Department of Conservation and Natural Resources

Joe Lombardo, *Governor* James A. Settelmeyer, *Director* Adam Sullivan, P.E., *State Engineer*

NOTICE OF INTENT TO ACT UPON A REGULATION

Notice of Hearing for the Adoption of Regulations of the Nevada Division of Water Resources

LCB File No. R027-25

The Nevada Division of Water Resources (Division) will hold a public hearing to receive comments from all interested persons regarding the adoption of regulations that pertain to Chapter 534 of the Nevada Administrative Code.

Date: November 12, 2025

Time: 9:00 am

Location: Nevada Division of Resources

Bryan Building, Bonnie Conference Room

901 S. Stewart St. Carson City, NV 89701

Virtual: Click or type the shortcode to access the meeting:

Link: https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting

Meeting ID: 260 871 880 272 3

Passcode: dD6i67pm

Or call in (audio only): (775) 321-6111 Phone Conference ID: 600 219 792#

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

1. The need for and the purpose of the proposed regulation or amendment.

In response to Governor Lombardo's Executive Order 2023-004, requiring a review of current regulatory requirements for occupational licensing, the Division, in cooperation with the Well Driller's Advisory Board, identified recommended revisions to existing licensing regulations and a pathway to licensure reciprocity. These revisions intend to revise onerous regulatory barriers without compromise to the standards of qualifications for issuing well drilling licenses.

2. If the proposed regulation is a temporary regulation, the terms or the substance of the proposed regulation to be adopted, amended or repealed, or a description of the subjects and issues involved.

The proposed regulation is not temporary.

- 3. The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately and in each case must include:
 - a. Both adverse and beneficial effects: and
 - On business: Testing for licensure will be more streamlined and the Division's scheduling will be clarified resulting in a benefit to businesses and employees seeking licensure. Reciprocity may invite more competition into the state, but businesses may also benefit from the ability to attract skilled workers. Well drillers who already possess the necessary skills and expertise can get to work more rapidly in Nevada with less regulatory barriers.
 - On the public: The Division does not anticipate any impact on the public resulting from these regulations.
 - b. Both immediate and long-term effects.
 - On business: The Division anticipates seeing immediate impacts from a clearer licensing process, with fewer onerous barriers, preventing avoidable delays in scheduling and licensing. Long-term, the Division does not anticipate any effect to the standards of licensed well drillers.
 - On the public: The Division does not anticipate any effect on the public resulting from these regulations.
- 4. The methods used by the agency in determining the impact on a small business.

A Small Business Impact Survey was distributed on August 19, 2025, to the Division's Well Driller listsery, which includes licensed well drillers in Nevada -- some of whom are owners of well drilling businesses operating within the state. The Division received 13 responses to the questionnaire; however, 6 of those responses indicated they employed more than 150 employees and therefore did not qualify as a small business for the purpose of the survey.

Supportive responses suggested the proposed regulations would provide a more direct pathway to licensure for experienced out of state well drillers, improved ability to expand business into Nevada, and more streamlined succession planning and onboarding for existing businesses. Some respondents expressed opposition about making any changes to the testing requirements or introducing reciprocity out of concern that there could be lesser qualified well drillers obtaining licenses in the state that may not be as familiar with the regulations. The Division utilized the responses from the survey, analyzed processes that result in delays to scheduling applicants for testing, and reviewed data from recent testing scores to assess impacts of the proposed regulations on small businesses.

- 5. The estimated cost to the agency for enforcement of the proposed regulation.

 The Division does not anticipate incurring any additional cost resulting from the regulation.
- 6. A description of and citation to any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.

The regulation does not overlap or duplicate any existing regulation.

7. If the regulation is required pursuant to federal law, a citation and description of the federal law.

The regulation is not required by federal law.

8. If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

The regulation is not more stringent than federal regulation.

- 9. Whether the proposed regulation establishes a new fee or increases an existing fee. The regulation does not create any new fees or increase an existing fee.
- 10. If the proposed regulation is a temporary regulation, each address at which the text of the regulation may be inspected and copied.

The regulation is not temporary.

Persons wishing to comment upon the proposed action of Nevada Division of Water Resources may appear at the scheduled public hearing or may address their comments, data, views or arguments, in written form, by emailing cwalling@water.nv.gov or by mailing to the following address: Nevada Division of Water Resources, 901 S. Stewart Street Ste. 2002, Carson City, NV 89701. Written submissions must be received by the Nevada Division of Water Resources on or before November 5, 2025. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation will be on file at the State Library, Archives and Public Records, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours.

Additional copies of the notice and the regulation will be available at each Division office location detailed in the notice below and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of 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 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 at no charge upon request.

Upon adoption of any regulation, the Division, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

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

Nevada Division of Water Resources website

https://water.nv.gov/index.php/bulletinboard/regulations/well-driller-regulations/

Nevada State Legislature website www.leg.state.nv.us/App/Notice/A/

Nevada Public Notice website http://notice.nv.gov

State of Nevada Campus, 1 State of Nevada Way, Las Vegas, NV 89119

Nevada State Legislature, 401 S. Carson St., Carson City, NV 89701

Nevada State Library and Archives, 100 N. Stewart St, Carson City, NV 89701

NDWR Headquarters, 901 S. Stewart Street, Carson City, NV 89701

NDWR Elko Office, 1250 Lamoille Hwy, Suite 1047, Elko, NV, 89801

NDWR Winnemucca, 705 E. 4th Street, Suite C, Winnemucca, NV 89445

NDWR Southern Nevada Branch Office, 400 Shadow Lane, Suite 201, Las Vegas, NV 89106

Carson City Library, 900 North Roop Street, Carson City, NV 89501

Churchill County Library, 553 South Maine Street, Fallon, NV 89406

Clark County Library, 1401 E. Flamingo Road, Las Vegas, NV 89119

Douglas County Library, 1625 Library Lane, Minden, NV 89423

Elko County Library, 720 Court Street, Elko, NV 89801

Esmeralda County Library, Crook Avenue & 4th Street, Goldfield, NV 89013

Eureka County Library, 10190 Monroe Street, Eureka, NV 89316

Humboldt County Library, 85 Est 5th Street, Winnemucca, NV 89445

Lander County Library, 625 South Broad Steet, Battle Mountain, NV 89820

Lincoln County Library, 63 Main Street, Pioche, NV 89043

Lyon County Library, 20 Nevin Way, Yerington, NV 89447

Mineral County Library, 110 1st Street, PO Box 1390, Hawthorne, NV 89415

Nye County Library, 701 East Street, Pahrump, NV 89048

Pershing County Library, 1125 Central Avenue, PO Box 781, Lovelock, NV 89419

Storey County Library, 175 Carson Street, Virginia City, NV 89440

Washoe County Library, 301 S. Center Street, Reno, NV 89501

White Pine County Library, 950 Campton Street, Ely, NV 89301

Posted on: October 9, 2025

STATE OF NEVADA

Department of Conservation and Natural Resources
Joe Lombardo, Governor
James A. Settelmeyer, Director
Adam Sullivan, P.E., State Engineer

PUBLIC ADOPTION HEARING AGENDA

LCB File No. R027-25

WEDNESDAY, NOVEMBER 12, 2025, AT 9:00 am

Division of Water Resources Bonnie Conference Room 901 S. Stewart Street Carson City, Nevada

You may also participate via Teams or telephone at

https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting

Meeting ID: 260 871 880 272 3 Passcode: dD6i67pm

Call in by Phone (audio only): +1 775-321-6111 Phone Conference ID: 600 219 792#

1. CALL TO ORDER

2. PUBLIC COMMENT

All public comments should be as brief and concise as possible so that all who wish to speak may do so (3 minutes for individuals and 5 minutes for group representatives). Comment will not be restricted based on viewpoint.

3. PRESENTATION AND DISCUSSION OF LCB FILE R027-25

The proposed regulation streamlines timelines, simplifies reference requirements, eliminates map testing, and facilitates reciprocity for licensed well drillers.

4. ADOPTION OF PROPOSED REGULATION LCB FILE R027-25 (FOR POSSIBLE ACTION)

5. PUBLIC COMMENT

All public comments should be as brief and concise as possible so that all who wish to speak may do so (3 minutes for individuals and 5 minutes for group representatives). Comment will not be restricted based on viewpoint.

6. ADJOURNMENT

Note: Items on the agenda may be taken out of the posted order, items may be combined for consideration, and items may be pulled or removed from the agenda.

Notice of this meeting was posted in the following locations:

Department of Conservation and Natural Resources, 901 S. Stewart St., Carson City, Nevada Nevada State Legislature, 401 S. Carson St., Carson City, Nevada State of Nevada Campus, 1 State of Nevada Way, Las Vegas, NV 89119 Nevada State Library and Archives, 100 N. Stewart St, Carson City, Nevada NDWR Elko Office, 1250 Lamoille Hwy, Suite 104, Elko, NV NDWR Southern Nevada Branch Office, 400 Shadow Lane, Suite 201, Las Vegas, NV

Notice of this meeting has been posted to the Division's website at http://water.nv.gov, Nevada Public Notice website at https://www.leg.state.nv.us/App/Notice/A/

We are pleased to provide reasonable accommodation for individuals with disabilities who wish to attend the meeting. If special accommodations or assistance at the meeting are requested, please notify our office by writing to the Division at 901 S. Stewart St, Ste 2002, Carson City, Nevada, 89701; or by calling 775-684-2800 no later than five (5) working days prior to the scheduled meeting. You can also email cwalling@water.nv.gov.

To obtain support material for the agenda please email cwall 775-684-2800 or write to Division at 901 S. Stewart St, Ste 2002, Carson City, Nevada, 89701. Materials will also be posted on https://water.nv.gov/index.php/bulletinboard/regulations/well-driller-regulations/.



SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY NRS 223B.0608

September 16, 2025

1. A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

A Small Business Impact Survey was sent on August 19, 2025, to licensed Nevada well drillers, some of which are the owners of well drilling companies that operate in the State. The survey included a summary description of the proposed regulation changes and began with questioning if the respondents' business fell under the definition of a small business. If the respondent qualified, they were prompted to answer the following questions.

- 1. If enacted, will the proposed changes to NAC 534 have a direct adverse economic effect upon your business?
- 2. Will the proposed regulation have any direct beneficial effect upon your business?
- 3. Do you anticipate any indirect adverse effects upon your business as a result of this proposed regulation?
- 4. Do you anticipate any indirect beneficial effects upon your business as a result of this proposed regulation?

Depending on their response to these questions, the survey taker may have been prompted to provide additional details, including estimated monetary values, if applicable.

The Division of Water Resources (Division) received 13 responses to the survey; however, only 7 indicated they qualified as a small business that employs fewer than 150 employees. The following table summarizes the responses received to the questions above by qualifying small businesses:

Yes or No	Q1	Q2	Q3	Q4
Yes	2	5	1	3
No	5	2	6	4

A couple of the respondents expressed opposition about making changes to testing standards or introducing reciprocal licenses out of concern that there could be lesser qualified well drillers obtaining licenses in the state that would not be as familiar with regulations.

Several other respondents expressed positive support for the proposed regulations, stating favorable positions for a more direct pathway to licensure for experienced out of state drillers, improved ability to expand into Nevada, and more streamlined succession planning and onboarding for existing businesses.

The correlation of responses to the potential financial impact to the small businesses that responded was inconclusive. Estimated annual impacts of \$0 to over \$10,000 were submitted with limited context as to how those estimates were derived.

In addition to the survey, the Division will be conducting a public workshop on October 3, 2025, at 9:00 am to solicit input and public comment on the proposed amendments to the regulations. The workshop will be held in person at the Division of Water Resources Bonnie Conference room located at 901 S. Stewart Street, Carson City, NV 89701, and broadcast virtually via Microsoft Teams. The Division will also accept written public comments.

2. Describe the manner in which the analysis was conducted.

The Division solicited answers to a survey and comments from Nevada licensed well drillers, some of which are small business owners. The Division vetted all 13 responses to the survey. The Division will also hold a public workshop pursuant to NRS 233B.061 to solicit comments from interested persons which may cause the Division of Water Resources to amend this Small Business Impact Statement.

3. The estimated economic effect of the proposed regulation on the small business which it is to regulate including, without limitation both adverse and beneficial effects and both direct and indirect effects.

The Division estimates that the proposed amendments to existing licensing regulations do not pose a significant direct or indirect economic burden on small businesses.

The potential impacts resulting from establishing a pathway to obtain a license by way of reciprocity are difficult to estimate. It is possible that providing a more direct path to licensure by way of reciprocity could invite competitors from out-of-state to seek licensure in Nevada. As a result, they may be awarded projects that could otherwise be performed by an in-state contractor. The Division estimates this potential is greater for larger companies that perform work in many states and will minimally impact small businesses.

4. Provide a description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

The Division will hold a public workshop to accept public comments as described above. Comments received to both the Small Business Impact Survey and any that are received during the workshop will be considered with the proposed regulations to account for and minimize impacts on businesses.

5. The estimated cost to the agency for enforcement of the proposed regulation.

There are no anticipated costs for the Division.

6. If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

The proposed regulation does not create a new fee or increase an existing fee.

7. An explanation of why any duplicative or more stringent provisions other than federal, state or local standards regulating the same activity are necessary.

Not applicable.

8. Provide a summary of the reasons for the conclusions of the agency regarding the impact of a regulation on small businesses.

The proposed amendments to the regulations seek to provide clarity and updates to the requirements for obtaining a water well drilling license in Nevada.

I certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained within the statement was prepared properly and is accurate.

Respectfully,

Adam Sullivan State Engineer

REVISED PROPOSED REGULATION

OF THE STATE ENGINEER

LCB File No. R027-25

September 18, 2025

EXPLANATION – Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §§ 1-6, NRS 534.020, 534.110 and 534.140.

A REGULATION relating to the drilling of wells; providing for licensure by reciprocity of well drillers under certain circumstances; revising the requirements for an application for a well-drilling license; revising provisions relating to the examination of applicants for licensure as a well driller; revising provisions relating to the grounds for denial of a well-drilling license; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires every well driller to apply annually to the State Engineer for a license to drill. (NRS 534.140) Existing regulations set forth requirements for an application for and examination of an applicant for a well-drilling license. (NAC 534.280, 534.282, 534.288) Section 1 of this regulation authorizes the State Engineer to issue a well-drilling license by reciprocity to an applicant who: (1) holds a current well-drilling license, in good standing, issued by another state or territory of the United States or the District of Columbia; (2) has held that license for at least 2 years immediately preceding the date of application for reciprocity in the State of Nevada; and (3) demonstrates that the requirements for licensure in the state or territory in which the applicant is currently licensed are substantially similar to or more stringent than the requirements set forth in this State. **Section 1** additionally requires such an applicant to: (1) submit to the Division of Water Resources of the State Department of Conservation and Natural Resources an application and a request for reciprocity; and (2) satisfy the requirements of certain existing regulations. Lastly, section 1 provides that such an applicant is exempt from the oral examination if the applicant attains a passing score of at least 87 percent on the written examination. Section 4 of this regulation provides that the Well Drillers' Advisory Board is not required to conduct the oral examination for an applicant that is exempted from taking the oral examination.

Existing regulations require an application for a well-drilling license to be accompanied by evidence that the applicant has at least 2 years of full-time experience acquired during the immediately preceding 5 years and by at least four professional references. (NAC 534.280)

Section 2 of this regulation: (1) removes the requirements that the experience be acquired during the immediately preceding 5 years; and (2) requires that at least three of the required four

references be received and accepted by the Division before the applicant is eligible to take the written examination.

Existing regulations require an applicant to pass a two-part examination consisting of a written examination and an oral examination conducted by the Board. As part of the written examination, existing regulations require a test of the applicant's ability to use a standard 7.5 minute topographic map to provide the public land survey description of the location of a well. (NAC 534.282) **Section 3** of this regulation removes the requirement to take the topographic map test.

Section 3 also provides that the State Engineer will deny an applicant a well-drilling license if the applicant fails two consecutive times to pass the written or oral examination. Lastly, **sections 2, 3, 5 and 6** of this regulation revise references to the two-part examination to instead refer to the written and oral examination which an applicant is required to take.

Section 1. Chapter 534 of NAC is hereby amended by adding thereto a new section to read as follows:

- 1. The State Engineer may issue a well-drilling license by reciprocity to an applicant who:
- (a) Holds a current well-drilling license issued by another state or territory of the United States or the District of Columbia and is in good standing with that state or territory;
- (b) Has held the license described in paragraph (a) for at least 2 years immediately preceding the date of application for licensure; and
- (c) Demonstrates, to the satisfaction of the State Engineer, that the requirements for the issuance of the license in the state or territory in which the applicant holds a current license are substantially similar to or more stringent than the requirements set forth in this chapter.
 - 2. To be granted reciprocity pursuant to this section, an applicant must:
 - (a) Submit an application to the Division pursuant to NAC 534.280;
 - (b) Submit a request for reciprocity on a form provided by the Division; and
 - (c) Satisfy the requirements of NAC 534.282.
- 3. An applicant for reciprocity will be exempt from taking the oral examination described in subparagraph (2) of paragraph (b) of subsection 1 of NAC 534.282 if the applicant receives

a passing score of at least 87 percent on the written examination described in subparagraph (1) of paragraph (b) of subsection 1 of that section.

- **Sec. 2.** NAC 534.280 is hereby amended to read as follows:
- 534.280 An application for a well-drilling license must be submitted to the Division. The application:
 - 1. Must:
 - (a) Be completed and signed by the applicant on a form provided by the Division.
- (b) Be accompanied by evidence that the applicant has at least 2 years of full-time experience. [acquired during the immediately preceding 5 years.] The State Engineer will determine whether such experience is satisfactory and appropriate for the type of license for which the applicant is applying.
- (c) Be accompanied by at least four professional references [...], of which not less than three references must be received and accepted by the Division before the applicant is eligible to take the written examination described in subparagraph (1) of paragraph (b) of subsection 1 of NAC 534.282. The State Engineer will determine whether such references are satisfactory and appropriate for the type of license for which the applicant is applying.
 - (d) Include any other information requested by the State Engineer.
 - (e) Be accompanied by the fee prescribed in NRS 534.140.
- 2. Is valid for 1 year after the date of submission of the application unless the applicant fails [any part of] the written or oral examination required pursuant to NAC 534.282 [.], as applicable.
 - **Sec. 3.** NAC 534.282 is hereby amended to read as follows:
 - 534.282 1. An applicant for a well-drilling license must:

- (a) Be at least 18 years of age; and
- (b) Pass: [a two-part examination, consisting of the following sections:]
 - (1) A written examination [which includes:
- (I) A written test] consisting of questions on which the applicant must obtain a passing score of at least 80 percent; and
- [(II) A test of the applicant's ability to use a standard 7.5 minute topographic map from the United States Geological Survey to provide the public land survey description of the location of a well, which will be scored on a pass or fail basis; and]
- (2) [An] Except as otherwise provided in section 1 of this regulation, an oral examination conducted by the Board.
 - 2. The State Engineer will deny an applicant a license if the applicant:
- (a) Fails to notify the Division at least 3 working days before the scheduled examination date that he or she cannot appear for the examination as instructed by a notice to appear before the State Engineer or the Board;
 - (b) Reschedules the written or oral examination more than twice; or
- (c) Fails *two consecutive times* to pass [any section of] the *written or oral* examination described in paragraph (b) of subsection 1 [.], *if applicable*.
 - **Sec. 4.** NAC 534.288 is hereby amended to read as follows:
- 534.288 The Board is not required to conduct the oral examination section of the examination for an applicant for a well-drilling license:
- 1. Who receives a score of less than 80 percent on the written test portion of the written examination;

- 2. [Who is unable to demonstrate his or her ability to locate a well by public land survey on a topographic map; or
- —3.] If the State Engineer finds that the applicant's experience or professional references required pursuant to NAC 534.280 are not satisfactory or appropriate for the type of license for which the applicant is applying ⋮. ; or
- 3. Who is exempt from taking the oral examination pursuant to section 1 of this regulation.
 - **Sec. 5.** NAC 534.293 is hereby amended to read as follows:
 - 534.293 To reinstate a license, a well driller whose license has been:
 - 1. Expired for 1 year or less must:
- (a) File a renewal application pursuant to NAC 534.2923 with the renewal fee required by NRS 534.140;
- (b) Pass the [examination] written and oral examinations required by NAC 534.282 or petition the Division in writing for an exemption from the requirement to pass the [examination;] examinations;
- (c) Reduce the number of demerit points the well driller has accumulated against his or her license to zero; and
- (d) Provide documentation satisfactory to the Division that the well driller has completed the eight credit units of continuing education required pursuant to subsection 3 of NAC 534.2923, unless the well driller receives an exemption or deferral from the Division pursuant to subsection 4 of NAC 534.2927. The eight credit units of continuing education must have been earned:
- (1) During the most recent licensing period during which the license of the well driller was active; or

- (2) During the time the license of the well driller was expired.
- 2. Expired for more than 1 year or suspended or revoked must:
- (a) File a new application for a well-drilling license with the fee required by NRS 534.140;
- (b) Pass the [examination] written and oral examinations required by NAC 534.282; and
- (c) Reduce the number of demerit points the well driller has accumulated against his or her license to zero.
 - **Sec. 6.** NAC 534.294 is hereby amended to read as follows:
- 534.294 1. A well-drilling license authorizes the licensee to drill, plug or rehabilitate the following types of wells:
 - (a) Water wells; and
 - (b) Monitoring wells.
- 2. The State Engineer may issue limited well-drilling licenses that limit a well driller to a class of work or type of drilling rig, or both, for which the Board has determined the driller is qualified.
- 3. If a well driller wishes to modify the scope of his or her limited well-drilling license, the well driller must:
- (a) File a new application for a well-drilling license and submit the required license fee pursuant to NAC 534.280;
- (b) Pass the [examination] written and oral examinations required pursuant to NAC 534.282 or petition the Division in writing for an exemption from the requirement to pass the [examination;] examinations; and
- (c) Reduce the number of demerit points the well driller has accumulated against his or her limited license to zero.