



INTERSTATE
Oil & Gas
COMPACT COMMISSION

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MEMORANDUM

TO: Interstate Oil and Gas Compact Commission Governors and
Interstate Oil and Gas Compact Commission Official Representatives

FROM: Mike Smith, Executive Director *MS*

RE: Resolutions Approved at the 2010 Annual Meeting, Tucson, AZ

DATE: November 29, 2010

There were five draft resolutions submitted by the October 14 deadline with the headquarters office of the Interstate Oil and Gas Compact Commission for consideration at the 2010 Annual Meeting in Tucson, Arizona. Those resolutions as approved by the Business Committee on November 17 are enclosed.

Here is a summary of the enclosed resolutions:

- 10.111 Updated Policy Statement On The Issue Of CO₂ Storage In Underground Geologic Formations
- 10.112 Renewed Urging For The Continued Development Of An Effective National Energy Policy
- 10.113 Establishing An IOGCC Task Force to Determine the Applicability of the Federal Pipeline Safety Act to Storage of Underground Natural Gas
- 10.114 Identifying and Promoting Energy Human Resources Needs
- 10.115 Renewed Support Of A Congressional Appropriation for Geological and Geophysical Data Preservation under Provisions of the Energy Policy Act of 2005

Enclosures: IOGCC Resolutions 10.111 through 10.115



RESOLUTION 10.111

Continuing Policy On The Issue Of Carbon Storage In Underground Geologic Formations

WHEREAS, there is significant interest within both industry and government in the capture and geologic storage of carbon dioxide (CO₂); and

WHEREAS, the long-term geological storage of CO₂ has significant potential for reducing greenhouse gas emissions to the atmosphere; and

WHEREAS, the Interstate Oil and Gas Compact Commission (IOGCC) in December 2002 established a Geological Sequestration Task Force and in October 2004 created the follow-up IOGCC Carbon Capture and Storage Task Force to examine the technical, policy, and regulatory issues related to safe and effective CO₂ storage in the subsurface, whether for enhanced hydrocarbon recovery or for storage, and to prepare model regulatory guidelines concerning geologic storage to assist member states in regulating the injection and underground storage of CO₂; and

WHEREAS, the Interstate Oil and Gas Compact Commission (IOGCC) has published recommended regulatory and statutory guidelines on geologic storage of carbon ; and,

WHEREAS, the U.S. Environmental Protection Agency (EPA) has proposed draft rules for geologic storage of carbon under the Underground Injection Control (UIC) program; and,

WHEREAS, the IOGCC desires to continue the efforts of the IOGCC Carbon Capture and Storage Task Force, the purpose of which will be to continue to facilitate coordination and cooperation among IOGCC member states, the Association of American State Geologists, the U.S. EPA, the U.S. Department of Energy, , the U.S. Department of Transportation, the Federal Energy Regulatory Commission and other organizations with an interest in injection of CO₂ into underground geologic formations, to further develop and refine public policy and the regulatory frameworks for geologic storage and transportation systems for CO₂;

NOW, THEREFORE, BE IT RESOLVED, that the IOGCC will continue to collaborate with the States, EPA, DOE, and others in the areas of policy, regulatory development, and technology initiatives' associated with CO₂ storage.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the IOGCC urges the U.S. Department of Energy, through its Carbon Sequestration Program, which has been instrumental in funding previous and current IOGCC regulatory projects on this subject, to continue to provide future support for continued initiatives promoting the development of rational and experience-based regulatory frameworks and infrastructure to enable development of safe and environmentally sound CO₂ storage projects and transportation systems for CO₂ transmission.

02.124 Original Resolution Approved December 2002

04.102 Reauthorized and Approved, Business Session, October 19, 2004, Oklahoma City, Oklahoma

06.102 Approved for Reauthorization, Business Session, October 17, 2006, Austin, Texas

08.113 Reauthorized and Approved, Business Session, November 18, 2008, Santa Fe, New Mexico

10.111 Reauthorized and Approved, Business Session, November 17, 2010, Tucson, Arizona



RESOLUTION 10.111 ACTION PLAN

Continuing Policy On The Issue Of Carbon Storage In Underground Geologic Formations

1. Send resolution to the President, DOE Secretary and EPA Administrator.
2. Send resolution to all IOGCC Governors and Official Representatives.
3. Send resolution to oil and gas directors in each state.
4. Send resolution to all state geologists.
5. Charge the IOGCC staff to seek grant support for continuing efforts of the Task Force.
6. Charge the IOGCC staff to continue liaison efforts with other government agencies and organizations such as the Association of State Geologists and the Carbon Sequestration Leadership Forum with interest in developing regulations for storage of CO₂ in underground geologic formations.



RESOLUTION 10.112

Renewed Urging For The Continued Development Of An Effective National Energy Policy

WHEREAS, the United States of America is dependent on adequate, affordable energy supplies from diverse sources for continued economic stability and growth, national security, and maintenance and enhancement of its citizens' quality of life; and

WHEREAS, domestically produced natural gas and oil provide jobs and economic opportunity to the people of the states and are critical parts of the nation's energy needs; and

WHEREAS, according to the Energy Information Administration's latest estimate, the demand for clean-burning natural gas is projected to remain relatively steady through the year 2028; and

WHEREAS, volatile energy prices, as well as our nation's dependence on approximately 52% of our oil from foreign sources have a detrimental effect on the U.S. economy and security; and

WHEREAS, funding for oil and natural gas research and development has been greatly reduced and, in some cases eliminated, in both the private and governmental sectors, thereby curtailing activities and initiatives that lead to new technologies that increase domestic oil and gas production; and

WHEREAS, a recent federal inventory of U.S. oil and gas resources concluded that 60% of the onshore federal lands that have potential as domestic sources of oil and natural gas to meet our nation's energy needs are presently closed for leasing, resulting in 62% of the oil and 41% of the natural gas being inaccessible for development; and

WHEREAS, the infrastructure necessary for the transportation of oil and natural gas from remote sources to the areas in which it is consumed is desperately lacking and needs federal support and funding,

NOW, THEREFORE, BE IT RESOLVED, that the Interstate Oil and Gas Compact Commission urges the President and Congress to continue to develop and adequately fund an effective national energy policy that will:

1. Provide access to federal lands, as appropriate under protocols of wise stewardship and compatible use, for the development of oil and gas resources, utilizing technologies proven to be environmentally sound,
2. Support and encourage research and development of new technologies that benefit efficient and effective exploration and development for oil and natural gas resources,
3. Support enhancement of the infrastructure for the transportation of oil and natural gas in the United States,
4. Streamline, to the degree possible, the process used to approve oil and gas permitting in all federal agencies having authority to grant permits and approvals, and
5. Support each state's rights to oversee the oil and natural gas regulatory process.

04.101 Approved October, 2004-Revision & Reauthorization of Resolutions 02.122 & 02.123

06.101 Approved for Reauthorization, Business Session, October 17, 2006, Austin, Texas STATES

08.112 Approved for Reauthorization, Business Session, November 18, 2008, Santa Fe, New Mexico

10.112 Reauthorized and Approved, Business Session, November 17, 2010, Tucson, Arizona



RESOLUTION 10.112 ACTION PLAN

Renewed Urging For The Continued Development Of An Effective National Energy Policy

1. Send the resolution to:
 - a. the President, Vice President, and appropriate Cabinet Secretaries
 - b. Congressional leaders
 - c. appropriate congressional committees
 - d. IOGCC Governors and Official Representatives
 - e. state and national industry trade associations.
2. Testify before Congressional committees, as appropriate.
3. Monitor the status of the legislative process, advocate in Congress the suggested provisions, and keep states informed and involved.



RESOLUTION 10.113

Establishing An IOGCC Task Force to Determine the Applicability of the Federal Pipeline Safety Act to Storage of Underground Natural Gas

WHEREAS, the underground storage of natural gas within an interstate transportation system is a vital process to ensure efficient development and production of domestic natural gas resources; and

WHEREAS, for decades natural gas transportation companies have integrated underground natural gas storage into their interstate pipeline operations to increase deliverability and decrease overall costs; and

WHEREAS, there are about 120 entities that currently operate the nearly 400 active underground storage facilities in the lower 48 states. In turn, these operating entities are owned by, or are subsidiaries of, fewer than 80 corporate entities; and

WHEREAS, many states have adopted rules and regulations regarding the safe operation of underground natural gas storage facilities; and

WHEREAS, a recent federal court ruling in Kansas has brought into question the authority of states to regulate underground natural gas storage facilities.

NOW, THEREFORE, BE IT RESOLVED, that the Interstate Oil and Gas Compact Commission will establish the Natural Gas Storage Regulatory Task Force to study this issue and bring recommendations for further action to the commission for consideration. Members of this task force shall be appointed by the Vice Chairman of the Commission with the concurrence of the Chairman and shall make its report to the Vice Chairman by April 1, 2011.



RESOLUTION 10.113 ACTION PLAN

Establishing An IOGCC Task Force to Determine the Applicability of the Federal Pipeline Safety Act to Storage of Underground Natural Gas

1. Send resolution to IOGCC governors and official representatives.
2. Send resolution to oil and gas regulatory agencies.



RESOLUTION 10.114

Identifying and Promoting Energy Human Resources Needs

WHEREAS, the Interstate Oil and Gas Compact Commission (IOGCC) is recognized as a national leader in identifying petroleum Human Resources needs; and

WHEREAS, the Petroleum Professionals Blue Ribbon Task Force, convened by then Governor John Hoeven of North Dakota, developed recommendations for state, federal and industry actions; and

WHEREAS, domestically produced natural gas and oil provide jobs and economic opportunity to the people of the states and are critical parts of the nation's energy needs; and

WHEREAS, the Interstate Oil and Gas Compact Commission (IOGCC) published *Employment Growth: Oil Industry Focus*, a step by step guide on how North Dakota state government and industry collaborated under the leadership of Governor John Hoeven to find blue collar workers for vital energy industry positions; and

WHEREAS, a stable and skilled domestic petroleum workforce is critical to continued, environmentally sound development of natural gas and oil resources in the United States; and

WHEREAS, the need for an abundant, well trained workforce of professional and blue collar members has also been recognized by industry groups, educational institutions, and the states,

NOW, THEREFORE, BE IT RESOLVED, that the IOGCC will continue the efforts identified by the Petroleum Professionals Blue Ribbon Task Force and in *Employment Growth: Oil Industry Focus* to include:

Developing strategies to further the recommendations of the Blue Ribbon Task Force;

Supporting proposals to address the blue collar job needs of the domestic oil and gas industry; and

Encouraging the President and administration to work with the IOGCC in identifying and adopting solutions to the identified Human Resources problems.

04.103 Approved October 19, 2004

06.103 Approved for Reauthorization, Business Session, October 17, 2006, Austin, Texas

08.114 Reauthorized and Approved, Business Session, November 18, 2008, Santa Fe, New Mexico

10.114 Reauthorized, Business Session, November 17, 2010, Tucson, Arizona



RESOLUTION 10.114 ACTION PLAN

Identifying and Promoting Energy Human Resources Needs

1. Send the resolution and a copy of Petroleum Professionals Blue Ribbon Task Force report and Employment Growth: Oil Industry Focus to the President, Vice President, appropriate Cabinet Secretaries.
2. Send copies of the resolution to Congressional leaders and testify before Congressional committees, as appropriate.
3. Send copies of the updated Petroleum Professionals Blue Ribbon Task Force report and Employment Growth: Oil Industry Focus along with this resolution to state and national industry trade associations and all IOGCC Governors and Official Representatives, urging them to collaborate with the states on Human Resources issues.

04.103 Approved October 19, 2004

06.103 Approved for Reauthorization, Business Session, October 17, 2006, Austin, Texas

08.114 Reauthorized and Approved, Business Session, November 18, 2008, Santa Fe, New Mexico

10.114 Reauthorized, Business Session, November 17, 2010, Tucson, Arizona



RESOLUTION 10.115

Renewed Support Of A Congressional Appropriation for Geological and Geophysical Data Preservation under Provisions of the Energy Policy Act of 2005

WHEREAS, geological and geophysical data, such as rock cores, cuttings, samples, geophysical well logs, seismic records and other data, provide the basic framework information necessary to discover and develop the oil and gas and other energy resources of the United States; and,

WHEREAS, geological and geophysical data are used extensively in domestic exploration and production activities to develop prospects and design development programs; understand geologic and engineering characteristics and conditions of hydrocarbon reservoir rocks, source rocks, and related strata; and for other applications and purposes, and;

WHEREAS, there is significant long term benefit to the Nation and the states in the preservation of these data, as well as in ensuring that they are accessible for examination and study in support of discovery and development of the United States' domestic oil and gas resources, thereby helping to ensure that American consumers have reliable and affordable supplies of oil and natural gas; and,

WHEREAS, nationwide, geological and geophysical data are in jeopardy owing to the general lack of adequate resources and facilities to catalog, document, archive, and make these important data available for use and study; and,

WHEREAS, most states, including the member states of the Interstate Oil and Gas Compact Commission (IOGCC), have state agencies or entities, such as state geological surveys, that serve, or potentially serve, as repositories for geological and geophysical data; and,

WHEREAS, the Energy Policy Act of 2005 authorizes an appropriation of \$30 million per year directed toward geological and geophysical data preservation by Federal government entities and the states; and,

WHEREAS, the Association of American State Geologists (AASG), along with other entities and organizations, is providing leadership in an effort to secure appropriations for the U.S. Congress to fund the Geological and Geophysical Data Preservation initiative at the authorized level; and,

WHEREAS, the IOGCC desires to express its strong support for the Geological and Geophysical Data Preservation initiative and to join the AASG and other entities and organizations in the effort to obtain Federal appropriations for this effort;

NOW, THEREFORE, BE IT RESOLVED, that the IOGCC urges the Congress of the United States of America to appropriate funds to support the Geological and Geophysical Data Preservation initiative at its authorized level;



BE IT FURTHER RESOLVED, that the IOGCC will support and assist the AASG and others in efforts to promote the Geological and Geophysical Data Preservation initiative and secure Congressional appropriations to fund the program.



RESOLUTION 10.115 ACTION PLAN

Renewed Support Of A Congressional Appropriation for Geological and Geophysical Data Preservation under Provisions of the Energy Policy Act of 2005

1. Send copies of the resolution to all IOGCC governors and official representatives, including all directors of member state oil and gas regulatory agencies.
2. Send copies of the resolution to the president, the vice president, the United States Geological Survey Director and other key administration officials.
3. Send copies of the resolution to key Congressional leaders, including members of the Senate Appropriations Committee, member of the Interior Appropriations Subcommittee, members of the Senate Interior Appropriations Subcommittee, members of the House Appropriations Committee, members of the House Interior Appropriations Subcommittee, members of the House Interior Subcommittee, members of the Senate Energy and Natural Resources Committee, members of the House Resources Committee.
4. Send copies of the resolution to state and national industry associations.
5. Monitor appropriation progress and keep the states involved and informed.