

#	Rules as required by S820
#	<i>Rules described as optional in S820</i>

Full Mining and Energy Commission

14	Measures to mitigate impacts on infrastructure, including damage to roads by truck traffic and heavy equipment, in areas where oil and gas exploration and development activities that use horizontal drilling and hydraulic fracturing technologies are proposed to occur.
16	Proper well closure, site reclamation, post-closure monitoring, and financial assurance. Rules for financial assurance shall require that an oil or gas developer or operator establish financial assurance that will ensure that sufficient funds are available for well closure, post-closure maintenance and monitoring, any corrective action that the Department may require, and to satisfy any potential liability for sudden and nonsudden accidental occurrences, and subsequent costs incurred by the Department in response to an incident involving a drilling operation, even if the developer or operator becomes insolvent or ceases to reside, be incorporated, do business, or maintain assets in the State.
25	Any other matter the Commission deems necessary for implementation of a modern regulatory program for the management of oil and gas exploration and development in the State and the use of horizontal drilling and hydraulic fracturing for that purpose.

Broad Categories that Apply to Full Commission and Committees

3	Prevention of pollution of water supplies by oil, gas, or other fluids used in oil and gas exploration and development
4	Protection of the quality of the water, air, soil, or any other environmental resource against injury or damage or impairment

Environmental Standards Committee

5	Information and data to be submitted in association with applications for permits to conduct oil and gas exploration and development activities using horizontal drilling and hydraulic fracturing treatments, which may include submission of hydrogeological investigations and identification of mechanisms to prevent and diagnose sources of groundwater contamination in the area of drilling sites. In formulating these requirements, the Commission shall consider (i) how North Carolina's geology differs from other states where oil and gas exploration and development activities using horizontal drilling and hydraulic fracturing are common and (ii) the routes of possible groundwater contamination resulting from these activities and the potential role of vertical geological structures such as dikes or faults as conduits for groundwater contamination
6	Collection of baseline data, including groundwater, surface water and air quality in areas where oil and gas exploration and development activities are proposed. With regard to rules applicable to baseline data for groundwater and surface water, the Commission shall adopt rules that, at a minimum, establish standards to satisfy the pre-drilling testing requirement established under G.S. 113-421(a), including contaminants for which an operator or developer must test and necessary qualifications for persons conducting such tests.
7	Appropriate construction standards for oil and gas wells, which shall address the additional pressures of horizontal drilling and hydraulic fracturing treatments. These rules, at a minimum, shall include standards for casing and cementing sufficient to handle highly pressurized injection of hydraulic fracturing fluids into a well for purposes of fracturing bedrock and extraction of gas, and construction standards for other gas production infrastructure, such as storage pits and tanks.
8	Appropriate siting standards for wells and other gas production infrastructure, such as storage pits and tanks, including appropriate setback requirements and identification of areas, such as floodplains, where oil and gas exploration and production activities should be prohibited. Siting standards adopted shall be consistent with any applicable water quality standards adopted by the EMC or by local governments pursuant to water quality statutes, including standards for development in water supply watersheds.
11	Prohibitions on use of certain chemicals and constituents in hydraulic fracturing fluids, particularly diesel fuel.
12	Disclosure of chemicals and constituents used in oil and gas exploration, drilling, and production, including hydraulic fracturing fluids, to State regulatory agencies and to local government emergency response officials, and, with the exception of those items constituting trade secrets, as defined in G.S. 66-152(3), and that are designated as confidential or as a trade secret under G.S. 132-1.2, requirements for disclosure of those chemicals and constituents to the public.
21	To regulate the "shooting," perforating, and chemical treatment of wells.
22	To regulate secondary recovery methods, including the introduction of gas, air, water, or other substances into producing formations.
24	To regulate and, if necessary in its judgment for the protection of unique environmental values, to prohibit the location of wells in the interest of protecting the quality of the water, air, soil, or any other environmental resource against injury, damage, or impairment.

Water and Waste Management Committee

9	Limits on water use, including, but not limited to, a requirements that oil and gas operators prepare and have a water and wastewater management plan approved by the Department, which, among other things, limits water withdrawals during times of drought and periods of low flows. Rules adopted shall be (i) developed in light of water supply in the areas of proposed activity, competing water uses in those areas, and expected environmental impacts from such water withdrawals and (ii) consistent with statutes, and rules adopted by the EMC pursuant to those statutes, which govern water quality and management of water resources, including, but not limited to, statutes and rules applicable to water withdrawal registration, interbasin transfer requirements, and water quality standards related to wastewater discharges.
10	Management of wastes produced in connection with oil and gas exploration and development and use of horizontal drilling and hydraulic fracturing treatments for that purpose. Such rules shall address storage, transportation, and disposal of wastes that may contain radioactive materials or wastes that may be toxic or have other hazardous wastes' characteristics that are not otherwise regulated as a hazardous waste by RCRA, such as top-hope water, brines, drilling fluids, additives, drilling muds, stimulation fluids, well servicing fluids, oil, production fluids, and drill cuttings from the drilling, alteration, production, plugging, or other activity associated with oil and gas wells. Wastes generated in connection with oil and gas exploration and development and use of horizontal drilling and hydraulic fracturing ffor that purpose that constitute hazardous waste under RCRA shall be subject to rules adopted by the Commission for Public Health to implement RCRA requirements in the State.
28	<i>To require, either generally or in or from particular areas, certificates of clearance or tenders in connection with the transportation of oil or gas.</i>
29	<i>To prevent, so far as is practicable, reasonably avoidable drainage from each developed unit which is not equalized by counter-drainage.</i>

Administration of Oil and Gas Operations Committee

1	Regulation of pre-drilling exploration activities, including seismic and other geophysical and stratigraphic surveys and testing
2	Regulation of drilling, operation, casing, plugging, completion, and abandonment of wells
13	i. Installation of appropriate safety devices and development of protocols for response to well blowouts, chemical spills, and other emergencies, including requirements for approved emergency response plans and certified personnel to implement these plans as needed.
15	Notice, record keeping and reporting.
17	To require surveys upon application of any owner who has reason to believe that a well has been unlawfully drilled by another person into land of the owner without permission. In the event such surveys are required, the costs thereof shall be borne by the owner making the request.
18	To require the making of reports showing the location of oil and gas wells and the filing of logs and drilling records.
19	To prevent "blowouts," "caving," and "seepage," as such terms are generally understood in the oil and gas industry.
20	To identify the ownership of all oil or gas wells, producing leases, refineries, tanks, plants, structures, and all storage and transportation equipment and facilities.
23	To regulate the spacing of wells and to establish drilling units.
26	<i>To require the operation of wells with efficient gas-oil ratios and to fix such ratios.</i>
27	<i>To limit and prorate the production of oil or gas, or both, from any pool or field for the prevention of waste as defined in this Article and rules adopted thereunder.</i>