

2019 Annual Report of the Oil and Gas Commission

Citation of Law or Resolution: N.C.G.S. §143B-293.1(c)
Due Date: Annually
Submission Date: June 16, 2020

Receiving Entities:

The Joint Legislative Commission on Energy Policy
The Environmental Review Commission

Submitting Entity:

Department of Environmental Quality, on behalf of the Oil and Gas Commission

2019 Annual Report of the Oil and Gas Commission

Executive Summary and Transmittal

Pursuant to N.C.G.S. §143B-293.1(c), the North Carolina Oil and Gas Commission (Commission), must submit annual written reports as to its operation, activities, programs, and progress to the Joint Legislative Commission on Energy Policy and the Environmental Review Commission.

Provided herein is the annual report of the Commission as to its operations, activities, programs, and progress for the 2019 calendar year.

Respectfully,



James Lister
Chairman

6/16/20
Date

Commission Report and Proceedings

The Oil and Gas Commission met four times in 2019, and conducted business in the areas of adopting Internal Standard Operating Procedures, the election of officers, the review of administrative rules compared to other oil and gas states, the review of air quality monitoring and groundwater resources in the Triassic Basins, and the status of shut-in oil and gas wells in North Carolina. The Commission's charge and duties may be found at N.C.G.S. §143B-293.1, or [online \(https://www.ncleg.gov/EnactedLegislation/Statutes/HTML/BySection/Chapter_143B/GS_143B-293.1.html\)](https://www.ncleg.gov/EnactedLegislation/Statutes/HTML/BySection/Chapter_143B/GS_143B-293.1.html). The following is an executive summary of the Commission's activities during the quarterly meetings. Detailed minutes, referenced materials, and additional information from each Commission meeting are available [online \(https://deq.nc.gov/energy-climate/energy-group/oil-and-gas-program/nc-oil-and-gas-commission\)](https://deq.nc.gov/energy-climate/energy-group/oil-and-gas-program/nc-oil-and-gas-commission).

February 12, 2019

- Commission Officers were elected to serve through July 2019, when the regular annual election of officers is scheduled to take place.
- The Commission compared its suite of By-Laws to those of its predecessor, the Mining and Energy Commission (MEC), and opted against amending the Oil and Gas Commission By-Laws.
- The Commission reviewed and elected to maintain its current policy which prohibits closed session participation in meetings by phone conferencing.
- The Commission requested staff to report on the status of methane emissions in the Triassic Basins.

May 14, 2019

- The Commission reviewed and updated the Articles of Internal Operating Procedures.
- The Commission received a presentation comparing North Carolina's rules to other oil and gas states' rules.
 - The Commission found that North Carolina's rules are either equal to or more stringent with respect to protection of correlative rights, conservation of resources, and safety.
 - Areas for further improvement of the Rules were identified and were recommended for further action by the Rules Committee.

August 13, 2019

- The Commission received a presentation on the groundwater resources in the Triassic Basins.
- The Commission reviewed the status of shut-in oil and gas wells in the State.
- New officers for 2019-2020 were elected: Jim Lister, Chairman and Jim Womack, Vice Chair.

November 6, 2019

- The Commission set its quarterly meeting dates for 2020: February 11, May 12, August 11, and November 10.

- The Commission agreed to set a new format and procedure for the preparation and submission of the Annual Report the Joint Legislative Commission on Energy Policy and the Environmental Review Commission.
- The Commission discussed plans to have the Rules Committee review suggestions by the Chairman for improving the language, content, and grammar of the Final Oil and Gas Rules 15A NCAC 05H. The matter will be taken up in 2020.