



STATE OF NORTH CAROLINA  
OFFICE OF THE GOVERNOR

PAT McCRORY  
GOVERNOR

March 30, 2015

The Honorable Sally Jewell  
Secretary  
U.S. Department of the Interior  
1849 C Street, NW  
Washington, DC 20240

**RE: Draft Proposed 2017-2022 Outer Continental Shelf Oil & Gas Leasing Program**

Dear Secretary Jewell:

On behalf of the citizens of North Carolina, I appreciate the opportunity to submit comments on the Draft Proposed 2017-2022 Outer Continental Shelf (OCS) Oil & Gas Leasing Program (DPP). I appreciate your decision to consider the North Carolina OCS for offshore leasing in Proposed Sale 260. Harnessing our offshore energy reserves in an expeditious, environmentally safe and responsible manner will lead to greater independence and economic prosperity for the citizens of North Carolina and the nation. The Bureau of Ocean Energy Management (BOEM) estimates the mid-Atlantic OCS planning area holds approximately 2.4 billion technically recoverable barrels of oil and 23.4 trillion technically recoverable cubic feet of natural gas. Advanced drilling techniques, marine well containment and spill response combined with greater regulatory oversight have made access to the hydrocarbon reserves in the Atlantic OCS safe, attainable and economical.

When I took office in January 2013, North Carolina had the fifth highest unemployment rate in the nation. Today, it is the 23<sup>rd</sup> lowest due to the nearly 200,000 new jobs created by North Carolina's innovative private sector. Opening up the waters off of our coast to energy development will spur new high-paying jobs and lower the employment rate even further. A recent study shows that by 2035, new access to offshore energy resources could generate more than 55,000 jobs and \$3 billion in annual spending within North Carolina.

I do not believe offshore oil and gas can be developed responsibly without coastal energy states receiving a share of the revenues. Revenue sharing is necessary to effectively develop our onshore infrastructure, regulatory programs, ports and inlets; support the influx of new industry and workforce; and to fund vital coastal conservation and beach preservation efforts. With equitable revenue sharing in place, our state and coastal communities could receive almost \$4 billion in combined public revenue over an 18-year period while more than \$6 billion would be added to the federal treasury from North Carolina OCS activity. Your support of revenue sharing legislation would help provide critical public budget infusions without taxpayer dollars.

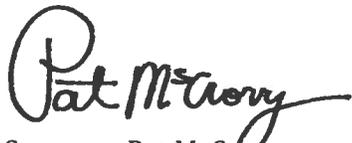
I urge you to reduce the proposed coastal buffer zone off the North Carolina coast from 50 to 30 miles and postpone the establishment of any additional buffer areas when the Final Program is issued. While I appreciate the reasoning behind the 50-mile buffer, North Carolina's coastal and ocean activities would be undisturbed and the viewshed from any of our 320 miles of ocean beaches and shoreline would remain unobstructed with a buffer reduction to 30 miles.

Development of the OCS energy resources can occur with nominal impact to existing and anticipated coastal activities and marine environments. Over the next few years, new geophysical and geological information will help pinpoint the most promising oil and gas resource areas offshore North Carolina while the environmental impact statement will identify possible impacts of the resource development on the other uses of the sea and seabed, including fisheries, navigation, existing or proposed sealanes, potential sites of deepwater ports, and other anticipated uses. With a greater knowledge of the North Carolina OCS and the new safeguards put in place by the Bureau of Safety and Environmental Enforcement to prevent well blowouts and ensure adequate containment capabilities, the leasing areas can be established in a way that best provides access to the hydrocarbon reserves, preserves the coastal environment and mitigates use conflicts.

I support including the North Carolina OCS in the proposed Atlantic lease sale and request that you move the date of proposed sale to earlier in the Five-Year Program and add a second lease sale at the end of the program. Two lease sales are necessary to develop a new OCS area responsibly. Multiple lease sales provide additional incentive for Atlantic coastal states to invest in the infrastructure necessary to support the industry and the certainty for industry to invest resources to setup operations in the frontier area. Exploratory wells drilled in the first leased blocks can better define the extent of the hydrocarbon reserves and lead to further participation in the second lease sale.

In closing, I want to thank you for the opportunity to comment on the DPP and the BOEM's efforts to engage the citizens of North Carolina in this important process. I look forward to continuing this dialogue throughout the development of the leasing program. Please direct any questions to Donald R. van der Vaart, Secretary of the North Carolina Department of Environment and Natural Resources, at [donald.vandervaat@ncdenr.gov](mailto:donald.vandervaat@ncdenr.gov) or via telephone at 919-707-8625.

Sincerely,

A handwritten signature in black ink that reads "Pat McCrory". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.

Governor Pat McCrory  
State of North Carolina