round Mountain on May 12th and in Tonopah on May 13th. Approval of the Gold Hill Project will allow continued mining, and maintain high employment rates in Smoky Valley after mining ceases at RMGC's Smoky Valley Common Operation.
- The Environmental Assessment for the Midway Exploration Project (Midway Gold Corporation) has been completed. The Plan of Operations for the Midway Exploration Project (Midway Gold Corporation) was approved on December 12, 2003. Individual drilling phases are being submitted to the BLM for analysis of impacts and mitigation to cultural resources. The State Historic Preservation Office has requested a plan for treatment and mitigation of cultural resources over the entire cultural site with application to individual drilling phases. A meeting will be held at the Nevada State Office on June 3, 2004, to discuss this issue. There will be active archeological monitoring through the life of the drilling project.
- Metallic Goldfield, Inc. has applied for a Plan of Operations for the Gemfield Exploration Project, an extensive drilling program in an area north of Goldfield. A cultural report has been submitted to the BLM and an environmental assessment is being prepared for the project.
- In 2003, the Lone Mountain Mining Company applied for a plan of operations to mine at the Lone Mountain Turquoise mine. An environmental assessment has been prepared for the proposed operation. The plan of operations will be approved in the near future.
- The pace of exploration drilling for gold has increased in 2004. Approximately 40 notices have been received district-wide this fiscal year.
- The appeal of the Shoshone-Eureka geothermal leasing programmatic environmental assessment is pending at IBLA. There are currently 18 pending geothermal lease applications in Battle Mountain and Tonopah, including geothermal leases near Spencer Hot Springs. An EA for these Spencer Hot Springs leases has been initiated with a projected end date of mid-December.

Abandoned Mine Lands

- Abandoned mine reclamation work is ongoing at six sites. Realty actions for land segregation are under way at four of those sites (Norse Windfall, Tybo, Elder Creek, and Paradise Peak). Field activity at Norse Windfall consisted of classification sampling of the plant structure and process components in June as well as another round of water sampling from monitor wells in July. Actual reclamation earthworks of the Norse Windfall heap leach facility is planned for the third quarter of FY-2005. Contract field work for a cultural report at the Tybo Tailings facility was completed July 5th. The written cultural report is due August 30th and its results could impact the current

reclamation design. Characterization of the plant structure at the Monarch Mill Site was completed in June. The field office continues to work with the U.S Army Corps of Engineers on a final reclamation plan for the Elder Creek Mine. The reclamation earthworks at Elder Creek are scheduled for late first quarter 2005. The Corps is funding the development of the closure plan and BLM will fund the earthworks with bond money forfeited during bankruptcy by the former mine operator. A Pay-or-Perform notice is forthcoming from the Nevada State Office to the surety companies associated with the Atlas Gold Mine. A joint meeting at the mine is scheduled for August 9th with the sureties, their consultants and the State of Nevada. BLM is encouraging the insurance companies to perform essential reclamation work on the most critical elements with the limited funding available. Rock and water characterization field work at a Paradise Peak heap leach facility is pending.

Lands

- On the Falcon to Gonder Power line Project, only cleanup and reclamation are taking place. Re-contouring of sites is being done from east to west and has been completed through Newark Valley. This includes all tower pads, spur roads, centerline travel routes, wire pull sites, fly yards and access roads. Decompaction of the soil at the construction sites is taking place northwest of Eureka, well ahead of the recontouring crew. Installation of the anti perch devices on offsite power lines, a required mitigation measure, is complete. Erosion control devices, water bars and drainage armor are being kept in good repair and adequate dust control is being practiced as required. Fire restrictions required by the COM Plan are in effect and are even more restrictive than those issued by BLM; therefore crews are well within compliance.
- Diamond Mountain Development, LLC's, application for a wind energy test tower and project area in the Diamond Range is still pending. The annual rent for their desired project area has been calculated to be approximately \$15,000.00 per year. They are reconsidering the size of their project area. A cultural survey of their proposed tower site was completed in June with negative findings. The DR/FONSI for the SBC Austin to Yomba Fiber Optic Project EA was signed in June and the grant for the segments under BLM jurisdiction was signed in early July. The USFS requires an additional 30 day comment period for the EA which will end in late July. Any supplements to the EA will be done by them and affect their jurisdiction only. No additional concerns are expected. Construction will start in August and be completed by late September. The R&PP patents of the Eureka sewage facility and Kingston transfer bin site are awaiting completion of final components of their Landfill Transfer Audits. The lease for the Eureka facility will probably have to be renewed to allow additional time for patenting. Nominations for 6 BACA sales have been submitted to the NSO.
- Ponderosa Dairy Sales were recently completed. Patent for 320 acres was issued on May 6, 2004. Botner sale (Esmeralda County) of 1.35 acres in Fish Lake Valley to be completed in early July. The Gene Miller DLE (Nye County) to allow for entry has been sent to the NSO.
- We have 3 pending applications for communication site (cell phone) towers along U.S. 95. Grant offers have been initiated and expect issuance of the grants within the next 30 days. Three communication leases have been granted for current communication sites as well as along the U.S. 95 corridor.

- The Belmont Road realignment Letter of Consent and special stipulations has been signed by Battle Mountain Field Office and forwarded to the Federal Highway Department in Colorado for granting of an easement to Nye County.

Recreation

- Las Vegas to Reno 1000. The promoter wants to start the LV to Reno race in Pahrump and go north through Nye County. The LV to Reno race was June 26.
- Battle Mountain Field Office solicited bids April 12th for restoration of the Kelly Bottle House in the old town site of Rhyolite. The bids are now closed and being evaluated. Work will probably begin in the fall when the weather is cooler.

Fire Management Program Activities

- The BMFO and Nevada BLM have been directed to re-visit their fire plans for conformance to a new interagency template. The BMFO is fortunate that its last fire planning effort was resource management driven. The new template mandates such an approach. The BMFO, working with a contractor, began its fire plan re-write the week of May 10. The fire staff will meet the Congressional mandate of September 30, 2004, for document completion. Of particular note was the incorporation of the RAC standards and guidelines in setting resource objectives for the fire plan. The Draft "Central Nevada Sage Grouse Plan" was also incorporated. Both of these documents refined and improved the previous fire planning objectives. No new NEPA is anticipated as a result of this exercise.
- The Carvers/Hadley and Manhattan Wildland Urban Interface EAs have been finalized. The BMFO has opted to complete those as "full force and effect" decisions in the interest of moving towards implementation and completion mid-to-late summer, 2004.
- The Seven Mile Interagency Prescribed Fire Project EA will be going out for public comment the week of July 19, 2004. This is a large scale, multi-phase project. The first phase is proposing to implement nearly 3,000 acres of fuel breaks which will compartmentalize large blocks of BLM and Humboldt-Toiyabe N.F. lands for a number of prescribed fires in out years. The total project area is nearly 70,000 acres; of which we hope to burn approximately 45-60 percent in a mosaic pattern over the next several years. The burns will reduce the heavy fuel loadings across the area reducing the threat of devastating wildland fires; improve ecosystem health, including wildlife habitat; and enhance vegetative growth for all grazing animals.
- The fire staff has completed the field work necessary to begin the risk assessment for the Public and Forest Service lands surrounding the Yomba Tribal Lands. Completion of that assessment and initiation of the NEPA process will begin the week of July 19, 2004.
- Fire season is in full swing. The BMFO has two extra aircraft at the air attack base this year: a Call When Needed Helicopter and crew of four firefighters and a Single Engine Air Tanker (SEAT) (with the hopes/plans to add a second SEAT soon). Two heavy air tankers have made brief visits since returning to service July 5th. It is hoped to have one of those planes stationed at the air attack base as often as is possible. As always, the

Great Basin Smokejumpers routinely use the BMFO air attack base as one of their primary staging airports for initial attack across northern Nevada.

- The BMFO has also requested additional fire severity funding that includes extra fire engines, personnel, and a National Prevention Team. The Prevention Team will work in Elko, Winnemucca and Battle Mountain areas to provide public education about fire restrictions and the local fire danger.

Renewable Program Activities

Rangeland Health Assessments

- The Renewable Resources staff has completed the Fish Creek Complex (Ramono, Lucky C, Fish Creek Ranch, Arambel and Ruby Hill) Rangeland Health Assessment and Evaluation. The document was sent to the public for review and comment on June 21, 2004. Since the document was sent to the public, Battle Mountain Field Office staff has actively engaged Eureka County and the livestock permittees to solicit their concerns and incorporate their input into BLM's proposed livestock management actions for the complex. To date, we have been able to reach consensus on grazing management actions with most of the permittees in the complex. The final decision setting appropriate management levels for wild horses in the Fish Creek and Whistler Herd Management Areas will be issued late in September.
- The Final Multiple Use Decision has been completed on the Seven Mile Allotment and was appealed by Western Watershed's Project. We transmitted the appeal to the Office of Hearings and Appeals. The judge in the case denied the Appellant's Stay request and set a hearing date for June 14, 2004. However, the Battle Mountain Staff met with the appellant prior to the hearing date and convinced the appellant to drop the appeal. The Appropriate Management Level (AML) for wild horses was set in the Final Decision for the Seven Mile HMA and Butler Basin Wild Horse Territory at 60 to 100 head. The AML for the adjoining Butler Basin Wild Horse Territory (USFS) was set in recognition of the fact that horses move between the two areas.
- The Proposed Multiple Use Decisions and Environmental Assessments for the Hicks Station and Snowball, and Sweeney Wash allotments were mailed out for public comment in January. BMFO staff met with Richard McKay, the permittee for the Snowball allotment, and Eureka County in July to reach consensus on the proposed livestock management actions for the allotment. Protests of the decision were received by Western Watersheds Project and NDOW. The FMUDs are scheduled to be issued in August.
- The Final Multiple Use Decision for the JD Allotment is scheduled for completion late in FY 04. BMFO staff has met with Ken Buckingham, the permittee to negotiate a grazing management system for the JD Allotment. BMFO has briefed the Eureka County Public Lands Advisory Commission on our proposed management actions. We received a Biological Opinion on our proposed management actions from the USFWS. We have scheduled another meeting with the permittee(s) to discuss the BO and to finalize the actions that will be incorporated into the FMUD. The EA is nearly complete and the FMUD is scheduled to be issued in August.

- BMFO staff have begun preparations to complete Rangeland Health Assessments/Evaluations on the Carico Lake, Kingston, Simpson Park allotments. Grazing and monitoring data is being gathered currently in the area. These assessments/evaluations will be completed in FY05. The final decisions on these allotments will set the final AML in the Shoshone Eureka Planning Area.
- A hearing was conducted in Reno on February 24 to entertain motions in the Carico Lake Water Quality Lawsuit. The Judge refused to dismiss the suit or issue summary judgment in the case and ordered a hearing on the matter set for April 26, 2005. The Carico Lake Allotment Water Quality Lawsuit was brought by three environmental groups in October 2002 charging the Bureau of Land Management with violations of the Clean Water Act.
- A Rangeland Health Assessment is being drafted for the six allotments in the Fishlake Valley watershed including the unallocated areas of the Columbus Salt Marsh. Grazing and monitoring data is currently being gathered in the area. A letter will be sent on June 2, 2004, to all affected interests soliciting input and comment for the assessment. Tentative completion of the evaluation is scheduled for fall of this year with document completion in summer of 2005. The final decisions on these allotments will set the final AML in the Tonopah Planning Area.

Wild Horses

- The BMFO has completed a gather plan and Environmental Assessment for the removal of wild horses in the Diamond, Diamond Hills North and Diamond Hills South Herd Management Areas in the Elko, Battle Mountain and Ely Districts. Gathering of wild horses in the area began on July 6. To date, approximately 400 horses have been gathered. The goal is to capture 648 animals and release 126 back to the HMAs. The appropriate management level is 210 animals. The AML was established in FY 2000 through a Final Multiple Use Decision.
- As a result of several years of drought, the water at the Coils Creek Slough within the Fish Creek Herd Management Area has dried to a mud hole. The BMFO staff placed two large water tanks in the slough area to prevent death loss until the horses can be gathered under emergency authority. The gather will proceed the week of July 19.

Wildlife

- The Central Nevada Elk Plan is final and has been signed by the State of Nevada, Board of Wildlife Commissioners on March 19, 2004. The South Central Sage Grouse Planning Group has submitted the final draft plan of the South Central Sage Grouse Conservation Plan to the Governor's committee for review.

Weeds

- The BMFO is planning to inventory 132,000 acres for invasive and noxious weeds and treat 4,000 acres in FY 04.