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Colorado Oil & Gas Conservation Commission completes Wellbore Integrity Rulemaking under SB 19-181

COGCC adopts new nation's strongest rules to protect groundwater throughout the lifecycle of an oil or gas well

DENVER - The Colorado Oil and Gas Conservation Commission (COGCC) today announced that the Commissioners adopted new protective wellbore integrity rules during its hearing, all successfully completed online. Improving Wellbore Integrity rules, throughout the entire lifecycle of the well, will increase the protections of Colorado's critical groundwater resources. The COGCC's Wellbore Integrity rulemaking, as part of the SB 19-181 rulemaking process, focuses on protecting Colorado's groundwater from potential contamination from oil and gas activity.

"I am proud of the rules adopted by the Colorado Oil and Gas Conservation Commission for two reasons. First, these advances protect the environment in a manner that is achievable and are the most protective standards in the nation in terms of protecting groundwater in the development of oil and gas. Second, these rules reflect what we can accomplish when we engage with people of different viewpoints," said Gov. Jared Polis. "The consensus reached by state agencies, oil and gas operators, citizen and environmental organizations has helped to create an oil and gas regulatory environment that protects health, safety, welfare and the environment."

Groundwater is a critical resource for our state, and COGCC's Wellbore Integrity rules are designed to protect it. Throughout the lifecycle of oil and gas operations, from development, to production to abandonment, there is the potential to interface with groundwater. The wellbore, or oil/gas well, must be built and maintained to protect groundwater.

"I am pleased to join the other Commissioners to adopt these rules that provide the nation's strongest protections for groundwater, which is essential for Colorado's agriculture, recreation, commercial and residential needs," said Dan Gibbs, Executive Director, Colorado Department of Natural Resources and Chair of the COGCC. "These enhanced protective measures are part of COGCC's new mission under SB 19-181 to regulate oil and gas development in a manner that protects public health, safety, the environment and wildlife. I

want to thank the COGCC staff and the diverse stakeholders for their collaborative efforts which made these rules better and more protective for future generations of Coloradans.”

Today’s rulemaking further strengthens the state’s oversight of oil and gas wells and protecting groundwater throughout the entire lifecycle of the well, from permitting to construction to plugging a well. At the COGCC Hearing, the Commission adopted key new wellbore integrity protections:

- 1) *Health checks, using regular testing & maintenance, throughout the lifecycle of the well*
 - Adopt regular, frequent bradenhead testing and monitoring which will provide a continual health-check for all wells in the state, and clear standards for operators to quickly remedy any problems identified by the tests
 - Strengthen standards for pressure testing of casing and cement to ensure that all wells can withstand operations throughout their life cycles, including during hydraulic fracturing.
- 2) *Isolate all fluids associated with the well from escaping to protect groundwater*
 - Protect groundwater by requiring operators to isolate all groundwater, oil, gas and produced water so that no fluids can unintentionally move in or out of a wellbore, with the strongest casing and cementing standards required to protect especially sensitive groundwater formations that are currently being used or could be used in the future for drinking water.
 - Prevent accidents by adopting a robust offset well evaluation and mitigation process that avoids pollution and safety risks that otherwise might occur during hydraulic fracturing operations due to “well communication”.
- 3) *Increase public access and transparency of precautionary measures to protect groundwater near homes and drinking water sources.*
 - Provide strict protections and detailed subsurface geological reviews for any wells that are proposed to fracture within shallow groundwater formations where the risk of contamination is at its greatest.
 - Provide increased transparency so that local governments, water-well owners, and the public can readily learn about what precautions are being taken to protect groundwater near their homes and drinking water sources.

“These are the strongest well integrity rules in the country and will prevent air and water pollution while protecting the communities who live and work in the oil field. This rule was born from collaboration between oil and gas companies, environmentalists and other experts who came together to find practical solutions to complex problems. We will all benefit from it.” - Adam Peltz, Environmental Defense Fund.

“At Adamantine Energy we are privileged to work with stakeholders across the energy development spectrum. With wellbore integrity, we saw an opportunity for industry leaders to collaborate with the Environmental Defense Fund and the COGCC to craft best-in-class regulations. Our congratulations to all for digging in and finding solutions that protect the environment and support responsible oil and gas development in Colorado.” - Matt Lepore, Adamantine Energy.

“This rulemaking has served as a model example of stakeholders working together and having reasonable conversations, resulting in consensus on many of the issues. Wellbore integrity is a highly technical and complex issue, and this process benefited tremendously from the willingness of industry, staff, and nongovernmental organizations to collaboratively come to the table and craft sound rules. We are continuously in pursuit of outcomes that benefit Colorado’s public health, safety, welfare and the environment; and remain fully committed to partnering with all stakeholders who want the same.” - Lynn Granger, Executive Director, API Colorado.

“We have worked through virtually all recommendations made by the State Oil and Gas Regulatory Exchange (SOGRE), and we have been coordinating with all parties and stakeholders for several months now, preparing for this rulemaking. We agree that beefing up the rules and making them consistent with best practices is the right thing to do. In most cases, the SOGRE recommendations are things companies are already doing and this rulemaking will make it consistent for everybody. COGA is proud of the degree to which consensus on the proposed rules has been attained by the environmental and energy development communities working together in a fact-based and collegial manner. ” - Dan Haley, President and CEO of COGA.

The COGCC staff worked with a diverse group of stakeholders and the Water Quality Control Division to deliver these rules to cover the life of the well and improve protections for the environment and our groundwater. The rules reflect broad consensus across multiple stakeholder perspectives on almost all issues, showing how all stakeholders can work together to find solutions to complex issues.

“Having achieved broad consensus on these rules, which are the strongest in the nation, is a testament to all the hard work by COGCC staff and the diverse stakeholders committed to a common goal,” said COGCC Director Jeff Robbins. “The collaboration required by all stakeholders on these rules shows how much we can do when we work together. We are proud to increase the transparency and information available for the public and communities on this topic, so that everyone can participate and understand how oil and gas can be regulated in a manner that is protective of public health, safety, welfare, wildlife and the environment.”

The Commission adopted the proposed amendments during its hearing, June 10. These amendments will become effective on Nov. 2, 2020.

SB 19-181 ensures that oil and gas development and operations in Colorado are regulated in a manner that protects public health, safety, welfare, the environment and wildlife resources. The COGCC is in the midst of reviewing its rules and procedures to evaluate what changes are required to reflect the new law’s requirements. The Commission will take up additional SB 19-181 rulemakings at future Commission hearings, including rulemakings around Mission Change, Cumulative Impacts and Alternative Location Analysis, which begins Aug. 24, 2020.

To learn more about the rules, participate in any meetings, the rulemaking schedule, or comment using the online portals, visit the COGCC website: cogcc.state.co.us

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