

300, 600, 800 SERIES MISCELLANEOUS OPERATIONAL RULES

Rule 317.o - CBL

- Requirement to log well (in addition to old language)
- A cement bond log shall be run on all production casing or, in the case of a production liner, the intermediate casing, when these casing strings are run.
- Open hole logs shall be run at depths that adequately verify the setting depth of surface casing and any aquifer coverage.

Rule 319.b – “Shut in” Wells

- (*Shut in and*) Temporary Abandonment.
 - The words “shut in” have been removed from this rule. This rule now only applies to “temporarily abandoned” wells.
 - The status of a “shut in” well can be reported on the Form 7 production report. (This change eliminates the reporting required every six months for shut in wells.)

Rule 324.B – Exempt Aquifers

(ADDITIONAL LANGUAGE)

Exempt Aquifers:

An aquifer or a portion thereof may be designated by the Director or the Commission as an exempted aquifer...

“after notification of the Colorado Department of public Health and Environment, Water Quality Control Division”

(COGCC staff performs the notification)

328 & 329 – Measurement of Oil & Gas

(MAJOR REVISIONS)

Rule 328 – Measurement of Oil

Rule 329 – Measurement of Gas

Both of these rules require oil and gas to be measured in accordance with API and AGA specifications. These rules work in conjunction with Rule 205 (Record Keeping). All of the API and AGA recommendations referenced in these rules are available at the COGCC Denver Office.

Both of these rules are not yet complete. A stakeholders group will be convened later this year to discuss issues of production reporting.

Rule 341 – Bradenhead Monitoring

NEW Rule

1. Requires continuous monitoring and recording of the bradenhead pressure during stimulation operations.
2. If the bradenhead pressure increases more than 200 psi during stimulation operations the operator will notify the COGCC within 15 days. Corrective actions maybe requested by the COGCC.
3. The incident shall be reported on a Form 4.
4. The operator shall keep all stimulation records and charts for 5 years.
5. Corrective action may include monitoring the bradenhead over a period of time to note any abnormal residual pressure or to sample water wells in the area for abnormal chemicals in the water.

Rule 601 & 602 – Safety Regulations

- 601 – Introduction – no changes
- 602 – General
 - 602.b – Further clarifies what is considered a reportable accident to the COGCC and timeframe (10 days) for submittal of Accident Form (Form 22)

Rule 603 – Safety Regulations

- Drilling/Well Service Operations and High Density Rules
 - 603.a (1) Statewide setback - changes from occupied building to a **building unit** (defined in 100).
 - 603.b. High Density setback – change to building unit.
 - 603.e (3) High Density setbacks for production equipment – Adds pits, and “associated on-site production equipment” as requirements for setbacks.

Rule 603 – Safety Regulations (Cont'd)

- 603.e (4) A. - Reformatted BOPE discussion for High Density Areas.
- 603.e (12) – Berm Construction. Expanded discussion of production equipment required to be bermed /contained (oil, condensate, and produced water tanks);
- Expanded rule to address fired vessels in containment.
- 603.e (13) – Tank Specifications. Specifies National Fire Protection Association's 2008 version of Code 30.
- 603.j – Statewide equipment, weeds, waste, and trash requirement – Rule has been modified to restrict waste disposal pursuant to solid waste requirements (CDPHE), local and/or federal requirements and 900 series rules (E&P).

Rule 604 – Oil & Gas Facilities (Production)

- 604.a Crude and Condensate Tanks
- 604.a (3) Changes normally occupied building to building unit (Series 100 definition)
- 604.a (4) Berms – Adds other types of secondary containment; specifies crude, condensate, and produced water tanks for containment; specifies that berms (etc.) must be adequate to contain the volume of largest single tank and anticipated precipitation; berms must be sufficiently impervious to spilled or released material; no open ignition source in containment area.
- 604.a (12) Tank Labeling – requires compliance with Rule 210.d.

Rule 604 – Oil & Gas Facilities (Cont'd)

- 604.b.(5) Fired Vessels/ HT - Change to building unit from occupied building
- 604.b (7) All stacks, vents, other openings must be covered, etc. to preclude entry by wildlife
- 604.f New item – Produced water pits, special use and buried or partially buried vessels or structures subject to 200 foot setback from any building unit at time of construction.

804 – Visual Impact Mitigation

(NEW RULE)

Production facilities, regardless of construction date, which are observable from any public highway shall be painted in uniform, non-contrasting, non-reflective color tones by September 1, 2010.