

**PROPOSED REGULATION OF THE  
COMMISSION ON MINERAL RESOURCES**

**LCB FILE NO. R052-25I**

**The following document is the initial draft regulation proposed  
by the agency submitted on 09/09/2025**

## AGENCY DRAFT

### PROPOSED ADMINISTRATIVE REGULATIONS OF THE NEVADA DIVISION OF MINERALS

#### CHAPTER 522

#### Oil & Gas

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

AUTHORITY: NRS 522 & NRS 513

**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, *and* 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 522.215 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 *within 90 days after* {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.

**NAC 522.232 Duties of operator.** ([NRS 522.040](#), [522.119](#)) An operator of an geothermal 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} Eleventh 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-Fifth{Fourth} Edition," or by its successor organization, or as may be otherwise prescribed by the Administrator.

**6 {7}.** Store and contain all materials at the site of the well in a safe and orderly manner.

**7 {8}.** 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://ndep.nv.gov> {[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} Well Control

*Equipment Systems for Drilling Wells, Fifth 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 522.345 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.}

<sup>1</sup> {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.

<sup>2</sup> {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 522.495 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 522.510 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. *A digital copy may be submitted to the Division in lieu of two paper copies.*

[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 *digital or hardcopy* 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)