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Jeff Robbins  
Director  
Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

**RE: Comment to SB19-181 Draft Required Director Objective Criteria**

Dear Director Robbins:

Bison Oil & Gas II, LLC (“Bison”) respectfully submits this letter to provide comments to the April 19, 2019 Draft Required Director Objective Criteria (the “Director’s Objective Criteria”) proposed by the Director and staff of the Colorado Oil and Gas Conservation Commission. Bison appreciates the work of staff and the Director in creating the proposed criteria and the opportunity to provide comments thereon. In reviewing the proposed criteria and the April 19, 2019 COGCC Operator Guidance, SB 19-181: Hearings and Permitting Groups (the “Operator Guidance”), Bison includes herein comments to Criteria Nos. 8 and 15 and comment to the application of the proposed criteria to Rule 216 Comprehensive Drilling Plans. Bison further joins in and adopts the well-reasoned comments provided by the Colorado Oil and Gas Association and the American Petroleum Institute, d/b/a Colorado Petroleum Council.

Criteria No. 8

Bison requests that the Criteria No. 8 be revised consistent with existing Commission rule criteria for Large UMA Facilities. The existing threshold for a Large UMA Facility is eight or more wells on a pad or “cumulative new and existing on-site storage capacity for produced hydrocarbons exceeds 4,000 barrels.” Large UMA Facility Definition, Series 100 Rules (emphasis added). The proposed Criteria No. 8, however, includes “produced liquid storage” in addition to hydrocarbon storage as part of the cumulative storage capacity. Thus, while a location may not meet the threshold for a Large UMA Facility due to proximity to urban areas and produced hydrocarbon storage, the inclusion of “produced liquid storage” would effectively capture a much larger number of well locations in the State of Colorado, even those in rural areas. Indeed, Large UMA Facilities are subject to more stringent siting requirements due to their proximity to urban areas; whereas locations in rural areas do not present the same considerations that prompted the Large UMA Facility rules in the first place. Criteria No. 8, as

proposed, would result in a much larger number of well locations being subject to the same level of scrutiny as a Large UMA Facility. As a result, Criteria No. 8 may have the unintended consequence of encouraging operators to depart from consolidating surface equipment in order to minimize surface disturbance even in rural areas when pipelines for all liquids are being utilized.

Bison believes that the language “produced liquid storage” should be removed so that Criteria No. 8 is focused on storage of produced hydrocarbons consistent with the Large UMA Facility definition and associated rules.

#### Criteria No. 15

Bison strongly encourages the Director to remove Criteria No. 15 in its entirety. Indeed, plugging of legacy wells is and should remain a top priority. However, Form 6 applications are already backlogged, which is already slowing operator ability to plan for plugging operations that coincide with development plans. And, due to the all-encompassing nature of the draft Director Objective Criteria Nos. 1 - 15, nearly all permits (Form 2, Form 2A, Form 6, etc.) will become subject to additional Director review further slowing the Form 6 permit review process. Comments have been made regarding the first and third sub-criteria under Criteria No. 15; Bison believes the second sub-criteria, regarding adequate surface casing, should also be addressed. The plugging of legacy wells that lack surface casing to cover all aquifers should be expedited, not delayed, as such wells present immediate concern more so than legacy wells that are merely in proximity to urban areas. Bison encourages the Director to rely upon the Commission staff's expertise in reviewing and recommending for approval Form 6 applications and to prioritize the approval of the same. If Criteria No. 15 is to remain, Bison suggests that a process be implemented to expedited approval of Form 6 applications.

#### Application of Director Objective Criteria to Rule 216 CDPs

Bison is currently preparing a Rule 216 Comprehensive Drilling Plan for more than 20,000 acres in rural Weld County, Colorado. To date, it has met with Commission staff, Colorado Department of Public Health and Environment, Colorado Parks and Wildlife, Weld County, communicated with United States Forest Service, other operators, and is planning meetings with the Bureau of Land Management and surface owners. All of these meetings and consultations are to review not just the operational plans of the CDP, but to ensure that the proposed operations ensure protection of public health, safety, and welfare and the environment – the very goals SB19-181 was implemented to accomplish. These efforts have been undertaken voluntarily at great expense and resources to Bison. Of course, Form 2As must also be submitted to the Commission as part of the CDP. By the time the CDP is ready for the Director's review and approval for submission to the Commission for final approval, an extensive review of the CDP and the Form 2As will already have been completed over the course of many months to ensure that the considerations and requirements of SB19-181 are met. The Operator Guidance, however, subjects CDP applications to the Director's Objective Criteria which will result in duplicative and unnecessary secondary review of the CDP process. Given that CDP applications, when presented to the Director for approval for submission to the Commission, have already undertaken site specific review by all stakeholders, Bison requests

that CDP applications be removed from the Operator Guidance and the application of the Director's Objective Criteria.

Thank you for the opportunity to comment on the draft Director's Objective Criteria. Bison appreciates your consideration of its comments herein and looks forward to working with you and the Commission staff toward implementing an efficient process for permit review consistent with SB19-181.

Sincerely,  
**Bison Oil & Gas II, LLC**



Robert Pierini  
Vice President of Land and Business Development