

GARFIELD COUNTY ENERGY ADVISORY BOARD (EAB) MEETING MINUTES

Thursday August 6, 2015

Location: Rifle Library, Rifle, Colorado

CALL TO ORDER/INTRODUCTION

Chair Howard Orona called the meeting to order at: 6:02 P.M. Secretary Robin Haney conducted roll call and read the EAB mission statement.

EAB members in attendance:

Kirby Wynn	Garfield County
AJ Hobbs	Town of Carbondale
Art Riddile	Town of New Castle
Marc Morton	Colorado Oil and Gas Conservation Commission
Leslie Robinson	Grand Valley Citizens Alliance
Don Mumma	Battlement Mesa Serv. Assoc. Oil and Gas committee
Karen Meskin	Grass Mesa Homeowners Association
Robin Haney	(Secretary) Colorado Mountain College
Bob Arrington	Citizen Rep Battlement Mesa/Battlement Creek
Jeff Simonson	Citizen Rep Divide Creek
Howard Orona	(Chair) Citizen Rep Parachute/Parachute Creek
Michael Gross	Citizen Rep Peach Valley/Silt Mesa/Silt
Brent Buss	Citizen Rep Rifle/North Rifle
Scott Stewart	(Vice Chair) Citizen Rep Roan Creek
Tom VonDette	Citizen Rep Taughenbaugh Mesa
Jake Janicek	Caerus Oil & Gas
Michael Brygger	Oxy Oil & Gas Corporation
Don Simpson	Ursa Operating Co.
Scott Ghan	Vanguard Natural Resources
Susan Alvillar	WPX Energy

Chairman Orona expressed condolences to the family of Rifle City Councilman Dirk Meyers on behalf of the Energy Advisory Board. Kirby Wynn shared the memorial service details for those who wish to attend.

APPROVAL OF LAST MEETING MINUTES

The board reviewed the minutes from the June 4, 2015 meeting. Minutes were approved. The motion to approve last meeting minutes was made by Jeff Simonson and 2nd by AJ Hobbs. Minutes passed unanimously.

OLD BUSINESS

Traffic Committee update provided by Jake Janicek. Subcommittee met in the last week with Road & Bridge Department staff. County is addressing all of the road condition issues raised in the last couple months. For the suggestion by Arrington that a guard rail be added along Stone Quarry Road, the county will have to wait till their planned road widening project occurs. Operators and citizens are encouraged to call in issues with road conditions to help stay ahead of any problems. Kirby needs to contact sheriff's department regarding issue with residents and others running stop sign at bottom of Divide Creek road. There is a blind curve so it can be a dangerous situation. Some discussion of whether a standard traffic issue form should be created.

Brent Buss asked where we are in term of continuing to work on traffic issues of if other topics/issues previously identified. Issue committee needs to get together to make that determination.

Issues Committee has been: Leslie, Kirby, Robin, Jeff S, Brent, and Howard.

AJ noted he is pursuing information on area injection wells in the area. Indicated he would like to see if a seismograph could be installed in the county as a baseline.

Leslie Robinson mentioned she had not yet followed up with Ms. Wells regarding a storm water issue but would.

NEW BUSINESS

Howard Orona – New member application for the Holmes/Morrisania/Rulison area. Kirby reviewed the application materials from Hank Kracht. Orona invited Hank to introduced himself and state the reason for his interest. AJ asked if he knows and has had interactions with Ms. Wells, one of the area landowners. Hank indicated yes and that he knows most of the area neighbors.

Susan Alvillar made a motion that EAB approve Hank Kracht's membership and that Kirby take it to the BOCC for approval. Tom VonDette 2nded the motion. Motion was unanimously approved. Kirby to take the recommendation to BOCC for consideration on August 17. If approved Hank is an active member starting with the September meeting.

Robin reviewed her quarterly EAB update provided to Board of County Commissioners. Let them know to expect recommendations based on our issues subcommittee work. They were very receptive and welcoming to receiving recommendations for them to consider that may require county policy change or actions. Commissioners also thanked all the EAB members for their hard work and notable advances to work as a team in service to the county and citizens.

EDUCATIONAL PRESENTATION

Speakers – Morgan Hill, Garfield County and Cassie Archuleta, ARS.

Presentation – *The Air We Breathe. A report on Garfield County air quality monitoring results for 2008-2014.* They discussed county air monitoring results with topics including airborne pollutant trends and compliance with state and federal regulations. They also handed out a nice 5-page newsletter formatted version of the monitoring program. Newsletter will be available online at: <http://www.garfield-county.com/air-quality/index.aspx> and annual reports are already available online.

Extensive Q&A took place after presentation. Video and PowerPoint files of the presentation will be available at: <http://www.garfield-county.com/oil-gas/energy-advisory-board.aspx>

PUBLIC COMMENTS

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

Marion Wells – Said some people assume she is against oil and gas development but in truth she is in favor of responsible development which requires people to be truthful about emissions and issues. A compressor station has been nearby for several years and this year for some reason several neighbors have had health issues she feels is related to emissions from the nearby compressor station. Wishes the air experts would sample the air quality near compressor stations.

Jeff Simonson asked Ms. Wells what sort of symptoms her neighbors had. They were headaches, eye issues, tinnitus and nausea.

Cordero Orona, a college student. Spoke about a desire to see more oil and gas industry internship

COMMUNITY COUNTS (CC) UPDATE: Nita Smith

Community Counts is a non – profit organization established to connect the energy industry and the community through responsive, open dialog. We currently have 87 members and operate in Garfield, Mesa and Rio Blanco Counties.

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. One of the major keys to our success has been the dedication of our operator partners and contractors to respond quickly and effectively

June – July - Concerns and Requests

1. Noise
2. Jake Brakes
3. Phone line down at resident house
4. Request when completion operations might start
5. Road Conditions on CR 303
6. Road condition hazard due to road construction on CR 5, Piceance Creek
7. 7 Rig Move

Current Rig Count – 4 Garfield County, 2 Mesa County

1. **WPX Energy – 1 Garfield County**
2. **URSA Operating Company – 1 Garfield County**
3. **BLACK HILLS Exploration & Production –1 Garfield County, 1 Mesa County**
4. **Caerus Oil & Gas – 1 Garfield County**
5. **Piceance Energy, LLC – 1 Mesa County**

Notable Highlights of Community Counts

1. Held Community Get-Together for Piceance Creek residents, operators and government officials – June 10th
2. Membership meetings with Operators, Contractors and Businesses in all three counties

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 Sept. 9, 2015. Annual Meeting, November 4, Parachute Library, Large Meeting room, 244 Grand Valley Way, Parachute, CO, 3:30 – 5:00 meeting and Social from 5 – 6 pm.

Contact information is: Nita Smith, Executive Director, (970.712.7317 or 303-916-4009) or Susan Alvillar, Board President, susan.alvillar@wpenergy.com (970.263.5315)

STATE/FEDERAL AGENCY UPDATES

BLM - Steve Ficklin Mentioned the SG Interests recent Notice of Staking for an exploratory well in the Wolf Creek storage unit area of the Thompson Divide.

EAB MEMBER UPDATES

Municipalities:

Town of Carbondale – AJ Hobbs

Thanks BOCC for continued stance to not approve new energy exploration traffic along Four Mile road.

COGCC – Marc Morton

Reviewed the COGCC upcoming November rulemaking hearing to implement recommendations 17&20 from the Governor's oil and gas task force. Next COGCC hearing will be September 16&17 in Gunnison. All are welcome to attend. The next quarterly Northwest oil and gas forum is September 3rd at Rifle CMC campus at 10am. The public is encouraged to attend.

Organizations:

Colorado Mountain College – Robin Haney

Classes start August 24. Applied engineering technician program is an exciting new option. Focus areas energy installation, welding, and oil and gas. This program is designed to prepare students for entry-level employment as Engineering Technicians in the Energy industry. An Engineering Technician is a key member of a team of people responsible for planning, analyzing and controlling the production of products from the acquisition of raw materials through the production and distribution to customers in a variety of process industries. These industries include, but are not limited to: chemical, food and beverage, extractive industries, gas and oil exploration and production, pharmaceuticals, power generation, pulp and paper, refining and waste water treatment. Goal of the program change is to develop career ready graduates.

Grand Valley Citizens Alliance – Leslie Robinson

GVCA appreciated opportunity to participate in COGCC rulemaking outreach process regarding the implementation of Taskforce recommendations.

Battlement Mesa Oil & Gas Committee – Don Mumma

Nothing to Report

Grass Mesa Homeowners Association – Karen Meskin

Nothing to Report

Citizen Representatives:

Rifle/North Rifle – Brent Buss

Nothing to Report

Divide Creek – Jeff Simonson

Have been working on traffic issues in the area and Kirby has been keeping him inform of resolution progress. The companies have been responsive as well.

Parachute/Parachute Creek – Howard Orona

Nothing to Report

Battlement Mesa/Battlement Creek – Bob Arrington

Continue to have meetings hosted by Ursa about planned operations. High point was Ursa saying they would address all recommendations in the HIA as well as point made in a letter by Matt Sura. Noted a parking shortage issue so suggest a different location with better parking. Bob discussed his thoughts on why the air presentation tonight showed a difference in concentrations in 2013. And a 2011 emissions report. Started to discuss a tie-in related to his belief annual averages were affected by an NGL release in early 2013. Alvillar called to question if this topic fits with 'member updates' agenda item. Chair Orona indicated it does not and interrupted and asked Arrington to relate the information at an appropriate time such as via a scheduled presentation or during general update agenda time. *(Arrington did provide his interpretation of factors affecting 2013 air quality to the board via email after the meeting.)*

Taughenbaugh Mesa – Tom VonDette

Beaver Creek road is just about impassable for horse trailers. Kirby committed to contacting county road and bridge the next day. Susan Alvillar offered that WPX is happy to doing anything needed of them.

Roan Creek – Scott Stewart (left early, report provided by Orona)

Black Hills still operating in Roan Creek. No complaints from there 3 rigs. Gives kudos to Black Hills for being a good neighbor.

Operators:**Williams Midstream – Pat McCown**

On the 29th of May the CDPHE granted a request for Williams to add three additional vapor extraction points in the Parachute spill area. Early this week Williams sent of its annual pipeline response to emergency officials across Garfield County, Rio Blanco and Mesa Counties to inform them of pipeline locations.

Caerus Oil & Gas - Jake Janicek

Moved rig to E1 pad. Working of well 4 of 19. About to complete wells on the pad just drilled.

Ursa Operating Co. – Don Simpson

Since our last EAB meeting, Ursa has met with several community organizations, including but not limited to Common Ground, the Battlement Mesa Concerned Citizens, etc. We provided the community rig and frac/completion tours to citizens and the Town of Parachute officials. We also participated in GARCO hearings on the Tompkins injection well permit.

We held broader community meetings such as the June 15th meeting on "Geology of the Piceance", which focuses on both the Williams Fork and Niobrara formations and demonstrates how far pads may be located to the subsurface locations. In addition, we held a July 13 meeting to discuss our general Battlement Mesa PUD application and held an August 3rd meeting on the "Construction" phase of our operations.

Future meetings are scheduled on Monday, August 17 focusing on the “Drilling and Completions” operations phase and on Wednesday, September 2nd on the “Production and water handling”. All meetings will address items listed in the Health Impact Assessment, as they relate to each phase.

As with past meetings, the following future meetings will be held at 6pm at the Grand Valley Fire House located at 124 Stone Quarry Road, Parachute, CO. A video of each meeting is posted at www.battlementmesacolorado.com, approximately 2-3 weeks after each meeting.

Ursa listened to the community who requested that we wrap up operations sooner rather than later and we accelerated our operations, adding an additional frac crew, who has already finished its wells. Even with concentrated operations of a rig and 2 frac crews, we only had 2 odor complaints (1 in Silt and 1 in Battlement Mesa) and a few noise Battlement Mesa noise complaints. Those complaints helped us identify where to add additional sound walls and add smaller sound barriers and had led us to move certain equipment, so as to decrease noise.

We are currently drilling on the Yater pad, with 5 wells left and unlike that stated in our last EAB meeting, the rig will not move to the Tompkins pad. We are closely monitoring commodity prices and are waiting several COGCC permits to determine the location and dates for our next wells.

With regard to our proposed Thompson Divide lease swap, we met with Trout Unlimited on the proposed Rio Blanco leases in order to address any concerns that they may have. That said, we understand that special requests from various entities could cause the Thompson Divide swap to fail. We hope to keep the swap simple, so as to have the best chance to succeed.

WPX – Susan Alvillar

Have a rig move underway beginning tomorrow through the weekend. Reminded the contractor to be safe and courteous. Will be up Beaver creek for several wells. Have been hauling a lot of water in Jolley Mesa area where the jake brake issues has been occurring. Warned all their contractors to avoid using jake brakes on that flat stretch of road.

Oxy Oil & Gas - Michael Brygger

Normal production in Garfield County. One workover rig for well maintenance. Some tank and other asset upgrades underway. Some reclamation of unused pads.

Chevron – Cary Baird

Emailed report—No notable news to report. No safety incidents to report.

Vanguard Natural Resources – Scott Ghan

Have ongoing production and production enhancements with two wells south of Silt. Currently have one work over rig in the field. Offers continued assistance to Jeff S and Kirby related to the Jake brake issue on Divide Creek.

Marathon – (Dustin Snow emailed to Kirby), standard activity report for operating existing wells, no issues to report. Hope to make EAB meetings in the future.

Encana - (Sandy Kent emailed to Kirby) 3 workover rigs operating in the county.

County:

Garfield County – Kirby Wynn

Wynn introduced himself as the Garfield County Oil & Gas Liaison. There is an email sign up list available if any new attendees would like to be added to the mailing list for EAB and other notifications, or you can contact kwynn@garfield-county.com or call 970-625-5905.

Provided a reminder of the memorial service for Rifle Councilman Dirk Meyers.

He said the EAB meeting was advertised in the Post Independent and the Citizens Telegram as always to let the community know when the EAB is meeting.

Garfield County has 4 active drilling rigs operating.

County participating as cooperating agency with the BLM ROAN SEIS and the 65 Existing Leases EIS processes.

County Commissioners hosted the recent Governor's Task Force rulemaking outreach meeting in Rifle. All local and regional municipalities and counties with oils and gas activity/issues participated.

Resident calls to the office for May 2015 are: Complaints about jake brakes on flat stretch of Divide Creek Road. Still investigating along with operators and trucking companies. One odor complaint in Rifle area. Could not find the source and issue dissipated.

Wynn encouraged citizens who are having issues or questions regarding oil and gas to contact him to get the matter resolved quickly.

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, office 970/625-5905 or cell 970/987-2557 or email at kwynn@garfield-county.com.

General information updates from members:

Brent Buss mentioned the upcoming Rifle City Council election. Ballots will be mailed out in 2 weeks and he is a candidate and would appreciate support.

Jake Janicek mentioned he knows a person from Una Bridge area who could be interested in applying for that vacant citizen rep position.

ADJOURN

There being no further business, Howard adjourned the meeting at 8:27 pm. Next meeting is here in the Rifle Library on September 3rd.

MOTIONS PASSED AT THIS MEETING

A motion was passed approving the May 7, 2015 meeting minutes.

NEW ACTION ITEMS:

Traffic Subcommittee to participate in a follow-up meeting.

Kirby – To follow-up with Marion Wells regarding spills reported in 2014 and why Four Corners is a hotspot for methane.

Follow-up with Rick Aster regarding project Rulison and project Rio Blanco (effects of the nuclear blasts on faulting, if any)

Kirby – To follow up with AJ Hobbs about a seismograph needs and opportunities.

Prepared by Kirby Wynn, Garfield County Oil and Gas Liaison.

Approved by the EAB on September 3, 2015.