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Testimony regarding withdrawal of land in Railroad Valley, Nevada from disposition under the United States mineral leasing laws  

SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES HOUSE COMMITTEE ON NATURAL RESOURCES  
UNITED STATES HOUSE OF REPRESENTATIVES  
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Good Afternoon Chairman Stauber, Ranking Member Ocasio-Cortez and Members of the Committee:

Thank you for the opportunity to testify in support of H.R. 3883. My name is Kevin Moore and I am the Chairman and Chief Financial Officer of 3 Proton Lithium, Inc. (“3PL”), a United States owned and domiciled private company engaged in the exploration and development of critical minerals in Railroad Valley, Nevada. 3PL has assembled leases and mining claims compromising more than 58 square miles (37,350 acres), representing the largest claim block in Nevada, which it has maintained since 2017.

This project is critical to ending America’s overreliance on foreign adversaries, securing a domestic supply chain for critical minerals, facilitating the country’s transition to a green economy, and creating thousands of high-paying U.S. jobs.

As the largest land stakeholder in Railroad Valley, the land segregation process started in April 2021 has had tremendous impact on our ability to operate and develop our mining claims. The April 27, 2023 Public Land Order impacts about 11,000 acres—approximately 30%—of the 3PL claim block, bisecting it almost directly in the middle.

The 3PL mining claims comprise a 2000-foot-deep brine pool, consisting of globally significant concentrations of valuable, recoverable critical and rare earth minerals, such as lithium and boron. If you picture our brine pool deposit as a bathtub, the segregation captures the deepest and most mineral rich area, and potentially locks up 60% of the resources from development.

While 3PL believes it has valid existing rights in the segregated area, our position has always been one of mutual cooperation. We understand the Bureau of Land Management’s (“BLM”) guiding principle of productivity of the land to support their multi-use mission and that this land belongs to the citizens of the United States. Our interactions with local BLM officials in Nevada have always been conducted with mutual respect, and we believe they have been both thorough in their investigation of our work, and supportive in our ongoing NEPA assessment.

By contrast, the lack of responsiveness and transparency from NASA and other officials in Washington throughout the withdrawal process has been problematic and has resulted in what we feel are uninformed and incorrect assumptions and conclusions about our project. This has translated into a curt dismissal of the critical importance of Railroad Valley to the economic and
national security of the United States, and further hinders our nation’s ability to break its
dependence and over reliance on hostile foreign nations for critical and rare earth minerals.

As a starting point, I would like to explain the geological uniqueness and magnitude of the Railroad Valley deposit.

The Railroad Valley deposit is one of the ten largest in the world, and the only one of its type in North America. It is only comparable to certain strategic mineral deposits in China and South America due to its unique geological history.

As the entire Great Basin of the western United States continually filled as a lake and then evaporated more than 100 times over a period of 3 million years, the Railroad Valley mineral deposit was formed. Over time, a salt deposit settled at the deepest portion of the lakebed, leaving behind a globally significant concentration of strategic minerals in both size and diversity.

This is a salt deposit with a very distinct alkaline chemistry. The complex salts contain significant amounts of lithium, but also consequential amounts of other critically needed strategic minerals, including boron, tungsten, molybdenum, and rare earth elements.

With over 23 billion barrels of brine and 85 billion tons of salts, the Railroad Valley deposit is truly world-class. The find has been validated by a robust geophysical data set from 48 wells, over 50 miles of seismic line data, 42 miles of magnetotelluric data, and over 1,100 geochemical samples.

This site contains a Lithium Carbonate Equivalent (LCE) resource of 82 million tons, “in-situ,” with an estimated 25 million tons recoverable in the salts and brines, making this one of the world’s largest lithium resources, and 40 times larger than the only known lithium reserve in the United States, with more diverse strategic minerals.

A recent USGS minerals report identified 98 million tons of lithium resource worldwide and 12 million tons in the United States. Railroad Valley would conservatively triple the lithium resources currently identified in the United States.

The site also contains a Boron Trioxide resource of over 58 million tons, conservatively, making this one of the largest and purest boron deposits in the world. Boron is used in advanced aerospace structures, ballistic vests, and tank armor, in addition to many industrial uses.

Additional significant economically valuable minerals and salts are present, including sodium carbonate, molybdenum, and tungsten.

3PL has also demonstrated the presence of Rare Earth Elements, including Neodymium, Praseodymium, and Gadolinium, found in concentrations that far exceed what is normally found in the earth’s depositional structure. These minerals are vital to national defense and are used in a wide range of critical weapons systems. However, they are very rare and mostly imported and controlled by adversarial nations, like China.
In short, the Railroad Valley deposit is not only globally significant, but also of undeniable strategic national importance to the United States.

From an environmental standpoint, 3PL is developing a safe and environmentally responsible project that will not involve evaporation ponds, open pit mining, or acid leach operations planned by other projects. We are confident that our operations will not degrade the playa or adversely disturb the surface in a manner that impacts other uses of the area.

The focus of our mineral exploration is the salts and brines, not in clay or hard rock. In other words, this is not an excavation project. The total area used by the 3PL project compared to the vastness of the playa is a fraction of 1%. We can access these minerals by pumping wells, each with a minimal footprint, leaving the playa virtually untouched and enabling NASA to conduct its satellite calibration mission. Pumped fluids can be piped outside the playa, where ground conditions are favorable to process facility construction. Process facilities will be limited in footprint and not require vast evaporation ponds that may interfere with NASA operations.

We strongly believe that both 3PL and NASA can coexist in Railroad Valley, enabling both entities to deliver on missions of strategic national importance to the United States.

The existing permitting process is thorough and will provide sufficient visibility into the project’s impact to the playa. All actions we undertake will be scrutinized by a number of agencies at both the State and Federal levels, including Bureau of Mining, Water Pollution Control, Dept of Wildlife, Dept of Water Resources, Division of Minerals, Bureau of Land Management, and EPA, amongst others. Exhaustive analysis of potential risk and environmental impact including broad-scale field analysis and survey by qualified third-party experts has been and will continue to be undertaken. All significant analyses required are subject to public notice and feedback. Agency feedback can also necessitate mitigation of any perceived impacts. The project can only proceed if all requirements of all agencies are met satisfactorily.

The strategic importance of proceeding with the full development of the Railroad Valley project cannot be understated, especially as it relates to unshackling the United States from its dependence and over reliance on foreign nations, including China and Russia, to supply certain mineral commodities that are vital to the country’s economic and national security.

As the world decarbonizes, demand for strategic minerals is increasing rapidly. Most analysis of these resources, shows the supply gap growing wider as demand begins to mature and surge. It is well known that demand will far exceed the supply of lithium for decades to come. The lithium market is forecasted to expand from around 300,000 metric tons in 2020 to 3,000,000 metric tons by 2030. The EV sector alone is driving an insatiable demand for lithium as the technology evolves at an exponential rate. According to a recent report by Bloomberg New Energy Finance, adding just 5% to electric vehicle range causes battery material demand to soar by 50%.

The Railroad Valley lithium resource would boost the United States supply by approximately 200% and be North America’s largest deposit. Conservatively, this is a 100-year mining opportunity for American independence from foreign controlled mineral sources.
The United States’ dependence on rare earth elements and critical mineral imports is a grave vulnerability, which is why this Administration has rightfully made establishing and securing a domestic supply chain a priority (Executive Orders 13817, 13953 and 14017).

The long-term economic impact of this project is immense and will provide significant benefit both locally and nationally for generations. The potential value of the minerals and salts that can be harvested over this extended period are in the trillions of dollars, resulting in billions of dollars of tax revenues and royalties. The jobs that will be created directly and indirectly from this operation and downstream impacts will be in the thousands. The financial impact to the supply chain and on America’s ability to grow the domestic critical minerals industries is dramatic.

In summary, a meaningful lack of engagement from relevant federal agencies has led us to what we believe is a decision made on incomplete information. This is not a matter of establishing which mission—that of NASA or 3PL— is more important to advancing the interests and objectives of the United States. They both are critically important and can be achieved in tandem.

We are steadfast in our existing valid rights to continue our work on the playa and believe this globally significant project to be unique and of critical strategic importance to the United States of America, both economically and to our national security. The Railroad Valley project is a vital part of transitioning to a green economy, creating good-paying American jobs, combatting climate change, ending America’s overreliance on foreign adversaries and securing a domestic supply chain for critical and rare earth minerals. But until we can begin the process of extracting these minerals from the ground, all they represent is potential.

Our national and economic security depends on all of us working in conjunction to make it happen.

I thank the committee again for the opportunity to provide my testimony and for their interest in this critical matter. I look forward to answering your questions.