

July/August 2011

ANNOUNCEMENTS

Clark, Lincoln and White Pine Counties Groundwater Development Project: The BLM is seeking public comment on the Clark, Lincoln and White Pine Counties Groundwater Development and Utility Right-of-Way Project Draft Environmental Impact Statement (EIS). **The 120-day public comment period concludes on Oct. 11, 2011.** The BLM action is to either grant or deny the request for rights-of-way across public land. The draft document analyzes a Southern Nevada Water Authority proposal for a system of regional water facilities and pipelines to transport water to the Las Vegas Valley. *(See page 11 for more information)*

Wilson Creek Power Partners, LLC: The 60-day public scoping period for the proposed Wilson Creek Wind Project, to be located about 20 miles northeast of Pioche, Nev., concluded on July 29, 2011. *(See page 2 for more information)*

Spring Valley Wind: The Ninth Circuit Court of Appeals has ruled against the stay and Preliminary Injunction and BLM issued a Notice to Proceed for full construction on Aug. 2, 2011. *(See page 2 for more information)*

ELY RESOURCE MANAGEMENT PLAN

Lawsuit: Western Watersheds Project has challenged 18 environmental impact statements supporting an equal number of resource management plans prepared by BLM offices in six western states, i.e., California, Idaho, Montana, Nevada, Utah and Wyoming. The case is before the U.S. District Court for the District of Idaho, which dismissed challenges to the Pocatello (Idaho) and Kemmerer (Colorado) RMPs because Records of Decision had not been issued. The court, however, retained jurisdiction over the remainder. The BLM has filed a motion for partial dismissal or to have the cases severed and transferred to the appropriate district court in each state. The parties to the lawsuit are currently discussing how best to proceed.

Plan Amendments: None at this time.

Plan Maintenance: None at this time.

ENERGY

Natural Gas-fired Energy Development -

Toquop Energy Project: In late 2011 the BLM expects to issue a notice to proceed (NTP) for the Toquop Energy Project. The 1,000-megawatt natural gas-fired power plant, proposed by Sithe Global, would be located approximately 12 miles north of Mesquite, NV. The BLM issued rights-of-way (ROW) for the gas-fired plant in 2003. In 2004, Sithe Global filed an application to amend the 2003 grant to allow for construction of a coal-fired power plant. The BLM completed the final environmental impact statement in 2009 but no decision has been made to date. In January 2010, Sithe Global notified BLM

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that the company would withdraw the application to amend the ROW and proceed with the gas-fired plant, instead. In March 2010, the BLM received from Sithe Global a plan of development (POD) to construct a natural gas-fired power plant under the terms of the 2003 grant. The POD has been revised twice since it was first received, and is currently being revised in accordance with comments made during a meeting with Sithe Global and HDR in February 2011. An Environmental Assessment will be prepared for the relocation of a pipeline to transport water to the plant site from wells in Tule Valley. The ROW for the pipeline was granted to Toquop LLC in 2003. The relocation will require a new Biological Opinion (BO) or an amendment to an existing BO. The Programmatic Agreement (PA) for the 2003 ROW has expired. An MOU is being prepared to extend the terms of the PA. The NTP will be issued upon completion of a Final Plan of Development. The BLM has agreed to go forward with the land disposal of 640 acres to Toquop Energy, Inc., in 2011, in which a Record of Decision was issued on February 6, 2004.

Wind Energy Development -

Spring Valley Wind, LLC: On March 28, 2011, a U.S. District Court judge in Reno, Nev., denied a preliminary injunction filed by the Center for Biological Diversity and Western Watersheds Project to halt construction of the Spring Valley Wind Project. On April 11, the plaintiffs filed an emergency injunction pending appeal in U.S. District Court and in the 9th Circuit Court of Appeals. The 9th Circuit has ruled against the stay and a hearing for the Preliminary Injunction has been scheduled for July 11, 2011. The hearing on the merits of the case in District Court has not been scheduled. The plaintiffs are appealing the BLM Decision Record and Finding of No Significant Impact that was signed in October 2010. The 150-megawatt wind generation farm would be constructed on 8,565 acres of the public lands in north Spring Valley, about 30 miles east of Ely, Nev., and consist of 75 wind turbines and an electrical substation, and would utilize an existing 230 kilovolt (kV) transmission line for distribution. The project proponent is Spring Valley Wind, LLC, under Pattern Energy. The BLM issued Spring Valley Wind, LLC, a limited Notice to Proceed on March 25 which allows the company to begin clearing and preparing the project site for construction. NV Energy began building the switch yard in June, 2011. On August 2, 2011, the final Notice to Proceed was issued for full construction. On August 26 Pattern Energy hosted a ceremonial “groundbreaking” in Ely to officially kick off the construction phase.

Ely Wind Mountain: The BLM expects in summer 2011 to meet with APEX Wind representatives to begin a plan of development and initiate the NEPA process for the Ely Wind Mountain Project. In March 2011, APEX Wind purchased from Nevada Wind Company the rights-of-way for five project sites located in the Antelope, Cherry Creek, Schell Creek, Robinson Summit and North Egan mountain ranges. Nevada Wind will retain five-percent of the project. The site in the Cherry Creek Range is on public lands administered by the BLM Elko District. The other sites are on public lands managed by the BLM Ely District, which will process the application.

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Wilson Creek Power Partners, LLC: The 60-day public scoping period for the proposed Wilson Creek Wind Project, to be located about 20 miles northeast of Pioche, Nev., concluded on July 29, 2011. The BLM conducted three public scoping meetings in Nevada, i.e., Ely, Las Vegas and Pioche; and one public scoping meeting in Cedar City, Utah.

The public was asked to identify relevant issues on the Wilson Creek Power Partners, LLC, proposal which is to construct, operate and maintain a wind energy generation project on approximately 31,000 acres of the public lands in the Wilson Creek Range that includes Mt. Wilson, Table Mountain, White Rock Mountain and Atlanta Summit. The BLM identified the following preliminary issues: threatened and endangered species, wildlife, particularly avian species visual resource impacts, recreation impacts, and socioeconomic effects.

The proposed project could consist of up to 350 wind turbines and generate up to 990 megawatts of electricity. Other project components would include buried power collection lines and communication cables, access roads, meteorological towers, substation(s) and switchyard(s), operation and maintenance building, a single or double-circuited 120 to 230 kilovolt overhead transmission line, and portable cement batch plants and rock crushing facilities.

The project is proposed to be developed in multiple phases and this EIS will analyze Phase I, which is the development of the Wilson Creek Range and Table Mountain areas. Phase I would consist of up to 195 turbines and up to 500 MW of generation capacity. Atlanta Summit will comprise Phase II and White Rock Mountain will comprise Phase III. Phases II and III together would consist of up to 155 wind turbines generating up to 490 MW of electricity and would be analyzed and developed based on the verification of wind resources and energy market demand. Additional site specific environmental analyses would be conducted in the future for Phase II and III.

Additional information is available online at www.blm.gov/nv/. Click on the Ely District map and then click on the Wilson Creek Wind Project under “In the Spotlight.”

Blackhorse Wind: NextEra Energy is preparing biological studies for a potential wind generation farm to be constructed on between 25,000 and 40,000 acres of the public lands in Spring Valley, about 30 miles east of Ely. The project would generate up to 250 megawatts of electrical energy. The BLM would conduct an Environmental Impact Statement level of analysis for the project.

Hamblin Valley: The BLM’s Decision Record and FONSI to issue a right of way grant to Wasatch Wind Intermountain for wind monitors on public lands near Baker, Nev. was appealed and a request for stay filed. The stay was not granted. The potential 43,812-acre project area would be located about 10 miles south of Baker, Nev., and is administered by the BLM Fillmore Field Office (17,939 acres), in Utah, and BLM Schell Field Office (25,873 acres), in Nevada.

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On April 15, 2011, Wasatch Wind Intermountain submitted an application to increase the project area and add additional met towers.

Solar Energy Development -

Draft Solar Programmatic Environmental Impact Statement: The public comment period for the Draft Solar Programmatic Environmental Impact Statement (Draft Solar PEIS) concluded April 16, 2011. The study is a comprehensive environmental analysis that identifies proposed “solar energy zones” on public lands in six western states that are most suitable for environmentally sound, utility-scale solar energy production.

The Draft Solar PEIS is a joint effort with the Department of Energy and assesses the environmental, social, and economic impacts associated with solar energy development on lands managed by the BLM in Arizona, California, Colorado, Nevada, New Mexico, and Utah.

Under the study’s Preferred Alternative, the BLM would establish a new Solar Energy Program that would standardize and streamline the authorization process. The plan would also establish mandatory design features for solar energy development on BLM-managed lands.

The BLM would also establish Solar Energy Zones (SEZ’s) within the lands available for solar development right-of-way applications. These are areas that have been identified as most appropriate for development, containing the highest solar energy potential and fewest environmental and resource conflicts. The proposed SEZ’s would provide directed, landscape-scale planning for future solar projects and allow for a more efficient permitting and siting process.

Based on the great quantity and quality of comments received in the public comment period, BLM is choosing to complete a Supplement to the PEIS through this coming year.

Pahroc Summit Solar Energy Project: At the proponent’s request, the BLM has placed on hold an application for the proposed 100-180 megawatt Pahroc Summit Solar Energy Project that would be located on approximately 2,800 acres of the public lands in southern Lincoln County. The proponent is looking for a new project site due to conflicts with air space used by the military. If constructed, the concentrating solar facility would consist of one 650-foot tower, and associated heliostat fields and support facilities.

Hydro Energy -

White Pine Pumped Storage Project: Gridflex Energy, LLC, and White Pine Water Power, LLC, are proposing through the Federal Energy Regulatory Commission (FERC) to construct a stored water pumping facility north of Ely, Nev. The White Pine Pumped Storage Project would generate utilize three generators with 300 MW total capacity to generate 919,800 megawatt-hours, annually.

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The proposed project would consist of the following: (1) a 210-foot-high upper, rockfill dam; (2) an upper artificial, lined reservoir with a surface area of about 74 acres and volume of approximately 4,938 acre-feet at normal water surface elevation; (3) a lower artificial, lined reservoir with a surface area of about 72 acres and volume of approximately 5,011 acre-feet at normal water surface elevation; (4) 10,950 feet of conduit; (5) a proposed powerhouse 63 feet wide by 253 feet long by 120 feet high to be located underground approximately 3,620 feet west of the upper reservoir intake at an elevation of approximately 6,320 feet; (6) one 150-megawatt (MW), one 100-MW, and one 50-MW reversible pump-turbines totaling 300 MW in capacity with up to 100 MW of additional pumping capacity; (7) an access tunnel approximately 3,380 feet long and 24 feet in diameter leading from the ground level to the powerhouse; (8) a proposed 2.4-mile-long, 230 kilovolt transmission line to interconnect to a substation operated by Sierra Pacific Power; and (9) appurtenant facilities.

FERC has given the initial approvals to begin working with the BLM to develop a plan of development and begin the NEPA process. FERC will lead the project.

Electrical Transmission Development -

ON Line Project: On Tuesday, March 1, 2011, the BLM Ely District Manager signed the Record of Decision for the NV Energy proposed One Nevada Line, or ON Line, Transmission Project. The final environmental impact statement, or EIS, for the ON Line Project was released on Dec. 6, 2010. The 30-day review period concluded on Jan. 4, 2011. No appeals were received. NV Energy secured U.S. Fish and Wildlife Service approval of an Avian Protection Plan on Feb. 1, 2011. The 500-kilovolt transmission line will extend approximately 236 miles from the Harry Allen substation, north of Las Vegas, Nev., to a substation to be constructed west of Ely, connecting the public utility's northern and southern electrical transmission systems. The line could also transport power generated by some of the renewable energy projects proposed for east-central Nevada, if constructed. In January 2010, NV Energy announced that they had reached an agreement to partner with LS Power, Inc., to build the Great Basin Transmission Line, which is located in the same corridor as the proposed ON Line project. The partnership was approved by the Nevada Public Utilities Commission (NPUC) approval in July 2010.

Great Basin Transmission Line Project/ON Line: Great Basin Transmission, LLC has reached an agreement with NV Energy to purchase 25-percent of the project. NV Energy is completing construction of the 500 kilovolt electrical transmission line that will extend from the Harry Allen substation north of Las Vegas, Nev., to a substation near Burley, Idaho. Great Basin Transmission is coordinating with the BLM Ely District on the portion of the line that extends from the Harry Allen substation to Ely, Nev., and with the BLM Elko District on the portion of the line that extends from Ely to Burley. The BLM on Aug. 19, 2010, signed two Notices to Proceed (NTP) for SWIP South. One NTP is for the 30-Mile Substation to be constructed near Ely. The other NTP is for the 235-mile transmission line connecting the proposed 30-Mile Substation with the Harry Allen Substation. The BLM also accepted Great Basin, LLC's construction, operations and maintenance plan.

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NV Energy began construction on April 1, 2011. They are working in a location near Sunnyside in Nye County, and proceeding both north and south. Additional archeological sites have been discovered and are being avoided or mitigated. The BLM is working closely with the contractor, the compliance contractor, and the company to address necessary deviations that allow avoidance of cultural sites and nesting birds, and repair and maintenance of access roads. Construction work in the northern portion of the line will go into a hiatus November 1, to avoid negative impacts to critical winter habitat for mule deer. Work in the southern portion of the line will continue through areas of desert tortoise habitat from November through March, when the tortoises are underground. Generally work would continue in June of 2012, with a target completion by November 2012 of the entire line.

Trans West Express Project: Public scoping for the Trans West Express Transmission Project concluded April 4. The proposed 500 kilovolt electrical transmission line would extend from south-central Wyoming, through Colorado and Utah, to southern Nevada. The proposed power line would enter Nevada through the southeast corner of Lincoln County. The BLM Wyoming State Office is the lead office for the project.

Chinook and Zephyr Transmission Lines: The Chinook High Voltage Direct Current (HVDC) Electric Transmission Line Project would originate in Montana and provide 3,000 megawatts (MW) of new transmission capacity to deliver renewable energy from wind generation projects in Montana to major load centers in the southwestern United States. The Zephyr HVDC Electric Transmission Line Project would originate in Wyoming and provide 3,000 MW of new transmission capacity to deliver renewable energy from wind generation projects in Wyoming and Idaho to major load centers in the southwestern U.S. Converter stations would be located in Montana, Idaho and Nevada's Eldorado Valley. Direct Current, or DC, is used to move power over long distances before it is converted to alternating current, or AC, which is used in homes and businesses. Converter stations are the receiving and delivery points for projects to connect. The BLM is currently determining which state office will lead the projects.

Gas pipeline development -

UNEV Pipeline: The Holly Corporation, a Texas-based independent petroleum refiner and marketer, and Utah-based Sinclair Transportation Company have begun construction of the UNEV Pipeline. The 400-mile, 12-inch underground common carrier products pipeline will originate near refineries in North Salt Lake City and ship product from them to a distribution terminal in Iron County, Utah, and a terminal in North Las Vegas. The pipeline will initially have the capacity to carry approximately 62,000 barrels of petroleum products per day. Eventually, however, it will have a daily capacity of up to 118,000 barrels. The BLM issued the final environmental impact statement for the project in May 2010. The record of decision and right-of-way grant were issued in June 2010. Approximately 20 miles of the pipeline will extend across public lands administered by the BLM Caliente Field Office.

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Construction of the UNEV pipeline has been completed in Utah, and they are currently constructing in Lincoln and Clark Counties. The project is expected to be completed in 2011.

Geothermal Development –

In the May 2010 sale, the Ely District had three parcels, encompassing nearly 9,000 acres, nominated. Combined, the parcels sold for \$17,932. Two of the parcels are on public land administered by the Egan Field Office (4,493 acres) and one is on public lands administered by the Schell Field Office (4,472 acres). There were no parcels nominated in the March 2011 sale.

Oil & Gas Development –

Beginning in September 2011, the BLM Ely District will process one lease sale per year, in accordance with national oil and gas lease reform. Physical inspections and an environmental assessment will be required prior to the nominated parcel(s) being sold.

The 2011 statewide sale was held September 13 in Elko. 66 of the 106 parcels received bids, for 137, 931 acres of the 215,630 acres offered. Total receipts received were \$2,673,900.

In the September 2010 Sale twenty-two of the 25 parcels sold statewide in the Competitive Oil and Gas Sale were located in the Ely District.

Emergent Value Group, LLC, completed drilling operations in the Pancake Range in February 2011, and has plugged their well.

Cabot Oil plugged and abandoned the Lake Valley oil well in October 2010, upon failing to locate oil.

WATERSHED ANALYSIS

The public input period on a watershed restoration plan for Cave and Lake Valleys, located in northern Lincoln and southern White Pine Counties, concluded Thursday, June 23, 2011.

Travel management planning is part of the watershed restoration process. A travel management plan designates routes for transportation and recreational uses. Route designations consider a wide range of public land uses while managing access to prevent long-term ecological damage. Routes can be designated as open, limited or closed.

The BLM held two public meetings in Caliente and Ely, Nev., in June 2011, to provide information and receive input.

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The BLM has completed the watershed analysis process on six Ely District watersheds, i.e., Antelope, North Antelope, Gleason Creek, North Spring Valley, Smith Valley and Steptoe A. The BLM has assessed and evaluated seven watersheds, i.e., Cave, Hamblin, Lake, Meadow Valley, South Spring, South Steptoe and White River South.

Assessments have been completed on four watersheds, i.e., Clover Creek North and South, Dry Lake (with portions of Panaca and Patterson), and White River South. Six additional watersheds have been funded for analysis using Southern Nevada Public Land Management (SNPLMA) funding. The watershed analysis process has begun on Newark Valley, Huntington, Steptoe B, Steptoe C, Kane Spring Wash, Coyote Springs, Toquop Wash, Tule Desert, Beaver Dam Wash, and Snake Valley South watersheds. The implementation strategy development has begun on White River South, Spring Valley and South Steptoe Watersheds.

FIRE/FUELS

Burnt Canyon Wildland Urban Interface Fuels Reduction Project: The public comment period on the preliminary Environmental Assessment for the Burnt Canyon Wildland Urban Interface Fuels Reduction Project closed on June 30, 2011. The proposed project would be implemented in late fall 2011 on public lands adjacent to private property in Burnt Canyon, in Lincoln County, about twenty miles northeast of Pioche.

The approximately 190-acre project would allow BLM to selectively thin pinion pine and juniper trees to reduce the wildfire threat to private property and structures in Burnt Canyon. Up to 142 acres of the project area would be treated either by crews using chainsaws or with mechanical equipment, such as a feller-buncher. The resulting biomass would be chipped, masticated, or piled and burned later, depending on the treatment method used. The treated area would be seeded afterward.

Aspen and Sagebrush Steppe Join Restoration Project with Great Basin National Park: Planning is underway by the BLM Ely District and Great Basin National Park to restore about 1,000 acres of Aspen and sagebrush communities in and around the areas of Box Canyon and Kious Basin. The collaborative project will combine the use of prescribed fire with mechanical treatments. The project is funded through Southern Nevada Public Land Management Act (SNPLMA) Round 11. The project is planned for implementation in early fall of 2011.

North Antelope Thinning Stewardship Project: Pinion-pine and juniper tree-thinning continues on the North Antelope Thinning Stewardship Project, about 70 miles northeast of Ely, Nev. The contracted project calls for the reduction of pinion and juniper from about 2,153 acres of the public lands to reduce catastrophic wildfire risk and improve wildlife habitat. Thinning began in August 2010 and will result in a mosaic pattern to provide cover for native wildlife species. The resulting biomass will be ground and stored for use by Ely's grade school. Any remaining biomass will be housed until a user can be located.

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Woods McCullough Project: A BLM-contracted pinion-pine and juniper tree-thinning project about 35 miles north of Pioche, Nev., has been completed. The resulting slash piles will be burned in winter 2011. About 1,000 acres of the Woods McCullough Chaining site was thinned of regenerating pinion and juniper to maintain the project's original objectives of reducing fuel loading and improving habitat for sage grouse and mule deer. The project is a cooperative effort by the BLM and Nevada Department of Wildlife.

Clover Mountain Ponderosa Restoration Stewardship Project: The Clover Mountain Ponderosa Restoration Stewardship Project, south of Caliente, is ongoing. The 60-acre contracted project will selectively thin a ponderosa pine forest of pinion-pine and juniper trees to help protect the forest from a severe wildfire.

Sacramento Pass Project: The BLM expects to complete the 460-acre stewardship project, located near Sacramento Pass, 40 miles east of Ely, by the end of September 2011. The project, which provides a fuel break to area residents' homes, is expected to yield approximately 1,100 cords of pinion pine and juniper wood.

Combs Creek: The public comment period for the proposed habitat improvement and fuels reduction treatment in south Butte Valley, about 10 miles northwest of Ely, concluded on Aug. 10, 2011. A final decision is expected by the end of August 2011. The project objectives are to improve habitat for sage-grouse and reduce heavy fuel loadings to reduce fire hazard. Treatments are proposed over a 23,000 acre area where up to approximately 4,500 acres could be treated. Implementation would begin in fiscal year 2012.

Meloy Stewardship Project: The Meloy Stewardship Project, located about 30 miles north of Pioche, Nev., is scheduled for completion by late summer 2011. The contractor thinned pinion-pine and juniper trees within the approximately 300-acre project area in early 2010. Earlier this summer, the contractor gathered trees, and chipped and hauled some to the David E. Norman Elementary School. The contractor is scheduled to complete the chipping in fall 2011. All biomass will be donated to the local elementary school.

Kern Mountain Landscape Restoration Project: The BLM is scheduled this calendar year to thin pinion-pine and juniper trees on about 3,500 acres of the public lands in the Kern Mountains. Tree-thinning is one piece of the 15,000-acre Kern Mountain Landscape Restoration Project. The BLM conducted a prescribed burn in summer 2010 and plans to burn another 1,500 acres in fall 2011, weather permitting. Also, fire crews this past winter began removing conifers from aspen stands. The BLM project will return the area to a fire regime condition class 1, improve wildlife habitat and restore natural disturbance regimes and ecological conditions.

Clover Mountain: The BLM is thinning pinion-pine and juniper trees from ponderosa pine stands in the Clover Mountains. The BLM in January 2011 burned slash piles of pinion and juniper that resulted from thinning conducted in summer 2010. The BLM completed approximately 20 acres thinning this summer and will sell the resulting

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biomass at competitive auction this fall. The project reduces fuel loading and protects the ponderosa.

Pioche and Caselton Wildland Urban Interface Project: The BLM is mowing sagebrush and thinning pinion and juniper from public lands surrounding the communities of Pioche and Caselton, Nev., as part of the Pioche and Caselton Wildland Urban Interface Project. The 11,300-acre project provides for the selective thinning of pinion pine and juniper trees, and brush to reduce the wildfire threat to the Lincoln County communities. The BLM mowed approximately 800 acres, chained 200 acres, thinned 100 acres, and seeded 600 acres of the project area in late fall and early winter 2010. Between 3,246 to 4,711 acres of the project area is being treated by hand or with mechanical equipment. The BLM signed the Decision Record and Finding of No Significant Impact for the project in July 2010.

Cherry Creek Cheatgrass Treatment: The BLM is scheduled in September 2011 to apply herbicide to approximately 1,400 acres of the public lands near Cherry Creek, north of Ely, Nev. The treatment aims to reduce or eradicate a Cheatgrass infestation that took hold following the Cherry Creek Wildland Urban Interface Fuels Reduction Project, conducted in 2005. Seeding would follow in winter 2012.

Sampson Creek Cheatgrass Treatment: The BLM is scheduled in September 2011 to apply herbicide to approximately 1,400 acres of the public lands near Sampson Creek, northeast of Ely, Nev. The treatment aims to reduce or eradicate a Cheatgrass infestation that took hold following the Sampson Creek Wildfire in 2004. Seeding would follow in winter 2012.

Jakes Valley Sagebrush Restoration Project: The BLM Ely District is scheduled in fall 2011 to begin the Jakes Valley Sagebrush Restoration Project in south Jakes Valley, about 20 miles west of Ely, Nev. The project will restore or improve sagebrush communities, improve habitat and forage availability for livestock and wildlife, including sage grouse, elk and deer; reduce fuel loading, and improve watershed functionality and health, by restoring Wyoming sagebrush sites in and around Jakes Wash.

The BLM plans to mow up to 2,000 acres of the nearly 2,500-acre project area to create a mosaic that provides for wildlife edge areas. The BLM will seed about 60-percent of the treated portion with a mix of perennial grasses and forbs. Funding and project implementation is being coordinated with the livestock permittee. Post treatment, the project area will be allowed to rest for a minimum of two growing seasons or until vegetative objectives are met. The project will help the BLM make progress towards achieving Northeast Great Basin Resource Advisory Council Standards for Rangeland Health, as well as implement the Ely Resource Management Plan.

Stonehouse Fuels Reduction and Habitat Improvement Project: The BLM Ely District is scheduled to resume the Stonehouse Fuels Reduction and Habitat Improvement Project in fall 2011. The 23,000-acre project, located about 50 miles northeast of Ely, Nev., in north Spring Valley, will improve sagebrush communities through the removal of

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encroaching piñon-pine and juniper trees, and reseeded with sagebrush. The BLM will treat between 70 and 80-percent of the total project area. The BLM treated approximately 4,000 acres in fall 2010 before heavy precipitation forced the BLM to temporarily suspend the project. The BLM is currently thinning piñon and juniper surrounding leks in the project area. The BLM signed the Decision Record and Finding of No Significant Impact in July 2010.

Cave Valley Ranch Rabbitbrush: The BLM is scheduled to seed the 850-acre project area in fall 2011. Herbicide was applied in summer 2010 to reduce rabbitbrush density. The project, which is being implemented on public and private lands in Cave Valley, south of Ely, is a cooperative effort by the BLM, Cave Valley Ranch and Rocky Mountain Elk Foundation.

Smith Valley Project: The Smith Valley Stewardship Project is scheduled to resume in September 2011. The 1,111-acre project, to be conducted about eight miles northwest of Ely, is expected to yield approximately 4,500 tons of biomass, of which 500 tons will be delivered to an elementary school in Ely where it will be burned for heat in a retrofitted boiler, as part of the Fuels for Schools program. The remaining 4,000 tons was to be delivered to a pellet producing company in Ely, Nev., but the business has shut down.

Cold Springs Project: Contracting issues have delayed the approximately 520-acre Cold Springs Stewardship Project, located 12 miles south of Ely. The project provides a hazardous fuels break, and a demonstration area to depict various thinning densities within piñon pine and juniper.

Overland Wash/Big Wash: The BLM is scheduled in late summer 2011 to begin planning and environmental analysis for a fuels reduction and habitat improvement project near Overland Pass, approximately 80 miles northwest of Ely, NV. The project would treat approximately 17,000 acres within a 40,000 acre project unit using prescribed fire and mechanical treatments. The project would occur on USFS and BLM administered lands. The project is a cooperative effort among NDOW, USFS Ruby Ranger District and Ely BLM.

GROUNDWATER DEVELOPMENT

Lincoln County Land Act Groundwater Development and Utility Rights-of-Way Project: A Record of Decision (ROD) for the Lincoln County Land Act (LCLA) Groundwater Development and Utility Rights-of-Way Project was issued on Jan. 11, 2010. The Lincoln County Water District-proposed project would provide for the development and delivery of groundwater to the Toquop Township north of Mesquite, Nev., as well as the proposed Toquop Energy Project. The volume of water to be transported through the proposed facilities could be up to 24,000 acre feet per year. The Nevada State Engineer (NSE) is responsible for approving or denying water right applications. On February 9, 2010, the Bristlecone Alliance, Center for Biological Diversity and others appealed the ROD citing violations of FLPMA, ESA, NEPA, LCCRDA and the Administrative Procedures Act. In late April, the Center for Biological Diversity took over the appeal

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case and two of the appellants dropped the appeal. The Statement of Reasons was filed on May 12. BLM is working on the response.

Clark, Lincoln and White Pine Counties Groundwater Development Project: The BLM is seeking public comment on the Clark, Lincoln and White Pine Counties Groundwater Development and Utility Right-of-Way Project Draft Environmental Impact Statement (EIS). **The 120-day public comment period concludes on Oct. 11, 2011.** The BLM action is to either grant or deny the request for rights-of-way across public land. The draft document analyzes a Southern Nevada Water Authority proposal for a system of regional water facilities and pipelines to transport water to the Las Vegas Valley.

The project, as proposed by the Southern Nevada Water Authority, would provide for the development of the first phase (main conveyance pipeline and associated facilities) of a multi-year project which would eventually deliver groundwater from the Spring, Snake, Cave, Dry Lake, and Delamar hydrographic basins to the Las Vegas area. Although water rights, pumping rates, volume of water proposed for transport to the Las Vegas Valley, and the point of use of water proposed for transport across public land is outside the jurisdiction of the BLM, these issues are included in the EIS. Water rights and pumping rates are under the purview of the Nevada State Engineer. Water distribution and use associated with the importation of water in the Las Vegas Valley are addressed by local and regional planning agencies in accordance with Nevada Revised Statutes.

The draft EIS addresses the construction and operation of a system of regional water facilities which include 306 miles of a buried water pipeline; 323 miles of 230 kilovolt (kV), 69 kV and 25 kV overhead power lines; seven electrical substations; three pressure reducing facilities; five pumping stations; six regulating tanks; a 40 million-gallon-per-day buried storage reservoir; and a 165 million-gallon-per-day water treatment facility.

Whenever possible, the proposed project facilities would be constructed within utility corridors established by the Lincoln County Conservation, Recreation and Development Act of 2004 and the Southern Nevada Public Land Management Act of 1998. An approved right-of-way is contingent on compliance with the requirements of the National Environmental Policy Act. Establishment of the utility corridors has no bearing on water rights.

Water rights applications in Snake, Spring, Cave, Dry Lake, and Delamar valleys are pending with the Nevada State Engineer. The Nevada State Engineer is solely responsible for the adjudication and permitting process to allow the development of those waters. This EIS does not address the permitting or authorization of water rights.

Copies of the document are available from the BLM Nevada State Office, 775-861-6681 or nvgwprojects@blm.gov. An electronic version of the document is available at www.blm.gov/5w5c.

Comments on the draft EIS may be mailed: Penny Woods, BLM Project Manager, P.O. Box 12000, Reno, NV 89520, faxed: 775-861-6689, or emailed: nvgwprojects@blm.gov.

MINERALS

Active Mining Plans:

Pan Project: Environmental consulting firm Walsh Environmental Scientists and Engineers prepared for Midway Gold Corporation subsidiary MGC Resources, Inc. an environmental assessment (EA) to amend the Pan Exploration Project plan of operations. The Pan Project is located in White Pine County, Nev., about 50 miles west of Ely. The current plan allows for 25 acres of surface disturbance. The amended plan would increase the disturbance from 25 to 100 acres. Approximately 75 of the 100 acres would be used for drill pads, drill roads, trenches, and other exploration facilities. The remaining 25 acres would be used to build a new access road from Hwy 50 to the project area. The BLM issued a decision record and finding of no significant impact August 10, 2011. BLM will initiate the NEPA process on the project's Mine Plan of Operations, to be finalized and submitted in October 2011. The BLM expects to conduct an environmental impact statement level of analysis. Mining operations are tentatively scheduled to start in 2013 and would disturb approximately 1,400 acres.

Bald Mountain Mine: The BLM Ely District in July 2011 signed a Decision Record and Finding of No Significant Impact for the Bald Mountain Mine expansion. The Bald Mountain Mine is located about 100 miles northwest of Ely, Nev. The mine operator, Barrick Gold Corporation, submitted to BLM a Plan of Operation that would include the Little Bald Mountain pit into the North Operations Area and add a heap leach pad to the Mooney Basin area, resulting in an additional 626.1 acres of disturbance. The operation's total disturbance would be 8,899.2 acres. The plan would expand existing facilities, including pits, rock disposal areas, heap leach pads, processing facilities and inter-pit areas. New facilities would include one pit, two rock disposal areas, haul roads and topsoil stockpiles.

Barrick Gold intends in summer 2011 to submit to the BLM a mine plan amendment that would increase the plan boundary to encompass the Winrock/Casino, Yankee, Alligator Ridge and North Operations area into one or two plans. The BLM anticipates preparing an environmental impact statement level of analysis.

Robinson Mine Project: The Robinson Mine Project, which is phase-bonded, has a bond update review scheduled in September 2011. Copper prices are expected to influence any expansion plans. The mining operation is currently increasing rock disposal areas and the tailings pond, only. It had planned to drain groundwater from the Ruth pit, but pumping wells had to be drilled in Murry Canyon due to the extent of the aquifer and the environmental assessment is currently on hold.

Hogum Mining District: Four small operators are mining for gold on the slopes of Hogum.

Atlanta Mine: The BLM Ely District has been contacted by two separate parties interested in reopening the Atlanta Mine. The BLM will require that a cadastral survey be completed to determine land status boundaries before accepting plans.

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Notices and Exploration Plans:

US Gold is drilling exploration holes in Butte Valley for the Limo Butte Project. US Gold is currently authorized for 23.78 acres of disturbance with future plans of disturbing 88 acres, total.

Renaissance Exploration, Inc. is drilling exploration holes in the Pancake Range for the Reef Project. Renaissance Exploration is currently authorized for 1.15 acres of disturbance.

Basin and Range Resources is drilling exploration holes near Green Springs in the White Pine Range for the Cathedral Well Project. Basin and Range Resources is currently authorized for 2.1 acres of disturbance.

Nevada Moray, Inc. is exploring for gold reserves under a Notice in the Mosier Canyon/Tamberlain area south of Ely.

Infrastructure Materials Corporation (IMC) discovered and is in the process of delimiting a large limestone deposit at Blue Nose Peak in southern Lincoln County. Samples analyses have consistently reported greater than 95-percent calcium carbonate in the deposit. IMC is still operating under a notice of intent and have been somewhat delayed by the winter season, but is also conducting lab testing. IMC will likely sell the claims to a limestone producer. Any production work is expected to be some years off

Mineral Materials:

The BLM sells mineral materials from 14 Community pits and through several other exclusive sale permits. Free Use Permits continue to be issued to county road departments for road maintenance.

NOXIOUS/INVASIVE WEED MANAGEMENT

Climate conditions for 2011 created a perfect storm for weeds. General observations are that weeds, especially hoary cress, have increased. The Ely District continues implementing the 2010 Integrated Weed Management Plan, providing for the inventory treatment, and monitoring of non-native and noxious invasive weeds. The plan includes weed prevention procedures, education and outreach, and a variety of treatment options in and outside wilderness and wilderness study areas, including herbicide use. Herbicide treatments require consultation before being authorized within threatened and endangered species habitat.

In June 2011, the Ely District renewed its partnership with Tri County Weed Project. This partnership celebrates ten years of managing weeds through education, prevention and treatment.

Local grassroots participation through nine Cooperative Weed Management Areas (CWMAs) continues to allow BLM to work with private land owners and other agencies. Three new CWMAs have been established: Pahrnagat Valley CWMA; Upper Meadow

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Valley CWMA; and Golden Gate CWMA. Three of the CWMA's currently receive Southern Nevada Public Land Management Act (SNPLMA) funding: White River/Cave Valley CWMA, Steptoe Valley/Butte Valley CWMA and Snake Valley CWMA. Eastern Nevada Landscape Coalition partners with the BLM to assist private land owners of CWMA's to access SNPLMA funds to manage weeds. Also, Meadow Valley Wash Phase II is treating tamarisk and other noxious weeds.

Weed Inventory: The District is re-inventorying the northeast portion of the district this year including Deep Creek, Antelope Valley, Snake Valley and part of Spring Valley.

Weed Treatments: Weed treatments of priority noxious weeds continue district-wide, primarily alongside roadways and near springs. The district is also treating and reseeding the Railroad Valley Tall Whitetop Project.

RANGELAND MANAGEMENT

The BLM Ely District Egan Field Office is processing five new term grazing permits, or TPRs, as well as completing planning on five riparian and/or spring development projects, one fence project, and one stockwater well with pipeline project. The Schell Field Office is processing seven new TPRs. The Caliente Field Office is processing nine new TPRs.

On Feb. 11, 2011, Administrative Law Judge Andrew S. Pearlstein remanded the Field Manager's Final Grazing Decision to renew a sheep grazing permit on eight allotments to BLM to conduct further NEPA review. The ALJ's Orders stated that "BLM should have considered a reduced grazing alternative in order to comprise a reasonable range of alternatives for this action." The ALJ went on to say that the EA does not adequately analyze cumulative effect from the interaction of sheep grazing under this permit with other actions occurring on these allotments. Consequently, the Egan Field Office is re-writing the EA to renew this grazing permit. In the meantime, the permittee will continue to graze under the prior permit.

WILD HORSES

Triple B, Maverick-Medicine, and Antelope Valley Herd Management Areas Wild Horse Gather: Gather operations ended August 31 and the BLM successfully completed the Triple B gather to remove excess wild horses within the Triple B Complex.

Along with gathering in Ely District's Buck, Bald, and Butte Herd Management Areas (HMAs), the team also performed gather operations on the Maverick-Medicine and Antelope Valley HMAs, located within the BLM Elko District approximately 30 miles northwest of Ely and 70 miles southeast of Elko, Nev

The BLM continues to utilize the highest safety standards possible to minimize injury to the animals and provide a safe environment for the staff and visiting public. The removal of excess wild horses, mandated under the 1971 Wild Free-Roaming Horses and Burros

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Act, will help prevent further deterioration of the range lands, and achieve and maintain a thriving natural ecological balance to ensure there will be adequate forage and water for the remaining wild horses, wildlife and permitted livestock.

The BLM continued to provide the public daily opportunities from the safest observation points possible at the gather and temporary holding sites to view the animals and gather operations. Daily weather conditions were mostly sunny, clear and calm. Morning temperatures have averaged lows in the high 30s and daytime in the high 70s/low-to-mid 80s, providing the public good conditions to view gather activities.

As of Aug. 31, 2011, the BLM has gathered 1269 excess wild horses of the 1,726 excess wild horses scheduled to be removed. The appropriate management level (AML) for the entire area is 472-889 animals, but the current estimated population is 2,198. AML was not achieved.

The BLM also caught 20 domestic horses during gather operations which were picked up by a State of Nevada brand inspector.

Despite providing the safest conditions possible, accidents and deaths unfortunately will occur when working with wild animals. Four gather-related deaths and seven non-gather related deaths occurred. The majority of non-gather deaths involved foals with genetic deformities, which were described in detail in the veterinarian reports, prepared by the onsite vet. The reports, BLM daily updates and other gather-related information are available on the BLM website at

www.blm.gov/nv/st/en/fo/ely_field_office/blm_programs/wild_horses_and_burros/triple_b_maverick.html. Photographs and videos of the gather are available on BLM's YouTube and Flickr social media sites, and current information is posted on the BLM's Twitter and Facebook pages.

The overall condition of the animals was good but lack of water in areas throughout the Complex was an issue. The Ely District has hauled water since July 13 to traditional watering sites - mostly the Triple B HMA. The Elko District has hauled water to mostly the Maverick-Medicine and Antelope Valley HMAs.

The gathered animals were transported to the National Wild Horse and Burro Center at Palomino Valley (PVC), in Reno, Nev., and the Gunnison Correctional Facility in Gunnison, Utah. The horses will be prepared for the BLM adoption program or for long-term holding.

During the final days of the gather a new complaint was filed in District Court with a request for a temporary restraining order (TRO) regarding a claim of inhumane treatment of the wild horses by BLM and its contractors. The TRO was denied in part and granted in part. It was issued the last day of the gather and did not impact gather operations of Triple B; however, this judgment may impact future gather operations.

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Pancake HMA Complex Gather: BLM is preparing for public comment the environmental assessment for the Pancake Complex Gather, scheduled to start January 12, 2011.

RECREATION & TRAVEL MANAGEMENT PLANNING

Special Recreation Permits: The BLM Ely District has processed 10 special recreation permit (SRP) applications, and is in the process of authorizing 7 additional permits for events in fiscal year 2011. The district also processing approximated 25 permit renewals for outfitters and guides by August 1, 2011.

Silver State Trail, White Pine County Study: The BLM Ely District expects to issue by fall of 2011, a decision on a study of existing motorized vehicle routes in White Pine County and environmental assessment (EA) for the Silver State Off-Highway Vehicle (OHV) Trail. The study and EA are in accordance with the White Pine County Conservation, Recreation, and Development Act of 2006.

The Silver State OHV Trail currently extends from near Caliente, in Lincoln County, Nev., northward to near the White Pine County line, about 45 miles south of Ely. The Act would extend the trail northward to Elko County with a potential spur route extending westward to Eureka County. The Act mandates that the selected route(s) not result in significant negative impacts to wildlife, natural or cultural resources, or traditional uses.

Travel Management Planning: The BLM Ely District on May 1, 2011, made a draft travel management plan for south Steptoe Valley available to the public for review. Three preliminary options have been developed by the BLM and White Pine County travel management planning coalition, which includes the City of Ely, hunting and non-hunting wildlife advocates, grazing permittees, motorized and non-motorized recreationists, Native American interests, property owners, White Pine County Sheriff's Office and members of the general public. The Northeastern Great Basin Resource Advisory Council, which advises BLM on public lands issues, was also represented.

WILDERNESS

Wilderness Plans: The BLM is implementing site-specific actions identified in the Fortification, Parsnip Peak and White Rock Range Wilderness Management Plan. The BLM is also implementing the Clover Mountains and Tunnel Spring Wilderness Management Plan.

The public comment period for the Weepah Spring and Worthington Mountains Draft Wilderness Management Plan concluded Friday, Aug. 12, 2011. The BLM anticipates finalizing the plan in late summer 2011.

The 45-day public comment period on the Management Plan and Draft Environmental Assessment (EA) for the Highland Ridge, Mount Grafton, South Egan Range and Far South Egans Wilderness Areas concludes Friday, Sept. 16, 2011.

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The State Cadastral Survey Team is posting wilderness boundaries with brass caps. The Big Rocks Wilderness is the first to be completed.

Restoration Activities: The BLM is restoring routes in wilderness in coordination with volunteer groups and local partners.

YUCCA MOUNTAIN RAIL CORRIDOR

In 2008, the Department of Energy (DOE) filed an application for rights-of-way to construct and operate a railroad for the purpose of transporting spent nuclear fuel and high level nuclear waste to a repository to be located at Yucca Mountain, about 100 miles northwest of Las Vegas, Nev. The approximately 333-mile-long rail line would tie into an existing rail line near Caliente, Nev., and extend westward to Goldfield before turning south toward the proposed repository.

In 2010, the Secretary of Energy announced that the DOE would be withdrawing their application to construct the Yucca Mountain Repository from the Nuclear Regulatory Commission (NRC), and would in-turn withdraw their ROW application from the BLM. In March, 2010, the DOE formally requested the Yucca Mountain Repository application be returned from the NRC. Several lawsuits were filed as a result, alleging the DOE lacked the authority to withdraw the application since the Yucca Mountain Repository is codified in law. No letter has been received by BLM to date withdrawing the application for the railroad ROW.

In 2005, acting on a request from the Department of Energy, the Secretary of the Interior issued a public land order withdrawing all public lands located within a half-mile of the proposed rail line from mineral entry for 10 years.

SPECIAL LEGISLATION

Southern Nevada Public Land Management Act (SNPLMA): The Executive Committee (EC) reviewed nominations for Round 12 in June. A recommendation for funding was forwarded to Secretary of the Interior Ken Salazar in July. There were nominations in the following categories: Capital Improvements, Conservation Initiatives, Eastern Nevada Landscape Restoration Project, Fuels, Land Acquisitions, and Parks, Trails and Natural Areas. Funding was approved by the Secretary in August. The BLM Ely District submitted five of the proposed projects and all five were funded.

Round 13 is opened from September 14 through November 10, 2011.

Lincoln County Archaeological Initiative (LCAI): On March 24 the Executive Committee reviewed and forwarded to Washington for BLM Director Bob Abbey's signature recommendations for project funding under LCAI Round 4. A final Decision Memorandum has been signed which will fund 7 new projects under the Lincoln County Archaeological Initiative for \$2,480,616.00.

Round 5 of LCAI is now open from about September 1 through October 31, 2011.

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LANDS

With assistance from the Southern Nevada Public Land Management Act division and using Lincoln County Land Act funding, the BLM Ely District in December 2010 acquired from The Conservation Fund, or TCF, more than 712 acres of privately-held lands located within designated critical desert tortoise habitat at the western toe of the Meadow Valley Mountains, in southern Lincoln County, Nev. The southernmost of the three acquired parcels is aligned with the Lincoln/Clark county line. Access to the property is through the Old Highway 93 Alignment. Public access is limited by a gate located on private land on the abandoned Highway 93 at State Route 168.

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Contact Chris Hanefeld, BLM Ely District public affairs specialist, at (775) 289-1842 or chris_hanefeld@blm.gov for more information on these and other projects/programs in the BLM Ely District.