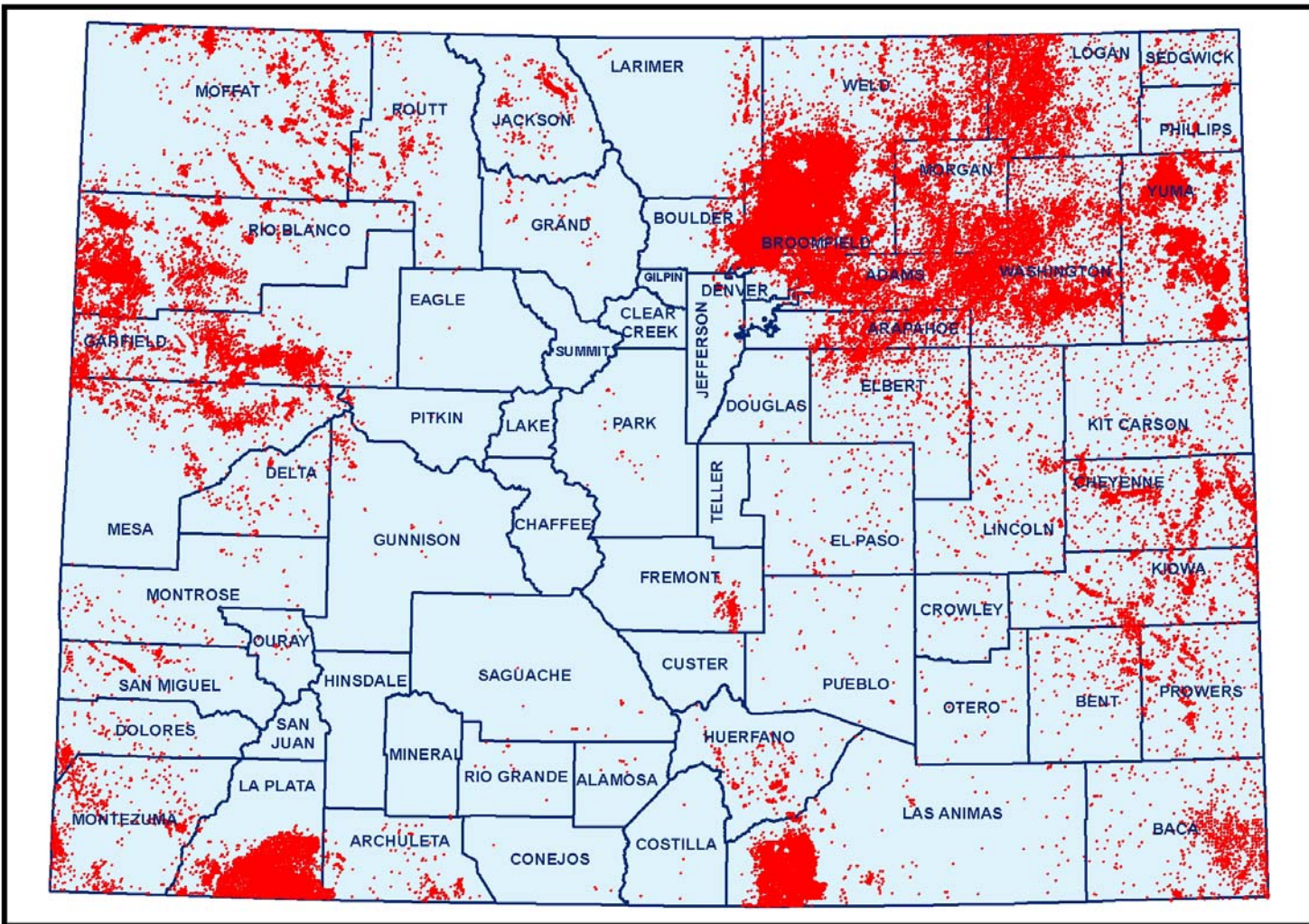


COGCC Response to Weld and Yuma County Consensus Alternative Proposals



COGCC, July 17, 2008

OIL & GAS WELLS IN COLORADO

Historical Complaints by Area

	Historical		2007	
Adams	146		2	
Boulder	16		2	
Broomfield	1		0	
Jefferson	12		0	
Weld	652		42	
GWA 318A	827	33%	46	19%
Total	2501		237	

Historical Complaints by Area

	Historical		2007	
Phillips	1		0	
Yuma	40		2	
WLR 318B	41	2%	2	1%
Total	2501		237	

Historical Complaints by Area

	Historical		2007	
Delta	2		0	
Garfield	523		87	
Gunnison	2		1	
Mesa	43		14	
Rio Blanco	4		2	
Piceance Basin	574	23%	104	44%
Total	2501		237	

Historical Complaints by Area

	Historical		2007	
Huerfano	54		5	
Las Animas	224		15	
Raton Basin	278	11%	20	8%
Archuleta	11		0	
La Plata	379		33	
San Juan Basin	390	16%	33	14%
Total	2501		237	

Well Location Rules

Rule 318A and 318B were created to deal with large numbers of infill drilling hearing applications in existing spaced areas. The concept was to deal with surface use conflicts and setback requirements at the same time that additional wells were allowed.

Review of Alternatives

W e l d	Yu m a	Rule	Alternative
X		303 a. (18)	Proposes a Modified 2A
X	X	303.d.(2)	A new sub-section for Rule 318A and 318B exempts ancillary facilities and the provides for the use of Modified 2A
<p>The COGCC wants to know where the ancillary facilities are and that when the site is to be reclaimed it is in compliance with the rules so financial assurance can be release with confidence.</p>			

Form 2A Attachment Review

Attachment	New or Existing Requirement	Rational
5 Photographs	Previously required 2	Some permits have been submitted where the camera was intentionally pointed away from some improvement so the staff would not raise an issue with this.
A list of equipment	New	Staff's original request was for a list of actual installed equipment after production operations were commenced to aid inspectors. Changed to permit requirement to aid inspectors and surface owners.
Scaled drawing	Required	The distance for identification of visible improvements was increased to 400' because of safety set back being greater than the 200' currently required.

Form 2A Attachment Review

Topographic map showing surface water and riparian areas	Required	Requires using NDIS to identify riparian areas within 1,000' and identifying on map. No survey measurement is required.
Topographic map showing access	Required	
Land use for establishing reclamation standard	New	If the land has been improved from original condition no standard applied. The 2 nd clarification exempted lands planned for future improvement. Otherwise, a reference area must be identified and photographed during the growing season.
NCRS map unit description	Required	NCRS changed its data set from soil horizons to a map and listing of the soils. This should drive the soil segregation required in Rule 1002.b..

Form 2A Attachment Review

Construction layout drawing for locations on slopes of 10% or greater	Not required	This is very useful and frequently submitted on rough terrain. Required for federal permits. Pad layout diagrams included with some permits have helped identify concerns with building pits on the filled portion of the pad.
Multiple well trajectory drawing	Required by unwritten policy	This has been requested by staff for all multi-well pads in order to understand how it is going to work.
List of BMPs	New	Maybe none, but, disclose up front so we don't require something else in "Condition of Approval" (COA).

Form 2A Attachment Review

List of COA's from CDP	New	This list gets attached to the permit no surprises.
Additional data required from consultation	New	If there is no consultation required then there would be no additional requirements.

Review of Alternatives

W e l l d	Y u m a	Rule	Alternative
X	X	305.b.(1)B.	Excludes 318A from landowner notice.
<p>This effectively removes any requirement for landowner notice. In February 1993, the Commission adopted a policy to require Oil and Gas Operators to provide notice to and conduct consultation with the landowner regarding the location oil and gas wells, production facilities and roads in the Wattenberg field. This was in response to the innumerable complaints from land owners about the lack of notice and lack of options when new wells were located on their property. This policy was codified in the rules in August 1993. In March of 1996 the Wattenberg Special rules of notice were applied statewide and the notification period was extended to thirty days.</p>			
X		318A.e.(6)C .	Adds language providing exclusion for land owner notice Rule 305.B.(1)b. for GWA infill wells.
See above Comment			

Review of Alternatives

X		306.c.(1)D.	Adds language restricting DOW consultation to increased density applications where a Local Public Forum is convened.
X		306.d.(1)C.	Adds language restricting CDPHE consultation to increased density applications where a Local Public Forum is convened.
This rule was added as a statutory requirement not just when Local Public Forums are requested but anytime increased density hearing applications are made to the Commission. Perhaps this requirement should be moved to Rule 508.			
X		317B.b. and c.	Excludes 318A lands from classified Surface Water Drinking Water Supply Areas.
There are no identified Surface Water Drinking Water Supply Areas in the GWA according to the map.			

Review of Alternatives

X		804	Exempts Greater Wattenberg Area from visual mitigation except where locations are visible from a public highway
Most of the impacted tanks are in rural agricultural areas and the issue was not addressed in the 318A rulemaking.			
X		805.d.	Excludes all lands within the Colorado's 8-Hour Ozone Non-attainment Area
CDPHE is most qualified to respond this proposed alternative.			

Review of Alternatives

X		901.e.	Excludes Rule 318A infill area from sensitive area determination.
Much of GWA infill area is underlain by shallow alluvium that is used for potable water it is extremely susceptible to contamination.			
X		908.a.	Excludes Rule 318A infill area lands from ground water monitoring requirements for centralized E&P Waste Management Facilities
GWA ground water sampling requirement is one per section and was intended for a baseline study. The closest sample well may have been test years before the planned activity			

Review of Alternatives

X	X	1202.b.(2)	Removes black tailed prairie dog colonies from the mapping requirement in 318A and excludes areas in 318B where prairie dogs are a nuisance for agricultural operations. The Yuma county consensus alternative adds the requirement that the operator receive written permission from the surface owner.
The 2 nd clarification to the draft rules removed the black tailed prairie dog from the list of species included in 1202.			
X		1208.a.(11)	Removes black tailed prairie dog from the timing restrictions
The 2 nd clarification to the draft rules removed the black tailed prairie dog from the list of species included in 1208.			
X		1209	Excludes Rules 318A lands from the wildlife Restricted Surface Occupancy Areas.
I have not checked with DOW specifically on this, however, most of the species do not exist in GWA with exception of some raptors. Rule 306 c. provides for consultation with DOW and DOW would work with operators where 1209 applied.			