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

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

DOCKET NO. 0508-RM-02

NOTICE OF CONTINUATION OF RULE-MAKING HEARING

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TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

The Oil and Gas Conservation Commission, on its own motion, will consider proposed amendments to its Rules and Regulations as described below:

DEFINITIONS (100 Series)

DRILLING WINDOW SHALL MEAN AN AREA DESIGNATED BY THE COMMISSION WHERE A WELL MAY BE LOCATED. THE PERIMETER OF THIS AREA IS ESTABLISHED BY SETBACK DISTANCES FROM SPACING UNIT OR LEASE BOUNDARIES.

GENERAL RULES

215. GLOBAL POSITIONING SYSTEMS

GLOBAL POSITIONING SYSTEMS (GPS) MAY BE USED TO LOCATE FACILITIES USED IN OIL AND GAS OPERATIONS PROVIDED THEY MEET THE FOLLOWING MINIMUM STANDARDS OF THE COMMISSION:

A. INSTRUMENTS RATED AS DIFFERENTIAL GLOBAL POSITIONING SYSTEM (DGPS) SHALL BE USED.

B. INSTRUMENT ACCURACY SHALL BE NO LESS THAN ONE (1) METER.

C. ALL GPS DATA SHALL BE DIFFERENTIALLY CORRECTED BY POST PROCESSING PRIOR TO DATA SUBMISSION.

D. POSITION DILUTION OF PRECISION (PDOP) VALUES SHALL NOT BE HIGHER THAN SIX (6) AND SHALL BE INCLUDED WITH LOCATION DATA.

E. ELEVATION MASK (LOWEST ACCEPTABLE HEIGHT ABOVE THE HORIZON) SHALL BE NO LESS THAN FIFTEEN DEGREES (15°).

F LATITUDE AND LONGITUDE COORDINATES SHALL BE PROVIDED IN DECIMAL DEGREES WITH AN ACCURACY AND PRECISION OF FIVE (5) DECIMALS OF A DEGREE USING THE NORTH AMERICAN DATUM (NAD) OF 1983 (E.G.; LATITUDE 37.12345 N, LONGITUDE 104.45632 W).

G. RAW AND CORRECTED DATA FILES SHALL BE HELD FOR A PERIOD OF THREE (3) YEARS.

H. MEASUREMENTS SHALL BE MADE BY A TRAINED GPS OPERATOR FAMILIAR WITH THE THEORY OF GPS, THE USE OF GPS INSTRUMENTATION, AND TYPICAL CONSTRAINTS ENCOUNTERED DURING FIELD ACTIVITIES.

DRILLING, DEVELOPMENT, PRODUCING AND ABANDONMENT

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

c. Attached to and part of the Permit-to-Drill, Form 2, as filed shall be a current 8½" by 11" scaled drawing of the entire section(s) containing the proposed well location with the following minimum information:

(1) Dimensions on adjacent exterior section lines sufficient to completely describe the quarter section containing the proposed well shall be indicated. If dimensions are not field measured, sState how the dimensions were determined.

(2) THE LATITUDE AND LONGITUDE OF THE PROPOSED WELL LOCATION SHALL BE PROVIDED ON THE DRAWING WITH A MINIMUM OF FIVE (5) DECIMAL PLACES OF ACCURACY AND PRECISION USING THE NORTH AMERICAN DATUM (NAD) OF 1983 (E.G.; LATITUDE 37.12345 N, LONGITUDE 104.45632 W). THE LATITUDE AND LONGITUDE COORDINATES SHALL BE DETERMINED USING ONE OF THE FOLLOWING TWO (2) METHODS. METHOD A MAY BE USED PROVIDED THAT THE PRODUCTIVE PORTION OF THE WELLBORE IS GREATER THAN EIGHTY (80) FEET FROM THE DRILLING WINDOW BOUNDARY; OTHERWISE, METHOD B SHALL BE USED.

A. GLOBAL POSITIONING SYSTEM (GPS) BY A TRAINED GPS OPERATOR IN ACCORDANCE WITH RULE 215.

IN ADDITION TO THE LATITUDE AND LONGITUDE COORDINATES, THE FOLLOWING INFORMATION SHALL BE SUBMITTED ON THE PLAT:

(1) POSITION DILUTION OF PRECISION (PDOP) READING.

- (2) GPS OPERATOR'S NAME.
- (3) THE DATE OF THE MEASUREMENT.
- B. SURVEY BY A COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR.

IN ADDITION TO THE LATITUDE AND LONGITUDE COORDINATES, THE FOLLOWING INFORMATION SHALL BE SUBMITTED ON THE PLAT:

(1) DIMENSIONS ON ADJACENT EXTERIOR SECTION LINES SUFFICIENT TO COMPLETELY DESCRIBE THE QUARTER SECTION CONTAINING THE PROPOSED WELL SHALL BE INDICATED. IF DIMENSIONS ARE NOT FIELD MEASURED, STATE HOW THE DIMENSIONS WERE DETERMINED.

(2) FOR IRREGULAR, PARTIAL OR TRUNCATED SECTIONS, DIMENSIONS SHALL BE FURNISHED TO COMPLETELY DESCRIBE THE <u>ENTIRE</u> SECTION CONTAINING THE PROPOSED WELL.

(3) 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.

(4) THE BASIS OF BEARING OR INTERIOR ANGLES USED.

(5) COMPLETE DESCRIPTION OF MONUMENTS AND/OR COLLATERAL EVIDENCE FOUND; ALL ALIQUOT CORNERS USED SHALL BE DESCRIBED.

(6) THE DATE OF THE SURVEY.

(2)-(3) For directional drilling into an adjacent section, that section shall also be shown on the location plat and dimensions on exterior section lines sufficient to completely describe the quarter section containing the proposed productive interval and bottom hole location shall be indicated. (Additional requirements related to directional drilling are found in Rule 321.)

(3) For irregular, partial or truncated sections, dimensions will be furnished to completely describe the <u>entire</u> section containing the proposed well.

(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.

(5) (4) A map legend.

(6) (5) A north arrow.

(7) (6) A scale expressed as an equivalent (e.g. - 1" = 1000').

(8)-(7) A bar scale.

(9) (8) The ground elevation.

(10)-(9) The basis of the elevation (how it was calculated or its source).

(11) (10) The basis of bearing or interior angles used.

(12)-(11) Complete description of mMonuments and/or collateral evidence found; all aliquot corners used shall be described.

(13) (12) The legal land description by section, township, range, principal meridian, baseline and county.

(14) (13) Operator name.

(15) (14) Well name and well number.

(16) (15) Date of completion of scaled drawing.

(17)-(16) All visible improvements within two hundred (200) feet of a wellhead (or, in a high density area within four hundred (400) feet of a wellhead) shall be physically tied in and plotted on the well location plat or on an addendum, with a horizontal distance and approximate bearing from the well location. Visible improvements shall include, but not be limited to, all buildings, publicly maintained roads and trails, major above-ground utility lines, railroads, pipelines, mines, oil wells, gas wells, injection wells, water wells, visible plugged wells, sewers with manholes, standing bodies of water, and natural channels including permanent canals and ditches through which water flows. If there are no visible improvements within two hundred (200) feet of a wellhead (or in a high density area within four hundred (400) feet of a wellhead), it shall be so noted on the Permit-to-Drill, Form 2.

(18)-(17) Surface use shall be described within the two hundred (200) foot radius of a wellhead (or in a high density area within the four hundred (400) foot radius of a wellhead).

(19) (18) In addition to the scaled drawing, the applicant shall attach to the Permit-to-Drill, Form 2, an 8½" by 11" vicinity or U.S.G.S. topographic map of at least a three (3) mile radius around the proposed well which clearly shows access from one (1) or more public roads, a map showing surface and mineral lease ownership within two hundred (200) feet of a wellhead (or in a high density area within four hundred (400) feet of a wellhead). Where the applicant is not the lessee, mineral ownership shall be described for the entire drilling and spacing unit.

308A. COGCC Form 5. DRILLING COMPLETION REPORT

Within thirty (30) days of the setting of production casing, the plugging of a dry hole, the deepening or sidetracking of a well, or any time the wellbore configuration is changed, the operator shall transmit to the Director the Drilling Completion Report, Form 5, and two (2) copies of all logs run, be they mechanical, mud, or other, submitted as one (1) paper copy and, as available, one (1) digital LAS (log ASCII) formatted copy, or a format approved by the Director. Additionally, if drill stem tests, core analyses, or directional surveys are run, they shall be submitted at the same time and together with this completion report. All Sections 1 - 22 (if applicable) and the attachment checklist shall be completely filled out. THE LATITUDE AND LONGITUDE COORDINATES IN DECIMAL DEGREES TO AN ACCURACY AND PRECISION OF FIVE (5) DECIMALS OF A DEGREE USING THE NORTH AMERICAN DATUM (NAD) OF 1983 (E.G.; LATITUDE 37.12345 N, LONGITUDE 104.45632 W), POSITION DILUTION OF PRECISION (PDOP) READING, INSTRUMENT OPERATOR'S NAME AND THE DATE OF THE MEASUREMENT OF THE AS DRILLED WELL LOCATION SHALL BE REPORTED ON THE FORM 5.

Within thirty (30) days of the suspension of commenced drilling activities prior to reaching total depth, the operator shall file a Drilling Completion Report, Form 5, notifying the Director of the date of such suspension of drilling activity stating the reason for suspension and the anticipated date and method of resumption of drilling, showing the details of all work performed to date. In cases of an uncompleted well, the initial Drilling Completion Report, Form 5, shall state "preliminary" at the top of the form. A supplementary Form 5 shall be submitted within thirty (30) days of reaching total depth.

333. SEISMIC OPERATIONS

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. he 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 the following:

(1) 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, and

(2) the latitude and longitude of each shothole location. Latitude and longitude values shall be referenced to the NAD 1927 and reported in decimal degrees to an accuracy of at least five (5) decimal places (e.g.; latitude 37.12345 N, longitude 104.45632 W) THE LATITUDE AND LONGITUDE COORDINATES SHALL BE REFERENCED IN DECIMAL DEGREES TO AN ACCURACY AND PRECISION OF FIVE DECIMALS OF A DEGREE USING THE NORTH AMERICAN DATUM (NAD) OF 1983 (E.G.; LATITUDE 37.12345 N, LONGITUDE 104.45632 W), AND INCLUDE POSITION DILUTION OF PRECISION (PDOP) READING, INSTRUMENT OPERATOR'S NAME AND THE DATE OF THE MEASUREMENT, or reported in other form as approved by the Director. If GPS technology is utilized to determine the latitude and longitude, all GPS data shall meet the requirements set forth in Rule 303.c.(4) 215. a. through dH.

802. NOISE ABATEMENT

a. THE GOAL OF THIS RULE IS TO IDENTIFY NOISE SOURCES RELATED TO OIL AND GAS OPERATIONS THAT IMPACT SURROUNDING LANDOWNERS AND TO IMPLEMENT COST-EFFECTIVE AND TECHNICALLY-FEASIBLE MITIGATION MEASURES TO BRING OIL AND GAS FACILITIES INTO COMPLIANCE WITH THE ALLOWABLE NOISE LEVELS IDENTIFIED IN SUBSECTION C. OPERATORS SHOULD BE AWARE THAT NOISE CONTROL IS MOST EFFECTIVELY ADDRESSED AT THE SITING AND DESIGN PHASE, ESPECIALLY WITH RESPECT TO CENTRALIZED COMPRESSION AND OTHER DOWNSTREAM "GAS FACILITIES" (SEE DEFINITION IN THE 100 SERIES OF THESE RULES).

ab. Oil and gas operations, AT ANY WELL SITE, PRODUCTION FACILITY OR including gas facility operations, shall comply with the following maximum permissible noise levels. for the predominant land use existing in the zone in which the operation occurs. Any eOperationS involving pipeline or gas facility installation or maintenance, the use of a drilling rig, completion rig, workover rig, or stimulation is subject to the maximum permissible noise levels for industrial zones. In the hours between 7:00 a.m. and the next 7:00 p.m. the noise levels permitted below may be increased ten (10) db(A) for a period not to exceed fifteen (15) minutes in any one (1) hour period THE TYPE OF LAND USE OF THE SURROUNDING AREA SHALL BE DETERMINED BY THE COMMISSION IN CONSULTATION WITH THE LOCAL GOVERNMENTAL DESIGNEE TAKING INTO CONSIDERATION ANY APPLICABLE ZONING OR OTHER LOCAL LAND USE DESIGNATION.

bc. In the hours between 7:00 a.m. and the next 7:00 p.m. the noise levels permitted below may be increased ten (10) db(a) for a period not to exceed fifteen (15) minutes in any one (1) hour period. THE ALLOWABLE NOISE LEVEL FOR PERIODIC, IMPULSIVE OR SHRILL NOISES IS REDUCED BY FIVE (5) DB(A) FROM THE LEVELS SHOWN.

ZONE Residential/AGRICULTURAL/RURAL	7:00 am to next 7:00 pm 55 db(A)	7:00 pm to next 7:00 am 50 db(A)
Commercial	60 db(A)	55 db(A)
Light industrial	70 db(A)	65 db(A)
Industrial	80 db(A)	75 db(A)

PURSUANT TO COMMISSION INSPECTION OR UPON RECEIVING A COMPLAINT FROM A NEARBY PROPERTY OWNER OR LOCAL GOVERNMENTAL DESIGNEE REGARDING NOISE RELATED TO OIL AND GAS OPERATIONS, THE COMMISSION SHALL CONDUCT AN ONSITE INVESTIGATION AND TAKE SOUND MEASUREMENTS AS PRESCRIBED HEREIN.

The following provide guidance for the measurement of sound levels from oil and gas operations AND ASSIGNMENT OF POINTS OF COMPLIANCE FOR OIL AND GAS OPERATIONS:

(1) If there are no occupied building units impacted, sound levels shall be measured at a distance of twenty five (25) feet or more from the property line radiating the noise. Sound levels at occupied building units shall be measured as near as practicable to the exterior edge of the occupied building unit closest to the area radiating the noise. SOUND LEVELS SHALL BE MEASURED AT A DISTANCE OF THREE HUNDRED AND FIFTY (350) FEET FROM THE NOISE SOURCE. AT THE REQUEST OF THE COMPLAINANT, THE SOUND LEVEL SHALL ALSO BE MEASURED AT A POINT BEYOND 350 FEET THAT THE COMPLAINANT BELIEVES IS MORE REPRESENTATIVE OF THE NOISE IMPACT. SOUND LEVELS SHALL BE MEASURED TWENTY-FIVE (25) FEET FROM AN EXISTING RESIDENCE IF THE RESIDENCE IS LESS THAN THREE HUNDRED AND FIFTY (350) FEET FROM THE NOISE SOURCE. NOISE LEVELS FROM OIL AND GAS FACILITIES LOCATED ON SURFACE PROPERTY OWNED, LEASED OR OTHERWISE CONTROLLED BY THE OPERATOR SHALL BE MEASURED AT THREE HUNDRED AND FIFTY (350) FEET OR AT THE PROPERTY LINE, WHICHEVER IS GREATER.

IN SITUATIONS WHERE MEASUREMENT OF NOISE LEVELS AT THREE HUNDRED AND FIFTY (350) FEET IS IMPRACTICAL OR UNREPRESENTATIVE DUE TO TOPOGRAPHY, THE MEASUREMENT MAY BE TAKEN AT A LESSER DISTANCE AND EXTRAPOLATED TO A 350-FOOT EQUIVALENT USING THE FOLLOWING FORMULA:

DB(A)_{DISTANCE 2} = DB(A)_{DISTANCE 1} - 20*LOG₁₀(DISTANCE 2 / DISTANCE 1)

(2) Sound level meters shall be equipped with wind screens, and readings taken when the wind velocity at the time and place of measurement is not more than five (5) miles per hour.

(3) Sound level measurements shall be taken four (4) feet above ground level.

(4) Sound levels shall be determined by averaging MINUTE-BY-MINUTE measurements made over a MINIMUM fifteen (15) minute sample DURATION IF PRACTICABLE. THE SAMPLE SHALL BE TAKEN UNDER CONDITIONS THAT ARE REPRESENTATIVE OF THE NOISE EXPERIENCED BY THE COMPLAINANT (E.G., AT NIGHT, MORNING, EVENING, OR DURING SPECIAL WEATHER CONDITIONS).

(5) In all sound level measurements, the existing ambient noise level from all other sources in the encompassing environment at the time and place of such sound level measurement shall be considered to determine the contribution to the sound level by the oil and gas operation(s).

D. IN SITUATIONS WHERE THE COMPLAINT OR COMMISSION ONSITE INSPECTION INDICATES THAT LOW FREQUENCY NOISE IS A COMPONENT OF THE PROBLEM, THE COMMISSION WILL OBTAIN A SOUND LEVEL MEASUREMENT TWENTY-FIVE (25) FEET FROM THE EXTERIOR WALL OF THE RESIDENCE OR OCCUPIED STRUCTURE NEAREST TO THE NOISE SOURCE, USING A NOISE METER CALIBRATED TO THE DB(C) SCALE. IF THIS READING EXCEEDS 65 DB(C), THE COMMISSION WILL REQUIRE THE OPERATOR TO OBTAIN A LOW FREQUENCY NOISE IMPACT ANALYSIS BY A QUALIFIED SOUND EXPERT, INCLUDING IDENTIFICATION OF ANY REASONABLE CONTROL MEASURES THAT SHOULD BE EMPLOYED TO MITIGATE SUCH LOW FREQUENCY NOISE IMPACT. SUCH STUDY WILL BE PROVIDED TO THE COMMISSION FOR CONSIDERATION AND POSSIBLE ACTION.

be. Exhaust from all engines, motors, coolers and other mechanized equipment shall be vented in a direction away from all occupied buildings to the extent practicable.

ef. In "high density areas" (SEE DEFINITION IN THE 100 SERIES OF THE THESE RULES) all facilities within four hundred (400) feet of occupied buildings with engines or motors which are not electrically operated shall be equipped with quiet design mufflers or equivalent. All mufflers shall be properly installed and maintained in proper working order.

Minor modifications to other Commission rules may be necessary to conform with the amendments to the rules proposed above.

This matter was originally scheduled for August 15, 2005 hearing, however, because notice was not given in compliance with Colorado statutes the hearing could not be conducted at that time; accordingly the matter has been rescheduled.

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has rescheduled the above-entitled matter for hearing on:

Date:	Wednesday, September 7, 2005
Time:	9:00 a.m.
Place:	Suite 801, The Chancery Building 1120 Lincoln Street Denver, CO 80203

Copies of the current Rules and Regulations are available on the Commission Internet homepage or at the office of the Oil and Gas Conservation Commission, 1120 Lincoln Street, Suite 801, Denver, Colorado 80203, for \$10.00 or by mail upon the receipt of a check or money order for \$15.00, at the same address.

Written comments on the proposed rule amendments to be considered are requested to be submitted by September 1, 2005 for more complete consideration by the Commission. Opportunity for testimony from any interested party will be provided at the hearing, however the time in which to present testimony may be limited and parties sharing similar viewpoints are requested to appoint a spokesperson to present their testimony at the hearing.

Pursuant to said hearing, in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter its order adopting such rules and regulations as in its judgment the facts may justify.

In accordance with Rule 509., any interested party desiring to protest any of the proposed rule amendments, or to intervene, should file with the Commission a written protest or a notice to intervene no later than September 1, 2005 briefly stating the basis of the protest or intervention. Such interested party shall, at the same time, file an original and nine (9) copies of the protest/intervention with the Commission (Rule 503.f.).

IN THE NAME OF THE STATE OF COLORADO

By_

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

Patricia C. Beaver, Secretary

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 August 19, 2005 Submit comments to: Colorado Oil and Gas Conservation Commission Attn: P.C. Beaver, Docket No. 0508-RM-02 1120 Lincoln Street, Suite 801 Denver, CO 80203