Larimer County commissioners approved new, stricter gas and oil regulations Thursday evening in an extension of the commissioners’ July 26 meeting.

The commissioners’ vote on proposed changes to the county oil and gas regulations was pushed from their July 26 meeting after more than 70 people signed up for public comment in-person and via Zoom. Around 20 people who had intended to speak July 26 instead spoke Thursday ahead of the vote.

At a minimum, the county’s regulations have to meet the state’s regulations, but in many ways, the new regulations go beyond the state requirements, county principal planner Matt Lafferty told the Coloradoan.

"In a lot of ways we are similar to the state, but in a lot of instances we exceed the state (requirements)," Lafferty said.

Commissioner John Kefalas said at a previous meeting that revising the county's oil and gas regulations is part of a larger process to review and update the county's land use codes to ensure they comply with new state regulations.

What the new Larimer County rules require

With the new regulations approved by commissioners, oil and gas facilities must be at least 2,000 feet from:

- Schools
- Hospitals or medical clinics
- Senior living or assisted living facilities
- Multifamily dwelling units
- State-licensed day cares

The COGCC requires oil and gas facilities be 2,000 feet from high-occupancy buildings, like hospitals and schools, but that state requirement does not include day care facilities, according to the county.

For residential homes, county setbacks start at 2,000 feet and can go down to 1,000 feet, while the state setbacks start at 2,000 and can go as low at 500 feet, Lafferty told the Coloradoan.

Unless approved by the commissioners through a special review process, facilities must be at least 2,000 feet from:
Publicly maintained trails and trailheads, community park lands, public and regional parks

Public water supply intakes or wells

Buildings units that are not subject to a waiver from all unit owners and tenants specifically agreeing to a proposed oil and gas facility location

Oil and gas facilities in Larimer County cannot be built within 500 feet of highwater marks of rivers and streams, a larger setback requirement than the Colorado Oil and Gas Conservation Commission's requirement of 100 feet.

The changes also redefine air quality monitoring requirements, including specific requirements for declared Air Quality Advisory days; require leak detection be performed at least annually at oil and gas sites; and require new oil and gas pipelines to go through the county’s administrative special review process.

The regulations state that on Air Quality Advisory Days, all oil and gas facilities "shall utilize operational provisions to the extent practical to reduce emissions." Some specific reduction measures named were to minimize traffic idling, delay vehicle refueling, postpone construction, and postpone or reduce operations with high potential to emit harmful pollutants.

The county also approved adding reciprocal setbacks, which will require any new developments to build a certain distance away from oil and gas facilities, with the exact distance depending on the phase the facility is in, the county's independent consultant for this project Matt Sura told the Coloradoan.

Rules 'among the most strict in the state'

Sura told the commissioners that with these new regulations, Larimer County “will be among the most strict in the state of Colorado” in almost every respect.

"I don't think that was necessarily our intention to be the strictest ... but to come up with a set of standards the commissioners thought was appropriate for the county," Lafferty said in an interview.

The oil and gas industry is “clearly in decline” in Larimer County, Sura said during a presentation to commissioners on July 26. In 2020, 62% of the 267 wells in Larimer County were deemed “uneconomical” because they produced less than one barrel of oil per day, Sura said.

Commissioners asked questions, made changes and discussed the new regulations for more than two hours on Thursday following public comment, ultimately passing the regulations in a 3-0 vote.

During public comment on July 26, many people spoke in favor of even more restrictions than what the county planning commission proposed and commissioners ultimately approved.
Andrew Forkes-Gudmundson, deputy director of the League of Oil and Gas Impacted Coloradans, said that there’s “a robust growing body of evidence” that supports increasing setbacks for oil and gas operations to a greater extent than what the county proposed.

“These facilities are dangerous simply because they exist,” he said.

Forkes-Gudmundson proposed that setbacks should be based on what phase the oil and gas site is in because different phases of building and operation produce different amounts of pollution.

Commissioners did debate setback regulations, with specific concerns about setbacks from residences and natural areas. The regulations were ultimately passed with minimal changes and assurance from the county attorney that commissioners would have final say over the setback distances in these situations as part of the required application process for oil and gas facilities.

Doug Henderson, who spoke on behalf of the Larimer Alliance for Health Safety and Environment, said the county’s proposed changes were based on staff’s attempt to balance the interests of both sides when their duty is to protect the public health of the residents.

Thursday evening’s public comment saw more people speaking against the new regulations, many voicing the fear that these regulations were too severe and would drive gas and oil companies out of Larimer County, reducing jobs.

“The oil and gas industry provides one of the highest standards of living in the country, has traditionally paid higher wages and has been a good source of blue-collar jobs,” Trisha Fanning said to the commissioners, speaking on behalf of Small Operators Society. “Rather, the county has chosen to … simply remove these jobs in favor of this dream that new and better jobs will simply appear and replace current available opportunities.”

Others speaking against the regulations denied that oil and gas companies had negative impacts on air quality or public health.

The oil and gas industry is a known contributor to air pollution and is the “largest industrial source of emissions of volatile organic compounds,” one of the major pollutants that contribute to ozone, according to the Environmental Protection Agency.

Chris Colclasure, an attorney who spoke on behalf of Wellington Operating Company, said the company understands public health concerns but existing regulations addressed them.

He added that county staff refused to meet with representatives from Wellington Operating Company to discuss the proposed regulations and that he requested the commissioners send the regulations back to the planning department “and direct them to work constructively with the public to meet our shared goals and avoid unnecessary litigation.”

“Larimer County can have both a healthy economy and a healthy environment if you work with the regulating community to find real solutions,” Colclasure said.
Kefalas said Senate Bill 181, signed into law in April 2019, shifts the government’s priority regarding oil and gas operations to protecting the health and welfare of residents. The bill also allows local governments to pass more restrictions on oil and gas operations on top of state restrictions.

Commissioners Kristin Stephens and Jody Shaduck-McNally both said they kept SB181 as their guiding point when considering the regulations.

“(I) wanted to make sure that we are protecting health and welfare and protecting our environment, which is so important here in Northern Colorado, I think that we’ve achieved that,” Stephens said. “We may not have created a perfect product. And the good thing about it is it’s not set in stone; this is something that we can revise and review periodically to make sure we have it right.”

After the vote, Kefalas admitted he had “a bit of reluctance” toward the regulations and wanted to recognize the concerns of those who feared the new rules could put them out of work or limit success in the industry.

“I still believe there’s logic in some kind of flexibility or some sense of balance … I think we need to acknowledge all the sectors in our community,” he said, adding he believes the commissioners did their best to be inclusive.

The new regulations will go into effect on Sept. 15, the date the moratorium on new oil and gas facilities expires.