



NOTICE TO OPERATORS STATEWIDE

FLOWLINES OR PIPELINES – 1100 SERIES RULES

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This Notice to Operators (“NTO”) requires all operators to inspect systematically their inventory of existing Flowlines and verify that any existing Flowline not in active use, regardless of when it was installed or taken out of service, is abandoned pursuant to Rule 1103, including being cut off below grade at the lesser of three feet below ground surface or at the depth of the Flowline, and sealed as described in this NTO. In addition, operators are required to document the location of all existing, active Flowlines located within 1,000 feet of a Building Unit and ensure and document that these lines have integrity. These actions are required to be completed in two phases, as described below.

As used in this NTO, “Flowlines” encompasses any conduit for gas, oil, condensate, or other liquid or gaseous hydrocarbons that meet the 100-Series Definition of “Flowlines.” Flowlines may be known by different names, including but not limited to well site flowline, return line, sales line, dump line, process piping, fuel gas supply line, and non-well site flowline.

COGCC Pipeline Regulations (1100 Series) do not recognize an “idle” status for Flowlines or pipelines. Under the regulations, Flowlines and pipelines are active and subject to all relevant parts of the 1100 Series until they have been abandoned pursuant to Rule 1103.

Phase I – to be completed by May 30, 2017.

1. Operators are required to re-inspect any existing Flowlines and pipelines located within 1,000 feet of a Building Unit and identify the well API number and tank battery (location ID number) associated with each line. Operators

NOTICE TO OPERATORS STATEWIDE FLOWLINES OR PIPELINES

must provide the following Flowline and pipeline inventory and location data to the COGCC in Excel spreadsheet or Access database format:

- a. The location ID number for the associated tank battery;
- b. Well API numbers; and
- c. GPS location data for the endpoints of all Flowline risers and the riser status (active or scheduled for abandonment).

Pursuant to Phase 2 below, operators are required to ensure and document that all Flowlines within 1,000 feet of a Building Unit have integrity by June 30, 2017.

2. All operators are required to inspect all existing Flowlines and pipelines, regardless of distance to a Building Unit, to verify that any existing Flowline or pipeline not in use, regardless of when it was installed or taken out of service, is abandoned pursuant to Rule 1103. Any existing Flowline or pipeline riser not in use must be clearly marked using fluorescent paint; have all operating valves removed, and be capped until it can be cut-off below grade and sealed pursuant to Rule 1103 and this statewide NTO.

Phase 2 – to be completed by June 30, 2017.

1. Operators are required to ensure and document that all Flowlines within 1,000 feet of a Building Unit have integrity. The exception from pressure testing requirements for low pressure Flowlines or pipelines in Rule 1101.e.(2) does not apply. A documented integrity test for a Flowline completed after November 1, 2016 will satisfy this requirement.
2. Operators must complete abandonment of any Flowline or pipeline not actively operated, regardless of distance to a Building Unit and regardless of when it was installed or taken out of service, pursuant to Rule 1103 and this statewide NTO.

An operator wishing returning an inactive Flowline or pipeline to active status must do so prior to June 30, 2017 and only after:

- a. Identifying the well API number and tank battery (Location ID number) associated with each line and providing COGCC with this location information; and
- b. Pressure testing the Flowline or pipeline as required by Rule 1101.e(1), regardless of the operating pressure of the line. The exception from pressure testing requirements for low pressure Flowlines or pipelines in Rule 1101.e.(2) does not apply.

NOTICE TO OPERATORS STATEWIDE FLOWLINES OR PIPELINES

COGCC Rule 1103 sets forth the requirements for Flowline and pipeline abandonment in place. These requirements include disconnection from all sources and supplies, purged, depleted to atmospheric pressure, cut off below ground surface, securely and permanently sealed at each end (i.e., welded), and both the COGCC and local government notified that the line has been permanently abandoned. To further understand abandonment standards, refer to ASME pipeline standards.

Removal of the entire Flowline or pipeline is also an acceptable method of abandonment and is the recommended practice for facilities located within 1,000 feet of a Building Unit. An alternative for pipes within 1,000 feet of a Building Unit is to fill the abandoned pipe with backfill material: sand, or controlled density fill (CDF) such as flowable fill, controlled low-strength material (CLSM), flowable mortar, plastic soil-cement, soil-cement slurry, or K-Krete. CDF must have unconfined compressive strength of 100 psi or less to allow for future excavation of the area. If sand is used to fill abandoned pipe, securely close each pipe end by installing a watertight plug of concrete, controlled density fill (CDF), controlled low-strength material (CLSM), flowable mortar, plastic soil-cement, soil-cement slurry, or K-Krete not less than two feet in length.

A Flowline or pipeline that has not been abandoned with all risers removed and the line sealed and buried at both ends is active and must comply with rules 1101, 1102, and 605.d.

An operator must use signage, lock-out/tag-out procedures, and fencing pursuant to Rules 604.c.(2)M. and 605.c.(3) when a Flowline or pipeline is undergoing abandonment to ensure the line cannot be reactivated inadvertently.

Document Change Log

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| May 2, 2017 | Document Created |



COLORADO

**Oil & Gas Conservation
Commission**

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

September 25, 2017

COGCC review of the Notice to Operators Flowline inventory data.

The Commission staff reviewed and identified 120,815 flowline segments within 1,000 feet of a Building Unit during the inventory phase of the NTO. Operators submitted documentation showing that 107,297 of those lines passed an integrity (pressure) test or were abandoned. Operators reported that 428 lines did not pass an integrity test. COGCC is tracking the follow-up work on those lines. Finally, COGCC is working with operators to determine the status of the remaining 13,090 flowline segments. While it is possible these lines were not tested, it is also possible the data submitted was simply incomplete or in error, or that the flowline segment was previously capped, shut-in, abandoned, or was not within the scope of the NTO.

The Flowline Notice to Operators (Notice) required operators to submit data in 2 phases. Phase 1 was an inventory without pressure test data. Phase 2 was the inventory with pressure test results. The two-phase submittal requirement and the required weekly updates resulted in many duplicate reports being contained in the raw unfiltered data presented on the Commission website.

Colorado Oil and Gas Commission staff continue to review and verify the data submitted under the Notice to Operators, and the field inspectors continue to inspect locations in Colorado to verify compliance with our rules. Our website http://cogcc.state.co.us/library.html#/special_projects/flowlines has a Presentation - Flowline Notice to Operators Update - August 14, 2017, which show our review and characterizes the forward plan.

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John W. Hickenlooper, Governor | Robert W. Randall, Executive Director, DNR | Matthew J. Lepore, Director



ends is sufficient. **In all cases a successful pressure test must be performed prior to using the Flowlines.**

A possible second example would be a well temporarily abandoned with a downhole plug (no pressure source) for the Horizontal Offset - DJ Basin Policy or Horizontal Offset - Statewide Interim Policy. In these situations, LO/TO, labeled, and air-gapped at both ends is sufficient. In all cases a successful pressure test must be performed prior to using the Flowlines.