



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
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February 27, 2013

EMS TRANSMISSION 2-28-13
Instruction Memorandum No. NV-2013-023
Expires: 09/30/2015

To: District Managers, Nevada

From: Deputy State Director, Minerals Management

Subject: Procedure for Granting Verbal Approvals for Fluid Mineral Permits

The purpose of this Instruction Memorandum (IM) is to detail the verbal approval process that authorizes modifications to approved oil and gas and geothermal drilling permits on Federal lands. Specifically, the IM describes the circumstances, in which verbal approvals may be authorized, the appropriate State, District and Field Office contacts and the process by which the approvals may be obtained.

Conditions in which a verbal approval is warranted

Verbal approvals will be made on a case-by-case basis. The Bureau of Land Management (BLM) should make the best effort in responding to these requests as quickly as possible but should also ensure that all available information regarding the specific situation is reviewed prior to granting approval.

Geothermal

- Pursuant to 43 CFR 3261.21(c), the BLM may provide an oral approval to change an approved drilling operation if immediate action is required to properly continue drilling operations, or to protect public health, safety, property or the environment.
- Pursuant to 43 CFR 3263.12(b), the BLM may orally approve plugging procedures for a well requiring immediate action.

A written Sundry Notice must be submitted within 48 hours after the BLM orally approves any change.

Oil and Gas

- Pursuant to 43 CFR 3162.3-4(a), the BLM may orally approve to abandon a newly drilled or recompleted well. This oral approval will need to be followed up with a written Sundry Notice, which will then be approved by the authorized officer (AO). Before plugging and abandonment of oil and gas wells, the operator needs to call the AO or the designated AO for oral approval.

Pursuant to Onshore Oil and Gas Order Number 2, a Notice of Intent to abandon must be submitted to the BLM no later than fifth business day after BLM provides a verbal approval.

Authorized Officers for Verbal Approvals

To request a verbal approval, the operator contacts the AO for approval. Based on the Delegation of Authority (Manual 1203), this contact is the respective Field Manager or designated representative. A list of the AOs with verbal approval authority for the respective field offices is located at http://www.blm.gov/style/medialib/blm/nv/minerals/geothermal.Par.5509.File.dat/Oral_Contact_List.pdf. A list with more detailed contact information will be available at the Nevada State Office (NSO). The AO will ask a series of questions (Attachment 1-1) to determine if the request is eligible for a verbal approval.

Procedure for Granting Verbal Approvals for Changes to Approved Fluid Mineral Permits

- If the request for verbal approval proposes surface modifications, the AO will contact the appropriate specialists (i.e. Biologist, Archeologists, Geologist, Natural Resource Specialist, etc.) for assistance in granting the oral approval.
- If the request for verbal approval proposes modifications to downhole operations, the AO must either contact the Petroleum Engineer (PE) or have the operator contact the PE. If the PE is unavailable the next point of contact is the Petroleum Engineer Technician (PET) at the NSO or the PE's designated representative. The PE and/or PET will discuss the proposal with the AO and make technical recommendation based on the information provided. If requested, NSO will send an electronic confirmation to the AO of their recommendation. If it is outside of normal government working hours NSO will make a recommendation via telephone, to the AO, and follow it up with electronic documentation during normal working hours.
- Inform the operator that a Sundry Notice must be submitted within 48 hours for a geothermal verbal approval and five days for an oil and gas for an oil and gas approval.

Contact: If there are any questions regarding this directive, please contact John Menghini, Petroleum Engineer, Minerals Management at 775-861-6585.

Signed by:
Gary Johnson
Deputy State Director

Authenticated by
Pam Collins
Staff Assistant

Attachment

1 - Check Sheet for Granting Verbal Approvals (1 p)

Check Sheet for Granting Verbal Approval for Fluid Minerals Permits

Requested by _____

Name: _____

Company: _____

Date: _____

Time: _____

Lease

#/Well # _____

The operator should be prepared to answer the following questions when seeking verbal approval for changes to drilling operations.

1. Does the situation threaten human life? If yes, explain.

Yes
 No

Explanation: _____

2. Does the situation threaten the environment? If yes, explain.

Yes
 No

Explanation: _____

3. Does the situation have any monetary loss to operator or BLM? If yes, explain.

Note: Monetary loss will be based on facts surrounding the situation and determined by the respective BLM Field Manager.

Yes
 No

Explanation: _____

4. When was the situation requiring a verbal approval identified?

5. When do you plan on carrying out these actions?

Note: approval from state is necessary before commencing operations.

This has been entered into GRASS on _____ by _____.

Field Manager's Decision:

Approve
 Decline

NSO Petroleum Engineer recommendation needed:

Yes If yes, please enter date notified _____ and date of response _____
 No