

Notice.081485.Notice_Model_FY2007.20071115RFNL.xts

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| Unear Feet of Road | MOUNT HOPE | MOUNT HOPE TAILS #2 SITE, GENERAL MOLY, INC., NOVEMBER 15, 2007 - NOTICE 081485 AMENDMENT #3 Linear | ILY, INC., NOVEM | BER 15, 200 | 7 - NOTICE 08 | 1465 AMENI | DMENT #3 | |
|--|---------------------|--|------------------|------------------|-------------------|--------------------|---|--------------------------|
| On a Side Slope | Feet | | Labor Cost | Manpower | Egupment | Materials | Cost/Linear Foot | Road Reclamation |
| 30% | 0 | Recontouring Cost <30% | S | S | | \$0.00 | \$0.24 | S |
| *30.% | | Recontouring Cost >30% | 8 | \$0.28 | \$0.3g | 00.0 \$ | \$0.64 | S Sped |
| Drill Sites and Sumps | Number | | | Manpower | Equipment | Materials | Cost each | Reclamation |
| Drill Sites < 30% slopes | 5 0 | Recontouring Cost | \$510 | 534.00 | \$42.80 131.00 | S 8 | \$76.80 | \$1,152 |
| Orill Sites Cross County | | Rinkin Cost | 3 5 | 22 G | 25.50 | 8 5 | \$240,00 \$40,00 | 3 8 |
| Sumps | 15 | Recontouring Cost | \$554 | \$36.90 | \$46.40 | \$0.00 | \$83.30 | \$1,250 |
| | Linear Feet | | ř | Mannower | Formment | Malenals | Cost/linear Foot | |
| Trenches | 25 | Recontouring Cost | \$700 | \$0.83 | \$1.71 | 20.00 | \$2.64 | \$1.982 |
| Cross Country Travel | 9,339 | Ripping Cost | \$374 | \$0.04 | \$0.02 | 00.03 | \$0.06 | \$560 |
| | Slope Acres | | | Manbower | Equipment | Materials | Cost/Acre | |
| Total Disturbance | 3.32 | Revegetation Cost | \$250 | \$75.50 | \$64.00 | \$275.00 | \$414.50 | \$1,375 |
| | | : | | Manbower | Equipment | , | Mob+Demob | |
| 150 miles Mobilization | • | Mobilization Cost-excavator | \$417 | \$417.27 | \$489.83 | | \$907.10 | 2300 |
| mes mountaine | | Modification Cost-docar | 0/76 | \$5.0.3¢ | 9000 | 1 | 00.000 | 0000 |
| Drill Holes Open | #/Feet | | | Мапрожег | Egupment | Materials | Cost/Foot | Drit Hole Plugging |
| Feet of Open Holes - Wet | 0 | Plugging Cost - Wet | 3 | \$1.17 | \$2.08 | 50.53 | 83.78 | 3 |
| Feet of Open Holes - Dry Feet of Cash to Pull | 9 0 | Puting Casing Puting Casing | | \$1.66 | 7 .05 | \$0.00 \$0.00 | \$0.75 \$5.72 | 28 28 28 38 |
| | 1 | · manual in the second of | : | Manbower | Equipment | | Mob+Demob | |
| 150 miles Mobilization | 1 + | Mobilization Cost - Wet | 8 | \$719.84 | , -, | | \$1,999.56 | 8 |
| Distriction Tone | Total Acres | Total I Ingar East | Sing Acres | 10.400 10.400 | 9180.48 | | \$501.40 | Loca |
| Roads | 0.00 | 0 | 00:0 | ÷ * | | . , | ن ـ | Total Reclamation Cost |
| Ortil Sites | 0.91 | | 0.93 | | -+ | | | \$9,264 |
| Sumps | 0.39 | | 0.39 | • | - | | | |
| Trenches | 17.0 | 750 | 0.71 | . ! | - + | , | | Total I above |
| Cross Country fotal Notice acres | 3.30 | 9,339 | 3.32 | 4 | + | | | \$3,956 |
| | | | • | • - | | | | |
| | + | Insurance Bond* | i | | | 3%, Total | 1.5% Labor Cost. 3% Total Reclamation Cost. | Ž S |
| green cells with blue font to for user input | pot | Contractor Profit | : | | + | 10% Total | 10% Total Reclamation Cost | \$926 |
| reflow cells are unit costs | | Contract Administration | | | . : | 10% Total | 10% Total Reclamation Cost | \$926 |
| 7 | | Indirect Costs | • | 1 | 21% | of Contract A | 21% of Contract Administration Cost, | \$195 |
| Bond required only if total reclamation cost > \$100,000 | in cost > \$100,000 | | • | | • | | 4. | Total Administration Cos |
| | | | | • | , | | - ! | \$2,107 |
| * | ; | | Cost per acre | | | Fi | Financial Guarantee | ø |
| | | | E2 447 | | | | Amount | £44 274 |

| Bureau of Land Management Notice Level Reclamation Cost Estimation Worksheet |
|--|
| Costs for in Notice Level Rechamble Octs Established to a beat and astamptions used in the Sciendardized Redamption (SRCE) Vestion 1.1.1 Costs for Instance Redamption Cost Established to a beat and stamptions used in the Sciendardized Redamption (SRCE) Vestion 1.1.1 See Data are from Dichker 1.2006. This workshall is circader than the SRCE and indee not allow the Backlish of a foreign or might seaffer information in erose elimitation. |
| 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 stope categories used for all calculations in this worksheet. All slopes under 30% <30%) are assumed to have a slope of 20%. |
| All stopes over 3.0% 3-30% are assumed to make a stope of a dr.%. All stopes over 3.0% assumed to make a stope of a dr.%. All stopes to the works he are assumed to have a 14 foot wide dimension across the fiat "driveable" part of the road without any safety berms. |
| 3. All Drill Stees in this worksheet are assumed to be 30 feet wide. For Drill Stees on slopes < 30% they are 70 feet long. For Drill Stees on slopes > 30% they are 83 feet long. |
| 4. Ali Road and Dell'Sithe out behavia are assumed to have a Gol degree shore. 4. Ali Road and Dell Sithes the start are are samelle for the second of the |
| 6. Roads are linear features and the units required for input to this worksheet are in linear feet. |
| 7. Recontouring for reclamation of Roads, Drill Situres, and Sumps is done with a task exercator of a Cat 320C size with a 1.57 CV bucket and productivity of 139 CV per hour. |
| 6. <u>requiring operant wathows costs is based to the version of the costs of the cos</u> |
| |
| 10. Revegetation cost is based on the cost of use of a D4 class dezer which scartfles, seeds and drags the seed in on one pass. |
| 11. Karbegedandi Usba zie u steed un a gra alze usess. 12. Drill Sites ercenteurin cest is based on a standard bed with and length. |
| 3 |
| Drill Sites on skopes >30% are 30 (leet wide by 83 feet long. |
| On Cross Country Drill Sites, the digurbed area is ripped by a Cat DS size dozer. |
| 13. One Sump is assumed for each DMI Site. The The assumed dimensions are 13 feet wide, 30 feet long and 5 feet deep. |
| OUTUIN Sides SUPERING and a solution to the Duth Side Side of Ground Sides Side Side Side Side Side Side Side Side |
| 14. Trenches are assumed to be 300 feet long by 14 feet wide by 5 feet deep. They are reconfoured with a Cat D6 stred dozer assuming a 208 CY/ hour productivity. |
| |
| 16. Cross County Lavel is assumed to have a disturbance of 6 feet with by the inear read of makes under 10%. |
| ** Revogetation Costs for all Cores Control Control Costs of Costs |
| |
| 18. Mobilization for a Cat 320C excavator will be charged for regrading of Roads, Drill Sites only. |
| 19. All prinches or Cross Courty Travels included a Lio Cozar will be mobilized also. 19. All prinches whilen will require a mintum Delil Holes Desa Abandonment cost. |
| 5 |
| If a drill hale is drilled deeper than the static water level it is considered a wet hale and must be abandoned as an Open Hole . Wet. |
| 20. Mobilization for Drill Holes - Open for Open Hole - Wet will include one drill rig plus crew and support equipment. |
| 21. Mobilization for Drill Holes - Open for Open Hole - Dry will motitide one packflow and operator, and only general laborer. 22. Drill Hole Plugging Cost for Open Hole - Wet is based on average lime to plug a 1000 ft. 6' Drill Hole (using productivity data from 6 drilling contractors December 2006). |
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United States Department of the Interior

BUREAU OF LAND MANAGEMENT CEIVED MAIL

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



BURZAU I 1460 : BATTLE MORA FIELD OF T

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:

MGC Resources, Inc. 600 Lola Street, Suite 10 East Helena, MT 59601

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

Nevoro Nevada Inc. 1201 Terminal Way #221 Reno, NV 89502

CR Nevada Corporation 14142 Denver West Parkway, Ste. 250 Golden, CO 80401 BLM Notice-Level Operations: N-83212 Bond Amount Required: \$0

BLM Notice-Level Operations: N-81485 Bond Amount Required: \$11,790

BLM Notice-Level Operations: N-84224 Bond Amount Required: \$8,487

BLM Notice-Level Operations: N-84229 Bond Amount Required: \$6,467

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.

MGC Resources, Inc.

Effective November 21, 2007, notice N-83212, the Thunder Mountain Project, is obligated under BLM bond number NVB000144 in the amount of \$9,075. Therefore, the obligation under BLM bond number NVB000493 is terminated for this notice.

Idaho General Mines, Inc.

Effective November 14, 2007, the Battle Mountain Field Office reduced the reclamation cost estimate for surface disturbance on notice N-81485, the Mt. Hope Mine Project, to \$11,790. Liabilities in the reduced estimated amount of \$11,790 for notice-level operations N-81485 are hereby obligated to 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.

Nevoro Nevada Inc.

On November 15, 2007, the BLM Ely Field Office determined the reclamation cost estimate for surface disturbance on notice N-84224, the Silver King Project, to be \$8,487. On November 15, 2007, the NSO received a bond rider adding the operator, Nevoro Nevada Inc., as coprincipal to BLM bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective November 15, 2007. Liabilities in the estimated amount of \$8,487 for notice-level operations N-84224 is hereby obligated to BLM bond number NVB000493.

CR Nevada Corporation

On November 6, 2007, the BLM Winnemucca Field Office determined the reclamation cost estimate for surface disturbance on notice N-84229, the Adelaide Project, to be \$6,467. On November 13, 2007, the NSO received a bond rider adding the operator, CR Nevada Corporation, as coprincipal to BLM bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective November 13, 2007. Liabilities in the estimated amount of \$6,467 for notice-level operations N-84229 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.

| Coprincipal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination Or Current Increase | Bond Amount Required and Obligated |
|------------------------------------|-------------------------|------------------------|--|--|
| 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 |

| Consinal/Onerator | BLM Serial | BLM Field | Date of FO Determination Or Current | Bond Amount Required and |
|------------------------------------|---------------|--------------|---|-----------------------------------|
| Coprincipal/ Operator | Number | Office | Increase | Obligated |
| Grandcru Resources Corporation | N-79800 | Elko | 08/03/05 | \$ 5,159 |
| Alexander Cold Communication | N-79949 | Elko | 03/21/07 | \$ 23,676 |
| Alaska Gold Company | N-79996 | Tonopah | 05/24/05 | \$ 3,769 \$ 12,472 |
| Cantex Gold Corp. | N-80028 | Tonopah | 04/03/07 | |
| 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 \$ 6,963 \$ 2,750 |
| 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 | 09/15/05 | \$ 3,866 |
| 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 |
| Epithermal LLC | N-81015 | Btl Mtn | 11/16/05 | \$ 4,000 |
| 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 |
| Idaho General Mines, Inc. | N-81485 | Btl Mtn | 11/14/07 | \$ 11,790 |
| Agnico-Eagle (USA) Limited | N-81508 | Tonopah | 03/20/06 | \$ 2,174 |
| Cypress Holdings Nevada, Inc. | N-81753 | Carson | 04/11/07 | \$ 4,838 |
| 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 |
| Idaho General Mines, Inc. | N-81811 | Btl Mtn | 04/17/06 | \$ 28,309 |
| 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 |
| Tonkin Springs LLC | N-81996 | Btl Mtn | 05/22/06 | \$ 20,223 |
| Tonkin Springs LLC | N-81999 | Btl Mtn | 05/22/06 | |
| Galway Resources, Ltd. | N-82013 | Elko | 07/21/06 | |
| Rio Fortuna Exploration (US), Inc. | N-82022 | Carson | 05/30/06 | |
| Rio Fortuna Exploration (US), Inc. | N-82023 | Carson | 05/30/06 | \$ 1,999 \$ 2,968 |
| | | i Caisuii | 1 00/00/00 | , a / MDX I |

| Coprincipal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination Or Current Increase | Bond Amount Required and Obligated |
|------------------------------------|-------------------------|------------------------|--|--|
| 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 | N-82249 | Winn | 02/14/07 | \$ 17,146 |
| Corporation | | | | |
| 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 |
| Quincy Energy Corp. | N-82348 | Tonopah | 08/04/06 | \$ 4,172 |
| 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 | \$ 2,119 \$ 1,985 |
| Bravo Alaska Inc. | N-82680 | Bti 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 |
| AuEx, Inc. | N-83140 | Winn | 07/06/07 | \$ 15,917 |
| RMP Resources, Inc. | N-83142 | Bti Mtn | 03/06/07 | \$ 11,704 |
| MGC Resources, Inc. | N-83212 | Tonopah | 11/21/07 | \$ 0 |
| 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 |

| Coprincipal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination Or Current Increase | Req and Obli | ount uired |
|----------------------------------|-------------------------|------------------------|--|--------------------|---------------|
| 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 | Bti 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 |
| Nevoro Nevada Inc. | N-84224 | Ely | 11/15/07 | \$ | 8,487 |
| CR Nevada Corporation | N-84229 | Winn | 11/06/07 | \$ | 6,467 |
| Total Amount Obligated Under Bl | _M Bond Nu | mber NVB0 | 00493 | \$1 | ,207,911 |

Considering the total amount of BLM Bond Number NVB000493 and the amount that is currently obligated for surface reclamation, \$792,089, 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, or write to the attention of NV923z, at the letterhead address.

LIATE CLAIR.

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)



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



In Reply Refer To: 3809 (NV063) NVN-081485 (08-2A)

NOV 28 2007

Imarine 11/28/07 Albummed 11/28/07

CERTIFIED MAIL: 7006 0810 0001 5139 6092 Return Receipt Requested

DECISION

Brian J. Musser, Environmental Manager

Idaho General Mines, Inc.

455 8th Street

Elko, NV 89801

43 CFR 3809 – Surface Management

Notice Amendment

Determination of Required Financial Guarantee Amount

On November 16, 2007, Idaho General Moly, Inc. (GMI) submitted a Notice amendment for the Mt. Hope Mine Project located in MDB&M., T. 21½ N., R. 51½ E., section 36; T. 22 N., R. 51½ E., section 36; T. 21 N., R. 52 E., sections 5-7; T. 21½ N., R. 52 E., section 6. The Notice amendment has been assigned Bureau of Land Management (BLM) case file number NVN-081485 (08-2A).

Your Notice amendment modifies and relocates the previously approved 12 bore holes 15 test pits within the Tails #2 site. This will bring the total disturbance associated with this Notice to 3.28 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 \$11,371 is sufficient to meet all anticipated reclamation requirements associated with this Notice. This amount is based on the operator complying will 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, IGMI must submit an acceptable financial guarantee in the amount of \$11,371 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.

<u>Term of Notice</u> - Your Notice will remain in effect for 2 years from the date of the original decision of February 15, 2006, 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.

<u>Cultural Resources</u> – GMI should consult with their archaeological contractor to assess the potential impacts to cultural resources through activities related to this Notice. The BLM has not received the completed cultural resources inventory of the Mt. Hope area and therefore cannot determine if any existent cultural resources may be affected. However, GMI is advised that under the Archaeological Resources Protection Act and the Native American Graves Protection and Repatriation Act, they are liable for any damages to historic properties, cultural resources, or Native American funerary items or remains, as a result of activities. Therefore, it is recommended that they retain the services of a professional archaeologist to ensure avoidance of any such resource. 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). 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.

<u>Guidelines for Operations Conducted Under a Notice</u> - The enclosed document provides additional stipulations concerning your notice.

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.

<u>Contact</u> - If you have any questions pertaining to this decision, please contact Stephen Drummond, Supervisory Mining Engineer, at 775-635-4160 or at the above address.

Deborah N. McFarlane Assistant Field Manager Nonrenewable Resources

Enclosures

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT ALEOUR

Nevada State Office
P.O. Box 12000 (1340 Fination for the Policy of the

TAKE PRIDET

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

Coprincipal:

Idaho General Mines, Inc.

455 8th Street

Elko, NV 89801

BLM Statewide Bond: NVB000493

Amount of Bond: \$2,000,000

FIELD OFFICE

BLM Notice-Level Operations: N-81485

Bond Amount Required: \$11,371

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.

Idaho General Mines, Inc.

On November 28, 2007, the BLM Battle Mountain Field Office reduced the reclamation cost estimate for N-81485, the Mt. Hope Mine Project, to \$11,371. Effective the date if this Decision, the reduced amount of \$11,371 is obligated under BLM bond number NVB000493 for N-81485.

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

| | BLM Serial | BLM Field | Date of FO Determination Or Current | Req and | ount uired |
|------------------------------------|---------------|--------------|---|------------|---------------|
| Coprincipal/ Operator | Number | Office | Increase | | gated |
| 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 | Bti 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 | 09/15/05 | 1 0 | 3,866 |
| 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 |
| Idaho General Mines, Inc. | N-81485 | Btl Mtn | 11/28/07 | \$ | 11,790 |
| Agnico-Eagle (USA) Limited | N-81508 | Tonopah | 03/20/06 | | 2,174 |
| Cypress Holdings Nevada, Inc. | N-81753 | Carson | 04/11/07 | \$ | 4,838 |
| 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 |
| Idaho General Mines, Inc. | N-81811 | Btl Mtn | 04/17/06 | \$ | 28,309 |
| 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 |
| Tonkin Springs LLC | N-81996 | Btl Mtn | 05/22/06 | \$ | 20,223 |

| Coprincipal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination Or Current Increase | and | |
|------------------------------------|-------------------------|------------------------|--|-----|--------|
| Tonkin Springs LLC | N-81999 | Btl Mtn | 05/22/06 | \$ | 20,490 |
| 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 | N-82249 | Winn | 02/14/07 | \$ | 17,146 |
| Corporation | 11 02243 | | 02/14/07 | • | 17,140 |
| 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 |
| Quincy Energy Corp. | N-82348 | Tonopah | 08/04/06 | \$ | 4,172 |
| Telkwa Gold, USA | N-82361 | Carson | 08/10/06 | \$ | 1,394 |
| Brayo 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 | Eiko | 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 |
| 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 |
| Tial vool Gold Golporation (GG) | N-83322 | Elko | 04/30/07 | \$ | 9,239 |

| | BLM Serial | BLM Field | Date of FO Determination Or Current | Bon Amo Req and | |
|---------------------------------|---------------|--------------|---|--------------------------|---------|
| Coprincipal/ Operator | Number | Office | Increase | | gated |
| 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 | N-83592 | Winn | 06/26/07 | \$ | 12,974 |
| Corp. | | <u> </u> | | | |
| 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 |
| Total Amount Obligated Under Bl | M Bond Nu | mber NVB00 | 10493 | \$1 | 210,224 |

Considering the total amount of BLM Bond Number NVB000493 and the amount that is currently obligated for surface reclamation, \$789,776, 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, 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)

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United States Department of the Interior

RECEIBUREAU OF CAND MANAGEMENT

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



DECISION

Principal:

Nevada Division of Minerals
Reclamation Performance Bond Pool

400 W. King Street, Suite 106

Carson City, NV 89703

Coprincipal:

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

Spokane, WA 99201

BLM Statewide Bond: NVB000493

Amount of Bond: \$2,000,000

BLM Notice-Level Operations: N-81811

Bond Amount Required: \$0

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 2, 2008, the NSO received a request from Idaho General Mines, Inc. that notice-level operations N-81811, the Mt. Hope Mine Project, be transferred to their statewide bond BLM bond number NVB000567. Notice N-81811 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.

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.

| Coprincipal/ Operator Greencastle USA, LTD TGC Holdings, Ltd. Rio Fortuna Exploration (US), Inc. AuEx, Inc. Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | BLM Serial Number N-78515 N-78752 N-78815 N-79949 N-79996 | BLM Field Office Btl Mtn Winn Carson Elko | Date of FO Determination Or Current Increase 06/20/06 05/22/07 05/30/06 | Rec and | ount quired l igated 12,795 |
|--|--|---|---|---------------|---|
| Greencastle USA, LTD TGC Holdings, Ltd. Rio Fortuna Exploration (US), Inc. AuEx, Inc. Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | Serial Number N-78515 N-78752 N-78815 N-79949 N-79996 | Field Office Btl Mtn Winn Carson | Or Current Increase 06/20/06 05/22/07 | and Obl | igated |
| Greencastle USA, LTD TGC Holdings, Ltd. Rio Fortuna Exploration (US), Inc. AuEx, Inc. Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | Number N-78515 N-78752 N-78815 N-79949 N-79996 | Office Btl Mtn Winn Carson | Increase 06/20/06 05/22/07 | Obl | igated |
| Greencastle USA, LTD TGC Holdings, Ltd. Rio Fortuna Exploration (US), Inc. AuEx, Inc. Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | N-78515 N-78752 N-78815 N-79949 N-79996 | Btl Mtn Winn Carson | 06/20/06 05/22/07 | | |
| TGC Holdings, Ltd. Rio Fortuna Exploration (US), Inc. AuEx, Inc. Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | N-78752 N-78815 N-79949 N-79996 | Winn Carson | 05/22/07 | \$ | 12,795 |
| Rio Fortuna Exploration (US), Inc. AuEx, Inc. Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | N-78815 N-79949 N-79996 | Carson | | T . | |
| AuEx, Inc. Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | N-79949 N-79996 | | 1.05/30/06 | | 4,812 |
| Alaska Gold Company Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | N-79996 | l Elko | | \$ | 4,578 |
| Cantex Gold Corp. Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | | | 03/21/07 | \$ \$ | 23,676 |
| Golden Oasis Exploration Cantex Gold Corp. American Goldfields, Inc. | ม อดดจอ | Tonopah | 05/24/05 | | 3,769 |
| Cantex Gold Corp. American Goldfields, Inc. | N-80028 | Tonopah | 04/03/07 | \$ \$ | 12,472 |
| American Goldfields, Inc. | N-80053 | Btl Mtn | 05/18/06 | \$ | 24,577 |
| | N-80055 | Tonopah | 06/09/05 | \$ | 5,464 |
| | N-80166 | Carson | 09/14/06 | \$ | 2,920 |
| Walker Lane Gold LLC | N-80519 | Tonopah | 09/20/07 | \$ | 6,963 |
| | N-80569 | Ely | 09/12/05 | \$ \$ | 2,750 |
| | N-80635 | Winn | 06/12/06 | \$ | 2,954 |
| | N-80668 | Winn | 09/27/05 | \$ | 5,436 |
| | N-80669 | Tonopah | 12/18/07 | \$ | 8,634 |
| | 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 | Bti 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 |
| | N-81431 | Btl Mtn | 07/10/07 | \$ | 20,450 |
| | N-81448 | Carson | 08/29/07 | \$ | 33,814 |
| | N-81461 | Tonopah | 02/16/06 | \$ | 1,643 |
| | N-81476 | Winn | 03/16/06 | \$ | 9,636 |
| | N-81485 | Btl Mtn | 11/28/07 | \$ | 11,790 |
| | N-81508 | Tonopah | 03/20/06 | \$ | 2,174 |
| | N-81753 | Carson | 04/11/07 | \$ \$ | 4,838 |
| | N-81762 | Carson | 12/05/06 | \$ | 4,502 |
| | N-81779 | Btl Mtn | 04/07/06 | \$ | 4,978 |
| | N-81788 | Carson | 04/11/06 | \$ | 7,029 |
| | N-81811 | Btl Mtn | 04/17/06 | \$ | 0 |
| | N-81847 | Btl Mtn | 05/02/06 | \$ | 14,000 |
| | N-81856 | Ely | 8/17/07 | \$ | 26,950 |
| | N-81859 | Carson | 06/15/06 | \$ | 7,244 |
| | N-81884 | Btl Mtn | 10/24/06 | \$ | 19,175 |
| | N-81991 | Carson | 06/24/06 | <u>\$</u> | 7,974 |
| | N-81992 | Carson | 08/09/06 | <u>\$</u> | 12,772 |

| | _ | | | 3 |
|---|-------------------------|------------------------|--|--|
| Coprincipal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination Or Current Increase | Bond Amount Required and Obligated |
| 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 | \$ 8,885 \$ 7,817 \$ 3,826 |
| 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 | \$ 3,300 \$ 23,177 |
| Nevada Alaska Mining Company | N-82310 | Winn | 08/09/06 | \$ 23,177 |
| Cordex Exploration Co. | N-82318 | Winn | 04/19/07 | \$ 11,205 |
| Gold Canyon Resources USA Inc. | N-82321 | Winn | 08/01/06 | \$ 11,203 |
| Quincy Energy Corp. | N-82348 | Tonopah | 08/04/06 | \$ 4,172 |
| Telkwa Gold, USA | N-82361 | Carson | 08/10/06 | \$ 1,394 |
| Bravo Alaska Inc. | N-82401 | Btl Mtn | 08/24/06 | \$ 1,354 |
| 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 |
| 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 |

| Coprincipal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination Or Current Increase | Bond Amount Required and Obligated | |
|----------------------------------|-------------------------|------------------------|--|--|--------|
| 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 |

Considering the total amount of BLM Bond Number NVB000493 and the amount that is currently obligated for surface reclamation, \$854,030, 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, or write to the attention of NV923z, at the letterhead address.

ATAMDA 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)





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Nevada State Office
P.O. Box 12000 (1340 Financia Biod Jan 10 Pr 12: 40 Reno, Nevada 89520-0006 http://www.nv.blm.goy.



In Reply Refer To: 3809 (NV923z)

JAN 1 4 2008

DECISION

Obligor/Operator:
General Moly, Inc.

General Moly, Inc. N. 10 Post St., Suite 610 Spokane, WA 99201 BLM Bond Number:

Bond Amount Accepted:

NVB000567

\$466,309

Corporate Merger Recognized

Effective November 3, 2005, the BLM Nevada State Office (NSO) accepted BLM bond number NVB000567 from Idaho General Mines, Inc., as principal. The bond, currently in the amount of \$466,309, provides coverage for surface reclamation activities on operations conducted by Idaho General Mines, Inc. pursuant to regulations at 43 CFR 3809 on lands in Nevada.

On January 8, 2008, the NSO received acceptable evidence, articles of merger, concerning the merger of Idaho General Mines, Inc. with and into General Moly, Inc. with General Moly, Inc. being the surviving entity. We recognize the merger effective October 5, 2007, as certified by the Secretary of State of the State of Delaware. Therefore, by operation of law, all related BLM records are now in the name of General Moly, Inc.

Bond obligations for BLM bond number NVB000567 are shown in the table below.

| N-83246 | Central "A" Well | \$ 78,629 52,343 | |
|----------------------|-------------------------------------|------------------------|--|
| N-83120 N-83245 | Mount Hope West Central "B" Well | \$ 102,671 | |
| - ANTERIOR | | \$ 28,309 | |
| N-80914 | Mount Hope East | \$ 56,736 | |
| Operations Number | Operations Name | Bond Amount Obligated | |

Considering the amount of BLM Bond Number NVB000567 and the amount currently obligated for surface reclamation, \$147,621 remains available 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.

ATANDA CLARK

Atanda Clark Chief, Branch of Minerals Adjudication

cc: Idaho General Mines, Inc. Attn: Brian Musser 455 8th Street Elko, NV 89801

NV060 (SDrummond, LMarine) NV923 (CDragon)

8/8// CONVERSATION RECORD

Bureau of Land Management Battle Mountain District

| Time: 3:00 PM | Date: February 23, 2010 | | Type: Phone | | |
|--|-------------------------|-----------------|---|-------------|-------------|
| Name/Title of Person(s) in | Company: | | Telephone Number: | | |
| Discussion: | Mine or Notice Name: | | 1-775-237-7702 | | |
| Carrie Dubray | Notice | | | | |
| | NVN Serial N | lumber: | | | |
| | NVN-081811 | | | | |
| Subject: | | | Routing | | |
| Active Notice | | Title: | | Initials | Date |
| | | | | <i>A</i> | |
| | | Mount Lewis | Field Manager | JJ. | 1/4/10 |
| | | | | | -44-7- |
| | | | | | |
| | | | | | |
| Summary: | | | | | |
| Carrie called me to find out if they nee | eded to do an ar | nendment for th | neir Notice (08181 | 1). They | have |
| dropped the mining claims and all the | v are doing are | monitor wells a | nd water wells. I | told her I | would |
| find out what the procedures were and | call her back. | | | 1010 1101 1 | Would |
| • | | | | | |
| | | | | | |
| Action Required: | | | *************************************** | | |
| | | | | | |
| Talked to Doug Furtado and asked hir | n if they needed | l to do an amen | dment on their No | tice and I | Ooug said |
| No. Call Carrie back to inform her wh | nat was determi | ned. | | | , |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Name/Title of Person | Signature: | | Date: | | |
| Documenting Conversation: | <u> </u> | 00 0 | 1 1 | / ~ . | |
| _ | Trans. | Marine | 12/33/ | 2010 | , |
| Leesa Marine | KRWA! | r (WWILL) | | , _ | |



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



Jmarine 3/4/08 Ausline 3/4/08

In Reply Refer To: 3809 (NV063) NVN-081811 MAR 04 2008

CERTIFIED MAIL: 7006 0810 0001 5139 4340 RETURN RECEIPT REQUESTED

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

Dear Mr. Musser:

Your notice for the Mt. Hope Mine Project, Bureau of Land Management (BLM) case file number NVN-081811 will expire on April 17, 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.

JA3083

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,

/s/Stephen C. Drummond

Jeffrey D. Johnson
Assistant Field Manager
Nonrenewable Resources

Enclosure

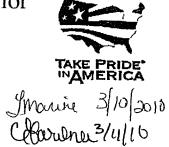
LMARINE:03/04/2008:lm\\blm\dfs\nv\bm\pub\nonrenewable\minerals\letters\LETTERS FINALIZED\NOTICES EXPIRING\2008_General Moly_NVN_081811_Mt. Hope_Feb08.doc



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



In Reply Refer To: NVN-081811 3809 (NVB0630)

MAR 11 2010

CERTIFIED MAIL: 7006 2150 0000 0370 2032

RETURN RECEIPT REQUESTED

Eureka Moly LLC Attn: Pat Rogers 2215 North 5th Street Elko, NV 89801

Dear Mr. Rogers:

Your Notice for the Mt. Hope Mine Project, Bureau of Land Management (BLM) case file number NVN-081811 will expire on April 17, 2010, unless you extend your notice under 43 CFR 3809.333. You may extend your notice for an additional two 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 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:03/10/2010:lm\\blm\\dfs\nv\bm\\pub\nonrenewable\minerals\\letters\LETTERS FINALIZED\NOTICE FORM LETTERS\NOTICES EXPIRING\Eureka Moly\2010_Eureka Moly_NVN_081811_Mt Hope _March 2010.doc

SISII GENERAL MOLY, INC



2215 N. 5th 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

Form 3809-5 (June 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVE OF A LI

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.

| ovion as required from the flamblesco. | | |
|--|--------------------------------------|-------------|
| 1. BLM Notice or Plan of Operations Number(s): NVB 567 - N80914, N81811, N83120, | N83245, N83246, N 81485 | |
| 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 B. D. Hannel | | |
| Title_CEO | | |
| Surface Reclamation Bonding Amount Currently Obligated: Sum of Four Hundred | Sixty Six Thousand Three hundred nin | e |
| | U.S. dollars (\$ 466,309.00 | ` |
| TO: Proposed Operator (Transferee) Eureka Moly, LLC | | / |
| Address 1726 Cole Blvc., Ste 115, Lakewood, CO 80401 | | |
| Address | | |
| By Bruce Hansen | | |
| Signature Bun 1 / Jana (Print Name) | | |
| Title CEO | | |
| Surface Reclamation Bond: Sum of Four Hundred Sixty Six Thousand Three hundred r | nine | |
| | U.S. dollars (\$_466,309.00 |). |
| | 91-0232000 (TIN or SS | (A) |
| Change of Operator Approved Pending Acceptance of Satisfactory Bond: | _ | |
| (Field Manager) | 3-/2 (Date | |
| cc: State Office Surety, if applicable | | |
| Continued on mon 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.



2006 APR -5 P 12: 54

J. 11-2

FIELD Danie ...

Steffen Robertson and Kirsten (U.S.), inc. 1250 Lamoii e Highway, *520 Elko, Nevada 89801 USA

e-mail: elko@srk.com URL. http://www.srk.com Tel: 775.753,4151 Fax: 775.753,4152

April 4, 2006

Mr. Steve Drummond U.S. Bureau of Land Management Battle Mountain Field Office 50 Bastian Road Battle Mountain, Nevada 89820

Re: Mount Hope Mine Drilling Program – Notice for Baseline Water Supply Drilling Activities

Dear Mr. Drummond:

On behalf of Idaho General Mines, Inc. (IGMI), SRK is submitting this Notice for baseline water supply drilling activities for IGMI's Mount Hope Project. The Notice describes the Project Area location, the proposed activities, and reclamation activities. A reclamation bond estimate is also included.

Please call Mr. James Moore (IGMI) 480.539.4262 at if you have any questions concerning this submission.

Sincerely,

SRK Consulting (U.S.), Inc.

Val Sawyer

Principal Consultant

cc:

J. Moore, IGMI M. Russell, IGMI

> Group Offices in: Australia North America Southern Africa South America United Kingdom

North American Offices

Denver 303.985.1333

Fort Colins 970.226.3635

Reno 775.828.6800

Tucson 520.544.3688

Vancouver 604.681.4196



Idaho General Mines

inc.

MOUNT HOPE MINE PROJECT NOTICE FOR BASELINE WATER SUPPLY DRILLING ACTIVITIES

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 April 2006

MOUNT HOPE MINE PROJECT NOTICE FOR BASELINE WATER SUPPLY DRILLING ACTIVITIES

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 Lamoille Hwy, Suite 520 Elko, Nevada, 89801 (775) 753.4151 Phone (775) 753.4152 Fax

SRK Project No. 157501 April 2006

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| | 2.4.10 2.4.1 | —: |
| | | |
| 3 | REC. | LAMATION PLAN |
| | | PROPOSED ACTIVITIES FOR RECLAMATION |
| | 3.1.1 | Re-contouring, Seedbed Preparation, and Seeding |
| | 3.I.2 | Measures Used to Minimize Loading of Sediment to Surface Waters |
| | 3.1.3 | Schedule for the Project and Reclamation |
| | 3.1.4 | Drill Hole Plugging Procedures. |
| | 3.1.5 | Monitoring. |
| | 3.1.6 | Measures to be taken during Extended Periods of Non-Operation |
| 1 | REC | AMATION COSTS |
| | | |
| | 4.1 | NARRATIVE DESCRIPTION OF PROPOSED RECLAMATION ACTIVITIES |
| | 4.2 | RECLAMATION COST ESTIMATE |
| 5 | RECI | AMATION RESPONSIBILITY |
| | | |
| | | Tables |
| Га | ble 1: W | ell Site Legal Descriptions |
| Га | ble 2: P | oposed Disturbance |
| | | |
| | | Figures |
| ìį | gure 1: I | ocation Map |
| | | roject Area for Notice – Kobeh Valley Test Wells |
| | · • | |
| | | Appendices |
| ۱p | pendix . | A - 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: Fax:

480.539.4262 480.539.4260

Local Contact:

SRK Consulting, Inc.

Address:

1250 Lamoille Hwy, Suite 520

Elko, NV 89801

Contact:

Val Sawyer

Phone: Fax:

775.753.4151 775.753.4152

1.2 Taxpayer ID Number

The taxpayer ID number is



1.3 List Claim Names and BLM Serial Numbers

Drilling will take place within claims WW1 A and B through WW 12 A and B for a total of 24 claims. The claims have been filed, but the serial numbers have not yet been received.

1.4 Location of Proposed Activity

Table 1 shows the legal description for each well site:

Table 1: Well Site Legal Descriptions

| Well ID # | Township | Range | Section |
|---|----------|-------|---------|
| Test Well #1 | T21N | R51E | 35 |
| Observation Well 1A | T21N | R51E | 35 |
| Observation Well 1B | T21N | R51E | 36 |
| Test Well #5 | T20N | R51E | 11 |
| Test Well #11 | T20N | R51E | 26 |
| Drilling Water Supply Wells (KCT#1 And KCE#2) | T21 | R51E | 36 |

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 in Kobeh Valley about 3.5 miles north of Highway 50 as shown on Figure 2.

2.2 Proposed Activities

This Notice describes baseline data collection activities to define hydrological characteristics for the water supply for the proposed Mount Hope Mine. Table 2 presents the proposed disturbance.

Table 2: Proposed Disturbance

| Well ID # | Pad Dimensions (feet)/(acres) | Hole Diameter (inches) | Maximum Depth (feet) | New Road (feet) | Total Disturbance (acres) |
|---|----------------------------------|---|----------------------------|--|---------------------------|
| #1 | (200×100)/0.5 | 12" first 50 feet then 8" to bottom of hole | 1,500 | NA – pad adjacent to existing road | 0.5 |
| Observation Well 1A (south of Test Well #1) | (100x100)/0.2 | 8" first 50 feet then 4" to bottom of hole | 1,500 | NA - pad adjacent to existing road | 0.2 |
| Observation Well 1B (east of Test Well #1) | (100×100)/0.2 | 8" first 50 feet then 4" to bottom of hole | 1,500 | (400° x 12°)/0.1 | 0.3 |
| #5 | (200×100)/0.5 | 12" first 50 feet then 8" to bottom of hole | 1,500 | (2,200° x 12)/0.6 | 1.1 |
| #11 | (200x100)/0.5 | 12" first 50 feet then 8" to bottom of hole | 1,500 | NA - pad adjacent to existing road | 0.5 |
| Test Well Sumps | (3 each @ 60' x 10'x 5') | - | - | - | Within pad disturbance |
| Observation Well Sumps | (2 each @ 30' x 10'x 5') | - | - | - | Within pad disturbance |
| Total disturbance (acres) | 1.9 | - | - | 0.6 | 2.6 |

The water supply definition program will utilize a rotary or flooded reverse circulation drill rig. Three test wells and two observation wells will be drilled and developed. The hole lengths are expected to range from about 600 feet to a maximum hole length about 1,500 feet below ground surface. A nominal 12-inch borehole will be drilled for the test wells and a nominal eight-inch borehole will be drilled for the observation wells. Lithologic samples will be obtained and flow rate will be estimated as each borehole is advanced. Each of the five holes will be logged using standard geophysical methods. Drilling fluid will be collected in sumps located within the perimeter of the pad footprint. After drying, the sumps will be covered with soil salvaged from

| Mannower Equipment Materials Cost/Linear Foot S0.14 S0.13 S0.00 S0.24 S0.24 S0.24 S0.24 S0.24 S0.24 S0.24 S0.24 S0.26 | October 11, 2007 | SR | SRCE-based Reclamation Cost Model With Calculators | st Model With | Calculator | | | | and the second s |
|--|--|-------------------|--|----------------|-------------|------------|---------------|--------------------|--|
| Recontouring Cost - 30% | | | For Notice-Level | Exploration | | Tomor. | A CONTACTOR | - Contraction | FY 2007 Model |
| Recontouring Cost 28076 \$5.011 \$5.013 \$5.000 \$5.024 \$5.011 \$5.013 \$5.000 \$5.024 \$5.011 \$5.013 \$5.000 \$5.024 \$5.012 \$5 | | MOUNTH | PE TAILS #2 SITE, GENERAL N | OLY, INC., OCT | OBEK 12, 20 | N-NOINGE (| 191485 AMEN | DMENI | |
| Recontouring Cost < 20% 10 | Linear Feet of Road | Linear | | | | - | - | | |
| Recontouring Cost - 50% \$0.01 | On a Side Slope | Feet | | Labor Cost | Manpower | Edulpment | Malenals | CosvIllear Foot | Koad Kedamation |
| Recontouring Cost > 30% \$0.28 \$0.36 \$0.00 \$0.064 Recontouring Cost \$578 \$34.00 \$42.80 \$75.80 Recontouring Cost \$578 \$34.00 \$137.00 \$0.00 \$276.80 Recontouring Cost \$578 \$34.00 \$137.00 \$0.00 \$276.80 Recontouring Cost \$578 \$34.00 \$137.00 \$0.00 \$276.00 Recontouring Cost \$50 \$77.00 \$3.50 \$0.00 \$276.00 Recontouring Cost \$527 \$0.00 \$27.00 \$2.06 Repling Cost \$527 \$0.00 \$27.00 \$2.06 Repling Cost \$527 \$2.00 \$2.00 \$2.06 Repling Cost \$2.00 \$2.00 \$2.00 \$2.00 Recontouring Cost \$2.00 \$2.00 \$2.00 \$2.00 Recontouring Cost \$2.00 \$2.00 \$2.00 \$2.00 Recontouring Cost \$2.00 \$2.00 \$2.00 Recontouring Cost \$2.00 \$2.00 \$2.00 \$2.00 Recontouring Cost \$2.00 \$2.00 Recontouring \$2.00 \$2.00 \$2.00 Recontou | <30% | 0 | Recontouring Cost <30% | \$0 | \$0.11 | \$0.13 | \$0.00 | \$0.24 | 08 |
| Recontouring Cost \$578 \$73,00 \$42,80 \$76,60 \$76,60 \$76,60 \$70,00 \$137,00 \$74,60 \$70,00 | >30% | 0 | Reconfouring Cost >30% | \$0 | \$0.28 | \$0.36 | \$0.00 | \$0.64 | 20 |
| Recontouring Cost \$578 \$34,00 \$41,20 \$30,00 \$176,80 \$176,30 | | | | | | | | | Pad& Sump |
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| Recontouring Cost \$56.27 \$58.90 \$510.5 | Orill Silve > 30% alones | 0 | Recontouring Cost | \$0 | \$109.00 | \$137.00 | 20.00 | \$246.00 | \$0 |
| Recontouring Cost \$627 \$39.50 \$46.40 \$50.00 \$93.30 | Delli Citae Cross Country | C | Rinning Cost | US. | 87.00 | \$3.50 | 20 00 | \$10.50 | 30 |
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| Revegetation Cost | | Linear Feet | | | Manpower | Equipment | Materials | Cost/Linear Foot | |
| Revegetation Cost \$382 \$5.04 \$5.02 \$5.00 \$5.06 | Trenches | 700 | Recontouring Cost | \$653 | \$0.93 | 51.71 | \$0.00 | \$2.64 | \$1,850 |
| Revegetation Cost \$262 \$75.50 \$54.00 \$275.00 \$414.50 | Cross Country Travel | 9.552 | Ripping Cost | \$382 | \$0.04 | \$0.02 | \$0.00 | \$0.06 | \$573 |
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| Mobilization Cost | | Slope Acres | | | Manbower | Equipment | Materials | Cost/Acre | |
| Mobilization Cost-excavator \$417 \$44727 \$498.83 \$907.10 Mobilization Cost-excavator \$275 \$4127 \$498.83 \$907.10 \$907.10 Plugging Cost - Wet \$0 \$177 \$20.83 \$3.78 \$3.78 Plugging Cost - Wet \$0 \$177 \$2.06 \$0.05 \$3.78 Pulling Casing \$0 \$1.66 \$4.06 \$0.00 \$5.72 Pulling Casing \$0 \$1.66 \$4.06 \$0.00 \$5.72 Pulling Casing \$0 \$1.66 \$4.06 \$0.00 \$5.72 Pulling Casing \$0 \$1.06 \$1.279.72 \$1.99.56 \$5.61.40 Mandower \$0.00 \$1.00 \$1.98.4 \$1.96.49 \$1.99.56 \$5.61.40 Total Linaar Feet \$0.00 \$0.00 \$1.00 \$1.00 \$1.5% Labor Cost Bond \$0.52 \$3.48 \$1.5% of Contract Administration Cost \$1.5% of Contract Administration Cost Indirect Costs \$0.00 \$0.00 \$1.5% of Contract Administration | Total Disturbance | 3,48 | Revegetation Cost | \$262 | \$75.50 | \$64.00 | \$275.00 | \$414.50 | \$1,441 |
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| Financial Guarantee | | | | | | | | | 44,100 |
| | | | | Cost per acre | | | FF | ancial Guarante | 96 |
| Amonina to the second | | | | 69 443 | | | | Amount | 614 780 |

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| Cost Date are from Codestor 1. 2006. This variable is simple that the BRICE and desired in assumptions are applicable. Below are the melhorist an experimental process and the service includes the service of the s | 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 | |
|---|--|---|
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| A Marea gain for allowing appretant activation to case of a mining of control of the control of | | |
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| Aces are \$5.00 per four, FLOS. 2. Listed whether New York are and Workman Comparison of the Based on Dark-Seazon wage teles for Northern New York and the Seazon wage teles for Northern New York and the Seazon wage teles for Northern New York and the Seazon wage teles for Northern New York and the Seazon wage teles for Northern New York and the Seazon wage teles for Northern New York and | Equipment operator Manpower cost is based on Davis-Bacon wage rates for Northern Nevade. | |
| | Ass psy= \$3.00 per hour, FICA = 7.65%, Unemployment = 3% and Workmane Comp= 10.75% | |
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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



In Reply Refer To: 3809 (NV063) NVN-081485 (08-1A) NOV 14 2007,

I Junuary 11/14/07

CERTIFIED MAIL: 7006 2150 0000 0369 8526 Return Receipt Requested

DECISION

Brian J. Musser, Environmental Manager

Idaho General Mines, Inc.

455 8th Street

Elko, NV 89801

43 CFR 3809 – Surface Management

Notice Amendment

Determination of Required Financial Guarantee Amount

On October 17, 2007, Idaho General Mines, Inc. (IGMI) submitted a Notice amendment for the Mt. Hope Mine Project located in MDB&M., T. 21½ N., R. 51½ E., section 36; T. 22 N., R. 51½ E., section 36; T. 21 N., R. 52 E., sections 5-7; T. 21½ N., R. 52 E., section 6. The Notice amendment has been assigned Bureau of Land Management (BLM) case file number NVN-081485 (08-1A).

Your Notice amendment proposes to construct fourteen additional test pits and twelve additional bore holes within the Tails #2 site. In 2006, Smith Williams consultants, Inc performed a geotechnical investigation for the south tailings storage facility. It was found that the acreage total which contains the new proposal disturbance and the old disturbance, the acreage for this project will be 4.74 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 \$11,790 is sufficient to meet all anticipated reclamation requirements associated with this Notice. This amount is based on the operator complying will 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, IGMI must submit an acceptable financial guarantee in the amount of \$11,790 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 IGMI for failure to maintain an acceptable financial guarantee.

<u>Term of Notice</u> - Your Notice will remain in effect for 2 years from the date of the original decision of February 15, 2006, 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.

<u>Guidelines for Operations Conducted Under a Notice</u> - The enclosed document provides additional stipulations concerning your notice.

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.

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

Deborah N. McFarlane

Acting Assistant Field Manager

Weborah M. Malare

Nonrenewable Resources

Enclosures

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

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RECEIVED-KAILROU GENERAL MOLY, INC.

455 8th St.

2007 NOV 16 AM 8: 09

Elko, NV 89801

775.753.4988 Phone: 775.753.7722 Fax:

Email: bmusser@generalmoly.com Website: www.generalmoly.com

BUREAL OF THE HOUNTAIN FIELD OFFICE

November 15, 2007

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

RE: Mount Hope Notice 081485 - Amendment 3 3809 (NV063)

Dear Mr. Drummond:

This is to inform the Bureau of Land Management (BLM) that General Moly, Inc. (GMI) is amending Notice 081485, Drilling Activities at Tails #2 Site, to adjust for actual disturbance to date based on field reconnaissance.

Disturbance Acreage Adjustment

GMI submitted a Notice to BLM on January 26, 2006 for a total of 4.3 acres of disturbance associated with test pits, test pit access (overland travel), bore hole pads, and bore hole access (constructed roads). This Notice was amended on August 2006 (Amendment #1) by 0.6 acres for additional bore hole pad/sump disturbance, bringing the total disturbance to 4.9 acres. The Notice was amended again in October 2007 (Amendment #2) to adjust the actual disturbance and propose 1.88 additional acres of disturbance. The total disturbance following Amendment #2 was 3.42 acres.

This latest amendment (Amendment #3) is the result of a design change being considered to the South Tailings Storage Facility (South TSF). The change would be consistent of relocation of the embankment, which was relocated to avoid the existing power line (Falcon-Gonder power line) along the west side of the facility. As a result of this modification to the plan, the locations of the 2007 geotechnical investigations (test pits and bore holes and overland travel) have been modified.

In the previous amendment (Amendment #2) the disturbance for overland travel was adjusted because the overland travel routes to some of the test pits exhibited minimal disturbance. Therefore, the overland travel disturbance was reduced. In addition, existing roads that had not been displayed on earlier maps were located and used in lieu of overland travel, further reducing the disturbance total.

Because of the change in the South TSF embankment, the locations of several of the test pits, bore holes, and overland travel routes were moved to acquire data relevant to the new South TSF configuration. One new test pit (STP-30) was added to the geotechnical investigation and one bore hole location (SBH-14) was eliminated (See Table 1). In addition, the disturbance at five of the test pits increased due to tracking distance increases and disturbance at three other test pits decreased due to decreases in tracking distances. Similarly, two of the bore hole disturbance areas increased and three bore hole disturbance areas decreased as a result of changes in tracking distances. Overall, the disturbance associated with the test pits increased from 1.428 acres to 1.541 acres (+ 0.113 acres) and the disturbance associated with the bore holes decreased from 0.456 acres to 0.339 acres (- 0.117 acres) for a net decrease of 0.004 acres, or essentially no change in the disturbance from Amendment #2 to Amendment #3. The modification is only in the location of the test pits, bore holes, and tracking routes.

Figure 1 of the Smith Williams letter report (SWC, November 14, 2007) shows the location of the 2006 Notice and proposed Amendment #3 Notice activity and includes tabular information regarding each test pit and bore hole. Table 1 of this Amendment displays the proposed 2007 disturbance and the net change in acreage by test pit and bore hole between Amendment #2 and this Amendment #3.

Proposed 2007 Disturbance

This third Amendment to Notice 081485 proposes 15 test pits and 11 bore holes within the Tails #2 site (Table 1). This accounts for 1.88 acres of disturbance, which is displayed on Figure 1 of the attached Smith Williams letter report (SWC, November 14, 2007). The disturbance associated with this amendment is only for the bore hole pads, test pits, and overland travel (tracking) to selected sites.

As indicated in the Smith Williams letter report, some of the proposed 2007 bore holes and test pits will use the overland travel routes previously used for the 2006 investigations. The disturbance associated with these overland travel routes has been included in the total disturbance acreage of 1.88 acres. However, several of the overland travel routes used in 2006 will not be used again in 2007. The disturbance created by the excavator going to and from the sites appears not to need reclamation (see the Smith Williams letter report). The rationale for elimination of the overland travel disturbance was the lack of travel ruts, intact soil surface, minimal vegetative disturbance, and lack of need to rip and seed the travel routes. Ripping these routes is likely to create strips of annual grasses (cheatgrass). The acreage associated with the one-time overland travel routes is 1.46 acres. Elimination of this acreage from the Notice brings the total disturbance (2006 existing work/disturbance and 2007 proposed disturbance) to 3.28 acres (Table 1), or 0.14 acres less than Amendment #2.

Table 1: South Tailings Storage Facility Proposed Geotechnical Investigation Disturbance, Amendment #3

| BORE HOLE/ TEST PIT | PAD AREA (FT²) | TRACKING LENGTH (FT) | TRACKING WIDTH (FT) | TRACKING AREA (FT²) | TOTAL DISTURBED AREA (FT²) | NET CHANGE FROM AMENDMENT #2 (FT ²) |
|---------------------------|----------------------|----------------------------|------------------------|------------------------|----------------------------------|--|
| STP-16 | 1,000 | 1,055 | 7 | 7,385 | 8,385 | 28 |
| STP-17 | 1,000 | 0 | 7 | 0 | 1,000 | 0 |
| STP-18 | 1,000 | 710 | 7 | 4,970 | 5,970 | 4,970 |
| STP-19 | 1,000 | 0 | 7 | 0 | 1,000 | 0 |
| STP-20 | 1,000 | 485 | 7 | 3,395 | 4,395 | -2,233 |
| STP-21 | 1,000 | 520 | 7 | 3,640 | 4,640 | 3,640 |
| STP-22 | 1,000 | 355 | 7 | 2,485 | 3,485 | 175 |
| STP-23 | 1,000 | 741 | 7 | 5,187 | 6,187 | 0 |
| STP-24 | 1,000 | 640 | 7 | 4,480 | 5,480 | 0 |
| STP-25 | 1,000 | 543 | 7 | 3,801 | 4,801 | 0 |
| STP-26 | 1,000 | 685 | 7 | 4,795 | 5,795 | -4,025 |
| STP-27 | 1,000 | 365 | 7 | 2,555 | 3,555 | 1,421 |
| STP-28 | 1,000 | 160 | 7 | 1,120 | 2,120 | -980 |
| STP-29 | 1,000 | 635 | 7 | 4,445 | 5,445 | -91 |
| STP-30 | 1,000 | 555 | 7 | 3,885 | 4,885 | 4,885 |
| SUB-TOTAL | | 學技術經濟 | 10世纪20世纪 | 医型型型类 | 67,143 | 4,948 |
| SBH-3 | 100 | 0 | 7 | 0 | 100 | 0 |
| SBH-4 | 100 | 0 | 7 | 0 | 100 | 0 |
| SBH-5 | 100 | 0 | 7 | 0 | 100 | 0 |
| SBH-6 | 100 | 465 | 7 | 3,255 | 3,355 | -686 |
| SBH-7 | 100 | 0 | 7 | 0 | 100 | 0 |
| SBH-8 | 100 | 0 | 7 | 0 | 100 | 0 |
| SBH-9 | 100 | 455 | 7 | 3,185 | 3,285 | -3,472 |
| SBH-10 | 100 | 405 | 7 | 2,835 | 2,935 | 1,491 |
| SBH-11 | 100 | 345 | 7 | 2,415 | 2,515 | 343 |
| SBH-12 | 100 | 280 | 7 | 1,960 | 2,060 | 1,960 |
| SBH-13 | 100 | 0 | 7 | 0 | 100 | -2,275 |
| SBH-14" | 0 | 0 | 0 | 0 | 0 | -2,480 |
| SUB-TOTAL | 23 Charles | TO CALLER | 李林大学 | | 14,750 | -5,119 |
| TOTAL | 16,100 | 9,339 | page year of | 65,793 | 81,893 | -171 |
| TOTAL DISTU | RBED AREA | (AC) | The second | Victory of the | 1.88 | -0.004 |

Reclamation Cost Estimate

All bore hole drilling and test pit excavation will be conducted as per the original Notice. All Standard Operating Procedures and Reclamation will be conducted as described in the original Notice. The bore holes will be up to 100 feet deep. All are anticipated to be dry, based on previous drilling experience in the area.

New test pit added in this Amendment.

Bore hole eliminated in this Amendment.

The reclamation cost estimate was calculated using the Notice Model (Model_FY2007) provided by the BLM. Using this model and entering the data from Table 1 resulted in a reclamation cost estimate of \$10,406. However, because of assumptions in the model, the acreage for this cost estimate was only 2.95 acres. The input to the model was adjusted to 15 drill pad sites, bringing the disturbance acreage to 3.30 acres (i.e., slightly greater than the proposed disturbance), which resulted in a reclamation cost estimate of \$11,371 (See Attachment 2).

The existing bond in place for this Notice is \$26,785, based on 4.9 acres of disturbance. Therefore, the existing bond should be sufficient for the existing disturbance and the disturbance proposed in this Amendment.

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

Very truly yours,

For Brian J. Musser

Environmental Manager Mount Hope Project

Attachments: Attachment 1 – Smith Williams Report (November 14, 2007); Attachment 2 – Reclamation Cost Estimate

cc: Pat Rogers, GMI Jim Moore, GMI Judy Gibbs-Foy, GMI

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304 Inverness Way South • Suite 490 • Englewood, Colorado 80112-5828 Phone: (303) 433-0262 • Fax: (303) 433-0362 • www.goswc.com

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November 14, 2007

Elia : AU Bold in the state of the CAIN Project 1029H

Mr. Pat Rogers
Director, Environmental and Permitting
Idaho General Mines, Inc.
455 Eighth Street
Elko, Nevada 89801

Re: Mount Hope Project

South TSF Located in Kobeh Valley

Disturbance Areas Related to Geotechnical Investigations

Dear Pat:

This letter supersedes our letter dated October 8, 2007 and has been revised to reflect changes for our proposed 2007 geotechnical investigation (proposed 2007 investigation) associated with the south tailings storage facility (South TSF). This revised plan accommodates changes to the South TSF embankment, which was relocated to avoid the existing powerline along the west side of the facility. The disturbance area associated with the proposed 2007 investigation for this revised plan and for the plan discussed previously are the same.

This letter provides a summary of the disturbance areas associated with the geotechnical investigation for the South TSF completed in 2006 (2006 investigation) and the estimated disturbance for our proposed 2007 investigation. The goal is to limit the total disturbed area for both geotechnical investigations to 5 acres or less.

On September 25, 2007, Smith Williams Consultants, Inc. (Smith Williams) completed a site inspection to quantify the amount of disturbance from the 2006 investigation. The inspection included measuring the actual disturbance areas associated with the excavator overland tracking routes, test pit excavations, and borehole drilling activities. Based on the inspection and field measurements, the disturbance area from the 2006 investigation is 2.86 acres as shown on Figure 1, attached. This amount is less than the original estimate of 4.90 acres because the overland tracking distances were minimized as the investigation was completed.

The proposed 2007 investigation includes additional test pits and boreholes within the South TSF at the locations shown on Figure 1. Where possible, the tracking routes from the 2006 investigation will be reused for the 2007 investigation to minimize new disturbance areas. The new tracking routes are shown with blue dotted lines on Figure 1. The added disturbance area for the proposed 2007 geotechnical investigation is 1.88 acres.

As summarized above, the total disturbance from the 2006 investigation and for the proposed 2007 investigation is 4.74 acres.

It was noted that the disturbance caused by excavator tracking routes from the 2006 investigation is minimal as the ground surface is intact and the only remaining evidence of the tracking routes is broken sagebrush. The following photographs are representative of the excavator tracking routes from 2006.



November 14, 2007 Project 1029H Mount Hope Project South TSF Located in Kobeh Valley Disturbance Areas Related to Geotechnical Investigations



Photograph 1 - Tracking Disturbance from 2006 Investigation



Photograph 2 - Test Pit (left) and Tracking Disturbance from 2006 Investigation



November 14, 2007 Project 1029H Mount Hope Project South TSF Located in Kobeh Valley Disturbance Areas Related to Geotechnical Investigations

Based on this observation, Smith Williams believes it is reasonable to reduce the total disturbance area for both investigations (4.74 acres) by the amount of overland tracking from the 2006 investigation that will not be reused for the proposed 2007 investigation. The following table summarizes the amount of overland tracking disturbance from 2006 that will not be utilized for the proposed 2007 investigation:

| Area Description | Area (Square Feet) | Area (Acre) |
|-------------------------|-----------------------|----------------|
| Tracking route to TP-1 | 15,645 | 0.36 |
| Tracking route to TP-4 | 16,289 | 0.37 |
| Tracking route to TP-8 | 7,448 | 0.17 |
| Tracking route to TP-9 | 10,815 | 0.25 |
| Tracking route to TP-14 | 13,622 | 0.31 |
| Total | 56,224 | 1.46 |

If the Bureau of Land Management concurs with our opinion regarding the overland tracking routes from the 2006 investigation, the total amount of disturbance for both investigations (4.74 acres) reduces by 1.46 acres for a total of 3.28 acres.

Please let me know if you have any questions or comments regarding this letter.

Sincerely,

Smith Williams Consultants, Inc.

Keith C. Williams, P.E.

Vice President

KCW:rjg

Attachment: Figure 1

cc: Brian Musser

Jim Moore Judy Gibbs-Foy cultural patrimony are discovered, EML must cease operations in the vicinity of the discovery and ensure adequate protection, 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 EML has been issued a Notice to Proceed by the Authorized Officer.

Amount of Financial Guarantee – This office has reviewed your reclamation cost estimate and has determined that the amount of \$90,066 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.

Line items in the approved reclamation cost estimate are not to be considered as the limits of the reclamation expenditures 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 amount may be spent as the BLM deems necessary to implement the approved reclamation plan. Nor does the financial guarantee amount represent reclamation liability limits or constraints should the actual cost of reclamation exceed this amount.

Required Financial Guarantee - A financial guarantee in the amount of \$90,066 must be submitted to and accepted by the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006. You must receive written notification from that office accepting and obligating your financial guarantee before you begin any surface disturbing operations.

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 775-861-6599 for further information on the adjudication of financial guarantees.

BLM's review of your proposed operations, determination that your Notice is complete, finding that the activity 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 comply with all applicable Federal, State and local laws, regulations, and permit requirements. You are responsible for preventing any unnecessary or undue degradation and for reclaiming all lands disturbed by your operations.

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

<u>Term of Notice</u> - Your Notice will remain in effect for two years from the date of the notice extension of February 26, 2008 unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another two 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. You will also have to submit an updated cost estimate at that time.

Appeal of the Decision Determining the Required Financial Guarantee Amount - If you do not agree and are adversely affected by this decision, you may request that the Nevada BLM State Director review this decision. If you request a State Director Review, the request must be received in the Nevada BLM State Office at, P.O. Box 12000, Reno, Nevada 89520-0006, no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless the State Director grants a Stay. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

If the State Director does not make a decision on 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 may contact the BLM State Office to determine when BLM received the request for State Director Review. You have 30 days from the end of the 21-day period in which to file your Notice of Appeal with this office at 50 Bastian Rd, Battle Mountain, NV 89820 which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a)(1). Your Notice of Appeal must be filed in this office within 30 days from receipt of this decision. As the appellant, you have the burden of showing that the decision appealed from is in error. The Enclosed *BLM Form* 1842-1 contains further information on taking appeals to the IBLA.

<u>Contact</u> -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.

lei Dougles W. Furtedo

Douglas W. Furtado Field Manager Mount Lewis Field Office

Enclosures

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

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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 (NV923m)

SEP 2 8 2006

DECISION

Principal:

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

Coprincipals:

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

Cordex Exploration Co. 573 E. Second Street Reno, NV 89502

Greencastle USA, LTD. 970 Caughlin Crossing, Suite 100 Reno, NV 89509

Walker Lane Gold LLC 1 East Liberty Street, Suite 424 Reno, NV 89501

Agnico-Eagle (USA) Limited 5470 Louie Lane, Suite 102 Reno, NV 89511

Telkwa Gold, USA 1 East Liberty Street, Suite 424 Reno, NV 89504 BLM Statewide Bond: NVB000493 Amount of Bond: \$1,000,000

BLM Notice-Level Operations: N-81485 Bond Amount Required: \$26,785

BLM Notice-Level Operations: N-82318 Bond Amount Required: \$1,648

BLM Notice-Level Operations: N-78515 Bond Amount Required: \$7,012

BLM Notice-Level Operations: N-80519 Bond Amount Required: \$3,115

BLM Notice-Level Operations: N-81865 Bond Amount Required: \$7,837

BLM Notice-Level Operations: N-82361 Bond Amount Required: \$1,394 Bravo Alaska 1185 West Georgia Street, Suite 1550 Vancouver, BC V6E 4E6

BLM Notice-Level Operations: N-82401 Bond Amount Required: \$1,351

Rimfire Nevada Limited Suite 700 – 700 West Pender Street Vancouver, BC V6C 1G8

BLM Notice-Level Operations: N-82307 Bond Amount Required: \$23,177

MIM (USA) Inc.
Attn: Michael Clifford
c/o King, King Alleman and Jensen
Accountancy Corporation
303 North Glenoaks Blvd., Suite 750
Burbank, CA 91502

BLM Notice-Level Operations: N-81448 Bond Amount Required: \$11,929

MGC Resources Inc. 2278 Spokane Creek Road East Helena, MT 59635

BLM Notice-Level Operations: N-82417 Bond Amount Required: \$8,900

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

Effective December 16, 2005, the BLM Nevada State Office (NSO), accepted an increase of BLM Bond Number NVB000493, to the amount of \$1,000,000. 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.

The NSO recently received bond riders whereby the State of Nevada Reclamation Bond Pool extended coverage to the coprincipals as described below:

Idaho General Mines, Inc.

Effective August 8, 2006, the BLM Battle Mountain Field Office issued a letter increasing the reclamation cost estimate for surface disturbance on notice N-81485, the Mt. Hope Project, to \$26,785. On August 9, 2006, the NSO received a bond rider adding Idaho General Mines, Inc. as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 9, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-81485, totaling \$26,785, are hereby obligated to BLM Bond Number NVB000493.

Cordex Exploration Co.

Effective July 31, 2006, the BLM Winnemucca Field Office issued a letter determining the reclamation cost estimate for surface disturbance on notice N-82318, the Dutch Flat Project, to be \$1,648. On August 14, 2006, the NSO received a bond rider adding Cordex Exploration Co. as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 14, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-82318, totaling \$1,648, are hereby obligated to BLM Bond Number NVB000493.

Greencastle USA, LTD.

On June 20, 2006, the BLM Battle Mountain Field Office issued a letter determining the reclamation cost estimate for surface disturbance on notice N-78515, the Jewel Ridge Project, to be \$13,682. On August 21, 2006, the NSO received a bond rider adding Greencastle USA, LTD. as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 21, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-78515, in the amount of \$7,012, are hereby obligated to BLM Bond Number NVB000493. An additional \$6,670 is obligated for the Jewel Ridge Project under BLM Bond Number NVB000302.

Walker Lane Gold, LLC.

Effective July 29, 2006, the BLM Tonopah Field Station issued a letter determining the reclamation cost estimate for surface disturbance on notice N-80519, the Excelsior Springs Project, to be \$3,115. On August 29, 2006, the NSO received a bond rider adding Walker Lane Gold, LLC. as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 29, 2006. As co-principal, the liabilities of the operator's notice-level operations N-80519, totaling \$3,115, are hereby obligated to BLM Bond Number NVB000493.

Agnico-Eagle USA Limited

Effective July 18, 2006, the BLM Elko Field Office issued a letter determining the reclamation cost estimate for surface disturbance on notice N-81865, the Profundo Madre Project, to be \$7,837. On August 28, 2006, the NSO received a bond rider adding Agnico-Eagle USA Limited as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 28, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-81865, totaling \$7,837, are hereby obligated to BLM Bond Number NVB000493.

Telkwa Gold, USA

Effective August 10, 2006, the BLM Carson City Field Office issued a letter determining the reclamation cost estimate for surface disturbance on notice N-82361, the Buckskin North Project, to be \$1,394. On August 30, 2006, the NSO received a bond rider adding Telkwa Gold, USA as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 30, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-82361, totaling \$1,394, are hereby obligated to BLM Bond Number NVB000493.

Bravo Alaska Inc.

On August 24, 2006, the BLM Battle Mountain Field Office issued a letter determining the reclamation cost estimate for surface disturbance on notice N-82401, the Shoshone Pediment Project, to be \$1,351. On August 31, 2006, the NSO received a bond rider adding Bravo Alaska Inc. as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 31, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-82401, totaling \$1,351, are hereby obligated to BLM Bond Number NVB000493.

Rimfire Nevada Limited

Effective August 9, 2006, the BLM Tonopah Field Station issued a letter determining the reclamation cost estimate for surface disturbance on notice N-82307, the Poncho Project, to be \$23,177. On August 31, 2006, the NSO received a bond rider adding Rimfire Nevada Limited as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective August 31, 2006. As co-principal, the liabilities of the operator's notice-level operations N-82307, totaling \$23,177, are hereby obligated to BLM Bond Number NVB000493.

MIM (USA) Inc.

Effective August 17, 2006, the BLM Carson City Field Office issued a letter increasing the reclamation cost estimate for surface disturbance on notice N-81448, the Ann Mason Project, an additional \$5,387. On September 1, 2006, the NSO received a bond rider adding MIM (USA) Inc. as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective September 1, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-81448, now totaling \$11,929, are hereby obligated to BLM Bond Number NVB000493.

MGC Resources Inc.

Effective September 7, 2006, the BLM Winnemucca Field Office issued a letter determining the reclamation cost estimate for surface disturbance on notice N-82417, the Limerick Basin Project, to be \$8,900. On September 26, 2006, the NSO received a bond rider adding MGC Resources Inc. as coprincipal to BLM Bond Number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective September 26, 2006. As coprincipal, the liabilities of the operator's notice-level operations N-82417, totaling \$8,900, are hereby obligated to BLM Bond Number NVB000493.

Bond obligations adjusted by this decision are shown in **bold** on the table below:

| Coprincipal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination | An Re an | ond nount equired d bligated |
|--------------------------------|-------------------------|---------------------|-----------------------------|----------------|--|
| Grandcru Resources Corporation | N-79800 | Elko | 09/02/05 | | 0.000 |
| Corporation | 14-79000 | | 08/03/05 | \$ | 6,208 |
| Alcoka Cold Company | N 70000 | Tonopah Field | 05/04/05 | | |
| Alaska Gold Company | N-79996 | Station | 05/24/05 | \$ | 3,769 |
| Quito Gold Corporation | N-80555 | Battle Mountain | 08/23/05 | \$ | 8,698 |
| MGC Resources, Inc. | N-80569 | Ely | 09/12/05 | \$ | 2,750 |
| Atna Resources, Inc. | N-80595 | Winnemucca | 08/24/05 | \$ | 00 |
| Doe Run Resources | | | | Í | |
| Corp. | N-80635 | Winnemucca | 06/12/06 | \$ | 2,954 |
| Gold Summit | N-80655 | Winnemucca | 09/14/05 | \$ | 3,530 |
| Corporation U.S.A. | N-81788 | Carson City | 04/11/06 | \$ | 7,029 |
| Apollo Gold Exploration | | | | | |
| Inc. | N-80668 | Winnemucca | 09/27/05 | \$ | 5,436 |
| Silverthorn | | Tonopah Field | | | ······································ |
| Exploration, Inc. | N-80669 | Station | 09/15/05 | \$ | 3,866 |
| | N-80128 | | 07/13/05 | \$ | 2,114 |
| | N-80749 | | 09/19/05 | | 9,792 |
| | N-80894 | | 10/06/05 | \$ | 21,093 |
| White Knight Gold (U.S.) | N-81846 | Battle Mountain | 06/20/06 | \$ \$ \$ | 7,586 |
| Inc. | N-82329 | | 07/27/06 | \$ | 2,613 |
| | N-80885 | Elko | 09/28/05 | \$ | 4,446 |
| Quicksilver Ventures | | Tonopah Field | | _ | 7,770 |
| Nevada, Inc. | N-80909 | Station | 10/17/05 | \$ | 1,312 |
| MIN-AD, Inc. | N-80893 | Winnemucca | 10/07/05 | \$ | 2,189 |

| Bonaventure Nevada | | | | | |
|----------------------------|----------|-----------------|-------------|----|---------------------------------------|
| Inc. | N-80917 | Elko | 10/17/05 | \$ | 10 657 |
| Federated Commercial | 14-00317 | LINO | 10/17/03 | 12 | 19,657 |
| Industries, Inc. | N-80921 | Ely | 10/27/05 | \$ | 4 106 |
| BH Minerals USA, Inc. | N-80923 | Battle Mountain | 06/29/06 | \$ | 4,106 |
| 211 (4)1101010 0074, 1110. | N-81015 | Battle Mountain | 11/16/05 | \$ | 10,037 |
| Epithermal LLC | N-81859 | Carson City | 06/15/06 | \$ | 4,000 7,244 |
| Placer Dome Exploration | | Battle Mountain | 11/22/05 | \$ | 25,613 |
| Quincy Energy Corp. | N-81070 | Winnemucca | 12/14/05 | \$ | 1,904 |
| Win-Eldrich Gold Inc. | N-81359 | Winnemucca | 01/05/06 | \$ | 822 |
| Transport Cold Inc. | 11 01000 | Tonopah Field | 01/03/00 | 10 | 022 |
| Robert Burkett | N-81461 | Station | 02/16/06 | \$ | 1,020 |
| MIM (USA) Inc. | N-81448 | Carson City | 08/17/06 | \$ | 11,929 |
| Pan-Nevada Gold Corp. | N-81476 | Winnemucca | 03/16/06 | \$ | 9,636 |
| Idaho General Mines, | N-81485 | Battle | 08/08/06 | \$ | 26,785 |
| Inc. | N-81811 | Mountain | 04/17/06 | \$ | 28,309 |
| | N-81508 | Tonopah Field | 03/20/06 | \$ | 2,174 |
| Agnico-Eagle (USA) | N-82049 | Station | 06/07/06 | \$ | 4,359 |
| Limited | N-81865 | Elko | 07/18/06 | \$ | 7,837 |
| | | | | | .,00, |
| Victoria Resources (US) | | | | † | |
| Inc. | N-81779 | Battle Mountain | 04/07/06 | \$ | 4,978 |
| | N-81991 | | | \$ | 7,974 |
| Aberdene Mines, Ltd. | N-81992 | Carson City | 06/24/06 | \$ | 12,772 |
| | N-81847 | | 05/02/06 | \$ | 14,000 |
| Bravo Alaska Inc. | N-82289 | Battle Mountain | 07/12/06 | \$ | 3,300 |
| AuEx, Inc. | N-79949 | Elko | 05/22/06 | \$ | 17,198 |
| Medallion Resources, | | | | T | · · · · · · · · · · · · · · · · · · · |
| Ltd. | N-81884 | Battle Mountain | 05/10/06 | \$ | 16,491 |
| | N-81996 | | 05/22/06 | \$ | 20,223 |
| Tonkin Springs LLC | N-81999 | Battle Mountain | 05/22/06 | \$ | 20,490 |
| Galway Resources, Ltd. | N-82013 | Elko | 07/21/06 | \$ | 16,994 |
| Golden Oasis | | | | | |
| Exploration | N-80053 | Battle Mountain | 05/18/06 | \$ | 24,577 |
| HE-5 Resources Corp. | N-82050 | Carson City | 06/21/06 | \$ | 3,826 |
| Golden Odyssey | | Tonopah Field | | | |
| Exploration, Inc. | N-82040 | Station | 06/09/06 | \$ | 7,817 |
| | N-78815 | | 05/30/06 | \$ | 4,578 |
| Fortune River | N-82022 | | 05/30/06 | \$ | 1,999 |
| Resources Corp. | N-82023 | Carson City | 05/30/06 | \$ | 2,968 |
| | | | | | |
| Gold Canyon Resources | | | | | |
| USA Inc. | N-82321 | Winnemucca | 08/01/06 | \$ | 14,921 |
| | N-80028 | Tonopah Field | 05/20/05 | \$ | 4,586 |
| Cantex Gold Corp. | N-80055 | Station | 06/09/05 | \$ | 5,464 |

| Ventura Gold Corp. | N-82075 | Elko | 06/07/06 | \$ 21,306 |
|-------------------------------|-------------|-----------------|----------|---------------------------------------|
| Western Energy | | | | |
| Development | | | | |
| Corporation | N-82249 | Winnemucca | 06/26/06 | \$ 9,428 |
| Piedmont Mining | | | | |
| Company | N-82080 | Battle Mountain | 06/20/06 | \$ 4,843 |
| MGC Resources Inc. | N-82417 | Winnemucca | 09/07/06 | \$ 8,900 |
| Rimfire Nevada | | Tonopah Field | | |
| Limited | N-82307 | Station | 08/09/06 | \$ 23,177 |
| | | Battle | | |
| Bravo Alaska Inc. | N-82401 | Mountain | 08/24/06 | \$ 1,351 |
| Telkwa Gold, USA | N-82361 | Carson City | 08/10/06 | \$ 1,394 |
| Walker Lane Gold, | | Tonopah Field | | |
| LLC | N-80519 | Station | 07/29/05 | \$ 3,115 |
| Greencastle USA, | | Battle | | |
| LTD | N-78515 | Mountain | 06/20/06 | \$ 7,012 |
| Cordex Exploration | | | | |
| Co. | N-82318 | Winnemucca | 07/31/06 | \$ 1,648 |
| | | | | · · · · · · · · · · · · · · · · · · · |
| Total Amount Obligated | d Under BLN | M Bond Number N | VB000493 | \$ 548,147 |

Considering the total amount of BLM Bond Number NVB000493, and the amount that is currently obligated for surface reclamation, \$451,853 remains available for future amendments or new operations.

If you have any questions regarding this decision, please call Stephanie Porter at (775) 861-6536, send a facsimile to (775) 861-6710, electronic mail to Stephanie_Porter@blm.gov, or write to the attention of NV923(m), at the letterhead address.

DONNA M. GRILL

FOR Atanda Clark
Chief, Branch of Minerals Adjudication

United States Department of the Interior

BUREAU OF LAND MANAGEMENT : IVE

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

OCT 0 1 2008



In Reply Refer To: 3809 (NV923z)

OIS RICT

DECISION

Obligor:

Eureka Moly, LLC 1726 Cole Blvd., Suite 115 Lakewood, CO 80401

BLM Bond Number:

NVB000912

Bond Amount Accepted:

\$817,331

Obligation Under Statewide Bond Adjusted

The BLM Nevada State Office (NSO) currently holds BLM bond number NVB000912 with Eureka Moly, LLC, as principal, in the amount of \$817,331. The bond provides coverage for surface reclamation activities on operations conducted by Eureka Moly, LLC on lands in Nevada under the regulations at 43 CFR 3809.

On September 23, 2008, the BLM Mount Lewis Field Office reduced the reclamation cost estimates on N-81811, the Kobeh Valley Central-C Project, and N-83246, the Kobeh Valley Central-A Project to \$152,879 and \$96,367, respectively.

The BLM Mount Lewis Field Office also increased the reclamation cost estimates on N-83245, the Kobeh Valley Central-B Project, and N-81485, the Tails #2 Project, to \$219,618 and \$90,066, respectively.

Effective the date of this Decision, notices are obligated to the bond as shown in the table below.

| Operations | | Bond An | nount |
|---------------------|------------------------|----------|---------|
| Number | Operations Name | Obligate | d |
| N-80914 | Mount Hope East | \$ | 92,570 |
| N-81485 | Tails #2 | \$ | 90,066 |
| N-81811 | Kobeh Valley Central-C | \$ | 152,879 |
| N-83120 | Mount Hope West | \$ | 114,685 |
| N-83245 | Kobeh Valley Central-B | \$ | 219,618 |
| N-83246 | Kobeh Valley Central-A | \$ | 96,367 |
| Total Obliga | ations Under NVB000912 | \$ | 766,185 |

Considering the bond amounts accepted and obligated, \$51,146 remains available under BLM bond number NVB000912 for new operations or amendments to existing operations.

2

If you have any questions, please call Lacy Trapp at 775-861-6599, or send electronic mail to Lacy_Trapp@nv.blm.gov.

FOR Atanda Clark
Chief, Branch of Minerals Adjudication

cc: General Moly Inc. Attn: Brian Musser 455 8th Street Elko, NV 89801

NV060 (CStrickland) NV920 (SMurrellwright)



304 Invemess Way South • Suite 490 • Englewood, Colorado 80112-5828 Phone: (303) 433-0262 • Fax: (303) 433-0362 • www.goswc.com

October 8, 2007

Project 1029H

Mr. Pat Rogers
Director, Environmental and Permitting
Idaho General Mines, Inc.
455 Eighth Street
Elko, Nevada 89801

Re:

Mount Hope Project

South TSF Located in Kobeh Valley

Disturbance Areas Related to Geotechnical Investigations

Dear Pat:

This letter provides a summary of the disturbance areas associated with the geotechnical investigation for the south tailings storage facility (South TSF) completed in 2006 (2006 investigation) and the estimated disturbance for our proposed 2007 geotechnical investigation (proposed 2007 investigation). The goal is to limit the total disturbed area for both geotechnical investigations to 5 acres or less.

On September 25, 2007, Smith Williams Consultants, Inc. (Smith Williams) completed a site inspection to quantify the amount of disturbance from the 2006 investigation. The inspection included measuring the actual disturbance areas associated with the excavator overland tracking routes, test pit excavations, and borehole drilling activities. Based on the inspection and field measurements, the disturbance area from the 2006 investigation is 2.86 acres as shown on Figure 1, attached. This amount is less than the original estimate of 4.90 acres because the overland tracking distances were minimized as the investigation was completed.

The proposed 2007 investigation includes additional test pits and boreholes within the South TSF at the locations shown on Figure 1. Where possible, the tracking routes from the 2006 investigation will be reused for the 2007 investigation to minimize new disturbance areas. The new tracking routes are shown with blue dotted lines on Figure 1. The added disturbance area for the proposed 2007 geotechnical investigation is 1.88 acres.

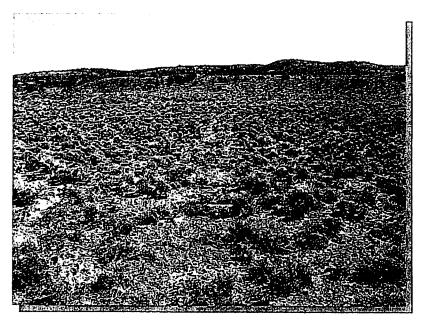
As summarized above, the total disturbance from the 2006 investigation and for the proposed 2007 investigation is 4.74 acres.

It was noted that the disturbance caused by excavator tracking routes from the 2006 investigation is minimal as the ground surface is intact and the only remaining evidence of the tracking routes is broken sagebrush. The following photographs are representative of the excavator tracking routes from 2006.

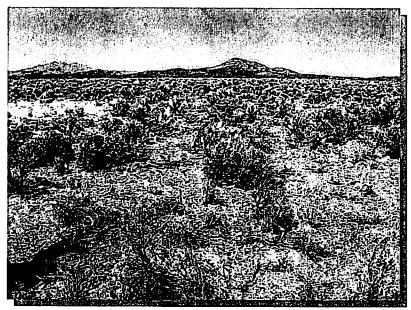
\\SERVER1\shared\projects\1029h mount hope permitting design\h4 - reports\disturbance area 10-03-07\disturbance area letter.doc



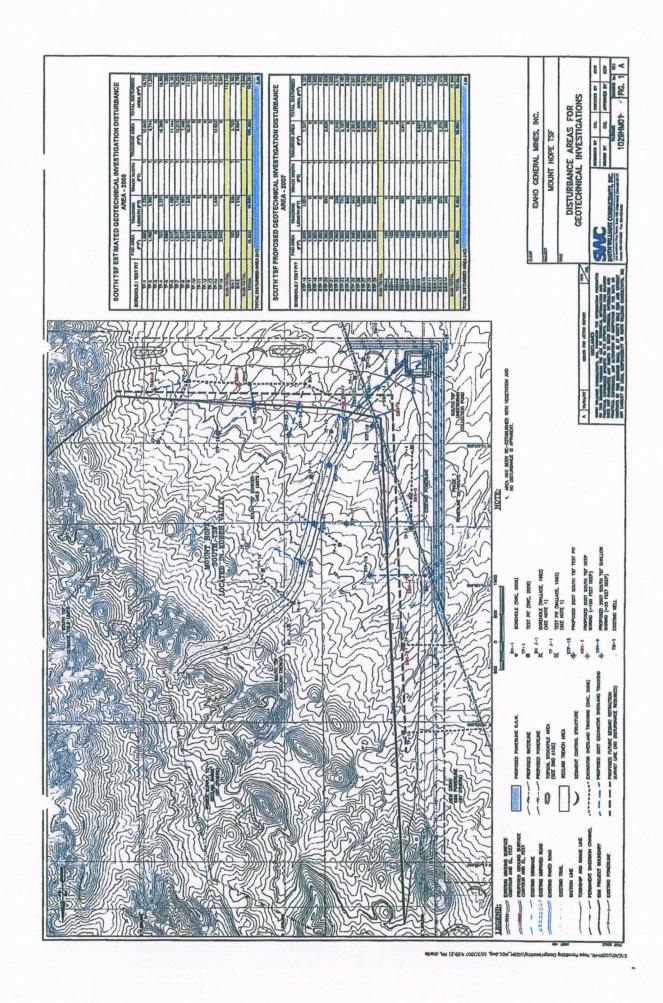
October 8, 2007 Project 1029H Mount Hope Project South TSF Located in Kobeh Valley Disturbance Areas Related to Geotechnical Investigations



Photograph 1 - Tracking Disturbance from 2006 Investigation



Photograph 2 - Test Pit (left) and Tracking Disturbance from 2006 Investigation





October 8, 2007 Project 1029H Mount Hope Project South TSF Located in Kobeh Valley Disturbance Areas Related to Geotechnical Investigations

Based on this observation, Smith Williams believes it is reasonable to reduce the total disturbance area for both investigations (4.74 acres) by the amount of overland tracking from the 2006 investigation that will not be reused for the proposed 2007 investigation. The following table summarizes the amount of overland tracking disturbance from 2006 that will not be utilized for the proposed 2007 investigation:

| Area Description | Area (Square Feet) | Area (Acre) |
|-----------------------------------|-----------------------|----------------|
| Tracking route to TP-1 | 15,645 | 0.36 |
| Tracking route from SBH-5 to TP-4 | 9,765 | 0.23 |
| Tracking route to TP-8 | 7,448 | 0.17 |
| Tracking route to TP-9 | | 0.25 |
| Tracking route to TP-14 | 13,622 | 0.31 |
| Total | 56,224 | 1.32 |

If the Bureau of Land Management concurs with our opinion regarding the overland tracking routes from the 2006 investigation, the total amount of disturbance for both investigations (4.74 acres) reduces by 1.32 acres for a total of 3.42 acres.

Please let me know if you have any questions or comments regarding this letter.

Sincerely,

Smith Williams Consultants, Inc.

Keith C. Williams, P.E.

Vice President

KCW:rjg

Attachment: Figure 1

cc:

Brian Musser Jim Moore Judy Gibbs-Foy



GENERAL MOLY, INC.

(08-1A)

455 8th St.

Elko, NV 89801

Phone: 775.753.4988 Fax: 775.753.7722

Email: bmusser@generalmoly.com Website: www.generalmoly.com

October 17, 2007

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

RE: Mount Hope Notice 081485 – Amendment 2 3809 (NV063)

Dear Mr. Smith:

This is to inform the Bureau of Land Management (BLM) that General Moly, Inc. (GMI), formerly Idaho General Mines, Inc., is amending Notice 081485, Drilling Activities at Tails #2 Site, to adjust for actual disturbance to date and to propose new disturbance in the amount of 1.88 acres.

Disturbance Acreage Adjustment

GMI submitted a Notice to BLM on January 26, 2006 for a total of 4.3 acres of disturbance associated with test pits, test pit access (overland travel), bore hole pads, and bore hole access (constructed roads). This Notice was amended on August 2006 by 0.6 acres for additional bore hole pad/sump disturbance, bringing the total disturbance to 4.9 acres.

In September, GMI contracted Smith Williams Consultants, Inc. (Smith Williams) to document the actual disturbance associated with the 2006 Notice and Amendment to the Notice. This entailed walking the perimeter of the disturbed areas using Global Positioning System (GPS) units to calculate actual disturbance acreage. Because the overland travel routes to some of the test pits exhibited minimal disturbance, the total disturbance acreage was reduced by the acreage associated with the overland travel to these selected sites, bringing the total disturbance to 2.86 acres (See attached letter report from Smith Williams to Mr. Pat Rogers, GMI; Attachment 1). During the field work, existing roads were identified that had not been previously mapped. These roads were used to reduce the overland travel. Because existing roads were used instead of overland travel, the amount of overland travel disturbance was greatly reduced.

Figure 1 of the Smith Williams letter report shows the location of the 2006 Notice and Amended Notice activity and includes tabular information regarding each test pit and bore hole.

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Mr. Craig Smith

Re: Mount Hope Notice 081485 - Amendment 2

October 17, 2007

Proposed 2007 Disturbance

This Amendment to Notice 081485 proposes 14 additional test pits and 12 additional bore holes within the Tails #2 site (Table 1). This accounts for 1.88 acres of disturbance, which is displayed on Figure 1 of the attached Smith Williams letter report. The disturbance associated with this amendment is only for the bore hole pads, test pits, and overland travel (tracking) to selected sites. This would bring the total disturbance to 4.74 acres

Table 1: South Tailings Storage Facility Proposed Geotechnical Investigation Disturbance

| BORE HOLE/ TEST PIT | PAD AREA (FT²) | TRACKING LENGTH (FT) | TRACKING WIDTH (FT) | TRACKING AREA (FT²) | TOTAL DISTURBED AREA (FT²) |
|------------------------|--|-------------------------|------------------------|------------------------|----------------------------------|
| STP-16 | 1,000 | 1,051 | 7 | 7,357 | 8,357 |
| STP-17 | 1,000 | 0 | 7 | 0 | 1,000 |
| STP-18 | 1,000 | 0 | 7 | 0 | 1,000 |
| STP-19 | 1,000 | 0 | 7 | 0 | 1,000 |
| STP-20 | 1,000 | 804 | 7 | 5,628 | 6,628 |
| STP-21 | 1,000 | 0 | 7 | 0 | 1,000 |
| STP-22 | 1,000 | 330 | 7 | 2,310 | 3,310 |
| 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 | 1,260 | 7 | 8,820 | 9,820 |
| STP-27 | 1,000 | 568 | 7 | 3,976 | 4,976 |
| STP-28 | 1,000 | 300 | 7 | 2,100 | 3,100 |
| STP-29 | 1,000 | 648 | 7 | 4,536 | 5,536 |
| SUB-TOTAL | 10000000000000000000000000000000000000 | 是於地方的原本 | 会對歐角門中 | 不过多 多数是 | 62,195 |
| SBH-3 | 100 | 0 | 7 | 0 | 100 |
| SBH-4 | 100 | 0 | 7 | 0 | 100 |
| SBH-5 | 100 | 0 | 7 | 0 | 100 |
| SBH-6 | 100 | 563 | 7 | 3,941 | 4,041 |
| SBH-7 | 100 | 0 | 7 | 0 | 100 |
| SBH-8 | 100 | 0 | 7 | 0 | 100 |
| SBH-9 | 100 | 951 | 7 | 6,657 | 6,757 |
| SBH-10 | 100 | 192 | 7 | 1,344 | 1,444 |
| SBH-11 | 100 | 296 | 7 | 2,072 | 2,172 |
| SBH-12 | 100 | 0 | 7 | 0 | 100 |
| SBH-13 | 100 | 325 | 7 | 2,275 | 2,375 |
| SBH-14 | 100 | 340 | 7 | 2,380 | 2,480 |
| SUB-TOTAL | | | | | 19,869 |
| TOTAL | 15,200 | 9,552 | | 66,864 | 82,064 |
| TOTAL DISTURBI | ED AREA (AC | | | | 1.88 |

As indicated in the Smith Williams letter report, some of the proposed additional bore holes and test pits will use the overland travel routes previously used for the 2006 investigations. The disturbance associated

Mr. Craig Smith

Re: Mount Hope Notice 081485 - Amendment 2

October 17, 2007

with these overland travel routes has been included in the total disturbance acreage of 1.88 acres. However, several of the overland travel routes used in 2006 will not be used again in 2007. The disturbance created by the excavator going to and from the sites appears not to need reclamation (see the Smith Williams letter report). The rationale for elimination of the overland travel disturbance was the lack of travel ruts, intact soil surface, minimal vegetative disturbance, and lack of need to rip and seed the travel routes. Ripping these routes is likely to create strips of annual grasses (cheatgrass). The acreage associated with the one-time overland travel routes is 1.32 acres. Elimination of this acreage from the Notice brings the total disturbance (2006 existing work/disturbance and 2007 proposed disturbance) to 3.42 acres (Table 1).

Reclamation Cost Estimate

All bore hole drilling and test pit excavation will be conducted as per the previous Notice. All Standard Operating Procedures and Reclamation will be conducted as described in the previous Notice. The bore holes will be up to 100 feet deep. All are anticipated to be dry, based on previous drilling experience in the area.

The reclamation cost estimate was calculated using the Notice Model (Model_FY2007) provided by the BLM. Using this model and entering the data from Table 1 resulted in a reclamation cost estimate of \$10,584. However, because of assumptions in the model, the acreage for this cost estimate was only 3.02 acres. The input to the model was adjusted to 17 drill pad sites, bringing the disturbance acreage to 3.46 acres (i.e., slightly greater than the proposed disturbance), which resulted in a reclamation cost estimate of \$11,790 (See Attachment 2).

The existing bond in place for this Notice is \$26,785, based on 4.9 acres of disturbance. Therefore, the existing bond should be sufficient for the existing disturbance and the disturbance proposed in this Amendment.

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

Very truly yours,

Brian J. Musser

Environmental Manager

Mount Hope Project

Attachments: Attachment 1 – Smith Williams Report;

Attachment 2 - Reclamation Cost Estimate

cc:

Pat Rogers, GMI

Jim Moore, GMI

Keith Williams, SWC

IN THE SUPREME COURT OF THE STATE OF NEVADA

EUREKA COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF NEVADA; KENNETH F. BENSON, INDIVIDUALLY; DIAMOND CATTLE COMPANY, LLC, A NEVADA LIMITED LIABILITY COMPANY; AND MICHEL AND MARGARET ANN ETCHEVERRY FAMILY, LP, A NEVADA REGISTERED FOREIGN LIMITED PARTNERSHIP,

Case No. 61324 Electronically Filed Dec 27 2012 09:57 a.m. District Court Case Flacie K. Lindeman CV 1108-15; CV 108-164; CV 1112-165; CV 1202-170

Appellants,

VS.

THE STATE OF NEVADA STATE ENGINEER; THE STATE OF NEVADA DIVISION OF WATER RESOURCES; AND KOBEH VALLEY RANCH, LLC, A NEVADA LIMITED LIABILITY COMPANY,

Respondents.

JOINT APPENDIX Volume 17

KAREN A. PETERSON, NSB 366

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DAWN ELLERBROCK, NSB 7327

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ALLISON, MacKENZIE, PAVLAKIS,

WRIGHT & FAGAN, LTD.

402 North Division Street Carson City, NV 89703 (775) 687-0202

and

THEODORE BEUTEL, NSB 5222 tbeutel@eurekanv.org
Eureka County District Attorney
702 South Main Street
P.O. Box 190
Eureka, NV 89316
(775) 237-5315

Attorneys for Appellant, EUREKA COUNTY

CHRONOLOGICAL APPENDIX TO APPEAL FROM JUDGMENT

| DOCUMENT | DATE | <u>vol</u> | JA NO. |
|---|------------|------------|---------|
| Petition for Judicial Review | 08/08/2011 | 1 | 01-06 |
| Notice of Verified Petition for Writ of Prohibition, Complaint and Petition for Judicial Review | 08/10/2011 | 1 | 07- 08 |
| Verified Petition for Writ of Prohibition, Complaint and Petition for Judicial Review | 08/10/2011 | 1 | 09-59 |
| Summons and Proof of Service, Kobeh Valley Ranch, LLC | 08/11/2011 | 1 | 60-62 |
| Summons and Proof of Service, Jason King | 08/11/2011 | 1 | 63-65 |
| Affidavit of Service by Certified Mail | 08/11/2011 | 1 | 66-68 |
| Notice of Petition for Judicial Review | 08/11/2011 | 1 | 69-117 |
| Summons and Proof of Service, Kobeh Valley Ranch, LLC | 08/15/2011 | 1 | 118-120 |
| Summons and Proof of Service, Jason King | 08/15/2011 | 1 | 121-123 |
| Summons and Proof of Service, The State of Nevada | 08/17/2011 | 1 | 124-128 |
| First Additional Summons and Proof of Service, State Engineer, Division of Water Resources | 08/17/2011 | 1 | 129-133 |
| Order Allowing Intervention of Kobeh Valley Ranch, LLC, to Intervene as a Respondent | 09/14/2011 | 1 | 134-135 |

| DOCUMENT | DATE | <u>vol</u> | JA NO. |
|---|------------|------------|-----------|
| Partial Motion to Dismiss, Notice of Intent to Defend | 09/14/2011 | 1 | 136-140 |
| Order Allowing Intervention of Kobeh Valley Ranch, LLC, as a Party Respondent | 09/26/2011 | 1 | 141-142 |
| Answer to Verified Petition for Writ of Prohibition, Complaint and Petition for Judicial Review by Kobeh Valley Ranch, LLC | 09/28/2011 | 1 | 143-149 |
| Answer to Petition for Judicial Review by Kobeh Valley Ranch, LLC | 09/29/2011 | 1 | 150-154 |
| Answer to Petition for Judicial Review by Kobeh Valley Ranch, LLC | 09/29/2011 | 1 | 155-160 |
| Order Directing the Consolidation of Action CV1108-156 and Action No. CV1108-157 with Action CV1108-155 | 10/26/2011 | 1 | 161-162 |
| Summary of Record on Appeal | 10/27/2011 | 2-26 | 163-5026 |
| Request for and Points and Authorities in Support of Issuance of Writ of Prohibition and in Opposition to Motion to Dismiss | 11/10/2011 | 27 | 5027-5052 |
| Order Setting Briefing Schedule | 12/02/2011 | 27 | 5053-5055 |
| Reply in Support of Partial Motion to Dismiss and Opposition to Request for Writ of Prohibition | 12/15/2011 | 27 | 5056-5061 |

| DOCUMENT | DATE | <u>VOL</u> | JA NO. |
|---|------------|------------|-----------|
| Kobeh Valley Ranch's Reply to Conley/Morrison's Request for and Points and Authorities in Support of Issuance of Writ of Prohibition and in Opposition to Motion to Dismiss | 12/15/2011 | 27 | 5062-5083 |
| Kobeh Valley Ranch's Joinder in the State of Nevada and Jason King's Partial Motion to Dismiss | 12/15/2011 | 27 | 5084-5086 |
| Petition for Judicial Review | 12/29/2011 | 27 | 5087-5091 |
| Petition for Judicial Review | 12/30/2011 | 27 | 5092-5097 |
| Summons and Proof of Service, The State of Nevada | 01/11/2012 | 27 | 5098-5100 |
| First Additional Summons and Proof of Service, State Engineer, Division of Water Resources | 01/11/2012 | 27 | 5101-5103 |
| First Amended Petition for Judicial Review | 01/12/2012 | 27 | 5104-5111 |
| Opening Brief of Conley Land & Livestock, LLC and Lloyd Morrison | 01/13/2012 | 27 | 5112-5133 |
| Petitioners Kenneth F. Benson, Diamond Cattle Company, LLC, and Michel and Margaret Ann Etcheverry Family LP's Opening Brief | 01/13/2012 | 27 | 5134-5177 |
| Eureka County's Opening Brief | 01/13/2012 | 27 | 5178-5243 |
| Eureka County's Summary of Record on Appeal - CV1112-0164 | 01/13/2012 | 28 | 5244-5420 |
| Eureka County's Supplemental Summary of Record on Appeal - CV1108-155 | 01/13/2012 | 29-30 | 5421-5701 |

| DOCUMENT | <u>DATE</u> | <u>VOL</u> | JA NO. |
|--|-------------|------------|-----------|
| Order Granting Extension | 01/26/2012 | 31 | 5702-5703 |
| Answer to Petition for Judicial Review | 01/30/2012 | 31 | 5704-5710 |
| Answer to First Amended Petition for Judicial Review | 01/30/2012 | 31 | 5711-5717 |
| Supplemental Petition for Judicial Review | 01/31/2012 | 31 | 5718-5720 |
| Petition for Judicial Review | 02/01/2012 | 31 | 5721-5727 |
| Summary of Record on Appeal | 02/03/2012 | 31 | 5728-5733 |
| Record on Appeal, Vol. I, Bates Stamped Pages 1-216 | 02/03/2012 | 31 | 5734-5950 |
| Record on Appeal, Vol. II, Bates Stamped Pages 217-421 | 02/03/2012 | 32 | 5951-6156 |
| Record on Appeal, Vol. III, Bates Stamped Pages 422-661 | 02/03/2012 | 33 | 6157-6397 |
| Answer to Petition to Judicial Review | 02/23/2012 | 34 | 6398-6403 |
| Answering Brief | 02/24/2012 | 34 | 6404-6447 |
| Respondent Kobeh Valley Ranch, LLC's Answering Brief | 02/24/2012 | 34 | 6448-6518 |
| Reply Brief of Conley Land & Livestock, LLC and Lloyd Morrison | 03/28/2012 | 34 | 6519-6541 |
| Petitioners Kenneth F. Benson, Diamond Cattle Company, LLC, and Michel and Margaret Ann Etcheverry Family LP's Reply Brief | 03/28/2012 | 34 | 6542-6565 |
| Eureka County's Reply Brief | 03/28/2012 | 34 | 6566-6638 |

| DOCUMENT | <u>DATE</u> | <u>vol</u> | JA NO. |
|--|-------------|------------|-----------|
| Transcript for Petition for Judicial Review | 04/03/2012 | 35 | 6639-6779 |
| Corrected Answering Brief | 04/05/2012 | 35 | 6780-6822 |
| Findings of Fact, Conclusions of Law, and Order Denying Petitions for Judicial Review | 06/13/2012 | 36 | 6823-6881 |
| Notice of Entry of Findings of Fact, Conclusions of Law, and Order Denying Petitions for Judicial Review | 06/18/2012 | 36 | 6882-6944 |
| Notice of Appeal | 07/10/2012 | 36 | 6945-6949 |
| Petitioners Benson, Diamond Cattle Co., and Etcheverry Family LP's Notice of Appeal | 07/12/2012 | 36 | 6950-6951 |
| Excerpts from Transcript of Proceedings | 10/13/2008 | 36 | 6952-6964 |

ALPHABETICAL APPENDIX TO APPEAL FROM JUDGMENT

| DOCUMENT | <u>DATE</u> | <u>vol</u> | JA NO. |
|---|-------------|------------|-----------|
| Affidavit of Service by Certified Mail | 08/11/2011 | 1 | 66-68 |
| Answer to Verified Petition for Writ of Prohibition, Complaint and Petition for Judicial Review by Kobeh Valley Ranch, LLC | 09/28/2011 | 1 | 143-149 |
| Answer to Petition for Judicial Review by Kobeh Valley Ranch, LLC | 09/29/2011 | 1 | 150-154 |
| Answer to Petition for Judicial Review by Kobeh Valley Ranch, LLC | 09/29/2011 | 1 | 155-160 |
| Answer to Petition for Judicial Review | 01/30/2012 | 31 | 5704-5710 |
| Answer to First Amended Petition for Judicial Review | 01/30/2012 | 31 | 5711-5717 |
| Answer to Petition to Judicial Review | 02/23/2012 | 34 | 6398-6403 |
| Answering Brief | 02/24/2012 | 34 | 6404-6447 |
| Corrected Answering Brief | 04/05/2012 | 35 | 6780-6822 |
| Eureka County's Supplemental Summary of Record on Appeal - CV1108-155 | 01/13/2012 | 29-30 | 5421-5701 |
| Eureka County's Summary of Record on Appeal - CV1112-0164 | 01/13/2012 | 28 | 5244-5420 |
| Eureka County's Opening Brief | 01/13/2012 | 27 | 5178-5243 |
| Eureka County's Reply Brief | 03/28/2012 | 34 | 6566-6638 |
| Excerpts from Transcript of Proceedings | 10/13/2008 | 36 | 6952-6964 |

| <u>DOCUMENT</u> | <u>DATE</u> | <u>vol</u> | JA NO. |
|---|-------------|------------|-----------|
| Findings of Fact, Conclusions of Law, and Order Denying Petitions for Judicial Review | 06/13/2012 | 36 | 6823-6881 |
| First Additional Summons and Proof of Service, State Engineer, Division of Water Resources | 08/17/2011 | 1 | 129-133 |
| First Additional Summons and Proof of Service, State Engineer, Division of Water Resources | 01/11/2012 | 27 | 5101-5103 |
| First Amended Petition for Judicial Review | 01/12/2012 | 27 | 5104-5111 |
| Kobeh Valley Ranch's Reply to Conley/Morrison's Request for and Points and Authorities in Support of Issuance of Writ of Prohibition and in Opposition to Motion to Dismiss | 12/15/2011 | 27 | 5062-5083 |
| Kobeh Valley Ranch's Joinder in the State of Nevada and Jason King's Partial Motion to Dismiss | 12/15/2011 | 27 | 5084-5086 |
| Notice of Verified Petition for Writ of Prohibition, Complaint and Petition for Judicial Review | 08/10/2011 | 1 | 07- 08 |
| Notice of Petition for Judicial Review | 08/11/2011 | 1 | 69-117 |
| Notice of Entry of Findings of Fact, Conclusions of Law, and Order Denying Petitions for Judicial Review | 06/18/2012 | 36 | 6882-6944 |
| Notice of Appeal | 07/10/2012 | 36 | 6945-6949 |
| Opening Brief of Conley Land & Livestock, LLC and Lloyd Morrison | 01/13/2012 | 27 | 5112-5133 |

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| Order Allowing Intervention of Kobeh Valley Ranch, LLC, to Intervene as a Respondent | 09/14/2011 | 1 | 134-135 |
| Order Allowing Intervention of Kobeh Valley Ranch, LLC, as a Party Respondent | 09/26/2011 | 1 | 141-142 |
| Order Directing the Consolidation of Action CV1108-156 and Action No. CV1108-157 with Action CV1108-155 | 10/26/2011 | 1 | 161-162 |
| Order Setting Briefing Schedule | 12/02/2011 | 27 | 5053-5055 |
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| Partial Motion to Dismiss, Notice of Intent to Defend | 09/14/2011 | 1 | 136-140 |
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| Petitioners Benson, Diamond Cattle Co., and Etcheverry Family LP's Notice of Appeal | 07/12/2012 | 36 | 6950-6951 |

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| Record on Appeal, Vol. II, Bates Stamped Pages 217-421 | 02/03/2012 | 32 | 5951-6156 |
| Record on Appeal, Vol. I, Bates Stamped Pages 1-216 | 02/03/2012 | 31 | 5734-5950 |
| Record on Appeal, Vol. III, Bates Stamped Pages 422-661 | 02/03/2012 | 33 | 6157-6397 |
| Reply in Support of Partial Motion to Dismiss and Opposition to Request for Writ of Prohibition | 12/15/2011 | 27 | 5056-5061 |
| Reply Brief of Conley Land & Livestock, LLC and Lloyd Morrison | 03/28/2012 | 34 | 6519-6541 |
| Request for and Points and Authorities in Support of Issuance of Writ of Prohibition and in Opposition to Motion to Dismiss | 11/10/2011 | 27 | 5027-5052 |
| Respondent Kobeh Valley Ranch, LLC's Answering Brief | 02/24/2012 | 34 | 6448-6518 |
| Summary of Record on Appeal | of Record on Appeal 10/27/2011 | | 163-5026 |
| Summary of Record on Appeal | nary of Record on Appeal 02/03/2012 | | 5728-5733 |
| Summons and Proof of Service, Kobeh Valley Ranch, LLC | 08/11/2011 | 1 | 60-62 |
| Summons and Proof of Service, Jason King | 08/11/2011 | 1 | 63-65 |
| Summons and Proof of Service, Jason King | 08/15/2011 | 1 | 121-123 |
| Summons and Proof of Service, Kobeh Valley Ranch, LLC | 08/15/2011 | 1 | 118-120 |

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| Summons and Proof of Service, The State of Nevada | 08/17/2011 | 1 | 124-128 |
| Summons and Proof of Service, The State of Nevada | 01/11/2012 | 27 | 5098-5100 |
| Supplemental Petition for Judicial Review | 01/31/2012 | 31 | 5718-5720 |
| Transcript for Petition for Judicial Review | 04/03/2012 | 35 | 6639-6779 |
| Verified Petition for Writ of Prohibition, Complaint and Petition for Judicial Review | 08/10/2011 | 1 | 09-59 |

CERTIFICATE OF APPENDIX (NRAP 30(g)(1)

In compliance with NRAP 30(g)(1) I hereby certify that this Appendix consists of true and correct copies of the papers in the District Court file.

DATED: December 21, 2012.

/s/ KAREN A. PETERSON
KAREN A. PETERSON, NSB #366
ALLISON, MacKENZIE, PAVLAKIS,
WRIGHT & FAGAN, LTD.
P.O. Box 646
Carson City, NV 89702

Attorneys for Appellant, EUREKA COUNTY



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Nevada State Office 1931 17 P 2: 27
P.O. Box 12000 (1340 Financial Hivdy)
Reno, Nevada 89520-0006
http://www.nv.blm.gov/

ing ing same and in the same a



In Reply Refer To: 3809 (NV923c)

APR 1 3 2006

DECISION

Principal:

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

Co-principals:

Pan-Nevada Gold Corporation P. O. Box 187 Evergreen, CO 80437

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

Agnico-Eagle (USA) Limited 5470 Louie Lane, Suite 102 Reno, NV 89511

BH Minerals USA Inc. 1112 River Street Elko, NV 89801 BLM Statewide Bond: NVB000493 Amount of Bond: \$1,000,000

BLM Notice-Level Operations: N-81476 Bond Amount Required: \$9,636

BLM Notice-Level Operations: N-81485 Bond Amount Required: \$16,971

BLM Notice-Level Operations: N-81508 Bond Amount Required: \$2,174

BLM Notice-Level Operations: N-80923 Bond Amount Required: \$4,155

Bond Riders Extending Coverage to Co-principals Accepted
Obligation Under Statewide Reclamation Performance Bond Increased

Effective December 16, 2005, the BLM Nevada State Office (NSO), accepted BLM bond number NVB000493, in the amount of \$1,000,000, from the Nevada Division of Minerals, with the Reclamation Performance Bond Pool, as principal. 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.

The NSO recently received four (4) bond riders whereby the State of Nevada Reclamation Bond Pool extended coverage to the co-principals as described below:

Pan-Nevada Gold Corporation

On March 16, 2006, the BLM Winnemucca Field Office issued a letter determining the reclamation cost estimate for surface disturbance on notice N-81476, the Jessup Exploration Project, to be \$9,636. On March 20, 2006, the NSO received a bond rider adding Pan-Nevada Gold Corporation, as co-principal to BLM bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective March 20, 2006. As co-principal, the liabilities of the operator's notice-level operations N-81476, totaling \$9,636, are hereby obligated to BLM bond number NVB000493.

Idaho General Mines, Inc.

By letter dated February 15, 2006, the BLM Battle Mountain Field Office determined the reclamation cost estimate for surface disturbance on notice N-81485, the Mount Hope Mining Project, to be \$16,971. On March 20, 2006, the NSO received a bond rider adding Idaho General Mines, Inc., as co-principal to BLM Bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective March 20, 2006. As co-principal, the liabilities of the operator's notice-level operations N-81485, totaling \$16,971, are hereby obligated to BLM bond number NVB000493.

Agnico-Eagle (USA) Limited

On March 20, 2006, the BLM Tonopah Field Station issued a letter determining the reclamation cost estimate for surface disturbance on notice N-81508, the TNA Exploration Project, to be \$2,174. On March 30, 2006, the NSO received a bond rider adding Agnico-Eagle (USA) Limited, as co-principal to BLM Bond number NVB000493. The bond rider has been examined, found satisfactory, and is therefore accepted effective March 30, 2006. As co-principal, the liabilities of the operator's notice-level operations N-81508, totaling \$2,174, are hereby obligated to BLM bond number NVB000493.

BH Minerals USA, Inc.

By letter dated April 4, 2006, the BLM Battle Mountain Field Office increased the reclamation cost estimate for surface disturbance on notice N-80923, the Lookout Mountain Project, based on an amendment to the notice filed in that office on March 20, 2006. The NSO received a rider to BLM bond number NVB000493 on April 10, 2006, in the amount of \$2,066, for the increased reclamation bonding requirement on notice N-80923. The bond rider has been examined, found satisfactory, and is therefore accepted effective April 10, 2006. The rider results in a total amount of bonding pledged for notice N-80923 that is equal to the amount required, \$4,155.

Bond obligations adjusted by this decision are shown in **bold** on the table below:

| Co-principal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination | An Re an | |
|------------------------------|-------------------------|---|-----------------------------|----------------|---------|
| Grandcru Resources | | | | Ob | ligated |
| Corporation | N-79800 | | 8/03/05 | \$ | 6,208 |
| Alaska Cald Com | | Tonopah Field | | | |
| Alaska Gold Company | N-79996 | Station | 5/24/05 | \$ | 3,769 |
| White Knight Gold | N-80128 | Battle Mountain | 7/13/05 | \$ | 2,114 |
| Quito Gold Corporation | N-80555 | Battle Mountain | 8/23/05 | \$ | 8,698 |
| MGC Resources, Inc. | N-80569 | Ely | 9/12/05 | \$ | 2,750 |
| Atna Resources, Inc. | N-80595 | Winnemucca | 8/24/05 | \$ | 11,165 |
| Doe Run Resources Corp. | N-80635 | Winnemucca | 9/25/05 | 7 | |
| Gold Summit | 1 | TTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTTT | 9/20/00 | \$ | 7,386 |
| Corporation U.S.A. | N-80655 | Winnemucca | 9/14/05 | _ | 0.500 |
| Apollo Gold Exploration Inc. | N-80668 | Winnemucca | 9/27/05 | \$ | 3,530 |
| Silverthorn | 1 | Tonopah Field | 3/2//05 | \$ | 5,436 |
| Exploration, Inc. | N-80669 | Station | 9/15/05 | | 0.000 |
| White Knight Gold (U.S.) | | - Clarion | 3/13/03 | \$ | 3,866 |
| Inc. | N-80749 | Battle Mountain | 9/19/05 | \$ | 0.700 |
| Quicksilver Ventures | | | 0/10/00 | Ψ | 9,792 |
| Nevada, Inc. | N-80885 | Elko | 9/28/05 | | 4.440 |
| MIN-AD, Inc. | N-80893 | Winnemucca | 10/07/05 | \$ | 4,446 |
| White Knight Gold (U.S.) | | · · · · · · · · · · · · · · · · · · · | 10/07/03 | 1 | 2,189 |
| Inc. | N-80894 | Battle Mountain | 10/06/05 | \$ | 01.000 |
| Quicksilver Ventures | | Tonopah Field | 10/00/03 | Φ | 21,093 |
| Nevada, Inc. | N-80909 | Station | 10/17/05 | φ | 1010 |
| Bonaventure Nevada | | | 10/17/05 | \$ | 1,312 |
| Inc. | N-80917 | Elko | 10/17/05 | ø | 10.057 |
| Federated Commercial | | | 10/17/05 | \$ | 19,657 |
| Industries, Inc. | N-80921 | Ely | 10/27/05 | φ | 4.400 |
| | | Battle | 10/2//00 | \$ | 4,106 |
| BH Minerals USA, Inc. | N-80923 | Mountain | 4/04/06 | ¢ | 4 455 |
| Subtotal for this page | | | טטורטור | \$ \$ 1 | 4,155 |
| | | | | 3 1. | 21,672 |

| Co-principal/ Operator | BLM Serial Number | BLM Field Office | Date of FO Determination | An Re an | ond nount quired d ligated |
|---|-------------------------|--------------------------|-----------------------------|----------------|--|
| Epithermal LLC | N-81015 | Battle Mountain | 11/16/05 | \$ | |
| Placer Dome Exploration | N-81032 | Battle Mountain | 11/22/05 | \$ | 4,000 |
| Quincy Energy Corp. | N-81070 | Winnemucca | 12/14/05 | \$ | 25,613 |
| Win-Eldrich Gold Inc. | N-81359 | Winnemucca | 1/05/06 | \$ | 1,904 822 |
| Robert Burkett MIM (USA) Inc. | N-81461 N-81448 | Tonopah Field Station | 2/16/06 | \$ | 1,020 |
| Pan-Nevada Gold | 14-01440 | Carson City | 3/2/06 | \$ | 6,542 |
| Corp. Idaho General Mines, | N-81476 | Winnemucca | 3/16/06 | \$ | 9,636 |
| inc. | N-81485 | Battle Mountain | 2/15/06 | \$ | 16,971 |
| Agnico-Eagle (USA) Limited | N-81508 | Tonopah Field Station | 3/20/06 | \$ | 2,174 |
| Total obligated under RI M bond number AN/Doccase | | | | | 90,354 |

Considering the total amount of BLM bond number NVB000493, \$1,000,000, and the amount that is currently obligated for reclamation, \$809,646 remains uncommitted for future amendments or new operations.

If you have any questions regarding this decision, please call Cindi Dragon at (775) 861-6458, send a facsimile to (775) 861-6710, electronic mail to cdragon@nv.blm.gov., or write to the attention of NV923(c), at the letterhead address.

Atanda Clark

Chief, Branch of Minerals Adjudication

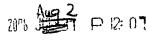
CC:

NV923(CDragon)

NV010(KLaird, JStadelman) NV023(SRichey) NV040(LBjorklund, BWilson) NV063(SHutcherson, SDrummond) NV065(GDeverse) NV030(DSchroeder)

JA2967





)

89801 USA

email: elko@srk.com URL: http://www.srk.com Tel: 775.753.4151 Fax: 775.753.4152

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

FIELD OFFICE

July 27, 2006

Mr. Thomas Seley
U.S. Bureau of Land Management
Battle Mountain Field Office
50 Bastian Road
Battle Mountain, Nevada 89820

Re: Idaho General Mines, Inc. Revised Drilling Notice at Tailings #2 Area

Dear Mr. Seley:

On behalf of Idaho General Mines, Inc., I am forwarding a revised notice and bond cost estimate for two additional wells that are needed to better define a potential water supply source and collect background information for the water pollution control permit application. Please call me at 775.753.4151 is you have any questions concerning the revision.

Sincerely,

SRK Consulting (U.S.), Inc.

Val Sawyer

Principal Consultant

cc:

James Moore, IGMI Paul Valenti, 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
 520.544.3668





Idaho General Mines, Inc.

MOUNT HOPE MINE PROJECT REVISED 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 July 2006

MOUNT HOPE MINE PROJECT REVISED 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 Lamoille Hwy, Suite 520 Elko, Nevada, 89801 (775) 753.4151 Phone (775) 753.4152 Fax

SRK Project No. 157501 July 2006

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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: Fax:

480.539.4262 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

Drilling activities will be located within TSF2 claims: which controlled by IGMI. A list of claims and associated serial numbers are included in Appendix A. The test well, if drilled, may be located on mining claims held by Newmont.

1.4 Location of Proposed Activity

The proposed drilling project will be located in all or portions of: T21N, R52E, Section 7.

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. In first quarter 2006, IGMI completed the geotechnical exploration activities described below.

Baseline data collection activities were undertaken to define geotechnical and hydrological

characteristics for the potential southern tailings impoundment location. In general, the data collection activities were authorized to include reverse circulation, hollow stem auger, and sonic drilling as well as trenching, test pits, and percolation testing. Existing roads were used to the greatest extent possible. Table 1 presents the disturbance authorized under the January submission.

Table 1: Authorized and Proposed Disturbance

| r Category - | Length (feet) | Pad Area: (acres) | Number | Total Acres |
|---|------------------|----------------------|--------|----------------|
| Authorized Disturbance | | | | |
| 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 |
| Sub-Total Authorized | 18,610 | | | 4.3 |
| Proposed Disturbance | | | | |
| Bore hole pads and sumps (140 feet by 90 feet) | | 0.3 | 2 | 0.6 |
| Sub-Total Proposed | | | 2 | 0.6 |
| Total Disturbance Authorized and Proposed | 18,610 | | | 4.9 |

The disturbance associated with these prior activities have been recontoured and seeded during the spring of 2006.

2.2 Proposed Activities

IGMI is proposing to drill a six-inch bore hole southeast of the proposed tailings embankment that would be used to collect geological and hydrological baseline information for water supply definition and the water pollution control permit application. Figure 2 shows the approximate well location. This bore hole would be drilled to bedrock or about 1,500 feet if bedrock is not encountered to obtain geologic data and borehole geophysics. The bore hole will be completed as a monitor well and used to measure groundwater depth and quality. The lower portion of the borehole will be backfilled before reaming the upper part of the hole to install nine-inch PVC casing for a monitor well. Based on a water level measurement in an abandoned windmill about one quarter mile southwest, the depth to groundwater is about 200 feet in this area. The monitor well will extend about 100 feet below the water table. In the event the tailings storage facility is not approved, the well would be closed according to NAC 534.

If geologic data obtained during the drilling of the monitor well indicates favorable hydrologic conditions, a second test well will be drilled about one mile southwest of the monitor well as shown on Figure 2. A 12-inch borehole will be drilled and eight-inch casing and screen will be installed. IGMI will then conduct a pump test to define the water-producing capacity of this area. If the pump test indicates that the water-producing capacity of the area meets IGMI's needs, a locking cover will be installed and the well will be completed for monitoring. If the test indicates that water production will not be adequate, the well will be closed per NAC 534.

Both wells will be located adjacent to existing roads. Drill pads will be about 140 feet by 90 feet

while sumps will be about 40 feet by ten feet by six feet. Sumps will be located within the drill pad perimeter. Table 1 presents the proposed disturbance.

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.

2.3 Approximate Date Operation Will Begin and End

The proposed project will begin in August 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 though 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 (Version 1.0).

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

The incremental reclamation cost estimate for the proposed activities is included in Appendix B. This total, \$9,994, when added to the previous bond amount of \$16,791 now total \$26,785.

Mount Hope Mine Project
Revised Notice for Baseline Drilling Activities

9

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."

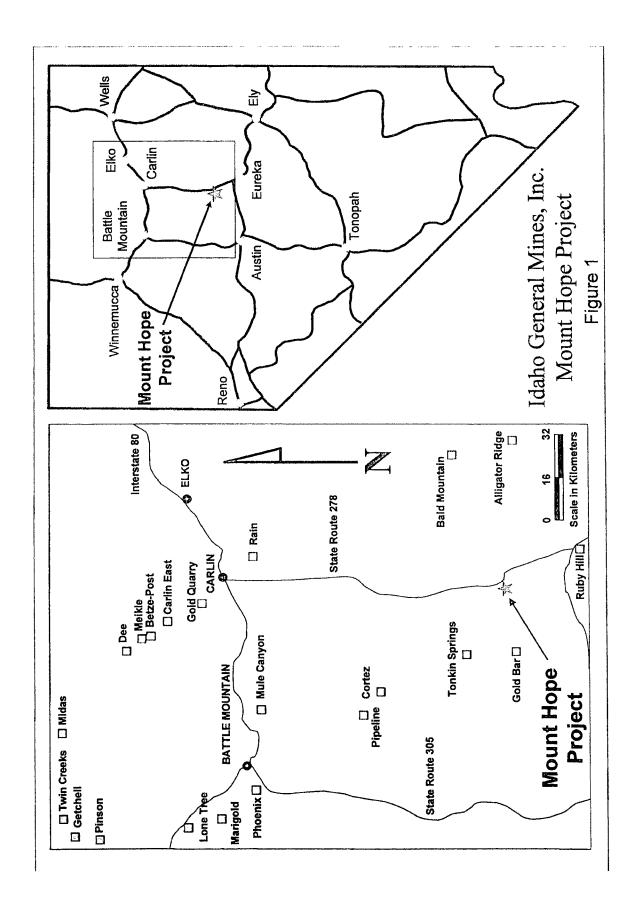
Signature:

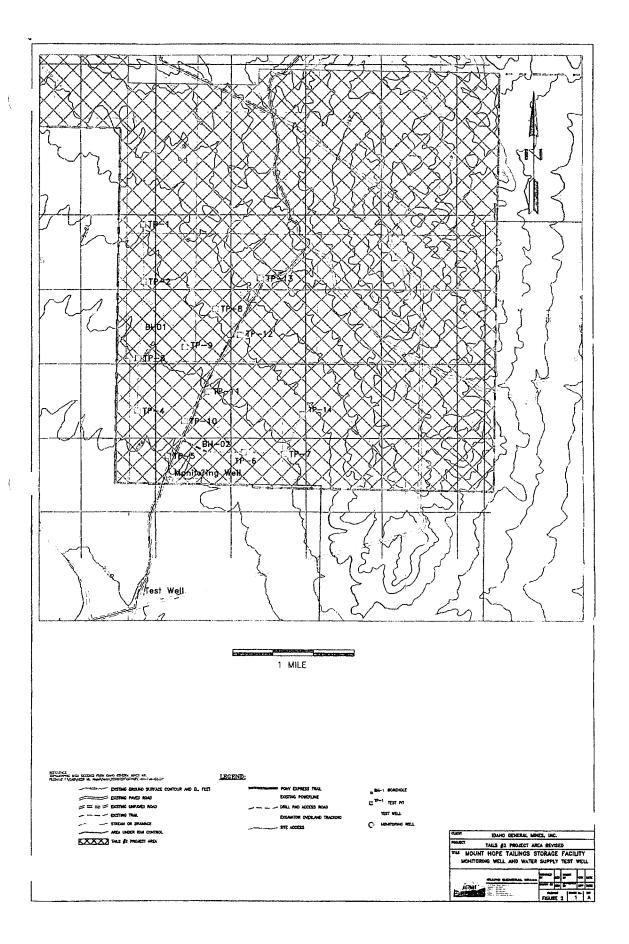
Date:

Title:

General Manager

FIGURES





APPENDIX A
LIST OF CLAIMS

Claims TSF2 1 through 404 have BLM serial numbers 922276 through 922679.

APPENDIX B

NOTICE RECLAMATION BOND ESTIMATE

STANDARDIZED RECLAMATION COST ESTIMATOR

Version 1.0

| COST DATA FILE INFORMATION | | | | | | | | |
|----------------------------|--|--|--|--|--|--|--|--|
| File Name: | SRCE_Version_1_0_072506.xls | | | | | | | |
| Cost Data File: | CostData STD NV2005.xls | | | | | | | |
| Cost Data Date: | December 1, 2005 | | | | | | | |
| Cost Data Basis: | Standardized Data | | | | | | | |
| Author/Source: | Nevada Division of Environmental Protection (NDEP) & NV BLM | | | | | | | |
| PROJECT INFORMATION | | | | | | | | |
| Project Name: | Amended Tailings Notice - Two Wells | | | | | | | |
| Date of Submittal: | July 26, 2006 | | | | | | | |
| Select One: | E Notice or Sm Exploration Plan | | | | | | | |
| Select One: | C Private Land E Public or Public/Private | | | | | | | |
| Region: | Northern Nevada - | | | | | | | |
| Region Description: | Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lyon, Mineral, Pershing, Storey, Washoe, and N 1/2 White Pine Counties | | | | | | | |
| | | | | | | | | |
| | This version has been validated and verified by the NDEPand BLM for use in Nevada for a sb-month trial period ending on or about September 30, 2006. | | | | | | | |

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Project Name: Amended Tailings Notice - Two Wells Project Date: July 26, 2006 SRCE_Version_1_0_072506.xls Notice

Table of Contents

Cost Summary

Exploration

Exploration Roads & Pads

Roads

Drill Hole Abandonment

Pits

Underground Openings

Process Ponds

Heap Leach Pads

Waste Rock Dumps

Landfills

Tailings

Foundations and Buildings

Other Demo & Equipment Removal

Yards, Etc.

Sediment & Drainage Control

Misc. Costs

Monitoring

Construction Management

Labor Costs

Equipment Costs

Material Costs

Misc. Unit Costs

Fleets (Crews)

Productivity

Seed Mixture #

NEVADA STANDARDIZED RECLAMATION BOND CALCULATION - SUMMARY

Project Name: Amended Tailings Notice - Two Wells Project Date: July 26, 2006 Model Version: Version 1.0 File Name: SRCE_Version_1_0_072506.xls

| A. Earthwork/Recontouring | Labor (1) | Equipment (2) | Materials | Total |
|--|---|------------------|---------------|---|
| Exploration | \$2,017 | \$3,580 | \$248 | \$5,8 |
| Exploration Roads & Drift Pads | \$92 | \$58 | 50 | \$1 |
| Reads Drill Hole Abandonment | \$0 | \$0 | \$ 0 | |
| Pits | \$0 \$0 | \$0 | \$0 | |
| Underground Openings | \$0 | \$0 \$0 | \$0 \$0 | |
| Process Ponds | \$0 | \$0 | \$0 | |
| Heaps | 50 | \$0 | \$0 | |
| Waste Rock Dumps | SO SO | \$0 | \$0 | |
| Landfilis | \$0 | \$0 | \$0 | |
| Tallings | \$0 | \$0 | \$0 | |
| Foundation & Buildings Areas | \$0 | \$0 | \$0 | |
| Yards, Etc. | \$0 | \$0 | \$0 | |
| Drainage & Sediment Control | \$0 | \$0 | \$0 | |
| Other** | | | | |
| ubtotal | 7 | | | |
| Mobilization/Demobilization | \$2,109 | \$3,638 \$250 | \$248 | \$5,9 |
| Subtotal "A" | | | | \$2 |
| Subtotal A | \$2,109 | \$3,888 | \$248 | \$6,2 |
| Day and the Control of the Control o | 711 | | | |
| . Revegetation/Stabilization | Labor (1) | Equipment (2) | Materials | Total |
| Exploration | \$0 | \$0 | \$0 | |
| Exploration Roads & Drill Pads | \$65 | \$55 | \$58 | \$1 |
| Roads | | | | |
| Drill Hole Abendonment Pits | | | | |
| Underground Openings | | | | |
| Process Pands | <u> </u> | | | |
| Heaps | 1 | | | |
| Waste Rock Dumps | | | | |
| Landfills | | | | |
| Tallings | | · | | |
| Foundation & Buildings Areas | T | | | |
| Yards, Etc. | 1 | | | |
| Drainage & Sediment Control | 1 | | | |
| Other** | | | | |
| Subtotal "B" | \$65 | \$55 | \$58 | \$1 |
| | 7 | | | |
| . Detoxification/Water Treatment/Disposal of Wastes** | Labor (1) | Equipment (2) | Materials | Total |
| interim Fluid Management | | | | |
| Closure Plan Development | | | | |
| Process Ponds/Sludge | ļ | | | |
| Heaps | <u> </u> | | | |
| Dumps (Waste & Landfill) | | | | |
| Tallings Surplus Water Disposal | ļ | | | |
| | ļ | | | |
| Monitoring Cther** | | | | |
| Subtotal "C" | | | | |
| Subloui C | \$0 | \$0 | \$0 | |
| Structure, Equipment and Facility Removal | Labor (1) | (2) | | T-4-1 |
| | Labor., | Equipment (2) | Materials | Total |
| Foundation & Buildings Areas Other Demoition | \$0 | \$0 | \$0 | |
| Criner Demokran Equipment Removal | \$0 \$0 | \$0 \$0 | | |
| Fence Removal | \$0 | \$0 | 50 | |
| Fence Installation | + | | | |
| Pipe & Culvert Removal | 1 | | | |
| Powerline Removal | † | | | |
| Transformer Removal | 1 | | | · - · · · · · · · · · · · · · · · · · · |
| Rip-rap, rock lining, pablons | 1 | | | |
| Other Misc. Costs | | | | |
| Other** | | | | |
| Subtotal "D" | \$0 | \$0 | \$0 | |
| | | | | |
| . Monitoring | Labor (1) | Equipment (2) | Materials | Total |
| Rectamation Monitoring and Maintenance | \$1,203 | \$245 | \$10 | \$1, |
| Ground and Surface Water Monitoring | | | | id |
| Subtotal "E" | \$1,203 | \$245 | \$10 | \$1,4 |
| | | | | |
| . Construction Management & Support | Labor | Equipment (2) | Materials | Total |
| Construction Management | \$208 | \$52 | N/A | \$ |
| Road Maintenance | 3.50 | | N/A | |
| Other" | 1 | | | |
| Subtotal "F" | \$208 | \$52 | \$0 | \$2 |
| | *************************************** | | | X |
| 0 | Labor (1) | Equipment (2) | Materials (3) | Total |
| . Operational & Maintenance Costs | I DOOR ' | | | |

^{**} Other Operator supplied costs - additional documentation required.

NEVADA STANDARDIZED RECLAMATION BOND CALCULATION - SUMMARY

Project Name: Amended Tailings Notice - Two Wells Project Date: July 26, 2006 Model Version: Version 1.0 File Name: SRCE_Version_1_0_072506.xis

| Indirect Costs | | | | include? | Total |
|--|---|---|--|--|--------------------|
| 1. Engineering, Design and Construction (ED&C) Plan (7) | | | | | N/A |
| 2. Contingency (8) | | | | | NA |
| 3. Insurance (9) | 1 | \$54 | | | \$54 |
| 4. Bond (10) | | | | | |
| 5. Contractor Profit (11) | | | | | \$814 |
| 6. Contract Administration (12) | | | | | \$814 |
| 7. BLM Indirect Cost (13) | | | | | \$171 |
| Subtotal Add-On Costs | | | | | \$1,853 |
| Grand Total | | | | | \$9,994 |
| | | | | | |
| | | | | | |
| Administrative Cost Rates (%) | | | | | |
| Administrative Cost Rates (%) | | Cost Ranges fo | or indirect Cost F | ercentages | |
| | Ça | < 0 | or indirect Cost F | Percentages | |
| Engineering, Design and Construction (ED&C) Plan (7) | \$1,000,000 | | | Percentages > \$25,000,000 | Notice Level |
| | | < 0 | | > | Notice Level |
| Engineering, Design and Construction (ED&C) Plan (7) Variable Rate | \$1,000,000 8% | \$25,000,000 5% | | > \$25,000,000 | |
| Engineering, Design and Construction (ED&C) Plan (7) Variable Rate Contingency (6) | \$1,000,000 8% c= \$500,000 | \$25,000,000 6% | <= | > \$25,000,000 4% | |
| 1. Engineering, Design and Construction (ED&C) Plan (7) Variable Rate 2. Contingency (8) Variable Rate | \$1,000,000 8% c= \$500,000 10% | \$25,000,000 6% <= \$5,000,000 8% | < | \$25,000,000 4% | 0% |
| 1. Engineering, Design and Construction (ED&C) Plan (7) Variable Rate 2. Contingency (8) Variable Rate 3. Insurance (9) | \$1,000,000 8% \$5 \$500,000 10% 1.5% | \$25,000,000 6% <= \$5,000,000 6% of labor costs | <= <= <= <= <= <= <= <= <= <= <= <= <= < | \$25,000,000 4% > \$50,000,000 | 0% Notice Level |
| 1. Engineering, Design and Construction (ED&C) Plan (7) Variable Rate 2. Contingency (8) Variable Rate 3. Insurance (9) 4. Bond (10) | \$1,000,000 8% ca \$500,000 10% 1.5% o | \$25,000,000 6% <= \$5,000,000 8% of labor costs of the O&M costs if O&N | <= <= <= <= <= <= <= <= <= <= <= <= <= < | \$25,000,000 4% > \$50,000,000 | 0% Notice Level |
| 1. Engineering, Design and Construction (ED&C) Plan (7) Variable Rate 2. Contingency (8) Variable Rate 3. Insurance (9) | \$1,000,000 8% <= \$500,000 10% 1.5% o 3.0% o | \$25,000,000 6% <= \$5,000,000 6% of labor costs | <= <= <= <= <= <= <= <= <= <= <= <= <= < | \$25,000,000 4% > \$50,000,000 | 0% Notice Level |
| 1. Engineering, Design and Construction (ED&C) Plan (7) Variable Rate 2. Contingency (8) Variable Rate 3. Insurance (9) 4. Bond (10) 5. Contractor Profit (11) | \$1,000,000 8% C3 \$500,000 10% 1.5% o 3.0% o 10% o | \$25,000,000 \$25,000,000 \$% <= \$5,000,000 8% of labor costs of the O&M costs if O&M of the O&M costs <= \$600,000 | <= <= <= <= <= <= <= <= <= <= <= <= <= < | > \$25,000,000 4% > \$50,000,000 4% > \$ | 0% Notice Level |
| 1. Engineering, Design and Construction (ED&C) Plan (7) Variable Rate 2. Contingency (8) Variable Rate 3. Insurance (9) 4. Bond (10) 5. Contractor Profit (11) 6. Contract Administration (12) | \$1,000,000 6% cm \$500,000 10% 1.5% o 3.0% o 10% o cm | \$25,000,000 \$25,000,000 \$5,000,000 8% of labor costs of the O&M costs if O&M of the O&M costs \$25,000,000 | <= \$50,000,000 6% 4 costs are >\$100,000 | > \$25,000,000 4% > \$50,000,000 4% | 0% Notice Level |
| 1. Engineering, Design and Construction (ED&C) Plan (7) Variable Rate 2. Contingency (5) Variable Rate 3. Insurance (9) 4. Bond (10) 5. Contractor Profit (11) | \$1,000,000 8% ca \$500,000 10% 1.5% o 3.0% o ca \$1,000,000 10% | \$25,000,000 \$25,000,000 \$% <= \$5,000,000 8% of labor costs of the O&M costs if O&M of the O&M costs <= \$600,000 | <= \$50,000,000 6% 1 costs are >\$100,000 | > \$25,000,000 4% > \$50,000,000 4% > \$ | 0% Notice Level |

- RECLAMATION COST ESTIMATION SUMMARY SHEET FOOTNOTES

 1. 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 tabor 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
- 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 righ labe been moved from the drill righ as been moved from the drill righ ast, there reclamation cost estimate must include the plugging cost for those fines. For all drill holes and was 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 brough as 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.
- 3. Miscellaneous items should be itemized on accompanying worksheets.
- 4. 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 cassation 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.
- 7. Engineering, design and construction (EDAC) plans are often necessary to provide details on the reclamation needed to contract for the required work. To estimate the cost to develop an EDAC plan use 4-8% of the DAM cost. Calculate the EDAC cost as a percentage of the DAM cost as follows: up to ancinctuding \$1 million, use 6%; over \$1 million to \$2.5 million, use 6%; and over \$2.5 million, use 4.%. Inclusion of a line item for the development of an EDAC plan may not be necessary for small operations, such as notice-level exploration. With small, uncomplicate Camation efforts contracting may be able to proceed without developing an EDAC plan. (EDAC is automatically eliminated if "Notice" is selected on the Property Information Sheet)
- 8. A contingency cost is included in the reclamation cost estimation to cover unforeseen cost elements. Calculate the contingency cost as a percentage of the OSM cost as follows: up to and including \$500,000, use 10%; over \$500,000 to \$5 million, use \$4\$; over \$5 million to \$50 million, use \$6\$; and greater than \$50 million, use 4%. As with the EDSC cost, inclusion of a contingency cost may not be necessary for small operations, such as notice-level.
- 9. 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
- 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.
- 11. For Federal construction contracts, use 10% of estimated O&M cost for the contractor's profit.
- 12. To estimate the contract administration cost, use 6 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 6%; and greater than \$25 million use 6%.
- 13. BLM's Indirect cost rate is 21% of BLM's contract administration costs.

Exploration

Bond Calculation Exploration

Project Name: Amended Tallings Notice - Two Wells. Notice or Exploration Date of Submittal: July 26, 2006
File Name: SRCE_Version_1_0_072506.xls
File Name: SRCE_Version_1.0
Data Cost File: CostData STD NV2005.xls

| Exploration - cost summary | | | | |
|----------------------------|---------|-----------|-----------|---------|
| | Labor | Equipment | Materials | Totals |
| Hole Abandonment Costs | \$2,017 | \$3,580 | \$248 | \$5,845 |
| Trench Backfilling Costs | | | | S. |
| Subtotal Earthworks | \$2,017 | \$3,580 | \$248 | \$5,845 |
| Trench Revegetation Costs | | | | 0\$ |
| Subtotal Revegetation | 20 | 05 | as* | æ |
| TOTALS | \$2,017 | \$3,580 | \$248 | \$5,845 |
| | | | | |

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

| Explor | xploration Drillhole Abandonment - User Inpu | ser Input | | | | | | |
|--------|--|--------------|--------------|----------|-------------|-----------|----------|----------|
| | | Hole Pluggin | 8 | | | | | |
| | | | | Total | Max Holes | | Average | |
| | | | | Number | Open at One | Casing to | Depth of | Depth to |
| | Description | Hole Type | Diameter | of Holes | E . | Кетоме | Hole | Water |
| | | | (<u>E</u>) | | | € | (# bgs) | (ft bgs) |
| - | Monitor well - 5-Inch | Reverse Circ | 5 | | , | 300 | 350 | 200 |
| ~ | Test Well - 8-Inch | Reverse Circ | • | • | | 007 | 005 | 200 |

Notes:

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

| Exploration Trenches - User input | | | | | | | | | | |
|-----------------------------------|-------------|--------|--------|-----------|----------|---|----------|----------|--------------|------------|
| | Trench Para | meters | | | | | | | Revegetation | |
| | | | Trench | Trench | | ₹ | | | | |
| Description | Trench | Trench | Bottom | Sidestope | Dozing | Material | Dozing | | _ | |
| (redulad) | Length | Depth | Width | Angle | Material | , <u>, , , , , , , , , , , , , , , , , , </u> | Files | Seed Mix | Mulch | Fertilizer |
| | æ | æ | * | degraes | (select) | (select) | (select) | (select) | (select) | (select) |
| - | | | | | | | | | | |
| | | | | | | | | | | |

| Exploration Drillhole Abandonment | | | | | | | | | | | | |
|-----------------------------------|------------|------------------|-----------------------|----------|----------|----------|---------|-----------|---------|-----------|----------|---------|
| | | | | | | | | | | | | |
| | | Hote | Total | Total | Total | Totai | Casing | Casing | Pinnoho | Dingoing | Phoning | Top Sea |
| | VolToot of | Plugging | Grout | Cuttings | Top Seal | Abandon. | Labor | Equipment | Labor | Equipment | Material | Materia |
| Description | dapth | Material | Volume ⁽²⁾ | Volume | Volume | Hours | Cost (6 | Cost | Cost | Cost | Cost | Cost® |
| | ฮ | | ঠ | ð | ó | E E | • | s | • | • | • | |
| 1 Monitor well - 5-inch | 0.14 | Grout + Cuttings | 1.30 | 0.73 | 90'0 | 6.8 | \$485 | 626\$ | \$383 | \$563 | \$E\$ | |
| 2 Test Well - 8-inch | 0.35 | Grout + Cuttings | 5.67 | 1.81 | 0.16 | 9.1 | \$638 | | \$511 | 8150 | \$146 | |
| | | | R 07 | P5 C | 0.00 | 15.9 | \$4.423 | 22.257 | 7545 | 54.343 | 2479 | |

Total Cost (5.6) S

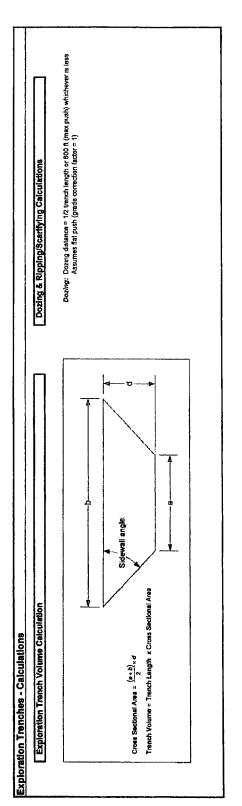
Notes

1. Assumes grout backful from bottom of hole to 50 (15.24m) above static water level, up to 10' (3m) from top of hole
2. Assumes 25% to formation for grout backful
3. Assumes 25% to formation for grout backful
4. Assumes to 10' (3 m) of hole is plugged with cemen
4. Assumes to 10' (3 m) of hole is plugged with cemen
4. Assumes that is) casing is property of mine operator, b) casing is not cemented entire length, c) does not include temporary surface casing
5. Assumes that hold for more-to-set-up & test-rown per off in the off probing required, labor crow only if outlings backful only)
5. Assumes 1 far hold for more-to-set-up & test-rown per off in the (finckudes off gline if grouting required, labor crow only if outlings backful only)

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Project Name: Amended Tallings Notice - Two Wells- Notice or Exploration Date of Submittal: July 26, 2006
File Name: SRCE_Version_1_0_072506.xls
Model Version: Version 1.0
Data Cost File: CostData STD NV2005.xls



| Explorati | Exploration Trenches - Backfill/Regrading Costs | ing Costs | | | | | | | | | |
|-----------|---|--|------------------------------------|---|--------------------------------------|------------------------------------|---|-------------------------|--|--|--|
| | Productivity = Dozer Productivity x Grade Correction x Density Correction x Operator (0.75) x Material x Visibility x Job Efficiency (0.83) | ade Correction | x Density Co | rrection x Ope | rator (0.75) x i | Kateriai x Visil | bility x Job Eff | Iclency (0.83) | | | |
| | Description (required) | Trench Bacdrill Volume LCY (BCY +30%) | Dozer Push Distance | Dozer Productivity LCY/nr | Dozing Material | Density Correction | Corrected Hourly Productivity syhr | Total Dozer Hours | Trench Beckfill Labor Cost \$ | Trench Backfill Trench Backfill Equipment Cost Cost \$ | Total Trench Backfill Cost \$ |
| - | | | | | | | | | | | |
| | | | | | | | | | | | |
| Explorati | Exploration Trenches - Revegetation Costs | osts | | | | | | | | | |
| | | | | | | | | | | | |
| | Description (required) | Surface Area acres | Revegetation Labor Cost S | Revegetation Equipment Cost \$ | Revgetation Material Cost S | Total Revegetation Cost S | | | | | |
| - - | | | | | | | | | | | |
| | | | | | | | | | | | |

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Bond Calculation Expl. Roads & Pads

Project Name: Amended Tailings Notice - Two Wells- Notice or Exploration Date of Submittal: July 26, 2006
File Name: SRCE_Version_1_0_072506.xls Model Version: Version 1.0
Data Cost File: CostData STD NV2005.xls

| | | Lebor. | Equipment | Materials | Totals |
|----------------------|---------------------|--------|-----------|-----------|--------|
| Grading Costs | | | | N/A | |
| Cover Placement Cost | | | | N/A | 0\$ |
| Ripping Cost | | \$85 | 858 | A/A | \$120 |
| | Subtotal Earthworks | 265 | 855 | | \$180 |
| Revegetation Cost | | 998 | \$55 | 85\$ | \$178 |
| | TOTALS | \$167 | \$113 | 85\$ | \$328 |

User Input - Direct Input User Input - Pub Down List Program Constant (can override) Program Calculated Value

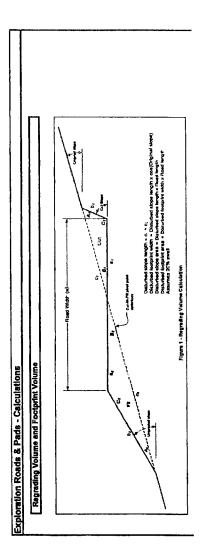
| Exploration Roads & Pads - User Input | | You must ful | You must ful in ALL green calls and relevant bias calls in this section for each road | alls and releva | mt blue cells | n this section | for each roac | | | | | | |
|---------------------------------------|------------------------------|----------------------------|---|-------------------------------|---------------|-------------------------|-------------------------|--------------------------|---------------------------------|---|--|------------------------------|--|
| Physical Characteristics | | | | | Physical (1) | | | | | User Override | remdes | 9 | |
| Description (required) | Original Slope % grade | Ungraded Stope Stope | Cut Slope degrees | Road + Dritt Pad Length | Roed Width | Number of Orill Pads | Drill Pad Width R | Drill Pad Length R | Slape Replacement Percent | Regrade Velume (if calculated elsewhere) cy | Disturbed Area (if calculated alsewhere) acres | Growth Media Thickness | |
| 1 2 chill packs 140' by 90' | 0 | • | o | 280 | 04 | 7 | 8 | 130 | 100% | | | | |
| | | | | | | | | | | | | | |

Growth Media Distance to Growth Media Stockpile

(1) All Physical parameters must be input even if manual overrides for volume or area are used

| Exploration Roads & Pads - User Input (cont.) | | You must fill | You must fill in ALL green cells and relevant blue cells in | ils and releva | nt bine cells i | ā | s section for each road | | | |
|---|---------------------------------|----------------------------|--|------------------------------------|---|-------------------|-------------------------|------------------------|-------------------------------------|--------------------------|
| | | Grading | | S | Cover | | | Revegetation | | |
| Description (required) | Regrade Material (select) | Cut Material Type (select) | Cut Material Recontouring Type Equipment Fleet ⁽²⁾ (select) | Cover Material Type (select) | Placement Equipment Fleet (select) | Seed Mix (select) | Mulch (select) | Fertilizer (select) | Scarifying/ Ripping? (select) | Ripping Fleet (seled) |
| 1 2 drill pade 140' by 90' | 7. | Topsoff | optimize | | | User Hix 2 | None | None | Yes | Small Dozer |
| | | | | | | | | | | |

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



7/27/2006 Orgista e 2011 - Julley V Penidoy All Pigdes Rumanda

Page 7 of 12

Expl. Roads & Pads

Expl. Roads & Pads

Bond Calculation Expl. Roads & Pads

Project Name: Amended Tailings Notice - Two Wells- Notice or Exploration Date of Submittal: July 28, 2006
File Name: SCRE_Version_1_0_072506.xls
Model Version: Version 1.0
Date Cost File: CostDate STD NV2005.xls

Will not allow dozer for slopes greater than 30%. For dozer regrading push distance = road width Assumes dozer push is uphill.
Assumes minimum push distance of 100 ft.

Minimum i hr ripping/scanfrying lime por area
Number of passas = Thin slope length - Grader width
Travel distance = Number of passas x Road finingli
Travel distance = Number of passas x Road finingli
Total house = (Travel distance + Grader productivity) + (Number of passas x Grader maneuver lime)
For dozer regrading assumes push distance = 3 x road width Ripping/Scarffying Catculations

Revegetation Calculations

Minimum of 1 acre crew time per area

)) Total road langth. "Road langth + (number of drift peads > drift pead langth):
Total road langth = 300 + (2 x 100)
= 1000 Road langth = 800 Ontiped langth = 100 EXAMPLE: Drill rood with two drill pods 2) Enter race largth = 1000 3) Enter race and drift pad wedne 4) Enter number of pada = 2 5) Enter largeth of drift pac = 100 Road width = 1E Drill pad width = 30 Inputting Exploration Roads and Drill Pads

7/27/2006 Capigk 0 200: Miny V Pasksy All Egis Sannel

Page 8 of 12

Bond Calculation Expl. Roads & Pads

Project Name: Amended Tallings Notice - Two Wells- Notice or Exploration Date of Submittal: July 26, 2006
File Name: SRCE_Version_1 0_072506.xls
Model Version: Version 1.0
Data Cost File: CostData STD NV2005.xls

| | Total | Total | | | | Total | Total | Total | Tobal |
|---|--------|--------------|--------------|---------------|--------------|--------------|-----------|------------|------------|
| Description | Road | Drill Pad | Regrading | Reconfouring | | Floor | ioga-1 | Equipment | Regrading |
| (padriped) | fi = | (in a | Volume o | 19 0 1 | Productivity | ž. | 00 S | • Set | ğ → |
| 1 12 drill pads 140' by 90' | 8 | 260 | | | Solect Floot | Select Fiber | | | |
| | 8 | 280 | | | | | | | |
| Exploration Roads & Pads - Growth Media Costs | sts | | | | | | | | |
| | | | | | | | | | |
| | Growth | Grawth Media | | Number of | Total | Total | Total | Total | |
| Description | Ked)a | Replacement | | Trucks | Float | ğ | Equipment | Topsoiling | |
| (pesinbas) | Volume | F. | Productivity | Scrapara | Hours | je de | t Coat | 15 w | |
| | ò | | BCYAT | | | • | _ | • | _ |

| Exploration Roads & Pads - Scarifying/Revege | tation Cost | | | | | | | | | |
|--|-------------|--------|---------|---------|---------|-------|--------------|--------------|-------------|-------|
| Passeletion | Surface | Final | polocia | Ripping | Ripping | Total | Revegetation | Revegetation | Revgetation | Total |
| (pespitas) | Area | Length | Hours | Cont | Costs | Costs | | Çost | Cost | |
| 1 2 dril pade 140' by 90' | 0.5 | 96 | 1.0 | \$92 | \$58 | \$150 | \$65 | \$55 | \$58 | \$178 |
| | - | | 1.0 | 26\$ | \$2\$ | \$150 | \$9\$ | \$5\$ | \$58 | \$176 |

7/27/2006 Caprigat & State - Jeffay V. Turakey, AS Rights Rammad.

JA2995

Page 9 of 12

Bond Calculation Monitoring

Project Name: Amended Tailings Notice - Two Wells- Notice or Exploration Date of Submittal: July 26, 2006
File Name: SRCE_Version_1_0_072506.xls
Model Version: Version 1.0
Data Cost File: CostData STD NV2005.xls

| Reclamation Monitoring & Maintenance - Cost Summary | | | | | | | | |
|---|---------|-----------|-----------|-----------------|--|--|--|--|
| | Labor | Equipment | Materials | Totals | | | | |
| Reclamation Maintenance | \$3 | \$2 | \$10 | \$15 | | | | |
| Reclamation Monitoring | \$1,200 | \$243 | N/A | \$15 \$1,443 | | | | |
| Subtotal Reclamation Monitoring | \$1,203 | \$245 | \$10 | \$1,458 | | | | |
| Water Quality Monitoring | | | | | | | | |
| TOTAL MONITORING | \$1,203 | \$245 | \$10 | \$1,458 | | | | |

| Description | Total Acres acres | % Acres Requiring Reseeding | Seed Mix (select) | Area Requiring Reseeding acres | Seed (\$/Acre) \$/acre | Labor (\$/Acre) \$/acre | Equipment (\$/Acre) \$/acre | Yotals \$ |
|------------------------------|---------------------------------------|-----------------------------------|----------------------|---|------------------------------|-------------------------------|-----------------------------------|--------------|
| Reseeding | 0 | 10% | Mix 1 | 0 | \$250.00 | \$65.00 | \$55.00 | |
| Labor | | | | | | | | \$3 |
| Equipment | | | | | | | | \$ |
| Materials | <u></u> | | | l | | | | \$1 |
| Cost/Acre | | | | | | | | \$370,0 |
| Subtotal | | <u> </u> | | <u> </u> | | | L | \$1 |
| | | | | | | | | |
| Reclamation Monitoring | | | | | | | | |
| Description | Hrs/Day | Days/Year | Number of Years | Rate (\$/hr) | | } | | |
| Field Work | | | · | | | | | |
| ield Geologist/Engineer | | 1 | | \$75 | | | | |
| Range Scientist | 4 | 1 | 3 | \$75 | 1 | | | \$90 |
| Reporting | · · · · · · · · · · · · · · · · · · · | | | | | | | |
| ield Geologist/Engineer | | | | \$75 | | | 1 | |
| Range Scientist | 4 | 1 | 1 | \$75 | | | | \$30 |
| Subtotal | | | | | | | | \$1,20 |
| ravel | | | | | | | | |
| | Miles/Trip miles | Trips/Year | Years | Truck Cost \$/hr | | | | |
| ravel | 200 | 1 | 3 | \$0.405 | | | | \$24 |
| Subtotal | | | | | T | | | \$24 |
| | | | | M | | | | |
| Total Reclamation Monitoring | | | | | | | | \$1,44 |
| Notes: | | | | | | | | |

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Monitoring

Bond Calculation Monitoring

Project Name: Amended Tailings Notice - Two Wells- Notice or Exploration Date of Submittal: July 26, 2006
File Name: SRCE_Version_1_0_072506.xis
Model Version: Version 1.0
Data Cost File: CostData STD NV2005.xis

| Ground & Surface Water | r Monitorina | | | | | | | |
|--------------------------------|--------------|-----------------|--------------|----------------|-------------|----------------|-----------------|--------------|
| Field work | - monitoring | | | - | | | | |
| Description | No. of units | Hrs/Day | Daya/event | Events/Year | No. Years | Man-hours/year | Rate (\$/hr) | Cost \$ |
| Field Tech/Sampler | T | | | | | | | |
| Pickup Truck | | 4 | | J | L | | | |
| Pump (purchased) | | <u></u> | | | | | | |
| | | | | | | Subto | tal Field Work | |
| Sample Analysis | | | | | | | | |
| Description | Samples | Events/Year | No. Years | Analysis Cost | Supplies | Lab Cost | Material Cost | Cost |
| | # | C101111 1 1 2 | 110. 102.0 | \$/sample | \$/sample | \$ | S S | Gost \$ |
| | | | | ļ | | Ţ | ļ <i>J</i> | |
| | + | + | | + | | | | |
| | | | 1 | | | | | |
| | | | | | i | + | | |
| | | | | | | Subotal Sa | mple Analysis | |
| Reporting | | | | | | | | * |
| Description | Hrs/Event | Rate (\$/hr) | Events/Year | Man-hours/year | No. Years | | | Cost \$ |
| Field Geologist/Engineer | | | | | | | | |
| L | <u></u> | | | | | Subtr | otal Reporting | |
| | | | | | | | | |
| Total Water Quality Monitoring | 9 | | | | | | ľ | |
| 1 | | | | | | | • | |
| Notes | K. | | | | | | | |
| L | | | | | | | | |

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Monitoring

Bond Calculation Constr. Mgmt

Project Name: Amended Tailings Notice - Two Wells- Notice or Exploration Date of Submittal: July 26, 2006
File Name: SRCE_Version_1_0_072506.xls
Model Version: Version 1.0
Data Cost File: CostData STD NV2005.xls

| Construction Management & Road Maintenance - Cost Summary | | | | | | | |
|---|-------|-----------|-----------|--------|--|--|--|
| | Labor | Equipment | Materials | Totals | | | |
| Construction Management | \$208 | \$52 | N/A | \$260 | | | |
| Road Maintenance | | | N/A | | | | |
| TOTAL CONSTRUCTION MANAGEMENT | \$208 | \$52 | | \$260 | | | |

| Construction Manage | ment | | | | | | |
|--------------------------|-----------------|-----------------|--------------------------|-----------------------------|---------------------|--|-------------|
| Description | Duration mo. | Hours/ Month | Number of Supervisors | Supervisor Rate \$/hr | Labor Cost \$ | Equipment Cost ⁽¹⁾ \$ | Totals S |
| Active Reclamation | 1 | 4 | 1 | \$52 | \$208 | \$52 | \$28 |
| Monitoring & Maintenance | | | | | | | |
| Total Project Management | | | | | \$208 | \$52 | \$26 |

| Description | Fieet Size | n | Hours/ | Labor | Equipment | |
|-------------------------|-------------------------|---------------------|--------|-------|--|-------------|
| Description | | Duration | Month | Cost | Cost | Totals |
| | (select) | mo. | | | 3 | \$ |
| Active Reclamation | | | | | | |
| Water Truck | | | | T | | |
| Grader | | | | | | |
| Monitoring & Mainten | ance | | | ···· | ************************************* | |
| Water Truck | | | | T | T T | |
| Grader | | | | | | |
| Total Project Maintenan | ice | | | | | |
| | ···· | | | | | |
| blot | es: 1) Supervisor equij | mant - nickun tau | N. | | | |
| (40% | es. 1) supervisor equi | suseur - bickab nar | ж. | | | |

7/27/2006 Contright 0 2004 - Leffrey V Purckley All Hights Ro

12 of 12

Constr. Mgmt



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

AUG 0 2 2007



1. Mullary 8/2/0=

In Reply Refer To: 3809 NVN-081485 (06-1A) NV063

CERTIFIED MAIL NO: 7006 2150 0000 0369 8472 RETURN RECEIPT REQUESTED

CORRECTED DECISION OF DECISION ISSUED August 8, 2006

James Moore

: 43 CFR 3809 – Surface Management

Idaho General Mines, Inc.

Notice Amendment

N. 10 Post Street, Suite 610

Spokane, WA 99201

Determination of Required Financial Guarantee Amount

This Decision is issued to correct the amount of increase of the Required Financial Guarantee. On August 8, 2006, the Bureau of Land Management (BLM) sent a certified letter (CERTIFIED MAIL NO. 7005 1820 0001 0171 4490) acknowledging Idaho General Mines, Inc.'s notice amendment. Page one of this letter stated that "this office has reviewed your reclamation cost estimate and has determined that the amount of \$26,785.00 is sufficient to meet all anticipated reclamation requirements. This estimate is: \$9,994.00 more than the original cost estimate of \$16.791.00 and is sufficient to meet all anticipated reclamation requirements." \$26,785.00 is the correct total cost estimate, but this estimate is retually

ancial Guarantee – This office has reviewed your reclamation cost estimate and has determined that the \$26,785.00 that Idaho General Mines Inc. submitted 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 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.

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 – You currently have a financial guarantee of \$26,785.00 posted with the Bureau of Land Management. You are not required at this time to post any additional financial guarantee but are required to maintain a financial guarantee of \$26,785.00 with 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, and that upon expiration of the Notice, all activities, other than reclamation, are unauthorized and must cease.

<u>Term of Notice</u> - Your Notice will remain in effect for 2 years from the date of the original 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 - 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 CFE 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, functary items, sacred objects, or objects of cultural patrimeny. Further, pursuant to 1 a 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.

additional stipulations concerning your notice.

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 fice. 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 successor he are it.
- 2. The lifetibes doffinmediate and irrepetable harm is heavy a margin of the ex-
- 1. Whether the public interest favors granting the stay

Thomas J. Seley

Thomas J. Scley
Assistant Field Manager
Nonrenewable Resources

Enclosures

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



In Reply Refer To: 3809 NVN-081485 (06-1A)

NV063

CERTIFIED MAIL NO. 7005 1820 0001 0171 4490 Return Receipt Requested

DECISION

AUG - 8 2006

971.00

James Moore Idaho General Mines, Inc. N. 10 Post Street, Suite 610 Spokane, WA 99201 43 CFR 3809 - Surface Management

Notice Amendment

Determination of Required Financial Guarantee Amount

On August 2, 2006 Idaho General Mines, Inc. submitted a Notice amendment for the Mt. Hope Project located in MDB&M., T. 21 N., R. 52 E., section 7. The Notice amendment has been assigned Bureau of Land Management (BLM) case file number NVN-081485(06-1A).

Your Notice amendment increases the acreage of disturbance from 4.3 acres to 4.9 acres, consisting of 14 test pads and pits, four bore hole pads, 13,890 feet of overland travel and 4,720 feet of roads. 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 \$26,785.00 is sufficient to meet all anticipated reclamation requirements. This estimate is \$9,994.00 more than the original cost estimate of \$16,791.00 and 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 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.

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 – Idaho General Mines, Inc. currently has a bond of \$16,791.00, which is \$9,994.00 less than the amended cost estimate.

A financial guarantee in the amount of \$9,994.00 must be filed and accepted by the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006. You must receive written notification from that office accepting and obligating your financial guarantee before you may begin any surface disturbing operations above and beyond your original notice proposal.

The types of financial instruments that are acceptable to the BLM are found at 43 CFR 3809.555. Information on the Nevada BLM bonding process and bond contract forms is enclosed with this letter. Please contact the Branch of Minerals Adjudication at 775-861-6599 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.

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.

<u>Term of Notice</u> - Your Notice will remain in effect for 2 years from the date of the original 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.

<u>Cultural Resources</u> - 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.

<u>Guidelines for Operations Conducted Under a Notice</u> - The attached document provides additional stipulations concerning your notice. Stipulations 17 and 18 do not apply to your surface disturbing activities.

Appeal of the Decision Determining the Required Financial Guarantee Amount - 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.

<u>Contact</u> - If you have any questions pertaining to this decision, please contact Stephen Drummond, Supervisory Mining Engineer at 775-635-4160 or Sheila Mallory, Geologist at 775-635-4017 or at the above address.

Thomas J. Seley

Thomas J. Seley Assistant Field Manager Nonrenewable Resources

- 3 Enclosures
 - 1- Guidelines for Operations Conducted Under a Notice (1p)
 - 2- Recommended Seed Mix (Wyoming Sagebrush Community) (1p)
 - 3- Form 1842-1 (1p)

cc: BLM, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006

SMALLORY:sm:8/8/06:S:\PUBLIC\nonrenewable\minerals\letters\LETTERS FINALIZED\NOTICES AMENDED IN WO FORMAT\ldaho General Mines_NVN_081485_061A.doc



KENNY C. GUINN
Governor
August 9, 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 Brauch; 1771 E. Flamingo Rd, Suite #120-A Las Vegas, Nevada 89119 (702) 486-4343 Fax (702) 486-4345

ALAN R. COYNER
Administrator

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

Attention: Robert L. Russell

Re: Reclamation Bond for Notice, BLM case file number NVN-081485 (06-1A)

Dear Idaho General Mines, Inc.,

Effective August 9, 2006, you have obtained a reclamation bond for the notice referenced above in the amount of \$9,994.00 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:

| Ц. | 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. |
|----|--|
| | 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,

Doug Driesner for

Alan R. Coyner

Enclosure - As stated

e: BLM-NSO Attn: Cindi Dragon

BLM - Battle Mountain FO Attn: Sheila Mallory or Steve Drummond

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

Commission on Mineral Resources

Eugene Kozlowski; Oil and Gar John Mudge; Lerge-Scale Mining Ron Parrati, V. Chair.; Exploration and Development

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Battle Mountain Field Office
50 Bastian Road
Battle Mountain, NV 89820
http://www.nv.bim.gov



to Reply Refer To: 3809 NVN-081485 (06-1A) NV063

CERTIFIED MAIL NO. 7005 1820 0001 0171 4490 Return Receipt Requested

AUG -8 2006

DECISION

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

43 CFR 3809 - Surface Management

Notice Amendment

Determination of Required Financial Guarantee Amount

On August 2, 2006 Idaho General Mines, Inc. submitted a Notice amendment for the Mt. Hope Project located in MDB&M., T. 21 N., R. 52 E., section 7. The Notice amendment has been assigned Bureau of Land Management (BLM) case file number NVN-081485(06-1A).

Your Notice amendment increases the acreage of disturbance from 4.3 acres to 4.9 acres, consisting of 14 test pads and pits, four bore hole pads, 13,890 feet of overland travel and 4,720 feet of roads. 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 \$26,785.00 is sufficient to meet all anticipated reclamation requirements. This estimate is \$9,994.00 more than the original cost estimate of \$16,791.00 and 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 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.

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 - Idaho General Mines, Inc. currently has a bond of \$16,791.00, which is \$9,994.00 less than the amended cost estimate.

A financial guarantee in the amount of \$9,994.00 must be filed and accepted by the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006. You must receive written notification from that office accepting and obligating your financial guarantee before you may begin any surface disturbing operations above and beyond your original notice proposal.

The types of financial instruments that are acceptable to the BLM are found at 43 CFR 3809.555. Information on the Nevada BLM bonding process and bond contract forms is enclosed with this letter. Please contact the Branch of Minerals Adjudication at 775-861-6599 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.

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 the original 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 - 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

Guidelines for Operations Conducted Under a Notice - The attached document provides additional stipulations concerning your notice. Stipulations 17 and 18 do not apply to your surface disturbing activities.

Appeal of the Decision Determining the Required Financial Guarantee Amount - 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 Stephen Drummond, Supervisory Mining Engineer at 775-635-4160 or Sheila Mallory, Geologist at 775-

> Assistant Field Manager Nonrenewable Resources

- 3 Enclosures
- 1- Guidelines for Operations Conducted Under a Notice (Ip)
- 2- Recommended Seed Mix (Wyoming Sagebrush Community) (1p)
- 3- Form 1842-1 (1p)

cc: BLM, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006

Form 3809-4a (January 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SURFACE MANAGEMENT PERSONAL BOND RIDER

OMB APPROVED OMB No. 1004-0194 Expires: January 31, 2007

| | | ************************************** |
|---|--|--|
| In consideration for this rider and the acceptant | ce of this rider by the Bureau of Land Management on | height of the Trains Server Co. |
| attaches to and is part of Sauface Management B | and No. NVB 000 493 issued on behalf of NE | Standard The United States of America, this richer |
| | | LYADA DIVISION OF |
| MINERALS, RECLAMATION | PERFORMANCE BOND POOL | |
| principal, in favor of the United States. The bon | d provides coverage as shown below- | |
| | · · · · · · · · · · · · · · · · · · · | |
| Individual NJA | *: Or Statewide AND LAND | |
| (Euter BLM Serial No.) | ; or Statewide <u>NEVADA</u> (Enter Names of State, if applicable) | ; or Nationwide U/A |
| ☐ INCREASE/DECREASE IN DOLLAR AT | MOUNT OF ROND OOVER A CE | те, и аррисане) |
| It is understood and percent that | TO BOALD COVERAGE | • |
| A. I. I. I. | , pri | incipal, is increasing/docreasing the coverage of |
| ms could to the amount shown below; however | t, this rider shall not act to increase/decrease the actor | al commissive or potential liability above the San |
| amount of the bond, to wit: | - | The same of the same |
| | | |
| C STATEMENT | U.s. | dollars (\$). |
| STATEWIDE/NATIONWIDE BOND | | |
| Include name of State is an annual Catenas bond of | coverage to include any and all esperations under 43 CFI | R 3802 and 43 CFR 3809 |
| Include name of State if coverage is Statewide | | |
| D BOND COVERAGE EXTENDED | | |
| The principal hereby agrees to and extends bond o | overage to include notice-level operations pursuant to r | regulations at 43 CFR 3809. |
| ☐ THIRD PARTY POSTING OF THE FINAL | NCIAL INSTRUMENT FOR THE BOND | |
| | · • • • • • • • • • • • • • • • • • • • | t. |
| It is understood and agreed that | | , is pledging the financial instrument to |
| secure the attached bond on behalf of | | |
| S. compression | | perator and principal on the bond. |
| M COPRINCIPAL NEVADA DI | dision of Minerals | |
| It is understood and agreed that RECLAMATIO | IN PERFORMANCE BOND POOL, prin | |
| | , più | seripat, is extending the coverage of the bond |
| reservaced above to include liabilities for operation | os conducted by IDAHO GENERAL MINE | S INC. on potice/plan of |
| sezialized NVN ~ 081485 (OL-14) | MT HOPE PROJECT AMENDMENT, | the state of the s |
| Continued on page 21 | MILL HOLE LEADER HINCHDWENL | THE ANOUNT OF 99,994. OR |

| | A | |
|--|--|--|
| This coverage of obligations shall continue who | NOTE | s has subsequently been suspended or terminated. This rider shall us |
| alter, or extend any provision or condition of the | l liability of the principal or bond abo | s has subsequently been suspended or terminated. This rider shalt us ove the face amount of the bond. Nothing herein contained shall var- ted. |
| ancountry allip | down to live in the | |
| NEVADA DIVISION OF MINER | ILS | |
| RECLAMMION PERFORMANCE | Bonto Pool | |
| (Principal) | | (TIN or SSN, if applicable) |
| Down Down | | |
| (By) | | |
| | | |
| DEPUTY ADMINISTRATOR | | |
| (Title) | | |
| 000 | | |
| 400 W. KING ST. #106 | CARSON CITY NV 8 | 9703 |
| (Business Address) | | |
| State of Nevada | a | |
| | County of Lyon | |
| Subscribed and Sweam to before use this 9+4 | day of A. I a | |
| | day of Hugust 2 | 2006 |
| by Doug Driesner | | |
| 9 | Name of the last o | CEORCE DISTOR |
| a v. U | | GEORGE BISHOP NOTARY PUBLIC |
| Notice Public | 9/30/09 | STATE OF NEVADA 8 |
| (total i mine) | (My Commission Expires) | - Possessessessessessessessessessessessesse |
| The Brimmy Assactance | NOTICE | |
| required by this application. | FR 2.48(d) provide that you be finni | ished the following information in connection with information |
| AUTHORITY: 30 U.S.C. 22 et seq.; 43 U.S.C. 17 PRINCIPAL PURPOSE: Information is being use | 32[b] and 1782[c]; 31 U.S.C. 9301 c | t sec.: 43 CFR 3807 and 43 CFR 3800 |
| AUULINE USES: RYM will only are a | | MA SULTACE DISTURBANCE ON WINNIE I walk |
| ROUTINE USES: BLM will only disclose the inf EFFECT OF NOT PROVIDING INFORMATION | ormation according to the regulation | is at 43 CFR 2.56(d). cessary to receive a benefit. Failure to disclose this information |
| The Panerson's Padage And Properties. | 2 | cessary in receive a benefit. Failure to disclose this information |
| The Paperwork Reduction Act of 1995 requires as BLM collects this information to grant the right to Response to this request is required to obtain a ben | to inform you that: | |
| Response to this request is required to obtain a ben BLM would like you to know that you do not be | हति. जीत | otics on public lands. |
| currently valid OMB control number. | e to respond to this or any other Fe | dual agency-sponsored information collection unless it displays a |
| | | |
| Public reporting burden for this form is setimented | BURDEN HOURS STAT | EMENT |

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. Washington, D.C. 20240.

Washington, D.C. 20240.

(Form 3809-4a, page 2)



Lureka Moly LLC.

2215 North 5th St. Elko, NV 89801 Phone: 775.753.5009 Fax: 775.753.7722

Email: bmusser@generalmoly.com Website: www.generalmoly.com

September 8, 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 5

Dear Steve:

This is to inform the Bureau of Land Management (BLM) that Eureka Moly, LLC. (EMLLC) is requesting to amend Notice 081485, Drilling Activities at Tails #2 Site, to drill four new boreholes and install two new test wells. The changes in this amendment have been included in the reclamation cost estimate update.

The proposed locations of the new activities are within the existing expanded boundary (See Figure 1).

Proposed 2008 Disturbance

The four new monitoring wells included in the previous amendment submittal (TM-A, TM-B, TM-C, and TM-D) have been installed. Please note in Table 1 adjustments made to the pad area acreages for each site to reflect actual surveyed area disturbance. TM-C and TM-D were relocated to avoid archeological sites which eliminated the overland travel access routes associated with each site. This reduced the total acreage of disturbance for these four wells from 1.32 acres to 0.77 acres (Table 2).

One of the new test wells, STSF-TW1, will be located on the existing pad constructed for TM-B and will utilize the same sump, eliminating the need for new disturbance. The second new test well will be located on the same pad as one of the four new boreholes, to be determined at the time of drilling based upon the results of the boreholes. Because its location cannot be pre-determined, one of the borehole pads will be bonded for 70'x120' (0.19 acres) to accommodate the drilling and construction of the one test well. The total additional proposed acreage of new disturbance will be 0.25 acres (Table 1).

Drill hole depths for both the boreholes and test wells will be from 650 to a maximum of 1,000 feet. The initial 50 feet of each test 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 in the screened interval, with a sanitary seal placed from land surface to 50 feet on the outside of the 16" casing. (See Attachment 1).

The disturbance associated with the four new boreholes and two wells will be 0.76 acres for four drill pads (Table 1). The disturbance previously created under this notice is 4.60 acres (Table 2). The correction for actual disturbed area for the four monitoring wells reduced the existing disturbance acreage to 4.06 acres, bringing the total disturbance including the four new pads under this notice to 4.31 acres.

Table 1: Proposed Disturbance for Tailings Boreholes and Test Wells

| Category | Access Length (feet) | Access Area (acres) | Pad Area (acres) | Total Acres |
|---|----------------------------|---------------------------|------------------------|----------------|
| TSF-X1 | 0 | 0 | 0.19 | 0.19 |
| TSF-X2 | 0 | 0 | 0.02 | 0.02 |
| TSF-X3 | 0 | 0 | 0.02 | 0.02 |
| TSF-X4 | 0 | 0 | 0.02 | 0.02 |
| STSF-TW1 | 0 | 0 | 0 | 0 |
| STSF-TW2 | 0 | 0 | 0 | 0 |
| Subtotal | 0 | 0 | 0.25 | 0.25 |
| Acreage of existing disturbance (corrected) | | | | 4.06 |
| Ţ | otal | | | 4.31 |

Table 2: South Tailings Storage Facility Geotechnical Investigation Disturbance (through Amendment # 5).

| BORE HOLE/ TEST PIT | PAD AREA (FT²) | TRACKING LENGTH (FT) | TRACKING WIDTH (FT) | TRACKING AREA (FT²) | TOTAL DISTURBED AREA (FT²) | | |
|---------------------------|----------------------|----------------------------|------------------------|------------------------|----------------------------------|--|--|
| Test Pits | | | | | | | |
| 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 | | | |
| Subtotal | 30,143 | 12,178** | 7 | 85,246 | 115,389 | | | |
| 342.0 | | Bore | Holes | | | | | |
| 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 | | | |
| 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 | | | |
| TSF-X1 | 8,400 | 0 | 0 | 0 | 8,400 | | | |
| TSF-X1 | 1,000 | 0 | 0 | 0 | 1,000 | | | |
| TSF-X1 | 1,000 | 0 | 0 | 0 | 1,000 | | | |
| TSF-X1 | 1,000 | 0 | 0 | 0 | 1,000 | | | |
| Subtotal | 12,700 | 3,728 | 7 | 26,096 | 38,796 | | | |
| | | Monitori | ng Wells | | | | | |
| TM-A | 10,500 | . 0 | θ | θ | 10,500 | | | |
| TM-A -corrected | 3,945 | 0 | 0 | 0 | 3,945 | | | |
| TM-B | 40,500 | 550 | 7 | 3,850 | 14,350 | | | |
| TM-B -corrected | 11,917 | 550 | 7 | 3,850 | 15,767 | | | |
| TM-G | 10,500 | 1,12 5 | 7 | 7,875 | 48,375 | | | |
| TM-C -corrected | 9,249 | ***0 | 0 | 0 | 9,249 | | | |
| TM-D | 10,500 | 583 | 7 | 4,081 | 14,581 | | | |
| TM-D -corrected | 4,943 | ***0 | 0 | 0 | 4,943 | | | |
| Subtotal | 30,054 | 550 | 7 | 3,850 | 33,904 | | | |
| ļ | | | Wells | | | | | |
| STSF-TW1 | 0 | 0 | 0 | 0 | 0 | | | |
| STSF-TW2 | 0 | 0 | 0 | 0 | 0 | | | |
| Subtotal | 0 | 0 | 0 | 0 | 0 | | | |
| TOTAL | 72,897 | 16,456 | l | 115,192 | 188,089 4.31 | | | |
| TOTAL DISTU | TOTAL DISTURBED AREA (AC) | | | | | | | |

^{*} Overland travel disturbance was eliminated for these test pits as the disturbance was not of sufficient magnitude to require

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

^{**} Overland travel disturbance was eliminated for these monitor wells when the well locations were adjusted to avoid archeological

*** Overland travel disturbance was eliminated for these monitor wells when the well locations were adjusted to avoid archeological

Mr. Stephen C. Drummond August 28, 2008 Page 4 of 5

Amendment have been included in the reclamation cost estimate. Using this model and entering the disturbance data resulted in a reclamation cost estimate of \$88,913 (Attachment 2).

If you have any questions regarding this request for Amendment 5 to Notice 081485, please contact me at the number above.

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

çc:

Pat Rogers, GMI Casey Kelly, GMI

Carrie Dubray, EMLLC

Mr. Stephen C. Drummond August 28, 2008 Page 5 of 5

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 5.11 acres, and using the actual disturbance footprints results in a total of 4.31 acres of disturbance.

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

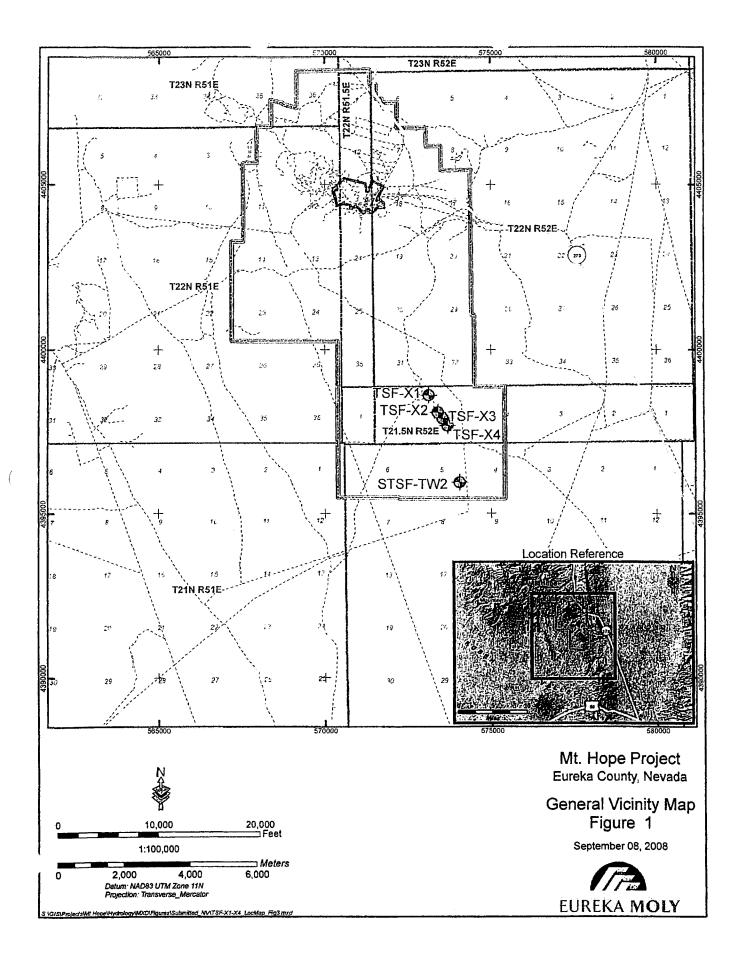
- 1. Bore holes 17 bore holes are included in the reclamation cost, only one hole would be open at any given time, the maximum depth of a bore hole would be 1,100 feet. This is included in the "Feet of Open Holes-Wet" entry in the SRCE-based Reclamation Cost Model with Calculators (Model).
- 2. Bore hole pads are approximately 20 ft x 50 ft (1,000 ft²). This is smaller than the pads calculated by the Model, which assumes pads will be 30 ft x 70 ft (2,100 ft²). Therefore, the Model overestimates the acreage of disturbance. Three of the four additional bore hole pads will be bonded for 20 ft x 50 ft (1,000 ft²) and the remaining pad will be bonded for 70 ft x 120 ft construction to accommodate the construction of the one Test Well. As the bore hole to be developed into a test well cannot be determined prior to drilling, for calculation purposes the larger pad size has been assigned to TSF-X1. Actual acreage of disturbance for the Notice is 4.31 acres and the Model estimates 5.11 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 4.31 acres and the Model estimates 5.11 acres.
- 5. Monitoring Wells the 4 monitoring wells proposed in the previous Amendment have been drilled and the maximum depth of the wells is 1,000 ft.

Test Wells -2 wells are proposed in this amendment and the maximum depth of the wells will be 1000 ft.

All four monitoring wells and the two test wells will remain "open", therefore, 6,000 feet of "Open Holes – Wet" were included in the Model.

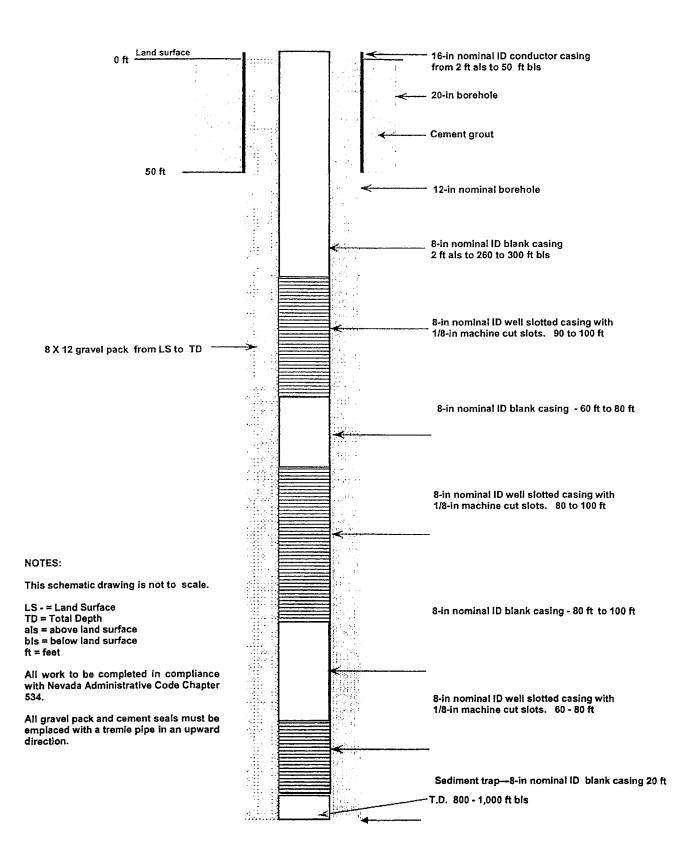
Because the Model over estimates the disturbance to be 5.11 acres, a correct Reclamation cost estimate could not be generated using the Model.

The Model was adjusted by reducing the number of drill pads to approximate the actual 4.31 acres of disturbance (i.e., adjusting for assumption number 2 above). By decreasing the number of drill pads to 7.8, the Model calculated for the actual disturbance of 4.31 acres resulting in a Reclamation cost of \$88,913. This adjusted figure is used as the final reclamation cost estimate for this amendment (Amendment 5).



SCHENLATIC WELL DESIGN FOR TEST WELL

(NOT TO SCALE - CASING INTERVAL LENGTHS DEPENDENT UPON DEPTH OF HOLE)



9 08 NVN 081485 Adjusted Drill Pads Model FY2007

| September 8, 2008 | SRC | SRCE-based Reclamation Cost Model With Calculators For Notice-Level Exploration Mount Hope Exploration - Eureka Moly, LLC - NVN-081485 Amendment (Adjusted No. Drill Pads) | st Model With C Exploration y, LLC - NVN-0814 | alculators 85 Amendm | i ent (Adjusted | I No. Drill Pa | (sp | FY 2007 Model |
|--|--------------------------------|--|---|--|--|---|---|---|
| Linear Feet of Road On a Side Stope <30% | Linear Feet 0 | Recontounng Cast <30% | Labor Cost \$0 | Manpower \$0 11 | Equipment \$0.13 | Matenals \$0.00 | Cost/Linear Foot \$0.24 | Road Reclamation \$0 |
| 2002 | | אפכחנונים הייות המצו אממיי | 3 | 97.76 | 9C.36 | 90.00 | #0.0 4 | Pad& Sump |
| Drill Sites and Sumps Drill Sites < 30% slopes | Number 8 | Reconlouring Cost | \$265 | \$34.00 | Equipment \$42.80 | Materials \$0.00 | Cost each \$76.80 | Reclamation \$599 |
| Drin Sites Cross Country | > 0 | Ripping Cost | 3 33 | \$7.00 | \$3.50 | 20.00 | \$10.50 | 8 8 |
| sdung | 8 | Recontouring Cost | \$288 | \$36.90 | \$46.40 | \$0.00 | \$83.30 | \$650 |
| Trenches Cross Country Travel | Linear Feet 1,450 16,456 | Recontouring Cost Ripping Cost | \$1,353 \$658 | Manpower \$0.93 \$0.04 | Equipment \$1.71 \$0.02 | Materials \$0.00 \$0.00 | Cost/Linear Foot \$2.64 \$0.06 | \$3,832 \$987 |
| Total Disturbance | Slope Acres 4.32 | Revegetation Cost | \$326 | Manpower \$75.50 | Equipment \$64.00 | Matenals \$275.00 | CosVAcre \$414.50 | \$1,791 |
| 150 miles Mobilization 150 miles Mobilization | | Mobilization Cost-excavator Mobilization Cost-dozer | \$417 \$276 | Manpower \$417.27 \$275.52 | Equipment \$489.83 \$380.48 | | Mob+Demob \$907.10 \$656.00 | \$907 \$656 |
| Drill Holes Open Feet of Open Holes - Wet Feet of Open Holes - Dry Feet of Casing to Pui) | #/Feet 7100 6000 | Pugging Cost - Wat Plugging Cost - Dry Puling Casing | \$8,307 \$0 \$9,960 | Manpower \$1.17 \$0.47 \$1.66 | Equipment \$2.08 \$0.22 \$4.06 | Malerials \$0.53 \$0.05 \$0.00 | Cost/Foot \$3.78 \$0.75 \$5.72 | Dnil Hole Plugging \$26,824 \$1 \$34,296 |
| 150 miles Mobilization 150 miles Mobilization | | Mabilization Cost - Wet Mobilization Cost - Dry | \$720 \$0 | Mangower \$719.84 \$364.91 | Equipment \$1,279.72 \$196.49 | | Mob+Demob \$1,999.56 \$561.40 | \$2,000 \$0 |
| Disturbance Type Roads Drill Sites | Total Acres 0.00 0.48 | Total Linear Feet 0 | Stope Acres 0.00 0.49 | | | | | Total Reclamation Cost \$72,542 |
| Sumps Trenches | 0.20 | 1,450 | 0.20 | | | | | |
| Gross Country total Notice acres | 2.27 | 16,456 | 4.32 | | | | | 10tal Labor \$22,570 |
| green cells with blue font is for user input yellow cells are unit costs | rinput | Insurance Bond* Contractor Profit Contract Administration Indirect Costs | | | 21% | 3% Total 10% Total 10% Total of Contract A | 1.5% Labor Cost 3% Total Reclamation Cost 10% Total Reclamation Cost 10% Total Reclamation Cost 27% of Contract Administration Cost | \$339 \$0 \$7,254 \$7,254 \$1,523 |
| . Bond required only if total reclamation $\cos i > 5100,000$ | stion cost > \$100,000 | ۵ | | | | | | Total Administration Cost \$16,370 |
| | | | Cost per acre | | | ᇤ | Financial Guarantee Amount | 588.013 |

9_08_NVN 081485 Adjusted Drill Pads_Model_FY2007

Nevada BLM, January 17, 2007

9_08_NVN 081485 Actual Dnil Pads_Model_FY2007

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| September 8, 2008 | SRC | SRCE-based Reclamation Cost Model With Calculators For Notice-Level Exploration For Notice Level For Notice and the Property of Calculators (American Desire Parks) | Exploration | Salculators | S Section 1 | 100 | | FY 2007 Model |
|---|--------------------------------|---|--------------------------------------|---|--|---|---|---|
| Linear Feet of Road On a Side Slope | Linear Feet 0 | r nope exploration - Euraxa mo Recontouring Cost <30% Recontouring Cost >30% | Labor Cost \$0 | Manpower \$0.11 \$0.28 | EQUIPMENT \$50.13 | Materials \$0.00 | Cost/Linear Foot \$0.24 \$0.64 | Road Reclamation \$0 |
| Drill Sites and Sumps Drill Sites > 30% slopes Drill Sites > 30% slopes Drill Sites > 30% slopes Drill Sites Cross Counity Summas | Number 17 0 0 0 | Reconlouring Cost Reconlouring Cost Repara Cost Repara Cost Reconlouring Cost | \$578 \$0 \$0 \$0 \$7593 | Manpower \$34.00 \$109.00 \$7.00 | \$42.80 \$137.00 \$3.50 | Materials \$0.00 \$0.00 \$0.00 | \$246.00 \$10.50 \$246.00 \$10.50 | Pad& Sump Reclamation \$1,306 \$0 \$0 \$1416 |
| Trenches Cross Country Travel | Linear Feet 1,450 16,456 | Recontouring Cost Ripping Cost | \$1,353 | Manpower \$0.93 \$0.04 | \$1.71 \$0.02 | Materials \$0.00 \$0.00 | Cost/Linear Fool \$2.64 \$0.06 | \$3,832 \$987 |
| Totai Disturbance | Slope Acres 5.13 | Revegelation Cost | \$388 | <u>Manpower</u> \$75.50 | Equipment \$64.00 | Materials \$275.00 | Cost/Acre \$414.50 | \$2,128 |
| 150 miles Mobilization 150 miles Mobilization | | Mobilization Cost-excavator Mobilization Cost-dozer | \$417 \$276 | Mangower \$417.27 \$275.52 | Equipment \$489 83 \$380,48 | | Mob+Demob \$907.10 \$656.00 | \$907 \$656 |
| Drill Holes Open Feet of Open Holes - Wet Feet of Open Holes - Dry Feet of Casing to Puli | #/Feet 7100 6000 | Plugging Cost - Wet Plugging Cost - Dry Pulling Casing | \$8,307 \$0 \$9,960 | Manoower \$1.17 \$0.47 \$1.66 | Equipment \$2.08 \$0.22 \$4.06 | Materials \$0.53 \$0.05 \$0.00 | CosuFaat \$3.78 \$0.75 \$5.72 | Drill Hole Plugging \$26,824 \$1 \$34,296 |
| 5 5 | | Mobilization Cost - Wet Mobilization Cost - Dry | \$720 | Manpower \$719.84 \$364.91 | S1,279,72 \$1,279,72 \$196,49 | | Mob+Demob \$1,999.56 \$561.40 | \$2,000 |
| Disturbance Type Roads Drill Sites | Total Acres 0.00 1.04 | Total Linear Feet 0 | Siope Acres 0.00 1.06 | | | | | Total Reclamation Cost EXCESS ACRES |
| Sumps Trenches Cross County | 1.36 | 1,450 16,456 | 0.44 1.36 2.27 5.13 | | | | | Total Labor \$23,284 |
| green cells with blue font is for user input | 1 | insurance Bond* Contractor Profit Contract Administration Indirect Costs | | | 21% | 3% Total 10% Total 10% Total of Contract A | 1.5% Labor Cost 3% Total Reclamation Cost 10% Total Reclamation Cost 10% Total Reclamation Cost 21% of Contract Administration Cost | \$349 \$0 \$0 \$0 \$0 |
| * Bond required only if total reclamation cost > \$100,000 | 1 cost > \$100,000 | 0 | | | | | . • | Total Administration Cost \$350 |
| | | | Cost per acre #VALUE! | | | FE | Financial Guarantee Amount | EXCESS ACRES |

| Costs for this Notice Level Reclamation Cost Estimator are based on values and assumptions used in the Standardized Rock Estimator (SRCE) Version 1.1.1 Cost Data are from October 1, 2006. This worksheet is simpler than the SRCE and estumptions used in the Standardized gradients of 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 stope categories used for all calculations in this worksheet. All stopes under 30% (<30%) are assumed to have a slope of 40%. All Bodges over 30% (<30%) are assumed to have a slope of 40%. |
| A. Thinked in this worksheet are assumed to larve a 1 strong wide discussing the strong of the strong stron |
| 5. All Roads and Drill Shee fill slopes are assumed to have an angle of repose of 1.4H.tV or about 70% stope equal to a 35 degree angle. 6. Roads are linear leatures and the units required for inout to this workshee are in linear feet. |
| |
| Area pays \$3.00 per hour, FICA = 7.65%. Unemployment = 3% and Workmans Comp= 10.75%. A thorse pays \$3.00 per hour, FICA = 7.65%. Unemployment = 3% and Workmans Comp= 10.75%. |
| |
| 11. Revegetation costs are based on a per acre basis. |
| |
| Ort Sites on suppose 530% are 30 feet when by 85 feet lond. Or Cross Country Drill Sites, the distribed area is nineed by a Cat D6 size dozer. |
| 13. One Sump is assumed for each Dritt Site. The assumed dimensions are 13 feet wide, 30 feet long and 5 feet deep. |
| On Delli Sites 430% stopes they are assumed to the outside the Delli Site of the Delli Site of the Delli Site of the Site of t |
| 14. Trenches are assumed to be 300 feet from by 41 feet wide by 5 feet deep. They are reconflored with a Cat of Scale dozen assuming a 208 CY hour productivity. |
| 15. Recontouring earthwork for Roads Drill Sites and Sumps has an assumed swell factor of 20%. Trenches swell factor is 30%. |
| |
| 17. Mobilization and Demobilization are based on 150 miles one way to project and are based on 2006 Vega Construction and Trucking guotes. |
| Travel limss are assumed to be 2.73 hours one way to the project. 18. Mobilization for a Cat 320C excavator will be charged for regrading of Roads, Drill Sites only. |
| |
| 19. All projects that projects the minimum Puff Holes Open a bandonoming cost. 14. All projects that projects the minimum Puff Holes Open a bandonoming cost. One of the Minimum Puff Holes Open The Puff Holes Open Holes |
| If a drift hole is drilled deeper than the static water level it is considered a wet hale and must be abandoned as an Open Hole • Wet. |
| (20) Mobilization for Drill Holes. Open Hole - Wet will include one drill rig plus crew and support equipment. (21) Mobilization for Drill Holes. Open for Open Hole - Dry will include one backhole and one openical ablorier. (22) Prill Holes Publication Core for Open Hole - Wet is based no avazane time to nitro 3 10/01 if F Delt Hole Infram contributed from 8 drillian contractors. December 2008. |
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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



In Reply Refer To: 3809 (NV062) NVN-081485 (08-4A)

SEP 2 3 2008

Return Receipt Requested

DECISION

Eureka Moly LLC

Attn: Brian Musser, Environmental Manager

CERTIFIED MAIL NO. 7006 2150 0000 0369 5358

2215 North 5th St. Elko, NV 89801

Surface Management

Amended Notice Accepted

The Eureka Moly LLC (EML) Notice amendment for the Tails #2 Project was received in this office on September 10, 2008. The Notice has been assigned Bureau of Land Management (BLM) case file number NVN-081485(08-4A). Please refer to this number in any future communication concerning this project. 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.

Your Notice amendment proposes to increase approved disturbance by 0.25 acres with the addition of four boreholes and two test wells. One of the test wells will be located on existing drill pad disturbance, and one will be located on the same drill pad as one of the new boreholes. Actual disturbance, corrected for surveys of monitoring well disturbance, is 4.06 acres. This amendment reduces approved disturbance from 4.60 acres to 4.31 acres.

The BLM has reviewed the Notice amendment and determined it is complete, containing all the information required by the surface management regulations at 43 CFR 3809.301. The BLM has reviewed the proposed operation and determined it would not result in unnecessary or undue degradation as defined by 43 CFR 3809.5.

<u>Cultural Resources</u> – 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. The Archaeological Resources Protection Act (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 activities conducted by EML, they could be liable for such damages. If cultural resources, Native American remains, funerary items, sacred items, or objects of