

Rulemaking to Implement HB1298 and HB1341

Stakeholder Working Group Sessions

Additional Regulations Group (AR Group) – Output Tabulation

Topics within ARG

- All Additional Regulations topics on COGCC list except Well Completion Practices
- Well Completion Practices transferred to Environmental Group
- Specified distance issues under Form 34 will remain with Process Group
- Federal-COGCC preemption issues remain with Process Group
- Additional Topics for AR Group
 - Processes for drillsite spacing unit determinations, unitization and forced pooling matters
 - Form 34 matters
 - Cross section plot requirements
 - Scaled construction drawings
 - Requirement for topographic map
 - Vegetative analysis requirement (NRCS map unit analysis; baseline vegetative transect)
 - Description of offsite mitigation
 - Construction and Ongoing Operations and Maintenance Plan and included plans
 - Applicability of proposed regulations to existing wells and operations

Form 35 Inventory

- Reasons for:
 - Facilitates analysis of cumulative impact of O&G operations in State especially on air and land
 - Assists with emergency response requirements
 - Provides background data for air quality analysis
 - Enables informed responses to landowner and other non-industry inquiries
 - Provides a physical snapshot like the “One Call” process
 - Provides needed information concerning potential wildlife impacts
 - Provides staff with some advance knowledge of site that will assist monitoring efforts
 - Provides information useful for studies and enables competent data base management
- Industry Objections
 - Redundant – already required in other contexts (APEN)
 - Potential conflict with surface use agreements
 - Too much unnecessary detail
 - Should distinguish between mobile and permanent equipment

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- Not targeted to a need – no indication of how information will be used
- Jurisdictional issues – processing facilities
- Jurisdictional issues – 18 CFR 380.12(c)

- Alternatives
 - Digital photos
 - Site security diagram like what BLM requires
 - Industry provides information in response to specific COGCC requests
 - Provide equipment lists by category
 - Provide Certificate of Public Convenience and Necessity where available
 - Clarify inventory requirement in terms of downstream facilities scope

Gas Storage

- Need for COGCC role derives from the fact that COGCC is often called by the public when a problem exists or is perceived
- Industry not opposed to defined COGCC role that does not raise jurisdictional issues and that focuses on Series 400 rules
- This topic is better suited for a small task force working on a different time track
 - Industry supports formation of such a task force that includes COGCC and non-industry participants
 - Those desiring to participate are to contact Tricia – Blue Sky has done so already

Information Gathering Authority and Chemical Inventories

- Why –
 - Provides data that COGCC does not now have and that takes time to acquire when needed
 - Facilitates COGCC responses to complaints and public concern about chemicals used on sites
 - Simply asking that information be maintained and be readily / immediately available on request

- Industry response
 - Redundant -- Tier 3 reporting already occurs; records must be kept for 5 years
 - Words of proposal are too broad, e.g. “all”
 - Chemical identification Ok, but not formulation when proprietary

- Non-Industry response
 - Proposal does not go far enough
 - Chemicals used on sites and at operations should be publicly disclosed at all times
 - Form 34 should include disclosure of chemicals expected to be used

- Likely Areas of Consensus
 - Concept is workable from industry perspective
 - Operators will maintain and keep available lists of what is stored, used and how

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- Scope of information should be clearly defined without use of words like “all”
- Public health impact of chemicals used at O&G operations needs to be subject of studies covered by Health Group
- Likely areas of Disagreement
 - Non-Industry wants COGCC to go further and require the following
 - that chemicals expected to be used be disclosed on Form 34
 - public disclosure of all chemicals being used on sites at any time
 - Industry concerned about uninformed public reaction
 - Non-industry concerned about lack of ready access to information relevant to public health issues -- ground water contamination

Tank Labeling

- Why –
 - Current rule (210.b.) does not provide sufficient information concerning tanks themselves, their age and contents
 - Not always clear who is accountable for a particular tank
 - Issues occur where there is more than one operator or tank is not near a well
- Industry Concerns
 - Signs more appropriate and less permanent – facts about a particular tank change
 - Already subject to Rule 210.b.
 - Retroactivity issue – cost
- Consensus: The need for additional information can probably be effectively and acceptably addressed through amendments to Rule 210.b.

Well Monitoring During Stimulation

- Why—
 - Many public complaints
 - COGCC needs to be informed when pressure gets too high
- Industry response
 - Already monitor backside and this info can be provided
 - Rule 317.o. requires cement bond logs and this data can be provided
- Non-Industry wants rule to go further and require baseline regional well monitoring – no consensus on this point.