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## **STRONGER Completes Independent Review of the North Carolina Department of Environment and Natural Resources Regulations Pertaining to Oil & Natural Gas**

RALEIGH, N.C.--(BUSINESS WIRE)--STRONGER, Inc., a multi-stakeholder non-profit organization that conducts voluntary state reviews of oil and natural gas environmental regulations, conducted a targeted review of the North Carolina Department of Environment and Natural Resources (DENR) regulations. The STRONGER review concluded that the DENR environmental programs are mature and the staff has significant experience. However, the review team also concluded that DENR programs have not been fully developed for the regulation of oil and gas exploration and production.

October 2011 through January 2012 an eight-person review team conducted a review to evaluate the DENR programs compared to the 2010 STRONGER Guidelines. The review team consisted of five members and three official observers. The five team members were: Leslie Savage, Railroad Commission of Texas; Don Garvin, Trout Unlimited; Mariel Escobar, independent North Carolina environmental advocate; Bob Sandilos, Chevron; and Chuck Price, BP. The official observers were: Bruce Moore, USEPA; Jim Collins, Independent Petroleum Association of America; and Hope Taylor, Clean Water for North Carolina. Will Morgan, representing the North Carolina Chapter of the Sierra Club, substituted for Ms. Taylor on one of the three days.

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“The review team concluded that the DENR environmental programs are mature and the staff has significant experience in their various disciplines. However, while the review team recognized strengths in these programs, the review team also concluded that DENR programs have not been fully developed in anticipation of the regulation of oil and gas exploration and production activities,” said Leslie Savage of the Railroad Commission of Texas, who served as Chair of the review team. “We believe several aspects of the Department and its operations merit special recognition. We also identified several areas where we feel the program can be improved.”

The review team recognized that current programs and staff provide a sound basis upon which to develop an oil and gas regulatory program, that the organizational structure of DENR promotes the opportunity to coordinate programs and activities, and that, even though there have been 128 wells drilled, there is no orphan well problem.

The review team also made recommendations for the development of formal standards and technical criteria for oil and gas regulation if North Carolina decides to develop an oil and gas regulatory program, and recommended the use of independent scientific advisory groups, local advisory groups, groups of government, public and industry representatives, or other similar mechanisms, to obtain input and feedback in the development of the program.

Copies of the report of the North Carolina Review are available by contacting Ben Grunewald by email at [bgrunewald@gwpc.org](mailto:bgrunewald@gwpc.org), by phone at (405) 516-4972, or by downloading from the STRONGER website at [www.strongerinc.org](http://www.strongerinc.org).

### About STRONGER:

The name STRONGER is an acronym for State Review of Oil and Natural Gas Environmental Regulations. STRONGER was formed in 1999 to reinvigorate and carry forward the state review process begun cooperatively in 1988 by the U.S. Environmental Protection Agency (EPA) and the Interstate Oil and Gas Compact Commission (IOGCC).

The mission of STRONGER is to educate and provide services for the continuous improvement of regulatory programs and industry practices in order to enhance human health and the environment. STRONGER is a non-profit, multi-stakeholder

organization which shares innovative techniques and environmental protection strategies and identifies opportunities for program improvement. The state review process is a non-regulatory program and relies on states to volunteer for reviews.

Notes to Editors: Oil and gas production does not occur in North Carolina at this time. However, between 1925 and 1997, 126 oil and gas wells were drilled in the state. None of the wells produced commercial quantities of oil and gas, and all were plugged according to the standards of the day.

More recently, exploration in Lee and Chatham counties in central North Carolina has given rise to the anticipation of potential shale gas production from the Dan River and Deep River basins. Two exploration wells drilled in 1998 remain under permit and bond, but are not in production. Four companies have leased more than 9,000 acres in the Lee County area. A report by the U.S. Geological Survey assessing the shale formations in the Deep River and Dan River Basins is to be released in 2012.

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