## 1998 Resolutions Interstate Oil and Gas Compact Commission

- 1998 Spring Quarterly Meeting, Washington, D.C.
- 1998 Midyear Meeting, Overland Park, Kansas
- 1998 Fall Quarterly Meeting, Jackson Hole, Wyoming
- 1998 Annual Meeting, Salt Lake City, Utah

# IOGCC Resolutions 1998 Midyear Meeting, Overland Park, Kansas June 21-23, 1998

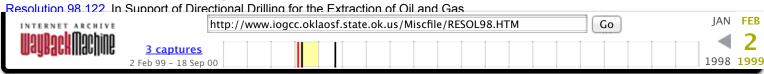
Resolution 98.601 Pertaining to Global Climate Change

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Resolution 98.121 Conservation of Marginal Oil and Gas Wells



#### Resolution 98.601 Pertaining to Global Climate Change

#### CORRECTED 7/7/98

Whereas, atmospheric concentrations of greenhouse gases are rising and are projected to continue to increase; and

Whereas, there is continuing scientific debate as to what the impact of increasing contributions of greenhouse gases would be on the climate; and

Whereas, the costs for stabilizing greenhouse gas emissions could be substantial and may be borne in large part by each state, as well as borne disproportionately by some states. Voluntary programs for petroleum industries, electric utilities and other emitters are already in place and should be given an opportunity to demonstrate their effectiveness; and

Whereas, the United States Government is participating in international negotiations on treaties and protocols for the mitigation of greenhouse gases; and

Whereas, President Clinton pledged on October 22, 1997, that "The United States will not assume binding obligations (in Kyoto) unless key developing nations meaningfully participate in this effort;" and

Whereas, the United States Senate adopted Senate Resolution No. 98 by a vote of 95-0, expressing the sense of the Senate that the United States should not be a signatory to any protocol which would mandate new commitments for the developed countries, unless the

protocol also mandates specific scheduled commitments for developing countries.

Now, Therefore Be It Resolved, that the Interstate Oil and Gas Compact Commission at its Midyear Meeting on June 23, 1998 in Overland Park, Kansas, urges the President, Congress, the U.S. Department of State, and other federal agencies to include the interests and seek the expertise of the states as part of any national debate regarding the relationship of greenhouse gases to global climate changes to ensure fully coordinated policies; and

Be It Further Resolved, that the Interstate Oil and Gas Compact Commission supports a full and vigorous discussion, including all stakeholders, and consideration of all alternatives regarding the mitigation of greenhouse gases, adoption of policies and other global climate change measures; and

Be It Further Resolved, that the Interstate Oil and Gas Compact Commission supports a coordinated research effort on the effects of human activities on the accumulation of greenhouse gases and their possible contribution to the impact on global climate change; and

Be It Further Resolved, that the Interstate Oil and Gas Compact Commission urges the President and the U.S. Department of State international negotiating team to proceed cautiously with regard to new aims and post-2000 commitments for greenhouse gas mitigation strategies. Of particular concern are mitigation strategies that place an undue cost burden on energy consumers of the states in an attempt to achieve agreements for globally applicable provisions that purport to significantly reduce the impacts of greenhouse gas emissions. In addition, any mitigation strategies which mandate specific scheduled commitments should apply equally in developing and developed countries; and

Be It Further Resolved, that the Interstate Oil and Gas Compact Commission calls upon the President of the United States not to sign or seek to attempt to use any protocol in advance of the Senate's ratification; and

Be It Further Resolved, that the Interstate Oil and Gas Compact Commission calls upon the United States Senate to not ratify any protocol which would result in serious harm to the economy in the United States.

June 1998

<u>UP</u>

#### Resolution 98.602 In Support of State Review Process and Calling for Immediate EPA Response

Whereas, the Interstate Oil and Gas Compact Commission is dedicated to assuring strong state regulation of all aspects of domestic oil and gas production including environmental impacts, and;

Whereas, the Interstate Oil and Gas Compact Commission has led the successful State Review program since 1991 and worked cooperatively with the U.S. Environmental Protection Agency (EPA) during the last year to modify the program to address stakeholder concerns, including canceling all 1997 reviews at the request of EPA, and;

Whereas, during the long process of EPA meetings and various IOGCC offers, the IOGCC has addressed these concerns as evidenced by the proposal unanimously approved at the March Quarterly Meeting in Washington, D.C., and;

Whereas, the IOGCC has committed to giving the State Review process the highest of priorities by establishing a Standing Committee to focus on the issue -- the new IOGCC State Review Committee, and;

Whereas, the proposal was forwarded to the EPA by the IOGCC vice chairman on March 23, 1998 and has yet to be acknowledged or responded to by the EPA;

Now, Therefore, Be It Resolved, by the Interstate Oil and Gas Compact Commission at its Midyear Meeting, June 23, 1998, in Overland Park, Kansas, that the Environmental Protection Agency be urged to give the IOGCC a prompt response to our March proposal, which was very similar to proposals being discussed for some months prior;

And Be It Further Resolved, that the EPA be urged to immediately reinstate supportive funding for the State Review process so that the reviews can proceed without further delay.

June 1998

<u>UP</u>

#### Resolution 98.608 Pertaining to a National Crisis in Crude Oil Production

Whereas, the 29 member and 7 associate member states of the Interstate Oil and Gas Compact Commission provide crude oil for this country's energy needs while encouraging conservation, preventing waste, protecting correlative rights and protecting the environment; and

Whereas, the current precipitous decline in crude oil prices contributes to the continuing decay of the oil and gas infrastructure and the premature economic abandonment of marginal wells; and

Whereas, state sponsored incentive actions have been successful as evidenced by the 1998 report of the Interstate Oil and Gas Compact Commission on state incentives to maximize oil and gas recovery:

Now, Therefore, Be It Resolved, that the Interstate Oil and Gas Compact Commission, convened at its midyear meeting in Overland Park, Kansas, June 23, 1998, recommends that national, state and congressional political leadership take immediate corrective action to preserve and stimulate domestic crude oil production with tax incentives or other appropriate means.

June 1998

UP

#### Resolution 98.121 Conservation of Marginal Oil and Gas Wells

Whereas, the Interstate Oil and Gas Compact Commission (IOGCC) mission statement charges it with the duty to promote the conservation and efficient recovery of our domestic oil and natural gas resources, while protecting health, safety and the environment; and

Whereas, the IOGCC states have production from oil and gas wells considered to be economically marginal to produce; however, because of the significant number of these wells, they provide important economic benefits to the states and the nation; and

<u>Whereas</u>, the IOGCC has recognized the importance of its mission to conserve our nation's marginal oil and gas well production and the economic impact of this production as evidenced by its publication of an annual report on the status of marginal wells for over 50 years; and

<u>Whereas</u>, the public should be made aware of the important role marginal oil and gas production plays to help our nation avoid further reliance upon foreign oil and natural gas with the additional detrimental effect of adding to the nation's balance of payments problem.

**Now, Therefore, Be It Resolved**, that the Interstate Oil and Gas Compact Commission shall continue to publish and distribute an annual report and provide to the public important, authoritative information on the marginal oil and gas well production in the United States, together with credible information about the economic benefits of marginal oil and gas production to the states and the United States.

December 1998

<u>UP</u>

# RESOLUTION 98.122 In Support of Directional Drilling for the Extraction of Oil and Gas Beneath the Waters of the Great Lakes

<u>Whereas</u>, significant oil and gas reserves are known to underlie the waters of the Great Lakes, and additional reserves are inferred to underlie those waters; and

Whereas, extraction of oil and gas underlying the waters of the Great Lakes confers substantial benefits upon the citizens of the adjoining states and of the United States; and

<u>Whereas</u>, oil and gas underlying the waters of the Great Lakes can be extracted utilizing directional drilling from sites on adjacent uplands isolated from the Great Lakes shoreline; and

<u>Whereas</u>, the risk of contamination of the waters or bottomlands of the Great Lakes from a subsurface loss of oil, gas, or brine from the wellbore of a directional well is immeasurably small; and

<u>Whereas</u>, thousands of directional wells have been successfully drilled in the past thirty years, including at least 13 wells beneath the waters of the Great Lakes: and

<u>Whereas</u>, directional drilling is a proven, sound technology and should be promoted as a means to develop oil and gas resources which underlie environmentally-sensitive areas and to decrease disturbance of the surface by consolidating drilling locations; and

Whereas, the states strictly and effectively regulate oil and gas well drilling and production to minimize impacts on the environment and on other natural resources; and

<u>Whereas</u>, setback requirements and other appropriate protective measures are imposed by the states to provide proper and effective protection of the shoreline areas of the Great Lakes;

Now, Therefore, Be It Resolved, that the Interstate Oil and Gas Compact Commission hereby supports and approves of the extraction of oil and gas underlying the waters of the Great Lakes by means of directional drilling from upland sites, and opposes efforts to prohibit such extraction;

<u>And Be It Further Resolved</u>, that the states should retain the authority to regulate extraction of oil and gas from beneath the waters of the Great Lakes.

December 1998

**UP** 

### RESOLUTION 98.123 Concerning IOGCC Representation on the PTTC Board of Directors

<u>Whereas</u>, it is appropriate for the Interstate Oil and Gas Compact Commission (IOGCC) to be represented on the governing board of the Petroleum Technology Transfer Council (PTTC); and

Whereas, the bylaws of the Petroleum Technology Transfer Council permit such representation, and also permit alternate designations for a board member; and

<u>Whereas</u>, the matters presented and discussed at PTTC board meetings often involve technical matters requiring expertise and experience in the petroleum sciences; and

Whereas, it is desirable for the IOGCC to be represented at each board meeting,

**Now, Therefore, Be It Resolved That,** the IOGCC convened at its Annual Meeting in Salt Lake City, Utah, December 8, 1998, designates the Chairman of its Energy Resources, Research, and Technology (ERRT) Committee as the IOGCC representative on the Petroleum Technology Transfer Council board of directors and designates the vice-chairman of said committee as the alternate representative.

December 1998

<u>UP</u>

### RESOLUTION 98.124 Pertaining to a Heightening National Crisis in Crude Oil Production and Price Stability

<u>Whereas</u>, the 29 member and 7 associate member states of the Interstate Oil and Gas Compact Commission have the responsibility of providing crude oil for this country's energy needs while preventing waste and protecting correlative rights; and

<u>Whereas</u>, the national security of the United States of America is threatened by rapidly increasing volumes of imported crude oil which have caused precipitous drops in oil prices for domestic oil production within the producing states; and

<u>Whereas</u>, oil producers and producing states are experiencing sharp decreases in revenues due to the declining oil prices and the premature shutting in and abandonment of domestic oil wells, directly impacting schools, hospitals, roads, libraries, and many other vital programs and services across the United States; and

<u>Whereas</u>, the United States annual energy bill was \$71 billion in 1997 for petroleum imports, and the present flood of imported oil will continue to escalate; and

<u>Whereas</u>, employment in the U.S. oil and gas exploration and production industry continues to decrease from 708,000 in 1982 to 314,000 today: and

Whereas, in addition to the severe losses of revenues, production, oil reserves, and jobs, the oil and gas industry infrastructure is quickly disappearing and will no longer be available; and

<u>Whereas</u>, the oil and gas industry is affected much like steel, agriculture and other industries by wide market fluctuations, largely influenced by imports, which warrants treatment of the oil and gas industry similar to other domestic industries.

Now, Therefore, Be It Resolved That, the Interstate Oil and Gas Compact Commission, convened at its annual meeting in Salt Lake City, Utah, December 8, 1998, recognizes the seriousness of the current national crisis in domestic crude oil production and recommends that the following action be taken immediately to preserve this important segment of the economy.

The President of the United States, the Congress, and the Department of Energy should focus national attention on this precipitous decline in domestic oil prices and oil production.

The President of the United States and the Congress, in consultation with the states, adopt without delay the following measures:

- 1. Immediately authorize the Secretary of Energy to purchase \$420,000,000 of domestic crude oil, approved by the U.S. Senate for consideration in the 1999 Fiscal Year Budget, for storage in the U.S. Strategic Petroleum Reserve, and approve an emergency appropriation of funds for this purpose.
- 2. Immediately establish mechanisms that will enhance urgently needed market stability within the oil and gas industry through legislative and administrative means including immediate consultation with states' governors to help identify such mechanisms; implement recommendations of "A Dependent Nation: How Federal Oil and Gas Policy is Eroding America's Economic Independence," such as:
  - A. Determine costs to the American public of imported oil and gas; and provide mechanisms to increase U.S. producers ability to compete in a global energy market and to prevent the premature loss of marginal production;
  - B. Re-examine federal and state policies as they relate to oil and gas development in consideration of new incentives for exploration and production;
  - C. Urge the President to appoint, with the National Governors Association, a joint commission to evaluate the impact of oil imports to the nation's trade imbalance.
- 3. Immediately enact national legislation to provide tax fairness in the form of credits, incentives and deductions to stimulate investment in the domestic oil and gas industry; an industry that has to compete on a global basis.
- 4. Take immediate administrative and legislative actions to eliminate duplicative and unnecessary burdensome federal regulation of oil and gas exploration and production operations.

December 1998

<u>UP</u>

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