

September 26, 2016

**By E-mail: [rule-comments@sec.gov](mailto:rule-comments@sec.gov)**

Mr. Brent J. Fields

Secretary

U.S. Securities and Exchange Commission

100 F. Street, N.E.

Washington, DC 20549-1090

Re: Modernization of Property Disclosures for Mining Registrants  
Release Nos. 33-10098 and 34-78086  
File Number S7-10-16

Ladies and Gentlemen:

Vinson & Elkins L.L.P. submits this comment letter with respect to the request for comments made by the Securities and Exchange Commission (the “Commission” or “SEC”) in its Release Nos. 33-10098 and 34-78086 (the “Proposing Release”) in connection with the revisions to the property disclosure requirements for mining registrants and related guidance.

We appreciate the Commission’s efforts to update the current disclosure requirements and policies for mining properties set forth in Item 102 of Regulation S-K under the Securities Act of 1933 and the Securities Exchange Act of 1934 and in Industry Guide 7 by aligning them with current industry and global regulatory practices and standards through a new proposed Regulation S-K subpart 1300 (the “Proposed Rules”). The Proposed Rules are a substantial change from the current disclosure framework that has been in place for more than thirty years, and the implementation of such Proposed Rules would require a number of highly technical and competitively sensitive disclosures. In our view, a number of the required disclosures would not provide additional material information to investors, and could actually reduce an investor’s ability to obtain useful information necessary to make an informed investment decision.

We believe the Proposed Rules’ mandatory disclosures will create significant additional costs and have a competitive impact that outweighs any benefit to investors in public companies. Domestic mining company registrants currently provide substantial information about their reserves, but if the Proposed Rules are implemented, registrants would also have to devote substantial resources to provide considerable amounts of exploration, geologic and property data, pertaining to each of the properties they own, control and/or receive royalty payments from. For example, the proposed requirement of royalty interest-holding companies to file a technical report summary is exceedingly burdensome

because such companies generally have no executive or operational interest or participation in the properties on which the royalty is held and have limited access to the information required to prepare technical report summaries. Accordingly, compliance with many of the required disclosures contained in the Proposed Rules poses significant challenges and expenses. Moreover, the amount of information that would be required to be disclosed would be voluminous, and would not be meaningful to most investors.

We appreciate the opportunity to participate in this process and would be pleased to discuss our comments or any questions the Commission or the Staff may have; you may contact Mike Rosenwasser at [REDACTED] (or [REDACTED], Ramey Layne at [REDACTED] 9 (or [REDACTED]) or Michael Blankenship at [REDACTED] (or [REDACTED]) of this firm.

Very truly yours,

Vinson & Elkins L.L.P.