

From: Greg Dering [mailto:greg.dering@gmail.com]
Sent: Monday, March 28, 2011 11:05 AM
To: Jeffrey S Thompson
Cc: James E Faulds; Jonathan G Price
Subject: Support for the Nevada Bureau of Mines and Geology

To Dr. Jeffrey S. Thompson, Dean of the College of Science,

I am writing to make plain economic arguments against the proposal to cut the Nevada Bureau of Mines and Geology (NBMG) budget by 52% in 2012. The NBMG is a research resource to Nevada industry that provides huge economic leverage by lighting the way to new mineral wealth and energy generation opportunities. This massive downsizing of the NBMG is a mistake that will inhibit Nevada's economic growth in the short term and the long term. Nevada leaders constantly preach economic diversification, so we can reduce our dependence on gaming, and draw more high-paying jobs to the state. This proposed \$1.1 million budget cut to NBMG flies in the face of such rhetoric. The NBMG plays an essential role in expanding Nevada's mineral and energy resource industries and attracting new business to the state.

Nevada mineral industry depends on NBMG right now

In my former job as an exploration geologist for a major gold mine, I saw for myself every day -- at mine sites and industry offices -- the valuable contributions of NBMG researchers that earned them high professional respect in the industry. Their work, of course, originally led to the discovery of world-class gold deposits, the basis for the Nevada industry that has generated hundreds of billions of dollars in taxable proceeds for our state. But NBMG research is just as important right now because it continues to deliver crucial data that extends the life of currently producing mines and contributes to the discovery of new ore deposits. translates to more job creation, foreign investment, and tax revenues in both rural and urban Nevada communities.

Industry research cannot substitute for the NBMG

Some mistakenly believe that private industry can fill the research role left by a weakened NBMG, but such a view fails to grasp NBMG's critical functions that support the success of the mineral industry.

- (1) Superior research quality: NBMG reports and maps are consistently of higher quality than any industry geological team produces;
- (2) Public access to data: Nevada mineral businesses are large and small. NBMG provides the only public record for research valuable to all levels of Nevada mineral industry operators, all of whom provide jobs for Nevadans. Big industry research does not offer such a broad benefit.
- (3) "Big picture" perspective: Private industry research is fragmented, not providing an overview of opportunities in the entire state. The NBMG synthesizes research by many different private teams to present a unique "big picture" perspective that feeds back into efforts of private companies to discover more resources.

New energy sources for Nevada

Looking to the future, reliable and affordable energy will be vital to every Nevada citizen. Geothermal energy exploration can be a significant part of that solution and the NBMG is on the cutting edge. NBMG researchers have made breakthroughs in the understanding of geothermal systems that have greatly expanded the known energy production potential of the state. Private

geothermal developers rely heavily on maps and models produced by the NBMG for exploration and development of new power plants. Pulling the plug on the NBMG will undercut this new energy industry just on the verge of expanding opportunities for our state.

I am committed to Nevada's future too

As a graduate student at the University of Nevada, Reno pursuing an M.S. in geology I intend to pursue a career that will contribute to our economy. I am a Nevadan who wants the best possible future for Nevada. That means more high-paying jobs and more economic diversity. The Nevada Bureau of Mines and Geology is bringing new business to our state and fostering a new boom in geothermal energy development. Don't slow Nevada down by cutting the NBMG budget.

Sincerely,

Gregory Dering
Geological Sciences Program
University of Nevada

1015 Valley Rd
Reno, NV 89512
greg.dering@gmail.com