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COLORADO'S NEW FLOWLINE RULES

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A LexMundi Member

COMPREHENSIVE RULEMAKING

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- 20+ pages of new regulations
- 24 new/amended defined terms
- 22 new reports/registrations/notices
- 5 General Areas
 - Registration
 - Pipeline Standards
 - Special Regulations for Valves
 - Integrity Management
 - Abandonment

DEFINITIONS: RULE 100 SERIES

- Defines various types of flowlines
- Distinguishes between on-location and off-location pipelines
- Significant Definitions to Consider
 - Crude Oil Transfer Line (COTL)
 - Flowline (FL)
 - Off Location Flowline (OLFL)
 - Produced Water Transfer System (PWTS)
 - Grade 1 Gas Leak

DEFINITIONS: FLOWLINE

- For oil, gas, or condensate: pipeline from the wellhead to a gathering line regulated by PHMSA or CPUC
- For water: pipeline from the wellhead to the point of disposal, discharge, or loading
- Service Line exclusion

REGISTRATION

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- All flowlines leaving an oil and gas facility must be registered
 - New Lines: Constructed on/after May 1, 2018
 - Existing Lines: Constructed before May 1, 2018
- Builds off of the Flowline NTO submittals

OLFL REGISTRATION: RULE 1101.a.

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New Lines

- Register within 30 days of placing line in-service
- Requirements:
 - Geodatabase
 - Layout Drawing
 - Bedding
 - Pipe Materials
 - Pipe Diameter
 - Fluid Type
 - MAOP/Tests
 - Description of start and end

Existing Lines

- Register by October 31, 2019
- Requirements:
 - All known info & data in newly constructed OLFL registration
 - Lat/Long of Risers

COTL/PWTS REGISTRATION: RULE 1101.c.

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New Lines

- 10-day preconstruction notification
- As-Built specs must be submitted within 30 days of placing line in-service
- Requirements:
 - Geodatabase
 - Layout Drawing
 - Bedding
 - Fluids
 - MAOP/Tests
 - Pipe Description
 - Depth
 - Corrosion Protection
 - Int. Mgmt. System
 - Construction Method
 - Leak Protection Plan

Existing Lines

- Register by October 31, 2019
- Requirements:
 - All known info & data included in the As-Built filing for new COTL/PWTS

OLFL/COTL/PWTS REGISTRATION

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- Must report any modifications to OLFL and COTL alignment within 30 days
- Must report PWTS alignment changes by May 1st of each year for preceding year
- After May 1, 2018, must record a document granting right of access or easement
 - May use a memorandum or notice
 - Must include legal description or map if contained in base document
 - Must provide to surface owner upon request

DOMESTIC TAP REGISTRATION: RULE 1101.b.

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New Lines

- Register within 30 days of installation
- Requirements:
 - Lat/Long of connection points
 - Notify tap owner of tap requirements
 - Supply Odorant

Existing Lines

- Known: Register by October 31, 2019
- Unknown: Register within 30 days of discovery
- Requirements:
 - Lat/Long of connection points

GAS GATHERING SYSTEM REGISTRATION: RULE 313B

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- Gas gathering systems, compressor stations, processing plants, or underground gas storage facilities must be registered
 - Within 30 days of placing into service
 - No later than October 31, 2019 for existing facilities
 - Registration Requirements
 - Name and type of system
 - Location
 - Facility layout drawing
 - Topographic map of gathering system
- Annual reporting for modifications, expansions and decommissioning

SHARING DATA WITH LOCAL GOVERNMENTS

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- COGCC will provide local governments upon request with geodata information for OLFL, COTL, and PWTS
- Subject to CORA and confidentiality agreement

PIPELINE STANDARDS: RULE 1102

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- New standards for flowlines and COTL
 - Design
 - Installation
 - Repair
 - Maintenance
 - Third Party Inspection
 - Corrosion Control
- Generally follow ASME and API standards
- Corresponding record-keeping requirements
- One Call participation (Tier One)

VALVE STANDARDS: RULE 1103

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- Annual isolation valve maintenance required
 - Function test
 - Maintain within manufacturers specs
 - Replace if not operable
- Isolation valves must be installed in certain locations
 - At pump station, breakout tank, certain terrain features and waterbodies
 - Must retrofit existing lines by October 31, 2019
- On-location manifold, peripheral and process piping are exempt from maintenance and retrofitting

VALVE STANDARDS: RULE 1103

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- Check valves or reverse flow device required
 - Two or more wells produces through common flowline
 - Install on each line leading from well
 - Maintain in working order
 - Operator must test at Directors request

INTEGRITY MANAGEMENT: RULE 1104

- Initial testing required
 - Newly installed or repaired segments prior to activating
 - Test to MAOP
- Periodic testing during operations
- Operator must test at Director's request
- Various requirements for different lines
 - Below Ground: Dump Lines, On-location Flowlines, and OLFL/COTL
 - Above Ground: On-location Flowlines
- Note: flowlines and crude oil transfer lines active and subject to all requirements until properly abandoned

INTEGRITY MANAGEMENT: RULE 1104

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- Audio, Visual and Olfactory (AVO)
 - Detects integrity failures through stressed vegetation or soil discoloration
- Instrument Monitoring Method (IMM)
 - FLIR and other technologies
- Operator must document the date and time of the survey, detection methodology and name of the employee conducting the survey

INTEGRITY MANAGEMENT: RULE 1104

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- Below ground Dump Lines
 - Annual static-head test
 - Monthly AVO
- Above ground On-location Flowlines
 - Annual static-head test
 - Monthly AVO

INTEGRITY MANAGEMENT: RULE 1104

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- Below ground On-location Flowlines
 - Pressure test to MAOP every 3 years
 - Smart pigging every 3 years
 - Must measure wall thickness and defects
 - May require GPS capabilities
 - Continuous pressure monitoring; or
 - Annual AVO/IMM

INTEGRITY MANAGEMENT: RULE 1104

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OLFL and COTL

- Annual pressure test to MAOP
- Continuous pressure monitoring
- Smart pigging every 3 years; or
- Annual IMM

Produced Water Flowlines

- Below ground
 - Annual pressure test to MAOP
 - Continuous pressure monitoring; or
 - Smart pigging every 3 years
- Above ground
 - Same as below ground, but may also use monthly AVO

INTEGRITY MANAGEMENT: RULE 1104

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- Must report all Grade 1 Gas Leaks
 - Initial report within 6 hours of discovery to Director and LGD
 - Verbal or written
 - Reported to
 - Supplemental report within 10 days of discovery
 - Topographic map and images of location
 - Corrective actions, initial mitigation, and investigation measures conducted by operator
 - Director may require further reporting

ACCIDENT REPORTING: RULE 602

- Operator must notify the Commission and LGD of safety events or reportable injuries
- Initial reporting required within 6 hours of event
- Accident Report required within 3 days
- Director may require supplemental reporting
 - Information regarding root cause, repairs or other actions
- Operator must present to the Commission or review organization its root cause about the accident upon Director's request

ABANDONMENT: RULE 1105

- Remove from service: lockout or tagout
 - Precursor to abandonment
- Abandonment in Place
 - Purge line and deplete to atmospheric pressure;
 - Cut risers to 3 feet below grade and seal ends; and
 - Remove above ground cathodic protection and equipment
- Line Removal
 - Remove the line, risers above ground cathodic protection and equipment

ABANDONMENT: RULE 1105

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- Confirmation of Abandonment
 - Reported within 30 days of abandonment on a Form 44
 - Director provides Form 44 to UNCC and LGD

COGCC RESOURCES

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- Form 44
- FAQs
- What Operators Should Know powerpoint
- Guidance
- Examples

FOLLOW UP

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