

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES

DIVISION OF MINERALS
400 West King Street, Suite 106
Carson City, NV 89703
(775) 684-7040

**ENERGY RESOURCE PERMITTING
IN
NEVADA**

STATE AND FEDERAL PERMITS REQUIRED BEFORE
OIL AND GAS AND GEOTHERMAL DRILLING
OR PRODUCTION CAN BEGIN



STATE AND FEDERAL PERMITS REQUIRED IN NEVADA BEFORE OIL AND GAS AND GEOTHERMAL DRILLING OR PRODUCTION CAN BEGIN

Contact:: Christy Morris or Linda Wells
Commission on Mineral Resources
DIVISION OF MINERALS

This is a list of State and Federal permits and actions which may be required before conducting oil and gas and geothermal drilling and production operations in Nevada. We hope it will help both individuals and companies through the complex, often confusing regulatory maze.

Remember that in addition to State and Federal permits, County permits may be required. As these may vary, it is suggested you contact the County offices for specific requirements.

This list will be revised periodically, however, the user should be aware that there may be additional, new or revised regulations issued after this list was compiled. We welcome any additions, and/or corrections, as well as any suggestions on how to improve this list. For more information about permitting, contact: Nevada Division of Minerals, 400 West King Street, Suite 106, Carson City, Nevada 89703, (775) 684-7040, e-mail ndom@govmail.state.nv.us

TABLE OF CONTENTS

STATE REQUIREMENTS	1
STATE DRILLING PERMIT	1
WATER WELL DRILLING PERMIT	2
SEWAGE DISCHARGE PERMIT	2
RADIOLOGICAL LOGGING	2
HOUSING FACILITIES	3
DRINKING WATER SUPPLIES	3
MISCELLANEOUS STATE REQUIREMENTS.....	4
PROCEDURE UPON DISCOVERY OF INDIAN BURIAL SITE	4
COUNTY SPECIAL USE PERMITS	5
FEDERAL REQUIREMENTS	6
BUREAU OF LAND MANAGEMENT PERMIT TO DRILL	6
PERMITS FOR GEOTHERMAL DRILLING.....	7
GEOTHERMAL WATER PRODUCTION INJECTION AND SURFACE DISPOSAL	7
PERMITS REQUIRED FOR CONSTRUCTION OF A PRODUCTION FACILITY	8
OILFIELD WATER PRODUCTION AND DISPOSAL	8
CONSTRUCTION OF CRUDE OIL STORAGE TANKS	8
FACILITY CONSTRUCTION APPROVAL	8
BUILDING CONSTRUCTION APPROVAL	9
HAZARDOUS MATERIAL PERMIT	9

STATE REQUIREMENTS

STATE DRILLING PERMIT :

Agency to contact: Commission on Mineral Resources
Division of Minerals
400 W. King Street, Suite 106
Carson City, NV 89703
(775) 684-7040

When required: Prior to making location

Required action: On forms provided by the Division of Minerals, the following must be submitted:

- Form 1 - Organization Report
- Form 2 - Application for Permit to Drill an Oil and Gas and Geothermal Well
- Form 3 - Drilling Bond

Included with the above mentioned forms, the following is required for a drilling permit:

1. Permit Fee - \$200 for oil well; (check NRS 534A.210, for fee schedule on geothermal wells). Make check payable to the State of Nevada, Division of Minerals.
2. A plat indicating the legal location of the well to be drilled. This plat shall be prepared by a Nevada state licensed land surveyor.
3. A complete drilling program. This will include all casing programs from surface, sampling and logging programs, blow out prevention equipment descriptions, H₂S mitigation program and a well location map showing the location of all the equipment to be used, reserve pits, etc.
4. Comply with all the State of Nevada Regulations and Rules of Practice and Procedure pursuant to NRS 522 and NRS 534 and all permit conditions that will be issued with the approved drilling permit.

Governing Statute: NRS 522 and NRS 534

WATER WELL DRILLING PERMIT :

(Oil/Gas Well Water Supply)

Agency to contact: Nevada Division of Water Resources
901 S. Stewart St. #2002
Carson City, NV 89701
(775) 684-2800

When required: Prior to drilling a water supply well for drilling an oil/gas well.

Required action: A request, in writing, to the Division of Water Resources for a water well waiver to be issued for the drilling and use of water for the drilling of the well. A plat indicating the legal location of the well shall be prepared by a Nevada state licensed water well surveyor.

Governing Statute: NRS Chapter 534

NOTE: It is required that such well be drilled by a water well driller that is licensed by the State of Nevada.

SEWAGE DISCHARGE PERMIT :

Agency to contact: Health Division
Bureau of Health Protection Services
4150 Technology Way, Suite 300
Carson City, NV 89706
(775) 687-7550

When required: Prior to making a location.

Required action: Call and discuss your sewage disposal plans. A permit may be required.

Governing Regulation: NAC Chapter 444.750 thru 444.840

RADIOLOGICAL LOGGING :

Agency to contact: Health Division
Bureau of Health Protection Services
Radiological Health Section
4150 Technology Way, Suite 300
Carson City, NV 89706
(775) 687-7550

When required: Prior to any radiological logging.

Required action: Have your logging company contact the above-mentioned agency for well logging authority in the State of Nevada.

Governing Regulation: NAC Chapter 459

HOUSING FACILITIES :

Agency to contact: Health Division
Bureau of Health Protection Services
4150 Technology Way, Suite 300
Carson City, NV 89706
(775) 687-7550

When required: Prior to construction or placement of facilities.

Required action: Call and discuss your plans. A permit may be required.

Governing Regulation: NAC Chapter 461A.1

DRINKING WATER SUPPLIES :

Agency to contact: Health Division
Bureau of Health Protection Services
4150 Technology Way, Suite 300
Carson City, NV 89706
(775) 687-7550

When required: Prior to supplying drinking water.

Required action: Call and discuss your plans. A permit may be required if you have 25 or more employees on location for more than 60 days.

Governing Regulation: NAC 445

MISCELLANEOUS STATE REQUIREMENTS

PROCEDURE UPON DISCOVERY OF INDIAN BURIAL SITE :

- Agency to contact: Division of Historic Preservation and Archeology
100 N. Stewart Street
Carson City, NV 89701-4285
(775) 684-3448
- When required: Upon discovery of an Indian burial site.
- Required action: A person who disturbs the cairn or grave of a native Indian through inadvertence while engaged in a lawful activity or any other person who discovers the grave of a native Indian shall immediately report the discovery and location of the Indian burial site to the above-mentioned agency.
- Governing Statute: NRS Chapter 383.160

COUNTY SPECIAL USE PERMITS

Various counties require special use permits in relation to well drilling activities. A full description of all phases of the proposed drilling is required. Cost of the permit may vary among counties. Public notice is generally required. Contact to county offices for specific requirements.

CARSON CITY

Carson City Manager's Office
201 N. Carson Street #2
Carson City, NV 89701
(775) 887-2100
Fax: (775) 887-2286

CHURCHILL COUNTY

Churchill County Manger's Office
155 N. Taylor Street #153
Fallon, NV 89406-2748
(775) 423-5136
e-mail:
manager@churchillcounty.org

CLARK COUNTY

Clark County Manager's Office
PO Box 551111
Las Vegas, NV 89155-1111
(702) 455-3530
Fax: (702) 455-3558

DOUGLAS COUNTY

Douglas County Manager's
Office
P.O. Box 218
Minden, NV 89423
(775) 782-9821
Fax: (775) 782-6255

ELKO COUNTY

Elko County Manager's Office
569 Court Street
Elko, NV 89801
(775) 738-5398
Fax: (775) 753-8535

ESMERALDA COUNTY

Esmeralda County
Engineer/Surveyor
P.O. Box 517
Goldfield, NV 89013
(775) 485-3406
Fax: (775) 485-6351

EUREKA COUNTY

Eureka County Director of Public
Works
P.O. Box 714
Eureka, NV 89316
(775) 237-5372
Fax: (775) 237-5708

HUMBOLDT COUNTY

Humboldt County Administrator
Courthouse, Room 205
Winnemucca, NV 89445
(775) 623-6300
Fax: (775) 623-6302

LANDER COUNTY

Lander County Public Works
315 South Humboldt
Battle Mountain, NV 89820
(775) 635-2728
Fax: (775) 635-8866

LINCOLN COUNTY

Lincoln County Auditor/Recorder
P.O. Box 218
Pioche, NV 89043
(775) 962-5495
Fax: (775) 962-5180

LYON COUNTY

Lyon County Manager
27 South Main Street
Yerington, NV 89447
(775) 463-6531
Fax: (775) 463-6533

MINERAL COUNTY

Mineral County Public Works
P.O. Box 1035
Hawthorne, NV 89415
(775) 945-3897
Fax: (775) 945-2265

NYE COUNTY

Nye County Public Works
P.O. Box 887
Tonopah, NV 89049
(775) 751-6844
Fax: (775) 751-6856

PERSHING COUNTY

Pershing County
Auditor/Recorder
P.O. Box 736
Lovelock, NV 89419
(775) 273-2408
Fax: (775) 273-1039

STOREY COUNTY

Storey County Public Works
P.O. Box 435
Virginia City, NV 89440
(775) 847-0958
Fax: (775) 847-0947

WASHOE COUNTY

Washoe County Public Works
P.O. Box 11130
Reno, NV 89520-0027
(775) 328-2040
Fax: (775) 328-3699

WHITE PINE COUNTY

White Pine Auditor/Recorder
801 Clark Street #1
Ely, NV 89301
(775) 289-4567
Fax: (775) 289-9686

FEDERAL REQUIREMENTS

An operator must hold two permits to drill prior to drilling on federal land in Nevada - one from the Nevada Division of Minerals and one from the Bureau of Land Management. Please note that the permit listing for wells to be drilled on federal lands includes compliance with all other state permits.

BUREAU OF LAND MANAGEMENT PERMIT TO DRILL :

Agency to contact: Nevada State Office
Bureau of Land Management
Division of Mineral Resources
P.O. Box 12000
Reno, NV 89520
(775) 861-6576

When required: After staking location, prior to spudding.

Required action: Apply for and obtain an approved permit to drill (APD) prior to commencing any surface disturbing activities.

Governing Regulation: Title 43 CFR 3162.3-1 and Onshore Oil and Gas Orders No. 1 and 2.

PERMITS FOR GEOTHERMAL DRILLING

On Federal lands, the Bureau of Land Management and the Nevada Division of Minerals shall be contacted as described for the Oil and Gas Drilling procedures. All of the previously-mentioned permits will be required in addition to the following, a plat indicating the legal location of the well shall be prepared by a Nevada state licensed water well surveyor and submitted to the Division of Minerals.

Agency to contact: Division of Water Resources
901 S. Stewart St., Suite 2002
Carson City, NV 89701
(775) 684-2800

When required: A water appropriation permit must be obtained if the geothermal well will be producing into a geothermal flash system.

Required action: Apply for a water appropriation permit with the Division of Water Resources.

GEOTHERMAL WATER PRODUCTION INJECTION AND SURFACE DISPOSAL :

Agency to contact: Nevada Division of Environmental Protection
901 South Stewart Street, Suite 4001
Carson City, NV 89701
(775) 687-4670

When required: Prior to disposal of any geothermal fluid.

Required action: Operators are to request permission from the Division of Environmental Protection to dispose of geothermal produced waters using either surface disposal or wells.

NOTE: An exploration well drilled for possible water disposal may be drilled on a Division of Minerals' Permit to Drill, but cannot be used for disposal without prior authorization from the Division of Environmental Protection.

Governing Statute: NRS Chapter 445

PERMITS REQUIRED FOR CONSTRUCTION OF A PRODUCTION FACILITY

OILFIELD WATER PRODUCTION AND DISPOSAL :

Agency to contact: Nevada Division of Environmental Protection
901 South Stewart Street, Suite 4001
Carson City, NV 89701
(775) 687-4670

When required: Prior to disposal of any oilfield waters.

Required action: Operators are to request permission from the Division of Environmental Protection to dispose of oilfield-produced waters using either surface disposal or wells.

NOTE: An exploratory well drilled for possible water disposal may be drilled on a Division of Minerals' Permit to Drill, but cannot be used for disposal without prior authorization from the Division of Environmental Protection.

Governing Statute: NRS Chapter 445

CONSTRUCTION OF CRUDE OIL STORAGE TANKS :

Agency to contact: Bureau of Air Quality
Nevada Division of Environmental Protection
901 South Stewart Street, Suite 4001
Carson City, NV 89701
(775) 687-4670

When required: Prior to construction.

Required action: Apply to the Bureau of Air Quality for a permit to construct and use crude oil stock and shipping tanks that contain 40,000 gallons or more of fluid.

Governing Statute: NRS Chapter 445.401 thru 445.601

FACILITY CONSTRUCTION APPROVAL :

Construction of process facility or tank storage; loading or unloading facility.

Agency to contact: State Fire Marshall Division
107 Jacobsen Way (Stewart Facility)
Carson City, NV 89711
(775) 684-7500

When required: Prior to construction.
Required action: Submit plans, application and fee.
Governing Code: Must meet Uniform Fire Code, 1988 Edition.

BUILDING CONSTRUCTION APPROVAL :

Construction of any building for use for more than ten (10) days.

Agency to contact: State Fire Marshall Division
107 Jacobsen Way (Stewart Facility)
Carson City, NV 89711
(775) 684-7500

When required: Prior to construction.
Required action: Submit application, fee and complete plan package.
Governing Statute: NRS 477.030. Must meet Uniform Building Code, 1988 Edition.

HAZARDOUS MATERIAL PERMIT :

Storage of flammable materials.

Agency to contact: State Fire Marshall Division
107 Jacobsen Way (Stewart Facility)
Carson City, NV 89711
(775) 684-7500

When required: Prior to construction.
Required action: Notify the State Fire Marshall Division. Submit application and fee.
Governing Statute: NRS Chapter 477.045

NOTE: Bureau of Land Management approval is needed prior to construction of any crude oil facilities or geothermal plant construction.