

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

Thursday, May 5, 2011

Minutes (Final)

Location: GarCo Department of Health & Human Services, Rifle, Colorado

**CALL TO ORDER/INTRODUCTIONS**

Jeff Simonson called the meeting to order at: 6:05 pm.

EAB members introduced themselves. EAB members in attendance:

Juanita Williams (JW)	Town of Parachute
Joyce Wizer (JWR)	Grand Valley Citizens Alliance (GVCA)
Howard Orona (HO)	Parachute Creek
Susan Avillar (SA)	Williams Production
Art Riddle (AR)	Town of New Castle
Scott Bryndleson (SB)	Mamm Creek/Hunter Mesa
Daniel Padilla (DP)	Oxy
Jeff Simonson (JS) (EAB Chair)	Divide Creek
Judy Jordan (JJ)	Garfield County
Heather Hoffmeister (HH)	Rulison/Holmes Mesa
Kelly Lyon (KL)	Town of Silt
Cary Baird (CB)	Chevron
Don Mumma (DM)	Battlement Mesa Oil/Gas Committee
Sher Long (SL)	Encana
Jon Black (JB)	Antero
Bob Arrington (BA)	Battlement Mesa

**MINUTES FROM PREVIOUS MEETING**

The Board reviewed the minutes from April 7<sup>th</sup> meeting. Jeff Simonson entertained a motion to approve the minutes from the last meeting. Bob Arrington moved to accept the minutes; Don Mumma seconded. The board then voted unanimously to approve.

**PUBLIC COMMENTS**

No public comments.

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

None.

## **EDUCATIONAL PRESENTATION**

Geothermal Energy Potential in Colorado  
By: Paul Morgan, Ph.D. (Colorado Geological Survey)

(For a copy of the Powerpoint slides, please visit the EAB website at <http://www.garfield-county.com> and click in the Oil & Gas page. Go to the EAB minutes and presentation table and double-click on link.)

## **EAB MEMBER UPDATES**

### **Town of Parachute – Juanita Williams (JW)**

The new Comfort Inn has just opened. It is now the 4<sup>th</sup> hotel that has opened in Parachute.

### **Town of New Castle – Art Riddle (AR)**

No Report

### **Town of Silt – Kelly Lyon (KL)**

No complaints in Silt.

### **Battlement Mesa Oil & Gas Committee – Don Mumma (DM)**

No Report.

### **Grand Valley Citizens Alliance (GVCA) – Joyce Wizer (JW)**

Joyce Wizer (JW) expressed her disappointment with the County Commissioners for not completing the Health Impact Assessment (HIA). Susan Alvillar (SA) asked if Leslie Robinson's quote in the Post Independent was correct: that she believed the HIA was not completed because of "pressure from the industry," and if that is what GVCA believes. JW deferred to Bob Arrington (BA) and he said "yes."

SA said that Williams was just as surprised as they were that the HIA was not going to be completed. SA feels industry participated and respected the process of the document and willing to see it through to the end. Sher Long stated that for Encana there was no pressure placed on the Commissioners and would like to know "where the basis for the opinion that pressure was used." BA answered that the reason they felt industry had pressured the Commissioners is that Antero kept requesting extensions. SA stated that Williams had requested the first extension to make a technical review of the document and that should not be viewed as pressure. BA feels that the extensions were strategic for the industry. SA disagreed with BA and said that Williams fully expected the document to be completed. SA said she respected the Commissioners decisions since they are the ones that had to pay for the HIA. She was disappointed that people have felt that "industry" had anything to do with it.

Jon Black (JB) stated that Antero wrote the County about the second draft of the HIA from Antero Resources. The comments were included in part of the appendices of the HIA. He said Antero believes in facts and science.

Commissioner Jankovsky said he believed that the HIA had become “fatally flawed.” The document started out with 140 pages for the first review and went to 500 pages after the second review and ended with 800 pages becoming a “political football” with industry on one side and oil and gas activists and the environmentalists on the other.

Commissioners Jankovsky said that there are essentially six issues:

1. Water quality
2. Air quality
3. Traffic
4. Noise
5. Lighting
6. Socioeconomic

He felt that the commissioners agreed that there was a better way to use the County money. The HIA could reach 1500 pages and that was no longer feasible. Commissioner Jankovsky felt that if the BOCC were to receive a development plan for the Battlement Mesa PUD, the County could mitigate for health, safety and welfare of the residents.

Commissioner Jankovsky wanted to tell the EAB that he is part of the Garfield County Clean Energy Collective, which includes the communities, RAFTA, the Library District. They have received grants for solar projects and a natural gas pumping station. The committee met for the first time yesterday. Garfield County will be adding natural gas vehicles to its fleet to create demand for natural gas in Garfield County. The more consumption we have in the county, the more the price will drop. Right now it is \$3.50 a gallon they hope to go as low as \$2.00 a gallon.

Jeff Simonson asked if grants were available to get conversions for vehicles. Commissioner Jankovsky said the grants expired at the end of 2010, but they are lobbying trying to get them back.

JW asked if the Commissioner supported better air quality monitoring in Battlement Mesa. Commissioner Jankovsky said that “they are looking for the right group to do that.” The County will be using Jim Rada to help with selection.

Kelly Lyon (KL) asked if the natural gas only worked in unleaded gas vehicles. Commissioner Jankovsky said it was his understanding that it works in Diesel as well. There are certain vehicles that they can do the conversion to and some they can't. Sher Long said that she had visited with Ed Green with Garfield County and he had said that it has doubled their mileage and substantially increased the horsepower in their vehicles.

In closing, Commissioner Jankovsky said thank-you to BA for a letter that he had given the commissioners at the end of the BOCC meeting. BA said that even though the HIA was not completed, the BOCC did some positive things to help the process in Battlement Mesa.

#### **Battlement Mesa – Bob Arrington (BA)**

BA said that they had received complaints about the truck drivers using their Jake brakes around Battlement Mesa. Sher Long said that Encana and Garfield County put up an electronic sign warning the truck drivers about using Jake brakes. BA thanked her for her quick response to the problem.

**Rulison/Holmes Mesa - Heather Hoffmeister (HH)**

Heather Hoffmeister reported that her experience with the rig on her property has been very positive.

**Parachute/Parachute Creek – Howard Orona (HO)**

No update

**Divide Creek – Jeff Simonson (JS)**

Antero has increased production in the Dry Hollow area. No complaints reported. JS said he believed they will also be working on pipelines in the area.

**Williams Production – Susan Avillar**

Susan Avillar said that the County had received complaints regarding dust, but since they received the complaints after the fact, there was not really anything that could be done. They are trying to prevent future occurrences. The drill rig for the T & T pad will arrive within the next two weeks.

Williams has sent invitations to a BBQ to be held on May 15, 2011 for neighbors of their activities at Porcupine Creek.

The exploration and production side of Williams will become “WPX Energy.” The initial public offering will be issued in June and the stock split will take effect in February 2012. WPX will operate out of North Dakota, Wyoming, Oklahoma, Texas and Pennsylvania. All pipelines and compressors in Garfield County will stay with Williams.

**Oxy USA Inc. - Daniel Padilla (DP)**

Oxy is currently operating two drilling rigs north of DeBeque, and plans to continue operating at this level through the first quarter of 2012.

**Bill Barrett Corporation – Emailed**

Doug Dennison emailed his update: Bill Barrett Corporation (BBC) revised its drilling plans for the Piceance Basin to now consist of a 2-3 rig program for the remainder of 2011 – this is a change from the previous plan of having no rigs in the Piceance by mid-year. BBC currently has 2 Patterson rigs and 1 Nabors rig operating south of the Colorado River in the Mamm Creek and Divide Creek areas.

**Chevron – Cary Baird (CB)**

Nothing new to report.

**Encana – Sher Long (SL)**

Encana has 9 rigs operating; four rigs are in North Parachute and five others are south of the interstate.

The EnCana Energy Expo at the Rifle fairgrounds went well. Attendance was down this year, but she thought it was well received.

Encana finished drilling three wells on 6500 road very close to ranch homes, without any complaints. The new drill rigs and better communication with the neighbors has helped maintain better relations.

**Antero Resources – Jon Black**

Antero continues to operate 1 drilling rig south of the Colorado River between Rifle and Silt. Fracking operations are scheduled for the Watson Ranch Pad for early May. They are focused on dust suppression operations with the change of the season. SL commented on the mud and reminded everyone to call the Community Counts number if there is a problem.

**Garfield County – Judy Jordan**

Garfield County had scheduled an oil and gas symposium for county Commissioners and staff to coincide with EnCana's Energy Expo. Due to lack of attendance the symposium was cancelled, but JJ thanked those who had begun to prepare presentations and assured everyone that the work that was put into this symposium will be used when the next time, possibly this fall.

JJ wanted the industry to know that when they communicate their activities ahead of time it helps keep the community informed about different operations going on around the County so that citizens can prepare. SL stated that Encana was going to start an electronic newsletter and asked if anyone would like to be added to it. If you would like to be added to the newsletter please email [sherry.long@encana.com](mailto:sherry.long@encana.com).

JJ thanked Paul Morgan, Ph.D. with Colorado Geological Survey (CGS) for coming over from Denver to give his presentation tonight and emphasized that CGS is a valuable resource that sometimes may be undervalued by the legislature. She asked that we support them at every opportunity.

**PUBLIC COMMENTS**

Marion Wells stated that she and other citizens were disappointed in the County for not following through with the HIA. Marion would still like to see a presentation on the HIA since the county spent \$250,000 of taxpayer's money.

**ADJOURN**

- JS adjourned the meeting at 8:10 pm.

**MOTIONS PASSED AT THIS MEETING**

- No Motions

*Prepared by Denice Brown, Garfield County oil and gas assistant*

*Approved by the Energy Advisory Board on*

*Date: 9-1-2011*

*Cary Baird, Secretary of the Board*