



IDAHO GENERAL MINES, INC.

455 8th Street
Elko, Nevada 89801
Phone: 775-753-5009
Fax: 775-753-7722
Email: info@idahogeneralmines.com
Website: www.idahogeneralmines.com

RECEIVED-MAILROOM

2007 MAY 30 PM 2:48

BUREAU

BATTLE MOUNTAIN

May 24, 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.

IGMI is proposing to add ten observation wells to the Notices for the Kobeh Valley Central-A Well Field Drilling (six observation wells) and Kobeh Valley Central-B Well Field Drilling (four observation wells) that were recently submitted. These wells will only be installed in the event that sufficient enough water is discovered after drilling of the primary exploration holes to warrant installation of test wells and pump testing. The observation wells will be drilled using rotary reverse circulation to prepare a six-inch hole. They will be located approximately 100 feet from the test well, and be drilled on the same pad as the test well. The observation wells will be constructed as monitor wells/piezometers using applicable Nevada Division of Water Resources NAC 534 design requirements. The observation wells will each require a sump, which will be excavated within the existing drill pad disturbance.

The addition of these ten observation wells will not increase the amount of disturbance over what has been included in the last amendment (May 14, 2007). However, because the reclamation cost estimate model assumes a drill pad for each drill hole, the acreage calculated by the model is incorrect. But, the reclamation cost estimate is increased due to the additional drill hole abandonment costs and sump reclamation. The associated reclamation cost estimates are attached for your review and approval.

If you have any questions regarding this request, please contact me at 775-753-5009

Sincerely,

Brian J. Musser
Environmental Manager
Idaho General Mines, Inc.

May 24, 2007 SRGE-based Reclamation Cost Model With Calculators									
For Notice-Level Exploration									
Koboh Valley Water Well Exploration Drilling Notice - Koboh Central B - Amendment 05-21-07									
Linear Feet of Road On a Side Slope	Linear Feet	Recontouring Cost <30%	Recontouring Cost >30%	Labor Cost	Mangover Equipment	Materials	Cost/Linear Foot	FY 2007 Model	
								Road Reclamation	
<30%	0			\$0	\$0.11	\$0.13	\$0.24	\$0	
>30%	0			\$0	\$0.28	\$0.36	\$0.64	\$0	
Drill Sites and Sumps									
Drill Sites < 30% slopes	8	Recontouring Cost	\$272		Mangover	Equipment	Cost each	Pads Sump	Reclamation
Drill Sites > 30% slopes		Recontouring Cost	\$0		\$34.00	\$42.80	\$76.80	\$814	
Drill Sites Cross Country	0	Ripping Cost	\$0		\$109.00	\$137.00	\$246.00	\$246	
Sumps	8	Recontouring Cost	\$296		\$7.00	\$3.50	\$10.50	\$0	
					\$36.90	\$46.40	\$83.30	\$666	
Trenches									
Cross Country Travel	0	Recontouring Cost	\$0		Mangover	Equipment	Cost/Linear Foot		
	920	Ripping Cost	\$37		\$0.93	\$1.71	\$2.64	\$0	
					\$0.04	\$0.02	\$0.06	\$55	
Total Disturbance									
	Slope Acres	Revegetation Cost	\$63		Mangover	Equipment	Cost/Acre	\$346	
	0.83				\$75.50	\$84.00	\$275.00		
150 miles Mobilization									
150 miles Mobilization		Mobilization Cost-excavator	\$417		Mangover	Equipment	Mob+Demob	\$907	
		Mobilization Cost-digger	\$276		\$417.27	\$489.83	\$907.10	\$656	
					\$275.52	\$380.48	\$656.00		
Drill Holes Open									
Feet of Open Holes - Wet	#/Feet	Plugging Cost - Wet	\$13.104		Mangover	Equipment	Cost/Feet	Drill Hole Plugging	
Feet of Open Holes - Dry	11200	Plugging Cost - Dry	\$0		\$1.17	\$2.08	\$3.78	\$42.314	
Feet of Casing to Pull	11200	Pulling Casing	\$18,592		\$0.47	\$0.22	\$0.75	\$1	
					\$1.66	\$4.06	\$5.72	\$64,019	
150 miles Mobilization									
150 miles Mobilization		Mobilization Cost - Wet	\$720		Mangover	Equipment	Mob+Demob	\$2,000	
		Mobilization Cost - Dry	\$0		\$719.84	\$1,279.72	\$1,999.56	\$0	
					\$364.91	\$196.49	\$561.40		
Disturbance Type									
Roads	Total Acres	Total Linear Feet	Slope Acres					Total Reclamation Cost	
Drill Sites	0.00	0	0.00					\$111,824	
Sumps	0.49		0.50						
Trenches	0.21		0.21						
Cross Country	0.00		0.00						
total Notice acres	0.13		0.13						
	0.82		0.83						
Insurance									
Bond*									
Contractor Profit									
Contract Administration									
Indirect Costs									
green cells with blue font is for user input									
yellow cells are unit costs									
* Bond required only if total reclamation cost > \$100,000									
								Total Labor	\$33,776
								1.5% Labor Cost	\$507
								3% Total Reclamation Cost	\$3,355
								10% Total Reclamation Cost	\$11,182
								10% Total Reclamation Cost	\$11,182
								21% of Contract Administration Cost	\$2,348
								Total Administration Cost	\$28,574
								Financial Guarantee	\$140,388
								Amount	
								Cost per acre	\$170,401

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



In Reply Refer To:
3809 (NV063)
NVN-083245
(07-1A)

MAY 31 2007

C. Cushman 5/21/07
L. Marine 5/31/07

CERTIFIED MAIL: 7006 2150 0000 0369 8007
Return Receipt Requested

DECISION

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

Determination of Required Financial Guarantee Amount

On May 14, 2007, Idaho General Mines, Inc. (IGMI) submitted a Notice Amendment for the Central B Well Project located within MDB&M., T. 22 N., R. 51 E., sections 20, 21, 30 & 32. The Notice Amendment has been assigned Bureau of Land Management (BLM) case file number NVN-083245 (07-1A).

Your Notice Amendment proposes to drill four additional exploration test well holes, increasing the project to 1.59-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 **\$74,100.00** is sufficient to meet all anticipated reclamation requirements for this amendment. 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

ENTERED 5/31/07
Jm

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 –The BLM Nevada State Office Adjudication Branch issued a Decision on April 26, 2007, for the existing financial guarantee in the amount of \$71,625.00 and this must be increased by \$2,475.00. **Within 60 days of receipt of this Decision, a financial guarantee in the amount of \$74,100.00 must be filed with the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006 or enforcement action will take place.** You must receive written notification from that office accepting and obligating your financial guarantee before you may continue 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.

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 (April 18, 2007) unless you notify this office beforehand that operations have ceased and reclamation is complete or you would like to extend your Notice. 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 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.

Guidelines for Operations Conducted Under a Notice - *The attached 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.

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

Thomas J. Seley

Thomas J. Seley
Assistant Field Manager
Nonrenewable Resources

Enclosures

cc:

BLM, Branch of Minerals Adjudication, NSO (NV-923)

Andy Russell
Idaho General Mines, Inc.
N. 10 Post St. Ste. 610
Spokane, WA 99201

CCROTTEAU:cc:05/31/2007:S:\PUBLIC\nonrenewable\minerals\letters\LETTERS
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GENERAL MOLY, Inc.

2215 North 5th St.
Elko, NV 89801
Phone: 775.753.5009
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Email: bmusser@generalmoly.com
Website: www.generalmoly.com

2008 JUL -3 AM 10:18

RECEIVED
BATTLE MOUNTAIN
DISTRICT OFFICE

VIA HAND DELIVERY

June 3, 2008

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

RE: Amendment to Kobeh Valley Central-B Well Field Drilling Notice – NVN-083245
3809 (NV063)

Dear Steve:

General Moly, Inc. (General Moly) submitted a notice to drill and test water wells in April 2007 (Notice NVN-083245) and subsequently amended the Notice in May and June of 2007 and February of 2008. General Moly is submitting this Amendment with the intent of updating the disturbance for the permitted wells, adding additional well sites, and expanding the Notice area boundary.

Currently, two test wells and five observation wells have been drilled with an associated disturbance of 2.41 acres (Table 1).

Table 1: Actual Disturbance Kobeh Valley Central B Notice

Well ID #	Pad Dimensions (feet) / (acres)	Maximum Hole Diameter (inches)	Maximum Depth (feet)	Overland Travel (feet) / (acres)	Total Disturbance (acres)
RWX-203 Test Well	(80x200) / 0.37	12	1,060	920 / 0.12	0.49
RWX-203 Observation Well	Same pad as test well	6	1,200	-	-
RWX-204 Observation Well	(80x200) / 0.37	6 to 5.25 to 3.75 to	400 800 1305	-	0.37
RWX-205 Observation Well	(80x200) / 0.37	6 to 5.25 to	400 800	-	0.37
RWX-206 Test Well	(80x200) / 0.37	12	800	-	0.37
RWX-206 Observation Well	Same pad as test well	6	650	-	-
Kobeh Far East Observation Well	(80x200) / 0.37	12 to 8 to	50 1,000	3,411 / 0.44	0.81
Test Well Sumps	(2 each @ 40' x 10' x 8')	-	-	-	Within pad disturbance
Observation Well Sumps	(5 each @ 40' x 10' x 8')	-	-	-	Within pad disturbance
Total disturbance (acres)	1.85	-	6,815	0.56	2.41

General Moly is proposing to add three new wells, Wells RWX-213, RWX-219, RWX-229, and three new piezometers, one each at the three well sites as shown on Figure 1. The drill pads will either be 80 feet x 200 feet in areas with no existing access roads or 70 feet x 200 feet in areas with existing access roads. This equates to 0.37 and 0.32 acres of disturbance per drill pad, respectively. Test well and observation well (i.e., piezometers) sumps will be included in the drill pad disturbance footprints. All of the remaining wells included in this notice except RWX-213, RWX-214 and RWX-15 will be accessed from existing roads. Wells RWX-213, RWX-214, and RWX-15 will require a total of approximately 1,585 feet of overland travel, for 0.XX acres of disturbance (Table 2). The Test Well diameters and depths are shown in Table 2.

All of the Test Wells will have an associated Observation Well (i.e., piezometer). The Observations Well will be drilled from the same pad as the Test Well. The Observation Well diameters and depths are shown in Table 2. Maximum Observation Well depth will be 1,000 feet.

The drill pads will account for 3.60 acres of disturbance and the overland travel to three of the wells will account for 0.76 acres of disturbance, for a total disturbance of 4.36 acres.

General Moly is prepared to have a qualified archaeologist on site to monitor the placement of all drill pads and overland travel. Some locations may be moved to avoid cultural resources. Any minor adjustments will be communicated to BLM.

Table 2: Proposed Amended Disturbance to Kobeh Valley Central B Notice

Well ID #	Pad Dimensions (feet) / (acres)	Maximum Hole Diameter (inches)	Maximum Depth (feet)	New Road Construction or Overland Travel (feet) / (acres)	Total Disturbance (acres)
RWX-214 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 880/0.11	0.48
RWX-214 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-215 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 255/0.03	0.40
RWX-215 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-216 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 880/0.11	0.48
RWX-216 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-217 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 880/0.11	0.48
RWX-217 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-218 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 880/0.11	0.48
RWX-218 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-219 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 880/0.11	0.48
RWX-219 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-213 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 450/0.06	0.43
RWX-213 Observation Well	Same pad as test well	8 to 6 to	50 1,000	-	-
RWX08-219 Observation Well	(70x200) / 0.37	8 to 6 to	50 1000	-	0.32

Mr. Stephen C. Drummond
February 27, 2008
Page 3 of 4

Well ID #	Pad Dimensions (feet) / (acres)	Maximum Hole Diameter (inches)	Maximum Depth (feet)	New Road Construction or Overland Travel (feet) / (acres)	Total Disturbance (acres)
RWX08-219T Test Well	Same pad as test well	12 to	610	-	-
RWX08-229 Observation Well	(70x200) / 0.37	8 to 6 to	50 1000	-	0.32
RWX08-229T Test Well	Same pad as test well	12 to	610	-	-
Test Well Sumps	(5 each @ 40' x 10' x 8')	-	-	-	Within pad disturbance
Observation Well Sumps	(5 each @ 40' x 10' x 8')	-	-	-	Within pad disturbance
Total Proposed New	1.75	-	8,470	0.20	1.95
Total Existing Disturbance	1.85	-	6,815	0.56	2.41
New Total for Amended Notice	3.60	-	15,285	0.76	4.36

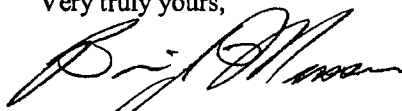
Notes:

- ☐ Previously Permitted – Relocated and new overland travel applied.
☒ Previously Permitted - Remove from permitting no disturbance

The proposed new wells are not all within the existing Notice boundary; therefore, General Moly is proposing to expand the Notice boundary as shown in Figure 1 to include the new wells. Figure 1 shows the amended drilling program, including the new drill sites.

Reclamation costs are estimated at \$197,700 for the disturbance and well abandonment associated with this Amendment. General Moly will be contacting the BLM regarding the bond amount in the near future. If you have any questions regarding this request, please contact me at 753-5009.

Very truly yours,



Brian J. Musser
Environmental Manager
Mount Hope Project

Attachment: Notes to SRCE-based Reclamation Cost Model with Calculators
Figure 1
Reclamation Cost Estimate for Notice for Kobeh Central B

cc: Andy Russell, General Moly, Inc.
Pat Rogers, General Moly, Inc.
Casey Kelly, General Moly, Inc.

Notice NVN-083245 Amendment

JA4042

Notes to SRCE-based Reclamation Cost Model with Calculators

The BLM has requested that the SRCE-based Reclamation Cost Model (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 1.69 acres, whereas the actual disturbance footprint is 4.36 acres of disturbance.

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

1. One Test Well and one Observation Well would be drilled as pairs, each pair on the same drill pad at seven sites.
2. Three Observation Wells will be drilled on their own individual drill pads
3. Maximum depth of the Test Wells will be 750 ft.
4. Drill pads areas are as shown in Table 2.
5. Total overland travel to the various Test and Observation Wells are as shown in Table 2.
6. Maximum depth of the Observation Wells will be 1,000 ft.
7. All holes will be open at one time, for a total open hole depth of 15,285 ft.

Using these assumptions, the Model calculates a reclamation cost estimate of \$190,011. However, the Model only estimates the disturbance to be 1.69 acres.

The Model was adjusted by adding additional drill pads to approximate the actual 4.36 acres of disturbance (i.e., adjusting for assumption number 4 above). By increasing the number of drill pads to 41, the Model calculated a disturbance of 4.39 acres. This increased the reclamation cost by \$7,666 to \$197,677. This adjusted figure is used as the final reclamation cost estimate for this amendment.

June 3, 2008 SRCE-based Reclamation Cost Model With Calculators									
Koboth Valley Water Well Exploration Drilling Notice - Koboth Central A- WYN-083245 Amendment (Actual No. Drill Pads)									
Linear Feet of Road On a Side Slope <30% >30%	Linear Feet		Labor Cost	Manpower	Equipment	Materials	Cost/Linear Foot	FY 2007 Model	
	0	0						Road Reclamation	
								\$0	
								\$0	
Drill Sites and Sumps									
Drill Sites < 30% slopes	Number		Recontouring Cost <30%	Manpower	Equipment	Materials	Cost each	Road Reclamation	Pad & Sump
Drill Sites > 30% slopes	10	0							
Drill Sites Cross Country			Recontouring Cost	\$34.00	\$42.80	\$0.00	\$76.80	\$768	
Sumps			Rip-in Cost	\$109.00	\$137.00	\$0.00	\$248.00	\$0	
			Recontouring Cost	\$7.00	\$3.50	\$0.00	\$10.50	\$0	
				\$36.90	\$46.40	\$0.00	\$83.30	\$933	
Trenches									
Cross Country Travel	Linear Feet		Recontouring Cost	Manpower	Equipment	Materials	Cost/Linear Foot	Road Reclamation	
	0	5,916							
			Rip-in Cost	\$0.93	\$1.71	\$0.00	\$2.64	\$0	
				\$0.04	\$0.02	\$0.00	\$0.06	\$355	
Total Disturbance									
			Revegetation Cost	\$128	\$64.00	\$275.00	\$414.50	\$704	
150 miles Mobilization									
150 miles Mobilization	SI e Acres		Mobilization Cost-excavator	Manpower	Equipment	Materials	Cost/Acre	Road Reclamation	
	1.70								
			Mobilization Cost-dozee	\$417.27	\$489.83	\$0.00	\$907.10	\$907	
				\$275.52	\$380.48	\$0.00	\$656.00	\$656	
Drill Holes Open									
Feet of Open Holes - Wet	#Feet		Plugging Cost - Wet	Manpower	Equipment	Materials	Cost/Feet	Drill Hole Plugging	
Feet of Open Holes - Dry	15285								
Feet of Casing to Pull			Plugging Cost - Dry	\$1.17	\$2.08	\$0.53	\$3.78	\$57,747	
			Pulling Casing	\$0.47	\$0.22	\$0.05	\$0.75	\$1	
				\$1.66	\$4.06	\$0.00	\$5.72	\$97,369	
150 miles Mobilization									
150 miles Mobilization	Mobilization Cost - Wet		Mobilization Cost - Dry	Manpower	Equipment	Materials	Cost/Acre	Road Reclamation	
	\$720	\$179.84							
				\$719.84	\$1,279.72	\$0.00	\$1,999.56	\$2,000	
				\$384.91	\$196.49	\$0.00	\$581.40	\$0	
Total Reclamation Cost									
								\$151,339	
Total Labor									
								\$45,744	
Total Administration Cost									
								\$38,672	
Financial Guarantee									
								\$190,011	
Cost per acre									
								\$112,674	

green cells with blue font is for user input
yellow cells are unit costs

* Bond required only if total reclamation cost > \$100,000

Bureau of Land Management Notice Level Reclamation Cost Estimation Worksheet	
Costs for this Notice Level Reclamation Cost Estimator are based on values and assumptions used in the Standardized Reclamation Cost Estimator (SRCE) Version 1.1.1. Cost data are from October 1, 2006. This worksheet is simpler than the SRCE and does not allow the flexibility of entering project specific information in some situations. The model will generate approximately the same reclamation costs as the SRCE model if the same inputs and assumptions are applied. Below are the methods and assumptions used by this model to generate a Financial Guarantee Amount.	
1. There are two side hill slope categories used for all calculations in this worksheet. All slopes under 30% (<30%) are assumed to have a slope of 20%.	
2. All slopes over 30% (>30%) are assumed to have a slope of 40%.	
3. All Roads in this worksheet are assumed to have a 14 foot wide dimension across the flat "drivable" part of the road without any safety berms.	
4. All Drill Sites in this worksheet are assumed to be 30 feet wide. For Drill Sites on slopes <30% they are 70 feet long. For Drill Sites on slopes >30% they are 83 feet long.	
5. All Road and Drill Sites cut banks are assumed to have a 60 degree slope.	
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 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. 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 Workmen's Comp = 10.75%.	
10. Revegetation cost is based on the cost of use of a D4 class dozer which scarifies, seeds and drags the seed in on one pass.	
11. Revegetation costs are based on a per acre basis.	
12. Drill Sites recontouring cost is based on a standard bed width and length.	
13. On Cross Country Drill Sites, the disturbed area is ripped by a Cat D6 size dozer.	
14. On Drill Sites <30% slopes they are assumed to be outside the Drill Site.	
15. 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.	
16. Cross Country travel is assumed to have a disturbance of 6 feet wide by the linear feet of travel on slopes under 10%.	
17. Mobilization and Demobilization are based on 150 miles one way to the project and are based on 2006 Vega Construction and Trucking quotes.	
18. Mobilization for a Cat 320C excavator will be charged for regrading of Roads, Drill Sites only.	
19. If any Trenches or Cross Country travel is included a D6 dozer will be mobilized also.	
20. If a drill hole will not penetrate the static water level it may be abandoned as an Open Hole - Dry.	
21. Mobilization for Drill Holes - Open for Open Hole - Wet will include one drilling rig plus crew and support equipment.	
22. Mobilization for Drill Holes - Open for Open Hole - Dry will include one backhoe and operator, and one general laborer.	
23. Drill Hole Plugging Cost for Open Hole - Wet is based on average time to plug a 1000 ft. 6" Drill Hole (using productivity data from 8 drilling contractors December 2006).	

Nevada BLM, January 17, 2007

June 3, 2009

SRCE-based Reclamation Cost Model With Calculators

For Notice-Level Exploration

Koboh Valley Water Well Exploration Drilling Notice - Koboh Central A- NVN-083245 Amendment (Adjusted No. Drill Pads)

FY 2007 Model

Koboh Valley Water Well Exploration Drilling Notice - Koboh Central A- NVN-083245 Amendment (Adjusted No. Drill Pads)	Linear Feet	Labor Cost	Manpower	Equipment	Materials	Cost/Linear Foot	Road Reclamation		
Linear Feet of Road	Linear Feet	Recontour	Cost <30%	Cost >30%	Manpower	Equipment	Materials	Cost/Linear Foot	
On a Side Slope	0	\$0	\$0	\$0.11	\$0.28	\$0.13	\$0.00	\$0.24	
<30%	0	\$0	\$0	\$0.28	\$0.36	\$0.36	\$0.00	\$0.64	
>30%	0	\$0	\$0	\$0.36	\$0.40	\$0.40	\$0.00	\$0.80	
Drill Sites and Sumps	Number	Labor Cost	Manpower	Equipment	Materials	Cost each	Pad & Sump Reclamation		
Drill Sites < 30% Slopes	Number	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost each	
Drill Sites > 30% Slopes	Number	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost each	
Drill Sites Cross Country	Number	Rippling Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost each	
Sumps	Number	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost each	
	41	\$1,394	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	41	\$1,513	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Trenches	Linear Feet	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
Cross Country Travel	Linear Feet	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	5,916	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Disturbance	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
150 miles Mobilization	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Drill Holes Open	#Feet	Labor Cost	Manpower	Equipment	Materials	Cost/Feet	Drill Hole Plugging		
Feet of Open Holes - Wet	#Feet	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Feet	
Feet of Open Holes - Dry	#Feet	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Feet	
Feet of Casing to Pull	#Feet	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Feet	
	15285	\$17,883	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	15285	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
150 miles Mobilization	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost	Cost	Cost >30%	Manpower	Equipment	Materials	Cost/Acre	
	4.44	\$335	\$0	\$0.93	\$1.71	\$0.00	\$0.00	\$2.64	\$0
	0	\$0	\$237	\$0.04	\$0.02	\$0.00	\$0.00	\$0.06	\$355
	0	\$0	\$0	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0
	0	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
Total Reclamation Cost	Slope Acres	Labor Cost	Manpower	Equipment	Materials	Cost/Acre	Drill Hole Plugging		
150 miles Mobilization	Slope Acres	Recontouring Cost							

green cells with blue font is for user input
yellow cells are unit costs

* Bond required only if total reclamation cost > \$100,000

Insurance
Bond*
Contractor Profit
Contract Administration
Indirect Costs

1.5% Labor Cost
3% Total Reclamation Cost
10% Total Reclamation Cost
10% Total Reclamation Cost
21% of Contract Administration Cost

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 "drivable" part of the road without any safety berms.	
3. 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.	
4. All Road and Drill Sites cut banks are assumed to have a 60 degree slope.	
5. 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.	
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 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.	
Area pay: \$3.00 per hour, FICA = 7.65%, Unemployment = 3% and Workmen's Comp = 10.75%.	
9. 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 Workmen's Comp = 10.75%.	
10. Revegetation cost is based on the cost of use of a D4 class dozer which scarifies, seeds and drags the seed in on one pass.	
11. Revegetation costs are based on a per acre basis.	
12. Drill Sites recontouring cost is based on a standard pad width and length.	
Drill Sites on slopes <30% and Cross Country Drill Sites are 30 feet wide by 70 feet long.	
Drill Sites on slopes >30% are 30 feet wide by 83 feet long.	
On Cross Country Drill Sites, the disturbed area is ripped by a Cat D6 size dozer.	
13. One Sump is assumed for each Drill Site. The assumed dimensions are 13 feet wide, 30 feet long and 5 feet deep.	
On Drill Sites <30% slopes they are assumed to be outside the Drill Site.	
On Drill Sites >30% slopes sumps are assumed to be within the 30 foot * 83 foot dimension of the Drill Site.	
14. 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.	
15. Recontouring earthwork for Roads, Drill Sites and Sumps has an assumed swell factor of 20%. Trenches swell factor is 30%.	
16. 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.	
17. 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.	
18. Mobilization for a Cat 320C excavator will be charged for regrading of Roads, Drill Sites only.	
If any Trenches or Cross Country travel is included a D6 dozer will be mobilized also.	
19. All projects that propose drilling will require a minimum Drill Holes. Open abandonment cost.	
If a drill hole will not penetrate the static water level it may be abandoned as an Open Hole - Dry.	
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 include one backhoe and operator, and one general laborer.	
22. Drill Hole Plugging Cost for Open Hole - Wet is based on average time to plug a 1000 ft. 6" Drill Hole (using productivity data from 8 drilling contractors December 2006).	

Nevada BLM, January 17, 2007



Idaho General Mines, Inc.

455 8th Street

Elko, Nevada 89801

Phone: (775) 753-5009

Fax: (775) 753-7722

www.idahogeneralmine.com - AMEX : GMO

Via Federal Express

June 4, 2007

Ms Lacey Ternau
BLM/Nevada State Office
1240 Financial Blvd.
P.O. Box 12000
Reno, Nevada 89520-0006

Re: Bond Increase for Idaho General Mines Surface Management Bond No. NVB 567

Dear Ms Ternau,

Enclosed is a check in the amount of \$32,264 and a bond rider to facilitate increase of the State bond for Idaho General Mining, Inc's (IGMI) exploration projects. This increase is to accommodate modifications to Notice Numbers: NVN-080914, NVN-083245, and NVN-083246. The bond determination letters dated May 31, 2007 were issued by the Battle Mountain Field Office. A combined additional reclamation cost of \$32,264 was deemed adequate in the bond determination letters. The attached check represents this increased bond requirement.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian J. Musser'.

Brian J. Musser
Environmental Manager
Mount Hope Project

cc: Steve Drummond, BLM - BMFO

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 acceptance of this rider by the Bureau of Land Management (BLM) on behalf of the United States of America, this rider attaches to and is part of Surface Management Bond No. NVB 567 issued on behalf of Idaho General Mines, Inc. (IGMI) (BLM Bond No.)
10 N Post Street, Suite 610, Spokane, WA 89520-0006
principal, in favor of the United States. The bond provides coverage as shown below:

Individual _____; or Statewide Nevada; or Nationwide _____
(Enter BLM Serial No.) (Enter Name of State, if applicable) (Enter "Yes," if applicable)

☒ **INCREASE/DECREASE IN DOLLAR AMOUNT OF BOND COVERAGE**

It is understood and agreed that IGMI, principal, is increasing/decreasing the coverage of this bond to the amount shown below; however, this rider will not act to increase/decrease the actual cumulative or potential liability above the face amount of the bond, to wit: TWO HUNDRED EIGHTY EIGHT THOUSAND FIVE HUNDRED SEVENTY NINE AND 00/100
U.S. dollars (\$ 288,579).

☐ **STATEWIDE/NATIONWIDE BOND**

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

Include name of State if coverage is Statewide _____.

☐ **BOND COVERAGE EXTENDED**

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

☒ **THIRD PARTY POSTING OF THE FINANCIAL INSTRUMENT FOR THE BOND**

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

☐ **COPRINCIPAL**

It is understood and agreed that _____, principal, is extending the coverage of the bond referenced above to include liabilities for operations conducted by _____ on notice/plan of operations serialized _____.

(Continued on page 2)

NOTE

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

Executed this 1st day of JUNE

Brian J. Musser
(Principal)

[REDACTED]
(TIN or SSN, if applicable)

BRIAN J. MUSSER
(By)

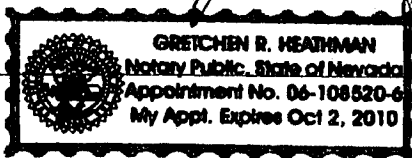
MANAGER ENVIRONMENTAL SERVICES
(Title)

455 8TH ST., ELKO, NV 89801
(Business Address)

State of NV County of ELKO

Subscribed and sworn to before me this June 1st, 2007

by Gretchen R. Heathman



(Notary Public)

(My Commission Expires)

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:

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

Response to this request is required to obtain a benefit.

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

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



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 (NV063)
NVN-083245
(07-2A)

JUN 04 2007

Ymarine 6/1/07
J. Shem 6/1/07

CERTIFIED MAIL: 7006 2150 0000 0369 8540
Return Receipt Requested

DECISION

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

Determination of Required Financial Guarantee Amount

On May 30, 2007, Idaho General Mines, Inc. (IGMI) submitted a Notice Amendment for the Central B Well Project located within MDB&M., T. 22 N., R. 51 E., sections 20, 21, 30 & 32. The Notice Amendment has been assigned Bureau of Land Management (BLM) case file number NVN-083245 (07-2A).

Your Notice Amendment proposes to drill four additional observation wells. They will not increase the amount of disturbance of 1.59-acres as they are located on a previous permitted amendment (07-1A). 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 **\$140,398.00** is sufficient to meet all anticipated reclamation requirements for this amendment. 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

ENTERED

JM
6/4/07

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 –The BLM Nevada State Office Adjudication Branch issued a Decision on April 26, 2007, for the existing financial guarantee in the amount of \$71,625.00 and this must be increased by \$68,773.00. **Within 60 days of receipt of this Decision, a financial guarantee in the amount of \$140,398.00 must be filed with the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006 or enforcement action will take place.** You must receive written notification from that office accepting and obligating your financial guarantee before you may continue 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.

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 (April 18, 2007) unless you notify this office beforehand that operations have ceased and reclamation is complete or you would like to extend your Notice. 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 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.

Guidelines for Operations Conducted Under a Notice - *The attached 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.

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

Thomas J. Seley

Thomas J. Seley
Assistant Field Manager
Nonrenewable Resources

Enclosures

cc:

BLM, Branch of Minerals Adjudication, NSO (NV-923)

Andy Russell
Idaho General Mines, Inc.
N. 10 Post St. Ste. 610
Spokane, WA 99201

CCROTTEAU:cc:05/31/2007:S:\PUBLIC\nonrenewable\minerals\letters\LETTERS
FINALIZED\NOTICESAMENDEDINWOFORMAT\GMI_CentralB_83245_072A_May2007.
doc



Idaho General Mines, Inc.

455 8th Street
Elko, Nevada 89801
Phone: (775) 753-5009
Fax: (775) 753-7722
www.idahogeneralmine.com - AMEX : GMO

Via Federal Express

June 7, 2007

Ms Lacey Ternau
BLM/Nevada State Office
1240 Financial Blvd.
P.O. Box 12000
Reno, Nevada 89520-0006

Re: Bond Increase for Idaho General Mines Surface Management Bond No. NVB 567

Dear Ms Ternau,

Enclosed is a bond rider to facilitate a \$177,730 increase of the State bond for Idaho General Mining, Inc's (IGMI's) exploration projects. This increase is to accommodate modifications as described in Notice Numbers: NVN-083245(07-2A) and NVN-083246(07-2A). The bond determination letters, dated June 04, 2007, were issued by the Battle Mountain Field Office. A combined additional reclamation cost of \$200,585 was deemed adequate in the bond determination letters; however, this amount does not reflect additions to the state bond that have been submitted, but have not yet been approved. These bond increases were for NVN-083245(07-1A) in the amount of \$20,380 and NVN-083246(07-1A) in the amount of \$2,475. Guaranteed remittance in US \$177,730 will be mailed under a separate cover from IGMI's Spokane Office.

Please call me if you have any questions regarding this submittal.

Very truly yours,

Brian J. Musser
Environmental Manager
Mount Hope Project

cc: Steve Drummond, BLM - BMFO

RECEIVED-MALHOOB
2007 JUN 11 AM 11:46
BLM
BATTLE MOUNTAIN
FIELD OFFICE

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 acceptance of this rider by the Bureau of Land Management (BLM) on behalf of the United States of America, this rider attaches to and is part of Surface Management Bond No. NVB567 issued on behalf of Idaho General Mines, Inc.
(BLM Bond No.)

10 N. Post Street, Suite 610, Spokane, WA 99201

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

Individual _____; or Statewide Nevada; or Nationwide _____
(Enter BLM Serial No.) (Enter Name of State, if applicable) (Enter "Yes," if applicable)

☒ **INCREASE/DECREASE IN DOLLAR AMOUNT OF BOND COVERAGE**

It is understood and agreed that IGMI, principal, is increasing/decreasing the coverage of

this bond to the amount shown below; however, this rider will not act to increase/decrease the actual cumulative or potential liability above the face

amount of the bond, to wit: four hundred sixty five thousand seven hundred
nine dollars NO/100 U.S. dollars (\$ 465,709.00).

☐ **STATEWIDE/NATIONWIDE BOND**

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

Include name of State if coverage is Statewide _____

☐ **BOND COVERAGE EXTENDED**

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

☒ **THIRD PARTY POSTING OF THE FINANCIAL INSTRUMENT FOR THE BOND**

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

☐ **COPRINCIPAL**

It is understood and agreed that _____, principal, is extending the coverage of the bond
referenced above to include liabilities for operations conducted by _____ on notice/plan of operations

serialized _____

(Continued on page 2)

NOTE

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

Executed this 6TH day of June, 20 07 :

Brian J. Musser
(Principal)

91-0232000

(TIN or SSN, if applicable)

Brian J. Musser
(By)

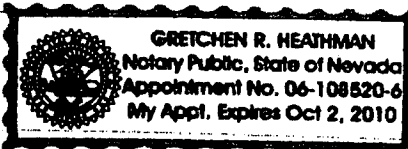
MANAGER ENVIRONMENTAL SERVICES
(Title)

455 8TH STREET, ELKO, NV 89801
(Business Address)

State of Nevada County of Elko

Subscribed and sworn to before me this 8th day of June

by Gretchen R. Heathman



(Notary Public)

10/2/2010
(My Commission Expires)

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.

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

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

Response to this request is required to obtain a benefit.

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

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IDAHO GENERAL MINES, INC.

455 8th Street
Elko, Nevada 89801
Phone: 775-753-5009
Fax: 775-753-7722
Email: bmusser@igmines.com
Website: www.idahogeneralmines.com

RECEIVED-MAILROOM

2007 JUN 11 AM 11:46

BU L
F D O I CC

June 7, 2007

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

RE: Drilling Procedure Changes to Notices NVN-083245 (07-2A) and NVN-083246 (07-2A)

Dear Mr. Seley:

Per a phone conversation with Mr. Stephen Drummond, Idaho General Mines, Inc. (IGMI) is submitting this letter to describe a minor change in the drilling programs for the Central A and Central B well projects.

Our previous notice amendments indicated that in the event that sufficient water is discovered after drilling of the primary exploration holes to warrant installation of test wells and pump testing, then observation wells would be drilled on the same pad approximately 100 feet from the primary exploration hole. The existing primary holes would then be over-bored to twelve-inch diameter to install an eight-inch casing for a test well.

Our plan has changed as follows: The primary exploration holes will be completed as monitor wells/piezometers. New twelve-inch borings will be installed approximately 100 feet from the primary exploration holes and will be completed as test wells. All wells will be installed using applicable Nevada Division of Water Resources NAC 534 design requirements.

This change in drilling procedure will not increase the amount of disturbance over what has been described in the last amendment.

If you have any questions regarding this request, please contact me at 775-753-5009

Sincerely,

Brian J. Musser
Environmental Manager
Idaho General Mines, Inc.



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)

JUN 08 2007

DECISION

Principal:	:		
Idaho General Mines, Inc.	:	BLM Bond Number:	NVB000567
10 North Post St., Suite 610	:	Bond Amount Accepted:	\$288,579
Spokane, WA 99201	:		

Bond Riders 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 surface disturbance reclamation coverage for operations conducted by Idaho General Mines, Inc. on lands in Nevada under federal regulations at 43 CFR 3809.

On May 16, 2007, the BLM Battle Mountain Field Office increased the reclamation cost estimate for surface disturbance on notice N-83120, the Mt. Hope West Project to \$55,193.

On May 31, 2007, the BLM Battle Mountain Field Office increased the reclamation cost estimates for surface disturbance on notice N-83245, the Central B Well Project, N-80914, the Mt. Hope East Project and N-83246, the Central A Well Project, to \$74,100, \$33,131 and \$126,100 respectively.

On June 4, 2007, the NSO received a rider increasing the bond coverage to \$256,315. The bond rider has been examined and found satisfactory; therefore, it is accepted effective June 4, 2007.

On June 6, 2007, the NSO received another rider increasing the bond coverage to \$288,579. The bond rider has been examined and found satisfactory; therefore, it is accepted effective June 6, 2007. The bond was increased to satisfy recent increases for operations filed by Idaho General Mines, Inc.

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

Operations Number	Operations Name	Bond Amount Obligated
N-80914	Mount Hope East	\$ 33,131
N-83120	Mount Hope West	\$ 55,193
N-83245	Central "B" Well	\$ 74,100
N-83246	Central "A" Well	\$ 126,100
Total obligations under NVB000567		\$ 288,524

Considering the total amount of BLM Bond Number NVB000567 and the amount currently obligated for surface reclamation, \$55 remains 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.

ATANDA CLARK

Atanda Clark
Chief, Branch of Minerals Adjudication

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

NV060 (SDrummond, LMarine)
NV923 (CDragon)



GENERAL MOLY, Inc.

2215 North 5th St.
Elko, NV 89801
Phone: 775.753.5009
Fax: 775.753.7722
Email: bmusser@generalmoly.com
Website: www.generalmoly.com

June 11, 2008

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

RE: Amendment to Kobeh Valley Central-B Well Field Drilling Notice – NVN-083245
3809 (NV063) - Revised

Dear Steve:

General Moly, Inc. (General Moly) submitted a notice to drill and test water wells in April 2007 (Notice NVN-083245) and subsequently amended the Notice in May and June of 2007 and February of 2008. General Moly is submitting this Amendment with the intent of updating the disturbance for the permitted wells, adding additional well sites, and expanding the Notice area boundary. At BLMs request this notice amendment has been revised to incorporate the new Notice-Level Exploration model that is based on SRCE Version 1.1.2. and minor corrections within the text.

Currently, two test wells and five observation wells have been drilled with an associated disturbance of 2.41 acres (Table 1).

Table 1: Actual Disturbance Kobeh Valley Central B Notice

Well ID #	Pad Dimensions (feet) / (acres)	Maximum Hole Diameter (inches)	Maximum Depth (feet)	Overland Travel (feet) / (acres)	Total Disturbance (acres)
RWX-203 Test Well	(80x200) / 0.37	12	1,060	920 / 0.12	0.49
RWX-203 Observation Well	Same pad as test well	6	1,200	-	-
RWX-204 Observation Well	(80x200) / 0.37	6 to 5.25 to 3.75 to	400 800 1305	-	0.37
RWX-205 Observation Well	(80x200) / 0.37	6 to 5.25 to	400 800	-	0.37
RWX-206 Test Well	(80x200) / 0.37	12	800	-	0.37
RWX-206 Observation Well	Same pad as test well	6	650	-	-
Kobeh Far East Observation Well	(80x200) / 0.37	12 to 8 to	50 1,000	3,411 / 0.44	0.81
Test Well Sumps	(2 each @ 40' x 10' x 8')	-	-	-	Within pad disturbance
Observation Well Sumps	(5 each @ 40' x 10' x 8')	-	-	-	Within pad disturbance
Total disturbance (acres)	1.85	-	6,815	0.56	2.41

Notice NVN-083245 Amendment

General Moly is proposing to add three new wells, Wells RWX-213, RWX-219, RWX-229, and three new piezometers, one each at the three well sites as shown on Figure 1. The drill pads will either be 80 feet x 200 feet in areas with no existing access roads or 70 feet x 200 feet in areas with existing access roads. This equates to 0.37 and 0.32 acres of disturbance per drill pad, respectively. Test well and observation well (i.e., piezometers) sumps will be included in the drill pad disturbance footprints. All of the remaining wells included in this notice except RWX-213, RWX-214 and RWX-15 will be accessed from existing roads. Wells RWX-213, RWX-214, and RWX-15 will require a total of approximately 1,585 feet of overland travel, for 0.XX acres of disturbance (Table 2). The Test Well diameters and depths are shown in Table 2.

All of the Test Wells will have an associated Observation Well (i.e., piezometer). The Observations Well will be drilled from the same pad as the Test Well. The Observation Well diameters and depths are shown in Table 2. Maximum Observation Well depth will be 1,000 feet.

The drill pads will account for 3.60 acres of disturbance and the overland travel to three of the wells will account for 0.76 acres of disturbance, for a total disturbance of 4.46 acres.

General Moly is prepared to have a qualified archaeologist on site to monitor the placement of all drill pads and overland travel. Some locations may be moved to avoid cultural resources. Any minor adjustments will be communicated to BLM.

Table 2: Proposed Amended Disturbance to Kobeh Valley Central B Notice

Well ID #	Pad Dimensions (feet) / (acres)	Maximum Hole Diameter (inches)	Maximum Depth (feet)	New Road Construction or Overland Travel (feet) / (acres)	Total Disturbance (acres)
RWX-214 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 880/0.11	0.48
RWX-214 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-215 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 255/0.03	0.40
RWX-215 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-216 Test Well	(80x200) / 0.37	20 to 12 to	200 750	-	0.37
RWX-216 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-217 Test Well	(80x200) / 0.37	20 to 12 to	200 750	1,072 / 0.14	0.51
RWX-217 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-218 Test Well	(80x200) / 0.37	20 to 12 to	200 750	84 / 0.01	0.38
RWX-218 Observation Well	Same pad as test well	12 to 8 to	50 1,000	-	-
RWX-213 Test Well	(80x200) / 0.37	20 to 12 to	200 750	O.T. 450/0.06	0.43
RWX-213 Observation Well	Same pad as test well	8 to 6 to	50 1,000	-	-
RWX08-219 Observation Well	(70x200) / 0.37	8 to 6 to	50 1000	-	0.32

Mr. Stephen C. Drummond
June 6, 2008
Page 3 of 4

Well ID #	Pad Dimensions (feet) / (acres)	Maximum Hole Diameter (inches)	Maximum Depth (feet)	New Road Construction or Overland Travel (feet) / (acres)	Total Disturbance (acres)
RWX08-219T Test Well	Same pad as test well	12 to	610	-	-
RWX08-229 Observation Well	(70x200) / 0.37	8 to 6 to	50 1000	-	0.32
RWX08-229T Test Well	Same pad as test well	12 to	610	-	-
Test Well Sumps	(5 each @ 40' x 10'x 8')	-	-	-	Within pad disturbance
Observation Well Sumps	(5 each @ 40' x 10'x 8')	-	-	-	Within pad disturbance
Total Proposed New	1.85	-	8,470	0.20	2.05
Total Existing Disturbance	1.85	-	6,815	0.56	2.41
New Total for Amended Notice	3.70	-	15,285	0.76	4.46

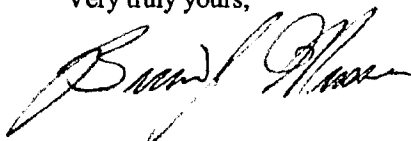
Notes:

- ☐ Previously Permitted – Relocated and new overland travel applied.
☒ Previously Permitted - Remove from permitting no disturbance

The proposed new wells are not all within the existing Notice boundary; therefore, General Moly is proposing to expand the Notice boundary as shown in Figure 1 to include the new wells. Figure 1 shows the amended drilling program, including the new drill sites.

Reclamation costs are estimated at \$200,600 for the disturbance and well abandonment associated with this Amendment. General Moly will be contacting the BLM regarding the bond amount in the near future. If you have any questions regarding this request, please contact me at 753-5009.

Very truly yours,



Brian J. Musser
Environmental Manager
Mount Hope Project

Attachment: Notes to SRCE-based Reclamation Cost Model with Calculators
Figure 1
Reclamation Cost Estimate for Notice for Kobeh Central B

cc: Andy Russell, General Moly, Inc.
Pat Rogers, General Moly, Inc.
Casey Kelly, General Moly, Inc.

Notice NVN-083245 Amendment

JA4063

Notes to SRCE-based Reclamation Cost Model with Calculators

The BLM has requested that the SRCE-based Reclamation Cost Model (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 1.59 acres, whereas the actual disturbance footprint is 4.36 acres of disturbance.

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

1. One Test Well and one Observation Well would be drilled as pairs, each pair on the same drill pad at seven sites.
2. Three Observation Wells will be drilled on their own individual drill pads
3. Maximum depth of the Test Wells will be 750 ft.
4. Drill pads areas are as shown in Table 2.
5. Total overland travel to the various Test and Observation Wells are as shown in Table 2.
6. Maximum depth of the Observation Wells will be 1,000 ft.
7. All holes will be open at one time, for a total open hole depth of 15,285 ft.

Using these assumptions, the Model calculates a reclamation cost estimate of \$193,093. However, the Model only estimates the disturbance to be 1.59 acres.

The Model was adjusted by adding additional drill pads to approximate the actual 4.46 acres of disturbance (i.e., adjusting for assumption number 4 above). By increasing the number of drill pads to 47, the Model calculated a disturbance of 4.45 acres. This increased the reclamation cost by \$7,475 to \$200,568. This adjusted figure is used as the final reclamation cost estimate for this amendment.

June 11, 2008									
SRCE-based Reclamation Cost Model With Calculators									
For Notice-Level Exploration									
Kobah Valley Water Well Exploration Drilling Notice - Kobah Central A - NVN-083245 Amendment (Adjusted No. Drill Pads)									
FY 2007 Model Version 3.1									
Linear Feet of Road	Linear Feet	Recontouring Cost <30%	Recontouring Cost >30%	Labor Cost	Manpower	Equipment	Materials	Cost/Linear Foot	Road Reclamation
On a Side Slope									
<30%	0			\$0	\$0.11	\$0.13	\$0.00	\$0.24	\$0
>30%	0			\$0	\$0.29	\$0.36	\$0.00	\$0.65	\$0
Drill Sites and Sumps	Number	Recontouring Cost	Recontouring Cost		Manpower	Equipment	Materials	Cost each	Pad & Sump Reclamation
Drill Sites < 30% slopes	47	\$1,617	\$0		\$34.40	\$43.20	\$0.00	\$77.60	\$3,647
Drill Sites > 30% slopes	0	\$0	\$0		\$110.20	\$138.40	\$0.00	\$248.60	\$0
Drill Sites Cross Country	0	\$4.94	\$2.03		\$22.00	\$28.80	\$0.00	\$6.97	\$0
Sumps	47	\$1,034	\$0					\$48.80	\$2,284
Trenches	Linear Feet	Recontouring Cost	Recontouring Cost		Manpower	Equipment	Materials	Cost/Linear Foot	
Cross Country Travel	0	\$0	\$167		\$0.95	\$1.73	\$0.00	\$2.67	\$0
	5,918				\$0.03	\$0.01	\$0.00	\$0.04	\$235
Total Disturbance	Slope Acres	Revegetation Cost			Manpower	Equipment	Materials	Cost/Acre	\$1,970
150 miles Mobilization	4.50				\$73.00	\$62.00	\$302.50	\$437.50	
150 miles Mobilization		Mobilization Cost-excavator			Manpower	Equipment		Mob+Demob	\$774
		Mobilization Cost-dozer			\$356.17	\$418.11		\$774.28	\$1,341
Drill Holes Open	all feet				\$563.21	\$777.77		\$1,340.98	
Feet of Open Holes - Wet	15285	Plugging Cost - Wet			Manpower	Equipment	Materials	Cost/Foot	Drill Hole Plugging
Feet of Open Holes - Dry		Plugging Cost - Dry			\$0.42	\$1.49	\$0.58	\$2.50	\$38,197
Feet of Casing to Pull	15285	Pulling Casing			\$0	\$0.23	\$0.04	\$0.75	\$0
					\$1.65	\$5.39	\$0.00	\$7.03	\$107,499
150 miles Mobilization		Mobilization Cost - Wet			Manpower	Equipment		Mob+Demob	\$3,923
150 miles Mobilization		Mobilization Cost - Dry			\$1,412.16	\$2,510.52		\$3,922.68	\$0
Disturbance Type	Total Acres	Total Linear Feet	Slope Acres		\$313.20	\$168.65		\$481.85	
Roads	0.00	0	0.00						Total Reclamation Cost
Drill Sites	2.87		2.92						\$159,881
Sumps	0.77		0.77						
Trenches	0.00		0.00						Total Labor
Cross Country	0.81		0.81						\$37,403
Total Notice acres	4.45		4.50						\$557
		Insurance Bond*							3% Total Reclamation Cost
		Contractor Profit							\$4,796
		Contract Administration							10% Total Reclamation Cost
		Indirect Costs							\$15,988
									10% Total Reclamation Cost
									\$15,988
									21% of Contract Administration Cost
									\$3,358
									Total Administration Cost
									\$40,667
* Bond required only if total reclamation cost > \$100,000				Cost per acre	Financial Guarantee Amount				
				\$45.105	\$200,568				

green cells with blue font is for user input
yellow cells are unit costs

* Bond required only if total reclamation cost > \$100,000

Bureau of Land Management Notice Level Reclamation Cost Estimation Worksheet			
Costs for this Notice Level Reclamation Cost Estimator are based on values and assumptions used in the Standardized Reclamation Cost Estimator (SRCE) Version 1.1.2. Cost Data are from August 1, 2007. 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 "drivable" part of the road without any safety berms.		
3.	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.		
4.	All Road and Drill Sites cut banks are assumed to have a 60 degree slope.		
5.	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.		
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 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 Workmen's Comp= 9.50%		
10.	Revegetation cost is based on the cost of use of a D4 class dozer which scarifies, seeds and drags the seed in on one pass.		
11.	Revegetation costs are based on a per acre basis.		
12.	Drill Sites recontouring cost is based on a standard pad width and length.		
13.	Drill Sites on slopes <30% and Cross Country Drill Sites are 30 feet wide by 70 feet long.		
14.	Drill Sites on slopes >30% are 30 feet wide by 83 feet long.		
15.	On Cross Country Drill Sites, the disturbed area is ripped by a Cat D6 size dozer.		
16.	On Drill Sites <30% slopes they are assumed to be outside the Drill Site.		
17.	On Drill Sites >30% slopes sumps are assumed to be within the 30 foot x 83 foot dimension of the Drill Site.		
18.	Trenches are assumed to be 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.		
19.	Recontouring earthwork for Roads, Drill Sites and Sumps has an assumed swell factor of 20%. Trenches swell factor is 30%.		
20.	Cross Country travel is assumed to have a disturbance of 6 feet wide by the linear feet of travel on slopes under 10%.		
21.	Revegetation costs for all Cross Country disturbance is based on a 12 foot wide seeding width on one pass.		
22.	Mobilization and Demobilization are based on 150 miles one way to project and are based on the 2007 SRCE & RS Means with Davis-Bacon Mobil/Demob worksheet.		
23.	Travel times are assumed to be 2.73 hours one way to the project.		
24.	Mobilization for a Cat 320C excavator will be charged for regrading of Roads, Drill Sites only.		
25.	If any Trenches or Cross Country travel is included a D6 dozer will be mobilized also.		
26.	All projects that propose drilling will require a minimum Drill Holes Open abandonment cost.		
27.	If a drill hole will not penetrate the static water level it may be abandoned as an Open Hole - Dry.		
28.	If a drill hole is drilled deeper than the static water level it is considered a wet hole and must be abandoned as an Open Hole - Wet.		
29.	Mobilization for Drill Holes - Open for Open Hole - Wet will include one drilling plus crew and support equipment.		
30.	Mobilization for Drill Holes - Open for Open Hole - Dry will include one backhoe and operator, and one general laborer.		
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Nevada BLM, April 8, 2008

June 11, 2008									
SRCE-based Reclamation Cost Model With Calculators									
For Notice-Level Exploration									
Kobeh Valley Water Well Exploration Drilling Notice - Kobeh Central A - NVH-083245 Amendment (Adjusted No. Drill Pads)									
FY 2007 Model Version 3.1									
Linear									
Linear Feet of Road									
On a Side Slope									
<30%									
>30%									
Drill Sites and Sumps									
Drill Sites < 30% slopes									
Drill Sites > 30% slopes									
Drill Sites Cross Country									
Sumps									
Linear Feet									
Trenches									
Cross Country Travel									
Slope Acres									
Total Disturbance									
150 miles Mobilization									
150 miles Mobilization									
Drill Holes Open									
Feet of Open Holes - Wet									
Feet of Open Holes - Dry									
Feet of Casing to Pull									
150 miles Mobilization									
150 miles Mobilization									
Disturbance Type									
Roads									
Drill Sites									
Sumps									
Trenches									
Cross Country									
Total Notice acres									
green cells with blue font is for user input									
yellow cells are unit costs									
* Bond required only if total reclamation cost > \$100,000									
Insurance									
Bond*									
Contractor Profit									
Contract Administration									
Indirect Costs									
Cost per acre									
\$121,825									
Financial Guarantee									
Amount									
\$193,093									
Total Reclamation Cost									
\$163,934									
Total Labor									
\$34,804									
Total Administration Cost									
\$39,159									
Total Reclamation Cost									
\$193,093									

Bureau of Land Management Notice Level Reclamation Cost Estimation Worksheet	
Costs for this Notice Level Reclamation Cost Estimator are based on values and assumptions used in the Standardized Reclamation Cost Estimator (SRCE) Version 1.1.2. Cost Data are from August 1, 2007. This worksheet is simpler than the SRCE and does not allow the flexibility of entering project specific information in some situations. The model will generate approximately the same reclamation costs as the SRCE model if the same inputs and assumptions are applied. Below are the methods and assumptions used by this model to generate a Financial Guarantee Amount.	
1. There are two side hill slope categories used for all calculations in this worksheet. All slopes under 30% (<30%) are assumed to have a slope of 20%.	
2. All slopes over 30% (>30%) are assumed to have a slope of 40%.	
3. All Roads in this worksheet are assumed to have a 14 foot wide dimension across the flat "drivable" part of the road without any safety berms.	
4. All Drill Sites in this worksheet are assumed to be 30 feet wide. For Drill Sites on slopes <30% they are 70 feet long. For Drill Sites on slopes >30% they are 83 feet long.	
5. All Road and Drill Sites cut banks are assumed to have a 60 degree slope.	
6. All Road and Drill Sites fill slopes are assumed to have an angle of repose of 1.4H:1V or about 70% slope equal to a 35 degree angle.	
7. Recontouring for reclamation of Roads, Drill Sites, and Sumps is done with a track excavator of a Cat 320C size with a 1.57 CY bucket and productivity of 139 CY per hour.	
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 = 9.50%	
10. Labor 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 = 9.50%	
11. Reforestation costs are based on the cost of use of a D4 class dozer which scarifies, seeds and drags the seed in on one pass.	
12. Reforestation costs are based on a per acre basis.	
13. Drill Sites recontouring cost is based on a standard pad width and length.	
14. Drill Sites on slopes <30% and Cross Country Drill Sites are 30 feet wide by 70 feet long.	
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20. Recontouring earthwork for Roads, Drill Sites and Sumps has an assumed swell factor of 20%. Trenches swell factor is 30%.	
21. Cross Country travel is assumed to have a disturbance of 6 feet wide by the linear feet of travel on slopes under 10%.	
22. Reforestation costs for all Cross Country disturbance is based on a 12 foot wide seeding width on one pass.	
23. Mobilization and Demobilization are based on 150 miles one way to project and are based on the 2007 SRCE & RSMeans with Davis-Bacon Mob/Demob worksheet.	
24. Travel times are assumed to be 2.73 hours one way to the project.	
25. Mobilization for a Cat 320C excavator will be charged for regrading of Roads, Drill Sites only.	
26. If any Trenches or Cross Country travel is included a D6 dozer will be mobilized also.	
27. All projects that propose drilling will require a minimum Drill Holes Open abandonment cost.	
28. If a drill hole will not penetrate the static water level it may be abandoned as an Open Hole - Dry.	
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30. Mobilization for Drill Holes - Open for Open Hole - Wet will include one drilling plus crew and support equipment.	
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Nevada BLM, April 8, 2008



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-083245
(08-2A)

JUN 11 2008

C. Strickland 06/11/2008
J. Mallory 6/11/08

CERTIFIED MAIL: 7006 0810 0001 5139 4746

Return Receipt Requested

DECISION

Brian J. Musser, Environmental Manager : 43 CFR 3809 – Surface Management
General Moly, Inc. : Notice Amendment
2215 North 5th St. :
Elko, NV 89801 :

Determination of Required Financial Guarantee Amount

On June 3, 2008, General Moly, Inc. (GMI) submitted a Notice amendment for the Mt. Hope Mine Project, Bureau of Land Management (BLM) case file number NVN-083245 (08-2A). The project is located in MDB&M., T. 22 N., R. 51 E., sections 16, 18, 19-22, & 30-32. Your Notice amendment proposes to relocate two previously permitted test wells and associated observation wells, to remove from permitting three test wells with associated observation wells, and to increase surface disturbance by 2.05 acres consisting of three new test water wells and associated observation wells (1.85 acres) and associated overland travel (0.20 acres). This will bring the total disturbance associated with this Notice to 4.46 acres. The Notice amendment documentation has been reviewed and satisfies the requirements of 43 CFR §3809.

Amount of Financial Guarantee – This office has reviewed your reclamation cost estimate and has determined that the amount of **\$200,568** is sufficient to meet all anticipated reclamation requirements associated with this Notice. This amount is based on the operator complying with all applicable operating and reclamation requirements.

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

BLM's review of your proposed operations, determination that your Notice amendment filing is complete, determination that your operations as proposed will not cause unnecessary or undue

degradation, and decision concerning the amount of the required financial guarantee does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and local authorizations and permits.

Required Financial Guarantee – Within sixty (60) days of receipt of this Decision, GMI must submit an acceptable financial guarantee in the amount of **\$200,568** to the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006.

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

Term of Notice - Your Notice will remain in effect for 2 years from the date of the original decision of April 18, 2007, 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 – The location of the proposed disturbance is known to contain an extreme concentration of cultural resources. General Moly should retain the services of a professional archaeologist in order to ensure that the proposed activity does not affect any cultural resources. Under the Archaeological Resources Protection Act (43 CFR 7.4, 7.14, 7.15, 7.16) and the Native American Graves Protection and Repatriation Act (43 CFR 10), General Moly is liable for any damages to historic properties, cultural resources, or Native American funerary items or remains, as a result of proposed activities. NAGPRA stipulates further that upon discovery of human remains or other items of cultural patrimony, that you stop all activities in the vicinity of the discovery and notify the BLM, by telephone, with written confirmation, immediately (43 CFR 10.4 (c), (d), (g)).

Guidelines for Operations Conducted Under a Notice - *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, 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 (Mount Lewis Field Office, 50 Bastian Road, Battle Mountain, Nevada 89820) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

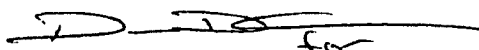
If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification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

Standards for Obtaining a Stay

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

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

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



Douglas W. Furtado
Field Manager
Mount Lewis Field Office

Enclosures

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

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NOTICES\GMI_83245_082AMnt HopeMine.doc



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. Crotteau 6/12/07
J. Marine 6/12/07

In Reply Refer To:
3809 (NV063)
NVN-083245
(07-3A)

JUN 12 2007

CERTIFIED MAIL: 7006 2150 0000 0369 9615
Return Receipt Requested

DECISION

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

Determination of Required Financial Guarantee Amount

On June 11, 2007, Idaho General Mines, Inc. (IGMI) submitted a Notice Amendment for the Central B Well Project located within MDB&M., T. 22 N., R. 51 E., sections 20, 21, 30 & 32. The Notice Amendment has been assigned Bureau of Land Management (BLM) case file number NVN-083245 (07-3A).

Your Notice Amendment proposes to:

1. Complete the primary exploration holes as monitor wells/piezometers.
2. Install twelve-inch borings approximately 100-ft. from the primary exploration holes.
3. Install the wells using applicable Nevada Division of Water Resources NAC 534 design requirements.
4. Keep the same amount of disturbance (1.59-acres) over what was described in the last amendment (07-2A).

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 **\$140,398.00** is sufficient to meet all anticipated reclamation requirements for this amendment. 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

ENTERED
6/12/07

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 –The BLM Nevada State Office Adjudication Branch issued a Decision on April 26, 2007, for the existing financial guarantee in the amount of \$71,625.00 and this must be increased by \$68,773.00, which has not changed from the required financial guarantee for Amendment 07-2A. **Within 60 days of receipt of this Decision, a financial guarantee in the amount of \$140,398.00 must be filed with the Bureau of Land Management, Branch of Minerals Adjudication, P.O. Box 12000, Reno, NV 89520-0006 or enforcement action will take place.** You must receive written notification from that office accepting and obligating your financial guarantee before you may continue 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.

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 (April 18, 2007) unless you notify this office beforehand that operations have ceased and reclamation is complete or you would like to extend your Notice. 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 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.

Guidelines for Operations Conducted Under a Notice - *The attached 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.

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

Thomas J. Seley

Thomas J. Seley
Assistant Field Manager
Nonrenewable Resources

Enclosures

cc:

BLM, Branch of Minerals Adjudication, NSO (NV-923)

Andy Russell
Idaho General Mines, Inc.
N. 10 Post St. Ste. 610
Spokane, WA 99201

CCROTTEAU:cc:06/12/2007:\\blm\dfs\nv\bm\pub\nonrenewable\minerals\letters\LETTERS
FINALIZED\NOTICESAMENDEDINWOFORMAT\GMI_CentralB_83245_073A_June2007.
doc



Idaho General Mines Inc.

455 8th Street RECEIVED-MAIL ROOM

Elko, Nevada 89801

775-753-4988 2007 JUN 19 AM 11:00

775-753-7722 Fax FILE OFFICE

June 15, 2007

Jon Sherve
Hydrologist
Bureau of Land Management
Battle Mountain Field Office
50 Bastian Road
Battle Mountain, NV 89820

Re: Mt Hope Aquifer Testing Plan

Dear Mr. Sherve:

Attached is the Kobeh Valley Central Well Field Aquifer Testing Plan developed for the planned water supply well-field at Idaho General Mines, Inc.'s (IGMI) Mt Hope Project. This plan describes testing and monitoring methods to be used to determine potential production yields. This testing will accomplish several objectives: confirm that the proposed well field will be capable of producing the required water for milling; facilitate well design, including pump selection; and, validate the area assumed to be stressed/pumped from in the regional hydrologic model. Initial test holes are encouraging and indicate a strong probability that wells will be capable of producing high yields. Well testing will likely be conducted through this summer.

Please contact me if you have any questions or comments regarding this plan.

Sincerely;

Pat Rogers
Director of Environmental & Permitting

Cc: S. Drummond, Bureau of Land Management, Battle Mountain Field Office
G. Ferdock, IGMI
J. Hutchings, Eureka County
T. Olsen, Bureau of Land Management, Nevada State Office
D. Smith, Interflow Hydrology, Inc.
T. Buqo
File

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

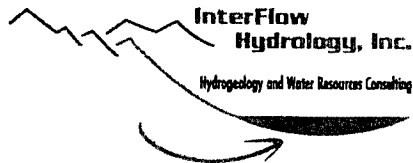
Mount Hope Project
Eureka County, Nevada
June 2007



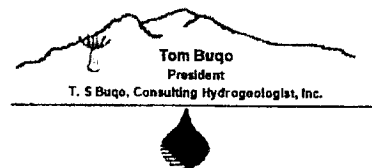
Kobeh Valley Central Well Field Aquifer Testing Plan

**Mount Hope Project
Eureka County, Nevada
June 2007**

Plan Prepared by



**P.O. Box 1482
Truckee, California, 96160
Tel: 530-582-1622
Fax: 530-582-1695**



**P.O. Box 127
Blue Diamond, Nevada 89004
Tel: 702-875-4594
Fax: 702-875-3594**

Cover Page: Continuous coring rig at exploration well IGMI-RWX07-203.

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Test Well Location and Construction	1
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Background

This report outlines aquifer testing plans for IGMI's Mount Hope Central Well Field exploration program. Aquifer testing will compliment the ongoing exploration drilling at the Central Well Field, which consists of two subordinate well fields situated in northern Kobeh Valley at the base of Roberts Mountain, in Eureka County (fig. 1). The plan has been based upon two primary guides for aquifer testing, "Groundwater Pumping Tests Design and Analysis" by Walton (1987), and "Aquifer-Test Design, Observation and Data Analysis (Stallman, 1971)."

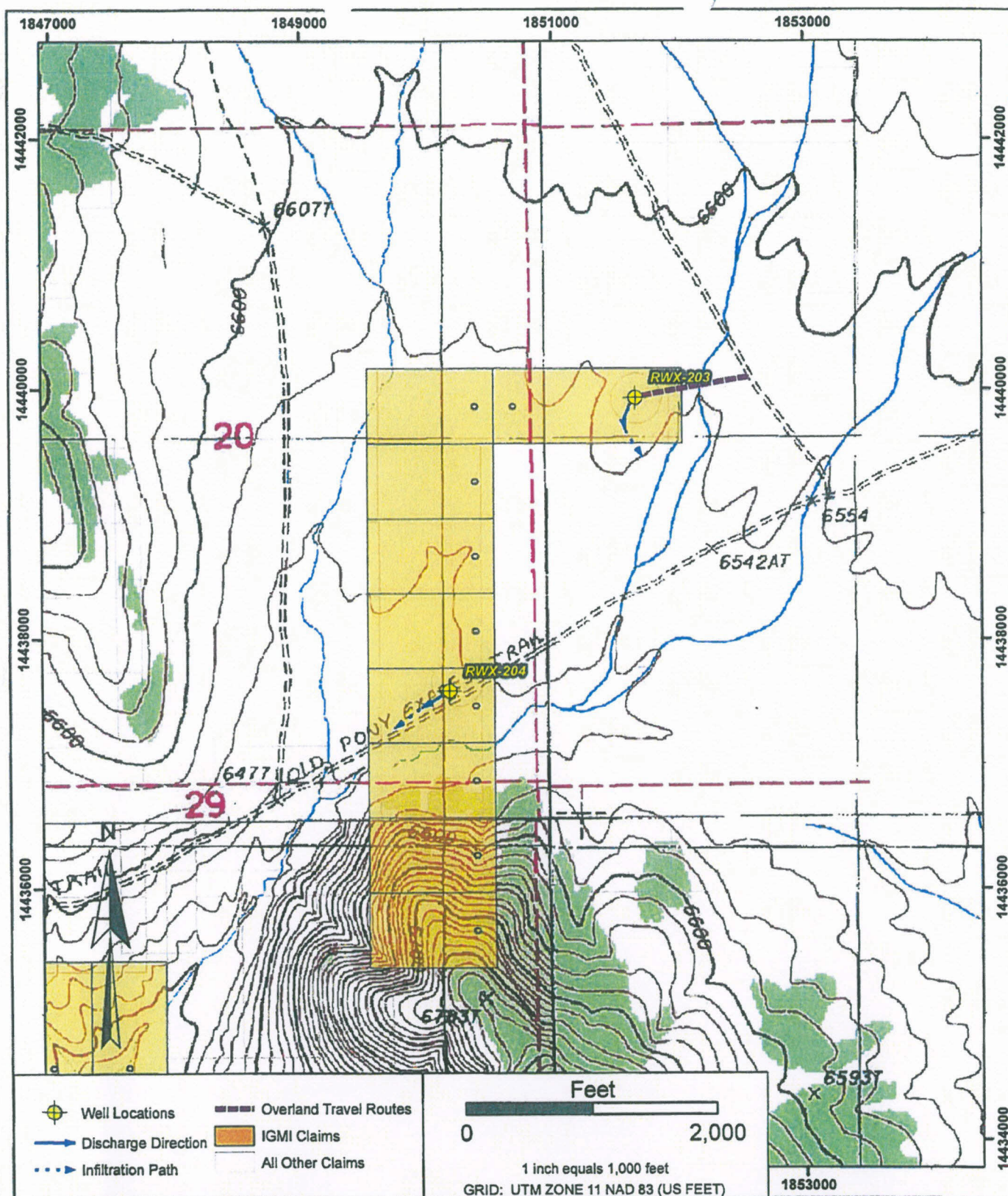
Test Well Location and Construction

IGMI Inc. is currently actively engaged in an exploratory drilling program to develop groundwater resources adjacent to the Mount Hope mine. Ten locations have been selected based on hydrogeologic interpretations, and are presented in table 1. The exploration well sites have been divided into two groups based on location, and comprise a western set of sites, Central A, and an eastern set, Central B (SRK, 2007a, 2007b).

Table 1: Kobeh Valley Central Well Field Exploration Wells

Field and Well Number	Location, UTM NAD 83 Zone 11	
	Easting , Feet	Northing, Feet
Central Well Field A		
IGMI-RWX07-207	1837060	14444864
IGMI-RWX07-208	1829304	14425886
IGMI-RWX07-209	1830151	14432975
IGMI-RWX07-210	1821645	14431086
IGMI-RWX07-211	1815772	14431574
IGMI-RWX07-212	1811526	14432244
Central Well Field B		
IGMI-RWX07-203	1851660	14439931
IGMI-RWX07-204	1850228	14437664
IGMI-RWX07-205	1846325	14429726
IGMI-RWX07-206	1843764	14434601

IGMI plans to drill at locations RWX07-203 to -209; RWX07-210 to -212 are additional locations that may be drilled if additional exploration is needed. Each exploration site is a candidate for additional test well installation, though only 2 to 3 test wells are planned at this time. Determinations of locations to complete test wells will be based upon results of the exploration drilling. Future test wells will be situated approximately 100 feet from the exploration well, which will be utilized as an observation well during aquifer testing.



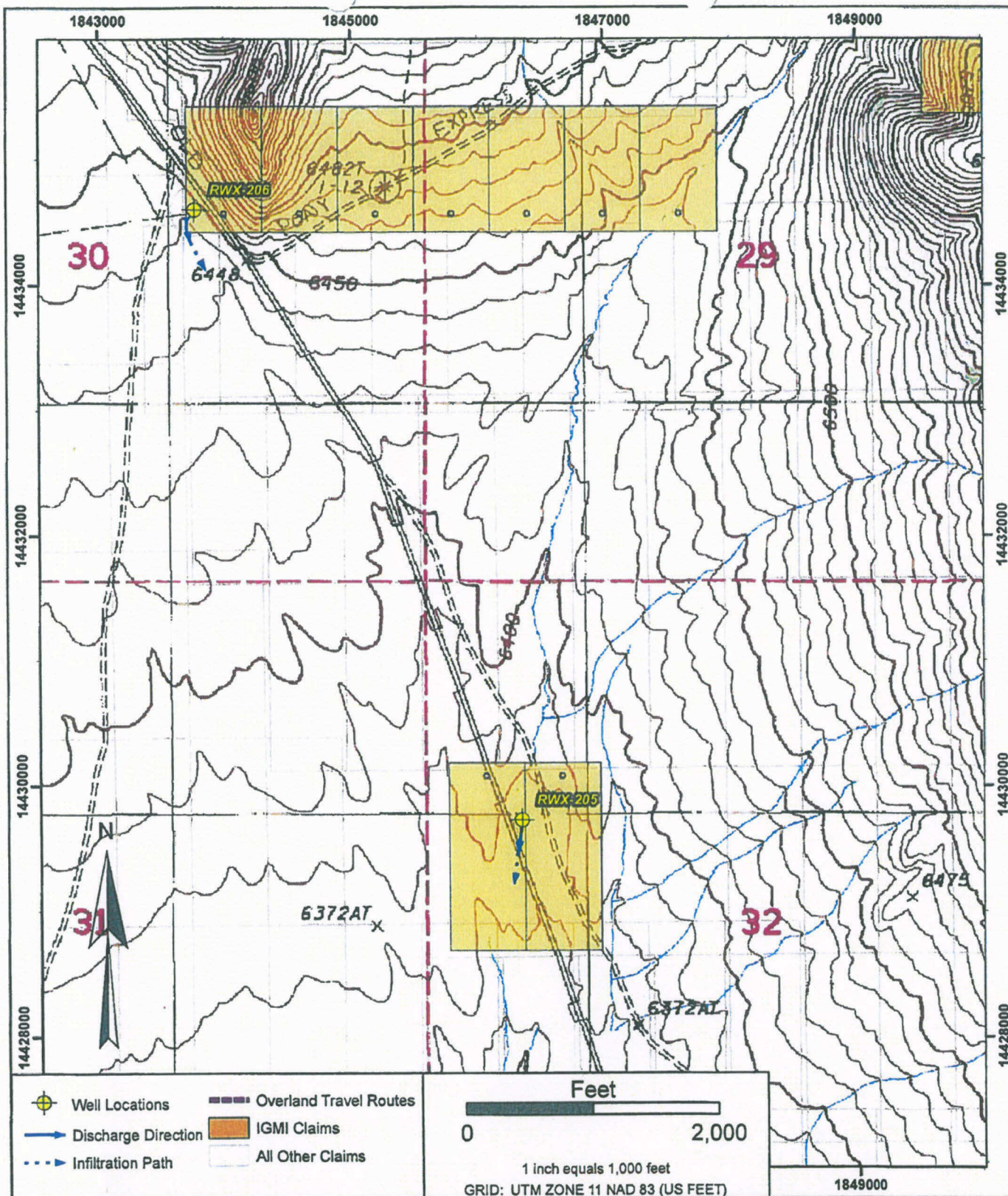
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CHECKED:	APPROVED:	DATE: 05/09/2007

FILE NAME: B_Fig3_Kobeh_Notice_B_Location_Map_JQG_20070406.mxd

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IDAHO GENERAL MINES MOUNT HOPE PROJECT NOTICE PROJECT AREA

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



DESIGN: GNB	DRAWN: RSS	REVIEWED:
CHECKED:	APPROVED:	DATE: 05/09/2007

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IDAHO GENERAL MINES MOUNT HOPE PROJECT NOTICE PROJECT AREA

DRAWING TITLE:

KOBEH CENTRAL B WELL SITE DETAIL

DRAWING NAME:

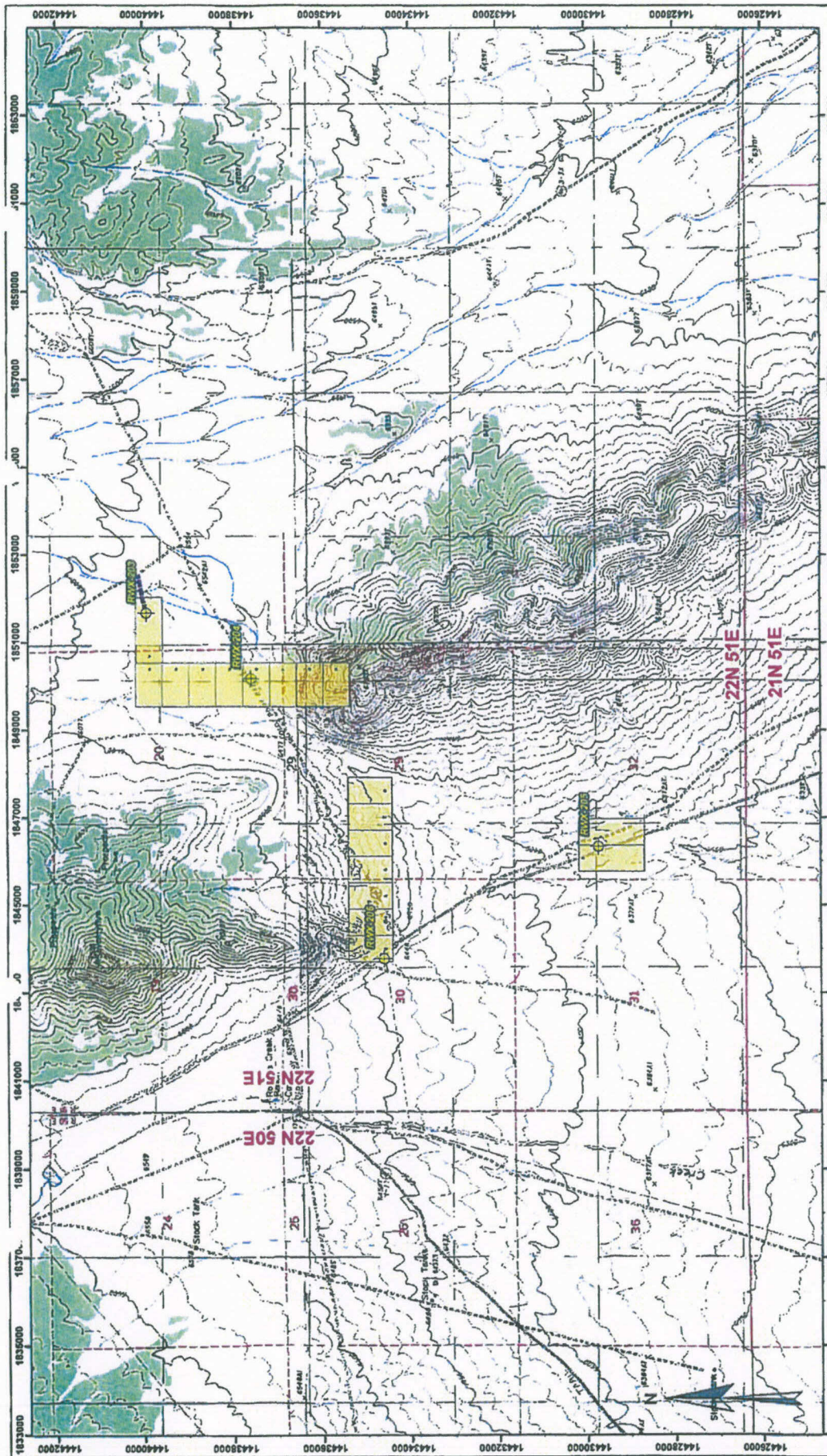
Figure 4

REVISION NO.

SRK JOB NO.

157501-100

A



SRK Consulting Engineers and Scientists CHECKED: GNB, APPROVED: RSS, DATE: 05/09/2007 FILE NAME: P:\GMI_data\Index_B_Location_Map_03_2007.mxd		IDAHO GENERAL MINES MOUNT HOPE PROJECT NOTICE PROJECT AREA	DRAWING TITLE: KOBEH CENTRAL B DRAWING NAME: Figure 2 SRK JOB NO: 157501-000
IF THE ABOVE BAR DOES NOT SCALE 1 INCH, THE DRAWING SCALE IS ALTERED 0 2,000 4,000 Feet 1 inch equals 2,000 feet GRID: UTM ZONE 11 NAD 83 (43 FEET)		REVISION NO: A	

APPENDIX A
Claim List

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

WELL ID	Township	Range	Section	Quarter	Quarter-Quarter	UTM Coordinates ¹	IGMI CLAIM	Claimant	SERIAL NO.	ACCESS ROUTE CLAIM ²	Claimant
IGMI-RWX07-203	22N	51E	21	NW	SE	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	Open	IGMI	IN PROGRESS	-	-
IGMI-RWX07-206	22N	51E	30	NE	SW	1843763.60 E 14434600.94 N	WW-40	IGMI	NMC948034	-	-

¹Coordinates are UTM NAD 83, Zone 11, Feet.

²This column indicates claims crossed by the overland travel that are not IGMI claims.

May 14, 2007

SRK Consulting (U.S.), Inc.

APPENDIX B

Kobeh Central B Notice Reclamation Cost Estimate

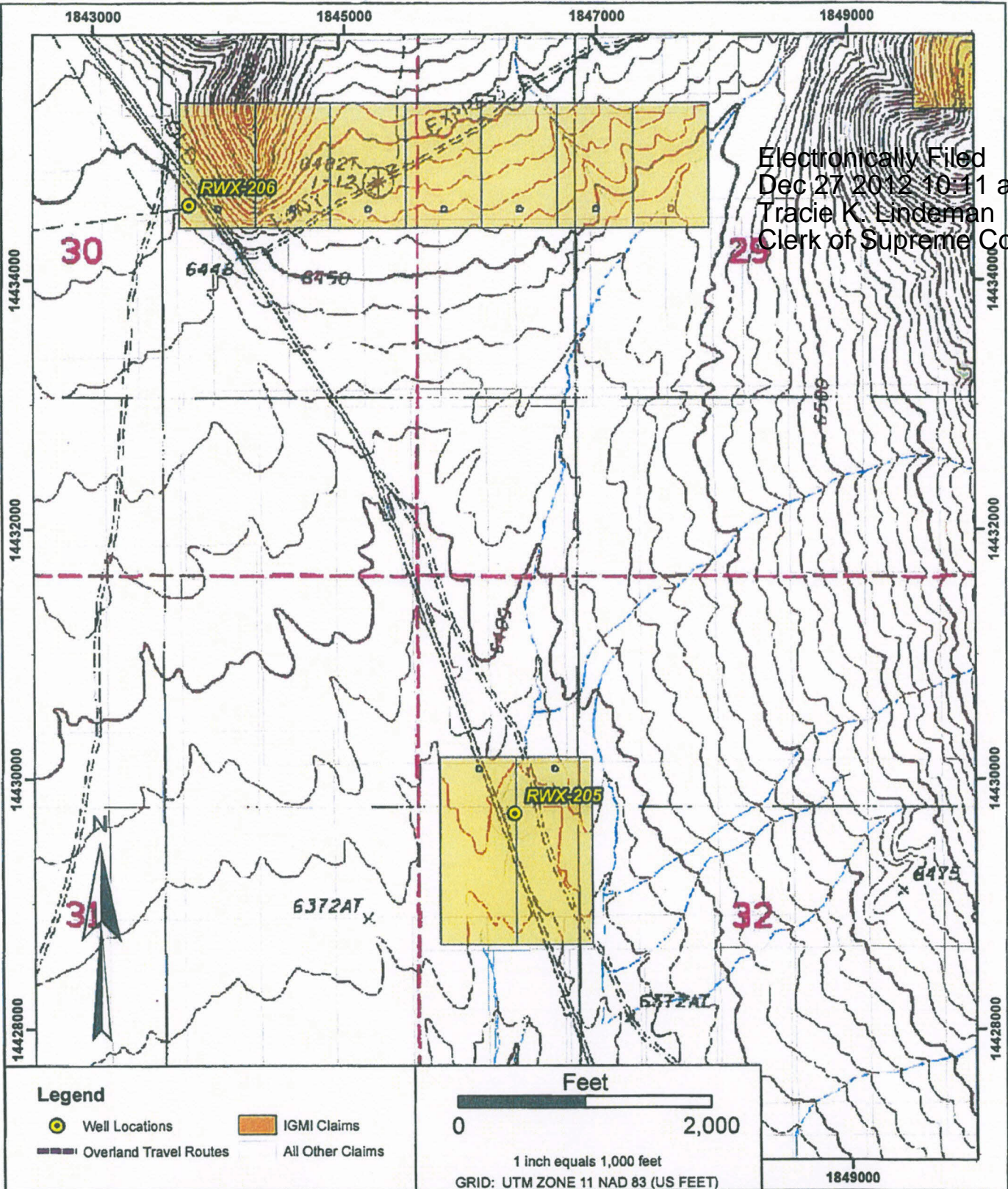
May 14, 2007

SRK Consulting (U.S.), Inc.

May 14, 2007		SRCE-based Reclamation Cost Model With Calculators						FY 2007 Model	
		For Notice-Level Exploration							
		Kobeh Valley Water Well Exploration Drilling Notice - Kobeh Central B - Amendment							
Linear Feet of Road	Linear Feet		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	Pack Sump	
Drill Sites < 30% slopes	4	Recontouring Cost	\$136	\$34 00	\$42 80	\$0 00	\$76 80	\$307	
Drill Sites > 30% slopes		Recontouring Cost	\$0	\$108 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 80	\$46 40	\$0 00	\$83 30	\$333	
Trenches	Linear Feet			Manpower	Equipment	Materials	Cost/Linear Foot		
0	0	Recontouring Cost	\$0	\$0 03	\$1 71	\$0 00	\$2 54	\$0	
Cross Country Travel	820	Ripping Cost	\$37	\$0 04	\$0 02	\$0 00	\$0 06	\$55	
Slope Acres				Manpower	Equipment	Materials	Cost/Acre		
0.48		Revegetation Cost	\$36	\$75 50	\$64 00	\$275 00	\$414 50	\$109	
160 miles Mobilization				Manpower	Equipment				
160 miles Mobilization		Mobilization Cost-excavator	\$417	\$417 27	\$488 83		\$907 10	\$907	
		Mobilization Cost-dow	\$276	\$275 52	\$380 48		\$656 00	\$656	
Drill Holes Open	#feet			Manpower	Equipment	Materials	Cost/Foot	Drill Hole Plugging	
Feet of Open Holes - Wet	5600	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	5600	Pulling Casing	\$0 298	\$1 68	\$4 06	\$0 00	\$5 72	\$32 010	
160 miles Mobilization				Manpower	Equipment				
160 miles Mobilization		Mobilization Cost - Wet	\$720	\$718 84	\$1,279 72		\$1,999 56	\$2,000	
		Mobilization Cost - Dry	\$0	\$364 91	\$190 49		\$561 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	0 00						
Cross Country	0 13	820	0 13					Total Labor	
total Notice acres	0 48		0 48					\$17,618	
		Insurance					15% 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	
								\$13,654	
		Cost per acre					Financial Guarantee		
		\$149,212					Amount	\$70,824	

5/14/2007

Electronically Filed
Dec 27 2012 10:11 a.m.
Tracie K. Lindeman
Clerk of Supreme Court



SRK Consulting
Engineers and Scientists

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CHECKED:	APPROVED:	DATE: 04/06/2007
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Path: G:\Sites\Mount_Hope\idaho_General_Mines\000000_000_Well_Field_Notice\B_Fig3_Kobeh_Notice_B_Location_Map_JQG_20070326.mxd

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

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

APPENDIX A

Claim List

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

WELL ID	Township	Range	Section	Quarter	Quarter-Quarter	UTM Coordinates ¹	IGMI CLAIM	Claimant	SERIAL NO.	ACCESS ROUTE CLAIM ²	Claimant
IGMI-RWX07-203	22N	51E	21	NW	SW	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	VW-41/42	IGMI	IN PROGRESS	-	-
IGMI-RWX07-206	22N	51E	30	NE	SW	1843763.60 E 14434600.94 N	VW-40	IGMI	NMC948034	-	-

¹Coordinates are UTM NAD 83, Zone 11, Feet.

²This column indicates claims crossed by the overland travel that are not IGMI claims.

April 9, 2007

SRK Consulting (U.S.), Inc.

APPENDIX B

Kobeh Central B Notice Reclamation Cost Estimate

April 9, 2007

SRK Consulting (U.S.), Inc.

SRCE-based Reclamation Cost Model With Calculators										FY 2007 Model						
For Notice-Level Exploration																
Kobeh Valley Water Well Exploration Drilling Notice - Kobeh Central B																
Linear Feet of Road On a Side Slope	Linear Feet		Recontouring Cost <30% Recontouring Cost >30%	Labor Cost	Manpower	Equipment	Materials	Cost/Linear Foot	Road Reclamation							
	<30%	>30%														
	0	0		\$0	\$0.11	\$0.13	\$0.00	\$0.24	\$0							
	0	0		\$0	\$0.28	\$0.36	\$0.00	\$0.64	\$0							
Drill Sites and Sumps	Number		Recontouring Cost Recontouring Cost Ripping Cost Recontouring Cost	\$136 \$0 \$0 \$148	Manpower \$34.00 \$109.00 \$7.00 \$36.90	Equipment \$42.80 \$137.00 \$3.50 \$46.40	Materials \$0.00 \$0.00 \$0.00 \$0.00	Cost each \$76.80 \$246.00 \$10.50 \$93.30	Reclamation							
	4															
	0															
	4															
Trenches Cross Country Travel	Linear Feet		Recontouring Cost Ripping Cost	\$0 \$30	Manpower \$0.93 \$0.04	Equipment \$1.71 \$0.02	Materials \$0.00 \$0.00	Cost/Linear Foot \$2.64 \$0.06	\$0 \$44							
	740															
Total Disturbance	Slope Acres		Revegetation Cost	\$34	Manpower \$75.50	Equipment \$64.00	Materials \$275.00	Cost/Acre \$414.50	\$189							
160 miles Mobilization			Mobilization Cost-excavator	\$417	Manpower \$417.27	Equipment \$489.83		Mob+Demob \$907.10	\$907							
160 miles Mobilization			Mobilization Cost-dozer	\$276	\$275.52	\$380.48		\$656.00	\$656							
Drill Holes Open	#/Foot		Plugging Cost - Wet Plugging Cost - Dry Pulling Casing	\$6,552 \$0 \$9,296	Manpower \$1.17 \$0.47 \$1.66	Equipment \$2.08 \$0.22 \$4.06	Materials \$0.53 \$0.05 \$0.00	Cost/Foot \$3.78 \$0.75 \$3.72	Drill Hole Plugging \$21,157 \$1 \$32,010							
Feet of Open Holes - Wet	5600															
Feet of Open Holes - Dry	5600															
Feet of Casing to Pull	5600															
160 miles Mobilization			Mobilization Cost - Wet	\$720	Manpower \$719.84	Equipment \$1,279.72		Mob+Demob \$1,999.56	\$2,000							
160 miles Mobilization			Mobilization Cost - Dry	\$0	\$364.91	\$196.49		\$561.40	\$0							
Disturbance Types	Total Acres		Total Linear Feet	Slope Acres												
Roads	0.00		0	0.00												
Drill Sites	0.24		0.25	0.25												
Sumps	0.10		0.10	0.10												
Trenches	0.00		0	0.00												
Cross Country	0.10		740	0.10												
total Notice acres	0.45		0.45	0.45												
green cells with blue font is for user input																
yellow cells are unit costs																
				Insurance Bond*			1.5% Labor Cost		\$264							
				Contractor Profit			3% Total Reclamation Cost		\$0							
				Contract Administration			10% Total Reclamation Cost		\$5,785							
				Indirect Costs			10% Total Reclamation Cost		\$5,785							
							21% of Contract Administration Cost		\$1,215							
									Total Administration Cost							
									\$13,049							
* Bond required only if total reclamation cost > \$100,000																
Financial Guarantee																
Amount																
\$76,989																

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 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.								
4.	All Road and Drill Sites cut banks are assumed to have a 60 degree slope.								
5.	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.								
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 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 drags the seed in on one pass.								
12.	Revegetation costs are based on a per acre basis.								
13.	Drill Sites recontouring cost is based on a standard pad width and length.								
14.	Drill Sites on slopes <30% and Cross Country Drill Sites are 30 feet wide by 70 feet long.								
15.	On Cross Country Drill Sites, the disturbed area is ripped by a Cat D6 size dozer.								
16.	On Drill Sites <30% slopes they are assumed to be outside the Drill Site.								
17.	On Drill Sites >30% slopes sumps are assumed to lie within the 30 foot * 83 foot dimension of the Drill Site.								
18.	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.								
19.	Recontouring earthwork for Roads, Drill Sites and Sumps has an assumed swell factor of 20%. Trenches swell factor is 30%.								
20.	Cross Country travel is assumed to have a disturbance of 6 feet wide by the linear feet of travel on slopes under 10%.								
21.	Revegetation costs for all Cross Country disturbance is based on a 12 foot wide seeding width on one pass.								
22.	Mobilization and Demobilization are based on 150 miles one way to project and are based on 2006 Vega Construction and Trucking guides.								
23.	Travel times are assumed to be 2.73 hours one way to the project.								
24.	If any Trenches or Cross Country travel is included a D6 dozer will be mobilized also.								
25.	Mobilization for a Cat 320C excavator will be charged for regrading of Roads, Drill Sites only.								
26.	If any Trenches or Cross Country travel is included a minimum Drill Holes Open abandonment cost.								
27.	All projects that propose drilling will require a minimum Drill Holes Open abandonment cost.								
28.	If a drill hole will not penetrate the static water level it may be abandoned as an Open Hole - Dry.								
29.	If a drill hole is drilled deeper than the static water level it is considered a wet hole and must be abandoned as an Open Hole - Wet.								
30.	Mobilization for Drill Holes - Open for Open Hole - Wet will include one drill rig plus crew and support equipment.								
31.	Mobilization for Drill Holes - Open for Open Hole - Dry will include one backhoe and operator, and one general laborer.								
32.	Drill Hole Plugging Cost for Open Hole - Wet is based on average time to plug a 1000 ft. 6" Drill Hole (using productivity data from 8 drilling contractors December 2006).								
Nevada BLM, January 17, 2007									



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Battle Mountain Field Office

50 Bastian Road

Battle Mountain, NV 89820

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



APR 18 2007

C. Custer 4/18/07

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 th 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.

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 by 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

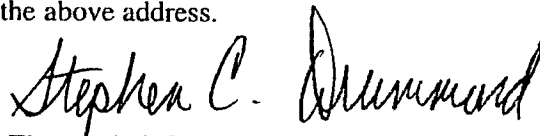
a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the Interior Board of Land Appeals 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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doc



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



In Reply Refer To:
3809 (NV923z)

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
N-83245	Central "B" Well	\$ 71,625
N-83246	Central "A" Well	\$ 105,720
Total obligations under NVB000567		\$ 224,265

ENTERED

JW-161

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.

Cynthia S. Dragon

FOR Atanda Clark
Chief, Branch of Minerals Adjudication

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

NV060 (CCrotteau, SDrummond)
NV923 (CDragon)



IDAHO GENERAL Mines, Inc.

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

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 KOBEEH VALLEY CENTRAL-B WELL FIELD DRILLING NOTICE



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

Report Prepared by
 ***SRK Consulting***
Engineers and Scientists

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**

SRK Project Number 157510

May 2007

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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
Total disturbance (acres)	1.47	-	-	0.12	1.59

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



EXPLANATION ○ City Freeway Highway Major Road	DESIGNED	gnb	03/14/07	FIGURE 1 IDAHO GENERAL MINES MOUNT HOPE PROJECT WELL FIELD NOTICES GENERAL VICINITY MAP	 SRK Consulting Engineers and Scientists
	DRAWN	jkg	03/14/07		
	CHECKED				
	APPROVED				
	REVISED				
	REVISED				
Path: G:\Sites\Mount_Hope\Idaho_General_Mines\000000_000_Well_Field_Notices				SCALE: AS SHOWN	REVISION
				JOB NO: 000000	
				MAP NAME: Fig1_NV_Location_Map_RSS_20070314.mxd	