



April 29, 2019

FOR DELIVERY BY ELECTRONIC SUBMISSION

<https://cogcc.state.co.us/comments/view>

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

RE: SB 19-181 Draft Required Director Objective Criteria

Dear Director Robbins:

The Energy Council is a non-profit trade organization that promotes safe and responsible natural gas development and CO₂ development in La Plata, Archuleta, Montezuma and Dolores Counties. Our 62 individual and company members work to build community relations, increase public understanding, and address public issues relative to the industry.

There are close to 3,000 producing natural gas wells in La Plata County, approximately 2/3rds produce coalbed methane and 1/3rd produce conventional natural gas. In Archuleta County there are 110 producing wells (primarily coalbed methane), and in Montezuma and Dolores County there are approximately 135 producing wells, primarily CO₂. There is very little oil produced in any of the four counties. In 2018, operators in Archuleta and La Plata Counties produced 82% of the State of Colorado's coalbed methane natural gas and in Montezuma and Dolores Counties in 2018 operators produced 98% of the CO₂ in State of Colorado.

The Energy Council ("EC") supports comments submitted by all of our Energy Council member organizations as well as the Colorado Petroleum Council and the Colorado Oil and Gas Association.

Footnote 1 – Page 2 Criteria

This distance is measured from the edge of the disturbed Oil and Gas Location, and not the buffer or exception zone. Measuring from the edge of the disturbed Oil and Gas Location is more protective of public health, safety, welfare, the environment, and wildlife resources since it is a greater distance than the buffer or exception zone.

Please provide clarification regarding the “edge of the disturbed Oil and Gas Location” as it related to COGCC Rule 604 Exception Zone and Buffer Zone setbacks (below) and the COGCC Form 2A Attachment Guidance Document: Location Drawing (below). Operators have historically provided a Location Drawing indicating the Exception Zone and Buffer Zone setbacks as measured from a fixed point such as a well head, or production facilities such as oil and produced water tanks. The “edge of the disturbed Oil and Gas Location” changes over time, as normally there is a “Construction Buffer” that is used for temporary top soil storage and storm water controls, the “Well Pad” that is temporarily used for drilling, and the “Interim Reclamation” area that is the long-term area of disturbance left after the well has been completed.

- COGCC Rule 604.a.(1), states that “No Well or Production Facility shall be located five hundred (500) feet or less from a Building Unit except as provided in Rules 604.a.(1) A and B, and 604.b.”
- COGCC Rule 604.a.(2), states that “No Well or Production Facility shall be located one thousand (1,000) feet or less from a Building Unit until the Operator certifies it has complied with Rule 305.a., 305.c., and 306.e. and the Form 2A or Form 2 contains conditions of approval related to site specific mitigation measures as necessary to eliminate, minimize or mitigate potential adverse impacts to public health, safety, welfare, the environment, and wildlife”.
- COGCC Form 2A Attachment Guidance: Location Drawing states the following: ***Rule / Policy Citation 303.b.(3).D.*** A scaled drawing or scaled aerial photograph showing the approximate outline of the Oil and Gas Location and all Wells and/or Production Facilities used for measuring distances. The drawing shall include all visible improvements within five hundred (500) feet of the proposed Oil and Gas Location, with a horizontal distance and approximate bearing from the Oil and Gas Facilities. Visible improvements shall include, but not be limited to, all buildings and Building Units, publicly maintained roads and trails, above ground utility lines, railroads, pipelines, mines, oil wells, gas wells, injection wells, water wells known to the operator and those registered with the Colorado State Engineer, known springs, plugged wells, known sewers with manholes, standing bodies of water, and natural channels including permanent canals and ditches through which water may flow. A description of surface uses within the five hundred (500) foot radius of a proposed Oil and Gas Location, if any, shall be attached to the scaled drawing. If there are no visible improvements within five hundred (500) feet of a proposed Oil and Gas Location, it shall be so noted on the Form 2A.

Comment:

Energy Council members support measurement from permanent equipment per Rule 604, such as the Well or Production Facility, since that is where the public health, safety, welfare, environment and wildlife concerns may exist (a well head or production facility versus a topsoil pile). Measuring from the edge of disturbance does not account for the fluctuating nature of land areas nor the potential impacts to agriculture property owners.

The Draft Director document for comment is silent on some important topics for operators in the San Juan and Paradox Basins. The *Draft Director’s Objective Criteria* does not specifically say some important things that were stated in the guidance document. The prepared criteria related

A non-profit trade organization promoting safe and responsible natural gas development in La Plata County.

to siting for permitting units is for pending and new applications, not approved, and the Form 2s regarding deepening, etc., in consideration of SB 19- 181 is not reflected in the criteria, but is stated in the guidance.

Comments:

- All current **approved** Forms 2 and 2a permits are exempt from Commission siting criteria.
- Form 2s filed to deepen an existing well, sidetrack an existing well, or recomplete an existing well are also exempt from siting criteria requirements since the well locations have been approved by the Colorado Oil and Gas Conservation Commission.

Stated on April Guidance call, but not in the criteria - Comment:

- Form 2 permits with federal or tribal minerals are exempt from all director criteria.
- If any pending Form 2 has spacing in a federal unit the siting criteria is not applicable.

To free up permitting staff for backlog of permits:

- If no public comments were received on the Forms 2 or 2A during the comment period the permits are expedited to approval and are exempt from the Director criteria.
- If no COGCC general comments are on the Forms 2 or 2A the permit is expedited to approval and the permit is exempt from the Director criteria.
- If the operator is a tribal entity within the Southern Ute reservation boundaries the Director siting criteria is not applicable.

Sample feedback letter language suggested by 350.org – Comment:

Energy Council members are alarmed by suggestions from 350.org. Sample language for comments to the COGCC do not meet with the testimony and intent of SB-181, including halting permits, extending setbacks to 2,500 feet or bonding requirements, among others.

Conclusion: The Energy Council appreciates the opportunity to offer these comments reflecting production areas within multiple jurisdictions (Tribal, county, state and federal). We ask that you consider counties with agricultural lands and less densely populated surface areas as you review comments for the final objective criteria. In order to implement SB 19-181, we know we must work together as a partner to implement this monumental legislation.

Sincerely,



Christi Zeller
Executive Director

C: jeff.robbins@state.co.us