

N.C. Oil and Gas Commission

Minutes of the Wednesday, 17 January 2024 Meeting*

The meeting of the Oil and Gas Commission took place at 1:00 P.M. on 17 January 2024 in the Ground Floor Hearing Room of the Archdale Bldg. at 512 N. Salisbury St. in Raleigh, hosted by the North Carolina Department of Environmental Quality (DEQ). Attendance of the meeting was also available via Webex videoconferencing service.

00:00:00 – **Chair James C. Lister** opened the meeting with a moment of silence and led the Pledge of Allegiance.

00:01:05 – Chair Lister read the Elections and Ethics Enforcement Act to the Commission and asked for concerns of potential conflict. None were given.

00:01:15 – Chair Lister conducted a roll-call attendance. In attendance: **Commissioner Stanford D. Baird** (remote), **Commissioner John Droz, Jr.** (remote), **Commissioner J. Cody Edwards** (remote), **Commissioner Karen A. Howard** (remote), Chair Lister (in-person), **Vice-Chair John Lucey** (remote), **Commissioner Rebecca Wyhof Salmon** (remote), **Commissioner Dr. William Vizuete** (remote), and **Commissioner John D. White II** (remote). All nine members of the Commission were present, and a quorum was declared.

00:01:50 – Chair Lister asked for additions or revisions to the meeting’s draft agenda. No revision or addition suggestions were given.

00:2:08 – Chair Lister moved the Commission to opening remarks.

00:2:43 – Chair Lister moved the Commission to approval of the fourth quarter 2023 meeting minutes. Commissioner Droz made a motion to approve the minutes, seconded by Commissioner Salmon. Chair Lister conducted a roll-call vote. The Commission unanimously voted to approve the minutes.

00:03:50 – Chair Lister moved the Commission discussion to the 05C (rules pertaining to geophysical testing) public comments period. **DOJ Assistant Attorney General, Sarah Zambon** iterated that the reason for this unusual meeting date for the Commission is to vote on moving the rules forward to the Rules Review Commission (RRC) for the rule set adoption – the first quarter meeting for the Oil and Gas Commission normally meets during the first week of February.

00:11:58 – Commissioner Howard made a motion to vote on sending the 05C rules to the RRC to approve final adoption, seconded by Commissioner Droz. Chair Lister conducted a roll-call vote. The Commission voted unanimously to send the rules adoption request to the RRC.

00:13:07 – Chair Lister asked Vice-Chair Lucey if the Commission’s Rule Review Committee had any updates. Vice-Chair Lucey relayed that there were not any updates from the Commission, however he reminded the Commission that the Committee would need to meet following the second or third quarter meeting.

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00:15:20 – Chair Lister moved the discussion to the 2022-23 Oil and Gas Commission Annual Report to the General Assembly. It was confirmed that the Annual Report was approved and can be accessed on the Oil and Gas Commission webpage.

00:16:02 – Chair Lister moved the discussion to Access DEQ, with regards to the Oil and Gas Program. **DEMLR Director (Interim), W.E. Toby Vinson** provided a detailed explanation for Access DEQ’s function for permitting.

00:21:28 – Chair Lister moved the discussion to periodic rules review for the 05H rule set. Counselor Zambon confirmed that the Oil and Gas rules are scheduled to be reviewed in 2027. Vice-Chair Lucey suggested that DEQ staff help review the 05H rules for industry standards changes prior to the Commission’s review. Chair Lister suggested that the 05H rules be approached sectionally over time to make the task more manageable.

00:034:10 – Chair Lister moved the discussion to the “Authority and Purpose Statement” and “Oil and Gas Program Statement” on the Oil and Gas Commission webpage. Chair Lister had suggestions for editing the statements to better reflect what the Commission currently is responsible for. Director Vinson indicated that all that is necessary to make the change requests is for the Commission to instruct the staff what the Commission would like.

00:52:00 – Chair Lister moved the discussion to topics for discussion for the 2024 calendar year. Chair Lister suggested for topics of discussion: 05H submittal for periodic rule review June 2027; conduct State lands inventory within Triassic basins; develop internal Oil and Gas Commission procedures for reviewing drilling unit applications and issuing units; and assess the drilling of stratigraphic tests.

00:58:15 – Chair Lister asked if there had been any oil or gas inquiries to the department since the last Commission meeting. **NCGS Senior Geologist Jim Chapman** indicated that there had not been. **State Geologist Kenneth Taylor** communicated to the Commission that the NCGS has performed stratigraphic tests in the past, but the agency cannot perform extensive stratigraphic research without more outside funding.

01:02:21 – Chair Lister asked the Commission for Commissioners’ concluding remarks.

Commissioners’ Concluding Remarks:

01:03:34 – Commissioner Droz asked about off-shore oil and gas potential. It was explained that beyond State shores, drilling falls under federal jurisdiction.

01:04:38 – Chair Lister adjourned the meeting.

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