

**GARFIELD COUNTY ENERGY ADVISORY BOARD (EAB) MEETING**

Thursday, May 6<sup>th</sup>, 2010

Minutes (FINAL)

Location: Garfield County Health & Human Services Building in Rifle, Colorado

**CALL TO ORDER/INTRODUCTIONS**

Mr. Jeff Simonson called the meeting to order at 6:02pm.

EAB members introduced themselves. EAB members in attendance:

Simonson, Jeff	<b>EAB Chair</b> – Divide Creek Citizen Representative
Braaten, Mike	<b>EAB Vice Chair</b> – City of Rifle
Williams, Juanita	Town of Parachute
Riddile, Art	Town of New Castle
Rothman, Artie	Town of Carbondale
Mumma, Don	Battlement Mesa Oil & Gas Committee
Robinson, Leslie	Grand Valley Citizens Alliance (GVCA)
Meskin, Michael	Grass Mesa Homeowners Association
Gross, Michael	Peach Valley/Silt Mesa/Silt Citizen Representative
Brynildson, Scott	Mamm Creek/Hunter Mesa Citizen Representative
Buss, Brent	Rifle/North Rifle
Orona, Howard	Parachute/Parachute Creek
Edwards, Cole	Battlement Mesa/Battlement Creek
Black, Jon	Antero Resources
Carroll, Richard	Chevron
Suek, Mike	Marathon Oil
Kohn, Judi	Noble Energy
Padilla, Daniel	OXY

**MINUTES FROM PREVIOUS MEETING**

Jeff Simonson entertained a motion to approve the minutes from the last meeting. Leslie Robinson moved to accept the minutes as presented and Michael Gross seconded. The board then voted unanimously to approve.

**PUBLIC COMMENTS**

- Rifle citizen, Sandy Sataris, asked the Chair why the agenda only has one public comment period in the beginning and not at the end as well. She stated that there should be one at the end of the agenda as well for the public to have a chance to ask questions on what occurred during the meeting.
- Peach Valley resident, Linda Dixon, asked why the agenda keeps changing the public comment period schedule.
- Jeff Simonson responded to the comments made by Ms. Sataris and Ms. Dixon by saying that the board is working on some new ways to handle the public comment period and once settled there will be a standard agenda format to follow for the public comment period.

**UNFINISHED BUSINESS**

- Jeff Simonson led a discussion with the sub-committee formed to consider changes to EAB operations. The sub-committee members are Mike Braaten, Cary Baird, Leslie Robinson, Doug Dennison, Juanita Williams, Art Riddile, Brent Buss, Jeff Simonson and Theresa Hamilton. The

group met about 3 weeks prior and discussed how to make the EAB more effective and organize the public comment periods. Members of the sub-committee gave the board their comments and suggestions for improvement. The group created two forms (an agenda item application form and an application for comment form) for the public to fill out to get on the agenda with their public comment for future EAB meetings. Their hope is to get more background information on the details of the public comment to enable the board to better respond to issues brought before them. Several members of the board gave their input for revisions and suggestions on how to improve the new agenda item forms. Some comment was made that the forms should not be a pre-requisite for the public comment to be heard, but to use as a helpful tool for the board to have advance notice on the details of the issue before the EAB meeting to better equip them to give better comment back to the public. Jeff Simonson asked the board to e-mail him their suggestions for changes to the forms prior to the next meeting and he will make the changes and distribute to the board prior to the next meeting in June. Board members gave opinion on the function of the EAB, if there is still a need for the board and if necessary to keep meeting monthly. One industry member said that the general consensus of the industry is for the EAB to meet quarterly instead of monthly due to decreased drilling at the present time. The “Community Counts” program was discussed and the industry feels the program does a good job of handling citizen concerns while other members asked for future updates on the program and what types of concerns are coming in to the toll free number so the EAB members could be more educated on how the program is working for the citizens and industry. Jeff asked the board for a straw vote on the EAB continuing to meet monthly with 2 months off per year in January and July and to start having monthly updates from a “Community Counts” representative. The majority of members raised their hands in favor of continuing the monthly meeting schedule with at least two months off per year.

**NEW BUSINESS** – None

**EAB MEMBER UPDATES**

**Town of Parachute** – Juanita Williams reported that the Parachute neighborhood watch program has been active in the community and hosting BBQ’s to bring the community together. She thanked Williams for their support to help host the BBQ’s. They are still working on the West Interchange project which is moving along slowly and they are hoping to have completed in 2011.

**Town of New Castle** – Art Riddile asked Jon Black about the possibility of Antero drilling south of the Peach Valley area. Jon said he would respond to that question during his member update.

**City of Rifle** – Mike Braaten reported that the city just announced that they have been selected as one of four Colorado communities to participate in a Governor’s new initiative called “Sustainable Main Streets” which is a program that will help recognize Rifle’s “boom and bust” economy with the energy industry and will hopefully help flatten out some of the “busts” by focusing on economic development and sustainable issues specifically in the downtown core. They are excited about this program and are still going through the process to get started. On August 13-15 Garfield County Fairgrounds will be hosting a “West Fest” in Rifle with music and many events and expect about 5,000 people in and around the City of Rifle during the festival days. They just signed a lease with Caca Loco, a commercial composting company that has industry as their historical market to help with pad site reclamation. There will be a drop off site for folks to drop off organic debris and they will mix with municipal sludge. It will be a few more months until the program is up and running and they are working in cooperation with Garfield County.

**Grand Valley Citizens Alliance (GVCA)** – Leslie Robinson reported that they are concerned about water quality and recent spills. She said that recently Silt had a sub-contractor depositing waste into the town sewer system. There is a lot of development around the perimeters of the Battlement Mesa PUD. She asked all operators to reach out to the citizens on their development plans around this area.

**Battlement Mesa Oil & Gas Committee** – Don Mumma reported that they continue to have monthly meetings and their next meeting is on Tuesday, May 11 at 3:30pm. Jon Black will be speaking.

**Peach Valley/Silt Mesa/Silt** – Citizen Representative Michael Gross reported that Antero recently held a meeting for the area to discuss the “Rifle, Silt, New Castle Community Development Plan” which he felt was a big help for the community to hear.

**Mamm Creek/Hunter Mesa** – Citizen Representative Scott Brynildson reported that the Rifle Rendezvous is getting together for their 14<sup>th</sup> year in Rifle at the GarCo Fairgrounds and they are still looking for any sponsor support dollars. The event takes place on May 14-16. He said the Mamm Creek area is fairly quiet for now.

**Divide Creek** – Citizen Representative Jeff Simonson reported that activity is picking up in the area with operators Bill Barrett Corp., Williams and Antero.

**Parachute/Parachute Creek** – Citizen Representative Howard Orona reported that he has had nothing brought to him by the citizens but that Williams contacted him about their future drilling plans within the town limits of Parachute.

**Battlement Mesa/Battlement Creek** – Citizen Representative Cole Edwards reported that Williams called him to discuss their drilling plans in the Parachute and Battlement Mesa areas and he appreciated the open communication. He said that BMCC (Battlement Mesa Concerned Citizens) asked him for follow up on a Williams spill in Parachute. He spoke with Susan Alvillar and asked her if she could explain the test results. The lawyer for Williams said they were unable to comment on the test results at this time, but what was leached into the water system was extremely miniscule. Cole said he hopes for more follow up on that spill in the near future and he wants to work on ways to get his name out to the area as their new citizen representative.

**Antero Resources** – Jon Black reported that they have one rig outside of the Battlement Mesa PUD and they are getting towards the end of a 10 well drilling program and then will mobilize that rig the 3<sup>rd</sup> week of May. They will be conducting fracing operations on June 7<sup>th</sup> for the first 5 of 10 wells and on June 28<sup>th</sup> for the remaining 5 wells. The drilling rig will be moved to the East Divide Creek area to drill a series of wells there. They have two workover rigs in between the Rifle and Silt area with both rigs predominately south of the CO River. Recently, there was a house fire near the area that Antero had a past drill site fire and Antero provided support, pumps and water to assist the fire brigade. At the request of the Battlement Mesa Concerned Citizens through Garfield County, a health impact assessment is being conducted in the Battlement Mesa area. Antero continues to support the community with numerous donations and suggests getting requests in early. A rig will be moved to East Kokopelli and both Antero and Williams will spend a total of \$300,000 to upgrade the road. Jon answered yes to the question from the Peach Valley citizen representative about them moving into the Peach Valley area. They have been leasing in the area. They have held over 30 meetings to discuss their operations and planning for Battlement Mesa and he is always available for any public questions or comments. They were recently told of concerns about liquid natural gas lines and he said they do not have any of these lines operating.

**Chevron** – Richard Carroll reported that they had a couple of minor injuries since their last report. They have centralized their operations in Grand Junction and Michael DeBerry who was head of their Piceance operation has been promoted to head of the Rockies operation.

**Marathon Oil** – Marathon has one rig north of Parachute for another 1 ½ months and expect to release that rig the middle of June. It will probably be a couple of years before they start another drilling program due to expected depressed gas prices over the next 1 ½ to 2 years. They have one workover rig and one completion crew that will be kept busy throughout most of this year.

**Noble Energy** – Judi Kohn reported no changes since her last EAB report. They still have one rig and expect to be finished by the end of August and then moving that rig to Wyoming. They will probably not come back until next year. Their only other plan for this year is construction of well pads for next year.

**OXY** – Daniel Padilla reported that they have one rig north of Conn Creek and plan to start on a second pad that will drill 18 wells. They have two completion rigs in Mesa County now but they will move back to the Cascade Creek side soon.

**Williams** – There was no representative present for Williams but they asked Howard Orona to give an update for them in their absence. Howard reported that they are running a total of 9 rigs: 1 west of Parachute, 1 northwest of the Rulison interchange, 1 near Spruce Creek, 3 near Porcupine Creek, 1 south of New Castle on a Kokopelli lease and 2 in Rio Blanco County. Their gas production is near 800 million cubic feet per day. They recently hosted a community BBQ at Porcupine Creek to discuss their drilling plans for that area with the community.

### **SUGGESTIONS FOR FUTURE AGENDA ITEMS/EDUCATIONAL PRESENTATIONS**

- Mike Braaten suggested two educational presentation ideas. The first idea was for a “Natural Gas Market Overview.” The second idea was for a report from the GarCo Environmental Health on the findings of their public survey on community issues.
- Leslie Robinson suggested a presentation by COGCC and some other operator representatives to discuss reclamation of well pads and the requirements.
- Juanita Williams suggested a presentation on who makes the decision on where to place well pads and how would the compost and sludge work together to reclaim well pads?

### **ADJOURN**

- Jeff Simonson adjourned the meeting at 7:35pm.

### **MOTIONS PASSED AT THIS MEETING**

- The 3/4/10 minutes were approved by motion as presented.

*Prepared by Wendy Swan, Garfield County Oil and Gas Administrative Assistant*

*Approved by the Energy Advisory Board on*

*Date*

*Susan Alvillar, Secretary of the Board*