Statement of Basis, Specific Statutory Authority, and Purpose Amendments to Current Rules of the Colorado Oil and Gas Conservation Commission, 2 CCR 404-1

Cause No. 1R Docket No. 1407-RM-01 Clean-up Rulemaking

This statement sets forth the basis, specific statutory authority, and purpose for amendments to the Colorado Oil and Gas Conservation Commission ("Commission") Rules of Practice and Procedure, 2 CCR 404-1 ("Commission Rules") promulgated by the Commission on July 28, 2014.

On January 19, 2012, Executive Order D 2012-002 ("Executive Order") directed Colorado's state agencies to undertake a periodic regulatory efficiency review of their rules. This "Clean-up Rulemaking" is part of that review and is designed to make Commission Rules easier to understand and more consistent, effective, and efficient.

In adopting these amendments to Commission Rules, the Commission relied on the entire administrative record for this rulemaking proceeding, which formally began on July 28, 2014.

Stakeholder Participation

The Commission solicited input from stakeholders on May 21, 2014 and held two stakeholder meetings regarding the proposed changes on June 25, 2014 and July 16, 2014. The Commission invited and accepted written and verbal comments from stakeholders regarding the proposed Clean-up Rules prior to and during the stakeholder meetings.

The Commission issued a Notice of Rulemaking Hearing concerning these amendments on June 12, 2014. Pursuant to the Notice of Rulemaking, any person or organization was invited to become a party to the rulemaking and submit prehearing statements and comments, including proposed alternative rules or amendments, and to respond to the prehearing statements and comments submitted by other Parties. The Commission Notice of Rulemaking also invited public participation through the Rule 510 comment process.

Statutory Authority

The Commission has authority to conduct this rulemaking pursuant to the Colorado Oil and Gas Conservation Act ("Act"), §§ 34-60-105, 34-60-106(2)(a), 34-60-106(2)(d), and 34-60-130, C.R.S.

Identification of New and Amended Rules

100-Series Rules, 201A, 205A, 206, 207, 303, 305, 308A, 308B, 309, 311, 316A, 316B, 316C, 317, 318A, 319, 321, 325, 327, 338, 339, 503, 506, 507, 509, 511, 518, 520, 522, 527, 529, 602, 603, 605, 606B, 608. This list does not include numerous, minor changes to the Rules, which are included in the attached redline of the proposed Rules.

Overview of Purpose and Intent

Under the Executive Order, all agencies must consider whether their rules should be modified or repealed based on whether the rule:

(1) Is necessary and does not duplicate existing rules;
(2) Is written in plain language and is easy to understand;
(3) Has achieved the desired intent and whether more or less regulation is necessary;
(4) Can be amended to reduce any regulatory burdens while maintaining its benefits; and
(5) Is implemented in an efficient and effective manner, including the requirements for the issuance of any permits or licenses.

Using the factors outlined in the Executive Order, the Commission recommends the following changes to its Rules.

Most of the proposed changes are designed to make Commission Rules more accurate and readable. Many of the changes simply correct typographical errors, grammar, or out-dated references. As a result, this group of proposed rule changes is called the "Clean-up Rulemaking."

For those changes that require more explanation, this Draft Statement of Basis and Purpose explains the reasoning behind those changes in Sections B – E. These changes are intended to conform Commission Rules with current agency practices.

A. General Changes

Many of the changes Commission staff recommended were numerous and non-substantive. These revisions occur throughout the Rules and are identified in the attached redline of the complete Rules.

1. Changing "Colorado Division of Wildlife" to "Colorado Parks and Wildlife"

The Colorado Division of Wildlife ("CDOW") changed its name to Colorado Parks and Wildlife ("CPW") in 2011. Accordingly, references to this agency were changed in the Commission Rules.

2. Updates and Clarification of Form Names

Commission staff undertook a comprehensive review of the Rules to attempt to clarify references to COGCC forms that appear throughout the Rules. Staff found numerous inconsistent and incorrect references during the review, including references to forms that no longer exist. These changes ensure consistency and clarity when COGCC forms are referenced in the Rules.

3. References to Other Rules and Statutes

Because the Commission has engaged in several recent rulemakings, cross-references to previous versions of the Rules were updated in other parts of the Rules. In addition, a few statutes referenced in the Commission Rules have been amended since the Rules' initial promulgation. These references were corrected to the most recent version of the statutes and regulations.

4. The "Rule of Seven"

Starting January 1, 2012, the Colorado Supreme Court promulgated changes to the Colorado Rules of Civil Procedure and other procedural rules. The procedural rules have been revised to adopt a "Rule of Seven" where deadlines for filings are revised to create multiples of seven days. Current Commission Rules' filing and notice deadlines are in multiples of five in accordance with the prior version of the Colorado Rules of Civil Procedure. As a result of these changes, the Commission is revising its 500-Series Rules deadlines to be consistent the "Rule of Seven."

5. Typographical Errors, Grammatical Corrections, and General Readability

Staff has also suggested grammatical and spelling corrections to the Rules. In addition, some Rules have had slight adjustments to the wording order, deletions, or insertions that do not change the meaning, intention, or implementation of the Rule, but simply make it clearer. In addition, extraneous words were removed to make the Rules easier to understand.

B. 100 Series – Definitions

1. Additions

A definition of "Cement" was added to the Rules based on Commission experience that the term required more explanation.

2. Deletions

Four definitions were deleted because they were unnecessary due to the previous addition of the definition of "High Occupancy Building Unit:" "Educational Facility," "Hospital, Nursing Home, Board and Care Facilities," "Jail," and "Assembly Building."

The definition of "High Density Area" was also removed due to the previous addition of the definition of "Urban Mitigation Area."

The definition of "Compliance Checklist" was removed due to the changes to Rule 206.

The definitions "Ancillary Facilities" and "Subsurface Disposal Facility" were deleted, because they are no longer used anywhere in the Rules.

3. Clarifications

The definition of "Day" was clarified to refer to calendar days, not 24-hour periods.

The definitions of "Designated Setback Location" and "Production Facilities" were changed to better reflect COGCC staff's interpretation and practice of taking measurements for the purposes of the Setback Rules. See the Comment for Rule 303 below for more explanation regarding these changes.

The punctuation in the definition of "High Occupancy Building Unit" was changed from semicolons to commas to clarify that the additional requirement that the facility or institution serve 50 or more people applies to all previously listed building types, not only correctional facilities.

The reference to an outdated citation to the Environmental Protection Agency's regulations (40 C.F.R. § 144.5B) was removed from the definition of "Dedicated Injection Well." The new definition also makes it clear that a gas storage well is not a Dedicated Injection Well.

C. <u>200 Series Rules – General Rules</u>

1. Rule 201A – Effective Date of Amendments

<u>Comment:</u> This Rule has been unnecessary since the 2008 amendments became effective on both federal and other land in 2009. The Commission intended Rule 201A to be deleted after this effective date and this Rule was included as "A" in order to keep the numbers of the subsequent Rules the same after it was removed.

2. Rule 205A – Ability to Search for Information

Comment: This subsection needed to be updated from the deadlines of January and February 2013, which have passed and are no longer necessary. The amendment maintains the purpose of the Rule – ensuring a searchable chemical disclosure registry – but removes past deadlines.

3. Rule 206 – Reports

Comment: This amendment deletes the Rule 206.b. "Compliance Checklist." The Form Checklist is burdensome to oil and gas operators without providing any meaningful benefit for protection of public health, safety, welfare, and the environment. The Commission expects operators to understand and operate in compliance with Commission Rules and procedures, which include comprehensive permitting, reporting, and follow-up inspections. These requirements are more thorough and effective in ensuring compliance than the generalized Compliance Checklist.

4. Rule 207 – Test and Surveys

Comment: The amendments to Rule 207.b. clarify that access to all associated valves for the bradenhead annulus should be readily visible for Commission staff inspection at all times in all Bradenhead Monitoring Areas established by Commission Order per Rule 207.b. and coalbed methane wells that are subject to bradenhead testing per Rule 608.e. This has previously been addressed by Commission Orders and Notices to Operators in the Piceance and San Juan Basins.

Due to stakeholder concern about possible safety issues, this Rule requires operator staff to open or remove valves for COGCC staff's visual inspection. Furthermore, this rule does not require operators to ensure the valves for existing wells are exposed until the next test is performed and then the valve should remain exposed after that test. The changes to this Rule are also reflected in Rule 608.e.

D. 300 Series Rules – Drilling, Development, Production and Abandonment

1. Rule 303 – Requirements for Form 2, Application for Permit-to-Drill, Deepen, Re-enter, or Recomplete, and Operate; Form 2A, Oil and Gas Location Assessment

Comment: This Rule was reorganized to make the information requirements for the Form 2 and Form 2A more understandable.

Rule 303.b.(3) was modified in order to better reflect agency's intent and practice regarding the measurement of distances for the purposes of the Setback Rules (the definitions of "Production Facility" and "Designated Setback Location" were also clarified). Since August 2013, the agency has been implementing the Rule as intended during the Setback rulemaking, which was to ensure any piece of permanent production equipment located within a Designated Setback Location triggers appropriate requirements. The Form 2A was updated in August 2013 to clearly reflect the Agency's intent. Thus, these changes help clarify that position and to clarify that measurement from the center of a tank battery or the edge of the entire pad are not appropriate measurements for this rule.

The addition of Rule 303.a.(5)D codifies the practice of requiring the attachment of a deviated drilling plan to an Application for Permit to Drill, Form 2. The language is the same as the clarification added to Rule 321, which does the same thing. The purpose of these revisions is to clarify this long-standing requirement for all directional wells, which, prior to this change, was only documented on the Form 2 itself. These changes are consistent with the wording in Rules 308A and 321.

2. Rule 305.h. – Buffer Zone Move-In, Rig-Up Notice

Comment: The new Rule 305.h. codifies the February 1, 2014, Buffer Zone Move-In, Rig-up Notice Policy. This policy and now this new Rule were created due to instances when a Building Unit owner in the Buffer Zone may not be notified within a meaningful timeframe or at all. Rule 305.h. now requires operators to provide Move-IN Rig-UP (MIRU) Notice to all Building Unit owners within the Buffer Zone when more than a year has elapsed since the previous notice or last drilling activity, or if no notice had previously been required. One notice is sufficient for multiple wells drilled at the same Oil and Gas Location, unless it has been more than one year since the previous notice or since drilling activity last occurred.

3. Rule 308A – Form 5, Drilling Completion Report

Comment: The amendment increases the filing requirement for a Preliminary Form 5 from 30 days to 90 days for all suspended drilling activities to provide adequate time for operators to obtain required data. The amendment changes the filing requirement for a Final Form 5 from 30 days after reaching total depth to 60 days after rig release to provide adequate time for operators to obtain all the required data. In the case of continuous drilling on a multi-well pad, all the Final Form 5s are required 60 days after rig release on the last well.

This amendment codifies the acceptance, and preference, of a digital image log file in lieu of paper log copy and the submittal of both the digital image log file and the digital data log file as an attachment to an electronically submitted Form 5; this is currently provided for in the Log Submittal Policy. It also codifies the requirement

of contractor cement job summary for casing strings without a cement bond log as currently stated and required on the Form 5. Due to stakeholder concerns about the practicality of submitting a core analysis within the 60 days required for the Form 5, this Rule requires a core analysis at the time of the submission of the completion report only if it is available; however, the operator must note this on the Form 5 and provide the core analysis as soon as it is available on a Form 4.

4. Rule 308B – Form 5, Completed Interval Report

Comment: The revisions to Rule 308B codify the requirement to report formation treatment details, including the fluid volumes, added to the Form 5A in June 2012. This change and the changes to Rules 309 and 316A clarify the reporting requirements for different fluid types.

5. Rule 309 – Form 7, Operator's Monthly Production Report

Comment: The amendments to this Rule clarify that an Operator's Monthly Report of Operations, Form 7, is required for every existing well, regardless of whether the well actually produced during the month. The amendments also clarify which injected fluids shall be reported on the Form 7 and which shall be reported on the Form 14, as described in Rule 316A. Injected "produced fluids" are reported on Form 7 while injected "non-produced fluids" must be reported on Form 14.

For the purpose of reporting injected fluids, "produced fluids" are any fluids that have been "produced" from a wellbore, regardless of whether they are naturally occurring formation fluids or fluids that were introduced into the well bore by mechanical means and subsequently "produced" from the wellbore. Similarly, "non-produced fluids" are any fluids that have never been in a wellbore.

6. Rule 311 – Form 6, Well Abandonment Report

Comment: This Rule was amended to clarify what is required in a Well Abandonment Report, Form 6, including a current wellbore diagram and a wellbore diagram showing the proposed plugging procedure; copies of any casing pressure test results and downhole logs run during plugging and abandoning; and as-built GPS data in accordance with the 2005 "As-Built Location Policy." Commission staff has been adding these requirements as conditions of approval.

As drilled data already required in the Form 5 will not be required in the Form 6, which should not require additional surveyor costs if done as part of the Form 5.

7. Rule 316A – Form 14, Monthly Report of Non-Produced Water Fluids Injected

Comment: This Rule was updated to be consistent with the changes to Rule 308A and 309 and re-titled as "Non-Produced Water Injection". The combined changes clarify that injected treatment fluids are reported on the Form 5A under Rule 308A, injected "produced fluids" are reported on Form 7 under Rule 309, and injected "non-produced fluids" must be reported on Form 14. This Rule was also updated to codify the requirement for Form 14A submittal and approval prior to injection.

8. Rule 316B – Form 21, Mechanical Integrity Test

Comment: The requirements for the Form 21 were clarified in this Rule. To be consistent with current agency policy, the Rule now states that an original copy of the pressure chart must be submitted with the Form 21.

9. Rule 316C – Notice of Intent to Conduct Hydraulic Fracturing Treatment

Comment: As COGCC practices and Forms have evolved, the Form 42 has developed into a notification method for many different types of activities. As a result, this Rule has been revised to refer to Form 42 as a "Field Operations Notice" and lays out the particular types of notifications that are required on this Form.

10. Rule 317 – General Drilling Rules

Comment: Rule 317.d. was added to reflect the creation of Form 42, Field Operations Notice, which is now used to notify the Commission of the spudding of a well. Subsequent lettering in Rule 317 was adjusted to reflect these changes.

A sentence was added to Rule 317.e. requiring prior written approval from the Director on a Form 4, Sundry Notice, before pumping cement down the bradenhead access to the annulus between the production casing and surface casing. The Rule was also clarified to describe that a Drilling Completion Report, Form 5, and other documents are required as a condition of repair approvals.

11. Rule 318A – Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule

Comment: Rule 318A.n. was clarified to reflect that the requirement for a wellbore to be 150 feet from an "existing or permitted or gas wellbore" also applies to producing, shut-in, or temporarily abandoned wells. Rule 318A.e.(5)A was changed to refer to "Owner" as a defined term in order to limit the required notices to working interest owners.

12. Rule 319 – Abandonment

Comment: Rule 319.a.(1) was amended to allow for more flexibility in the types of additives that can be added to the cement, especially applicable to operators of deep wells in warmer areas. Rule 319.a.(5) was clarified in response to questions Commission staff has received. Rule 319.b. was also clarified by referring to Rule 326. Subsections (4) and (5) of Rule 319.b. were also removed as redundant after the references to Rule 326 were added earlier in the Rule.

13. Rule 321 – Directional Drilling

Comment: As in the additions to Rule 303.a.(5)D, these changes codify the practice of requiring the attachment of a deviated drilling plan to an Application for Permit to Drill, Form 2. The requirements are the same as those currently required for the direction survey required to be submitted with the Drilling Completion Report, Form 5. The revision also clarifies the requirement for a well location plat to include all sections penetrated by a wellbore. The purpose of these revisions is to clarify this long-standing requirement for all directional wells, which, prior to this change, was only documented on the Form 2 itself.

14. Rule 325 – Underground Disposal of Water

Comment: This Rule was amended to provide more specificity regarding surface owner and mineral owner notice requirements for injection wells. Rule 325.l. is now consistent with Rule 325.n., which describes public notice requirements for injection wells.

15. Rule 326 – Mechanical Integrity Testing

Comment: The language of this Rule was reorganized and clarified, including adding a separate subsection (c) for temporarily abandoned wells. Other changes include: references to Form 14B were changed to Form 21 in Rule 326.a., Form 21 instructions' language was added to 326.a.(1), notice was updated to accord with the Form 42 notification in Rule 316C, and redundant language in subpart (5) was removed. The term "packer" was also changed to mechanical isolation device throughout the Rule.

In addition, Rule 326.e., which provides the requirement that all wells shall maintain mechanical integrity, was clarified regarding the six month extension in the event of an initial unsuccessful test. This extension was designed to allow operators that were complying with Rule 326.b.(1) extra time to have a successful mechanical integrity test in the event of unforeseen circumstances. However, this extension does not provide an additional six months if an operator has not complied with Rule 326.b. and 326.c. Otherwise, an operator could not perform a successful test far beyond the required time periods and still get a six month extension in the

event of an unsuccessful test months or years beyond the deadline. The purpose of this Rule is to ensure mechanical integrity and an unsuccessful test beyond the deadlines does not further this purpose.

Rule 326.f. was added to the Rule in order to accord with the current Form 21 and incorporate the September 9, 2013 Policy, "Practice and Procedures – Mechanical Integrity Tests."

16. Rule 327 – Loss of Well Control

Comment: Rule 327 is now entitled "Well Control" to convey the expectation that operators' maintain well control. It also provides guidance on how to report the event by using existing and well-established Forms instead of a "written report".

17. Rule 338 – COGCC Form 24 – Soil Analysis Report

Comment: The substance of this Rule has been removed, because the Commission no longer uses a Form 24, Soil Analysis Report. This Rule is now "Reserved" for a future use.

18. Rule 339 – COGCC Form 25 – Water Analysis Report

Comment: The substance of this Rule has been removed, because the Commission no longer uses a Form 25, Water Analysis Report. This Rule is now "Reserved" for a future use.

E. 500 Series Rules – Rules of Practice and Procedure

1. Rule 503 – All Proceedings Commenced by Filing an Application

Comment: The Commission no longer needs an original and thirteen copies of filings. This is in part due to changes technology and practices. This change incorporates the Commission's April 18, 2013, "Interim Policy for Number of Copies Required with Applications." The requirement for an operator identification number next to the applicant's name improves the efficiency of processing applications and reduces the chance for error.

2. Rule 506 – Hearing Date/Continuance

Comment: This Rule was adjusted to reflect current Commission practice regarding the granting of continuances. Section 34-60-106(6), C.R.S., allows the Commission to make "any determinations it is otherwise empowered to conduct or make by means of an appointed hearing officer . . ." and there is no requirement for written

notice before continuing a matter in the Act. The automatic one continuance upon the applicant's request for unprotested matters remains in the Rule.

3. Rule 507 – Notice for Hearing

Comment: The changes to this Rule require the applicant to assume the cost for mailing notices, even if the number of notices is less than 100. The applicant, instead of the Commission, must also now give notice to any person who has filed a request to be placed on the Commission hearing list.

This change conforms Rule 507 with current Commission practice. Under current practice, industry is responsible for sending and publishing notices, which is the result of industry's agreement to accept this responsibility. Moreover, COGCC staff reviews and approves all notices, which the Secretary signs, before they are sent or published. The addition of the word "require" ("the Commission shall require notice to be given") does not significantly alter the current implementation of the Rule, but simply makes it clearer.

4. Rule 509 – Protest/Interventions/Participation in Adjudicatory Proceedings

Comment: The Commission no longer needs an original and thirteen copies of filings due to changes in technology and Commission practices. The changes to Rule 509 incorporate the Commission's April 18, 2013, "Interim Policy for Number of Copies Required with Applications."

5. Rule 511 – Uncontested Hearing Applications

Comment: The Commission is revising its deadlines in the 500-Series Rules to be consistent with the "Rule of Seven" change to the Colorado Rules of Civil Procedure. The current deadline for testimony and exhibits regarding an application does not give Commission staff adequate of time to fully evaluate these materials prior to the hearing date due to the dramatic increase in applications observed in recent years.

Twenty-one days is a reasonable time for the applicant to provide these materials in advance of the hearing and gives staff an appropriate amount of time to review the materials before recommending approval. The Commission is currently considering policies to keep the information internal until the protest deadline has passed.

6. Rule 518 – Subpoenas

Comment: The proposed change will allow for the issuance of a subpoena by a Hearing Officer in addition to the Secretary. This practice is consistent with other administrative agencies, the Office of Administrative Courts, the Colorado Rules of Civil Procedures, and State Administrative Procedure Act. Under the APA, "any agency conducting a hearing shall have the authority [to] . . . sign and issue

subpoenas." § 24-4-103(13), C.R.S. In addition, subpoenas may be issued by "any agency or any member, the secretary or chief administrative officer thereof, or, with respect to any hearing for which a hearing officer or an administrative law judge has been appointed, the hearing officer or administrative law judge." § 24-4-103(14), C.R.S.

7. Rule 520 – Time of Hearings and Hearing/Consent Agenda

Comment: This proposed change will bring the rule consistent with current practices of the Commission. This is in part due to the dramatic increase in applications observed in recent years. The consent agenda has required 'grouping' in order to adequately process applications and provide information in a timely manner to the Commissioners.

8. Rule 522 – Procedure to Be Followed Regarding Alleged Violations

Comment: Rule 522.a.(5)A was revised to give the Commission more options to personally serve operators with Notices of Alleged Violation. It is modeled after § 7-90-704, C.R.S, but incorporates the Rule of Sevens. Under the current Rule, operators have refused to accept certified mail, holding up enforcement proceedings unnecessarily. Section 34-60-(4), C.R.S., requires that the "notice shall be served personally or by certified mail, return receipt, to the operator or the operator's agent for service of process …" The revision to Rule 522.c.(3) removes unnecessary language to make the Rule more readable.

9. Rule 527 – Prehearing Procedures for Contested Adjudicatory Proceedings Before the Commission

Comment: The revisions to Rule 527.f. create more incentive for operators to appear at scheduled prehearing conferences. Having this incentive is essential for encouraging the efficient disposition of agency matters. This is also consistent with the default procedures added to Rule 522, which are based on the APA, § 24-4-105(2)(b), C.R.S. Unnecessary language was also removed in subsection j.

10. Rule 529 – Procedures for Rulemaking Proceedings

Comment: The Act requires notice of a proposed rulemaking "*at least* twenty days" prior to the rulemaking hearing. § 34-60-108(2), C.R.S. The revision of the 21-day notice period is to update the Commission's Rules with the "Rule of Seven." In addition, it is still in within the boundaries of the Act.

The amendment to subsection d. incorporates the requirements of § 24-4-103(2), C.R.S. into Rule 529.d. ("When rule-making is contemplated, public announcement thereof may be made at such time and in such manner as the agency determines, and opportunity may be afforded interested persons to submit views or otherwise

participate informally in conferences on the proposals under consideration.").

F. 600 Series Rules – Safety Regulations

1. Rule 602 - General

Comment: This Rule is currently duplicative for oil and gas operators who also have to report injuries to the Occupational Safety and Health Administration ("OSHA"). In 2013, 80% of the reports submitted were regarding workplace injuries. This data does not provide any benefit to the fulfillment of the mission of the Commission.

The Rule also conflicts with other Commission Rules. Rule 601 states that the Rules in the 600-Series Rules "do not apply to parties or requirements regulated under the Federal Occupational Safety and Health Act of 1970." Rule 212 provides contact information, which has been updated in this rulemaking, for "Safety regulations regarding industry personnel" as "the U.S. Department of Labor, Occupational Safety and Health Administration."

In addition, the language of Rule 602.b. was simplified and clarified to apply to both accidents and natural events, as well as those events resulting in significant damage to the well site or injury to a member of the general public that require medical treatment. The Rule now requires operators to notify the Director within 24 hours.

2. Rule 603 – Drilling and Well Servicing Operations in High Density Area Rules

Comment: The changes to 603.e.(1) and (2) are designed to make the Rule more readable. Rule 603.e.(6) was changed to quantify "without pressure loss" to "less than or equal to 10% of the initial stabilized pressure over a test period over a test period of 15 minutes" in order to make the requirement clearer.

3. Rule 605 – Oil and Gas Facilities, Crude Oil and Condensate Tanks

Comment: In this Rule, the term "building unit" was changed to building and the reference to "residences" was removed from Rule 605.b.(5). The lowercase "building" term includes any building, and is intentionally distinguished from the defined term "Building Unit." The referenced Rules are safety setbacks, which require tanks and fired vessels to be 200 feet away from *any* building, not just building units.

4. Rule 606B – Air and Gas Drilling

Comment: The term "burn pit" was changed to "flare pit" in this revision. "Flare pit" is a more accurate industry term and "burn pit" suggests the burning of trash or liquid hydrocarbons, which is prohibited by the Commission.

5. Rule 608 – Coalbed Methane Wells

Comment: Access to the bradenhead annulus and all associated valves should be readily visible for inspection by Commission staff at all times and in all Bradenhead Monitoring Areas established by Commission Order per Rule 207.b. and coalbed methane wells that are subject to bradenhead testing per Rule 608.e. This matter has been previously addressed on a piecemeal basis through Commission Orders and Notices to Operators in the Piceance and San Juan Basins.