

**BLM, Frank Bergwall**

Maveda B/M Macomber 4 2007

**BLM, Frank Bergwall**

Bureau of Land Management Notice Level Reclamation Cost Estimation Worksheet

Costs for this Notice Level Reclamation Cost Estimator are based on values and assumptions used in the Standardized Reclamation Cost Estimator (SRCE) Version 1.1.2  
Cost Data are from August 1, 2009. This worksheet is simpler than the SRCE and does not allow the flexibility of entering project specific information in some situations.  
The model will generate approximately the same reclamation costs as the SRCE model if the same inputs and assumptions are applied.  
Below are the methods and assumptions used by this model to generate a Financial Guarantee Amount.

1. There are two side hill slope categories used for all calculations in this worksheet. All slopes under 30% (<30%) are assumed to have a slope of 20%.
2. All slopes over 30% (>30%) are assumed to have a slope of 40%.
3. All Roads in this worksheet are assumed to have a 14 foot wide dimension across the flat "drivable" part of the road without any safety berms.
4. All Drill Sites in this worksheet are assumed to be 30 feet wide. For Drill Sites on slopes <30% they are 70 feet long. For Drill Sites on slopes >30% they are 83 feet long.
5. All Road and Drill Sites fill slopes are assumed to have a 60 degree slope.
6. All Road and Drill Sites fill slopes are assumed to have an angle of repose of 1.4H:1V or about 70% slope equal to a 35 degree angle.
7. Roadside and linear features and the units required for input to this worksheet are in linear feet.
8. Recontouring for reclamation of Roads, Drill Sites, and Sumps is done with a track excavator of a Cat 320C size with a 1.57 CY bucket and productivity of 139 CY per hour.
9. Laborer cost is based on Davis-Bacon wage rates for Northern Nevada. Ares pay = \$3.00 per hour, FICA = 7.65%, Unemployment = 3% and Workman's Comp = 9.77%.
10. Revegetation cost is based on the cost of use of a D4 class dozer which scarifies, seeds and drags the seed in on one pass.
11. Revegetation costs are based on a per acre basis for slope areas.
12. Drill Sites recontouring cost is based on a per acre basis for slope areas.
13. Drill Sites on slopes <30% and Cross Country Drill Sites are 30 feet wide by 70 feet long.
14. On Cross Country Drill Sites, the disturbed area is ripped by a Cat D6 size dozer.
15. One Sump is assumed for each Drill Site. The assumed dimensions are 10 feet wide, 20 feet long and 6.75 feet deep. (50 CY)
16. On Drill Sites <30% slopes they are assumed to be outside the Drill Site.
17. On Drill Sites >30% slopes sumps are assumed to be within the 30 foot x 83 foot dimension of the Drill Site.
18. Trenches are assumed to be 14 feet wide by 5 feet deep with 10 feet extra width for the spoil pile. A D6 is used for recontour at 208 CY/ hour productivity.
19. Recontouring earthwork for Roads, Drill Sites and Sumps has an assumed swell factor of 20%. Trenches swell factor is 30%.
20. Cross Country travel is assumed to have a disturbance of 6 feet wide by the linear feet of travel on slopes under 10%.
21. Revegetation costs for all Cross Country disturbance is based on a 12 foot wide seeding width on one pass.
22. Mobilization and Demobilization are based on 150 miles one way to project and are based on the 2009 Mobil/Demob worksheet.
23. Travel times are assumed to be 2.73 hours one way to the project.
24. Mobilization for a Cat 320C excavator will be charged for grading of Roads, Drill Sites only.
25. If there are any Trenches or Cross Country disturbance, a D6 dozer will be mobilized also.
26. All projects that propose drilling will require a minimum Drill Holes Open abandonment cost.
27. If a drill hole will not penetrate the static water level it may be abandoned as an Open Hole - Dry.
28. If a drill hole is drilled deeper than the static water level it is considered a well hole and must be abandoned as an Open Hole - Wet.
29. Mobilization for Drill Holes - Open for Open Hole - Wet will include one drill rig plus crew and support equipment.
30. Mobilization for Drill Holes - Open for Open Hole - Dry will include one backhoe and operator, and one general laborer.

Nevada BLM, December 1, 2009

81485



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Mount Lewis Field Office

50 Bastian Road

Battle Mountain, Nevada 89820

<http://www.nv.blm.gov/battlemountain>

(775) 635-4000 or [bmfoweb@nv.blm.gov](mailto:bmfoweb@nv.blm.gov)



TAKE PRIDE  
IN AMERICA

*C. Still* 2/22/10  
*J. Hummer* 2/22/10

In Reply Refer To:

NVN-081485

3809 (NVB0630)

**FEB 23 2010**

**CERTIFIED MAIL NO: 7008 0150 0001 6432 1411 RETURN RECEIPT REQUESTED**

## DECISION

Eureka Moly LLC

Attn: Carrie Dubray, Sr. Environmental

Coordinator

2215 North 5<sup>th</sup> St.

Elko, NV 89801

:  
: Surface Management  
:  
:

### Determination of Required Financial Guarantee Amount

On February 19, 2010, Eureka Moly LLC (EML) submitted a Notice extension for the Mt. Hope Mine Project, Bureau of Land Management (BLM) case file number NVN-081485. The Project is located in MDB&M., T. 21.5 N., R. 50.5 E., section 36; T. 22 N, R. 51.5 E., section 36; T. 21 N., R. 52 E., sections 5-7; and T. 21.5 N., R., 52 E., section 6.

Based on your description of the disturbance associated with your Notice, no change has been made for the 4.31 acres, consisting of 1,450 feet of trenches, 16,456 feet of cross country travel, 7,100 feet of open holes-wet and 6,000 feet of casing. The Notice extension documentation has been reviewed and satisfies the requirements of 43 CFR §3809.333. The Notice is conditionally extended subject to meeting the financial guarantee requirements.

Cultural Resources - The Native American Graves Protection and Repatriation Act (NAGPRA: 43 CFR 10), protects items of cultural patrimony, Native American funerary items, Native American remains and sacred objects. In addition, The Archaeological Resources Protection Act (ARPA: 43 CFR 7.4, 7.14, 7.15, 7.16) provides for civil and/or criminal penalties for the disturbance of archaeological resources on federal lands and if such disturbance is the result of EML activities, EML could be liable for such damages. If cultural resources, Native American remains, funerary items, sacred items, or objects of cultural patrimony are discovered, you must cease operations in the vicinity of the discovery and ensure adequate protection to the discovery, then notify the BLM immediately, by telephone, with written confirmation to follow (43 CFR 10.4 (c), (d), (g); Nevada State Protocol Agreement VIII (b)). Notification should be made to Doug Furtado, Field Manager, Mt. Lewis Field Office, 50 Bastian Road, Battle Mountain, NV,

89820, (775 – 635 – 4000). No activity in the vicinity of the discovery should resume until you have been issued a Notice to Proceed by the Authorized Officer.

Protection and Preservation of Public Land Survey System Monuments - As directed in 43 CFR 3809.420 – Surface Management - (b)(9) *Protection of survey monuments*, it is your responsibility to bear the cost of any necessary restoration or reestablishment activity of the affected monument(s). Correspondingly, in the course of any accepted surface disturbance activity when Public Land Survey System Monuments/Cadastral corners or accessories that may or have been subject to obliteration, destruction, or damage, it will be your responsibility to protect and preserve the monumentation. Further clarification can be found in Nevada BLM's Instruction Memorandum No. NV-2007-003 [www.nv.blm.gov](http://www.nv.blm.gov).

Amount of Financial Guarantee – This office has reviewed the Reclamation Cost Estimate and determined that the amount of **\$76,456** is sufficient to meet all anticipated reclamation requirements. The amount of the reclamation cost estimate was based on the operator complying with all applicable operating and reclamation requirements.

All line items contained in the approved reclamation cost estimate are not to be considered as the limits of financial guarantee expenditures in that respective category or task should forfeiture of the financial guarantee be necessary. The line items listed are solely for the purpose of arriving at a total amount for the financial guarantee. This total amount may be spent however the BLM deems necessary to implement the approved reclamation plan and does not represent a reclamation cost limit or constraint.

BLM's review of your proposed operations, determination that your Notice extension filing is complete, determination that your operations as proposed will not cause unnecessary or undue degradation, and decision concerning the amount of the required financial guarantee does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and local authorizations and permits. You are responsible for preventing any unnecessary or undue degradation of public lands and resources, and for reclaiming all lands disturbed by your operations.

Required Financial Guarantee – Within 60 days of receipt of this Decision, submit an acceptable financial guarantee in the amount of **\$76,456** to the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006. **Failure to meet that condition will result in the Notice expiring immediately upon conclusion of the timeframe and all activities, other than reclamation, are unauthorized and must cease.**

The types of financial instruments that are acceptable to the BLM are found at 43 CFR 3809.555. Please contact the Branch of Minerals Adjudication at 775-861-6400 for further information on the adjudication of financial guarantees.

This decision does not constitute: certification of ownership to any entity named in the Notice; recognition of the validity of any associated mining claims; or recognition of the economic feasibility of the proposed operations.

Term of Notice - Your Notice will remain in effect for 2 years from the date of this decision, unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another 2 years after the expiration date of your Notice, you must notify this office in writing on or before the expiration date as required by 43 CFR 3809.333.

Appeal of the Decision Determining the Required Financial Guarantee Amount - *The enclosed two page document provides information on taking appeals to the Interior Board of Land Appeals.* If you do not agree and are adversely affected by this decision, in accordance with 43 CFR 3809.804, you may have the BLM State Director in Nevada review this decision. If you request a State Director review, the request must be received in the BLM Nevada State Office, 1340 Financial Blvd. 89502, P.O. Box 12000, Reno, Nevada 89520-0006, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR 3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a stay is granted by the State Director.

If the Nevada State Director does not make a decision on whether to accept your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You then have 30 days in which to file your notice of appeal with the IBLA (see procedures below).

If you wish to bypass the State Director review, this decision may be appealed directly to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (Battle Mountain Field Office, 50 Bastian Road, Battle Mountain, Nevada 89820) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

#### Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied,
2. The likelihood of the appellant's success on the merits,

3. The likelihood of immediate and irreparable harm if the stay is not granted, and
4. Whether the public interest favors granting the stay.

Contact - If you have any questions pertaining to this decision, please contact Casey Strickland, Environmental Protection Specialist, at (775)635-4017, or at the above address.

/s/ Douglas W. Furtado

Douglas W. Furtado  
Field Manager  
Mount Lewis Field Office

Enclosures

cc: Minerals Adjudication Branch  
NV923

CSTRICKLAND:cs:02/22/2010\\blm\dfs\nv\bm\pub\nonrenewable\minerals\letters\LETTERS  
FINALIZED\MOUNT HOPE NOTICES\NVN81485\_MtHopeMineProject\_2yrrExtension.docx



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Battle Mountain Field Office  
50 Bastian Road  
Battle Mountain, Nevada 89820  
<http://www.nv.blm.gov/battlemountain>  
(775) 635-4000 or bmfoweb@nv.blm.gov



*C. Gardner 2/26/08*  
*A. Munn 2/26/08*

In Reply Refer To:  
3809 (NV063)  
NVN-081485  
(08-3A)

**FEB 26 2008**

**CERTIFIED MAIL: 7007 0710 0004 4481 8072**  
**Return Receipt Requested**

### DECISION

Brian Musser	:	43 CFR 3809 – Surface Management
Environmental Manager	:	Notice Amendment and 2 Year Extension
General Moly, Inc.	:	
2215 N. 5 <sup>th</sup> St.	:	
Elko, NV 89801	:	

### Determination of Required Financial Guarantee Amount

On February 14, 2008, General Moly, Inc. (GMI) submitted a Notice Amendment and two year extension for the Mt. Hope Mine Project located in MDB&M., T. 21 ½ N., R. 52 E., section 31 & T. 21 N., R. 52 E, section 8. The Notice Amendment has been assigned Bureau of Land Management (BLM) case file number NVN-081485 (08-3A).

Your Notice Amendment request to add 4 test wells with no increased acreage keeps the project acreage at 4.60 acres. The Notice Amendment documentation has been reviewed and satisfies the requirements of 43 CFR 3809 for operations conducted under a notice.

Amount of Financial Guarantee – This office has reviewed your reclamation cost estimate and has determined that the amount of **\$39,127** is sufficient to meet all anticipated reclamation requirements associated with this Notice. This amount is based on the operator complying with all applicable operating and reclamation requirements.

All line items contained in the approved reclamation cost estimate are not to be considered as the limits of financial guarantee expenditures in that respective category or task should forfeiture of the financial guarantee be necessary. The line items listed are solely for the purpose of arriving at a total amount for the financial guarantee.

This total amount may be spent however the BLM deems necessary to implement the approved reclamation plan and does not represent a reclamation cost limit or constraint.

BLM's review of your proposed operations, determination that your Notice Amendment filing is complete, determination that your operations as proposed will not cause unnecessary or undue degradation, and decision concerning the amount of the required financial guarantee does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and local authorizations and permits.

**Required Financial Guarantee** – Within sixty (60) days of receipt of this Decision, GMI must submit an acceptable financial guarantee in the amount of \$39,127 to the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006.

**Failure to provide an acceptable financial guarantee within the specified time frame will result in an enforcement action against GMI for failure to maintain an acceptable financial guarantee.**

**Term of Notice** - Your Notice will remain in effect for 2 years from the date of this decision, unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another 2 years after the expiration date of your Notice, you must notify this office in writing on or before the expiration date as required by 43 CFR 3809.333.

**Cultural Resources** – There have been numerous cultural resource sites identified within the Project area. Therefore, it is recommended that Idaho General Mines have a BLM approved archeologist on site to monitor Project activities. If archaeological sites are damaged you could be assessed fines under the civil provisions of the Archaeological Resources Protection Act (see 43 CFR 7, parts 7.4, 7.14, 7.15 and 7.16). Therefore, it is recommended that you hire an archaeological contractor to do a cultural survey of the project area prior to beginning work. Pursuant 43 CFR 10.4(g) you must notify the authorized officer, Assistant Field Manager, Non Renewable Resources/Field Station Manager, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the immediate vicinity of the discovery and protect it from your activities for 30 days or until notified to proceed by the authorized officer.

**Guidelines for Operations Conducted Under a Notice** - *The enclosed one page document provides additional stipulations concerning your notice.*

**Appeal of the Decision Determining the Required Financial Guarantee Amount** - *The enclosed one page document provides information on taking appeals to the Interior Board of Land Appeals.* If you do not agree and are adversely affected by this decision, in accordance with 43 CFR 3809.804, you may have the BLM State Director in Nevada review this decision. If you request a State Director review, the request must be received in the BLM Nevada State Office, P.O. Box 12000, Reno, Nevada 89520-0006, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR 3809.805.

If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a stay is granted by the State Director.

If the Nevada State Director does not make a decision on whether to accept your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You then have 30 days in which to file your notice of appeal with the IBLA (see procedures below).

If you wish to bypass the State Director review, this decision may be appealed directly to the IBLA, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (Battle Mountain Field Office, 50 Bastian Road, Battle Mountain, Nevada 89820) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the IBLA and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

#### Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied,
2. The likelihood of the appellant's success on the merits,
3. The likelihood of immediate and irreparable harm if the stay is not granted, and
4. Whether the public interest favors granting the stay.

Contact - If you have any questions pertaining to this decision, please contact Cory Gardner, Environmental Protection Specialist, at 775-635-4192 or at the above address.



Jeffrey D. Johnson  
Acting Assistant Field Manager  
Nonrenewable Resources

Enclosures

cc: BLM, Branch of Minerals Adjudication (NV-923)

CGARDNER:cc:02/26/2008:\Blm\dfs\nv\bm\pub\nonrenewable\minerals\letters\LETTERS  
FINALIZED\NOTICES AMENDED IN WO FORMAT\GMM\GM\_81485\_083A\_Mnt  
HopeMine\_4newwells\_Feb2008.doc



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Nevada State Office  
P.O. Box 12000 (1340 Financial Blvd.)  
Reno, Nevada 89520-0006  
<http://www.nv.blm.gov>



In Reply Refer To:  
3809 (NV923z)

### DECISION

Obligor/Operator:	:	
General Moly, Inc.	:	BLM Bond Number: NVB000567
N. 10 Post St., Suite 610	:	Bond Amount Accepted: \$466,309
Spokane, WA 99201	:	

### Obligation Under Statewide Bond Increased

The BLM Nevada State Office (NSO) currently holds BLM bond number NVB000567 with General Moly, Inc., as principal, in the amount of \$466,309. The bond provides coverage for surface reclamation activities on operations conducted on lands in Nevada by General Moly, Inc. under the regulations at 43 CFR 3809.

On February 26, 2008, the BLM Battle Mountain Field Office increased the reclamation cost estimates on notices N-80914, the Mt. Hope East Project, N-81485, the Mt. Hope Project, and N-83120, the Mt. Hope West Project, to \$92,570, \$39,127, and \$114,685, respectively. Effective the date of this Decision, the amounts of \$92,570, \$39,127, and \$114,685 are obligated to BLM bond number NVB000567 for N-80914, N-81485, and N-83120, respectively.

Bond obligations for BLM bond number NVB000567 are shown in the table below. Obligations adjusted by this Decision are shown in **bold**.

Operations Number	Operations Name	Bond Amount Obligated
<b>N-80914</b>	<b>Mount Hope East</b>	<b>\$ 92,570</b>
<b>N-81485</b>	<b>Mount Hope</b>	<b>\$ 39,127</b>
N-81811	Mount Hope	\$ 28,309
<b>N-83120</b>	<b>Mount Hope West</b>	<b>\$ 114,685</b>
N-83245	Central "B" Well	\$ 78,629
N-83246	Central "A" Well	\$ 52,343
<b>Total Obligations Under NVB000567</b>		<b>\$ 405,663</b>

Considering the bond amounts accepted and obligated, \$60,646 remains available under BLM bond number NVB000567 for future amendments or new operations.

If you have any questions, please call Lacy Trapp at 775-861-6599; send facsimile to 775-861-6710; write to the attention of NV923z at the address on the letterhead; or send electronic mail to Lacy\_Trapp@nv.blm.gov.

*Lacy Trapp*  
**FOR Atanda Clark**  
**Chief, Branch of Minerals Adjudication**

**cc:**  
**Idaho General Mines, Inc.**  
**Attn: Brian Musser**  
**455 8<sup>th</sup> Street**  
**Elko, NV 89801**

**NV060 (SDrummond, LMarine)**  
**NV923 (CDragon)**



GENERAL MOLY

8/480  
GENERAL MOLY, INC.

2215 N. 5<sup>th</sup> Street  
Elko, Nevada 89801  
Phone: 775-753-5009  
Fax: 775-753-7722  
Email: bmusser@generalmoly.com  
Website: www.generalmoly.com

March 12, 2008

Mr. Steve Drummond  
BLM Field Office  
50 Bastian Rd.  
Battle Mountain, NV 89820

Re: NVB000567  
Notification of Assignment  
General Moly, Inc. – Eureka Moly, LLC.

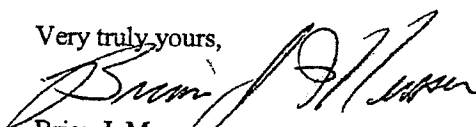
Dear Mr. Drummond,

Effective as of January 1, 2008 General Moly, Inc. assigned (the "Assignment") its Mount Hope Mine Project (the "Project") to Eureka Moly, LLC to facilitate the construction and operation of the Project. At the time of the Assignment, Eureka Moly, LLC was a wholly owned subsidiary of General Moly, Inc. The Project's manager will be Nevada Moly, LLC, also a wholly owned subsidiary of General Moly, Inc.

On February 18, 2008, agreements (the "Agreements") were entered into between General Moly, Inc. and Eureka Moly, LLC, Nevada Moly, LLC and POS-Minerals Corporation (a subsidiary of POSCO) for POS-Minerals Corporation's acquisition of a 20% interest in Eureka Moly, LLC. The Agreements require that General Moly, Inc. transfer all titles, permits, applications, licenses and other ownership documents pertaining to the Project into the name of Eureka Moly, LLC.

All names, addresses and contact information which are on file will remain the same. Form 3809-2 Surface Management Personal Bond has been enclosed to create a new bond for Eureka Moly, LLC. Form 3809-5 has been submitted to the BLM State Office to change the operator name. If you require additional information or would like to discuss any matters associated with the Assignment please call me at the number above.

Very truly yours,

  
Brian J. Musser  
Environmental Manager  
Mt. Hope Project  
General Moly, Inc.

BJM:mw

Cc: Pat Rogers  
Andrew Russell

Enclosures: From 3809-5

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0194  
Expires: April 30, 2010

**NOTIFICATION OF CHANGE OF OPERATOR AND ASSUMPTION OF PAST LIABILITY**

The mining law surface management regulations at 43 CFR 3809 require that obligations accrued or conditions created under an operation remain with that operator until (1) Bureau of Land Management (BLM) accepts a satisfactory replacement financial guarantee adequate to cover the previously accrued obligations and (2) BLM receives documentation that a transferee accepts responsibility for the transferor's previously accrued obligations. Therefore, the undersigned transferee hereby assumes all liabilities that may be outstanding on the plan of operations or notice shown below, including, but not limited to, the obligation to properly reclaim and restore the land disturbed on said plan or notice within the approved reclamation plan or notice filed with the BLM; provided that the obligation will not act to increase the potential or cumulative liability above the face amount of the replacement bond to which this notification attaches in the amount stated below as required from the transferee.

1. BLM Notice or Plan of Operations Number(s): NVB 567 - N80914, N81811, N83120, N83245, N83246, N 81485

2. Date BLM Accepted Notice or Approved the Plan of Operations: \_\_\_\_\_

3. Change of operator on the Notice(s) or Plan(s) shown is proposed on \_\_\_\_\_ as follows:

FROM: Current Operator (Transferor) General Moly, INC.

(Date)

Address 1726 Cole Blvd. Ste 115, Lakewood, CO 80401

Address \_\_\_\_\_

By Bruce Hansen

Signature Bruce Hansen

(Print Name)

Title CEO

Surface Reclamation Bonding Amount Currently Obligated: Sum of Four Hundred Sixty Six Thousand Three hundred nine

U.S. dollars (\$ 466,309.00)

TO: Proposed Operator (Transferee) Eureka Moly, LLC

Address 1726 Cole Blvd., Ste 115, Lakewood, CO 80401

Address \_\_\_\_\_

By Bruce Hansen

Signature Bruce Hansen

(Print Name)

Title CEO

Surface Reclamation Bond: Sum of Four Hundred Sixty Six Thousand Three hundred nine

U.S. dollars (\$ 466,309.00)

91-0232000

(TIN or SSN)

Change of Operator Approved Pending Acceptance of Satisfactory Bond:

Sheldon M. Smith  
(Field Manager)

3-17-08

(Date)

cc: State Office

Surety, if applicable

(Continued on page 2)

## NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 22 et seq.; 43 U.S.C. 1732[b] and 1782[c]; 31 U.S.C. 9301 et seq.; 43 CFR 3802 and 43 CFR 3809.

**PRINCIPAL PURPOSE:** Information is being used to establish financial responsibility for surface disturbance on public lands.

**ROUTINE USES:** BLM will only disclose the information according to the regulations at 43 CFR 2.56(d).

**EFFECT OF NOT PROVIDING INFORMATION:** Disclosure of the information is necessary to receive a benefit. Failure to disclose this information may result in BLM's rejection of your application.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to grant the right to conduct exploration and mining activities on public lands.

Response to this request is required to obtain a benefit.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0194), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.



KENNY C. GUINN  
Governor

March 20, 2006

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.state.nv.us/>

Las Vegas Branch:  
1771 E. Flamingo Rd.  
Suite #120-A  
Las Vegas, Nevada 89119  
(702) 486-4343  
Fax (702) 486-4345

ALAN R. COYNER  
Administrator

Mr. Jim Moore  
Idaho General Mines, Inc.  
N. 10 Post Street, Suite 610  
Spokane, WA 99201

Re: Reclamation Bond for Notice, BLM case file number NVN-81485

Dear Idaho General Mines, Inc.,

Effective March 20, 2006, you have obtained a reclamation bond for the notice referenced above in the amount of \$16,971.00 through the State of Nevada's reclamation performance bond pool (BLM bond number NVB000493). The Division of Minerals will fax this letter to the appropriate BLM Field Office and to the BLM Nevada State Office (Fax number 775-861-6710, Attn: Cindi Dragon).

Upon issuance of this letter, the State of Nevada Reclamation Performance Bond Pool is obligated for the amount stated above on the effective date above. Please contact the appropriate BLM Field Office prior to any surface disturbance.

*Additional information as necessary:*

- ☐ The obligation referenced above under BLM bond number NVB000493 is to replace the existing bond held by BLM for the same operation in the same amount.
- ☐ The obligation referenced above under BLM bond number NVB000493 is in addition to any existing bond held by BLM for the same operation.
- ☒ For your convenience, we enclose a copy of the required bond amount determination from the Battle Mountain Field Office.
- ☐ Other pertinent information

Sincerely,

Alan R. Coyner

Enclosure - As stated

cc: BLM - NSO Attn: Cindi Dragon  
BLM - Battle Mountain Field Office Attn: Sheila Hutcherson or Steve Drummond

Dennis Bryon; Small-Scale Mining and Prospecting  
Richard DeLong; Large-Scale Mining  
Patrick Fagan; Geothermal Resources

**Commission on Mineral Resources**

Fred D. Gibson, Jr., Chairman; General Public

Eugene Kozlowski; Oil and Gas  
John Mudge; Large-Scale Mining  
Ron Parratt, V. Chair.; Exploration and Development

Form 3809-4a  
(January 2004)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SURFACE MANAGEMENT PERSONAL BOND RIDEROMB APPROVED  
OMB No. 1004-0194  
Expires: January 31, 2007

In consideration for this rider and the acceptance of this rider by the Bureau of Land Management on behalf of the United States of America, this rider attaches to and is part of Surface Management Bond No. NVB-000493 issued on behalf of NEVADA DIVISION OF MINERALS (BLM Bond No.)

RECLAMATION PERFORMANCE BOND POOL

principal, in favor of the United States. The bond provides coverage as shown below:

Individual N/A : or Statewide NEVADA : or Nationwide  
(Enter BLM Serial No.) (Enter Name of State, if applicable) (Enter "Yes," if applicable)

☐ INCREASE/DECREASE IN DOLLAR AMOUNT OF BOND COVERAGE

It is understood and agreed that \_\_\_\_\_, principal, is increasing/decreasing the coverage of this bond to the amount shown below; however, this rider shall not act to increase/decrease the actual cumulative or potential liability above the face amount of the bond, to wit: \_\_\_\_\_

\_\_\_\_\_ U.S. dollars (\$ \_\_\_\_\_)

☐ STATEWIDE/NATIONWIDE BOND

The principal hereby agrees to and extends bond coverage to include any and all operations under 43 CFR 3802 and 43 CFR 3809.

Include name of State if coverage is Statewide: \_\_\_\_\_

☐ BOND COVERAGE EXTENDED

The principal hereby agrees to and extends bond coverage to include notice-level operations pursuant to regulations at 43 CFR 3809.

☐ THIRD PARTY POSTING OF THE FINANCIAL INSTRUMENT FOR THE BOND

It is understood and agreed that \_\_\_\_\_, is pledging the financial instrument to secure the attached bond on behalf of, \_\_\_\_\_ operator and principal on the bond.

☒ COPRINCIPAL

It is understood and agreed that NEVADA DIVISION OF MINERALS  
RECLAMATION PERFORMANCE BOND POOL, principal, is extending the coverage of the bond referenced above to include liabilities for operations conducted by IDAHO GENERAL MINES, INC. on notice/plan of operations serialized NVN-81485, THE MOUNT HOPE MINING PROJECT, IN THE AMOUNT OF \$16,971.00.

(Continued on page 2)

## NOTE

This coverage of obligations shall continue whether or not a notice/plan of operations has subsequently been suspended or terminated. This rider shall not act to increase the actual cumulative or potential liability of the principal or bond above the face amount of the bond. Nothing herein contained shall vary alter, or extend any provision or condition of this bond except as herein expressly stated.

Executed this 20<sup>th</sup> day of MARCH, 2006 :

NEVADA DIVISION OF MINERALS  
RECLAMATION PERFORMANCE BOND POOL

(Principal)

(TIN or SSN, if applicable)

Alan R. Coynier

(By)

ADMINISTRATOR

(Title)

400 W. KING ST. STE. 106, CARSON CITY, NV 89703

(Business Address)

State of NEVADA County of WASHOE

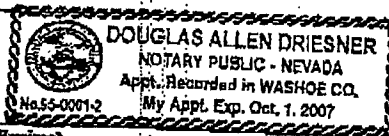
Subscribed and sworn to before me this 20<sup>th</sup> DAY OF MARCH, 2006

by ALAN R. COYNER

Douglas Allen Driesner  
(Notary Public)

10-1-07

(My Commission Expires)



## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 22 et seq.; 43 U.S.C. 1732(b) and 1782(c); 31 U.S.C. 9301 et seq.; 43 CFR 3802 and 43 CFR 3809.

**PRINCIPAL PURPOSE:** Information is being used to establish financial responsibility for surface disturbance on public lands.

**ROUTINE USES:** BLM will only disclose the information according to the regulations at 43 CFR 2.56(d).

**EFFECT OF NOT PROVIDING INFORMATION:** Disclosure of the information is necessary to receive a benefit. Failure to disclose this information may result in BLM's rejection of your application.

The Paperwork Reduction Act of 1995 requires us to inform you that:

BLM collects this information to grant the right to conduct exploration and mining activities on public lands.

Response to this request is required to obtain a benefit.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a

currently valid OMB control number.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 8 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0194), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Washington, D.C. 20240.

(Form 3809-4a, page 2)



## United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Battle Mountain Field Office  
50 Bastian Road  
Battle Mountain, Nevada 89820  
<http://www.nv.blm.gov>



In Reply Refer To:  
NVN-81485  
3809  
(NV063)

FEB 15 2006

**CERTIFIED MAIL: 7004 2890 0001 0859 1688**  
**Return Receipt Requested**

James Moore  
Idaho General Mines, Inc.  
N. 10 Post Street, Suite 610  
Spokane, WA 99201

Dear Mr. Moore:

On January 26, 2006, Idaho General Mines, Inc. submitted a Notice for the Mount Hope Mining Project, located within MDB&M, T. 22 N., R. 51 $\frac{1}{2}$  E., section 36; T. 21 $\frac{1}{2}$  N., R. 51 $\frac{1}{2}$  E., section 36; T. 21 N., R. 52 E., sections 5 and 6; and 21 $\frac{1}{2}$  N., R. 52 E., section 6. Additional information requested to complete the Notice was submitted February 15, 2006. The Notice has been assigned Bureau of Land Management (BLM) case file number NVN-81485.

The notice documentation has been reviewed and satisfies the requirements of 43 CFR §3809.301. Pursuant to 43 CFR §3809.420 and §3809.522, a reclamation cost estimate of \$16,971.00 is sufficient for the 4.3 acres of proposed disturbance consisting of 14 test pads and pits, two bore pads, 13,890 feet of overland travel and 4,720 feet of roads. Operations may not commence until Idaho General Mines, Inc. has provided the BLM with an acceptable financial guarantee (43 CFR §3809.312(c), §3809.412, and §3809.555). A financial guarantee must be submitted within 60 days of receipt of this letter. The financial instrument(s) must be submitted to:

Bureau of Land Management  
Nevada State Office  
Minerals Adjudication Team  
P.O. Box 12000 (1340 Financial Blvd)  
Reno, NV 89502-0006  
(775) 861-6400

Once Idaho General Mines, Inc. has provided the BLM with an acceptable financial guarantee, the BLM Nevada State Office will provide Idaho General Mines, Inc. with a Financial Guarantee Accepted Decision and operations may commence.

A BLM wildlife biologist made the following comment regarding the Mount Hope Mine Project:

There is possible sage grouse nesting habitat in the project area. To avoid disturbing strutting sage grouse, please minimize drilling between midnight and 10:00 am from March 1 through May 15. Do not allow dogs to run loose on the project site. Disturbance of nesting or brood rearing sage grouse by dogs may cause the grouse to abandon nests or young. In addition, there are identified ferruginous hawk nesting sites within the project area. To avoid disturbing ferruginous hawks during nesting season, please minimize drilling activities from March 15 through July 1 to 0.5 mile from nests. If drilling cannot be scheduled outside of these restricted times, a qualified biologist should survey the project area.

#### Cultural Resources

If archaeological sites are damaged you could be assessed fines under the civil provisions of the Archaeological Resources Protection Act (see 43 CFR 7, parts 7.4, 7.14, 7.15 and 7.16). Therefore, it is recommended that you hire an archaeological contractor to do a cultural survey of the project area prior to beginning work. Pursuant 43 CFR 10.4(g) you must notify the authorized officer, Assistant Field Manager, Non Renewable Resources/Field Station Manager, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the immediate vicinity of the discovery and protect it from your activities for 30 days or until notified to proceed by the authorized officer.

The Notice will remain in effect for a period of two years from the date of this letter unless extended under 43 CFR §3809.333. Notice-level operations must meet all applicable performance standards of 43 CFR §3809.420 (enclosed). Any modifications to the notice must conform to 43 CFR §3809.330 and §3809.331. When the required reclamation work is complete, submit an as-built map of the project with UTM coordinates for any disturbance. Questions or comments may be directed to Sheila Hutcherson at (775) 635-4017 or Steve Drummond at (775) 635-4160.

Sincerely,



Thomas J. Seley  
Assistant Field Manager  
Nonrenewable Resources

#### 2 Enclosures

1. Guidelines for Operations Conducted under a Notice (1-p)
2. Recommended Seed Mix (Wyoming Sagebrush Community) (1-p)

cc: Minerals Adjudication Team, BLM Nevada State Office (NV-923)

## CERTIFICATE OF SERVICE

Pursuant to NRAP Rule 25(1)(c), I hereby certify that I am an employee of ALLISON, MacKENZIE, PAVLAKIS, WRIGHT & FAGAN, LTD., Attorneys at Law, and that on this date, I caused a CD-ROM version of same to be served to all parties to this action by:

_____	Placing a true copy thereof in a sealed postage prepaid envelope in the United States Mail in Carson City, Nevada
_____	Hand-delivery - via Reno/Carson Messenger Service
_____	Facsimile
_____	Federal Express, UPS, or other overnight delivery
<u>  X  </u>	E-filing pursuant to Section IV of District of Nevada Electronic Filing Procedures

fully addressed as follows:

Bryan L. Stockton	<a href="mailto:bstockton@ag.nv.gov">bstockton@ag.nv.gov</a>
Senior Deputy Attorney General's Office	
Nevada Attorney General's Office	
100 North Carson Street	
Carson City, NV 89701	

Ross E. de Lipkau	<a href="mailto:rdelipkau@parsonsbehle.com">rdelipkau@parsonsbehle.com</a>
Parsons Behle & Latimer	
50 West Liberty Street, Ste 750	
Reno, NV 89501	

Therese A. Ure	<a href="mailto:t.ure@water-law.com">t.ure@water-law.com</a>
Laura A. Schroeder	<a href="mailto:schoeder@water-law.com">schoeder@water-law.com</a>
Schoeder Law Offices, P.C.	
400 Marsh Avenue	
Reno, NV 89509	

X

Placing a true copy of a CD-ROM version thereof in a sealed postage prepaid envelope in the United States Mail in Carson City, Nevada

fully addressed as follows:

John R. Zimmerman                      [jzimmerman@parsonsbehle.com](mailto:jzimmerman@parsonsbehle.com)  
Parsons Behle & Latimer  
50 West Liberty Street, Ste 750  
Reno, NV 89501

Francis M. Wikstrom  
Parsons Behle & latimer  
201 South Main Street, Ste 1800  
Salt Lake City, UT 84111

DATED this 21<sup>st</sup> day of December, 2012.

/s/ Nancy Fontenot

**Nevada Standardized Bond Calculation  
Fleets (Crews)**

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

<b>EQUIPMENT FLEETS</b>			
<b>ACTIVITY AND FLEET</b>	<b>EQUIPMENT UNIT COST (Hourly)</b>	<b>LABOR UNIT COST (Hourly)</b>	<b>TOTAL COST (Hourly)</b>
<b>Excavation and Backfill</b>			
Earthen Berms Diversion ditch backfill Underground openings backfill - excavate and place			
<b>Large Excavator</b>			
308BL	\$157.54	\$53.67	\$211.21
Totals	\$157.54	\$53.67	\$211.21
<b>Medium Excavator</b>			
348B	\$82.20	\$53.67	\$135.87
Totals	\$82.20	\$53.67	\$135.87
<b>Small Excavator</b>			
325C	\$58.63	\$53.67	\$112.30
Totals	\$58.63	\$53.67	\$112.30
<b>Recontour and Ponds</b>			
Recontour large roads (haul roads, roads greater than xx in width) Recontour small roads (access roads, roads smaller than xx in width) Ponds - Excavate and pull liner and bury Excavation and grading for diversion and drainage control			
<b>Large Excavator + Dozer</b>			
308BL	\$157.54	\$53.67	\$211.21
D10R	\$191.51	\$52.33	\$243.84
Totals	\$349.05	\$106.00	\$455.05
<b>Medium Excavator + Dozer</b>			
348B	\$82.20	\$53.67	\$135.87
D8R	\$148.95	\$52.33	\$201.28
Totals	\$231.15	\$106.00	\$337.15
<b>Small Excavator + Dozer</b>			
325C	\$58.63	\$53.67	\$112.30
D7R	\$91.58	\$52.33	\$143.91
Total Equipment	\$150.21	\$106.00	\$256.21

**Nevada Standardized Bond Calculation  
Fleets (Crews)**

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

<b>EQUIPMENT FLEETS</b>			
<b>ACTIVITY AND FLEET</b>	<b>EQUIPMENT UNIT COST (Hourly)</b>	<b>LABOR UNIT COST (Hourly)</b>	<b>TOTAL COST (Hourly)</b>
<b>OVERBURDEN REMOVAL AND BACKFILL</b>			
Rock placement			
Haul overburden for backfill			
Haul borrow for backfill			
Haul cover or growth media			
<b>Large Truck/Loader Fleet</b>			
D9R	\$184.60	\$43.85	\$228.45
D9R	\$281.26	\$55.67	\$336.93
D7R	\$91.58	\$52.33	\$143.91
Totals	\$557.44	\$151.85	\$709.29
<b>Small Truck/Loader Fleet</b>			
D6R	\$112.47	\$48.01	\$160.48
D6R	\$139.48	\$53.67	\$193.15
D7R	\$91.58	\$52.33	\$143.91
Totals	\$343.52	\$154.01	\$497.53
<b>Scraper/Dozer Fleet</b>			
D9R	\$148.59	\$52.33	\$200.92
D9R	\$191.51	\$52.33	\$243.84
D7R	\$91.58	\$52.33	\$143.91
Totals	\$431.67	\$156.99	\$588.66
<b>Tandem Scraper Fleet</b>			
D7R	\$173.28	\$52.33	\$225.61
D7R	\$91.58	\$52.33	\$143.91
Totals	\$264.86	\$104.66	\$369.52
<b>WATER TREATMENT AND DRAINAGE</b>			
Sludge removal			
Drainage controls			
<b>Misc. - Cat 325B Excavator / 10-12 yd<sup>3</sup> Truck</b>			
D325B	\$58.63	\$53.67	\$112.30
Dump Truck (10-12 yd <sup>3</sup> ) (4)	\$94.48	\$41.37	\$135.85
Totals	\$153.11	\$95.04	\$248.15
<b>Misc. - Cat D9R Dozer/ Loader (5 yd<sup>3</sup>) / 10-12 yd<sup>3</sup> Truck</b>			
D9R	\$148.95	\$52.33	\$201.28
D9R	\$74.25	\$53.67	\$127.92
Dump Truck (10-12 yd <sup>3</sup> ) (4)	\$94.48	\$41.37	\$135.85
Totals	\$317.68	\$147.37	\$465.05
<b>Misc. - Cat D6 Dozer / Cat 966 Loader / 10-12 yd<sup>3</sup> Truck</b>			
D6R	\$66.66	\$52.33	\$118.99
D6R	\$74.25	\$53.67	\$127.92
Dump Truck (10-12 yd <sup>3</sup> ) (4)	\$94.48	\$41.37	\$135.85
Totals	\$235.39	\$147.37	\$382.76

**Nevada Standardized Bond Calculation  
Fleets (Crews)**

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

<b>EQUIPMENT FLEETS</b>			
<b>ACTIVITY AND FLEET</b>	<b>EQUIPMENT UNIT COST (Hourly)</b>	<b>LABOR UNIT COST (Hourly)</b>	<b>TOTAL COST (Hourly)</b>
<b>DEMOLITION</b>			
Slab demolition			
Footing demolition			
Wall demolition			
<b>Small - Cat 325B Excavator w/ H140D.s Hammer</b>			
325B	\$58.63	\$53.67	\$112.30
H120/H1325	\$30.84	\$0.00	\$30.84
DER	\$148.95	\$52.33	\$201.28
Totals	\$238.42	\$106.00	\$344.42
<b>Medium - Cat 345B Excavator w/ H180D.s Hammer</b>			
345B	\$82.20	\$53.67	\$135.87
H180/H1345	\$46.11	\$0.00	\$46.11
DER	\$148.95	\$52.33	\$201.28
Totals	\$277.26	\$106.00	\$383.26
<b>Large - Cat 385B Excavator w/ H180D.s Hammer</b>			
385B	\$157.54	\$53.67	\$211.21
H180/H1385	\$54.51	\$0.00	\$54.51
DER	\$148.95	\$52.33	\$201.28
Totals	\$361.00	\$106.00	\$467.00
<b>DRILL HOLE GROUT OR CEMENT</b>			
Pumping/Grouting/Drill Rig(s)	\$187.56	\$0.00	\$187.56
Driller/Helper	\$0.00	\$49.83	\$49.83
Driller/Helper	\$0.00	\$49.83	\$49.83
Totals	\$187.56	\$99.66	\$287.22
<b>Drill Hole - Inert Media (Means Crew B-11M+ 1 Laborer)</b>			
420D/4WD Backhoe	\$25.32	\$53.37	\$78.69
General Laborer	\$0.00	\$34.21	\$34.21
Totals	\$25.32	\$87.58	\$112.90
<b>Drill Hole - Casing Perforation</b>			
Heavy Duty Drill Rig(s)	\$257.56	\$49.50	\$307.06
Driller/Helper	\$0.00	\$34.51	\$34.51
Driller/Helper	\$0.00	\$34.51	\$34.51
Totals	\$257.56	\$118.52	\$376.08
<b>ROAD GRADING, DUST SUPPRESSION, CLEAN UP</b>			
<b>Maintenance - Small Water Truck and Cat 14G Grader</b>			
14G/16G (4000 gal) Water Wagon	\$69.94	\$41.37	\$111.31
14G/H	\$90.86	\$52.33	\$143.19
Totals	\$160.80	\$93.70	\$254.50
<b>Maintenance - Large Water Truck and Cat 16G Grader</b>			
16G/18G (8000 gal) Water Wagon	\$96.38	\$41.37	\$137.75
16G/H	\$128.75	\$52.33	\$181.08
Totals	\$225.14	\$93.70	\$318.84

**Nevada Standardized Bond Calculation  
Fleets (Crews)**

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

<b>EQUIPMENT FLEETS</b>			
<b>ACTIVITY AND FLEET</b>	<b>EQUIPMENT UNIT COST (Hourly)</b>	<b>LABOR UNIT COST (Hourly)</b>	<b>TOTAL COST (Hourly)</b>
<b>1 - SUPERVISOR TRUCK</b>			
Supervisor Truck	\$13.03	\$52.01	\$65.04
<b>Totals</b>	<b>\$13.03</b>	<b>\$52.01</b>	<b>\$65.04</b>
<b>MEANS COSTS DERIVED FROM</b>			
From RS Means Heavy Construction Crew Definitions			
For use with misc. unit costs where Means is the source for productivity			
<b>1 Clab - Block Wall Demolition</b>			
General Laborer	\$0.00	\$34.21	\$34.21
<b>Totals</b>	<b>\$0.00</b>	<b>\$34.21</b>	<b>\$34.21</b>
<b>2 Clab - Barbed Wire Fence Removal</b>			
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
<b>Totals</b>	<b>\$0.00</b>	<b>\$68.42</b>	<b>\$68.42</b>
<b>2 Clab + Excavator - Pond Liner Cutting and Folding</b>			
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
325G	\$58.63	\$53.67	\$112.30
<b>Totals</b>	<b>\$58.63</b>	<b>\$122.09</b>	<b>\$180.72</b>
<b>B-3 - Small Building Demolition</b>			
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
Potential	\$13.03	\$52.01	\$65.04
325G	\$41.68	\$53.14	\$94.82
Dump Truck (10-12yd3)(4)	\$94.48	\$0.00	\$94.48
Dump Truck (10-12yd3)(4)	\$94.48	\$0.00	\$94.48
<b>Totals</b>	<b>\$243.67</b>	<b>\$173.57</b>	<b>\$417.24</b>
<b>B-6 - Chain Link Fence/Pipeline/Culvert Removal</b>			
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
325G	\$41.68	\$53.14	\$94.82
<b>Totals</b>	<b>\$41.68</b>	<b>\$121.56</b>	<b>\$163.24</b>
<b>B-8 - Large Building Demolition</b>			
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
Potential	\$13.03	\$52.01	\$65.04
325G	\$36.97	\$53.14	\$90.11
26-Ton Crane (4)	\$78.03	\$51.61	\$129.64
Dump Truck (10-12yd3)(4)	\$94.48	\$41.37	\$135.85
Dump Truck (10-12yd3)(4)	\$94.48	\$41.37	\$135.85
<b>Totals</b>	<b>\$316.99</b>	<b>\$307.92</b>	<b>\$624.91</b>

**Nevada Standardized Bond Calculation  
Fleets (Crews)**

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

<b>EQUIPMENT FLEETS</b>			
<b>ACTIVITY AND FLEET</b>	<b>EQUIPMENT UNIT COST (Hourly)</b>	<b>LABOR UNIT COST (Hourly)</b>	<b>TOTAL COST (Hourly)</b>
<b>B-9 - Concrete Wall Demolition</b>			
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
Foreman	\$13.03	\$52.01	\$65.04
Air Compressor (5 tools @)	\$15.46	\$0.00	\$15.46
<b>Totals</b>	<b>\$28.49</b>	<b>\$188.85</b>	<b>\$217.34</b>
<b>B-11M - Backhoe Work</b>			
420D 4WD Backhoe	\$25.32	\$53.37	\$78.69
<b>Totals</b>	<b>\$25.32</b>	<b>\$53.37</b>	<b>\$78.69</b>
<b>B-12G - Rip-Rap Machine Placed (Modified)</b>			
324C	\$74.25	\$35.22	\$109.47
324C	\$58.63	\$35.22	\$93.85
Dump Truck (for 12 yds @)	\$94.48	\$41.14	\$135.62
<b>Totals</b>	<b>\$227.36</b>	<b>\$111.58</b>	<b>\$338.94</b>
<b>B-13 - Grouted Rip-Rap &amp; Gabion Baskets</b>			
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
Foreman	\$13.03	\$52.01	\$65.04
Gabion Grap (4)	\$52.71	\$51.61	\$104.32
	\$0.00	\$0.00	\$0.00
<b>Totals</b>	<b>\$65.74</b>	<b>\$240.46</b>	<b>\$306.20</b>
<b>C-14B - Elevated Concrete Slabs (Reinforced Concrete Shaft Covers)</b>			
Foreman	\$13.03	\$52.01	\$65.04
Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
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Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
Carpenter	\$0.00	\$41.43	\$41.43
General Laborer	\$0.00	\$34.21	\$34.21
General Laborer	\$0.00	\$34.21	\$34.21
Rebar (reinforcing concrete)	\$0.00	\$34.21	\$34.21
Rebar (reinforcing concrete)	\$0.00	\$34.21	\$34.21
Rebar (reinforcing concrete)	\$0.00	\$34.21	\$34.21
Rebar (reinforcing concrete)	\$0.00	\$34.21	\$34.21
Cement (bags)	\$0.00	\$34.33	\$34.33
Cement (bags)	\$0.00	\$34.33	\$34.33
Concrete Vibrator (4)	\$6.64	\$51.30	\$57.94
Concrete Pump (4)	\$100.17	\$0.00	\$100.17
<b>Totals</b>	<b>\$119.84</b>	<b>\$1,040.15</b>	<b>\$1,159.99</b>

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

1/24/2006

# Nevada Standardized Bond Calculation Productivity

## Productivity - Bulldozers

Dozer Specifications					
Description	D11R	D10R	D9R	D8R	D7R
Blade Width (ft)	15.33 ft	15.92 ft	14.17 ft	12.82 ft	12.08 ft
Shank Gauge (3 shanks)	9.83 ft	9.67 ft	7.97 ft	7.08 ft	6.50 ft
Pocket Spacing	4.75 ft	4.35 ft	3.87 ft	3.58 ft	3.25 ft
Ripping Width (Ripper + 1 Pocket)	14.58 ft	13.00 ft	11.44 ft	10.83 ft	9.75 ft
Ripping Speed	1.0 mph	1.0 mph	1.0 mph	1.0 mph	1.0 mph
Ripping Maneuver (turn) Time	0.25 min	0.25 min	0.25 min	0.25 min	0.25 min
Ripping Hourly Production (less maneuvering time)	5280 ft	5280 ft	5280 ft	5280 ft	5280 ft

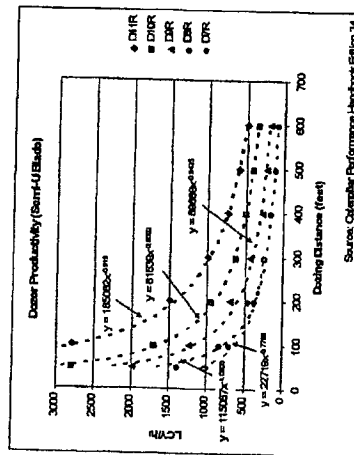
Source: Caterpillar Performance Handbook Edition 35

Dozer Productivity vs. Grading Distance					
Average Grading Distance (feet)	Production (LCY/hr)				
	D11R	D10R	D9R	D8R	D7R
50	4800	2800	2000	1400	1000
100	2800	1700	1250	850	700
200	1500	950	700	475	375
300	1000	625	450	325	250
400	750	500	300	175	150
500	600	410	250	125	100
600		350	200	100	

Source: Caterpillar Performance Handbook Edition 35

dozer productivity =  $k \times \text{Grading Distance}^p$

(see graph)	165002	81539	89889	115097	22719
k =					
p =	-0.919	-0.8502	-0.9425	-1.0806	-0.7783



Source: Caterpillar Performance Handbook Edition 34

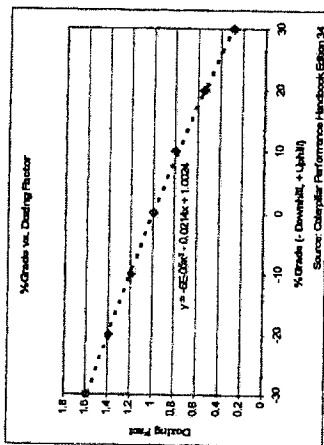
# Nevada Standardized Bond Calculation Productivity

## Productivity - Bulldozers (cont.)

% Grade vs. Dozing Factor	
% Grade	Dozing Factor
-30	1.6
-20	1.4
-10	1.2
0	1
10	0.9
20	0.85
30	0.8

Source: Caterpillar Performance Handbook Edition 35

% Grade Dozing Factor =  $-4E-5X^2 - 0.0214X + 1.0024$   
(see graph)



Job Condition Correction Factors - Bulldozers	
OPERATOR	
Average	0.75
MATERIAL (1)	
Loose stockpile	1.20
Hard to cut, frozen — with ill cylinder	0.80
Hard to drift "dead" (dry/non- cohesive material) or very sticky material	0.80
Rock, ripped or blasted	0.60
SLOT DOZING OR SIDE BY SIDE	
DOZING (1)	1.20
WEAR	
Good conditions	1.00
JOB EFFICIENCY	
50 min/hr	0.63

(1) Selected in bulky worksheets. Other factors excluded as standard factors.

Source: Caterpillar Performance Handbook Edition 35

# Nevada Standardized Bond Calculation Productivity

## Productivity - Scrapers

Scraper Specifications		631G	637G PP
Empty Weight		100,600 lb	112,760 lb
Payload Capacity		24 cy	24 cy
	Standard	34 cy	34 cy
Loaded by	On-DTOR	29 cy	29 cy
Load Time	Self	0.5 min	0.5 min
Maneuver and Spread		0.7 min	0.8 min
Job Efficiency		0.83	0.83
Rolling Resistance**		2.5%	2.5%
* Requires pair			
**A firm, smooth, rolling roadway with dirt or light surfacing, flexing slightly under load or undulating, maintained fairly regularly, watered			
Source: Caterpillar Performance Handbook Edition 33			

## Weight of Materials

Downhill Scraper Speed - Grade Retarding vs. Effective Grade (Grade - Rolling Resistance)														
Material		Scraper Load lb	631G					637G PP						
			Loaded Weight (lbs)	22.0%	16.0%	10.0%	5.0%	1.0%	Loaded Weight (lbs)	25.0%	20.0%	15.0%	10.0%	5.0%
Basalt	3,300	95,700	195,300	7.5	10.0	13.0	24.5	33.0	208,450	7.0	10.0	10.0	18.5	34.0
Granite - broken	2,800	81,200	181,800	7.5	10.0	13.0	33.0	33.0	193,960	7.0	10.0	10.0	18.5	34.0
LS - broken	2,600	75,400	176,000	7.5	10.0	13.0	33.0	33.0	188,180	7.0	10.0	10.0	18.5	34.0
LS - crushed	2,600	75,400	176,000	7.5	10.0	13.0	33.0	33.0	188,180	7.0	10.0	10.0	18.5	34.0
Sandstone	2,550	71,900	174,550	7.5	10.0	13.0	33.0	33.0	186,710	7.0	10.0	10.0	18.5	34.0
Shale	2,100	60,800	161,500	7.5	10.0	18.0	33.0	33.0	173,660	10.0	10.0	10.0	18.5	34.0
Stone - crushed	2,700	78,300	178,900	7.5	10.0	13.0	33.0	33.0	191,060	7.0	10.0	10.0	18.5	34.0
Topsail	1,600	46,400	147,000	7.5	10.0	18.0	33.0	33.0	159,160	10.0	10.0	10.0	18.5	34.0
			Empty	10.0	18.0	24.5	33.0	33.0	Empty	10.0	10.0	13.5	18.5	34.0
0 Source: Caterpillar Performance Handbook Edition 34														

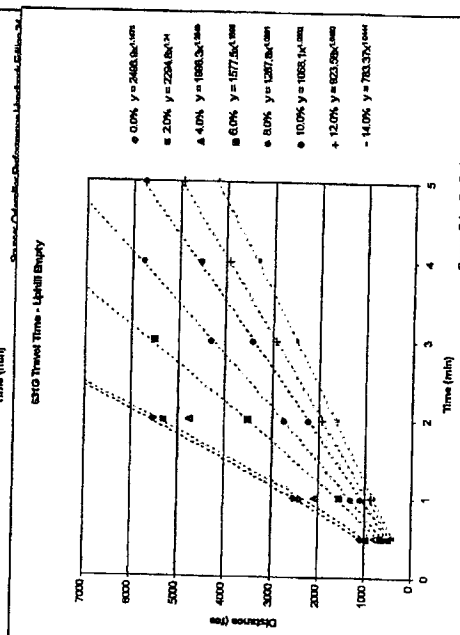
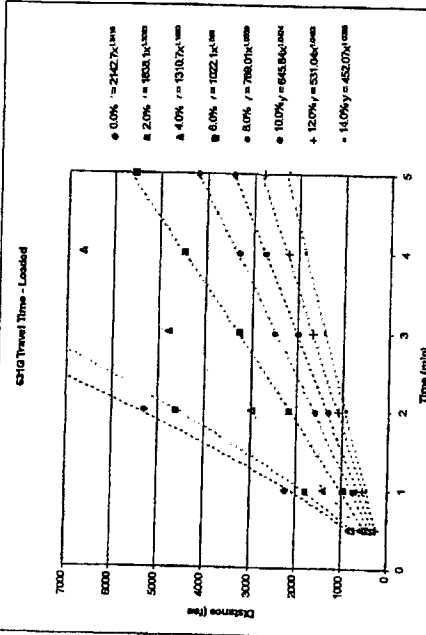
# Nevada Standardized Bond Calculation Productivity

## Productivity - Scrapers (cont.)

631G Scraper Travel Time - Uphill Loaded									
Total Resistance (%) (rolling + grade)	Time (min)								
	0.5	1	2	3	4	5			
0.0%	825	2250	5300				2142.7	1341.8	P
2.0%	750	1800	4600				1938.1	1301.9	
4.0%	550	1400	3000	4800	6700		1310.7	1188.3	
6.0%	490	1000	2200	3300	4500	5600	1022.1	1069	
8.0%	375	750	1600	2500	3300	4200	789.01	1055.9	
10.0%	300	700	1300	2000	2750	3450	645.84	1042.4	
12.0%	250	550	1100	1700	2250	2800	531.04	1045.3	
14.0%	225	450	900	1400	1850	2250	452.07	1008.9	

$$\text{Travel Time (min)} = \frac{\text{distance}}{k}$$

Source: Caterpillar Performance Handbook Edition 35



Source: Caterpillar Performance Handbook Edition 34

631G Scraper Travel Time - Uphill Empty									
Total Resistance (%) (rolling + grade)	Time (min)								
	0.5	1	2	3	4	5			
0.0%	1100	2550	5550				2486.9	1167.5	P
2.0%	950	2400	5000				2294.8	124	
4.0%	800	2100	4750				1998.3	1284.9	
6.0%	700	1800	3550	5550			1577.5	1566	
8.0%	600	1300	2750	4300	5750		1287.8	1069.1	
10.0%	500	1100	2450	3450	4550	5750	1068.1	1055.2	
12.0%	450	900	1950	2950	3850	4950	923.96	1046.2	
14.0%	375	800	1600	2500	3300	4200	783.37	1044.4	

$$\text{Travel Time (min)} = \frac{\text{distance}}{k}$$

Source: Caterpillar Performance Handbook Edition 35

# Nevada Standardized Bond Calculation Productivity

## Productivity - Scrapers (cont.)

637G Push-Pull Scraper Travel Time - Uphill Loaded									
Total Resistance (%) (rolling + grade)	Time (min)								
	0.5	1	2	3	4	5	k	p	
0.0%	1000	2500	5550				2402.9	1.2362	
2.0%	850	2200	5150				2127.6	1.2985	
4.0%	700	1700	3900	6250			1659.4	1.2712	
6.0%	600	1300	2750	4300	5750		1287.5	1.0991	
8.0%	500	1100	2200	3300	4600	5600	1056.1	1.0421	
10.0%	400	850	1750	2700	3600	4475	929.89	1.0503	
12.0%	375	750	1500	2300	3000	3800	731.58	1.0055	
14.0%	275	600	1300	2000	2650	3250	585.28	1.0794	

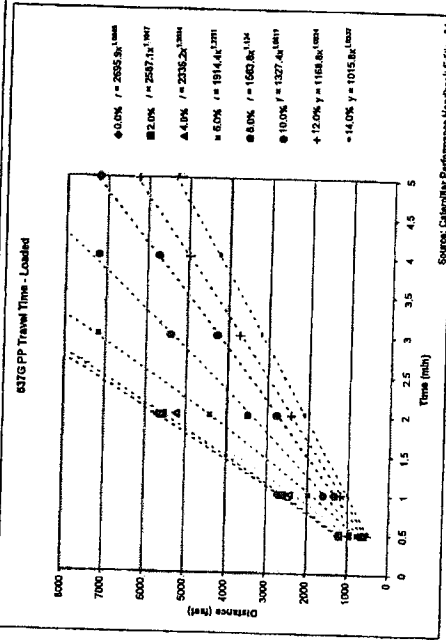
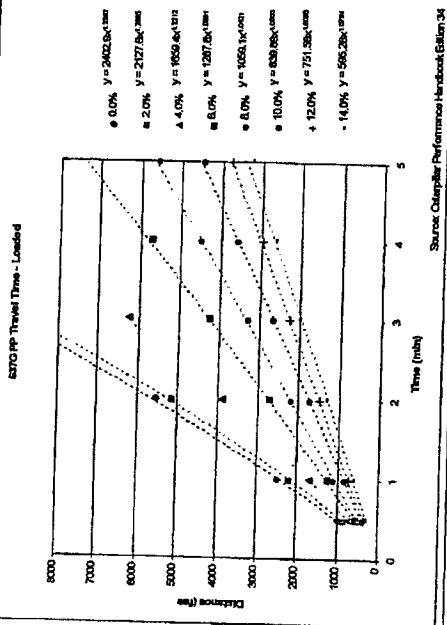
$$\text{Travel Time (min)} = \frac{\sqrt{\text{distance}}}{k}$$

Source: Caterpillar Performance Handbook Edition 35

637G Push-Pull Scraper Travel Time - Uphill Empty									
Total Resistance (%) (rolling + grade)	Time (min)								
	0.5	1	2	3	4	5	k	p	
0.0%	1250	2750	5700				2895.9	1.0945	
2.0%	1200	2650	5550				2587.1	1.1047	
4.0%	980	2450	5250				2335.2	1.0234	
6.0%	800	2000	4250	7215			1914.4	1.2211	
8.0%	700	1600	3450	5400	7215		1563.8	1.124	
10.0%	625	1350	2900	4300	5750	7215	1327.4	1.0611	
12.0%	550	1200	2450	3750	5000	6250	1188.8	1.0524	
14.0%	495	1010	2100	3200	4250	5300	1015.8	1.0337	

$$\text{Travel Time (min)} = \frac{\sqrt{\text{distance}}}{k}$$

Source: Caterpillar Performance Handbook Edition 35



# Nevada Standardized Bond Calculation Productivity

## Productivity - Haul Trucks

Haul Truck Specifications	
Description	769D
Chassis Weight	7770
Body Weight	53,506 lb
Standard Liner Weight	17,200 lb
Total Truck Weight	148,353 lb
Payload Capacity	21.9 cy
	31.7 cy
	78.6 cy
	66.8 cy
Maneuver to Load Time	0.7 min
Maneuver and Dump Time	1.1 min
Job Efficiency	0.83
Rolling Resistance*	2.5%

\*A firm, smooth, rolling roadway with dirt or light surfacing, flexing slightly

Source: Caterpillar Performance Handbook Edition 35

## Weight of Materials

Material	lb/cy	Downhill Haul Truck Speed - Grade Relating vs. Effective Grade (Grade - Rolling Resistance)				
		769D	777D	780D	785D	790D
Basalt	3,300	87,945	220,440	158,651	110	110
Granite - broken	2,800	74,520	187,040	145,326	110	110
LS - broken	2,600	69,280	173,680	139,996	110	110
LS - crushed	2,600	69,280	173,680	139,996	110	110
Sandstone	2,650	67,658	170,340	138,664	110	110
Shale	2,100	55,965	140,280	126,671	110	110
Stone - crushed	2,100	55,965	140,280	126,671	110	110
Topsoil	1,800	42,840	106,880	81,346	110	110
					15.0	15.0
					20.0	20.0
					25.0	25.0
					30.0	30.0
					35.0	35.0
					40.0	40.0
					45.0	45.0
					50.0	50.0
					55.0	55.0
					60.0	60.0
					65.0	65.0
					70.0	70.0
					75.0	75.0
					80.0	80.0
					85.0	85.0
					90.0	90.0
					95.0	95.0
					100.0	100.0
					105.0	105.0
					110.0	110.0
					115.0	115.0
					120.0	120.0
					125.0	125.0
					130.0	130.0
					135.0	135.0
					140.0	140.0
					145.0	145.0
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					160.0	160.0
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					170.0	170.0
					175.0	175.0
					180.0	180.0
					185.0	185.0
					190.0	190.0
					195.0	195.0
					200.0	200.0
					205.0	205.0
					210.0	210.0
					215.0	215.0
					220.0	220.0
					225.0	225.0
					230.0	230.0
					235.0	235.0
					240.0	240.0
					245.0	245.0
					250.0	250.0
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					260.0	260.0
					265.0	265.0
					270.0	270.0
					275.0	275.0
					280.0	280.0
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					410.0	410.0
					415.0	415.0
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					430.0	430.0
					435.0	435.0
					440.0	440.0
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					965.0	965.0
					970.0	970.0
					975.0	975.0
					980.0	980.0
					985.0	985.0
					990.0	990.0
					995.0	995.0
					1000.0	1000.0

Source: Caterpillar Performance Handbook Edition 35

769D Haul Truck Travel Time - Uphill Loaded							
Total Resistance (%) (rolling + grade)	Time (min)					k	p
	0.4	1	2	3	4		
0.0%	1148	3428	7183			3316.3	1.1422
0.5%	951	2821	5904			2723	1.1372
1.0%	689	1984	4168	6330		1928.3	1.1033
2.0%	508	1427	2952	4510	6002	1386.4	1.0725
3.0%	328	1052	2263	3411	4593	974.0	1.06
4.0%	328	869	1771	2590	3608	451.0	0.9782
5.0%	213	574	1181	1804	2394	301.8	0.9482

distance

k

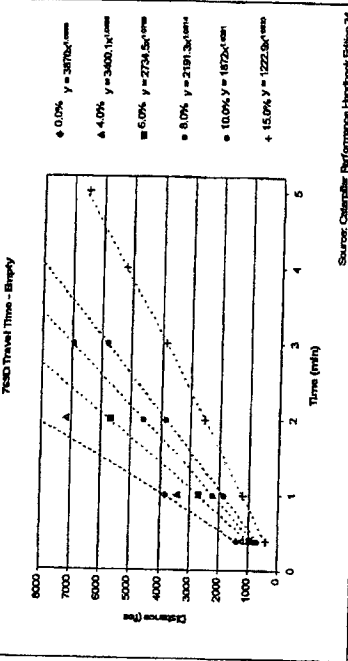
Travel Time (min) =

Source: Caterpillar Performance Handbook, 1999

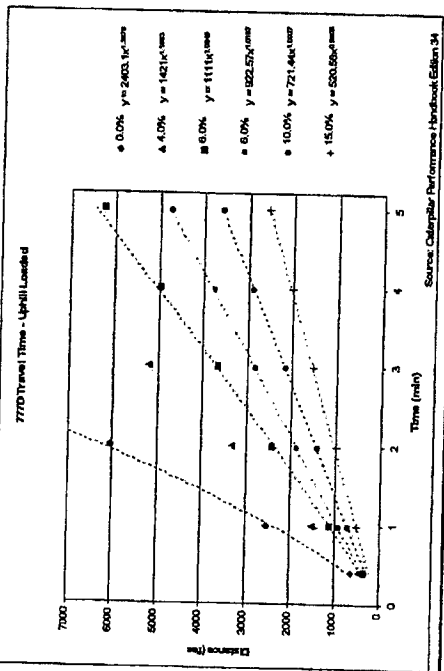
# Nevada Standardized Bond Calculation Productivity

## Productivity - Haul Trucks (cont.)

769D Haul Truck Travel Time - Uphill Empty									
Total Resistance (%) (rolling + grade)	Time (min)					k	p		
	0.4	1	2	3	4			5	
0.0%	1427	3870				3870	1.0858		
4.0%	1246	3444	7183			3400.1	1.0855		
6.0%	1017	2755	5740			2704.5	1.0759		
8.0%	820	2230	4692	6954		2191.3	1.0614		
10.0%	722	1870	3870	5838		1872	1.0391		
15.0%	459	1246	2558	3903	5248	1222.9	1.0523		



777D Haul Truck Travel Time - Uphill Loaded									
Total Resistance (%) (rolling + grade)	Time (min)					k	p		
	0.4	1	2	3	4			5	
0.0%	666	2558	5068	7085	9112	2403.1	1.3876		
4.0%	459	1609	3313	5215	7085	1412	1.1853		
6.0%	384	1148	2460	3706	5018	8398	111		
8.0%	324	918	1886	2837	3772	4768	922.87		
10.0%	272	722	1443	2165	2919	3698	721.44		
15.0%	155	525	1017	1558	2034	2591	520.56		
$\text{Travel Time (min)} = \sqrt[4]{\frac{\text{distance}}{k}}$									
Source: Caterpillar Performance Handbook Edition 35									



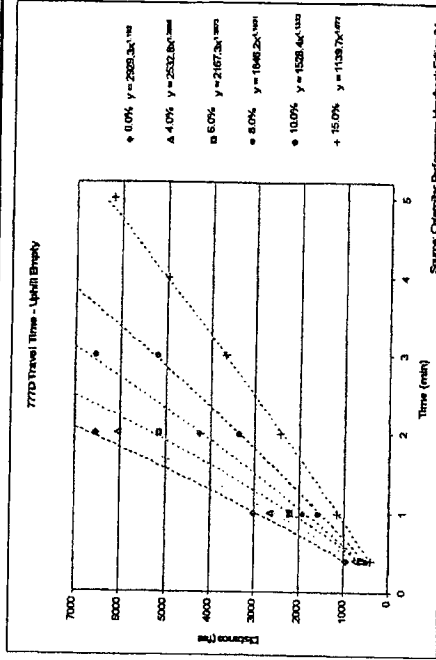
# Nevada Standardized Bond Calculation Productivity

## Productivity - Haul Trucks (cont.)

Total Resistance (%)		777D Haul Truck Travel Time - Uphill Empty					
(rolling + grade)		Time (min)					
		0.4	1	2	3	4	5
0.0%		3034	6560				
4.0%		2857	6068				
8.0%		2680	5576				
10.0%		2503	5084				
15.0%		2326	4592				
		2149	4100				
		1972	3608				
		1795	3116				
		1618	2624				
		1441	2132				
		1264	1640				
		1087	1148				
		910	656				
		733	164				
		556					
		379					
		202					
		25					

$$\text{Travel Time (min)} = \sqrt{\frac{\text{distance}}{k}}$$

Source Caterpillar Performance Handbook Edition 35



# Nevada Standardized Bond Calculation Productivity

## Productivity - Wheel Loaders

Wheel Loader Specifications		928G	966G	972G	986G	992G
Payload Capacity	Struck	2.5 cy	4.46 cy	4.71 cy	6.9 cy	13.2 cy
	Heaped	3.26 cy	5 cy	5.5 cy	8.33 cy	16 cy
	Average	2.88 cy	4.73 cy	5.11 cy	7.62 cy	14.8 cy
Matched Truck		N/A	N/A	N/A	7680	7770
Average Cycle Time		0.45 min	0.50 min	0.50 min	0.55 min	0.60 min
Passes to Fill Truck		N/A	N/A	N/A	4	5
Time to Fill Truck		N/A	N/A	N/A	2.29	3.23
Rolling Resistance**		2.5%	2.5%	2.5%	2.5%	2.5%
**A firm, smooth, rolling roadway						
		Source: Caterpillar Performance Handbook Edition 35				

## Productivity - Motor Graders

Motor Grader Specifications		140H	160H
Grader Width		9.25 ft	10.08 ft
Blade Width		14.00 ft	16.00 ft
Ripper Width (7 shanks)		8.50 ft	9.76 ft
Road Maintenance Speed		Minimum 3.0 mph Maximum 8.5 mph Average 6.3 mph	Minimum 3.0 mph Maximum 8.5 mph Average 6.3 mph
Ripping Speed		Minimum 3000 ft Maximum 3000 ft Average 3000 ft	Minimum 3000 ft Maximum 3000 ft Average 3000 ft
Hourly Production (less maneuver time)		Minimum 1.5 m³ Maximum 3.0 m³ Average 2.25 m³	Minimum 1.5 m³ Maximum 3.0 m³ Average 2.25 m³
Maneuver time per pass		7920 ft 0.5 min	7920 ft 0.5 min
		Source: Caterpillar Performance Handbook Edition 35	

Wheel Loaders

General Purpose

Spade Nose-Rock

928G 3.25 cubic yard not available

966G 5.0 cubic yard not available

972G 5.5 cubic yard not available

986G 8.3 cubic yard

992G 16.0 cubic yard

Notes: capacities are 2:1 heaped, SAE standards

NOTES: Buckets for both Track Excavators and Wheel Loaders are offered by CECo & well as for the rental rates quoted. Bucket sizes and capacities obtained from CATERPILLAR PERFORMANCE HANDBOOK, ED 34, Section 12, Wheel Loader and Section 4, Excavators

Bucket capacity and width dictated by material weight and configuration, i.e., shot, loose, light bank, scrap, rock, etc. Typical Nevada applications were used to determine above bucket capacities as related to materials & densities. Job site specifics may alter specific bucket requirements. (Cashman Equipment, Elko, Nevada - February 21, 2005)

# Nevada Standardized Bond Calculation Productivity

## Productivity - Excavators

Track Excavator Specifications				
Description	320C	325C	345B	385BL
Bucket Capacity	1.57 cy	2.22 cy	3.00 cy	4.30 cy
Fill Factor	0.80	0.80	0.80	0.80
Average Bucket Load	1.26 cy	1.78 cy	2.40 cy	3.44 cy
Soil Type	hard clay	hard clay	hard clay	hard clay
Job Condition	med-hard	med-hard	med-hard	med-hard
Cycle Times (minutes) - based on hard clay				
Load Bucket	0.09	0.09	0.13	0.19
Swing Loaded	0.06	0.06	0.07	0.08
Dump Bucket	0.03	0.04	0.02	0.03
Swing Empty	0.05	0.06	0.06	0.07
Total Cycle Time	0.23	0.25	0.28	0.35
Job Efficiency	0.83	0.83	0.83	0.83
Operator Efficiency (Average)	0.75	0.75	0.75	0.75
Corrected Productivity (CY/hr)	228 cy	289 cy	360 cy	701 cy

Source: Caterpillar Performance Handbook Edition 35

## Concrete Breaking Production

Track Excavator with Hammer Specifications				
Description	325C	345B	385B	
Hydraulic Hammer	H1200 #	H1600 #	H1800 #	
Material	reinforced concrete	reinforced concrete	reinforced concrete	
Min. Shift Production (bty)	160 cy	300 cy	350 cy	
Max. Shift Production (bty)	300 cy	650 cy	1550 cy	
Avg. Shift Production (bty)	230 cy	575 cy	950 cy	
Job Efficiency	0.83	0.83	0.83	

Source: Caterpillar Performance Handbook Edition 35

Track Excavators	Hwy Duty Rock	Extrema Service Exc (e.g. haulroad recontour)	Hwy Duty Trench
320C	30", 78 cubic yd	55.1", 1.57 cubic yard	23.6", 54 yard
325C	36", 1.25 cubic yd	60", 2.22 cubic yard	30", 88 cubic yard
345B	43.2", 1.68 cubic yd	65", 3.0 cubic yd	48", 2.08 cubic yd
385BL	65", 6.30 cubic yd	96.0, 7.30 cubic yd	57", 2.75 cubic yd

Notes: Capacities are 2:1 heaped, SAE standards  
 NOTES: Buckets for both Track Excavators and Wheel Loaders are offered by CECS &  
 available for the rental rates quoted. Bucket sizes and capacities obtained from CATERPILLAR  
 PERFORMANCE HANDBOOK, ED 34, Section 12, Wheel Loader and Section 4, Excavators  
 Bucket capacity and width dictated by material weight and configuration, i.e., shot, loose,  
 light rock, scrap, etc. Typical Nevada applications were used to determine above  
 bucket capacities as related to materials & densities. Job site specifics may alter specific  
 bucket requirements (Caterpillar Equipment, Elko, Nevada - February 21, 2005)

# Nevada Standardized Bond Calculation Productivity

## Drill Hole Plugging Productivity

Drill Hole Plugging Productivity	
Description	Drill Rig
Perforating (water wells)	Pump Rig
1-inch hole	300 M/hr
2-inch hole	300 M/hr
4-inch hole	300 M/hr
6-inch hole	300 M/hr
8-inch hole	250 M/hr
12-inch hole	175 M/hr
18-inch hole	40 M/hr
Inert Material Placement (backfill)	
GROUTING/Cement	5.33 cy/hr
Cuttings (see below)	3.56 cy/hr
WDC Expiration, Sept 2004	
Cuttings Placement Productivity	
Shale Productivity (Means 02210)	28 cy / shift
7000 J20, Crew 511M)	8 hours
Shale length	
Estimated Hourly Productivity	3.5 cy / hour

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012405\_ Beta 3b.xls

**Notes:**



## General Moly, Inc.

2215 North 5<sup>th</sup> St.  
Elko, NV 89801  
Phone: 775.753.5009  
Fax: 775.753.7722  
Email: [bmusser@generalmoly.com](mailto:bmusser@generalmoly.com)  
Website: [www.generalmoly.com](http://www.generalmoly.com)

RECEIVED-MAILROOM

2008 FEB 14 AM 11:13

BUREAU OF LAND MANAGEMENT  
BATTLE MOUNTAIN FIELD OFFICE

February 13, 2008

Mr. Stephen C. Drummond  
Bureau of Land Management  
Battle Mountain Field Office  
50 Bastian Road  
Battle Mountain, Nevada 89820

RE: Mount Hope Notice NVN 081485 – Amendment 4 and Notification of Notice Extension 3809 (NV063)

Dear Steve:

This is to inform the Bureau of Land Management (BLM) that General Moly, Inc. (General Moly) is seeking to extend under the provisions of 43 CFR §3809.333, Notice NVN-081485, which is due to expire on February 15, 2008, for two more years. An updated reclamation cost estimate is attached for your review.

General Moly is also amending Notice 081485, Drilling Activities at Tails #2 Site, to modify the boundary of the Notice area and to install four new monitoring wells. The changes in this amendment have been included in the reclamation cost estimate update.

### Notice Boundary Modification

General Moly is proposing to expand the Notice boundary to the east and to the north as displayed on Figure 1. The modification is necessitated by the need to install new monitoring wells, three of which are to be located out of the existing boundary. The expansion of the boundary to the north also involves an amendment to Notice NVN 080914 to avoid overlap of the two notices. A separate amendment to that Notice will be provided under separate cover.

Mr. Stephen C. Drummond  
February 13, 2008  
Page 2 of 5

### Proposed 2008 Disturbance

The four new monitoring wells will be installed north of the proposed tailings facility (Figure 1). TM-A will be located on an existing road in the NE  $\frac{1}{4}$  of Sec. 31, T 21  $\frac{1}{2}$  N, R 52 E. TM-B will be located approximately 550 feet from an existing road in the SE  $\frac{1}{4}$  of Sec. 8, T 21 N, R 52 E. Access to the site would be by overland travel. TM-C will be located approximately 1,125 feet east of an existing road. The exact location of the overland travel access route will be determined in the field with assistance from an archaeologist to ensure avoidance of existing cultural properties. TM-D will be located approximately 583 feet from an existing road and overland travel will also be used to access this site. Drill pads will be 70 x 150 ft (0.24 acres).

Drill hole depths will be from 650 to a maximum of 1,000 feet. The initial 50 feet of each monitoring well will be 20 inches in diameter with 16-inch casing. From 50 feet to the maximum depth, the hole will be 12 inches with either 8-inch casing or 8-inch screen. Gravel will be placed between the 8-inch casing and 8-inch screen from 50 feet below ground surface to the maximum well depth (Attachment 1).

The disturbance associated with the four new monitoring wells includes 0.36 acres of overland travel disturbance and 0.96 acres for four drill pads (Table 1). The disturbance previously created under this notice is 3.28 acres (Table 2), bringing the total disturbance under this notice to 4.60 acres.

**Table 1: Proposed Disturbance for Tailings Monitoring Wells**

Category	Access Length (feet)	Access Area (acres)	Pad Area (acres)	Total Acres
TM-A	0	0.	0.24	0.24
TM-B	550	0.09	0.24	0.31
TM-C	1,125	0.18	0.24	0.38
TM-D	583	0.09	0.24	0.31
Subtotal	2,258	0.36	0.96	1.32
Acres of existing disturbance				3.28
Total				4.60

**Table 2: South Tailings Storage Facility Geotechnical Investigation Disturbance (through Amendment # 4).**

BORE HOLE/ TEST PIT	PAD AREA (FT <sup>2</sup> )	TRACKING LENGTH (FT)	TRACKING WIDTH (FT)	TRACKING AREA (FT <sup>2</sup> )	TOTAL DISTURBED AREA (FT <sup>2</sup> )
<b>Test Pits</b>					
TP-1	1,000	2,235*	7	*	16,725
TP-2	1,485	1,392	7	9,744	11,229
TP-3	0	0	0	0	0
TP-4	707	2,327*	7	*	16,996
TP-5	1,080	0	7	0	1,080
TP-6	1,017	1,592	7	11,144	12,161
TP-7	1,017	1,745	7	12,215	13,232
TP-8	1,017	1,064*	7	*	8,465
TP-9	1,017	1,545*	7	*	11,832
TP-10	1,017	0	7	0	1,017
TP-11	855	0	7	0	855
TP-12	1,017	0	7	0	1,017
TP-13	1,017	0	7	0	1,017
TP-14	855	1,946*	7	*	14,477
TP-15	2,042	0	7	0	2,042
STP-16	1,000	1,055	7	7,385	8,385
STP-17	1,000	0	7	0	1,000
STP-18	1,000	710	7	4,970	5,970
STP-19	1,000	0	7	0	1,000
STP-20	1,000	485	7	3,395	4,395
STP-21	1,000	520	7	3,640	4,640
STP-22	1,000	355	7	2,485	3,485
STP-23	1,000	741	7	5,187	6,187
STP-24	1,000	640	7	4,480	5,480
STP-25	1,000	543	7	3,801	4,801
STP-26	1,000	685	7	4,795	5,795
STP-27	1,000	365	7	2,555	3,555
STP-28	1,000	160	7	1,120	2,120
STP-29	1,000	635	7	4,445	5,445
STP-30	1,000	555	7	3,885	4,885
<b>Subtotal</b>	<b>30,143</b>	<b>12,178**</b>	<b>7</b>	<b>85,246</b>	<b>115,389</b>
<b>Bore Holes</b>					
BH-1	100	536	7	3,752	3,852
BH-2	100	1,242	7	8,694	8,794
SBH-3	100	0	0	0	100
SBH-4	100	0	0	0	100
SBH-5	100	0	7	0	100
SBH-6	100	465	7	3,255	3,355
SBH-7	100	0	0	0	100
SBH-8	100	0	0	0	100

Mr. Stephen C. Drummond  
February 13, 2008  
Page 4 of 5

SBH-9	100	455	7	3,185	3,285
SBH-10	100	405	7	2,835	2,935
SBH-11	100	345	7	2,415	2,515
SBH-12	100	280	7	1,960	2,060
SBH-13	100	0	0	0	100
<b>Subtotal</b>	<b>1,300</b>	<b>3,728</b>	<b>7</b>	<b>26,096</b>	<b>27,396</b>
<b>Monitoring Wells</b>					
TM-A	10,500	0	0	0	10,500
TM-B	10,500	550	7	3,850	14,350
TM-C	10,500	1,125	7	7,875	18,375
TM-D	10,500	583	7	4,081	14,581
<b>Subtotal</b>	<b>42,000</b>	<b>2,258</b>	<b>7</b>	<b>15,806</b>	<b>57,806</b>
<b>TOTAL</b>	<b>73,443</b>	<b>18,164</b>		<b>127,148</b>	<b>200,591</b>
<b>TOTAL DISTURBED AREA (AC)</b>					<b>4.60</b>

\* Overland travel disturbance was eliminated for these test pits as the disturbance was not of sufficient magnitude to require reclamation.

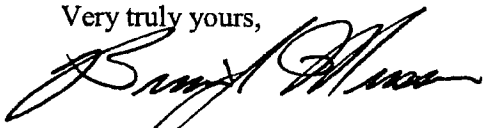
\*\* This total does not include the overland travel that has been determined not to require reclamation.

#### Reclamation Cost Estimate

The reclamation cost estimate was calculated using the Notice Model (Model\_FY2007) provided by the BLM. All previous disturbance under this Notice in addition to the modifications included in this Amendment have been included in the reclamation cost estimate. Using this model and entering the disturbance data resulted in a reclamation cost estimate of \$39,127 (Attachment 2)

If you have any questions regarding this request for extension or the Amendment to Notice 081485, please contact me at 753-5009.

Very truly yours,



Brian J. Musser  
Environmental Manager  
Mount Hope Project

Attachments: Notes to SRCE-based Reclamation Cost Model with Calculators  
Figure 1  
Attachment 1 – Schematic of Well Design  
Attachment 2 – Reclamation Cost Estimate

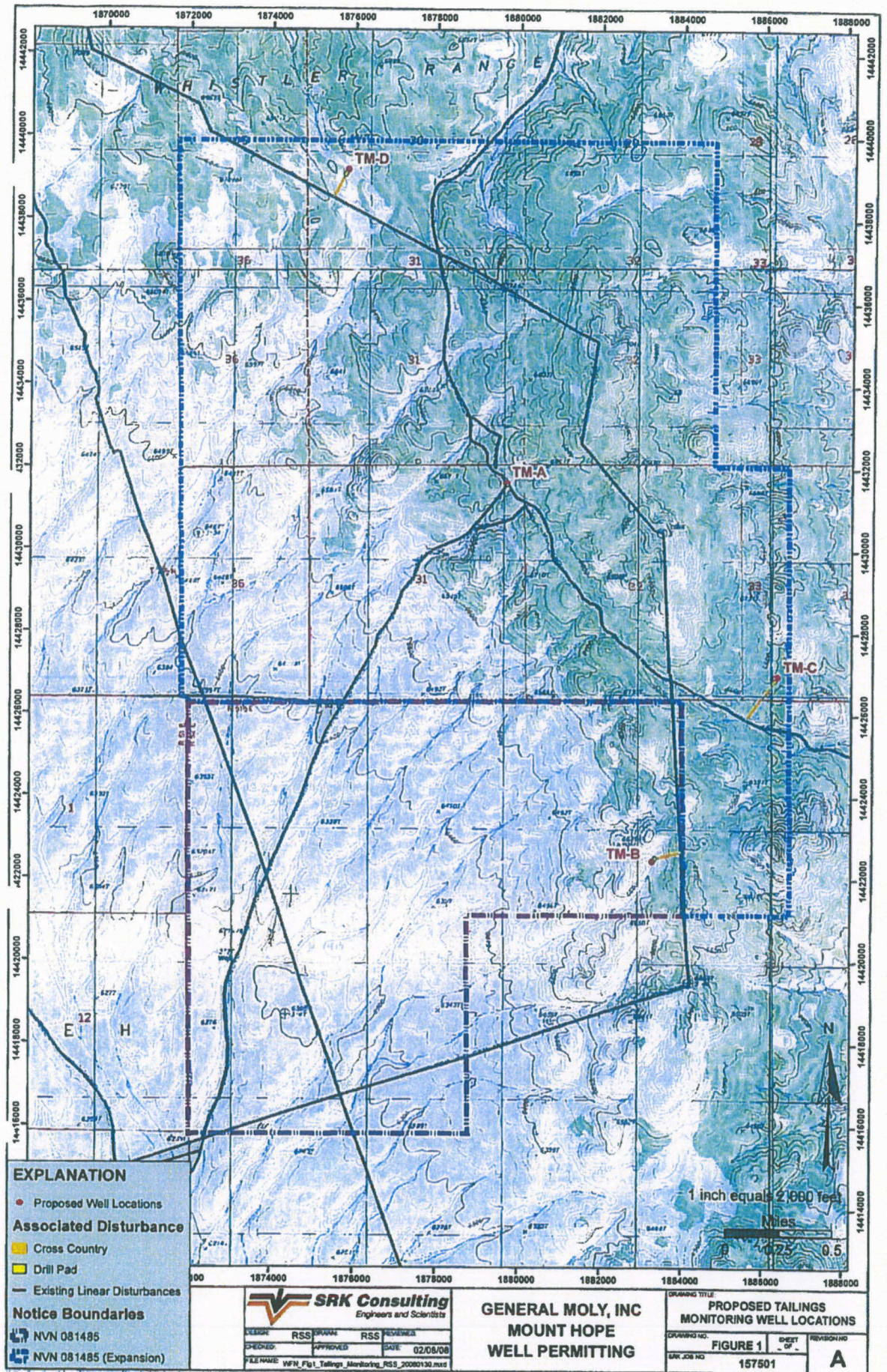
cc: Pat Rogers, GMI  
Casey Kelly, GMI  
Andy Russel, GMI

**Notes to SRCE-based Reclamation Cost Model with Calculators**

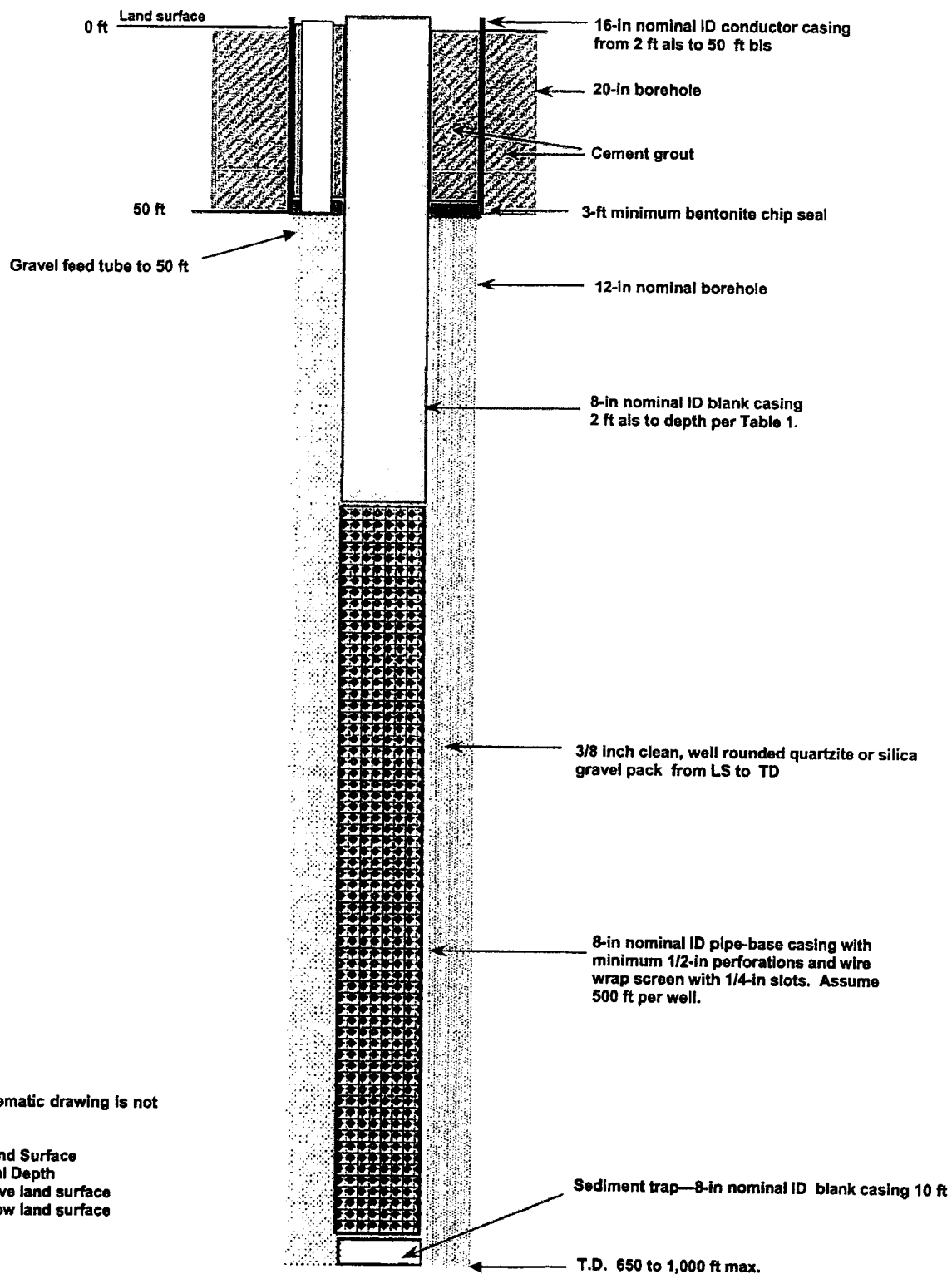
The BLM has requested that the SRCE-based Reclamation Cost Model with Calculators be used for determining the estimated reclamation costs for Notices. This Model has several assumptions that cannot be changed by the user. As a result, the Model calculates the area of disturbance based on these assumptions and not on the actual disturbance footprints. Consequently, the Model calculated the disturbance for this Notice to be 5.0 acres, and using the actual disturbance footprints results in a total of 4.60 acres of disturbance.

The following assumptions or inputs to the Model were used to calculate the reclamation cost:

1. Bore holes – 13 bore hole pads are included in the reclamation cost, only one hole would be open at any given time, the maximum depth of a bore hole would be 1,100 feet. This is included in the “Feet of Open Holes-Wet” entry in the SRCE-based Reclamation Cost Model with Calculators (Model).
2. Bore hole pads are approximately 20 ft x 50 ft (1,000 ft<sup>2</sup>). This is smaller than the pads calculated by the Model, which assumes pads will be 30 ft x 70 ft (2,100 ft<sup>2</sup>). Therefore, the Model overestimates the acreage of disturbance. Actual acreage of disturbance for the Notice is 4.60 acres and the Model estimates 5.0 acres.
3. Test pits – 29 test pits are included in the update. Thirty test pits were proposed, but TP-3 was never excavated and will not be excavated, resulting in a total of 29 test pits.
4. Test pits – the dimensions of the test pits are 20 ft x 50 ft. The Model assumes the test pits are 14 ft x 300 ft. Therefore, the Model overestimates the acreage of disturbance. Actual acreage of disturbance for the Notice is 4.60 acres and the Model estimates 5.0 acres.
5. Monitoring Wells – 4 monitoring wells are proposed in this Amendment and the maximum depth of the wells will be 1,000 ft. All four monitoring wells will remain “open”, therefore, 4,000 feet of “Open Holes – Wet” were included in the Model.



# SCHEMATIC WELL DESIGN FOR IGMI TEST WELLS AT TAILINGS STORAGE FACILITY



## NOTES:

This schematic drawing is not to scale.

LS = Land Surface

TD = Total Depth

als = above land surface

bls = below land surface

BLM, Frank Bergwall

Bureau of Land Management Notice Level Reclamation Cost Estimation Worksheet									
Costs for this Notice Level Reclamation Cost Estimator are based on values and assumptions used in the Standardized Reclamation Cost Estimator (SRCE) Version 1.1.1									
Cost Data are from October 1, 2006. This worksheet is simpler than the SRCE and does not allow the flexibility of entering project specific information in some situations.									
The model will generate approximately the same reclamation costs as the SRCE model if the same inputs and assumptions are applied.									
Below are the methods and assumptions used by this model to generate a Financial Guarantee Amount.									
1.	There are two side hill slope categories used for all calculations in this worksheet. All slopes under 30% (30%) are assumed to have a slope of 20%.								
2.	All slopes over 30% (>30%) are assumed to have a slope of 40%.								
3.	All Roads in this worksheet are assumed to have a 14 foot wide dimension across the flat "driveable" part of the road without any safety berms.								
4.	All Drill Sites in this worksheet are assumed to be 30 feet wide. For Drill Sites on slopes <30%, they are 70 feet long. For Drill Sites on slopes >30%, they are 83 feet long.								
5.	All Road and Drill Sites cut banks are assumed to have a 60 degree slope.								
6.	All Road and Drill Sites fill slopes are assumed to have an angle of repose of 1.4H:1V or about 70% slope equal to a 35 degree angle.								
7.	Roads are linear features and the units required for input to this worksheet are in linear feet.								
8.	Recontouring for reclamation of Roads, Drill Sites, and Sumps is done with a track excavator of a Cat 320C size with a 1.57 CY bucket and productivity of 139 CY per hour.								
9.	Equipment Operator Manpower cost is based on Davis-Bacon wage rates for Northern Nevada with Area pay = \$2.00 per hour, FICA = 7.65%, Unemployment = 3% and Workmen's Comp = 10.75%.								
10.	Area pay = \$3.00 per hour, FICA = 7.65%, Unemployment = 3% and Workmen's Comp = 10.75%.								
11.	Revegetation cost is based on the cost of use of a D4 class dozer which scarifies, seeds and drags the seed in on one pass.								
12.	Revegetation costs are based on a per acre basis.								
13.	Drill Sites recontouring cost is based on a standard pad width and length.								
14.	Drill Sites on slopes <30% and Gross Country Drill Sites are 30 feet wide by 70 feet long.								
15.	Drill Sites on slopes >30% are 30 feet wide by 83 feet long.								
16.	On Gross Country Drill Sites, the disturbed area is topped by a Cat D6 size dozer.								
17.	On Drill Sites <30% slopes they are assumed to be outside the Drill Site. The assumed dimensions are 13 feet wide, 30 feet long and 5 feet deep.								
18.	On Drill Sites >30% slopes they are assumed to be outside the Drill Site.								
19.	Trenches are assumed to be 300 feet long by 14 feet wide by 5 feet deep. They are recontoured with a Cat D6 sized dozer assuming a 208 CY/hour productivity.								
20.	Recontouring earthwork for Roads Drill Sites and Sumps has an assumed swell factor of 20%. Trenches swell factor is 30%.								
21.	Gross Country travel is assumed to have a disturbance of 8 feet wide by the linear feet of travel on slopes under 10%.								
22.	Revegetation costs for all Gross Country disturbance is based on a 12 foot wide seedling width on one pass.								
23.	Mobilization and Demobilization are based on 150 miles one way to project and are based on 2006 Vega Construction and Trucking quotes.								
24.	Travel times are assumed to be 2.73 hours one way to the project.								
25.	Mobilization for a Cat 320C excavator will be charged for regrading of Roads. Drill Sites only.								
26.	If any Trenches or Gross Country travel is included a D6 dozer will be mobilized also.								
27.	All projects that propose drilling will require a minimum Drill Hole's Open abandonment cost.								
28.	If a drill hole will not penetrate the static water level it may be abandoned as an Open Hole - Dry.								
29.	If a drill hole is drilled deeper than the static water level it is considered a wet hole and must be abandoned as an Open Hole - Wet.								
30.	Mobilization for Drill Holes - Open for Open Hole - Wet will include one drilling plus crew and support equipment.								
31.	Mobilization for Drill Holes - Open for Open Hole - Dry will include one backhoe and operator, and one general laborer.								
32.	Drill Hole Plugging Cost for Open Hole - Wet is based on average time to plug a 1000 ft. 6" Drill Hole (using productivity data from 8 drilling contractors December 2006).								
Nevada BLM, January 17, 2007									



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Battle Mountain Field Office  
50 Bastian Road  
Battle Mountain, Nevada 89820  
<http://www.nv.blm.gov>



### In Reply Refer To:

NVN-81485

3809

(NV063)

*A. Hutcherson 2/15/06*  
*P. Dene 2/15/06*

**CERTIFIED MAIL: 7004 2890 0001 0859 1688**  
**Return Receipt Requested**

James Moore  
Idaho General Mines, Inc.  
N. 10 Post Street, Suite 610  
Spokane, WA 99201

FFB 15 2006

Dear Mr. Moore:

On January 26, 2006, Idaho General Mines, Inc. submitted a Notice for the Mount Hope Mining Project, located within MDB&M., T. 22 N., R. 51 $\frac{1}{2}$  E., section 36; T. 21 $\frac{1}{2}$  N., R. 51 $\frac{1}{2}$  E., section 36; T. 21 N., R. 52 E., sections 5 and 6; and 21 $\frac{1}{2}$  N., R. 52 E., section 6. Additional information requested to complete the Notice was submitted February 15, 2006. The Notice has been assigned Bureau of Land Management (BLM) case file number NVN-81485.

The notice documentation has been reviewed and satisfies the requirements of 43 CFR §3809.301. Pursuant to 43 CFR §3809.420 and §3809.522, a reclamation cost estimate of \$16,971.00 is sufficient for the 4.3 acres of proposed disturbance consisting of 14 test pads and pits, two bore pads, 13,890 feet of overland travel and 4,720 feet of roads. Operations may not commence until Idaho General Mines, Inc. has provided the BLM with an acceptable financial guarantee (43 CFR §3809.312(c), §3809.412, and §3809.555). A financial guarantee must be submitted within 60 days of receipt of this letter. The financial instrument(s) must be submitted to:

Bureau of Land Management  
Nevada State Office  
Minerals Adjudication Team  
P.O. Box 12000 (1340 Financial Blvd)  
Reno, NV 89502-006  
(775) 861-6400

Once Idaho General Mines, Inc. has provided the BLM with an acceptable financial guarantee, the BLM Nevada State Office will provide Idaho General Mines, Inc. with a Financial Guarantee Accepted Decision and operations may commence.

A BLM wildlife biologist made the following comment regarding the Mount Hope Mine Project:

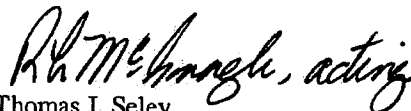
There is possible sage grouse nesting habitat in the project area. To avoid disturbing strutting sage grouse, please minimize drilling between midnight and 10:00 am from March 1 through May 15. Do not allow dogs to run loose on the project site. Disturbance of nesting or brood rearing sage grouse by dogs may cause the grouse to abandon nests or young. In addition, there are identified ferruginous hawk nesting sites within the project area. To avoid disturbing ferruginous hawks during nesting season, please minimize drilling activities from March 15 through July 1 to 0.5 mile from nests. If drilling cannot be scheduled outside of these restricted times, a qualified biologist should survey the project area.

#### Cultural Resources

If archaeological sites are damaged you could be assessed fines under the civil provisions of the Archaeological Resources Protection Act (see 43 CFR 7, parts 7.4, 7.14, 7.15 and 7.16). Therefore, it is recommended that you hire an archaeological contractor to do a cultural survey of the project area prior to beginning work. Pursuant 43 CFR 10.4(g) you must notify the authorized officer, Assistant Field Manager, Non Renewable Resources/Field Station Manager, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the immediate vicinity of the discovery and protect it from your activities for 30 days or until notified to proceed by the authorized officer.

The Notice will remain in effect for a period of two years from the date of this letter unless extended under 43 CFR §3809.333. Notice-level operations must meet all applicable performance standards of 43 CFR §3809.420 (enclosed). Any modifications to the notice must conform to 43 CFR §3809.330 and §3809.331. When the required reclamation work is complete, submit an as-built map of the project with UTM coordinates for any disturbance. Questions or comments may be directed to Sheila Hutcherson at (775) 635-4017 or Steve Drummond at (775) 635-4160.

Sincerely,



Thomas J. Seley  
Assistant Field Manager  
Nonrenewable Resources

#### 2 Enclosures

1. Guidelines for Operations Conducted under a Notice (1-p)
2. Recommended Seed Mix (Wyoming Sagebrush Community) (1-p)

cc: Minerals Adjudication Team, BLM Nevada State Office (NV-923)



81485  
**Eureka Moly LLC.**

2215 North 5<sup>th</sup> St.  
Elko, NV 89801  
Phone: 775.748.6008  
Fax: 775.753.7722  
Email: [progers@generalmoly.com](mailto:progers@generalmoly.com)  
Website: [www.generalmoly.com](http://www.generalmoly.com)

February 18, 2010

Mr. Casey Strickland  
Bureau of Land Management  
Battle Mountain Field Office  
50 Bastian Road  
Battle Mountain, Nevada 89820

**RE: Mount Hope Notice NVN 081485 - Notification of Notice Extension  
3809 (NV063)**

Dear Casey:

This is to inform the Bureau of Land Management (BLM) that General Moly, Inc. (General Moly) is seeking to extend under the provisions of 43 CFR §3809.333, Notice NVN-081485, which is due to expire on February 26, 2010, for two more years. An updated reclamation cost estimate is attached for your review.

#### **Summary of Current Disturbance**

The current total disturbance associated with this Notice is 4.31 acres, including 1,450 feet of trenches and 16,456 feet of cross country travel, with 7,100 feet of open holes-wet and 6,000 feet of casing

#### **Reclamation Cost Estimate**

The reclamation cost estimate was calculated using the Notice Model **SRCE 2009 Cost Data Version 3.2** provided by the BLM. All previous disturbance under this Notice has been included in the reclamation cost estimate update. Using this model and entering the disturbance data resulted in a reclamation cost estimate of \$76,456. This reduces the bond required for this Notice by \$13,610 from the previous allocation of \$90,066.

If you have any questions regarding this Notification of Notice Extension for Notice 081485, please contact me at 775-237-7702 or Pat Rogers at 775-748-6008.

Sincerely,

*Eureka Moly, LLC*

Carrie M. Dubray  
Sr. Environmental Coordinator  
Mount Hope Project

Attachments: Notes to SRCE-based Reclamation Cost Model  
Attachment 1 - Reclamation Cost Estimate

cc: Pat Rogers, GMI  
File

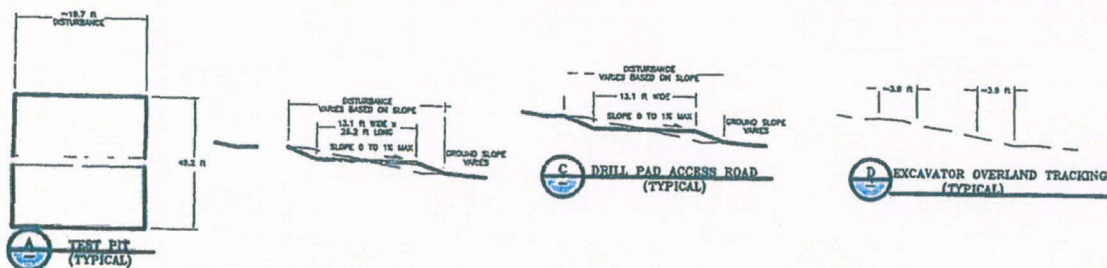
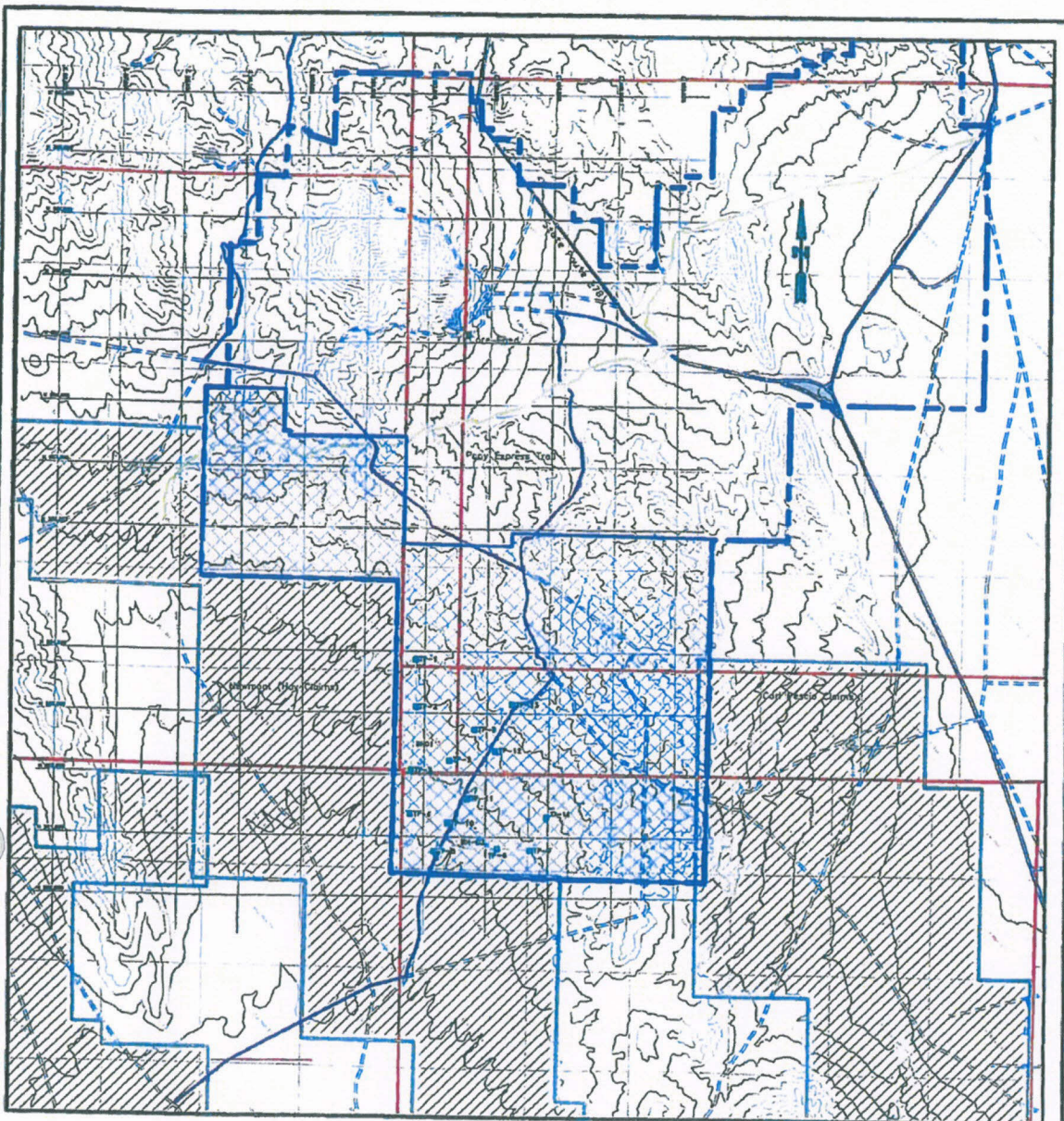
RECEIVED-MAILROOM  
2010 FEB 24 AM 10:56  
BUREAU OF LAND MANAGEMENT  
BATTLE MOUNTAIN  
DISTRICT OFFICE

**Notes to SRCE-based Reclamation Cost Model with Calculators**

The BLM has requested that the SRCE-based Reclamation Cost Model with Calculators be used for determining the estimated reclamation costs for Notices. This Model has several assumptions that cannot be changed by the user. As a result, the Model calculates the area of disturbance based on these assumptions and not on the actual disturbance footprints. Consequently, the Model calculated the disturbance for this Notice to be 4.38 acres, and using the actual disturbance footprints results in a total of 4.31 acres of disturbance.

Because the Model over estimates the disturbance to be 4.38 acres, a correct Reclamation cost estimate could not be generated using the Model.

The Model was adjusted by reducing the number of drill pads to approximate the actual 4.31 acres of disturbance. By decreasing the number of drill pads from 17 to 16.1, the Model calculated for the actual disturbance of 4.31 acres resulting in a Reclamation cost of \$76,456. This adjusted figure is used as the final reclamation cost estimate for this Reclamation cost Estimate update.



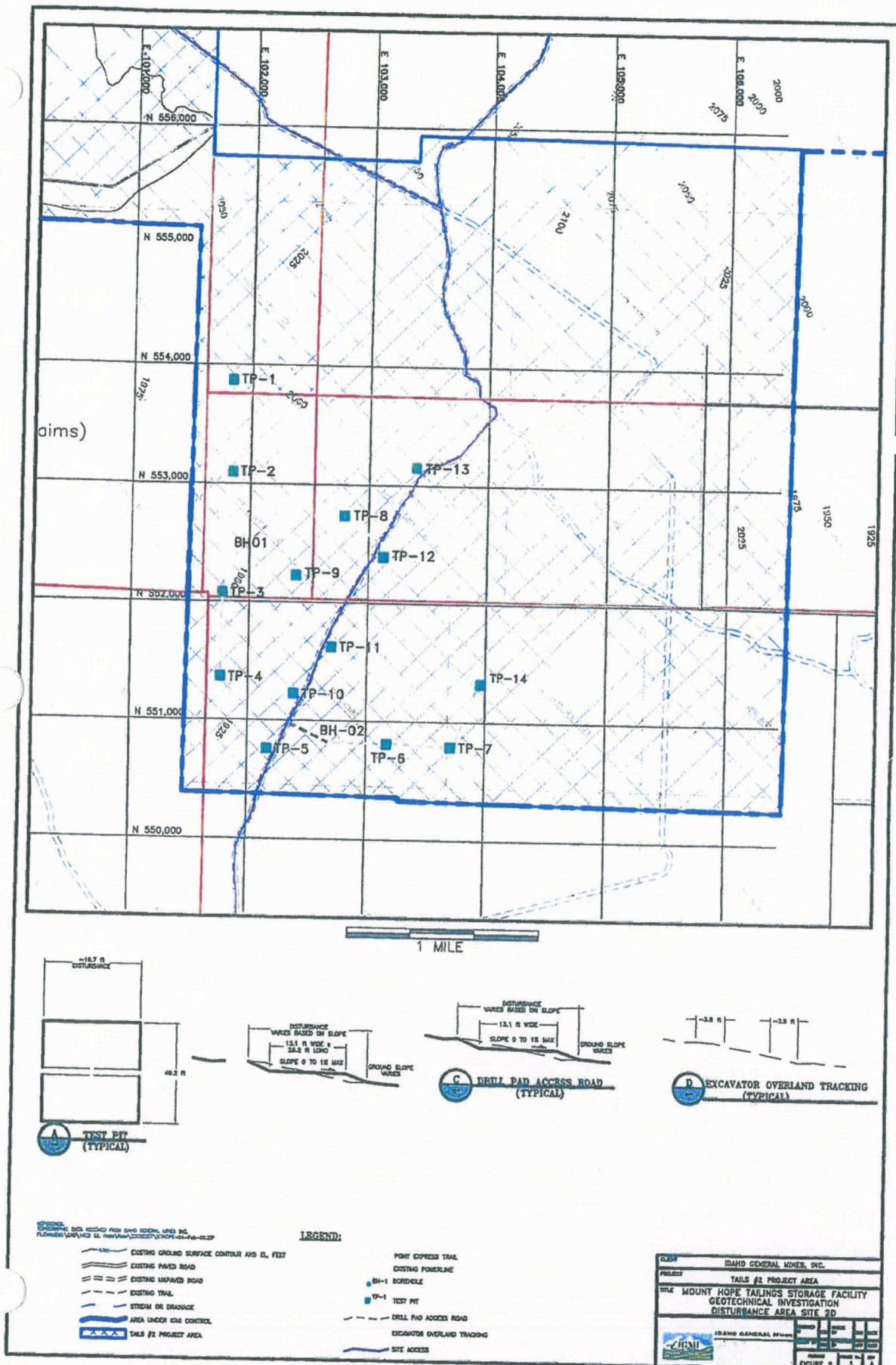
NOTES:  
1. ALL DISTURBANCE VICES BASED ON SLOPE. SLOPE 0 TO 15% MAX.  
2. ALL DISTURBANCE VICES BASED ON SLOPE. SLOPE 0 TO 15% MAX.

#### LEGEND:

- EXISTING GROUND SURFACE CONTOUR AND EL. FEET
- EXISTING PAVED ROAD
- EXISTING UNPAVED ROAD
- EXISTING TRAIL
- STREAM OR DRAINAGE
- AREA UNDER FIRM CONTROL
- TAILS #2 PROJECT AREA
- PONY EXPRESS TRAIL
- EXISTING POWERLINE
- B-1 BORDERS
- TEST PIT
- DRILL PAD ACCESS ROAD
- EXCAVATOR OVERLAND TRACKING
- SITE ACCESS

1 MILE

CLIENT	IDAHO GENERAL MINES, INC.
PROJECT	TAILS #2 PROJECT AREA
TITLE	MOUNT HOPE TAILINGS STORAGE FACILITY GEOTECHNICAL INVESTIGATION DISTURBANCE AREA SITE 2D
DATE	10/1/01
BY	J. B. B.
CHECKED	J. B. B.
APPROVED	J. B. B.
FIGURE 2	1 A



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**APPENDIX A**  
**LIST OF CLAIMS**

Mount Hope Mine Project  
Notice for Baseline Drilling Activities

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Claim Names	Serial Numbers
~ SD31	NMC885002
SD32	NMC885003
SD33	NMC885004
SD34	NMC885005
~ SD35	NMC885006
~ SD36	NMC885007
~ SD56	NMC885026
~ SD58	NMC893746
~ SD59	NMC893747
~ SD60	NMC893748
SD61	NMC893749
SD62	NMC893750
~ SD63	NMC893751
~ SD64	NMC893752
~ SD65	NMC893753
~ SD66	NMC893754
~ SD67	NMC893755
SD68	NMC893756
~ SD69	NMC893757
~ SD70	NMC893758
SD71	NMC893759
SD81	NMC914631
SD82	NMC914632
SD83	NMC914633
SD84	NMC914634
SD85	NMC914635
SD86	NMC914636
SD87	NMC914637
SD88	NMC914638
SD89	NMC914639
~ SD90	NMC914640
SD91	NMC914641
SD92	NMC914642
~ SD93	NMC914643
~ SD94	NMC914644
~ SD95	NMC914645
~ SD96	NMC914646
~ SD97	NMC914647
SD98	NMC914648
SD99	NMC914649

40 total  
claims

Claims TSF2 1 through 406 are in the process of being filed and do not yet have BLM serial numbers assigned.

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1/25/2006

SRK Consulting (U.S.), Inc.

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**APPENDIX B**  
**NOTICE RECLAMATION BOND ESTIMATE**

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1/25/2006

*SRK Consulting (U.S.), Inc.*

## NEVADA STANDARDIZED BOND CALCULATION

Version Beta 3b

Project Name: Mount Hope Tails #2 Notice

Date of Submittal: January 24, 2006

Select One: ☒ Notice or Sm Exploration Plan ☐ Lg Exploration Plan ☐ Mine Plan of Operations

Select One: ☒ Private Land ☐ Public or Public/Private

File Name: Tails #2 Notice\_012406\_Beta 3b.xls

**NEVADA STANDARDIZED RECLAMATION BOND CALCULATION - SUMMARY**

**Mount Hope Tails #2 Notice  
January 24, 2006  
Tails #2 Notice\_012406\_Beta 3b.xls**

<b>A. Earthwork/Recontouring</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Exploration	\$229	\$373	\$62	\$664
Roads	\$314	\$1,106	\$0	\$1,420
Drill Hole Abandonment	\$0	\$0	\$0	\$0
Pits	\$0	\$0	\$0	\$0
Underground Openings	\$0	\$0	\$0	\$0
Process Ponds	\$0	\$0	\$0	\$0
Heaps	\$0	\$0	\$0	\$0
Waste Rock Dumps	\$0	\$0	\$0	\$0
Landfills	\$0	\$0	\$0	\$0
Tailings	\$0	\$0	\$0	\$0
Foundation & Buildings Areas	\$0	\$0	\$0	\$0
Yards, Etc.	\$0	\$0	N/A	\$0
Drainage & Sediment Control	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0
Other**				\$0
<b>Subtotal</b>	<b>\$543</b>	<b>\$1,479</b>	<b>\$62</b>	<b>\$2,084</b>
<b>Mobilization/Demobilization</b>		<b>\$1,500</b>		<b>\$1,500</b>
<b>Subtotal "A"</b>	<b>\$543</b>	<b>\$2,979</b>	<b>\$62</b>	<b>\$3,584</b>
<b>B. Revegetation/Stabilization</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Exploration	\$7	\$6	\$25	\$38
Roads	\$163	\$138	\$625	\$826
Drill Hole Abandonment			N/A	
Pits			N/A	
Underground Openings	\$0	\$0	\$0	\$0
Process Ponds	\$0	\$0	\$0	\$0
Heaps				\$0
Waste Rock Dumps				\$0
Landfills				\$0
Tailings				\$0
Foundation & Buildings Areas	\$0	\$0	\$0	\$0
Yards, Etc.	\$117	\$69	\$450	\$636
Drainage & Sediment Control				\$0
Other**				\$0
<b>Subtotal "B"</b>	<b>\$287</b>	<b>\$243</b>	<b>\$1,100</b>	<b>\$1,630</b>
<b>C. Detoxification/Water Treatment/Disposal of Wastes**</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Interim Fluid Management				\$0
Closure Plan Development				\$0
Process Ponds/Sludge				\$0
Heaps				\$0
Dumps (Waste & Landfill)				\$0
Tailings				\$0
Surplus Water Disposal				\$0
Monitoring				\$0
Other**				\$0
<b>Subtotal "C"</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>D. Structure, Equipment and Facility Removal</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Foundation & Buildings Areas	\$0	\$0	\$0	\$0
Other Demolition	\$0	\$0	\$0	\$0
Equipment Removal	\$0	\$0	\$0	\$0
Fence Removal				\$0
Pipe & Culvert Removal				\$0
Powerline Removal				\$0
Transformer Removal				\$0
Rip-rap, rock lining, gabions				\$0
Other Misc. Costs				\$0
Other**				\$0
<b>Subtotal "D"</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>E. Monitoring</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Reclamation Monitoring and Maintenance	\$2,733	\$271	\$138	\$3,141
Ground and Surface Water Monitoring	\$0	\$0	\$0	\$0
<b>Subtotal "E"</b>	<b>\$2,733</b>	<b>\$271</b>	<b>\$138</b>	<b>\$3,141</b>
<b>F. Construction Management &amp; Support</b>	<b>Labor</b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials</b>	<b>Total</b>
Construction Management	\$416	\$104	N/A	\$520
Road Maintenance	\$0	\$0	N/A	\$0
Other**				\$0
<b>Subtotal "F"</b>	<b>\$416</b>	<b>\$104</b>	<b>\$0</b>	<b>\$520</b>
<b>G. Operational &amp; Maintenance Costs</b>	<b>Labor <sup>(1)</sup></b>	<b>Equipment <sup>(2)</sup></b>	<b>Materials <sup>(3)</sup></b>	<b>Total</b>
<b>Subtotal A through F</b>	<b>\$3,979</b>	<b>\$3,697</b>	<b>\$1,300</b>	<b>\$8,975</b>

\*\* Other Operator supplied costs - additional documentation required.

# NEVADA STANDARDIZED RECLAMATION BOND CALCULATION - SUMMARY

Mount Hope Tails #2 Notice

January 24, 2006

Tails #2 Notice\_012406\_Beta 3b.xls

Indirect Costs					
1. Engineering, Design and Construction (ED&C) Plan (7)					N/A
2. Contingency (8)					N/A
3. Insurance (9)		\$60			\$60
4. Bond (10)					
5. Contractor Profit (11)					\$888
6. BLM Contract Administration (12)					\$888
7. BLM Indirect Cost (13)					\$168
Subtotal Add-On Costs					\$2,021
Grand Total					\$10,896
Administrative Cost Rates (%)					
1. Engineering, Design and Construction (ED&C) Plan (7)		<= \$1MM	> \$1M <= \$25M	> \$25M	Notice Level
Variable Rate		8%	6%	4%	0%
2. Contingency (8)		<= \$0.5M	> \$0.5M <= \$5M	> \$5M <= \$50M	> \$50M
Variable Rate		10%	8%	6%	4%
3. Insurance (9)		1.5%	of labor costs		0%
4. Bond (10)		3.0%	of the O&M costs if O&M costs are >\$100,000		
5. Contractor Profit (11)		10.0%	of the O&M costs		
6. BLM Contract Administration (12)		<= \$1M	> \$1M <= \$25M	> \$25M	
Variable Rate		10%	8%	6%	
7. BLM Indirect Cost (13)		21%	of BLM Contract Administration		

## RECLAMATION COST ESTIMATION SUMMARY SHEET FOOTNOTES

- Federal construction contracts require Davis-Bacon wage rates for contracts over \$2,000. Wage rate estimates may include base pay, payroll loading, overhead and profit. To avoid double counting of any of the identified administrative costs the operator must itemize the components of their labor cost estimates or provide BLM with a signed statement, under penalty of USC 1001, that identifies what specific administrative costs are included in the quoted hourly rate.
- The reclamation cost estimate must include the estimated plugging cost of at least one drill hole for each active drill rig in the project area. Where the submitted Notice or approved Plan of Operations calls for drill holes to be plugged, but doesn't specifically require the drill holes be plugged before the drill rig has been moved from the drill pad, the reclamation cost estimate must include the plugging cost for those drill holes. For all drill holes and wells scheduled to be left open, the estimated plugging cost must be included in the reclamation cost estimate. Where the approved Plan of Operations proposes immediate mining through an area where the drilling is to occur, and the cost of the post-mining reclamation is included in the reclamation cost estimate, the cost estimate does not need to include the plugging costs for those drill holes.
- Miscellaneous items should be itemized on accompanying worksheets.
- Fluid management should be calculated only when mineral processing activities are involved. Fluid management represents the costs of maintaining proper fluid management to prevent overflow of solution ponds through premature cessation or abandonment of operations. Calculate a minimum six month direct cost estimate which includes power, supplies, equipment, labor and maintenance.
- Handling of hazardous materials includes the cost of decontaminating, neutralizing, disposing, treating and/or isolating all hazardous materials used, produced, or stored on the site.
- Any mitigation measures required in the Plan of Operations must be included in the reclamation cost estimate. Mitigation may include measures to avoid, minimize, rectify and reduce or eliminate the impact, or compensate for the impact.
- Engineering, design and construction (ED&C) plans are often necessary to provide details on the reclamation needed to contract for the required work. To estimate the cost to develop an ED&C plan use 4-8% of the O&M cost. Calculate the ED&C cost as a percentage of the O&M cost as follows: up to and including \$1 million, use 8%; over \$1 million to \$25 million, use 6%; and over \$25 million, use 4%. Inclusion of a line item for the development of an ED&C plan may not be necessary for small operations, such as notice-level exploration. With small, uncomplicated reclamation efforts contracting may be able to proceed without developing an ED&C plan. [ED&C is automatically eliminated if "Notice" is selected on the Property Information Sheet]
- A contingency cost is included in the reclamation cost estimation to cover unforeseen cost elements. Calculate the contingency cost as a percentage of the O&M cost as follows: up to and including \$500,000, use 10%; over \$500,000 to \$5 million, use 8%; over \$5 million to \$50 million, use 6%; and greater than \$50 million, use 4%. As with the ED&C cost, inclusion of a contingency cost may not be necessary for small operations, such as notice-level exploration.
- Insurance premiums are calculated at 1.5% of the total labor costs. Enter the premium amount if liability insurance is not included in the itemized unit costs.
- Federal construction contracts exceeding \$100,000 require both a performance and a payment bond (Miller Act, 40 USC 270et seq.). Each bond premium is figured at 1.5% of the O&M cost. Enter the sum of both premium costs on this line.
- For Federal construction contracts, use 10% of estimated O&M cost for the contractor's profit.
- To estimate the contract administration cost, use 8 to 10% of the operational and maintenance (O&M) cost. Calculate the contract administration cost as a percentage of the O&M cost as follows: up to and including \$1 million, use 10%; over \$1 million to \$25 million, use 8%; and greater than \$25 million use 6%.
- BLM's indirect cost rate is 21% of BLM's contract administration costs.

# Bond Calculation Exploration

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submission: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Exploration - Cost Summary				
	Labor	Equipment	Materials	Totals
High Abandonment Costs	\$70	\$5	\$8	\$83
Trench Backfilling Costs	\$379	\$379	\$379	\$1137
Subsidence Engineering Costs	\$23	\$23	\$23	\$69
Trench Investigation Costs	\$7	\$6	\$6	\$19
Subsidence Investigation Costs	\$7	\$6	\$6	\$19
TOTALS	\$436	\$399	\$379	\$1214

Cellar Code Key	User Input - Direct Input	Entered Input
	User Input - Pull Down List	Pull Down Selection
	Program Constant (can override)	Alternate Input
	Program Calculated Value	Locked Cell - Formula or Reference

Exploration Drillhole Abandonment - User Input						
Hole Plugging						
Description	Hole Type	Diameter (in)	Total Number of Holes	Max Holes Open at One Time	Average Depth of Hole (ft)	Depth to Water (ft)
1. <u>Base Rock</u>	<u>Base Rock</u>	<u>5.8</u>	<u>2</u>	<u>1</u>	<u>150</u>	<u>200</u>
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

Notes:  
1. If core holes are pre-drilled, use length of hole below pre-drilled length

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Trench Parameters		Revegetation						
Description (required)	Trench Length	Trench Depth	Trench Bottom Width	Trench Side/Slope Angle	Douling Material (feet)	Douling Root (feet)	Seed Mix (feet)	Soil Mix (feet)
1 16 seed pits - 1 open at a time	216	12	4.5	75	0.8	Seed	Mix 1	
2 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
3 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
4 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
5 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
6 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
7 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
8 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
9 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
10 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
11 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
12 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
13 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
14 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
15 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
16 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
17 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
18 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
19 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	
20 2 seed pits	30	12	4.5	75	0.8	Seed	Mix 1	

EXPENSES ON CRIMINAL INVESTIGATION										
Description	Volume of depth of	Use Plugger Machine	Grout Volume of	Cuttings Volume of	Top Seal Volume of	Plugging Labor Cost \$	Plugging Equipment Cost \$	Plugging Material Cost \$	GP Seal Material Cost \$	Total Cost \$
1	Bore hole	0.17	Cuttings	0.8	0.2	\$20	\$5	\$0	\$22	\$48
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
			0	0	0	\$32	\$8	\$0	\$40	\$80

Notes:

1. Assumes grout backfill from bottom of hole to 5' above static water level, up to 20' from top of hole
2. Assumes 25% loss to formation for grout backfill
1. Assumes top 20' of hole is plugged with cement

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

## Bond Calculation Exploration

1/25/2006

Page 6 of 49

Exploration

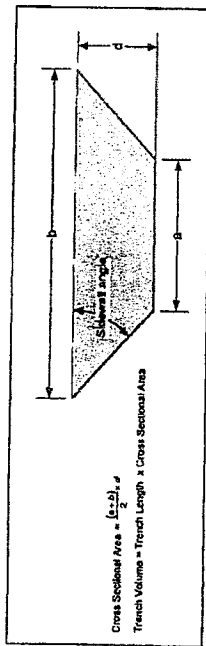
# Bond Calculation Exploration

Project Name: Mount Hope Tails #2 Notice- Notice of Exploration  
Date of Submission: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

## Exploration Trenches - Calculations

### Exploration Trench Volume Calculation

### Dozing & Ripping/Scarifying Calculations



Dozing: Dozing distance = 1/2 trench length or 600 ft (max push) whichever is less  
Assumes lift push (grade correction factor = 1)

## Exploration Trenches - Backfill/Regrading Costs

Description (required)	Trench Backfill Volume (LCV - 30%)	Dozer Push Distance ft	Dozer Productivity LCV/hr	Operator	Dozing Material	Job Efficiency	Contract Hourly Productivity	Total Dozer Hours	Trench Backfill Labor Cost	Trench Backfill Equipment Cost	Total Trench Backfill Cost
1 1/4 inch pipe - 1 open at a time	1,262	185	603	0.75	0.30	0.33	300	3	\$137	\$178	\$442
2 4 inch pipes	130	15	2,751	0.75	1.20	0.33	2,095	1	\$125	\$93	\$312
3											
4											
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13											
14											
15											
16											
17											
18											
19											
20	1,392							4	\$259	\$387	\$679

# Bond Calculation Exploration

Project Name: Mount Hope Tails #2 Notice- Notice of Exploration  
Date of Submission: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Exploration Trenches - Revegetation Costs					
Description (required)	Surface Area Acres	Revegetation Labor Cost \$	Revegetation Equipment Cost \$	Revegetation Material Cost \$	Total Revegetation Cost \$
1 14 106/2112 - 1 open at a time	0.0	0	0	0	0
2 2 dump	0.0	0	0	0	0
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
	0	0	0	0	0

# Bond Calculation Roads

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_ Beta 3b.xls

## Roads - Cost Summary

	Labor	Equipment	Materials	Totals
Grading Costs				\$1,420
Cover Placement Cost	\$314	\$1,106	N/A	\$1,420
Ripping Cost			N/A	\$0
Subtotal Earthworks	\$314	\$1,106	N/A	\$1,420
Revegetation Cost	\$163	\$138	\$625	\$925
<b>TOTALS</b>	<b>\$477</b>	<b>\$1,244</b>	<b>\$625</b>	<b>\$2,345</b>

### Color Code Key

User Input - Direct Input	Direct Input
User Input - Pull Down List	Pull Down Selection
Program Constant (can override)	Alternate Input
Program Calculated Value	Locked Cell - Formula or Reference

## Roads - User Input

You must fill in ALL green cells and relevant blue cells in this section for each road

### Physical Characteristics

	Description (required)	Original Slope % grade	Ungraded Slope - H:V	Cut Slope degrees	Road Width ft	Road Length ft	Slope Replacement Percent %	Regrade Volume (if calculated elsewhere) cy	Disturbed Area (if calculated elsewhere) acres	Growth Media Thickness in	Distance to Growth Media Stockpile ft	Slope from Road to Stockpile % grade
1	Bore hole roads and pads	20	1.3	60	20	4,720	100%		2.2	6	25	0
2	Test pit pads	20	1.3	60	20	685	100%		0.3	6	20	0
3												
4												
5												
6												
7												
8												
9												
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# Bond Calculation Roads

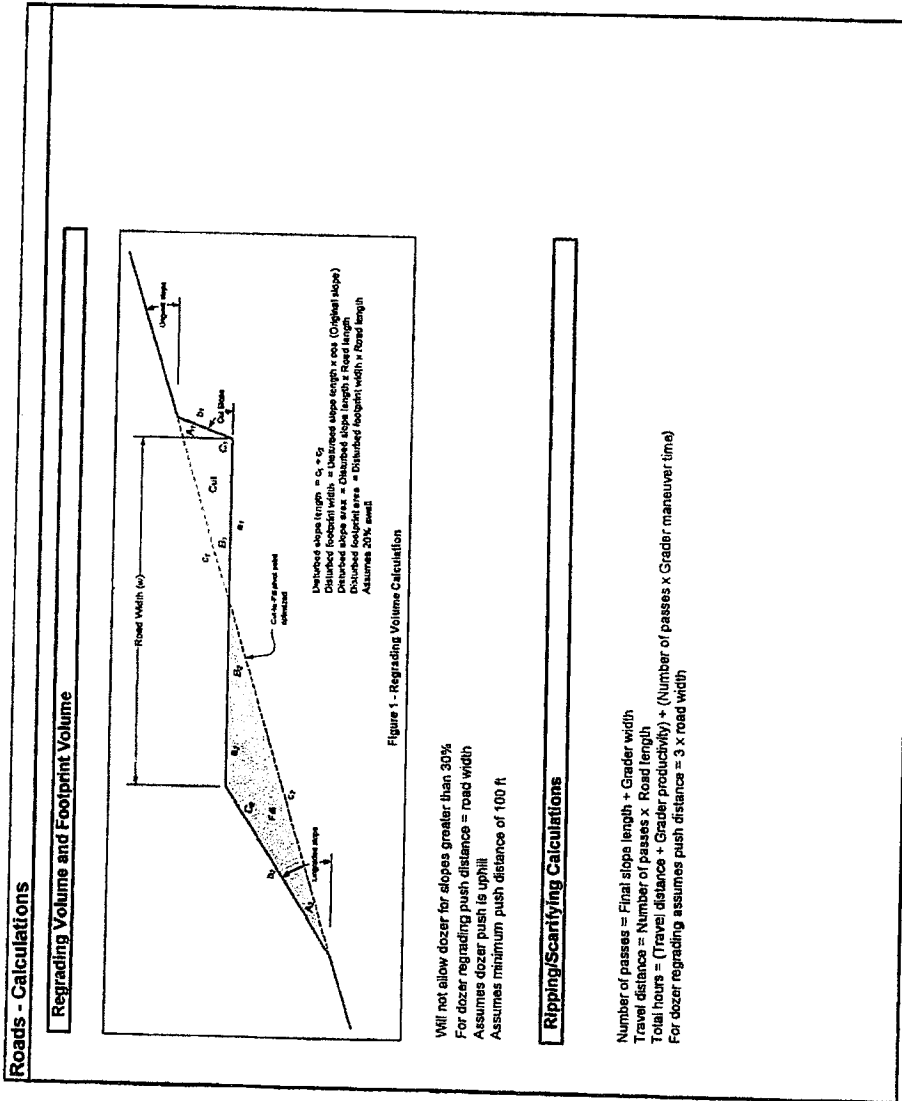
Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Roads - User Input (cont.)											
You must fill in ALL green cells and relevant blue cells in this section for each road											
Description (required)	Grading			Cover		Revegetation					
	Dosing Material (select)	Cut Material Type (select)	Recontouring Equipment Flag <sup>(1)</sup> (select)	No. of Excavators if grade > 30% (select)	Cover Material Type (select)	Cover Placement Equipment Fleet (select)	Seed Mix (select)	Mulch (select)	Fertilizer (select)	Scarifying/ Ripping? (select)	Ripping Fleet (select)
1 Bond hole roads and pads	1.2	Basalt	optimize				Mix 1			No	
2 Test pit pads	1.2	Basalt	optimize				Mix 1			No	
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											

(1) If original slope > 30% "optimize" option will only select among the excavator options.

# Bond Calculation Roads

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls



# Bond Calculation Roads

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

## Roads - Regrading Costs

Description (required)	Regrading Volume cy	Recontouring Fleet	Fleet Productivity cy/hr	Total Fleet Hours hr	Total Labor Cost \$	Total Equipment Cost \$	Total Materials Cost \$	Total Regrading Cost \$
1 Bore hole roads and pads	2,367	Lg Dozer	469	5	\$252	\$956		\$1,219
2 Test pit pads	344	Med Dozer	338	1	\$52	\$149		\$201
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
	2,711			6	\$314	\$1,066	0	\$1,420

If going to bring out  
more dozers, then make web.

1/11/06

Roads

## Roads - Growth Media Costs

Description (required)	Growth Media Volume cy	Growth Media Replacement Fleet	Fleet Productivity BCY/hr	Number of Tractor Scrapers	Total Fleet Hours	Total Labor Cost \$	Total Equipment Cost \$	Total Topsoiling Cost \$
1 Bore hole roads and pads	1,718	0						
2 Test pit pads	254	0						
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
	2,002							

1/24/2006

# Bond Calculation Roads

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Roads - Scarifying/Revegetation Costs											
	Description (required)	Surface Area acres	Final Slope Length ft	Ripping Hours hrs	Ripping Equipment Cost \$	Ripping Labor Costs \$	Total Ripping Costs \$	Revegetation Labor Cost \$	Revegetation Equipment Cost \$	Revegetation Material Cost \$	Total Revegetation Cost \$
1	Bore hole roads and pads	2.2	20					\$143	\$121	\$650	\$814
2	Test pit pads	0.3	20					\$20	\$17	\$75	\$112
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											
		3						\$163	\$138	\$626	\$926

# Bond Calculation Yards, Etc.

Project Name: Mount Hope Tails #2 Notice - Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Yards, Etc. - Cost Summary				
	Labor	Equipment	Materials	Totals
Regrading Cost			N/A	\$0
Cover Placement Cost			N/A	\$0
Growth Media Placement Cost			N/A	\$0
Ripping Cost			N/A	\$0
Subtotal Earthworks	\$0	\$0	N/A	\$0
Revegetation Cost	\$117	\$99	\$450	\$666
<b>TOTALS</b>	<b>\$117</b>	<b>\$99</b>	<b>\$450</b>	<b>\$666</b>

Cost Code Key	User Input - Direct Input	Direct Input
	User Input - Pull Down List	Pull Down Selection
	Program Control (locked)	Alternate Input
	Program Calculated Value	Locked Cell - Formula or Reference

Yards, Etc. - User Input									
You must fill in ALL green cells and relevant blue cells in this section for each building or facility									
Description (required)	Physical			Cover			Growth Media		
	Area across	Area Long Direction (digging distance)	Regrade Volume (calculated elsewhere) cu	Distance from Cover to Base Area ft	Slope from Facility to Base Area % grade	Growth Media Thickness in	Distance from Growth Media Storage ft	Slope from Facility to Storage % grade	
1 Fast pit cross-country roads	1.8	200	0						
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									

# Bond Calculation Yards, Etc.

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submission: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Yards, Etc. - User Input (cont.)											
You must fill in ALL green cells and relevant blue cells in this section for each building or facility											
Description (required)	Grading			Cover			Growth Media			Revegetation	
	Dosing Material (select)	Dosing Equipment (select)	Grading Material (select)	Cover Media Type (select)	Placement Equipment (select)	Cover Media Type (select)	Growth Media Type (select)	Placement Equipment (select)	Seed Mix (select)	Fertilizer (select)	Staple/Rip? (select)
1 Test pit cross-country roads	1.2		Basalt	Small					MLT		No
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											

## Yards, Etc. - Calculations

### Grading Calculations

Average push distance assumed to be 2/3 of the 600 feet maximum from Caterpillar Handbook or 400 feet  
Material assumed to be loose stockpile (1.2 productivity factor)  
Slope assumed to be 0 to 5% (1.0 productivity factor)

### Cover Volume Calculation

Yard area x cover thickness

### Grading/Scarfing Calculations

Field area width = Field bed area + Average long dimensions  
Number of passes = Field area width / Grader width  
Travel distance = Number of passes x Average long dimensions  
Total hours = (Travel distance x Grader productivity) / (Number of passes x Grader maneuver time)

# Bond Calculation Yards, Etc.

Project Name: Mount Hope Tails #2 Notice-Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Yards, Etc. - Regrading Costs										
Productivity = Doser Productivity x Grade Correction x Density Correction x Operator (0.75) x Material x Viability x Job Efficiency (0.83) x (Shot/Side-by-Side)										
Description (required)	Dosing Distance (see above) ft	Regrading Volume cu yd	Unexcavated Doser Productivity cu yd/hr	Grade Correction	Density Correction	Dosing Material	Total Hourly Productivity cu yd/hr	Total Doser Hours hr	Total Labor Cost \$	Total Equipment Cost \$
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										

Yards, Etc. - Foundation Cover and Growth Media Costs										
Cover										
Description (required)	Cover Volume cu yd	Topsoil Replacement Fleet	Fleet Productivity cu yd/hr	Number of Trucks/ Scrapers	Total Fleet Hours	Total Labor Cost \$	Total Equipment Cost \$	Total Cover Cost \$	Topsoil Replacement Fleet	Fleet Productivity cu yd/hr
1	Test pit cross-country roads	None required								
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										

## Growth Media

## Cover

# Bond Calculation Yards, Etc.

Project Name: Mount Hope Tails #2 Notice-Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Yards, Etc. - Scarifying/Revegetation Costs										
Description (required)	Flat Area acres	Area Long Dimension ft	Scarifying/ Ripping Hours hrs	Scarifying/ Ripping Equipment Cost \$	Scarifying/ Ripping Equipment Cost \$	Total Scarifying/ Ripping Costs \$	Revegetation Labor Cost \$	Revegetation Equipment Cost \$	Revegetation Material Cost \$	Total Revegetation Cost \$
1 Total # of cross-country roads	1.00									
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
	1.00						\$117	\$99	\$460	\$676

# Bond Calculation Monitoring

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

## Reclamation Monitoring & Maintenance - Cost Summary

	Labor	Equipment	Materials	Totals
Reclamation Maintenance	\$33	\$28	\$138	\$198
Reclamation Monitoring	\$2,700	\$243	N/A	\$2,943
Subtotal Reclamation Monitoring	\$2,733	\$271	\$138	\$3,141
Water Quality Monitoring	\$0	\$0	\$0	\$0
TOTAL MONITORING	\$2,733	\$271	\$138	\$3,141

## Reclamation Maintenance

Description	Total Acres acres	% Acres Requiring Reseeding	Seed Mix (select)	Area Reseeded acres	Seed (\$/Acre) \$/acre	Labor (\$/Acre) \$/acre	Equipment (\$/Acre) \$/acre	Totals \$
Reseeding	5	10.0%	Mix 2	1	\$275.00	\$65	\$55	\$198
Labor								\$33
Equipment								\$28
Materials								\$138
Cost/Acre								\$395
Subtotal								\$198

## Reclamation Monitoring

Description	Hrs/Day	Days/Year	Number of Years	Rate (\$/hr)	
<b>Field Work</b>					
Field Geologist/Engineer				\$75	\$0
Range Scientist	6	1	3	\$75	\$1,350
<b>Reporting</b>					
Field Geologist/Engineer				\$75	\$0
Range Scientist	6	1	3	\$75	\$1,350
Subtotal					\$2,700
<b>Travel</b>					
Miles/Trip miles		Trips/Year	Years	Truck Cost \$/hr	
Travel	200	1	3	0.405	\$243
Subtotal					\$243
Total Reclamation Monitoring					\$2,943

Notes:

# Bond Calculation Monitoring

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Ground & Surface Water Monitoring									
Field work									
Description	No. of units	Hrs/Day	Days/event	Events/Year	No. Years	Man-hours/year	Rate (\$/hr)	Cost \$	
Field Tech/Sampler								\$0	
Pickup Truck							\$55	\$0	
Pump (purchased)							\$13.03	\$0	
								\$2,140	\$0
Subtotal Field Work								\$0	\$0

Sample Analysis									
Description	Samples #	Events/Year	No. Years	Analysis Cost \$/sample	Supplies \$/sample	Lab Cost \$	Material Cost \$	Cost \$	
				\$325	\$5.00			\$0	
				\$325	\$5.00			\$0	
				\$325	\$5.00			\$0	
				\$325	\$5.00			\$0	
				\$325	\$5.00			\$0	
Subtotal Sample Analysis								\$0	\$0

Reporting									
Description	Hrs/Event	Rate (\$/hr)	Events/Year	Man-hours/year	No. Years	Cost \$			
Field Geologist/Engineer		\$75				\$0			
Subtotal Reporting						\$0			
Total Water Quality Monitoring						\$0			

Notes:

## Bond Calculation Constr. Mgmt

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration

Date of Submittal: January 24, 2006

File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Construction Management & Road Maintenance - Cost Summary				
	Labor	Equipment	Materials	Totals
Construction Management	\$416	\$104	N/A	\$520
Road Maintenance	\$0	\$0	N/A	\$0
<b>TOTAL CONSTRUCTION MANAGEMENT</b>	<b>\$416</b>	<b>\$104</b>	<b>\$0</b>	<b>\$520</b>

Construction Management							
Description	Duration mo.	Hours/ Month	Number of Supervisors	Supervisor Rate \$/hr	Labor Cost \$	Equipment Cost <sup>(1)</sup> \$	Totals \$
Active Reclamation	1	8	1	\$52.01	\$416	\$104	\$520
Monitoring & Maintenance				\$52.01	\$0	\$0	\$0
<b>Total Project Management</b>					<b>\$416</b>	<b>\$104</b>	<b>\$520</b>

Road Maintenance							
Description	Fleet Size (select)	Duration mo.	Hours/ Month		Labor Cost \$	Equipment Cost \$	Totals \$
<b>Active Reclamation</b>							
Water Truck							
Grader							\$0
<b>Monitoring &amp; Maintenance</b>							
Water Truck							
Grader							\$0
<b>Total Project Maintenance</b>					<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Notes: 1) Supervisor equipment = pickup truck

# Nevada Standardized Bond Calculation Labor Costs

Project Name: Mount Hope Tails #2 Notice - Notice or Exploration  
Date of Submission: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

## DAVIS BACON WAGE RATES

Because the Davis-Bacon adjustment rules are different for each wage classification, the county and distance information must be selected in each wage category below. Select the county and the distance from the appropriate courthouse or city hall as indicated. This will determine the wages to be used for power equipment operators, truck drivers, and laborers.

POWER EQUIPMENT OPERATORS	TRUCK DRIVERS	LABORERS
<p><b>Place cursor here to see note for Davis Bacon wage Interpretation</b></p> <p>Enter the County in which the operation is located in the blue cell below or select the County from the cell's drop down list. Note that Nye and White Pine Counties are split into a North and South areas.</p> <p>Select County: <input type="text" value="Eureka"/> Region: <input type="text" value="Northern County"/></p> <p>Select Distance that the operation is from the Washoe County or Carson City Courthouse from the Grey Button List below</p> <p> <input type="checkbox"/> Less than 50 miles  <input type="checkbox"/> 50 to 150 miles  <input checked="" type="checkbox"/> 151 to 300 miles  <input type="checkbox"/> Greater than 300 miles                 </p>	<p><b>Place cursor here to see note for Davis Bacon wage Interpretation</b></p> <p>Enter the County in which the operation is located in the blue cell below or select the County from the cell's drop down list. Note that Nye and White Pine Counties are split into a North and South areas.</p> <p>Select County: <input type="text" value="Eureka"/> Region: <input type="text" value="Northern County"/></p> <p>Select Distance that the operation is from the Washoe County or Carson City Courthouse from the Grey Button List below.</p> <p> <input type="checkbox"/> Less than 50 miles  <input type="checkbox"/> 50 to 150 miles  <input checked="" type="checkbox"/> 151 to 300 miles  <input type="checkbox"/> Greater than 300 miles                 </p>	<p><b>Place cursor here to see note for Davis Bacon wage Interpretation</b></p> <p>Enter the County in which the operation is located in the blue cell below or select the County from the cell's drop down list. Note that Nye and White Pine Counties are split into a North and South areas.</p> <p>Select County: <input type="text" value="Eureka"/> Region: <input type="text" value="Northern County"/></p> <p>Select Distance that the operation is from the Washoe County or Carson City Courthouse from the Grey Button List below.</p> <p> <input type="checkbox"/> Less than 50 miles  <input type="checkbox"/> 50 to 150 miles  <input type="checkbox"/> 151 to 300 miles  <input type="checkbox"/> Greater than 300 miles                 </p>
<p> <input type="checkbox"/> Less than 20 miles  <input type="checkbox"/> 20 to 40 miles  <input type="checkbox"/> 40 to 60 miles  <input type="checkbox"/> Greater than 60 miles                 </p>	<p> <input type="checkbox"/> Less than 30 miles  <input type="checkbox"/> 30 to 50 miles  <input type="checkbox"/> 50 to 70 miles  <input type="checkbox"/> 70 to 90 miles  <input type="checkbox"/> Greater than 90 miles  <input type="checkbox"/> Laughlin and Mesquite Area                 </p>	<p> <input type="checkbox"/> Less than 30 miles  <input type="checkbox"/> 30 to 50 miles  <input type="checkbox"/> 50 to 70 miles  <input type="checkbox"/> Greater than 70 miles  <input type="checkbox"/> Laughlin Area                 </p>

[illegible]

# Nevada Standardized Bond Calculation Labor Costs

Place cursor here to see note for Davis Bacon wage interpretation

TRUCK DRIVERS									
County	Eureka	Distance	151 to 300 miles	Area of Zone Adjustment	Hourly Wage Rate	Unemployment	FICA Medicare	Workmans Comp	Total
Truck Drivers		Wage Classification							
		Base Wage Rate	Fringe						
Dump Truck Driver < 4 yds		\$20.13	\$10.39	\$3.00	\$33.52	3.00%	7.65%	11.21%	\$40.85
Dump Truck Driver > 4 yds < 8 yds		\$20.35	\$10.39	\$3.00	\$33.74	\$1.01	\$2.58	\$3.78	\$41.12
Dump Truck Driver > 3 yds < 25 yds									
Dump Truck Driver > 8 yds < 18 yds		\$20.56	\$10.39	\$3.00	\$33.95	\$1.02	\$2.60	\$3.81	\$41.37
Dump Truck Driver > 25 yds < 60 yds		\$25.01	\$10.39	\$3.00	\$39.40	\$1.18	\$3.01	\$4.42	\$46.01
Dump Truck Driver > 60 yds < 75 yds		\$22.59	\$10.39	\$3.00	\$35.98	\$1.08	\$2.75	\$4.03	\$43.85
Dump Truck Driver > 75 yds < 100 yds		\$23.33	\$10.39	\$3.00	\$36.72	\$1.10	\$2.81	\$4.12	\$44.75
Dump Truck Driver > 100 yds < 250 yds		\$24.01	\$10.39	\$3.00	\$37.40	\$1.12	\$2.86	\$4.19	\$45.58
Dump Truck Driver > 250 yds < 350 yds		\$26.01	\$10.39	\$3.00	\$39.40	\$1.18	\$3.01	\$4.42	\$48.01
Dump Truck Driver > 350 yds		\$29.01	\$10.39	\$3.00	\$42.40	\$1.27	\$3.24	\$4.75	\$51.67
Dump Truck Driver > 350 yds		\$30.51	\$10.39	\$3.00	\$43.90	\$1.32	\$3.38	\$4.92	\$53.50
Truck Driver Transit Mix < 6 yds		\$20.56	\$10.39	\$3.00	\$33.95	\$1.02	\$2.60	\$3.81	\$41.37
Truck Driver Transit Mix 8 yds to 12 yds		\$20.67	\$10.39	\$3.00	\$34.06	\$1.02	\$2.61	\$3.82	\$41.51
Truck Driver Transit Mix > 12 yds		\$20.89	\$10.39	\$3.00	\$34.28	\$1.03	\$2.62	\$3.84	\$41.77
Heavy Duty Transport		\$20.72	\$10.39	\$3.00	\$34.11	\$1.02	\$2.61	\$3.82	\$41.57
Water Truck < 2,500 gallons		\$20.54	\$10.39	\$3.00	\$33.93	\$1.02	\$2.60	\$3.80	\$41.35
Water Truck > 2,500 gallons		\$20.58	\$10.39	\$3.00	\$33.95	\$1.02	\$2.60	\$3.81	\$41.37
Truck w/ Water Trailer		\$20.84	\$10.39	\$3.00	\$34.23	\$1.03	\$2.62	\$3.84	\$41.71
Reserved									
Reserved									
Reserved									

# Nevada Standardized Bond Calculation Labor Costs

LABORERS									
Place cursor here to see note for Davis Bacon wage interpretation									
County	Eureka	Distance	161 to 300 miles						
Wage Classification	Base Wage Rate	Fringe	Area or Zone Adjustment	Hourly Wage Rate	Unemployment 3.00%	FICA Medicare 7.65%	Workmans Comp 11.21%	Total	
Group 1	\$19.75	\$6.32	\$2.00	\$28.07	\$0.84	\$2.15	\$3.15	\$34.21	
Group 1A	\$16.88	\$6.32	\$2.00	\$25.20	\$0.76	\$1.93	\$2.82	\$30.71	
Group 2	\$18.85	\$6.32	\$2.00	\$28.17	\$0.85	\$2.16	\$3.16	\$34.35	
Group 3	\$20.00	\$6.32	\$2.00	\$28.32	\$0.85	\$2.17	\$3.17	\$34.51	
Group 4	\$20.25	\$6.32	\$2.00	\$28.57	\$0.86	\$2.19	\$3.20	\$34.82	
Group 5	\$20.55	\$6.32	\$2.00	\$28.87	\$0.87	\$2.21	\$3.24	\$35.18	
Group 6	\$20.55	\$6.32	\$2.00	\$28.87	\$0.87	\$2.21	\$3.24	\$35.18	
Group 7	\$20.25	\$6.32	\$2.00	\$28.57	\$0.86	\$2.19	\$3.20	\$34.82	
Group 8	\$19.90	\$6.32	\$2.00	\$28.22	\$0.85	\$2.18	\$3.16	\$34.39	
Group 9	\$14.58	\$6.32	\$2.00	\$22.91	\$0.69	\$1.75	\$2.57	\$27.92	
Reserved									

## Nevada Standardized Bond Calculation Equipment Costs

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

### CATERPILLAR RENTAL RATES

#### EQUIPMENT RENTAL RATE TABLE

EQUIPMENT TYPE <sup>(1)</sup>	Monthly Rental Rate(4)	Equipment Hourly Rate	Fuel/Lube/Wear	Total Rate
<b>Bulldozers</b>				
D6R	\$ 8,995.00	\$ 51.11	\$ 15.55	\$ 66.66
D7R	\$ 12,595.00	\$ 71.56	\$ 20.02	\$ 91.58
D8R	\$ 16,200.00	\$ 92.05	\$ 25.05	\$ 117.10
D9R	\$ 19,750.00	\$ 112.22	\$ 36.74	\$ 148.95
D10R	\$ 25,500.00	\$ 144.89	\$ 46.62	\$ 191.51
D11R	\$ 35,070.00	\$ 199.26	\$ 68.98	\$ 268.24
<b>Motor Graders</b>				
14G/H	\$ 11,300.00	\$ 64.20	\$ 26.65	\$ 90.86
16G/H	\$ 16,750.00	\$ 95.17	\$ 33.58	\$ 128.75
<b>Track Excavators</b>				
320C	\$ 6,700.00	\$ 38.07	\$ 13.41	\$ 51.48
325C	\$ 7,300.00	\$ 41.48	\$ 17.15	\$ 58.63
345B	\$ 10,000.00	\$ 56.82	\$ 25.38	\$ 82.20
385BL	\$ 20,500.00	\$ 116.48	\$ 41.07	\$ 157.54
<b>Scrapers</b>				
631G	\$ 18,845.00	\$ 107.07	\$ 41.51	\$ 148.59
637G PP	\$ 20,076.00	\$ 114.07	\$ 59.22	\$ 173.28
<b>Wheeled Loaders</b>				
928G	\$ 4,995.00	\$ 28.38	\$ 13.30	\$ 41.68
966G	\$ 9,000.00	\$ 51.14	\$ 23.11	\$ 74.25
972G	\$ 10,300.00	\$ 58.52	\$ 24.61	\$ 83.13
986G	\$ 17,650.00	\$ 100.28	\$ 39.20	\$ 139.48
992G	\$ 35,500.00	\$ 201.70	\$ 79.55	\$ 281.26
<b>Trucks</b>				
769D	\$ 15,300.00	\$ 86.93	\$ 25.53	\$ 112.47
777D	\$ 24,675.00	\$ 140.20	\$ 44.40	\$ 184.60
<b>Hydraulic Hammers</b>				
H-120 (fits 325)	\$ 4,840.00	\$ 27.50	\$ 3.34	\$ 30.84
H-160 (fits 345)	\$ 6,950.00	\$ 39.49	\$ 6.62	\$ 46.11
H-180 (fits 365/385)	\$ 8,210.00	\$ 46.65	\$ 7.86	\$ 54.51
<b>Other Equipment</b>				
420D 4WD Backhoe	\$ 2,625.00	\$ 14.91	\$ 10.40	\$ 25.32
Light Truck - 1.5 Ton	\$ 2,000.00	\$ 11.36	\$ 1.67	\$ 13.03
Supervisor's Truck	\$ 2,000.00	\$ 11.36	\$ 1.67	\$ 13.03
Air Compressor + tools(4)	\$ 2,720.96	\$ 15.46	-	\$ 15.46
Heavy Duty Drill Rig(3)	\$ 45,330.56	\$ 257.56	-	\$ 257.56
Pumping (plugging) Drill Rig(3)	\$ 33,010.56	\$ 187.56	-	\$ 187.56
Concrete Pump(4)	\$ 17,042.08	\$ 96.83	\$ 3.34	\$ 100.17
Gas Engine Vibrator(4)	\$ 580.80	\$ 3.30	\$ 3.34	\$ 6.64
25 Ton Crane(4)	\$ 8,395.00	\$ 47.70	\$ 5.01	\$ 52.71
613E (5,000 gal) Water Wagon	\$ 8,395.00	\$ 47.70	\$ 22.24	\$ 69.94
621E (8,000 gal) Water Wagon	\$ 13,250.00	\$ 75.28	\$ 21.10	\$ 96.38
Dump Truck (10-12 yd3 )(4)	\$ 11,533.28	\$ 65.53	\$ 28.95	\$ 94.48

**NOTES:**

- (1) Equipment Type: Caterpillar model or equivalent
- (2) Source: Cashman Equipment Company (Aug 2005)
- (3) Source: WDC Exporation (Sept 2005)
- (4) Source: Means Heavy Construction (Sept 2005)

## Nevada Standardized Bond Calculation Equipment Costs

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

FUEL, LUBE AND WEAR CALCULATIONS <sup>(1)</sup>						
EQUIPMENT TYPE	PM Cost Per Hour <sup>(2)</sup>	Under carriage or Tires <sup>(3)(4)</sup>	G.E.T Consumption	Fuel Use Rate gal/hr	Cost @ \$1.67/gal	Total Hourly Equipment Cost
<b>Bulldozers</b>						
D6R	\$ 2.99	\$ -	\$ 2.96	\$ 5.75	\$9.60	\$ 15.55
D7R	\$ 3.10	\$ -	\$ 4.39	\$ 7.50	\$12.53	\$ 20.02
D8R	\$ 3.42	\$ -	\$ 5.35	\$ 9.75	\$16.28	\$ 25.05
D9R	\$ 4.18	\$ -	\$ 8.78	\$ 14.25	\$23.80	\$ 36.74
D10R	\$ 4.29	\$ -	\$ 12.27	\$ 18.00	\$30.06	\$ 46.62
D11R	\$ 5.67	\$ -	\$ 19.05	\$ 26.50	\$44.26	\$ 68.98
<b>Motor Graders</b>						
14G/H	\$ 2.68	\$ 4.73	\$ 8.81	\$ 6.25	\$10.44	\$ 26.65
16G/H	\$ 3.14	\$ 5.89	\$ 12.03	\$ 7.50	\$12.53	\$ 33.58
<b>Track Excavators</b>						
320C	\$ 2.88	\$ -	\$ 2.35	\$ 4.90	\$8.18	\$ 13.41
325C	\$ 2.88	\$ -	\$ 3.25	\$ 6.60	\$11.02	\$ 17.15
345B	\$ 3.61	\$ -	\$ 4.07	\$ 10.60	\$17.70	\$ 25.38
385 BL	\$ 4.04	\$ -	\$ 7.80	\$ 17.50	\$29.23	\$ 41.07
<b>Scrapers</b>						
631G	\$ 4.05	\$ 7.54	\$ 4.87	\$ 15.00	\$25.05	\$ 41.51
637G PP	\$ 5.90	\$ 7.54	\$ 6.11	\$ 23.75	\$39.66	\$ 59.22
<b>Wheeled Loaders</b>						
928G	\$ 2.45	\$ 2.36	\$ 2.64	\$ 3.50	\$5.85	\$ 13.30
966G	\$ 2.85	\$ 4.49	\$ 6.17	\$ 5.75	\$9.60	\$ 23.11
972G	\$ 2.92	\$ 4.49	\$ 6.76	\$ 6.25	\$10.44	\$ 24.61
988G	\$ 4.74	\$ 6.91	\$ 8.34	\$ 11.50	\$19.21	\$ 39.20
992G	\$ 6.77	\$ 14.64	\$ 19.73	\$ 23.00	\$38.41	\$ 79.55
<b>Trucks</b>						
769D	\$ 4.75	\$ 3.50	\$ 1.84	\$ 9.25	\$15.45	\$ 25.53
777D	\$ 6.92	\$ 6.51	\$ 2.58	\$ 17.00	\$28.39	\$ 44.40
<b>Hydraulic Hammers</b>						
H-120 (fits 325)	\$ -	\$ -	\$ 3.34	\$ -	\$0.00	\$ 3.34
H-160 (fits 345)	\$ -	\$ -	\$ 6.62	\$ -	\$0.00	\$ 6.62
H-180 (fits 365/385)	\$ -	\$ -	\$ 7.86	\$ -	\$0.00	\$ 7.86
<b>Other Equipment</b>						
420D 4WD Backhoe	\$ 2.36	\$ 1.05	\$ 1.98	\$ 3.00	\$5.01	\$ 10.40
Light Truck - 1.5 Ton	\$ -	\$ -	\$ -	\$ 1.00	\$1.67	\$ 1.67
Supervisor's Truck	\$ -	\$ -	\$ -	\$ 1.00	\$1.67	\$ 1.67
Air Compressor + tools	\$ -	\$ -	\$ -	\$ -	\$0.00	\$ -
Heavy Duty Drill Rig	\$ -	\$ -	\$ -	\$ -	\$0.00	\$ -
Pumping (plugging) Drill Rig	\$ -	\$ -	\$ -	\$ -	\$0.00	\$ -
Concrete Pump	\$ -	\$ -	\$ -	\$ 2.00	\$3.34	\$ 3.34
Gas Engine Vibrator	\$ -	\$ -	\$ -	\$ 2.00	\$3.34	\$ 3.34
25 Ton Crane	\$ -	\$ -	\$ -	\$ 3.00	\$5.01	\$ 5.01
613E (5,000 gal) Water Wagon	\$ 2.00	\$ 2.29	na	\$ 10.75	\$17.95	\$ 22.24
621E (8,000 gal) Water Wagon	\$ 3.15	\$ 2.50	na	\$ 9.25	\$15.45	\$ 21.10
Dump Truck (10-12 yd3)	\$ 4.75	\$ 6.91	\$ 1.84	\$ 9.25	\$15.45	\$ 28.95
(1) SOURCE: February 8, 2005 Cashman Equipment Rental Rate, Elko, NV (except as noted) (2) SOURCE: D&D Tire, Inc. 06/02/2004 (3) SOURCE: Caterpillar Performance Handbook Edition 34 (4) SOURCE: Al-Park Petroleum, Inc.						

## Nevada Standardized Bond Calculation Equipment Costs

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

### TIRE COST TABLES

Equipment	# of Tires Per Piece of Equipment	June 2005 Cost Per Tire	Tire Cost (1)(2)	Life Expectancy Hours (Low/Zone A) <sup>(3)</sup>	Tire Cost per Hour
<b>Motor Graders</b>					
140H	6	\$ 2,658.80	\$ 15,952.80	3,500	\$4.56
14H	6	\$ 2,757.40	\$ 16,544.40	3,500	\$4.73
16H	6	\$ 3,434.85	\$ 20,609.10	3,500	\$5.89
<b>Trucks</b>					
Dump Truck (10-12 yd3)	6	\$ 3,496.90	\$ 20,981.40	6,000	\$3.50
769D	6	\$ 3,496.90	\$ 20,981.40	6,000	\$3.50
773E	6	\$ 6,514.40	\$ 39,086.40	6,000	\$6.51
777D	6	\$ 8,134.50	\$ 48,807.00	5,000	\$9.76
<b>Scrapers</b>					
613C	4	\$ 3,171.35	\$ 12,685.40		
615C	4	\$ 5,049.00	\$ 20,196.00	4,000	\$5.05
631G	4	\$ 7,542.90	\$ 30,171.60	4,000	\$7.54
637G PP	4	\$ 7,542.90	\$ 30,171.60	4,000	\$7.54
<b>Wheeled Loaders</b>					
914G	4	\$ 2,658.80	\$ 10,635.20	4,500	\$2.36
924G	4	\$ 2,658.80	\$ 10,635.20	4,500	\$2.36
928G	4	\$ 2,658.80	\$ 10,635.20	4,500	\$2.36
938G	4	\$ 2,758.25	\$ 11,033.00	4,500	\$2.45
950G	4	\$ 3,435.70	\$ 13,742.80	4,500	\$3.05
962G	4	\$ 3,435.70	\$ 13,742.80	4,500	\$3.05
966G	4	\$ 5,049.00	\$ 20,196.00	4,500	\$4.49
972G	4	\$ 5,049.00	\$ 20,196.00	4,500	\$4.49
980G	4	\$ 6,315.50	\$ 25,262.00	4,500	\$5.61
988G	4	\$ 7,774.10	\$ 31,096.40	4,500	\$6.91
992G	4	\$ 16,471.30	\$ 65,885.20	4,500	\$14.64
<b>Backhoes</b>					
416D 4WD	2 + 2	\$ 1,578.00	\$ 3,156.00	3,000	\$1.05
420D 4WD	2 + 2	\$ 1,578.00	\$ 3,156.00	3,000	\$1.05
430D 4WD	2 + 2	\$ 1,578.00	\$ 3,156.00	3,000	\$1.05
446D 4WD	2 + 2	\$ 1,537.00	\$ 3,074.00	3,000	\$1.02
<b>Other Equipment</b>					
Supervisor's Truck (Pickup)	4	\$ -	\$ -	0	
613E (5,000 gal) Water Wagon	4	\$ 3,435.70	\$ 13,742.80	6,000	\$2.29
621E (8,000 gal) Water Wagon	4	\$ 5,001.40	\$ 20,005.60	8,000	\$2.50

Notes:  
1) Total cost for all required tires.  
2) Source: D&D Tire, Inc. 09/06/2005  
3) Caterpillar Handbook, Edition 34; Estimated Tire Life Curves Ch. 20

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

[illegible]

Well Abandonment Materials		
Description	Units	Cost/unit
Cement	cy	\$310.00
Grout (Low Grade Bentonite)	cy	\$26.76
Inert Material/Cuttings	cy	\$0.00
		\$0.00
		\$0.00

1) Cement costs per Modern Concrete quote (7/23/04) at \$310 cubic yard placed.  
2) MI Drilling Fluids, Carlin, Nevada (2/26/05) quote for Abandonite grout at \$22.40 + 6% for bentonite chips added.

Monitoring Costs		
Description	Units	Cost/unit
Water Sample Analysis(1)	\$/sample	\$0.00
Monitor Well Pump	ea	\$325.00
		\$2,140.00
Sampling Supplies	\$/sample	\$5.00
		\$0.00
		\$0.00

(1) ACZ Laboratories - Nevada Profile I Analysis (6/2004)

Fuel, Etc.		
Description	Units	Cost/unit
Off-road Diesel - delivered (1)	gallons	\$1.67
Pickup Truck Mileage	\$/mi	\$0.41
		\$0.00
		\$0.00
		\$0.00

(1) Source: Al-Park Petroleum, Inc. Salt Lake City, average cost for 12 months ending 6/05 or \$1.55/gal plus \$0.11/mi (rental July 2005).

# Nevada Standardized Bond Calculation Misc. Unit Costs

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

Project Management, Monitoring & Consultants									
Construction/Project Management	Salary + Fringe	Annual Hours	Base \$/hr	Fringe	Unemploy	FICA/Medica	Workers Com	Total	
NDEP Staff (fully burdened rates)	\$88,775	2,080	\$42.68		3.00%	7.65%	11.21%	\$52.01	
Site Supervisor/Foreman									
Deputy Administrator	\$112,000	2,080						\$53.85	
Bureau Chief	\$105,000	2,080						\$50.48	
Supervising Env. Scientist	\$85,000	2,080						\$40.87	
Branch Supervisor	\$95,000	2,080						\$46.15	
Staff Engineer	\$60,000	2,080						\$28.85	
Environmental Scientist	\$75,000	2,080						\$36.06	
Consultants									
Field Geologist/Engineer								\$75.00	
Field Tech/Sampler								\$55.00	
Range Scientist								\$75.00	
Carpenters									
Carpenter			\$24.08	\$9.92	\$1.02	\$2.60	\$3.81	\$41.43	
Revegetation									
Based on Quote from Slater Seeding (using Davis-Bacon wage rates)									
September 3, 2005									
Seeding		Unit	acres						
				Materials	Labor	Equipment	Premium	Total	Notes
				varies	\$65.00	\$55.00	\$0.00	\$120.00	
Building and Wall Demolition									
Hourly productivity rates and crew composition from Means Heavy Construction 2005 Edition. All equipment, labor and material unit costs are from Labor Costs, Equipment Costs and Material Costs spreadsheets									
Building Demolition	Means Number	Unit	Crew	Daily Output	Materials	Labor	Equipment	Premium	Total Notes
Lg. steel	02220-110-0012	C.F.	B-8	21,500		\$0.11	\$0.12		\$0.23
Lg. concrete	02220-110-0050	C.F.	B-8	15,300		\$0.16	\$0.17		\$0.33
Lg. masonry	02220-110-0090	C.F.	B-8	20,100		\$0.12	\$0.13		\$0.25
Lg. mixed	02220-110-0100	C.F.	B-8	20,100		\$0.12	\$0.13		\$0.25
Sm. steel	02220-110-0500	C.F.	B-3	14,800		\$0.09	\$0.13		\$0.22
Sm. concrete	02220-110-0600	C.F.	B-3	11,300		\$0.12	\$0.17		\$0.29
Sm. masonry	02220-110-0650	C.F.	B-3	14,800		\$0.09	\$0.13		\$0.22
Sm. wood	02220-110-0700	C.F.	B-3	14,800		\$0.09	\$0.13		\$0.22
Wall Demolition									
Block 4" thick	02220-130-2000	S.F.	1 Clab	180		\$1.52	\$0.00	20%	\$1.62 assumes vertical reinforcing rods included (20% premium)
Block 6" thick	02220-130-2040	S.F.	1 Clab	170		\$1.61	\$0.00	20%	\$1.81 assumes vertical reinforcing rods included (20% premium)
Block 8" thick	02220-130-2080	S.F.	1 Clab	150		\$1.82	\$0.00	20%	\$2.18 assumes vertical reinforcing rods included (20% premium)
Block 12" thick	02220-130-2100	S.F.	1 Clab	150		\$1.82	\$0.00	20%	\$2.18 assumes vertical reinforcing rods included (20% premium)
Conc 4" thick	02220-130-2400	S.F.	B-9	160		\$9.44	\$1.42	10%	\$11.95 assumes average reinforcing (10% premium)
Conc 6" thick	02220-130-2420	S.F.	B-9	140		\$10.79	\$1.63	10%	\$13.66 assumes average reinforcing (10% premium)
Conc 8" thick	02220-130-2440	S.F.	B-9	120		\$12.69	\$1.90	10%	\$15.94 assumes average reinforcing (10% premium)
Conc 12" thick	02220-130-2500	S.F.	B-9	100		\$15.11	\$2.28	10%	\$19.13 assumes average reinforcing (10% premium)

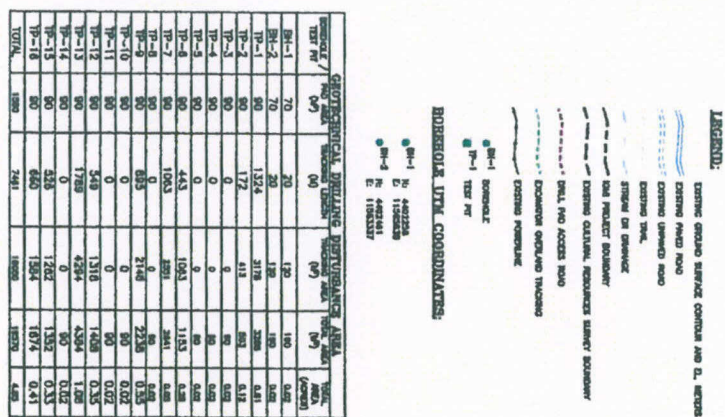
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**Nevada Standardized Bond Calculation  
Fleets (Crews)**

Project Name: Mount Hope Tails #2 Notice- Notice or Exploration  
Date of Submittal: January 24, 2006  
File Name: Tails #2 Notice\_012406\_Beta 3b.xls

<b>EQUIPMENT FLEETS</b>			
<b>ACTIVITY AND FLEET</b>	<b>EQUIPMENT UNIT COST (Hourly)</b>	<b>LABOR UNIT COST (Hourly)</b>	<b>TOTAL COST (Hourly)</b>
<b>Small Dozer w/ multi-shank</b>			
Rip road Waste rock dumps, heaps, tails - rip flat surfaces Surface preparation Scarify			
<b>Small Dozer w/ multi-shank</b>			
D7R	\$91.58	\$52.33	\$143.91
Totals	\$91.58	\$52.33	\$143.91
<b>Medium Dozer w/ multi-shank</b>			
<b>Medium Dozer w/ multi-shank</b>			
D6R	\$148.95	\$52.33	\$201.28
Totals	\$148.95	\$52.33	\$201.28
<b>Large Dozer w/ multi-shank</b>			
<b>Large Dozer w/ multi-shank</b>			
D10R	\$191.51	\$52.33	\$243.84
Totals	\$191.51	\$52.33	\$243.84
<b>Grader w/ multi-shank</b>			
<b>Grader w/ multi-shank</b>			
16G/15	\$128.75	\$52.33	\$181.08
Totals	\$128.75	\$52.33	\$181.08
<b>Small Dozer Fleet</b>			
<b>Small Dozer Fleet</b>			
D7R	\$91.58	\$52.33	\$143.91
Totals	\$91.58	\$52.33	\$143.91
<b>Medium Dozer Fleet</b>			
<b>Medium Dozer Fleet</b>			
D6R	\$148.95	\$52.33	\$201.28
Totals	\$148.95	\$52.33	\$201.28
<b>Large Dozer Fleet</b>			
<b>Large Dozer Fleet</b>			
D10R	\$191.51	\$52.33	\$243.84
Totals	\$191.51	\$52.33	\$243.84

## SECOND NOTICE REGION (NEW)

[illegible]

Fax: 480-539-4260

Regards,

A handwritten signature in black ink that reads "James J. Moore". The signature is written in a cursive, flowing style.

James J. Moore, IGMI Project Manager

Cc: Matt Russell, IGMI  
Val Sawyer, SRK

Encl: 2 maps



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Mount Lewis Field Office

50 Bastian Road

Battle Mountain, Nevada 89820

<http://www.nv.blm.gov/battlemountain>

(775) 635-4000 or [bmfwweb@nv.blm.gov](mailto:bmfwweb@nv.blm.gov)



In Reply Refer To:  
3809 (NVB0630)  
NVN-081485  
NVN-080914

JAN 7 2010

*Imarine 1/6/2010*  
*J. Dummer 1/6/10*

**CERTIFIED MAIL: 7008 0150 0001 6434 4533**

**RETURN RECEIPT REQUESTED**

Eureka Moly  
Pat Rogers  
2215 N. 5<sup>th</sup> Street  
Elko, NV 89801

Dear Mr. Rogers:

The following is a list of Notices that will be expiring in February unless you extend your notice under 43 CFR 3809.333. You may extend your notice for an additional 2 years by notifying this office in writing on or before the expiration date and meet the financial guarantee requirements of 43 CFR 3809.503. You may extend your notice more than once.

Case File Number	Project Name	Expiration Date
NVN-081485	Mt. Hope Mine	February 26, 2010
NVN-080914	Mt. Hope East	February 26, 2010

In addition to the written notice for extension, you must submit an updated reclamation cost estimate as well as any changes to information pertaining to the operator or operation contained within the original notice. You must prepare the revised cost estimate as if the BLM were hiring a third-party contractor to perform reclamation of the operations after the project area has been vacated.

If your notice is allowed to expire, pursuant to 43 CFR 3809.335, you must cease operations, except reclamation, and complete the reclamation promptly according to your notice. Your reclamation obligations continue beyond the expiration or any termination of your notice. The BLM will keep your financial guarantee until you have satisfied all reclamation requirements. If you abandon your notice without completing reclamation, BLM may initiate forfeiture of your financial guarantee under 43 CFR 3809.595.

Enclosed is a two page 3809 Notice Checklist. If you need assistance in submitting any of the

required information or if you have any questions, please contact Leesa Marine, Land Law Examiner, at (775) 635-4159 and she will be happy to assist you.

Sincerely,

/s/ Douglas W. Furtado

Douglas W. Furtado  
Field Manager  
Mount Lewis Field Office

Enclosure

LMARINE:01/31/2008:lm\blm\dfs\nv\bm\pub\nonrenewable\minerals\letters\LETTERS  
FINALIZED\NOTICE FORM LETTERS\nOTICES EXPIRING\Eureka Moly\2010\_Eureka  
Moly\_NVN 081485\_NVN 80914.docx



81485  
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Nevada State Office  
P.O. Box 12000 (1340 Financial Center)  
Reno, Nevada 89520-0005  
<http://www.nv.blm.gov>



In Reply Refer To:  
3809 (NV923z)

DECISION

Principal:

Nevada Division of Minerals  
Reclamation Performance Bond Pool  
400 W. King Street, Suite 106  
Carson City, NV 89703

BLM Statewide Bond: NVB000493  
Amount of Bond: \$2,000,000

Coprincipal:

Idaho General Mines, Inc.  
10 N. Post St., Suite 610  
Spokane, WA 99201

BLM Notice-Level Operations: N-81485  
Bond Amount Required: \$0

Golden Predator Mines US, Inc.  
P.O. Box 325  
Imlay, NV 89418

BLM Notice-Level Operations: N-84339  
Bond Amount Required: \$24,970

MGC Resources Inc.  
2778 Spokane Creek Rd.  
East Helena, MT 59635

BLM Notice-Level Operations: N-84259  
Bond Amount Required: \$15,082

BLM Notice-Level Operations: N-84260  
Bond Amount Required: \$15,089

BLM Notice-Level Operations: N-84261  
Bond Amount Required: \$15,086

Bond Riders Extending Coverage to Coprincipals Accepted  
Obligation Under Statewide Reclamation Performance Bond Adjusted

Effective November 1, 2006, the BLM Nevada State Office (NSO), accepted an increase of BLM Bond Number NVB000493, to the amount of \$2,000,000. The Nevada Division of Minerals, Reclamation Performance Bond Pool, is principal of the bond. The bond provides surface disturbance reclamation coverage for notice-level operations conducted on public lands in the State of Nevada under federal regulations at Title 43 CFR 3809.

Effective November 3, 2005, the NSO accepted a statewide bond, BLM bond number NVB000567 from Idaho General Mines, Inc. On January 18, 2008, the NSO received a request from Idaho General Mines, Inc. that notice-level operations N-81485, the Mt. Hope Exploration Project, be transferred to their statewide bond BLM bond number NVB000567. Notice N-81485 is currently bonded under BLM bond number NVB000493. Effective the date of this Decision, the bond amount required for the above operation is no longer obligated under BLM bond number NVB000493.

**The NSO recently received bond riders whereby the State of Nevada Reclamation Performance Bond Pool extended coverage of BLM bond number NVB000493 to the coprincipals shown above and for the operations described below.**

Golden Predator Mines US, Inc.

On December 21, 2007, the BLM Winnemucca Field Office determined the reclamation cost estimate for surface disturbance on notice N-84339, the Springer Tungsten Project, to be \$24,970. On January 22, 2008, the NSO received a bond rider adding the operator, Golden Predator Mines US, Inc., as coprincipal to BLM bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective January 22, 2008. Liabilities in the estimated amount of \$24,970 for notice-level operations N-84339 is hereby obligated to BLM bond number NVB000493.

MGC Resources Inc.

On January 17, 2008, the BLM Tonopah Field Station determined the reclamation cost estimate for surface disturbance on notice N-84259, the North Basin Project, to be \$15,082. On January 22, 2008, the NSO received a bond rider adding the operator, MGC Resources Inc., as coprincipal to BLM bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective January 22, 2008. Liabilities in the estimated amount of \$15,082 for notice-level operations N-84259 is hereby obligated to BLM bond number NVB000493.

MGC Resources Inc.

On January 17, 2008, the BLM Tonopah Field Station determined the reclamation cost estimate for surface disturbance on notice N-84260, the East Basin Project, to be \$15,089. On January 22, 2008, the NSO received a bond rider adding the operator, MGC Resources Inc., as coprincipal to BLM bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective January 22, 2008. Liabilities in the estimated amount of \$15,089 for notice-level operations N-84260 is hereby obligated to BLM bond number NVB000493.

MGC Resources Inc.

On January 17, 2008, the BLM Tonopah Field Station determined the reclamation cost estimate for surface disturbance on notice N-84261, the South Basin Project, to be \$15,086. On January 22, 2008, the NSO received a bond rider adding the operator, MGC Resources Inc., as coprincipal to BLM bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective January 22, 2008. Liabilities in the estimated amount of \$15,086 for notice-level operations N-84261 is hereby obligated to BLM bond number NVB000493.

Bond obligations adjusted by this Decision are shown in **bold** on the table below. Entries to the table are in order of the BLM serial number.

<b>Coprincipal/ Operator</b>	<b>BLM Serial Number</b>	<b>BLM Field Office</b>	<b>Date of FO Determination Or Current Increase</b>	<b>Bond Amount Required and Obligated</b>
Greencastle USA, LTD	N-78515	Btl Mtn	06/20/06	\$ 12,795
TGC Holdings, Ltd.	N-78752	Winn	05/22/07	\$ 4,812
Rio Fortuna Exploration (US), Inc.	N-78815	Carson	05/30/06	\$ 4,578
AuEx, Inc.	N-79949	Elko	03/21/07	\$ 23,676
Alaska Gold Company	N-79996	Tonopah	05/24/05	\$ 3,769
Cantex Gold Corp.	N-80028	Tonopah	04/03/07	\$ 12,472
Golden Oasis Exploration	N-80053	Btl Mtn	05/18/06	\$ 24,577
Cantex Gold Corp.	N-80055	Tonopah	06/09/05	\$ 5,464
American Goldfields, Inc.	N-80166	Carson	09/14/06	\$ 2,920
Walker Lane Gold LLC	N-80519	Tonopah	09/20/07	\$ 6,963
MGC Resources, Inc.	N-80569	Ely	09/12/05	\$ 2,750
Doe Run Resources Corp.	N-80635	Winn	06/12/06	\$ 2,954
Apollo Gold Exploration Inc.	N-80668	Winn	09/27/05	\$ 5,436
Silverthorn Exploration, Inc.	N-80669	Tonopah	12/18/07	\$ 8,634
Sage Mining Company	N-80744	Elko	10/13/06	\$ 7,253
Fisher-Watt Gold Company, Inc.	N-80823	Carson	06/04/07	\$ 2,956
MIN-AD, Inc.	N-80893	Winn	10/07/05	\$ 2,189
Quicksilver Ventures Nevada, Inc.	N-80909	Tonopah	10/17/05	\$ 1,312
Bonaventure Nevada Inc.	N-80917	Elko	10/17/05	\$ 19,657
Federated Commercial Industries	N-80921	Ely	10/27/05	\$ 4,106
BH Minerals USA, Inc.	N-80923	Btl Mtn	11/30/06	\$ 36,734
Electrum USA Ltd.	N-81015	Btl Mtn	10/22/07	\$ 11,891
Quincy Energy Corp.	N-81070	Winn	12/14/05	\$ 1,904
Win-Eldrich Gold Inc.	N-81359	Winn	01/05/06	\$ 822
General Metals Corporation	N-81431	Btl Mtn	07/10/07	\$ 20,450
MIM (USA) Inc.	N-81448	Carson	08/29/07	\$ 33,814
Robert Burkett	N-81461	Tonopah	02/16/06	\$ 1,643
Pan-Nevada Gold Corp.	N-81476	Winn	03/16/06	\$ 9,636
<b>Idaho General Mines, Inc.</b>	<b>N-81485</b>	<b>Btl Mtn</b>	<b>11/28/07</b>	<b>\$ 0</b>
Agnico-Eagle (USA) Limited	N-81508	Tonopah	03/20/06	\$ 2,174
Cypress Holdings Nevada, Inc.	N-81753	Carson	04/11/07	\$ 4,838

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<b>Coprincipal/ Operator</b>	<b>BLM Serial Number</b>	<b>BLM Field Office</b>	<b>Date of FO Determination Or Current Increase</b>	<b>Bond Amount Required and Obligated</b>
TXAU Investments Ltd.	N-81762	Carson	12/05/06	\$ 4,502
Victoria Resources (US) Inc.	N-81779	Btl Mtn	04/07/06	\$ 4,978
Gold Summit Corporation U.S.A.	N-81788	Carson	04/11/06	\$ 7,029
Bravo Alaska Inc.	N-81847	Btl Mtn	05/02/06	\$ 14,000
Cypress Development Corp.	N-81856	Ely	8/17/07	\$ 26,950
Epithermal LLC	N-81859	Carson	06/15/06	\$ 7,244
Medallion Resources, Ltd.	N-81884	Btl Mtn	10/24/06	\$ 19,175
Aberdene Mines, Ltd.	N-81991	Carson	06/24/06	\$ 7,974
Aberdene Mines, Ltd.	N-81992	Carson	08/09/06	\$ 12,772
Galway Resources, Ltd.	N-82013	Elko	07/21/06	\$ 16,994
Rio Fortuna Exploration (US), Inc.	N-82022	Carson	05/30/06	\$ 1,999
Rio Fortuna Exploration (US), Inc.	N-82023	Carson	05/30/06	\$ 2,968
Bravo Alaska Inc.	N-82026	Btl Mtn	05/30/06	\$ 8,885
Golden Odyssey Exploration, Inc.	N-82040	Tonopah	06/09/06	\$ 7,817
HE-5 Resources Corp.	N-82050	Carson	06/21/06	\$ 3,826
Ventura Gold Corp.	N-82075	Elko	06/07/06	\$ 21,306
Piedmont Mining Company	N-82080	Btl Mtn	06/20/06	\$ 4,843
Western Energy Development Corporation	N-82249	Winn	02/14/07	\$ 17,146
Bravo Alaska Inc.	N-82289	Btl Mtn	07/12/06	\$ 3,300
Rimfire Nevada Limited	N-82307	Tonopah	08/09/06	\$ 23,177
Nevada Alaska Mining Company	N-82310	Winn	08/09/06	\$ 5,024
Cordex Exploration Co.	N-82318	Winn	04/19/07	\$ 11,205
Gold Canyon Resources USA Inc.	N-82321	Winn	08/01/06	\$ 14,921
Telkwa Gold, USA	N-82361	Carson	08/10/06	\$ 1,394
Bravo Alaska Inc.	N-82401	Btl Mtn	08/24/06	\$ 1,351
MGC Resources Inc.	N-82417	Winn	09/07/06	\$ 11,022
Meridian Minerals Corporation	N-82433	Winn	09/22/06	\$ 16,627
Consolidated Gold Win Ventures	N-82444	Elko	05/07/07	\$ 10,007
Rio Fortuna Exploration (US), Inc.	N-82450	Winn	09/22/06	\$ 22,000
Redstar Gold USA Inc.	N-82452	Elko	10/12/06	\$ 26,690
Walker Lane Gold LLC	N-82657	Winn	10/31/07	\$ 1,936
Gold Run Inc.	N-82668	Elko	10/16/06	\$ 14,447
Gold Run Inc.	N-82676	Elko	10/16/06	\$ 19,188
Golden Odyssey Exploration, Inc.	N-82677	Elko	10/16/06	\$ 15,188
Bravo Alaska Inc.	N-82678	Btl Mtn	10/05/06	\$ 2,119
Bravo Alaska Inc.	N-82679	Btl Mtn	10/05/06	\$ 1,985
Bravo Alaska Inc.	N-82680	Btl Mtn	10/05/06	\$ 1,555
Golden Odyssey Exploration, Inc.	N-82684	Btl Mtn	10/11/06	\$ 12,476
Golden Odyssey Exploration, Inc.	N-82693	Elko	09/28/07	\$ 19,250
MGC Resources Inc.	N-82698	Winn	11/20/06	\$ 6,743
Redstar Gold USA, Inc.	N-82706	Tonopah	10/12/06	\$ 18,452
Tornado Gold International Corp.	N-82750	Ely	11/01/06	\$ 5,483
Golden Odyssey Exploration, Inc.	N-83055	Btl Mtn	01/29/07	\$ 12,951
Electrum (USA) Ltd.	N-83074	Btl Mtn	02/07/07	\$ 6,900

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<b>Coprincipal/ Operator</b>	<b>BLM Serial Number</b>	<b>BLM Field Office</b>	<b>Date of FO Determination Or Current Increase</b>	<b>Bond Amount Required and Obligated</b>
AuEx, Inc.	N-83140	Winn	07/06/07	\$ 15,917
RMP Resources, Inc.	N-83142	Btl Mtn	03/06/07	\$ 11,704
Agnico-Eagle (USA) Ltd.	N-83262	Elko	03/27/07	\$ 10,618
Agnico-Eagle (USA) Ltd.	N-83264	Elko	03/27/07	\$ 10,746
Harvest Gold Corporation (US)	N-83298	Elko	04/10/07	\$ 20,058
Ammex Gold Mining	N-83322	Elko	04/30/07	\$ 9,239
Quaterra Alaska, Inc.	N-83324	Carson	10/10/07	\$ 23,224
AuEx, Inc.	N-83339	Winn	05/07/07	\$ 9,793
AuEx, Inc.	N-83500	Winn	05/21/07	\$ 6,526
TNT Venture	N-83558	Carson	05/18/07	\$ 12,573
Redstar Gold USA Inc.	N-83571	Winn	06/21/07	\$ 12,704
Western Energy Development Corp.	N-83592	Winn	06/26/07	\$ 12,974
Molycor Gold Corp.	N-83615	Ely	07/27/07	\$ 22,851
Sniper Resources (US) Inc.	N-83632	Tonopah	07/17/07	\$ 11,523
Escape Gold (Nevada) Inc.	N-83633	Tonopah	07/25/07	\$ 10,465
Golden Odyssey Exploration Inc.	N-83868	Winn	07/27/07	\$ 9,716
Mexivada Mining Corporation	N-83875	Elko	08/15/07	\$ 16,952
Auex, Inc.	N-83911	Winn	08/28/07	\$ 10,967
Gold Summit Corp. USA	N-83924	Tonopah	09/13/07	\$ 14,582
Fred Hurt	N-84002	Winn	10/23/07	\$ 896
MGC Resources, Inc.	N-84013	Winn	09/21/07	\$ 9,924
MGC Resources, Inc.	N-84038	Winn	09/21/07	\$ 8,293
Kinbauri Gold Corporation	N-84045	Tonopah	09/05/07	\$ 3,423
Union Summit Minerals Inc.	N-84048	Carson	08/30/07	\$ 4,932
Homeland Exploration, Inc.	N-84066	Elko	09/26/07	\$ 13,938
Union Summit Minerals Inc.	N-84095	Winn	10/10/07	\$ 6,562
MGC Resources, Inc.	N-84098	Btl Mtn	10/02/07	\$ 7,897
MGC Resources, Inc.	N-84099	Btl Mtn	10/02/07	\$ 6,528
Meridian Minerals Corp.	N-84130	Elko	10/11/07	\$ 18,355
Nevada Cement Company	N-84146	Winn	10/19/07	\$ 22,615
CR Nevada Corporation	N-84229	Winn	11/06/07	\$ 6,467
Nevoro Nevada Inc.	N-84244	Ely	11/15/07	\$ 8,487
MGC Resources Inc.	N-84259	Tonopah	01/17/08	\$ 15,082
MGC Resources Inc.	N-84260	Tonopah	01/17/08	\$ 15,089
MGC Resources Inc.	N-84261	Tonopah	01/17/08	\$ 15,086
Golden Predator Mines US, Inc.	N-84339	Winn	12/21/07	\$ 24,970
<b>Total Amount Obligated Under BLM Bond Number NVB000493</b>				<b>\$1,200,654</b>

Considering the total amount of BLM Bond Number NVB000493 and the amount that is currently obligated for surface reclamation, \$799,346, remains available for future amendments or new operations.

If you have any questions regarding this decision, please call Lacy Trapp at (775) 861-6599, send a facsimile to (775) 861-6710, electronic mail to [ltrapp@nv.blm.gov](mailto:ltrapp@nv.blm.gov), or write to the attention of NV923z, at the letterhead address.

**ATANDA CLARK**

Atanda Clark  
Chief, Branch of Minerals Adjudication

cc:

NV010 (KLaird, JStadelman)  
NV020 (SRichey)  
NV030 (DSchroeder)  
NV040 (LBjorklund, BWilson)  
NV060 (SDrummond, SMallory)  
NV065 (GDeverse)  
NV923 (CDragon)



81485  
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Battle Mountain Field Office  
50 Bastian Road  
Battle Mountain, Nevada 89820  
<http://www.nv.blm.gov/battlemountain>  
(775) 635-4000 or [bmfwweb@nv.blm.gov](mailto:bmfwweb@nv.blm.gov)



In Reply Refer To:  
3809 (NV063)  
NVN-081485

FEB 01 2008

*y. maine 1/31/08*  
*A. Malloy 2/1/08*

**CERTIFIED MAIL: 7006 0810 0001 5139 4333**  
**RETURN RECEIPT REQUESTED**

Brian J. Musser, Environmental Manager  
Idaho General Mines, Inc.  
2215 North 5<sup>th</sup> Street  
Elko, NV 89801

Dear Mr. Musser:

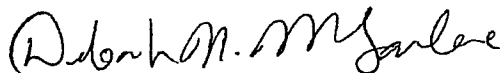
Your notice for the Mt. Hope Mine Project, Bureau of Land Management (BLM) case file number NVN-081485 will expire on February 15, 2008, unless you extend your notice under 43 CFR §3809.333. You may extend your notice for an additional 2 years by notifying this office in writing on or before the expiration date and meet the financial guarantee requirements of 43 CFR §3809.503. You may extend your notice more than once.

In addition to the written notice for extension, you must submit an updated reclamation cost estimate as well as any changes to information pertaining to the operator or operation contained within the original notice. You must prepare the revised cost estimate as if the BLM were hiring a third-party contractor to perform reclamation of the operations after the project area has been vacated.

If your notice is allowed to expire, pursuant to 43 CFR §3809.335, you must cease operations, except reclamation, and complete the reclamation promptly according to your notice. Your reclamation obligations continue beyond the expiration or any termination of your notice. The BLM will keep your financial guarantee until you have satisfied all reclamation requirements. If you abandon your notice without completing reclamation, BLM may initiate forfeiture of your financial guarantee under 43 CFR §3809.595.

Enclosed is a 2 page 3809 Notice Checklist. If you need assistance in submitting any of the required information or if you have any questions, please contact Leesa Marine, Land Law Examiner, at (775) 635-4159 and she will be happy to assist you.

Sincerely,



Deborah N. McFarlane  
Assistant Field Manager  
Nonrenewable Resources

Enclosure

LMARINE:01/31/2008:lm\blm\dfs\inv\bm\pub\nonrenewable\minerals\letters\LETTERS  
FINALIZED\nOTICES EXPIRING\2008\_General Moly\_NVN\_081485\_Mt.  
Hope\_January08.doc



SRK Consulting (U.S.), Inc.  
1250 Lamoille Hwy, #520  
Elko, Nevada  
89801 USA

email: [elko@srk.com](mailto:elko@srk.com)  
URL: <http://www.srk.com>  
Tel: 775.753.4151  
Fax: 775.753.4152

15 P 12:40



FIELD OFFICE

February 13, 2006

Ms. Sheila Hutcherson  
U.S. Bureau of Land Management  
Battle Mountain Field Office  
50 Bastian Road  
Battle Mountain, Nevada 89820

Re: Revised Bond Cost Estimate for Idaho General Mines, Inc. Drilling Notice

Dear Ms. Hutcherson:

On behalf of Idaho General Mines, Inc., I am forwarding the revised bond cost estimate you requested during our phone conversation. Please call me at 775.753.4151 if you have any questions concerning the estimate.

Sincerely,  
SRK Consulting (U.S.), Inc.

Val Sawyer  
Principal Consultant

cc: James Moore, IGMI

Group Offices:  
Africa  
Asia  
Australia  
North America  
South America  
United Kingdom

North American Offices:  
Denver 303.985.1333  
Elko 775.753.4151  
Fort Collins 970.407.8302  
Reno 775.828.6800  
Toronto 416.601.1445  
Tucson 520.544.3688



**Idaho General Mines,  
Inc.**

## **MOUNT HOPE MINE PROJECT NOTICE FOR BASELINE DRILLING ACTIVITIES AT TAILS #2 SITE**

---

*Idaho General Mines, Inc.  
10 N. Post Street, Suite 610  
Spokane, WA 99201  
Phone: (509) 838-1213  
Fax: (509) 838-0457*

**Prepared by:**



*SRK Consulting (U.S.), Inc.  
1250 Lamoille Hwy, Suite 520  
Elko, Nevada, 89801*

*(775) 753.4151 Phone  
(775) 753.4152 Fax*

**SRK Project No. 157501  
January 2006**

# **MOUNT HOPE MINE PROJECT NOTICE FOR BASELINE DRILLING ACTIVITIES AT TAILS #2 SITE**

***Prepared for:***

***Idaho General Mines, Inc.  
10 N. Post Street, Suite 610  
Spokane, WA 99201  
Phone: (509) 838-1213  
Fax: (509) 838-0457***

***Prepared by:***



***SRK Consulting (U.S.), Inc.  
1250 Lamaille Hwy, Suite 520  
Elko, Nevada, 89801  
(775) 753.4151 Phone  
(775) 753.4152 Fax***

***SRK Project No. 157501  
January 2006***

## TABLE OF CONTENTS

<b>1. OPERATOR INFORMATION.....</b>	<b>1</b>
1.1 NAME AND ADDRESS.....	1
1.2 TAXPAYER ID NUMBER.....	1
1.3 LIST CLAIM NAMES AND BLM SERIAL NUMBERS.....	1
1.4 LOCATION OF PROPOSED ACTIVITY.....	1
<b>2 DESCRIPTION OF EXISTING AND PROPOSED DISTURBANCE IN PROJECT AREA .....</b>	<b>1</b>
2.1 EXISTING DISTURBANCE.....	1
2.2 PROPOSED ACTIVITIES.....	2
2.3 APPROXIMATE DATE OPERATION WILL BEGIN AND END.....	2
2.4 STANDARD OPERATING PROCEDURES .....	2
2.4.1 Cultural Resources .....	2
2.4.2 Pony Express Trail .....	3
2.4.3 Surface and Ground Water.....	3
2.4.4 Solid Waste.....	3
2.4.5 Air Quality.....	3
2.4.6 Erosion and Sediment Control.....	3
2.4.7 Fire Protection.....	4
2.4.8 Wildlife.....	4
2.4.9 Wild Horses.....	4
2.4.10 Livestock.....	4
2.4.11 Employee Training.....	4
<b>3 RECLAMATION PLAN.....</b>	<b>5</b>
3.1 PROPOSED ACTIVITIES FOR RECLAMATION .....	5
3.1.1 Re-contouring, Seedbed Preparation, and Seeding.....	5
3.1.2 Measures Used to Minimize Loading of Sediment to Surface Waters .....	5
3.1.3 Schedule for the Project and Reclamation .....	6
3.1.4 Drill Hole Plugging Procedures.....	6
3.1.5 Monitoring.....	6
3.1.6 Measures to be taken during Extended Periods of Non-Operation.....	6
<b>4 RECLAMATION COSTS .....</b>	<b>7</b>
4.1 NARRATIVE DESCRIPTION OF PROPOSED RECLAMATION ACTIVITIES.....	7
4.2 RECLAMATION COST ESTIMATE .....	7
<b>5 RECLAMATION RESPONSIBILITY.....</b>	<b>8</b>

### Tables

Table 1: Proposed Disturbance.....	2
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### Figures

Figure 1: Location Map

Figure 2: Project Area for Notice – Geotechnical Investigations

### Appendices

Appendix A – List of Claims

Appendix B – Mount Hope Mine Project Bond Cost Estimate

## 1. Operator Information

### 1.1 Name and Address

Corporate: Idaho General Mines, Inc.  
Address: N. 10 Post Street, Suite 610  
Spokane WA 99201  
Phone: 509.838.1213  
Fax: 509.838.0457

Corporate Contact: James Moore  
Phone: 480.539.4262  
Fax: 480.539.4260

Local Contact: SRK Consulting, Inc.  
Address: 1250 Lamoille Hwy, Suite 520  
Elko, NV 89801  
Contact: Val Sawyer  
Phone: 775.753.4151  
Fax: 775.753.4152

### 1.2 Taxpayer ID Number

The taxpayer ID number is

### 1.3 List Claim Names and BLM Serial Numbers

The Project Area will be located within claims: SD 31 through 36; SD 56, 58, 59; SD60 through 71; and SD 81 through 99; and TSF2 1 through 406. Claims TSF2 1 through 406 are in the process of being filed and do not yet have BLM serial numbers assigned. A list of claims and associated serial numbers are included in Appendix A.

### 1.4 Location of Proposed Activity

The proposed drilling project will be located in all or portions of: T22N, R51E; T21N, R52E; T21N, R51E; T22N, R52E; T22 ½ N, R51 ½ E; T22N, R51 ½ E; and T22 ½ N, R52E.

Figure 1 shows the general project location and Figure 2 shows the Project Area.

## 2 Description of Existing and Proposed Disturbance in Project Area

### 2.1 Existing Disturbance

The Project Area is located about three miles south of the core shed and 3.6 miles southeast of State Route 278 at it's nearest point as shown on Figure 2. The area is largely undisturbed with several existing roads that traverse the Project Area.

## 2.2 Proposed Activities

This Notice describes baseline data collection activities to define geotechnical and hydrological characteristics for one of two potential tailings impoundment locations in the area. In general, the data collection activities may include reverse circulation, hollow stem auger, and sonic drilling. Geotechnical investigation activities may also include trenching, test pits, and percolation testing. Existing roads will be used to the greatest extent possible. Table 1 presents the proposed disturbance.

Table 1: Proposed Disturbance

Category	Length (feet)	Pad Area (acres)	Number	Total Acres
Test pit pads (~20 feet by 49 feet)		0.02	14	0.3
Test pits (15 feet deep)			14	-
Test pit roads (~5.6 feet wide total for two track widths, cross-country)	13,890			1.8
Bore holes pads		0.02	2	0.04
Bore hole roads (~20 feet wide)	4,720			2.2
Total				4.3

Access will be via existing dirt roads that connect with State Route 278 or State Route 50. The northern access route will follow Garden Pass Road which ties in to Roberts Creek Road and generally follows the Falcon to Gonder power line. The southern access route will be accessed from State Route 50 about eight miles west of the State Route 278 and State Route 50 intersection. An existing dirt road eventually leads to the Falcon to Gonder power line and the Project Area. The eastern route will be accessed from State Route 278 and follow existing dirt roads to the Project Area.

Existing roads within the Project Area will be used to the greatest extent possible. Only routine maintenance and minor repairs will be performed on the existing roads. Growth media will be pushed in to berm along the side of the road. Sediment will be controlled as needed. Occasionally trees may need to be removed to allow access by the equipment. Drilling and trenching equipment will maintain a safe distance from the Falcon to Gonder Power Line when working in the near vicinity.

Test pits will be filled in immediately after data collection is complete and before excavating another pit. Bore holes will be closed immediately after data collection is completed according to NAC 534.

## 2.3 Approximate Date Operation Will Begin and End

The proposed project will begin in February 2006 and be completed by December 2007.

## 2.4 Standard Operating Procedures

### 2.4.1 Cultural Resources

A Class III cultural resources survey was performed in portions of the Project Area. As needed, Class II surveys will be conducted on travel routes and areas of proposed activity that have not

been previously surveyed. Because the exact locations of drill sites and cross-country travel routes will be dependent on geological conditions and the results of ongoing drilling, IGMI cannot predict precisely where disturbance will occur. IGMI will contract with a BLM-permitted archeologist prior to any surface disturbance to perform a Class III cultural resources study on the cross-country travel routes, constructed/improved roads, drill pads, and trenches. If a cultural resources site is located, the disturbance will be moved to avoid the site. The results of each survey will be submitted to BLM.

Avoidance is the IGMI-preferred treatment for preventing effects to historic properties [a historic property is any prehistoric or historic site eligible to the National Register of Historic Places (NRHP)] or unevaluated cultural resources.

If avoidance is not possible or is not adequate to prevent adverse effects, IGMI will undertake data recovery at the affected historic properties in accordance with the Memorandum of Understanding between BLM, Nevada State Historic Preservation Office (SHPO), and the Advisory Council on Historic Preservation. Development of a treatment plan, data recovery, archeological documentation, and report preparation will be based on the "Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation," 48 CFR 44716 (September 29, 1983), as amended or replaced. If an unevaluated site cannot be avoided, additional information will be gathered and the site will be evaluated. If the site does not meet eligibility criteria as defined by the Nevada SHPO, no further cultural work will be performed. If the site meets eligibility criteria, a data recovery plan or appropriate mitigation will be completed under the Programmatic Agreement. Once data recovery has been completed at a historic property, the BLM will issue a Notice to Proceed for work at that location.

#### **2.4.2 Pony Express Trail**

The Pony Express Trail, a National Historic Trail, is located within the Project Area. Staff and contractors will be explicitly warned against travel or any other use on the trail.

#### **2.4.3 Surface and Ground Water**

Drilling activities will not occur within 100 feet of seep, springs, or streams. Drill holes will be closed in accordance with NAC 534 to prevent impacts to groundwater.

#### **2.4.4 Solid Waste**

All project-related refuse will be hauled from the site for disposal on a regular basis. No refuse will be disposed on-site. In the event hazardous or regulated material such as diesel fuel is spilled, the area will be cleaned and the Nevada Department of Environmental Protection (NDEP) will be notified as per NDEP regulations.

#### **2.4.5 Air Quality**

Project-related traffic will observe prudent speed limits to enhance public safety, protect wildlife and livestock, and minimize fugitive dust.

#### **2.4.6 Erosion and Sediment Control**

Maintenance of the exploration roads includes minor seasonal regrading and re-establishment of

water bars when necessary. The effectiveness of erosion control measures will be monitored in the spring and fall.

#### **2.4.7 Fire Protection**

All mobile equipment will be properly muffled and equipped with suitable fire suppression equipment, such as fire extinguishers and hand tools.

#### **2.4.8 Wildlife**

Land clearing and surface disturbance would be timed to prevent destruction of active bird nests or young of birds during the avian breeding season (May 1 to July 15, annually in accordance with the Battle Mountain Field Office policies) to comply with the Migratory Bird Treaty Act (MBTA). If surface disturbing activities are unavoidable, IGMI would have a qualified biologist survey areas proposed for disturbance for the presence of active nests immediately prior to the disturbance.

If active nests are located, or if other evidence of nesting is observed (mating pairs, territorial defense, carrying nesting material, transporting of food), the area would be avoided to prevent destruction or disturbance of nests until the birds are no longer present. Avian surveys are proposed to be conducted only during the avian breeding season and immediately prior to IGMI conducting activities that result in disturbance. After such surveys are performed, and disturbance created (i.e., road construction and drill pad development), IGMI would not conduct any additional disturbance during the avian breeding season without first conducting another avian survey. After July 15, activities would continue; no further avian surveys, in compliance with MBTA, would be conducted until the next year.

#### **2.4.9 Wild Horses**

Personnel onsite will use caution during the March through June foaling season; at no times will wild horses be chased or harassed. IGMI will keep a record of observations of wild horse movements and locations. IGMI will forward information regarding water encountered during drilling to BLM for potential future mitigation.

#### **2.4.10 Livestock**

IGMI will inform employees and contractors to leave gates in the position found (open or closed) and to not harass livestock.

#### **2.4.11 Employee Training**

IGMI will train employees, contractors, and other related personnel as to the environmental responsibilities required under this notice.

### **3 Reclamation Plan**

Appendix B contains a description of the proposed reclamation activities and the projected cost.

#### **3.1 Proposed Activities for Reclamation**

##### **3.1.1 Re-contouring, Seedbed Preparation, and Seeding**

IGMI will minimize disturbance by utilizing existing roads and trails and cross-country travel routes where feasible. Newly constructed roads and pads will be reclaimed by restoring the disturbance to approximate its original topography. Existing roads will remain in place. Any culverts installed during the project will be removed, and the sumps will be backfilled.

Scarifying compacted cross-country travel routes to the extent practical will be the primary means by which seedbeds will be prepared. Sidecast growth media will be replaced and the surface will be scarified prior to seeding. Efforts will be taken to scarify only those portions of the road which are compacted and require seeding (e.g., tire tracks) while minimizing disturbance to the established vegetation.

Disturbance and cross-country travel routes will be seeded during reclamation. Reclamation will generally be accomplished with native seeds only but may include some fast growing non-native species. The native species will be representative of the indigenous species present in the adjacent habitat. The reclamation plant list proposed for the project area is "Mix 1" from the Nevada Reclamation Cost Estimation model. This mix may vary depending on seed availability.

Seeding procedures will be dependent upon site characteristics. IGMI will use a hand-broadcast seeder to apply the mix. Seeding will occur in late fall or early spring to ensure a greater chance of revegetation success. Other measures that will be taken to prevent undue degradation include road maintenance and sediment control.

IGMI will attempt to reduce the spread of noxious weeds on lands disturbed by the proposed project by avoiding travel, whenever possible, through areas infested by noxious weeds to prevent windblown and mechanical transport of seed sources caused by exploration activities.

Should IGMI decide not to proceed with additional exploration or production at the site, the post-exploration goal will be to restore lands for use as mineral exploration, livestock grazing, wildlife habitat, and dispersed recreation. It is anticipated that available forage will be enhanced by seeding with the above mentioned forage species.

##### **3.1.2 Measures Used to Minimize Loading of Sediment to Surface Waters**

IGMI will use existing roads, trails and cross-country travel routes whenever possible to minimize the disturbance created during access to, and from the drill site locations. Proposed environmental protection measures as detailed in Section 2, will minimize impacts to surface waters. Constructed sediment control features will be regraded following reclamation to reestablish, as nearly as possible, the natural drainage patterns. Silt fences will be used to contain sediment on reclaimed sites immediately adjacent to drainages as needed.

### **3.1.3 Schedule for the Project and Reclamation**

Drilling activities will commence upon approval of this notice and are expected to be completed during the fourth quarter of 2007 depending on weather conditions. Upon completion of drilling activities and based upon future activities, earthwork will be completed on areas no longer required in the exploration program. Cross-country travel routes will be reclaimed as soon as practical after the cessation of drilling activities in the area. Reseeding will occur in the late fall or early spring months.

Because development of Mount Hope Mine is planned, the disturbance associated with this Notice may be transferred to a mine plan of operations and the reclamation costs included in the mine reclamation bond. In this event, reclamation will be undertaken in conjunction with mine reclamation.

### **3.1.4 Drill Hole Plugging Procedures**

Mineral exploration drill holes subject to Nevada Division of Water Resources regulations will be abandoned in accordance with applicable rules and regulations (NAC 534).

### **3.1.5 Monitoring**

IGMI will monitor the disturbance for three years after the completion of drilling activities.

### **3.1.6 Measures to be taken during Extended Periods of Non-Operation**

Areas no longer needed for future drilling activities will be reclaimed as soon as possible. Interim stabilization measures will be taken as necessary at these sites.

## **4 Reclamation Costs**

The proposed reclamation costs are included in Appendix B and are based on the 2005 Nevada Standard Reclamation Bond Calculation model (Beta 3b).

### **4.1 Narrative Description of Proposed Reclamation Activities**

A narrative description of earthwork and revegetation reclamation activities can be found in Section 3 above. Structures will not be built in the Project Area. Maintenance, mobilization/demobilization, and agency administrative/management costs are accounted for in the Reclamation Bond Checklist, Appendix B.

### **4.2 Reclamation Cost Estimate**

See the reclamation cost estimate in Appendix B.

Jan 25 2006 8:46AM

SRK Elko

1-775-753-4152

P.2

Mount Hope Mine Project  
Notice for Baseline Drilling Activities

8

## 5 Reclamation Responsibility

"Reclamation of all areas disturbed will be completed to the standards described in 3809.1-3(d) of this title and that reasonable measures will be taken to prevent unnecessary and undue degradation of the federal lands during operations."

Signature: MATTHEW F. RUSSELL



Date:

1-25-06

Title:

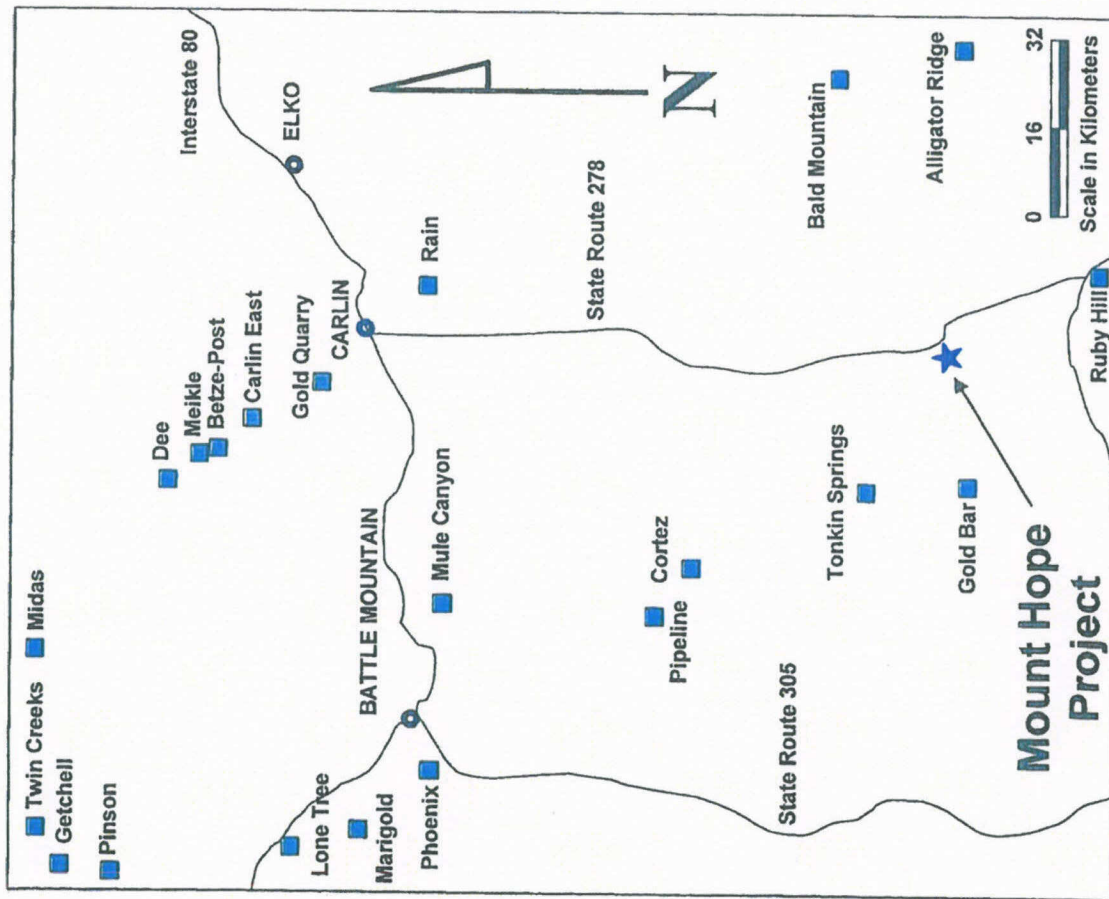
Vice President Operations

1/25/2006

SRK Consulting (U.S.), Inc.

## **FIGURES**

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Idaho General Mines, Inc.  
Mount Hope Project

Figure 1