

Department of Mines, Minerals, & Energy
Division of Gas & Oil
2008 -2009 Regulatory Advisory Panel

MINUTES OF NOVEMBER 19, 2008 MEETING

Location: Southwest Virginia Higher Education Center, Abingdon, Virginia

Advisory Panel Members Present:

Dr. Charles Bartlett Jr., Mr. Jim Bunn, Mr. Tom Collins, Mr. Jerry Grantham (Panel Chairman), Mr. Les Arrington, Mr. Mark Kinder, Mr. Dallas Sizemore, Mrs. Joyce Street, and Mr. Rick Waddell.

DMME representatives: Mr. David Spears, Mr. David Asbury, Mr. Mark Deering, and Ms. Tabitha Peace

Members of the public: Mrs. Lydia Sinemus, and Ms. Catherine Jewell

David E. Asbury Jr., Director, Division of Gas and Oil called the meeting to order at 9:00 am.

Mr. Asbury introduced the Regulatory Advisory Panel members, DMME representatives and presented information regarding the state of Virginia's Gas and Oil permitting and production for year-end 2007 and estimates for the 2008 year. Virginia's gas production grew to more than 112 BCF in 2007 and is estimated to surpass 125 BCF for 2008.

Mr. David Spears and Ms. Tabitha Peace thanked the panel members for their voluntary participation on the advisory panel and lead a discussion of the regulatory update process including the steps through Virginia's General Assembly.

Mr. Jerry Grantham, 2009 President of the Virginia Oil and Gas Association (VOGA), was invited to give his organization's state of the industry presentation to the full panel. Virginia's gas businesses are solid and poised for continued growth. Virginia's gas producers are hopeful of playing a major role in the nation's drive to energy independence.

The panel members discussed the choices for a Chairman. After deliberations, the panel chose Jerry Grantham to lead its efforts.

The panel discussion format going forward will be to address each section of 4 VAC 25-150 beginning today at 4 VAC 25-10 (definitions) and progressing through 4 VAC 25 – 150.

Where consensus by the panel could not be reached, Chairman Grantham assigned action items to a smaller focus group that included individuals with opposing positions. The panel stepped through each section carefully and made the following “action item” assignments to panel members:

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1. 4 VAC 25-150-10 Redefine the new definition “active mine” (Assigned to Rick Waddell, Jerry Grantham, Jim Bunn, and Mark Kinder)
2. Suggest to the Virginia Gas & Oil Board a new definition for “petitioner” and “applicant”.
3. 4 VAC 25-150-10 Redefine “red zone” (Assigned to Les Arrington, Jerry Grantham)
4. 4 VAC 25-150-90 A. Develop new language to cover all kinds of spacing to be shown on the plats. (Assigned to DGO and Mark Kinder)
5. 4 VAC 25-90 B Changes tabled for further discussion at the December meeting.
6. 4 VAC 25-150-90 D.4. Symbols should be checked to confirm that the symbol shown as the FDGC standard is correct. (Assigned to Jerry Grantham)
7. 4 VAC 25-150-120 B Determine a new application fee for Transfer of Permit Rights. (Chairman will initiate discussion among board members and panel assignment)
8. 4 VAC 150-150 B Decide if the requirements for mailings of director’s decision should be modified (Tom Collins)

The advisory panel completed their review of regulations through 4 VAC 25-150-170.

Chairman Grantham adjourned the meeting at 4:30 pm.