

We recognize that ongoing collaboration with regulators is vital to continually improve our safety and environmental performance. Local, state and federal government agencies set robust regulations for oil and natural gas activities. The type of activity dictates whether it is regulated by federal or state agencies. Oil and natural gas development activity on non-federal land is primarily regulated by the states. However, activity on federally owned land is primarily managed by the Bureau of Land Management, the Bureau of Indian Affairs and the U.S. Forest Service.

State Regulated Operations

A one-size-fits-all approach to regulation is not a viable option to ensure the highest level of safety and environmental protection. Regulation of oil and natural gas operations is best accomplished at the state level, where authorities are empowered to enforce safety and environmental protection. The state agencies that have regulated oil and natural gas operations for decades possess extensive knowledge of regional and local conditions and consider these variables in permitting and operations. State regulators also understand local geology, hydrology, topography and seasonal climate variation to ensure proper well construction, minimized environmental footprints, and safe operations. State regulators are nearby to conduct field inspections, oversee local operations, enforce existing regulations and target new regulations.

Federally Regulated Public Health, Safety and Environment

We comply with—and in many cases go beyond—all federal regulations. Many agencies are involved with federal regulations pertaining to oil and natural gas development, including the Environmental Protection Agency, the Bureau of Land Management, the U.S. Forest Service and the Department of the Interior. Many states have primacy agreements to administer federal regulations through programs that are at least as stringent as federal requirements. These state programs must be approved by the relevant federal agency. The following federal health, safety and environmental regulations apply to all oil and natural gas activities.

Clean Air Act	Regulation of air emissions from engines, processing equipment and other sources associated with drilling and production.
Clean Water Act	Regulation of produced water and storm water runoff from well sites, as well as facilities with a reasonable potential to discharge oil to navigable waters.
Endangered Species Act	Covers endangered or threatened species and their habitats.
Emergency Planning and Community Right-to-Know Act	Requires operators to report chemicals stored and used above certain quantities and to submit material safety data sheets to emergency responders.
Environmental Response, Compensation and Liability Act	Requires operators to report releases of certain chemicals in excess of established threshold levels.
Federal Land Policy and Management Act	Establishes guidelines for the management, protection, development and enhancement of public lands.
Mineral Leasing Act	Regulation of federal onshore oil and gas leasing.
National Environmental Policy Act	Provides guidelines for environmental analysis on federal lands and minerals and established the Council on Environmental Quality.
Occupational Safety and Health Act	Requires information disclosure about chemicals used at every site.
Safe Drinking Water Act	Sets standards for disposal of flowback and produced water through the underground injection control program.
Toxic Substances Control Act	Requires operators to report information on a chemical's production, use, exposure and risk.

Regulatory Collaboration and Oversight

We work with regulators directly and through established organizations to stimulate new ideas for reducing our environmental footprint and improving the safety of our operations. The following organizations, are structured to promote continuous improvement of operational and environmental performance, assess regulatory requirements and industry practices, and engage the public.

Ground Water Protection Council:

- ▶ Comprised of representatives from state groundwater regulatory agencies, industry and nongovernmental environmental organizations to promote the protection and conservation of groundwater resources for all beneficial uses.
- ▶ Provides a forum for state groundwater regulatory agencies to meet and discuss groundwater resource issues and policies.

Interstate Oil and Gas Compact Commission:

- ▶ Multi-state agency chartered by the governors of oil and natural gas producing states and run by the state regulatory agencies.
- ▶ Provides a platform for state regulators to advance prudent regulations that keep pace with the latest technologies and practices being applied in the industry.

State Review of Oil and Natural Gas Environmental Regulations

- ▶ Developed in collaboration with the Environmental Protection Agency, Department of Energy and Interstate Oil and Gas Compact Commission to review and critique state oil and natural gas regulatory programs.
- ▶ Provides impartial reviews and credible recommendations through broad-based participation from state and federal regulators, industry and public interest groups.