

## NOTICE OF INTENT TO ACT UPON A REGULATION

### THE COMMISSION ON MINERAL RESOURCES

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

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

DATE: November 16, 2020  
TIME: 1 p.m. to 2:00 p.m.

Pursuant to Governor Sisolak's March 22, 2020, Declaration of Emergency Directive 006, Directive 018 (5/7/2020), Directive 021 (5/28/2020), Directive 026 (6/29/2020), and Directive 029 (7/31/2020) the requirement contained in NRS 241.023(1)(b) that there be a physical location designated for meetings of public bodies where members of the public are permitted to attend and participate is suspended in order to mitigate the possible exposure or transmission of COVID-19 (Corona Virus). Accordingly, the Commission on Mineral Resources meeting will be held electronically. Details on how to participate in the meetings are detailed below.

Join from a PC, Mac iPad, iPhone or Android device: Please click this URL to join,  
<https://us02web.zoom.us/j/9712825638> Meeting ID: 971 282 5638

As provided in Nevada Revised Statute Chapters 233B, 513.063(5), 522.040, and 522.150 the Commission on Mineral Resources, Division of Minerals is proposing to temporarily amend the present regulation for Oil and Gas (Nevada Administrative Code § 522.010 through § 522.730)

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

- 1) The need for, and the purpose of, the proposed temporary amendment of regulation is to provide temporary economic relief to Nevada oil producers by reducing the administrative fee from 15 cents to 5 cents per barrel of oil or per 50,000 cubic feet of natural gas.
- 2) The proposed temporary regulation change only affects the amount of the administrative fee referenced in NAC 522.342. The regulations are also available on the Division of Minerals web site at: <http://minerals.nv.gov/>

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

- 3) The proposed temporary regulation will lessen the financial burden on oil producers. If oil production during the timeframe the temporary regulations were in effect was similar to that during 2019, operators may see a combined savings of nearly \$27,000. This amount will vary depending on actual production by the operators. There are no adverse effects. The beneficial effect is the immediate savings of 10

cents per barrel of oil produced and potential for increased oil production during this rate reduction time period. The immediate effect to businesses is a net increase on revenue from proceeds of oil sales which may be used elsewhere in the business (e.g. equipment, field maintenance, personnel). Indirect effects may include additional company expenditures in the local community and state. Because this is a temporary regulation, there are no long-term impacts.

- 4) There is no additional cost to the agency for enforcement of the proposed temporary regulation.
- 5) The proposed temporary regulation does not overlap or duplicate any regulations of other state or federal agencies.
- 6) Federal law does not require the proposed temporary regulation change.
- 7) The proposed temporary regulation contains no provisions which are more stringent than current federal law.
- 8) The proposed regulation does not establish a new fee or increase existing fees.

Interested persons wishing to comment on the proposed regulation may do so by appearing at the above-scheduled hearing or by submitting written comments to the Division of Minerals, 400 West King Street, Suite 106, Carson City, Nevada 89703 by 5:00 P.M. on or before November 13, 2020.

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

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

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

This notice of hearing has been posted at the following locations:

Minerals.nv.gov (Division of Minerals Website)

Notice.nv.gov (Nevada Public Notices)

Leg.state.nv.us/App/Notice/A (Nevada State Legislature's Administrative Regulation Notice)