

Colorado Oil & Gas Conservation Commission: Mission Change Rulemaking Overview

February 10, 2021



COLORADO
Oil & Gas Conservation
Commission

Department of Natural Resources

Jeff Robbins
COGCC Chair

Overview of SB 19-181

Gov. Polis signed SB 19-181 on April 16, 2019

- Reconstituted the Commissioners (twice)
- New mission for the COGCC
- New local government authority over surface impacts and siting
- Directed COGCC to undertake numerous rulemakings



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SB 19-181 Rulemakings: Completed

500 Series (COGCC hearing process),
July 2019

Flowlines (pipelines that COGCC
regulates), November 2019

Wellbore Integrity (groundwater
protection), June 2020

Mission Change (*change from foster to
regulate*), November 2020



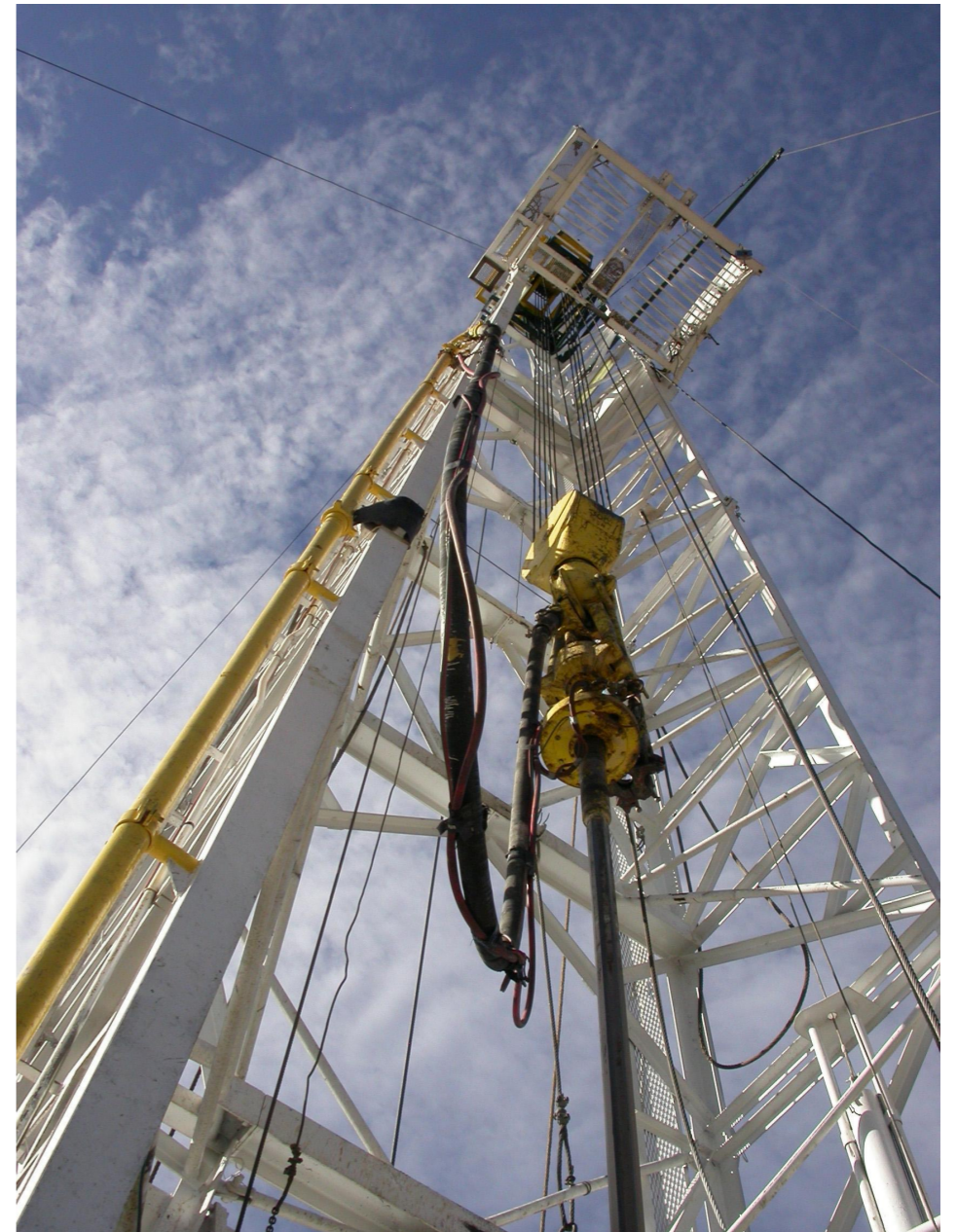
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SB 19-181 Rulemakings: Timing

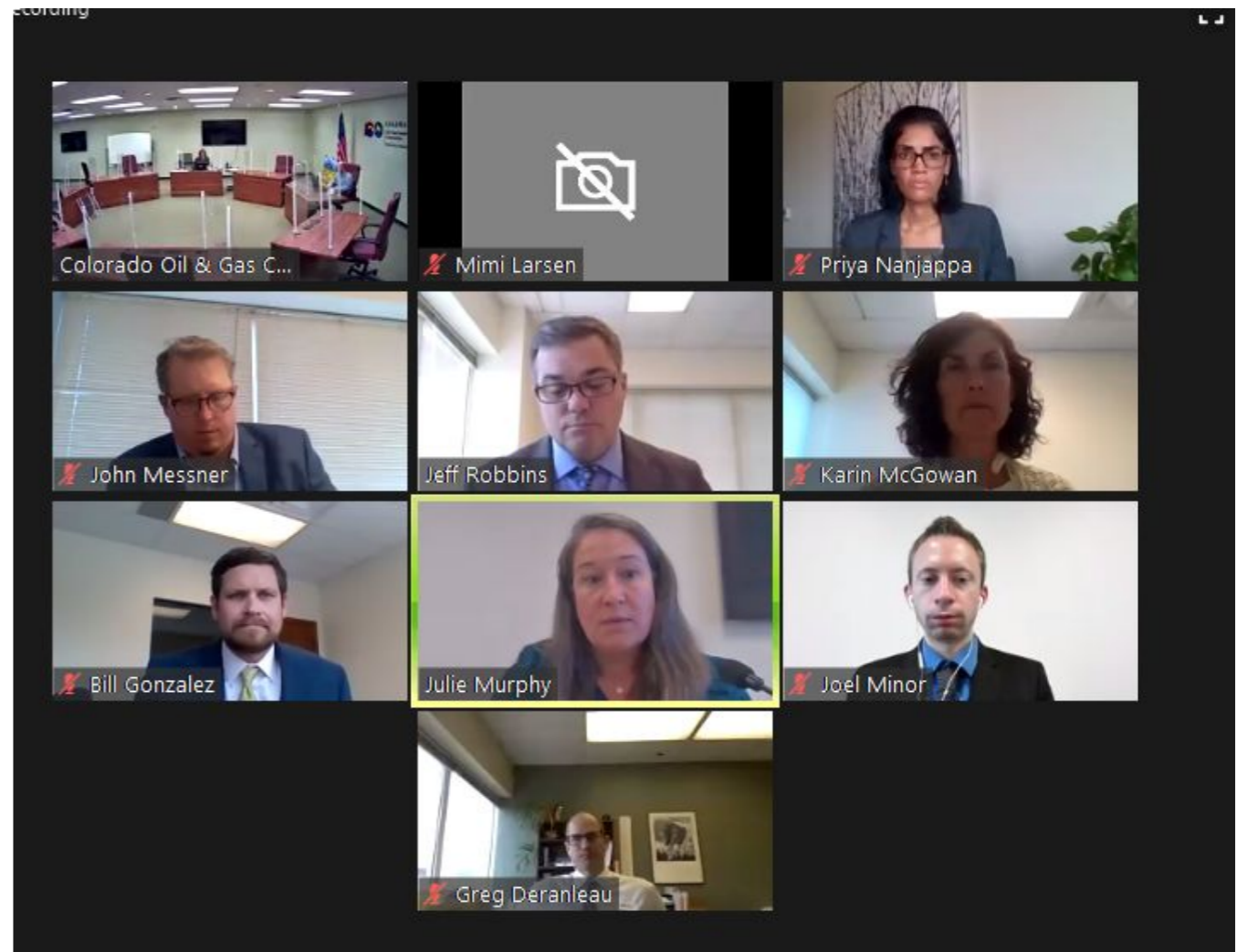
Mission Change Rulemaking Hearings:

- 200-600 Series focusing on Mission Change, Alternative Location Analysis, Cumulative Impacts, Local Government Provisions
- 800, 900 & 1200 Series focusing on Mission Change and Wildlife
- Nov. 23, 2020: Final rules adopted
- Jan. 15, 2021: Effective date for Rules



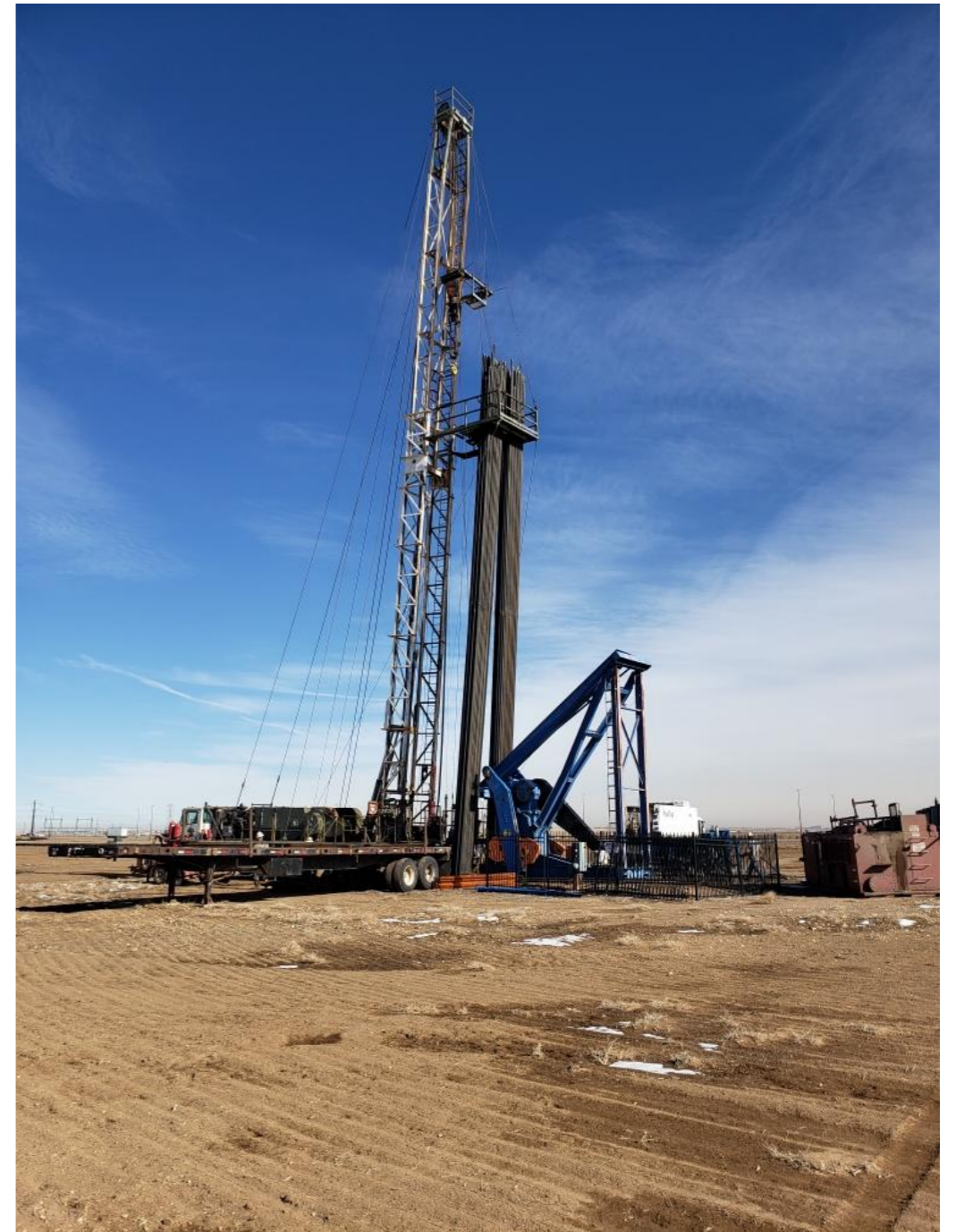
SB 19-181 Rulemakings: Process

- Commitment to transparency & public engagement
- Implementation: move the statute into rules



SB 19-181: Reflect the bill's spirit & mandates

- Key issues addressed
- Significant changes & outcomes from this rulemaking include:
 - Public Participation
 - Increased Protections for Public Health, Safety, Welfare, Wildlife & Environmental Resources



Mission Change Rulemaking for the 200-600, 800, 900 & 1200 Rules:

- 200 Series: General Provisions
- 300 Series: Permitting Process
- 400 Series: Operations & Reporting
- 500 Series: Rules of Practice & Procedures
- 600 Series: Safety & Facility Operations Regulations
- 800 Series: Underground injection for Disposal & Enhanced Recovery Projects Provisions
- 900 Series: Environmental Impact Prevention
- 1200 Series: Protection of Wildlife Resources



200 Series- General Rules

- Transfer of Permits
- Due Process
- Streamline and modernize processes for handling confidential information



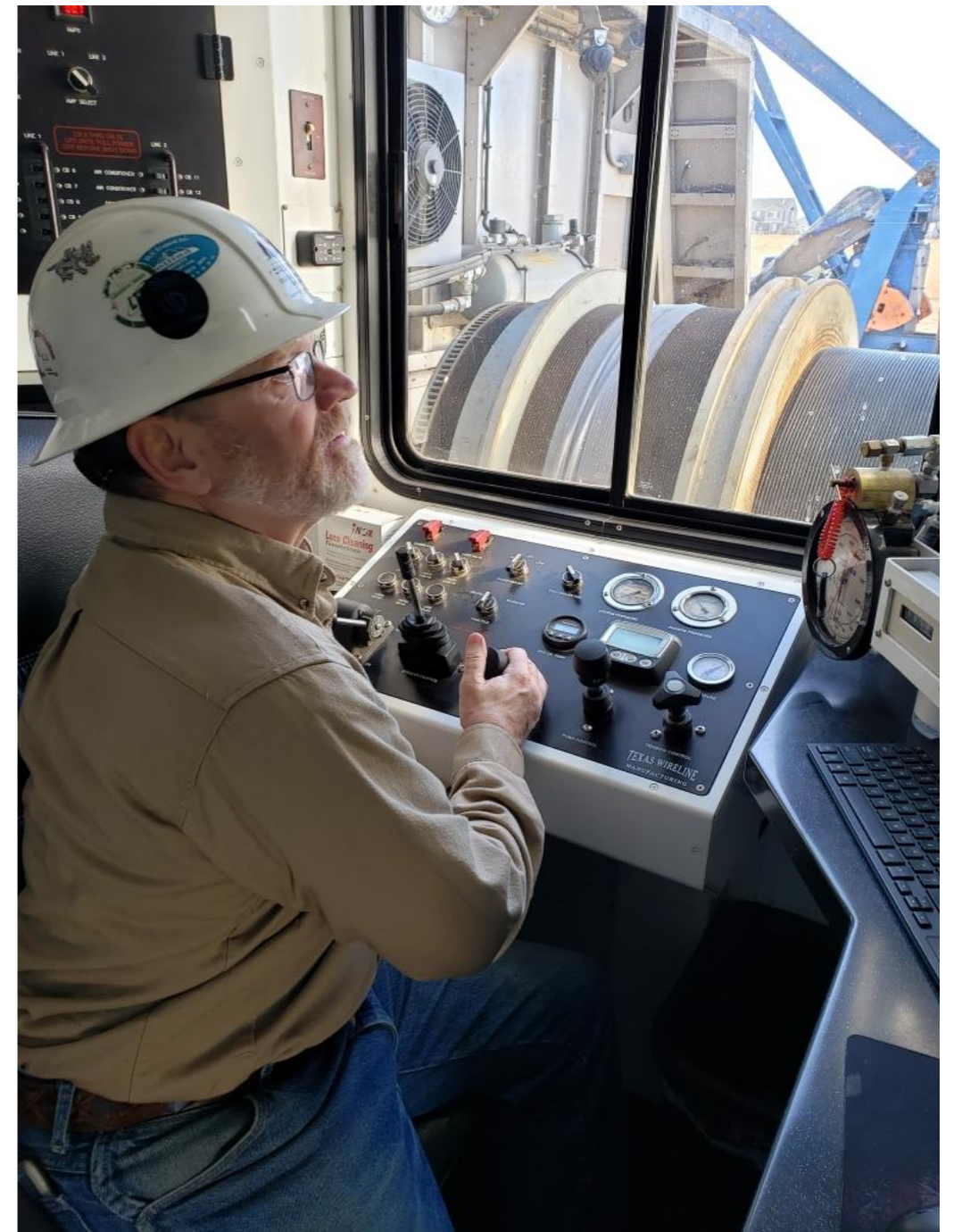
300 Series- Permitting Rules

- Define the relationship between local & state governments
- Consideration of disproportionately impacted communities
- Cumulative Impacts
- Alternative Location Analysis
- Comprehensive Area Plans



400 Series- Operations & Reporting

- Expand rules to protect public water systems
- Adopt statewide prohibition on certain chemical additives in hydraulic fracturing fluid
- Notifications
- Noise & Nuisance



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500 Series- Rules of Practice & Procedure

- Expand public access to Commissioners
- Expanded the definition of “Standing”
- Expand public access and information



600 Series- Safety & Facility Operations Regulations

- Expand protective setbacks and siting requirements for schools & homes to 2,000 feet, except for when protective measures are in place and the Commission approves.
- ❖ Rule 602.b includes 4 “off-ramps”:
 1. The well location is already within an approved comprehensive drilling plan or comprehensive area plan.
 2. Specific equipment that has the greatest noise and emissions, including wells, tanks, separation equipment, or compressors are located more than 2,000 ft. from buildings.
 3. The commission finds after a hearing that companies have taken “substantially equivalent” protections for public health and safety.
 4. A property owner or tenants sign a special waiver agreeing to have a well pad built closer than 2,000 ft.



800 Series- Underground injection for Disposal & Enhanced Recovery Projects Provisions

- Strengthen protections for groundwater
- Adopt Colorado's first-ever substantive regulatory requirements
- Incentivize underground injection of waste fluids as a best practice for management



900 Series- *Environmental Impact Prevention*

- Prohibiting routine venting & flaring of natural gas
- Evaluate the cumulative impacts of oil & gas development through Commission's "CIDER" database



1200 Series- Environmental Impact Prevention

- Require avoidance of Colorado's most critical habitats
- Compensatory mitigation requirements
- Protect aquatic habitats
- Minimize disturbance in big game winter range & migration corridors



Mission Change Implementation

Next Steps

Jan. 15, 2021: Effective date for Rules

- Extensive outreach and guidance for operators, stakeholders, Staff
- 14 Online Forms: Revised 11 forms & created 3 new Forms
- COGCC is able to receive new permit applications
- Replace permits under new rules
 - By March 1, 2021: Operators to notify COGCC which of the current well locations & well applications they will replace



SB 19-181: Additional Rulemakings

- Commission will take up 3 final SB 19-181 rulemakings in 2021:
 - Financial Assurances
 - Worker Safety
 - Permit Fees



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