

Memorandum Congressman Mark Amodei Nevada's Second Congressional District

SUBJECT: House Natural Resources Hearing on H.R. 3883; Subcommittee on Energy and Mineral Resources

STAFF: Ken

DATE: 6/14/2023 – 1:30pm @ 1334 LHOB

Subcommittee on Energy and Mineral Resources:

<u>Chairman:</u> Rep. Pete Stauber (R-MN)

Ranking Member: Rep. Alexandria Ocasio-Cortez (D-NY)

Agenda:

The Subcommittee will meet at 2:15pm in 1334 LHOB to hear the following 3 bills:

- H.R. 2685 (Rep. Owens), "Mining Schools Act of 2023"
- H.R. 3883 (Rep. Amodei), To nullify Public Land Order No. 7921, withdrawing certain land in the Railroad Valley of Nye County, Nevada, from mineral entry; and
- H.R. ___ (Rep. LaHood), "Community Reclamation Partnerships Act"

*Member testimony expected to begin around 1:35 (including you). Panelists will begin immediately after.

Panelists:

- Kevin Moore, CEO of 3PL
- Chris Wood, CEO of Trout Unlimited
- Emily Hammond, Vice Provost for Faculty Affairs, Glen Earl Weston Research Professor at George Washington University School of Law
- Dr. Walter Copan, Vice President for Research and Technology Transfer at Colorado School of Mines

Background:

H.R. 3883:

- On April 27, 2023, the Department of the Interior approved the withdrawal **of 22,684.07 acres** within Railroad Valley **Public Land Order No. 7921** (88 Fed. Reg. 25682), taking effect that same day.
- You subsequently introduced **H.R. 3883** "To nullify Public Land Order No. 7921, withdrawing certain land in the Railroad Valley of Nye County, Nevada, from mineral entry" on June 7, 2023.

Initiation of Issue:

- In December 2021, Rick Spees (representing Nye County) reached out regarding a proposal NASA had made to withdraw approx. 22,684 acres of BLM land in the Railroad Valley of Nye County for 20 years.
- As the lead agency in the NEPA process, NASA included BLM as a cooperating agency. However, they continuously refused to include Nye County as a cooperating agency.
- Rick Spees and Nye County had a follow up meeting with NASA in January 2022. Rick said that it was unproductive and NSAS still is not willing to really engage with the County. Instead of including the County as a cooperating agency, NASA gave them "early stakeholder" status.

Correspondence with NASA:

- 4/29/2021 NASA applied for a mineral withdrawal of approximately 22,995 acres in Railroad Valley, Nevada, located in Nye County.
- 7/20/2021 Nye County requested to be included as a cooperating agency in the subsequent National Environmental Policy Act (NEPA) process, which NASA subsequently denied.

- 1/7/2022 Representatives Mark Amodei, Steven Horsford, and Senators Cortez Masto and Rosen sent a letter to NASA reiterating Nye County's request to be a cooperating agency, which was once again denied.
- Your first call with NASA regarding the issue was on 1/21/2022, where you asked Dr. Karen St. Germain (NASA Earth Science Division Director) to reconsider NASA's decision to exclude Nye County as a Cooperating Agency.
- You had a follow up call with Dr. St. Germaine on 2/3/2022, where she doubled down that Nye County would not be given Cooperating Agency status, and you therefore asked that our office instead be made a cooperating agency. This request was followed up with a letter we sent on 3/17/2022, which NASA ultimately declined on 5/18/2022.
- You sent a follow up letter expressing your disappointment to NASA Administrator Bill Nelson on 5/19/2022.
- You also sent a public comment letter to NASA on 7/21/2022, reiterating your concerns and requesting it be included in the official record for the withdrawal's EA.
- 4/4/2023 You send final letter to Secretary Haaland expressing concerns with the proposed withdrawal.
- 4/27/2023 DOI approved the withdrawal of 22,684.07 acres within Railroad Valley Public Land Order No. 7921 (88 Fed. Reg. 25682), taking effect that same day.

3PL Involvement:

- 3PL Operating is an Oklahoma-based corporation, held privately, and formed in 2017. The company specifically explores and develops locatable minerals, and lithium is a primary target.
- Their earth mineral scientists dominate the workforce and collectively have 200 years of prior work experience with major companies.
- In 2017 3PL filed for the largest mining claim block yet assembled in the State of Nevada, in Railroad Valley. This acquisition followed several years of research in the western USA studying basin development, stratigraphy, and lithium concentration processes.
- 3PL has 1,796 claims, partially within the land segregated by the BLM for withdrawal pursuant to the NASA's request.
- 3PL has drilled one well on its claims but there are 38 existing oil wells on 3PL claims that have public information regarding lithology and geology that have be used to help define geologic properties of the area. 3PL used this data for its inferred resource report.

Lithium and Other Mineral Potential in Railroad Valley:

- According to 3PL, the best mineral description of Railroad Valley is essentially that of a "bathtub" for the Great Basin, which is why this unique super-brine was deposited with its mineral-rich complex in a concentrated area.
- While there are others that are claiming to have found significant amounts of lithium and other materials in the US, and in particular Nevada, the mineralology of this project is unparalleled due to its unique geological history.
- Comparable to deposits in South America and China, this is one of the world's largest reserves of lithium, and a strategic mineral critical for electric vehicle and battery storage development in the United States.
- 3PL's geologic team has conservatively estimated that over **25 million tons** of lithium carbonate equivalent (LCE) are recoverable in the brines and salts.
- This lithium resource is significantly larger than other identified projects in North America that are mostly in clays and hard rock.
- There is also a presence of Rare Earth Elements (Neodymium, Praseodymium, Gadolinium) found in concentrations that far exceed what is normally found in the earth's depositional structure:
 - o These minerals are all very rare and 99% imported from China and other unstable and risky sources.
- China's near monopoly control over global rare earth elements (REEs) supply and reserves has created a huge vulnerability for the US.

US reliance on REE and critical mineral imports has made it a priority for US federal agencies to take actions to secure and strengthen the domestic supply chain – Executive Orders 13817, 13953 and 14017, as well as the recently passed Inflation Reduction Act.

