

Large Urban Mitigation Area Facility Panel - Introduction

Energy & Environment Symposium

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COLORADO
Oil & Gas Conservation
Commission

Department of Natural Resources

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Background

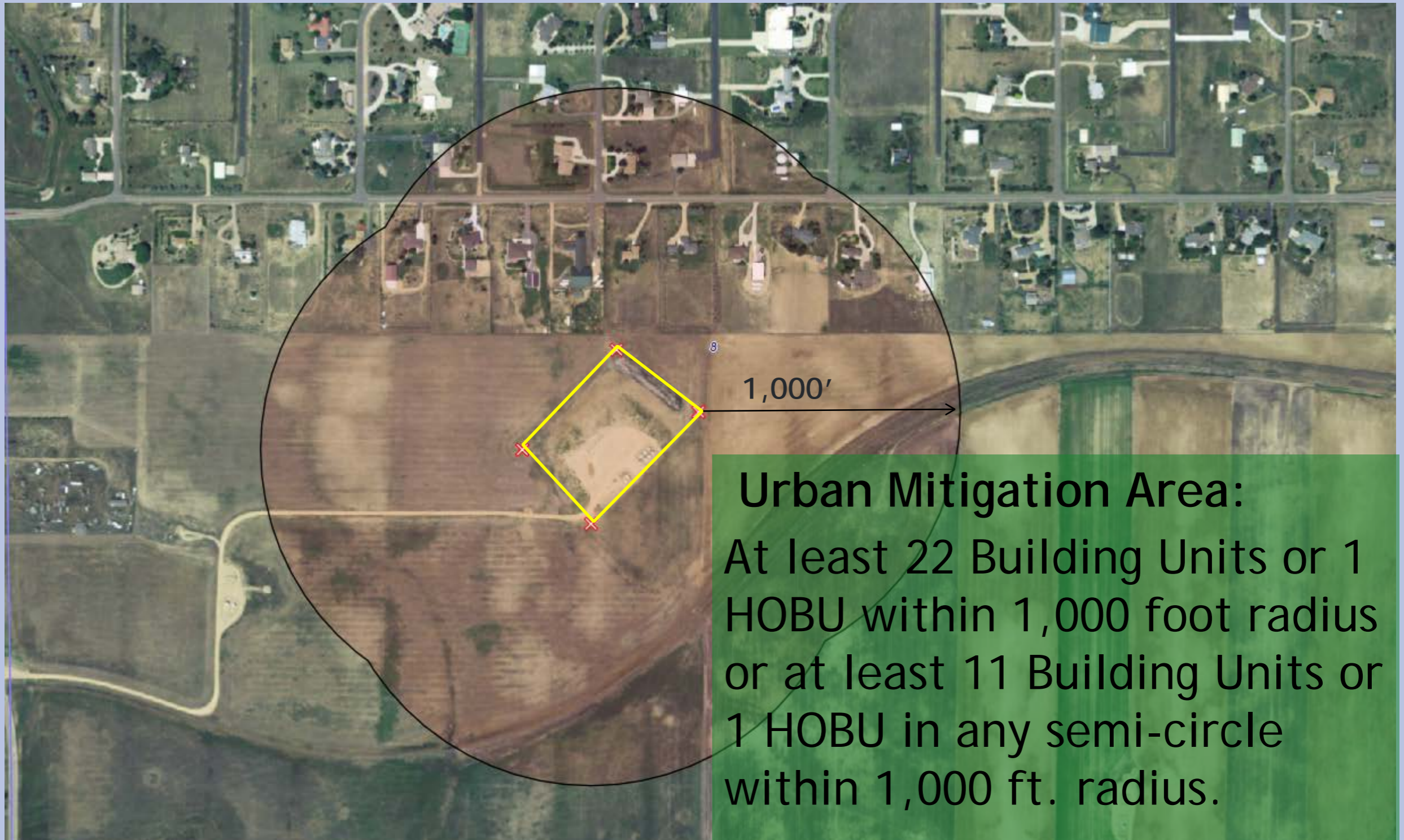
- Governor's Task Force
- Recommendation #17
- COGCC Rulemaking
- Large UMA Facility Rules

Large UMA Facility

100-series definition (new): any Oil and Gas Location to be located in an Urban Mitigation Area and on which:

- Operator proposes to drill 8 or more new wells; OR
- Cumulative new and existing on-site storage for produced hydrocarbons exceeds 4,000 barrels

What is an Urban Mitigation Area



Notification Requirements

Operators must notify **Local Govt with land use authority and Surface Owner**

- Written **Notice of Intent (NOI)** to construct a Large UMA Facility at least 90 days before initiating Form 2A process with COGCC (limited exceptions); **AND**
- Before finalizing a specific location with Surface Owner

Consultation - Mediation

- Local Govt has **30 days to accept offer to consult** regarding siting and BMPs
- Surface Owner (SO) must be invited by operator
- COGCC will participate upon request

- If consultation occurs, but no agreement can be reached, the operator shall offer mediation
 - Joint selection, shared cost, 45 days

Initiation of the Form 2A Process

- Operator and Local Govt reach agreement
- Operator asserts an exception per 305A.e.
- Local Govt waives rule 305A procedures or does not respond to offer to consult
- 90 days have passed since Local Govt received NOI AND Local Gov't and Operator have engaged in consultation (per 305A.c.), but not reached agreement

Role of Local Govts

- Must respond to NOI and offer to consult within 30 days or lose opportunity to consult
- Can opt out of receipt of NOIs
- Consider alternative locations
- Consider BMPs
- May agree upon Oil and Gas Location
- May participate in mediation if agreement is not reached
- May be an intervener in Commission Hearing

Proximate Local Governments (PLG)

Operators must notify all local governments within 1,000 feet of proposed Large UMA Facility not less than 45 days before submitting a Form 2A

- PLG can opt out of this notice

PLG notice to include:

- Operator's contact info
- Description of location and Large UMA Facility
- Reminder of comment opportunity (305.d)



THANK YOU!



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Other Changes

- For Large UMA Facility, comment period is 40 days, but may be **extended or reopened** for 20 additional days (at Director's sole discretion)
- CDPHE automatic consultation
- All Designated Setback Location BMPs

GTF Recommendation 17

- Recommended COGCC rulemaking to address Local Government collaboration with Operators concerning siting of "Large Scale Oil and Gas Facilities" in "Urban Mitigation Areas," as defined in COGCC rules.
- Recommended COGCC define "Large Scale Oil and Gas Facility."
- Addressed "authority of and procedures to be used by COGCC to regulate the locations when permitting Large Scale Oil and Gas Facilities for the purpose of reducing impacts to and conflicts with communities."
- Described pre-selection notification, consultation, & mediation processes, and potential for Commission hearing.

Adopted Rules

- Define Large Urban Mitigation Area Facility
- Establish process for consultation with jurisdictional local government (if they choose to participate), prior to COGCC process
- Require that this type of facility will comply with best available mitigation measures
- Create a process for operators to register with and communicate plans to local governments