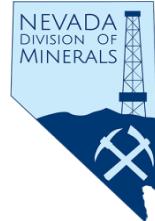




JOE LOMBARDO  
Governor

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/>

Las Vegas Office: 375 E. Warm Springs Rd. #205, Las Vegas, NV 89119  
Phone: (702) 486-4343; Fax: (702) 486-4345



MICHAEL VISHER  
Administrator

## COMMISSION ON MINERAL RESOURCES

Nevada Division of Minerals  
400 W. King St. #106  
Carson City, NV 89703

Join us from a PC, Mac, iPad, iPhone, or Android Device: Please click this URL to join,  
<https://us02web.zoom.us/j/9712825638?pwd=YkZPbHJIdUQ0cUo3bldzb2k3aS9UUT09>

Meeting ID: 971 282 5638  
Passcode: NDOM

Monday, April 17, 2023

10:00 A.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. Public comments may be limited to 5 minutes for each person.

**ACTION WILL NOT BE TAKEN**

### I. AGENDA

A. Approval of the Agenda

**FOR POSSIBLE ACTION**

### II. MINUTES

A. Approval of the February 1, 2023, meeting minutes

**FOR POSSIBLE ACTION**

### III. NEW BUSINESS

A. Executive Order 2023-003

On January 12, 2023, Governor Lombardo issued Executive Order 2023-003 requiring each executive branch agency complete a comprehensive review of the regulations subject to its enforcement and provide a report to the Governor's office by May 1, 2023. A review of the order and its requirements will be presented.

– Mike Visher

**FOR DISCUSSION ONLY**

- B. Review of Existing Regulations per Executive Order 2023-003 **FOR POSSIBLE ACTION**  
The Commission and Division staff will discuss the sections of regulations in Chapters 513, 519A, 522, 534A, and 534B which are proposed for removal or clarification.

**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**

**ADJOURNMENT**

**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 89703 or contact Rob Ghiglieri at (775) 684-7048 or by email at [rghiglieri@minerals.nv.gov](mailto:rghiglieri@minerals.nv.gov).

## **II.A. MINUTES**



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MICHAEL VISHER  
Administrator

Wednesday February 1, 2023

1:00 P.M.

**MINUTES**

Commissioners	Staff	Public
Josh Nordquist	Mike Visher	Robert Ernaut (via Zoom)
Mary Korpi	Rob Ghiglieri	Jim Faulds (NBMG)
Art Henderson	Jessie Dumas	
Bob Felder	Anthony Walsh, DAG	
Nigel Bain (via Zoom)	Garrett Wake	
Randy Griffin	Carol Shelton	
Stephanie Hallinan (via Zoom)	Sean Derby	

**CALL TO ORDER**

1:07 PM

**ROLL CALL**

All Commissioners present.

**PLEDGE OF ALLEGIANCE**

**COMMENTS BY THE GENERAL PUBLIC**

There were no public comments.

**I. AGENDA**

**A. Approval of the Agenda**

Administrator Mike Visher requested to move agenda item III D. into Old Business upon the arrival of Jim Faulds.

**Motion to approve with change made by Administrator Visher by:** Bob Felder

**Seconded by:** Mary Korpi

**Unanimously approved.**

**II. MINUTES**

**A. Approval of the November 30, 2022, meeting minutes**

**Motion to approve the November 30, 2022, minutes made by:** Randy Griffin

**Seconded by:** Stephanie Hallinan

**Unanimously approved.**

**III. NEW BUSINESS**

Nigel Bain; Large-Scale Mining  
Robert Felder; Exploration and Development  
Randy Griffin; Small-Scale Mining and Prospecting

**Commission on Mineral Resources**

Josh Nordquist, Chairman; Geothermal Resources

Stephanie Hallinan; Large-Scale Mining  
Art Henderson; Oil and Gas  
Mary Korpi; Public at Large

**A. Introduction to New Staff**

Administrator Visher introduced new staff member Carol Shelton, who joined December 27, 2022, as the new Field Specialist for the Las Vegas office. Carol Shelton introduced herself and provided a background of her career. Carol Shelton received her education in Biology and Health Physics. Having worked at Nevada Test Site with nuclear high explosives as well as at Round Mountain in gold mining and other various positions, safety is always on her mind.

**B. Review of Existing Regulations per Executive Order 2023-003**

Administrator Visher summarized Governor Lombardo's January 12, 2023, Executive Order 2023-003 (attached). Administrator Visher proposed a Special Meeting in April to go over the identified statutes to meet the May 1 deadline. Proposing to have a workshop with stakeholders impacted by the regulations.

**Bob Felder:** How big of a task is this for you and your staff?

**Mike Visher:** Biggest efforts will be in the workshop. 2019 Geothermal regulations were updated, not much to change. Ensuring that Open Meeting Law is followed for the Special Meeting with the Commission.

**Anthony Walsh:** Governor's order requires that workshops need to be in accordance with NRS 233B, which requires the notice to be 15 days in advance.

**Stephanie Hallinan:** By May 1<sup>st</sup>, you have to have submitted notable changes and what changes would be?

**Josh Nordquist:** To be clear, it is not all changes you want to make for the year, just the ones you want to remove?

**Mike Visher:** Regulations to remove in regard to streamlining regulations, who benefits and the impacts, with the intent of streamlining regulations. This is a requirement of agencies to do this task every 10 years.

**C. Review of Agency's Fiscal 2023 Revenue, Expenditures and Forecast**

Administrator Visher stated that generally by the end of January all payments of counties are received for the mining claim filings that occur in December or before. The updated number for December is \$2.4 million instead of \$2.27 which is an increase in revenue. The reserve balance was presented (attached). In the forecast Administrator Visher included what the Commission has approved in Special Projects and AML contracts. One exception is the most recent AML biological contract with West which was not included in the forecast. Under Category 01, personnel, the Governor has proposed an 8% cost-of-living increase for State employees, and proposing to eliminate inequity where employees in collective bargaining unit got a 3 percent increase. In FY24, everyone will get a 10% increase who was not a part of a collecting bargaining agreement. Also be a \$2,000 a year bonus paid out quarterly beginning in March and June. These are not forecasted in the budget. There will be an agency budget hearing before the legislature to review requested enhancements which includes one additional employee. If approved NDOM will have 12 FTEs. That is for the GIS Analyst that was approved by the Governor's Office. The current reserve and forecast through FY25 is still well above the guidance amount.

**IV. OLD BUSINESS**

**A. Update on McCaw School of Mines Exhibit**

Garrett Wake provided an update for the McCaw School of Mines life-size projection exhibit (presentation attached). Asked for donation of video services with a high-resolution screen to showcase underground mining. Eleven minutes of footage was received, paring down to one 3-to-5-minute video with voice over geared. (Video played).

**Randy Griffin:** Can you obtain pictures of a blast?

**Garrett Wake:** We can do that.

**Josh Nordquist:** What's the completion date looking like?

**Garrett Wake:** We have everything needed to produce the video; all we need is the voice-over. Completion will be around 3 weeks.

**B. Update on "Stay Out, Stay Alive" Digital Marketing Campaign**

Sean Derby provided a presentation (attached) with updates from the Jimmy King media campaign.

**Josh Nordquist:** If I remember right, we kicked this off in late November?

**Sean Derby:** Yes, the program allotted \$50,000 just for software that drives this social media campaign. This campaign officially ended on December 28<sup>th</sup> and another TV campaign ended two weeks ago from local channels 4 and 11, with the 30 second version.

**Mike Visher:** What was the range of cost for each push to get momentum?

**Sean Derby:** Cost per ad was at \$4-\$5, but the cost per impression was 11 cents.

**Mike Visher:** Any feedback from their (contractor Modus Media) impressions of the ad?

**Sean Derby:** The media company was satisfied with the results, they stated we outperformed any other campaign they've had on a cost per click. Almost twice as good due to the engaging content. Impression given by ad campaign is that the cost could go down by focusing on targeted ads. The actor who did Jimmy is willing to volunteer his time.

**Rob Ghiglieri:** When I shared these videos in Grand Junction, I was asked if they can give us money to run these as they are so generic. We will attend the NAAMLP annual business meeting in Wyoming and share the success. This could be an opportunity to collaborate and help.

**Art Henderson:** How much in the video says Nevada?

**Sean Derby:** Just the end where it reads NDOM.

**Art Henderson:** This could be easy to bring others in.

**Sean Derby:** I am planning on giving a presentation on this at the NAAMLP Conference in Chicago this fall. Also going to back channel with people in Wyoming.

**Rob Ghiglieri:** They're at a good point to where we can collaborate.

**Nigel Bain:** Sounds like it's been a major success, congratulations on that.

**Josh Nordquist:** This has shown key results.

**Mike Visher:** Lessons learned?

**Sean Derby:** First, the State website not great for hosting this type of content, had to use a 3<sup>rd</sup> party page to draw people to the NDOM page. Other content including Lucia's work applies to future pushes and supply links. People traveling interested in other things. Unsure how much more we can tighten the geo-target, focus on not as many ads. The comedy approach engages with people.

**Mike Visher:** Will you be using this content for the Las Vegas billboard?

**Sean Derby:** Yes, we are having a billboard proof drawn up by a graphic designer. He is also coming up with ideas for rebranding imagery, pamphlets, and activity books.

**C. Update on Federal Funding for AML**

Deputy Administrator Rob Ghiglieri gave a verbal update on Federal funding of hardrock AML. He reviewed that in November 2022 CMR meeting in Las Vegas, that it was anticipated to receive additional funding from the federal government's Office of Environmental Policy and Compliance (OEPC). Rob hoped that OEPC would receive funding of \$65 million annually for the nation. When the federal budget passed, they were funded at the previous year's \$5 million in fiscal year 2023. Rob held a meeting with OEPC and Interstate Mining Compact Commission regarding the plans and

funding for FY23. Rob asked Director Steven Tryon why the lack of funding, and everyone agreed that there was no representative at the DC level that was pushing for it. During meeting with OEPC, the funding opportunities for states will be the combination of the last 2 fiscal years funding.

**D. Review and Status of CMR-Approved NBMG Projects**

Jim Faulds, Director of Nevada Bureau Mines and Geology provided a presentation (attached). Jim gave an overview of the existing CMR-Approved NBMG Contracts and their current completion status. The Lithium Project is having problems with their USGS contact who was going to work on the project. The Soda Lake Project will start after fiscal year 2023.

**Art Henderson:** I am not in favor of this 8% overhead, NDOM gave money for specific projects. My opinion is to push back. We should try.

**Jim Faulds:** This is a requirement for all State agencies, we have a separate award from Governor's Office, the percent was required too.

**Art Henderson:** We've been generous with our support to you, if they were to have nothing, instead of taking 8%, that may be the way I vote in the future.

**Jim Faulds:** Funds don't go directly to the University they have to cycle through the Sponsored Projects Office. The standard is 46%, it's lower than that, fellow State agencies would also be charged.

**Art Henderson:** How would you fund your projects if we weren't to give the 8%, where are you getting it from?

**Jim Faulds:** We would not get that 8%, we'd have to lower the expectations of the project by that percent. It does cover the salary of certain people.

**Art Henderson:** We can send them a letter telling them we've been very generous and pay for salaries. I don't think we should pay that 8%.

**Randy Griffin:** 8% is going to a State Agency?

**Art Henderson:** No UNR overhead. What is that going into?

**Jim Faulds:** Most of it goes to the Vice President for research. The College of Science gets 7%. Bureau will get the 3.5% of the 8%.

**Art Henderson:** When did this start happening?

**Jim Faulds:** They implemented this about two years ago.

**Rob Ghiglieri:** There was an all-agency memo that said anything with Nevada System of Higher Education will require or authorize an 8% indirect cost.

**Jim Faulds:** Other State agencies they go to 10%.

**Josh Nordquist:** Request I hear is to send letter to reach out and ask for a better explanation of this? Sounds like we have a referenced memorandum.

**Nigel Bain:** Timing for discussion is right, with a new Governor.

**Art Henderson:** We need to investigate more at a later time.

Presentation Continued.

**Bob Felder:** If we give you a grant, starting now with the 8%, will the USGS take your overhead?

**Jim Faulds:** No. they don't.

Presentation Continued.

**Bob Felder:** What about the Soda Lake Project?

**Jim Faulds:** Has not started yet. Isn't slated to begin until July 2023.

**III. NEW BUSINESS (moved to end during agenda change at beginning of meeting.)**

**D. Request for Financial Assistance for Equipment at the GBSSRL**

Jim Faulds, Director of Nevada Bureau Mines and Geology provided a proposal for NDOM's support to purchase equipment for the NBMG Great Basin Science Sample and Records Library (GBSSRL) (presentation attached).

**Mary Korpi:** Since this is a match for equipment, will there be an 8% indirect cost rate?

**Jim Faulds:** Since it is for equipment, I do not believe there will be an 8% indirect cost rate.

**Art Henderson:** Just to confirm, you are requesting the full \$61,679.00.

**Jim Faulds:** Yes, we are requesting the full \$61,679.00 but any money would help, and we would then prioritize the equipment at that point.

**Stephanie Hallinan:** Will this funding for storage be able to meet all NBMG's space needs?

**Jim Faulds:** No, but it will be able to buy a couple years.

**Stephanie Hallinan:** Will that storage portion be completed in FY23?

**Jim Faulds:** No, we anticipate it to be completed in calendar 2023, but in FY24.

**Motion to approve the NBMG request for \$61,679.00 for the matching funds, made by:** Art Henderson

**Seconded by:** Bob Felder

**Randy Griffin amended the motion to state that the Commission approves the NBMG request of \$61,679.00 matching funds so long as none of the funds are allocated to the fiscal and administrative fees of UNR typically charged at 8%.**

**Seconded by:** Mary Korpi

**Unanimously approved.**

**V. COMMISSION BUSINESS**

**A. Review of staff monthly activity reports for November and December.**

No questions were asked.

**B. Set date for next Commission meeting.**

Administrator Visher proposed to have next CMR in either Reno or Carson due to the Legislative Session. Tentatively set for Thursday May 4 at 10:30 am at the Gold Building (GBSSRL) conference room.

**COMMENTS BY THE GENERAL PUBLIC**

There were no public comments.

**ADJOURNMENT**

**3:47pm**

### **III. NEW BUSINESS**

### **III. A. Executive Order 2023-003**



## EXECUTIVE ORDER 2023-003

### **Order Freezing the Issuance of New Regulations and Requiring a Review of Existing Regulations by All Executive Branch Agencies, Departments, Boards and Commissions**

**WHEREAS**, state regulations should protect workers, consumers and the environment, while promoting entrepreneurship and economic growth; and

**WHEREAS**, state regulations can become outdated, result in unintended consequences, create conflicts or impose an unnecessary burden on citizens, businesses or government entities; and

**WHEREAS**, it is in the best interest of the state of Nevada that its regulatory environment be concise, transparent, stable, balanced, predictable and thoughtfully constructed; and

**WHEREAS**, Nevada's current regulatory structure is too often unfocused and inefficient, contains regulations that are obsolete and includes regulations that are unnecessarily onerous, thereby limiting the economic potential of the State; and

**WHEREAS**, Article 5, Section 1 of the Nevada Constitution provides that, "The Supreme Executive Power of this State shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada;

**NOW, THEREFORE**, by the authority vested in me as Governor by the Constitution and laws of the State of Nevada, it is hereby ordered as follows:

## **SECTION 1**

Every executive branch department, agency, board and commission shall undertake a comprehensive review of the regulations subject to its enforcement. On or before, May 1, 2023 each department, agency, board and commission shall provide a report to the Governor's office detailing how the regulation subject to its enforcement can be streamlined, clarified, reduced or otherwise improved to ensure those regulations provide for the general welfare of the State without unnecessarily inhibiting economic growth.

## **SECTION 2:**

As part of its report, every executive branch department, agency, board and commission shall provide a list of not less than ten (10) regulations recommended for removal, ranking them in descending order of priority.

## **SECTION 3:**

Prior to submitting their respective reports, every executive branch department, agency, board and commission shall hold a public hearing, after having provided reasonable notice consistent with Chapter 233B of the Nevada Revised Statutes, to key industry stakeholders, to: (i) vet their recommended changes; (ii) solicit input as to the merits of those changes and (iii) identify other regulatory changes stakeholders feel are worthy of consideration. Stakeholder input shall be reflected in the summary of findings and recommendations included in each submitted report.

## **SECTION 4:**

Unless specifically exempt from this Executive Order as set forth in Section 5, no new regulations shall be proposed, approved or acted on by any executive branch agency, department, board or commission until such time as this Executive Order is rescinded.

## **SECTION 5:**

The following regulations are not subject to the suspension set forth in Section 4:

- (a) Regulations that affect public health;
- (b) Regulations that affect public safety and security;
- (c) Regulations that are necessary in the pursuit of federal funds and certifications;
- (d) Regulations that affect the application of powers, functions and duties essential to the operation of the executive branch agency, department, board or commission at issue;
- (e) Regulations that affect pending judicial deadlines; and
- (f) Regulations necessary to comply with federal law.

Until the suspension of this Executive Order, each executive branch department, agency,

board and commission that intends to continue with the enactment of a proposed regulation under an exception to the freeze set forth in Section 4 shall submit a report to the Governor's office identifying which exemption the proposed regulation falls within and detailing the problem the regulation addresses or the value to the public of the regulation, how the regulation addresses the problem or the benefits provided by the regulation, why alternate forms of regulation are insufficient to address the problem and whether other regulations currently address the problem.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 12th day of January, in the year two thousand twenty-three.



\_\_\_\_\_  
Governor



\_\_\_\_\_  
Secretary of State



\_\_\_\_\_  
Deputy

### **III. B. Review of Existing Regulations per EO 2023-003**

NAC	Page #	Description	Reason for Change	Change Type	Recommended By	Commission Decision
513.110	3	Notice Required to open or close a mine	Unnecessary, same information collected by other agencies	Removal	NDOM	
519A.570	16	Application for participation in bond pool	Subsections 3 and 4, replace requirement for CPA review of financial statements with notarized affidavit by applicant	Clarification	NDOM	
522.232	9	Duties of the operator	Subsection 5, notification of previously used casing unnecessary absent any restrictions	Removal	Commissioner Henderson	
522.232	9	Duties of the operator	Subsection 10, update NDEP spill reporting website	Clarification	NDOM	
522.345	15	Utilization of gas	Subsection 1, regulating how gas is used is inappropriate as long as the gas is not wasted, subsection 1 should be removed	Removal	Commissioner Henderson	
534A.205	4	Filing of certified plat of location	Requirement for professional land surveyor to survey well locations and submit certified plat is unnecessary given modern locational equipment and georeferenced documentation	Removal	NDOM	
534A.310	6	Submission of cuttings/core to NBMG	Subsection 2, submission of cuttings or split of core within 30 days of well completion is not practical for core, particularly if core is to be skeletonized prior to submission. Recommend extending deadline to 90 days.	Clarification	NDOM	
534B.100	4	Responsibilities of well driller	Subsection 1 (b), requirement for licensed well driller to be present "at all times when the rig is in operation" is too restrictive. Remaining language is sufficient.	Removal	NDOM	
534B.125	6	Requirements for plugging	Subsection 3, requirement to remove all pipe or tubing prior to plugging borehole is impractical	Removal	NDOM	

**Language proposed for removal in red and bracketed -{remove}, additions in blue italics - *addition***

## CHAPTER 513 - COMMISSION ON MINERAL RESOURCES; DIVISION OF MINERALS

### REGISTRATION AND RECORDS OF MINING OPERATIONS

<b><u>513.010</u></b>	<b>Definitions.</b>
<b><u>513.020</u></b>	<b>“Administrator” defined.</b>
<b><u>513.030</u></b>	<b>“Mine” defined.</b>
<b><u>513.040</u></b>	<b>“Operator” defined.</b>
<b><u>513.050</u></b>	<b>“Person” defined.</b>
<b><u>513.060</u></b>	<b>Waiver or alteration of provisions.</b>
<b><u>513.070</u></b>	<b>Confidentiality of information.</b>
<b><u>513.080</u></b>	<b>Forms for submission of information.</b>
<b><u>513.090</u></b>	<b>Preparation and maintenance of records and reports.</b>
<b><u>513.100</u></b>	<b>Registration of mines.</b>
<b><u>513.110</u></b>	<b>Notice required to open or close mine.</b>
<b><u>513.120</u></b>	<b>Annual reports by operators.</b>

### DANGEROUS CONDITIONS CREATED BY ABANDONMENT OF MINES

<b><u>513.200</u></b>	<b>Definitions.</b>
<b><u>513.205</u></b>	<b>“Administrator” defined.</b>
<b><u>513.210</u></b>	<b>“Animal” defined.</b>
<b><u>513.220</u></b>	<b>“Commission” defined.</b>
<b><u>513.230</u></b>	<b>“Dangerous condition” defined.</b>
<b><u>513.240</u></b>	<b>“Division” defined.</b>
<b><u>513.270</u></b>	<b>“Owner” defined.</b>
<b><u>513.280</u></b>	<b>“Person” defined.</b>
<b><u>513.290</u></b>	<b>“Responsible person” defined.</b>
<b><u>513.300</u></b>	<b>Scope.</b>
<b><u>513.310</u></b>	<b>Waiver of provisions.</b>
<b><u>513.315</u></b>	<b>Additional fee for certain filings required by <a href="#">Chapter 517</a> of NRS.</b>
<b><u>513.320</u></b>	<b>Assignment of points to dangerous condition.</b>
<b><u>513.330</u></b>	<b>Rating of location; modification of rating by Administrator.</b>
<b><u>513.340</u></b>	<b>Rating of degree of danger.</b>
<b><u>513.350</u></b>	<b>Dangerous condition causing fatality or injury.</b>
<b><u>513.360</u></b>	<b>Ranking of dangerous condition.</b>
<b><u>513.380</u></b>	<b>Period after notification to post warning sign and secure dangerous condition.</b>
<b><u>513.390</u></b>	<b>Methods for securing dangerous condition; approval by Administrator to modification of method.</b>

### REGISTRATION AND RECORDS OF MINING OPERATIONS

**NAC 513.010 Definitions.** ([NRS 513.063](#)) As used in [NAC 513.010](#) to [513.120](#), inclusive, unless the context otherwise requires, the words and terms defined in [NAC 513.020](#) to [513.050](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.020 “Administrator” defined.** ([NRS 513.063](#)) “Administrator” means the Administrator of the Division of Minerals of the Commission on Mineral Resources.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.030 “Mine” defined.** ([NRS 513.063](#)) “Mine” means:

1. Any area where:

- (a) Development is conducted to prepare or open any deposit of minerals; or
  - (b) Minerals are extracted from a surface or subsurface deposit; or
2. Any beneficiation plant, mill, smelter, refinery or other facility used to treat or reduce any mineral or mineral commodity, whether or not contiguous to an area where exploitation or extraction of mineral commodities occurs.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.040 “Operator” defined.** ([NRS 513.063](#)) “Operator” means any person operating, controlling or supervising a mine and owning the right to do so, and includes any person charged with the responsibility for the operation of a mine.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.050 “Person” defined.** ([NRS 513.063](#)) “Person” means a natural person, any form of business or social organization and any other legal entity including, but not limited to, a corporation, partnership, association, trust, unincorporated organization, government, governmental agency or political subdivision of a government.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.060 Waiver or alteration of provisions.** ([NRS 513.063](#)) The Administrator may waive or alter any provision of [NAC 513.010](#) to [513.120](#), inclusive, if the intent of that provision would not be carried out by its strict application.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.070 Confidentiality of information.** ([NRS 513.063](#))

1. Except as otherwise provided in subsection 4, any information submitted to the Administrator pursuant to the provisions of [NAC 513.010](#) to [513.120](#), inclusive, may be classified as confidential by the person submitting the information. If the person submitting the information wishes the Administrator to consider the information confidential, the claim must be asserted at the time of submission by stamping or writing “confidential business information” on each page containing the information.

2. If a claim is asserted, the information so kept must remain confidential except that the information may be used in connection with other data if use of that information would not disclose the identity of the confidential information.

3. If a claim is not made at the time of submission, the Administrator may make the information available to the public without further notice.

4. The Administrator will not classify as confidential any information required to be submitted to him or her pursuant to the provisions of [NAC 513.010](#) to [513.120](#), inclusive, if the information relates to:

(a) The name and address of the person conducting the operation of the mine;

(b) The annual production of the commodity;

(c) The amount of the tax on the net proceeds of a mine and the amount of the tax on the property of the operation; or

(d) The number of persons employed by a mine.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.080 Forms for submission of information.** ([NRS 513.063](#)) The information required pursuant to the provisions of [NAC 513.010](#) to [513.120](#), inclusive, must be submitted on forms provided by the Administrator.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.090 Preparation and maintenance of records and reports.** ([NRS 513.063](#)) Each operator shall prepare and maintain such records and reports as the Administrator may require.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**NAC 513.100 Registration of mines.** ([NRS 513.063](#)) Each operator of a mine which:

1. Is in operation on February 18, 1988, shall submit to the Administrator a completed form for registration within 90 days after February 18, 1988.
2. Begins operations after February 18, 1988, shall submit to the Administrator a completed form for registration within 30 days after the date on which operations began.  
(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

**{NAC 513.110 Notice required to open or close mine.}** ([NRS 513.063](#))

1. Each operator shall notify the Administrator, in writing, before opening or closing a mine.
2. The notice must include:
  - (a) The name and location of the mine;
  - (b) The name, address and telephone number of the owner of the mine;
  - (c) The name, address and telephone number of the operator;
  - (d) If opening a mine, a statement whether the operation of the mine will be continuous or intermittent; and
  - (e) If closing a mine, a statement whether the closing of the mine is temporary or permanent.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)}

**NAC 513.120 Annual reports by operators.** ([NRS 513.063](#)) On or before April 15 of each year, each operator shall submit to the Administrator a report relating to the annual status and production of the mine for the preceding calendar year.

(Added to NAC by Comm'n on Mineral Resources, eff. 2-18-88)

#### DANGEROUS CONDITIONS CREATED BY ABANDONMENT OF MINES

**NAC 513.200 Definitions.** ([NRS 513.094](#)) As used in [NAC 513.200](#) to [513.390](#), inclusive, unless the context otherwise requires, the words and terms defined in [NAC 513.205](#) to [513.290](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88; A by R069-99, 8-19-99)

**NAC 513.205 “Administrator” defined.** ([NRS 513.094](#)) “Administrator” means the Administrator of the Division.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88) — (Substituted in revision for NAC 513.250)

**NAC 513.210 “Animal” defined.** ([NRS 513.094](#)) “Animal” means any member of the bovine, equine, porcine or caprine species as well as dogs, cats or other animals under the restraint or control of a person.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.220 “Commission” defined.** ([NRS 513.094](#)) “Commission” means the Commission on Mineral Resources.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.230 “Dangerous condition” defined.** ([NRS 513.094](#)) “Dangerous condition” means a condition resulting from mining practices which took place at a mine that is no longer operating or its associated works that could reasonably be expected to cause substantial physical harm to persons or animals.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.240 “Division” defined.** ([NRS 513.094](#)) “Division” means the Division of Minerals of the Commission on Mineral Resources.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.270 “Owner” defined.** ([NRS 513.094](#)) “Owner” means the owner of real property who is shown to be the owner on records located in the courthouse of the county in which the real property is located.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.280 “Person” defined.** ([NRS 513.094](#)) “Person” means a natural person.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.290 “Responsible person” defined.** ([NRS 513.094](#)) “Responsible person” means the owner of a patented claim or the claimant of an unpatented claim.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.300 Scope.** ([NRS 513.094](#)) The provisions of [NAC 513.200](#) to [513.390](#), inclusive, apply to all owners or other responsible persons for dangerous conditions on private or public land.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.310 Waiver of provisions.** ([NRS 513.094](#)) Upon the approval of the Administrator, the Division may grant a waiver from any provision of [NAC 513.200](#) to [513.390](#), inclusive, if the waiver does not defeat the purpose of [NRS 513.094](#).

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.315 Additional fee for certain filings required by Chapter 517 of NRS.** ([NRS 513.063](#), [513.094](#)) The amount of the additional fee that is imposed on filings pursuant to subsection 1 of [NRS 513.094](#) is \$4 per claim.

(Added to NAC by Comm'n on Mineral Resources by R069-99, eff. 8-19-99; A by R080-01, 1-16-2002; R199-08, 8-26-2008, eff. 8-27-2008; R127-15, 6-28-2016)

**NAC 513.320 Assignment of points to dangerous condition.** ([NRS 513.094](#)) The Administrator or his or her representative shall assign a dangerous condition one to five points for the location of the condition and an additional one to five points for the degree of danger associated with the condition. The condition must then be ranked according to the total number of points for location and degree of danger.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.330 Rating of location; modification of rating by Administrator.** ([NRS 513.063](#), [513.094](#)) The location of a dangerous condition must be rated in the following manner:

1. One point must be assigned to a dangerous condition located at least 5 miles from an occupied structure or a public road maintained by some governmental entity.
2. Two points must be assigned to a dangerous condition located between 1 and 5 miles from an occupied structure or a public road maintained by some governmental entity.
3. Three points must be assigned to a dangerous condition located 1/2 to 1 mile, inclusive, from a town.
4. Four points must be assigned to a dangerous condition located not more than 1/2 mile from a town or not more than 1 mile from an occupied structure or a public road maintained by some governmental entity.
5. Five points must be assigned to a dangerous condition located within a town or within 100 feet of an occupied structure or a public road maintained by some governmental entity.  
→ The Administrator or his or her representative may assign a different rating to a dangerous condition in a location if other factors affecting accessibility warrant the modification, but the

rating for a dangerous condition in a single location may not be scored higher than five points.  
(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88; A by R127-15, 6-28-2016)

**NAC 513.340 Rating of degree of danger. ([NRS 513.094](#))** The degree of danger for a dangerous condition must be rated in the following manner:

1. One point must be assigned to a dangerous condition consisting of:
    - (a) A vertical or near vertical hole 8 to 20 feet, inclusive, in depth and highly visible upon approach;
    - (b) An inclined hole less than 50 feet deep from which a person could climb out;
    - (c) A horizontal hole with no associated stopes, winzes or raises; or
    - (d) A high wall of an open pit.
  2. Two points must be assigned to a dangerous condition consisting of:
    - (a) A vertical or near vertical hole 8 to 20 feet, inclusive, in depth which is not visible upon approach;
    - (b) Any vertical or near vertical hole 20 to 50 feet, inclusive, in depth; or
    - (c) Any inclined hole greater than 50 feet deep from which a person could climb out with no associated stopes, winzes or raises.
  3. Three points must be assigned to a dangerous condition consisting of:
    - (a) Any vertical or near vertical hole 50 to 100 feet, inclusive, in depth; or
    - (b) Any horizontal or inclined hole with associated stopes, winzes or raises with less than a 20-foot vertical opening.
  4. Four points must be assigned to a dangerous condition consisting of:
    - (a) Any vertical or near vertical hole which is at least 100 feet deep and visible upon approach; or
    - (b) Any horizontal or inclined hole with associated stopes, winzes or raises with a vertical opening greater than 20 feet.
  5. Five points must be assigned to a dangerous condition consisting of any vertical or near vertical hole which is at least 100 feet deep and not visible upon approach.
- The Administrator or his or her representative may assign a higher degree of danger to a dangerous condition if other factors such as loose ground or the presence of water increase the danger, but the degree of danger for a single dangerous condition may not be scored higher than five points.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.350 Dangerous condition causing fatality or injury. ([NRS 513.094](#))** Any dangerous condition that has been the cause of a documented fatality or injury must be ranked as a high hazard, regardless of its numerical score.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88)

**NAC 513.360 Ranking of dangerous condition. ([NRS 513.063](#), [513.094](#))** Dangerous conditions must be ranked as follows:

1. A dangerous condition with a total number of two or three points is a minimal hazard;
2. A dangerous condition with a total number of four or five points is a low hazard;
3. A dangerous condition with a total number of six or seven points is a moderate hazard; and
4. A dangerous condition with a total number of at least eight points is a high hazard.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88; A by R127-15, 6-28-2016)

**NAC 513.380 Period after notification to post warning sign and secure dangerous condition. ([NRS 513.063](#), [513.094](#))** If notified by the Commission of the existence of a dangerous condition, the owner or responsible person shall:

1. Post within 180 days a warning sign in a prominent location near a dangerous condition ranked as a minimal hazard; and

2. In the manner prescribed in [NAC 513.390](#):

(a) Secure within 180 days a dangerous condition ranked as a low hazard;

(b) Secure within 120 days a dangerous condition ranked as a moderate hazard; and

(c) Secure within 60 days a dangerous condition ranked as a high hazard.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88; A by R127-15, 6-28-2016)

**NAC 513.390 Methods for securing dangerous condition; approval by Administrator to modification of method. ([NRS 513.063](#), [513.094](#))**

1. Except as otherwise provided in subsection 4, a dangerous condition ranked as a low, moderate or high hazard must be secured by one or more of the following:

(a) A barricade or other structure, including, without limitation, a structure consisting of metal posts and four strands of barbed wire, or other durable materials, constructed to prevent a person or animal from accidentally exposing himself or herself to the dangerous condition.

(b) Permanently anchored seals constructed of material not subject to rapid decomposition and, if used to secure a vertical opening, strong enough to support the weight of any person or animal.

(c) Backfilling so that no void spaces remain.

2. In addition to securing a dangerous condition pursuant to subsection 1, if the dangerous condition ranked as a low, moderate or high hazard is secured only by the method set forth in paragraph (a) of subsection 1, the owner or responsible person must post a warning sign in a prominent location near the dangerous condition. The warning sign must be posted within the period set forth in subsection 2 of [NAC 513.380](#) for securing the dangerous condition.

3. Regardless of the method used pursuant to subsection 1 to secure a dangerous condition, the owner or responsible person shall maintain the integrity of that structure.

4. The Administrator or his or her representative may approve the modification of a method of securing a dangerous condition to accommodate features or characteristics that are specific to the location of the dangerous condition.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-21-88; A by R127-15; 6-28-2016)

# Language proposed for removal in red and bracketed -{remove}, additions in blue italics - *addition*

## CHAPTER 519A - RECLAMATION OF LAND SUBJECT TO MINING OPERATIONS OR EXPLORATION PROJECTS

### REGULATION OF MINING OPERATIONS AND EXPLORATION PROJECTS

#### General Provisions

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<u>519A.020</u>	“Active” defined.
<u>519A.025</u>	“Affected” defined.
<u>519A.030</u>	“Division” defined.
<u>519A.035</u>	“Exploration project” defined.
<u>519A.040</u>	“Growth medium” defined.
<u>519A.043</u>	“Major modification” defined.
<u>519A.044</u>	“Mine-impacted waters” defined.
<u>519A.045</u>	“Mining operation” defined.
<u>519A.050</u>	“Minor modification” defined.
<u>519A.055</u>	“New exploration project” defined.
<u>519A.060</u>	“New mining operation” defined.
<u>519A.065</u>	“Operator” defined.
<u>519A.068</u>	“Process fluid stabilization” defined.
<u>519A.070</u>	“Productive postmining use of the land” defined.
<u>519A.075</u>	“Reclamation” defined.
<u>519A.080</u>	“Revegetation” defined.
<u>519A.085</u>	“Small mining operation” defined.
<u>519A.090</u>	“Temporary closure” defined.
<u>519A.095</u>	“Topsoil” defined.
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<u>519A.110</u>	Effect of provisions on existing sureties and approved plans of reclamation; applicability to revisions to plans for reclamation.
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<u>519A.150</u>	Exploration projects and mining operations on public land.
<u>519A.155</u>	Exploration projects and mining operations on both private and public land.
<u>519A.160</u>	Submission to Division of new or amended plan of operation.
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<u>519A.170</u>	Treatment of information as confidential.
<u>519A.175</u>	Time for final denial or issuance of final permit; effective date of permit; notice of denial.
<u>519A.180</u>	Time for issuance of draft of permit or notice of intent to deny application; extension of time for review of application.
<u>519A.185</u>	Provision and publication of notice of intent to issue draft of permit or to deny application; exception.
<u>519A.190</u>	Submission of comments and information concerning draft of permit; request for public hearing.
<u>519A.195</u>	Prerequisites for scheduling public hearing on application for permit.
<u>519A.200</u>	Notice of public hearing.
<u>519A.205</u>	Submission of comments and information at public hearing; provision of records to operator.
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<u>519A.220</u>	Suspension or revocation of permit.
<u>519A.225</u>	Fees for application for permit.
<u>519A.227</u>	Fee for modification to permit.
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<u>519A.250</u>	Exemption of open pits and rock faces from requirements.
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<u>519A.275</u>	Requirements for productive postmining use of land.
<u>519A.280</u>	Approval required of proposed postmining use of land.
<u>519A.285</u>	Time for initiation of reclamation; extension of time; completion of reclamation.
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<u>519A.375</u>	Disturbances of land for which surety not required.
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#### Trust Fund for Short-Term Fluid Management

<u>519A.392</u>	Payments for deposit into Fund; use and reimbursement of money in Fund.
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<u>519A.395</u>	Inspections by Division and federal agencies; submission of results to operator.
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[519A.400](#) Notice of noncompliance: Service; contents; withdrawal.  
[519A.405](#) Maximum amount of civil penalty.

#### Miscellaneous Provisions

[519A.410](#) Small mining operations: Operator required to submit certain information and documentation to Division; permit required if 5 acres or more of land will be affected by operation.  
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#### Program for the Pooling of Reclamation Performance Bonds

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[519A.575](#) Submission of information by applicant; prequalification of applicant.  
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[519A.620](#) Forfeiture of bond: Action by Administrator; liability and exoneration of bond pool.  
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#### Fee for Filing Plan of Operation

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### REGULATION OF MINING OPERATIONS AND EXPLORATION PROJECTS

#### General Provisions

**NAC 519A.010 Definitions.** ([NRS 519A.160](#)) As used in [NAC 519A.010](#) to [519A.415](#), inclusive, unless the context otherwise requires, the words and terms defined in [NAC 519A.015](#) to [519A.095](#), inclusive, have the meanings ascribed to them in those sections.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R090-00, 7-27-2000; R020-02, 4-5-2002; R097-05, 10-31-2005)

**NAC 519A.015 "Abandonment" defined.** ([NRS 519A.160](#)) "Abandonment" means the permanent cessation of operation or maintenance of an exploration project or mining operation without the intent to resume operation.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.020 "Active" defined.** ([NRS 519A.160](#)) "Active" means that operations or actions are being conducted at an exploration project or mining operation which results in land being affected.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.025 "Affected" defined.** ([NRS 519A.160](#)) "Affected" means that the surface of the land is or will be disturbed by an exploration project, mining operation or small mining operation or that the land is used:

1. As an evaporation or settling pond, leach dump, placer area or tailings pond or dump; or
2. In conjunction with any structure, facility, equipment, machine, tool, material or property incident to an exploration project or mining operation.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R045-18, 8-30-2018)

**NAC 519A.030 "Division" defined.** ([NRS 519A.160](#)) "Division" means the Division of Environmental Protection of the State Department of Conservation and Natural Resources.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.035 "Exploration project" defined.** ([NRS 519A.160](#)) 1. "Exploration project" means all activities conducted in this State by a person on or beneath the surface of the land for the purpose of, or in connection with, determining the presence, location, extent, depth or grade of any mineral.  
2. The term does not include an exploration project which is limited to a surface disturbance of not more than 5 acres in any calendar year. To determine the area of the surface disturbed:

- (a) All land disturbed and left unclaimed by an operator within a 1-mile radius of the center of the project must be considered; and
- (b) Land shall be considered reclaimed if action has been taken to stabilize the land to a condition designed to result in the establishment of a productive postmining use of the land.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.040 "Growth medium" defined.** ([NRS 519A.160](#)) "Growth medium" means a material which is capable of supporting vegetation.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.043 "Major modification" defined.** ([NRS 519A.160](#)) "Major modification" means:

1. A change in the postmining land use which requires reclamation techniques which are significantly different from the techniques included in the approved plan for reclamation;
2. The addition of a type of disturbance which was not previously included in the approved plan and which cannot be reclaimed in a manner that is substantially similar to the reclamation techniques included in the approved plan;
3. The proposed disturbance is equal to 25 percent or more of the acreage in the approved plan; or
4. A change in the visual appearance of the reclaimed areas that is substantially different from the visual appearance which was discussed or commented upon during the public comment period.

(Added to NAC by Environmental Comm'n by R097-05, eff. 10-31-2005)

**NAC 519A.044 "Mine-impacted waters" defined.** ([NRS 519A.160](#)) "Mine-impacted waters" means any contaminated water:

1. Resulting from a mining operation, including, without limitation:
  - (a) An underground mine;
  - (b) A mine pit penetrating the water table; or
  - (c) Waste or development rock piles or other nonprocess components; and
2. Requiring stabilization, management, control or treatment to prevent or mitigate:
  - (a) The degradation of the waters of this State; or
  - (b) Adverse effects to the health of human, terrestrial or avian life.

(Added to NAC by Environmental Comm'n by R052-15, eff. 12-21-2015)

**NAC 519A.045 "Mining operation" defined.** ([NRS 519A.160](#)) "Mining operation" means all activities conducted in this State by a person on or beneath the surface of land for the purpose of, or in connection with, the development or extraction of any mineral. The term does not include a small mining operation or a sand or aggregate pit.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.050 "Minor modification" defined.** ([NRS 519A.160](#)) "Minor modification" means:

1. A change involving more than 10 acres but less than 25 percent of the acreage included in the approved plan for reclamation if:
  - (a) The types of disturbances are included in the approved plan; or
  - (b) The change, including, but not limited to, the postmining land use, does not require reclamation techniques significantly different from those included in the approved plan;
2. Changes in the equipment used for reclamation; or
3. Changes to the final contours.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R097-05, 10-31-2005)

**NAC 519A.055 "New exploration project" defined.** ([NRS 519A.160](#)) "New exploration project" means an exploration project which was not active before October 1, 1990.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.060 "New mining operation" defined.** ([NRS 519A.160](#)) "New mining operation" means a mining operation which was not active before October 1, 1990.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.065 "Operator" defined.** ([NRS 519A.160](#)) "Operator" means any person who owns, controls or manages an exploration project or a mining operation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.068 "Process fluid stabilization" defined.** ([NRS 519A.160](#)) "Process fluid stabilization" means binding, containing or otherwise treating contaminants in a fluid, including, without limitation, meteoric waters, that have intentionally or unintentionally been introduced into a heap leaching facility or tailings facility to prevent the contaminants from degrading the waters in this State through naturally occurring environmental conditions which may be reasonably expected at the mine site.

(Added to NAC by Environmental Comm'n by R090-00, eff. 7-27-2000)

**NAC 519A.070 "Productive postmining use of the land" defined.** ([NRS 519A.160](#)) "Productive postmining use of the land" means a use which supports activities including:

1. Wildlife habitat;
2. Livestock grazing;
3. Agriculture and ranching;
4. Industry;
5. Renewable energy development and storage;
6. Recreation; or
7. Any other activities which benefit the State of Nevada, its residents or the owner of the land.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R045-18, 8-30-2018)

**NAC 519A.075 "Reclamation" defined.** ([NRS 519A.160](#)) "Reclamation" means actions performed during or after an exploration project or mining operation to shape, stabilize, revegetate or otherwise treat the land in order to return it to a safe, stable condition consistent with the establishment of a productive postmining use of the land and the safe abandonment of a facility in a manner which ensures the public safety, as well as the encouragement of techniques which minimize the adverse visual effects.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.080 "Revegetation" defined.** ([NRS 519A.160](#)) "Revegetation" means the establishment of the pre-exploration or pre-mining vegetation or a comparable vegetative cover.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.085 "Small mining operation" defined.** ([NRS 519A.160](#)) "Small mining operation" has the meaning ascribed to it in [NRS 519A.120](#).  
(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R045-18, 8-30-2018)

**NAC 519A.090 "Temporary closure" defined.** ([NRS 519A.160](#)) "Temporary closure" means the cessation of an exploration project or mining operation for a period of not more than 3 years.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.095 "Topsoil" defined.** ([NRS 519A.160](#)) "Topsoil" means the material at or near the surface of the earth which has been modified and acted upon by natural, physical, chemical or biological agents in a manner which will allow it to support revegetation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.100 Applicability: Land within exploration project or mining operation.** ([NRS 519A.160](#)) [NAC 519A.010](#) to [519A.415](#), inclusive, applies to affected land which is located in exploration projects or mining operations which are active on or after October 1, 1990.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.105 Applicability: Road used for access to exploration project or mining operation.** ([NRS 519A.160](#)) [NAC 519A.010](#) to [519A.415](#), inclusive, does not apply to a road which an operator can prove to the satisfaction of the Division existed before January 1, 1981, if the road:

1. Is used for access to an exploration project or mining operation; and
2. Has not been altered other than maintenance activities and minor repairs since January 1, 1981.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.110 Effect of provisions on existing sureties and approved plans of reclamation; applicability to revisions to plans for reclamation.**

**(NRS 519A.160)**

1. [NAC 519A.010](#) to [519A.415](#), inclusive, does not affect, alter or modify the terms and conditions of any approved plan for reclamation or surety obtained from a federal land management agency before October 1, 1990, which is consistent with [NAC 519A.010](#) to [519A.415](#), inclusive.
2. [NAC 519A.010](#) to [519A.415](#), inclusive, applies to any revisions to a plan for reclamation submitted on or after October 1, 1990.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.115 Preliminary compliance with provisions. ([NRS 519A.160](#))** An operator who submits a complete application for a permit by April 1, 1993, and pays the applicable fees as required by [NAC 519A.225](#) shall be deemed to be in compliance with [NAC 519A.010](#) to [519A.415](#), inclusive, until the Division either issues a permit or denies the application.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**Permits and Fees****NAC 519A.120 Time when obtaining of permit and payment of fees required. ([NRS 519A.160](#))**

1. The operator of each exploration project or mining operation which is active on October 1, 1990, shall obtain the permit required by [NRS 519A.180](#) or [519A.200](#), as applicable, and pay the fees required by [NAC 519A.225](#):
  - (a) On or before October 1, 1993; or
  - (b) Before abandonment of the exploration project or mining operation,  
È whichever occurs first.
2. The operator of each exploration project and mining operation which becomes active after October 1, 1990, shall obtain the permit required by [NRS 519A.180](#) or [519A.200](#), as applicable, and pay the fees required by [NAC 519A.225](#) before engaging in exploration or mining.  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.125 Permits for exploration projects: Application. ([NRS 519A.160](#), [519A.190](#))**

1. The operator of an exploration project shall apply to the Division for a permit.
2. The application must include:
  - (a) The applicant's name, address and telephone number;
  - (b) If the applicant is a corporation or other business entity which is required to have a registered agent, the name, address and telephone number of its registered agent and its principal officers or partners;
  - (c) A complete plan for reclamation;
  - (d) The estimate of the cost of executing the plan for reclamation required by [NAC 519A.360](#);
  - (e) A statement that the applicant agrees to assume responsibility for the reclamation of any surface area affected by his or her exploration project;
  - (f) A map which depicts the area to be covered by the surety; and
  - (g) For the purpose of calculating the amount of the surety, the average number of drill holes to be left open at any one time during the life of the project.
3. The application must be accompanied by the fee charged by the Division for an application for the issuance of a permit required by [NAC 519A.225](#).  
(Added to NAC by Environmental Comm'n, eff. 9-19-90; A 9-5-91)

**NAC 519A.130 Permits for exploration projects: Duration; limitation on issuance. ([NRS 519A.160](#))**

1. A permit for an exploration project is valid for the life of the project unless it is suspended or revoked by the Division.
2. If a permit for an exploration project is included in a permit for a mining operation, it is valid for the life of the operation.
3. A permit must not be issued to an operator who has an outstanding notice of noncompliance issued pursuant to [NAC 519A.400](#).  
(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.135 Interim permits for exploration projects: Prerequisites; effect; duration. ([NRS 519A.160](#))**

1. The Division may grant an interim permit for an exploration project conducted on private land if:
  - (a) The operator requests the interim permit in writing;
  - (b) The project contains a disturbance on affected land which is greater than 5 acres but less than 20 acres within a 1-mile radius of the center of the project, including all lands, both public and private, associated with the project;
  - (c) The project employs best management practices during operation and reclamation to control erosion and minimize the transport and delivery of sediment to surface water, which must be the best management practices described in the *State of Nevada Handbook of Best Management Practices* or practices equivalent thereto;
  - (d) The operator files an application for a permit with the Division, including the information required in subsection 2 of [NAC 519A.125](#) before disturbing and not reclaiming 5 acres of land;
  - (e) The operator provides surety which is acceptable to the Division;
  - (f) The operator files the fee required by [NAC 519A.225](#) and submits the statement required by paragraph (e) of subsection 2 of [NAC 519A.125](#);
  - (g) The operator does not have an outstanding notice of noncompliance issued pursuant to [NAC 519A.400](#); and
  - (h) The operator is not in violation of the provisions of:
    - (1) [Chapter 519A](#) of NRS;
    - (2) [NAC 519A.010](#) to [519A.415](#), inclusive; or
    - (3) An approved plan for reclamation.
2. The Division may grant an interim permit for an exploration project conducted on public land administered by the Bureau of Land Management, the United States Forest Service or another federal land management agency if:
  - (a) The operator requests the interim permit in writing;
  - (b) The project contains a disturbance on affected land which is greater than 5 acres but less than 20 acres within a 1-mile radius of the center of the project, including all lands, both public and private, associated with the project;
  - (c) The operator submits to the Division a plan for reclamation approved by the applicable federal land management agency before disturbing and not reclaiming 5 acres of land;
  - (d) The operator demonstrates that a surety acceptable to the applicable federal agency has been filed;
  - (e) The operator files the fee required by [NAC 519A.225](#) and submits the statement required by paragraph (e) of subsection 2 of [NAC 519A.125](#);
  - (f) The operator does not have an outstanding notice of noncompliance issued pursuant to [NAC 519A.400](#); and
  - (g) The operator is not in violation of the provisions of:
    - (1) [Chapter 519A](#) of NRS;
    - (2) [NAC 519A.010](#) to [519A.415](#), inclusive; or
    - (3) An approved plan for reclamation.
3. An operator meeting the requirements of subsection 1 or 2 may proceed with the exploration project while the Division processes the application for a permit.
4. An interim permit granted pursuant to this section remains in effect until:
  - (a) A final permit is issued or denied; or
  - (b) The interim permit is revoked or suspended,  
È by the Division.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R044-12, 9-14-2012)

**NAC 519A.140 Permits for mining operations: Application. ([NRS 519A.160](#), [519A.210](#))**

1. The operator of a mining operation shall apply to the Division for a permit.
2. An application must include:
  - (a) The applicant's name, address and telephone number;

- (b) If the applicant is a corporation or other business entity which is required to have a registered agent, the name, address and telephone number of its registered agent and its principal officers or partners;
  - (c) A complete plan for reclamation;
  - (d) The estimate of the cost of executing the plan for reclamation required by [NAC 519A.360](#);
  - (e) A statement that the applicant agrees to assume responsibility for the reclamation of any surface area affected by his or her mining operation;
  - (f) A map which depicts the area to be covered by the surety;
  - (g) For the purpose of calculating the amount of the surety, the average number of drill holes to be left open at any one time during the life of the project; and
  - (h) The fee charged by the Division for an application for and the issuance of a permit required by [NAC 519A.225](#).
- (Added to NAC by Environmental Comm'n, eff. 9-19-90; A 9-5-91)

**NAC 519A.145 Permits for mining operations: Duration; inclusion of exploration activities; limitation on issuance.** ([NRS 519A.160](#))

1. A permit issued for a mining operation is valid for the life of the operation unless it is suspended or revoked by the Division.
  2. Upon request by the applicant, a permit for mining must include all exploration activities conducted within the project area.
  3. A permit for mining must not be issued to an operator who has an outstanding notice of noncompliance issued pursuant to [NAC 519A.400](#).
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.150 Exploration projects and mining operations on public land.** ([NRS 519A.160](#), [519A.240](#)) If an exploration project and mining operation take place on public lands administered by the Bureau of Land Management, the United States Forest Service or another federal land management agency:

1. A plan of operations which has been approved by the federal agency may be substituted for the application for a permit required by [NAC 519A.125](#) or [519A.140](#) and if it is accompanied with a surety which is acceptable to the Division and includes a plan for reclamation of all affected land, it is deemed to be a complete application for a permit; and
  2. Evidence of a surety filed with the federal agency may be substituted for the surety required by [NAC 519A.350](#).
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.155 Exploration projects and mining operations on both private and public land.** ([NRS 519A.160](#), [519A.240](#)) If an exploration project and mining operation takes place on a site which includes privately owned land and public land administered by the Bureau of Land Management, the United States Forest Service or another federal land management agency:

1. A plan of operations which has been approved by the federal agency may be substituted for the application for a permit required by [NAC 519A.125](#) or [519A.140](#) if the plan sets forth reclamation practices for both the public and privately owned lands;
  2. The memorandum of understanding entered into by the Division and the federal agency must provide for the review by the Division of those portions of the plan of operations regarding privately owned land so that the Division can determine if they are consistent with the requirements of [NAC 519A.010](#) to [519A.415](#), inclusive; and
  3. Evidence of a surety approved by the federal agency may be substituted for the surety required by [NAC 519A.350](#) if the surety is in an amount for the public and privately owned land which is acceptable to the Division.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.160 Submission to Division of new or amended plan of operation.** ([NRS 519A.160](#), [519A.240](#)) When an operator of an exploration project or mining operation submits a new or amended plan of operation to the federal agency, he or she shall file a copy with the Division to allow the Division to conduct its review concurrently with the federal agency.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.165 Review of application for permit; provision of additional information.** ([NRS 519A.160](#), [519A.190](#), [519A.210](#))

1. The Division shall review an application for a permit and notify the applicant if additional information is required within 15 days after the receipt of the application. The notice must state the additional information which is required.
  2. If the applicant provides additional information to complete an application, the Division shall notify the applicant if more additional information is required within 15 days after receipt of the additional information. The notice must state the additional information which is required.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.170 Treatment of information as confidential.** ([NRS 519A.150](#), [519A.160](#))

1. An operator may request when the information is submitted that the information submitted to the Division with the request for a permit be treated as confidential. The Division shall consider a request only if the operator, when the information is submitted, stamps or writes "confidential business information" on each page.
  2. The operator must show to the satisfaction of the Division that the information contained in the application for a permit is entitled to protection as a trade secret.
  3. Except as otherwise provided in subsection 4, if the Division determines that the information is not entitled to protection as a trade secret it must not make the information public until the Division has:
    - (a) Notified the operator; and
    - (b) Allowed at least 10 working days after the notice has been sent for the informant to appeal the decision.
  4. If the request is not made at the time the information is submitted, the Division may make the information available to the public without notice to the operator.
  5. "Trade secret":
    - (a) Includes the location of exploration drill holes and a formula, pattern, compilation, program, device, method, technique or process that:
      - (1) Derives independent economic value, present or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and
      - (2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
    - (b) Does not include the name and address of the operator.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.175 Time for final denial or issuance of final permit; effective date of permit; notice of denial.** ([NRS 519A.160](#))

1. The Division shall issue a final permit to the applicant or a final decision to deny a permit within 15 days after:
    - (a) If a public hearing is required, the close of the period for submitting comments and information prescribed in [NAC 519A.185](#) to [519A.210](#), inclusive; or
    - (b) If a public hearing is not required and the application is complete, the receipt of an application for a permit and the required fees.
  2. A permit issued by the Division becomes effective upon the receipt by the Division of the surety required by [NAC 519A.350](#).
  3. If the application for a permit is denied, the Division must notify the applicant of:
    - (a) The reasons for denial; and
    - (b) The time within which an appeal must be brought and procedures for appealing the decision pursuant to [NAC 519A.415](#).
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.180 Time for issuance of draft of permit or notice of intent to deny application; extension of time for review of application.** ([NRS 519A.160](#))

1. The Division shall prepare and issue a draft of a permit or notice of intent to deny the application for a permit, the grounds for the denial, if applicable, and the public notice pursuant to [NAC 519A.185](#), if applicable, within:

- (a) Fifteen days after it completes its review of a complete application for an exploration project or mining operation on federal land;
- (b) Thirty days after it completes its review of a complete application for an exploration project on private land; and
- (c) Sixty days after it completes its review of a complete application for a mining operation on private land.

2. If the Division determines that an application for a permit does not comply with the requirements of [NAC 519A.010](#) to [519A.415](#), inclusive, the application will be denied unless the operator requests that the time for the Division to review a complete application set forth in paragraphs (a), (b) and (c) of subsection 1 be extended for the amount of time necessary for the applicant to submit additional documentation and information.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.185 Provision and publication of notice of intent to issue draft of permit or to deny application; exception. ([NRS 519A.160](#))**

1. Except as otherwise provided in subsection 3, the Division shall, at least 30 days before the issuance of a draft permit or a notice of intent to deny the application for a permit for an exploration project or mining operation to be conducted on privately owned land:

- (a) Provide public notice of the intent to issue a draft permit or deny the application in a manner intended to inform interested persons;
- (b) Publish notice of the intent to issue the permit or deny the application on an Internet website designed to give general public notice; and
- (c) Mail to the operator, landowner of record who is identified by the applicant in the application, members of the board of county commissioners of the county in which the project or operation is to be located, Division of Minerals of the Commission on Mineral Resources and any other person or group who so requests, written notice of the intent to issue a draft permit or deny the application.

2. Notice given pursuant to subsection 1 must include:

- (a) The name, address and telephone number of the Division;
- (b) The name and address of the operator;
- (c) The location of the proposed project or operation;
- (d) The tentative decision of the Division to issue a draft permit or deny the application for a permit;
- (e) A description of the procedure which the Division will use to make a final decision to issue or deny the permit;
- (f) The location where interested persons may obtain further information or inspect and copy the draft of the permit and other relevant forms and documents; and
- (g) A statement that interested persons must submit to the Division written comments and information on the tentative decision of the Division within 30 days after the date on which the notice is published.

3. An application for a permit which has been submitted pursuant to [NAC 519A.150](#) or [519A.155](#) is not subject to the notice requirements of [NAC 519A.185](#) to [519A.210](#), inclusive.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R080-08, 12-17-2008; R186-18, 1-30-2019)

#### **NAC 519A.190 Submission of comments and information concerning draft of permit; request for public hearing. ([NRS 519A.150, 519A.160](#))**

1. Within 30 days after notice is published pursuant to [NAC 519A.185](#):

- (a) Any person may submit written comments and information regarding the draft of the permit to the Division.
- (b) The operator or any person who is directly affected by the application for a permit may request in writing a public hearing on any application for a permit. The request must state the reason for the request and the issues to be raised at the hearing.

2. Upon the receipt of written comments or information, the Division shall send a copy of the comments or information to the applicant.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.195 Prerequisites for scheduling public hearing on application for permit. ([NRS 519A.150, 519A.160](#))** The Division shall schedule a public hearing on an application for a permit if:

1. A person who is directly affected by the application for a permit requests the hearing and the Division determines that the request is reasonable and there is a significant degree of public interest in the matter; or

2. The Division deems it necessary.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.200 Notice of public hearing. ([NRS 519A.150, 519A.160](#))**

1. The Division shall cause to be published a notice for a hearing at least 30 days before the hearing in the manner prescribed by [NAC 519A.185](#).

2. In addition to the information required by [NAC 519A.185](#), the notice must include:

- (a) The date on which the public notice required by [NAC 519A.185](#) was given concerning the permit;
- (b) The date, time and place of the hearing; and
- (c) A brief description of the nature and purpose of the hearing and the applicable rules and procedures for the hearing.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.205 Submission of comments and information at public hearing; provision of records to operator. ([NRS 519A.150, 519A.160](#))**

1. Any person may submit to the Division at a public hearing on the application for a permit held by the Division an oral or written statement or other information which relates to the draft of the permit.

2. The Division shall, if appropriate:

- (a) Set reasonable limits upon the time allowed for oral statements;
- (b) Require persons submitting oral statements to submit the statements in writing; and
- (c) Extend the period allowed for the submission of comments and information by interested persons to the close of the hearing.

3. Upon the request of the operator, the Division shall provide the operator with copies of all comments made and information submitted before and during the hearing.

4. If the operator desires a verbatim record of the hearing, he or she must bear the cost of making such a record.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.210 Statement by Division responding to public comments. ([NRS 519A.160](#))**

1. If the Division issues a final permit, it shall, if applicable, issue at the same time a statement responding to the comments received on the matter.

2. A copy of the statement must be sent to the operator and all persons submitting comments or information and will be made available for inspection by the public.

3. The statement must:

- (a) Set forth the provisions, if any, in the draft permit that have been changed in the final permit, and the reasons for the change;
- (b) Briefly describe and respond to all significant comments and information submitted; and
- (c) State that any person aggrieved by the Division's decision may appeal the decision pursuant to [NAC 519A.415](#).

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.215 Transfer of permit to new operator. ([NRS 519A.160, 519A.240](#))**

1. The Division shall transfer a permit to a new operator if the new operator submits to the Division:

(a) A written request to transfer the permit, which must include, with respect to the parent corporation, subsidiary corporation or other company receiving the permit as a result of the transfer:

- (1) A statement that the corporation or company agrees to assume responsibility for the reclamation of any affected land which is the subject of the existing permit;
- (2) A statement explaining the corporate structure of the corporation or company;
- (3) A copy of the state business license of the corporation or company; and
- (4) A copy of the certificate of registration of the corporation or company which is filed with the Secretary of State;

(b) If the exploration project or mining operation is on privately owned land, a surety to ensure that reclamation will be completed;

(c) If the exploration project or mining operation is on public land administered by the Bureau of Land Management, the United States Forest Service or another federal land management agency, evidence that a surety acceptable to that agency has been filed; and

(d) If the exploration project or mining operation is on privately owned and public land administered by the Bureau of Land Management, the United States Forest Service or another federal land management agency either:

(1) Evidence that a surety acceptable to the federal agency has been filed with the agency which covers reclamation of all disturbed land, including privately owned and public land; or

(2) A surety to cover:

(I) The cost of reclamation on privately owned land, in a form and amount acceptable to the Division; and

(II) Evidence that a surety acceptable to the Bureau of Land Management, the United States Forest Service or another federal land management agency has been filed with the agency for reclamation of land.

2. The Division shall transfer a permit to a new operator within 30 days after it receives the information and documentation required by subsection 1 unless the current operator requests that the transfer be made on a later date.

3. The Division shall not transfer a permit to an operator who is in violation of any provision of:

(a) [NAC 519A.010](#) to [519A.415](#), inclusive;

(b) [Chapter 519A](#) of NRS; or

(c) An approved plan for reclamation,

È and to whom a notice of noncompliance has been served and remains outstanding pursuant to [NAC 519A.400](#).

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R044-12, 9-14-2012)

**NAC 519A.220 Suspension or revocation of permit. ([NRS 519A.150](#), [519A.160](#))** If the Division suspends or revokes a permit for noncompliance with the provisions of:

1. [NAC 519A.010](#) to [519A.415](#), inclusive;

2. [Chapter 519A](#) of NRS; or

3. An approved plan for reclamation,

È the revocation or suspension is effective not later than 30 days after the operator is sent written notice by the Division setting forth the facts or conduct warranting the revocation or suspension.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.225 Fees for application for permit. ([NRS 519A.160](#))**

1. An applicant for a permit for an exploration project shall submit to the Division an application fee of:

(a) One dollar and fifty cents for each acre of affected and unclaimed public land included in the plan for reclamation; and

(b) Two dollars and fifty cents for each acre of affected and unclaimed privately owned land included in the plan for reclamation.

2. An applicant for a permit for a mining operation shall submit to the Division an application fee of:

(a) One dollar and fifty cents for each acre of affected and unclaimed public land administered by a federal land management agency and included in the plan for reclamation; and

(b) Two dollars and fifty cents for each acre of affected and unclaimed privately owned land included in the plan for reclamation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.227 Fee for modification to permit. ([NRS 519A.160](#))**

1. The fee for a minor modification to a permit for an exploration project or a permit for a mining operation is \$500 plus \$20 per acre or part of an acre, not to exceed one-half the annual fee assessed pursuant to [NAC 519A.230](#) and [519A.235](#).

2. The fee for a major modification to a permit for an exploration project or a permit for a mining operation is equal to the amount of the applicable annual fee assessed pursuant to [NAC 519A.230](#) and [519A.235](#).

3. For a modification that does not constitute a major modification or a minor modification and involves a disturbance of 10 acres or less, a transfer of the permit or a change to the schedule for completion of reclamation, the fee is the lesser of \$250 or one-half the annual fee assessed pursuant to [NAC 519A.230](#) and [519A.235](#).

4. Fees paid pursuant to this section are nonrefundable.

(Added to NAC by Environmental Comm'n by R020-02, eff. 4-5-2002; A by R097-05, 10-31-2005)

**NAC 519A.230 Submission of fee if permit not issued. ([NRS 519A.160](#))** If a permit is not issued by April 15, 1991, the operator of an exploration project or mining operation that is active on October 1, 1990, shall submit to the Division the fee set forth in [NAC 519A.235](#).

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.235 Annual submission of fees for services by Division. ([NRS 519A.160](#))**

1. On or before April 15, 1991, and on or before April 15 of each year thereafter, an operator of an exploration project or a mining operation shall submit to the Division for services rendered by the Division the applicable fees required by this section.

2. For each exploration project which is active on October 1, 1990, and for which a permit has been issued by the Division or an application for a permit has been submitted to the Division, the operator shall submit to the Division:

(a) If the total affected area is 20 acres or less, a fee of \$100.

(b) If the total affected area is more than 20 acres but not more than 100 acres, a fee of \$500.

(c) If the total affected area is more than 100 acres but not more than 500 acres, a fee of \$1,000.

(d) If the total affected area is more than 500 acres, a fee of \$2,000.

3. For each mining operation which is active on October 1, 1990, and for which a permit has been issued by the Division or an application for a permit has been submitted to the Division, the operator shall submit to the Division:

(a) If the total affected area is 50 acres or less, a fee of \$500.

(b) If the total affected area is more than 50 acres but not more than 200 acres, a fee of \$1,500.

(c) If the total affected area is more than 200 acres but not more than 500 acres, a fee of \$3,000.

(d) If the total affected area is more than 500 acres but not more than 1,000 acres, a fee of \$4,500.

(e) If the total affected area is more than 1,000 acres but not more than 2,500 acres, a fee of \$9,000.

(f) If the total affected area is more than 2,500 acres but not more than 5,000 acres, a fee of \$12,000.

(g) If the total affected area is more than 5,000 acres, a fee of \$16,000.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R020-02, 4-5-2002)

**NAC 519A.240 Time for submission of fees for new exploration projects and mining operations. ([NRS 519A.160](#))** For new exploration projects or new mining operations, the fees set forth in [NAC 519A.235](#), as applicable, must be submitted to the Division by the operator on April 15 of each year following issuance of the permit for the exploration project or mining operation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### Reclamation of Land

**NAC 519A.245 Circumstances under which reclamation is required. ([NRS 519A.160](#))** Reclamation of affected land which was disturbed:

1. On or after January 1, 1981, and before October 1, 1990, must be required as part of a permit if the land was disturbed by the current operator. The standards for reclamation required by the Bureau of Land Management, the United States Forest Service or another federal land management agency at the time the disturbance was created apply to federal and privately owned land.

2. Before January 1, 1981, is not required.

3. By someone other than the current operator must not be required, unless the current operator is using the affected land in an active project or

operation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.250 Exemption of open pits and rock faces from requirements. ([NRS 519A.160](#), [519A.230](#))**

1. An operator may request in writing that the Division grant an exception to the requirements for reclamation for open pits and rock faces which may not be feasible to reclaim.

2. If the operator proves to the satisfaction of the Division that reclamation is not feasible, the Division shall exempt an open pit or rock face from the requirements for reclamation of [NAC 519A.010](#) to [519A.415](#), inclusive.

3. The Division shall base its determination of the feasibility of reclaiming open pits and rock faces on the technological and economic practicability of achieving a safe and stable condition suitable for a productive postmining land use. The Division shall consider, without limitation, the:

- (a) Topography of the site;
- (b) Geology and stability of the site;
- (c) Time required to complete reclamation;
- (d) Consumption of resources required to complete reclamation;
- (e) Potential adverse environmental impacts to the quality of the air and water associated with the activities for reclamation; and
- (f) Future access to mineral resources.

4. Upon request by the applicant, the return of material to the open pit from which it was extracted shall be considered to be not feasible for the purposes of reclamation.

5. If an open pit or rock face is exempted from reclamation, public safety must be provided for by means other than reclamation, including, but not limited to, restrictions on access to the site or restrictions on the deed to the property.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.255 Reclamation not required beyond that approved by federal agency. ([NRS 519A.160](#), [519A.240](#))** If an operator can establish to the satisfaction of the Division that reclamation was approved by the Bureau of Land Management, the United States Forest Service or another federal land management agency, further reclamation is not required on affected land.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.260 Considerations in preparing plan for reclamation. ([NRS 519A.160](#), [519A.230](#))** When preparing his or her plan for reclamation an applicant must consider:

1. The pre-mining and postmining use of the land;
2. The technical and economic practicability of the proposed techniques for reclamation;
3. The effectiveness of the proposed activities for reclamation in ensuring public safety;
4. The annual precipitation of the area and its effect on revegetation and the potential for erosion;
5. The existing and proposed postmining topography in relation to the potential for erosion;
6. The potential for degradation of surface-water or groundwater quality resulting from the proposed activities for reclamation;
7. The visual impact of the reclamation;
8. Any other criteria which may affect the applicability of a particular activity for reclamation, including types of soil and the physical and chemical characteristic of the soil; and
9. Whether the disturbance was created before or after September 19, 1990.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.265 Contents of plan for reclamation for exploration project. ([NRS 519A.160](#), [519A.230](#))** A plan for reclamation for an exploration project must include:

1. A topographic map or sketch in sufficient detail to allow the Division to locate the area to be explored and determine the potential for adverse effects on surface water which may result from the exploration activities.

2. A description of any land within the project area which was affected by:

- (a) A project conducted by a previous operator and which is inactive on the date on which the application for a permit for an exploration project is filed;
- (b) The current operator before January 1, 1981, and is inactive on the date on which the application for a permit for an exploration project is filed;
- (c) The current operator before January 1, 1981, and is active on the date on which the application for a permit for an exploration project is filed;
- (d) The current operator on or after January 1, 1981, but before October 1, 1990, and which is inactive on the date on which the application for a permit for an exploration project is filed; and

(e) The current operator on or after January 1, 1981, but before October 1, 1990, and which is active on the date on which the application for a permit for an exploration project is filed.

3. A description of any land within the project area:

- (a) On which the operation is active on or after October 1, 1990; and
  - (b) Comprising access roads which were created before January 1, 1981.
4. A description of the techniques for prospecting and excavation to be used which will affect the surface.
  5. The proposed location and approximate length and width of access roads.
  6. A description of the best management practices employed during operation and reclamation to control erosion and minimize the transport and delivery of sediment to surface water, which must be the best management practices described in the *State of Nevada Handbook of Best Management Practices* or practices equivalent thereto.
  7. The estimated amount of acreage that will be disturbed by the project.
  8. The anticipated schedule for the project and for reclamation.
  9. The proposed use of the areas to be affected if different from the pre-exploration use.
  10. The activities for reclamation to be undertaken during and upon completion of the project.
  11. The proposed methods to monitor and control noxious weeds as described in [NAC 555.010](#) during reclamation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R044-12, 9-14-2012)

**NAC 519A.270 Contents of plan for reclamation for mining operation. ([NRS 519A.160](#), [519A.230](#))** The plan for reclamation for a mining operation must include:

1. A topographic map of the area of the operation depicting:

- (a) The boundaries of the area of the operation;
- (b) Surface ownership of the land within the area of the operation;
- (c) The areas to be affected in sufficient detail so that they can be located from the ground;
- (d) The kind of disturbances, including:
  - (1) Tailings impoundments;
  - (2) Leach pads;
  - (3) Waste rock dumps;
  - (4) Buildings;
  - (5) Roads; and
  - (6) All other surface facilities; and
- (e) A description of the land within the area of operation which was affected by:
  - (1) An operation conducted by a previous operator and which is inactive on the date on which the application for a permit for an operation is filed;
  - (2) The current operator before January 1, 1981, and which is inactive on the date on which the application for a permit for an operation is filed;
  - (3) The current operator before January 1, 1981, and which is active on the date on which the application for a permit for an operation is filed;

(4) The current operator on or after January 1, 1981, but before October 1, 1990, and which is inactive on the date on which the application for a permit for an operation is filed; and

(5) The current operator on or after January 1, 1981, but before October 1, 1990, and which is active on the date on which the application for a permit for an operation is filed.

2. A description of any land within the area of operation:

(a) On which the operation is active on or after October 1, 1990; and

(b) Comprising access roads which were created before January 1, 1981.

3. The location of any surface water body within one-half-mile down gradient of the operation which may be impacted by excess sedimentation resulting from the mining operations.

4. An estimate of the number of acres affected by each type of disturbance.

5. A proposed productive postmining use of the land.

6. A proposed schedule of the time for initiation and completion of activities for reclamation.

7. The proposed postmining topography.

8. The technical criteria used to determine the final gradient and stability of slopes created or affected by the mining operation.

9. The proposed methods to be used in reclaiming impoundments used during the operation.

10. A statement of any constraints on the estimated time to complete reclamation caused by the residual moisture content or physical or chemical qualities of impoundments.

11. The kinds of access roads and their estimated width and length which will be built and the manner in which they will be reclaimed.

12. A description of the best management practices employed during operation and reclamation to control erosion and minimize the transport and delivery of sediment to surface water, which must be the best management practices described in the *State of Nevada Handbook of Best Management Practices* or practices equivalent thereto.

13. The proposed revegetation of the land for its postmining land use, including:

(a) A plan for the management of topsoil and growth medium;

(b) A list of each species of vegetation;

(c) The rate of seeding of vegetation;

(d) The type of fertilizer and mulch to be used;

(e) When the planting will occur; and

(f) The proposed methods to monitor and control noxious weeds as described in [NAC 555.010](#) during reclamation.

14. The proposed disposition of:

(a) Buildings;

(b) Equipment;

(c) Piping;

(d) Scrap;

(e) Reagents; and

(f) Any other equipment and materials.

15. A description of any surface facilities such as buildings or roads which will not be reclaimed.

16. A description of any necessary monitoring and maintenance of fences, signs and other structures which will be performed by the operator on the reclaimed land.

17. A description of any reclamation which is necessary because of instream mining.

18. A description of any necessary stabilization, management, control or treatment of mine-impacted waters.

19. A statement of the effect that the proposed reclamation will have on future mining in the area.

20. A statement setting forth the effect that the proposed reclamation will have on public safety.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R044-12, 9-14-2012; R052-15, 12-21-2015)

#### **NAC 519A.275 Requirements for productive postmining use of land. ([NRS 519A.160](#))**

1. A productive postmining use of the land required to be submitted with a plan for reclamation need not provide a use of the land and degree of productivity which is identical with the use of the land before the mining began or the use of the adjacent land or the degree of use.

2. Land which is returned to its pre-mining use or reclaimed after mining or exploration to a level of productivity which is generally consistent with the pre-mining level of productivity or the level of productivity of the surrounding land shall be deemed to be a productive postmining use.

3. Land which is reclaimed to a degree of productivity which is less productive than its pre-mining use shall be deemed to be productive if the operator takes reasonable measures, including, but not limited to:

(a) Ensuring adequate fertilization of the soil;

(b) Ensuring the quantity and quality of the topsoil or growth medium; and

(c) Establishing a productive postmining use of the land within site-specific economic and technical constraints of the area.

4. Land subject to excessive erosion will not be deemed to be reclaimed to a productive postmining use unless excessive erosion existed before mining or exists on the adjacent land. Evidence of the excessive erosion must be provided by the operator to the Division.

5. If the operator is not the owner of the surface of the affected lands, the Division shall consider any comments received from the landowner pursuant to [NAC 519A.190](#) and [519A.205](#) in making the final determination that the proposed plan for reclamation adequately provides for a productive postmining use of the land.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R080-08, 12-17-2008)

#### **NAC 519A.280 Approval required of proposed postmining use of land. ([NRS 519A.160](#))** Notwithstanding any other provisions of [NAC 519A.010](#) to [519A.415](#), inclusive, a proposed postmining use of land must be approved by:

1. If the land is subject to the jurisdiction of the Bureau of Land Management, the United States Forest Service or another federal land management agency, the federal land manager; or

2. If the land is privately owned and if required by law, a local governmental entity with the authority to approve the postmining use of private land within its jurisdiction.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R080-08, 12-17-2008; R044-12, 9-14-2012)

#### **NAC 519A.285 Time for initiation of reclamation; extension of time; completion of reclamation. ([NRS 519A.160](#))**

1. If affected land cannot practicably be reclaimed concurrently with an exploration project or mining operation, reclamation must be initiated:

(a) Within 2 years after completion or abandonment of the exploration project or mining operation;

(b) Within 3 years after a temporary closure of an exploration project or mining operation; or

(c) As required by the Bureau of Land Management, the United States Forest Service or another federal land management agency.

2. The Division may grant one or more extensions of the time when reclamation must begin if the operator of an exploration project or mining operation demonstrates that a reasonable likelihood exists that the project or operation will resume, based on a consideration of factors including, but not limited to:

(a) The presence of additional mineralization of the commodity being mined or other commodities in commerce;

(b) Historical fluctuations in the value of the commodity being mined or other commodities present if they can be mined using the same disturbances;

(c) The design life of any beneficiation process components existing at a mining operation; and

(d) If the closure was caused because of litigation.

Each extension is for a 3-year period.

3. Once initiated, final reclamation activities must be completed as set forth in an approved plan for reclamation, unless the exploration project or mining operation is reactivated.

4. As used in this section, "process component" has the meaning ascribed to it in [NAC 445A.375](#).

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.290 Departure from approved plan for reclamation.** ([NRS 519A.160, 519A.230](#))

1. An operator may not depart from an approved plan for reclamation without a modification of the plan which is approved by the Division or other written approval from the Division except in the case of an emergency.
  2. As used in this section, emergency means a situation in which compliance with a provision of an approved plan for reclamation may result in bodily injury or in environmental damage not anticipated in the plan.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.295 Procedure for operator to modify plan for reclamation.** ([NRS 519A.160, 519A.230](#))

1. An operator may request a modification to a plan for reclamation:
    - (a) By submitting to the Division a written request and those portions of the application for a permit which are applicable to the requested modification, including, a revision to the calculated cost of executing the plan for reclamation and the amount of surety, if applicable; and
    - (b) For any reason, including:
      - (1) A proposed change in the postmining land use;
      - (2) The addition of a new disturbance to the affected land; and
      - (3) Proposed changes to the methods and techniques which will be used for reclamation.
  2. The Division shall review a request for a major modification to a plan for reclamation or a minor modification to a plan for reclamation of a mining operation and notify the applicant if additional information is required within 15 days after the receipt of the request. The notice must state the information which is required.
    3. If the applicant provides additional information to complete a request, the Division shall notify the applicant if more additional information is required within 15 days after receipt of the additional information. The notice must state the additional information which is required.
    4. The Division shall issue a notice of intent to allow or deny the request within 15 days after the later of:
      - (a) The close of the period for public comment provided in [NAC 519A.190](#); or
      - (b) The receipt of the request for modification and the corresponding fees.
    5. If the request for a modification is denied, the Division shall notify the applicant of:
      - (a) The reasons for denial; and
      - (b) The time allowed and procedures for appealing the decision pursuant to [NAC 519A.415](#).
    6. A request for a minor modification to a plan for reclamation of an exploration project shall be approved or denied, and the reason for denial given, within 10 days after the request for modification is submitted.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.300 Modification by Division of plan for reclamation.** ([NRS 519A.150, 519A.160](#))

1. The Division, on its own motion, may modify an approved plan for reclamation if:
    - (a) A provision of the plan is in conflict with the provisions of a specific statute;
    - (b) It becomes impossible or impracticable to comply with any provision of the plan; or
    - (c) A significant problem is discovered to exist which results or may result from compliance with any provision of the plan.
  2. If the Division, on its own motion, modifies a plan it:
    - (a) Shall notify the operator in a manner which allows the operator sufficient time to appeal the modification; and
    - (b) State the time allowed for an appeal of the decision in the modified plan.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.305 Requirements for notice and public comment before modifying plan for reclamation.** ([NRS 519A.150, 519A.160](#))

1. The Division shall, at least 30 days before making a major modification to a plan for reclamation of a mining operation:
    - (a) Circulate a public notice of the intent to modify the plan in a manner intended to inform interested persons;
    - (b) Cause to be published in a newspaper of general circulation within the geographic area of an exploration project or mining operation, a notice of the intent to modify the plan; and
    - (c) Mail to the operator, the landowner, members of the board of county commissioners of the county in which the project or operation is located, the Division of Minerals of the Commission on Mineral Resources and any other person who so requests, written notice of the intent to modify the plan.
  2. Notice given pursuant to subsection 1 must include:
    - (a) The name, address and telephone number of the Division;
    - (b) The name and address of the operator;
    - (c) The location of the project or operation;
    - (d) A description of the procedure which the Division will use to make a final decision to modify a plan;
    - (e) The specific location where interested persons may obtain further information or inspect and copy relevant forms and documents; and
    - (f) A statement that interested persons must submit to the Division written comments on the tentative decision of the Division within 30 days after the date on which the notice is published.
  3. The Division:
    - (a) Shall allow written comments and information and a public hearing as provided in [NAC 519A.185](#) to [519A.210](#), inclusive, before making a major modification to a plan for reclamation.
    - (b) Is not required to allow written comments and a public hearing as provided in [NAC 519A.185](#) to [519A.210](#), inclusive, before making a minor modification to a plan for reclamation.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R097-05, 10-31-2005)

**NAC 519A.310 Approval of modification to approved plan for reclamation of public land.** ([NRS 519A.160](#)) A modification to an approved plan for reclamation of public land which is managed by a federal land management agency must be:

1. Approved by the federal agency; and
  2. Approved by the Division.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.315 Manner for abandonment of site; selection of appropriate activities for reclamation of site.** ([NRS 519A.160, 519A.230](#))

1. The abandonment of a site must be conducted in a manner which ensures public safety, encourages techniques to minimize adverse visual effects and establishes a safe and stable condition suitable for the productive postmining use of the land.
  2. In selecting appropriate activities for reclamation for a particular site, techniques which minimize adverse visual impact must be considered.
  3. As used in this section, "ensures public safety" includes minimizing hazards in areas to which the public may have legal access by, if applicable:
    - (a) Removing or burying structures, equipment, reagents or scrap;
    - (b) Sealing or securing shafts, tunnels and adits pursuant to [NAC 513.390](#);
    - (c) Plugging drill holes;
    - (d) Leaving slopes in a structurally stable condition; and
    - (e) Restricting access to areas which cannot practicably be made safe.
  4. As used in this section, "stable condition" means a condition that is resistant to excessive erosion and is structurally competent to withstand normal geologic and climatic conditions without significant failure that would be a threat to public safety and the environment.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.320 Notification by operator of completion, abandonment or suspension of work on exploration project or mining operation.** ([NRS 519A.160](#))

1. An operator shall notify the Division in writing within 90 days after an exploration project or mining operation is completed or abandoned. The notice

must state the date on which the activities for reclamation included in the approved plan for reclamation will begin.

2. Except as otherwise provided in subsection 3, the operator shall notify the Division in writing within 90 days after work is suspended on an exploration project or mining operation for more than 120 days. The notice must state:

- (a) The nature and reason for the suspension;
  - (b) The anticipated duration of the suspension; and
  - (c) Any event which would reasonably be expected to result in either the resumption of activities or the abandonment of the project or operation.
3. A temporary closure caused by weather conditions does not require notice pursuant to subsection 2.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.325 Removal and stockpiling of topsoil; avoidance of depression in land. ([NRS 519A.160, 519A.230](#))**

1. If practicable and necessary for the establishment of the postmining use of the land, sufficient topsoil, if available, must be removed during the creation of a disturbance and stockpiled for use in future reclamation. The stockpile must be posted to identify the material, and stabilized as necessary to prevent excessive losses from erosion. If topsoil is unavailable, any growth medium to be used that requires removal and stockpiling must be managed in the same manner as topsoil.

2. The creation of a depression during reclamation which may form a pond must be avoided unless the pond is part of the postmining use of the land.

3. As used in this section, "stabilized" means the condition which results when an area which has been reclaimed no longer exhibits a potential to impact adversely public safety or the environment.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.330 Revegetation of land. ([NRS 519A.160, 519A.230](#))**

1. An operator shall:

(a) Select and establish species of plants that will result in vegetation productivity comparable to that growing on the affected lands before commencement of the exploration project or mining operation, which is required by the manager of the land or which is consistent with the postmining use of the land.

(b) Consult a person with experience in revegetation or test the land before the selection of plants.

2. The operator may rely upon available technical data and the results of field tests when selecting seeding practices and soil amendments which will result in viable vegetation. These practices of selection may be included in the plan for reclamation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.335 Authority of Division to approve appropriate methods of reclamation. ([NRS 519A.140, 519A.160](#))** The Division may approve any appropriate method of reclamation for exploration projects and mining operations if the method is consistent with the provisions of [NAC 519A.010](#) to [519A.415](#), inclusive.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.340 Authority of Division to request operator of exploration project to perform certain types of reclamation. ([NRS 519A.140, 519A.160](#))** The Division may, if appropriate, request an operator of an exploration project to reclaim:

1. Roads and drill pads by:

- (a) Recontouring or regrading to round off, cut and fill slopes;
- (b) Removing culverts;
- (c) Ripping or scarifying the surface;
- (d) Constructing water bars;
- (e) Revegetation; and
- (f) Restoring or stabilizing drainage areas and streambeds.

2. Drill holes from exploration by plugging the holes with the minimum surface plug required pursuant to [chapter 534](#) of NRS.

3. Trenches and pits by:

- (a) Backfilling and regrading to approximate the form of the land before it was disturbed;
- (b) Regrading to make the land stable; and
- (c) Revegetation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A 9-5-91)

**NAC 519A.345 Authority of Division to require operator of mining operation to perform certain types of reclamation. ([NRS 519A.140, 519A.160](#))** The Division may, if appropriate, require an operator of a mining operation to reclaim:

1. Roads and drill pads by:

- (a) Recontouring or regrading to round off, cut and fill slopes to the original contour or to approximate the form of the land before its disturbance;
- (b) Removing culverts;
- (c) Ripping or scarifying the surface;
- (d) Constructing water bars;
- (e) Revegetation; and
- (f) Restoring or stabilizing drainage areas or streambeds.

2. Drill holes from exploration by plugging the holes with the minimum surface plug required pursuant to [chapter 534](#) of NRS.

3. Waste and development rock piles by:

- (a) Regrading to round off sharp edges, enhance the stability, reduce susceptibility to erosion and facilitate efforts for revegetation;
- (b) Revegetation;
- (c) Diverting runoff; and
- (d) Implementing measures to stabilize, manage, control or treat mine-impacted waters.

4. Dams for tailings ponds by:

- (a) Covering with waste rock, topsoil or growth medium;
- (b) Revegetation; and
- (c) Rendering the dam incapable of storing any mobile fluid in a quantity which could pose a threat to the stability of the dam or to public safety.

5. Impoundments for tailings by:

- (a) Regrading to promote runoff and reduce infiltration;
- (b) Covering with waste rock, topsoil or growth medium;
- (c) Revegetation;
- (d) Process fluid stabilization; and
- (e) Diverting runoff.

6. Heaps from leaching by:

- (a) Regrading to enhance structural stability, promote runoff, reduce infiltration and control erosion;
- (b) Covering with waste rock, topsoil or growth medium;
- (c) Revegetation;
- (d) Process fluid stabilization; and
- (e) Diverting runoff.

7. Solution ponds, settling ponds and other nontailings impoundments by:

- (a) Backfilling and regrading to approximate the natural land form; and
- (b) Restoring the regime of the surface water to the regime that existed before the disturbance.

8. Buildings, foundations, facilities, structures and other equipment by:

(a) Demolishing to the level of the foundation and burying the demolished items on the site in conformance with applicable requirements for the disposal of solid waste;

(b) Salvaging and sale;

(c) Disposal off of the site in conformance with applicable requirements for the disposal of solid waste; and

(d) Continuing use in a manner consistent with the postmining land use.

9. Open pit mines by:

(a) Performing activities that will provide for public safety;

(b) Stabilizing pit walls or rock faces where required for public safety;

(c) Constructing and maintaining berms, fences or other means of restricting access;

(d) Implementing measures to stabilize, manage, control or treat mine-impacted waters;

(e) Creating a lake for recreational use, wildlife or other uses; and

(f) Revegetation.

Ê Reclamation of open pits or rock faces does not require backfilling although backfilling in whole or in part with waste rock from an adjacent mining operation may be encouraged if backfilling is feasible and does not create additional negative environmental impacts.

10. Underground mines by:

(a) Sealing shafts, adits, portals and tunnels to prevent access;

(b) Constructing and maintaining berms, fences or other means of restricting access; and

(c) Implementing measures to stabilize, manage, control or treat mine-impacted waters.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A 9-5-91; R090-00, 7-27-2000; R052-15, 12-21-2015)

#### Provision of Surety

**NAC 519A.350 General requirements. ([NRS 519A.160](#), [519A.190](#), [519A.210](#))**

1. An operator shall file a surety with the Division or a federal land management agency, as applicable, to ensure that reclamation will be completed on privately owned and federal land. The surety may be:

(a) A trust fund;

(b) A bond;

(c) An irrevocable letter of credit;

(d) Insurance;

(e) A corporate guarantee;

(f) A cash deposit; or

(g) Any combination thereof.

2. If the surety is a trust fund:

(a) The operator shall make periodic payments to the trust fund at least annually for the term of the exploration project or mining operation.

(b) The initial payment to the trust must be:

(1) For a new exploration project or mining operation, made before the land is affected.

(2) For an exploration project or mining operation which is active on October 1, 1990, made within 60 days after the operator receives a permit from the Division.

(c) The balance of the trust fund must be sufficient at all times to satisfy the requirements of [NAC 519A.360](#).

3. If the surety is the bond of a corporation:

(a) It must state that the operator shall faithfully perform all requirements of the permit issued by the Division.

(b) The corporation must be licensed to do business in the State of Nevada.

4. The operator may provide evidence of a surety provided by the program for the pooling of reclamation performance bonds developed by the Division of Minerals of the Commission on Mineral Resources pursuant to [NRS 519A.290](#).

5. If the surety is an irrevocable letter of credit, the letter of credit must:

(a) Be executed and issued by a bank authorized and doing business in the State of Nevada or a correspondent bank which is authorized to do business in the State of Nevada.

(b) Be made at the request of the operator.

(c) State that the issuing bank will honor drafts for payment upon compliance with the terms of the credit.

(d) Be irrevocable and issued for at least 1 year.

Ê The operator shall notify the Division at least 60 days before the expiration of the letter of credit. The notice must state whether it will be renewed or replaced with another form of surety.

6. If the surety is insurance:

(a) The policy must guarantee the performance of each reclamation obligation and permitting requirement of the operator if the operator defaults on any such obligation or requirement.

(b) The insurance company issuing the policy must be authorized to conduct the business of insurance in the State of Nevada.

(c) The insurance company issuing the policy must have a superior financial strength rating and a superior credit rating as determined by A.M. Best Company of Oldwick, New Jersey, or equivalent ratings from a nationally recognized insurance rating service.

(d) The policy must provide for a financial guarantee which satisfies the requirements of [NAC 519A.360](#) and which is available at all times if the operator defaults on any reclamation obligation or permitting requirement.

7. If the surety is a corporate guarantee:

(a) Not more than 75 percent of the required surety may be satisfied by the corporate guarantee, which is subject to periodic review and approval by the Administrator of the Division. The remaining portion of the surety must be satisfied by a surety identified in this section.

(b) The audited financial statements of the corporation must indicate that the corporation has two of the following three ratios:

(1) A ratio of total liabilities to stockholder's equity less than 2 to 1.

(2) A ratio of the sum of net income plus depreciation, depletion and amortization to total liabilities greater than 0.1 to 1.

(3) A ratio of current assets to current liabilities greater than 1.5 to 1.

(c) The net working capital and tangible net worth each must equal or exceed the amount established for reclamation pursuant to [NAC 519A.360](#).

(d) The tangible net worth must be at least \$10,000,000.

(e) Ninety percent of the assets of the corporation must be:

(1) Located in the United States; or

(2) At least six times the amount established pursuant to [NAC 519A.360](#).

8. If the surety is a cash deposit:

(a) The deposit must be deposited with and held in trust by the State Treasurer. Any interest earned on the deposit must be credited to the trust. The State Treasurer may release the deposit either in whole or in part to the operator or the Division only upon receipt of a written request from the Administrator or his or her designee.

(b) The deposit must be sufficient to satisfy the requirements of [NAC 519A.360](#) and the Division shall determine the portion of the deposit to be allocated as the surety for each individual exploration project or mining operation.

9. Any financial information submitted to the Division pursuant to this section must be prepared in accordance with accounting principles that are generally accepted in the United States.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R089-01, 10-25-2001; R080-08, 12-17-2008; R044-12, 9-14-2012; R052-15, 12-21-2015)

**NAC 519A.355 Provision of statewide surety for exploration projects. ([NRS 519A.160](#), [519A.190](#))** The applicant for a permit for an exploration project may provide a statewide surety for all projects conducted within the State of Nevada.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.360 Amount of surety required. ([NRS 519A.160](#), [519A.190](#), [519A.210](#))**

1. The operator shall provide surety in an amount sufficient to ensure reclamation of:
  - (a) The entire area to be affected by his or her project or operation; or
  - (b) A portion of the area to be affected if, as a condition of the issuance of the permit, filing additional surety is required before the operator disturbs land not covered by the initial surety.
2. The amount of surety required must be based on an estimate of the cost of executing the plan for reclamation which would be incurred by the state or federal agency having jurisdiction over the land.
3. The operator's estimate of the cost for reclamation must be based on either:
  - (a) The costs of equipment rental, operation and labor which are appropriate for the geographic area undergoing reclamation and which would otherwise be incurred by a third-party contractor who performed the reclamation;
  - (b) Estimated costs provided by an outside contractor; or
  - (c) Any other method which is acceptable to the Administrator, the Bureau of Land Management, the United States Forest Service or another federal land management agency, if applicable.
4. In determining the cost of executing the plan for reclamation, the operator shall consider all activities in the plan for reclamation that are required by [NAC 519A.010](#) to [519A.415](#), inclusive, or [chapter 519A](#) of NRS, including, if appropriate:
  - (a) Earth moving, regrading, stabilization of heaps and dumps, recontouring of roads and erosion control;
  - (b) Process fluid stabilization;
  - (c) Stabilization, management, control and treatment of mine-impacted waters;
  - (d) Revegetation, preparation of seedbed and planting;
  - (e) Demolition of buildings and other structures;
  - (f) Removal and disposal or salvage of buildings, structures, equipment, piping, scrap and reagents;
  - (g) Any ongoing or long-term activities which are required to:
    - (1) Maintain the effectiveness of reclamation or are necessary in lieu of reclamation; or
    - (2) Ensure the continuation of post-reclamation stabilization, management, control and treatment of mine-impacted waters to protect the waters of this State, including, without limitation, periodic clean-out of sediment basins and ponds used to collect mine-impacted waters or maintenance of berms and fences which are used to prevent access to areas which pose a threat to the public safety;

(h) Equipment mobilization and demobilization; and  
(i) Administration and management by the Division, the Bureau of Land Management, the United States Forest Service and another federal land management agency, if applicable.

5. In determining the cost of executing the plan for reclamation, the operator shall not consider the cost of any activity not included in the plan for reclamation or not required by [NAC 519A.010](#) to [519A.415](#), inclusive, or [chapter 519A](#) of NRS. This subsection does not limit in any way the authorities of the Bureau of Land Management, the United States Forest Service or another federal land management agency to require surety for purposes other than those of [NAC 519A.010](#) to [519A.415](#), inclusive, and [chapter 519A](#) of NRS.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R090-00, 7-27-2000; R044-12, 9-14-2012; R052-15, 12-21-2015)

**NAC 519A.365 Submission to Division of information regarding estimation of costs for reclamation. ([NRS 519A.160](#), [519A.190](#), [519A.210](#))**

The operator shall submit, on a form provided by the Division or in a similar manner:

1. Documentation for his or her calculation of the cost of executing the plan for reclamation;
2. The source of his or her estimates of costs;
3. A list of specific activities which will be performed to reclaim the affected acres such as those in [NAC 519A.360](#) for each type of disturbance; and
4. The total acreage of each disturbance requiring the same activity to be performed for reclamation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.370 Determination of whether estimate of cost for reclamation is sufficient. ([NRS 519A.160](#), [519A.190](#), [519A.210](#))**

1. The Division shall review the operator's estimate of the cost for reclamation and determine if the estimate is reasonably sufficient to conduct all required reclamation.

2. If the Division determines that the estimated cost of executing the plan for reclamation is insufficient to conduct all required reclamation, the application for a permit shall be considered to be incomplete.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.375 Disturbances of land for which surety not required. ([NRS 519A.160](#), [519A.190](#), [519A.210](#))** Surety will not be required for reclamation of land disturbances which were created before October 1, 1990, and which are no longer active as part of an active exploration project or mining operation on October 1, 1990.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.380 Periodic review of amount of surety; notification required; adjustment of amount. ([NRS 519A.160](#))**

1. Within 3 years after the effective date of the permit and at least every 3 years thereafter, an operator shall review the amount of surety filed to cover the cost of reclamation to determine whether it is still adequate to execute the approved plan for reclamation taking inflation into consideration.

2. The operator shall:

- (a) Notify the Division, the Bureau of Land Management, the United States Forest Service and another federal land management agency, if appropriate, of the results of the review of the surety; and
- (b) Within 120 days after the review:
  - (1) Request a decrease in the surety; or
  - (2) Increase the surety,

to execute the plan for reclamation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.385 Release of surety: Request for release; conditions; denial of request. ([NRS 519A.160](#))**

1. The Division may release a surety either in whole or in part at the request of the operator.

2. The entire surety must not be released until all of the requirements of the permit have been fulfilled, except that:

(a) A portion of the surety covering the reclamation of a discrete part of a disturbance must be released when the requirements of the permit regarding the discrete part of the disturbance have been fulfilled.

(b) That portion of the surety covering a discrete activity must be released when the requirements of the permit regarding that discrete activity have been fulfilled.

(c) Except as otherwise provided in subsection 3, if revegetation is part of the plan for reclamation, 60 percent of the posted surety must be released upon completion of the earthwork. After revegetation has been performed by the operator on the regraded lands, according to the approved plan for reclamation, the Division may release an additional 25 percent of the surety. The remaining surety must not be released until all requirements of the permit have been satisfied.

(d) Upon transfer of a permit to a new operator and upon acceptance of the required surety from the new operator, the Division shall release the surety posted by the original operator.

3. Percentages greater than those specified in paragraph (c) of subsection 2 may be released if the operator demonstrates that the remaining surety is sufficient to ensure completion of the required reclamation.

4. Within 30 days after receiving a request for release of a surety, the agency holding the surety, or its designated agent pursuant to [NRS 519A.140](#), shall inspect the permitted exploration project or mining operation to determine whether the operator has fulfilled the requirements of his or her permit and either:

- (a) Release the surety or portion thereof as requested; or
  - (b) Notify the operator that the requested surety will not be released, the reasons why and the measures necessary to satisfy the requirements of the permit.
  - 5. If a request to release is denied, the operator may appeal the decision pursuant to [NAC 519A.415](#).
  - 6. The 30 days within which an agency must respond to a request to release a surety pursuant to subsection 3 may be extended if weather conditions prevent an inspection of the reclaimed area.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.390 Forfeiture of surety: Grounds; notice and hearing. ([NRS 519A.160](#))**

- 1. A surety filed with the Division, the Bureau of Land Management, the United States Forest Service or another federal land management agency is subject to forfeiture if:
    - (a) An exploration project or mining operation has been completed, abandoned, or temporarily closed for a period greater than allowed pursuant to [NAC 519A.285](#) without initiating activities for reclamation;
    - (b) The permit is suspended or revoked pursuant to [NAC 519A.220](#); or
    - (c) The operator ceases to conduct business in the State of Nevada and does not transfer the permit to a new operator.
  - 2. The Division shall notify an operator personally or by registered mail that his or her surety is subject to forfeiture, and inform the operator of his or her right to a hearing before the Commission. A hearing must be scheduled pursuant to [NAC 519A.400](#), or pursuant to [NAC 519A.220](#) if the permit is suspended or revoked.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **Trust Fund for Short-Term Fluid Management**

#### **NAC 519A.392 Payments for deposit into Fund; use and reimbursement of money in Fund. ([NRS 519A.160](#))**

- 1. In addition to the surety required pursuant to [NAC 519A.350](#), on or before October 1, 2000, an operator of a mining operation that is required to hold a permit from the Department of Wildlife pursuant to [NRS 502.390](#) shall submit to the Division:
    - (a) Thirty-six thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$35,000,000 as of the date the operator submits the money;
    - (b) Twenty-four thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$7,000,000 but less than or equal to \$35,000,000 as of the date the operator submits the money;
    - (c) Six thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$1,000,000 but less than or equal to \$7,000,000 as of the date the operator submits the money; or
    - (d) One thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is less than or equal to \$1,000,000 as of the date the operator submits the money.
  - 2. In addition to the surety required pursuant to [NAC 519A.350](#) and the payment required pursuant to subsection 1, on or before April 15, 2001, an operator of a mining operation that is required to hold a permit from the Department of Wildlife pursuant to [NRS 502.390](#) shall submit to the Division:
    - (a) Thirty-six thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$35,000,000 as of the date the operator submits the money;
    - (b) Twenty-four thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$7,000,000 but less than or equal to \$35,000,000 as of the date the operator submits the money;
    - (c) Six thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$1,000,000 but less than or equal to \$7,000,000 as of the date the operator submits the money; or
    - (d) One thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is less than or equal to \$1,000,000 as of the date the operator submits the money.
  - 3. In addition to the surety required pursuant to [NAC 519A.350](#) and the payments required pursuant to subsections 1 and 2, on or before April 15, 2002, an operator of a mining operation that is required to hold a permit from the Department of Wildlife pursuant to [NRS 502.390](#) shall submit to the Division:
    - (a) Thirty-six thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$35,000,000 as of the date the operator submits the money;
    - (b) Twenty-four thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$7,000,000 but less than or equal to \$35,000,000 as of the date the operator submits the money;
    - (c) Six thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is more than \$1,000,000 but less than or equal to \$7,000,000 as of the date the operator submits the money; or
    - (d) One thousand dollars if the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) is less than or equal to \$1,000,000 as of the date the operator submits the money.
  - 4. The Division shall:
    - (a) Establish the Trust Fund for Short-Term Fluid Management;
    - (b) Deposit money collected pursuant to this section in the Trust Fund;
    - (c) Credit all interest earned on the money in the Trust Fund to the Trust Fund;
    - (d) Use the money in the Trust Fund only for the management of fluids at a site while the process for forfeiture of a surety pursuant to [NAC 519A.390](#) is pending; and
    - (e) After the conclusion of the process for forfeiture of a surety pursuant to [NAC 519A.390](#), if the surety was forfeited, reimburse the Trust Fund with the surety that was forfeited. Such reimbursement must be in an amount equal to the total amount of money used from the Trust Fund at the site for which the surety was forfeited.
  - 5. An operator that operates more than one mining operation in this State may combine the amount of surety required pursuant to [NAC 519A.360](#) for each site to determine the total amount of surety the operator is required to provide pursuant to [NAC 519A.360](#) for purposes of determining the amount of money to submit pursuant to this section.
- (Added to NAC by Environmental Comm'n by R120-00, eff. 9-25-2000)

#### **Enforcement**

#### **NAC 519A.395 Inspections by Division and federal agencies; submission of results to operator. ([NRS 519A.160](#))**

- 1. The Division may inspect an exploration project or mining operation to determine if it is in compliance with the terms and conditions of a permit and the status of activities for reclamation. Such an inspection must be conducted during normal business hours and the operator may be given adequate notice so that personnel familiar with the permit and its requirements may be present.
  - 2. Pursuant to [NRS 519A.140](#), the Division, the Bureau of Land Management, the United States Forest Service or another federal land management agency may inspect a permitted exploration project or mining operation which is located on federal land or on both federal and private land to determine compliance with the terms and conditions of a permit and the status of activities for reclamation. Inspection of activities for reclamation on private property must be conducted during normal business hours and the operator may be given adequate notice so that personnel familiar with the permit and its requirements may be present.
  - 3. The results of the inspection must be forwarded to the operator within 30 days of completion after the report of the inspection.
- (Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### **NAC 519A.400 Notice of noncompliance: Service; contents; withdrawal. ([NRS 519A.160, 519A.270](#))**

- 1. If the Division has reason to believe that an operator has violated any provision of [chapter 519A](#) of NRS, [NAC 519A.010](#) to [519A.415](#), inclusive, or an approved plan for reclamation, it shall serve a notice of noncompliance on the operator. The notice must:
  - (a) Be served personally or by registered mail addressed to the operator at the address shown in the records of the Division;
  - (b) Specify each violation; and

(c) Set a date and time for a hearing and inform the operator that his or her permit may be suspended or revoked and his or her surety forfeited upon completion of the hearing or if the operator fails to attend the hearing.

2. The Division may withdraw a notice of noncompliance and cancel a hearing required by subsection 1 if the operator demonstrates that the alleged violation has been remedied or has agreed to a corrective plan of action approved by the Division.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

**NAC 519A.405 Maximum amount of civil penalty. ([NRS 519A.160](#), [519A.280](#))** The civil penalty imposed by the Division pursuant to [NRS 519A.280](#) must not exceed \$5,000 per violation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90)

#### Miscellaneous Provisions

**NAC 519A.410 Small mining operations: Operator required to submit certain information and documentation to Division; permit required if 5 acres or more of land will be affected by operation. ([NRS 519A.160](#))**

1. The operator of a small mining operation shall submit to the Division:

(a) A sketch or topographic map of the operation depicting:

(1) The boundaries of the project area;

(2) Surface ownership within the project area;

(3) Areas to be affected and the nature of the disturbances including tailings impoundments, leach pads, waste rock dumps, buildings, roads and all other surface facilities;

(4) Areas within the project area which were previously affected by activities other than those of the operator or which will not be subject to additional or continuing disturbance because of his or her activities;

(5) The location of any body of surface water within one-half-mile down gradient from the operation which may be impacted by excess sedimentation resulting from the mining operations; and

(6) The location of access roads that were created before January 1, 1981.

(b) An estimate of the acreage affected by each type of disturbance set forth pursuant to subparagraph (3) of paragraph (a).

(c) A proposed postmining use of the land and general description of the manner in which the postmining use of the land will be attained by reclamation.

2. The information and documentation required by subsection 1 must be submitted:

(a) By October 1, 1991, for a small mining operation which is active on October 1, 1990; or

(b) Before disturbance of the surface for a new small mining operation.

3. If 5 acres or more of land will be affected by a small mining operation in a calendar year, the operator of the small mining operation must, before such land is affected, obtain a permit for a mining operation pursuant to the provisions of this chapter and [chapter 519A](#) of NRS. In applying for a permit for the mining operation, the operator must include in the plan for reclamation required pursuant to [NAC 519A.140](#) all land previously affected by the small mining operation.

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A by R045-18, 8-30-2018)

**NAC 519A.415 Appeals to Commission. ([NRS 519A.160](#))**

1. Any person aggrieved by:

(a) The issuance, denial, renewal, suspension, modification, condition or revocation of a permit; or

(b) The issuance, modification or rescission of any other order,

È by the State Department of Conservation and Natural Resources may appeal to the Commission.

2. Any person who requests a hearing before the Commission concerning a final decision of the Department pursuant to [chapter 519A](#) of NRS may do so by filing a request, within 10 days after notice of the action of the Department, on form 3\* with the State Environmental Commission, Richard H. Bryan State Office Building, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249.

3. The provisions of [NAC 445B.875](#) to [445B.899](#), inclusive, apply to a hearing of the State Environmental Commission requested pursuant to subsection 1.

4. The Commission will affirm, modify or reverse any action of the Department which is appealed to it.

\*(See adopting agency for form.)

(Added to NAC by Environmental Comm'n, eff. 9-19-90; A 10-29-93)

#### DUTIES OF DIVISION OF MINERALS

##### General Provisions

**NAC 519A.510 Definitions. ([NRS 513.063](#), [519A.250](#), [519A.290](#))** As used in [NAC 519A.510](#) to [519A.635](#), inclusive, unless the context otherwise requires, the words and terms defined in [NAC 519A.512](#) to [519A.555](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A 3-4-92; A by Comm'n on Mineral Resources by R069-99, 8-19-99; R066-02, 8-23-2002; R044-19, 12-30-2019)

**NAC 519A.512 "Administrator" defined. ([NRS 519A.250](#), [519A.290](#))** "Administrator" means the Administrator of the Division.

(Added to NAC by Dep't of Minerals, eff. 10-9-90) — (Substituted in revision for NAC 519A.530)

**NAC 519A.515 "Bond pool" defined. ([NRS 519A.290](#))** "Bond pool" means the program for the pooling of reclamation performance bonds that collects, holds and distributes money paid to the pool by its participants to assist those participants to comply with:

1. The bonding and surety requirements of [chapter 519A](#) of NRS;

2. The requirements for financial guarantees set forth in the regulations adopted pursuant to 43 U.S.C. § 1740; or

3. The bonding requirements imposed pursuant to an ordinance adopted by a county in this State.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Div. of Minerals, 11-14-97)

**NAC 519A.520 "Commission" defined. ([NRS 519A.290](#))** "Commission" means the Commission on Mineral Resources.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.525 "Division" defined. ([NRS 519A.250](#), [519A.290](#))** "Division" means the Division of Minerals of the Commission on Mineral Resources.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.535 "Exploration project" defined. ([NRS 519A.250](#), [519A.290](#))** "Exploration project" means all activities conducted in this State by a person on or beneath the surface of land for the purpose of, or in connection with, determining the presence, location, extent, depth or grade of any mineral, which affects the surface.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A 3-4-92)

**NAC 519A.540 "Mining operation" defined. ([NRS 513.063](#), [519A.250](#), [519A.290](#))** "Mining operation" means all activities conducted in this State by a person on or beneath the surface of land for the purpose of, or in connection with, the development or extraction of any mineral.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A 3-4-92; A by Comm'n on Mineral Resources by R044-19, 12-30-2019)

**NAC 519A.543 "Notice-level project" defined. ([NRS 513.063](#), [519A.290](#))** "Notice-level project" means an exploration project causing or proposing

to cause a surface disturbance of not more than 5 acres on public lands.

(Added to NAC by Comm'n on Mineral Resources by R044-19, eff. 12-30-2019)

**NAC 519A.545 "Operator" defined.** ([NRS 519A.250](#), [519A.290](#)) "Operator" means any person who owns, controls or manages an exploration project or a mining operation.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.550 "Participant" defined.** ([NRS 519A.290](#)) "Participant" means an operator who has paid money to the bond pool to cover his or her bonded liability and who is in good standing in the bond pool.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.552 "Plan" defined.** ([NRS 513.063](#), [519A.250](#), [519A.290](#)) "Plan" means a plan of operation filed with and approved by the United States Bureau of Land Management or the United States Forest Service or a plan for reclamation filed with and approved by the Division of Environmental Protection of the State Department of Conservation and Natural Resources.

(Added to NAC by Comm'n on Mineral Resources by R066-02, eff. 8-23-2002; A by R044-19, 12-30-2019)

**NAC 519A.555 "Responsible regulatory authority" defined.** ([NRS 519A.290](#)) "Responsible regulatory authority" means the governmental agency that has authority to require, modify, release or require forfeiture of a reclamation performance bond for a mining operation or an exploration project.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

#### Program for the Pooling of Reclamation Performance Bonds

**NAC 519A.570 Administration by Division; application for participation; waiver or exception from certain requirements.** ([NRS 513.063](#), [519A.290](#))

1. The Division will administer the bond pool.

2. A person who wishes to participate in the bond pool must complete an application on a form provided by the Division and submit any relevant information or supporting documents requested by the Division.

3. Except as otherwise provided in subsection 5, an application to participate in the bond pool must include a statement by the applicant and documentation that:

(a) Indicates whether the applicant has ever forfeited a bond or surety held for the reclamation of mined land and, if so, the location of the operation for which the bond or surety was forfeited and the circumstances of the forfeiture.

(b) Lists the location, scale and any other pertinent details of the previous mining or exploration activities of the applicant that required reclamation performance bonding during the preceding 10 years.

(c) Shows the structure of the business organization and the financial status of the applicant at the time of application. Except as otherwise provided in subsection 4, the documentation must include:

(1) An organizational chart naming any parent company;

(2) Current and long-term assets;

(3) Current and long-term liabilities;

(4) The net worth of the business organization; and

(5) **{Evidence that the financial statements have been reviewed by a certified public accountant and are a fair representation of the financial status of applicant, the}**

**4. The Administrator may waive the requirements of subparagraph (5) of paragraph (c) of subsection 3 for an applicant who:**

(a) **Applies for bond coverage of \$10,000 or less;** and

(b) **Submits to the Administrator a}4 signed and notarized affidavit stating under penalty of perjury that the information provided by the applicant pursuant to subparagraphs (2), (3) and (4) of paragraph (c) of subsection 3 is true.**

**4{5}. An applicant is not required to comply with the provisions of subsection 3 when applying for a bond for a notice-level**  

**pre{added to NAC by Dep't of Minerals, eff. 10-9-90; A 9-16-92; A by Div. of Minerals, 11-14-97; A by Comm'n on Mineral Resources by R044-19, 12-30-2019)**

**NAC 519A.575 Submission of information by applicant; prequalification of applicant.** ([NRS 519A.290](#))

1. An applicant may submit any part of the information required by [NAC 519A.570](#) before submitting the remaining required information.

2. The Administrator or his or her designee may prequalify an applicant for participation in the bond pool, subject to receipt and final review of any materials required to complete the application.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.580 Notification of applicant; right to appeal denial of application.** ([NRS 519A.290](#)) The Division will notify the applicant within 20 business days after receipt of an application that:

1. The applicant has been accepted to participate in the bond pool subject to payment of the entry deposit and the first installment of the premium due the first year;

2. The application is incomplete and identify what additional information is required; or

3. The application has been denied and the reasons for the denial. An applicant may appeal this decision pursuant to [NAC 519A.630](#).

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.585 Establishment of amount of bond; amount of coverage by bond pool; maximum amount; request for change in bond pool coverage.** ([NRS 513.063](#), [519A.290](#))

1. The responsible regulatory authority shall establish the amount of the reclamation performance bond.

2. A participant is subject to a maximum bond amount for which the bond pool may be liable. The maximum amount may be reached by bonding more than a single mining operation or exploration project or a combination thereof.

3. A participant may participate in the bond pool with greater bond coverage than is required by the responsible regulatory authority with the approval of the Administrator or a person designated by him or her. Any coverage in excess of the coverage required by the responsible regulatory authority must be identified and may not be used to cover reclamation costs in the event of the forfeiture by the participant. The Administrator or a person designated by the Administrator will include any such coverage in determining the amount of the deposit the participant is required to pay pursuant to [NAC 519A.593](#) and the amount of the premiums the participant is required to pay pursuant to [NAC 519A.595](#).

4. The maximum bond coverage for a participant who is the operator of one or more mining operations or exploration projects, or any combination thereof, is \$3,000,000.

5. A participant may request a change in his or her bond pool coverage. The Administrator or a person designated by the Administrator may require additional information before increasing the bond coverage of a participant.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A 3-4-92; A by Div. of Minerals, 11-14-97; A by Comm'n on Mineral Resources by R066-02, 8-23-2002; R044-19, 12-30-2019)

**NAC 519A.590 Indemnification of bond pool.** ([NRS 519A.290](#)) Before acceptance into the bond pool, the applicant must execute a general agreement of indemnity on a form provided by the Division. After acceptance into the bond pool, the applicant must indemnify and keep indemnified and save and hold harmless the bond pool against all loss, costs, expenses and attorney's fees incurred by the bond pool as a result of his or her participation in the bond pool or forfeiture of any part of his or her bond.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.593 Payment of entry deposit. (NRS 513.063, 519A.290)**

1. Each participant must pay the entry deposit required by this section to maintain participation in the bond pool. The amount of the deposit will be adjusted if the bond coverage provided by the pool increases or decreases solely because of a recalculation of the amount of the bond.

2. If an operator becomes a participant or the bond coverage provided by the pool changes because the plan is amended:

(a) Before August 23, 2002, the deposit is equal to 15 percent of his or her bond coverage at the time of entry into the bond pool or amendment of the plan, as applicable.

(b) On or after August 23, 2002, and before December 30, 2019, the amount of the deposit for:

(1) A bond that is less than \$10,000, is 100 percent of the amount of the bond; and

(2) A bond that is \$10,000 or more, is a percentage of the amount of the bond calculated using the following formula:

$$\frac{3}{299,000} \text{ (amount of bond - 10,000)} + 50$$

(c) On or after December 30, 2019, the amount of the deposit for:

(1) A bond for a notice-level project or for less than \$10,000, is 100 percent of the amount of the bond; and

(2) A bond that is not for a notice-level project and is for \$10,000 or more, is a percentage of the amount of the bond calculated using the following formula:

$$\frac{3}{299,000} \text{ (amount of bond - 10,000)} + 50$$

3. The deposit and any addition to the original deposit must remain in the bond pool until the participant has been released by the responsible regulatory authority from further reclamation liability. The deposit will not be released in the event of a forfeiture.

(Added to NAC by Comm'n on Mineral Resources by R044-19, eff. 12-30-2019)

**NAC 519A.595 Payment of annual premiums. (NRS 513.063, 519A.290)**

1. Each participant must pay the annual premiums, established as an equal percentage of the participant's bond coverage, as required by this section to maintain participation in the bond pool.

2. If an operator became a participant before December 30, 2019, premiums must be paid by the participant:

(a) In quarterly installments on or before March 31, June 30, September 30 and December 31; or

(b) Annually in accordance with a schedule approved by the Administrator or a person designated by him or her.

3. If an operator becomes a participant after December 30, 2019, premiums must be paid by the participant for:

(a) A bond for a project that is not a notice-level project, in quarterly installments on or before March 31, June 30, September 30 and December 31; or

(b) A bond for a notice-level project, annually in accordance with a schedule approved by the Administrator or a person designated by him or her.

4. Upon entry to the bond pool, the participant must, based on the date of entry, pay a prorated amount of the first:

(a) Quarterly premium; or

(b) Annual premium, if the participant pays the premium in accordance with a schedule approved by the Administrator or a person designated by him or her pursuant to this section.

Ê After entry to the bond pool, the participant must pay the regular quarterly or annual amount on or before the date the premium is due.

5. The annual premium will be calculated as follows:

(a) Except as otherwise provided in paragraph (b), for bonds that were issued before August 23, 2002, the annual premium is 5 percent of the bond coverage of a participant.

(b) For bonds that were issued or that increased because the plan was amended on or after August 23, 2002, and before December 30, 2019, the annual premium:

(1) Except as otherwise provided in subparagraph (3), for bonds whose total amount is less than \$10,000, is 3 percent of the amount of the bonds.

(2) Except as otherwise provided in subparagraph (3), for bonds whose total amount is at least \$10,000, is a percentage of the amount of the bond calculated using the following formula:

$$\frac{-0.5}{299,000} \text{ (amount of bond - 10,000)} + 10$$

(3) If the amount of the deposit and the premiums paid by a participant equal or exceed the amount of the bond, is 2 percent of the amount of the bond. For the purposes of this subparagraph, any late penalty paid by a participant will not be considered in determining the amount of the annual premium.

(c) For bonds that are issued or increased because the plan is amended on or after December 30, 2019:

(1) Except as otherwise provided in subparagraph 2, for bonds whose total amount is at least \$10,000, is a percentage of the amount of the bond calculated using the following formula:

$$\frac{-0.5}{299,000} \text{ (amount of bond - 10,000)} + 10$$

(2) If the amount of the deposit and the premiums paid by a participant equal or exceed the amount of the bond, is 2 percent of the amount of the bond. For the purposes of this subparagraph, any late penalty paid by a participant will not be considered in determining the amount of the annual premium.

6. Except as otherwise provided in [NAC 519A.610](#) and [519A.615](#), the annual premium is nonrefundable.

7. If a change occurs in the required premium as a percentage of the bond coverage of a participant, the Administrator or a person designated by him or her will notify the participant not less than 30 days before the due date of the next:

(a) Quarterly premium; or

(b) Annual premium, if the participant pays his or her premium in accordance with a schedule approved by the Administrator or a person designated by the Administrator pursuant to this section.

Ê The Administrator or a person designated by him or her will base any change in the percentage of the premium on the recommendation of an actuary who is approved by the Commissioner of Insurance to review the status of the bond pool. The findings of the actuary must show that a change in percentage allows the bond pool to remain self-sustaining under statistically expected forfeiture rates and forecasted administrative costs.

8. The Administrator or a person designated by him or her will:

(a) Consult with the Risk Management Division of the Department of Administration to determine the availability and cost of obtaining insurance to insure against exposure to a risk that would cause the liability of the bond pool to exceed the amount of money in the bond pool.

(b) Consult with the Commission to determine whether to obtain such insurance. If the insurance is obtained, the Administrator or a person designated by him or her will establish a schedule for payment of the premiums for each participant based on the participant's portion of the total liability of the bond pool.

(c) Notify each participant of the amount of the premium the participant owes not less than 30 days before the premium is due.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Div. of Minerals, 11-14-97; A by Comm'n on Mineral Resources by R066-02, 8-23-2002; R044-19, 12-30-2019)

**NAC 519A.600 Use of money held in bond pool; interest earned on money; transfer of administrative expenses. (NRS 519A.290)**

1. All money held in the bond pool must be used only for the purposes of the bond pool, including administrative expenses.
  2. All interest earned on money held in the bond pool must be added to the bond pool and be used solely for the purposes of the bond pool. Participants are not entitled to receive any interest on deposits or premiums paid into the pool.
  3. Except as otherwise provided in this subsection, administrative expenses, calculated at a rate of 3 percent of the average total active bond amount held in the bond pool at the end of each of the 4 immediately preceding fiscal quarters, may be transferred annually from the bond pool to the Account for the Division of Minerals created pursuant to [NRS 513.103](#). The amount transferred must be based on the actual administrative expenses incurred by the Division and may not exceed the amount resulting from the calculations made pursuant to this subsection.
  4. As used in this section, "total active bond amount" means the total amount of money held in the bond pool that has not been requested to be returned to a participant.
- (Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Div. of Minerals by R108-13, 10-24-2014)

#### **NAC 519A.605 Failure to pay premiums: Penalty; termination of participation; liability of bond pool. ([NRS 513.063, 519A.290](#))**

1. If a participant fails to pay the premiums in the amount and by the time required by [NAC 519A.595](#), the participant shall pay a penalty of 5 percent of the amount of:
    - (a) His or her quarterly premium; or
    - (b) His or her annual premium, if the participant pays the premium annually in accordance with a schedule approved by the Administrator or a person designated by the Administrator pursuant to that section.
  2. If a participant fails to pay the quarterly or annual premium and the 5 percent penalty specified in subsection 1 within 30 calendar days after the date on which the premium is due, the Division will notify the participant that his or her participation in the bond pool will be terminated if full payment of the quarterly or annual premium and penalty is not received within 70 calendar days after the date on which the premium was due. The notice will be sent to the participant and the responsible regulatory authority by certified mail, return receipt requested, at least 30 calendar days before any action concerning termination is taken by the Administrator or a person designated by the Administrator.
  3. If full payment of the quarterly or annual premium, including any penalty, is not received within 70 calendar days after the date on which it is due, the Division will send a notice to the responsible regulatory authority and the participant by certified mail, return receipt requested, that his or her participation in the bond pool is terminated. If a participant's participation in the bond pool is terminated pursuant to this section, the Division will not return the deposit paid by participant pursuant to [NAC 519A.593](#).
  4. The bond pool:
    - (a) Is liable for the coverage of the participant for reclamation of land that is disturbed until the date of termination.
    - (b) Is not liable for the reclamation of any land that is disturbed after the date of termination.
- (Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Div. of Minerals, 11-14-97; A by Comm'n on Mineral Resources by R044-19, 12-30-2019)

#### **NAC 519A.610 Release of deposit, unused premium and percentage of certain other premiums. ([NRS 513.063, 519A.290](#))**

1. A participant is eligible for the release of funds described in subsection 2 when the responsible regulatory authority confirms in writing that the participant:
    - (a) Has satisfied the requirement to reclaim land disturbed by a mining operation or exploration project and the bond may be released; or
    - (b) Has obtained a surety which replaces the bond coverage of the participant by the bond pool.
  2. Not later than 5 business days after receipt of written notification from the responsible regulatory authority that the participant has completed the requirements of subsection 1, the Administrator or a person designated by the Administrator will request the State Treasurer to release:
    - (a) The deposit of a participant;
    - (b) Any unused premium paid by him or her, less any outstanding penalties or premiums; and
    - (c) Seventy-five percent of the sum total of any premiums paid up to the point in time the amount of the deposit and the premiums paid by the participant equaled the amount of the bond.
- (Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Div. of Minerals, 11-14-97; A by Comm'n on Mineral Resources by R044-19, 12-30-2019)

**NAC 519A.615 Partial release of deposit and unused premium. ([NRS 519A.290](#))** The deposit of a participant and any unused premium paid by him or her may be partially released in the same manner described in [NAC 519A.610](#) if the responsible regulatory authority notifies the Division that:

1. The required amount of the bond has been reduced; or
  2. The participant has partially substituted another form of surety for a portion of the coverage provided by the bond pool.
- Ê The reduction in the amount of the deposit required is the same percentage as the percentage decrease in the coverage provided by the bond pool.
- (Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Div. of Minerals, 11-14-97)

#### **NAC 519A.620 Forfeiture of bond: Action by Administrator; liability and exoneration of bond pool. ([NRS 519A.290](#))**

1. Upon notification from the responsible regulatory authority that a participant has failed to complete the required reclamation and that the responsible regulatory authority, in accordance with all applicable laws and regulations, requires forfeiture of the bond, the Administrator will:
    - (a) Immediately notify the participant that his or her participation in the bond pool is terminated and his or her deposit will not be returned; and
    - (b) Request that the State Treasurer transfer to the responsible regulatory authority an amount of money from the bond pool determined by the Administrator or his or her designee to be equal to the estimated cost of reclamation less any other bonds or surety held in favor of the State of Nevada or the United States relating to the mining operation or exploration project of the participant to which the forfeiture applies.
  2. The maximum liability of the bond pool is the coverage provided to the participant relating to the mining operation or exploration project of the participant at the time of the forfeiture.
  3. If the responsible regulatory authority exonerates the participant from any portion of bonded liability, the bond pool is exonerated of an equal amount of bonded liability.
- (Added to NAC by Dep't of Minerals, eff. 10-9-90)

**NAC 519A.625 Forfeiture of bond: Action against participant or former participant. ([NRS 519A.290](#))** In the event of a forfeiture by a participant or a former participant whose participation in the bond pool is terminated pursuant to [NAC 519A.605](#), the Administrator or a person designated by the Administrator will immediately notify the Attorney General and request that action be taken against the participant or former participant in the name of the State of Nevada in any court of competent jurisdiction to recover the full costs incurred by the bond pool as a result of the forfeiture. Any money recovered must be deposited in the bond pool and used for the general purposes of the bond pool.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Div. of Minerals, 11-14-97)

#### **NAC 519A.630 Appeal of denial or termination of participation in bond pool. ([NRS 519A.290](#))**

1. Any person who is denied participation in the bond pool pursuant to [NAC 519A.580](#) or whose participation in the bond pool is terminated pursuant to [NAC 519A.620](#) may appeal the denial or termination.
2. Written notice of the appeal must be received by hand delivery or certified mail, return receipt requested, by the Division within 20 calendar days after receipt of the notice of denial or termination.
3. The appeal must state the grounds for the appeal of the denial or termination.
4. Within 30 calendar days after receipt of a notice of appeal, the Division will send a notice of the hearing to the person appealing the denial or termination. The notice will include the time, place and nature of the hearing, the legal authority and jurisdiction under which the hearing is to be held, and a statement of the matters asserted.
5. The hearing will be held before a panel composed of:
  - (a) The Administrator who is the chair of the panel and hearing officer;
  - (b) A member of the Commission who is designated by the Chair of the Commission; and
  - (c) A representative of the current participants in the bond pool who is selected by the Chair of the Commission and the Administrator.
6. The person appealing the denial or termination may present evidence and has the burden of proving that the denial or termination should be modified

or reversed.

7. The panel shall render a written decision which must be served personally or by certified mail upon the person appealing the denial or termination. The decision of the panel is a final decision for the purposes of judicial review.

(Added to NAC by Dep't of Minerals, eff. 10-9-90)

#### Fee for Filing Plan of Operation

**NAC 519A.634 Amount of fee. ([NRS 519A.250](#))** The amount of the fee that an operator must pay pursuant to subsection 1 of [NRS 519A.250](#) is \$20 per acre or part of an acre.

(Added to NAC by Comm'n on Mineral Resources by R069-99, eff. 8-19-99)

**NAC 519A.635 Refund of portion of fees. ([NRS 513.063, 519A.250](#))**

1. The Division will refund to an operator a portion of the fees required by [NRS 519A.250](#) according to the following schedule:

(a) For an amended plan:

- (1) That reduces the number of acres or part of an acre to be disturbed from the original number of acres or part of an acre to be disturbed; and
- (2) For which a fee has been paid to the Division pursuant to [NRS 519A.250](#),

the refund is \$1 for each acre or part of an acre removed from planned disturbance by the amendment.

(b) For a plan, there is no refund.

2. An operator who wishes to receive a refund must send to the Administrator a written request and a copy of the approved amended plan showing the reduction in acreage. Within 20 business days after receiving a valid written request for a refund and a copy of the amended plan, the Administrator or his or her designee will request that the State Controller issue a check to the operator in an amount calculated pursuant to paragraph (a) of subsection 1.

3. As used in this section, "operator" includes a person who is required by federal law to file a plan, an amended plan or a notice with the United States Bureau of Land Management or the United States Forest Service.

(Added to NAC by Dep't of Minerals, eff. 10-9-90; A by Comm'n on Mineral Resources by R080-01, 1-16-2002; R066-02, 8-23-2002; R044-19, 12-30-2019)

Language proposed for removal in red and bracketed -{remove}, additions in blue italics - *addition*

## CHAPTER 522 - OIL AND GAS

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## GENERAL PROVISIONS

**NAC 522.010 Definitions.** ([NRS 522.040](#)) As used in this chapter, unless the context otherwise requires, the words and terms defined in [NRS 522.021](#) to [522.0395](#), inclusive, and [NAC 522.018](#) to [522.170](#), inclusive, have the meanings ascribed to them in those sections.  
[Div. of Mineral Res., § 106, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.018 “Administrator” defined.** ([NRS 522.040](#)) “Administrator” means the Administrator of the Division.

(Added to NAC by Dep’t of Minerals, eff. 7-22-87) — (Substituted in revision for NAC 522.083)

**NAC 522.020 “Atmospheric pressure” defined.** ([NRS 522.040](#)) “Atmospheric pressure” means the pressure or weight of air at sea level, equivalent to 14.73 pounds per square inch.

[Div. of Mineral Res., § 108, eff. 12-20-79]

**NAC 522.025 “Barometric pressure” defined.** ([NRS 522.040](#)) “Barometric pressure” means the pressure or weight of air determined by the use of a barometer at a given point.

[Div. of Mineral Res., § 109, eff. 12-20-79]

**NAC 522.030 “Barrel” defined.** ([NRS 522.040](#)) “Barrel” means 42 U.S. gallons, measured at standard conditions of pressure and temperature.

[Div. of Mineral Res., § 110, eff. 12-20-79]

**NAC 522.035 “Blowout” defined.** ([NRS 522.040](#)) “Blowout” means an uncontrolled escape of drilling fluid, water, oil or gas from a well.

[Div. of Mineral Res., § 111, eff. 12-20-79]

**NAC 522.040 “Blowout preventer” defined.** ([NRS 522.040](#)) “Blowout preventer” means a control attached to the wellhead which is equipped with gates, rams or other packoff which can be closed around the drill pipe or cable tools and which completely closes the top of the casing.

[Div. of Mineral Res., § 112, eff. 12-20-79]

**NAC 522.045 “Bottom hole pressure” defined.** ([NRS 522.040](#)) “Bottom hole pressure” means the pressure in pounds per square inch under conditions existing at or near the producing horizon.

[Div. of Mineral Res., § 113, eff. 12-20-79]

**NAC 522.050 “Casing pressure” defined.** ([NRS 522.040](#)) “Casing pressure” means the pressure between the casing and tubing when the casing and tubing are packed off at the top of the well.

[Div. of Mineral Res., § 114, eff. 12-20-79]

**NAC 522.055 “Casinghead gas” defined.** ([NRS 522.040](#)) “Casinghead gas” means any gas, vapor, or both, indigenous to an oil stratum and produced from the stratum with oil.

[Div. of Mineral Res., § 115, eff. 12-20-79]

**NAC 522.060 “Condensate” defined.** ([NRS 522.040](#)) “Condensate” means the liquid recovered at the surface from condensation by reduced pressure or temperature of gaseous petroleum hydrocarbons in the reservoir.

[Div. of Mineral Res., § 116, eff. 12-20-79]

**NAC 522.065 “Cubic foot of gas” defined.** ([NRS 522.040](#)) “Cubic foot of gas” means the volume of gas contained in one cubic foot of space at standard conditions.

[Div. of Mineral Res., § 117, eff. 12-20-79]

**NAC 522.070 “Day” defined.** ([NRS 522.040](#)) “Day” means 24 consecutive hours from 7 a.m. to the following 7 a.m.

[Div. of Mineral Res., § 118, eff. 12-20-79]

**NAC 522.075 “Developed area” and “developed unit” defined.** ([NRS 522.040](#))

1. “Developed area” or “developed unit” means an area or unit having a completed well which is capable of producing oil or gas in profitable quantities.

2. If the Division finds that any part of a unit is nonproductive, the developed area of the unit includes only that part which is productive.

[Div. of Mineral Res., § 119, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.078 “Division” defined.** ([NRS 522.040](#)) “Division” means the Division of Minerals of the Commission on Mineral Resources.

(Added to NAC by Dep’t of Minerals, eff. 7-22-87) — (Substituted in revision for NAC 522.073)

**NAC 522.080 “Drilling fluid” defined.** ([NRS 522.040](#)) “Drilling fluid” means any fluid commonly used in the petroleum industry for the purpose of drilling and removing cuttings from a well.

[Div. of Mineral Res., § 120, eff. 12-20-79]

**NAC 522.085 “Exploratory well” defined.** ([NRS 522.040](#))

1. “Exploratory well” means a well drilled in an unproven area.  
2. The term includes a well drilled into unproven formations.

[Div. of Mineral Res., § 121, eff. 12-20-79]

**NAC 522.090 “Gas to oil ratio” defined.** ([NRS 522.040](#)) “Gas to oil ratio” means the ratio of production of gas in standard cubic feet to oil in barrels produced concurrently.

[Div. of Mineral Res., § 122, eff. 12-20-79]

**NAC 522.095 “Gas repressuring” defined.** ([NRS 522.040](#)) “Gas repressuring” means introduction of any gas into a pool in order to replenish, replace or increase the reservoir energy.

[Div. of Mineral Res., § 123, eff. 12-20-79]

**NAC 522.100 “Gas well” defined.** ([NRS 522.040, 522.119](#)) “Gas well” means a well which produces primarily natural gas or any well classified as a gas well by the Division. The term includes an exploratory well or a well that is otherwise drilled for exploratory purposes.

[Div. of Mineral Res., § 124, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87; A by Comm’n on Mineral Resources by R011-14, 10-24-2014)

**NAC 522.105 “Mud-laden fluid” defined.** ([NRS 522.040](#)) “Mud-laden fluid” means any approved mixture of fluids and clay or other material commonly used in the petroleum industry for drilling, abandonment or emergency conditions which will effectively prevent migration of fluids within the well bore.

[Div. of Mineral Res., § 125, eff. 12-20-79]

**NAC 522.110 “Multiple completion” defined.** ([NRS 522.040](#)) “Multiple completion” means the completion of any well so as to permit the production from more than one pool, with the production from each pool completely segregated from the production of other pools.

[Div. of Mineral Res., § 126, eff. 12-20-79]

**NAC 522.115 “Oil well” defined.** ([NRS 522.040, 522.119](#)) “Oil well” means any well which is not a gas well and which is capable of producing oil or condensate. The term includes an exploratory well or a well that is otherwise drilled for exploratory purposes.

[Div. of Mineral Res., § 127, eff. 12-20-79] — (NAC A by Comm’n on Mineral Resources by R011-14, 10-24-2014)

**NAC 522.120 “Operator” defined.** ([NRS 522.040](#)) “Operator” means a person, acting for himself or herself or as an agent for others, designated to the Division as the one who has the primary responsibility for complying with the Division’s regulations.

[Div. of Mineral Res., § 128, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.125 “Potential” defined.** ([NRS 522.040](#)) “Potential” means the daily ability of a well to produce oil or gas as determined by a test approved or witnessed by the Division or its authorized representative.

[Div. of Mineral Res., § 129, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.130 “Pressure maintenance” defined.** ([NRS 522.040](#)) “Pressure maintenance” means any practice which tends to preserve all or part of the original reservoir pressure.

[Div. of Mineral Res., § 130, eff. 12-20-79]

**NAC 522.135 “Proven oil or gas land” defined.** ([NRS 522.040](#)) “Proven oil or gas land” means an area which has been shown by development or geological information to be such that any additional wells drilled in the area are reasonably sure to be productive of oil, gas, or both.

[Div. of Mineral Res., § 131, eff. 12-20-79]

**NAC 522.140 “Seismic hole” defined.** ([NRS 522.040](#)) “Seismic hole” means a drilled hole which is intended for geophysical survey purposes only.

[Div. of Mineral Res., § 132, eff. 12-20-79]

**NAC 522.145 “Separator” defined.** ([NRS 522.040](#)) “Separator” means an apparatus for separating oil, gas and water at the surface as they are produced from a well.

[Div. of Mineral Res., § 133, eff. 12-20-79]

**NAC 522.150 “Shut-in pressure” defined.** ([NRS 522.040](#)) “Shut-in pressure” means the gauge pressure noted at the wellhead when the well is completely shut in.

[Div. of Mineral Res., § 134, eff. 12-20-79]

**NAC 522.155 “Standard conditions” defined.** ([NRS 522.040](#)) “Standard conditions” means temperature at 60 degrees Fahrenheit and absolute pressure of 14.73 pounds per square inch.

[Div. of Mineral Res., § 135, eff. 12-20-79]

**NAC 522.160 “Storage” defined.** ([NRS 522.040](#)) “Storage” means the confinement of produced gas, oil, or both, in tanks, reservoirs or containers.

[Div. of Mineral Res., § 136, eff. 12-20-79]

**NAC 522.165 “Survey” defined.** ([NRS 522.040](#)) “Survey” means all electrical, directional and other tests made for the purposes of obtaining information.

[Div. of Mineral Res., § 137, eff. 12-20-79]

**NAC 522.170 “Well log” defined.** ([NRS 522.040](#))

1. “Well log” means a written record progressively describing the strata, water, oil or gas encountered in drilling a well, with additional information on volumes, pressure, rate of fill-up, water depths, caving strata, casing record and other data usually recorded in the normal procedure of drilling.

2. The term includes all logs run by the operator.

[Div. of Mineral Res., § 138, eff. 12-20-79]

**NAC 522.175 Applicability of chapter.** ([NRS 522.040](#))

1. The provisions of this chapter apply in all areas of the state unless otherwise stated in a special provision of NAC.

2. Special provisions of NAC will be adopted when required and will take precedence over general provisions if in conflict with them.

[Div. of Mineral Res., §§ 100 & 101, eff. 12-20-79]

**NAC 522.185 Protection of fresh water.** ([NRS 522.040](#))

1. Fresh water must be protected from pollution, whether in drilling, plugging or producing oil or gas, or in disposing of salt water already produced.

2. Oil or gas wells and wells drilled for exploratory purposes are governed by the provisions of this chapter which pertain to the drilling, safety, casing, production, abandoning and plugging of wells. All operations must be carried on so as to prevent pollution of any stream or other watercourse of this state, or of any subsurface water, as the result of the escape, release or injection of oil, gas or salt water from any well.

[Div. of Mineral Res., § 200 subsecs. 1 & 2, eff. 12-20-79]

**NAC 522.190 Arrangements relating to conservation of oil and gas.** ([NRS 522.040](#)) The Division may enter into arrangements with agencies of the State and the Federal Government, with committees representing private enterprise and with other persons for special projects, services and studies relating to conservation of oil and gas.

[Div. of Mineral Res., § 103, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.195 Tentative approval of request or plan.** ([NRS 522.040](#)) If the Division gives tentative approval of a request or plan, the person requesting the approval must promptly submit the request or plan in writing on the proper form for final approval and confirmation by the Division.

[Div. of Mineral Res., § 105, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

## DRILLING

### **NAC 522.210 Application for permit to drill; approved permits available on Internet. ([NRS 522.040](#), [522.119](#))**

1. Before any well is spudded in or drilled for oil or gas, application must be made to and a permit obtained from the Division.

2. The application must be made on Form 2, properly completed and accompanied by Form 1, the required fee and a location plat prepared by a land surveyor licensed in Nevada. Evidence of a federal bond for drilling on a federal lease must be included in the space provided on Form 2. The source and estimated volume of water required for drilling each well must be included with the application.

3. If the well is to be drilled on state or private land, Form 3 or 3a, properly completed, must accompany the application.

4. The Division will, upon the approval of an application for a permit to drill or a sundry notice (Form 4) for a permit to conduct a hydraulic fracturing operation, make a copy of the permit available on the Internet website maintained by the Division.

[Div. of Mineral Res., § 203, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87; A by Comm’n on Mineral Resources by R011-14, 10-24-2014)

### **NAC 522.212 Fees. ([NRS 522.050](#))**

1. A person desiring to drill and operate an oil or gas well must pay to the Division a fee as follows:

- (a) For a conventional well on public or private land, \$1,000.
- (b) For a hydraulic fracturing well on federally-owned land, \$3,500.
- (c) For a hydraulic fracturing well on private or state-owned land, \$4,500.

2. An application to reclassify a well from a conventional well for which a permit to drill or operate has been issued to a hydraulic fracturing well must be accompanied by a fee in an amount equal to the difference between the fee for a permit to drill or operate a conventional well and the fee for a permit to drill or operate a hydraulic fracturing well, according to the fee schedule prescribed in subsection 1.

3. An application to change the terms of a permit to drill or operate a conventional well or hydraulic fracturing well after the well has been drilled must be submitted on Form 4 and accompanied by a fee of:

- (a) For administrative changes, \$100; or
- (b) For all other changes, \$300.

4. As used in this section:

(a) “Conventional well” means an oil or gas well that is not intended to be hydraulically fractured.

(b) “Hydraulic fracturing well” means an oil or gas well that is intended to be hydraulically fractured.

(Added to NAC by Comm’n on Mineral Resources by R069-99, eff. 8-19-99; A by R056-15, 12-21-2015)

**NAC 522.215 Cuttings: Requirements for permit; availability and use; notification of shortage. ([NRS 522.040](#))** The taking of cuttings and the filing thereof is a condition for approval of the drilling permit, and this condition will be stated on the permit. A minimum of two 15-milliliter sets of cuttings per sampling interval must be cleaned, dried and placed in sample envelopes, and the cuttings and a split of any core submitted to the Bureau of Mines and Geology as soon as the drilling of the well is complete. The Bureau shall remove a 15-milliliter set and place the set in permanent storage. The rest of the cuttings must be made available for public inspection and testing at that time or, if the records concerning the well are to be kept confidential pursuant to [NAC 522.540](#), upon the expiration of the period of confidentiality. Destructive tests may be performed on the cuttings made available for public

inspection and testing. The Administrator of the Division must be notified by the Bureau of any sample envelopes containing less than 5 milliliters of cuttings.

[Div. of Mineral Res., § 204, eff. 12-20-79] — (NAC A by Dep't of Minerals, 9-16-92)

**NAC 522.220 Time limit of permit; extension. ([NRS 522.040](#))**

1. Except as otherwise provided in subsection 2, unless operations have been commenced and the operator is proceeding with due diligence, a permit to drill or deepen a well for oil or gas expires 24 months after the date of issue.

2. The Division may grant an extension of the deadline prescribed in subsection 1.

[Div. of Mineral Res., § 205, eff. 12-20-79] — (NAC A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.225 Transfer of permit. ([NRS 522.040](#))** If the person to whom a permit was originally issued disposes of all his or her operating interest in the well, he or she must submit a written statement to the Division setting forth that fact and requesting that the permit be transferred to the person who has acquired the well. The transferee must furnish a bond as required in [NAC 522.230](#). The surety may be released or cancelled by the transferor upon approval of the transfer by the Division.

[Div. of Mineral Res., § 208, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.230 Bonds and deposits. ([NRS 522.040](#))**

1. To ensure that a well, upon abandonment, is plugged in accordance with the regulations of the Division and that the well is operated and repaired in a manner which does not cause waste, the Division may, except as otherwise provided in this section, require that the owner:

(a) Obtain a bond in favor of the State of Nevada in a sum of not less than \$10,000 for each well, or in a sum of not less than \$50,000 covering all wells being drilled or to be drilled in Nevada by one owner;

(b) Deposit money with the Division in a sum of not less than \$10,000 for each well or in a sum of not less than \$50,000 covering all wells being drilled or to be drilled in Nevada by one owner; or

(c) Deposit with the Division a savings certificate or time certificate of deposit issued by a bank or savings or loan association in Nevada and made payable to the State of Nevada, in a sum of not less than \$10,000 for each well or in a sum of not less than \$50,000 covering all wells being drilled or to be drilled in Nevada by one owner. All interest earned on the deposit accrues to the account of the owner of the well.

2. An owner of a well drilled on federal land who has previously deposited a bond with the Federal Government in a form and an amount equivalent to the form and amount approved by the Division, is not required to obtain a bond or make the deposit with the Division pursuant to this section for wells covered by the bond deposited with the Federal Government.

3. Any bond required by this section must be issued by a corporate surety authorized to do business in Nevada and must be approved and accepted by the Division before deemed valid.

4. Any bond, savings certificate or time certificate of deposit required by this section must remain in effect until the well has been properly abandoned and plugged or repaired in accordance with this chapter or until it is formally released by the Division.

[Div. of Mineral Res., § 209, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.232 Duties of operator. ([NRS 522.040](#), [522.119](#))** An operator of an oil or gas well shall:

1. Maintain a copy of the approved drilling permit at the site of the well during the operation of the well, including, without limitation, during the stages of drilling, hydraulic fracturing, reconditioning and completion.

2. Not less than 24 hours before a well is spudded for oil or gas, notify the Division by telephone or electronic mail.

3. Not less than 24 hours before installing or cementing casing, installing any equipment for the prevention of a blowout or conducting a formation integrity test, notify the Division by telephone or electronic mail.

4. Ensure that the casing installed in the well meets the minimum specifications for casing prescribed by the American Petroleum Institute in Specification 5CT, "Specification for Casing and Tubing, Ninth Edition," or by its successor organization, or as may be otherwise prescribed by the Administrator.

**{5. Notify the Division if any casing or casing material has been previously used in a hydraulic fracturing operation or in any other oil or gas well.}**

**5{6}.** Ensure that the cementing of each casing string meets the minimum specifications prescribed by the American Petroleum Institute in Specification 10A, "Specification for Cements and Materials for Well Cementing, Twenty-Fourth Edition," or by its successor organization, or as may be otherwise prescribed by the Administrator.

7. **6.** Store and contain all materials at the site of the well in a safe and orderly manner.

8. **7.** Manage spills or releases in the manner prescribed by the Division of Environmental Protection pursuant to [chapter 445A](#) of NRS and [chapter 445A](#) of NAC.

**8{9}.** Except as otherwise provided in subsection 3 of [NAC 522.728](#), contain all liquids that are returned to the surface and discharged from the wellbore in the manner prescribed by the Division of Environmental Protection pursuant to [chapter 445A](#) of NRS and [chapter 445A](#) of NAC. A reserve pit for drilling liquids must not subsequently be used for the discharge of wellbore liquids during the testing of the well without the prior approval of the Administrator.

**9{10}.** If an unintentional mechanical failure of the well or an uncontrolled flow or spill from the well site occurs, immediately notify:

(a) The Division at the telephone number of the Division.

(b) The Division of Environmental Protection at the spill reporting hotline maintained on its Internet website.

→ An operator may obtain information on the types of spills which must be reported pursuant to this subsection at the Internet website <https://nevadaenvironmentalactivities.ndep.nv.gov/SpillReportForm.aspx> {[http://ndep.nv.gov/BCA/spil\\_rpt.htm](http://ndep.nv.gov/BCA/spil_rpt.htm)}.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.234 Well control and safety; equipment for prevention of blowout. ([NRS 522.040](#), [522.119](#))**

1. An operator shall take all precautions which are necessary to keep wells under control and operating safely at all times. Well control and wellhead assemblies used in an oil or gas well must meet the minimum specifications for assemblies prescribed by the American Petroleum Institute in Standard 53, "Blowout Prevention Equipment Systems for Drilling Wells, Fourth Edition," or by its successor organization, or as may be otherwise prescribed by the Administrator.

2. Equipment for the prevention of a blowout which is capable of shutting in the well during operation must be installed on the surface casing and maintained in good operating condition at all times. The equipment must have a rating for pressure greater than the maximum anticipated pressure at the wellhead. The equipment must include casing outlet valves with adequate provisions for mud kill and bleed-off lines of appropriate size and working pressure.

3. An operator shall test the equipment for the prevention of a blowout under pressure immediately after installing the casing and the equipment at the wellhead. A representative of the Division must observe the test in person or otherwise approve the results of the test before the operator drills the shoe out of the casing. An operator shall notify the Division not less than 24 hours before conducting a test pursuant to this subsection.

4. The operator shall submit to the Division the pressure data and supporting information for the equipment for the prevention of a blowout as soon as practicable after the conclusion of

the test. The operator shall record the results of each test in the daily drilling log of the operator.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.235 Location of wells. ([NRS 522.040](#))** In a proven oil and gas field the spacing of wells will be governed by special rules for each particular field, to be adopted by the Division after notice and hearing. In the absence of a special order of the Division establishing drilling units or authorizing different densities of wells or patterns of location for particular pools or parts of pools, the following requirements apply:

1. Each well drilled for oil with a projected depth of 5,000 feet or less must be located not less than 330 feet from the outside boundary of a government quarter-quarter section, or of a lot, tract or combination of lots or tracts substantially equivalent to a quarter-quarter section as shown by the most recent government survey. Unless the Administrator, in his or her discretion, determines otherwise, only one well may be issued a permit to produce oil from the same reservoir within the same quarter-quarter section.

2. Each well drilled for oil with a projected depth of greater than 5,000 feet must be located not less than 330 feet from the outside boundary of a government quarter section, or of a lot, tract or combination of lots or tracts substantially equivalent to a quarter section as shown by the most recent government survey. Unless the Administrator, in his or her discretion, determines otherwise, only one well may be issued a permit to produce oil from the same reservoir within the same quarter section.

3. Each well drilled for gas with a projected depth of 5,000 feet or less must be located not less than 660 feet from the outside boundary of a government quarter section, or of a lot, tract or combination of lots or tracts substantially equivalent to a quarter section as shown by the most recent government survey. Unless the Administrator, in his or her discretion, determines otherwise, only one well may be issued a permit to produce gas from the same reservoir within the same quarter section.

4. Each well drilled for gas with a projected depth of greater than 5,000 feet must be located not less than 990 feet from the outside boundary of a government section, or of a lot, tract or combination of lots or tracts substantially equivalent to a section as shown by the most recent government survey. Unless the Administrator, in his or her discretion, determines otherwise, only one well may be issued a permit to produce gas from the same reservoir within the same section.

5. The requirements of this section for the location of a well do not apply to:

- (a) Federal units.
- (b) Wells drilled pursuant to a working interest agreement.
- (c) Areas subject to existing orders for drilling and spacing.

6. The Administrator will determine the pattern for the location of wells which are adjacent to an area in which the spacing of wells is prescribed by the Division or under application for spacing, where there is sufficient evidence to indicate that the pool or reservoir for which the spacing of wells is or will be prescribed by the Division may extend beyond the boundary of the spacing order or application, and the uniformity of the pattern of spacing is necessary to ensure an orderly development of the pool.

7. As used in this section, the term "working interest agreement" means a written agreement entered into by the persons who are responsible for paying the cost of drilling one or more wells and that specifies the location of the well or wells.

[Div. of Mineral Res., § 201, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87; A by Div. of Minerals by R156-98, 12-18-98)

**NAC 522.240 Exceptions to location of wells and well spacing orders. ([NRS 522.040](#))**

1. Upon proper application, the Administrator may approve an exception to [NAC 522.235](#) or to any order of the Division establishing the spacing of wells for a pool.

2. An application for an exception must state fully the reasons the exception is necessary or desirable and must be accompanied by a plat showing:

- (a) The locations at which an oil or gas well could be drilled in compliance with [NAC 522.235](#) or the applicable order;
- (b) The location at which the applicant requests permission to drill; and
- (c) The locations at which oil or gas wells have been or could be drilled in accordance with [NAC 522.235](#) or the applicable order:

- (1) In a quarter section, for any oil well, regardless of depth, or any gas well of 5,000 feet or less; or
  - (2) In a section, for any gas well greater than 5,000 feet, directly or diagonally adjoining the quarter section or section for which the proposed exception is sought.

3. An exception approved by the Administrator does not affect the rights of owners of directly or diagonally adjoining tracts to drill for oil or gas.

[Div. of Mineral Res., § 202, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.245 Change of location of well.** ([NRS 522.040](#)) If, before drilling a well, the person to whom the permit was originally issued desires to change the location, he or she must submit a letter so stating and another application properly filled out showing the new location. No additional fee is payable if the location change is within the same quarter-quarter section, but drilling must not be started until the new location has been approved.

[Div. of Mineral Res., § 207, eff. 12-20-79]

**NAC 522.250 Identification of wells.** ([NRS 522.040](#))

1. Each well which is being drilled or is capable of producing must be identified by a sign posted on the derrick or not more than 100 feet from the well.

2. The sign must be of durable construction. The lettering must be kept in legible condition and be large enough to be legible under normal conditions at a distance of 50 feet. The wells on each lease or property must be numbered in nonrepetitive, logical and distinctive sequence. Each sign must show the number of the well, the name of the lease, which must be different and distinctive for each lease, the name of the lessee, owner or operator and the location by quarter section, township and range.

3. The Division will assign to each well an identification number of the American Petroleum Institute when the drilling permit is approved. This number must be used for identification in:

(a) Electronic data processing; and

(b) The forms listed in [NAC 522.480](#) to [522.535](#), inclusive, which must also show the name of the company, the number of the lease and the number of the well.

[Div. of Mineral Res., § 214, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.255 Collecting pits.** ([NRS 522.040](#))

1. No operator who conducts oil or gas development and production may use unlined collecting pits for storage and evaporation of brines from the oil field. The Division may approve the use of impervious collecting pits in conjunction with approved operations for disposal of salt water.

2. The provisions of subsection 1 do not apply to burning pits which are used exclusively for the burning of the accumulated waste from the bottom of a tank.

[Div. of Mineral Res., § 200 subsec. 3, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.260 Strata sealed off from other strata.** ([NRS 522.040](#))

1. During the drilling of any oil or gas well, all strata bearing oil, gas or water above the producing horizon must be sealed or separated in order to prevent their contents from passing into other strata.

2. All fresh waters and waters of value or possible value for domestic, commercial or stock purposes must be confined to their respective strata and be adequately protected by

methods approved by the Division. Precautions must be taken in drilling and abandoning wells to guard against any loss of any fresh water from the strata in which it occurs, and the contamination of any fresh water by objectionable water or any oil or gas.

3. The operator of any well must shut off and exclude all water from any oil- or gas-bearing stratum to the satisfaction of the Division.

[Div. of Mineral Res., § 212 eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.265 Casings and casing strings. ([NRS 522.040](#), [522.119](#))** Unless a special provision requires otherwise, the following applies to all oil and gas wells:

1. An operator shall install conductor casing and cement the annular space surrounding the conductor casing from the shoe to the surface with cement, cement grout or concrete grout.

2. An operator shall install surface casing to a depth of not less than 500 feet below the surface of the ground. The annular space surrounding the surface casing string must be cemented with sufficient cement to circulate to the top of the hole. If the cement does not circulate to the top of the hole, the operator shall:

(a) Measure the distance from the surface of the ground to the top of the cement and report the measurement to the Division.

(b) Take any remedial action that may be required by the Administrator to ensure compliance with [NAC 522.260](#) before the operator resumes drilling or conducts any testing pursuant to this section.

3. Except as otherwise provided in [NAC 522.726](#), each successive intermediate casing string or liner or production casing string or liner installed in a well below an existing casing string must overlap with the shoe of the existing casing string or liner, as applicable, by not less than 100 feet.

4. For each intermediate casing string or production casing string installed in a well, the operator shall cement the annular space surrounding the casing string to a depth of not less than 500 feet above the shoe of the casing string or, if the casing string enters a known hydrocarbon-producing zone of interest, to a depth of not less than 500 feet above the zone of interest.

5. As soon as practicable after an operator has completed the cementing of the surface casing string, an intermediate casing string or a production casing string, the operator shall submit to the Division a cementing evaluation report to ensure that the operator has complied with the cementing requirements prescribed by this section. The report must include, without limitation, the weight and volume of cementing materials used to cement the respective casing string and the pumping rates and pressures which are related to the cementing of the respective casing string.

6. If the Administrator determines that an operator must take remedial action to ensure compliance with [NAC 522.260](#), the operator shall complete such remedial action before the operator resumes drilling or conducts any testing pursuant to this section.

7. Except as otherwise provided by [NAC 522.726](#), before drilling the cement out of the bottom joints of the surface casing string, an intermediate casing string or a production casing string, an operator shall conduct a pressure test of the respective casing string in which the casing is pressurized to 0.22 pounds per square inch gauge (psig) per foot of casing string length or 1,500 pounds per square inch gauge (psig), whichever is greater, not to exceed the maximum anticipated bottom-hole pressure or 80 percent of the burst-pressure rating of the casing. The casing string must be pressurized for a period of not less than 30 minutes. The operator shall submit to the Division the pressure test results for the respective casing string as soon as practicable after the conclusion of the test. If the results of the test indicate a drop in pressure of 10 percent or more, the operator shall notify the Division of a failed pressure test and shall immediately cease operations at the well. In the event of a failed pressure test, an operator shall not resume operations at the well until the Administrator approves a remediation plan, the operator successfully implements the plan and the operator conducts a successful pressure test for the respective casing string. A subsequent pressure test resulting in a drop in

pressure of less than 10 percent after 30 minutes or more shall be deemed to be proof satisfactory that the condition has been corrected.

8. The Administrator may require the operator to submit a cement evaluation log evaluating the bonding integrity of the cement from the shoe of the surface casing string to the surface. The Administrator may require the submission of an initial cement evaluation log pursuant to this subsection if:

(a) The Administrator determines that a significant amount of cement was lost during the cementing of the surface casing string; or

(b) The surface casing string fails a formation integrity test conducted pursuant to subsection 10.

→ If the initial cement evaluation log does not indicate sufficient bonding integrity of the cement occupying the annular space, the Administrator may require the operator to submit a subsequent cement evaluation log evaluating the bonding integrity of the cement occupying the annular space. An operator shall provide to the Division a copy of each cement evaluation log required pursuant to this subsection as soon as practicable after a copy of the cement bond log becomes available to the operator.

9. An operator shall, upon completion of cementing operations with respect to an intermediate casing string or production casing string, submit to the Division a cement evaluation log evaluating the bonding integrity of the cement at the level of the respective casing string from the shoe of the casing string to the surface of the cement filling the annular space surrounding the casing string. If the initial cement evaluation log does not indicate sufficient bonding integrity of the cement occupying the annular space, the Administrator may require the operator to submit a subsequent cement evaluation log evaluating the bonding integrity of the cement occupying the annular space. An operator shall provide to the Division a copy of each cement evaluation log required pursuant to this subsection as soon as practicable after a copy of the cement bond log becomes available to the operator.

10. An operator shall, to verify that the cement and the formation below the casing shoe can withstand the wellbore pressure which is required to safely drill to the next depth at which casing will be installed, conduct a formation integrity or leakoff test at the time the operator drills the cement out of the bottom joints of the surface casing string, an intermediate casing string or a production casing string. The operator shall submit to the Division the results of a formation integrity or leakoff test conducted pursuant to this subsection as soon as practicable after the conclusion of the test. If the results of the formation integrity or leakoff test indicate a poor cement bond at the casing shoe, an operator shall not resume operations at the well until the Administrator approves a remediation plan, the operator successfully implements the plan and the operator conducts a successful pressure test for the respective casing string to ensure compliance with [NAC 522.260](#).

[Div. of Mineral Res., § 210, eff. 12-20-79] — (NAC A by Comm'n on Mineral Resources by R011-14, 10-24-2014)

#### **NAC 522.275 Directional drilling. ([NRS 522.040](#))**

1. Except for wells which are intentionally deviated, all wells must be drilled as nearly vertically as possible by normal, prudent and practical drilling operations. No interval in an oil well may be opened to the wellbore closer than 330 feet from the outer boundary of the lease on which the well is located, and no interval in a gas well may be opened to the well bore closer than 660 feet from the outer boundary of the lease on which the well is located.

2. Plans for directional drilling must be approved by the Division before the drilling is begun. Upon completion of the well, a complete directional survey of the well, including a plat obtained by methods used for surveying wells must be filed with the Division.

3. Deviation from the plan is permitted without the approval of the Division for short distances to straighten the hole, sidetrack junk or correct other mechanical difficulties.

[Div. of Mineral Res., § 213, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.280 Reentry.** ([NRS 522.040](#)) If a hole is being reentered for any purpose, other than for repairs or a routine cleanout which does not change the producing interval, the operator must file with the Division a notice of intention on Form 4.

[Div. of Mineral Res., § 206, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

## PRODUCTION PRACTICES

**NAC 522.300 Classification of wells and pools.** ([NRS 522.040](#)) The Division will determine whether a particular well or pool is a gas or oil well or gas or oil pool, classify and reclassify wells and name pools accordingly, determine the limits of any pool producing oil or gas, and redetermine those limits as necessary.

[Div. of Mineral Res., § 104, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.305 Ratio of gas to oil.** ([NRS 522.040](#)) The Division will, after notice and hearing, impose a limit on any ratio of gas to oil for wells in a pool.

[Div. of Mineral Res., § 411, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.310 Equipment for measurement.** ([NRS 522.040](#))

1. Adequate facilities must be provided for efficient measurement of the gas and oil produced for the purpose of obtaining gas to oil ratios on each well and reporting oil, gas and water production.

2. Wellhead equipment must be installed and maintained in good working condition so that static bottom hole pressures of flowing wells may be obtained at any time.

3. Valves must be installed on both casing and tubing so that surface pressures can be readily measured at any time.

[Div. of Mineral Res., § 400, eff. 12-20-79]

**NAC 522.315 Multiple completion of wells.** ([NRS 522.040](#)) No operator may permit multiple completion of a well without the approval of the Division. The Division may require adequate and complete separation, as determined by packer tests, of the various zones involved in the completions.

[Div. of Mineral Res., § 405, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.320 Production from different strata through same casing.** ([NRS 522.040](#)) No operator may permit a well to produce either oil or gas from different strata through the same casing without first receiving written permission from the Division.

[Div. of Mineral Res., § 404, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.325 Production from several wells to common facilities.** ([NRS 522.040](#)) Common facilities may be used to receive the production from any number of wells, if adequate tankage and measuring equipment are installed so that production from each well can be accurately determined at reasonable intervals. The method for the measurement of production from each lease must be acceptable to the Division.

[Div. of Mineral Res., § 412, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.330 Periodic tests required to commingle production.** ([NRS 522.040](#)) The production from one pool may not be commingled on the surface with that from another pool except when the quantities from each source of production are determined by periodic well tests or other measurements.

[Div. of Mineral Res., § 406, eff. 12-20-79]

**NAC 522.335 Initial testing of gas wells.** ([NRS 522.040](#)) Each gas well must be tested initially by the multipoint back pressure method at a time prescribed by the Division.

[Div. of Mineral Res., § 408, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.340 Gas produced or sold must be metered. ([NRS 522.040](#))**

1. All gas must be metered when produced or sold with an approved meter of sufficient capacity. Gas may be metered from a lease or from property which is a unit if it is shown that ratable taking can be maintained.

2. Meters are not required for gas produced and used on the lease for purposes of development and operation of the lease.

3. Bypasses must not be connected around meters for the purpose of improper taking of gas.

[Div. of Mineral Res., § 409, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.342 Administrative fee. ([NRS 522.040, 522.150](#))**

1. The amount of the administrative fee that a producer or purchaser of oil or natural gas must pay pursuant to subsection 2 of [NRS 522.150](#) is 15 cents per barrel of oil or per 50,000 cubic feet of natural gas, as appropriate.

2. The administrative fee must be paid on or before the last day of each month and must be prorated to reflect the amount of oil or natural gas produced during the preceding month.

(Added to NAC by Comm'n on Mineral Resources by R069-99, eff. 8-19-99; A by R011-14, 10-24-2014)

**NAC 522.345 Utilization of gas. ([NRS 522.040](#))**

{1. Gas from an oil well may be used for:

- (a) Light or fuel;
- (b) Efficient manufacture of chemicals;
- (c) Reinjection to increase the ultimate recovery of hydrocarbons or for storage;
- (d) The extraction of liquid hydrocarbons from the gas if the gas is not wasted; or
- (e) The artificial lifting of oil from a pool if all gas returned to the surface is then used without waste.}

1{2}. No gas from a gas well may be permitted to escape into the air without the approval of the Division except:

- (a) When required for safety;
- (b) When required for initial testing of a well; or

(c) To lift oil artificially from a pool in cases of operational necessity if the escape is permitted for no more than 5 days within any 30-day period.

2{3}. The disposition of gas produced by each gas well must be reported each month on Form 7.

[Div. of Mineral Res., § 410, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.350 Open reservoirs. ([NRS 522.040](#))** Oil or the waste from an oil field may not be stored or retained in unlined pits in the ground or open receptacles without the approval of the Division.

[Div. of Mineral Res., § 407, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.355 Removal of rubbish and debris. ([NRS 522.040](#))** Any rubbish or debris which might constitute a fire hazard must be removed to a distance of at least 100 feet from any well, tank or separator. Waste oil must be burned or disposed of in a manner approved by the Division of Environmental Protection of the State Department of Conservation and Natural Resources.

[Div. of Mineral Res., § 402, eff. 12-20-79]

**NAC 522.360 Dikes and fire walls. ([NRS 522.040](#))** Dikes or fire walls are required around permanent tanks for the storage of oil located within the corporate limits of any city or town, where tanks for storage are less than 500 feet from any highway or inhabited dwelling, less than 1,000 feet from any school or church or are so located as to be deemed by the Division to be a hazard.

[Div. of Mineral Res., § 401, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.365 Report of fire, lightning strike, break or leak, or overflow. ([NRS 522.040](#))**

1. Each operator of an oil or gas well, pipeline, receiving tank, tank for storage or receiving or receptacle for storage in which oil or gas is produced, received or stored, or through which oil or gas is piped or transported, shall notify the Division by letter, giving full details, of each:

- (a) Fire at a well, tank or receptacle or along a pipeline;
- (b) Lightning strike to a well, tank or receptacle or along a pipeline;
- (c) Break or leak; or
- (d) Overflow,

→ which results in a loss of more than 50 barrels of oil or 1,500,000 cubic feet of gas.

2. Each report required by this section must contain:

(a) A description of the location of the incident by section, township and range, designating the property with sufficient particularity to permit the Division to determine the exact location of the incident;

(b) Information setting forth the steps which have been taken or are being taken to remedy the situation reported; and

(c) Detailed information on the amount of oil or gas lost, destroyed or permitted to escape.

[Div. of Mineral Res., § 403, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**UNDERGROUND DISPOSAL OF WASTE FLUID BY INJECTION**

**NAC 522.380 Procedure for disposal of water. ([NRS 522.040](#))**

1. A person who wishes to dispose of salt water, brackish water or other water unfit for domestic use or for livestock, irrigation or other use with a disposal well must obtain:

(a) Approval to drill and complete the disposal well from the Administrator; and

(b) A permit from the State Department of Conservation and Natural Resources pursuant to [NRS 445A.300](#) to [445A.730](#), inclusive, that authorizes the person to inject fluids through a well.

2. Disposal wells must be cased and the casing cemented in such a manner that no damage is caused to fresh water, oil, gas or other minerals. All injection must be through tubing and below the packer unless another means is approved by the Administrator.

3. The application for approval to drill and complete a disposal well for salt water, brackish water or other water unfit for domestic use or for livestock, irrigation or other use must be verified by the applicant and filed in duplicate with the Division. The application must include:

(a) A plat showing the location of each disposal well and the location of all oil and gas wells, including abandoned wells, wells being drilled and dry holes, and the names of lessees of record of land within one-half mile of the proposed disposal well;

(b) The formation and depths to which all wells are currently completed;

(c) The name, description and depth of the formation into which water is to be injected;

(d) Logs of each disposal well, or a description of the typical stratigraphic level of the disposal formation in each disposal well;

(e) A description of the casings in each disposal well of the proposed casing program, and the proposed method for testing the casings before use of each disposal well;

(f) A statement specifying the source of water to be injected;

(g) The estimated minimum and maximum amount of water to be injected daily;

(h) The estimated minimum injection pressure; and

(i) The names and addresses of the operator of the project.

[Div. of Mineral Res., § 600, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

## ENHANCED RECOVERY AND PRESSURE MAINTENANCE

### **NAC 522.400 Permit for secondary recovery operations required. ([NRS 522.040](#))**

1. Any method for maintaining pressure or recovering additional oil or gas, other than a method consisting of primary recovery techniques, may be used only upon approval of the Administrator. Such approval may be obtained by an application filed in accordance with the provisions of [NAC 522.600](#) to [522.625](#), inclusive.

2. The application for a permit must contain:

(a) A plat showing the unit, lease or group of leases included within the proposed project, the location of the proposed intake well, and oil and gas wells, including abandoned wells, wells being drilled and dry holes, and the names of all operators of adjoining leases;

(b) The formations and depths to which all wells are currently completed;

(c) The name, description and depth of the formation to be affected by injection;

(d) The logs of any existing intake wells or any information which is available;

(e) A description of the casing for the intake well or the proposed casing program, and the proposed method for testing casing before use of the input wells;

(f) A statement of the injection medium to be used, its sources and the estimated amounts to be injected daily;

(g) A tabulation showing recent ratios of gas to oil and the results of tests for the production of oil and water for each of the producing oil and gas wells in the project;

(h) A statement of the plan and rate of development of the area included within the project; and

(i) The names and addresses of the operator of the project.

[Div. of Mineral Res., § 500, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

### **NAC 522.405 Notification of injection operations. ([NRS 522.040](#))**

1. Upon beginning to inject any fluids into an injection well, the operator shall notify the Division of the date on which injection began.

2. Within 10 days after the injection of fluids is discontinued, the operator shall notify the Division of the date of discontinuation and the reasons therefor.

3. Before any intake well is plugged, the owner must give notice to the Division. The procedure prescribed in [NAC 522.445](#) for the plugging of oil and gas wells must be followed.

[Div. of Mineral Res., § 503, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.410 Casing for injection wells. ([NRS 522.040](#))** Wells used for injection of gas, air, water or fluids into the producing formation must be cased with safe and adequate casing, and the casing must be cemented to prevent leakage or damage to oil, gas or fresh water. All injections must be through tubing and below the packer unless another means is approved by the Administrator.

[Div. of Mineral Res., § 502, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.415 Records and reports. ([NRS 522.040](#))** Each operator shall keep accurate records showing the amount of oil produced, volumes of fluid or gas injected and injection pressure. Each operator shall file with the Division, on Forms 7 and 7A, a monthly report showing all produced and injected volumes and other data required by the Division.

[Div. of Mineral Res., § 504, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

## ABANDONMENT AND PLUGGING

### **NAC 522.430 Temporary abandonment of well. ([NRS 522.040](#))**

1. Each well in which production casing has been run but which has not been operated for 1 year, and each well in which no production casing has been run and for which drilling operations have ceased for 30 days, must be permanently plugged.

2. The Administrator may, for good cause, grant one or more extensions of not more than 1 year for the well to be plugged.

3. A request for an extension must be submitted on Form 4.

[Div. of Mineral Res., § 305, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.435 Notice of intention to abandon. ([NRS 522.040](#))**

1. Before beginning work for the abandonment of any well, including a well being drilled, an oil or gas well, water well or a dry hole, notice of intention to abandon must be filed with the Division and approval for the abandonment must be obtained from the Division.

2. The notice must:

(a) Show the reason for abandonment;

(b) Be accompanied by a detailed statement of the proposed work, including a description of the kind, location and size of plugs by depth, plans for mudding, cementing, shooting, testing and removing casing, and any other pertinent information; and

(c) Be filed with the Division on Form 4 or, if the well is drilled on leases from the United States Government, filed by submitting to the Division two copies of the notice given to the State Director of the Bureau of Land Management of the Department of the Interior.

3. Oral permission obtained in advance does not relieve the operator of the necessity of filing written notice.

[Div. of Mineral Res., § 300, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.440 Responsibility for plugging. ([NRS 522.040](#))** The operator of any well which has been drilled for oil or gas, or any seismic, core or other exploratory hole, whether cased or uncased, is responsible for the plugging of the well or hole.

[Div. of Mineral Res., § 306, eff. 12-20-79]

**NAC 522.445 Method of plugging. ([NRS 522.040](#))**

1. Each abandoned well or hole must be plugged by or on behalf of the owner, operator or producer who is in charge of the well and responsible for it.

2. Before any well is abandoned, it must be plugged in a manner which will permanently confine all oil, gas and water to the separate strata which originally contained them. Unless a different method and procedure is approved by the Division, upon application by the owner, operator or producer on Form 4, the method and procedure for plugging the well is as follows:

(a) The hole must be filled with mud-laden fluid and a permanent type of bridge plug must be placed at the top of each hydrocarbon-producing formation open to the wellbore, or a cement plug not less than 100 feet in length must be placed immediately above each hydrocarbon-producing formation open to the wellbore.

(b) A cement plug not less than 100 feet in length must be placed at approximately 50 feet below and 50 feet above the interface between brackish and fresh water.

(c) A 50-foot concrete plug must be placed at or near the surface of the ground in each hole.

(d) The interval between plugs must be filled with heavy mud-laden fluid which will effectively seal the formation to which it is applied.

(e) An uncased hole must be plugged with heavy mud up to the base of the surface string and a cement plug not less than 100 feet in length must be placed and centered as nearly as practicable at the base of the surface casing.

3. Before any hole drilled for seismic, core or other exploratory purpose is abandoned, the owner or driller must plug it so as to protect properly all water-bearing formations. The method and procedure for plugging an exploratory hole is as follows:

(a) The hole must be filled to the top with the original cuttings or gravel.

(b) If artesian flow is encountered, the hole must be filled with the original cuttings or gravel to 50 feet below the surface and plugged from 50 feet to the surface with concrete, to prevent the waste of water.

[Div. of Mineral Res., §§ 301 & 303, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.455 Restoration of surface and removal of debris.** ([NRS 522.040](#)) The operator shall, as soon as weather and ground conditions permit, upon final abandonment and completion of the plugging of any well, clear the area around the well of all refuse, drain and fill all excavations, remove concrete bases, machinery and materials, and level the surface to leave the site as close to its condition when operations were commenced as practicable.

[Div. of Mineral Res., § 308, eff. 12-20-79]

**NAC 522.460 Marker for abandoned well.** ([NRS 522.040](#))

1. Unless the owner of the surface land submits a request to the Division that an abandoned well not be marked, and the Administrator, in his or her discretion, grants the request, the location of the abandoned well must be shown by steel marker at least 4 inches in diameter and at least 10 feet long set in concrete and extending at least 4 feet above ground level.

2. The marker must bear the name of the operator and the name, number and description of the location of the well. This information must be bead-welded or stamped directly to the marker pipe. The top of the pipe must be closed with a cement plug, screw cap or welds.

[Div. of Mineral Res., § 302, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.465 Record of plugging.** ([NRS 522.040](#)) Within 30 days after the plugging of a hole or well, a record of the plugging must be submitted to the Division on Form 12.

[Div. of Mineral Res., § 307, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

## REPORTS

**NAC 522.480 Books and records.** ([NRS 522.040](#))

1. All producers, transporters, storers and handlers of crude petroleum oil and natural gas in Nevada shall keep, for at least 5 years, appropriate books and records covering their operations in Nevada to substantiate the reports required by [NAC 522.480](#) to [522.535](#), inclusive.

2. The Division may require additional reports, data or other information on the production, transportation, storage or handling of crude petroleum oil or natural gas in Nevada if it is necessary or desirable to prevent waste and conserve natural resources.

[Div. of Mineral Res., §§ 700 & 701, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.485 Forms required by chapter.** ([NRS 522.040](#)) Where the provisions of this chapter require forms to be filed, the forms listed in [NAC 522.490](#) to [522.535](#), inclusive, may be filed.

[Div. of Mineral Res., § 702, eff. 12-20-79] — (NAC A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.490 Form 1: Organization report.** ([NRS 522.040](#))

1. Form 1 must be filed with the Division by each person before drilling a first well in Nevada. An amended form must be filed when there is a change in any of the facts shown on the form.

2. Drilling permits will not be issued until Form 1 is received.

[Div. of Mineral Res., § 703, eff. 12-20-79] — (NAC A by Dep’t of Minerals, 7-22-87)

**NAC 522.495 Form 2: Application for permit to drill.** ([NRS 522.040](#))

1. A person who desires to drill any oil or gas well must file Form 2, properly completed, with the Division.

2. The location plat required by this section must be of convenient size, and must have the location of the proposed well within a 40-acre legal subdivision by an accurate course and distance tie to an established corner of a section or quarter section. The plat must contain a full description of the corner to which the tie is made, together with all markings thereon. Ties to offset section or quarter corners on township lines must also show the nearest corner of the adjoining township together with the offset distance. Lots within a lotted section must be shown and designated. The plat must indicate the method used in obtaining all bearings and must show the declination used for compass bearings and the source of the bearing if an angle is turned from a line of known bearing. The person who prepares the plat must note on the plat whether solar or polaris observations have been used.

[Div. of Mineral Res., § 704 subsecs. 1 & 2, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.500 Forms 3 and 3a: Drilling bond. ([NRS 522.040](#))**

1. Form 3, properly prepared, must accompany the bond required by [NAC 522.230](#) for the drilling of a single well.

2. Form 3a, properly prepared, must accompany the bond required by [NAC 522.230](#) for the drilling of more than one well.

[Div. of Mineral Res., § 705, eff. 12-20-79] — (NAC A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.505 Form 4: Sundry notices and reports on wells. ([NRS 522.040](#))**

1. Form 4 must be used to:

(a) Notify the Division and request its approval of or for:

- (1) A change of drilling plans.
- (2) A test of water shutoff.
- (3) A reentering or reopening of a plugged hole.
- (4) A shooting, acidizing or fracture treating.
- (5) A pulling or altering of casing.
- (6) An intention to abandon a well.
- (7) An intention to deepen or plug back a well that has been drilled.
- (8) Extending the deadline prescribed in subsection 1 of [NAC 522.220](#).

(9) An intention to change the location of a well for which a permit to drill and operate has been issued but on which drilling has not yet begun.

(10) An intention to begin major maintenance or cleaning of a well.

(11) An intention to change the activity status of a well, other than an intention to shut-in a well for not more than 30 days.

(12) A change in the name of a well.

(13) A change in the owner or operator of a well.

(14) Any other proposed activity for which the Division conducts an extensive review.

→ Permission in advance does not relieve the operator of the requirement to file the notice.

(b) Report progress or completion of the activities designated in paragraph (a) which have been approved by the Division. The report required pursuant to this paragraph is for informational purposes only and is not a request for approval from the Division.

(c) Report the supplemental history of a well, including, without limitation, any activities not designated in paragraph (a) that are temporary and do not require a change in the terms of the permit. The report required pursuant to this paragraph is for informational purposes only and is not a request for approval from the Division.

2. The presence of a representative of the Division at the scene of any of the activities required to be reported on Form 4 or any approval of an activity of which the Division must be

notified on Form 4 does not relieve the operator of the requirement to file the form or the notice. The Division may observe and report on these activities.

[Div. of Mineral Res., § 706, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.510 Form 5: Well completion report. ([NRS 522.040](#))**

1. Form 5, the well completion report, must be filed for all wells drilled in Nevada within 30 days after drilling operations are completed. In the case of a dry hole, this report may accompany Form 4. If production will not begin within 30 days after drilling operations are completed:

- (a) Form 5 is not required to include information regarding the production of the well; and
- (b) An additional Form 5 must be filed with the Division within 30 days after production begins at the well that includes information regarding the production of the well.

2. Two copies of all logging surveys run in the wellbore by the operator must be filed with the Division. The Division will file one of the sets with the Bureau of Mines and Geology. The copy at the Bureau will be available for public inspection when the records are no longer confidential.

[Div. of Mineral Res., § 707, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

**NAC 522.515 Form 7: Producer's monthly report. ([NRS 522.040](#))**

1. A report of the production and sales of all oil, gas and water must be filed in quadruplicate with the Division on or before the last day of the month following the month for which the report is made. Two copies of the report must be filed with the State Treasurer with the remittance of the production tax. One copy must be retained by the producer.

2. All wells on a production status or shut-in for any part of the month must be included in the monthly report.

[Div. of Mineral Res., § 708, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.520 Form 7A: Report of subsurface injections. ([NRS 522.040](#))** The injection of fluid for secondary recovery, other pressure maintenance projects or water disposal must be reported on Form 7A to the Division not later than 15 days after the period of the report.

[Div. of Mineral Res., § 709, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.535 Form 12: Record of plugging hole or well. ([NRS 522.040](#))** Form 12 must be used to provide the record of plugging a hole or well that is required pursuant to [NAC 522.465](#).

(Added to NAC by Div. of Minerals by R081-15, eff. 12-21-2015)

**NAC 522.540 Confidentiality of well records. ([NRS 522.040](#))** Records concerning a well will not be kept confidential by the Division unless the owner of the well requests confidentiality in writing or marks "confidential" on the logs of an exploratory well. Upon receiving such a request or log, the Division will keep the records confidential for 1 year after drilling operations are completed unless the owner provides a written authorization for an earlier release.

(Added to NAC by Dep't of Minerals, eff. 7-22-87; A by Div. of Minerals by R081-15, 12-21-2015)

## RULES OF PRACTICE BEFORE DIVISION

**NAC 522.600 Application for hearing; petition for rehearing. ([NRS 522.040](#))**

1. Any interested person who desires a hearing before the Division must file an application with the Division. The application must state the purpose or subject for which the

hearing is sought and be submitted in triplicate.

2. A petition for rehearing must be filed in the same manner.

[Div. of Mineral Res., § 800, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.605 Docket number.** ([NRS 522.040](#)) The Administrator will maintain a docket book, and all applications for hearings and all hearings called on the motion of the Division must be docketed and given a docket number. A file carrying the docket number will be maintained by the Division. Each application for a hearing and each original document or copy certified by the Division will be stamped with the docket number of the hearing and placed and kept in the file.

[Div. of Mineral Res., § 801, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-79)

**NAC 522.610 Notice of hearing.** ([NRS 522.040](#))

1. Notice of a hearing must be sent by the Division to the applicant and all known interested parties at least 10 days before the date of hearing.

2. Upon request of a party to a hearing and for good cause shown, the hearing may be continued. A request to have the date of a hearing changed must be made to the Administrator at least 5 days before the date set for the hearing so that other parties can be advised. Requests may be granted or denied at the discretion of the Administrator.

3. If the matter set for hearing is determined by the Division to be of general interest throughout the State, a notice of the hearing must be published in a newspaper of general circulation in Reno, in Las Vegas, and in an oil trade journal at least 2 weeks before the hearing.

[Div. of Mineral Res., §§ 802 & 803, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.615 Depositions.** ([NRS 522.040](#)) The deposition of a witness for use in a hearing before the Division may be taken in compliance with a stipulation between the parties concerned or with an order of the Administrator. If the deposition is to be taken by order of the Administrator, the parties concerned must be notified by certified mail at least 15 days before the date set for the deposition. The notice must set forth the name of the person to be questioned, the time and place of the deposition and the subject matter concerning which the person will be expected to testify.

[Div. of Mineral Res., § 809, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.620 Conduct of hearings.** ([NRS 522.040](#))

1. Hearings before the Division will be conducted informally. A record of testimony will be taken and preserved as a part of the permanent records of the Division.

2. The Division may require any protest to be reduced to writing and filed with the Division.

3. Before evidence is received:

(a) The Administrator will make a statement of matters officially noticed.

(b) The parties and the Division may offer preliminary materials, including pleadings necessary to present the issues to be heard, motions, rulings, notices, proof of publication and orders of the Division previously entered in the proceeding.

(c) The Administrator will rule on any pending motion.

(d) The Administrator will receive any stipulation of fact or stipulated exhibit.

(e) The Administrator will dispose of any preliminary matters appropriate for disposition.

(f) The Administrator will accept statements of appearances.

4. A witness may be examined and cross-examined by not more than one representative of each party. The Administrator will designate the order of examination.

5. Before closing the hearing and upon the request of a party, the Administrator may permit presentation of briefs. The order of presenting briefs and the time by which they must be filed must be determined by the Administrator after he or she consults with the parties.

6. The party who institutes the proceeding may open and close the presentation of proof. The Administrator will open and close the proceeding instituted by the Division. An interested person must be heard immediately following the party with whom the interested person is allied in interest. The Administrator will designate the order of the presentation of proof.

[Div. of Mineral Res., §§ 804-806 & 808, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

**NAC 522.625 Record of proceedings.** ([NRS 522.040](#)) At all formal hearings, the record of the proceedings must be made by a reporter, or in the absence of a reporter, by a person designated by the Administrator. The cost of transcribing and reporting the hearing must be paid by the parties or by a party designated by the Administrator at the time of the hearing.

[Div. of Mineral Res., § 807, eff. 12-20-79] — (NAC A by Dep't of Minerals, 7-22-87)

#### HYDRAULIC FRACTURING

**NAC 522.700 Definitions.** ([NRS 522.040](#), [522.119](#)) As used in [NAC 522.700](#) to [522.730](#), inclusive, unless the context otherwise requires, the words and terms defined in [NAC 522.702](#) to [522.712](#), inclusive, have the meanings ascribed to them in those sections.

(Supplied in codification)

**NAC 522.702 “Area of review” defined.** ([NRS 522.040](#), [522.119](#)) “Area of review” means:

1. The area of land located within a radius of 1 mile of a proposed oil or gas well and any surface projection of any lateral component of the wellbore that is proposed for hydraulic fracturing; and

2. Any additional area of land prescribed by the Division or specified by an operator pursuant to subsection 3 of [NAC 522.724](#).

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.704 “Available water source” defined.** ([NRS 522.040](#), [522.119](#)) “Available water source” means a water source for which the person who owns, holds or has the right of use to the water source has consented to the sampling and testing of the water source and to making the results of the sampling and testing available to the public.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.706 “Division of Environmental Protection” defined.** ([NRS 522.040](#), [522.119](#)) “Division of Environmental Protection” means the Division of Environmental Protection of the State Department of Conservation and Natural Resources.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.708 “Hydraulic fracturing” defined.** ([NRS 522.040](#), [522.119](#)) “Hydraulic fracturing” has the meaning ascribed to it in [NRS 522.0275](#).

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.710 “Sampling area” defined.** ([NRS 522.040](#), [522.119](#)) “Sampling area” means the area of land located within a radius of 1 mile of a proposed oil or gas well and any surface projection of any lateral component of the wellbore that is proposed for hydraulic fracturing.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.712 “Water source” defined.** ([NRS 522.040](#), [522.119](#)) “Water source” means a water well or spring that is regulated by the Division of Water Resources of the State Department of Conservation and Natural Resources.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.720 Applicability. (NRS 522.040, 522.119)** Except as otherwise provided in NAC 522.730, the provisions of NAC 522.700 to 522.730, inclusive, apply for each oil or gas well for which the operator intends to engage in hydraulic fracturing.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.722 Baseline sampling and monitoring; exceptions. (NRS 522.040, 522.119)**

1. Except as otherwise provided in subsections 2 and 4, an operator shall collect an initial baseline sample and subsequent monitoring samples from each available water source, not to exceed four available water sources, located within the sampling area. If more than four available water sources are located within the sampling area, the operator shall select the four available water sources for sampling based on:

- (a) The proximity of the available water sources to the proposed oil or gas well. Available water sources closest to the proposed oil or gas well are preferred.
- (b) The orientation of the sampling locations relative to the available water sources. To the extent that the direction of the flow of groundwater is known or can reasonably be inferred, sample locations from both down-gradient and up-gradient locations are preferred over cross-gradient locations.
- (c) The depth of the available water sources. The sampling of the deepest of the available water sources is preferred.
- (d) The condition of the available water sources. An operator is not required to sample an available water source if the Administrator determines that the available water source is improperly maintained or nonoperational, or has physical characteristics which would prevent the safe collection of a representative sample or which would require nonstandard sampling equipment.
- (e) The construction and use of the water source. If an operator constructs a temporary well within the sampling area to use as a water source for the purpose of supporting the drilling or operation of an oil or gas well, the operator must include the water source as an available water source for the purpose of sampling and monitoring pursuant to this section.

2. An operator may, before a well is spudded or drilled for oil or gas, request an exception from the requirements of this section by filing a sundry notice (Form 4) with the Administrator. The Administrator may grant the request for an exception if the Administrator finds that:

- (a) No available water sources are located within the sampling area;
- (b) The only available water sources are unsuitable pursuant to paragraph (d) of subsection 1; or
- (c) Each owner of a water source that is suitable for testing and located within the sampling area has refused to grant the operator access to the water source for sampling and additionally finds that the operator has made a reasonable and good faith effort to obtain the consent of the owner to conduct the sampling.

→ An operator seeking an exception on the grounds set forth in paragraph (b) shall provide to the Administrator documentation of the conditions of each available water source which is deemed unsuitable. An operator seeking an exception on the grounds set forth in paragraph (c) shall provide to the Administrator documentation of the efforts of the operator to obtain the consent of each owner of a water source.

3. Except as otherwise provided in subsections 2 and 4, an operator shall collect from each available water source for which the operator is required to collect samples pursuant to this section:

- (a) An initial sample during the 12-month period immediately preceding the commencement of hydraulic fracturing at an oil or gas well.

(b) A first subsequent sample, collected not earlier than 6 months but not later than 12 months after the commencement of hydraulic fracturing. If a well that has been drilled produces hydrocarbons for a period of less than 6 months after the commencement of hydraulic fracturing and the well is subsequently plugged and abandoned, or if the well is plugged and abandoned without having produced hydrocarbons after the commencement of hydraulic fracturing, the operator shall collect each first subsequent sample at the time the well is plugged.

(c) A second subsequent sample, collected not earlier than 60 months but not later than 72 months after the commencement of hydraulic fracturing. If a well that has been drilled produces hydrocarbons for a period of less than 60 months and the well is subsequently plugged and abandoned, the operator shall collect each second subsequent sample at the time the well is plugged. An operator is not required to collect second subsequent samples if a well that is drilled is plugged and abandoned without having produced hydrocarbons.

4. For the purposes of satisfying the requirements for sampling available water sources pursuant to paragraphs (a) and (b) of subsection 3, an operator may rely on the test results of a previous sample from an available water source if:

(a) The previous sample was collected and tested during the respective period prescribed for sampling pursuant to paragraph (a) or (b) of subsection 3.

(b) The procedure for collecting and testing the sample, and the constituents for which the sample was tested, are substantially similar to those required by this section.

(c) The Administrator receives the test results not less than 14 days before the commencement of hydraulic fracturing.

5. The Administrator may require an operator to collect and test samples of an available water source in addition to the collection and testing protocol prescribed by this section if the Administrator finds that additional testing is warranted.

6. The testing of a water sample pursuant to this section must be conducted by a laboratory certified pursuant to [NAC 445A.0552](#) to [445A.067](#), inclusive. Upon request, an operator shall provide his or her protocol for collection and testing to the Administrator.

7. The test results of initial and subsequent samples collected pursuant to this section must include, without limitation:

(a) The level of each analyzed constituent identified in the routine domestic water analysis of the State Public Health Laboratory of the University of Nevada School of Medicine.

(b) The levels of benzene, toluene, ethylbenzene and xylene.

(c) The levels of dissolved methane, ethane, propane and hydrogen sulfide gases within the sample.

8. If a dissolved methane concentration greater than 10 milligrams per liter (mg/l) is detected in a sample of water collected pursuant to this section, an analysis of the gas composition, including, without limitation, an analysis of the stable isotope ratios of carbon (13C vs. 12C) and hydrogen (2H vs. 1H) and an analysis of the origin (biogenic vs. thermogenic), must be performed on the sample using gas chromatography and mass spectrometry, as necessary.

9. An operator shall immediately notify the Administrator and the owner of an available water source if the test results of a sample collected pursuant to this section indicate:

(a) The presence of benzene, toluene, ethylbenzene, xylene or hydrogen sulfide in a concentration greater than the specified maximum contaminant level set forth in the primary and secondary standards for drinking water pursuant to [NAC 445A.453](#) and [445A.455](#).

(b) If the sample is a subsequent sample, any change in water chemistry indicative of a degradation in water quality.

10. An operator shall provide copies of the test results of each sample collected pursuant to this section to the Administrator and to the respective owner of the available water source not later than 30 days after the operator receives the test results from a laboratory. The Division will, upon request, make the test results available to a member of the public for inspection at the office of the Division located in Carson City.

11. An operator shall include with the copy of the test results of a sample provided pursuant to subsection 10 a description of the location of the available water source and any field observations recorded by the operator during the collection of the sample. The operator shall describe the location of the available water source by public land survey and the county assessor's parcel number and shall include the global positioning system coordinates of the available water source in the manner prescribed by subparagraph (2) of paragraph (b) of subsection 2 of [NAC 534.340](#).

12. An operator shall not commence hydraulic fracturing at a well until the operator has complied with subsections 1, 2 and 4 to 11, inclusive, and paragraph (a) of subsection 3.

13. As used in this section, "public land survey" has the meaning ascribed to it in [NAC 534.185](#).

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.724 Application to drill; area of review. ([NRS 522.040](#), [522.119](#))**

1. An operator must include with his or her application to drill an oil or gas well:

(a) The water appropriation permit number and the name of the owner of each water source within the area of review that is on file with the Division of Water Resources of the State Department of Conservation and Natural Resources.

(b) The well log number, well depth and the diameter of the water well casing.

(c) The static water level below the surface of the ground or the rate of flow of the water, if any.

(d) A description of the location of each water source located within the area of review in the manner prescribed by subsection 11 of [NAC 522.722](#).

(e) Publicly available maps and cross-sections of the area of review which describe the surface and subsurface geology of the area of review, including, without limitation, the location of known or suspected faults.

(f) A map showing the location of each water source or perennial stream located within the area of review, the overall project area or lease holdings, the boundaries of the area of review, all known well locations, land ownership and applicable assessor parcel numbers.

(g) The source and estimated volume of water required for hydraulic fracturing in each well.

(h) A plan for the management and disposal of all fluids to be used in the proposed hydraulic fracturing operation.

2. If an operator discovers inconsistencies with respect to publicly available and proprietary hydrologic or geologic information within an area of review that the operator reasonably believes to be relevant with respect to potential contamination from hydraulic fracturing, the operator shall disclose the inconsistencies to the Division.

3. The Division may prescribe or an operator may specify an area of review that includes an area of land in addition to that area of land located within a radius of 1 mile of a proposed oil or gas well and any surface projection of any lateral component of the wellbore that is proposed for hydraulic fracturing for the purposes of compliance with this section or the collection of additional data based on population density, residential locations, water source locations or for other good cause as the Division or an operator may deem reasonable.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.726 Additional requirements for oil and gas wells, including casings and casing strings. ([NRS 522.040](#), [522.119](#))** In addition to the requirements prescribed by [NAC 522.265](#), the operator of an oil or gas well shall:

1. Ensure that:

(a) The surface location of the well is at a lateral distance of not less than 300 feet from any known perennial water source, existing water well or existing permitted structure.

(b) The edge of the drilling pad is at a lateral distance of not less than 100 feet from any known perennial water source, existing water well or existing permitted structure.

→ An owner or an operator may request and the Division may approve an exception to the requirements prescribed by this subsection.

2. For the intermediate casing string installed in the well directly below the surface casing, install the intermediate casing string through the surface casing from the installed depth of the intermediate casing string to the surface of the ground.

3. For a production casing string, conduct a pressure test of the casing string in which the casing is pressurized to 3,000 pounds or more per square inch gauge (psig), not to exceed 80 percent of the burst-pressure rating of the casing, for a period of not less than 30 minutes. A pressure test must be conducted and the results of the test must be reported in the manner prescribed by subsection 7 of [NAC 522.265](#).

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.728 Duties of operator. ([NRS 522.040, 522.119](#))**

1. An operator of an oil or gas well shall:

(a) Not less than 14 days before the commencement of hydraulic fracturing:

(1) Provide written notice to each owner of real property and any operator of an oil, gas or geothermal well located within the area of review of the hydraulic fracturing operation.

(2) Provide written notice to the board of county commissioners in the county in which the oil or gas well is located.

(3) Submit to the Division an affidavit (Form 15) certifying that each strata is sealed and isolated with casing and cement in accordance with [NAC 522.260](#). The affidavit must be signed by the operator or a competent person designated by the operator and must incorporate and include a copy of each relevant cement evaluation log as evidence of compliance with [NAC 522.260](#).

(4) Submit for approval by the Division a sundry notice (Form 4) and a report describing all specific aspects of the proposed hydraulic fracturing operation. The report must identify each stage of the hydraulic fracturing operation, the measured depth and true vertical depth below the surface of the ground for each stage, the duration of each stage, all intervals to be perforated in measured depth and true vertical depth below the surface of the ground, the number and diameter of perforations per foot and the estimated hydraulic pressures to be utilized.

(b) Maintain a record as to the manner in which each owner, operator and board of county commissioners was notified pursuant to subparagraphs (1) and (2) of paragraph (a), including, without limitation, the method of notification.

(c) Before the commencement of hydraulic fracturing:

(1) Ensure that each chemical used in the hydraulic fracturing process is identified on the Internet website maintained by the Division as a chemical which is approved by the Division for hydraulic fracturing. An operator may request and the Division may approve the use of a chemical that is not identified as an approved chemical if the operator submits the request to the Division on a sundry notice (Form 4) not less than 30 days before the commencement of hydraulic fracturing.

(2) Disclose to the Division each additive that the operator intends to use in the hydraulic fracturing fluid, including, without limitation, any additive that may be protected as a trade secret. The operator shall include with the identity of each additive the trade name and vendor of the additive and a brief description of the intended use or function of the additive.

2. The operator shall monitor and record all well head pressures, including each annular space pressure, during the hydraulic fracturing operation. The maximum hydraulic pressure to which a segment of casing is exposed must not exceed the burst-pressure rating of the casing, but the Division may require a lower maximum hydraulic pressure as the Division determines is necessary. The operator shall immediately stop the hydraulic fracturing process and notify the Division if any change in annular space pressure is observed which suggests communication with the hydraulic fracturing fluids. The operator shall provide the Division

with a report documenting all recorded hydraulic fracturing pressures for each stage of the hydraulic fracturing operation not later than 15 days after the completion of each stage.

3. The operator shall contain all liquids that are returned to the surface and discharged from the wellbore at the conclusion of each stage of the hydraulic fracturing operation. The operator shall contain the liquids in enclosed tanks or in the manner prescribed by the Division of Environmental Protection pursuant to [chapter 445A](#) of NRS and [chapter 445A](#) of NAC.

4. Except as otherwise provided in subsection 5 and not later than 60 days after the completion of a hydraulic fracturing operation, the operator shall report, at a minimum, to the Internet website [www.fracfocus.org](http://www.fracfocus.org) for inclusion in FracFocus, or its successor registry:

(a) The name of the operator, the well name and well number and the American Petroleum Institute well number.

(b) The date of the hydraulic fracturing treatment, the county in which the well is located, any public land surveys relevant to the location of the well and the global positioning system coordinates of the well.

(c) The true vertical depth of the well and the total volume of water used in the hydraulic fracturing treatment of the well or if the operator utilizes a base fluid other than water, the type and total volume of the base fluid used in the hydraulic fracturing treatment.

(d) The identity of each additive used in the hydraulic fracturing fluid, including, without limitation, the trade name and vendor of the additive and a brief description of the intended use or function of the additive.

(e) The identity of each chemical intentionally added to the base fluid.

(f) The maximum concentration, measured in percent by mass, of each chemical intentionally added to the base fluid.

(g) The Chemical Abstracts Service Registry Number for each chemical intentionally added to the base fluid, if applicable.

5. Proprietary information with respect to a trade secret does not constitute public information and is confidential. An operator may submit a request to the Division to protect from disclosure any information which, under generally accepted business practices, would be considered a trade secret or other confidential proprietary information of the business. The Administrator shall, after consulting with the operator, determine whether to protect the information from disclosure. If the Administrator determines to protect the information from disclosure, the protected information:

(a) Is confidential proprietary information of the operator.

(b) Is not a public record.

(c) Must be redacted by the Administrator from any report that is disclosed to the public.

(d) May only be disclosed or transmitted by the Division:

(1) To any officer, employee or authorized representative of this State or the United States:

(I) For the purposes of carrying out any duties pursuant to the provisions of this chapter or [chapter 522](#) of NRS; or

(II) If the information is relevant in any judicial proceeding or adversary administrative proceeding under this chapter or [chapter 522](#) of NRS or under the provisions of any federal law relating to oil or gas wells or hydraulic fracturing, and the information is admissible under the rules of evidence; or

(2) Upon receiving the consent of the operator.

→ The disclosure of any proprietary information pursuant to this subsection must be made in a manner which preserves the status of the information as a trade secret.

6. The Division shall make available to the public for inspection any information, other than a trade secret or other proprietary information that is maintained confidentially pursuant to subsection 5, that is submitted by an operator pursuant to this section.

7. As used in this section, "trade secret" has the meaning ascribed to it in [NRS 600A.030](#).

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

**NAC 522.730 Request to conduct hydraulic fracturing at oil or gas well drilled and spudded before October 24, 2014. ([NRS 522.040](#), [522.119](#))**

1. Notwithstanding any provision of [NAC 522.700](#) to [522.730](#), inclusive, to the contrary, an operator of an oil or gas well that was drilled and spudded before October 24, 2014, may request approval from the Division to conduct a hydraulic fracturing operation at the oil or gas well by submitting a sundry notice (Form 4) to the Division. The sundry notice must include, without limitation:

- (a) A cement evaluation log of the production casing string that has been conducted not less than 5 years before the submission of the sundry notice.
- (b) A pressure test of the production casing string conducted in the manner prescribed by subsection 7 of [NAC 522.265](#).
- (c) Any other information required by the Division.

2. The Division will, upon receipt of a request pursuant to subsection 1, evaluate each well design which is the subject of the request and approve or disapprove the request.

(Added to NAC by Comm'n on Mineral Resources by R011-14, eff. 10-24-2014)

## Language proposed for removal in red and bracketed -{remove}, additions in blue italics - *addition*

### CHAPTER 534A - GEOTHERMAL RESOURCES

#### GENERAL PROVISIONS

<u>534A.010</u>	Definitions.
<u>534A.012</u>	“Administrator” defined.
<u>534A.015</u>	“Annular space” and “annulus” defined.
<u>534A.020</u>	“Aquifer” defined.
<u>534A.031</u>	“Blowout” defined.
<u>534A.033</u>	“Casing” defined.
<u>534A.035</u>	“Commission” defined.
<u>534A.037</u>	“Division” defined.
<u>534A.040</u>	“Geothermal resource” defined.
<u>534A.045</u>	“Guide shoe” defined.
<u>534A.061</u>	“Injection well” defined.
<u>534A.063</u>	“Observation well” defined.
<u>534A.064</u>	“Operator” defined.
<u>534A.065</u>	“Person” defined.
<u>534A.066</u>	“Production well” defined.
<u>534A.067</u>	“Reservoir” defined.
<u>534A.069</u>	“Thermal gradient well” defined.
<u>534A.083</u>	“Well bore” defined.
<u>534A.085</u>	“Well log” defined.
<u>534A.110</u>	Drilling rig: License to operate. [Replaced in revision by <a href="#">NAC 534A.188</a> .]
<u>534A.170</u>	Types of wells.
<u>534A.173</u>	“Natural heat of the earth” construed for purposes of <a href="#">NRS 534A.010</a> .
<u>534A.175</u>	Authority of Administrator to grant exception to certain requirements of chapter.
<u>534A.180</u>	Applicability of <a href="#">NAC 534A.170</a> to <a href="#">534A.690</a> , inclusive.

#### LICENSES, PERMITS, FEES AND OTHER REQUIREMENTS FOR DRILLING

<u>534A.185</u>	License required to drill geothermal well that uses water consumptively and geothermal domestic well.
<u>534A.188</u>	Drilling rig: License to operate in compliance with licensing procedures of State Contractors’ Board.
<u>534A.190</u>	Application for permit for individual geothermal well.
<u>534A.193</u>	Application for permit for geothermal wells in a project area.
<u>534A.196</u>	Application for permit for injection well; operator required to obtain permit pursuant to Nevada Water Pollution Control Law before operating well.
<u>534A.200</u>	Location of well: Limitations; application for exception.
<u>534A.205</u>	Location of well: Survey required; filing of certified plat of location.
<u>534A.210</u>	Fees for permits for individual geothermal wells.
<u>534A.212</u>	Fees for permits for geothermal wells in project areas.
<u>534A.214</u>	Annual fee for industrial or commercial geothermal production well, geothermal injection well or thermal gradient or observation well.
<u>534A.216</u>	Payment of fee based on depth of well.
<u>534A.220</u>	Expiration of permits.
<u>534A.240</u>	Assignment of permits.
<u>534A.250</u>	Bond: Filing requirements; amount; form; effect of transfer of ownership of well; duration.
<u>534A.260</u>	Requirements for casing; alternate requirements for surface casing; exception for certain thermal gradient wells.
<u>534A.270</u>	Prevention of blowout; testing of equipment for prevention of blowout; submission of test data and supporting information to Division; recording of results in daily drilling log.
<u>534A.280</u>	Measurements of temperature requirement for mud cooling equipment.
<u>534A.310</u>	Taking of cuttings; submission to Bureau of Mines and Geology.
<u>534A.330</u>	Identification of producing wells by sign; modification for good cause; assignment of U.S. Well Number.

#### PRODUCTION

<u>534A.390</u>	Equipment for development and production of geothermal resources; additional testing or remedial work.
<u>534A.400</u>	Measurement of rate of flow of water and steam and of pressure and temperature of fluids; calibration of equipment.
<u>534A.420</u>	Reinjection of fluids unless alternative method of disposal approved; “by-product” defined.
<u>534A.430</u>	Casing of injection wells; filling of annular space.
<u>534A.450</u>	Notification of beginning and discontinuance of injection.

#### INACTIVE WELLS; ABANDONMENT AND PLUGGING

<u>534A.465</u>	Inactive well: Order to show cause why well should stay open; declaration of abandonment and order to plug; notice to operator; effect of failure of operator to respond.
<u>534A.470</u>	Application for permission to abandon and plug geothermal well.
<u>534A.480</u>	Abandonment of thermal gradient well.
<u>534A.490</u>	Abandonment of geothermal production, injection or observation well.
<u>534A.500</u>	Casing strings to be cut off and capped; removal of structures and other facilities.
<u>534A.510</u>	Removal of equipment without approval of Administrator prohibited; permission may be given orally.

#### MISCELLANEOUS RECORDS, REPORTS AND OTHER REQUIREMENTS

<u>534A.535</u>	Notice to Division of intention to engage in certain activities.
<u>534A.537</u>	Notice to Division by operator of geothermal well before taking certain actions relating to well; immediate notice required of serious incident.
<u>534A.540</u>	Permission to engage in certain activities; fee; report of progress or completion; release of nonconfidential information by Division.
<u>534A.550</u>	Required filings: Report of completion; directional survey; lithologic log; well logs.
<u>534A.555</u>	Required filings: Daily drilling log; monthly report for well that produces or injects.
<u>534A.560</u>	Maintenance of records by operator; authority of Division to require additional information and inspect records.

#### RULES OF PRACTICE AND PROCEDURE

<u>534A.590</u>	Public hearing on application; notice; request for continuance; additional notice required.
<u>534A.600</u>	Maintenance of docket and file for hearings; assignment of docket number.
<u>534A.620</u>	Hearings informal; record; protests; preliminary procedure.
<u>534A.630</u>	Order of proceedings; authority of Administrator to issue findings of fact and conclusions of law; final decision.
<u>534A.650</u>	Record of proceedings at hearings; cost of transcribing and reporting.
<u>534A.670</u>	Depositions.
<u>534A.680</u>	Declaratory order or advisory opinion.
<u>534A.690</u>	Petition for adoption, filing, amendment or repeal of permanent regulation; final decision.

#### GENERAL PROVISIONS

**NAC 534A.010 Definitions.** ([NRS 513.063](#), [534A.090](#)) As used in this chapter, unless the context otherwise requires, the words and terms defined in [NAC 534A.012](#) to [534A.085](#), inclusive, have the meanings ascribed to them in those sections.  
(Supplied in codification; A by Comm’n on Mineral Resources, 11-12-85; R032-19, 12-30-2019)

**NAC 534A.012 "Administrator" defined.** ([NRS 513.063, 534A.090](#)) "Administrator" means the Administrator of the Division.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85) — (Substituted in revision for NAC 534A.039)

**NAC 534A.015 "Annular space" and "annulus" defined.** ([NRS 513.063, 534A.090](#)) "Annular space" or "annulus" means the space between the walls of the well as drilled and the casing or between a permanent casing and the borehole.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.020 "Aquifer" defined.** ([NRS 513.063, 532.120, 534.020, 534.110, 534A.090](#)) "Aquifer" means a geological formation or structure that stores or transmits water.  
[St. Engineer, Exploration Drilling Reg. part Art. I, eff. 12-13-77] — (NAC A by Comm'n on Mineral Resources by R032-19, 12-30-2019)

**NAC 534A.031 "Blowout" defined.** ([NRS 513.063, 534A.090](#)) "Blowout" means an uncontrolled escape of fluids and gases from a geothermal well.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.033 "Casing" defined.** ([NRS 513.063, 534A.090](#)) "Casing" means the conduit required to prevent waste and contamination of the groundwater, the geothermal resource, or both, and to hold the formation open during the construction or use of the well.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.035 "Commission" defined.** ([NRS 513.063, 534A.090](#)) "Commission" means the Commission on Mineral Resources.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.037 "Division" defined.** ([NRS 513.063, 534A.090](#)) "Division" means the Division of Minerals of the Commission on Mineral Resources.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.040 "Geothermal resource" defined.** ([NRS 532.120, 534.020, 534.110](#)) "Geothermal resource" has the meaning ascribed to it in [NRS 534A.010](#).  
[St. Engineer, Exploration Drilling Reg. part Art. I, eff. 12-13-77]

**NAC 534A.045 "Guide shoe" defined.** ([NRS 513.063, 534A.090](#)) "Guide shoe" means a short, heavy cylindrical section which is rounded at the bottom and placed at the end of a string of casing.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.061 "Injection well" defined.** ([NRS 513.063, 534A.090](#)) "Injection well" means any well used to dispose of fluids derived from geothermal resources into an underground reservoir.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.063 "Observation well" defined.** ([NRS 513.063, 534A.090](#)) "Observation well" means any well used to observe the level of the water and its temperature, pressure and chemistry in a geothermal field.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

**NAC 534A.064 "Operator" defined.** ([NRS 513.063, 534A.090](#)) "Operator" means the person who has the right to drill and operate a geothermal well.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.065 "Person" defined.** ([NRS 513.063, 534A.090](#)) "Person" includes any trust, estate, agency or governmental entity.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.066 "Production well" defined.** ([NRS 513.063, 534A.090](#)) "Production well" means a geothermal well which is used to transmit fluids derived from geothermal resources to the surface where the fluids are available for industrial, commercial or domestic purposes.  
(Added to NAC by Comm'n on Mineral Resources, eff. 12-16-92)

**NAC 534A.067 "Reservoir" defined.** ([NRS 513.063, 534A.090](#)) "Reservoir" means an aquifer or combination of aquifers or porous zones containing a common geothermal or groundwater resource.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.069 "Thermal gradient well" defined.** ([NRS 513.063, 534A.090](#)) "Thermal gradient well" means a well drilled to obtain a temperature gradient reading in an area of potential geothermal resources.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.083 "Well bore" defined.** ([NRS 513.063, 534A.090](#)) "Well bore" means a cylindrical hole made in the construction or drilling of a well.  
(Added to NAC by Comm'n on Mineral Resources by R032-19, eff. 12-30-2019)

**NAC 534A.085 "Well log" defined.** ([NRS 513.063, 534A.090](#)) "Well log" means a written record progressively describing the strata, water and geothermal resources encountered in drilling a well. The term includes all relevant data maintained by the operator including volume, pressure, rate of fill-up and record of casing.  
(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.110 Drilling rig: License to operate.** ([NRS 532.120, 534.020, 534.110](#)) [Replaced in revision by [NAC 534A.188](#).]

**NAC 534A.170 Types of wells.** ([NRS 513.063, 534A.090](#)) A geothermal well is considered by the Division as:

1. A geothermal domestic well if the well is used solely for domestic heating purposes by one or more single family dwellings on a single parcel of land under the same ownership.
  2. A commercial well if the well is used:
    - (a) By a commercial user who does not produce geothermal heat for sale or the generation of power; or
    - (b) Primarily to provide geothermal resources on a commercial basis for any purpose other than the generation of power.
  3. An industrial well if the well primarily is used to generate power.
- (Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

**NAC 534A.173 "Natural heat of the earth" construed for purposes of NRS 534A.010.** ([NRS 513.063, 534A.090](#)) For the purposes of [NRS 534A.010](#), "natural heat of the earth" means energy obtained from any medium used to transfer heat, the temperature of which is greater than 85 degrees Fahrenheit at the surface.  
(Added to NAC by Comm'n on Mineral Resources by R032-19, eff. 12-30-2019)

**NAC 534A.175 Authority of Administrator to grant exception to certain requirements of chapter.** ([NRS 513.063, 534A.090](#)) Except for any fee required pursuant to [NAC 534A.210](#) to [534A.216](#), inclusive, or [534A.540](#), upon written application and good cause shown, the Administrator may grant an

exception to any of the requirements of this chapter.

(Added to NAC by Comm'n on Mineral Resources by R032-19, eff. 12-30-2019)

**NAC 534A.180 Applicability of NAC 534A.170 to 534A.690, inclusive. (NRS 513.063, 534A.090)**

1. Only the provisions of [NAC 534A.170](#) to [534A.690](#), inclusive, listed below apply to geothermal domestic wells:

- (a) [NAC 534A.190](#);
- (b) [NAC 534A.200](#);
- (c) [NAC 534A.210](#);
- (d) [NAC 534A.220](#);
- (e) Paragraphs (a) and (e) of subsection 1 of [NAC 534A.260](#);
- (f) Subsections 1 and 2 of [NAC 534A.270](#);
- (g) [NAC 534A.280](#);
- (h) Subsection 3 of [NAC 534A.330](#);
- (i) [NAC 534A.420](#);
- (j) [NAC 534A.470](#);
- (k) [NAC 534A.490](#) (except subsection 9 of that section);
- (l) [NAC 534A.500](#);
- (m) [NAC 534A.465](#);
- (n) Subsections 5 and 6 of [NAC 534A.540](#);
- (o) [NAC 534A.550](#);
- (p) [NAC 534A.560](#); and
- (q) [NAC 534A.590](#) to [534A.690](#), inclusive.

2. All provisions of [NAC 534A.170](#) to [534A.690](#), inclusive, apply to commercial wells except subsection 1 of [NAC 534A.200](#).

3. Except as otherwise specifically provided in [NAC 534A.170](#) to [534A.690](#), inclusive, all of the provisions apply to industrial wells.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; 8-22-94; R057-15, 12-21-2015; R032-19, 12-30-2019)

**LICENSES, PERMITS, FEES AND OTHER REQUIREMENTS FOR DRILLING**

**NAC 534A.185 License required to drill geothermal well that uses water consumptively and geothermal domestic well. (NRS 513.063, 534A.090)** A person must be licensed to drill wells in this State pursuant to [NRS 534.140](#) in order to drill any:

1. Geothermal well that uses water consumptively and is subject to the appropriation procedures of [chapters 533](#) and [534](#) of NRS pursuant to [NRS 534A.040](#); or

2. Geothermal domestic well.

(Added to NAC by Comm'n on Mineral Resources by R032-19, eff. 12-30-2019)

**NAC 534A.188 Drilling rig: License to operate in compliance with licensing procedures of State Contractors' Board. (NRS 513.063, 532.120, 534.020, 534.110, 534A.090)** Any drilling rig operated in Nevada must be operated in compliance with the licensing procedures of the State Contractors' Board.

[St. Engineer, Exploration Drilling Reg. part Art. II, eff. 12-13-77] — (NAC A by Comm'n on Mineral Resources by R032-19, 12-30-2019) — (Substituted in revision for NAC 534A.110)

**NAC 534A.190 Application for permit for individual geothermal well. (NRS 513.063, 534A.070, 534A.090)** An application for a permit to drill or operate an individual geothermal well must be submitted to the Division on a form provided by the Administrator. Except as otherwise provided in [NAC 534A.196](#), an application must:

- 1. Include a statement of the purpose and estimated depth of the well;
- 2. Include a description of the kind of casing, equipment for the prevention of a blowout and drilling rig which will be used;
- 3. Include the name of the owner of the land or designated lot on which the well will be located and the owner of the geothermal resource;
- 4. Include the name and address of the operator and drilling contractor;
- 5. Be accompanied by the bond required pursuant to [NAC 534A.250](#);
- 6. Include a description of the location of the proposed well by the quarter-quarter section, section, township and range. For domestic and commercial wells a street address may be used, if available;
- 7. Include the global positioning coordinates of the location of the well which:
  - (a) Are identified by latitude and longitude using decimal degrees or coordinates of the Universal Transverse Mercator system; and
  - (b) Specify the datum used; and
- 8. Include the business identification number assigned to the operator by the Secretary of State.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R032-19, 12-30-2019)

**NAC 534A.193 Application for permit for geothermal wells in a project area. (NRS 513.063, 534A.090)** An application for a permit to drill or operate geothermal wells in a project area must be submitted to the Division. Except as otherwise provided in [NAC 534A.196](#), the application must:

- 1. Include a statement of the number, purpose and estimated depth of the proposed wells in the project area;
- 2. Include a description of the kind of casing, equipment for the prevention of a blowout and drilling rig which will be used;
- 3. Include the name of the owner of the land or designated lots on which the proposed wells will be located;
- 4. Include the name of the owner of the geothermal resource;
- 5. Include the name and address of the operator and drilling contractor;
- 6. Include a description and map of the project area by section, township and range; and
- 7. Be accompanied by the bond required by [NAC 534A.250](#).

(Added to NAC by Comm'n on Mineral Resources, eff. 12-16-92; A 8-22-94)

**NAC 534A.196 Application for permit for injection well; operator required to obtain permit pursuant to Nevada Water Pollution Control Law before operating well. (NRS 513.063, 534A.070, 534A.090)**

1. An operator shall file with the Division an application for a permit to drill or operate an injection well or a permit to drill or operate injection wells in a project area. The application must contain, in addition to the information required by [NAC 534A.190](#) or [534A.193](#), as applicable:

(a) A description of the casings in the wells, or the proposed wells, and the proposed method for testing the casings before those wells are used for injection;

(b) The estimated maximum injection pressure and temperature; and

(c) A description of the proposed pipelines, metering equipment and safety devices that will be used to prevent accidental pollution.

2. In addition to the requirements of subsection 1, an operator shall obtain a permit issued by the Division of Environmental Protection of the State Department of Conservation and Natural Resources pursuant to the provisions of [NRS 445A.300](#) to [445A.730](#), inclusive, and any regulations adopted by the State Environmental Commission pursuant thereto, before the operator may operate an injection well.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R032-19, 12-30-2019) — (Substituted in revision for NAC 534A.440)

**NAC 534A.200 Location of well; Limitations; application for exception. (NRS 513.063, 534A.090)**

1. No well may be drilled within 100 feet of:

(a) The boundary of the land on which the well is situated.

(b) A public road, street or highway.

2. Upon written application, the Administrator may grant an exception to the provisions of subsection 1. The Administrator shall consider:

- (a) The topographic, hydrologic, geographic and geologic characteristics of the area and the characteristics of the reservoir;
- (b) The protection of the environment; and
- (c) Any existing rights.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

**NAC 534A.205 Location of well: Survey required; filing of certified plat of location. (NRS 513.063, 534A.090)**

1. Except as otherwise provided in subsection 3, the location of an individual geothermal well or the geothermal wells in a project area must be surveyed by a professional land surveyor who is licensed pursuant to chapter 625 of NRS.
2. Except as otherwise provided in subsection 3, a certified plat of the location must be filed with the Division within 30 days after the completion of the construction of the well. The plat must:
  - (a) Be of a standard size;
  - (b) Show the location of any designated lots; and
  - (c) Contain a description of the location of the proposed well:
    - (1) Within a 40-acre legal subdivision; or
    - (2) Which includes an accurate course and distance tied to an established corner of a section or quarter section and a full description of the corner to which the tie is made, together with all markings thereon.
3. The provisions of this section do not apply to a thermal gradient well.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-16-92; A by R057-15, 12-21-2015)

**NAC 534A.210 Fees for permits for individual geothermal wells. (NRS 513.063, 534A.080, 534A.090)** A person who files an application for a permit to drill or operate an individual geothermal well shall pay to the Commission a fee according to the following schedule:

INDUSTRIAL WELLS		
Production		
Well.....		\$500
Injection		
Well.....		500
Observation		
Well.....		300
Thermal Gradient		
Well.....		100
COMMERCIAL WELLS		
Production		
Well.....		200
Injection		
Well.....		200
GEOTHERMAL DOMESTIC WELLS		
		50

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R032-19, 12-30-2019)

**NAC 534A.212 Fees for permits for geothermal wells in project areas. (NRS 513.063, 534A.080, 534A.090)**

1. Except as otherwise provided in subsection 2, a person who files an application for a permit to drill or operate geothermal wells in a project area shall pay to the Commission an application fee of \$500 and an additional fee per well according to the following schedule:

	First Well	Each Subsequent Well of the Same Type
Production Well	\$500	\$300
Injection Well	500	300
Observation Well	300	150
Thermal Gradient Well	100	50

2. A person who files an application for a permit to drill or operate a thermal gradient well in a project area need not pay the application fee, but shall pay the applicable additional fees listed in subsection 1.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-16-92; A by R032-19, 12-30-2019)

**NAC 534A.214 Annual fee for industrial or commercial geothermal production well, geothermal injection well or thermal gradient or observation well. (NRS 513.063, 534A.080, 534A.090)** On or before January 31 of each year:

1. The owner of the geothermal resource or the operator of an industrial or commercial geothermal production well or geothermal injection well shall submit to the Division a fee of \$600 for each well which produced or was used to dispose of fluids derived from geothermal resources into an underground reservoir during the preceding calendar year. The provisions of this subsection do not apply to an industrial well which produced fluids during the preceding calendar year if no power was generated at the well and the production was only for the purpose of testing the well.

2. The owner or operator of a thermal gradient or an observation well shall submit to the Division a fee of \$100 for each such well unless the well has been abandoned and plugged.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-16-92; A by R069-99, 8-19-99; R057-15, 12-21-2015; R032-19, 12-30-2019)

**NAC 534A.216 Payment of fee based on depth of well. (NRS 513.063, 534A.080, 534A.090)** Within 30 days after the completion of the construction of a geothermal well listed in this section and the removal of the drill rig from the location of the well, the person who holds a permit to drill or operate an individual geothermal well or a permit to drill or operate geothermal wells in a project area shall pay to the Division a fee based on the depth of the well according to the following schedule:

INDUSTRIAL WELLS	300 to 1,000 Feet Deep	1,001 to 5,000 Feet Deep	Over 5,000 Feet Deep
Production Well	\$1,000	\$2,000	\$2,500
Injection Well	1,000	2,000	2,500
Observation Well	300	500	2,500

## COMMERCIAL WELL

200

200

200

(Added to NAC by Comm'n on Mineral Resources, eff. 12-16-92; A by R032-19, 12-30-2019)

**NAC 534A.220 Expiration of permits.** ([NRS 513.063, 534A.090](#)) Unless operations have been commenced or the operator is proceeding with due diligence, a permit to drill an individual geothermal well or a permit to drill geothermal wells in a project area expires 24 months after the date on which it was issued unless extended by the Administrator for good cause shown.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92)

**NAC 534A.240 Assignment of permits.** ([NRS 513.063, 534A.090](#))

1. A permit to drill or operate an individual geothermal well or a permit to drill or operate geothermal wells in a project area may be assigned, subject to the conditions of the permit, upon the written approval of the Administrator. The transferee must furnish a bond as provided in [NAC 534A.250](#).

2. Approval by the Division of the transfer is the authority for release or cancellation by the transferor of his or her surety.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92)

**NAC 534A.250 Bond: Filing requirements; amount; form; effect of transfer of ownership of well; duration.** ([NRS 513.063, 534A.090](#))

1. Except as otherwise provided in this section, the operator shall provide a sufficient bond in favor of the State of Nevada for each geothermal well, conditioned on the plugging of the well upon abandonment in accordance with [NAC 534A.170](#) to [534A.690](#), inclusive. The bond must be:

(a) In the sum of:

- (1) For a thermal gradient well, not less than \$10,000; and
- (2) For a commercial or industrial well, not less than \$25,000.

(b) Submitted with the application for a permit to drill or operate an individual geothermal well or an application for a permit to drill or operate geothermal wells in a project area.

2. An operator may file a blanket bond, in the sum of at least \$100,000, to cover all wells to be drilled or operated by the operator in a project area for which the operator has received a permit pursuant to [NAC 534A.193](#).

3. A bond must be:

- (a) In cash;
- (b) Issued by a surety authorized to do business in Nevada; or
- (c) In the form of a savings certificate or time certificate of deposit which is:
  - (1) Issued by a bank or savings and loan association operating in Nevada; and
  - (2) Payable to the State of Nevada.

4. An operator who has deposited a performance bond with the Federal Government for wells drilled on federal property shall submit evidence of that bond with the Division.

5. If an operator transfers ownership of a well, the Division may review the bond filed pursuant to this section to determine whether the existing amount of the bond for the well is sufficient.

6. The bond required by this section must remain in effect until the well is properly abandoned, the surface is properly restored and the bond is formally released by the Division.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R032-19, 12-30-2019)

**NAC 534A.260 Requirements for casing; alternate requirements for surface casing; exception for certain thermal gradient wells.** ([NRS 513.063, 534A.090](#))

1. Except as otherwise provided in subsection 2:

(a) All wells must be cased in such a manner as to minimize damage to the environment, ground and surface waters, geothermal resources and property.

(b) Except as otherwise ordered by the Administrator, the completion equipment for a well must be attached to the surface casing. All casing, except conductor casing, which reaches the surface must provide adequate anchorage for equipment for the prevention of a blowout and control of the pressure in the well.

(c) Surface casing must:

(1) Provide for the control of formation fluids and protection of fresh water. The cement for the surface casing must be circulated up the annulus to the surface. If the cement does not circulate or falls back, the casing must be cemented at the surface. Sufficient casing must be set to reach a depth below all known or reasonably estimated levels of fresh water to protect those aquifers and to prevent blowouts or uncontrolled flows.

(2) Be cemented to a depth that is at least 10 percent of the proposed total depth of the well, with a minimum of 200 feet and a maximum of 1,500 feet of casing.

(3) If the first string of surface casing has not been cemented in a competent geological formation or if an unusual drilling hazard exists, include a second string of surface casing that is cemented into or through a competent geological formation.

(d) When intermediate casing is installed, cement must be circulated to the surface or to the top of the casing with at least a 100-foot overlap into the next string of casing.

(e) Production casing may be set above or through the production or injection zone. Casing must be cemented to the surface or, if a liner is used, to the top of the casing. If surface casing overlaps into an intermediate string, the overlap must be at least 100 feet, solidly cemented and tested to withstand at least 750 pounds of differential pressure per square inch of gauge. A decline in the pressure of 10 percent or less at the surface in 30 minutes is acceptable. For geothermal domestic wells less pressure or another acceptable mechanical test may be approved by the Administrator.

(f) For wells with downhole centralizers, casing strings must be properly centered and the top of the casing must be properly centered with the drilling rig during and immediately after the casing is cemented into place. The number and depth of the casing centralizer must be recorded in the well driller's log during the installation of the casing strings.

(g) If a cellar is utilized, the design of the cellar must:

- (1) Prohibit any contact between soil and water and the casing and wellhead components; and
- (2) Prevent the occurrence of standing water around the casing and wellhead components.

2. The Administrator may:

(a) Impose alternate requirements for the surface casing of a well than those provided in paragraph (c) of subsection 1 to ensure that there is adequate protection of fresh water zones and blowout control. In considering whether to impose additional or alternate surface casing requirements, the Administrator may consider, without limitation, the known geological conditions of the area in which the well is drilled and any applicable engineering factors.

(b) Grant an exception to the requirements of this section for a thermal gradient well that is less than 500 feet deep.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

**NAC 534A.270 Prevention of blowout; testing of equipment for prevention of blowout; submission of test data and supporting information to Division; recording of results in daily drilling log.** ([NRS 513.063, 534A.090](#))

1. An operator shall take all precautions which are necessary to keep wells under control and operating safely at all times. Well control and wellhead assemblies used in any geothermal well must meet the minimum specifications for assemblies prescribed by the American Petroleum Institute, or its successor organization, in the most current edition of Standard 53, "Well Control Equipment Systems for Drilling Wells," or as may be otherwise prescribed by the Administrator. The most current edition is available by mail from Global Engineering Documents, 15 Inverness Way East, Englewood, Colorado 80112-5776, by telephone at (800) 854-7179 or at the Internet address <http://global.ihs.com>, for the price of \$160.

2. Equipment for the prevention of a blowout, capable of shutting in the well during any operation, must be installed on the surface casing and maintained in good operating condition at all times. This equipment must have a rating for pressure greater than the maximum anticipated pressure at the wellhead. Equipment for the prevention of a blowout is required on any well where temperatures may exceed 200°F.

3. An operator shall test the equipment for the prevention of a blowout under pressure. A representative of the Division must observe the test in person

or otherwise approve the results of the test before the operator drills the casing shoe out of the casing. An operator shall notify the Division not less than 24 hours before conducting a test pursuant to this subsection.

4. The operator shall submit to the Division the pressure data and supporting information for the equipment for the prevention of a blowout as soon as practicable after the conclusion of the test conducted pursuant to subsection 3. The operator shall record the results of each test in the daily drilling log of the operator.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R011-14, 10-24-2014; R032-19, 12-30-2019)

#### **NAC 534A.280 Measurements of temperature requirement for mud cooling equipment. ([NRS 513.063, 534A.090](#))**

1. The temperature of the mud that is returned up the well bore must be observed continuously by the operator during the drilling of the well whenever temperatures of the drilling fluids at the surface reach 125°F. These temperatures must be entered into the well log after each joint of pipe has been drilled.

2. Mud cooling equipment is required when the flow line temperature reaches 125°F.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 8-22-94; R032-19, 12-30-2019)

**NAC 534A.310 Taking of cuttings; submission to Bureau of Mines and Geology. ([NRS 513.063, 534A.090](#))** The operator shall take two sets of cuttings at least every 30 feet. The cuttings and a split of any core must be:

1. Cleaned, dried, marked for location and depth and placed in envelopes; and
2. Submitted to the Bureau of Mines and Geology of the State of Nevada within ~~{30}~~ 90 days after the well is completed.(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

#### **NAC 534A.330 Identification of producing wells by sign; modification for good cause; assignment of U.S. Well Number. ([NRS 513.063, 534A.090](#))**

1. Each producing well must be identified by a sign posted within 100 feet of the well unless the property on which the well is located has a street address. The sign must:

- (a) Be of durable construction.
- (b) Use lettering kept in legible condition that is large enough to be legible under normal conditions at a distance of 25 feet.
- (c) Show the:
  - (1) Number of the well. Every well must be numbered in a nonrepetitive, logical and distinctive sequence.
  - (2) Name of the lease, which must be different and distinctive for each lease.
  - (3) Name of the lessee, owner or operator.
  - (4) Location of the well by legal land description which must include:
    - (I) Lot, tract or quarter-quarter section; and
    - (II) Section, township and range.
  - (5) Permit number of the well.

2. The requirements of subsection 1 may be modified by the Administrator for good cause.

3. The Division shall assign to each well a U.S. Well Number of the Professional Petroleum Data Management Association when the drilling permit is approved.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

### **PRODUCTION**

#### **NAC 534A.390 Equipment for development and production of geothermal resources; additional testing or remedial work. ([NRS 513.063, 534A.090](#))**

1. All equipment used or purchased for the development and production of geothermal resources must meet the minimum standards generally accepted for equipment used for geothermal wells.

2. The Division may require additional testing or remedial work to prevent waste and damage to the environment.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

#### **NAC 534A.400 Measurement of rate of flow of water and steam and of pressure and temperature of fluids; calibration of equipment. ([NRS 513.063, 534A.090](#))**

1. The rate of the flow of water or steam, or both, and the pressure and temperature of the fluids from each well must be accurately measured. Metering must be on a continuous basis and each well must be gauged at the frequency prescribed by the Administrator.

2. All equipment used to take the measurements required pursuant to subsection 1 must be calibrated on a regular basis in accordance with the manufacturer's recommendation.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

#### **NAC 534A.420 Rejection of fluids unless alternative method of disposal approved; "by-product" defined. ([NRS 513.063, 534A.090](#))**

1. Unless the Administrator approves an alternative method of disposal, all fluids derived from geothermal resources must be reinjected into the same reservoir from which the fluids were produced.

2. For purposes of this section, "by-product" means any minerals which are found in solution or in association with geothermal resources and which because of quantity, quality or technical difficulties in extraction and production are of insufficient value to warrant extraction and production by themselves.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.430 Casing of injection wells; filling of annular space. ([NRS 513.063, 534A.090](#))** Injection wells must be completed with safe and adequate casing which is properly cemented to protect fresh water aquifers. The annular space must be filled by circulating cement up the annulus to the surface. If the cement does not circulate or falls back, the casing must be cemented to the surface.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

#### **NAC 534A.450 Notification of beginning and discontinuance of injection. ([NRS 513.063, 534A.090](#))**

1. Immediately before beginning any injection, the operator shall notify the Division of the date on which injection will begin.

2. Within 10 days after the discontinuance of the operations, the operator shall notify the Division of the date of discontinuance and the reasons therefor.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

### **INACTIVE WELLS; ABANDONMENT AND PLUGGING**

#### **NAC 534A.465 Inactive well: Order to show cause why well should stay open; declaration of abandonment and order to plug; notice to operator; effect of failure of operator to respond. ([NRS 513.063, 534A.090](#))**

1. If a well is inactive for 2 years or more, the Administrator may issue an order to the operator to show cause as to why the well should remain open and that such action is consistent with:

- (a) The policies specified in [NRS 445A.305](#) and [445B.100](#);
- (b) The purposes of [chapters 533](#) and [534](#) of NRS; and
- (c) The purposes specified in [chapter 501](#) of NRS.

2. If the Administrator finds that good cause has not been shown, the Administrator may declare the well abandoned and order the well to be plugged.

3. The Administrator shall send written notice of the order to plug the well to the operator by registered or certified mail with return receipt requested.

4. If the operator fails to respond in writing within 45 days after the written notice is mailed pursuant to subsection 3 with a plan for plugging the well and:

(a) The well is bonded by a federal agency, the Administrator must notify the federal agency and coordinate with the federal agency to ensure that the

well is plugged.

(b) The well is not bonded by a federal agency, the Administrator may, without further notice, take such steps necessary to plug the well. The costs of plugging the well, including labor and material, may be paid from the bond filed pursuant to [NAC 534A.250](#). Any costs above the bond are a lien upon the land on which the well is located.

(Added to NAC by Comm'n on Mineral Resources by R032-19, eff. 12-30-2019)

**NAC 534A.470 Application for permission to abandon and plug geothermal well.** ([NRS 513.063](#), [534A.090](#)) The owner of the geothermal resource or the operator shall file with the Division an application for permission to abandon and plug a geothermal well pursuant to [NAC 534A.540](#). The application must:

1. Be accompanied by a detailed statement of the proposed activity to abandon and plug the geothermal well; and
2. If conditions within the geothermal well make it impossible for the owner or operator to plug the geothermal well, include an explanation of those conditions and a plan for the owner or operator to substantially comply with the requirements of [NAC 534A.480](#), [534A.490](#) and [534A.500](#).

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R032-19, 12-30-2019)

**NAC 534A.480 Abandonment of thermal gradient well.** ([NRS 513.063](#), [534A.090](#)) For abandonment of a thermal gradient well, the following provisions apply:

1. If the well was drilled and no water was encountered, the well bore must be backfilled with cuttings and a cement plug 50 feet long must be placed at the top of the well.
2. If the well encountered water when drilled, the well bore must be filled with a material approved by the Division and a cement plug of 50 lineal feet must be placed at the top of the well.
3. The surface must be restored as near as practicable to its original condition.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R057-15, 12-21-2015; R032-19, 12-30-2019)

**NAC 534A.490 Abandonment of geothermal production, injection or observation well.** ([NRS 513.063](#), [534A.090](#)) For abandonment of a geothermal production, injection or observation well, the following provisions apply:

1. Cement used to plug the well, except cement used for surface plugging, must be placed in the well bore by pumping through drill pipe or tubing. The cement must consist of a mix which resists high temperatures.
2. Cement plugs must be placed in the uncased portion of wells to protect all subsurface resources. These plugs must extend a minimum of 100 lineal feet above the producing formations and 100 lineal feet below the producing formations or to the total depth drilled, whichever is less. Cement plugs must be placed to isolate formations and to protect the fluids in those formations from interzonal migration.
3. Where there is an open well bore, a cement plug must be placed in the deepest casing string by:
  - (a) Placing a cement plug across the guide shoe extending a minimum of 100 lineal feet above and below the guide shoe, or to the total depth drilled, whichever is less; or
  - (b) Setting a cement retainer with effective control of back pressure approximately 100 lineal feet above the guide shoe, with at least 200 lineal feet of cement below, or to the total depth drilled, whichever is less, and 100 lineal feet of cement above the retainer.
4. If there is a loss of drilling fluids into the formation or such a loss is anticipated or if the well has been drilled with air or another gaseous substance, a permanent bridge plug must be set at the casing shoe and capped with a minimum of 200 lineal feet of cement.
5. A cement plug must be placed across perforations, extending 100 lineal feet below, or to the total depth drilled, whichever is less, and 100 lineal feet above the perforations. When a cement retainer is used to squeeze cement into or across the perforations, the retainer must be set a minimum of 100 lineal feet above the perforations. Where the casing contains perforations at or below debris or collapsed casing, which prevents cleaning, a cement retainer must be set at least 100 lineal feet above that point, and cement must be squeezed in the interval below the retainer.
6. The approval of the Administrator must be obtained before casing is cut and recovered. A cement plug must be placed in such a manner as to isolate all uncased intervals and guide shoes that are not protected by an inner string of casing. The plug must extend a minimum of 50 feet above and below any such interval or guide shoe.
7. All annular spaces extending to the surface must be plugged with cement.
8. The innermost string of casing which reaches ground level must be cemented to a minimum depth of 50 feet below the top of the casing.
9. The hardness and location of cement plugs placed across perforated intervals and at the top of uncased or open well bores must be verified by setting down with tubing or drill pipe a minimum weight of 15,000 pounds on the plug or, if less than 15,000 pounds, the maximum weight of the available tubing or drill pipe string. If a cement retainer or bridge plug is used to set the bottom plug, a test is not required for that interval.
10. The surface must be restored as near as practicable to its original condition unless the Administrator approves an exception to this requirement requested by the owner of the land.
11. Any interval that is not filled with cement must be filled with good quality, heavy drilling fluids.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R057-15, 12-21-2015; R032-19, 12-30-2019)

**NAC 534A.500 Casing strings to be cut off and capped; removal of structures and other facilities.** ([NRS 513.063](#), [534A.090](#)) All casing strings must be cut off below ground level and capped by welding a steel plate on the casing stub. All structures and other facilities must be removed.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

**NAC 534A.510 Removal of equipment without approval of Administrator prohibited; permission may be given orally.** ([NRS 513.063](#), [534A.090](#))

1. Drilling equipment must not be removed from any site where drilling operations have been suspended, either temporarily or indefinitely, without the prior approval of the Administrator.

2. Permission to remove equipment may be given orally by the Administrator.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

#### MISCELLANEOUS RECORDS, REPORTS AND OTHER REQUIREMENTS

**NAC 534A.535 Notice to Division of intention to engage in certain activities.** ([NRS 513.063](#), [534A.090](#))

1. The owner of the geothermal resource or operator shall notify the Division of his or her intention to:

- (a) Make a minor change in the manner in which a well is operated;
- (b) Conduct a temperature or pressure survey; or
- (c) Perform routine maintenance of a well.

Ê The notice must be submitted to the Division on Form 4 (Sundry Notices and Reports on Wells) not later than 5 days of initiating the activity.

2. As used in subsection 1, "minor change" includes:

- (a) Installing or changing capillary tubing; or
- (b) Any other change for which the Division takes little or no action other than acknowledging the notice and filing it.

(Added to NAC by Comm'n on Mineral Resources, eff. 12-16-92; A by R032-19, 12-30-2019)

**NAC 534A.537 Notice to Division by operator of geothermal well before taking certain actions relating to well; immediate notice required of serious incident.** ([NRS 513.063](#), [534A.090](#))

1. The operator of a geothermal well shall notify the Division by telephone, electronic mail or any other method approved by the Administrator:

- (a) At least 48 hours before spudding or testing the production or injection operations for the well; and
- (b) At least 24 hours before testing the equipment for the prevention of a blowout pursuant to [NAC 534A.270](#) or testing the casing of the well.

2. In the event of a serious accident, blowout, spill or fire, the operator must immediately notify the Division by telephone or any other method approved by the Administrator.

(Added to NAC by Comm'n on Mineral Resources by R032-19, eff. 12-30-2019)

**NAC 534A.540 Permission to engage in certain activities; fee; report of progress or completion; release of nonconfidential information by Division.** ([NRS 513.063](#), [534A.080](#), [534A.090](#))

1. A person shall not engage in an activity listed in subsection 3 or 4 without the permission of the Division.  
 2. The owner of the geothermal resource or operator shall submit an application for permission to engage in an activity listed in subsection 3 or 4 on Form 4 (Sundry Notices and Reports on Wells). Upon request, the Administrator may, as he or she deems appropriate in extraordinary circumstances, grant oral permission to engage in an activity listed in subsection 3 or 4. Oral permission to engage in an activity listed in subsection 3 or 4 does not relieve the owner of the geothermal resource or operator of his or her obligation to submit an application pursuant to this section.

3. The fee is \$300 to file an application for permission to engage in any one of the following activities:
- (a) Increasing the depth of a well;
  - (b) Testing of water shut-off;
  - (c) Entering or opening a plugged well;
  - (d) Shooting, acidizing or fracture treating;
  - (e) Drilling in a direction which is not intended to be vertical, including directional drilling;
  - (f) Changing the construction of a well bore or well, including:
    - (1) Placing a plug in the well bore or well; and
    - (2) Recovering or altering the casing;
  - (g) Conducting a major work over or cleaning of a well; and
  - (h) Any other proposed activity for which the Division:
    - (1) Conducts an extensive review;
    - (2) Conducts a field inspection; or
    - (3) Evaluates information or documentation regarding the construction of a well bore or well.
4. The fee is \$100 to file an application for permission to engage in any one of the following activities:
- (a) Extending a permit;
  - (b) Changing the ownership of a well;
  - (c) Changing the status of a well;
  - (d) Changing the name of a well;
  - (e) Changing the location of a proposed well; and
  - (f) Abandoning and plugging a well.
5. The owner of the geothermal resource or operator shall report to the Division any progress regarding or the completion of an activity for which permission was required pursuant to this section and any supplemental history of the well.
6. In the case of a geothermal domestic well, the owner of the geothermal resource or the operator shall:
- (a) Not engage in an activity listed in paragraph (a) or (c) of subsection 3, subparagraph (1) of paragraph (f) of subsection 3 or paragraph (f) of subsection 4 without the permission of the Division; and
  - (b) Submit to the Division an application for permission to engage in an activity listed in paragraph (a) or (c) of subsection 3, subparagraph (1) of paragraph (f) of subsection 3 or paragraph (f) of subsection 4. The owner or operator shall file the application on Form 4 (Sundry Notices and Reports on Wells) and is not required to pay a fee to file.
7. The Division may, as it deems appropriate, observe and release information which is not confidential regarding activities for which permission was required pursuant to this section.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R057-15, 12-21-2015; R032-19, 12-30-2019)

**NAC 534A.550 Required filings: Report of completion; directional survey; lithologic log; well logs.** ([NRS 513.063](#), [534A.090](#))

1. Within 30 days after the completion of the construction of a well, the owner of the geothermal resource or the operator shall file with the Division:
- (a) A report setting forth the manner in which the well was completed on a form designated by the Division;
  - (b) For a directionally drilled well, a directional survey, which must include, without limitation, a plat obtained by the method used to survey the well;
  - (c) A lithologic log, which must include the lithologic characteristics and depths of the formations, the depths and temperatures of water-bearing and steam-bearing strata and the temperatures, chemical compositions and other characteristics of fluids encountered during drilling; and
  - (d) The following well logs, if applicable:

Well Log Type	Industrial or Commercial Production Well	Industrial or Commercial Injection Well	Geothermal Domestic Well	Thermal Gradient Well
Gamma or similar log	Required	Required	Submit if run	Submit if run
Cement bond log	Submit if run	Submit if run	Submit if run	Submit if run
Temperature log	Required	Required	Required	Required
Other logs	Submit if run	Submit if run	Submit if run	Submit if run

2. Within 30 days after the well is plugged, the operator shall file with the Division a well plugging report on a form designated by the Division.  
 3. The survey and well logs filed pursuant to subsection 1 must include two paper copies, one digital copy and for any electric logs, one copy in LASer (LAS) file format.  
 4. The Division shall file one set of the well logs filed pursuant to subsection 1 with the Bureau of Mines and Geology of the State of Nevada.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R032-19, 12-30-2019)

**NAC 534A.555 Required filings: Daily drilling log; monthly report for well that produces or injects.** ([NRS 513.063](#), [534A.090](#)) The operator shall file with the Division:

- 1. On each day of drilling, a daily drilling log, which must include, without limitation, the results of any test of the equipment for the prevention of a blowout pursuant to [NAC 534A.270](#); and
- 2. On or before the last day of each month, a monthly report for the preceding month on a form provided by the Division for any well that produces or injects for any part of the month and includes the following information, as applicable:
  - (a) For a production well, all geothermal production, sales, average temperatures and the consumptive use from commercial and industrial wells.
  - (b) For an injection well, the details of any well used to inject geothermal fluids into a reservoir, including, without limitation:
    - (1) The volume of geothermal fluid;
    - (2) If utilized, the volume of augmentation water; and
    - (3) The pressure and temperature of the injection fluid at the wellhead.
  - (c) For any non-reinjected fluid, the volume and temperature of any water that is not reinjected and the use of that fluid.

(Added to NAC by Comm'n on Mineral Resources by R032-19, eff. 12-30-2019)

**NAC 534A.560 Maintenance of records by operator; authority of Division to require additional information and inspect records.** ([NRS 513.063](#), [534A.090](#))

1. The owner of the geothermal resource or the operator of the well shall keep the following records at the site of the well or at the nearest office of the owner or operator:
- (a) A copy of each monthly report filed by the operator pursuant to [NAC 534A.555](#);
  - (b) The lithologic log required pursuant to paragraph (c) of subsection 1 of [NAC 534A.550](#);

- (c) A record of the core, which must contain a notation of the depth, lithologic character and fluid content of the core;
  - (d) A history of the well, which must describe in detail all significant operations and equipment used during all phases of drilling, testing, completing and abandoning each well;
  - (e) A summary of the well, which must include all data pertinent to the condition of the well at the time the well is completed; and
  - (f) Any other appropriate books and records covering his or her operations in this State for a period of at least 5 years after any such operations have ended.
2. The Division may:
    - (a) Require the operator to provide additional reports, data or other information on the production and use of geothermal energy to prevent waste and conserve natural resources; and
    - (b) Inspect the records kept pursuant to subsection 1 during normal business hours.
- (Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A 12-16-92; R032-19, 12-30-2019)

#### RULES OF PRACTICE AND PROCEDURE

##### **NAC 534A.590 Public hearing on application; notice; request for continuance; additional notice required. ([NRS 513.063, 534A.090](#))**

1. If the Administrator determines that a public hearing is necessary for a full understanding of an application for a permit to drill or operate a geothermal well, the rights involved with the application or to properly guard the public interest, the Administrator shall hold a hearing on the application. The Administrator shall consult with the State Engineer to determine whether the hearing will be held jointly or separately.
  2. The Administrator shall send notice of a hearing held pursuant to subsection 1 to the applicant, the State Engineer, the Administrator of the Division of Environmental Protection of the State Department of Conservation and Natural Resources and all known parties at least 10 days before the date of the hearing. The notice of the hearing must include, without limitation, the subjects that will be addressed at the hearing.
  3. The applicant or any other party to a hearing held pursuant to subsection 1 may request that additional issues be included by written motion filed with the Administrator at least 5 days before the date set for the hearing.
  4. Upon the request of a party to a hearing held pursuant to subsection 1 and for good cause shown, the date of the hearing may be continued. A request for a continuance must be made at least 5 days before the date set for the hearing. Requests may be granted or denied at the discretion of the Administrator who may consult with the State Engineer on the issue.
  5. The Administrator shall post a notice of a hearing held pursuant to subsection 1 on the Internet website of the Division and send notice of the hearing by electronic mail to any person who has requested notifications of such hearings at the time the notice of the hearing is issued.
- (Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

**NAC 534A.600 Maintenance of docket and file for hearings; assignment of docket number. ([NRS 513.063, 534A.090](#))** The Administrator shall maintain a docket for hearings held by the Division pursuant to [NAC 534A.590](#). All hearings must be docketed with any application relating to the hearing and assigned a docket number. A file carrying the number must be maintained by the Division.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

##### **NAC 534A.620 Hearings informal; record; protests; preliminary procedure. ([NRS 513.063, 534A.090](#))**

1. Hearings before the Division must be conducted informally. A record of testimony must be taken and preserved as a part of the permanent records of the Division.
  2. The Division may require any protest to be reduced to writing and filed with the Division.
  3. Before evidence is received:
    - (a) The Administrator shall make a statement of matters officially noticed;
    - (b) The parties and the Division may offer preliminary materials, including pleadings necessary to present the issues to be heard, motions, rulings, notices, proof of publication and orders of the Division previously entered in the proceeding;
    - (c) The Administrator shall rule on any pending motion;
    - (d) The Administrator shall receive any stipulation of fact or stipulated exhibit;
    - (e) The Administrator shall dispose of any preliminary matters appropriate for disposition before receiving offers of evidence; and
    - (f) The Administrator shall accept statements of appearances.
- (Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

##### **NAC 534A.630 Order of proceedings; authority of Administrator to issue findings of fact and conclusions of law; final decision. ([NRS 513.063, 534A.090](#))**

1. A hearing held pursuant to [NAC 534A.590](#) must be opened with a statement of the issues to be heard and by recognizing the parties to the hearing.
  2. The applicant must be heard first at the hearing unless the Administrator finds good cause to hear from another party first.
  3. Any party recognized by the Administrator must be heard in the order designated at the hearing.
  4. A witness may be examined and cross-examined by not more than one representative of each party. The Administrator shall designate the order of the examination.
  5. Before the close of the hearing:
    - (a) A party to the hearing is entitled to make closing arguments; and
    - (b) The Administrator may order or allow the presentation of briefs as determined by the Administrator after he or she consults with the parties.
6. After the hearing, the Administrator may issue a ruling in writing which sets forth a finding of facts and conclusions of law. A ruling of the Administrator pursuant to this section is a final decision for purposes of judicial review.
- (Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

**NAC 534A.650 Record of proceedings at hearings; cost of transcribing and reporting. ([NRS 513.063, 534A.090](#))** At all hearings, the record of the proceedings must be made by a certified court reporter, or in the absence of such a reporter, by a person designated by the Administrator. The cost of transcribing and reporting the hearing must be borne by the party designated by the Administrator at the time of the hearing.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

**NAC 534A.670 Depositions. ([NRS 513.063, 534A.090](#))** The deposition of a witness for use in a hearing before the Division may be taken in compliance with a stipulation between the parties concerned or with an order of the Administrator. If the deposition is to be taken by order of the Administrator, the parties concerned must be notified by certified mail at least 15 days before the date set for the deposition. The notice must set forth the names of the persons to be questioned, the time and place and the subject matter concerning which they are expected to testify.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

##### **NAC 534A.680 Declaratory order or advisory opinion. ([NRS 513.063, 534A.090](#))**

1. Any person may petition the Commission in writing for a declaratory order or an advisory opinion on the applicability of any statutory provision, regulation or decision of the Administrator or Commission.
2. The Commission will issue a declaratory order or render an advisory opinion in writing within 90 days after its receipt of the petition.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85)

##### **NAC 534A.690 Petition for adoption, filing, amendment or repeal of permanent regulation; final decision. ([NRS 513.063, 534A.090](#))**

1. Pursuant to [NRS 23B.100](#), any interested person may submit a petition to the Commission for the adoption, filing, amendment or repeal of a permanent regulation of the Commission.
2. Upon receipt of the petition, the Commission will refer the petition to the Division to obtain a recommendation whether to approve or deny the petition.
3. As soon as practicable after receiving the petition, but not later than 30 days after the date the petition is received pursuant to subsection 2, the

Division shall:

- (a) Review the petition to determine whether there is legal authority for the proposed adoption, filing, amendment or repeal of the permanent regulation; and
  - (b) Forward to the Commission the petition and the recommendation of the Division whether to approve or deny the petition.
4. Within 30 days after the date on which a petition is submitted, the Commission will:
- (a) Notify the petitioner in writing of the decision of the Commission to deny the petition and the reasons for the denial; or
  - (b) Initiate the adoption, filing, amendment or repeal of the regulation in accordance with the procedures set forth in [chapter 233B](#) of NRS.
5. A decision of the Commission to deny a petition is a final decision for the purposes of judicial review.

(Added to NAC by Comm'n on Mineral Resources, eff. 11-12-85; A by R032-19, 12-30-2019)

## CHAPTER 534B - DISSOLVED MINERAL RESOURCES

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**Declaratory order or advisory opinion.**  
**Petition for adoption, filing, amendment or repeal of permanent regulation; final decision.**

## GENERAL PROVISIONS

**NAC 534B.010 Definitions.** ([NRS 534B.120](#)) As used in this chapter, unless the context otherwise requires, the words and terms defined in [NAC 534B.015](#) to [534B.080](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.015 "Aquifer" defined.** ([NRS 534B.120](#)) "Aquifer" means a geological formation or structure that stores or transmits water.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.018 "Artesian hole" defined.** ([NRS 534B.120](#)) "Artesian hole" means a hole tapping an aquifer underlying an impervious material in which the static water level in the hole stands above where it is first encountered in the aquifer.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.022 "Bentonite grout" defined.** ([NRS 534B.120](#)) "Bentonite grout" means a commercially manufactured product consisting of the sodium montmorillonite that, when mixed with water pursuant to the specifications recommended by the manufacturer, is specifically designed to seal and plug wells and boreholes and:

1. Consists of not more than 80 percent water and not less than 20 percent sodium bentonite by weight of water, except that additional additives may increase the solids ratio above and beyond the minimum 20 percent sodium bentonite;
2. Is easily hydrated when mixed with water in the ratio of 24 gallons for every 50-pound bag of bentonite grout;
3. Has hydraulic conductivity or permeability values of  $10^{-7}$  centimeters per second or less; and
4. Has a fluid weight of not less than 9.4 pounds per gallon.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.025 "Blowout" defined.** ([NRS 534B.120](#)) "Blowout" means an uncontrolled escape of fluids and gases from a dissolved mineral resource exploration borehole or dissolved mineral resource exploration well.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.027 "Blowout prevention equipment" defined.** ([NRS 534B.120](#)) "Blowout prevention equipment" means equipment attached to casing which:

1. Is equipped with gates, rams or other packoff;
2. Can be closed around the drill pipe; and
3. Completely closes the top of the casing.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.032 "Casing" defined.** ([NRS 534B.120](#)) "Casing" means the conduit required to:

1. Prevent waste and contamination of the groundwater or a dissolved mineral resource; and
2. Hold the formation open during the construction or use of a dissolved mineral resource exploration well.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.035 "Cement grout" defined.** ([NRS 534B.120](#)) "Cement grout" means a mixture consisting of equal parts by volume of portland cement and sand, consisting of a grain size of not more than 2 millimeters, with not more than 6 gallons of water for each 94-pound bag (1 cubic foot) of cement. For example, one cubic yard of cement grout contains 12 bags of cement, 72 gallons of water and not more than 13 cubic feet of sand.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.038 "Commission" defined.** ([NRS 534B.120](#)) "Commission" means the Commission on Mineral Resources.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.040 “Concrete grout” defined. ([NRS 534B.120](#))** “Concrete grout” means a mixture of portland cement, sand, 1/4-inch minus aggregate and water which contains at least 5 bags of cement per cubic yard of concrete and not more than 7 gallons of water per bag of cement (1 cubic foot or 94 pounds).

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.042 “Contaminant” defined. ([NRS 534B.120](#))** “Contaminant” means any chemical, mineral, live organism, organic material, radioactive material or heated or cooled water that may adversely affect the quality of groundwater.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.044 “Contamination” defined. ([NRS 534B.120](#))** “Contamination” means the impairment of water quality by the introduction of contaminants into the groundwater.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.048 “Dissolved mineral resource exploration project” defined. ([NRS 534B.120](#))** “Dissolved mineral resource exploration project” has the meaning ascribed to it in [NRS 534B.110](#).

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.055 “Geothermal resource” defined. ([NRS 534B.120](#))** “Geothermal resource” has the meaning ascribed to it in [NRS 534A.010](#).

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.058 “Groundwater” defined. ([NRS 534B.120](#))** “Groundwater” means the subsurface water in a zone of saturation.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.065 “Neat cement” defined. ([NRS 534B.120](#))** “Neat cement” means a mixture of:

1. Water and cement in a ratio of not more than 5.2 gallons of water per bag of portland cement (1 cubic foot or 94 pounds); or
2. Water, cement and sodium bentonite in a ratio of not more than 7.8 gallons of water per 3.76 pounds of sodium bentonite by dry weight and 1 bag of portland cement (1 cubic foot or 94 pounds).

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.072 “Operator” defined. ([NRS 534B.120](#))** “Operator” means a person acting for himself or herself or as an agent of others, designated to the Division as the person who has primary responsibility for complying with this chapter with respect to a dissolved mineral resource exploration borehole or a dissolved mineral resources exploration well, as applicable.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.080 “Waste” defined. ([NRS 534B.120](#))** “Waste” means allowing an artesian hole to discharge water unnecessarily above or below the surface of the ground so that the water is lost for beneficial use.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.090 Applicability. ([NRS 534B.120](#))**

1. Except as otherwise provided in subsection 2, any drilling or plugging of a dissolved mineral resource exploration borehole or a dissolved mineral resource exploration well within a dissolved mineral resource exploration project is subject to this chapter.

2. The provisions of this chapter do not apply to:

(a) An existing well which is authorized to operate by a mining, milling or other waiver issued by the Division of Water Resources of the State Department of Conservation and Natural Resources;

(b) An existing well for which a permit was issued by the Division of Water Resources of the State Department of Conservation and Natural Resources for the exploration of dissolved mineral resources before January 1, 2018, and for which water rights have been established pursuant to [chapters 533](#) and [534](#) of NRS; and

(c) A well drilled for the production of dissolved mineral resources for which water rights are established pursuant to [chapters 533](#) and [534](#) of NRS.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

## PERMITS AND OTHER REQUIREMENTS FOR DRILLING

### General Provisions

#### **NAC 534B.100 Responsibilities of well driller of exploration borehole or exploration well. ([NRS 534B.120](#))** A well driller:

1. Must be:
  - (a) Licensed to drill wells pursuant to [NRS 534.140](#); and
  - (b) Present at the site of the drilling of a dissolved mineral resource exploration borehole or dissolved mineral resource exploration well ~~{at all times when the drill rig is in operation and}~~ when any activity involving the construction, reconditioning or plugging of the borehole or well is conducted. If the Division determines that drilling operations occurred during any period in which a well driller was not present at the site:
    - (1) The Division may order the drilling operation to cease and conduct an investigation; and
    - (2) The drilling operation may not recommence until the Division approves the recommencement of the drilling operation.
2. Shall ensure that the drilling of the dissolved mineral resource exploration borehole or dissolved mineral resource exploration well complies with:
  - (a) The terms and conditions of the notice of intent approved by the Division or permit issued by the Division, as applicable; and
  - (b) The requirements of all federal, state and local agencies which have jurisdiction over the land on which the dissolved mineral resource exploration borehole or dissolved mineral resource exploration well is drilled.
3. Shall carry his or her well-drilling license when he or she is present at the site of the drilling and produce the license when requested to do so by a representative of the Division.
4. Shall have in his or her possession at the site of the drilling the documentation of the approval by the Division of the notice of intent to drill or a permit issued by the Division, as applicable, and shall produce such documentation upon request by a representative of the Division.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

### Exploration Boreholes

#### **NAC 534B.110 Application for approval of notice of intent to drill; posting of approved application on Internet website of Division. ([NRS 534B.120](#))**

1. A well driller shall not commence drilling a dissolved mineral resource exploration borehole until:
  - (a) The well driller or operator has submitted to the Division, on a form designated by the Division, an application for approval of the notice of intent to drill the borehole; and
  - (b) The notice of intent has been approved by the Division.
2. An application for approval of the notice of intent to drill must be submitted to the Division at least 5 days before the anticipated date that drilling will begin.
3. Except as otherwise provided in subsection 4, the application for approval of the notice of intent to drill must include, without limitation:
  - (a) The name of the person for whom the proposed borehole will be drilled;
  - (b) The name and address of the operator;
  - (c) The name of the well drilling contractor, if known;
  - (d) The date on which the drilling of the proposed borehole is expected to begin;
  - (e) The approximate location of the proposed borehole as described by public land survey;
  - (f) An indication of whether the proposed borehole will be drilled on public or private land;
  - (g) If the proposed borehole will be drilled on public land:
    - (1) The name of the federal agency that has approved the drilling of the proposed borehole;
    - (2) Any project identification number issued by a federal agency;
    - (3) A copy of the notice of intent or plan of operations that has been approved by a federal agency; and
    - (4) A copy of any map of the proposed location of the proposed borehole that has been approved by a federal agency;
  - (h) If the proposed borehole will be drilled on private land, a map of the proposed borehole location;
  - (i) The global positioning coordinates of the location of the proposed borehole which:
    - (1) Are identified by latitude and longitude using decimal degrees or coordinates of the Universal Transverse Mercator system; and
    - (2) Specify whether North American Datum of 1983 or the World Geodetic System of 1984 was used; and
  - (j) The drilling method, diameter and anticipated final depth of the proposed borehole.

4. Except as otherwise provided in this subsection, if an application for approval of a notice of intent to drill a dissolved mineral resource exploration borehole does not include all of the information required pursuant to subsection 3, the Administrator or Division must not consider whether to approve the application until the well driller or operator submits a revised application with all of the required information. The Administrator or Division may consider an application submitted without the information required pursuant to paragraph (c) of subsection 3, but that information must be submitted to the Administrator or Division before drilling may begin.

5. The Administrator shall notify the well driller or operator who submitted the application whether the application is approved. If the Administrator or Division denies the application, the Administrator must notify the well driller or operator of the reasons for the denial.

6. The Division shall provide the application form for a notice of intent on the Internet website maintained by the Division. A well driller or operator may submit to the Division an application for a notice of intent in an electronic format if the Division approves this manner of submission.

7. The Division shall post any approved application for a notice of intent on the Internet website of the Division.

8. As used in this section, "public land survey" has the meaning ascribed to it in [NAC 534.185](#).

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.115 Submission of new application for approval of notice of intent to drill required if drilling not commenced within 60 days.** ([NRS 534B.120](#)) If a well driller does not begin drilling the dissolved mineral resource exploration borehole within 60 days after the Administrator or Division approved the application for the notice of intent, the well driller may not drill the borehole unless the well driller or operator submits to the Division a new application for approval of a notice of intent to drill the borehole and such application is approved by the Administrator or Division.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.120 Limitations on location of borehole; application for exception; monitoring and recording of temperature of mud required.** ([NRS 534B.120](#))

1. Except as otherwise provided in subsection 2, a dissolved mineral resource exploration borehole may not be drilled:

(a) Within 250 feet of an existing oil, gas or geothermal well for which a permit has been issued by the Division or within 100 feet of an existing well for which a permit has been issued by the Division of Water Resources of the State Department of Conservation and Natural Resources.

(b) To a depth greater than 1,500 feet, if the dissolved mineral resource exploration borehole is located within a boundary designated by the Division as an "area with limitations" as delineated on the map maintained by the Division and titled, "Oil, Gas, and Geothermal Resources and Groundwater Basins with High Temperature Gradients," available on the Internet website of the Division.

2. Upon written application, the Administrator may grant an exception to the provisions of subsection 1. When considering whether to grant such an exception, the Administrator may consider, without limitation:

- (a) The topographic, hydrologic and geologic characteristics of the area;
- (b) The protection of the environment;
- (c) Workplace safety; and
- (d) Any existing rights.

3. The temperature of the mud that is returned up a dissolved mineral resource exploration borehole must be monitored continuously by the operator during the drilling of the dissolved mineral resource exploration borehole whenever temperatures of the fluids at the surface reach 125 degrees Fahrenheit. The temperature of the mud must be recorded by the well driller after each joint of pipe has been drilled.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.125 Requirements for plugging; exception if application for permit for exploration well is filed; filing and posting of plugging reports.** ([NRS 534B.120](#))

1. A dissolved mineral resource exploration borehole must be plugged by a well driller not later than 60 days after the borehole is drilled unless an application for a permit for a dissolved mineral resource exploration well is filed not later than 60 days after the completion of the drilling of the borehole.

2. If an application for a permit for a dissolved mineral resource exploration well is denied by the Division, the dissolved mineral resource exploration borehole must be plugged not later than 30 days after the date that the Division denies the application for the permit.

{3. Any pipe or tubing used for ground control or sampling must be removed by the well driller before plugging a dissolved mineral resource exploration borehole.}

3{4}. A dissolved mineral resource exploration borehole must be plugged:

(a) Except as otherwise provided in subsection 5, if the uppermost saturated groundwater layer is above the bottom of the borehole:

(1) By placing concrete grout, cement grout, neat cement or bentonite grout by tremie pipe in an upward direction from the bottom of the borehole to within 20 feet of the surface and by placing concrete grout, cement grout, neat cement or bentonite grout from 20 feet below the surface to the surface;

(2) By placing bentonite chips specifically designed to plug boreholes from the bottom of the dissolved mineral resource exploration borehole to within 20 feet of the surface and by placing concrete grout, cement grout or neat cement from 20 feet below the surface to the surface; or

(3) By placing any of the plugging material described in this subsection from the total depth of the dissolved mineral resource exploration borehole to 50 feet above the uppermost saturated groundwater stratum and by placing concrete grout, cement grout or neat cement from 20 feet below the surface to the surface.

(b) If the uppermost saturated groundwater stratum is below the bottom of the dissolved mineral resource exploration borehole by:

(1) Backfilling the dissolved mineral resource exploration borehole from the bottom of the borehole to within 20 feet of the surface with uncontaminated soil; and

(2) Placing concrete grout, cement grout or neat cement from 20 feet below the surface to the surface.

~~4{5}~~. If the concrete grout, cement grout, neat cement, bentonite grout or bentonite chips are not brought to within 20 feet of the surface pursuant to paragraph (a) of subsection 4, the well driller must:

(a) Measure the depth of the top of the lower plug with the appropriate equipment after he or she has allowed sufficient time for the lower plug to set up;

(b) Continue to install concrete grout, cement grout, neat cement, bentonite grout or bentonite chips until the top of the lower plug remains at least 50 feet above the top of the uppermost saturated groundwater stratum;

(c) Install uncontaminated fill material or concrete grout, cement grout, neat cement, bentonite grout or bentonite chips from the top of the lower plug to within 20 feet of the surface; and

(d) Place concrete grout, cement grout or neat cement from 20 feet below the surface to the surface.

~~5{6}~~. If bentonite chips or uncontaminated soil are placed in the dissolved mineral resource exploration borehole, the chips or soil must be screened to eliminate the fines. The bentonite chips must be placed in the dissolved mineral resource exploration borehole by tremie pipe.

~~6{7}~~. If there is evidence that water-draining formations or water-bearing formations of different water quality or hydraulic head were encountered during the original construction of the dissolved mineral resource exploration borehole and bentonite chips or bentonite grout is used as the plugging material, the well driller must, in addition to any other applicable requirements of this section, place neat cement across the water-confining formations so that the plugging fluid penetrates the geologic formation to prevent the vertical movement of water. Any pipe or tubing that does not break free and occludes the placement of neat cement across a water-confining formation must be perforated so that the plugging fluid penetrates the annular space and the geologic formation in that interval to isolate formations and to protect the fluids in those formations from interzonal migration.

~~7{8}~~. The owner and lessor of the land on which a dissolved mineral resource exploration borehole is located, the operator and the well driller are jointly and severally responsible for plugging a dissolved mineral resource exploration borehole.

~~8{9}~~. A plugging report must be filed with the Division not later than 30 days after the plugging of the borehole is completed by the well driller or operator, on a form designated by the Division, and signed by the well driller. The report must include, without limitation, documentation that the dissolved mineral resource exploration borehole was properly plugged.

~~9{10}~~. The Division shall post all plugging reports for dissolved mineral resource exploration boreholes on the Internet website of the Division.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.130 Requirements if artesian condition encountered in borehole.** ([NRS 534B.120](#)) If an artesian condition is encountered in any dissolved mineral resource exploration borehole such that water is flowing at the surface:

1. The artesian water strata must be contained pursuant to the standard set forth in [chapter 534](#) of NRS and [chapter 534](#) of NAC and the dissolved mineral resource exploration borehole must be plugged by placing concrete grout, cement grout or neat cement by tremie pipe in an upward direction from the bottom of the borehole to the surface; and

2. The well driller and operator shall take the necessary steps to prevent the loss of water above or below the surface and to prevent the vertical movement of water in the dissolved mineral resource exploration borehole.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

### Exploration Wells

#### **NAC 534B.140 Application for permit to drill; surety or bond; fee; duties of Division relating to applications and issuance of permits. ([NRS 534B.080](#), [534B.100](#), [534B.120](#))**

1. An application for a permit to drill a dissolved mineral resource exploration well must be on a form, designated by the Division, completed and signed by the well driller or operator and include, without limitation:

- (a) A statement of the purpose, diameter, design and expected depth of the well.
- (b) A description of the materials of construction for the well, including, without limitation, the type and anticipated length of casing, any blowout prevention equipment required pursuant to [NAC 534B.165](#), and the type of drilling rig that will be used. An applicant may propose the casing material to be used based on the depth, temperature and pressure anticipated in the well bore.
- (c) A plan for managing any fluids generated as part of drilling, testing or sampling, which must include, without limitation, a description of how the fluids will be managed in accordance with the requirements of [chapter 445A](#) of NRS and as required by the Division of Environmental Protection of the State Department of Conservation and Natural Resources.
- (d) A plan for preventing the migration of fluids between aquifers and the contamination of groundwater, which may include, without limitation, any reporting, lithologic information or analysis necessary to support the plan.
- (e) A plan for monitoring flow volumes from the proposed well and a plan for plugging the proposed well in accordance with [NAC 534B.180](#).

(f) The name and address of the well drilling contractor, if known, and the operator.

(g) A description of the location of the proposed well by the quarter-quarter section, section, township and range and the groundwater basin name and number.

(h) The global positioning coordinates of the location of the proposed well which:  
(1) Are identified by latitude and longitude using decimal degrees or coordinates of the Universal Transverse Mercator system; and

(2) Specify whether North American Datum of 1983 or the World Geodetic System of 1984 was used.

(i) If the proposed well will be located on public land:  
(1) The mining claim serial number and project identification number assigned by a federal agency and a copy of the notice or the plan of operations approved by a federal agency with maps of the proposed well; and

(2) Except as otherwise provided in this subparagraph, evidence of a surety required by the federal agency in the amount of the estimated cost necessary to properly plug the proposed well in accordance with [NAC 534B.180](#). If evidence of a surety is not submitted with the application, it must be received and acknowledged by the Division before the drilling of the proposed well commences.

(j) If the proposed well will be located on private land:  
(1) A map of the proposed well location;  
(2) The name of the owner of the land or designated lot on which the proposed well will be located; and

(3) A bond in the amount determined by the Division to be necessary to properly plug the proposed well in accordance with [NAC 534B.180](#), which must be submitted with the application for a permit to drill. The bond must be:

- (I) A cash deposit;
- (II) Issued by a surety authorized to do business in Nevada; or

(III) In the form of a savings certificate or time certificate of deposit which is issued by a bank operating in Nevada and payable to the State of Nevada.

Ê Such a bond must remain in effect until the Division determines that the well has been properly plugged.

2. An applicant for a permit to drill a dissolved mineral resource exploration well must pay to the Division a fee of \$1,000 for each proposed well.

3. The Division shall approve or deny an application for a permit within 30 days after receipt or, if a hearing is required pursuant to [NAC 534B.510](#), within 30 days after the hearing.

4. Construction or drilling of a dissolved mineral resource exploration well must not commence until a permit is issued by the Division.

5. The Division shall:  
(a) Post applications for a permit to drill a dissolved mineral resource exploration well on the Internet website of the Division;

(b) Transmit applications for a permit to drill a dissolved mineral resource exploration well to the

Division of Water Resources of the State Department of Conservation and Natural Resources; and

(c) Post permits to drill a dissolved mineral resource exploration well that have been issued by the Division on the Internet website of the Division not later than 5 days after issuance.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.145 Limitations on location of well; application for exception. ([NRS 534B.120](#))**

1. Except as otherwise provided in subsection 3, a dissolved mineral resource exploration well may not be drilled within:

(a) One hundred feet of:

- (1) The boundary of any land that is not under the lease, ownership or control of the operator; or
- (2) An existing well for which a permit was issued by the Division of Water Resources of the State Department of Conservation and Natural Resources; and

(b) Two hundred and fifty feet of an existing oil, gas or geothermal well for which a permit was issued by the Division.

2. Except as otherwise provided in subsection 3, a dissolved mineral resource exploration well that is located within a boundary designated by the Division as an "area with limitations," as delineated on the map maintained by the Division and titled, "Oil, Gas, and Geothermal Resources and Groundwater Basins with High Temperature Gradients" available on the Internet website of the Division, must:

(a) Not be drilled to a depth greater than 3,000 feet without the use of blowout prevention equipment meeting the requirements of [NAC 534B.165](#).

(b) Have the temperature of the mud that is returned up the hole monitored continuously by the operator during the drilling of the well whenever temperatures of the drilling fluids at the surface reach 125 degrees Fahrenheit. The temperature of the mud must be recorded by the well driller after each joint of the pipe is drilled.

(c) Be designed, drilled and operated so as not to degrade an aquifer, or an oil, gas or geothermal resource.

3. Upon written application, the Administrator may grant an exception to the provisions of subsection 1 or 2. When considering whether to grant an exception, the Administrator may consider, without limitation:

(a) The topographic, hydrologic and geologic characteristics of the area and the characteristics of the reservoir;

(b) The protection of the environment;

(c) Workplace safety; and

(d) Any existing rights.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.150 Expiration of permit; application for extension for good cause. ([NRS 534B.080](#), [534B.090](#), [534B.120](#))**

1. A permit to drill a dissolved mineral resource exploration well expires 2 years after the date on which it was issued. If requested in writing by the operator, on a form designated by the Division, the permit may be extended once for good cause for an additional 2 years by the Administrator if the permit is determined to be in compliance with the provisions of this chapter.

2. An application for an extension must be filed not later than 60 days before the expiration of the permit.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.155 Assignment of permit to drill. ([NRS 534B.120](#))** A permit to drill a dissolved mineral resource exploration well may be assigned, subject to the conditions of the permit, upon the written approval of the Administrator.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.160 Duties of well driller; standards for construction of well. ([NRS 534B.120](#))**

1. When drilling a dissolved mineral resource exploration well, a well driller shall:

(a) Isolate zones of varying water quality to prevent the migration of fluids between aquifers;

(b) Prevent the contamination or waste of groundwater; and

(c) Minimize damage to the environment, ground and surface waters, property and any known oil, gas or geothermal resources.

2. The following standards apply to the construction of a dissolved mineral resource exploration well:

(a) The top of the casing must be at least 18 inches above the surface of the ground;

(b) The surface casing must:

(1) Provide for the control of formation fluids and protection of groundwater, including, without

limitation, setting sufficient casing to reach a depth below all known or reasonably estimated levels of good quality water to protect the aquifer and prevent blowouts or uncontrolled flows; and

- (2) Provide a minimum 2-inch annular space;
- (c) There must be a minimum 50-foot surface seal using neat cement;
- (d) If an intermediate string of casing is used which does not extend to the surface, the top of the liner must overlap the bottom of the surface casing by at least 100 feet; and
- (e) If thermoplastic casing is used:

(1) The thermoplastic casing must be clearly marked as well casing.

(2) The thermoplastic casing must comply with the standards adopted by ASTM International, designated as ASTM F480-14 for polyvinyl chloride casing and F2686-14 for glass fiber reinforced casing or the current designation at the time of installation. These publications are hereby adopted by reference. A copy of the standards may be obtained by mail from ASTM International at 100 Barr Harbor Drive, P.O. Box C700, West Conshohocken, Pennsylvania 19428-2959, by telephone at (610) 832-9500 or at the Internet address <https://www.astm.org> for the price of \$67 and \$46, respectively.

(3) The differential pressures and temperatures that may occur during the installation of the casing, the development of the well and the operation of the well must be considered by the well driller and the person responsible for designing the well.

(4) The joint couplings must form a watertight seal.

(5) For polyvinyl chloride casing, in each case, the standard dimension ratio must equal the outside diameter divided by the wall thickness and the wall thickness must:

(I) For nominal diameters that are 6 inches or less, conform to a rating of schedule 40 or heavier; and

(II) For nominal diameters that are more than 6 inches, conform to an ASTM International standard dimension ratio of schedule 21 or heavier.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.165 Prevention of blowout; testing of blowout prevention equipment; recording of results in well log; submission of test data and supporting information to Division. ([NRS 534B.120](#))**

1. The operator shall ensure that blowout prevention equipment is installed on any dissolved mineral resource exploration well where temperatures may exceed 200 degrees Fahrenheit.

2. An operator and well driller shall take all necessary precautions to keep a dissolved mineral resource exploration well under control and operating safely at all times. Well control and wellhead assemblies used in any dissolved mineral resource exploration well must meet the minimum specifications for assemblies prescribed by the American Petroleum Institute, or its successor organization, in Standard 53, "Blowout Prevention Equipment Systems for Drilling Wells," Fourth Edition, which is available by mail from Global Engineering Documents, 15 Inverness Way East, Englewood, Colorado 80112-5776, by telephone at (800) 854-7179 or at the Internet address <http://global.ihs.com>, for the price of \$155.

3. Blowout prevention equipment capable of shutting in a dissolved mineral resource exploration well during any operation must be installed on the surface casing and be maintained in good operating condition at all times. Such equipment must have a rating for pressure greater than the maximum anticipated pressure at the wellhead.

4. An operator shall:

(a) Test the blowout prevention equipment under pressure. The results of each test must be recorded by the well driller in the well log.

(b) Submit, on a form designated by the Division, the pressure data and supporting information for the blowout prevention equipment as soon as practicable after the conclusion of the test conducted pursuant to paragraph (a).

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.170 Requirements if artesian condition encountered in well. ([NRS 534B.120](#))**

1. If an artesian condition is encountered in a dissolved mineral resource exploration well such that water is flowing at the surface, the well driller shall ensure that an unperforated casing extends through the confining strata above the artesian zone. The annular space between the casing and the walls of the well bore must be sealed by placing neat cement, cement grout or bentonite chips by tremie pipe in an upward direction from the top of the artesian zone to the level necessary to prevent the leakage of artesian water above or below the surface.

2. Any flow of artesian water must be stopped completely using any necessary valves, plugs or other appliances to prevent or control the flow of water from the dissolved mineral resource exploration well and prevent the loss of groundwater above or below the ground surface before the drill rig is removed from the drill site.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.175 Quarterly reports required of operator; record reports required of well driller; posting of reports on Internet website of Division. ([NRS 534B.120](#))**

1. The operator of a dissolved mineral resource exploration well shall:
    - (a) Install a water meter capable of measuring the total withdrawal of water resulting from pumping the dissolved mineral resource exploration well for the purpose of testing and sampling.
    - (b) Maintain an accurate record of meter readings, including, without limitation, the serial number of the meter.
    - (c) Submit to the Division, on a form designated by the Division, a quarterly report which includes the serial number of the meter and the meter readings from the dissolved mineral resource exploration well. The quarterly report:
      - (1) Is required to include meter readings for each month beginning with the completion of drilling operations until the later of the expiration of the permit or until the dissolved mineral resource exploration well is plugged; and
      - (2) Must be filed with the Division on or before the last day of January, April, July and October of each year and include the meter readings for the quarter immediately preceding the month in which the report is filed.
    - (d) Ensure the total withdrawal of water pumped from all of the dissolved mineral resource exploration wells in a dissolved mineral resource exploration project does not exceed 5 acre-feet.
    - (e) Obtain a water right in compliance with the appropriation requirements of [chapters 533](#) and [534](#) of NRS before water is pumped from the dissolved mineral resource exploration project in excess of 5 acre-feet.
  2. The well driller shall:
    - (a) Keep a record of the depth, thickness and character of the different strata penetrated and the location of the water-bearing strata;
    - (b) Keep an accurate record of the work, including, without limitation:
      - (1) A statement of the date that work begins;
      - (2) The date of completion of the dissolved mineral resource exploration well;
      - (3) The name and the type of machine used to drill;
      - (4) The length, size and weight of the casing and how it is placed, including, without limitation, a description of any perforations;
      - (5) The size of the hole that was drilled for the dissolved mineral resource exploration well;
      - (6) Identification of the water-bearing strata;
      - (7) The maximum temperature of the water in the dissolved mineral resource exploration well measured in degrees Fahrenheit; and
      - (8) If a seal was installed, the interval sealed off and the type of seal; and
    - (c) Submit a report of the record of the work to the Administrator on a form designated by the Division. The report must be provided by the well driller to the Administrator for every dissolved mineral resource exploration well that is drilled not later than 30 days after the well is completed.
  3. The Division shall post on the Internet website of the Division:
    - (a) A summary of the quarterly reports filed pursuant to paragraph (c) of subsection 1; and
    - (b) Any reports submitted pursuant to paragraph (c) of subsection 2.
- (Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.180 Plugging: Requirements; casing strings to be cut off and capped; restoration of land; submission of alternative plugging plan to Division; filing and posting of plugging report. ([NRS 534B.120](#))**

1. A dissolved mineral resource exploration well must be plugged by a well driller before the expiration of the permit, unless a waiver or permit is issued by the State Engineer to change the status of the dissolved mineral resource exploration well, by:
  - (a) Placing neat cement, cement grout or bentonite grout by tremie pipe in an upward direction from the bottom of the well to 100 feet above the uppermost perforated casing or to the surface of the dissolved mineral resource exploration well.
  - (b) Removing the pump and any debris from the well bore with appropriate equipment.
2. Cement plugs must:
  - (a) Be placed in the uncased portion of all dissolved mineral resource exploration wells to protect all subsurface resources.
  - (b) Extend a minimum of 100 lineal feet above the producing formations and 100 lineal feet below the producing formations or to the total depth drilled, whichever is less.
  - (c) Be placed to isolate formations and to protect the fluids in those formations from interzonal migration.

3. A well driller may use uncontaminated fill from the top of the plug installed in accordance with subsection 1 to within 20 feet of the surface of the dissolved mineral resource exploration well. The well driller shall place a surface plug in the dissolved mineral resource exploration well consisting of neat cement, cement grout or concrete grout from a depth of at least 20 feet to the surface of the dissolved mineral resource exploration well.

4. All casing strings must be cut off below ground level and the casing stub must be permanently capped.

5. The surface of the land must be restored as near as practicable to its original condition.

6. If conditions are encountered which prevent compliance with this section, the operator or well driller must submit an alternative plugging plan to the Division for the approval of the Division.

7. The operator or well driller shall file a plugging report with the Division on a form designated by the Division and available on the Internet website of the Division. The report must be signed by the well driller documenting proper plugging of the dissolved mineral resource exploration well not later than 30 days after completion of the work.

8. The owner and lessor of the land on which the dissolved mineral resource exploration well is located, the operator and the well driller are jointly and severally responsible for plugging the dissolved mineral resource exploration well pursuant to this chapter.

9. As soon as practicable after the filing of a plugging report pursuant to subsection 7, the Division shall post the plugging report on the Internet website of the Division.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

#### **ENFORCEMENT; RULES OF PRACTICE AND PROCEDURE**

##### **NAC 534B.500 Modification, suspension or revocation of permit; grounds for action for enforcement; penalty. ([NRS 534B.120](#), [534B.130](#))**

1. A permit to drill a dissolved mineral resource exploration well may be modified, suspended or revoked in whole or in part for any violation of this chapter and may be grounds for an action for enforcement.

2. A dissolved mineral resource exploration borehole that is drilled or plugged in violation of any provision of this chapter may be grounds for an action for enforcement.

3. Any person who willfully violates:

- (a) Any provision of this chapter;
- (b) Any provision or condition of a permit issued pursuant to this chapter; or
- (c) An order of the Division issued pursuant to this chapter,

Ê is subject to a penalty of not more than \$1,000 for each act or violation and for each day that the violation continues.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

##### **NAC 534B.510 Public hearing on application for permit to drill; notice; request for continuance; additional notice required. ([NRS 534B.080](#), [534B.090](#), [534B.120](#))**

1. If the Administrator determines that a public hearing is necessary for a full understanding of an application for a permit to drill a dissolved mineral resource exploration well, the rights involved with the application or to properly guard the public interest, the Administrator shall hold the hearing on the application. The Administrator shall consult with the State Engineer to determine whether the hearing will be held jointly or separately.

2. The Administrator shall send notice of a hearing held pursuant to subsection 1 to the applicant, the State Engineer, the Administrator of the Division of Environmental Protection of the State Department of Conservation and Natural Resources and all known parties at least 10 days before the date of the hearing. The notice of the hearing must include, without limitation, the subjects that will be addressed at the hearing.

3. The applicant or any other party to a hearing held pursuant to subsection 1 may request that additional issues be included by written motion filed with the Administrator at least 5 days before the date set for the hearing.

4. Upon the request of a party to a hearing held pursuant to subsection 1 and for good cause shown, the date of the hearing may be continued. A request for a continuance must be made at least 5 days before the date set for the hearing. Requests may be granted or denied at the discretion of the Administrator who may consult with the State Engineer on the issue.

5. The Administrator shall post a notice of a hearing held pursuant to subsection 1 on the Internet website of the Division and send notice of the hearing by electronic mail to any person who has requested notifications of such hearings at the time the notice of the hearing is issued.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.515 Maintenance of docket and file for hearings; assignment of docket number.** ([NRS 534B.080, 534B.090, 534B.120](#)) The Administrator shall maintain a docket for a hearing held pursuant to [NAC 534B.510](#). All hearings must be docketed with any application relating to the hearing and assigned a docket number by the Division. A file containing the docket number must be maintained by the Division.  
(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.520 Hearings informal; filing of opposition to application for permit to drill.** ([NRS 534B.080, 534B.090, 534B.120](#))

1. A hearing held pursuant to [NAC 534B.510](#) must be conducted informally and may conform to the practice in civil cases to the extent such practice is consistent with the informal and summary character of the proceedings.

2. Any opposition to the application for a permit to drill a dissolved mineral resource exploration well must be put in writing and filed with the Division at least 5 days before the hearing.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.525 Order of proceedings.** ([NRS 534B.080, 534B.090, 534B.120](#))

1. A hearing held pursuant to [NAC 534B.510](#) must be opened with a statement of the issues to be heard and by recognizing the parties to the hearing.

2. The applicant must be heard first at the hearing unless the Administrator finds good cause to hear from another party first.

3. Any party recognized by the Administrator must be heard in the order designated at the hearing.

4. A witness may be examined and cross-examined by not more than one representative of each party.

The Administrator shall designate the order of the examination.

5. Before the close of the hearing:

(a) A party to the hearing is entitled to make closing arguments; and

(b) The Administrator may order or allow the presentation of briefs as determined by the Administrator after he or she consults with the parties.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.530 Record of proceedings at hearings; cost of transcribing and reporting.** ([NRS 534B.080, 534B.090, 534B.120](#)) A record of a hearing held pursuant to [NAC 534B.510](#) must be made by a certified court reporter, or in the absence of a certified court reporter, by a person selected by the Administrator. The party designated by the Administrator at the time of the hearing is responsible for the cost of transcribing and reporting the hearing. The Administrator may consult with the State Engineer before making such a designation.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.540 Declaratory order or advisory opinion.** ([NRS 233B.120, 534B.120](#))

1. Any person may petition the Commission in writing for a declaratory order or an advisory opinion on the applicability of any statutory provision, regulation or decision of the Administrator, the Division or the Commission.

2. The Commission will issue a declaratory order or render an advisory opinion in writing within 90 days after a petition is received by the Commission.

(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)

**NAC 534B.545 Petition for adoption, filing, amendment or repeal of permanent regulation; final decision.** ([NRS 233B.100, 534B.120](#))

1. Pursuant to [NRS 233B.100](#), any interested person may submit a petition to the Commission for the adoption, filing, amendment or repeal of a permanent regulation.

2. Upon receipt of the petition, the Commission will refer the petition to the Division to obtain a recommendation whether to approve or deny the petition.

3. As soon as practicable after receiving the petition, but not later than 30 days after the date the petition is received pursuant to subsection 2, the Division shall:

(a) Review the petition to determine whether there is legal authority for the proposed adoption, filing, amendment or repeal of the permanent regulation; and

(b) Forward to the Commission the petition and the recommendation of the Division whether to approve or deny the petition.

4. Within 30 days after the date on which a petition is submitted, the Commission will:

(a) Notify the petitioner in writing of the decision of the Commission to deny the petition and the reasons for the denial; or

(b) Initiate the adoption, filing, amendment or repeal of the regulation in accordance with the procedures set forth in [chapter 233B](#) of NRS.

5. A decision of the Commission to deny a petition is a final decision for the purposes of judicial review.  
(Added to NAC by Comm'n on Mineral Resources by R109-17, eff. 5-16-2018)