

Statement of Mr. Chuck Davidson
Chairman and Chief Executive Officer, Noble Energy, Inc.
Senate Energy and Natural Resources Committee
Natural Gas Forum: Environmental Protection and Best Practices
May 23, 2013

Chairman Wyden, Ranking Member Murkowski, and members of the committee:

Thank you for the opportunity to participate in today's discussion. I am Chuck Davidson, Chairman and CEO of Noble Energy, Inc., a leading independent oil and natural gas exploration and production company that has been finding, developing, and delivering needed energy resources for more than eighty years. We have roughly 2,500 employees and a market capitalization of approximately \$20 billion. We operate in five core areas, three of which are in the US: the Marcellus Shale in West Virginia and Pennsylvania, the DJ Basin in Colorado and the deepwater Gulf of Mexico. Our international operations include offshore Israel and Cyprus in the Eastern Mediterranean and Equatorial Guinea and Cameroon in West Africa.

At Noble Energy we constantly strive to improve our performance and to minimize the impact of our operations on communities, air, water, land and wildlife. And, we seek-out solutions to challenging circumstances.

Energy renaissance

Advances in technology and innovation have unlocked new energy resources that are fueling an energy renaissance in America. This renaissance brings with tremendous opportunities, including economic growth, enhanced energy security, environmental benefits, employment opportunities, and government revenues to support the needs of our society.

Dilemma

Our nation has been blessed with world-class oil and natural gas resources; some of which have just become apparent recently due to advances in technology. While I believe appropriate safeguards for the development of these resources are in place, I also believe the public must be assured that their development is being conducted safely and responsibly.

While progress is being made on several fronts — state and federal regulators are in action and industry is developing best practices— more must be done to gain the public's trust and confidence.

Validation of industry practices

The creation of a mechanism to validate industry operating practices and procedures could be one means of gaining the public's trust and confidence. This could be achieved via a collaborative, peer-review processes which involves state, federal, scientific and other stakeholders. Building upon successful programs, one formulation could include increased involvement of the federal government in existing stakeholder organizations such as the Ground Water Protection Council, the State Review of Oil and Gas Environmental Regulations (STRONGER) program, and the Interstate Oil and Gas Compact Commission.

To be clear, this is not a call for new or expanded regulations, but rather a validation of industry operating practices to ensure they are fit-for-purpose for particular regions of the country where development is occurring. To this end, the federal government could assist by creating and participating in the validation and peer review processes.

Conclusion

We all want the nation's resources to be developed safely and responsibly, and the benefits that we have discussed previously to be realized. However, we cannot achieve this without the trust and confidence of the American people. Therefore, if government, industry, and other stakeholders work collaboratively to validate industry operating practices and procedures, the results can be positive for governments, the environment, businesses, and the communities in which we live and operate.

Thank you for inviting me to participate in this important discussion. I look forward to the ensuing discussion.