

GARFIELD COUNTY ENERGY ADVISORY BOARD (EAB) MEETING

Thursday, September 6th, 2007

Minutes (FINAL)

Garfield County Fairgrounds Event Hall, Rifle, Colorado

CALL TO ORDER/INTRODUCTIONS

Mr. Alan Lambert called the meeting to order at 6:06 pm.

EAB members introduced themselves. Below you will find the names of the EAB members in attendance:

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| Lambert, Alan | City of Rifle |
| Smith, Jesse | Garfield County Oil & Gas |
| Jordan, Judy | Garfield County Oil & Gas |
| Swan, Wendy | Garfield County Oil & Gas |
| Satterfield, Juanita | Town of Parachute |
| Brynildson, Scott | Citizen Rep. (Mamm Creek/Hunter Mesa) |
| Richardson, Noel | Citizen Rep. (Una Bridge/Wallace Creek/Spring Creek) |
| Bedell, Kathryn | Citizen Rep. (Roan Creek) |
| Mumma, Don | Battlement Mesa Oil & Gas Committee |
| Robinson, Sam | Grand Valley Citizens' Alliance |
| Kilstrom, Kevin | Antero Resources |
| Donato, Scot | Bill Barrett Corp. |
| DeBerry, Michael | Chevron |
| Froistad, Kurt | ConocoPhillips |
| Wagner, Derek | ConocoPhillips |
| Helm, Shawn | EnCana |
| Leis, Ken | Laramie Energy |
| Clifton, Leland | Maralex Resources |
| Coleman, Bob | Marathon Oil |
| Gray, Donna | Williams Production |

MINUTES FROM PREVIOUS MEETING

Minutes of the previous meeting, held Thursday, August 2, 2007 were accepted & approved by unanimous vote of the board.

COMMITTEE REPORTS

- Educational Resources Committee: Kathy Friesen said this committee only has 3 members right now: herself, Jim Rada and Pam Arsenault. Kathy invited more members to join this committee. They are planning to get together in September and to do some educational seminars in the fall.
- Air Quality/Odor Mitigation Committee:
Nothing to report.

PUBLIC COMMENTS

Paul and Nanci Limbach described their problems following the collision of an I.E. Miller Services flatbed truck with a power line near their house on CR 346. The collision sent 69,000 volts of electricity into their home, which damaged electric appliances, burned out light sockets, knocked out phone service, and burned holes into their house walls.

See the article in the Post Independent from Tuesday, June 5, 2007 named "Power jolt wreaks havoc on Silt home" for more details. Miller has denied responsibility for their damages and recovery from the insurance company has not been forthcoming. Scott Brynildson, Citizen Representative for Mamm Creek/Hunter Mesa, invited the Limbachs to come speak at this meeting and tell their story. He appealed for assistance to be offered the Limbachs. **The Limbachs can be reached at 876-5489 or through Scott Brynildson at 230-1047.**

UNFINISHED BUSINESS

- Jesse Smith passed out copies of the EAB by-laws to all members. The by-laws written are over 3 years old. He would like all members to read through them and bring comments and ideas for changes to the next EAB meeting.
- The Community Guide “Understanding Natural Gas Development” is finished and Garfield County will conduct a mass mailing to county residents from New Castle to the Utah border. Copies were provided at the meeting for anyone in attendance to take.

NEW BUSINESS

- Alan Lambert mentioned the Governor’s appointment of County Commissioner, Tresi Houpt, to the COGCC.
- Introduced Wendy Swan as the new Oil & Gas Administrative Assistant.

EDUCATIONAL PRESENTATION

Kevin Whelan, Fire Marshal for the Rifle Fire Protection District gave an educational presentation titled “Wildfire Protocol, Management and Incident Command Strategies.” The presentation focused on what the community can do to help prevent wildfires, protect their property from wildfires and how to act when a wildfire happens and their property is threatened. The 3 focus areas in order of importance are: 1. Life Safety 2. Incident Stabilization and 3. Property Conservation. To see Kevin’s full presentation on Rifle County Channel 10 please visit their website at http://riflenco.org/Cable_10/Rifle_Community_TV.htm which shows the date and times of when they will air the “Energy Advisory Board of September 6” meeting.

Discussions followed the presentation regarding the “Incident Command System” and Alan Lambert asked the Rifle Fire District to come back in the future to address Oil & Gas fires specifically.

EAB MEMBER UPDATES

MUNICIPALITIES:

City of Rifle— Alan Lambert reported that there will be a Rifle City Council Meeting every two weeks. Three subdivisions in North Rifle; Rimrock, Perky-Biscuit Ranch and The Farm, will bring over 3,800 new homes to the region. Rifle has identified \$67 million in capital projects that are either in progress or will need to be started in the next several years due to recent growth. The money received from severance taxes and the Federal Mineral Lease are appreciated, but not enough to offset the costs of rapid growth.

Town of Parachute – Juanita Satterfield reported that the Town is seeing more land use applications and subdivisions. An upcoming meeting with CDOT on the 1601 process and to set a calendar with a conclusion of the 1601 study due in August of 2009. Juanita expressed gratitude to Susan Alvillar with Williams on behalf of the Morrisania Community Foundation for the new roof on the Community Association building.

CITIZENS:

Roan Creek—Kathryn Bedell reported that the Debeque School sends thanks to Chevron for the new playground and 7 foot cement barrier wall around school by CR 204.

Mamm Creek/Hunter Mesa— Scott Brynildson reported that he is upset about Paul and Nanci Limbach’s situation, saying this is an example of negative impacts of the O&G industry on residents.

LOCAL ORGANIZATIONS:

Battlement Mesa Oil & Gas Committee— Don Mumma reported that construction on the new Battlement Mesa middle school is underway, and is to be completed in 2008. Noble is active southeast of Battlement Mesa. They have a meeting with Noble on September 11 at 3:30pm at the Battlement Mesa activity center.

Grand Valley Citizens’ Alliance— Sam Robinson wants the EAB to consider changing items 6 and 7 in the by-laws to provide more help for our citizens: Item 6 states, “The EAB will provide a forum for improving communication and managing conflict between industry and affected municipalities, businesses and landowners by: establishing communication protocols that should be followed by all parties in encouraging dialog to address issues as they arise;

providing a forum for positive and honest discussion of conflict with the goal of conflict resolution; providing a forum for communication and managing conflict that facilitates resolutions for directly affected stakeholders. Advice provided to involved parties will be strictly voluntary and non-binding and will be provided within any applicable legal timelines.” Item 7 states, “The EAB will disseminate information regarding oil and gas exploration and development to local government, businesses, impacted landowners and the public by: participating in existing public meetings, such as the Northwest Colorado Oil and Gas Forum; collaborating with local educational resources in developing a series of seminars/workshops on specific industry-related topics; and preparing and distributing informational fact sheets.”

OPERATORS:

Antero Resources— Kevin Kilstrom reported that Antero currently has 4 rigs running in the Rifle and Silt areas on either side of the interstate.

Bill Barrett Corp.— Scot Donato reported that BBC currently has 3 rigs operating south of Silt (East Mamm Creek Field), 1 in Divide Creek, 1 in Divide Creek/Dry Hollow, and 1 between Mamm Creek/Dry Hollow. The company is building a new office in Silt, by the new post office, and will be moving from Parachute to Silt within 2 months. Jesse Merry and Monte Shed are the local contacts. The office number is 970-285-9061 and Jesse Merry’s cell phone number for all 24 hour emergency calls is 970-230-0436. Scot Donato’s office is in Denver, but people should call him if there is a need for follow up.

Chevron- Michael DeBerry reported that Chevron has reviewed all Standard Operating Procedures (SOPs) on Rulison incident. Chevron is working with Debeque Fire and BLM to establish contacts. Last month Chevron mobilized a 2nd drill rig. They are working with GarCo to upgrade CR 204. Chevron is helping the Debeque School District by providing a new playground and 7 foot cement barrier wall around the school by CR 204. All of Chevron’s work is contained within Chevron-owned land. They are operating 2 rigs and are constructing 8 ½ miles of 30” pipeline. Many special use permits will be filed with the County over the next two weeks. They are developing a vegetation rehabilitation program for implementation after leases are up.

ConocoPhillips- Kurt Froistad reported that Conoco-Phillips currently has 5 rigs all drilling on joint venture lands with Encana on Parachute Ranch. The goal is to complete 24 wells by year end. Derek Wagner, on staff in their Grand Junction office, is available to respond to community issues. Derek’s work number is 970-263-2451 and his cell number is 970-234-0787.

EnCana- Shawn Helm reported that Encana has 13 rigs in the Piceance Basin. Six rigs are South of I-70 and 7 are North of I-70. Up to 17 rigs will be operating by the end of the year and this number will hold through 2008. In the South, 2 rigs are in Mamm Creek, 2 in South Parachute and 2 in Orchard, and they are scheduled to drill a total of 147 wells. In the North, the 7 rigs are scheduled to drill 160 wells. They recently purchased several new Nabors' Pace rigs. One was delivered in August and is drilling. The 2nd rig is due to be delivered in late September. The 3rd rig is due to be delivered by the end of October. In the North Piceance, all drilling is presently on the North Parachute Ranch. One Pace rig is expected to mobilize to this location in late November. For Gas Gathering, the Orchard Compressor station electric compressor startup was completed July 31. This allowed shut-down 5 of the gas-driven compressors. All the compressors are installed inside sound proof buildings that meet COGCC regulations. The 36” gathering pipeline from Roan Creek to the Enterprise Gas plant in Meeker: When the new gas plant is on line, the refrigeration process at the Rifle compressor station will be shut down. The compression function will remain there. This is due to happen in early fall. Encana’s Logan Wash facility will be shut down with the start of the Meeker plant. Contact Sher Long or Shawn Helm for details.

Encana has an emergency hotline at 970-285-2777 or 24-hour hotline at 970-285-2600 (press 1).

Laramie Energy – Ken Leis reported that Laramie Energy just acquired all assets of Petrogulf.

The first rig is to start drilling Oct 1st – 15th, and the second between Jan – May, 2008. They will possibly add a third rig later in 2008.

Maralex- Leland Clifton reported that they have one rig operating on Northern Pass.

Marathon Oil— Bob Coleman reported that Marathon’s first rig was delivered at the end of last month and the first well will be spudded Saturday. The second rig is coming in mid October. Both rigs will be working through the winter at the top of Garden Gulch Road west of Parachute Creek. Several permits have been submitted to the county for infrastructure to support operations (water pits, communication towers, laydown yard, etc). They have moved in a rock crusher to make their own gravel for the pads from rock being removed during drilling pad construction. This has greatly reduced traffic and dust issues and also the demand for gravel.

Williams Production— Donna Gray reported they currently have 25 rigs, 7 in Highlands and the rest in the valley. Williams is constructing a 24-inch pipeline north of Interstate 70 in the Rulison area between Webster Hill and Cottonwood Gulch. Two new compressor stations are under construction on Webster Hill and one on the flats. They are conducting a deer study in partnership with BLM and DOW and have a center pivot irrigation system to grow grass for deer to eat in the winter. DOW will complete radio-collaring of deer in the area this year.

OIL & GAS LIAISON:

- Judy Jordan reported that a total of 9 complaints were received in August; 5 odor, 2 environmental, 1 traffic and 1 noise.
- Judy will continue to oversee Phase II of the Hydrogeologic study being conducted by Papadopoulos on the county's behalf and will be contacting operators in the next few weeks to request assistance with sampling of produced water. Phase II is expected to be completed in 2008, and followed by Phase III.
- Appreciated tours given by Williams and BBC.
- Requested details on the Eclipse truck accident on CR 315. Michael DeBerry of Chevron indicated that the common carrier was hauling Chevron product at the time of the accident and Jordan could see him for details.

SUGGESTIONS FOR FUTURE AGENDA ITEMS

- Non-profit agency to do a presentation on affordable housing.
- Former FBI agent to do a presentation on site security. Speak with Jake at Encana.
- Get County Commissioner Tresi Houpt to speak about her new position with COGCC.
- Alan Lambert will not be able to attend the October 4th EAB meeting. He asked if anyone would volunteer to chair the meeting. Donna Gray volunteered Susan Alvillar from Williams to chair next meeting.

PUBLIC COMMENTS/ISSUES

- Marion Wells addressed the Battlement Mesa CR301 wildfire that consumed acres of her property adjacent to a Williams pad. She commented on the minutes from the last meeting that the statement of just one backhoe operator at the scene of the fire was incorrect: there were several pieces of equipment and Williams operators whom she believed could have helped put out the fire. She would like a more neighborly attitude from the operators and their crew and more respect for the landowners.

ADJOURN

Mr. Lambert adjourned the meeting at 8:45 pm

Submitted by:

Wendy Swan, Garfield County Oil & Gas

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