

Larimer County Actions Related to New and Existing Oil and Gas Operations and Air Quality

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In July 2021, Larimer County, adopted an amendment to Article 11.0 – Oil and Gas Facilities regulations of the County Land Use Code to align with Senate Bill 19-181, specifically addressing public health, safety, and general welfare, including the environment and wildlife. Prior to 2019 the County did not regulate and permit oil and gas facilities. Some highlights of the regulations include:

- Siting restrictions for new development applications, 2,000-foot setbacks from any school, hospital, medical clinic, senior living facility, multi-family dwellings, and state licensed daycare facilities,
- Setbacks from locating adjacent to and prohibitions from locating within residentially zoned areas. This applies to new oil and gas facilities, which includes expansion of existing facilities,
- Reciprocal setbacks for new development applications for residential uses and high occupancy uses near existing oil and gas facilities,
- Nuisance and public health and safety requirements such as odors, noise, and dust that can be more readily addressed by the County than the state for both new and existing facilities, and
- Numerous requirements for plans and reports for both new and existing facilities disclosing how proposed operations are going to meet rules of the State as well as the elevated standards of the County. Failure of a new development to obtain a permit from the County precludes the use from being situated in the county.

As mentioned above, the County has regulations that apply to existing facilities. Here are additional details with regard to such facilities:

- Any proposed “substantial modification” of an existing facility, including completion into a new formation, requires the operator to go through the County’s oil and gas permitting process.
- An Annual Operator Registration disclosing the location and production of all wells in the county, emergency response plans, leak detection plans, and reporting of any incidents the operator has had in the last three years. This registration is required of all operators of oil and gas facilities in Larimer County.

- Prohibition on venting and flaring, as well as measures to be taken on Ozone Action Days, is applicable to new and existing facilities.
- Leak Detection and Repair Plans that include repairing or shutting-in a leaking facility within 72 hours,
- Measures for reporting, controlling and mitigating nuisance issues such as odor, noise, and dust, applicable to new and existing facilities, and
- Incident and accident reporting within 24 hours, which may require root cause analysis, applicable to new and existing facilities.

Larimer County can and does enforce the above regulatory items but cannot revoke permits for facilities for which the County has not issued permits and that the state permitted (i.e., for the 250+ wells permitted by the state prior to 2019). However, when a demonstrated pattern of violations has been identified or an immediate threat to the public health and safety exists.

County Actions Taken or Being Taken

Aside from adopting oil and gas regulations, the County has been working on numerous fronts to address the impacts of oil and gas facilities on neighboring properties and the county at large and to address air quality. Oil and gas is a mixture of local and state concern, and as such, there are different tools at the local and state levels that are most effective when used together. Larimer County has been proactive on numerous fronts, including:

1. Contracting with legal counsel specializing in oil and gas regulations and operations.
2. Participating in rule making and the Colorado Oil and Gas Commission, which has resulted in changes strengthening the ability of the County to affect existing operations.
3. Coordinating with the Colorado Oil and Gas Conservation Commission (COGCC) that applications for recompletions of existing wells into new oil and gas deposits could be considered as a significant change to the design and operation of an existing oil and gas operation thus requiring a surface application with the COGCC and a Special Review application with County.
4. Successfully requested that the Air Pollution Control Division take enforcement action against Prospect Energy for repeated alleged violations of State Air Quality Rules. This has resulted in State initiated cease-and-desist order of the Krause Tank Battery, which has a history of violations.
5. Pursuing enforcement actions related to flaring activities existing oil and gas facilities.
6. Participating in the Financial Assurances Plan requirements at the COGCC to identify and seek plugging of existing low producing wells, emphasizing additional impacts to existing residences,

high impact facilities, and environmental and wildlife areas and features. This includes collaborative efforts with the City of Fort Collins that is targeting the plugging and reclamation of more than 100 wells throughout the county.

7. Collaborating with the City of Fort Collins to acquire a forward-looking infrared (FLIR) camera at a cost of approximately \$120,000.00 to allow for more immediate and effective identification and response to potential emission violations, including increased collaboration with the Colorado Department of Public Health and Environment (CDPHE).
8. Adding a full time equivalent (FTE) employee at the Environment Health Department where additional staff will support air quality activities and complaints regard oil and gas complaints.
9. Temporarily install mobile air quality monitoring stations to better understand where a permanent facility would be effective in identifying air quality impacts in the County with the goal of getting at least one additional permanent station.
10. Updating the County oil and gas web page to provide notice information from the COGCC, GIS information regarding the location and characteristic information of oil and gas wells, and complaints page to inform the appropriate County personnel of potential issues with existing wells sites.
11. Continuing participation at COGCC Rulemaking sessions.

Larimer County has and will continue to improve efforts to manage oil and gas operations in the County and, where appropriate, in the region. The County's effort will focus on both new and existing oil and gas facilities with the primary focus being the public health, safety, and welfare, including the environment and wildlife resources.

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