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COGCC APPROVES SWEEPING NEW MEASURES TO LIMIT DRILLING IMPACTS

The Colorado Oil and Gas Conservation Commission today preliminarily approved comprehensive new rules to limit the impact of drilling near residences and other occupied buildings. The set of rules are more rigorous than any in the country.

These new rules combine stringent mitigation measures, expanded notice and outreach to local communities and heightened distances (called “setbacks”) between drilling and dwellings to further distinguish Colorado as a national leader with respect to oil and gas regulations.

Colorado’s new rules for setbacks and associated measures will protect the public health, safety and environment. The rules also set a new standard for the Rocky Mountain West as they exceed our neighboring states of Kansas, Wyoming, Utah, New Mexico, Nebraska, Arizona and Texas.

Earlier this week the Commission also approved rules that are among the strongest in the country for monitoring and protection of groundwater. Only two other states have mandatory groundwater programs in place and no other state in the country requires operators to take post-drilling water samples.

“These are tough and far-reaching new rules that significantly reduce the effects of drilling for those living or working nearby while at the same time protecting the rights of mineral owners,” said Matt Lepore, Director of the Colorado Oil and Gas Conservation Commission. “We believe these collectively amount to the strongest criteria for setbacks in the country, will hold industry to a new standard and represent a national model.”

“Technologies and patterns of oil and gas development are rapidly changing across our state and the public expects our rules to keep up,” said Commissioner Andy Spielman.

“These new rules should help to harmonize important job creation in our state with the welfare of Colorado's communities by requiring state-of-the-art mitigation measures, encouraging the use of modern drilling technology, providing greater separation between

wells and buildings -- especially schools and hospitals -- and providing more information and opportunities for input to residents living near proposed operations," Spielman added.

The new rules include a suite of important new provisions. They include:

- Operators proposing to drill within 1,000 feet of an occupied structure would be required to meet new and enhanced measures to limit the disruptions a nearby drill site can create. Those measures include closed loop drilling that eliminate pits, liner standards to protect against spills, capture of gases to reduce odors and emissions, as well as strict controls on the nuisance impacts of noise, dust and lighting.
- Existing setback standards of 150 feet in rural areas and 350 feet in urban areas are extended to a uniform 500 feet statewide.
- Operators cannot operate within 1,000 feet of buildings housing larger numbers of people, such as schools, nursing homes and hospitals, without a hearing before the Commission.
- Operators must engage in expanded notice and outreach efforts with nearby residents and conduct additional engagement with local governments about proposed operations. As part of this, operators proposing drilling within 1,000 feet must meet with anyone within that area who asks.

Development of the new standards follow a stakeholder process that began nearly a year ago with a series of meetings and presentations designed to work through the many complicated elements associated with determining setback criteria. Extensive comment and direction came from local governments, farmers and ranchers, the environmental community, homeowners, the energy industry, elected officials, homebuilders, mineral owners, environmental health specialists and business leaders.

Commission staff spent much of 2012 engaging these stakeholders in order to develop rules that protect the public health and environment while providing the flexibility needed for energy production and the thousands of jobs it creates.

"These are some of the most complex issues that this Commission has faced, and we deeply appreciate the input from so many sincere participants," Lepore said. "We understand that these rules do not leave any one group of interests completely satisfied. We do expect most everyone who worked collaboratively with us will see components they helped initiate incorporated into these rules."

The Colorado Department of Natural Resources and the Colorado Department of Public Health and Environment have also announced the launch this summer of a significant study of emissions tied to oil and gas development. The project will provide information about how oil and gas emissions behave, how they travel and their characteristics in areas along the northern Front Range. A second phase would assess possible health effects using information collected in the first phase

Last year, Colorado developed a national model for the disclosure of chemicals used in hydraulic fracturing fluids, forged stronger, more collaborative relationships between state and local regulators, increased oversight staffing in difficult budget times, opened the Oil and Gas Conservation Commission's water quality database to public access on the Internet and strengthened rules to reduce emissions.

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