



# LGD Newsletter, Fall 2014

November 12, 2014

## Message from the COGCC Local Government Liaisons (LGLs)

Welcome to the Fall 2014 issue of the Local Government Designee (LGD) Newsletter. Past Issues are available on the COGCC [website](#) under the [Local Gov link](#). We welcome the 21 cities and towns that have recently registered to participate in the valuable LGD program. The COGCC created this program in the 1990s to provide greater input to local government in the regulation of oil and gas in Colorado. The LGD program is believed to be unique to Colorado, and at present, 56 Counties, 104 cities or towns, and 8 special districts participate.

Newly participating Local Governments (and their designated LGD) includes:

- Town of Akron (Annette Brown)
- Town of Ault (Gary White)
- Town of Brookside (Renee Bolkema)
- Town of Carbondale (Katrina Byers)
- Town of Cedaredge (Raymond Hansen)
- Town of Dove Creek (Irvin Frazier)
- Town of Eckley ((John Owens)
- City of Fountain (Scott Trainor)
- Town of Gilcrest (Trudy Peterson)
- Town of Kersey (Brett Bloom)
- Town of Kit Carson (Laurie Erwin)
- City of Lakewood (Jay Hutchison)
- City of Northglenn (John Pick)
- Town of Norwood (Patti Grafmyer)
- Town of Olney Springs (Carl McClure)
- Town of Ovid (Carol Dunker)
- Town of Paonia (Barbara Peterson)
- Town of Simla (Jack Bryan)
- City of Trinidad (Audra Garrett)
- City of Wray (James DePue)
- Town of Yampa (Janet Ray)

As a reminder to all LGDs, PLEASE let us know of any changes in LGD contact information (especially the e-mail address!) because if an LGD e-mail address changes, or becomes invalid, system-generated e-mail notifications won't be delivered until we are informed of the new e-mail address. As a safeguard, LGDs may designate an additional person (or persons) to receive e-mail notifications generated from program participation.

Thanks very much.

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### LGD Program

#### Participation

#### Provides....

- Single point of contact
- Access to the COGCC well and location permitting process
- Standing in other COGCC matters
- 20 years of communication between local governments and COGCC
- Network of 168LGDs statewide

### Inside this issue:

Task Force Update	2
Rule and Policy Update	3
Forms and eForms	3
LGD Training Schedule	4
Did You Know?	4



## Update on the 2014 Governor's Task Force

As fall begins, a lot of attention is again focusing on the balance between state and local regulation of oil and gas in Colorado, to the point where as of early August, four different measures (all concerning oil and gas, but of different intent and purpose) were advancing to potentially be placed before Colorado voters in November 2014.

But on August 4 and just as stacks of signatures were to be delivered to the Secretary of State for their verification to complete but one aspect of a complex process to get the initiatives placed on the fall ballot, a compromise was reached, and sponsors of the ballot measures withdrew them in exchange for the creation of a [Task Force](#), coupled with other COGCC concessions and actions.

The Task Force co-chairs (as named on August 4) are Gwen Lachelt, current La Plata County Commissioner, and Randy Cleveland, President of XTO Energy. The remaining 19 members Task Force were named on September 8. Members includes representatives from the business community (including several from the oil and gas industry), former elected officials, a representative of a community group (Weld Air and Water), attorneys, a rancher, a non-profit environmental organization (Western Resource Advocates), and various other civic and community leaders of highly variable backgrounds. Nearly 300 people either applied or were nominated to be on the Task Force.

Concurrent with the naming of remaining Task Force members was the release by the Governor of an [Executive Order](#) (EO). The EO clarifies and details the scope of work the Task Force will address in the coming months. In general terms, the Task Force is to provide

recommendations for new or amended legislation, or new or amended COGCC rules or policies, all to increase collaboration and achieve a complementary regulatory structure between the State and Local governments that avoids duplicative regulation. The Task Force report is due in late February.

The creation of the Task Force is considered by many to be a favorable outcome, as passage of any of the four former ballot initiatives was likened to the use of a very blunt instrument to address what are very complex issues. It was possible that significant economic impact may have resulted from passage of at least one of the proposed ballot measures (concerning setback distance). Another potential unfavorable outcome that was avoided were likely lengthy legal challenges, possibly stalling any real progress on these important issues.

The first Task Force meeting occurred on September 25 in Denver. A second meeting was held in Durango (October 9-10). Future meetings will be held in Loveland (November 20-21), Rifle (December 10-11), Greeley (January 15-16), Denver (February 2-3), and a last meeting in Denver on February 24. Meetings will be open to the public, and public comment will be taken. All meetings are expected to streamed live on the web.

And no matter what eventually emerges from the Task Force, all mandated procedural elements and a robust stakeholder involvement process will occur. The Task Force report will be of great interest to LGDs and local governments, the public, the oil and gas industry, and the nation.



## Rule and Policy Update, Special Reports

A number of new items are available on the COGCC website [homepage](#).

Clean-up Rulemaking stakeholder process began on June 12, 2014. The goal was to make COGCC Rules easier to understand and more consistent, effective and efficient as required by Executive Order D 2012-002. Approved at the July 25, 2014 Commission Hearing, these rules will be effective Sept. 30, 2014. Prior to the effective date both the “clean” and “red-line” versions can be located at the *1407-RM-01* [Clean-up Rulemaking 2014 link](#).

Enforcement and Penalty Rulemaking to amend Commission Rules of Practice and Procedure per Executive Order D2013-004, and HB 14-1356 is underway. A final stakeholder meeting is scheduled for November 18 in Denver. Click *1412-RM-02* [Enforcement and Penalty Rulemaking link](#) for documents and meeting notices.

The Policy on Modular Large Volume Storage Tanks was adopted on June 13, following stakeholder meetings. Guidance to Operators for using this new technology may be found at [Final](#)

[Policy on Modular Large Volume Tanks link](#).

Effective October 1, the Form 2A (Oil and Gas Location Assessment [OGLA] permit application) will be modified to provide certification and description of Operator’s compliance with Rule 604.c(2)E.i. for production facilities serving multi-well pads. Check out the [Rule 604.c\(2\)E.i. Implementation link](#) for more information.

[Spill Analysis](#) is a compilation of spill data from 1999 through first quarter of 2014, developed to respond to numerous public inquiries related to spill data.

[The Risk-Based Inspection Report](#) was presented to the General Assembly on April 15, 2014 in response to SB 13-202. The report recommends that the Commission increase inspection frequency for integrity tests, production facility closure, and hydraulic fracturing operations. Time-specific inspections of construction, reclamation and drilling activities should also be recommended.

## COGCC Forms

Most Operator plans and activities are documented by way of a standardized form. COGCC has used a number of formats since the 1990s in the move to a paperless system, referred to as “eForms”. eForms is an internet-based platform that allows users to submit forms electronically, resulting in much greater efficiency. The emphasis on using an electronic filing and management system began with Form 2 and Form 2A in 2009. To date, thirteen forms have been converted, with one more (Form 7) soon to be released for use. Remaining Forms are scheduled for conversion over the next few years.

Many of the forms and associated data and submittal requirements are specified in [COGCC RULES](#). Links to instructions and examples are found on the [FORMS](#) page. All forms, whether submitted electronically or in paper format are assigned a document number and linked to the appropriate file in the [DATABASE](#). All are searchable by document number, and most by using one of the query criteria in the database.

### eForms

Form 2  
Form 2A  
Form 4  
Form 5  
Form 5A  
Form 10  
Form 15  
Form 17  
Form 19  
Form 22  
Form 23  
Form 41  
[Form 42](#)

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## 2015 LGD Training Update

The 2015 LGD training schedule is being developed now. So, if you are new to the LGD ranks, an interested local government staffer, or other individual interested in the regulation of oil and gas, we hope to see you at a training in 2015. We will post the schedule for LGD training in [Staff Reports](#) that are issued every few weeks. We also invite you to alert your work colleagues and constituents about upcoming training opportunities. If your town, city, county or special district is interested in hosting a training, or prefer we bring the training to you (we do go on the road!), please contact us.

**Who should take the training?** LGD training is recommended every two years for LGDs, staff of towns or counties considering participation in the program, local government staff, and others interested in the regulation of oil and gas in Colorado. If you are an LGD and have not taken any of the many trainings offered in 2013 or 2014, we strongly encourage you to take the next available training.

**What will be covered?** COGCC overview and update on rules and policies; life cycle of a well; well and location permitting; LGD rights, powers, and responsibilities; and website and database navigation.

**Training on request** may be arranged for groups of 5 or more. Contact one of us to schedule a time.

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## Did You Know this about the COGCC?

**Did you know that** “active” wells (the well count that COGCC tabulates and which is often cited in media reports) consists of wells not only with “producing” status, but also includes shut-in wells, injection wells, wells being drilled, and temporarily abandoned wells? Producing wells account for nearly 89% of all “active” wells. Well count data (by County) is presented in the periodically issued [Staff Reports](#).

**Did you know** any member of the public or local government can provide comment/make a statement at any of COGCC Commission Hearing? Public comments are normally limited to 2-4 minutes, and the comment period normally occurs near the very start of the Commission Hearing. The Commission hearing schedule can be found [here](#).

**Did you know** COGCC Inspectors conducted 23,529 well and 13,371 location inspections in 2013 alone, and through August 2014, COGCC staff have conducted 21,166 well inspections and 12,265 location inspections?



**COLORADO**  
Oil & Gas Conservation  
Commission  
Department of Natural Resources