



BRIAN SANDOVAL
Governor

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES
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RICHARD PERRY
Administrator

The Commission on Mineral Resources will meet on Thursday February 13, 2014 at Legislative Counsel Bureau-555 E. Washington Ave., Ste 4412, Las Vegas, Nevada 89101 at 1:00 pm P.S.T.

Attached with this notice is the agenda for said meeting of the Commission. This notice is posted pursuant to the NRS as amended by the 1995 Legislature. This notice is to be posted at the following public places:

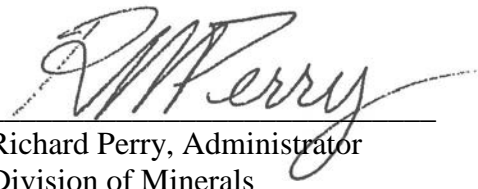
**LEGISLATIVE COUNSEL BUILDING-LAS VEGAS (GRANT SAWYER BLD)
STATE LIBRARY AND ARCHIVES
DIVISION OF MINERALS- CARSON CITY AND LAS VEGAS OFFICES
CAPITAL BUILDING-CARSON CITY**

The public may contact Valerie Kneefel at (775) 684-7043 or Email Vkneefel@govmail.state.nv.us to request supporting material for the meeting described herein. The agenda and supporting material is available at www.minerals.state.nv.us

Dated this 7th day of February, 2014

NOTICE TO PERSONS WITH DISABILITIES

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Division of Minerals, 400 W. King Street, suite 106, Carson City, NV 89701 or by calling (775) 684-7043.



Richard Perry, Administrator
Division of Minerals



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COMMISSION ON MINERAL RESOURCES
Legislative Counsel Bureau
555 E. Washington Ave., Ste 4412
Las Vegas, Nevada 89101

Thursday, February 13, 2014

1:00 P.M.

AGENDA

CALL TO ORDER

The Agenda for this meeting of the Commission on Mineral Resources has been properly posted for this date and time in accordance with NRS requirement.

ROLL CALL

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. All public comments will be limited to 5 minutes for each person. **ACTION WILL NOT BE TAKEN**

I. MINUTES

A. October 10, 2013 meeting

FOR POSSIBLE ACTION

II. OLD BUSINESS

A. Fiscal Year 2013-14 Work Plan and Forecast Update

FOR DISCUSSION ONLY

Background: The approved fiscal year 2014 work plan calls for expenditures of \$2.4 M with total revenues from mining claim and other fees of \$2.17 M, and a draw-down of reserves of \$0.3 M. 2013 mining claim fees, which impact the fiscal year 2014 work plan are forecast to be ten percent below estimates, or approximately \$200,000. A fiscal year 2013-14 forecast of revenues, expenditures and obligations will be presented for discussion.

B. Recommendations from Subcommittee on Oil and Gas Fee

FOR POSSIBLE ACTION

Increases. The subcommittee on oil and gas fees met on January 16th, 2014 and voted to recommend changes to the CMR to oil and gas drilling and production fees. A table with these recommendations is attached. Due to low volume and increased time associated with processing oil and gas drilling permits, the current fee structure does not cover the NDOM manpower and travel cost associated with permitting and compliance functions. Any increase in permit fees would require approval of the legislature during the 2015 session. An increase in production fees from \$0.10/bbl to \$0.20/bbl can be affected by the Commission in the current process of modifying NAC 522. NDOM Staff is seeking direction from the Commission on fee increases and approval to draft a BDR for the 2015 session.

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- C. Request for support in FY14 of the UNR Mackay School Recruitment and Retention Program in FY15 **FOR POSSIBLE ACTION**
 (tabled from CMR meeting 10/10/13)-Russ Fields
 NDOM has supported this effort through donations from claim fees for the past 6 years (2008-2013) for \$100,000 per year. This request was approved and paid for FY 2013-14 and is being requested again for the 2014-15 fiscal year.
- D. Update on the NBMG projects funded by the CMR and consideration for Funding in FY-2015 **FOR POSSIBLE ACTION**
 Jim Faulds , Nevada Bureau of Mines and Geology
 - John Muntean will provide a short presentation on new web applications for mineral resource data.
 -NDOM has contracted for support services with NBMG for \$100,000 in FY 2013-14 for 1. Sample curation, 2. Mineral Industry reports and 3. Minerals database development. The current contract is for 2013-14. NBMG is seeking a commitment for similar support for FY 2014-15.

III. NEW BUSINESS

- A. Presentation by Tamara Josserand, Director of Development **FOR POSSIBLE ACTION**
 -UNLV, on the Goldfield Collection.
- B. NDOM Logo **FOR POSSIBLE ACTION**
 NDOM Staff have discussed developing an official logo for the Division. NDOM is one of the few State agencies with no official logo or branding. This discussion was brought forth during recent work on developing a new web site using State web development software. NDOM Staff is recommending the Commission request a design concept for the next meeting for consideration.
- C. Request for funding from the UNR John Mackay Club **FOR POSSIBLE ACTION**
 for travel to the SME meeting and the International Mining Competition- letter of Nov 25, 2013 included in packet.
- D. Discussion of LCB Audit. **FOR DISCUSSION ONLY**
 A performance audit was conducted in 2013 by the Legislative Council Bureau Audit Division. Periodic performance audits are conducted on state agencies and reported to the Legislative Audit Committee, which consists of 5 legislators. Audit results were reported at public meeting on January 7, 2014. The purpose of the audit was to evaluate the Division's efforts to monitor oil, gas and geothermal operations for compliance with regulations and the AML program. The Division has 60 days to develop and submit a plan for corrective action and 6 months to implement the plan. The Administrator will present the audit results and corrective plan.
- E. Discussion regarding potential changes to NAC 522.235 **FOR DISCUSSION ONLY**
 Location and spacing of wells. This section of NAC addresses the spacing of oil & gas wells in the absence of a special order of the Division establishing drilling units or authorizing different densities of wells. There has been some discussion by staff and commissioners that parts of the current code are obsolete and do not accommodate the drill spacing needed for unconventional wells.

IV. REPORT OF THE ADMINISTRATOR

A. Division of Minerals Activities

1. Administration – Rich Perry
2. Mining/Reclamation Bond Pool – Mike Visher
3. Abandoned Mine Lands (Update of AML Summer Internship 2014)– Rob Ghiglieri
4. AML/GIS – Rachel Wearne (Website update)
5. Southern Nevada Operations – Bill Durbin
6. Oil, Gas, and Geothermal – Lowell Price

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COMMISSION BUSINESS

- ##### **A. Determination of time and place of next CMR meeting**

ADJOURNMENT

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The Commission will be attending a field trip on Friday, February 14, 2014 to Tule Springs Fossil Site, Las Vegas, NV. Members of the public may attend but must provide their own transportation and safety equipment. Advanced notification is required. Please call Valerie Kneefel at (775) 684-7043.