

SENATE

ENVIRONMENT, PUBLIC RESOURCES and AGRICULTURE COMMITTEE

MINUTES OF MEETING
Monday, February 14, 1977

The sixth meeting of the Environment, Public Resources and Agriculture Committee was called to order on the above date at 1:45 p.m.

Senator Gary Sheerin was in the Chair.

PRESENT: Chairman Sheerin
Senator Dodge
Senator Echols
Senator Lamb
Senator Neal

ABSENT: Senator Glaser

OTHERS PRESENT: William L. DeSormier, Phillips Petroleum Co.
Rick Breen, Intern
Jack Cardinalli, Nevada Division of Water Resources
Lorree Ratto, Intern
L. H. Axtell, Geothermal Services, Inc., San Diego
Keith Robertson, Robertson Engineering & Drilling
Geo. L. Vargas, major oil Co's #179
Roland D. Westergard, State Engineer
Bob Alkire, Kennecott Copper Corp.
Tom Young, SPPCo.
Ray Knisley
D. Talvitie, League of Women Voters
Warren Woodward, Consolidated Geothermal, Reno

Senate Bill 171, SJR 11 and AJR 18 were on the agenda.

SB171 Exempts geothermal exploration holes from certain statutory provisions and regulations and requires confidentiality of certain data.

SENATOR WILLIAM RAGGIO, introducer of SB171, explained geothermal development and exploration had been put within the review of matters coming within the state engineer's department through amendments to Chapter 534 of NRS which put geothermal development under the same regulations as applied to well drilling. He said it appears there is a need for confidential protection for those people involved in the area of geothermal development. Sen. Raggio added geothermal developers have suffered great hardships due to the lack of confidentiality.

LAWRENCE AXTELL, president of Geothermal Services, San Diego, testified in support of SB171. His company is a service company providing thermal exploration services to

the geothermal industry. He cited problems his company has had in the past with the Nevada State Engineer's office imposing the same regulations on the geothermal industry as they do on water wells. He emphasized thermal industries deal with data holes only. And because geothermal exploration business is a highly competitive one, it is necessary for the protection of the client for location and data to be confidential. His request for SB171 to be passed is to 1) alleviate the problem of exploration holes being regulated as water wells; and 2) maintaining in a confidential status exploration information that is acquired. Mr. Axtell pointed out his services are strictly regulated by the Bureau of Land Management and the U.S. Geological Agency. All data holes drilled in Nevada are inspected by the BLM following abandonment. Data holes do not affect resources and are never put in use, they are for exploration only, Mr. Axtell said. In reply to Senator Echols, Mr. Axtell stated geothermal is a data system only, not a discovery program. He defined the technical terms in SB171 as follows: Geothermal applies to exploration program which gathers three different types of data--- geophysical, geochemical and geological.

Mr. Axtell suggested in SB171, the word "data" be inserted after the word "Exploration", line 7, subsection 2. And for more consistent wording, delete the term "subsurface" from line 13, SEC. 2; or insert "exploration" after the word "geothermal" in line 14, SEC. 2.

GEORGE VARGAS, major oil companies, #179, testified in support of SB171. He stated geothermal is a resource that has been largely disregarded in this state and this nation. He suggested no information would be kept from the state authorities, but concurred it should be with a confidential shield.

RAY KNISELY testified in favor of SB171.

ROLAND WESTERGARD, Nevada State Engineer, in his testimony stated his department felt there should be some sort of confidentiality provision written in and that there is merit in a time limit. He stated subsection 2, SEC. 1 is too broad; and that consideration should be given to deletion of subsection 2. Confidentiality should be limited to temperature data only. Mr. Westergard, in closing, stated his department would have no argument with the length of time of confidentiality being written in if it included a clause that the person doing the development should show justification for extension in a written request submitted to the agency

WARREN WOODWARD, consultant to Geothermal, Reno, stated the Bureau of Land Management imposes very strict requirements on issuance of permits. He said there is no chance for contamination or waste in connection with the data holes; and since there is no intent to produce water whatsoever, felt the restrictions should not come under the water engineer's surveillance.

KEITH ROBERTSON, Robertson Engineering and Drilling, Carson City, testified in support of SBI71.

SJR11 Requests United States Bureau of Land Management consider the will of the people in imposing new regulations on mining and grazing.

BOB ALKIRE, Kennecott Copper Corp., thanked the legislature and State of Nevada for the help given the mining industry.

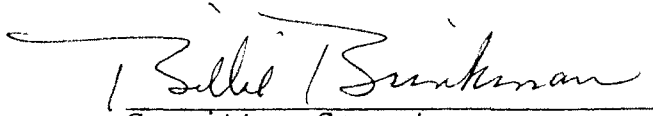
Senator Neal moved "DO PASS."
Senator Dodge seconded the motion.
Motion carried unanimously.

AJR18 Memorializes Congress to study and act on the hazards of certain aerosol propellants.

Rescheduled to be heard Wednesday, February 16, 1977.

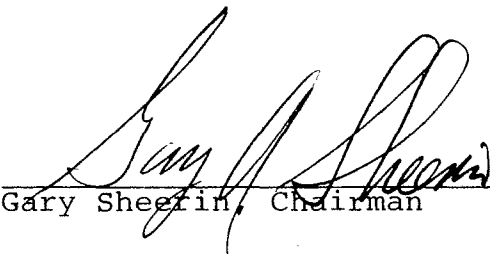
There being no further business, the meeting was adjourned at 3:20 p.m.

Respectfully submitted,



Committee Secretary

APPROVED:



Gary Sheerin, Chairman

GUEST REGISTER

COMMITTEE

DATE: Feb 14, 1977

THOSE WISHING TO TESTIFY SHOULD IDENTIFY THEMSELVES BEFORE GIVING TESTIMONY.....

NAME	DO YOU WISH TO TESTIFY	BILL NO.	REPRESENTING
WILLIAM L. DESORMIER	NO	SB-171	PHILLIPS PETROLEUM CO.
Rick Breen	No		Spike Wilson's Intern
JACK CARDINALI	No	SB-171	NEV. DIV. OF WATER RESOURCES
Louise ROTTO	NO		INTERN
L. H. AXTELL	YES	SB-171	GEO THERMAL SERVICES, INC., SAN DIEGO
John Robertson	No	SB-171	Robertson Eng. & Drill. Consul. Co.
Geo. L. VARGAS	Yes	SB-171	MAJOR OIL CO'S # 179
Wendell Westergaard	Yes	SB 171	State Engineer
Bob Alford	Yes	SJR 11	Kennecott Copper Corp
Tom Young	NO	✓	S.P.C.
Ray Kuisley	YES	SB 171	HIMSELF
D. J. Melville		ADR 18	League of Women Voters
Walter Woodward	171		Caro, Bethune, Reno

SENATE JOINT RESOLUTION NO. 11—SENATORS
GLASER AND BLAKEMORE

FEBRUARY 8, 1977

Referred to Committee on Environment, Public Resources
and Agriculture

SUMMARY—Requests United States Bureau of Land Management consider the will of the people in imposing new regulations on mining and grazing. (BDR 798)

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

SENATE JOINT RESOLUTION—Expressing concern over new mining and grazing regulations of the United States Bureau of Land Management and requesting the President of the United States and the Congress to cause full deliberation before their imposition.

- 1 WHEREAS, The United States Bureau of Land Management has pro-
2 posed to inflict new regulations on the subjects of mining and grazing
3 which would materially interfere with the economy of the State of Nevada
4 and of the United States; and
5 WHEREAS, The Bureau of Land Management has given every consider-
6 ation to the urgings of "environmentalists," who themselves have no con-
7 cern for the livelihood of individual citizens and for the economic strength
8 of the United States; and
9 WHEREAS, Proposed mining regulations would halt a considerable por-
10 tion of an industry on which Nevada relies for prosperity and for economic
11 support of its society; and
12 WHEREAS, The collapse of mining operations in Nevada would deprive
13 the United States of sorely needed metals and other minerals; and
14 WHEREAS, Proposed grazing regulations would continue the Bureau's
15 policy of harassment of ranchers, and would result in sharp decline of the
16 Nevada beef industry; and
17 WHEREAS, Every effort of the farmers and ranchers of the United
18 States is needed to feed a hungry world; and
19 WHEREAS, The Bureau of Land Management has undertaken to impose
20 its bureaucratic will upon the very citizens whose consent is required for
21 it to govern; now, therefore, be it
22 *Resolved by the Senate and Assembly of the State of Nevada, jointly,*
23 That we call upon the United States Bureau of Land Management to
24 withdraw its proposal to impose regulations on the mining and grazing
25 activities of the State of Nevada and her citizens until those citizens have

Original bill is 2 pages long.
Contact the Research Library for
a copy of the complete bill.