Groups Petition Wyo. to Toughen Up Oil-Gas Rules

MEAD GRUVER, Associated Press

CHEYENNE, Wyo. (AP) — A coalition of groups has petitioned Wyoming's state oil and gas regulatory agency to adopt tougher rules for oil and gas development that include restrictions on practice of flaring and expanding the minimum distance between new oil and gas wells and homes, schools and businesses.

The groups also ask the Wyoming Oil and Gas Conservation Commission to more aggressively penalize oil and gas companies for leaks and spills that affect nearby landowners.

The petitioners include the Powder River Basin Resource Council, the Equality State Policy Center, a state government watchdog group, and smaller groups in Cheyenne, Clark, Pinedale and Pavillion. A new state energy policy released by Gov. Matt Mead last week should open the door to such changes, Shannon Anderson with the resource council said Tuesday.

"The timing is definitely right for the state to start looking at some of these issues," Anderson said.

The groups filed the petition Monday, a week after the energy policy's release, but didn't write the petition in response to the new policy. They've been working on the petition for several months, she said.

Mead suggested that new rules for flaring might be in order under his energy policy, which his office developed over two years. Reviewing the state's rules for flaring to make sure they're "streamlined and coordinated" is among the four dozen or so priorities in the energy policy.

"I support updating Wyoming's rules and regulations for flaring and believe that the process for updating flaring rules and regulations, which allows for further input from the public, should start this year," Mead said in a statement through his spokesman.

As for the rest of the petition, Mead, who as governor is chairman of the Oil and Gas Conservation Commission, pointed out that Wyoming already is committed to a comprehensive upcoming review of its oil and gas rules and regulations under the energy policy.

John Robitaille with the Petroleum Association of Wyoming said the changes the groups seek aren't needed.

Robitaille said by email that the commission has been siting and inspecting wells for

many years and has "been utilizing the current regulations to ensure that all precautions can be taken."

The groups ask the commission to require the full Oil and Gas Conservation Commission, not just the commission supervisor, to approve companies' requests to flare off gas until they are able to install equipment and pipelines to trap and sell the gas. Companies could flare a well for no more than 48 hours. Nearby landowners would be notified in advance.

The groups want the commission to expand the minimum distance between new oil and gas wells and homes, schools and businesses from 350 feet to 1,320 feet. Approval would expand the state's well setback distance from one of the nation's smallest to one of its largest.

Ensuring the commission more aggressively penalizes companies for spills that affect nearby properties also would help landowners, the groups say.

An oil well blowout near Douglas last year that spewed natural gas for three days and caused nearby homeowners to evacuate their neighborhood was probably just one example of many accidents not being penalized despite endangering workers and property owners, the petition said.

"The main idea here is to make it similar to the coal industry and other industries we have in the state where if something leaves your permit area, it's violating that permit and is a violation of the regulations," Anderson said.

She said the petition begins a review process under the Wyoming Administrative Procedure Act, under which the Oil and Gas Conservation Commission will be required to respond.

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