

GARFIELD COUNTY ENERGY ADVISORY BOARD (EAB) MEETING MINUTES

Thursday, November 7, 2013

Location: Rifle Library, Rifle, Colorado

Disclaimer

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CALL TO ORDER/INTRODUCTION

Vice Chair Howard Orona called the meeting to order at: 6:01 P.M. He commented on the large number of people present and thanked everyone for being interested and attending the meeting. He said the harvest dinner was catered by Bodacious Bites in Battlement Mesa. Orona asked the members present to introduce themselves.

EAB members in attendance:

Eric Ward	Marathon
Kirby Wynn	Garfield County
Joyce Wizer	Grand Valley Citizens Alliance
Bob Arrington	Battlement Mesa
Michael Meskin	Grass Mesa
Scott Stewart	Roan Creek
Eric Sanford	SG Interests
Art Riddle	Town of New Castle
Kelly Lyon	Town of Silt
Donna Gray	Williams Midstream
Brian Gardner	Summit Midstream
Don Simpson	Ursa Resources
Hans Parkinson	City of Rifle
Dirk Myers	City of Rifle
Richard Carroll	Chevron
Howard Orona	Parachute/Parachute Creek
Jack Castle	Holmes Mesa/Morrisania Mesa/Rulison
Tom VonDette	Taughenbaugh Mesa
Susan Alvillar	WPX
AJ Hobbs	Town of Carbondale
Eric Brynildson	Mamm Creek/Hunter Mesa
Art Bollen	Caerus Oil & Gas
Sandy Kent	Encana
Don Mumma	Battlement Mesa O & G Committee

APPROVAL OF LAST MEETING MINUTES

The board reviewed the minutes from the October 3, 2013 meeting. Kirby Wynn made a motion to accept the minutes and Sandy Kent seconded the motion; the motion passed.

OLD BUSINESS

Orona said the EAB is still looking to fill two citizen representative positions for the Dry Hollow and the Una Bridge/Wallace Creek/Spring Creek areas. Orona said we had an applicant for the Una Bridge position and he would discuss it next. He encouraged those attending or watching the meeting on TV that may live in those areas to consider participating. Contact information and a citizen's application form are available on <http://www.garfield-county.com/oil-gas/energy-advisory-board>.

NEW BUSINESS

Citizen Representatives:

A Citizen Representative application for Una Bridge/Wallace Creek/Spring Creek area was discussed and approved. However, later in the meeting, Wynn reported he had just received an email message from the applicant withdrawing his name for the position. Board agreed to drop the application and not forward to Board of County Commissioners for approval.

Election of Officers:

Orona said it would soon be time to elect new officers for EAB. He said the current officers, Brent Buss, Chair, and himself as the vice chair, are term limited so a new chair and vice chair will need to be elected. Don Simpson, the current Secretary, is still eligible for another term if elected. Orona indicated the bylaws state elections will be held at the first meeting of the year and that a nominating committee is to forward recommendations to the full board. Orona asked if anyone in the group would like to be on the nominating committee; the bylaws require at least one current officer be on the committee. It was agreed by the members that a nominating committee would meet to select and vet candidates ahead of the next meeting. Don Simpson and Art Bollen volunteered to serve on the Committee with Kirby Wynn. Wynn will contact them to setup a meeting time; they will present their update on the process at the December meeting.

Meeting Protocol:

Susan Alvillar said she was glad to see Marion Wells in the audience this evening and she wanted to commend her. She said Ms. Wells speaks to us quite often as we all know. She always stands respectfully behind the podium to give her comments. Alvillar said, last month we diverged from that policy and had folks approach members directly and she was uncomfortable with that. She said she wanted to know if anyone else on the board felt the same way. Orona said he felt the same way, during public comment folks should stand behind the podium.

AJ Hobbs said as a representative of Carbondale and of the people who were making the comments he has had lots of discussion about their public comment from the last meeting. Hobbs said for future meetings, he is going to make sure and communicate the meeting protocol to anyone he invites to the meeting. He said they feel strong in their opinions and just want their voices heard.

Wynn said as a board, we have a board chair which can be a challenging position at times. We are talking about serious topics that mean a lot to people and they are passionate about it. Would like remind all of the board members, and I am one of them, we all have an equal role and responsibility. If you don't think the meeting is going the way it should be, you should speak up at that time, and let the Chair know whatever you are concerned about so the board can discuss if needed. We have an important and critical mission. We need to do that in a civil way and we need to make sure everyone is heard and have people respect each other at the same time. Wynn encouraged fellow board members to speak up if you think there is something that is not quite right; you may be helping out the person next to you by saying something.

Hobbs suggested a more formal introduction at each meeting to let the public know when and where they can speak. Wynn said there had been discussion at the last meeting about the public comment portion and people going up to speak more than one time. He said the County Attorney told us it was handled properly. The meeting is not a debate; each person gets one opportunity to speak during the public comment for the allotted amount of time. Wynn said the agenda now says individuals are limited to three minutes during public comment.

EDUCATIONAL PRESENTATION

Garfield County actions regarding the BLM's NW Colorado Environmental Impact Statement on the Greater Sage Grouse.

An informative presentation was given by Tom Jankovsky, Garfield County Commissioner and Fred Jarman, Director, Community Development, Garfield County. They explained Garfield County's actions regarding the environmental and financial impacts of the Greater Sage Grouse. The presentation is posted on the Garfield County website, www.garfield-county.com/oil-gas/energy-advisory-board.aspx.

PUBLIC COMMENTS

Orona asked for public comments, asking that each person limit their comments to 3 minutes each.

Bob Millet, Glenwood Springs

He thanked the EAB for the turkey dinner that was served. He said he wanted to comment on a few things that were said during the sage grouse presentation. Jarman kept referring to the area as the Roan Plateau which is a bit in error. The Roan Plateau is the green area to the right of the BLM map and it is not prime sage grouse area. They have mapped a small number of sage grouse there but the area to the west is more sage brush country. He said he has visited there and is not flat sage brush land like in Wyoming but it is rolling and has lots of good sage brush.

He said he was concerned about the large effort that Garfield County has put into this. I wonder why they are concerned about the sage grouse habitat. These are public lands we are talking about protecting the sage grouse. He said the sage grouse habitat that is being protected is not just for the sage grouse but for other wildlife as well. He thinks it is prime big game habitat and maintaining that habitat is an important driver for our economy. Jankovsky stated how important the economic drivers are for this area but having those areas protected for big game as well as sage grouse is important.

Millet said the map the BLM has of the sage grouse area is based on numerous scientific studies. Studies not only carried out by CPW but biologists at CSU, Idaho and the University of Montana, US Department of the Interior and it really escapes him why the County has to do their own at the expense of \$200,000 to our taxpayers. He said the area the County have narrowed down is too small and the area to be protected should be contiguous and not fragmented. Area should be maintained for multiple uses and that includes outdoor recreational use.

Marion Wells, Rulison

Ms. Wells thanked Bob Millet for his comments. She said his comments were things that needed to be said. We are in hunting season right now and she had an older gentleman stop and chat with her and talk about where he used to hunt. He said he can't hunt there any longer due to oil and gas development. It is very obvious why it's happening it's because of the money. It is the money that is generated here but I would urge you think about the generations that have passed and what they

brought to us. The generations that come and what they need to see. If you have never seen the ritual of a sage grouse it is a joy to behold. It is unique and necessary and it should be protected. Our County officials need to understand that oil and gas money is not the only purpose for Garfield County.

Marc Morton, COGCC Local Government Liaison

He said he manages a program for Local Government Designees for the COGCC in Denver. He said the program allows local governments that want to participate, a greater amount of input into the process of oil and gas permitting. He said they have about 144 voluntary participants statewide. He urged local governments to get in the program if they were not already involved. He said the COGCC encourages people to work collaboratively with each other and their local government.

He said the COGCC manages the rulemaking process and that 2008 was a major rulemaking year and that COGCC rules got a lot tougher to protect the environment. In 2012 baseline ground water monitoring was implemented state wide and now it is being implemented around the country using the Colorado model. Increased setback rules, mitigation and communication was another major focus of the 2012 setback rules. He said he wanted to point out that public comment opportunities are available. COGCC takes public comment at their hearings, forums like this, and the NW Colorado Forum. Anyone can comment on a well permit not just the local government officials. There is electronic submittal so you do not have to go to Denver to make comments. He is happy to help anyone negotiate the COGCC website or obtain oil and gas information.

Greg McKennis, New Castle

McKennis said he has been on the Garfield County Planning and Zoning Commission for quite a few years. He said he didn't intend to speak but he thinks it is important to understand what the planning and zoning commission has been doing for the last 4-5 years. We have rewritten our zoning code two times and we have a new comprehensive plan that covers through 2030. We have been particularly mindful of lands in western part of the county because some of these are very large parcels and treating these areas as a special area. McKennis said he wanted the group to know firsthand the Planning Commission had been extremely careful and thoughtful, future looking in terms of how we have managed the planning for this area. We have not ruled out anything, we haven't ruled in anything. We need to make certain that our options are there in the future, but also providing a regulatory framework that takes that into account. Not just for the development side from all aspects of it. I think as the planning goes forward it is important to realize it has had special consideration. When we did our County Comp Plan, we finished a couple of years ago we held dozens of meetings.

COMMUNITY COUNTS UPDATE, Susan Alvillar

Response Line: 866-442-9034 - The response line system is designed to connect residents with the source of their issues and concerns for timely response and resolution. Once Community Counts facilitates that connection, we are no longer involved. The operator and resident address and resolve the issue, and in the future the resident contacts the operator directly. To close the loop with calls that come to Community Counts, the operator gets back with us to let us know the issue has been resolved.

Concerns

- Gravel trucks were reported on Halls Gulch (location – Divide Creek south of Silt), which is not a designated truck route. Upon investigation, the trucking company—not working for the energy industry—was advised to use the identified truck route, County Road 327.
- Light Issue from a rig – Resolved.

Rig Count – Total 14 rigs Garfield County and 1 Rio Blanco County

1. WPX Energy – 6 Garfield County; 1 Rio Blanco County

2. Encana – 5 Garfield County - 3 South Piceance; 2 North Piceance
3. URSA Operating Company – 1 Garfield County
4. Black Diamond – 1 Garfield County

Community Counts Board Meetings are held every other month on the 2nd Wednesday, 3:30 – 5:00 pm at the Town of Parachute. Our next Board meeting will be January 8, 2014.

EAB MEMBER UPDATES

Municipalities:

City of Rifle – Hans Parkinson

He said he wanted to thank Tom Jankovsky and Fred Jarman for the presentation tonight and thank them for attending the Rifle City Council meeting the night before where they also gave a sage grouse presentation. He said as a small business person there has to be a happy medium where we can protect the sage grouse but also have oil and gas development and complimentary industries.

Kelly Lyon, Town of Silt

He said the town is investing in sidewalks and curb for the main street with Garfield County's financial help. He said the town is seeing a few new businesses and he has heard of a couple of gas companies that may be moving to Silt.

Art Riddile, New Castle

Nothing to report.

Town of Carbondale – AJ Hobbs

Hobbs said he had some citizens say they have had trouble finding the EAB bylaws on the website. He asked if the bylaws were on the website and if not could they please be added. There is an event that CLEER (who put on last month's EAB presentation) is presenting an event in Carbondale on Nov. 13 at Carbondale Town Hall. The name of the presentation is *Powering up Colorado*; it is \$20 person and goes from 9 am – 1 pm.

He said two recent leases have been extended by the BLM that are owned by SG Interests. They are not specifically in the Thompson Divide area or directly involve Carbondale but it has a very big potential impact indirectly. One is on the north end of McClure pass and the other one is west of Paonia reservoir. Hobbs said, that concerns Carbondale citizens because they get a lot of organic produce from Paonia and it is a big industry in that neck of the woods, plus lots of hunting and recreation activity.

Organizations:

Battlement Mesa O & G Committee - Don Mumma

No update and no citizen concerns reported.

Grass Mesa - Michael Meskin

No update and no citizen concerns reported.

GVCA – Joyce Wizer

Nothing to report.

Citizen Representatives:

Taugenbaugh Mesa – Tom VonDette

VonDette reported they have had some issues with speeding and he has visited with Kirby about. He said he feels like after 12 years they should not have to be bringing up that issue but we still have to. He asked all of the operators to ask their drivers to slow down and to not use Jake brakes if possible.

Mamm Creek -Eric Brynildson

No update and no citizen concerns reported.

Parachute/Parachute Creek – Howard Orona

No update and no citizen concerns reported.

Holmes Mesa/ Morrisania Mesa/Rulison Jack Castle

No update and no citizen concerns reported.

Roan Creek – Scott Stewart

No update and no citizen concerns reported.

Holmes Mesa/Morrisania Mesa/Rulison – Jack Castle

No update and no citizen concerns reported.

Battlement Mesa – Bob Arrington

He said Battlement had had meetings relating to the proposed pug mill operation. He said at this time the application had been withdrawn. He said he has heard of two complaints relating to chemical smells with resulting headaches and burning eyes. He said one was mentioned at the air quality meeting and the other one was at the old school house in Battlement Mesa at a dinner for people who work at the visitor center. They were doing cleanup, when some bad odors came up. No one confirmed where the odors were coming from. He said they had their monthly meeting with Ursa to go over upcoming events, etc.

Kirby Wynn for additional detail about the odor reports Bob received because he did not recall hearing about them. Asked when the issues occurred and if the old school house complaint had been reported to the county or Community Counts or anyone who could quickly act on the issue. Bob said he didn't think so and that the one issue occurred in the summer over a period of time and the other in October. Wynn said if people are experiencing problems with oil and gas issues they should call the County or Community Counts or others who can act on the issue to receive assistance as soon as possible.

Operators:

Donna Gray, Williams Midstream

She said Williams is continuing the remediation process and continued cleanup from the Parachute Creek spill and the company feels they are making good progress with that.

WPX – Susan Alvillar

Alvillar said WPX has 7 rigs going with one of those in Rio Blanco County. She said the WPX rigs have been moving around a lot and sometimes this time of year they get weather delays. She said the WPX CEO wants to produce a hydraulic fracturing documentary which they have done. She said the trailer is available at www.downdeep.com and that you will see some familiar faces in it. The full length version should come out the middle of November.

Marathon – Eric Ward

He said their operations are on top of the Roan Plateau with no drilling and no completions.

EnCana – Sandy Kent

She said EnCana has 5 rigs operating and the company has a new CEO, so look for some changes in the company coming soon.

Ursa Operating Company – Don Simpson

Simpson said they have one rig finishing up in Silt right now and will return the rig to the Monument Ridge Pad later in December. He said nothing has changed with their schedule. They have the sound walls at the Speakman and Monument Ridge Pads.

Summit Midstream, Brian Gardner

Said the Company activity for the remainder of the year will be in Battlement Mesa, Beaver Creek and Mamm Creek.

Chevron –Richard Carroll

No safety incidents to report. He said the company completed their disposal well project that had been going on for the past couple of months. He also reported a spill in one of their compressor buildings. He said they had about a 250 gallon spill, some of it went under the door and outside but was contained and cleaned up and the proper notifications were made.

Caerus Oil and Gas - Art Bollen

Bollen said Caerus had withdrawn the applications for the land farms. He said the company had acquired the assets of PDC and after evaluation decided they did not need those two land farms that were originally proposed by PDC and decided to go in a different direction. He said they are continuing operations on existing wells.

Eric Sanford, SG Interests

Sanford said the company is continuing down two paths with the leases in the Thompson Divide. He said the first path is they are continuing negotiations with local conservation groups to buy out or a trade of those leases. The other path is submitting permits and plans for development of those leases. He said really no change since the last meeting.

Garfield County**Garfield County – Kirby Wynn**

(Provided as a Power Point presentation.) Wynn introduced himself as the Oil & Gas Liaison of Garfield County. He said there is an email sign up list available if any new attendees would like to be added to the mailing list, or you can contact gdubois@garfield-county.com or call 970-625-5915. He said EAB meetings are held the first Thursday of the month and are held here at the Rifle Library. Newspaper ads were placed in the *Glenwood Post Independent* announcing the November EAB meeting and inviting the public to attend. The paper also included a community brief on the meeting.

Garfield County has 13 active drilling rigs operating from Parachute to south of Silt. Resident calls to the office for August – October 2013 are: 5 odor; 3 noise; 3 traffic; and 57 information requests. Wynn encouraged citizens who are having issues or questions about with oil and gas to contact him to get the matter resolved quickly. He announced that Northwest Colorado Oil and Gas Forum would be held on Thursday, December 12 at 10 am, at CMC in Rifle. He said they are going to a format with an educational presentation and will let everyone know when the details are announced. He said it will also be posted on the County website. He said it is another opportunity for public engagement to discuss the oil and gas industry. He said the County has had 323 well starts this year, down from the 498 last year. He said approved drilling permits for the County are at 635, compared to 1046 last year.

He said the County has just finished the Hydrogeology Phase III study of the Mamm Creek area and the final report is complete. The consultants will present the report November 12 at the Board of County Commissioners meeting at about 9 am. The report will also at be posted on the Garfield County website <http://www.garfield-county.com/oil-gas/phase-III-hydrogeologic-characterization-mamm-creek.aspx>. after the consultant presents the information to the County Commissioners.

The COGCC spills/release rulemaking process is currently underway. He said the process was started when the General Assembly passed a new law HB 13-1278 reporting of E & P waste spills, and releases. In general it requires operators to report spills within 24 hours of discovery to the local government and the COGCC. He said he has been receiving those reports from operators since August. What they are doing is the implementing law passed by the legislature and now they are determining the actual procedures. The purpose of the law seems to be to create greater transparency in gas operations and to address some concern that E & P waste spills were not managed with enough oversight. The County has party status in this and will weigh in when appropriate. He said rulemaking key dates are:

- *November 8*: Soft Deadline for Prehearing statements
- *November 8*: Deadline for Public to provide written comments to COGCC
- November 15: Hard Deadline for response documents to the prehearing statements.
- November 22: 2nd Stakeholder Meeting
- December 16 & 17: Rulemaking hearings. Expected to last no more than 1 day

Wynn showed a chart of Garfield County spills, by year. If folks have questions about oil and gas topics or would like to report an issue please contact Kirby Wynn, Garfield County Oil & Gas Liaison, 970/625-5905 or 970/987-2557 or email at kwynn@garfield-county.com.

ADJOURN

There being no further business, Orona adjourned the meeting at 8:20 pm.

MOTIONS PASSED AT THIS MEETING

A motion was passed approving the October 3, 2013 meeting minutes.

NEW ACTION ITEMS:

Nominating Committee of Kirby Wynn, Don Simpson, and Art Bollen to meet and present a report at the next EAB meeting.

Prepared by Gretchenn DuBois, Garfield County Oil and Gas Administrative Assistant.

Approved by the EAB on _____.