

Commerce City

Discussion about COGCC Mission Change Rulemaking

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Outline of Presentation

1. Colorado Oil and Gas Conservation Commission
Mission Change Rulemaking
2. Changes made to COGCC Application Process
3. Changes made to COGCC Protections
4. Differences between draft Code and COGCC Rules

More protective rules are applied

COGCC Rules:

422. LOCAL GOVERNMENT WELFARE PROTECTION STANDARDS

Operators will comply with all Relevant Local Government requirements, including regulations that may be more protective or stricter than the Commission's Rules.

Commerce City LDC:

Sec. 21-3235. Oil and Gas Permits

9. General Terms of Approval. The following General Terms and Conditions shall apply to any Oil and Gas Permit.

- a. The granting of an Oil and Gas Permit shall not relieve the Operator from complying with all applicable regulatory requirements of the City, the state of Colorado, or the United States.

Sec. 21-5266. Subsurface Extraction

(5) General Standards. All Operators and their agents, employees, licensees, and contractors shall:

- (a) Comply with all local, state, and federal laws and regulations;

Changes to Application Process

Changes to application

Oil and Gas Development Plan – (“OGDP”)

- Combines spacing, Form 2A (Location) and Form 2 (Drilling Permits)
- Requires all planning documents proposed by Commerce City LDC
 - New requirement of alternative location analysis

Changes to application

ALTERNATIVE LOCATION ANALYSIS

- (a) where the location is within 2,000 feet of building units,
- (b) if a location is within 2,640 feet of a Public Water System supply well that is completed in a Type III Aquifer or is a groundwater under the direct influence of surface water well as defined in Rule 411.b.(1) (Rule 304)
- (c) within 2,000 feet of a municipal or county boundary,
- (d) in floodplains,
- (e) high priority habitat, and
- (f) where there is a surface owner protection bond.

Changes to process

NOTICE AND COMMENT

- Rule 302.e – Notice to Relevant and Proximate Local Governments – Operators must give Relevant and Proximate Local Governments (within 2,000 feet) at least 30 days' notice prior to submission of an OGD
- Rule 301.f – If requested, operator and COGCC must “Formally Consult” with relevant local government prior to submission of OGD
- Rule 303.d – Must offer formal consultation with both relevant and proximate local governments once OGD is released
- Rule 306.c – The Director of the COGCC must send notice of recommended decision to relevant and proximate local governments

Changes to process

STANDING – “any person who may be affected or aggrieved by an application”
(Rule 507)

- Rule 507 – Relevant local government may request to be a party to the hearing on the oil and gas development plan application.
- Rule 507 – residents within 2,000 feet of working pad surface are given automatic standing as “affected persons”
- Rule 520.c – If dissatisfied with decision of hearing officer, the local government may appeal to full COGCC commission.

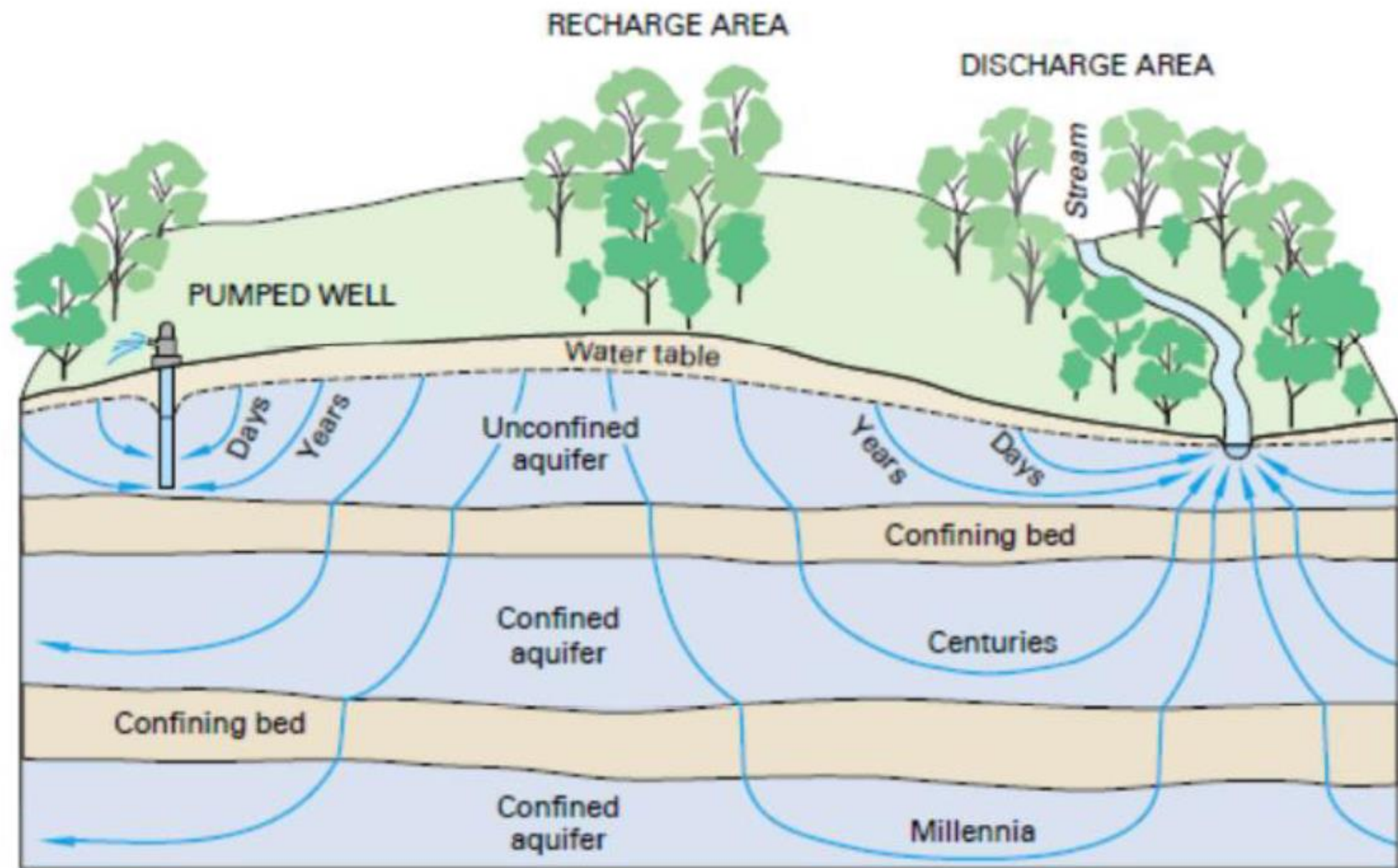
Changes to Protections

Changes to protections

WATER QUALITY PROTECTION – Rule 411

- Increased setbacks from 300 feet to 1,000 feet from surface water
- Created setbacks from alluvial ground water wells (both GUDI and Type III water wells)
- Public water system can require groundwater monitoring within 2,640 feet of shallow public water supply wells
- Reportable spills within 2,640 feet of a public water supply well must be reported to public water system

Coalition of water providers and local governments: Arapahoe County Water and Wastewater Authority (ACWWA), Aurora Water, City of Brighton, City of Commerce City, East Cherry Creek Valley Water and Sanitation District (ECCV), Greatrock North Water and Sanitation District, South Adams County Water and Sanitation District, South Beebe Draw Metropolitan District, South Metro Water Supply Authority, Town of Castle Rock, Town of Lochbuie, United Water and Sanitation District



Noise

- Lowered maximum A-scale noise levels from oil and gas development
- Adopted a new C-scale noise limit of 60db(C) for residential areas.
(Rule 423.b.)

Siting Requirements – Rule 604

500-foot setback may only be waived by getting permission from all affected residents

500 – 2,000 foot setback may be sited if COGCC finds proposed operations are “substantially equivalent” to protections of 2,000 foot setback considering:

- A. The Director’s recommendation on the Oil and Gas Location pursuant to Rule 306.b;
- B. The extent to which the Oil and Gas Location design and any planned Best Management Practices, preferred control technologies, and conditions of approval avoid, minimize, and mitigate adverse impacts, considering:
 - i. Geology, technology, and topography;
 - ii. The location of receptors and proximity to those receptors; and
 - iii. The anticipated size, duration, and intensity of all phases of the proposed Oil and Gas Operations at the proposed Oil and Gas Location.
- C. The Relevant Local Government’s consideration or disposition of a land use permit for the location, including any siting decisions and conditions of approval identified as appropriate by the Relevant Local Government;
- D. The Operator’s alternative location analysis conducted pursuant to Rule 304.b.(2), or an alternative location analysis performed for the Relevant Local Government that the Director has accepted as substantially equivalent pursuant to Rule 304.e;
- E. Related Oil and Gas Location siting and infrastructure proposed as a component of the same Oil and Gas Development Plan as the proposed Oil and Gas Location;
- F. How Oil and Gas Facilities associated with the proposed Oil and Gas Location are designed to avoid, minimize, and mitigate impacts on Residential Building Units and High Occupancy Building Units; or
- G. The Operator’s actual and planned engagement with nearby residents and businesses to consult with them about the planned Oil and Gas Operations.

COGCC Rulemaking next steps

- **COGCC Rules effective date: January 15, 2021**
- **Application to pending applications:** pending and on-hold applications at the time of the rules' effective date (January 15, 2021) will be subject to the new rules. New applications will have to be submitted within 6 months (June 15, 2021). Applicants must notify the COGCC by March 1, 2021 about which applications will be replaced.
- **COGCC Rulemaking in 2021:**
 - ✓ Reclamation
 - ✓ Financial assurance
 - ✓ Orphaned wells –adequate finances to properly plug and abandon wells.

Questions?

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