



# Maryland

## Department of the Environment

Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary  
Horacio Tablada, Deputy Secretary

April 5, 2018

The Honorable Mike V. Miller, Jr. President  
Senate of Maryland  
State House, H-107  
Annapolis, MD 21401

The Honorable Michael E. Busch  
Speaker of the House  
State House, H-101  
Annapolis, MD 21401

Re: FY 2014 Oil and Gas Fund Report

Dear President Miller and Speaker Busch:

As required by § 14-124 of the Environment Article, *Annotated Code of Maryland*, the Maryland Department of the Environment (“the Department”) is submitting this letter as the annual report on the Oil and Gas Fund (“Fund”) for FY 2014. Copies of the report are provided in accordance with Section 2-1246 of the State Government Article.

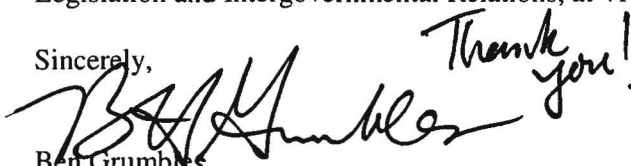
Sources of money for the Fund consist of fees, funds appropriated by the General Assembly, fines and bond forfeitures collected by the Department that exceed the amount necessary to restore a site, and additional money made available from any source. The Department is authorized to use money in the Fund solely to administer and implement programs relating to oil and gas wells.

The Fund received no revenue and made no expenditures during FY 2014. The Fund had no balance at the close of FY 2014. The Department’s Mining Program administers the State’s oil and gas regulatory program. The program staff reviews and inspects existing wells, which were not drilled using hydraulic fracturing technology for gas extraction from the Marcellus Shale. No permits have been issued for this type of activity in Maryland.

In April 2017, the Maryland General Assembly enacted into law the *Oil and Natural Gas- Hydraulic Fracturing- Prohibition (HB 1325, Chapter 13 of the 2017 Acts)*. This statute prohibits a person from engaging in hydraulic fracturing for the exploration or production of oil and natural gas in the State. Therefore, the Department does not anticipate any future revenues into the Fund from fees.

If we can provide you with any additional information, please contact me or Jeffrey Fretwell, Director of Legislation and Intergovernmental Relations, at 410-537-3084 or via email at [jeffery.fretwell@maryland.gov](mailto:jeffery.fretwell@maryland.gov)

Sincerely,

  
Ben Grumbles  
Secretary

cc: Jeffrey Fretwell