



STATE OF NEVADA
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RICHARD PERRY
 Administrator

NEVADA DIVISION OF MINERALS
REGULATION WORKSHOP
 Legislative Counsel Bureau
 401 South Carson St. Room #4100 Carson City, NV 89701

Thursday, December 21, 2017

9:00 A.M.

MINUTES

CALL TO ORDER

9:00 AM by Rich Perry Administrator

ATTENDANCE

NDOM Staff	Public
Rich Perry	Richard DeLong
Mike Visher	Jake Echeverria
Bryan Stockton	Ted Wilton
Lucia Patterson	Allen Biaggi
Courtney Brailo	John Snow
Lowell Price	John Edwards
Valerie Kneefel	Jeff Fontaine
	Kyle Davis
Other Agency Staff	Leo Drozdoff
Tim Wilson - NDWR	Richard Perkins
Jason King - NDWR	Chris Mahannah
Bruce Holmgren - NDEP	Carolyn McIntosh
Greg Lovato - NDEP	Elizabeth Zbinden
Nick Brothers - NDEP	
Pat Mohn - NDEP	
Todd Process - NDEP	
Tom Gray - NDEP	

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

Mr. Perry asked for public comment. No one came forward.

I. WORKSHOP

The Nevada Division of Minerals will conduct a public workshop to solicit comments from interested persons on proposed regulations for dissolved mineral resource exploration, as enabled under Assembly Bill 52 of the 2017 Legislative Session. The proposed regulations require a licensed water well driller for exploration borehole and well drilling, sets forth certain restrictions for drilling boreholes, permitting and construction of dissolved mineral exploration wells, plugging of boreholes and wells, and submission of certain reports to the Division of Minerals. The proposed regulations are available on the Nevada Division of Minerals web site at: www.minerals.nv.gov, and also in the Legislative digest at: <https://www.leg.state.nv.us/Register/2017Register/R109-17RP1.pdf>. The required Small Business Impact Statement will be posted on the Division web site at least 15 days prior to the public workshop.

Rich Perry: Went through the explanation of the proposed regulations with a PowerPoint presentation.

Tim Wilson: Manager, NV Division of Water Resources, well drilling section, explained the well drilling waiver process to allow for the exploration of dissolved mineral resources. He explained in depth the purpose and the regulation needed to fill the current gap from when the Statute goes into effect January 1, 2018 and when the Statute was passed in July 2017.

COMMENTS BY THE GENERAL PUBLIC;

Mr. Tom Gallagher: Nevada Water Solutions, provided attached written comments. Mr. Gallagher expressed objection to the regulations and would like to request 30 days to submit additional written comments. Expressed concern that the water well driller license requirement has never been regulated before. Stated his belief that the current DWR regulations are sufficient for lithium exploration activities. Regarding the 5 acre-feet limit per project, this doesn't address consumptive use or lack thereof. Adding another layer of authority solves nothing and will gold exploration be regulated next?

Carolyn McIntosh: representing Albemarle, provided attached written comments (jointly with Dajin). Stated that regulations need to be clear and concise without ambiguity. Generally, concerns were that 1) rules should operate prospectively; language should be cleared up to address duplication of permitting and clear confusion; 2) if one has a water right, one should not be under this law; 3) there should be more opportunity for meaningful public involvement. Section 25.2 should be revised. The NDOM language regarding the boreholes to wells issue was dropped in the LCB version, it should be added back. Language in Sec. 33 muddles the intent, add a provision for measuring water withdrawn. Amend Sec. 33.1(e) to say "before" 5 acre-feet rather than "if". Timelines for delivery should be returned to language in order for public to participate in the process.

Rich Perry: Explained the purpose of the public workshop which is to present a draft and to solicit the comments and input from the public as to what we might need to change in the draft. We will then meet as a team in January and take all these comments and work through the draft.

Chris Mahannah: representing Dajin Resources, provided attached written comments (jointly with Albemarle). Our opinion is that the current LCB version does not support our exploration without a permit from NDOM even though we have water rights in Teels Marsh.

Carolyn McIntosh: Regarding Slide #9, what is "in good standing"?

Rich Perry: Expired DWR waivers are not in good standing.

Tim Wilson: I can't comment on wells in dispute or in litigation, but generally if there is no valid waiver or permit then the well would not be in good standing.

Carolyn McIntosh: Slide #11, the transition issue, if you have a water right, why can't you drill boreholes without going through NDOM?

Rich Perry: AB 52 definition of a dissolve mineral resource exploration borehole necessitates regulation by NDOM.

Chris Mahannah: Do you envision dual permits if you exceed 5 acre-feet?

Rich Perry: No.

Tim Wilson: No.

Kyle Davis: Nevada Conservation League, pointed out some of the sections which they think need more clarification or additions. Pg. 9, Sec 20, # 7, the time frame for that? When that might be posted? Same issue for Pg. 14, Sec. 23 #11. Regarding bonding requirement on private land, how will NDOM determine the amount and is that a public process? Looking for assurance for public to comment on application prior to issuance of a permit. Sec. 33 (e), is the exceedance of 5 acre-feet allowed. Sec. 36, regarding public hearings, how will that work and can I sign up to receive notice of hearings? Sec. 39, "any party recognized", by who?

Rich Perry: I would note that the posting of a permit actually is in Statute at 5 days.

Rich DeLong: EM Strategies, a mineral permitting firm here in Nevada. I really have one simple comment, for other mineral exploration projects here in Nevada that obtain permits from BMRR they have an annual reporting requirement to the agency, in Section 33 of these regulations has a monthly reporting requirement which to me for a simple exploration project seems somewhat burdensome and I would suggest that the group consider either quarterly, semi-annual or annual reporting.

Vincent Ramirez: 3PL Exploration, I have a pilot exploration project in Railroad Valley. Requested an explanation of the definition of the word "project".

Rich Perry: responded by explaining that the definition of a "project" is actually defined in the Statute.

Rich Perry: Asked for Public comment, there being no other comments, Mr. Perry stated that additional written comments are welcomed and may be submitted up until the posting timeline. He thanked all those in attendance for their involvement in this process.

The Workshop adjourned at 1:58 p.m.