

May 14, 2007		SRCE-based Reclamation Cost Model With Calculators For Notice-Level Exploration Kobeh Valley Water Well Expansion Drilling Notice - Kobeh Central B - Amendment						FY 2007 Model	
Linear Feet of Road	Linear		Labor Cost	Manpower	Equipment	Materials	Cost/Linear Foot	Road Reclamation	
On a Side Slope	Feet								
<30%	0	Recontouring Cost <30%	\$0	\$0.11	\$0.13	\$0.00	\$0.24	\$0	
>30%	0	Recontouring Cost >30%	\$0	\$0.28	\$0.36	\$0.00	\$0.64	\$0	
Drill Sites and Sumps	Number			Manpower	Equipment	Materials	Cost/each	Pad& Sump Reclamation	
Drill Sites < 30% slopes	4	Recontouring Cost	\$138	\$44.00	\$42.80	\$0.00	\$76.80	\$307	
Drill Sites > 30% slopes	0	Recontouring Cost	\$0	\$109.00	\$137.00	\$0.00	\$246.00	\$246	
Drill Sites Cross Country	0	Ripping Cost	\$0	\$7.00	\$3.50	\$0.00	\$10.50	\$0	
Sumps	4	Recontouring Cost	\$148	\$36.60	\$46.40	\$0.00	\$83.30	\$333	
Trenches	Linear Feet			Manpower	Equipment	Materials	Cost/Linear Foot		
Cross Country Travel	620	Recontouring Cost	\$0	\$0.93	\$1.71	\$0.00	\$2.64	\$0	
		Ripping Cost	\$37	\$0.04	\$0.02	\$0.00	\$0.06	\$55	
Total Disturbance	Slope Acres	Revegetation Cost	\$36	\$75.50	\$64.00	\$275.00	\$414.50	\$199	
150 miles Mobilization		Mobilization Cost-excavator	\$417	\$417.27	\$489.83		\$907.10	\$907	
150 miles Mobilization		Mobilization Cost-dozer	\$276	\$275.52	\$380.48		\$656.00	\$656	
Drill Holes Open	ft feet			Manpower	Equipment	Materials	Cost/Foot	Drill Hole Plugging	
Feet of Open Holes - Wet	5000	Plugging Cost - Wet	\$6,552	\$1.17	\$2.08	\$0.53	\$3.78	\$21,157	
Feet of Open Holes - Dry		Plugging Cost - Dry	\$0	\$0.47	\$0.22	\$0.05	\$0.75	\$1	
Feet of Casing to Pull	5000	Pulling Casing	\$9,298	\$1.66	\$4.06	\$0.00	\$5.72	\$32,010	
150 miles Mobilization		Mobilization Cost - Wet	\$720	\$719.84	\$1,279.72		\$1,999.56	\$2,000	
150 miles Mobilization		Mobilization Cost - Dry	\$0	\$364.91	\$199.49		\$564.40	\$0	
Disturbance Type	Total Acres	Total Linear Feet	Slope Acres					Total Reclamation Cost	
Roads	0.00	0	0.00					\$57,870	
Drill Sites	0.24		0.25						
Sumps	0.10		0.10						
Trenches	0.00		0.00						
Cross Country	0.13	620	0.13					Total Labor	
total Notice acres	0.48		0.48					\$17,618	
		Insurance					1.5% Labor Cost	\$264	
		Bond*					3% Total Reclamation Cost	\$0	
		Contractor Profit					10% Total Reclamation Cost	\$5,787	
		Contract Administration					10% Total Reclamation Cost	\$5,787	
		Indirect Costs					21% of Contract Administration Cost	\$1,215	
		* Bond required only if total reclamation cost > \$100,000						Total Administration Cost	
								\$13,054	
			Cost per acre				Financial Guarantee		
			\$149,212				Amount	\$70,824	

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

Nevada BLM, January 17, 2007

**CERTIFICATE OF SERVICE**

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

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

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

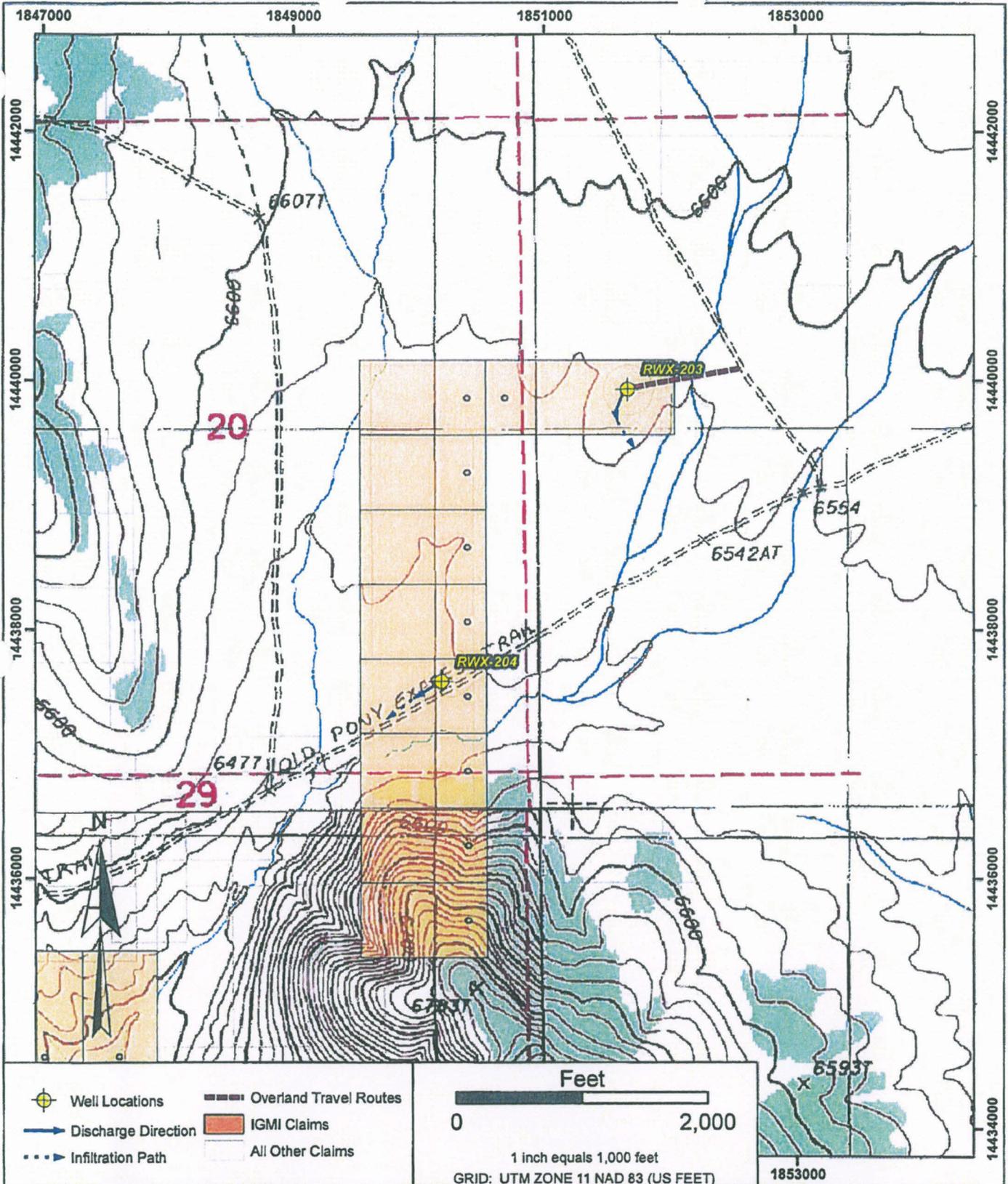
fully addressed as follows:

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Francis M. Wikstrom  
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Salt Lake City, UT 84111

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

/s/ Nancy Fontenot



Well Locations	Overland Travel Routes
Discharge Direction	IGMI Claims
Infiltration Path	All Other Claims

Feet

0 2,000

1 inch equals 1,000 feet

GRID: UTM ZONE 11 NAD 83 (US FEET)

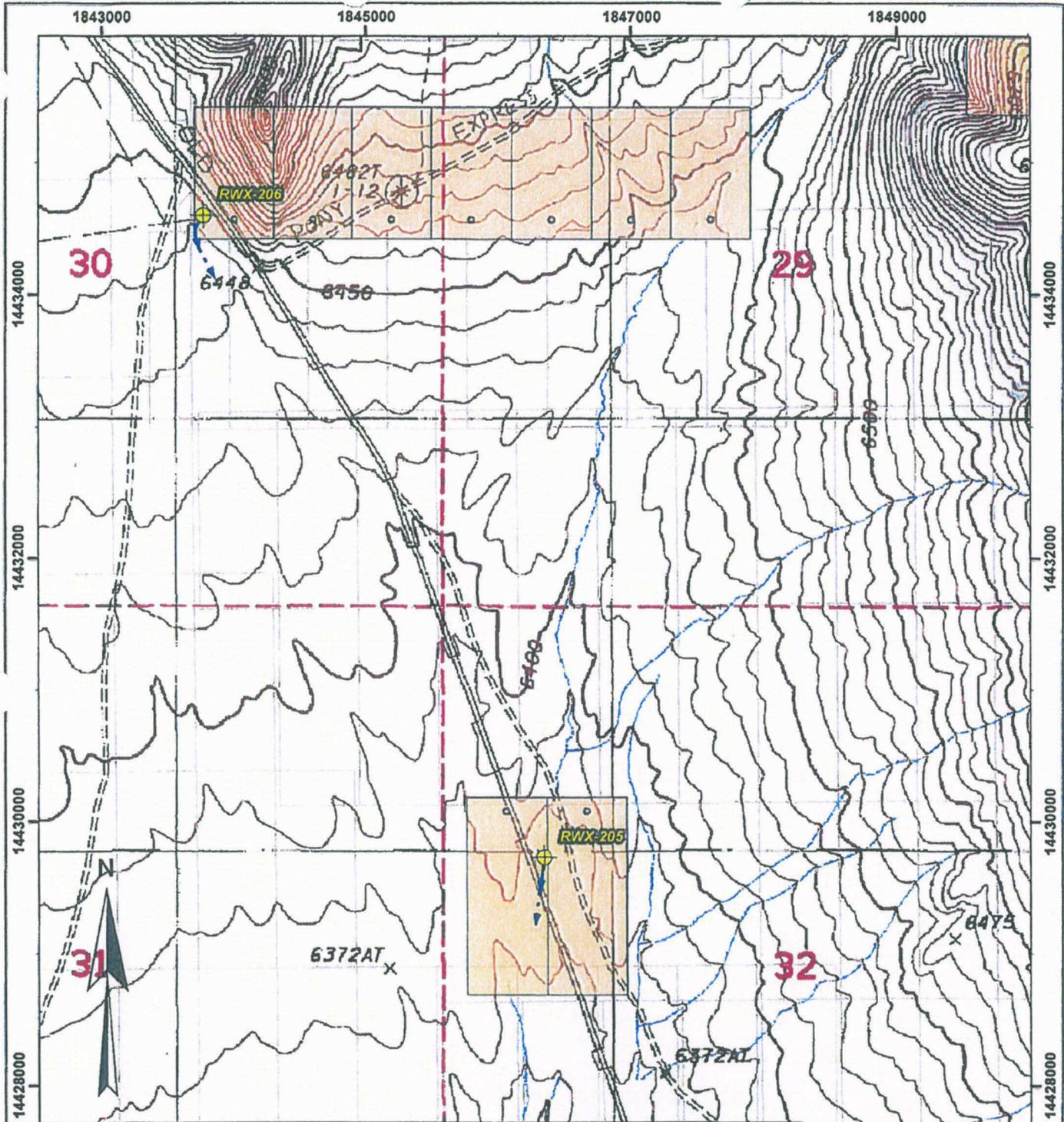
**SRK Consulting**  
Engineers and Scientists

DESIGN: GNB	DRAWN: RSS	REVIEWED:
CHECKED:	APPROVED:	DATE: 05/09/2007
FILE NAME: B_Fig3_Kobeh_Notice_B_Location_Map_JCG_20070406.mxd		

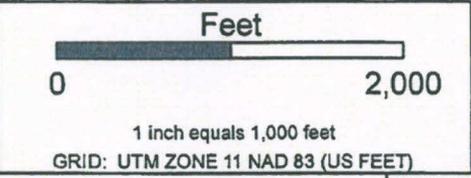
**IDAHO GENERAL MINES  
MOUNT HOPE PROJECT  
NOTICE PROJECT AREA**

DRAWING TITLE: <b>KOBEH CENTRAL B WELL SITE DETAIL</b>	
DRAWING NAME: <b>Figure 3</b>	REVISION NO. <b>A</b>
SRK JOB NO. <b>157501-100</b>	

Path: G:\Sams\Mount\_Hope\Idaho\_General\_Mines\157501\_100\_Well\_Field\_Notice\B\_Fig3\_Kobeh\_Notice\_B\_Location\_Map\_JCG\_20070406.mxd



- Well Locations
- Overland Travel Routes
- Discharge Direction
- Infiltration Path
- IGMI Claims
- All Other Claims



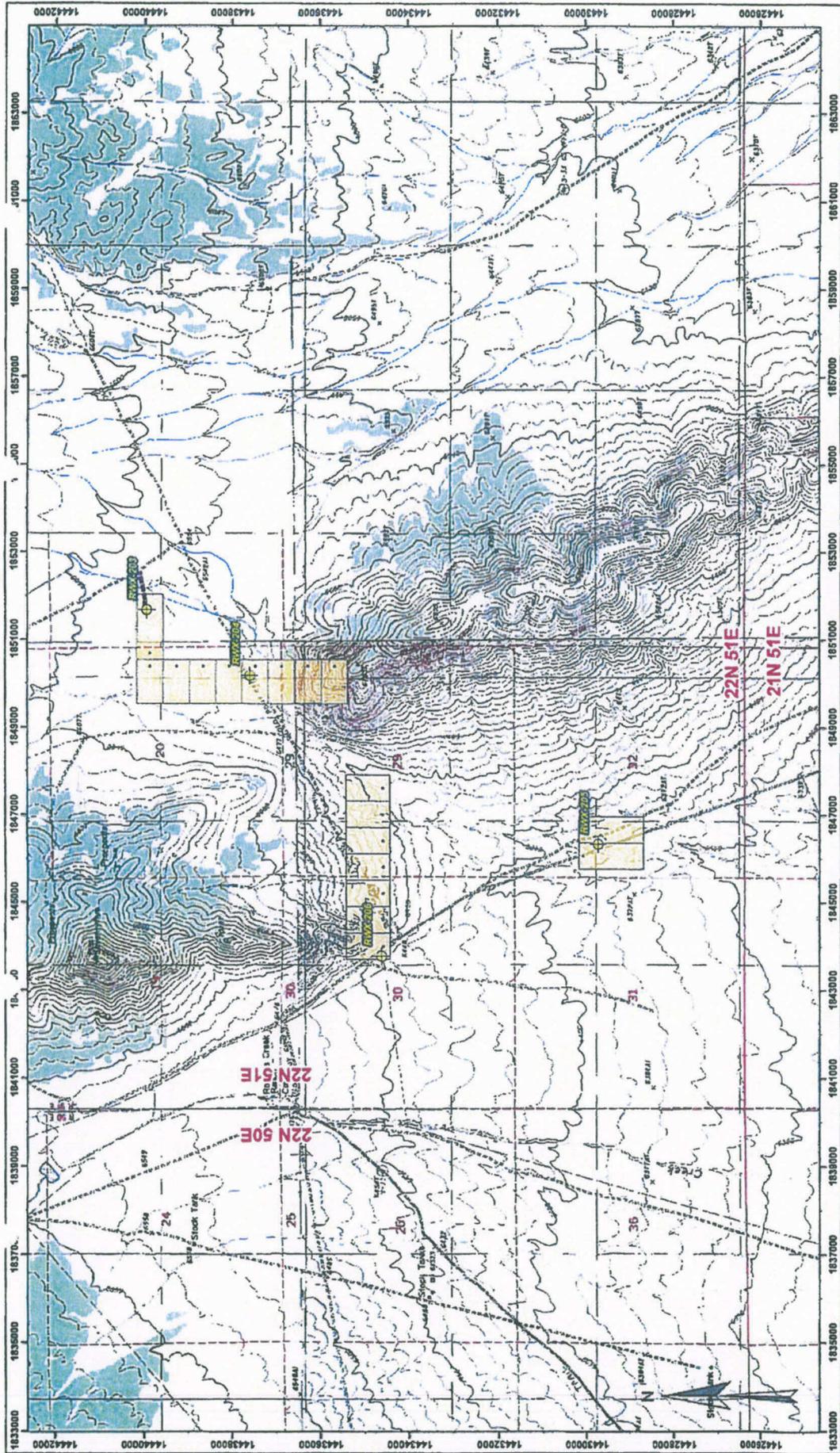
**IDAHO GENERAL MINES  
MOUNT HOPE PROJECT  
NOTICE PROJECT AREA**

**DRAWING TITLE:**  
**KOBEH CENTRAL B  
WELL SITE DETAIL**

DESIGN: GNB	DRAWN: RSS	REVIEWED:	
CHECKED:	APPROVED:	DATE: 05/09/2007	
FILE NAME: B_Fig4_Kobeh_Notice_B_Location_Map_JQG_20070408.mxd			

DRAWING NAME: <b>Figure 4</b>	REVISION NO.
SRK JOB NO. <b>157501-100</b>	<b>A</b>

Path: G:\Sites\Mount\_Hope\Idaho\_General\_Mines\157501-100\_Well\_Fa\I\Notices\B\_Fig4\_Kobeh\_Notice\_B\_Location\_Map\_JQG\_20070408.mxd



<b>Legend</b> Well Locations IGM Claims All Other Claims Overland Travel Routes	<b>Scale</b> 0 2,000 4,000 Feet 1 inch equals 2,000 feet GRID: UTM ZONE 11 NAD 83 (US FEET)	<b>Disclaimer</b> IF THE ABOVE MAP DOES NOT SHOW UPDATES TO THE DRAWING SCALE IS ALTERED	<b>SRK Consulting</b> Engineers and Scientists GNB (owner) GNB (client) GNB (contractor) Date: 05/09/2007 File Name: gnb_mnt_hope_11_nad_83_utm_zone_11_nad_83_2007.dwg	<b>IDAHO GENERAL MINES</b> <b>MOUNT HOPE PROJECT</b> <b>NOTICE PROJECT AREA</b>	<b>KOBEH CENTRAL B</b> DRAWING NAME: Figure 2 DRAWING NO.: 157501-000
				1833000 1835000 1837000 1839000 1841000 1843000 1845000 1847000 1849000 1851000 1853000 1855000 1857000 1859000 1861000 1863000	1442000 1443000 1444000 1445000 1446000 1447000 1448000 1449000 1450000 1451000 1452000 1453000 1454000 1455000 1456000 1457000 1458000 1459000 1460000

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**APPENDIX A**  
**Claim List**

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May 14, 2007

SRK Consulting (U.S.), Inc.

**Appendix A: Well Identification, location, associated claim, and UTM Coordinates.**

WELL ID	Township	Range	Section	Quarter	Quarter-Quarter	UTM Coordinates <sup>1</sup>	IGMI CLAIM	Claimant	SERIAL NO.	ACCESS ROUTE CLAIM <sup>2</sup>	Claimant
IGMI-RWX07-203	22N	51E	21	NW	SE	1851660.10 E 14439931.00 N	VW-25	IGMI	NMC948019	Hay 22	Newmont
IGMI-RWX07-204	22N	51E	20	SE	SE	1850228.08 E 14437664.04 N	VW-30	IGMI	NMC948024	-	-
IGMI-RWX07-205	22N	51E	32	NW	SW	1846325.14 E 14429726.28 N	Open	IGMI	IN PROGRESS	-	-
IGMI-RWX07-206	22N	51E	30	NE	SW	1843763.60 E 14434600.94 N	VW-40	IGMI	NMC948034	-	-

<sup>1</sup>Coordinates are UTM NAD 83, Zone 11, Feet.

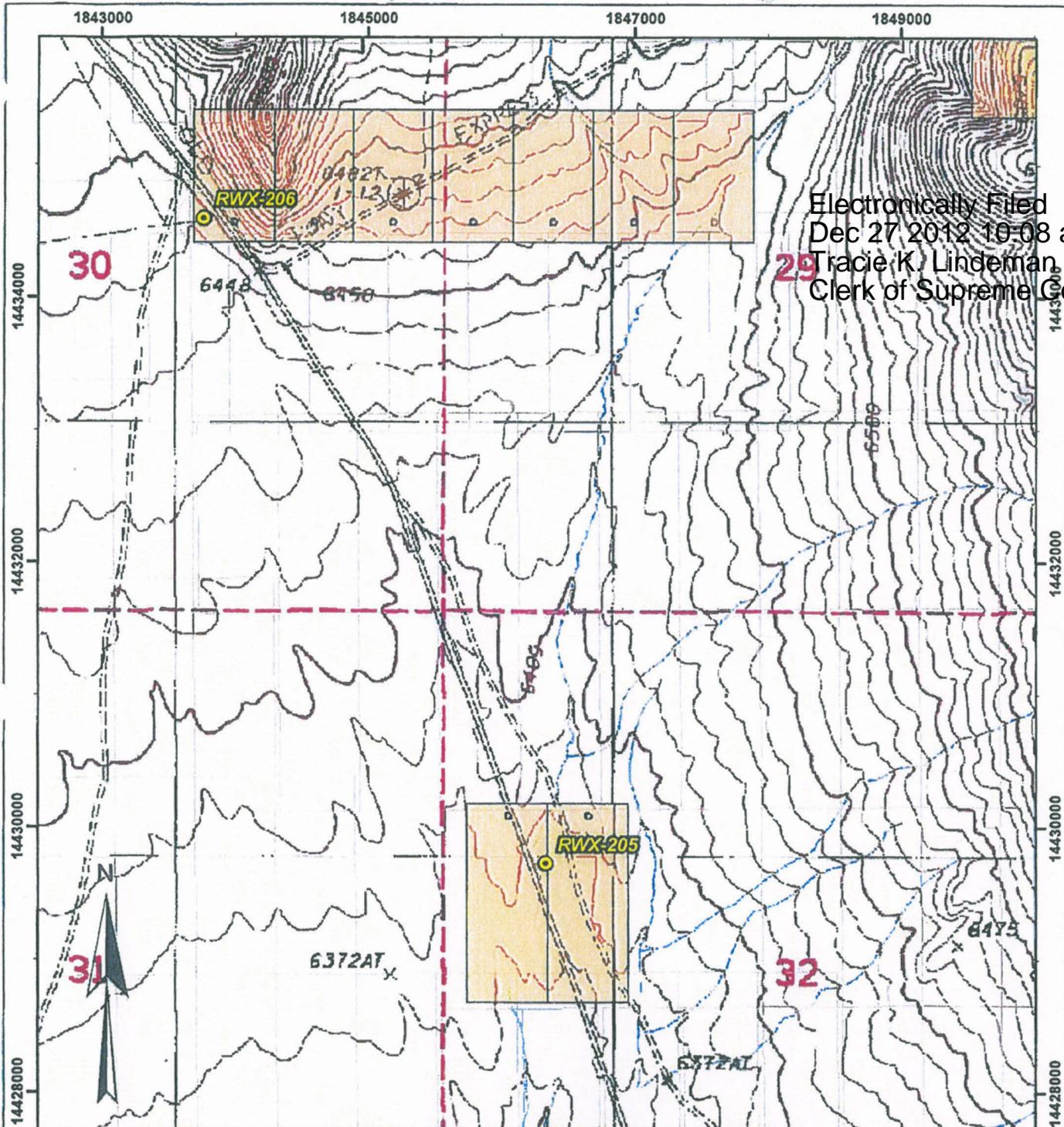
<sup>2</sup>This column indicates claims crossed by the overland travel that are not IGMI claims.

**APPENDIX B**

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**Kobeh Central B Notice Reclamation Cost Estimate**

Electronically Filed  
 Dec 27 2012 10:08 a.m.  
 Tracie K. Lindeman  
 Clerk of Supreme Court



<b>Legend</b>		<b>Feet</b>  0 2,000 1 inch equals 1,000 feet GRID: UTM ZONE 11 NAD 83 (US FEET)
Well Locations Overland Travel Routes	IGMI Claims All Other Claims	

**SRK Consulting**  
 Engineers and Scientists

DESIGN: GNB	DRAWN: JQG	REVIEWED:
CHECKED:	APPROVED:	DATE: 04/06/2007
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**IDAHO GENERAL MINES  
 MOUNT HOPE PROJECT  
 NOTICE PROJECT AREA**

DRAWING TITLE: <b>KOBEH CENTRAL B    WELL SITE DETAIL</b>	
DRAWING NAME: <b>Figure 4</b>	REVISION NO. <b>A</b>
SRK JOB NO. <b>157501-100</b>	

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**APPENDIX A**  
**Claim List**

**Appendix A: Well Identification, location, associated claim, and UTM Coordinates.**

WELL ID	Township	Range	Section	Quarter	Quarter-Quarter	UTM Coordinates <sup>1</sup>	IGMI CLAIM	Claimant	SERIAL NO.	ACCESS ROUTE CLAIM <sup>2</sup>	Claimant
IGMI-RWX07-203	22N	51E	21	NW	SW	1851660.10 E 14439931.00 N	WW-25	IGMI	NMC948019	Hay 22	Newmont
IGMI-RWX07-204	22N	51E	20	SE	SE	1850228.08 E 14437664.04 N	WW-30	IGMI	NMC948024	-	-
IGMI-RWX07-205	22N	51E	32	NW	SW	1846325.14 E 14429726.28 N	WW-41/42	IGMI	IN PROGRESS	-	-
IGMI-RWX07-206	22N	51E	30	NE	SW	1843763.60 E 14434600.94 N	WW-40	IGMI	NMC948034	-	-

<sup>1</sup>Coordinates are UTM NAD 83, Zone 11, Feet.

<sup>2</sup>This column indicates claims crossed by the overland travel that are not IGMI claims.

**APPENDIX B**

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**Kobeh Central B Notice Reclamation Cost Estimate**

SRCE-based Reclamation Cost Model With Calculators									
For Notice-Level Exploration									
Kobeh Valley Water Well Exploration Drilling Notice - Kobeh Central B									
FY 2007 Model									
Linear Feet of Road On a Side Slopes <30%	Linear Feet	Recontouring Cost <30%	Labor Cost	Manpower	Equipment	Materials	Cost/Linear Foot	Road Reclamation	
>30%	0	Recontouring Cost >30%	\$0	\$0.11	\$0.13	\$0.00	\$0.24	\$0	
	0		\$0	\$0.28	\$0.35	\$0.00	\$0.64	\$0	
<b>Drill Sites and Sumps</b>	<b>Number</b>	<b>Recontouring Cost</b>	<b>Equipment</b>	<b>Manpower</b>	<b>Equipment</b>	<b>Materials</b>	<b>Cost each</b>	<b>Reclamation</b>	<b>Cost</b>
Drill Sites < 30% slopes	4	\$136	\$42.80	\$34.00	\$137.00	\$0.00	\$76.80	\$307	\$307
Drill Sites > 30% slopes	0	\$0	\$109.00	\$7.00	\$3.50	\$0.00	\$246.00	\$246	\$0
Drill Sites Cross Country	0	\$0	\$148	\$36.90	\$46.40	\$0.00	\$110.50	\$0	\$333
Sumps	4						\$83.30		
<b>Trenches</b>	<b>Linear Feet</b>	<b>Recontouring Cost</b>	<b>Equipment</b>	<b>Manpower</b>	<b>Equipment</b>	<b>Materials</b>	<b>Cost/Linear Foot</b>	<b>Road Reclamation</b>	<b>Cost</b>
Cross Country Travel	740	\$30	\$171	\$0.93	\$0.02	\$0.00	\$2.64	\$0	\$0
		Ripping Cost		\$0.04	\$0.02	\$0.00	\$0.06	\$44	\$44
<b>Total Disturbance</b>	<b>Slopes Acres</b>	<b>Revegetation Cost</b>	<b>Equipment</b>	<b>Manpower</b>	<b>Equipment</b>	<b>Materials</b>	<b>Cost/Acre</b>	<b>Road Reclamation</b>	<b>Cost</b>
	0.46	\$34	\$64.00	\$75.50	\$64.00	\$275.00	\$414.50	\$189	\$189
<b>160 miles Mobilization</b>	<b>Mobilization Cost-excavator</b>	<b>Equipment</b>	<b>Manpower</b>	<b>Equipment</b>	<b>Materials</b>	<b>Cost/Acre</b>	<b>Mob-Demob</b>	<b>Road Reclamation</b>	<b>Cost</b>
160 miles Mobilization	\$417	\$489.83	\$417.27	\$489.83	\$275	\$907.10	\$907	\$907	\$907
	\$276	\$380.48	\$275.52	\$380.48	\$656.00	\$656.00	\$656	\$656	\$656
<b>Drill Holes Open</b>	<b>#/Feet</b>	<b>Plugging Cost - Wet</b>	<b>Equipment</b>	<b>Manpower</b>	<b>Equipment</b>	<b>Materials</b>	<b>Cost/Feet</b>	<b>Drill Hole Plugging</b>	<b>Cost</b>
Feet of Open Holes - Wet	5600	\$6,552	\$1.17	\$2.08	\$0.53	\$3.78	\$21.157	\$21.157	\$21.157
Feet of Open Holes - Dry	5600	\$0	\$0.47	\$0.22	\$0.05	\$0.75	\$1	\$1	\$1
Feet of Casing to Pull		\$9,296	\$1.66	\$4.66	\$0.00	\$5.72	\$32.010	\$32.010	\$32.010
<b>160 miles Mobilization</b>	<b>Mobilization Cost - Wet</b>	<b>Equipment</b>	<b>Manpower</b>	<b>Equipment</b>	<b>Materials</b>	<b>Cost/Acre</b>	<b>Mob-Demob</b>	<b>Road Reclamation</b>	<b>Cost</b>
160 miles Mobilization	\$720	\$1,279.72	\$719.84	\$1,279.72	\$1,999.56	\$561.40	\$2,000	\$2,000	\$2,000
<b>Disturbance Type</b>	<b>Total Acres</b>	<b>Total Linear Feet</b>	<b>Slopes Acres</b>	<b>Insurance Bond*</b>	<b>Contractor Profit</b>	<b>Contract Administration</b>	<b>Indirect Costs</b>	<b>Total Reclamation Cost</b>	<b>Total Administration Cost</b>
Roads	0.00	0	0.00					\$57,849	\$57,849
Drill Sites	0.24		0.25						
Sumps	0.10		0.10						
Trenches	0.00		0.00						
Cross Country	0.10		0.10						
<b>total Notice acres</b>	<b>0.45</b>		<b>0.46</b>						
green cells with blue font is for user input									
yellow cells are unit costs									
* Bond required only if total reclamation cost > \$100,000									
<b>Financial Guarantee</b>									<b>Amount</b>
									\$70,898
<b>Cost per acre</b>									<b>\$157,365</b>

**Bureau of Land Management Notice Level Reclamation Cost Estimation Worksheet**

Costs for this Notice Level Reclamation Cost Estimator are based on values and assumptions used in the Standardized Reclamation Cost Estimator (SRCE) Version 1.1.1. Cost Data are from October 1, 2006. This worksheet is simpler than the SRCE and does not allow the flexibility of entering project specific information in some situations. The model will generate approximately the same reclamation costs as the SRCE model if the same inputs and assumptions are applied. Below are the methods and assumptions used by this model to generate a Financial Guarantee Amount.

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- All Drill Sites in this worksheet are assumed to be 30 feet wide. For Drill Sites on slopes <30% they are 70 feet long. For Drill Sites on slopes >30% they are 83 feet long.
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- All Road and Drill Sites fill slopes are assumed to have an angle of repose of 1.4H:1V or about 70% slope equal to a 35 degree angle.
- Roads are linear features and the units required for input to this worksheet are in linear feet.
- Recontouring for reclamation of Roads, Drill Sites, and Sumps is done with a track excavator of a Cat 320C size with a 1.57 CY bucket and productivity of 138 CY per hour. Equipment operator, Manpower cost is based on Davis-Bacon wage rates for Northern Nevada. Area pay = \$3.00 per hour, FICA = 7.65%, Unemployment = 3% and Workmen's Comp = 10.75%.
- Recontouring cost is based on Davis-Bacon wage rates for Northern Nevada with Area pay = \$2.00 per hour, FICA = 7.65%, Unemployment = 3% and Workmen's Comp = 10.75%.
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- Cross Country travel is assumed to have a disturbance of 6 feet wide by the linear feet of travel on slopes under 10%.
- Revegetation costs for all Cross Country disturbance is based on a 12 foot wide seeding width on one pass. Mobilization and Demobilization are based on 150 miles one way to project and are based on 2006 Vega Construction and Trucking quotes. Travel times are assumed to be 2.73 hours one way to the project.
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- Mobilization for Drill Holes - Open for Open Hole - Dry will include one backhoe and operator, and one general laborer.
- Drill Hole Plugging Cost for Open Hole - Wet is based on average time to plug a 1000 ft. 6" Drill Hole (using productivity data from 8 drilling contractors December 2006).



# 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>



*C. Custer* 4/18/07

APR 18 2007

**In Reply Refer To:**  
3809 (NV-063)  
NVN-083245

**CERTIFIED MAIL: 7006 2150 0000 0369 7871**  
**RETURN RECEIPT REQUESTED**

## DECISION

Pat Rogers : 43 CFR 3809 – Surface Management  
Idaho General Mines, Inc. : Notice  
455 8<sup>th</sup> St. :  
Elko, NV 89801 :

### Determination of Required Financial Guarantee Amount

Your Notice for the Central “B” Well Project has been assigned Bureau of Land Management (BLM) case file number NVN-083245. Please refer to this number for any future communications concerning the Notice.

Your Notice was received in this office on March 28, 2007. The information contained for your Notice was incomplete and a letter requesting more information was sent on March 30, 2007. The requested information was received at this office on April 10, 2007 and your Notice is now complete and contains all information required by BLM surface management regulations at 43 CFR 3809.301.

Your Notice proposes 0.66-acres of disturbance, consisting of 5 drill sites and 740-ft. of overland travel. The Project is located in MDB&M., T. 22 N., R. 51 E., sections 20, 21, 30 & 32. The proposed operations was reviewed by various resource specialists who have determined that the operation, as proposed, will not cause unnecessary or undue degradation as defined under 43 CFR 3809.5.

Cultural Resources –The proposed project area (Section 20) contains two know prehistoric sites; one is eligible for inclusion on the National Register of Historic Places and the other is unevaluated in terms of National Register eligibility. Additionally, the 1893 GLO survey reveals a network of historic roads throughout the proposed project area in conjunction with early farming/ranching activities. It is also possible there are historic structures. It is recommended that a cultural resource survey be conducted prior to ground disturbing 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.

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

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

Guideline for Successful Revegetation- The enclosed one page document provides additional guidelines concerning your notice. Also enclosed is a one page document for recommended BLM seed mix for your project- Wyoming Sagebrush Community.

Amount of Financial Guarantee – This office has reviewed your reclamation cost estimate and has determined that the amount of **\$71,625.00** 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 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 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** - A financial guarantee in the amount of **\$71,625.00** 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.

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 775-861-6400 for further information on the adjudication of financial guarantees.

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

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

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

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

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

If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for

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

Standards for Obtaining a Stay

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

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

Contact -If you have any questions pertaining to this decision, please contact Stephen Drummond, Supervisory Mining Engineer, at 775-635-4160 or Cory Crotteau, Environmental Protection Specialist, at 775-635-4192 or at the above address.

FOR



Thomas J. Seley  
Assistant Field Manager  
Nonrenewable Resources

Enclosures

cc: BLM, Branch of Minerals Adjudication (w/o enclosures)  
Nevada State Office (NV-923)

CCROTTEAU:cc:04/18/2007:S:\PUBLIC\nonrenewable\minerals\letters\LETTERS  
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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 (NV923z)

APR 26 2007

## DECISION

Principal:	:		
Idaho General Mines, Inc.	:	BLM Bond Number:	NVB000567
10 North Post St., Suite 610	:	Bond Amount Accepted:	\$224,320
Spokane, WA 99201	:		

### Bond Rider Accepted Obligation Under Bond Increased

Effective November 3, 2005, the BLM Nevada State Office (NSO) accepted BLM Bond Number NVB000567 from Idaho General Mines, Inc. The bond provides coverage for surface disturbance reclamation for operations conducted by Idaho General Mines, Inc. on lands in Nevada under federal regulations at 43 CFR 3809.

On April 24, 2007, the NSO received a rider increasing the bond coverage to \$224,320. The bond was increased to satisfy recent bond requirements for additional operations of Idaho General Mines, Inc. The bond rider has been examined and found satisfactory; therefore, it is accepted effective April 24, 2007.

On April 18, 2007, the BLM Battle Mountain Field Office determined the reclamation cost estimates for surface disturbance on notices N-83245, Central "B" Well Project, and N-83246, Central "A" Well Project, to be \$71,625 and \$105,720, respectively.

Bond obligations adjusted by this Decision are shown in **bold** on the table below.

Operations Number	Operations Name	Bond Amount Obligated
N-80914	Mount Hope East	\$ 23,722
N-83120	Mount Hope West	\$ 23,198
<b>N-83245</b>	<b>Central "B" Well</b>	<b>\$ 71,625</b>
<b>N-83246</b>	<b>Central "A" Well</b>	<b>\$ 105,720</b>
<b>Total obligations under NVB000567</b>		<b>\$ 224,265</b>

ENTERED  
JW-107

Considering the total amount of BLM Bond Number NVB000567 and the amount currently obligated for surface reclamation, no funds remain available for future amendments or new operations.

If you have any questions, please call Lacy Ternau 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\\_Ternau@nv.blm.gov](mailto:Lacy_Ternau@nv.blm.gov).

**Cynthia S. Dragon**

FOR Atanda Clark  
Chief, Branch of Minerals Adjudication

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

NV060 (CCrotteau, SDrummond)  
NV923 (CDragon)



IDAHO GENERAL Mines, Inc. MAIL ROOM

10 N Post Street, Suite 610  
Spokane, WA 99201  
Phone: 509 838 1213  
Fax: 509-838-0457  
Email: info@idahogeneralmines.com  
Website: www.idahogeneralmines.com

2007 MAY 14 PM 4:18

BUREAU OF LAND MANAGEMENT  
ELECTRONIC MAIL

May 14, 2007

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

RE: Amendments to Mount Hope Drilling Notices

Dear Mr. Seley:

Idaho General Mines, Inc. (IGMI) is submitting amendments to the Kobeh A and Kobeh B water drilling notices and submitting a test pit and bore hole amendment to Notice 080914.

IGMI has amended the Notice for the Kobeh Valley Central-A Well Field Drilling and Kobeh Valley Central-B Well Field Drilling notices to change the description of the drilling activity and to use more existing roads to reduce overland travel. The reclamation cost estimates, figures, and text have been modified to reflect these operational changes.

IGMI has identified additional bore hole and test pit activity for Notice 080914.

The amended Notices and associated reclamation cost estimate are attached for your review and approval. If you have any questions regarding this request, please contact me at 753-5009.

Sincerely,

Idaho General Mines, Inc.

Brian Musser  
Environmental Manager

Attachment: Amended Notice for Kobeh Central A  
Amended Notice for Kobeh Central A  
Amendment to Notice 080914

cc: Greg Ferdock, IGMI  
Andy Russell, IGMI

**AMENDMENT TO  
KOBEB VALLEY CENTRAL-B WELL  
FIELD DRILLING NOTICE**



Report Prepared for  
**Idaho General Mines, Inc.**

Report Prepared by



May 2007

**Amendment to  
Kobeh Valley Central-B Well Field Drilling  
Notice**



**Idaho General Mines, Inc.**

**10 N Post Street, Suite 610  
Spokane, Washington 99201**

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

**Tel: 775.753.4151 Fax: 775.753.4152  
Web site: [www.srk.com](http://www.srk.com)**

**SRK Project Number 157510**

**May 2007**

## TABLE OF CONTENTS

1	CLAIMANT/OPERATOR INFORMATION.....	1
2	NOTICE ACTIVITIES.....	1
2.1	ACTIVITY DESCRIPTION, MAP AND SCHEDULE OF ACTIVITIES .....	1
2.2	MEASURES TO PREVENT UNNECESSARY AND UNDUE DEGRADATION.....	3
2.2.1	Surface Disturbance.....	3
2.2.2	Cultural Resources.....	3
2.2.3	Surface and Ground Water.....	4
2.2.4	Solid Waste.....	4
2.2.5	Air Quality.....	4
2.2.6	Fire Protection.....	4
2.2.7	Noxious Weeds.....	4
3	RECLAMATION PLAN.....	4
3.1	RE-CONTOURING, SEEDBED PREPARATION, AND SEEDING .....	4
4	RECLAMATION COSTS .....	5

### Tables

Table 1: Well Site Legal Descriptions .....	2
Table 2: Proposed Disturbance.....	3

### Figures

Figure 1: Location Map
Figure 2: Project Area for Notice – Kobeh Central B
Figure 3: Kobeh Central B Well Site Detail
Figure 4: Kobeh Central B Well Site Detail

### Appendices

Appendix A – Claims List
Appendix B – Kobeh Central B Notice Reclamation Cost Estimate

## 1 Claimant/Operator Information

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: Andy Russell  
Phone: 509.838.1213  
Fax: 509.838.0457

Local Contact: Pat Rogers  
Address: 455 Eighth St.  
Elko, NV 89801  
Phone: 775.753.4988  
Fax: 775.753.7722

The taxpayer ID number is [REDACTED]

A list of Claims for the drilling sites is included in Appendix A.

## 2 Notice Activities

### 2.1 Activity Description, Map and Schedule of Activities

This Notice describes the Mount Hope water supply definition program. The program will utilize reverse circulation drilling techniques. The objective for this phase of the program is up to four test wells; however, the number of test wells will be determined by the drilling results. It is possible that all four holes will be completed as monitoring wells if water is not detected in meaningful quantities by the drilling program. The hole depths are expected to range from approximately 400 feet to a maximum depth approximately 1,600 feet below ground surface.

For the initial drilling prior to encountering water, water will be supplied to the drill to purge cuttings and to cool and lubricate the bit. During this initial period, drilling water and cuttings will be collected and managed in sumps located within the perimeter of the pad footprint. When water is encountered it is possible that the aquifer will produce water in quantities too great to manage in the sumps and it will be necessary to discharge water from the drill site. In this case cuttings would be collected in the sump and water would be pumped and discharged from the surface of the sump onto the adjacent ground surface using best management practices to prevent erosion and formation of gullies. The water is expected to infiltrate within a mile from the point of discharge. Lithologic samples will be obtained and water flow rates will be estimated as each borehole is advanced.

The final completed design of each of the wells will be determined in the field. If water is not detected in meaningful quantities, wells will be constructed as monitor well/piezometers using applicable Nevada Division of Water Resources NAC 534 design requirements. Upon identification of favorable water producing formations, the holes would be over-drilled using a 12-inch diameter bit and eight-inch diameter casing would be emplaced. The hole would be left

open with the opening locked in order to set a pump and test potential water production.

Well pump testing would consist of drawdown tests to determine local hydrologic properties for those wells that are determined to have favorable water potential. The tests will be conducted for a period of up to 30 days (as requested by Tom Olsen, BLM) at a rate ranging from 600 to 700 gpm for each of the test wells. Drawdown data and water quality samples will be collected during the well tests. Water from the pumping test will be spread over a sufficient area to prevent erosion and formation of gullies. The water is expected to infiltrate within a quarter mile from the point of discharge. If the water production is sufficient, the hole would be left open for future development as a production well. If the water production is insufficient, the casing would be pulled and the hole would either be abandoned or completed as monitoring well. The monitoring wells would be completed with two-inch diameter PVC casing, and would be used to measure water levels and collect samples for geochemical analysis.

Drill depths would vary from 400 to 1,600 feet. Figure 1 shows the general project location and Figure 2 shows the Notice Area. The Notice Area is located in Kobeh Valley about 7 miles north of Highway 50. Table 1 shows the legal description for each well site.

**Table 1: Well Site Legal Descriptions**

Well ID#	Township	Range	Section
RWX-203	T 22 N	R 51 E	21
RWX-204	T 22 N	R 51 E	20
RWX-205	T 22 N	R 51 E	32
RWX-206	T 22 N	R 51 E	30

Water for the drill rigs will be pumped from the existing Risi water well or from the Mount Hope water well or pond. There is also potential for obtaining water from other wells in the vicinity of the project (Roberts Creek Ranch).

Access will be via the existing Henderson Creek Road that connects from State Route 278 about eight miles west to the Roberts Creek Road (Figure 2). From the Roberts Creek Road, existing roads will be used to the greatest extent possible. Only routine maintenance and necessary repairs will be performed on the existing roads.

IGMI plans to minimize the total disturbance by utilizing overland travel to each site. Sediment will be controlled at each drilling site as needed. It is anticipated that tree removal will not be required to allow site access by the equipment.

IGMI has not conducted any previous work in the Notice Area. However, there are other wells and roads which exist in the area, most but not all of which are shown on the applicable USGS maps of the area.

Drill pads will be 80 x 200 feet, resulting in 0.3673 acres of disturbance per drill pad. There will be sumps associated with the drill holes, but the sumps will be within the drill pad area. There will also be well observation sumps at two drill holes that will be constructed within the pad area. After drilling and pump testing, the sumps will be covered with soil salvaged from pad/sump construction and reseeded. All drill pads will be accessed by overland travel from existing roads, using the shortest distance possible. Overland travel disturbance is calculated based on the

assumption that two track disturbance will be created and that each track will be approximately three feet in width. Access to each of the drill sites is displayed on Figure 2. Detail for each drill hole is provided in Figures 3 and 4.

Activities under this Notice would disturb 1.59 acres (Table 2).

**Table 2: Proposed Disturbance**

Well ID.#	Pad Dimensions (feet) / (acres)	Maximum Hole Diameter (inches)	Maximum Depth (feet)	Overland Travel (feet) / (acres)	Total Disturbance (acres)
RWX-203	(80x120) / 0.3673	6	1,600	920 / 0.12	0.49
RWX-204	(80x120) / 0.3673	6	1,600	-	0.37
RWX-205	(80x120) / 0.3673	6	1,600	-	0.37
RWX-206	(80x120) / 0.3673	6	1,600	-	0.37
Test Well Sumps	(4 each @ 40' x 10'x 5')	-	-	-	Within pad disturbance
Observation Well Sumps	(2 each @ 40' x 10'x 8')	-	-	-	Within pad disturbance
<b>Total disturbance (acres)</b>	<b>1.47</b>	-	-	<b>0.12</b>	<b>1.59</b>

The proposed project will begin in April 2007. Well testing is anticipated to be completed during the summer of 2007. Reclamation will be completed as soon as practicable following completion of the drilling and testing. Testing and monitoring and completion of drill holes may continue throughout April 2009. Should activities extend beyond April 2009, or should IGMI wish to maintain the monitor wells beyond April, 2009, an extension to this Notice may be filed, or the activities may be incorporated into a plan of operations. 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.

## 2.2 Measures to Prevent Unnecessary and Undue Degradation

### 2.2.1 Surface Disturbance

IGMI will minimize disturbance by utilizing existing roads and trails and cross-country travel routes where feasible.

### 2.2.2 Cultural Resources

IGMI will stop exploration activities in the vicinity should any previously undiscovered artifact be found, and the BLM authorized Officer will be notified. A 100-foot buffer will be maintained around sites eligible or potentially eligible for the National Register of Historic Places, or unevaluated sites, unless otherwise agreed to by BLM and IGMI. IGMI will take measures to ensure that its employees or others associated with the project do not collect artifacts or vandalize the sites or artifacts in them.

### **2.2.3 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 when use as monitor wells has been completed.

### **2.2.4 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.

### **2.2.5 Air Quality**

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

### **2.2.6 Fire Protection**

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

### **2.2.7 Noxious Weeds**

Equipment used on the project will be washed to remove weed seeds prior to entering the project area. IGMI will also 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.

## **3 Reclamation Plan**

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

After drying, drill sumps will be backfilled with the material excavated to create the sump and covered with soil salvaged from pad construction and reseeded.

Cross-country travel routes will be scarified and seeded. 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 the "User Mix" from the Nevada Reclamation Cost Estimation model. This mix may vary depending on seed availability.

Because of the small amount of disturbance, IGMI anticipates using a hand seeder or small tractor-mounted broadcast seeder. Seeding will occur in late fall or early spring to ensure a greater chance of revegetation success. .

Silt fences will be used to contain sediment on reclaimed sites immediately adjacent to drainages as needed.

Open holes and water monitoring wells will be abandoned in accordance with applicable Nevada Division of Water Resources regulations (NAC 534).

## 4 Reclamation Costs

The proposed reclamation costs are included in Appendix B and are based on Notice\_Model\_FY2007 provided by the Battle Mountain Field Office, BLM (BLM Notice Model). The costs are estimated at **\$74,100**. A copy of the reclamation cost estimate calculated by the BLM Notice Model is provided in Appendix B.

IGMI used the Notice\_ModelFY2007 cost estimator for calculating reclamation costs as instructed by BLM. However, the model is based on several assumptions and does not allow the user to input site-specific data. Specifically, the proposed pad dimensions are 80 ft x 200 ft, or 0.37 acres. The model assumes (see model footnote Number 3) that drill sites are 30 ft x 70 ft, and calculates a total disturbance of 0.06 acres per pad (accounting for slope). The only user input allowed with respect to this calculation is the number of drill sites. IGMI is proposing four drill sites, with a total acreage of 1.47 acres, whereas, the model calculates the acreage to be 0.24 acres for drill sites. The sumps are calculated as separate disturbance by the model, but are included within the footprint of the drill pads in the IGMI notice. This adds 0.10 additional acres to the model-calculated drill site disturbance, for a total of 0.34 acres, versus the proposed 1.47 acres.

To adjust the reclamation cost estimate to ensure that this difference in acreage was included in the bond, the number of holes was increased (temporarily) in the model to 17 holes, which resulted in an acreage calculation of 1.61 acres (i.e., just slightly more than the 1.59 acres that IGMI proposes). This increased the total reclamation cost by \$2,558, and the administrative costs by \$580, or a total of \$3,138. Therefore, IGMI is proposing to add this \$3,138 to the reclamation cost that was calculated by the model for the four drill sites (\$70,924) for a total of **\$74,100**.

The Notice model was completed for the Kobeh B Notice by using the maximum depth (1,600) feet for all four holes to determine abandonment costs. It was also assumed that all four holes would be completed as monitor wells and would require casing removal/perforation for the total depth of each hole.

**FIGURES**

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<b>EXPLANATION</b> ○ City Freeway Highway Major Road	DESIGNED	grb	03/14/07	<b>FIGURE 1</b>  <b>IDAHO GENERAL MINES</b> <b>MOUNT HOPE PROJECT</b> <b>WELL FIELD NOTICES</b> <b>GENERAL VICINITY MAP</b>	 <b>SRK Consulting</b> Engineers and Scientists	SCALE:	AS SHOWN	REVISION
	DRAWN	jrg	03/14/07			JOB NO:	000000	
	CHECKED					MAP NAME:	Fig1_NV_Location_Map_RSS_20070314.mxd	
	APPROVED							
	REVISED							
	REVISED							

Path: G:\Sites\Mount\_Hope\Idaho\_General\_Mines\000000\_000\_Well\_Field\_Notices