

WHITE PAPER



MAINTAINING EFFECTIVE COMPLIANCE IN A CHANGING REGULATORY LANDSCAPE

THE CHANGING REGULATORY LANDSCAPE

The regulatory landscape for oil and gas is changing rapidly and 2020 will be a transformative year for compliance requirements, especially in Colorado. Local governments and the state governing body will all be undertaking rulemaking efforts in the coming months. Continuity of operations will be important and planning for permitting activities becomes even more critical.

The mandate of the Colorado Oil and Gas Conservation Commission (COGCC) has changed from “fostering” natural resource development to “regulating” oil and gas development, coupled with prioritizing the “protection of public health, safety and the welfare of the environment, and wildlife resources,” companies operating in Colorado will need to evolve their compliance strategies.

CHANGING REGULATIONS DRIVES CHANGING NEEDS

Newly proposed and/or recently adopted rule revisions (such as the new Flowline rules) are in response to the mandate from SB 19-181 amending the Oil and Gas Conservation Act. Among other amendments, the Rule 300 series, released in draft on January 23, 2020, proposes “structural improvements” to the permitting process including introducing a single, comprehensive application that will meet the intent of the new mandate.

Further, while draft rules are still being developed, the COGCC’s Mission Change Whitepaper points to changes in Rule 602 – General Safety Requirements, where staff is considering requiring operators to “establish and maintain components of a process safety management program including management of change, operational practices and procedure program and a pre-startup safety program.” While OSHA PSM regulations are in place to address highest risk areas in high potential storage and processing facilities, these regulations have historically been rigorous and overly burdensome for recordkeeping. COGCC suggests that implementation of these process safety management components will ensure operations are conducted in a manner to protect and preserve public health and safety of employees and people.

The changing regulatory framework and rules, however, creates an opportunity to align more closely regulatory and environmental and health & safety functions, as both will be required for successful approval of any oil and gas development plan. Not only will companies need to comply with spacing and setback requirements, for example, but will also need to demonstrate the operations are planned to “minimize adverse environmental impacts and protects air, water, soil or biological resources.” We anticipate that this is just the beginning of the movement towards additional regulation and/or oversight for energy development.

ONE STOP COMPLIANCE SHOP

Operators that take an integrated approach to developing compliance strategies to adapt to the new regulatory framework are positioned to develop workflow processes that are both effective and efficient. The new rules impact multiple functions, creating the high potential for duplication of effort and failure to meet all requirements in a timely manner, creating permitting delays and negatively impacting returns on capital.

TCO Compliance provides the necessary support for all environmental, health & safety and regulatory compliance activities. Our expertise in each of these areas allow us to provide superior integrated services for our clients, for those operating in Colorado and other states. Jurisdictions in New Mexico, Texas and other states are undergoing regulatory reforms similar to what has happened in Colorado, which necessitates coordinated planning and project management, comprehensive expertise in EHS and innovative and efficient problem solving.

Our objective at TCO Compliance is to help clients achieve, maintain and assure compliance to help manage risk in operations further driving operational success.

ABOUT TCO

Since 1958 TCO Land Services is one of the longest-standing national land services companies in the oil and gas industry. Our services are delivered by experienced land professionals who have delivered thousands of successful projects over a nearly 60-year track record. Our proprietary TACT/Title Tree technology platform ensures our work is performed efficiently, productively and that we deliver a standardized and consistent high-quality product.

Glenn Land and Pam Cortese are the third generation of dedicated industry veterans to lead TCO Land Services. Combined, they have over 30 years of work experience at TCO and are leading our initiative to leverage technology for client advantage.



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