**MEC Rule Development**
**Draft Date: 14 August 2013**

| Count | Cross-Ref to SL 2012-143 | Rule Heading | Status | Assignment |
|---|---|---|---|---|
| **1** | | **Purpose and Scope** | | Rules Committee |
| **2** | | **Terms of Reference and Definitions** | | Rules Committee |
| **3** | | **Administrative** -General Provisions | | Rules Committee |
| 4 | 113-391(a)(5)k, 113-391(b), 113-392(c) | Notice and Hearings | Research is underway, looking at current NC rules and rules from other states. | Rules Committee |
| 5 | | Appeals | Research is underway, looking at current NC rules and rules from other states. | Rules Committee |
| 6 | 113-391(b) | Inspections | Research is underway, looking at current NC rules and rules from other states. | Rules Committee |
| 7 | 113-191 (a4), 113-410(c) | Enforcement | Research is underway, looking at current NC rules and rules from other states. | Rules Committee |
| 8 | 113-410(a), 143B-293.6 | Violations | Research is underway, looking at current NC rules and rules from other states. | Rules Committee |
| 9 | 113-410, 113-425(c), 143B-293.6 | Penalties | Research is underway, looking at current NC rules and rules from other states. | Rules Committee |
| 10 | 130A-29 Section 2(j) | Severance Taxes and Impact Fees | Being Studied by Funding Study Group and staff | Statutory Change or Rules Committee |
| 11 | 113-391(b1), 113-391(a)(5)h | Trade Secret Protection | Being Studied by Trade Secret Study Group | Rules Committee |
| 12 | 113-391(b1), 113-391(a)(5)h | Trade Secret Challenge | Being Studied by Trade Secret Study Group | Rules Committee |
| 13 | 113-391(a)(7), 113-391(a)(5)k | Record Keeping & Reporting | | Rules Committee |
| **14** | 113-391(a), 113-391(a)(5)l, 113-391(d) | **Safety** -General Provisions | Also assigned to DOL | Admin of Oil & Gas |
| 15 | | High Density Areas | | Admin of Oil & Gas |
| 16 | | Statewide Controls | | Admin of Oil & Gas |
| 17 | | Marking of Wells and Pipelines | | Admin of Oil & Gas |
| 18 | 113-391(a)(9) | Oil and Gas Facilities | | Admin of Oil & Gas |
| 19 | | Corrosion Control | | Admin of Oil & Gas |
| 20 | | Fire Prevention and Protection | | Admin of Oil & Gas |
| 21 | 113-391(a)(5)k, 113-391(a)(7) | Record Keeping and Reporting | | Admin of Oil & Gas |

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| **22** | 113-391(a)(4) | **Environmental Testing** -General Provisions | Draft Complete- Await Rules Cmte Rvw | Env. Standards |
| 23 | 113-423(f), 113-391(a)(5)b, 113-391(a)(4) | Baseline Sampling and Testing- Ground & Surface Water | Draft Complete- Await Rules Cmte Rvw | Env. Standards |
| 24 | 113-423(f), 113-391(a)(5)b, 113-391(a)(4) | Baseline Sampling of Air Quality | Likely Cross-Reference to DAQ Rules | Env. Standards |
| 25 | 113-391(a)(1) | Baseline of Seismic Activity | Refers to geophysical exploration work. Should be removed. | Env. Standards |
| 26 | 113-391(a)(1) (implied), 113-391(a)(5)k | Baseline Sampling Report | Draft Complete- Await Rules Cmte Rvw | Env. Standards |
| 27 | 113-413(f) | Subsequent Water Testing | Draft Complete- Await Rules Cmte Rvw | Env. Standards |
| 28 | 113-391(a)(5)b | Subsequent Air Quality Testing | Likely Cross-Reference to DAQ Rules | Env. Standards |
| 29 | 113-391(a)(5)b | Reporting of Other Environmental Assessments | Draft Complete- Await Rules Cmte Rvw | Env. Standards |
| 30 | 113-391(a)(7), 113-391(a)(5)k | Record Keeping & Reporting | Draft Complete- Await Rules Cmte Rvw | Env. Standards |
| **31** | 113-391(a)(5)a, 113-410(a) | **Permitting** -General Provisions | Being Studied by Coordinated Permitting Study Group | Admin of Oil & Gas |
| 32 | 113-391(a)(5)a, 113-410(a), 113-395 | Permitting Requirements and Fees | Being Studied by Coordinated Permitting Study Group | Admin of Oil & Gas |
| 33 | 113-391(5)(i) | Emergency Response Plans | | Admin of Oil & Gas |
| 34 | 113-391(a)(1)<br>* Already required in 15A NCAC 05C | Permit for Geophysical Surveys (Pre-Drilling) | In Research by Staff | Admin of Oil & Gas |
| **35** | | **Comprehensive Drilling Plan** -General Provisions | Should be merged with Coordinated Permitting | Admin of Oil & Gas |
| 36 | 113-391(a)(1), 113-391(a)(5) | Pre-Drilling Survey Report | In Research by Staff | Admin of Oil & Gas |
| 37 | | Identification of Wildlife Species and Habitats | Part of coordinated permitting | Env. Standards |
| 38 | | General Operating Requirements in Wildlife Habitats or Other Protected Areas | Part of coordinated permitting | Env. Standards |
| 39 | | Consultation | Part of coordinated permitting | Env. Standards |
| **40** | 113-391(a)(5)l | **Bonding** -General Provisions | Being Studied by Funding Needs and Sources Study Group | Admin of Oil & Gas with input from Funding Levels Study |

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| | | | | Group |
| 41 | 113-391(a)(5)l | Well Construction Bonding | Being Studied by Funding Needs and Sources Study Group | Admin of Oil & Gas with input from Funding Levels Study Group |
| 42 | 113-391(a)(5)l | Well Plugging and Abandonment Bonding | Being Studied by Funding Needs and Sources Study Group | Admin of Oil & Gas with input from Funding Levels Study Group |
| 43 | 113-391(a)(5)l | Reclamation Bonding | Being Studied by Funding Needs and Sources Study Group | Admin of Oil & Gas with input from Funding Levels Study Group |
| 44 | * Bonding not required, but surface owner protection is in 113-421(a1). | Surface Owner Protection Bonding | Being Studied by Funding Needs and Sources Study Group | Admin of Oil & Gas with input from Funding Levels Study Group |
| 45 | 113-391(a)(7), 113-391(a)(5)k | Reporting Procedures | Being Studied by Funding Needs and Sources Study Group | Admin of Oil & Gas with input from Funding Levels Study Group |
| **46** | 113-391(a)12, 113-393, 113-392, 143B-293.1(b) | **Drilling Units** -General Provisions | **(Note- Moving 46-49 Up in Priority for completion)** | Admin of Oil & Gas |
| 47 | 130A-29, Section 2(l) | Pooling | Being Studied by Compulsory Pooling Study Group | Admin of Oil & Gas (input from Compulsory Pooling SG) |
| 48 | 130A-29, Section 2(l) | Unitization or Unit Operations | Being Studied by Compulsory Pooling Study Group | Admin of Oil & Gas (input from Compulsory Pooling SG) |
| 49 | 113-393, 143B-291(b), 113-391(a)(12), 113-392, 143B-293.1(b) | Restricted Drilling Units | | Admin of Oil & Gas |
| 50 | 143B-293.1(b), 113-391(a)(12) | Well Spacing | | Admin of Oil & Gas |
| **51** | 113-391(a)(5)c | **Well Construction** -General Provisions | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 52 | 113-391(a)(5)d | Setback Distances | Research completed, drafting underway by staff. | Admin of Oil & Gas |

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|---|---|---|---|---|
| 53 | 113-391(a)(5)c, 113-391(a)(5)f, 113-391(a)(5)g, 113-391(a)(5)h, 113-391(a)(3) | Drilling Fluids and Additives | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 54 | 113-391(a)(5)c | Casing and Equipment Requirements | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 55 | 113-391(a)(5)c | Cement Standards | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 56 | 113-391(a)(5)c | Well Installation | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 57 | 113-391(a)(5) | Well Stimulation and Enhanced Recovery | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 58 | 113-391(a)(5) | Well Stimulation, Chemical Treatment, and Enhanced Recovery | | Admin of Oil & Gas |
| 59 | 113-391(a)(5)k | Hydraulic Fracturing Completion Report | | Admin of Oil & Gas |
| 60 | | Hydraulic Fracturing – Vendor Approval Report | Suggest the list be maintained through the Secretary of State's Office as a registered business. | Admin of Oil & Gas |
| 61 | 113-391(a)(5)c, 113-391(a)(5)d, 113-391(a)(5)i | Wellhead Requirements | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 62 | 113-391(a)(5)i, 113-391(a)(8) | Well Control and Blowout Prevention | Completed Rules Committee-Await MEC | Admin of Oil & Gas |
| 63 | | Well Maintenance | Will probably be included with rules regarding production and inspections. | Admin of Oil & Gas |
| 64 | 113-391(a)(7), 113-391(a)(5)k | Drilling Completion Report | Suggest merging with "Well Completion Reports and Maps" | Admin of Oil & Gas |
| 65 | 113-391(a)(7), 113-391(a)(5)k | Well Completion Report and Maps | | Admin of Oil & Gas |
| 66 | 113-391(a)(6) | Land Owner Request for Survey | *Possible Deletion* | Admin of Oil & Gas |
| 67 | 113-391(a)(7), 113-391(b1) | Filing of Drilling Logs | Suggest merging with "Well Completion Reports and Maps" | Admin of Oil & Gas |
| 68 | 113-391(a)(2) | Plugging and Abandonment (Re-titled as "Permanent Well Closure Requirements" and "Temporary Well Closure Requirements.") | Staff research completed, drafting underway. | Admin of Oil & Gas |
| 69 | 113-391(a)(5)k | Well Plugging & Abandonment Report | Staff research completed, drafting underway. | Admin of Oil & Gas |
| 70 | 113-394, 143-293.1(b) | Limitation of Production and Allocation | *Possible Deletion?* | Admin of Oil & Gas |

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|---|---|---|---|---|
| 71 | 113-391(a)(5)k | Production Report | | Admin of Oil & Gas |
| 72 | 113-391(a)(5)k | Specific Notifications | | Admin of Oil & Gas |
| 73 | 113-391(a)(5)k | Record Keeping & Reporting | | Admin of Oil & Gas |
| **74** | 113-391(a)(5)(e), 113-391(a)(11) | **Water Use** -General Provisions | **MEC Completed** | Water & Waste |
| 75 | 113-391(a)(5)(e) | Water Management Plan | **MEC Completed** | Water & Waste |
| 76 | 113-391(a)(5)(e), 113-391(a)(5)k | Water Source Documentation | **MEC Completed** | Water & Waste |
| 77 | 113-391(a)(5)(e) | Alternative Water Sources | **MEC Completed** | Water & Waste |
| 78 | 113-391(a)(5)(e) | Transport of Water From Off-Site Sources | Will be addressed with site construction standards. | Water & Waste |
| 79 | 113-391(a)(5)(e) | On-Site Storage of Water | Will be addressed with site construction standards. | Water & Waste |
| 80 | 113-391(a)(5)k, 113-391(a)(5)(e) | Monitoring and Reporting | **MEC Completed** | Water & Waste |
| 81 | 113-391(a)(5)k, 113-391(a)(5)(e) | Annual Water Usage Report | **MEC Completed** | Water & Waste |
| 82 | 113-391(a)(5)k, 113-391(a)(5)(e) | Record Keeping & Reporting | **MEC Completed** | Water & Waste |
| **83** | 113-391(a)(5)(e), 113-391(a)(5)(f) | **Waste** -General Provisions | Drafted for Committee Review | Water & Waste |
| 84 | | Management of Non-E&P Waste | Drafted for Committee Review | Water & Waste |
| 85 | | Venting and Flaring of Natural Gas | To Be Addressed Later after EPA Finalizes Rule | Water & Waste |
| 86 | 113-391(a)(5)(e), 113-391(a)(5)(f) | On-Site Storage of Waste | Drafted for Committee Review | Water & Waste |
| 87 | 113-391(a)(5)(c), 113-391(a)(5)(d) | Pits | Drafted for Committee Review | Admin of Oil & Gas |
| 88 | 113-391(a)(5)k, 113-391(a)(5)(a) | Pit Permitting/Reporting Requirements | Drafted for Committee Review | Admin of Oil & Gas |
| 89 | 113-391(a)(5)(c), 113-391(a)(5)(d) | Pit Lining Requirements & Specifications | Drafted for Committee Review | Admin of Oil & Gas |
| 90 | 113-391(a)(5)(c), 113-391(a)(5)(d) | Closure of Pits and Buried or Partially Buried Produced Water Vessels | Drafted for Committee Review | Water & Waste |
| 91 | 113-391(a)(5)k | Pit Closure Report | Drafted for Committee Review | Admin of Oil & Gas |
| 92 | 113-391(a)(5)(e), 113-391(a)(5)(f) | On-Site Treatment of Waste | Drafted for Committee Review | Water & Waste |
| 93 | 113-391(a)(5)(f) | On-Site Disposal of Waste | Drafted for Committee Review | Water & Waste |
| 94 | 113-391(a)(5)(f) | Centralized E&P Waste Management Facilities | Drafted for Committee Review | Water & Waste |
| 95 | 113-391(a)(5)(f) | Off-Site Treatment and Disposal | Drafted for Committee Review | Water & Waste |
| 96 | 113-391(a)(5)(f) | Waste Transportation | Drafted for Committee Review | Water & Waste |
| 97 | 113-391(a)(5)(i) | Spills and Releases | Drafted for Committee Review, further research occurring. | Water & Waste |
| 98 | 113-391(a)(5)k, 113-391(a)(5)(i) | Spill & Release Report | Drafted for Committee Review, | Water & Waste |

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| | | | further research occurring. | |
| 99 | 113-421(a3), 113-391(a)(5)(a), 113-391(a)(5)(l) | Site Investigation, Remediation and Closure | Research Complete- Awaiting Water & Waste Mgt Review | Water & Waste |
| 100 | 113-391(a)(5)k | Record Keeping & Reporting | Drafted for Committee Review | Water & Waste |
| **101** | 113-391(a)(5)(h), 113-391(b1) | **Chemical Disclosure** -General Provisions | Completed Draft- Pending MEC Review | Env. Standards |
| 102 | 113-391(a)(5)(h), 113-391(b1) | Required Disclosures | Completed Draft- Pending MEC Review | Env. Standards |
| 103 | | Disclosure to Health Professionals | Completed Draft- Pending MEC Review | Env. Standards |
| 104 | 113-391(a)(5)k | Record Keeping & Reporting | Completed Draft- Pending MEC Review | Env. Standards |
| 105 | 113-391(a)(5)(g) | Prohibited Chemicals | MEC Completed | Env. Standards |
| **106** | 130A-29 Section 2(k) – requires that these matters be studied. | **Aesthetics and Noise Control** -General Provisions | Being Studied by Local Govt Study Group | Env. Standards |
| 107 | 130A-29 Section 2(k) – requires that this matter be studied. | Noise Abatement | Being Studied by Local Govt Study Group | Env. Standards |
| 108 | 130A-29 Section 2(k) – requires that this matter be studied. | Lighting | Being Studied by Local Govt Study Group | Env. Standards |
| 109 | | Visual Impact Mitigation | Being Studied by Local Govt Study Group | Env. Standards |
| 110 | | Odors and Dust | Being Studied by Local Govt Study Group- May fall under DENR's DAQ Standards | Env. Standards |
| 111 | 113-391(a)(5)(d) | Site Maintenance and Security | Being addressed within the wellhead rules and the pit standards rules. | Admin of Oil & Gas |
| 112 | 113-391(a)(5)(k) | Record Keeping & Reporting | Should be addressed as part of the production and inspection rules. | Env. Standards |
| 113 | | Erosion Control and Sedimentation Mitigation | Possible cross-reference to EMC Rules | Env. Standards |
| 114 | 113-391(a)(5)(c) | **Site Infrastructure** -General Provisions | Partially being addressed under the setback rules. Other parts will be addressed under construction standards. | Admin of Oil & Gas |
| 115 | 113-391(a)(5)(c) | Storage Pit Standards | Drafted- Pending Rules Committee Review | Admin of Oil & Gas |

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|---|---|---|---|---|
| 116 | 113-391(a)(5)(c) | Tank Standards | Drafted- Pending Rules Committee Review | Admin of Oil & Gas |
| 117 | | Gathering and Distribution Line Standards | May need to address under Statutory Change | Admin of Oil & Gas |
| 118 | 113-391(a)(5)(d) | Infrastructure Setbacks and Buffers | Partially being addressed under the setback rules. | Admin of Oil & Gas |
| **119** | | **Production** -General Provisions | | Admin of Oil & Gas |
| 120 | 113-391(a2)(1), 143B-293.1(b) | Gas-Oil Ratios | Optional | Admin of Oil & Gas |
| 121 | 113-394, 113-391(a2)(2) | Production Limitations | Optional | Admin of Oil & Gas |
| 122 | 113-391(a2)(2) | Prevention of Fossil Fuel Waste | Optional | Admin of Oil & Gas |
| 123 | 113-391(a)(5)(k) | Record Keeping and Reporting | Optional | Admin of Oil & Gas |
| **124** | 113-421(a2), 113-391(a)(5)(l) | **Reclamation** -General Provisions | | Admin of Oil & Gas |
| 125 | 113-391(a)(5)(i), 113-391(a3): EMC | Site Preparation and Stabilization | Maybe move into the site construction standards rule set. | Admin of Oil & Gas |
| 126 | 113-391(a)(5)(l) | Interim Reclamation | Maybe move into the site construction standards rule set. | Admin of Oil & Gas |
| 127 | 113-391(a)(5)(l), 113-421(a2) | Final Reclamation of Well Sites and Production Facilities | Maybe move into the site construction standards rule set. | Admin of Oil & Gas |
| 128 | 113-391(a)(5)(k) | Interim/Final Reclamation Report | | Admin of Oil & Gas |
| 129 | ~~113-391(a)(5)(k)~~ | ~~Site Maintenance and Security Report~~ | Should be addressed as part of the production and inspection rules (item #112). | Admin of Oil & Gas |
| 130 | ~~113-391(a)(5)(k)~~ | ~~Record Keeping & Reporting~~ | Should be addressed as part of the production and inspection rules (item #112). | ~~Admin of Oil & Gas~~ |
| 131 | | Variance | **Completed Rules Committee- Await MEC** | Admin of Oil & Gas |

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|---|
| **Research and/or drafting still being done** |
| **At or near completion from MEC** |
| **Major challenge(s) exist(s) impeding progress** |