



Colorado Oil and Gas Conservation Commission Adopts Amendments to Procedural Rules

By: James Parrot

At its hearing on October 29 and 30, 2018 the Colorado Oil and Gas Conservation Commission ("Commission") adopted amendments to its procedural rules, generally known as the "500 Series." The rulemaking was first initiated to implement Senate Bill 18-230, which changed Colorado's statute pertaining to pooling of interests in drilling and spacing units. However, the rulemaking undertook a secondary objective of updating and streamlining the Commission's procedures for hearings and applications. The changes are wide-ranging and very detailed. The full text of the changes is available here:

https://www.sos.state.co.us/CCR/Upload/AGORequest/AdoptedRules12018-00345.pdf

Included in the PDF document linked above is the Commission's Statement of Basis and Purpose, which gives a summary of the changes. A few of the more significant changes are as follows:

- The deadline for filing all types of applications was changed from 60 days to 90 days. This deadline precipitated a cascade of changes to other deadlines, as follows:
 - Operators must deliver lease offers and elections to working interest owners (including unleased mineral owners) at least 90 days before hearing (previously 35 days);
 - Notices of hearing must be mailed 60 days before hearing (previously 35 days);
 - Copies of applications must be mailed 60 days before hearing (previously within 7 days of filing an application);
 - Protests are due 30 days before hearing (previously 14 days);
 - Rule 511 materials are due 30 days before hearing (previously 21 days);
- The deadline changes outlined above will take effect for the Commission's April 29 and 30, 2019 hearing, and will not affect any prior hearing. So, for example, the deadline for applications for the March 11 and 12, 2019 hearing is January 10, 2019 (60 days before hearing), but the deadline for the April 29 and 30, 2019 hearing is January 29, 2019 (90 days before hearing).
- Changes were made throughout the rules to facilitate implementation of an electronic filing system for applications. The Commission has indicated that it will put the e-filing system into operation sometime in the first half of 2019.
- The aggravating factors pertaining to fines for violations in Rule 523 were amended to add death or serious bodily injuries to the list of factors.

For more information regarding this case, please contact James Parrot.