

## ***North Carolina Oil & Gas Commission Overview***

**8 May 2018**

**Jim Womack, Chairman  
North Carolina Oil & Gas Commission**



## **Senate Bill 820 (2012-143) Clean Energy & Economic Security Act**

- Establishes the Mining & Energy Commission
- Requires a Modern Regulatory Program for Oil & Gas Development
- ***Authorizes Horizontal Drilling & Hydraulic Fracturing***
- Enhances Landowner & Public Protections
- Establishes Joint Legislative Commission on Energy Policy

## Senate Bill 76 (S.L. 2013-365) Domestic Energy Jobs Act

- Streamlines Regulatory Process by Waiving Fiscal Notes
- Mandates Legislative Review of Rules before Commencement of Drilling
- Requires Special Study of Coordinated Permitting
- Requires Special Study of Landmen Registration and Taxation of Hydrocarbons
- Establishes Energy Policy Council

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## Senate Bill 786 (S. L. 2014-4) Requirements

- Reconstitutes the MEC as the Oil & Gas Commission beginning in August 2015
- Provides Statutory Chemical Disclosure , Trade Secret & Confidential Information Provisions
- Clarifies Presumptive Liability and Notice of Entry
- Gives Clarity the on extent of Local Government Authority
- Establishes the system of severance taxes and royalty payments; prohibits local taxation beyond property taxes

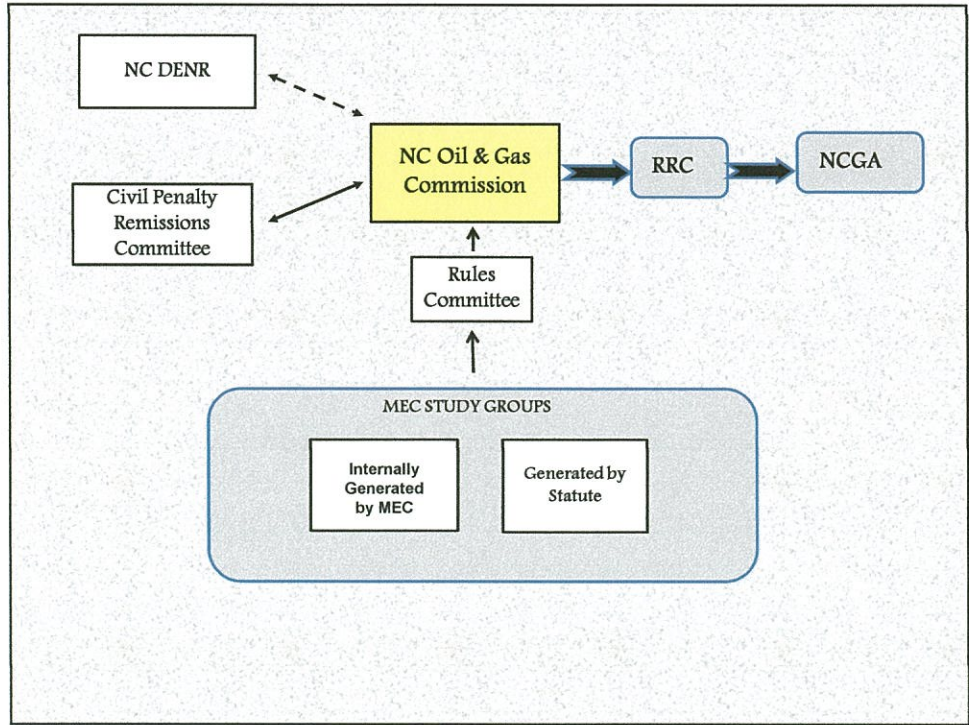
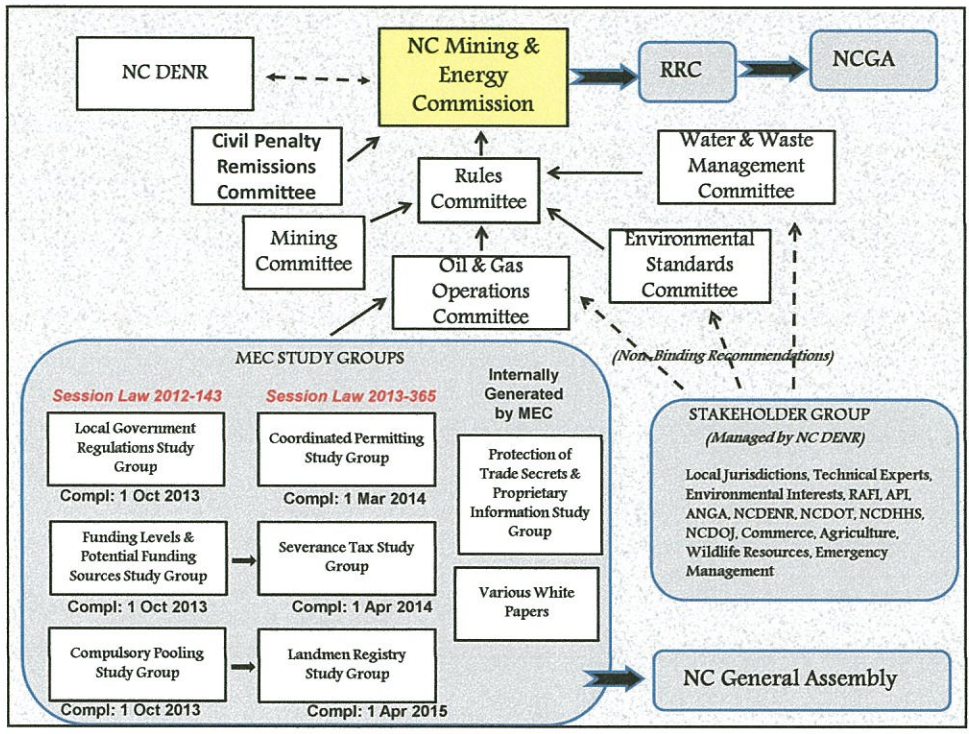
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## Senate Bill 119 (S. L. 2015-264) Technical Corrections Bill

- \* Clarified legislative intent concerning local ordinances prohibiting regulating oil and gas exploration, development, and production activities
- \* Provided instructions for petitions to preempt local ordinance

## House Bill 630 (S. L. 2016-95) Coal Ash Management & OGC Appointments

- Changed the sourcing of appointments to the Oil & Gas Commission pursuant to the *McCrorry v Berger* NC Supreme Court instructions
- Changed the effective dates for all commission appointments to be January 1 through December 31 of each year, with all terms lasting four years
- Established the procedures for legislative approval of the Governor's appointees
- Affirmed the continuing validity of the MEC's Rules as adopted by the NC General Assembly in 2015

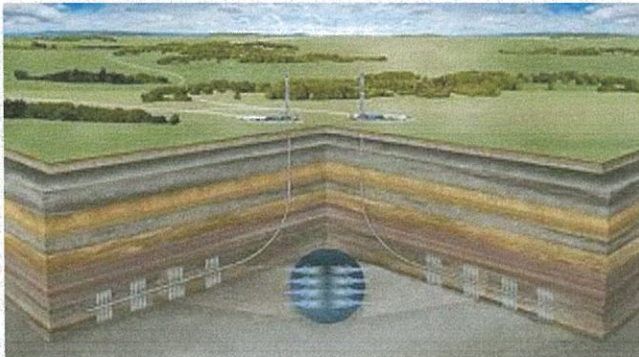


## MEC Accomplishments

- MEC Constituted by Statute-- 1 Aug 2012
- Staff Research & Presentations Began-- 18 Dec 2012
- Study Groups Began Meeting-- 8 Feb 2013
- First Rules Developed by MEC-- May 2013
- MEC Approves for Public Comment- June 2014
- Public Comment Period- 15 July – 30 Sept 2014
- MEC Hearing Officer Review- October 2014
- Full MEC Deliberation and Adoption- November 2014
- Rules Review Commission Approval- Dec 2014- Jan 2015
- General Assembly Approval- Legislative Session 2015

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## Pooling, Assignment of Drilling Units and Permitting



**“There’s nothing inherently dangerous in fracking that sound engineering practices can’t accomplish.”**

**GINA MCCARTHY** FORMER U.S. EPA ADMINISTRATOR,  
11/4/2013



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# Well & Drilling Site Standards

Graphic by Al Granberg

Graphic Courtesy of Texas Oil and Gas Association

# Water & Wastewater Withdrawal, Testing

**ENCO RESOURCES (PA), LLC**  
 24 Hr. Emergency Contact 885-789-3781  
 3825 BRIDGEVILLE PIKE, PO BOX 1000, BRIDGEVILLE, PA 15016

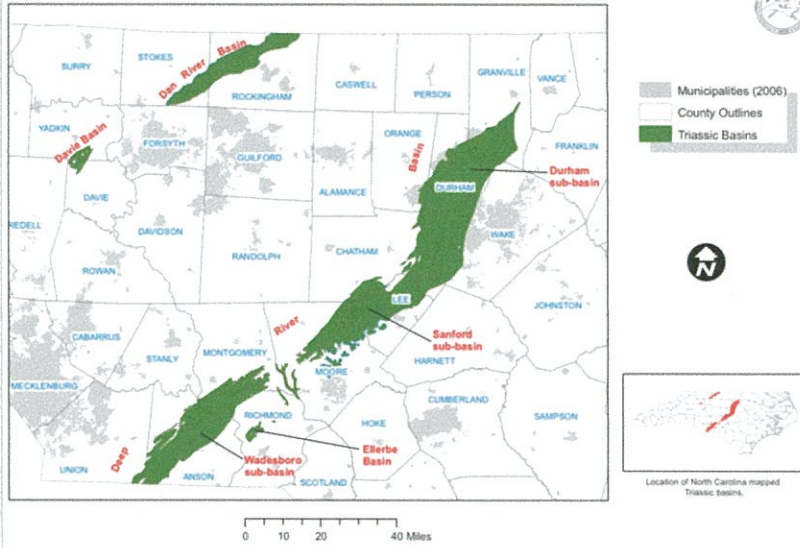
**SURFACE WATER WITHDRAWAL**  
 Title: Bridgeville, Pa., Township, Licensing Permit No. 171  
**SRBC Docket #20111210**  
 Effective Date of Approval: December 15, 2011  
 Expiration Date of Approval: December 14, 2015

Peak Day Withdrawal Rate: 1.5 million gallons per day  
 Maximum Turbidity: 5 ntu  
 Maximum Total Suspended Solids: 10 mg/l  
 Maximum Total Phosphorus: 0.1 mg/l  
 Maximum Total Nitrogen: 1.0 mg/l

**171**  
**GIORDANO WATER IMPOUNDMENT**  
 171 BEACON LIGHT ROAD  
 BRIDGEVILLE TOWNSHIP  
 BRADFORD COUNTY

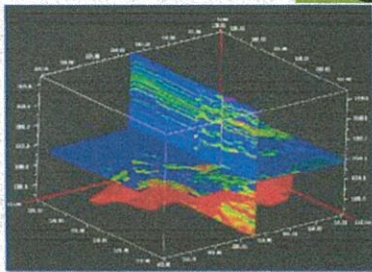
# Expected NC Shale Gas Reserves

## Exposed North Carolina Triassic Rift Basins

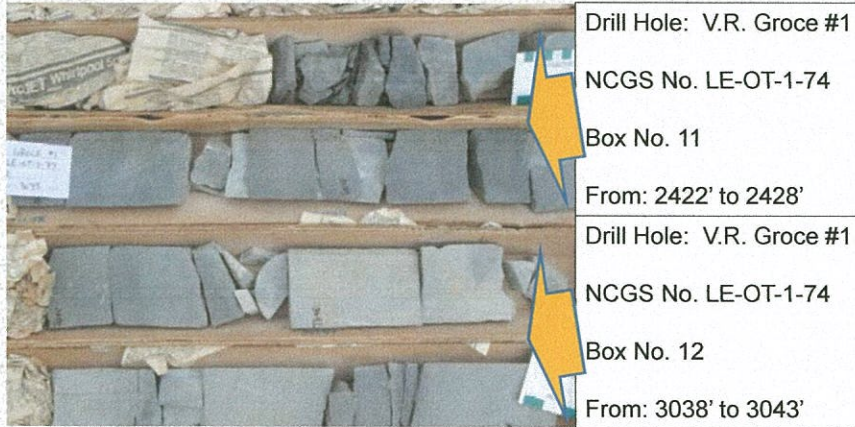


Data source: NC Geologic Map of 1985, NC Center for Geographic Information and Analysis  
Map processed September 23, 2008

# Seismic Surveys



## Core Sampling



V.R. Groce #1 well – Selected core from the interval 2422 – 2428 feet and the interval 3038 – 3043 feet depth. This well is located near the center of the Sanford sub-basin. The well had a number of good petroleum shows.

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