



BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF CHANGES TO) CAUSE NO. 1
THE RULES AND REGULATIONS OF)
THE OIL AND GAS CONSERVATION) ORDER NO. 1R-90
COMMISSION OF THE STATE OF COLORADO)

REPORT OF THE COMMISSION

Pursuant to hearings before the Oil and Gas Conservation Commission on May 31st, June 1st, July 9th, and 10th, 2001, in Suite 801, The Chancery Building, 1120 Lincoln Street, Denver, Colorado, after giving Notice of Hearing, as required by law, the Oil and Gas Conservation Commission revised its Rules and Regulations to add and amend certain Rules in the 100, 200, 300, 500, 600, 900, 1000, and 1100 Series. Said Rules should henceforth read as attached Exhibit A.

Attached, as Exhibit B, is a statement giving the basis and purpose of the revisions and such statements are incorporated herein by reference.

DONE AND PERFORMED by the Oil and Gas Conservation Commission of the State of Colorado this 11th day of July, 2001.

IN THE NAME OF THE COLORADO
OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO



Patricia C. Beaver, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
July 11, 2001

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ELECTIONS/LICENSING
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Exhibit A

RULES AND REGULATIONS

DEFINITIONS

(100 Series)

CENTRALIZED E&P WASTE MANAGEMENT FACILITY shall mean a facility, other than a commercial disposal facility exclusively regulated by the Colorado Department of Public Health and Environment, that is: (1) used exclusively by one owner or operator; or (2) used by more than one operator under an operating agreement and which receives for collection, treatment, temporary storage, and/or disposal of produced water, drilling fluids, drill cuttings, completion fluids, and any other exempt E&P wastes that are generated from two or more production units or areas or from a set of commonly owned or operated leases. This definition includes the surface storage and disposal facilities that are present at Class II disposal well sites. This definition also includes oil-field naturally occurring radioactive materials (NORM) related storage, decontamination, treatment, or disposal.

COMMERCIAL DISPOSAL WELL FACILITY shall mean a facility whose primary objective is disposal of Class II waste from a third party for financial profit.

MULTI-WELL SITE shall mean a common well pad from which multiple wells may be drilled to various bottomhole locations.

REMEDIATION shall mean the process of reducing the concentration of a contaminant or contaminants in water or soil to the extent necessary to ensure compliance with the allowable concentrations and levels in Table 910-1 and other applicable ground water standards and classifications.

SEISMIC OPERATIONS shall mean all activities associated with acquisition of seismic data including but not limited to surveying, shothole drilling, recording, shothole plugging and reclamation.

STRATIGRAPHIC WELL means a well drilled for stratigraphic information only. Wells drilled in a delineated field to known productive horizons shall not be classified as "stratigraphic". Neither the term "well" nor "stratigraphic well" shall include seismic holes drilled for the purpose of obtaining geophysical information only.

GENERAL RULES

214. LOCAL GOVERNMENTAL DESIGNEE

Each local government which designates an office for the purposes set forth in the 100 Series shall provide the Commission written notice of such designation, including the name, address and telephone number, facsimile number, electronic mail address, local emergency dispatch and other emergency numbers of the local governmental designee. It shall be the responsibility of such local governmental designee to ensure that all documents provided to the local governmental designee by oil and gas operators and the Commission or the Director are distributed to the appropriate persons and offices.

DRILLING, DEVELOPMENT, PRODUCING AND ABANDONMENT

303. COGCC Form 2. APPLICATION FOR PERMIT-TO-DRILL, DEEPEN, RE-ENTER, OR RECOMPLETE, AND OPERATE

a. Before any person shall commence operations for the drilling or re-entry of any well, such person shall file with the Director an application on Form 2 for a permit-to-drill, along with a filing and service fee

established by the Commission (see Appendix III), and shall secure the Director's approval before commencement of operations with heavy equipment. The permit-to-drill shall be binding with respect to any conflicting local governmental permit or land use approval process. Wells drilled for stratigraphic information only shall be exempt from paying the filing and service fee. The re-entry of a well in a unitized, storage, or secondary recovery operation is exempt from the provisions of this rule and notice of intent to re-enter a well shall be filed on a Sundry Notice, Form 4.

c. Attached to and part of the Permit-to-Drill, Form 2, as filed shall be a current 8 1/2" by 11" scaled drawing of the entire section(s) containing the proposed well location with the following minimum information:

(4) The field-measured distances from the nearer north/south and nearer east/west section lines shall be measured at ninety (90) degrees from said section lines to the well location and referenced on the plat. For unsurveyed land grants and other areas where an official public land survey system does not exist, the well locations shall be spotted as footages on a protracted section plat using Global Positioning System (GPS) technology and also reported as latitude and longitude in accordance with the requirements set forth below:

A. All GPS data reported to the Commission shall be differentially corrected using base station data or other correction sources. The base station or other correction source shall be identified and reported with the coordinate values.

B. Coordinates shall be reported as latitude and longitude in decimal degrees to an accuracy of at least five (5) decimal places (e.g.; latitude 37.12345 N, longitude 104.45632 W).

C. All data shall be referenced to the North American Datum (NAD) of 1927.

D. The date of the survey shall be reported.

d. **Form 2/2A application and copies to local governmental designees.** In addition to the above, an applicant filing a Permit-to-Drill, Form 2, shall also attach a completed Form 2A, except that the Form 2A shall not be required on federal or Indian owned surface lands when a Federal 13 Point Surface Use Plan is included. The Form 2A requires the attachment of a minimum of two (2) color photographs; one (1) of the staked location and one (1) of the existing or proposed access road. Each photograph shall be identified by: date taken, well name, location and direction of view. Permit-to-Drill, Form 2, shall be filed with the Director in triplicate for wells on all patented, state and federal surface lands. A single, informational (not official notice) copy of the Permit-to-Drill, Form 2 and Form 2A and all attachments shall be delivered by the applicant to the local governmental designee(s) of the county or municipal corporation within whose jurisdiction the activity is occurring or is proposed to occur at or before the time of filing with the Director. It shall be the responsibility of the Director to promptly provide the local governmental designee(s) with formal notification of the filing of the Permit-to-Drill, Form 2. Such notice is to be sent by facsimile if requested, and, if not, then by first class U.S. Mail. Any comments from the local governmental designee concerning the Permit-to-Drill, Form 2, and Form 2A as filed shall be provided to the Director and to the applicant in writing within seven (7) days after the date on which the Permit-to-Drill, Form 2 was sent to the local governmental designee(s) by the Director. The Director shall take no action with respect to the Permit-to-Drill, Form 2, prior to the expiration of the seven (7) day period, except under the circumstances provided for in Rule 303.j.(1) and (2), or when the Director has received notice from the local governmental designee(s) waiving the seven (7) day period. Upon written request to the Director received prior to the expiration of the seven (7) day period the local governmental designee shall be granted an extension of up to ten (10) additional days to consider the application.

k. **Withholding Permit-to-Drill, Form 2 approval.** The Director may withhold the issuance of a permit and the granting of approval of any Permit-to-Drill, Form 2 for any proposed well when, based on information supplied by a surface owner or local governmental designee, or by staff analysis, and where appropriate as confirmed by an onsite inspection, the Director has reasonable cause to believe that a proposed well location raises significant concerns regarding potential adverse impacts to public health, safety and welfare. In the event such approval is not granted, when requested by the operator, the Director shall ask the Commission to issue an emergency order under Rule 502.a. suspending approval of the Permit-to-Drill for such well and setting the matter for the next hearing. The Director shall use best efforts to notify the applicant, local governmental designee, surface owner and other interested parties as applicable of such request in order that such parties may participate in the Commission's emergency consideration of the matter.

l. **Reclassification of stratigraphic well.** If a test for productivity is made in a stratigraphic well, the well must be reclassified as a well drilled for oil or gas and is subject to all of the rules and regulations for well drilled for oil or gas, including filing of reports and mechanical logs.

310A. COGCC Form 8. MILL LEVY

On or before March 1, June 1, September 1 and December 1 of each year, every producer or purchaser, whichever disburses funds directly to each and every person owning a working interest, a royalty interest, an overriding royalty interest, a production payment and other similar interests from the sale of oil or natural gas subject to the charge imposed by §34-60-122 (1) (a) C.R.S., 1973, as amended, shall file a return with the Director showing by operator, the volume of oil, gas or condensate produced or purchased during the preceding calendar quarter, including the total consideration due or received at the point of delivery. No filing shall be required when the charge imposed is zero mill (\$0.0000) per dollar value.

The levy shall be an amount fixed by order of the Commission. The levy amount may, from time to time, be reduced or increased to meet the expenses chargeable against the oil and gas conservation fund. The present charge imposed, as of July 1, 2001, is eight tenths mill (\$0.0008) per dollar value.

310B. COGCC Form 8A. ENVIRONMENTAL RESPONSE FUND LEVY

On or before March 1, June 1, September 1 and December 1 of each year, every producer or purchaser, whichever disburses funds directly to each and every person owning a working interest, a royalty interest, an overriding royalty interest, a production payment and other similar interests from the sale of oil or natural gas subject to the charge imposed by §34-60-122 (1) (b) C.R.S., 1973, as amended, shall file a Form 8A, Environmental Response Fund report with the Director showing the total volume of oil, gas or condensate produced or purchased during the preceding calendar quarter, including the total consideration due or received at the point of delivery from all leases listed on the corresponding mill levy, Form 8. No filing shall be required when the surcharge imposed is zero.

The Environmental Response Fund surcharge shall be an amount fixed by order of the Commission. The surcharge amount may, from time to time, be reduced or increased to meet the expenses chargeable against the oil and gas Environmental Response Fund. As of October 1, 1996, the surcharge shall be zero mill (\$0.0000) on the dollar.

318. LOCATION OF WELLS

All wells drilled for oil or gas to a common source of supply shall have the following setbacks:

b. **Wells less than 2,500 feet in depth.** A well to be drilled to less than a depth of two thousand five hundred (2,500) feet below the surface shall be located not less than two hundred (200) feet from any lease line, and not less than three hundred (300) feet from any other producible oil or gas well, or drilling well, in said source of supply, except that only one producible oil or gas well in each such source of supply shall be allowed in each governmental quarter-quarter section unless an exception under Rule 318.c. is obtained.

324B. EXEMPT AQUIFERS

a. **Criteria for aquifer exemption.** An aquifer or a portion thereof may be designated by the Director or the Commission as an exempted aquifer, in connection with the filing of an application pursuant to Rule 325. or Rule 401. if it meets the following criteria:

(1) It does not currently serve as a source of drinking water; and either subparagraph (2) or (3) below apply:

(2) It cannot now and will not in the future serve as a source of drinking water because:

A. It is mineral, hydrocarbon or geothermal energy producing, or can be demonstrated by a person filing an application pursuant to Rule 324. or Rule 401. to contain minerals or hydrocarbons that considering their quantity and location are expected to be commercially producible; or

B. It is situated at a depth or location which makes recovery of water for drinking water purposes economically or technologically impractical; or

C. It is so contaminated that it would be economically or technologically impractical to render the water fit for human consumption;

(3) The total dissolved solids content of the ground water is more than three thousand (3,000) and less than ten thousand (10,000) milligrams per liter and it is not reasonably expected to supply a public water system.

b. **Aquifer exemption public notice.** If an aquifer exemption is required as part of an injection permit process, the injection well applicant shall apply for an aquifer exemption. This application shall contain data and information which show that applicable aquifer exemption criteria set forth in Rule 324B.a. are met. After evaluation of the application and prior to designating an aquifer or a portion thereof as an exempted aquifer, the Director shall publish a notice of proposed designation in a newspaper of general circulation serving the area where the aquifer is located. The notice shall identify such aquifer or portion thereof which the Director proposes to designate as exempted, and shall state that any person who can make a showing to the Director that the requested designation does not meet the criteria set forth in Rule 324B.a.

c. **Evaluation of written requests for public hearing.** Written requests for a public hearing before the Commission shall be reviewed and evaluated by the Director in consultation with the applicant to determine if the criteria set forth in Rule 324B.a. have been met. If, within thirty (30) days after publication of the notice, the Commission receives a hearing request for which the Director determines the criteria set forth in Rule 324B.a. have not been met, the Commission shall hold such a hearing in accordance with the provisions of §34-60-108, C.R.S., 1973, as amended, and shall make a final determination regarding designation.

d. **Aquifer exemption designation.** If, within thirty (30) days after publication of the notice described in subparagraph b. above, the Commission does not receive a hearing request or receives a hearing request for which the Director determines the criteria set forth in Rule 324B.a. have been met, said aquifer or portion thereof shall be considered exempted thirty (30) days after publication of the notice.

325. UNDERGROUND DISPOSAL OF WATER

a. No person shall commence operations for the underground disposal of water, or any other fluids, into a Class II well, or any well regulated by the Commission, nor shall any person commence construction of such a well, without having first obtained written authorization for such operations from the Director. Persons

wishing to obtain authorization to conduct underground disposal activities shall file with the Director an Underground Injection Formation Permit Application, Form 31 and an Injection Well Permit Application, Form 33. If the disposal well is to be drilled, this application shall be submitted concurrently with the Application for Permit-to-Drill, Form 2, along with a service and filing fee to be determined by the Commission. (See Appendix III)

b. Withholding approval of underground disposal of water. The Director may withhold the issuance of a permit and the granting of approval of any Underground Injection Formation Permit Application, Form 31 and any Injection Well Permit Application, Form 33 for any proposed disposal well when the Director has reasonable cause to believe that the proposed disposal well could result in a significant adverse impact on the environment or public health, safety and welfare. In the event such approval is not granted, the Director shall immediately advise the operator and bring the matter to the Commission at its next regularly scheduled hearing.

c. The application for a dedicated injection well shall include the following information:

(8) The names and addresses of those persons notified by the applicant, as required by subparagraph i. of this rule.

d. The application for a simultaneous injection well shall include the following:

(8) The names and addresses of those persons notified by the applicant, as required by subparagraph j. of this rule.

e. **Mechanical integrity testing requirement.** Prior to application approval, the proposed disposal well must satisfactorily pass a mechanical integrity test in accordance with Rule 326.

f. **Centralized and commercial disposal well requirements.** Prior to application approval, the appurtenant centralized and commercial disposal well operations shall comply with the requirements of Rules 704. and 908.

g. **Multiple well applications.** Application may be made to include the use of more than one (1) disposal well on the same lease, or on more than one (1) lease. Wherever feasible and applicable, the application shall contemplate a coordinated plan for the entire field.

h. The designated operator of a unitized or cooperative project shall execute the application.

i. Notice of the application for a dedicated injection well shall be given by the applicant by registered or certified mail or by personal delivery, to each surface owner and owner as defined in §34-60-103(7), C.R.S., within one-quarter (1/4) mile of the proposed well or wells and to owners and operators of oil and gas wells producing from the injection zone within one-half (1/2) mile of the disposal well or to owners of cornering and contiguous units where injection will occur into the producing zones, whichever is the greater distance.

j. Notice of the application for a simultaneous injection well shall be given by the applicant by registered or certified mail or by personal delivery, to each owner as defined in §34-60-103(7), C.R.S., within one-quarter (1/4) mile of the proposed well or wells and to owners and operators of oil and gas wells producing from the injection zone within one-half (1/2) mile of the disposal well or to owners of cornering and contiguous units where injection will occur into the producing zones, whichever is the greater distance.

k. A copy of the notice of application shall be included with the disposal application filed with the Commission, and the applicant shall certify that notice by registered or certified mail or by personal delivery, to each of the owners specified in subparagraphs i. and j., has been accomplished.

l. **Notice of application requirements.** The notice shall describe the proposed operation and shall state that any person who would be directly and adversely affected or aggrieved by the authorization of the underground disposal into the proposed injection zone may file, within fifteen (15) days of notification, a written request for a public hearing before the Commission, provided such request meets the protest requirements specified in subparagraph m. of this rule. The notice shall also state that additional information on the operation of the proposed disposal well may be obtained at the Commission office.

m. **Evaluation of written requests for public hearing.** Written requests for public hearing before the Commission by a person, notified in accordance with subparagraphs i. and j. of this rule, who may be directly and adversely affected or aggrieved by the authorization of the underground disposal into the proposed injection zone, shall be reviewed and evaluated by the Director in consultation with the applicant. Written protests shall specifically provide information on:

n. **Dedicated injection well public notice.** The Director shall publish a notice of the proposed disposal permit for dedicated injection wells in a newspaper of general circulation serving the area where the well(s) is (are) located. The notice shall briefly describe the disposal application and include legal location, proposed injection zone, depth of injection and other relevant information. Comment period on the proposed disposal application shall end thirty (30) days after date of publication. If any data, information, or arguments submitted during the public comment period appear to raise substantial questions concerning potential impacts to the environment, public health, safety and welfare raised by the proposed disposal well permit the Director may request that the Commission hold a hearing.

o. **Injection application deadlines.** If all of the data or information necessary to approve the disposal application has not been received within six (6) months of the date of receipt, the application will be withdrawn from consideration. However, for good cause shown, a ninety (90) day extension may be granted, if requested prior to the date of expiration.

333. SEISMIC OPERATIONS

a. **COGCC Form 20, Notice of Intent to Conduct Seismic Operations.** Seismic operations require an approved Form 20 which shall be submitted to the Director prior to commencement of shothole drilling or recording operations. An informational copy of the Form 20 shall be filed by the operator with the local governmental designee at or before the time of filing with the Director. Any change of plans or line locations may be implemented without Director approval provided that after such change is performed, the Director shall receive written notice of the change within five (5) days.

A map shall be included with the notice. This map shall be at a scale of at least 1:48,000 showing sections, townships and ranges and providing the location of the proposed seismic lines, including source and receiver line locations.

The Notice of Intent to Conduct Seismic Operations, Form 20, shall be in effect for six (6) months from the date of approval. An extension of time may be granted upon written request submitted prior to the expiration date.

b. **Surface owner consultation.** Prior to the commencement of any seismic operation, a good faith effort shall be made to consult with all surface owners of the lands included in the seismic project area.

c. **Exploration requiring the drilling of shotholes:**

(1) **Explosive storage.** All explosives shall be legally and safely stored and accounted for in magazines when not in use in accordance with relevant regulations of the Alcohol, Tobacco and Firearms Division of the Federal Department of the Treasury.

(2) **Blasting safety setbacks.** Blasting shall be kept a safe distance from occupied buildings, water wells or springs, unless by special written permission of the surface owner or lessee, according to the following minimum setback distances:

CHARGES IN LBS. GREATER THAN	CHARGES IN LBS. UP TO AND INCLUDING	MINIMUM SETBACK DISTANCE IN FEET
0	2	200
2	5	300
5	6	360
6	7	420
7	8	480
8	9	540
9	10	600
10	11	649
11	12	696
12	13	741
13	14	784
14	15	825
15	16	864
16	17	901
17	18	936
18	19	969
19	20	1000
20		1320

(3) Prior to any shothole drilling, the operator shall contact the Utility Notification Center of Colorado at 1-800-922-1987.

(4) **Drilling and plugging.** The following guidelines shall be used to plug shotholes unless the operator can demonstrate that another method will provide adequate protection to ground water quality and movement and long-term land stability:

A. Any slurry, drilling fluids, or cuttings which are deposited on the surface around the seismic hole shall be raked or otherwise spread out to at least within one (1) inch of the surface, such that the growth of the natural grasses or foliage shall not be impaired.

B. All shotholes shall be preplugged or anchored to prevent public access if not immediately shot. In the event the preplug does not hold, seismic holes shall be properly plugged and abandoned as soon as practical after the shot has been fired. However, a fired hole shall not be left unplugged for more than thirty (30) days without approval of the Director. In no event shall shotholes be left open, but shall be covered with a tin hat or other similar cover until they are properly plugged. The hats shall be imprinted with the seismic contractor's name or identification number or mark.

C. The hole shall be filled to a depth of approximately three (3) feet below ground level by returning the cuttings to the hole and tamping the returned cuttings to ensure the hole is not bridged. A non-metallic perma-plug either imprinted or tagged with the operator name or the identification number or mark described in the notice of intent shall be set at a depth of three (3) feet, and the remaining hole shall be filled and tamped to the surface with

cuttings and native soil. A sufficient mound of native soil shall be left over the hole to allow for settling.

D. When non-artesian water is encountered while drilling seismic shotholes, the holes shall be filled from the bottom up with a high grade coarse ground bentonite to ten (10) feet above the static water level or to a depth of three (3) feet from the surface; the remaining hole shall be filled and tamped to the surface with cuttings and native soil, unless the operator otherwise demonstrates that use of another suitable plugging material may be substituted for bentonite without harm to ground water resources.

E. If artesian flow (water rising above the depth at which encountered) is encountered in the drilling of any seismic hole, cement or high grade coarse ground bentonite shall be used to seal off the water flow with the selected material placed from the bottom of the hole to the surface or at least fifty (50) feet above the top of the water-bearing material, thereby preventing cross-flow between aquifers, erosion or contamination of fresh water supplies. Said holes shall be plugged immediately.

d. **COGCC Form 20A, Completion Report for Seismic Operations.** A Form 20A shall be submitted to the Director within sixty (60) days after completion of the project. The report shall include: maps (with a scale not less than 1:48,000) showing the location of all receiver lines, energy source lines and any shotholes. Shotholes encountering artesian flow shall be indicated on the map.

If the program included any shotholes, then the completion report shall be accompanied by a certification by the party responsible for plugging the holes that all shotholes are plugged as prescribed by these rules and approved by the Director.

e. **Bonding Requirements.** The company submitting the Notice of Intent to Conduct Seismic Operations, Form 20, shall file financial assurance in accordance with Rule 705. prior to the commencement of operations. The bond shall remain in effect until a request is made by the company to release the bond for the following reasons:

(1) The shotholes have been properly plugged and abandoned, and source and receiver lines have been reclaimed in accordance with this Rule 333., and

(2) There are no outstanding complaints received from surface owners that have not been investigated by the Director and addressed as provided for in Rule 522.

f. **Reclamation requirements.** Upon completion of seismic operations the surface of the land shall be restored as nearly as practicable to its original condition at the commencement of seismic operations. Appropriate reclamation of disturbed areas will vary depending upon site specific conditions and may include compaction alleviation and revegetation. All flagging, stakes, cables, cement, mud sacks or other materials associated with seismic operations shall be removed.

RULES OF PRACTICE AND PROCEDURE

503. ALL OTHER PROCEEDINGS COMMENCED BY FILING AN APPLICATION

c. Applications subject to the requirements for local public forums under Rule 508.a. shall be accompanied by a proposed plan (the "Proposed Plan") to address protection of the environment, public health, safety, and welfare and a description of the current surface occupancy/use. The Proposed Plan shall include the rules and regulations of the Commission as they are applied to oil and gas operations in the application

lands along with any procedures or conditions the applicant will voluntarily follow to address the protection of the environment, public health, safety, and welfare.

d. No later than seven (7) days after the application is filed, the applicant shall submit to the Commission a certificate of service demonstrating that the applicant served a copy of the application on all persons entitled to notice pursuant to these rules by mailing a copy thereof, first-class postage prepaid, to the last known mailing address of the person to be served, or by personal delivery. The applicant shall at the same time submit to the Commission a list of all persons entitled to notice pursuant to these rules on compatible electronic media. If the applicant is unable to submit an electronic media list of persons noticed the applicant shall submit a written list of persons noticed no later than seven (7) days after the application is filed.

e. The applicant shall enjoy a rebuttable presumption that it has properly served notice on persons entitled to notice of the proceeding by demonstrating through certification or testimony that notice was provided pursuant to Rules 507. and 508.

f. In order to continue to receive copies of the pleadings filed in a specific proceeding a party who receives notice of the application shall file with the Secretary a protest or intervention in accordance with these rules.

g. Subsequent to the initiation of a proceeding, all pleadings filed by any party shall be offered by filing with the Secretary the original and nine (9) copies bearing the cause number assigned to such proceeding. Each pleading shall include the certificate of the party filing the pleading that the pleading has been served on all persons who have filed a protest or intervention in accordance with these rules, by mailing a copy thereof, first-class postage prepaid, to the last known mailing address of the person to be served, or by personal delivery.

508. LOCAL PUBLIC FORUMS, HEARINGS ON APPLICATIONS FOR INCREASED WELL DENSITY AND PUBLIC ISSUES HEARINGS.

a. **Applicability of rule.** Applications that would result in more than one (1) well site or multi-well site per forty (40) acre nominal governmental quarter-quarter section or that request approval for additional wells, within existing drilling units, not previously authorized by Commission order (together an "application for increased well density") shall be subject to the provisions of this Rule 508.

b. Local public forum.

(1) The rules and regulations of the Oil and Gas Conservation Commission as they are applied to oil and gas operations are expected to adequately address impacts to the environment and public health, safety and welfare which may be raised by an application for increased well density.

(2) A local public forum may however be convened to consider potential issues related to the environment or public health, safety, and welfare that may be raised by an application for increased well density that may not be completely addressed by these rules or the Proposed Plan submitted with the application to address protection of the environment, public health, safety, and welfare as described in Rule 503.c.

B. A local public forum may be convened at the Director's discretion, or upon receipt of a request for a local public forum from a citizen of the county(ies) in which the application area is situated, after the Director's consideration of the following factors:

(i) The size of the application area and the number and density of surface location requested;

(v) Whether the application is limited to the deepening or recompletion of existing wells, or directional drilling from existing surface locations, or;

c. Local public forums on federal and Indian lands.

(1) If the surface and the minerals of the application area are comprised in their entirety of federal or Indian lands no local public forum shall be convened because potential impacts to the environment or public health, safety, and welfare on such lands are subject to federal or tribal requirements. All proceedings on any application for increased well density on federal or Indian lands shall be conducted to comply with the obligations contained in any intergovernmental or tribal memoranda of understanding governing the conduct of oil and gas operations on federal or Indian lands.

d. Notice of the local public forum.

(5) The notice for the local public forum shall state that the forum is being conducted to consider any issues raised by the application that may affect the environment or public health, safety, and welfare that are not addressed by the rules or the Proposed Plan.

(6) Within five (5) days of receipt of an application for increased well density, the Director shall post a description of such application on the COGCC internet web page.

e. Timing and location of the local public forum.

(1) As soon as practicable after publication of notice, but at least ten (10) days prior to the scheduled Commission hearing on the application, the Director shall conduct the local public forum at a location reasonably proximate to the lands affected by the application. In the alternative, if the hearing is to be held at a location reasonably proximate to the lands affected by the application, the local public forum shall be replaced by the presentation of statements in accordance with Rule 510. during the hearing on the application.

f. Conduct of the local public forum.

(1) A COGCC Hearing Officer shall preside over the local public forum. The COGCC Hearing Officer shall provide to the participants an explanation of the purpose of the local public forum and how the Commission may use the information obtained from the local public forum. The purpose of the local public forum is to address the sufficiency of the rules or the Proposed Plan with respect to protection of the environment or public health, safety, and welfare.

(4) The applicant shall participate in the local public forum and present information related to the application.

g. The local public forum shall be conducted to allow elected officials, local government personnel and citizens to express concerns not completely addressed by the rules or the Proposed Plan or make statements regarding the potential impacts from increased well density that relate to the environment or public health, safety, and welfare. Issues raised in the local public forum may include the following:

h. Report to the Commission. At the conclusion of the local public forum the presiding officer shall prepare and submit to the Commission a report of the proceedings. A copy of the report shall be made available, no later than five (5) days prior to the hearing on the application, to the Commissioners, the applicant, any affected local government and the public and shall be posted to the COGCC Internet web page. The report on the local public forum presented to the Commission shall be included in the

administrative record for the application taking into consideration the nature of the local public forum process.

i. Conduct of the hearing on the application.

(4) At the conclusion of the hearing on the application the Commission shall consider and decide whether to convene a public issues hearing based on the local public forum or statements made under Rule 510. and any motions to intervene, and the Commission may:

D. Approve the application and stay its effective date to convene a public issues hearing in accordance with Rule 508.j.

(5) If the Commission orders a public issues hearing it shall set the public issues hearing for the next regularly scheduled Commission meeting unless the applicant requests at a prehearing conference, and the Commission agrees, to convene the public issues hearing immediately following the hearing on the application.

j. Public issues hearing

Upon a request by an applicant, protestant, or intervener, or on the Commission's own motion, a public issues hearing shall be convened provided the Commission makes the following preliminary findings:

(1) That the public issues raised by the application reasonably relate to potential significant adverse impacts to the environment or public health, safety and welfare that are within the Commission's jurisdiction to remedy; and

(2) That the potential impacts were not adequately addressed by the application or by the Proposed Plan; and

(3) That the potential impacts are not adequately addressed by the rules and regulations of the Commission.

k. Conduct of the public issues hearing:

(3) After the public issues hearing the Commission may attach conditions to its order on the application to protect the environment from significant adverse impacts or to protect that are not otherwise addressed by these rules and regulations or public health, safety and welfare as are warranted by the relevant testimony, and the Proposed Plan. In addition, the Commission may without limitation:

A. Direct the applicant to amend its Proposed Plan for Commission review and approval for all or a portion of the application area to address specific issues related to the environment or public health, safety and welfare, including any identified impacts of increased well density within all or a portion of the application area, rather than on a single well basis.

l. The Director and the Commission shall use best efforts to comply with the provisions of this Rule 508., however, any deviation from this rule shall not give rise to a challenge to Commission action on the local public forum, the application for increased well density, or the public issues hearing.

509. PARTICIPATION IN ADJUDICATORY PROCEEDINGS

a. The applicant and persons that have filed with the Commission a timely and proper protest or intervention pursuant to this rule shall have the right to participate formally in any adjudicatory proceeding. In the case of a local government, intervention shall be granted by right and without fee solely to raise environmental or public health, safety, and welfare concerns.

(2) Description of affected interest:

B. A local government intervening as a matter of right shall include in the intervention information describing the environmental or public health, safety and welfare concerns raised by the application. When an intervention is filed by any local government or person on an application subject to Rule 508.a., information on the following shall be included:

i. That the public issues raised by the application reasonably relate to potential significant adverse impacts to the environment or public health, safety and welfare that are within the Commission's jurisdiction to remedy; and

ii. That the potential impacts were not adequately addressed by the application or by the Proposed Plan; and

iii. That the potential impacts are not adequately addressed by the rules and regulations of the Commission.

527. PREHEARING PROCEDURES FOR CONTESTED ADJUDICATORY PROCEEDINGS BEFORE THE COMMISSION

a. The Commission encourages the use of prehearing conferences between parties to a contested matter in order to facilitate settlement, narrow the issues, identify any stipulated facts, resolve any other pertinent issues, and reduce the hearing time before the Commission. A prehearing conference shall be conducted at the direction of the Commission or the Director upon receipt of a protest or an intervention, or upon the request of the applicant or any person who has filed a protest or intervention. For matters in which a staff analysis has been prepared, the Director shall participate in the prehearing conference to advise the parties of the content of the preliminary staff analysis. The prehearing conference shall be conducted under the following general guidelines.

h. At any prehearing conference, the following matters may be considered:

(6) Limitation on methods and extent of discovery, and a discovery schedule;

(7) Disposition of procedural motions; and

(8) Other matters raised by the parties, the Commission, or presiding officer.

i. At any prehearing conference, the following information may be required:

(3) A timetable for the completion of discovery, if discovery is allowed.

l. Subsequent to the prehearing conference and prior to the hearing on a contested matter, the parties shall each prepare and submit to the Hearing Officer a recommended order for the Commission to consider for adoption at the time of hearing.

528. CONDUCT OF ADJUDICATORY HEARINGS.

a. **Contested applications.** Every party shall have the right to present its case by oral and/or documentary evidence. The following shall be the order of presentation unless otherwise established by the Commission at the hearing:

- (5) Opening statement by the applicant;
- (6) Opening statements by the respondent (and intervener, if any);
- (7) Presentation of the case-in-chief by the applicant;
- (8) Presentations by respondent (and intervener, if any);
- (9) Presentation of statements under Rule 510., if any;
- (10) Presentation of staff analysis, if requested by the Commission.

SAFETY REGULATIONS

603. DRILLING AND WELL SERVICING OPERATIONS AND HIGH DENSITY AREA RULES

a. **Statewide setbacks.** Subparagraph (1) below shall apply to all areas of the state except as provided under subparagraphs b. and e. of this rule. Subparagraph (2) below shall apply to all areas of the state.

b. **High density area rules for building units.** A high density area shall be determined at the time the well is permitted on a well-by-well basis by calculating the number of occupied building units within the seventy-two (72) acre area defined by a one thousand (1000) foot radius from the wellhead or production facility. If thirty-six (36) or more actual or platted building units (as defined in the 100 Series rules) are within the one thousand (1000) foot radius or eighteen (18) or more building units are within any semi-circle of the one thousand (1000) foot radius (i.e., an average density of one (1) building unit per two (2) acres), it shall be deemed a high density area. If platted building units are used to determine the density, then fifty percent (50%) of said platted units shall have building units under construction or constructed.

c. **High density area rules for other facilities.** If an educational facility, assembly building, hospital, nursing home, board and care facility, or jail is located within one thousand (1000) feet of a wellhead or production facility, high density area rules shall apply.

d. **Designated outside activity area.** The Commission, upon application and hearing, shall determine the appropriate boundary and setbacks for a designated outside activity area as defined in the 100 series rules. The minimum setback from the boundary of the designated outside activity area shall be three hundred fifty (350) feet.

e. The following rules shall apply in high density and designated outside activity areas:

- (3) **Setbacks for production equipment.** At the time of initial installation, production tanks and/or associated on-site production equipment shall be located not less than three hundred fifty (350) feet from any building unit, and, if requested by the local governmental designee, production tanks shall be located five hundred (500) feet from an educational facility, assembly building, hospital, nursing home, board and care facility, jail or designated outside activity area. However, such five hundred (500) foot setback shall be decreased to the maximum achievable setback if five hundred (500) feet would extend beyond the area on which the operator has a legal right to place or construct such facilities. Should the operator object to such five hundred (500) foot setback for any reason, a variance hearing shall be conducted at the next regularly scheduled meeting of the Commission, subject to the notice requirements of Rule 507.

(4) A. **Blowout preventer equipment ("BOPE") for high density area drilling operations.** Blowout prevention equipment for drilling operations shall consist of (at a minimum):

- i. Rig with kelley double ram with blind ram and pipe ram;
annular preventer or a rotating head
- ii. Rig without kelley double ram with blind ram and pipe ram

Mineral Management certification or Director approved training for blowout prevention shall be required for at least one (1) person at the wellsite during drilling operations.

B. **BOPE testing for high density area drilling operations.** Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.

(5) A. **BOPE for well servicing operations.** Adequate blowout prevention equipment shall be used on all well servicing operations.

B. Backup stabbing valves shall be required on well servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using both low pressure air and high pressure fluid.

f. **Statewide rig floor safety valve requirements.** When drilling or well servicing operations are in progress on a well where there is any indication the well will flow hydrocarbons, either through prior records or present conditions, there shall be on the rig floor a safety valve with connections suitable for use with each size and type of tool joint or coupling being used on the job.

g. **Statewide static charge requirements.** Rig substructure, derrick, or mast shall be designed and operated to prevent accumulation of static charge.

h. **Statewide well servicing pressure check requirements.** Prior to initiating well servicing operations, the well shall be checked for pressure and steps taken to remove pressure or operate safely under pressure before commencing operations.

i. **Statewide well control equipment and other safety requirements.** Well control equipment and other safety requirements are:

j. **Statewide equipment, weeds, waste, and trash requirements.** All locations, including wells and surface production facilities, shall be kept free of the following: equipment, vehicles, and supplies not necessary for use on that lease; weeds; rubbish, and other waste material. The burning or burial of such material on the premises may be subject to other applicable laws. In addition, material may be burned or buried on the premises only with the prior written consent of the surface owner.

k. **Statewide equipment anchoring requirements.** All equipment at drilling and production sites in geological hazard and floodplain areas shall be anchored to the extent necessary to resist flotation, collapse, lateral movement or subsidence.

EXPLORATION & PRODUCTION (E&P) WASTE MANAGEMENT

906. SPILLS AND RELEASES

e. Spill/release prevention.

(2) **Spill/release evaluation.** Operators shall determine the cause of a spill/release, and to the extent practicable, shall implement measures to prevent spills/releases due to similar causes in the future. For reportable spills, operators shall submit this information to the Director on the Spill/Release Report, Form 19 within ten (10) days after discovery of the spill/release.

907. MANAGEMENT OF E&P WASTE

c. Produced water.

(2) **Produced water disposal.** Produced water may be disposed as follows:

E. Discharging into state waters, in accordance with the Water Quality Control Act and the rules and regulations promulgated thereunder. Produced water discharged pursuant to this subsection (2)E. may be put to beneficial use in accordance with applicable state statutes and regulations governing the use and administration of water.

RECLAMATION REGULATIONS

1004. FINAL RECLAMATION OF WELL SITES AND ASSOCIATED PRODUCTION FACILITIES

a. **Well sites.** Upon the plugging and abandonment of a well, all pits, mouse and rat holes and cellars shall be backfilled. All debris, abandoned gathering line risers and flowline risers, and surface equipment shall be removed within three (3) months of plugging a well. All access roads to plugged and abandoned wells and associated production facilities shall be closed, graded and recontoured. Culverts and any other obstructions that were part of the access road(s) shall be removed. Well locations, access roads and associated facilities shall be reclaimed. As applicable, compaction alleviation, restoration, and revegetation of well sites and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003. Material may be burned or buried on the premises only with the prior written consent of the surface owner, and with prior written notice to the surface tenant. Such burning or burial shall be subject to applicable state law. All such reclamation work shall be completed within three (3) months on crop land and twelve (12) months on non-crop land after plugging a well. The Director may grant an extension where unusual circumstances are encountered, but every reasonable effort shall be made to complete reclamation before the next local growing season.

FLOWLINE REGULATIONS

1103. ABANDONMENT

Each flowline abandoned in place must be disconnected from all sources and supplies of natural gas and petroleum, purged of liquid hydrocarbons, depleted to atmospheric pressure, and cut off three (3) feet below ground surface, or the depth of the flowline, whichever is less and sealed at the ends.

Exhibit B
STATEMENT OF BASIS AND PURPOSE
CAUSE NO. 1, ORDER NO. 1R-90

100 Series

The 100 Series of the Rules and Regulations of the Oil and Gas Conservation Commission provide the definitions used throughout COGCC regulations.

The Statutory Authority for the promulgation of these rules is found in:

§34-60-105 (1), C.R.S., gives the Commission authority to enforce the provisions of this article, the power to make and enforce rules, regulations and orders to carry out the provisions of this article.

Revise the definition of Centralized E&P Waste Management Facility to specify which facilities are included.

Revise the definition of Stratigraphic Well to move certain language to new Rule 303.I.

Add new definitions for Commercial Disposal Well Facility, Multi-well Site, Remediation and Seismic Operations.

200 Series

The 200 Series of the Rules and Regulations of the Oil and Gas Conservation Commission pertain to rules and regulations of a general nature where special field rules are not in place.

The Statutory Authority for the promulgation of these rules is found in:

§34-60-105 (1), C.R.S., gives the Commission authority to enforce the provisions of this article, the power to make and enforce rules, regulations and orders to carry out the provisions of this article.

§34-60-106 (14), C.R.S., requires an operator prior to commencement of drilling an oil or gas well "to "evidence its intention" by providing a written notice describing commencement date, and location of wells, access roads and production facilities to a surface owner and a local governmental designee.

The Local Governmental Designee program is being revised to provide customized interactive web queries for any local government who designates an office with the COGCC. Any local government or citizen will be able to query by accessing the COGCC website and clicking on the appropriate local government to obtain various information including pending permits to drill, approved permits to drill, change of well operator, production data and hearing notices.

Revise Rule 214. to require Local Governmental Designees to provide to the Commission an electronic mail address and move Rule 214.c. into Rule 214. to clarify the responsibilities of Local Governmental Designees.

Delete Rule 214.a. to reduce excess paper and mailing costs because local governments will be able to access all information on the COGCC website using a customized web query.

300 Series

The 300 Series of the Rules and Regulations of the Oil and Gas Conservation Commission pertain to Drilling, Development, Producing and Abandonment for oil, gas and disposal operations.

The Statutory Authority for the promulgation of these rules is found in:

§34-60-106 (1)(f), C.R.S., provides that "no operations for the drilling of a well for oil and gas shall be commenced without first obtaining a permit from the commission, under such rules and regulations as may be prescribed by the commission"

§34-60-106 (2)(a), C.R.S., provides that the commission has the authority to regulate "[t]he drilling, producing and plugging of wells and all other operations for the production of oil or gas; . . ."

§34-60-106(1)(b), C.R.S., gives the commission the authority to require the making and filing of well logs, directional surveys, and reports on well location, drilling and production.

§34-60-122 (1)(a) and (b), C.R.S., provides that the commission has the authority to fix the amount of mill levy and environmental response levy imposed.

§34-60-103 (6.5), C.R.S., defines oil and gas operations to include the "conduct of seismic operations"

§34-60-106 (1)(c), C.R.S., grants to the commission the authority to require the "plugging of seismic holes . . . in such manner as to prevent the escape of oil or gas from one stratum into another, the intrusion of water into oil or gas stratum, the pollution of fresh water supplies by oil, as, salt water, or brackish water;"

§34-60-106 (2)(d), C.R.S., gives the commission authority to regulate "[o]il and gas operations so as to prevent and mitigate significant adverse environmental impacts on any air, water, soil or biological resource to the extent necessary to protect public health, safety, and welfare, in consideration of cost-effectiveness and technical feasibility."

§34-60-106 (11), C.R.S., mandates the commission to "promulgate rules and regulations to protect the health, safety and welfare of the general public in the conduct of oil and gas operations."

§34-60-106 (9), C.R.S., gives the commission authority to perform all acts for the purpose of protecting underground sources of drinking water in accordance with state programs and authorized by 42 U.S.C. section 300f. et seq. and regulations thereunder or as amended.

Revise Rule 303.a. to add language to the COGCC Form 2, Application for Permit-to-Drill, to provide notification of applicable case law as set forth in the opinions of the Colorado Supreme Court. The revision is not meant to contradict those opinions. It is intended to reduce confusion over potential conflicts between drilling permits issued by the Commission and local governmental processes related to oil and gas drilling permits or land use.

Revise Rule 303.c.(4) to require Global Positioning System technology be used to report proposed well locations in certain instances

Revise Rule 303.d. to specify the timing by which the Director shall submit the Permit-to-Drill to a local governmental designee.

Add new Rule 303.k. to allow the Director to withhold Form 2, Permit-to-Drill approval in certain instances and with certain conditions.

Add new Rule 303.l. to describe requirements for reclassifying a stratigraphic well as an oil or gas well.

Revise Rule 310A. to impose a mill levy needed to maintain conservation fund balance and to require mill levy reporting by operator rather than by lease.

Revise Rule 310B. to eliminate the filing of Form 8A when no Environmental Response Fund Levy surcharge is imposed.

Revise Rule 318.b. to allow one well per formation per quarter quarter to be drilled unless an exception is obtained.

Revise Rule 324B. to reorganize into subparts and clarify criteria to be considered when evaluating the need for a hearing to designate an exempt aquifer.

Revise Rule 325. to add a provision to allow the Director to withhold approval for underground disposal of water in certain instances and with certain conditions, to designate the COGCC forms to be used when filing for underground disposal of water permits and to add language on centralized and commercial disposal well requirements.

Revise Rule 333. to reorganize and group together all rules affecting seismic operations, to amend requirements for the following aspects of seismic operations: notice of intent to conduct seismic operations, surface owner consultation, explosive storage, blasting safety setbacks, drilling, plugging and reclamation.

500 Series

The 500 Series Rules and Regulations of the Oil and Gas Conservation Commission describe the Rules of Practice and Procedure before the Commission.

The Statutory Authority for the promulgation of these rules is found in:

§24-4-103, C.R.S., provides that regulations should be "clearly and simply stated so that [their] meaning will be understood by any party required to comply with the regulation."

§24-4-105 (4), C.R.S., contained in the APA provides that an agency conducting a hearing has the authority to administer the procedural conduct of the hearing, including disposition of motions to dismiss, motions to intervene "procedural requests, or similar matters; reprimand or exclude from the hearing any person for any improper or indecorous conduct in his presence; ."

§24-4-105 (7), C.R.S., allows agencies to receive and consider evidence not necessarily admissible under the rules of evidence.

§34-60-104.5, C.R.S., provides that the Director shall "[i]mplement and administer orders issued by the commission."

§34-60-105 (1), C.R.S., provides that the commission has the "power to make and enforce rules, regulations, and orders pursuant to this article . . . and to do whatever may reasonably be necessary to carry out the provisions of this article."

§34-60-108 (1), C.R.S., mandates that "the commission shall prescribe rules and regulations governing the practice and procedure before it."

§34-60-108 (4), C.R.S., provides that "[t]he grant of any specific power or authority to the commission shall not be construed in this article to be in derogation of any of the general powers and authority granted under this article."

§34-60-108 (7), C.R.S., provides that the "commission may act upon its own motion, or upon the petition of any interested person"

§34-60-116 (1), C.R.S., grants to the commission the authority to "establish drilling units of specified and approximately uniform size and shape covering any pool."

§34-60-116 (4), C.R.S., grants the commission the authority upon application, notice and hearing to "decrease or increase the size of the drilling units or permit additional wells to be drilled within the established units in order to prevent or assist in preventing waste or to avoid the drilling of unnecessary wells, or to protect correlative rights,"

§34-60-119, C.R.S., mandates that the Act "shall never be construed to require, permit, or authorize the commission or any court to make, enter or enforce any order, rule, regulation, or judgment requiring restriction of production of any pool or well . . . to an amount less than the well or pool can produce without waste."

Revise Rule 503.c. to require a plan addressing protection of the environment, public health, safety and welfare and describing current surface occupancy/use when filing an application subject to Rule 508.a.

Revise Rule 508. to change the applicability of the rule regarding the establishment of drilling and spacing units, to include the proposed plan to protect the environment, public health, safety and welfare, to remove federal lands from the rule, to allow a hearing on applicable applications to be held in lands proximate to the application with Rule 510. statements as an alternative to holding a local public forum, and to require all parties to make a preliminary showing before the Commission convenes a public issues hearing.

Revise Rule 509. to require specific issues to be addressed in an intervention filed by a local government.

Revise Rule 527. to require the Director's participation in prehearing conferences when a preliminary staff analysis has been prepared, to address issues of discovery schedule, and to

require parties each to submit a recommended order for the Commission's consideration for adoption at hearing.

Revise Rule 528. to change the order of presentation of staff analysis at a Commission hearing.

600 Series

The 600 Series Rules and Regulations of the Oil and Gas Conservation Commission pertain to safety regulations.

The Statutory Authority for the promulgation of these rules is found in:

§34-60-106 (2)(a), C.R.S., provides that the commission has the authority to regulate "[t]he drilling, producing and plugging of wells and all other operations for the production of oil or gas; . . ."

§34-60-106 (2)(d), C.R.S., gives the commission authority to regulate "[O]il and gas operations so as to prevent and mitigate significant adverse environmental impacts on any air, water, soil or biological resource to the extent necessary to protect public health, safety, and welfare, in consideration of cost-effectiveness and technical feasibility."

§34-60-106 (10) C.R.S., as amended, gives the Commission authority to promulgate rules and regulations to protect the health, safety and welfare of any person at an oil or gas well.

§34-60-106 (11), C.R.S., mandates that the commission "promulgate rules and regulations to protect the health, safety and welfare of the general public in the conduct of oil and gas operations."

Revise Rule 603. to reorganize and clarify the rules affecting high density and designated outside activity areas.

Delete Rule 605. to eliminate duplication of language moved to Rule 333.

900 Series

The 900 Series of the Rules and Regulations of the Oil and Gas Conservation Commission pertain to exploration and production waste management regulations.

The Statutory Authority for the promulgation of these rules is found in:

§34-60-106.(1)(c), C.R.S., as amended, gives the commission authority to prevent the pollution of fresh water supplies by oil, gas, saltwater or brackish water.

§34-60-106.(11), C.R.S., gives the commission authority to promulgate rules and regulation to protect the health, safety and welfare of the general public in the drilling, completion and operation of oil and gas wells and production facilities.

Revise Rule 906. to conform with the written reporting requirements in Rule 906.b.(1).

Revise Rule 907. to refer to the Water Quality Control Act rather than the Water Quality Control Division to correct a previous clerical error.

1000 Series

The 1000 Series Rules and Regulations of the Oil and Gas Conservation Commission pertain to reclamation requirements.

The Statutory Authority for the promulgation of these rules is found in:

§34-60-105 (1), C.R.S., gives the Commission authority to enforce the provisions of this article, the power to make and enforce rules, regulations and orders to carry out the provisions of this article.

§34-60-106 (11), C.R.S., mandates the commission to "promulgate rules and regulations to protect the health, safety and welfare of the general public in the conduct of oil and gas operations."

§34-60-106 (12), C.R.S., mandates the commission to "promulgate rules to ensure proper reclamation of the land and soil affected by oil and gas operations and to ensure the protection of the topsoil of said land during such operations."

Revise Rule 1004. to require all debris, abandoned gathering line risers and flowline risers, and surface equipment to be removed from the site within three (3) months of plugging a well.

1100 Series

The 1100 Series Rules and Regulations of the Oil and Gas Conservation Commission pertain to the installation, reclamation, operations, maintenance and repair, and abandonment of flowlines.

The Statutory Authority for the promulgation of these rules is found in:

§34-60-103 (6.5), C.R.S., defines oil and gas operations to include the "installation of flowlines and gathering systems"

§34-60-106 (11), C.R.S., mandates the commission to "promulgate rules and regulations to protect the health, safety and welfare of the general public in the conduct of oil and gas operations."

§34-60-106 (12), C.R.S., mandates the commission to "promulgate rules to ensure proper reclamation of the land and soil affected by oil and gas operations and to ensure the protection of the topsoil of said land during such operations."

Revise Rule 1103. to require each flowline abandoned in place to be cut off three (3) feet below ground surface or the depth of the flowline, whichever is less.