



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Tonopah Field Office

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MAY 26 2015

In Reply Refer To:

3809 (NVB0200)

NVN-093181

NVN-088808

DOI-BLM-NV-B020-2015-0029-EA

CERTIFIED MAIL: 9171 9690 0935 0040 6413 45 RETURN RECEIPT REQUESTED

DECISION

Cordex Exploration Company	:	
Attn: Bruce Delaney,	:	Surface Management
Managing Member	:	
573 East Second Street	:	
Reno, Nevada 89502	:	

**Cordex Eastside Exploration Project Plan of Operations Approval
Determination of Required Financial Guarantee
Notice NVN-088808 Vacated**

INTRODUCTION

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA), DOI-BLM-NV-B020-2015-0029-EA that analyzes the affected environment, environmental impacts, and identifies Environmental Protection Measures (EPMs) associated with Cordex Exploration Company (Cordex) Plan of Operations (Plan) for the Cordex Eastside Exploration Project (Project). The final Plan was submitted in January 2015, in accordance with the BLM Surface Management Regulations 43 Code of Federal Regulations (CFR) 3809, as amended. It has been assigned BLM case file number NVN-093181. The Project is located in part or all of Sections 7, 8, 16, 17, and 18, unsurveyed Township 4 North, Range 39 East, Mount Diablo Base and Meridian (Project Area), Esmeralda County, Nevada. The Project can be accessed by traveling west from Tonopah for 19 miles on United States (U.S.) Highway 95, then turning north on the Gilbert/Crow Springs road (between mile markers 38 and 39) and traveling north for 4.5 miles to the Project boundary.

BACKGROUND

Cordex proposes to create up to 40.2 acres of surface disturbance, and the existing Notice-level activity will be completely subsumed in the Plan. Project-related activities associated with

exploration would occur incrementally over a ten-year period. Exploration activities would include exploration drilling; road, drill pad and sump construction; utilization of overland travel; and the maintenance of existing pre-1981 roads within the Project Area.

PUBLIC INVOLVEMENT

The BLM conducted Native American consultation on March 21, 2014, by contacting the Timbisha Shoshone Tribe, Yomba Shoshone Tribe, and Fallon Pauite-Shoshone Tribe. A site visit was conducted on June 11, 2014, with members of the Timbisha Shoshone Tribe. No concerns were identified during the visit.

The EA was made available for a 30-day public comment period ending on May 7, 2015. Notifications of the availability of the EA were sent to persons and agencies on the Project mailing list and the EA was posted on the Battle Mountain District ePlanning webpage. Additionally, the BLM issued a press release the same day providing a link to the EA and instructions on how to comment. Approximately 1,820 identical comment letters (approximately 1,813 form emails that were identical) were received from the public or other federal, state, or local agencies and 7 individual comment letters submitted. Substantive comments were evaluated and considered by the BLM during the decision making process. Minor corrections or updates to the EA were made as a result of the substantive comment review. The BLM reviewed and considered these comments and determined that they did not identify or present any significant new information or changed circumstances that would warrant additional NEPA analysis. Responses to substantive comments are provided in Appendix A of the EA.

All correspondence relative to this planning process is part of the public record and available for review at the Tonopah Field Office.

DECISION

1. As a result of the analysis presented in the EA and making a Finding of No Significant Impact (FONSI), and carefully considering the comments and input received from the public, it is the Decision of the Authorized officer to select the Proposed Action as the BLM's Preferred Alternative and approve the Plan with the financial guarantee requirements. The BLM approval of the Plan will be subject to operating, reclamation and monitoring measures in the Plan, the performance standards set forth in 43 CFR 3809.420, and the Applicant-Committed Environmental Protection Measures as set forth in the EA and restated in this Decision under the Conditions of Approval.

Approval of the Plan by the BLM does not constitute a determination regarding the validity or ownership of any unpatented mining claims involved in the exploration operation. Cordex is responsible for obtaining any use rights or local, state or federal permits, licenses or reviews that may be required before operations begin.

This Decision also constitutes concurrence with Cordex's use and occupancy of public lands as described in the approved Plan. Cordex must maintain compliance with the Use and Occupancy regulations at 43 CFR 3715.2, 43 CFR 3715.2-1, and 43 CFR 3715.5, throughout the duration of

the approved Plan. Concurrence by BLM on Cordex's proposed use and occupancy is not subject to State Director review, but may be appealed by adversely affected parties directly to the Interior Board of Land Appeals as outlined in enclosed BLM form 1842-1.

Financial Guarantee

Based on your reclamation cost estimate, BLM review of the cost estimate, and consideration of the conditions of approval, the required financial guarantee amount is hereby set at **\$177,900.00** for reclamation of the Project. This amount is subject to change pending further review by the BLM or the Nevada Division of Environmental Protection, Bureau of Mining Regulation and Reclamation (NDEP-BMRR). You must provide a financial guarantee in this amount using one or more of the acceptable financial guarantee instruments listed in 43 CFR 3809.555.

A financial guarantee in the amount of **\$177,900.00** must be filed and accepted by the Bureau of Land Management, Nevada State Office, Branch of Minerals Adjudication, 1340 Financial Blvd, Reno, NV 89502-7147. That office will issue you a decision as to the acceptability of your financial guarantee. You must not begin surface disturbing activities under this Plan until you receive notification from the BLM State Office that the financial guarantee has been accepted.

2. Conditions of Approval

Water Quality

Exploration drill holes would be surveyed and plugged as an operational procedure immediately after completion of drilling in accordance with NAC 534.4369 and 534.4371. The drill holes would be plugged by placing drill cuttings or bentonite grout, concrete grout, or neat cement plug into the total depth of the hole, or if ground water is encountered, plugged as a well pursuant to NAC 534.420. All drill holes would be plugged either with concrete grout, cement grout, or neat cement from 20 feet below the surface to the surface. Storm water BMPs would be used at the Project Area to minimize erosion from storm water.

Drill cuttings would be contained and the fluids managed utilizing appropriate control measures. Sediment traps would be used as necessary and filled at the end of the drill program. Only nontoxic fluids would be used in the drilling process. To be wildlife and livestock-safe, sumps would be designed to have egress for climb out or fencing to deny access. Cordex would follow the Spill Contingency Plan included in the Plan.

Cordex would follow the Spill Contingency Plan outlined below:

Materials and equipment necessary for spill cleanup would be kept at each drill rig. Equipment and materials would include, but not be limited to, shovels, gloves, safety glasses, sorbent materials, sand, sawdust, and plastic/metal trash containers specifically for this purpose.

Well-maintained equipment would be used to perform the work required at the Project. When practicable, equipment maintenance would be performed off site. In the event of oil, fuel, lubricating grease, or other equipment leaks, cleanup would be conducted as soon as possible. If

the leak is on compacted soil, an oil-absorbing product, such as Absorb®, may be applied. Once the cleanup product has absorbed the spill material, the product is removed and disposed of according to state and federal regulations. Any contaminated soil would be removed, managed, and disposed of at an off-site facility in compliance with state and federal regulations.

In the event of oil, fuel, or hydraulic fluid leaks, cleanup would be conducted as soon as possible. In the event of a major spill, the following actions would be taken in addition to any federal, state, and local health and safety regulations:

Contain the spread or migration of the spill using the on-hand supply of erosion control structures and/or by creating dirt berms, as feasible and necessary.

Regulated wastes will be removed from the Project area and disposed of in a state, federal, or local designated area.

If a spill of a petroleum constituent is considered to meet the reportable quantity per the NDEP's guidelines (greater than 25 gallons or greater than 3 cubic yards of impacted material) or a reportable quantity for hazardous waste is released based on the U.S. Environmental Protection Agency (EPA) guidelines established under Title III List of Lists (40 CFR Part 302), the BLM and NDEP (775) 687-4670 would be notified within 24 hours and the appropriate remedial actions and confirmation sampling will be conducted under direction of the NDEP.

Storm water BMPs (Nevada Division of Environmental Protection and Nevada Division of Conservation 1994) will be used at construction sites to minimize storm water erosion.

Wildlife

Migratory Birds

Land clearing or other surface disturbance associated with the activities within the Project Area would be conducted outside of the avian breeding season, whenever feasible, to avoid potential destruction of active bird nests or young birds in the area. When surface disturbance must be created during the avian breeding season, (March 1 through July 31), a qualified biologist would survey the area prior to land clearing activities. Pre-disturbance surveys for migratory birds are only valid for seven days. If the disturbance for the specific location does not occur within seven days of the survey, another survey would be needed. However, if the vegetation has been fully cleared from the work area within the seven day clearance survey time frame, no additional clearance survey would be required for the disturbed area because it would no longer consist of potential migratory bird nesting habitat. If active nests are located, or if other evidence of nesting (i.e., mated pairs, territorial defense, carrying nesting material, transporting food) is observed, a protective buffer (the size depending on the habitat requirements of the species and the location of the nest) would be delineated after consultation with the BLM resource specialist and the entire area avoided, preventing destruction or disturbance to nests until they are no longer actively breeding or rearing young, or until the young have fledged. The start and end dates of the seasonal restriction may be based on site-specific information, such as elevation and winter weather patterns, which affect breeding chronology.

Cordex's biologist would recommend to the BLM an avoidance buffer around the nest which the BLM, in coordination with the Nevada Department of Wildlife (NDOW) and the U.S. Fish and Wildlife Service (USFWS), would review and approve prior to surface disturbance. Cordex's biologist would inform BLM when the birds have left the nest. Cordex would not conduct any drilling or surface disturbing activities within the exclusion zone until the biologist determines that the birds are no longer nesting.

The site characteristics to be used to determine the size of the buffer area are as follows: 1) topographic screening; b) distance from disturbance to nest; c) the size and quality of foraging habitat surrounding the nest; d) sensitivity of the species to nest disturbances; and e) the protection status of the species.

Raptors

In order to avoid impacts to nesting raptors in the Project Area, Cordex would ensure that the unoccupied potential raptor nest and the unoccupied golden eagle nest located within the Project Area would be surveyed by a qualified biologist annually prior to conducting surface in the avian breeding season (March 1 through July 31) to determine whether the nest is occupied or not. Each year during the nesting season (March 1 to July 31), Cordex would coordinate with the BLM to determine an avoidance buffer of any active raptor nests. Active raptor nests are reported annually to the BLM.

Bats

Cordex would not conduct surface disturbing activities within 200 feet of existing adits, shaft openings, or caves to prevent any impacts to bat species potentially residing in or near these structures. If a BLM qualified biologist surveys the site and determines that bats are not residing in or near the structure, the aforementioned exclusion zone would not apply. The NDOW would conduct an internal survey of the existing adit within the Project Area, and the NDOW would assume all financial and legal liability for the survey. The NDOW would coordinate with Cordex prior to conducting the survey to determine the best time to conduct the survey in order to avoid potential conflicts with Cordex's operations on site.

Cordex would avoid direct physical disturbance (e.g., grading or drilling) to rock outcrops that may potentially be used for bat roosting habitat within the Project Area. According to the 2006 Revised Nevada Bat Conservation Plan, rock outcrops that may potentially be used for bat roosting habitat would be considered rock outcrops measuring six meters (approximately 20 feet) or greater in height (Bradley et al. 2006).

Special Status Plant Species

In order to prevent direct impacts to these populations, Cordex would erect and maintain orange fencing around a 10-foot buffer of the special status plants when working around them to prevent accidental impacts to the species.

Cultural and Paleontological Resources

In compliance with BLM Instruction Memorandum (IM) No. NV-2011-004 dated November 5, 2010; Cordex implemented cultural baseline surveys prior to submittal of the Plan.

A class III pedestrian transect survey was conducted within the Project boundary. Cordex would coordinate with the BLM in order to avoid impacts to cultural resources identified during the survey.

Pursuant to 43 CFR 10.4(g), Cordex would notify the BLM authorized officer, by telephone, and with written confirmation, immediately upon the discovery of human remains, funerary objects, sacred objects, or objects of cultural patrimony (as defined in 43 CFR 10.2). Further, pursuant to 43 CFR 10.4 (c) and (d), the operator would immediately stop all activities in the vicinity of the discovery and not commence again for 30 days, or when notified to proceed by the BLM authorized officer.

In the event that previously undiscovered paleontological resources are discovered in the performance of any surface disturbing activities, the item(s) or condition(s) would be left intact and immediately brought to the attention of the authorized officer of the BLM. If significant paleontological resources are found, avoidance, recordation, and data recovery would be required.

Pursuant to the State Protocol Agreement Section VI. B, any cultural resource discovered by the permit holder, or any person working on their behalf, during the course of activities on federal land would be immediately reported to the authorized officer by telephone, with written confirmation. The permit holder would suspend all operations within 100 meters (330 feet) of such discovery and protect it until an evaluation of the discovery can be made by the authorized officer. If the BLM determines, in consultation with the SHPO, that the site is or may be eligible for the NRHP, a BLM archaeologist would determine an exclusion zone adequate to protect the resource. Cordex would not conduct any surface disturbing activities within this exclusion zone without further authorization from the BLM, which may require further environmental and/or cultural analyses. The holder is responsible for the cost of evaluation and mitigation. Operations may resume only upon written authorization to proceed from the authorized officer.

Though the potential for disturbing Native American gravesites within most project areas is extremely low, inadvertent discovery procedures must be noted. Under the NAGPRA, Section (3)(d)(1), the discovering individual must notify the authorized officer in writing of such a discovery. If the discovery occurs in connection with an authorized use, the activity, which caused the discovery, is to cease and the materials are to be protected until the land manager can respond to the situation (Section 2.2.10).

Public Safety, Hazardous or Solid Waste, and Access

Public safety would be maintained throughout the duration of the Project. All equipment and other facilities would be maintained in a safe and orderly manner. Signage would be placed warning the public that the area is an active exploration site and heavy equipment traffic may be present. A temporary sign would also be placed warning the public and project personnel of possible flash floods. Cordex would monitor weather conditions for the possibility of flash floods and warn Project personnel as conditions warrant. Speed would be limited to 25 miles per hour (mph) on County roads and 15 mph on exploration roads.

All unattended sumps would be adequately fenced or bermed to preclude access. To ensure wildlife and livestock safety, sumps would be designed to have egress for climb out.

Any survey monuments, witness corners, or reference monuments would be protected to the extent economically and technically feasible.

All solid wastes would be disposed of in a state, federal, or local designated site. Pursuant to 43 CFR 8365.1-1(b) (3), no sewage, petroleum products, or refuse would be dumped from any trailer or vehicle.

Cordex would comply with all applicable state and federal fire laws and regulations. All reasonable measures would be taken to prevent and suppress fires in the Project Area.

Any identified public hazards such as open historic mine workings would be secured per Nevada Division of Minerals standards.

Drill sites, sumps, and excavations will be reclaimed as soon as practicable after completion of sampling and logging.

Final reclamation of overland travel routes, sumps, and drill sites will consist of, if required, fully recontouring disturbances to their original grade, and reseeding in the fall season immediately following completion of exploration activities.

In the event that any existing roads are damaged as a result of Cordex activities, Cordex will return them to their original condition.

All solid/regulated wastes will be removed from the Project Area and disposed of in a state, federal, or local designated area.

Pursuant to 43 CFR 8365.1-1(b)(3), no sewage, petroleum products, or refuse will be dumped from any trailer or vehicle.

If a spill of a petroleum constituent is considered to meet the reportable quantity per the NDEP's guidelines (greater than 25 gallons or greater than three cubic yards of impacted material or any quantity if a water body is impacted), or a reportable quantity for hazardous waste is released based on the Federal Environmental Protection Agency guidelines established under Title III List of Lists (40 CFR Part 302), the NDEP would be notified within 24 hours, and the appropriate remedial actions and confirmation sampling would be conducted under direction of the NDEP.

Night Skies

Minimal night drilling is anticipated. To minimize effects from lighting, Cordex would utilize hooded stationary lights and light plants. Lighting would be directed onto the pertinent site only and away from adjacent areas not in use with safety and proper lighting of the active work areas

being the primary goal. Lighting fixtures would be hooded and shielded as appropriate. Cordex would utilize lighting designed to reduce the impacts to night skies.

Air Quality

The NDEP issued a Class II Air Quality Operating Permit, Surface Area Disturbance (SAD) Permit AP1041-3524, FIN A1791 for the Plan. Emissions of fugitive dust from disturbed surfaces would be minimized by an incremental approach to acreage disturbance, concurrent reclamation, the application of water to roads and the use of wind-break fencing designed to limit wind erosion. All roads used by Cordex may require that water be applied to control dust.

Noxious Weeds, Invasive and Non-native Species

Cordex would be responsible for controlling all noxious weeds in newly disturbed areas until the reclamation activities have been determined to be successful and released by the BLM Authorized Officer and BMRR. Noxious weeds will be controlled through implementation of the following BMPs: concurrent reclamation efforts; operator control; removal of invasive, non-native, and noxious weeds on reclaimed areas; washing heavy equipment prior to entering the Project Area; and avoiding areas of known invasive, non-native, and noxious weeds during periods when the weeds could be spread by vehicles.

If noxious weeds or other invasive species deemed detrimental by the BLM are found, a BLM weed specialist would be consulted and an appropriate treatment plan developed and implemented. Control standards and measures would comply with applicable State and federal regulations. Weed treatments may include the use of herbicides, and only those herbicides approved for use on public lands by the BLM would be evaluated for use.

Vegetation

Reseeding will be consistent with all BLM recommendations for seed mix constituents, application rate, and seeding methods.

Wildland Fire Protection

In the event the proposed Project activities start or cause a wildland fire, Cordex would be responsible for all the costs associated with the suppression. The following precautionary measures would be taken to prevent and report wildland fires:

All vehicles will carry fire extinguishers, and a minimum of ten gallons of water.

Adequate fire-fighting equipment (i.e., shovel, Pulaski, extinguisher(s)), and a minimum ten gallons of water will be kept at each drill site.

Vehicle catalytic converters will be inspected often and cleaned of all brush and grass debris.

Welding operations will be conducted in an area free from or mostly free from vegetation. A minimum of ten gallons water and a shovel will be on hand to extinguish any fires created from the sparks. Extra personnel will be at the welding site to watch for fires created by welding sparks. Welding aprons will be used when conditions warrant (i.e., during red flag warnings).

Wildland fires will immediately be reported to the BLM Central Nevada Interagency Dispatch Center at (775) 623-3444. Information reported will include the location (latitude and longitude if possible), fuels involved, time started, who or what is near the fire, and the direction of fire spread.

When conducting operations during the months of May through September, the BLM Battle Mountain District Office, Division of Fire and Aviation will be contacted at (775) 635-4000 to determine if any fire restrictions are in place for the Project and to provide approximate beginning and ending dates for Project activities.

Wild Horses and Burros

Cordex will immediately report any conflicts with or concerns about wild horses in the Project Area to the Tonopah Field Office Wild Horse and Burro Specialist.

3. BLM Notice NVN-088808 is hereby vacated with the approval of the Plan and acceptance of the financial guarantee.

Once the financial guarantee is adjudicated for the Plan (NVN-093181) by BLM Nevada State Office, Branch of Minerals Adjudication, the remaining reclamation and financial guarantee requirements under the Notice NVN-088808 will be incorporated into the reclamation requirements of the Plan and the Notice terminated.

RATIONALE

The Plan, in combination with the preceding Conditions of Approval, and the enclosed FONSI, show that all practicable means to avoid or minimize environmental harm have been adopted and that unnecessary or undue degradation of the public lands will not occur as a result of the exploration activities at the Cordex Eastside Exploration Project.

The Plan is in conformance with the Tonopah Resource Management Plan Record of Decision (ROD) which identifies the following objectives for locatable minerals: 1) "To provide opportunity for exploration and development of locatable minerals such as gold, silver, copper, lead, zinc, molybdenum, etc. consistent with the preservation of fragile and unique resources in areas identified as open to the operation of mining laws (page 23)", 2) "Reclamation of disturbed areas to meet BLM standards is required for all levels of activity: casual use, notice, or plans of operation (page 36)"

The Plan is in conformance with the President's National Energy Policy Act of 2005 as per Instruction Memorandum (IM-2002-053), as put forth in Executive Order 13212 and will not have an adverse impact on energy development, production, supply, and/or distribution. The EA and FONSI support this decision.

AUTHORITY

This Decision is in conformance with the National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190) as amended (72 USC 4321 et.seq.); General and Title V of the Federal Land Management and Policy Act of 1976 (FLPMA); 43 CFR Part 3800 Subpart 3809- Surface Management (16 USC et.seq.); and 43 CFR Part 3710 Subpart 3715 – Use and Occupancy Under the Mining Laws.

APPEAL OF THE DECISION

If you are adversely affected by this decision, you may request that the Nevada BLM State Director review this decision. If you request a State Director Review, the request must be received in the BLM Nevada State Office at:

BLM Nevada State Office
State Director
1340 Financial Blvd.
Reno, Nevada 89502-7147

no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a stay is granted by the State Director. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

If the State Director does not make a decision on your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM Nevada State Office to determine when the BLM received the request for State Director Review. You have 30 days from the end of the 21-day period in which to file your Notice of Appeal with this office at 1553 South Main Street, Tonopah, NV 89049, which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a)(1). Your Notice of Appeal must be filed in this office at 1553 South Main Street, Tonopah, NV 89049, within 30 days from receipt of this decision. As the appellant, you have the burden of showing that the decision appealed from is in error. Enclosed is BLM Form 1842-1 that contains information on taking appeals to the IBLA.

This decision will remain in effect while the IBLA reviews the case, unless a stay is granted by the IBLA. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Request for a Stay

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 IBLA, 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 must show sufficient justification based on the following standards:

1. The relative harm to 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.
4. Whether the public interest favors granting the stay.



Timothy J. Coward
Field Manager
Tonopah Field Office

Enclosures

cc: Nevada State Office, Branch of Minerals Adjudication (NV-923)

Bruce Holmgren
Nevada Division of Environmental Protection
Bureau of Mining Regulation & Reclamation
901 S. Stewart Street, Suite 4001
Carson City, Nevada 89701

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