



WOGCC Adopts New Venting and Flaring Requirements

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Introduction

In Casper, Wyoming, on February 9, 2016, the Wyoming Oil and Gas Conservation Commission (“WOGCC”) unanimously approved changes to the WOGCC’s rules regarding venting and flaring of produced gas. All members of the WOGCC were present for the vote, including Governor Mead who took time out from a busy day in Cheyenne with the legislature to attend the hearing by phone.

The WOGCC emphasized two primary goals of the new rules, including 1) collecting previously unreported data about flared and vented gas to inform future venting and flaring rulemakings; and 2) responding to public comments, which primarily pertained to waste and air quality. The WOGCC noted that 70% of flared gas in Wyoming comes from wells that flare less than 60 MCF per day, and the average for that 70% of wells is less than 3 MCF per day. The WOGCC stated that it would be much more wasteful to force operators to either shut in such wells or market the gas from such wells. Therefore, the new rules continue to allow flaring of no more than 60 MCF per day but reduced authorized venting to no more than 20 MCF per day. Additionally, the new rules eliminated retroactive approval for flaring and venting in excess of the authorized limits. Now, operators must obtain prior approval and in order to do so, must submit a gas capture plan as well, a significant new requirement. In regards to the public comments about air quality, the WOGCC noted that it has no jurisdiction over that issue, and defers to the Air Quality Division of the Wyoming Department of Environmental Quality (“DEQ”). Therefore, the new rules require compliance with the DEQ’s Chapter 6, Section 2 Rules and Permitting Guidance.

Section 39(c) Authorization to Flare

The adopted rule imposes new limits on the Supervisor’s authority to approve flaring. Now, administratively approved flaring (as opposed to flaring approved after notice and a public hearing) cannot exceed 180 days, 250 MCF per day (on a 30-day average), and 45 MMCF total (this would be 250 MCF per day for 180 days). These restrictions on the Supervisor’s authority

are significant as the prior rule did not impose volumetric or temporal limits on administrative approval for flaring. Also, the new requirement to submit a gas capture plan in order to obtain administrative approval is a substantial new burden on the application process. Authorization to flare in excess of 45 MMCF or 180 days will require WOGCC approval after a hearing before the full Commission.

WOGCC Reporting

The revisions also include heightened reporting requirements for all flared or vented gas. Specifically, Section 39(a) of the WOGCC Rules and Regulations now requires an owner or operator to report the following information regarding authorized venting and flaring of gas on a monthly basis:

- Duration and total estimated volume of gas;
- Circumstances that resulted in flared or vented gas;
- Identification of whether gas was vented or flared; and
- Identification of whether the gas volume is based on metered flow, Gas/Oil Ratio from a collected sample, or other measurement method approved by the Supervisor.

Compositional Analysis Reporting

An owner or operator must now submit a compositional analysis of the flared or vented gas – including hydrogen sulfide – within 6 months and every 5 years thereafter for existing and new wells venting or flaring low rate casing head gas. An owner or operator of a well authorized by the Supervisor to vent or flare in excess of 60 MCF beyond the initial 15-day production test period must now submit a compositional analysis of the flared or vented gas within 3 months of said Supervisor authorization. Thereafter, upon completion of flaring authorized by the Supervisor and/or WOGCC, the owner or operator must submit a final report detailing total volumes, duration, and average daily volume flared to the Supervisor.

Summary

The revised rule will become effective after review and approval by the Legislative Services Office, the Office of the Attorney General, and Governor Mead. Operators may continue to flare wells up to 60 MCF and vent up to 20 MCF without obtaining WOGCC approval. Operators who flare in excess of 60 MCF per day, but less than 250 MCF per day, for 6 months or less, will need to obtain prior administrative approval for such flaring and venting. Operators who flare in excess of these volume or time limits will need to obtain prior approval of the full WOGCC. The WOGCC indicated that based on data gathering facilitated by this new rule, it may

undertake additional flaring rulemakings in the future. Presumably, the DEQ will also examine the new data and may also respond with new or amended regulations or policies.

For assistance with flaring applications, the new flaring restrictions, air quality regulations, future flaring or air quality rulemakings, the WOGCC in general, or other regulatory matters, please contact [James Parrot](#) or [Samuel R. Yemington](#).