



September 21, 2012

## Conceptual Overview of Amended Setback Rules

### I. Setbacks from Occupied Buildings

Establish three new setback zones, based on the distance from a wellhead or production facility to the nearest occupied building (referred to as Building Units in COGCC 100 series Rules).

Exempt from the setbacks zones shall be all operations conducted on drill sites or drilling pads which were approved by the COGCC when initially constructed, including operations conducted within 50 feet thereof and the production facilities located thereon.

a.

- i. Zone 1: a Building Unit is located within 350 feet of wellhead or production facility.

~~1. Wells and production facilities are prohibited within 350 feet of a Building Unit absent written consent of all owners of surface property and Building Units within 350 feet.~~

b. Reciprocal Setbacks:

The increased setback distance would only be in effect if local city/county governments approved an equal or greater setback distance for new development.

- a. A drilling permit or location assessment will not be considered complete, and will not be approved, without the requisite consent.

~~a.~~

2. Detailed notice of proposed oil and gas operations to be provided to all owners of surface property or Building Units within 700 feet of proposed wellhead or production facility, as well as local government designee.
3. Comment period extended from 20 days to 40 days.
4. Mitigation measures to include:
  - i. Restrictions on operating hours;
  - ii. Restrictions on, or prohibitions of, pits
  - iii. Restrictions on allowable noise levels

- iv. Development of traffic plan
  - v. Green completions required
  - vi. Emissions control devices required
  - vii. Operations and facilities consolidated where possible
  - viii. Blowout preventers
  - ix. Others
  
- ii. Zone 2: a Building Unit is located more than 350 feet, but not more than 700 feet, from a wellhead or production facility.
  - 1. Good faith consultation with owners of surface property or Building Units within 700 feet of any proposed wellhead or production facility, as well as local government designee.
    - a. Form 2 or Form 2A will not be approved until Applicant certifies consultation was held.
  - 2. Detailed notice of proposed location to be provided to all owners of surface property or Building Units within 700 feet of proposed wellhead or production facility, as well as local government designee.
  - 3. Comment period extended from 20 days to 40 days.
  - 4. Mitigation measures to include:
    - i. Restrictions on operating hours;
    - ii. Restrictions on, or prohibitions of, pits
    - iii. Restrictions on allowable noise levels
    - iv. Development of traffic plan
    - v. Green completions required
    - vi. Emissions control devices required
    - vii. Operations and facilities consolidated where possible
    - viii. Blowout preventers
    - ix. Others
  
- iii. Zone 3: a Building Unit is located more than 700 feet, but not more than 1200 feet, from a wellhead or production facility.
  - 1. Good faith consultation with owners of surface property or Building Units within 1200 feet of any proposed wellhead or production facility, as well as local government designee.

- a. Form 2 or Form 2A will not be approved until Applicant certifies consultation was held.
2. Surface owners and Building Unit owners invited to attend public meeting(s) to be held at convenient times and locations.
3. Comment period remains at 20 days.
4. Mitigation measures similar to Zones 1 and 2.

~~b.c.~~ b.c. **High Occupancy Buildings:** buildings such as schools, hospitals, nursing homes, with sensitive populations or identifiable difficulties with ingress or egress.

- i. Locating a wellhead or production facility within 750 feet of a High Occupancy building requires Commission approval following a full public hearing.
- ii. The Director may approve a proposed wellhead or production facility located more than 750 feet, provided consultation with owners within 1200 feet is conducted.

~~e.d.~~ e.d. **Designated Outside Activity Areas.** Retain concept of DOAA, which requires Commission Hearing, and Commission has discretion to establish setback, with minimum of 350 feet.

II. **Other Setbacks.** Except as modified by requirements for Building Units, High Occupancy Buildings, and DOAAs, setbacks from buildings, public roads, major above ground utility lines or railroads to be increased from 150 to 200 feet.

### III. **Statewide Groundwater Sampling and Monitoring**

- a. Collect initial groundwater samples from 2 closest water wells, springs, or surface water features within 1 mile of proposed location prior to beginning construction of location.
- b. If drilling is delayed for more than one year following location construction, or if well is re-stimulated more than one year after initial sampling event, a new sampling event is required.
- c. A follow-up sampling event is to be conducted not less than 12 months, nor more than 18 months, following an initial sampling event.
- d. A follow-up sampling event to be conducted at time of final reclamation of oil and gas location.
- e. Follow up sampling may be required in response to changes in water quality documented by analytical data, or in response to complaints from water well owners at Director's discretion.
- f. Constituents to tested for to be determined.
- g. Copies of all test results obtained as a result of sampling program will be provided to the Commission and the water well owner. The analytical data and surveyed well locations will be publicly available through COGCC website database.