

GENERAL RULES

201. EFFECTIVE SCOPE OF RULES AND REGULATIONS

All rules and regulations of a general nature herein promulgated to prevent waste and to conserve oil and gas in the State of Colorado while protecting public health, safety, and welfare, including the environment and wildlife resources, shall be effective throughout the State of Colorado and be in force in all pools and fields except as may be amended, modified, altered or enlarged generally or in specific individual pools or fields by orders heretofore or hereafter issued by the Commission, and except where special field rules apply, in which case the special field rules shall govern to the extent of any conflict. Operators will ensure compliance with all applicable rules and regulations.

Nothing in these rules shall establish, alter, impair, or negate the authority of local and county governments to regulate land use related to oil and gas operations, so long as such local regulation is not in operational conflict with the Act or regulations promulgated thereunder.

These rules shall not apply to: (i) Indian trust lands and minerals; or (ii) the Southern Ute Indian Tribe within the exterior boundaries of the Southern Ute Indian Reservation. These rules shall apply to non-Indians conducting oil and gas operations on lands within the exterior boundaries of the Southern Ute Indian Reservation where both the surface and oil and gas estates are owned in fee by persons or entities other than the Southern Ute Indian Tribe, regardless of whether such lands are communitized or pooled. Additionally, the State of Colorado shall exercise criminal and civil jurisdiction within the Town of Ignacio, Colorado or within any other municipality within the Southern Ute Indian Reservation incorporated under the laws of Colorado, as provided by Sec. 5, Public Law No. 98-290 (1984).

If any portion of these Rules is found to be invalid, the remaining portion of the Rules shall remain in force and effect.

202. OFFICE AND DUTIES OF DIRECTOR

The office of Director of the Commission is hereby created. It shall be the duty of the Director to aid the Commission in the administration of the Act, as may be required of the Director from time to time and to act as hearing officer when so directed by the Commission.

203. OFFICE AND DUTIES OF SECRETARY

The office of Secretary to the Commission is hereby created. The duties of the Secretary shall be as determined from time to time by the Commission.

204. GENERAL FUNCTIONS OF DIRECTOR

The Director and the authorized deputies shall also have the right at all reasonable times to go upon and inspect any oil or gas properties, disposal facilities, or transporters facilities and wells for the purpose of making any investigation or tests to ascertain whether the provisions of the Act or these rules or any special field rules are being complied with, and shall report any violation thereof to the Commission.

205. ACCESS TO RECORDS

- a. All producers, operators, transporters, refiners, gasoline or other extraction plant operators and initial purchasers of oil and gas within this State, shall make and keep appropriate books and records covering their operations in the State, including natural gas meter calibration

reports, from which they may be able to make and substantiate the reports required by the Commission or the Director or otherwise demonstrate compliance with these Rules.

- b. Beginning May 1, 2009 on federal land and April 1, 2009 on all other land, operators shall maintain MSDS sheets for any Chemical Products brought to a well site for use downhole during drilling, completion, and workover operations, excluding hydraulic fracturing treatments. With the exception of fuel as provided for in Rule 205.c., the reporting and disclosure of hydraulic fracturing additives and chemicals brought to a well site for use in connection with hydraulic fracturing treatments is governed by Rule 205A.
- c. Beginning June 1, 2009, operators shall maintain a Chemical Inventory by well site for each Chemical Product used downhole during drilling, completion, and workover operations, excluding hydraulic fracturing treatments, in an amount exceeding five hundred (500) pounds during any quarterly reporting period. Operators shall also maintain a chemical inventory by well site for non-vehicular fuel stored at the well site during drilling, completion, and workover operations, including hydraulic fracturing treatments, in an amount exceeding five hundred (500) pounds during any quarterly reporting period.

The five hundred (500) pound reporting threshold shall be based on the cumulative maximum amount of a Chemical Product present at the well site during the quarterly reporting period. Entities maintaining Chemical Inventories under this section shall update these inventories quarterly throughout the life of the well site. These records must be maintained in a readily retrievable format at the operator's local field office. The Colorado Department of Public Health and Environment may obtain information provided to the Commission or Director in a Chemical Inventory upon written request to the Commission or the Director.

- d. Where the composition of a Chemical Product is considered a Trade Secret by the vendor or service provider, Operators shall only be required to maintain the identity of the Trade Secret Chemical Product and shall not be required to maintain information concerning the identity of chemical constituents in a Trade Secret Chemical Product or the amounts of such constituents. The vendor or service provider shall provide to the Commission a list of the chemical constituents contained in a Trade Secret Chemical Product upon receipt of a letter from the Director stating that such information is necessary to respond to a spill or release of a Trade Secret Chemical Product or a complaint from a potentially adversely affected landowner regarding impacts to public health, safety, welfare, or the environment. Upon receipt of a written statement of necessity, information regarding the chemical constituents contained in a Trade Secret Chemical Product shall be disclosed by the vendor or service provider directly to the Director or his or her designee.

The Director or designee may disclose information regarding those chemical constituents to additional Commission staff members to the extent that such disclosure is necessary to allow the Commission staff member receiving the information to assist in responding to the spill, release, or complaint, provided that such individuals shall not disseminate the information further. In addition, the Director may disclose information regarding those chemical constituents to any Commissioner, the relevant County Public Health Director or Emergency Manager, or to the Colorado Department of Public Health and Environment's Director of Environmental Programs upon request by that individual. Any information so disclosed to the Director, a Commission staff member, a Commissioner, a County Public Health Director or Emergency Manager, or to the Colorado Department of Public Health and Environment's Director of Environmental Programs shall at all times be considered confidential and shall not become part of the Chemical Inventory, nor shall it be construed as publicly available. The Colorado Department of Public Health and Environment's Director of Environmental Programs, or his or her designee, may disclose information regarding the chemical constituents contained in a Trade Secret Chemical Product to Colorado Department of Public Health and Environment staff members under the same terms and conditions as apply to the Director.

- e. The vendor or service provider shall also provide the chemical constituents of a Trade Secret Chemical Product to any health professional who requests such information in writing if the health professional provides a written statement of need for the information and executes a Confidentiality Agreement, Form 35. The written statement of need shall be a statement that the health professional has a reasonable basis to believe that (1) the information is needed for purposes of diagnosis or treatment of an individual, (2) the individual being diagnosed or treated may have been exposed to the chemical concerned, and (3) knowledge of the chemical constituents of such Trade Secret Chemical Product will assist in such diagnosis or treatment. The Confidentiality Agreement, Form 35, shall state that the health professional shall not use the information for purposes other than the health needs asserted in the statement of need, and that the health professional shall otherwise maintain the information as confidential. Where a health professional determines that a medical emergency exists and the chemical constituents of a Trade Secret Chemical Product are necessary for emergency treatment, the vendor or service provider shall immediately disclose the chemical constituents of a Trade Secret Chemical Product to that health professional upon a verbal acknowledgement by the health professional that such information shall not be used for purposes other than the health needs asserted and that the health professional shall otherwise maintain the information as confidential. The vendor or service provider may request a written statement of need, and a Confidentiality Agreement, Form 35, from all health professionals to whom information regarding the chemical constituents was disclosed, as soon as circumstances permit. Information so disclosed to a health professional shall not become part of the Chemical Inventory and shall in no way be construed as publicly available.
- f. Such books, records, inventories, and copies of said reports required by the Commission or the Director shall be kept on file and available for inspection by the Commission for a period of at least five years except for the Chemical Inventory, which shall be kept on file and available for inspection by the Commission for the life of the applicable oil and gas well or oil and gas location and for five (5) years after plugging and abandonment. Upon the written request of the Commission or the Director for information required to be maintained or provided under this section, the record-keeping entity or third-party vendor shall supply the Commission or the Director with the requested information within three (3) business days in a format readily-reviewable by the Commission or the Director, except in the instance where such information is necessary to administer emergency medical treatment in which case such information shall be provided as soon as possible. Information provided to the Commission or the Director under this section that is entitled to protection under state or federal law, including C.R.S. § 24-72-204, as a trade secret, privileged information, or confidential commercial, financial, geological, or geophysical data shall be kept confidential and protected against public disclosure unless otherwise required, permitted, or authorized by other state or federal law. Any disclosure of information entitled to protection under any state or federal law made pursuant to this section shall be made only to the persons required, permitted, or authorized to receive such information under state or federal law in order to assist in the response to a spill, release, or complaint and shall be subject to a requirement that the person receiving such information maintain the confidentiality of said information. The Commission or the Director shall notify the owner, holder, or beneficiary of any such protected information at least one (1) business day prior to any required, permitted, or authorized disclosure. This notification shall include the name and contact information of the intended recipient of such protected information, the reason for the disclosure, and the state or federal law authorizing the disclosure. Information so disclosed shall not become part of the Chemical Inventory and shall in no way be construed as publicly available. 200-4 As of May 30, 2009
- g. The Director and the authorized deputies shall have access to all well records wherever located. All operators, drilling contractors, drillers, service companies, or other persons engaged in drilling or servicing wells, shall permit the Director, or authorized deputy, at the Director's or their risk, in the absence of negligence on the part of the owner, to come upon any lease,

property, or well operated or controlled by them, and to inspect the record and operation of such wells and to have access at all times to any and all records of wells; provided, that information so obtained shall be kept confidential and shall be reported only to the Commission or its authorized agents.

- h. In the event that the vendor or service provider does not provide the information required by Rules 205.d, 205.e, or 205.f directly to the Commission or a health professional, the operator is responsible for providing the required information.
- i. In the event the operator establishes to the satisfaction of the Director that it lacks the right to obtain the information required by Rules 205.d, 205.e, or 205.f and to provide it directly to the Commission or a health professional, the operator shall receive a variance from these rule provisions from the Director.

205A. HYDRAULIC FRACTURING CHEMICAL DISCLOSURE.

a. **Applicability.** This Commission Rule 205a applies to hydraulic fracturing treatments performed on or after April 1, 2012.

b. **Required disclosures.**

(1) Vendor and service provider disclosures. A service provider who performs any part of a hydraulic fracturing treatment and a vendor who provides hydraulic fracturing additives directly to the operator for a hydraulic fracturing treatment shall, with the exception of information claimed to be a trade secret, furnish the operator with the information required by subsection 205A.b.(2)(A)(viii) – (xii) and subsection 205A.b.(2)(B), as applicable, and with any other information needed for the operator to comply with subsection 205A.b.(2). Such information shall be provided as soon as possible within 30 days following the conclusion of the hydraulic fracturing treatment and in no case later than 90 days after the commencement of such hydraulic fracturing treatment.

(2) Operator disclosures.

A. Within 60 days following the conclusion of a hydraulic fracturing treatment, and in no case later than 120 days after the commencement of such hydraulic fracturing treatment, the operator of the well must complete the chemical disclosure registry form and post the form on the chemical disclosure registry, including:

- i. the operator name;
- ii. the date of the hydraulic fracturing treatment;
- iii. the county in which the well is located;
- iv. the API number for the well;
- v. the well name and number;
- vi. the longitude and latitude of the wellhead;
- vii. the true vertical depth of the well;

- viii. the total volume of water used in the hydraulic fracturing treatment of the well or the type and total volume of the base fluid used in the hydraulic fracturing treatment, if something other than water;
 - ix. each hydraulic fracturing additive used in the hydraulic fracturing fluid and the trade name, vendor, and a brief descriptor of the intended use or function of each hydraulic fracturing additive in the hydraulic fracturing fluid;
 - x. each chemical intentionally added to the base fluid;
 - xi. the maximum concentration, in percent by mass, of each chemical intentionally added to the base fluid; and
 - xii. the chemical abstract service number for each chemical intentionally added to the base fluid, if applicable.
- B. If the vendor, service provider, or operator claim that the specific identity of a chemical, the concentration of a chemical, or both the specific identity and concentration of a chemical is/are claimed to be a trade secret, the operator of the well must so indicate on the chemical disclosure registry form and, as applicable, the vendor, service provider, or operator shall submit to the Director a Form 41 claim of entitlement to have the specific identity of a chemical, the concentration of a chemical, or both withheld as a trade secret. The operator must nonetheless disclose all information required under subsection 205A.b.(2)(A) that is not claimed to be a trade secret. If a chemical is claimed to be a trade secret, the operator must also include in the chemical registry form the chemical family or other similar descriptor associated with such chemical.
- C. At the time of claiming that a hydraulic fracturing chemical, concentration, or both is entitled to trade secret protection, a vendor, service provider or operator shall file with the commission claim of entitlement, Form 41, containing contact information. Such contact information shall include the claimant's name, authorized representative, mailing address, and phone number with respect to trade secret claims. If such contact information changes, the claimant shall immediately submit a new Form 41 to the Commission with updated information.
- D. Unless the information is entitled to protection as a trade secret, information submitted to the Commission or posted to the chemical disclosure registry is public information.
- (3) Ability to search for information. The chemical disclosure registry shall allow the Commission staff and the public to search and sort the registry for Colorado information by geographic area, ingredient, chemical abstract service number, time period, and operator.
- (4) Inaccuracies in information. A vendor is not responsible for any inaccuracy in information that is provided to the vendor by a third party manufacturer of the hydraulic fracturing additives. A service provider is not responsible for any inaccuracy in information that is provided to the service provider by the vendor. An operator is not responsible for any inaccuracy in information provided to the operator by the vendor or service provider.

- (5) Disclosure to health professionals. Vendors, service companies, and operators shall identify the specific identity and amount of any chemicals claimed to be a trade secret to any health professional who requests such information in writing if the health professional provides a written statement of need for the information and executes a confidentiality agreement, Form 35. The written statement of need shall be a statement that the health professional has a reasonable basis to believe that (1) the information is needed for purposes of diagnosis or treatment of an individual, (2) the individual being diagnosed or treated may have been exposed to the chemical concerned, and (3) knowledge of the information will assist in such diagnosis or treatment. The confidentiality agreement, Form 35, shall state that the health professional shall not use the information for purposes other than the health needs asserted in the statement of need, and that the health professional shall otherwise maintain the information as confidential. Where a health professional determines that a medical emergency exists and the specific identity and amount of any chemicals claimed to be a trade secret are necessary for emergency treatment, the vendor, service provider, or operator, as applicable, shall immediately disclose the information to that health professional upon a verbal acknowledgement by the health professional that such information shall not be used for purposes other than the health needs asserted and that the health professional shall otherwise maintain the information as confidential. The vendor, service provider, or operator, as applicable, may request a written statement of need, and a confidentiality agreement, Form 35, from all health professionals to whom information regarding the specific identity and amount of any chemicals claimed to be a trade secret was disclosed, as soon as circumstances permit. Information so disclosed to a health professional shall in no way be construed as publicly available.

c. Disclosures not required. A vendor, service provider, or operator is not required to:

- (1) disclose chemicals that are not disclosed to it by the manufacturer, vendor, or service provider;
- (2) disclose chemicals that were not intentionally added to the hydraulic fracturing fluid; or
- (3) disclose chemicals that occur incidentally or are otherwise unintentionally present in trace amounts, may be the incidental result of a chemical reaction or chemical process, or may be constituents of naturally occurring materials that become part of a hydraulic fracturing fluid.

d. Trade secret protection.

- (1) Vendors, service companies, and operators are not required to disclose trade secrets to the chemical disclosure registry.
- (2) If the specific identity of a chemical, the concentration of a chemical, or both the specific identity and concentration of a chemical are claimed to be entitled to protection as a trade secret, the vendor, service provider or operator may withhold the specific identity, the concentration, or both the specific identity and concentration, of the chemical, as the case may be, from the information provided to the chemical disclosure registry. Provided, however, operators must provide the information required by Rule 205A.b.(2)(B) & (C).

The vendor, service provider, or operator, as applicable, shall provide the specific identity of a chemical, the concentration of a chemical, or both the specific identity and concentration of a chemical claimed to be a trade secret to the Commission

upon receipt of a letter from the Director stating that such information is necessary to respond to a spill or release or a complaint from a person who may have been directly and adversely affected or aggrieved by such spill or release. Upon receipt of a written statement of necessity, such information shall be disclosed by the vendor, service provider, or operator, as applicable, directly to the Director or his or her designee and shall in no way be construed as publicly available.

The Director or designee may disclose information regarding the specific identity of a chemical, the concentration of a chemical, or both the specific identity and concentration of a chemical claimed to be a trade secret to additional Commission staff members to the extent that such disclosure is necessary to allow the Commission staff member receiving the information to assist in responding to the spill, release, or complaint, provided that such individuals shall not disseminate the information further. In addition, the Director may disclose such information to any Commissioner, the relevant county public health director or emergency manager, or to the Colorado Department of Public Health and Environment's director of environmental programs upon request by that individual. Any information so disclosed to the Director, a Commission staff member, a Commissioner, a county public health director or emergency manager, or to the Colorado Department of Public Health and Environment's director of environmental programs shall at all times be considered confidential and shall not be construed as publicly available. The Colorado Department of Public Health and Environment's director of environmental programs, or his or her designee, may disclose such information to Colorado Department of Public Health and Environment staff members under the same terms and conditions as apply to the director.

e. Incorporated materials. Where referenced herein, these regulations incorporate by reference material originally published elsewhere. Such incorporation does not include later amendments to or editions of the referenced material. Pursuant to section 24-4-103 (12.5) C.R.S., the Commission maintains copies of the complete text of the incorporated materials for public inspection during regular business hours. Information regarding how the incorporated material may be obtained or examined is available at the Commission's office located at 1120 Lincoln Street, Suite 801, Denver, Colorado 80203.

206. REPORTS

All producers, operators, transporters, refiners, gasoline and other extraction plant operators, and initial purchasers of oil and gas within the State shall from time to time file accurate and complete reports containing such information and covering such geographic areas or periods as the Commission or Director shall require.

207. TESTS AND SURVEYS

a. **Tests and surveys.** When deemed necessary or advisable, the Commission is authorized to require that tests or surveys be made to determine the presence of waste or occurrence of pollution. The Commission, in calling for reports under Rule 206 and tests or surveys to be made as provided in this rule, shall designate the time allowed to the operator for compliance, which provisions as to time shall prevail over any other time provisions in these rules..

b. Bradenhead monitoring.

- (1) The Commission may approve specific fields or portions of fields as bradenhead test areas.

- A. The Director may propose specific fields or portions of fields as bradenhead test areas by notice to all operators on record within the area and by publication.
 - B. The proposed designation, if no protests are timely filed, will be placed upon the Commission consent agenda for the next regular meeting of the Commission following the month in which such notice was given. The Commission will hear the proposed designation in accordance with Rule 531.
 - C. If a protest is timely filed, the Commission will hear the proposed designation in accordance with the 500 Series Rules.
- (2) The Commission order will describe the bradenhead testing or monitoring required and become effective upon approval by the Commission unless the Commission orders otherwise.

208. CORRECTIVE ACTION

The Commission shall require correction, in a manner to be prescribed or approved by it, of any condition which is causing or is likely to cause waste or pollution; and require the proper plugging and abandonment of any well or wells no longer used or useful in accordance with such reasonable plan as may be prescribed by it.

209. PROTECTION OF COAL SEAMS AND WATER-BEARING FORMATIONS

In the conduct of oil and gas operations each owner will exercise due care in the isolation of coal seams and groundwater.

Special precautions will be taken in drilling and abandoning wells to guard against any loss of artesian water from the stratum in which it occurs and the contamination of groundwater by produced water, liquid hydrocarbons, or natural gas. Before any oil or gas well is completed, all oil, gas, and groundwater bearing formations above and below the producing formation(s) will be isolated to prevent the intermingling of formation fluids and gases between formations.

210. SIGNS AND MARKERS

The operator shall mark each and every well in a conspicuous place, from the time of initial drilling until final abandonment, as follows:

- a. **Drilling and Recompletion Operations.** Directional signs, no less than three (3) and no more than six (6) square feet in size, shall be provided during any drilling or recompletion operation, by the operator or drilling contractor. Such signs shall be at locations sufficient to advise emergency crews where drilling is taking place; at a minimum, such locations shall include (i) the first point of intersection of a public road and the rig access road and (ii) thereafter at each intersection of the rig access route, except where the route to the rig is clearly obvious to uninformed third parties. Signs not necessary to meet other obligations under these rules shall be removed as soon as practicable after the operation is complete.

- b. **Permanent Designations.**

- (1) **Wells.** Within sixty (60) days after the completion of a well, a permanent sign shall be located at the wellhead which shall identify the well and provide its legal location, including the quarter quarter section. When no associated battery is present, the additional information required under Rule 210.b.(2) shall be required on the sign.

- (2) **Batteries.** Within sixty (60) days after the installation of a battery, a permanent sign shall be located at the battery. At the option of the operator, or at the request of local emergency response authorities, the sign may be placed at the intersection of the lease access road with a public, farm or ranch road if the referenced battery is readily apparent from such location. Such sign, which shall be no less than three (3) square feet and no more than six (6) square feet, shall provide: the name of the operator; a phone number at which the operator can be reached at all times; a phone number for local emergency services (911 where available); the lease name or well name(s) associated with the battery; the public road used to access the site; and the legal location, including the quarter quarter section. In lieu of providing the legal location on the permanent sign, it may be stenciled on a tank in characters visible from one-hundred (100) feet.
- c. **Centralized E&P Waste Management Facilities.** The main point of access to a centralized E&P waste management facility shall be marked by a sign captioned "(operator name) E&P Waste Management Facility." Such sign, which shall be no less than three (3) square feet and no more than six (6) square feet shall provide: a phone number at which the operator can be reached at all times; a phone number for local emergency services (911 where available); the public road used to access the facility; and the legal location, including quarter quarter section, of the facility.
- d. **Tanks and Containers.**
- (1) All tanks with a capacity of ten (10) barrels or greater shall by September 1, 2009 be labeled or posted with the following information:
- A. Name of operator;
 - B. Operator's emergency contact telephone number;
 - C. Tank capacity;
 - D. Tank contents; and
 - E. National Fire Protection Association (NFPA) Label.
- (2) Containers that are used to store, treat, or otherwise handle a hazardous material and which are required to be marked, placarded, or labeled in accordance with the U.S. Department of Transportation's Hazardous Materials Regulations, shall retain the markings, placards, and labels on the container. Such markings, placards, and labels must be retained on the container until it is sufficiently cleaned of residue and purged of vapors to remove any potential hazards.
- e. **General sign requirements.** No sign required under this Rule 210. shall be installed at a height exceeding six (6) feet. Operators shall maintain signs in a legible condition, and shall replace damaged or vandalized signs within sixty (60) days. New operators shall update signs within sixty (60) days after change of operator approval is received from the Commission.

211. NAMING OF FIELDS

All oil and gas fields discovered in the State subsequent to the adoption of these rules and regulations shall be named by the Director or at the Director's direction.

212. SAFETY

For safety regulations regarding industry personnel, contact the U.S. Department of Labor, Occupational Safety and Health Administration, Regional Administrator, Colorado Region VIII, 1244 Speer Blvd Suite 551 Denver, CO, 80204, (720)-264-6550. For State Safety regulations regarding public safety see Rules 601-608.

213. FORMS UPON REQUEST

Forms required by the Commission will be furnished upon request. (Please see Procedures and Forms Guidelines)

214. LOCAL GOVERNMENTAL DESIGNEE

Each local government which designates an office for the purposes set forth in the 100 Series shall provide the Commission written notice of such designation, including the name, address and telephone number, facsimile number, electronic mail address, local emergency dispatch and other emergency numbers of the local governmental designee. It shall be the responsibility of such local governmental designee to ensure that all documents provided to the local governmental designee by oil and gas operators and the Commission or the Director are distributed to the appropriate persons and offices.

215. GLOBAL POSITIONING SYSTEMS

Global Positioning Systems (GPS) may be used to locate facilities used in oil and gas operations provided they meet the following minimum standards of the Commission:

- a. GPS instruments are differential grade.
- b. GPS instruments are capable of one-meter horizontal positional accuracy after differential correction.
- c. The operator must report an accuracy value in meters when submitting location data. If unavailable and except as otherwise provided in the Rules, a position dilution of precision (PDOP) value less than six (6) is acceptable.
- d. Elevation mask (lowest acceptable height above the horizon) shall be no less than fifteen degrees (15°)
- e. Latitude and longitude coordinates shall be provided in decimal degrees with an accuracy and precision of five (5) decimals of a degree using the North American Datum (NAD) of 1983 (e.g.; latitude 37.12345 N, longitude 104.45632 W).
- f. Raw and corrected data files shall be held for a period of three (3) years.
- g. Measurements shall be made by a trained GPS operator familiar with the theory of GPS, the use of GPS instrumentation, and typical constraints encountered during field activities.

216. COMPREHENSIVE DRILLING PLANS

- a. **Purpose.** Comprehensive Drilling Plans are intended to identify foreseeable oil and gas activities in a defined geographic area, facilitate discussions about potential impacts, and identify measures to minimize adverse impacts to public health, safety, welfare, and the environment, including wildlife resources, from such activities. An operator's decisions to initiate and enter into a Comprehensive Drilling Plan are voluntary.

- b. **Scope.** A Comprehensive Drilling Plan shall cover more than one (1) proposed oil and gas location within a geologic basin, but its scope may otherwise be customized by the operator to address specific issues in particular areas. Although operators are encouraged to develop joint Comprehensive Drilling Plans covering the proposed activities of multiple operators where appropriate, Comprehensive Drilling Plans will typically cover the activities of one operator.
- c. **Information requirements.** Operators are encouraged to submit the most detailed information practicable about the future activities in the geographic area covered by the Comprehensive Drilling Plan. Detailed information is more likely to lead to identification of specific impacts and agreement regarding measures to minimize adverse impacts. The information included in the Comprehensive Drilling Plan shall be decided upon by the operator, in consultation with other participants. Information provided by operators to federal agencies to obtain approvals for surface disturbing activities on federal land may be submitted in support of a Comprehensive Drilling Plan. The following information may be included as part of a Comprehensive Drilling Plan, depending on the circumstances:
- (1) A U.S. Geological Survey 1:24,000 topographic map showing the proposed oil and gas locations, including proposed access roads and gathering systems reasonably known to the operator(s);
 - (2) A current aerial photo showing the proposed oil and gas locations displayed at the same scale as the topographic map to facilitate use as an overlay;
 - (3) Overlay maps showing the proposed oil and gas locations, including all proposed access roads and gathering systems, drainages and stream crossings, and existing and proposed buildings, roads, utility lines, pipelines, known mines, oil or gas wells, water wells known to the operator(s) and those registered with the State Engineer's Office, and riparian areas;
 - (4) A list of all proposed oil and gas facilities to be installed within the area covered by the Comprehensive Drilling Plan over the time of the Plan and the anticipated timing of the installation;
 - (5) A plan for the management of exploration and production waste;
 - (6) A description of the wildlife resources at each oil and gas location;
 - (7) Wildlife information that is determined necessary after consultation with the Colorado Parks and Wildlife;
 - (8) Locations of all proposed reference areas to be used as guides for interim and final reclamation;
 - (9) Past economic uses to which the land has been put in the previous ten (10) years reasonably known to the operator(s);
 - (10) Any planned variance requests that are reasonably known to the operator;
 - (11) Proposed best management practices or mitigation to minimize adverse impacts to resources such as air, water, or wildlife resources; and
 - (12) A list of all parties that participated in creating the Comprehensive Drilling Plan pursuant to Rule 216.d.(2).

d. Procedure.

- (1) One or more operator(s) may submit a proposed Comprehensive Drilling Plan to the Commission, describing the operator's reasonably foreseeable oil and gas development activities in a specified geographic area within a geologic basin. The Director may request an operator to initiate a Comprehensive Drilling Plan, but the decision to do so rests solely with the operator.
- (2) The operator(s) shall invite the Colorado Department of Public Health and Environment, the Colorado Parks and Wildlife, local governmental designee(s), and all surface owners to participate in the development of the Comprehensive Drilling Plan. In many cases, participation by these agencies and individuals will facilitate identification of potential impacts and development of conditions of approval to minimize adverse impacts.
- (3) The operator(s), the Director, and participants involved in the Comprehensive Drilling Plan process shall review the proposal, identify information needs, discuss operations and potential impacts, and establish measures to minimize adverse impacts resulting from oil and gas development activities covered by the Plan.
- (4) The Director shall place on the Commission's hearing agenda in a timely manner a Comprehensive Drilling Plan that has been agreed to in writing by the operator(s) and that the Director considers suitable after consultation with the Colorado Department of Public Health and Environment and the Colorado Parks and Wildlife, as applicable, and consideration of any other comments.
- (5) The Director shall identify and document the agreed-upon conditions of approval for activities within the geographic area covered by the accepted Comprehensive Drilling Plan.
- (6) Comprehensive Drilling Plans that have been accepted by the Commission shall be posted on the COGCC website, subject to any confidential or proprietary information belonging to the operator or other parties being withheld. Written information obtained or compiled from landowners and operators in conjunction with development of a Comprehensive Drilling Plan is exempt from disclosure to the public, provided that any page containing information subject to withholding under the Colorado Open Records Act is clearly labeled with the words "Confidential Information." The Commission, the Colorado Department of Public Health and Environment, and the Colorado Parks and Wildlife will keep all such data and information confidential to the extent allowed by the Colorado Open Records Act.
- (7) Before initiating a Comprehensive Drilling Plan, operators are encouraged to discuss with the Director and, as appropriate, the Colorado Department of Public Health and Environment and the Colorado Parks and Wildlife, the scope of the Plan, the schedule for its preparation, the information to be included, any public participation opportunities, and whether the Plan is intended to satisfy Form 2A requirements.

e. Variances and site-specific approvals.

- (1) A Comprehensive Drilling Plan may incorporate variances to any of these rules, provided that all of the requirements for granting variances are met.
- (2) Practices and conditions agreed to in an accepted Comprehensive Drilling Plan shall be:

- A. Included as conditions of approval in any Form 2 or other permit for individual wells or other ground-disturbing activity covered by the Plan, where no Form 2A is required under Rule 303.d.(2).B.
- B. Included as conditions of approval in any Form 2, Form 2A, or other permit for individual wells or other ground-disturbing activity covered by the Plan, where a Form 2A is required under Rule 303.d.(1).

Any permit-specific condition of approval for wildlife habitat protection will be included only with the consent of the surface owner.

f. **Incentives.** The following incentives shall apply as a means to facilitate and encourage the development of Comprehensive Drilling Plans by operators:

- (1) Where the Comprehensive Drilling Plan contains information substantially equivalent to that which would be required in a Form 2A for the proposed oil and gas location and the Comprehensive Drilling Plan has been subject to procedures substantially equivalent to those required for a Form 2A, then a Form 2A shall not be required for a proposed oil and gas location that was included in the Comprehensive Drilling Plan and does not involve a variance from the Plan or a variance from these rules not addressed in the Comprehensive Drilling Plan.
- (2) Where the Comprehensive Drilling Plan does not contain information substantially equivalent to that which would be required in a Form 2A for the proposed oil and gas location or the Comprehensive Drilling Plan has not been subject to procedures substantially equivalent to those required for a Form 2A or the operator seeks a variance from the Comprehensive Drilling Plans or a provision of these rules that is not addressed in the Plan, then a Form 2A shall be required for a proposed oil and gas location included in the Comprehensive Drilling Plan. However, the Director shall modify the informational and procedural requirements for such Form 2A to reflect the information included in and procedures used to approve the Comprehensive Drilling Plan and with input, where appropriate, from the Colorado Department of Public Health and Environment and the Colorado Parks and Wildlife.
- (3) Where a proposed oil and gas location is covered by an approved Comprehensive Drilling Plan and no variance is sought from such Plan or these rules not addressed in the Comprehensive Drilling Plan, then the Director shall give priority to and approve or deny an Application for Permit-to-Drill, Form 2, or Oil and Gas Location Assessment, Form 2A, within thirty (30) days of a determination that such application is complete pursuant to Rule 303.h unless significant new information is brought to the attention of the Director.
- (4) Where the Director does not issue a decision on an Application for Permit-to-Drill, Form 2, or an Oil and Gas Location Assessment, Form 2A, for an oil and gas location as described in Rule 216.f.(3) above within thirty (30) days, then within five (5) days the Director shall provide the operator with a written explanation for the delay and the anticipated decision date, and the operator may request a hearing before the Commission. Such a hearing shall be expedited but will be held only after both the 20 days' notice and the newspaper notice are given as required by Section 34-60-108, C.R.S. However, the hearing may be held after the newspaper notice if all of the entities listed under Rule 503.b waive the 20-day notice requirement.
- (5) Any party requesting a hearing pursuant to Rule 503.b.(7) on the Director's approval of an Application for Permit-to-Drill, Form 2, or an Oil and Gas Location Assessment, Form 2A, for an oil and gas location that includes conditions of

approval arrived at as part of an accepted Comprehensive Drilling Plan shall bear the burden of establishing that the conditions of approval are insufficient to protect public health, safety, welfare, the environment, and wildlife resources due to new information or changed circumstances occurring since the Comprehensive Drilling Plan was accepted by the Commission.

- g. **Duration.** Once accepted by the Commission, a Comprehensive Drilling Plan shall be valid for a period of six (6) years.
- h. **Modification.** An accepted Comprehensive Drilling Plan may be modified using the same process as that leading to acceptance of the original Plan either upon the initiative of the operator or upon the initiative of the Director and upon a showing that there has been a change in an applicable provision in these rules or a significant change to the basis upon which the Plan was developed. The review and approval of the modification shall focus only on the proposed modification(s).