



2011 | WINNING
PROJECTS

CHAIRMAN'S
STEWARDSHIP
AWARDS



ABOUT THE AWARD

Since its inception more than 75 years ago, the IOGCC has voiced the need for sound oil and natural gas environmental policy. Many organizations have gone far beyond the basic mandates of law and regulation to protect and enhance our nation's natural resources. The Chairman's Stewardship Awards represent the IOGCC's highest honor for these exemplary efforts by the oil and natural gas industry in environmental stewardship.

The award-winning projects represent a few of the many positive programs initiated by domestic oil and natural gas organizations and industry. The intention of the awards is to recognize achievement and challenge organizations, companies and individuals nationwide to demonstrate innovation, dedication and passion for our environment. Stewardship within the industry is one of the great untold success stories and the projects outlined in the following pages represent only a sample of those in operation throughout the world.



AWARD CATEGORIES

Large Company: This award recognizes an innovative project by a large oil and natural gas company that demonstrates positive environmental stewardship. Large companies are those that operate nationwide and in many instances internationally.

Independent Company: This award recognizes an innovative project by a small oil and natural gas company that demonstrates positive environmental stewardship. Small companies are those that operate in a limited area or region.

Energy Education: This award is presented to a group or organization that has created a program to educate the public about oil and natural gas and the hundreds of ways it affects the lives of Americans each day.

Environmental Partnership: The Environmental Partnership award recognizes innovative projects led by non-industry organizations with the cooperation and participation of industry.



LARGE COMPANY

CHESAPEAKE ENERGY CORPORATION

As the largest leasehold owner and producer in the Haynesville Shale, Louisiana, Chesapeake has committed itself to promoting and conducting responsible exploration and production activities in its operating areas and achieving a standard of environmental excellence. In addition to utilizing the benefits of multi-well pad sites to dramatically reduce the company's environmental footprint and working with mineral owners, landowners and municipalities to assure the best possible outcomes, Chesapeake has implemented a number of Best Management Practices in the Haynesville Shale to help ensure energy development is conducted in an environmentally responsible manner. Some of these BMPs include:

- In 2010 the company tested operational enhancements for pad site construction and management of liquids at Haynesville Shale locations. The results were successful and deployed across the company. Enhancements include improved management of material transfer operations; increased secondary containment throughout the pad site; enhanced site construction practices so that in the event of a spill, there is a minimal opportunity for material to impact the surrounding environment; and additional on site supervision and monitoring.
- Chesapeake became the first operator in the Haynesville Shale to receive a permit to draw water from the Red River for use in hydraulic fracturing, relieving pressure on ground water resources.
- The company provided technical analysis to the Office of Conservation leading to rule modification allowing one reuse of produced water.
- In the 2010 Regular Session of the Louisiana Legislature, Chesapeake led the national gas and oil industry in crafting surface water legislation in concert with the Louisiana Department of Natural Resources.

www.chk.com



INDEPENDENT COMPANY

WARREN RESOURCES, INC.

In 2005 Warren Resources, Inc., acquired the Wilmington Townlot Unit and North Wilmington Unit in California, which lies within the Wilmington Oil Field. At the time of acquisition, the Townlot had 57 open well bores scattered throughout Wilmington with a production level of 500 barrels per day. Currently, the site now has 90 plus wells producing 2,700 barrels of oil per day. The wells have been drilled using an innovative and efficient process, within a 10 acre central facility.

Warren provides much of its own electrical power using associated gas production to run micro turbine generators. The company also installed a back-up Bekaert Burner system that far exceeds air quality standards set for years in the future.

Warren's senior management and operating team gathered with community leaders in Los Angeles and presented a plan for voluntary remediation and removal from the surface of all existing old wells and related production equipment throughout Townlot, an area of light industry and residential properties covering 1,440 acres. A 12-year plug-and-abandonment program was approved and adopted. Today only three of the residential wells remain, which are slated to be plugged and abandoned to a level of 1,800 feet while the bore hole above that level will be used for reservoir pressure monitoring and water sampling.

The company also adopted a Good Neighbor Program to minimize the environmental impact of its operations at the Townlot Central Site and to give back financial and quality of life benefits to the community.

www.warrenresources.com



ENERGY EDUCATION

JUST BENEATH THE SURFACE ALLIANCE

With education as its driving force, the Just Beneath the Surface Alliance is dedicated to improving the regional, statewide and national perception of the oil and natural gas industry. Supported by the Independent Oil and Gas Association of West Virginia, this initiative was started to provide the public with factual information about natural gas in West Virginia and to update the public on recent changes and events.

In a five-month period, the campaign traveled throughout West Virginia to more than 30 events which included fairs, chamber and economic development meetings, conventions and more. Additionally, the alliance launched an interactive Web site and social media sites where people can ask questions and participate in discussions. Finally, the alliance promoted its efforts through television commercials, newspaper ads, industry fact sheets, displays and e-mails.

Adding to its membership daily, the Just Beneath the Surface Alliance has grown to include more than 2,000 members from a variety of backgrounds including state oil and gas companies, law firms and government officials.

justbeneaththesurfacewv.com



ENVIRONMENTAL PARTNERSHIP

FOUNTAIN QUAIL WATER MANAGEMENT, LLC

In Pennsylvania, the shale gas exploration and development has created an environmental challenge for the management of frac flow back and produced water. In 2010, the primary options for water management were either hauling the water to Ohio for disposal through underground injection or rudimentary treatment to remove metals and then discharge in surface water.

Fountain Quail Water Management, LLC, in partnership with Eureka Resources, launched a comprehensive water recycling operation in Williamsport, Pennsylvania. This facility offers the capability of full service water treatment and recycling; converting the produced and flow back water to freshwater for reuse as frac water or discharge through a municipal waste water treatment plant at a competitive cost to alternative disposal options. The Williamsport facility began operations in July 2010 with a capacity to treat 5,300 barrels per day of frac flow back and produced water. At present, the facility has a capacity to treat 8,000 barrels per day of water.

The successful implementation and more than 12 months of water recycling operations at the facility has demonstrated the environmental and cost effective option of produced and frac flow back water recycling in Pennsylvania. The facility is a win-win for the community, reducing water demand from the industry and providing clean water for waste water treatment plant operations.

www.fountainquail.com



PAST WINNERS 1996 - 2010

1996

Chairman's Stewardship Award - Amoco

1997

Chairman's Stewardship Award - Phillips Petroleum Company

1998

Large Company - Texaco

Independent Producer - Tom Brown, Inc.

1999

Large Company - Marathon Oil Co.

Independent Producer - Prima Energy Corp.

2000

Large Company - ARCO Alaska, Inc.

Small Company - Eastern States Exploration Company

Environmental Partnership - Kern County Planning Department

Energy Education - Kansas Oil and Gas Museum Foundation

2001

Large Company - Phillips Petroleum Company (Alaska)

Independent Company - Evergreen Resources

Environmental Partnership - SW Brine Coalition

Energy Education - National Energy Foundation

Energy Education - Oklahoma Energy Resources Board

** Please note, categories have changed throughout the award program's history.*



PAST WINNERS 1996 - 2010

2002

Major Company - Marathon Oil Company

Independent Company - Dominion Exploration and Production

Environmental Partnership - Michigan Natural Resources Trust Fund,
Michigan Oil & Gas Association

Energy Education - Wasatch-Cache Petroleum Showcase, Merit Energy
Company

2003

Energy Education - Illinois Petroleum Resources Board

Energy Education - Ohio Oil & Gas Energy Education Program

Environmental Partnership - Oklahoma Energy Resources Board

2004

Major Company - BP America Production Company

Independent Company - Fidelity E & P

Environmental Partnership - San Juan County CUPID Committee

Energy Education - NEED Project

2005

Major Company - Devon Energy Corporation - two outstanding projects

Independent Company - Bill Barrett Corporation

Environmental Partnership - STRONGER, Incorporated

Energy Education - Coalbed Natural Gas Alliance

Energy Education - EnCana Oil and Gas Incorporated

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PAST WINNERS 1996 - 2010

2006

Major Company - EnCana Oil and Gas (USA) Incorporated

Independent Company - Encore Acquisition Company

Environmental Partnership - Kansas Corporation Commission,
ALL Consulting, U.S. Department of Energy

Energy Education - Kansas Independent Oil & Gas Association

2007

Large Company - BP America Production Company

Small Company - Questar Exploration and Production

Environmental Partnership - Cooperative Sagebrush Initiative

Energy Education - Fort Worth Chamber of Commerce, Barnett Shale EXPO

Energy Education - Michigan Oil & Gas Producers Education Foundation

2008

Large Company - Devon Energy Corporation

Small Company - Pioneer Natural Resources Alaska, Inc.

Energy Education - Coalbed Natural Gas Alliance

Environmental Partnership - Energy and Environmental Research Center
(EERC)

2009

Large Company - BP America Production Company

Environmental Partnership - Houston Advanced Research Center

Energy Education - North Dakota Petroleum Council

2010

Large Company - Anadarko Petroleum Corporation/Kerr McGee

Environmental Partnership - East Resources, Inc.

Energy Education - Energize West Virginia

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*Oklahoma Gov. Mary Fallin
2011 IOGCC Chairman*



ABOUT THE COMMISSION

The Interstate Oil and Gas Compact Commission is a multi-state government agency that promotes conservation and efficient recovery of our nation's oil and natural gas resources while protecting health, safety and the environment.

Representing the governors of 38 states, the IOGCC serves as a forum where state, federal and industry officials can meet to develop sensible solutions to common problems. The Commission's ability to find common ground is unmatched by any other entity dealing with petroleum issues.

The IOGCC also effectively develops regulatory guidance documents and model legislation; conducts studies related to resources, production, research, development and emerging environmental concerns; and provides training and education for industry, the regulatory community, key leaders and the general public. For more information visit www.iogcc.org or call 405.525.3556.





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