Oil and Gas in the time of 181

180 degrees from yesterday
SB 181 Sweeping and Comprehensive

Foster vs Regulate
Repeal State preemption
Pooling now has 45% minimum threshold
Air Quality - measure measure measure
Economically reasonable & technically feasible gone and replaced with reasonable or reasonable and necessary
Commission reorganization
Full local control and regulation of the surface
Waste subject to health and safety and environment
1041 exemption repealed
SB 181 Amendments that Mattered

“Reasonable and necessary”
“Delay instead of refuse”
45% instead of over 50% before pooling can be requested
Locals limited to “surface uses”
No extra territorial regulation
SB 181 - Local land Use Authorities

Well and facility location
Access
Noise
Odor
Setbacks
Health and safety
Inspection
Enforcement
Fees and fines
Financial assurance
Plan and regulate consistent with the constitutional rights

Land Use
Water quality and source
Dust
Light
Air emissions and air quality
land disturbance
Reclamation
Traffic and transportation
Nuisance effects and impacts
SB 181 - What is to Come

Rulemakings at the state
  2.5 (a) protect and minimize adverse impacts
  11(c) Alternative site location and cumulative impacts
  (19) Review Flowline and shut-in and abandoned well rules
New state commission - temp and permanent
New permit fees
6000+ permits subject to a new filter process
Lengthening of permit times
Locals with authority to say no or not here, over there
New local regulations
SB 181 Possible Effects to the State

- Likely slowdown in new wells
- Likely loss of revenue to the state
- Likely loss of revenue to schools
- Increase need for the state to backfill the school budget
SB 181 - What Industry Needs To Do

Build Trust
Change the Narrative
Educate and Emoticate
  Feelings Drive Decisions
  Bring Passion for Safety, for Community, for the Poor
Redouble efforts to do right by our neighbors
Empowers ourselves
  Volunteer on local boards and commissions
  Get elected
  Be involved in local rulemakings
  show up to hearings - make your voices heard
Companies need to encourage and trust their people to be involved