

**Testimony of David Miller, Standards Director
American Petroleum Institute
Before the House Natural Resources Subcommittee on Energy and Mineral
Resources and the House Agriculture Subcommittee on Conservation, Energy
and Forestry
July 8, 2011**

Good morning, Chairman Lamborn and Chairman Thompson, Ranking Member Holt and Ranking Member Holden, and members of the subcommittees. Thank you for the opportunity to address challenges facing Domestic Oil and Gas Development.

My name is David Miller. I am the standards director for the American Petroleum Institute. You may know that API has more than 470 member companies that represent all sectors of America's oil and natural gas industry, and that our industry supports 9.2 million American jobs and provides most of the energy America needs. What you may not know is that API has been the leader for nearly nine decades in developing voluntary industry standards that promote reliability and safety through proven engineering practices.

Our industry's top priority is to provide energy in a safe, technologically sound and environmentally responsible manner. We therefore take seriously our responsibility to work in cooperation with government to develop practices and equipment that improve the operational and regulatory process across the board.

API's standards program is accredited by the American National Standards Institute, ANSI, the authority on U.S. standards, and the same organization that accredits programs at several national laboratories. API undergoes regular third-party program audits to ensure compliance with ANSI's *Essential Requirements* for standards development.

API's standards are developed through a collaborative effort with industry experts, as well as the best and brightest technical experts from government,

academia and other relevant stakeholders. For this reason API standards are widely cited by both Federal and State regulators.

The committees that develop and maintain these standards represent API's largest program, with 4,800 volunteers working on 380 committees and task groups. API standards are normally reviewed every five years to ensure they remain current, but some are reviewed more frequently, based on need.

Overall, API maintains more than 600 standards – recommended practices, specifications, codes, technical publications, reports and studies – that cover all aspects of the industry, including five guidance documents focused on hydraulic fracturing operations. These documents provide the blueprint for the environmentally sound development of natural gas. We have shared these documents with Non-Governmental Organizations, State Regulators, the Bureau of Land Management and the Department of Energy.

In particular, API has presented an overview of these documents to the Public Health, Safety, and Environmental Protection Work Group of the Pennsylvania Governor's Marcellus Shale Advisory Commission. API has also given presentations to industry conferences and provided training on the documents to staff members of the Pennsylvania Department of Environmental Protection. We are available to provide similar educational opportunities to other interested stakeholders, and the documents are publically available on our website at www.api.org under the "Hydraulic Fracturing" page.

Well construction practices covered in these documents are standard in the industry and are enforced by virtually all states to effectively protect underground sources of drinking water from potential impacts related to oil and gas exploration and production activities, including hydraulic fracturing. The great majority of hydraulic fracturing activities take place at depths far below existing groundwater sources that could reasonably be considered underground sources of drinking water. And contemporary well design practices – steel pipe cemented to the rock

through which a well is drilled – ensure multiple levels of protection between any sources of drinking water and the production zone of an oil and gas well.

We look forward to providing constructive input as the Subcommittees; the Congress and the Administration consider the challenges facing Domestic Oil and Gas Development.

This concludes my statement, Messrs. Chairman. I welcome questions from you and your colleagues. Thank you.

#