



COGCC-LGD Newsletter

August 9, 2013

A Message From the Local Government Liaisons

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*Make your reservation
for LGD Training today!*

See page 4 for details.

Welcome to the second issue of the Colorado Oil and Gas Conservation Commission (COGCC) Local Government Designee (LGD) Newsletter. We plan to publish the newsletter quarterly, and welcome your comments on content and suggestions for future issues. Prior issues are available on our website at COGCC.state.co.us, within the “Local Gov” tab.

As most of you know, 2012 and 2013 have been busy times for the COGCC. Two major efforts began with an extensive stakeholder involvement process: The Groundwater Rules effective May 1, and the Setback Rules effective August 1.

A myriad of views, suggestions, and opinions were expressed and heard during the stakeholder process. Both sets of rules therefore represent a balanced approach to the Commission’s role in regulating oil and gas activity in the state while protecting the health, safety and welfare of the citizens.

This newsletter issue highlights the “Setback Rules”, and the increased opportunity for communication for local governments and LGDs.

The LGD program was established in the 1990s at the request of local governments as a way to increase communication and cooperation between the different levels of government. We are aware of no similar program in other states. But as the visibility of oil and gas in communities has grown, so has the role of the LGD. We therefore encourage local governments to get engaged with operators, the public, and with us as LGLs to take full advantage of the opportunities this voluntary program offers. We are here to help you with these efforts. Thank you!

*Nancy Prince
Marc Morton*

Highlights of New Setback Rules Effective August 1, 2013

The new Setback Rules establish a uniform 500 foot Exception Zone setback between new Oil and Gas Locations and existing Building Units; require enhanced mitigation measures for any new Well or Production Facility within 1,000 feet; and require oil and gas Operators to notify Building Unit Owners within 1,000 feet of an Oil and Gas Location at least 30 days before filing the Location Assessment application (Form 2A) with COGCC.

Some Defined Terms

(See 100 Series)

- Well
- Production Facility
- Oil and Gas Location
- Operator
- Building Units
- Building Unit Owners
- Residential Building Units
- Designated Setback Location
- Exception Zone
- Buffer Zone
- Urban Mitigation Area
- High Occupancy Building Unit
- Designated Outside Activity Area

COGCC believes this “trifecta” of setback zones, early stakeholder engagement, and enhanced best management practices will significantly alleviate citizen concerns regarding oil and gas exploration and production activity by mitigating impacts of that activity.

For specifics on the rules and rulemaking process, please refer to the COGCC website cogcc.state.co.us. The “Hot Topics” section includes “New Setback Rules” link to the rules and to training materials developed for oil and gas operators that will also be useful to LGDs. The “Rules” tab on the website includes links to a complete copy of the COGCC Rules, a record of the stakeholder and rulemaking process, and other related information.

Key requirements under the new rules include:

- A. For any new proposed Oil and Gas Location closer than 1,000 feet to a Building Unit the Operator must:
 - Notify Building Unit Owners at least 30 days prior to filing an oil and gas location assessment (Form 2A) with COGCC;
 - Notify Building Unit Owners of the opportunity to meet with Operator and/or comment on oil and gas location assessment applications ;
 - Meet with Building Unit Owners if requested ; and
 - Implement mitigation measures required by Rule 604.c.

Rules Series That Changed

- 100 - Definitions
- 300 - Drilling, Development, Producing and Abandonment
- 600 - Safety
- 800 - Aesthetic and Noise Control

The new Setback Rules give local governments additional input into the COGCC location assessment and permitting process via the LGD program.

- B. Notification and meeting requirements depend on:
- Distance to nearest Building Unit ; and
 - Building or land use type and density of Building Units
 - Building Units include Residential Building Units, and some commercial and warehouse space;
 - High Occupancy Building Units such as schools and hospitals; and
 - Designated Outside Activity Areas
- C. Under the new Rules, different stakeholders (Local Governments, Surface Owners, and adjacent Building Unit owners) have different rights, responsibilities, and opportunities for increased involvement with the planning, location assessment, and permitting processes.
- D. A minimum safety setback of 200 feet from a Well and any building, public road, major above ground utility line, or railroad is required at the time of drilling.
- E. E. Waivers and exceptions may be allowed in specific situations for some of the requirements of the Setback Rules.
- F. The rules emphasize the importance of Operator/Local Government communication in the planning stages. Specific opportunities include:
- LGD contact information is included in the notifications sent to neighbors by Operators ;
 - LGDs will get pre-application notifications in Urban Mitigation Areas;
 - The LGD may request that the Operator meet with Building Unit Owners;
 - Local Governments may request that the Commission hold a hearing to establish a Designated Outdoor Activity Area ;
 - LGDs may request extension of the comment period for Form 2 or Form 2A from 20 to 30 days. In the Urban Mitigation Area or Exception Zone , the LGD may request extension of the comment period for Form 2As to 40 days); and
 - As before, LGDs may provide comments on a Form 2 or Form 2A, and may request that CDPHE consult with COGCC on a Form 2A regarding potential impacts to public health, safety, welfare or the environment.

Is your Jurisdiction Accurately Mapped?

The definition of a county, municipality, or special district as shown on the COGCC GIS Online map determines the electronic LGD permitting notification for that area. In order to ensure that each LGD receives proper notification, it is crucial that these boundaries be accurate and up-to-date. Please take a moment to check the representation of your jurisdiction's area on the map (<http://dnrwebmapgdev.state.co.us/mg2012app/>) If there are questions or inaccuracies, please notify COGCC.



This review is most pertinent for the municipalities and special districts whose boundaries are prone to change through annexation.

The preferred format of boundary definition would be a shapefile from your GIS department. If that is not possible, a PDF map showing the boundary definition relative to Section, Township, Range would be appreciated.

Yellow shading on the COGCC map indicates boundaries that are currently being used to generate notification of oil and gas activity that is sent by e-mail to LGDs

Questions, correspondence, shapefiles or maps should be addressed to Dennis Ahlstrand at dennis.ahlstrand@state.co.us.

Topics for Upcoming Issues

Some topics being considered for the upcoming issues of the LGD newsletter include developing and implementing Memorandums of Understanding (MOU) between Operators and local governments; COGCC enforcement rules, policies and procedures; and planned improvements to our website.

While we are happy to generate topics for inclusion in the Newsletter, we want your input as well. For example, let us know if you have developed a special tool or process that is helpful in managing the LGD program in your locality, or a program or model for conducting community outreach related to oil and gas issues.

Also let us know if there a specific question/issue that you would like to solicit feedback from other LGDs or COGCC.

Please forward your suggestions by October 1 for inclusion in the Fall newsletter.

LGD Training Registration Instructions

To register for one of the three remaining 2013 LGD Training Sessions, please contact either Nancy or Marc. More training sessions are planned for 2014!

Include the following information:

Location and date of training

_____ August 21 - Denver (near capacity, we will take wait list registrations)

_____ September 24 - Glenwood Springs

_____ November 12 - Lamar

Names and affiliation of people planning to attend (If 2 or more people may attend, please give names and contact information - changes can be made later if necessary.)

NAME

LGD: (yes or no)

NAME OF LOCAL GOVERNMENT

DEPARTMENT OR AFFILIATION

EMAIL ADDRESS

PHONE NUMBER

If there are questions, please call or send an e-mail. The COGCC main number is 303-894-2100.

nancy.prince@state.co.us (phone extension 5103)

marc.morton@state.co.us (phone extension 5132)

Does Your Local Government Have An LGD?

Registering to become a “Participating” LGD is highly recommended. Taking this step allows a local government to provide much greater input into the planning of oil and gas operations in their jurisdiction. Registration is not automatic however. Information must be provided to COGCC to initiate the registration, and must be kept current in order to maximize benefits.

All it takes for your county, municipality or special district to participate is to submit a Form 29, available at cogcc.state.co.us under the “Forms” tab. Fill the Form out, sign and submit to the Hearings Assistant either by fax as directed, or as a pdf to an email to cogcc.hearings_unit@state.co.us.

Be sure to check the boxes if you desire the opportunity for onsite consultation, would like general e-mail notification, and would like eForm credentials. eForm credentials allow the LGD to receive notice of pending applications, and to make comments on the electronic forms, streamlining notification and comment process. If an additional, non-LGD carbon copy “cc” contact is desired, please indicate that also.

Once the Form 29 has been submitted and processed you will be contacted by COGCC to verify the information in our database. This information is viewable by the public and is an easy way people in your community can find your contact information.

COGCC Form 29 is used to register LGDs and update LGD changes and contact information. A blank form can be printed from Forms tab on COGCC home page.