



STATE OF NEVADA  
 COMMISSION ON MINERAL RESOURCES  
**DIVISION OF MINERALS**  
 400 W. King Street, Suite 106  
 Carson City, Nevada 89703  
 (775) 684-7040 • Fax (775) 684-7052  
<http://minerals.nv.gov/>



**BRIAN SANDOVAL**  
 Governor

**Las Vegas Office:** 2030 E. Flamingo Rd. #220, Las Vegas, NV 89119  
 Phone: (702) 486-4343; Fax: (702) 486-4345

**RICHARD PERRY**  
 Administrator

**Notice of Public Hearing**

**Thursday, November 5, 2015 9:00 A.M. – 10:00 A.M.**  
 Bishop Manogue High School, 110 Bishop Manogue Dr., Reno, NV 89511

Attached with this notice is the Notice of Intent to Act Upon a Regulation and the Agenda for the Public Hearing for the proposed amendment of Regulations for Oil and Gas Wells, NAC 522.

This notice is posted pursuant to the NRS 233B.061, at the following public places:

**LEGISLATIVE COUNSEL BUILDING- CARSON CITY  
 STATE LIBRARY AND ARCHIVES  
 DIVISION OF MINERALS- CARSON CITY AND LAS VEGAS OFFICES  
 CAPITAL BUILDING-CARSON CITY  
 BISHOP MANOGUE HIGH SCHOOL  
 COUNTY LIBRARIES  
 DIVISION OF MINERALS WEBSITE  
 DEPARTMENT OF ADMINISTRATION PUBLIC NOTICE WEBSITE**

The public may contact Valerie Kneefel at (775) 684-7043 or Email [Vkneefel@minerals.nv.gov](mailto:Vkneefel@minerals.nv.gov) to request supporting material for the meeting described herein. The agenda and supporting material is available at [www.minerals.nv.gov](http://www.minerals.nv.gov)

**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.

Dated this 2<sup>nd</sup> day of October, 2015



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**RICHARD PERRY**  
 Administrator

Posting Date: October 2, 2015

**NOTICE OF PUBLIC HEARING FOR THE AMENDMENT OF REGULATIONS FOR OIL AND GAS WELLS**

**Hearing Date: Thursday, November 5, 2015**

9:00 A.M. – 10:00 A.M.

Bishop Manogue High School-110 Bishop Manogue Dr. Reno, NV 89511

**AGENDA**

**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. PUBLIC HEARING**

The Commission on Mineral Resources and the Nevada Division of Minerals will consider written and oral comments and may adopt amendments to regulations for Oil and Gas Wells as set forth in Chapter 522 of the Nevada Administrative Code .

**ACTION MAY BE TAKEN**

**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**

**NOTICE TO PERSONS WITH DISABILITIES**

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## NOTICE OF INTENT TO ACT UPON A REGULATION

### THE NEVADA DIVISION OF MINERALS OF THE COMMISSION ON MINERAL RESOURCES

#### NOTICE OF PUBLIC HEARING FOR THE AMENDMENT OF REGULATIONS FOR OIL AND GAS WELLS,

For the purpose of receiving public comment from all interested persons, the Nevada Division of Minerals will hold a public hearing regarding the adoption, amendment or repeal of proposed Regulations for Oil and Gas Wells as set forth in Chapter 522 of the Nevada Administrative Code.

DATE: November 5, 2015  
TIME: 9:00 a.m. – 10:00 a.m.

PLACE: Bishop Manogue High School  
110 Bishop Manogue Dr.  
Reno, NV 89511

As provided in Nevada Revised Statute Chapters 233B, 513.063(5), 522.040(3), 522.090, 522.119(2) and 534A.090, the Commission on Mineral Resources and the Division of Minerals is proposing to amend the present regulation for Oil and Gas Wells (Nevada Administrative Code § 522.010 through § 522.625

The following information is provided pursuant to the requirements of NRS 233B.0603:

- 1) The need for and the purpose of the proposed amendment of regulation is to establish a new fee schedule for the drilling of oil and gas wells including those which are hydraulically fractured, to update regulations regarding the filing of well logs and surveys, and clarification of language for the plugging of wells, the use of forms and sundry notices, filing of completion notices and the elimination of outdated language.
- 2) The proposed regulation changes are permanent, and can be found on the Legislative Council Bureau web site at:
  - a. <http://www.leg.state.nv.us/Register/2015Register/R056-15P.pdf>
  - b. <http://www.leg.state.nv.us/Register/2015Register/R081-15P.pdf>

The regulations are also available on the Division of Minerals web site at: <http://minerals.nv.gov/>

Printed copies of the proposed regulations changes can be obtained by contacting the Nevada Division of Minerals by phone at: 775-684-7040 or by email at: [ndom@minerals.nv.gov](mailto:ndom@minerals.nv.gov)

- 3) The potential economic impact on the regulated industry involves an increase in the application fee to permit an oil and gas well. The current fee to permit a well of \$200 would be replaced by a schedule of fees ranging from \$500 to permit conventional wells and up to \$4,500 to permit a well intended to be hydraulically fractured. An increase from \$0.15 per barrel to \$0.20 per barrel of production fee is also proposed. The proposed fee increases are intended to cover the cost of administering the permitting and compliance program at the Division of Minerals. The adverse effect is a higher cost to industry for permitting and operating an oil or gas well, and the beneficial effect is a more robust and competent regulatory program that is

adequately funded. The short and long-term effects of the fee increases are not significant in the cost of drilling an oil or gas well. Based on 2014 permitting and production levels, the total increase in fees to the oil and gas industry in Nevada would amount to approximately \$65,000. The immediate and long-term effect of the proposed regulations to the public is improved ability by the agency to ensure oil and gas wells are drilled according to code and permits and the protection of groundwater.

- 4) The estimated additional cost to the agency for enforcement of the proposed regulation is not significant.
- 5) The proposed regulation may duplicate or overlap federal regulations only on public lands administered by the U.S. Department of the Interior, Bureau of Land Management.
- 6) Federal law does not require the proposed regulation changes.
- 7) The proposed regulations are not more stringent than current federal law.
- 8) The proposed regulation does increase fees on oil and gas production.
- 9) The proposed regulations establish a new fee for permitting a well intended to be hydraulically fractured, an increase in the fee to drill a conventional oil or gas well, and new fees for evaluating a request to change a permit.

Interested persons wishing to comment on the proposed regulation may do so by appearing at the above-scheduled hearing or by submitting written comments to the Division of Minerals, 400 West King Street, Suite 106, Carson City, Nevada 89703 by 5:00 P.M. on or before October 29, 2015.

A copy of this notice and the proposed regulation can be reviewed at the Nevada State Library and Archives, 100 Stewart Street, Carson City, or the Division of Minerals Offices in Carson City (400 West King St., Suite 106, Carson City, NV 89703), and in Las Vegas (2030 E. Flamingo Rd., Suite 220 Las Vegas, NV 89119). The proposed regulation may also be reviewed on our web page at <http://minerals.nv.us>. In all counties in which an office of the agency is not maintained, the proposed regulation may be reviewed and copied at the main public library, during business hours.

This notice and the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653 and may be viewed on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

As provided in NRS 233B.064 (2), the Division of Minerals, if requested to do so by an interested person, either before adoption of the regulation or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption or will incorporate therein its reason for overruling the considerations against its adoption.