An Interview With
DOMINIC
PAPPALARDO

An Oral History produced by
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Esmeralda County History Project
Esmeralda County, Nevada
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CONTENTS

PREFACE

The Esmeralda County History Project (ECHP) engages in interviewing people who can provide firsthand descriptions of the individuals, events, and places that give history its substance. The products of this research are the recordings of the interviews and their transcriptions.

The Esmeralda County Board of Commissioners initiated the ECHP in 1993 in order to collect information on the origin, history, traditions, and quality of life of Esmeralda County communities that may be impacted by the construction of a high-level nuclear waste repository located at Yucca Mountain, adjoining the Nevada Test Site in Nye County. Though the repository has yet to be built, the ten oral histories in this group of interviews were paid for by county monies received in connection with the Yucca Mountain effort, which is now in hiatus.

In themselves, oral history interviews are *not* history. However, they often contain valuable primary source material, as useful in the process of historiography as the written sources to which historians have customarily turned. Verifying the accuracy of all of the statements made in the course of an interview would require more time and money than the ECHPôs operating budget permits. The program can vouch that the statements were made, but it cannot attest that they are free of error. Accordingly, oral histories should be read with the same prudence that the reader exercises when consulting government records, newspaper accounts, diaries, and other sources of historical information.

It is the policy of the ECHP to produce transcripts that are as close to verbatim as possible, but some alteration of the text is generally both unavoidable and desirable. When human speech is captured in print the result can be a morass of tangled syntax, false starts, and incomplete sentences, sometimes verging on incoherence. The type font contains no

symbols for the physical gestures and the diverse vocal modulations that are integral parts of communication through speech. Experience shows that totally verbatim transcripts are often largely unreadable and therefore a waste of the resources expended in their production. While keeping alterations to a minimum the ECHP will, in preparing a text:

a. generally delete false starts, redundancies and the *uhs*, *ahs* and other noises with which speech is often sprinkled;

b. occasionally compress language that would be confusing to the reader in unaltered form;

c. rarely shift a portion of a transcript to place it in its proper context;

d. enclose in [brackets] explanatory information or words that were not uttered but have been added to render the text intelligible; and

e. make every effort to correctly spell the names of all individuals and places, recognizing that an occasional word may be misspelled because no authoritative source on its correct spelling was found.

ACKNOWLEDGMENTS

As project director, I would like to express my deep appreciation to those who participated in the Esmeralda County History Project (ECHP). It was an honor and a privilege to have the opportunity to obtain oral histories from participating individuals. I was welcomed into many homes and was allowed to share in the recollection of local history. I thank the residents throughout Esmeralda County and Nevadað too numerous to mention by nameð who provided assistance and information. They helped make the successful completion of this project possible.

Appreciation goes to the Esmeralda County Commissioners who initiated the project in 1993: Chairman Wade Barton, Virginia Ridgway, and Joyce Hartman. Appreciation also goes to current Chairman Nancy J. Boland, William C. Kirby, and Dominick Pappalardo, who initiated the current project in 2012, and to Ralph M. Keyes, who became a commissioner in 2013. Ed Mueller, Director, Esmeralda County Repository Oversight Program, gave enthusiastic support and advocacy for this effort. The United States Department of Energy, through Mr. Muellerôs office, provided funds for this round of interviews. Thanks are extended to Commissioners Boland, Kirby, Pappalardo, Keyes, and Mr. Mueller for their input regarding the conduct of this research and for serving as a sounding board as we worked out methodological problems. These interviews would never have become a reality without the enthusiastic support of the Esmeralda County commissioners and Mr. Mueller.

Jean Charney served as editor and administrative assistant throughout the project; her services have been indispensable. Jean Charney and Robert B. Clark transcribed a number of interviews, as did the staff of Pioneer Transcription Services in Penn Valley, California. Julie Lancaster and Suzy McCoy provided project coordination. Editing was

done by Jean Charney and Darlene Morse. Proofreading and indexing were provided at various times by Darlene Morse and Marilyn Anderson. Joni Eastley proofed all the manuscripts and often double-checked, as accurately as possible, the spelling of peopleôs names and the names of their children and other relatives. Jeanne Sharp Howerton provided digital services and consultation. Eva La Rue and Angela Haag of the Central Nevada Museum and Suzy McCoy served as consultants throughout the project; their participation was essential. Much-deserved thanks are extended to all these persons.

All material for the ECHP was prepared with the support of the Esmeralda County Nuclear Waste Repository Oversight Program, funded by the U.S. Department of Energy. However, any opinions, findings, conclusions, or recommendations expressed herein are those of the author and the interviewees and do not necessarily reflect the views of Esmeralda County or the U.S. DOE.

ð Robert D. McCracken
2013

INTRODUCTION

Historians generally consider the year 1890 as the close of the American frontier. By then, most of the western United States had been settled, ranches and farms developed, communities established, and roads and railroads constructed. The mining boomtowns, based on the lure of overnight riches from newly developed lodes, were but a memory.

Yet, even in the 2010s, the spirit of the American frontier can still be found in Esmeralda County, Nevada, in the attitudes, values, lifestyles, and memories of area residents.

Esmeralda County was established by an act of the Territorial Legislature of Nevada on November 23, 1861. The first boom camp in the county, Aurora, named after the goddess of dawn of Roman mythology, mushroomed into existence in the early 1860s with a population of at least 5000. The name Esmeralda, Spanish for "emerald," was provided by a member of the party that made the initial discovery of gold at Aurora; the individual probably had some beauty in mindð the term was then a common name for girls with green eyes. Another version is that the name referred to the Gypsy dancer Esmeralda in Victor Hugoôs novel, *The Hunchback of Notre Dame.* Discoveries at Aurora were followed by others at Columbus (1864), Red Mountain/Silver Peak (1864), Gold Mountain (1866), Palmetto (1866), Montezuma (1867), Oneota (1870), Sylvania (1870), and Lida Valley (1871). Goldfield, which sprang to life in 1902, was the last great mining camp of the American West, and one of the greatest gold camps in the history of the world. Along with Tonopah (1900) and Rhyolite (1904), its two sister boomtowns, and several score of smaller, shorter-lived daughter camps located on the central Nevada desert, Goldfield was the last magnificent flowering of the American frontier.

Between 1903 and 1942, Goldfield produced approximately 7.7 million tons of ore containing more than 4.1 million ounces of gold and over 1.4 million ounces of silver, worth $90 million, mostly when gold was priced at $20 per ounce. Goldfieldôs glory days were from about 1904 until World War I. After approximately 1918, mine production declined to a fraction of what it had been, yet the town lived on. It survived a terrible flash flood in 1913 and a catastrophic fire in 1923 that wiped out a substantial proportion of the townð at least 33 square blocks, by some old-timersô estimates. Another fire in 1924 nearly applied the coup de grâce to the grand lady, but still she persevered.

Much has been written concerning Goldfieldôs prosperous years, but relatively less material is available on the town and its people from the decades following the end of World War I. Much of the history of Esmeralda County is stored in the memories of individuals who are still living.

Aware of Esmeralda Countyôs close ties to the land and our nationôs frontier past, and the scarcity of written sources on local history after 1920, the Esmeralda County commissioners initiated the Esmeralda County History Project (ECHP) in 1993. The ECHP is an effort to systematically collect and preserve the history of Esmeralda County. The centerpiece of the ECHP is a set of interviews conducted with individuals who had knowledge of local history. Each interview was recorded, transcribed, and then edited lightly to preserve the language and speech patterns of those interviewed. All oral history interviews have been printed on acid-free paper and bound and archived in Esmeralda County libraries, Special Collections in the James R. Dickinson Library at the University of Nevada at Las Vegas, and at other archival sites located throughout Nevada.

The interviews conducted between 1993 and 1994 vary in length and detail, but together they form an unprecedented composite of life in Esmeralda County after 1920.

These interviews can be compared to a bouquet: Each flower in the bouquet is uniqueð some are large, others are smallð yet each adds to the total image. In sum, the interviews provide a view of county history that reveals the flow of life and events for a part of Nevadaôs past that has heretofore been largely neglected by historians.

A second set of interviews was initiated in 2011. The goal here was the same as for the interviews collected 20 years earlierð provide a view of Esmeralda County history unavailable elsewhere through interviews with county residents. However, in this series interviews were also conducted with a second goal in mind. Over 97 percent of the land in Esmeralda County is controlled and managed by the federal governmentð more than any other county in Nevada; indeed, in any state outside Alaskað and of the private land approximately 50 percent consists of patented mining claims, leaving little opportunity for community expansion on private land. A large percentage of Esmeralda County residents consequently believe the county is in large measure governed by the federal government as opposed to elected state of Nevada, county, and local officials. Many feel the strong presence of the federal government has the effect of constricting economic opportunity and personal freedom for local residents in many areas of life and would like to see changes made in that arrangement with the transfer of more control to local and state government. Those issues formed part of the focus of these oral histories.

ð RDM
2013

This is Robert McCracken talking to Commissioner Dominic Pappalardo at the Esmeralda County offices in Goldfield, Nevada, June 1, 2012.

CHAPTER ONE

RM: Dominic, why don't we start by you telling me your name as it reads on your birth certificate?

DP: Dominic George Pappalardo.

RM: And when and where were you born?

DP: Elizabeth's Hospital in Chicago, Illinois, May the 9th of 1962.

RM: What is your father's name?

DP: George. I'm named after him.

RM: Where and when was he born?

DP: I believe the Chicagoland area. He left our family. He was around, but he wasn't there a lot. He passed away in 1993.

RM: What did he do for an occupation?

DP: The family business was upholstery and reupholstery– father, sons and grandsons. He was the son in the father-son. My grandfather had the business for many, many years at Armitage and Albany on the near north side of Chicago.

RM: So it was a real tradition in the family.

DP: When I was a small boy, I would finish doing the hand sewing on the cushions. You know how you re-stuff the cushion and then you sew it closed? They'd let us do the blind stitch because that's something you could do easily enough as a 12-year-old. And stripping down the furniture for the reupholstering– I remember doing that as a boy.

RM: What was your mother's maiden name?

DP: Antoinette Amaro, but everybody called her Toni.

RM: Do you know where she was born?

DP: The Chicagoland area, I believe.

RM: What was her family background?

DP: Iôm 100 percent Italian. Iôm three quarters Sicilian and the other quarter is from Northern Italy, from my dadôs side; one grandfather was from Northern Italy.

RM: And how did your motherôs family earn a living?

DP: The family business was there for decades so she was an upholsterer like everybody else. She sewed up the cushions and sewed up the upholstery materials.

RM: Did you grow up in Chicago?

DP: Yes.

RM: Do you want to say a little bit about growing up there?

DP: The Windy City was very congested and very impersonal and thatôs why I like living hereð because itôs a small town and very personable. I have a lot of relatives who still live there, but I came to Nevada in ð91 and I think Iôve flown back one time.

RM: So you kind of said goodbye to Chicago?

DP: Well, I have two sisters who moved out to Vegas, where I initially came when I first came to Nevada, so I have some family here. But the majority of them are still in the Chicagoland area. I was there till I was 29; I worked maintenance work. When I came to Nevada I was just looking for a change of pace. My brother was already living here and I worked in Las Vegas for three years.

Then I was in Henderson for three years and a gentleman there was talking to me about mining. He wanted to start up a mining project in Gold Mountain, which is in Esmeralda County. I didnôt know anything about mining but I wanted to learn so he introduced me to the area. He never got that project going but I did get hired on at a mine

out here in July of ô97. I worked in an assay lab. Of course, I didnôt know anything about assay work at that time but they taught me. I was with that company in the assay and process plant for over three years.

RM: What mine was that?

DP: Mineral Ridge Mine. Thatôs in the mountain range right by Silver Peak, the top of the mountain. I lived in Goldfield and drove and worked at the mine except for one year when I lived there.

RM: Thatôs a huge switch, from Chicago to Vegas.

DP: Actually, theyôre very similar. When I was in Vegas in the ô90s there was such a transient group of people going through. If youôre working in the [gaming] industry it can be fairly impersonal. It still had the big city feel to me. What I really enjoyed was coming to central Nevada, which has the small town atmosphere, which I didnôt grow up with but I like very much.

RM: And you were motivated to go to Las Vegas because your brother was there. What else was on your mindð to get out of Chicago?

DP: Just a year before that I went through a divorce. I had worked for ten years at one location in maintenance, and then one year in a high-rise apartment in maintenance, and I was looking for a change of pace, basically a new direction in my life. My brother was living in Vegas so that was a pretty easy place to go. If he was living in Wyoming, I might have gone to Wyoming.

RM: What did you think of Las Vegas as you got there?

DP: Las Vegas has its own loreð itôs better known as ñLost Wages.ò [Laughs] My younger brother had issues with that. I never was much of a gambler so I could live and work there just fine but he left the area a long time ago and moved to the East; heôs in

Massachusetts.

RM: And then, you had two sisters who followed you to Vegas?

DP: Yes, exactly. Joy moved out there in 1994 because I was there and our other sister, Phyllis, moved there later on. I moved up here to Goldfield to work in the mines, but we're still close; Vegas is only a three-hour drive so I go see them occasionally.

RM: What was involved in your transition from Las Vegas to Goldfield and working in the mining industry?

DP: I'm thinking, "This is great." I loved working up at Mineral Ridge and I loved the mining industry. When you're on a mine site it's like your own little community. It's a fenced community and you're only there if you're working for the company, for the same people that everybody else is working for. You're part of a working family and that's a good feeling. I enjoyed the job. Of all the things I've done during my life, the job I've enjoyed the most was working up at Mineral Ridge on the mine site.

RM: Did you spend all your time in the assay office or did you have other jobs there?

DP: Most of the time I was in the assay office but I did spend some time in the process plant and even got to participate in a couple of pours with the doré bars, which is fun.

RM: Are they still working there?

DP: They're in full production right now. They're currently being run by Scorpio Gold as their Mineral Ridge project; they've come back on line under a different company.

RM: And it's a gold mine?

DP: Yes. Gold and silver, but it's mainly gold.

RM: Is it a huge deposit there?

DP: By my estimate, it's a medium-sized deposit. The Mary Drinkwater is there. It's a large deposit. They're going to take out a fair section of the mountain entirely to get it all

out. I think theyôre going to be there another 15 years.

RM: It is heap leaching?

DP: Yes.

RM: And so they pour the gold right there?

DP: Well, theyôve decided against it now because the cost of permitting for the smelting has gotten so high. Theyôre sending their carbon out to be processed other places. When I was there, we stripped the carbon and processed it.

RM: What does that mean, stripping the carbon?

DP: The carbon is in a series of five tanksô the solution runs through it and the metals are absorbed into the carbon. Then you transfer the carbon out of those vessels into a strip vessel, which means you heat it up and it basically expands it and itôll release the metals back out into solution. That solution is circulated through electrowinning cells and it precipitates out as a fine mud.

Then when you dry it and weigh it, it smelts down one to one to gold and silver. If you have one pound of the powder, youôre going to have one pound of doré. The precipitant is all metal. And that was fun. We were electrowinning it out of the solution after we released it out of the carbon; thatôs a pretty common process. But since they donôt want to pay for the smelting permit fees, theyôre letting somebody else strip the carbon.

RM: Who do the fees go to?

DP: The government.

RM: Is it the state or the county?

DP: I imagine itôs state and federal; Esmeralda County doesnôt collect those kinds of fees.

RM: Let's just briefly review the process. They're digging in an open pit and dig the ore out. Then they crush it?

DP: They crush it down through a three-stage crusher. When I was there, 72 percent of it had to be minus ten, which is a pretty small little pebble, to go through the ten-mesh screen. So 72 percent of it had to go through the ten mesh. So it was almost milled; it was very similar. Then they add a little cement so that it binds and stabilizes the leach pad.

Then it's heap-leached. There's a barren pond and a preg pond with half a pound of cyanide per ton in the solution. It's pumped up with drip lines and it soaks through the pad and then it comes down to the preg pond. That's a lined pad and all the piping directs it there. From the preg pond the solution is pumped up into the process plant.

RM: Preg means it's pregnant with the metal?

DP: That's exactly right. And then it goes through the five carbon tanks. The solution is pumped to the top of the first one and by gravity it works its way through the first, overspills to the second and comes up from the bottom, overspills to the third and the fourth and the fifth. From there it goes to the barren pond because most all of the metals have been absorbed into the carbon.

RM: And then the solution is cycled back?

DP: Onto the pad. Exactly.

RM: And then when it goes with the carbon, the carbon binds with the metal.

DP: The precious metals bind up in the carbon. The industry uses burnt coconut shell; it's the best carbon that there is for this process.

RM: I didn't know that. After you've got it bound with the carbon, what do you do?

DP: The lead tank cleans the majority of the gold and silver out of the solution; the other four tanks are like cleanup. The carbon in the columns gets stepped up so that

eventually the carbon in each tank becomes the lead tank. You pump the lead tank out into a separate vessel, which is the stripping vessel, and you heat that solution; it makes the carbon expand and it will release it back into the solution.

So the metalôs in the solution. You add a little extra caustic and cyanide in the solution to help facilitate that, but the heat is the real key. You get the solution up to about 200 degrees and the carbon expands and the metals go back into solution. Itôs being circulated through electrowinning cells all the time youôre heating it.

RM: And whatôs an electrowinning cell?

DP: Itôs a series of anode cathodes and high voltageð high voltage, low amps. It draws the metals out of solution into a precipitate. Itôll be on the screens, and a lot of itôll be right on the bottom of the tub.

RM: And the precipitate is the metal.

DP: The precipitate is the metal. After each batch, you have to go in and physically clean out the tub and the screens. You hose them down so that all of it goes down to the bottom of the tub. Then you have to meticulously clean out the tubð you have a Tyvek suit and other protective clothing on. All of it gets scraped up into drying dishes and you dry it out and then you put it into bags and weigh it and then itôs ready to go to the smelter.

When I was doing it, the smelter was right there; the electrowinning cell and the smelter were in the same room. Once it precipitated out, for security reasons the metal didnôt leave that room until it was a doré bar.

RM: Were there pretty strong security measures?

DP: Yes, there were. That was the one room that had cameras and good locks on the door, and the room was always locked unless you were in there smelting. The only time it

was open was on smelt day.

RM: Do you reuse the carbon after itôs expanded and released?

DP: Oh, absolutely. The carbon gets reused many times. Thereôs a process where you soak the carbon in acid and then rinse it and put it in a kiln and heat it up to 400 degrees; that kind of rejuvenates the carbon, cleans out its pores. It rejuvenates it to fresh carbon and you use it again, but you only do that for a number of times. You reuse the carbon, letôs say ten to 12 times, before it starts losing its effectiveness.

But now theyôre not regenerating the carbon because that involves 400 degrees. Thatôs why itôs considered a part of the smelting process, and they would have to permit it. I donôt know what the amount is; Iôm told it is very expensive. In the old mining days it was very taboo to let anybody else handle your material because fraud was too easy, but today they would need to spend a pretty exorbitant amount of money annually to keep the smelting permits current so theyôre sending it off for smelting.

RM: What do you think about those fees?

DP: Theyôre very exorbitant. It has more to do with the mercury, supposedly, but we donôt have mercury up at Mineral Ridge. Now, some mines do. Itôs oftentimes found in the ore as cinnabar; thatôs the ore of mercury. Mercury is in many ores but Mineral Ridge doesnôt have mercury. The reason for the exorbitant smelting fees, is because of the mercury, and yet as I said, we donôt have mercury. The entire industry has to pay these fees, supposedly to mitigate the mercury effect. I think theyôre exorbitant; theyôre obstructive to productive mining.

RM: If you were making the decision, how would you handle that issue?

DP: If I was ruler for a day, the fee would probably be a third of what it is. Thereôs ways to inspect, advantage, and mitigate. You can have scrubbers with water in your

smelter that scrub the air as it exhausts. Mineral Ridge has these scrubbers in place.

RM: Oh, take the pollutants out of the air.

DP: Yes, and you collect them. Thereôs ways to actually retort the exhaust so that the mercury condenses and you store it in a pool of water until you put it into vessels. Mercury underwater is sealed; thatôs how you control its vapors for the workers. Iôve been out at Winnemucca and some other places at larger mines where they roast the ore before they process the doré. They scrub the air and collect the mercury and put it into small barrels. The tubs where itôs being stored are underwater; thatôs what seals it. I think it could be monitored without the exorbitant fees.

The exorbitant fees handicap the industry. At Mineral Ridge they have to send the material out and theyôre a little bit at the mercy of whoeverôs processing their stuff. You know, you keep samples and you assay them but you have to negotiate the differences between their numbers and your numbers and thereôs a fudge factor.

RM: And you can never be fully sure that youôre not getting stiffed.

DP: You never can be.

RM: How many tons a day were they digging there?

DP: Three hundred tons an hour went through the crusher when we were running and they were running it 20 hours a day, five or six days a week.

RM: That was a big operation.

DP: Oh, yes. It was quite the big crushing plant up there.

RM: What did the ore run?

DP: The average was about .04 ounces to the ton.

RM: How low could you go?

DP: Our cutoff grade was .026. When they flagged the pit out it needed to be at .026

or greater or it didn't pay to haul it to the crusher and process it.

RM: How high would it go?

DP: We'd have over a tenth of an ounce in places. The mining company truthfully didn't want to see anything higher than that because in a leaching operation, you don't want the nugget effect. You don't get the nuggets; you get the fine gold.

RM: So the nuggets remain in the heap leach?

DP: Pretty much. It would take hundreds of years to dissolve them with the strength of the solutions that are used so they're not looking for high-grade pockets in those kinds of operation. They move volume and leach out the flour gold, the fine gold.

RM: How many ounces a day of gold were you averaging?

DP: That's a good question. It's been a number of years because I left up there in 2000. If we poured two 50-pound bars, that would almost pay all the expenses for the month. I mean, it didn't take a lot to pay the expenses on the mine site– it cost about a million dollars a month to run the site; there were 65 people.

RM: Sixty-five workers?

DP: That's everybody. That's including the mine manager, the geologist, the engineer, the assay office, the mining pit, the maintenance guys on the equipment, process personnel– all those. The problem was, we were pouring about $800,000 worth a month and you could only do that for so long. We were pouring it all but we weren't quite pouring enough. That was in the day when gold prices hit $225 an ounce. We were crying the blues. We needed about $300 or more an ounce to break even operating that mine site; $325 really would have been optimal. But the price stayed under $300 for so long we just couldn't stay open.

RM: So they closed?

DP: Yes, they were actually foreclosed on by Dreyfus Bank.

RM: And that's when you got out of there?

DP: Well, then it was under Cornucopia. When it went to a shut-down mode, I was still there. It was bought by Hycroft out of Winnemucca and they ran it for a little over a year and then it shut down again. I left there in spring of 2000. I'd been there a little over three and a half years. From there I went to Chemetall Foote and worked at the lithium plant.

RM: Oh, in Silver Peak. Before we talk about the lithium mine, where did most of the workers live when you were with the gold mine?

DP: There were two different companies during those three years. One was Cornucopia and most of the workers lived right in Silver Peak– as best they could, because it's a small town. Some lived in Tonopah. I lived here in Goldfield most of the time, though for a short period of time in 1998, I did rent a place from Nancy Boland in Silver Peak.

Once Hycroft went under, they were bought out by Vista Gold; Vista Gold had just closed down a mining project outside of Winnemucca. Their families and homes were up there and they would travel down here during the week, stay in their fifth wheels, work Monday through Friday, and then go back home on the weekend. They did that for about a year and a half. They really weren't happy with that situation and it didn't work for the company, either. So it was two different groups.

Silver Peak is full now; you can't find a spot. They're operating full-blown and Chemetall Foote's going strong. There's also a geothermal company that's been setting up to do some proof of geothermal. So there's been a lot of drilling recently, and they may be building a potash plant out there as well.

RM: Really?

DP: Yes, theyôve been creating these salt piles of material that have potash in it.

RM: Thatôs a lot of activity. Did the gold mine that you worked in date back to the 1800s?

DP: Yes. The old Brodie was up there and the Missouri and other mines. Of course, the mine siteôs so big it encompasses a lot of BLM claims as well. There were several patents there that date back to the early 1900s and even the 1800s. There are some neat old workings there, for sure. In the Mary Drinkwater I forget how many miles of workings there are underground still, very neat underground workings that go way back. What shut them down was the Wars Powers Act.

RM: In World War II?

DP: Thatôs correct. They were operating right up until they got shut down.

RM: Thatôs right. They shut down all the gold and silver mines. When did they reopen and go full-bore with the current gold prices?

DP: A company named Zephyr, I believe, did something in the ô80s. When I went up there it was Cornucopia opening up in 1997. Currently itôs owned by Scorpio Gold; I believe theyôre based in Arizona.

RM: They must be making money hand over fist.

DP: I hope they are. At the price of gold today, they should be able to pay their bills. It is $1,500, pushing $1,600 an ounce. This is good times for the mining industry.

CHAPTER TWO

RM: Thinking about some of the land and environmental issues in Esmeralda County, whatôs your take on that in regards to the mine when you were working there?

DP: Mines, especially our modern mines, are very conscientious about the way they handle things, and the BLM keeps them in check. I think when I worked there they were environmentally good stewards of the land. And truthfully, this is their land as wellð they work and live right there. When I say theyôre good people, I mean they were conscientious about the way they handled their materials and dumped everything in containment and did the cleanup afterwards. They know what the rules are and they plan for and follow the rules. Itôs not that hard.

What is difficult is when you come in with these exorbitant permitting fees that make it almost impossible to do a project, or you get to the point where you have to ship off your material to be smelted. That really adds risk and cost to your operation.

RM: And you think that that was unnecessary, given what could have been done?

DP: I think the exorbitant fees are unnecessary. The ecology-minded folks are a little bit one-sided. Some people like to call them tree-huggers. Maybe I shouldnôt say that, but thereôs no middle ground with some of those folks. Theyôd rather shut the mine down and import everything from somewhere else, I guess, than have mining in America. And one way to suppress it is make it too expensive to do or to hassle the mining companies to death.

There is such a thing as over-regulating and making it so costly that many projects donôt happen. There was a point in time when, to do a project like that, it was a two- or three-year permitting process with the BLM. Then it got to be a five- and seven-year

process. Then it got to be like ten to 12 years, or it never happens. There has to be a little balance in there and not shut down everything, but it seems like these groups just don't want any mining at all. You can't not have any at all— there has to be balance as far as how it's regulated and what's required— but they still push hard to make things as expensive as possible.

RM: And as you say, that's a way of just getting the mining out of there?

DP: Yes. We can also talk about power transmission lines because power is an important part of the future of central Nevada. We have sunlight to mine all day long, we have geothermal, and so forth. But I've been told that no matter where you put power transmission lines on a map, there will automatically be a lawsuit for it not to happen. Automatically.

RM: So they don't want any lines and they'll find a reason to block them.

DP: Yes, but they want their air conditioning in their home and they want to have their power tools. They want to live in modern America, but they don't want you to transport the power to them.

RM: It's goofy, isn't it?

DP: It is goofy.

RM: Talk about the renewable energy power sources in central Nevada.

DP: We've got the SolarReserve project going here, which is a great project. As renewable energy projects go, that is the best one to date and I'll explain why. Now, photovoltaic panels will put energy into the grid when the sunlight's hitting them and wind generators put power to the grid when the wind is blowing enough to turn them. Okay, but that's not consistent, steady power. You can't plan when the wind's going to blow. We know when the sun's going to be up, but it's not steady, consistent power on

the grid. Thereôs no way to store the energy to put it on the grid for any time you want to use it.

The SolarReserve project is using molten salt, to be heated by a series of mirrors that are going to be focused on a receiver 640 feet in the air. The towerôs already in; theyôre building it right now. They can store energy for I believe two-and-a-half to three days.

RM: They melt that salt and the energy is in the melted salt?

DP: Correct. The salt melts at 450 degrees. Once they come on line, their cold tank will be kept at 550 degrees for the next 30 years. The hot tank will be receiving the 1,200-degree molten salt and it will remain liquid as long as itôs above 450. Theyôre actually engineering it so that 1,020 degrees is adequate, I believe, but the system will handle 1,200 degrees because you have to have some give there.

RM: And thatôs the temperature of the salt?

DP: Thatôs the temperature of the molten salt that the light is focused on. I mean, weôre talking 10,000 heliostats. They were originally going to go with 17,000 but they decided to make the heliostats twice that size. Theyôre now going to be approximately 30- by 40-foot mirror panels that are computer controlled and have operate on a dual axis.

RM: To follow the sun.

DP: And to reflect it up to a particular spot on the receiver, 640 feet in the air. Each one will have its own little computer control with a separate signal and coordinates that are told when and where to point. So all that sunlight and heat is focused on the receiver and the energy is transferred in the molten salt. Now youôve stored the energy and it goes through a series of heat exchangers that heat up clean water. The clean water makes the steam and the steam runs the steam turbines, and that runs your power generation.

So 80 percent of the system is the same as in any power generation plant anywhere, whether itôs a coal plant or a nuclear plant or natural gas. Itôs just that the waterôs heated by molten salt, and after it passes through the heat exchangers, you still have enough heat in your hot tank to continue through the night and into the next day. You could run your turbines, your generators, day and night 365 days a year and provide steady, even energy onto the grid. Thatôs whatôs exciting about this renewable energy projectð it can function like any other power generation plant, although there are no fossil fuels used.

RM: Are they thinking about other plants along that same line in central Nevada?

DP: They say thereôs not a demand for it. Right now SolarReserve has a 30-year purchase agreement with NV Energy. Theyôre going to be operating that as a separate entity from NV Energy but they have a purchase agreement with them. But as coal-driven power plants go off line, there could be more demand. Weôre hoping that they will build more plants like that.

RM: We know the demand is coming.

DP: Well, demand or the change of how itôs generated. So weôre looking forward to that. And thatôs mining the sun. We also have geothermalð weôre excited about them building geothermal plants in Esmeralda County. Ram Power was drilling in Clayton Valley, which is by Silver Peak. Iôm not sure where they are in that process but they were the company that was looking into geothermal there. Theyôve been drilling deep wells to get the water temperatures to see what they can really do. And thereôs the hot springs here at Alkali and thereôs some hot springs across from Silver Peak on the Paymaster Ridge. The power transmissions lines, I believe, would have to be upgraded for that to be feasible, so Iôm not sure how far down the road theyôre looking at that. To make them a

reality, we need a power transmission line running north and south.

RM: Running from at least here to Vegas or L.A.?

DP: Correct. Las Vegas is a good transition point where the different power lines come together. Thereôs nowhere central where it goes in and out of California. Up near Interstate 80 the lines also transition out of Nevada and into California. You either have to go up to Reno or you have to go down to Vegas to tie into the grid properly.

RM: You mentioned some land issues associated with these power lines. That seems to be a critical issue.

DP: Thereôs been a right-of-way identified on the maps, but when somebody actually puts in the permit to actually build them, as I said, the environmental groups will sue to not let it happen.

RM: And the right of way would be on public land, right?

DP: Correct. Now, there has to be a return on investmentô it might be some time into the future until the companies could see the return on investment to justify building it, but the right-of-way has been withdrawn.

RM: And you can predict that theyôre going to get sued once they try to construct it?

DP: They said you have to anticipate $100,000 worth of cost per mile for legal fees in mitigating the lawsuits; it adds cost to doing things. Thatôs what brings the craziness into it. And guess who pays for it? You and I do when we use our utilities. Itôs calculated right into what we purchase.

RM: Plus, weôre talking clean energy here.

DP: Exactly. Now, wind is a tricky one because weôre near Area 51 and the Test Site (which is now called the NNSS, the Nevada National Security Site). Pilots from all of our allies from throughout the world train here.

RM: Out of Nellis Air Force Base?

DP: Yes. And there are training corridors eight miles wide that come off of the range that go through these areas. The problem is when you have a wind generator 150 feet in the air turning, it puts out a magnetic radar signature. They say thatôs fine as long as itôs on the other side of the next mountain range, but it can never be on the playa right here and it canôt be out on our flats. Weôre too close; that magnetic radar signature is a white noise to them. Thereôs nowhere else in the world they could go to train where the air is as clean radar-wise so they will never approve wind generation within a certain number of miles of the site.

RM: Does that let Esmeralda County out, as far as wind goes?

DP: No, we can do it at Fish Lake Valley and out at the salt marsh by Coaldale Junctionð thatôs one mountain range out on the other side of Lone Mountain. I think youôre good if you get on the other side of Lone Mountain itself. But if youôre on the east side of Lone Mountain, youôre too close in.

RM: Do you see a lot of potential for wind here?

DP: There is potential for wind here but truthfully, thereôs too much wind; Clayton Valley is oftentimes a wind tunnel. Fast and furious wind is not good energy-producing wind. They want steady wind over a long period of time because they only use so much speed on the turbines and the excess wind just beats them up and it doesnôt really produce more energy. And not only that, your high winds come fast and hard blow hard in and then quickly out of the area, and then you have calm times. For them to be efficient, they have to have long periods of steady wind. Clayton Valley is not a good areað you can see the dust hundreds of feet in the air; itôs one of the worst sandstorms youôll ever drive through in your life.

RM: Where are the good wind sites in central Nevada?

DP: They were studying Fish Lake Valley for it. There is a canyon near us northwest of Tonopah, but itôs right near the training corridor. Itôs, like, the best wind in the US as far as being steady and the kind theyôre looking for, but the Test Site has already told them not there, not that canyon.

RM: So it looks like the renewable energy sources for Esmeralda County are solar and geothermal.

DP: Correct. And I think solar with molten salt is where itôs really at because you can engineer it to provide power on demand. They bought out some water rights, I believe 600 acre feet, which is not that much for power generation, and I think they could even use less than that if they use what they call condenser coils for cooling. My understanding is that the SolarReserve project is being built as a combination condenser coils and standard water-cooling towers. The reason theyôre still doing both is because the water cooling towers are cheaper to run. The condenser is basically a radiator with a fan blowing the air across it, cooling the water. When you use the clean water and recycle it back through, you have to cool the steam down to condense it back to water. Once itôs gone through the turbine and you want to recirculate it back through, you have to cool it down to control it.

RM: I donôt understand why they canôt just take it, hot as it is, and heat it up a little more.

DP: Basically they have to send it back through a boiler, through the heat exchanger. Of course, with this boiler itôs molten salt going through the heat side of the tubes but it has to be pumped as a solution back through the boilers to create the clean steam and continue to run the turbines. The cooling towers are cheaper to run, according to the

industryó Iôve been to a couple of presentations about thisó but you lose a lot of water. With the condenser coils almost no water is lost because itôs all contained, but it costs more money to run that way.

My thinking is, well youôre creating energy. You donôt have excess energy to run those fans? But they calculate kilowatts per hour to run that. I guess theyôre not calculating it as excess energy that will run those generators regardless. They say it costs more money to run a condenser cooling system. But in the future they may go to all condensers to deal with the water issues. As you know, weôre dry here. Theyôre going to have to run with the most efficient water use there is, bottom line. Thatôs what I see down the road when they build more of them.

RM: When does SolarReserve come on line?

DP: Itôs December of 2013, really soon. I was out there a month ago and they have quite a bit more infrastructure to build, but they said theyôre on schedule, and theyôre going to have 500 or 600 manpower of people out there to bring it all together. They have the 10,000 heliostats to assemble and put in place on their pads.

RM: Thatôs great.

DP: Yes, it is great.

RM: I hear that solar creates a lot of jobs in constructing but then in operation itôs not that many permanent jobs for the local community. Is that true?

DP: When you do something like photovoltaic there are very few jobs, but this is operating a full-blown power generation plant. I believe weôre talking about 100 full-time jobs.

RM: Thatôs a lot of jobs.

DP: Yes, for this area.

RM: Letôs discuss some of the land issues in relation to this type of energy and the challenges that people in Esmeralda County are facing vis-à-vis that.

DP: Fortunately, they designated certain areas of land for renewable energy projects and right adjacent to this area is an area on the Esmeralda County side of the lineð the county line happens to run right there. Theyôre actually built in Tonopah, but the air force has already told them, ñThatôs the only one youôre getting,ò because of their location near the Test Site.

RM: Oh, you mean the tower is the only one theyôre getting.

DP: Yes, in that immediate area, because of the flight path it rests in. When you move two miles to the west, youôre into Esmeralda County in this designated area; theyôre okay to have more there. So as Esmeralda County, weôre very happy and pleased about that and looking forward to those kind of projects in the future.

RM: And these designated areas will probably face fewer environmental protests?

DP: Right. They were put on the map to help fast-track renewable energy contracts so theyôve already gone through an environmental assessment process and public comment and all that sort of thing. There are two places in Esmeralda that have those areas on the map and three or four in Nye County. One of the two areas is near Millerôs Rest.

RM: Where is that?

DP: Going north on 95 itôs about 9 miles out of Tonopah. To the right of it when you look out in the open expanseð a large area out there has been designated for renewable projects.

RM: Oh, down by Millerôs.

DP: Yes. If you look out to the right and north, thatôs the area thatôs designated for renewable energy projects.

RM: Which would be SolarReserve type things?

DP: Correct. They said they could build a second, third, and fourth. There's just no demand for it so it's not on the table right now. But when the demand comes, or if a coal power plant gets shut down in the future and there is more demand, they might build one of those kinds of projects here and tie into the same line. So that's great.

RM: I read just yesterday that there are 500 coal-fired plants in America and they're already converting 100 of them because natural gas is so cheap. They're going to run into problems, I think, with the fracking of natural gas.

DP: You go to the big open western states and they're having major issues around the pollution and the water table pollution with fracking. The energy companies are saying it's good technology, they're not doing the polluting. But that's another debate. We don't have that issue here that I'm aware of.

RM: That's right. And so it looks like down the road there will be more SolarReserves in central Nevada.

DP: Well, it takes out a key component of cost in operating, and that's your fuel costs. The sun is just there, delivered to you every day. As they refine the operations at this SolarReserve, the next one they build will run even more efficiently. At some point the return on investment will be there to justify them even more.

The one restricting factor we have in this area is the water. I'd love to have industries come here because we want the jobs, we want the growth. But they have to be the kind of industries that do not require a lot of water usage. This little basin, I think, has 300 acre feet of unallocated water. By anybody's measure, that's not a lot. In the salt marsh by Coaldale Junction, there's 3,000 acre feet of unallocated water but it's very salty. If the water can be cleaned up, companies can do things in that basin.

CHAPTER THREE

DP: Talking about land issues, the real issue in this area is shutting us down from having access to our natural resources. We're talking about wilderness designations or pseudo-wilderness designations.

RM: That's the threat, you're saying?

DP: Yes, that's the threat. There are three wilderness study areas in Esmeralda County right now and it's going to take an act of Congress to get that designation removed because they are "study areas." These different areas were put on the map for study in 1976, but they're not suitable for wilderness and they need to be taken off the map as wilderness. You can't go in there and apply for mining permits, and they're all in good mining areas. In Esmeralda County there's not a mountain range that isn't good for mining and mineral recovery of some kind. We're a mineral-rich area and they're basically blocking us from accessing our mineral resources.

RM: Could you tell me where those three designated areas are, what their names are?

DP: One of them is on the Mineral Range. On the north edge of that range there's a mountain, I believe it's called the Emperor, and there's an area there that's wilderness study. There was mining in that area. I don't know why they picked that area, but they did. There's quite a bit of a forest up on top of that range in that area, but the geology is still good for minerals.

There's another study area on the Gold Mountain Range. Well, why do you think they named it Gold Mountain? I owned claims with a gentleman on Gold Mountain, the Empress and the Wonder, years ago, and I sold them years ago. On the east end of that mountain range there's an area— on their maps they call it Queer Mountain. We were on

the portion of the mountain that was not in the study area, but we were within a half a mile of it. Just like the Emperor, itôs all the same geologyð old mine digs, old workingsð but no oneôs even going to bother to go look at them because you canôt do anything with them. If you wanted to go in there as a weekend prospector you could, but you couldnôt do anything substantial. And then on the very south of the county thereôs an area called the Grapevine Mountainsð theyôre in a wilderness study area.

This whole area is mineralized so theyôre basically holding us back from our resources. As I said, they will not release those areas unless Congress releases them. This is where this pseudo-wilderness area comes into effect (they call it different things along the way). Bottom line, it restricts the use of the land. We canôt get the use of that land back unless Congress reverses it and takes it off the map as a study area. There are many of those study areas throughout the western states.

And we have some other land issues. Thereôs the town of Gold Point. As far as the countyôs concerned, the town did all the paperwork it was supposed to do long ago to be a patented townsite. When President Teddy Roosevelt was leaving office and President Taft was going in, the paperwork was to go to Washington, but somehow it never got filed correctly. I donôt know if the wagon got lost on the trail, but something happened. Itôs not in the federal registry of patented townsites. But we have a paved highway that goes through that town. We have street lights, there was a grade school, a voting districtð everything was functioning fine until the 1980s, when somebody sold a piece of land there and the buyer wanted title insurance on it. Sounds pretty natural, right? They went to Cow County Titleð thatôs our local title companyð and they came back and said thereôs no record of that being a townsite so they canôt give a clear title. Nobody was aware of that issue until then.

RM: Is that quite apart from the wilderness issue?

DP: No, Iôm going to tie it together. Weôve been asking for the government, through legislation, to give that to the county so that those people can receive clear title. They say sure, but in order for that bill to go through Congress, there has to be conservation in the bill or itôll never get passed. They sent three people from three different environmental groups and they brought their maps and they took a paintbrush and went over the top of every single mountain in the county and said, ñYou make all of this wilderness and weôll give you that townsite and access to some of the money out of the Las Vegas Valley for community improvement projects.ò Well, are you out of your mind?

RM: They wanted to make every mountaintop in Esmeralda County . . .

DP: Wilderness. In exchange for one townsite and access to some money, I believe $32 million, for certain community-type projects. Down in Las Vegas they did some land swaps and a trust was created. ñWeôll give you access to some of those funds to build a community center, to do things you need for your infrastructure, along with a clear title to that town, but you have to give us every mountain range as wilderness.ò

RM: When was that?

DP: I want to say six, seven years ago. Nancy Boland was still a county commissioner at that time and she said, ñMagruder Mountain will never fly because thereôs mining all around it.ò So when they showed up at the public meetings they had taken Magruder Mountain off the map, but it was there originally. We went through all those meetings and it was just ridiculous. Weôd have to give up the use of all this land, basically the resources we have here in our county, for what? There was no balance in the give and take.

So the county passed a resolution: no lands bills with wilderness or wilderness-

type areas in them. They may not like us for that, but thatôs where we are. They used the wilderness, in their words, in the context of multiple use, but thatôs not our definition of multiple use; itôs a very restricted use. They put it in the same context as a multiple use area because they manage it for herds and they manage it for other things. But you cannot go in there and mine and you canôt drive in there; you have to walk. I know people that live in California, own property and come here regularly, and they say you can only hike to every single mountaintop in California. You canôt drive to any mountain because they have designated those areas as wilderness.

RM: So basically they put it out of reach for many people.

DP: Correct. Itôs out of reach for most peopleð RVers, campers, recreationalists, rock hounds, or just people who want to go out and enjoy it.

RM: Or old people.

DP: Yes, they canôt hike up to the summits. And a mining company or small individuals canôt go up there and prospect and do extraction of the resources. So weôre against any kind of wilderness or wilderness-type designations whatsoever and we want the three wilderness study areas reversed from a status as study areas.

RM: What kind of support are you getting from Nevadaôs congressional delegation?

DP: You know what lip service is? ñYes, we will. Yes, we will. Yes, we will.ò And it doesnôt happen. Or, ñItôs on this bill, it was supposed to be part of another bill, that bill didnôt go through.ò

RM: So basically they just shine you on, to use an old expression.

DP: We havenôt gotten satisfactory results to date at all. So the wilderness is a threat to us because our resources are in the ground. Except for the playa where the lithium mine is, theyôre in the mountainous areas. So that is a threat to us. Iôve put an area by Mount

Jackson Range on our land use map as an energy park and for manufacturers and companies to come in to do manufacturing that can help the energy industry or actually have power generation there. It could also be used for spent fuel storage– they could do a surface storage facility in the Mount Jackson Range.

RM: Where is the Mount Jackson Range?

DP: You know where the turnoff is for Lida Junction? It's that mountain range to the west. You drive about ten miles and you see Mount Jackson itself. It's a very circular mountain, and then off of it come two ridges and that's Mount Jackson Ridge. It's boxed in by Montezuma Mountain. So there's a large area there that is completely out of sight from any highway. We put it on the map for an energy park for companies to come in and there is also a right-of-way for the power transmission line that runs through there. And if they don't approve Yucca Mountain, why don't they build a surface storage facility in our energy park and store the nuclear material here?

RM: So that site has potential as an energy park.

DP: Oh, absolutely. Energy and manufacturing as well, as long as the manufacturing isn't water-intensive usage.

RM: And with spent fuel they don't want water.

DP: For storage there's not that much water use, and we don't have a lot of seismic activity there. There are no major faults right in that area so it would be good for fuel storage; we would welcome that kind of development here.

RM: Can we talk about the lithium on the playa and what that means to the county and a little bit of its history and so on?

DP: It's huge to the county because that's been the largest employer in Esmeralda for the last 30-plus years. And they're extracting even more– they're drilling more wells and

discovering more brine and still pumping it up to the surface.

RM: How does it work?

DP: The lithium is in the salt brines that are in the valley floor in pockets in different areas. They pump the brine to the surface and it goes through a series of evaporation ponds over 24 months in order for the lithium to concentrate down strong enough. Approximately 5,000 ppm would be ideal, and I think they run about 3,000 parts per million in the brine. Then itôs strong enough to pump it up into the process plant and make lithium carbonate. They add it to soda ash to make the lithium carbonate.

Thereôs another plant there, the hydroxide plant, which is where they add lime to it and make a lithium hydroxide product. I mention that because the company ships lithium carbonate from their sister company in Chile to this location. We make the lithium hydroxide with material thatôs not even from here. Even though in a plant literally 300 feet away they produce the same kind of product, they use the Chile lithium carbonate to make lithium hydroxide.

RM: Is that good in your eyes, or bad?

DP: Itôs good to this extent: When the salt brines are used up under the valley floor, we could still have manufacturing here as long as thereôs a demand for it and they could bring in the raw materials to produce it.

And theyôre about to build a plant to extract all the potash. Over the course of all these years theyôve been building up these salt piles because they have to dredge and clean out the bottom of the evaporation pondsð they fill up to the point where theyôre not deep enough to be evaporation ponds. At scheduled times they go into these different ponds and excavate the salts to the piles. Thereôs potassium in those salts so they plan on building a potash plant. It seems like thereôs always potential in the Clayton Valley by

Silver Peak.

RM: So there's a market for potassium as well as the lithium.

DP: Yes. There's a potassium plant down in Riverside. It's used in fluxes and different types of manufacturing.

RM: I wonder why Mother Nature put so much lithium there. Do you know anything about that?

DP: I'm not sure of the geology. They're drilling in the Fish Lake Valley right now for lithium and there's also been some drilling in this valley for lithium. The problem in Fish Lake Valley is it's agricultural. All the water rights are allocated, and then some. So mining lithium is not feasible there as far as we can see; the people in the valley won't allow it. It would draw down the water table, basically. I haven't studied the geology but if they got into lower pockets, that possibly wouldn't affect the ground table. But generally speaking, the people there are completely closed-minded to the idea. And you still have to obtain water rights to draw the salt brine out of the ground no matter what the depth is. Currently everybody is saying it's a big no go because they'll never get the water right allocation.

RM: How deep are they pumping over by Silver Peak for the lithium solutions?

DP: Anywhere from 600 to 1,200 feet.

RM: And there's a lot left there?

DP: They're still finding enough pockets to draw from. They got quite a bit of stimulus money two or three years ago to expand and do more drilling— I believe it was about $32 million worth.

RM: One other issue is the proposed gold mine outside Goldfield; what's the scoop on that?

DP: I love that. I mean, Goldfield— this is why we're here. Without the mines there would have never been a Goldfield. Finally, Goldfield will have another boom; we're long overdue for a good boom cycle.

I've talked with the company, International Minerals, on a couple of occasions. One of the things we want out of this is some permanent infrastructure; we want some homes, apartment buildings, business centers. They understand that and as they get close to coming on line, they're already in contact with builders, and I've been in contact with some builders. It's a little bit early for it yet because we're about three years out from actually digging dirt. When we get closer, that'll be the time for us to really start building some infrastructure. There's nothing wrong with a fifth wheel, but we don't need a town full of them.

They're going to move three miles of the highway just north of town— where mile marker 21 is. It will basically be the center of a 600-plus feet deep pit. There's a high-grade ore body right near the surface, barely covered by the alluvials. It was missed in the old days because it was covered; there was no outcropping for them to identify it. It was located with magnetometry— they read the iron magnetites and then go back and check out the hot spots. They've proven up a substantial ore body there, and that's good for all of us. That's one pit, then there's another pit they're talking about developing at McMahon Ridge.

RM: Where's that?

DP: That's about six miles out into the mining district. It's a separate little mountain to the east. They were going to develop them simultaneously but they've decided to develop one pit at a time. They own or control 85-plus percent of our mining district, about 32 square miles worth. That is a lot of ground.

RM: Thatôs all the one company?

DP: Yes. Locally itôs Metallic Goldfield, owned by International Minerals based in Scottsdale, Arizona; they have an office in Reno. This is great news for us. As they drill and prove up more reserves, theyôll open up other pits in the future. These first two pits are good for 12 to 15 years of mining, and I hope and expect the company will be here for the next 35 years and longer. This is very good for Goldfield and our area; Iôm ecstatic that theyôre here. Iôve said for years that what we need is one good mining company that knows what theyôre doing to bring all these claims together and do a large project.

I wasnôt here in the ô80s, but I was told that that was a lot of the problem in the ô80s. Like at Gold Mountain, you have an ore body, but you had five or six different little owners and they never could come together on a common lease with a mining company to make a mining project feasible. They all thought they had everything; gold spiked to $800 so their little piece was worth so much. They just shot themselves in the foot because nothing ever happened in that area. You need to own and control a large swath of ground to have a feasible project. Iôm very happy and thankful theyôre here.

RM: Are there other ore bodies out at McMahon Ridge that the old-timers missed?

DP: No, if you go to McMahon Ridge, it looks like Swiss cheese, with its underground workings. They didnôt miss McMahon Ridge, but as I said, the one just north of Goldfield was missed because the alluvials covered it just enough. There are a couple little diggings out there but it never was mined.

RM: Do you think that there are other potential pits that remain to be discovered?

DP: Oh, absolutely. Most of the workings out here in the early days were underground diggings, which is completely different than open-pitting. We believe there are numerous pits out here to be proven up and mined yet.

RM: That is great. It sounds like Round Mountain, which was little underground workings, some of them not too little. But then along comes the open pit, and wow!

DP: Theyôve done a great thing for all those people who are making a good living and it looks like Round Mountain is going to go for another 30 years. Theyôre making the best use of their resource for that area and I hope to see the same thing done in the Goldfield Mining District.

While weôre talking about mining, letôs talk a little bit about net proceeds. Itôs the way the mining companies are taxed, and itôs a big issue. The industry has lobbied very hard and theyôve kept the taxing base to net proceeds.

RM: Thatôs in the state constitution, isnôt?

DP: Itôs controlled by the NRS in the state. It comes up every two years in the legislative process and is debated. The problem for a local municipality is weôve had mining companies come in and operate for two or three, even up to five years, and go under. But because taxing is based on net proceeds, the county doesnôt receive anything directly. And there is more cost to the county because you have to keep the roads up in that area, and you have to keep the roads up better in town because thereôs more traffic. Your police department and emergency services work harder because thereôs more activity. But the local municipality doesnôt get anything from it because the mining companies are able to write off everything that they have poured to date and there are no net proceeds. Thereôre resources being mined and money generated and spent, but not necessarily any on local infrastructure and services. Iôm all for mining but I donôt believe that we should have to beg, ask, and borrow to get some of the basic things the community needs.

Now, International Minerals is being very gracious and they say that they want to

be good community partners and I love that; itôs music to our ears. But Iôd also like to see some gross proceeds calculated in there. We know there are going to be infrastructure and service needs. Thereôs going to be more of a burden on the police departmentô the more people there are - itôs just the way things are. Thereôs going to be more demand on the streets and the school system.

I love mining and I love our mine. I donôt want it to be a project-stopper, but I believe a small portion of the gross should go to the local municipalities so the local people get to enjoy the benefits of the local resources that are being extracted. Otherwise, you could have several companies come in over a period of time and by virtue of net proceeds, nothing would ever come directly to the local people except by way of wages and benefits.

RM: I agree. Whatôs your take on the possibilities of getting that change through? I understand part of thatôs written in the state constitution so itôs not that easy to change.

DP: We need to get our legislators enough on the same page to change that. I donôt want to squelch our mining industry; Iôm not about that at all. But I do think that a portion of it needs to be calculated as gross proceeds. I will be learning more about it because this coming year is a legislative session. Iôve already been given the names of a couple of people that I should talk to who have been involved with this in recent times and give them my ideas about it. When I talk to our mining friends here, I donôt want them to get the wrong idea. Iôm all for mining.

RM: Absolutely not. Itôs just a matter of paying your fair share and doing your part. Nevada, as a state, is not benefiting enough from the enormous amount of gold that is being mined in this state.

DP: Right. Every state, every area, has its own unique set of circumstances and has to

make its area economy viable and feasible. Nevada is mineral rich and the people need to benefit from the resources as theyôre extracted.

RM: I agree 100 percent.

CHAPTER FOUR

RM: Are there any land issues tied up in what we're talking about here?

DP: This is where we view wilderness areas and similar-type designations a threat to our local economy and future economies because wilderness designation would squash that entirely, completely. It seems like every four or five years they come up with a new way to put a stop to mining. The most recent threat, if you will, is the sage grouse. There's no documentation of sage grouse anywhere in Esmeralda County but they're currently going out and finding areas that have suitable habitat. That's different from saying places where they currently are. This is all a threat to our future economy in central Nevada. I don't have anything against the sage grouse, but I certainly don't want unjustified restrictions put on the use of our land.

RM: Yes, and today it's sage grouse, tomorrow it's something else.

DP: And the turtle. God bless the turtles. You drive 50 miles on back roads to get to some of these mine sites and you're telling me that you can't manage that mine site and not affect the major populations of tortoises? Or the major populations of sage grouses? You could manage and you could coexist. We just want to make sure it's fair and balanced and it's just not, "Oh, you can't do anything in this area at all." That's not a balanced use of the land.

An example is the pupfish in Amargosa Valley. They found some springs where there were a couple thousand pupfish. They are not known to exist anywhere else. So they shut down a mine out there because of that. Now as I understand it, they've gone down to about 150 pupfish. It seems like the more they do to preserve their habitat the worse it gets for them. It's like the environmentalists came in and said, "Oh, we've got to

protect this,ò and it seems like every move they make has just been counterproductive. So thereôs an example of them shutting down an industry in an area and it did not help the cause that they were promoting.

RM: And we need all the industry weôve got out here.

DP: Absolutely. These kinds of threats are always coming from different groups in different areas. I know it doesnôt pertain to us here because we donôt have the forests, but I have known many people here who remember when logging was a big industry in California. And of course, there was the spotted owl. Now, owls are a very smart animal and they can adjust to changes in the forest and so forth, but they shut down the logging industry in California. There was no balance in the use of the land. And of course, thereôs a lot of bitterness in people who were second and third generation loggers when those groups shut down that industry.

I love a wood home. I love woodworking. I love these wood chairs weôre sitting in. Wood has to come from somewhere. The materials we use in our homes and our furniture and our vehicles and our technology have to be mined from somewhere. There has to be a balance in the use of our lands, it canôt be all one-sided.

RM: One other issue is ranching; talk about that.

DP: Again, it should be balanced. The ranchers have been here for a long time. And they donôt want the wild horses because they muddy up the springs and the water sources for the cattle. Then you have the people who say the horses were here 200 or 300 years ago. (Actually, they were introduced here.) And theyôre beautiful. I love to watch the mustangs run. Iôve seen herds of them taken away and it takes ten or 12 years for them to kind of come back, and theyôre skittish after a roundup. It breaks my heart every time they do a roundup and they do one every seven, eight, or nine years. We have antelope,

we have bighorn sheep, we have horses, we have burrosð you see them out here all the time. But the ranchers donôt like the horses because they go to the springs and stomp and muddy up the waters.

RM: Donôt they eat the cattleôs grazing, too?

DP: Iôve heard more of the ranchers complain about the water, but youôre right; the BLM rates every acre to sustain a certain amount of herds. But I love seeing the horses and I want to continue to see them. Before they did the most recent roundup, youôd go out and there was a herd of 20 to 25 by Alkali Spring. You would drive up to them and they would just stand there and look at you. They werenôt skittish at all.

But the ranchers have their rights and we all love our meat. We eat our food and truthfully, it comes from the grazing and the cattle. It has to be balanced and I think theyôve worked it out. The BLM is the landlord of the land and they manage herd sizes and tell the cattlemen how many cattle they can have, where they can have them, and they also do the roundups to maintain the wild horse herd sizes. I know itôs an ongoing battle between the groups, but I think theyôre doing a good job of keeping it balanced so far.

RM: You donôt see them putting the ranchers out of business over the long haul?

DP: Well, currently they control the horse herds. The herds are only allowed to get so big and then they go in and round them up. Actually, theyôre starting to sterilize the studs now because every time thereôs a roundup thereôs this huge outcry against it. If you sterilize some of the studs the roundups will almost not be necessary. Letôs hope they just donôt over-sterilize. They wonôt put the ranchers out of business because they manage the size of the herds. I believe that they canôt sell the horses to Europe like they used to in the old times because theyôre all protected.

RM: You mean for horsemeat?

DP: For horsemeat. But as I understand it, they are allowed to go to Canada and some of them from there are going to end up in Europe anyway. I support the cattlemen and the ranchers and what they do. They're a part of our economy and what we're about in Nevada. When mining was developing here in the 1900s, there were ranchers on Cactus Flats and different areas. One of our local men who was a county commissioner was Henry Dahlstrom.

RM: Right, he had a little place on Main Street.

DP: Yes, and it still says Dahlstrom's Garage. There was an oral history interview with Dahlstrom. When he was a boy, his dad was into ranching and had cattle out on the Cactus Flats. His dad told him when he was a young man that there was no future in those autos. He said the future was in cattle and he discouraged his son from doing his auto mechanicking and told him there was no future in it and he should stick with cattle ranching. Well, that's what his dad knew.

As a matter of fact, when Dahlstrom was 16, in 1944, he worked in one of the railroad maintenance buildings here putting air brakes on and working on the trains during the last year the trains were running. After that, he was a mechanic all of his life. He would rebuild engines in his shop until he couldn't anymore. I was told that if you had an engine that he had rebuilt, you had something that was envied. He was well known and respected for the work he did.

The point is that while the mining was here, the ranching was also. And the ranchers are going to be here; we want our food. I think that part is pretty well balanced. I believe the BLM does a good job of managing the herds of all kinds, including the game animals. They have to protect and balance all of those things and I'm grateful that they're

doing that because we don't have the budget to do it ourselves.

RM: Are there areas where you would see the BLM doing a better job?

DP: I wish we could fast-track the issue on Gold Point. As I told you, the very last piece of paper was never properly filed in Washington, D.C. That really has put a hitch in the giddy-up of us trying to do anything in Gold Point because on a legal level, they're "squatters." But we were collecting ad valorem taxes on those properties into the 1980s and then stopped collecting the ad valorem taxes on those properties when the land ownership issues came to light.

Currently, we believe that was a mistake and has sent the wrong message concerning Esmeralda's position on Gold Point. Esmeralda County has been collecting personal property tax on the improvements on the surface but not the ad valorem on the real property. The district attorney at that time, by the name of Carter, recommended that the county stop collecting the ad valorem taxes.

RM: We had to stop taping for a while; we were talking about how the BLM are doing, over all.

DP: Locally, we get along with them very well. The people that work in the district office, which is up in Battle Mountain, and then also the field office here in Tonopah, are good folks. They're local folks and they understand our local issues. Of course, anything they do has to be approved through Washington, D.C., and they have to account to the people in Washington.

As I told you, the big issue I have right now is with Gold Point and with wilderness, an unrelenting onslaught of continually coming up with reasons to restrict access to our mineral assets and extracting the minerals that are in Esmeralda County. It's a continual battle because every few years they come up with something. Ten or 12 years

ago they tried to say that there was a bear corridor coming over the White Mountains into Esmeralda County.

Well, they kind of figured out that no, there isn't. Occasionally there might be a straggler during certain years when moisture is low and the berries don't grow good but it's not a bear corridor. But it's always something. You've got the bear corridor, the tortoise, the sage grouse, wilderness designations, wilderness study types. This is an aggression on the multiple use of our land and our economy and the extraction of our mineral resources and just the basic functions of our lives. The people out here, we love our land. The hunters go out and they know where the hunting areas are. Well, you'd have to walk up into those areas. It's a restriction on the use of our lands; that's the biggest threat we have. And those policies come down from Washington.

RM: And our federal congressional delegation isn't much help, is it?

DP: They haven't been yet but we keep hoping, and there's a couple up for election this year. It's a mindset that's a little tough to overcome, but this is our land and we have the right to the use of it. We respect riparian areas, we respect animals, we respect all these things. There's a mindset of squashing anything from being done on public lands.

RM: Comment on this: You guys live here but for somebody in New York, it's federal land.

DP: Currently, the lands are federally owned and managed, but I hope Nevada is going to fight for our lands through the state legislature starting this coming year, the same way Utah is. Under the Federal Land Trust, the public lands are to be sold and given back to the jurisdiction of the state. Five percent of the proceeds go to the permanent school district fund and 95 percent go to the feds to pay for the war. The ñwarò the Federal Land Trust refers to is our war of independence. All of the states east of Colorado have done

this. The only states that have not received jurisdiction over their public lands are the 12 western states.

Utah is currently asking the feds to complete the terms of the land trust and are saying that Congress did not have the authority to unilaterally declare ownership of the land in 1991. You can look up all the details of this and links to the Federal Land Trust at www.AmericanLandsCouncil.org.

RM: And for a long time as states came into the union, that was the same policyð like Illinois, Indiana, Missouri, the South. I donôt know about Nebraska; I donôt know how far west it went. But when the later states came in, the government withheld that land.

DP: Also, thatôs where homesteading came in and the expansion of the West was encouraged. And this is where we get to the RS2477 issueð that refers to a road designation. There was a law in the expansion of the West that designated routes of travel that had been developed to get from one place to another as RS2477 roads. I believe in 1991, there were laws that came about that said, ñHereôs a map. These are the RS2477 roads,ò which basically means the state owns them and controls them and can do what they want with them. The federal government issued a map saying these are RS2477 roads, regardless of what the state would say are the RS2477 roads.

Hereôs where the fight comes in: When you look back at the original law, any trail, any two-track that was used for travel to get from one point to another area, is an established road that should fall under RS2477 designation. Utah is saying they are all RS2477 roadsð that we have the right to use them in any way we please in the state, not just the ones that were designated as RS2477 roads in 1991. Theyôre going back and looking at the original law that describes what determines an RS2477 right-of-way road. This is a huge issue for all of our states in the West. Thereôs over 3,000 miles of road in

Esmeralda County.

RM: Is that right? So including the two-track roads in Esmeralda County?

DP: Graded roads, two-tracks, trails. When you read the law it talks about if they were used or maintained. Well, once a road is established and used for any period of time itôs an established road. But in 1991, the feds didnôt recognize those tracks that were used, letôs say, from 1910 to 1930 for mining activity. When that mining activity stopped, the roads really didnôt go out since hunters and other people have used them. You could clearly see theyôre there but they didnôt acknowledge the roads in 1991. So Utah is saying, ñNo, thatôs an established road. Look at the original law.ò I am totally backing Utah on this. Because if Utah wins, I am certainly hoping that the state of Nevada will follow Utahôs lead.

RM: So Esmeralda County would have 3,000 miles of road.

DP: As it properly should. And then the federal government canôt just walk in on a whim and say, ñOh, this area is now wilderness.ò No, we own the RS2477 right-of-way roads. That is a part of what theyôre fighting for because they want to close off different areas for different reasons. This would make it more difficult for them to deny future access to currently available areas. It would make it more difficult to create new wilderness areas.

RM: Iôm not too knowledgeable about this, but I think theyôre pushing it a step farther. Theyôre saying that the western states, and Nevada is a glaring example, have been treated differently when they came into the union as opposed to the other states because the other states got all that land to dispose of as the state saw fit. Whereas Nevada never did get all that 85 percent of the state to dispose of.

DP: Thatôs very true. Nevada had a special situation because we were a battle-born

state during the Civil War. When Nevada was created as a state it didn't have the population that originally was required for statehood so it never developed in the same ways.

RM: But if that land was turned over to the states, the big dogs in Nevada would probably take it. Steve Wynn might come out here and buy a million acres.

DP: Well, what would be wrong with that?

RM: You don't see anything wrong with that, then.

DP: It was okay when it was a wilderness territory, but now that we have developed to a certain amount of population, it's not okay for people to come in and to develop areas farther?

RM: But if somebody like Steve Wynn bought a million acres and put up "no trespassing" signs, then you couldn't go on that land, where now you can. What's your take on that?

DP: This is America and I believe in private ownership and development. There would need to be a balance in any kind of development. We have our national monuments and parks and that's wonderful, but how many do we need? We have more than any other nation in the world per capita. We need our Yosemites and we need habitats for our animals, our bighorn sheep and all of our game animals, but we also need our areas for free enterprise and mining and infrastructure. There's nothing wrong with Steve Wynn coming out here and setting up a million-acre estate because there's much more than a million acres out here.

RM: But then somebody else takes another million and somebody else. And pretty soon, you're driving down Highway 95 and it's all private property.

DP: So here's my question: Why can't the state manage that?

RM: Good point. So the state should be able to manage that land as opposed to the federal government?

DP: Correct. Thatôs what Utahôs arguing forð proper jurisdiction over its lands. Now, Iôm tickled to death that we have the national Nevada test range and Test Site here (currently known as the NNSS); itôs the patriotic pride of the state and the area. And we want it to stay here. There are families here with two and three generations associated with whatôs going on out there. Thatôs federal and thatôs great. But why cannot the state manage its other lands?

As I was saying, in our Esmeralda County land use policy and our public lands policy, we refer to them as lands that are federally managed; we never refer to them as federal lands because some day we hope Nevada and other local entities will have direct jurisdiction over the lands.

RM: I think this is going to grow as an issue.

DP: Over the decades, the federal entities have been putting more and more control and restraints on the use of land. So now people are waking up and saying, ñWait a minute, thatôs our land. Weôre the state of Nevada. Why arenôt we controlling that?ò The million acres you talked about parceling outð why isnôt Nevada deciding that? Why are people in Washington, D.C. deciding how we use our land in our state?

Now, we need our air force bases, we need our naval bases; we need all those things. So the feds own a piece of ground for their purposes and needs but they donôt need to own and control the public lands. The public lands need to be controlled and managed by the state that theyôre in. This is where I hope the western states are going.

RM: I was surprised when I read that Utahôs pushing this because I had really never thought about it. If you walk across Pennsylvania, itôs almost all private land.

DP: I grew up in Chicagoð seven million people in the metropolitan area. I came to Vegas, another big city-type environment. When you live in that type of environment, itôs a bubble. You donôt realize the rural issues. I was in Vegas for six years and I didnôt even realize there was a central Nevada. I heard about Renoð Reno and Carson City were up there somewhereð but there is also a rural area.

People who live in urban and suburban areas donôt understand rural issues like the use of public lands and access to them. Thatôs where the materials come from for the glass in their windowð they mine that silica out of the ground. That doesnôt always register with them. The public lands need to be controlled by the state where those public lands are. Not only that, but theyôre the ones that have to account to the local people and the local economies within those states. When they make federal policy in D.C., how many times do they make a blanket policy that covers 50 states and the territories when those regions are extremely different?

RM: Youôre putting these things well. Let me just play the devilôs advocate on one point.

DP: Sure.

RM: The state controls the land. What do you do about corruption at the state level?

DP: Thatôs why we have ethics laws. And what about corruption on the federal level? Thatôs a common issue at any levelð there could be corruption on the very, very local level. People are people are people are people. There are good people who will do the right thing always, and there are people that wonôt always do the right thing.

Thatôs why you have to have ethic laws in place; and you have to have checks in place. The three-system government is important so that there are checks and balances and weôre not a dictatorship rule, a tyrant rule, a one-person or a one-family rule with a

king and queen or any of those kinds of structures. We have a separation of powers to keep corruption from taking control. Thatôs always an issue at any level but itôs not an argument to say that the lands should be federal and not state lands because there will be less possibility of corruption.

CHAPTER FIVE

RM: Shall we talk about Yucca Mountain now?

DP: Yes. I wanted to start where the whole Yucca thing started. With our nuclear power industry and our nuclear-powered submarines, when the fuel rods are spent, theyôre spent fuel rods. Theyôre spent fuel rods for their engineered purpose at that point in time and theyôre being stored in numerous places throughout the country.

RM: Some of them right outside Chicago, by the way.

DP: Right. Now, as a national defense policy, they say the best way to prevent these materials from getting out there in the world for people that would use them against us in dirty bombs or any kind of negative way is to store them all in one location where they can be monitored and inventoried and kept track of in one location.

And I agree with that. And why not store it on the edge of our national security site? That sounds natural to me. Itôs a patriotic thing, I feel in my heart, to have it here. Itôs just a patriotic extension of what we do here in central Nevada. Okay, so my first question is, why is Nevada fighting this? It was all in the name of national defense to store it all in one place, on the edge of the national security site. It makes perfect sense to me.

So why are we fighting it? Letôs go to the beginning, when our stateôs senator was in favor of it and supported it, and introduce the creation of Bullfrog County. Bullfrog County was named after a district just south of Beatty called the Bullfrog Mining District. They created a new county and called it Bullfrog, and it encompassed the area where Yucca Mountain is. It was going to be controlled out of Carson City. There was no voting population base.

RM: Right, nobody lived there.

DP: It was created to control the payment in lieu of taxes money that would come into the state concerning the Yucca Mountain projectð any federal money would be controlled by our people up in Carson City and the state legislature via Bullfrog County.

Enter Nye County, who says, ñWait a minute. Thatôs in our county. This is an illegal county.ò Nye County fought it in the state and the Nevada Supreme Court agreedð itôs an illegal county. They forced the state to dismantle the county and give that area back to Nye County, where it rightfully belongs.

Key people in key places were against Yucca Mountain all of a sudden because they couldnôt control the money. The setup of Bullfrog County was completely false. There was no population, there was no voting public, there was no clerk of the court and no assessor. The state judicial system rightfully said it was an illegal county and made the state disband the county. After that, the state leaders were opposed to Yucca Mountain.

Now, they had to justify why they were against this project and their excuse was public safety. Public safety is important, but thatôs their overriding excuse. No matter how safely itôs engineered and how safe the project is in a practical sense, theyôre against it on the basis of safety. One point is the railroad route that the nuclear material would take, and I believe they have the wrong route in mind.

RM: You mean the route through Caliente is the wrong one. It should come down from the north?

DP: Correct. The correct route is the Mina route. They should tie in by Hawthorne and continue the Mina route down into the Yucca project, and those materials would never go through the Las Vegas Valley. In order to keep the argument of public safety alive and say that the nuclear materials had to be railroaded through Clark County in the Las Vegas

Valley, they had to say that Caliente is the better route.

The Indian reservation up in Walker Lake said, ñWeôre okay with the railroad route going through our reservation.ò There are water rights issues with that reservation and I donôt think theyôve been resolved yet. Senator Reid promised them that he would remedy their water rights issue if they would disallow the rail line going through the reservation. That material has to be railroaded through the Las Vegas Valley and come up and around Caliente to keep the safety issue front and center. Because thatôs their only argument; they have no other good argument against it.

And itôs said itôs bad for business in southern Nevada so they had to keep the railroad route going through the Las Vegas Valley so thereôd be opposition to Yucca Mountain. In reality, the most practical route is re-establishing the Mina route from Hawthorne south into Yucca Mountain.

RM: Again, why did they oppose the project?

DP: They opposed the project politically because they couldnôt control the money. I talked to one of the people from Senator Reidôs office, one of the delegates he sends to represent his office. I was at a renewable energy conference and his people were there speaking and they wouldnôt even talk about it. They want to make the Yucca site a 20-acre, show-and-tell of renewable energy projects.

RM: Thatôs what they want to do now?

DP: Yes. They refer to an area near the Test Site, 20 acres, that they want to make a renewable energy kind of exhibit site, but they didnôt say what the site was. After all the speakers gave their presentation and people were standing around talking, I went up to this individual and asked her, ñWhere is this area going to be?ò

She said, ñItôs Yucca Mountain.ò Like I just automatically should know that.

[Laughter]

And when I mentioned the money that would come into the state with Yucca Mountain, she looked right at me and said, ñRead the law. There is no money coming to the state.ò The next sentence from her was, ñThe senator is opposed to it. I cannot talk to you about it.ò

My point is that money would come into the state in the form of jobs, scientists, high-paying technical jobs, maintenance jobsð weôre talking about Davis and Bacon wages on these federal projects. The economy and the money that would come into our school districtsð the economy would flourish from it. But her comment to me was, ñThere is no money coming to the state.ò Thatôs because the control of the incoming monies would be more by the local governments and not so high up in the state.

Thereôs $22 billion sitting in a trust account from user fees from people who are buying the energy that is being created through the use of nuclear power for the purpose of storing nuclear materials. That money is going to come here and be spent. The construction jobs are going to be here. The scientists and the engineers are going to reside in the state while they work at the Yucca Mountain site. But her comment to me was, ñThere is no money coming to the state.ò

RM: When was this?

DP: In February.

RM: Oh, just recently.

DP: Oh, yes. There was a renewable energy conference down in Pahrump. Nye County is very big on renewable energy, and I love that; thatôs great. The group came to make a presentation about this renewable energy exhibit 20-acre park at the Yucca Mountain site because they have to come up with a different use for it since they want to

oppose the repository.

So it all goes back to the control of the money. My worry is some other state may be willing to take on the nuclear waste repository project and we will not get the benefits that the people of the state of Nevada could have received from this project going forward here. Our school systems, our higher education, would benefit because weôd want nuclear physicists who are going to work at these facilities trained in our schools. There are a lot of benefits for our local economy if this project goes forward.

There would be monies for continuing education and money for K-12 as well. We need to look at this to see what our people in the state could get out of this. We should require that our school districts get a certain amount of money. When they say that the stateôs not going to get any money out of Yucca Mountain, what theyôre saying is, ñThe state wonôt directly control the influx of money, so therefore weôre against it.ò They canôt say that to the public so they try to make a safety argument against it when truthfully, there is no good argument against it.

The material is packaged in stainless steel canisters. Theyôve crashed them with trains into concrete walls, burned the canisters in diesel fuel for two hours, done all kinds of things, and thereôs been no breach of the canisters. In the vitrification process, they process this material into a glass material. Thatôs the form the material is transported and stored in and itôs not going to penetrate into the groundwater because itôs in a form that will not be able to breach the canisters and enter the ground.

RM: And all this is quite aside from reprocessing it and reburning it and having reactors on the Test Site putting power out for western America.

DP: Exactly. So through the media, they do scare tactics and the majority of the media has jumped on that. As a matter of fact, Iôve heard them say, ñOh, thereôs even people in

favor of this,ò to put anybody down that would talk positively about it. There are chlorine tankers that go through the Las Vegas Valley on those same rail linesð and those materials are real hazards. If you turn one of them over and have a chlorine spill, youôd better be evacuating right now or people may die or be seriously injured. If the trains holding the canisters turn over in a crash, they lie on the groundð thereôs not going to be any spillage. The material is in a glass material inside a two-inch thick stainless steel canister. Theyôre lying to the people about the safety issues and manipulating the transportation issue so they can squash the project. Iôm not against the media, but weôve allowed them to feed the media, to feed the people the negative message, without giving them the whole story.

That facility would be forever alongside the Test Site (the NNSS) in a safe and very securely guarded place. It would bring a good strong steady economy without a large boom-and-bust cycle, just a good long steady solid economic cycle, and that would be good for central Nevada and all of Nevada. Individuals talk about diversifying Nevadaôs economy. This is one perfect diversification for central Nevada that theyôve been squelching since the ô80s because they donôt have enough control of the money. People need to know this to help get this turned around.

Now, thereôs another thing Iôve been noticing developing over timeð as the years pass, the tonnages of this material that needs to be stored continues to go up.

RM: Itôs accumulating every day.

DP: Correct. So even though thereôs talk about other areas in the US where they might have a new facility, the Yucca Mountain facility may also still be needed because there may not be enough space in one facility to store it all. And once certain people are no longer in power, the project may go forward.

RM: I agree with you.

DP: You could talk to some individuals in a certain political party in the state and off record theyôll say, ñI think itôs a good project. I think it would be good for Nevada.ò But they canôt say it on record because they will not oppose the leadership power in their party in this area. Iôve talked to them one on one and sometimes it kills me what they say. Iôve never talked to Harry Reid one on one, and I would be glad to. But Iôve talked to other state leaders and this is the way they phrase it: ñI have to question the science.ò Thatôs what they say in order to keep with their party line. Thatôs the best statement they can come up with: ñI have to question the science.ò I think thatôs a weak response on an important issue.

Itôs a good project. As I said, we need to re-establish a Mina route for a railroad to carry the waste to Yucca Mountain. In Esmeralda County and Goldfield, we have lobbied for the maintenance facility for this rail line to be just four miles north of Goldfield. That would mean about 50 permanent full-time jobs, which would be a boom for us. Now, if the Caliente route goes through, it still passes through here. But it doesnôt need to originate in Caliente. It should originate in Hawthorne, Nevada, and tie into the rail line that enters Hawthorne from the north.

RM: And it would come in on the train that goes north of there.

DP: Right. The track through Mina was pulled out in the ô70s and it was removed in the Goldfield area in the 1940s for metal for the World War II effort.

RM: But you could still have the maintenance facility if the line went through Caliente.

DP: Absolutely, because it would loop around the Test Site from the north and come right through here.

RM: And the reason you would take it out of Caliente is so the Vegas Valley safety

issue wouldnôt exist.

DP: Yes, and going through Caliente is a longer route and itôs going out of the wayð youôre going through areas you donôt need to go through.

They need to get away from that safety argument. Their big argument right now is that it would be bad for southern Nevada economy. Let me touch on that briefly. It wasnôt bad for the southern Nevada economy when they were doing surface explosions in the ô50s. [Laughter] Transporting it and storing it in stainless steel containers 1,000 feet underground is not going to be bad for southern Nevada business. It just adds one more to the things we do in central Nevada.

RM: I know a guy who knows Nellis and I asked him a few months ago, ñDo they store A-bombs at Nellis Air Force Base?ò (I know they do.) ñHow many have they got out there?ò

His answer was, ñYou donôt want to know how many A-bombs there are at Nellis Air Force Base.ò Theyôre all worried about spent fuel, but hereôs a zillion A-bombs stored at Nellis.

DP: The US and Russia still have quite the large arsenal of nuclear weapons and those have to be stored in places. I mean, who are they fooling? They canôt disclose those locations, but theyôre going to be assembled, stored, and maintained at some of our most secret locations.

Theyôre building a wall of obstacles if they say we shouldnôt do Yucca Mountain, and their wall of obstacles is becoming more and more exposed. I want it to be fully exposed. I want the people of Nevada and the leadership of Nevada to get on board with this and say, ñWhat can our people get out of this?ò We can get 150 years worth of economic security out of this, because no matter how the economic cycles cycle, this

industry is going to remain and remain strong. We have a static economic base for central Nevada, and of course we want to diversifyð diversification is awesome and this is one of the ways.

RM: Thatôs right. And it will serve as a magnet to attract other nuclear industries.

DP: And at some point we will get to the reprocessing. You do know why currently we donôt reprocess, right? Itôs the Jimmy Carter treaty. Plutonium has become a thing that we canôt even get anymore. This is another contentious issue: at this current point they can only refer to Yucca Mountain as a repository. They cannot say that there are going to be any reprocessing facilities there because that would violate our treaty with the Russians. Now, plutonium is currently used in all of our space exploration probes.

RM: Oh, you mean air planetary things.

DP: Correct. The Mars rovers.

RM: They have plutonium on them?

DP: Yes. What other kind of battery pack can you use in space that is reliable? They use a certain amount of plutonium in all of our planetary probes and some of our specialized medical X-ray devices use plutonium. Weôve been purchasing our plutonium from the Russians for these purposes.

From what I understand, in the last year and a half or so, the Russians have cut us off and said, ñWeôre not selling you any more.ò So we have no more supply of plutonium. The reason this is important is when you create the rods for the nuclear reactors out of uranium, before they are activated, you could hold them in your hand. Once you put them into an assembly and you pull the restricting rods and they start interacting with each other, theyôre dangerous and they will continue to radiate and that reaction will kill you. Once those rods have radiated to the point that they canôt boil water

well enough to create steam pressure to run power generation anymore they're spent and they can be reprocessed into more usable rods. But in reprocessing it, the waste product is plutonium. But we have a treaty that says we will not produce plutonium so we cannot reprocess our spent fuel rods because that would generate plutonium. Thus, we're in the conundrum of having to store all this material with no reprocessing. We need to get beyond this treaty.

RM: Are you sure the treaty says that we can't reprocess?

DP: It's a treaty that we will not produce plutonium. In honoring our treaty, we cannot reprocess our spent fuel rods. We need to get beyond that treaty so we can reprocess our fuel rods for medical purposes, for X-rays, and for the reuse for the nuclear reactors for the power plants.

RM: And also burning the spent fuel by transmutation.

DP: Yes. There need to be reprocessing facilities by the Yucca Mountain facility as well. In our younger generation coming up, we need new nuclear physicists to understand and continue to develop the science. That will come from through our higher education system, and the money for higher education's going to come from that project and through the user fees that people are paying.

So along with the repository there needs to be, right near it, a reprocessing and research facility. We need to revise, renegotiate the Jimmy Carter treaty so we can also build the repository and store the material in tunnels on rail cars where they're inventoried so we know how much there is and where it's at. We could retrieve it for the purpose of reprocessing and retasking right in central Nevada.

To repeat, you know what they always say: Follow the money. In the beginning they were for the project– Yucca Mountain was such a good project for the people of

Nevada that they created a whole new county for it. But when Nye County opposed the development of the separate county and the state judicial system of Nevada made the state dismantle that county, all of a sudden the powers of the state said, ñOh, this project is no longer good for the people of Nevada. Itôs not safe.ò Itôs all about the control of the money.

A person from Harry Reidôs office told me just six months ago, ñThere is no money in it for the state.ò But thereôs money for the people, for our higher education and for our K-12 the workers, and support industries in the secondary economy. What state in this union wouldnôt give you their right arm to import a billion dollar-industry into their state? Nevada could be doing that. Itôs a multi-billion-dollar industry that they will not allow to come to the state.

RM: And Carlsbad, New Mexico, is going after hosting a repository. But as you said, they need two repositories because theyôve got so much spent fuel. Maybe Carlsbad will get the first one and then theyôll come back to Yucca Mountain.

DP: Thatôs possible. And hereôs another thing: Thereôs plenty of mountain there and theyôve already talked about making numerous levels. Right now itôs a five-mile loop with a series of tunnels going out on one level and it will only hold 17,000 tonsð a fixed amount that they engineered it for. But that mountain is big enough and thick enough that they could use several different elevations of tunnels and multiply the amount of material that could be stored there.

RM: And if they would get into serious reprocessing and then transmutation of some of the material, they could get rid of 70 percent or more of the volume of the spent fuel.

DP: Yes, repurposing the use of the materials. But because of the treaty and US law, they have to refer to it as a repository only. It really gets under my skin when itôs all

about the direct control of money. Senator Reid was born and grew up here; heôs done a lot of things for the state of Nevada but in this one, I donôt think heôs done the right thing for Nevada.

RM: Actually, I think Senator Reid is rather inept. Every time I drive I-15 from L.A. to Vegas, I curse those guys because that freewayôs obsolete and thatôs the lifeline of Vegas.

DP: Iôm not going to say that Harry hasnôt done good things for Nevada, because he has. Over the decades, Harry has done good things for Nevadans. But I believe on this one issue heôs wrong.

RM: Iôve been told by some people who follow this pretty closely that if the Republicans take the Senate in the 2012 election, Yucca Mountain will be on its way.

CHAPTER SIX

DP: I don't want it to be all about them and us. It's all about us and us, the people. I was an independent at one time but if you're not in one of the two major parties, you're basically outside of the system. I wasn't able to run in an election here over four years ago because I was an Independent. If you're not in one of the two major parties, you have a whole different set of laws and hoops you have to jump through– a different set of timetables, a different level of requirements.

When I registered to vote here, I wanted to just register as Dominic Pappalardo. The person in the office at the time said, "Well, then you want to register as an Independent."

I said, "Sure; I guess that's what that means." Now, I've been a county commissioner for a year and a half, but four years prior to that, I wanted to run. I walked into the office and there's a two-week window when you can put your name in the hat to run. Lacinda Elgan, our clerk of the county, got my file out and she said, "Oh, you're an Independent. I need you to come back with a petition of 12 names saying that they want you to run."

I said, "That's no problem, I'll be back in ten minutes."

Well, every state has their own election laws. Since I was registered in the Independent Party– I didn't realize I was registered in a party per se, and after looking into it deeper she said I would've needed to have a nomination from the Independent Party in Carson two weeks prior to them even accepting my application here.

If you really want to participate in the system, you have to be in one of the two major parties or else you continually have to overcome different sets of timetables and

laws and additional filings that you don't have to do if you're in one of the two major parties.

Now, I do think more as a Republican does, as a philosophy. I believe we have overly socialized our municipal functions as governments. It's fine to help the needy, but we have over-socialized it. And I believe in commercial enterprise and a free society and the capitalists in the country– if you work hard and you've earned it, that's great. It's not you work hard, you earn it, now you have to share it equally.

The ones that are on the bottom, on the lower end, are saying, "Well, you have to give me my fair share because I'm here and alive and breathing." That's what you've trained people to feel and think. I don't believe in that. I believe that you work hard, you educate hard, and you've done good for yourself because you worked hard. Everybody should have a good standard of living but they've been programmed to think that socially they have it coming; they're entitled to it, some may think. If I have more kids I get more. And I can't marry because if I marry then I won't get that benefit. So you're socially programming people to be counterproductive in our society.

But that's a whole 'nother animal; I believe in the free American enterprise system. All that being said, I don't want it to be us against them. I believe they're good-intended folks as well; they just have a different philosophy about what government should be doing for the people.

RM: Do you have any comments on the MX missile program? That was before you got here, but it was the program where they were going to set aside 30 or 40 percent of the land in Nevada to put in bases for the missiles and they were going to shuffle them around so the Russians wouldn't know they were.

DP: I've seen the MX silos lying on their side out in the Nevada desert– you can see

them off of Highway 50 right now. Nevadaôs argument was that in the event of nuclear war, youôve just made Nevada the No. 1 target. Now when youôre storing spent nuclear material, thatôs not a No. 1 target in the event of a world war. In the case of MX missiles, Nevada would have been annihilated in the event of a nuclear war. Even if ours went off first, those are the missiles theyôll start coming for. So itôs mutually assured destruction.

RM: Do you have any thoughts regarding land issues in Goldfield or Silver Peak or Fish Lake in terms of those communities?

DP: Our communities have some room to expand, at least Goldfield and Silver Peak do. Fish Lake Valley has different issues because theyôre our only agricultural area and thereôs a limited amount of water there; itôs over-allocated. They donôt want to see any more people living there. Thatôs only a portion of Esmeralda County. In our other areas, we have room to grow and thereôs more that we could do.

Weôre fairly thinly populatedô in order to stabilize Esmeralda County as a county within the state, we need more of a population base. Hovering at 1,000 is just not a stable enough number of people to sustain a county properly.

We are currently developing a county land use map that weôre going to approve within the next few months. And in that land use map we have significantly expanded the disposal areas. Every 15 to 25 years the BLM does a RMP, resource management plan. Right now this district is doing a resource management plan and after this one they donôt expect to do it again for another 25-plus years. It takes about four years for them to do a plan and theyôre in the first six months of doing it. On our map we have significantly expanded what they call withdrawal areas. For BLM planning, those are areas that can be sold into private ownership.

They could be owned by the county or they could be owned by a private

individual, they could be owned by a corporation, but once a parcel of land is sold it would no longer be under federal management. It's just like when you own a private parcel in town; they don't manage the ground in the town.

On our map we have significantly expanded the withdrawal areas that could be sold into private ownership so that we can develop more things such as the energy park. They asked me to call it an "energy park" as opposed to a nuclear repository area but it could be used for that as well. In that plan there are to be no residents in that area. It's for those kinds of high-end industries.

So what was my thought about the disposal areas? The last time they did an RMP was 1997— they call it a record of decision, ROD. That's the end of the RMP process— they issue a record of decision concerning land uses in that area. We're looking 25 years out, so if we have issues we need to get on board right now, and that's what we've done. Currently they do have disposal areas and they're basically hovered around our local areas, like Goldfield.

RM: And that's a BLM policy thing?

DP: That's a federal policy thing. We're a collaborating agency and what they have said to us, in studying the current RMP, is that anywhere that they can incorporate our map into their map, they will if they have no reason to object. So if we're asking for an expanded disposal area, as long as there are no legal reasons they couldn't implement them, they say they're going to implement them. There are federal laws and acts they have to abide by. On our map we have significantly expanded those disposal areas and we're hoping that when they do their RMP they'll be able to fully implement them into their map as well.

RM: And then you or somebody will be able to purchase those?

DP: Right. Either the county could request an area or a private person or corporation could request an area in those zones. An obvious example of where they couldn't do a disposal area is Death Valley National Park, but only a little portion of that clips into Esmeralda County. Now obviously, any area that's in that national park cannot be a disposal area. And there might be other areas that they couldn't put in.

RM: But you will have a zone around, like, Goldfield.

DP: Correct. One currently exists, but we're asking for it to be much larger, to spread way out into the valley floor. We want to develop an industrial park with an airport and maybe a secondary residential area. We have quite a few parcels here in town and already have water and sewer infrastructure to support this development. We want to develop Goldfield into a much more vital community and, based on our history and heritage, have a tourism industry to go with it. We've asked for numerous other areas. Just because they're on a map doesn't mean they ever will be sold into private ownership, but we put them on a map.

RM: Do you think you've got a pretty good shot at getting them included in the BLM's map?

DP: Yes. And unless they have a really good reason not to, I expect that they will. Another area I've put on the map is the two peaks of our Montezuma Mountain. We have some of the clearest skies in the country. Well, what if the university at Reno or some philanthropist would be willing to put observatories up there? That would be perfect. I put them on the map for disposal for those particular purposes only. Not for residences, not for industry, but for observatories and any supporting structures. If there were any residences, they'd be in support of the observatories themselves. I think it would be best if it was controlled and run through a university, and UNR already has a curriculum that

goes with that. I would love to see them build observatories on the top of our Montezuma peaks. We have two peaks up here.

RM: And you have minimal light pollution.

DP: Very minimal light pollution. The only light pollution comes from Silver Peak, but itôs very minimal. We could retrofit all the street lights in Silver Peak and so that they had reflectors to reflect light down. Thatôs another economic development for our area because students and professors would have to live locally in order to operate the facility. It would be a facility that would hopefully be used as part of a worldwide network. Those are the kinds of things I think about for our area.

RM: Youôve really got a lot of good ideas.

DP: Thank you. Once we get this plan approved, I could approach UNR and say, ñWould you be interested in this kind of program? How can we facilitate this?ò Maybe someone like Steve Wynn would be willing to say, ñPut my name on that observatory. Iôd be willing to support that and the college behind it.ò That would be something people could get on board with. We have the area, we have the good skies. And at that elevationð about 8,400, 8,500 feetð the higher you are, the thinner the air and the better the visibility. Even at our 5,500, 5,600 feet here in Goldfield we have very clear, beautiful skies. You can see the Milky Way in extreme detail with the naked eye. This is how central Nevada could use its resources of clear skies and mineral resources.

RM: You have a great can-do attitude.

DP: Well, thank you.

RM: Are there any other issues that you would like to talk about?

DP: Well, we talked a lot about Yucca. I believe that would be a really good thing for our area and for the state and for the people.

RM: And also good for the planet.

DP: Itôs good for the planet. It would be part of a list of patriotic things we do here in central Nevada for our country in the name of national defense so itôs easily monitored and doesnôt get proliferated to people who would use it wrongly.

RM: And itôs pretty well protected from terrorism. With nuclear waste at sites around the country there isnôt that protection.

DP: If you get within a certain range of the Test Site, they know how many hairs you have on your head. Talk about having surveillance thatôs basically already in place. You couldnôt get within ten miles of it the way those areas are watched.

RM: And will be indefinitely.

DP: Thatôs correct. The benefits are long term, and itôs just another patriotic extension of what we do here in Nevada. And thatôs the message we need to get out there, not to mention the benefits we get from it: K-12, higher education, and economic stability and a higher standard of living for our people.

RM: But not trashing the state and turning it into another Las Vegas Valley.

DP: Well, the gaming industry is awesome, but thereôs only so much of it. You canôt just build more of that in more places; thatôs not diversifying, although we can use more of it in Goldfield, Nevada. Diversifying is actually bringing in new industries, new things. When you bring in reprocessing, research, observatories, thatôs diversifying. And youôre bringing people of different minds and mindsets together in the same area.

RM: Thatôs right. Are there any other issues that we should talk about?

DP: Very locally, when the mine comes on site, we want them to help us build a fishing pond and have some recreational area here. And of course we want help in rebuilding our historic district. You see the high school across the wayð Iôve been

involved with that for many years now. We want to rebuild all of our historic structures and I would also like us to rebuild the significant structures that burnt in our õ23 and õ24 fires. There were some beautiful structures, and they could be rebuilt and repurposed. They could be hotel rooms and the lower levels could be shops and other kinds of general businesses. Iõd like us to rebuild our historic district and build a tourism industry built on our heritage.

RM: How about the Goldfield Hotel? Are there plans for that?

DP: Itõs currently in private ownership. The Goldfield Hotel initially was a wood structure. That burnt in a fire in 1905, I believe it was. They built the present Goldfield Hotel in õ07 and I believe it opened in õ08. It had various owners, including George Wingfield and George Nixon, the senator. They were both here and they owned and ran the Consolidated Mines.

After the boom cycle in Goldfield faded out, after about 1929, it was more or less a boardinghouse. In 1939, when the war started, a lot of the military families and military that were operating at the Tonopah Air Base lived in the hotel. The war was the last time the building was used in any kind of purposeful way. So that was 1945.

Okay, four decades pass. In the 1980s there was a group of investors that put about three and a half million dollars into the building. They redid the entire interior of the structure with cement, all the pylons, under the pylons and everything; they recemented it all the way through the fourth floor. They installed central heating. It originally had 150 rooms but they re-divided them into 99 hotel rooms so that each room would have a bathroom. They put in a sprinkler system that never has been charged with water or pressure. They got it about three-quarters of the way refurbished and then went broke.

Everybodyôs hopes were up high in the ô80sô they thought Goldfieldôs going to make a comeback centered around the Goldfield Hotelô satellite businesses and support businesses would come in and weôd make a comeback. Well, it didnôt happen. It went into bankruptcy, sat empty for 12 years, and then after the bankruptcy issue was resolved it took the county a couple years to get its act together. It was sold at public auction in 2003, for $360,000, to Red Roberts.

He lives up in Washoe Valley. He bought it for his wifeô heôs told me that a couple times. Unfortunately, his wife wasnôt in good health and she passed away about a year and a half afterwards. He has a huge ranch up in northern Nevada and he has other business interests as well so heôs been putting off actually restoring the Goldfield Hotel.

The last two times Iôve talked to him about the hotel, in his opinion the economy hasnôt recovered good enough for him to invest in it to reopen the hotel. Now, youôre talking about the Goldfield Hotel. Itôs world famous. It wouldnôt be that difficult to market and keep a steady business there. Heôs just following through with what they were doing in the ô80sô they took out all the original fixtures out of the bathrooms and then were putting in 1980s fixtures.

RM: Oh, that was a mistake.

DP: Total mistake. Itôs a total desecration to that building. He plans on following through and finishing it out with modern fixtures. I really am unhappy with that; I think youôre destroying the historic character and value of the hotel. You know, your selling point is ñCome and stay at the historic old Goldfield Hotel,ò and you walk in and you have modern bathroom fixtures. Well, you could get that in Vegas; you could get that at any new hotel. Youôre destroying the marketing value of the location and the historic aspect.

So Iôm not happy with that plan. And the other thing is, he talked about doing a soft opening: the main floor, the lobby, the restaurant, the retail area, and the first floor, and not doing the third and fourth floors. Doing a soft opening to see how business is going to be and then do the others. Well, you canôt really market it as well. To me it would be better if you do the whole thing and do a full-blown marketing and get 50 travel agencies involved and you keep your rooms booked. You could really do a better job if you had 99 rooms, not 33. So Iôm not particularly thrilled with that current plan. Right now heôs just sitting and waiting.

RM: Did you ever see the movie *Cherry 2000*?

DP: I havenôt.

RM: Part of it was filmed at that hotel.

DP: Iôve seen a couple of movies that have been filmed here. Some of them are pretty poor, actually. Theyôre B and C movies, if you will.

RM: Well, thanks so much for talking with me. I really appreciate you sharing your perspective on all these things.

INDEX