

GARFIELD COUNTY ENERGY ADVISORY BOARD (EAB) MEETING MINUTES

Thursday, June 5, 2014

Location: Parachute Library, Parachute, Colorado

CALL TO ORDER/INTRODUCTION

Chair Howard Orona called the meeting to order at: 6:03 P.M. He announced the dinner was catered by Polanka Restaurant in Glenwood Springs. Orona asked the members present to introduce themselves.

EAB members in attendance:

Juanita Williams	Town of Parachute
Bob Arrington	Battlement Mesa/Battlement Creek
Kurt Grimm	Dry Hollow Creek
Sandy Kent	Encana
Dirk Myers	City of Rifle
Howard Orona	Parachute/Parachute Creek
Scott Stewart	Roan Creek
Tom VonDette	Taughenbaugh Mesa
Don Mumma	Battlement Mesa O & G Committee
Kirby Wynn	Garfield County
Leslie Robinson	Grand Valley Citizens Alliance
Art Riddle	Town of New Castle
Michael DeBerry	Chevron
Susan Alvillar	WPX
Don Simpson	Ursa Operating Co.
Brent Buss	Rifle/North Rifle
Jeff Simonson	Divide Creek
AJ Hobbs	Town of Carbondale
Michael Rynearson	Caerus Oil & Gas
Scott Brynildson	Mamm Creek/Hunter Mesa

APPROVAL OF LAST MEETING MINUTES

The board reviewed the minutes from the May 1, 2014 meeting. Tom VonDette made a motion to accept the minutes and Juanita Williams seconded the motion; the motion passed.

OLD BUSINESS

Kirby Wynn reported that EAB is still looking for a citizen representative for the Una Bridge - Spring Creek area. He encouraged the members to help recruit a representative, if they know of anyone who lives in the area that might be interested in participating.

NEW BUSINESS

Scott Stewart said he wanted to note that July 4 was on a Friday this year, the EAB meeting date would be on July 3, the night before. Since many people got out of town for the holiday, he suggested we cancel the July meeting. Brent Buss made a motion that there would be no EAB meeting for July. Art Riddle seconded the motion; the motion passed. The next meeting will be on August 7, 2014, at the Rifle Library.

Stewart suggested the board consider devoting a meeting to a training/work session to consider the mission and objectives of the EAB. We need to internally review ourselves and our messaging. Can we as a group be more impactful for the constituents of the county? He suggested the Board consider the October meeting as a private work session where we can get some training and discuss direction of the group. Stewart suggested getting a sub-committee together to start working on what the agenda and so forth might be for that. Wynn asked Stewart if he meant a board retreat/training session. Stewart said the sub-committee could take a look at what might make these meetings more informative or perhaps more educational for people who are looking for specific issues, probably less editorially based. Orona said it would be good to review what we are supposed to be doing as a Board. Wynn said there is a budget for it, specifically for training and other resources to help EAB be successful. Stewart said a lot of people put time and effort into the group; how can we make it more effective going forward?

Orona asked for other comments. Susan Alvillar said there are a lot of new folks in addition to people who have been coming to EAB for a long time. She thinks a training/work session is a great idea and will give everyone a chance to get to know each other better. Buss asked if the training meeting would be in place of a regular meeting. Stewart suggested that it would be as it is hard for people to take time away from their jobs, but that a sub-committee could discuss what is needed and work up a plan and get back to the whole group at the next meeting.

Leslie Robinson said before a date was set she wanted to discuss the sub-committee. She said in the past, a special meeting like that was held, the last one was up at CMC with mixed results in her opinion. She suggested setting up a strategy meeting and discuss it. Stewart asked her if she would be willing to sit on the Committee and she said yes. Wynn said he would assist the committee with the resources from the County. Alvillar said she thinks there are some side discussions beside the agenda items. I would like to know how the citizen reps are doing, how the process works and review if there is something that needs changed. Buss suggested Stewart should be on the sub-committee. Tom VonDette volunteered to be on the committee. Stewart said he thought we needed some industry representation. Michael DeBerry volunteered Cary Baird to serve on the committee. DeBerry suggested the sub-committee meet sometime before the August meeting with the charge to come back at the August meeting with a couple of ideas. Juanita Williams also volunteered. Members of the sub-committee are: Scott Stewart, Howard Orona, Tom VonDette, Leslie Robinson, Cary Baird, Juanita Williams and Kirby Wynn. Wynn volunteered to organize the meeting for the sub-committee and will be in touch with those folks. Jeff Simonson suggested he let the whole Board know when the meeting would be and maybe other folks would attend if they had time.

Leslie Robinson said she had a questions for the oil and gas companies - do they have drilling sites by the River and if so, what types of mitigation do they do regarding potential flooding. Susan Alvillar said WPX monitors on computer and now they are also going physically to inspect wells. A brief discussion followed on how the industry is handling potential flooding/flood plains. Buss asked if the County could ask COGCC to present a program on the flooding on the Front Range last year. Wynn said COGCC had previously said they were still compiling information. He said he would check with them again regarding a presentation.

EDUCATIONAL PRESENTATION

No educational presentation this month. Orona said the August 7th educational presentation would be on safe drinking water act. Wynn said Rebecca Watson a lawyer from Denver will talk about on how oil and gas regulations address the safe drinking water act, clean water act, etc.

Tom VonDette asked Wynn why he is seeking speakers on water topics from outside of the local area. Wynn said a water commissioner is not going to authoritively and in an expert manner and be able to address how oil and gas rules tie in to the clean water act and the safe drinking water act. Whereas a water commissioner would be the perfect person to have here when we had the previous person talking

about water supply and where the water comes from. For this topic, a water commissioner would not have the right training and expertise. Wynn said we could bring in a water commissioner to participate. VonDette thought that would be a good idea because a lot of the issues that are coming up with clean water act, are going to affect gas companies. VonDette suggested getting Kyle Whitaker, a water engineer out of the state office in Glenwood Spring to be part of the discussion.

PUBLIC COMMENTS

Orona asked for public comments, asking that each person limit their comments to 3 minutes each. There were no public comments this month.

COMMUNITY COUNTS (CC) UPDATE, Don Simpson

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

1. Excessive noise coming from a rig's speaker system
2. Issue of a sunken pipeline in a crop field – Issue is being resolved

Rig Count – Total 10 rigs Garfield County and 1 Rio Blanco County

- WPX Energy – 8 Garfield County (one new rig currently moving); 1 - Rio Blanco County
- URSA Operating Company – 1 Garfield County
- Caerus Oil & Gas – 1 Garfield County

Membership in CCC – We currently have 98 members. 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 July 9, 2014. Contact information is: Nita Smith, Coordinator, (970.712.7317 or 303-916-4009); Sher Long, Executive Director, sher@sherlongcom.net (970.456.8896) or Susan Alvillar, Board President, susan.alvillar@wpxenergy.com (970.263.5315)

EAB MEMBER UPDATES

Municipalities:

Parachute – Juanita Williams

She said the Town had a successful clean-up day in May. Grand valley Days are coming up July 25 & 26. There will be a rodeo, a street dance on Friday night, and a parade and other activities going on Saturday.

Carbondale – AJ Hobbs

Said three trustees from the Town of Carbondale attended the Energy & Environment Symposium hosted by Garfield County and Colorado Mesa University. Hobbs said he wanted to thank Garfield County Commissioner Samson, Kirby and Gretchenn for hosting the Symposium. He thought it was informative and educational in regards to oil and gas. He also attended the DeBeque Scoping meeting on May 1. That meeting was hosted by the BLM for the public comment period for the reevaluation of 65 leases on Thompson Divide and in western Garfield County. It was good to hear the opposite side of the perspectives given at Carbondale scoping meeting. The same passion the same energy from a different perspective. It was nice to see that even though the perspectives were different both sides cared about the same thing. Which is making a living, doing what is best for ourselves, our families and our

communities. It is nice to see we care about the same things, hopefully by increasing bridging some of the gas that are holding us back. Key words he would like to spread are education, communication, flexibility and compromise.

Rifle – Dirk Myers

Said he agrees with AJ Hobbs as he attended the Energy Symposium as well. No new updates or citizen concerns reported.

Town of New Castle – Art Riddle

Riddle said Doug Dennison from Bill Barrett came to a Town Council meeting at the Town's request and discussed their drilling plans for the area. Riddle also asked if they were any materials from the Symposium available. Wynn said all of the presentations from the Energy & Environment Symposium are available at <http://www.coloradomesa.edu/energy/symposium/>.

Organizations:

Battlement Mesa O & G Committee - Don Mumma

Said the group is preparing for the URSA PUD development and review.

GVCA – Leslie Robinson

She said GVCA and Battlement Concerned Citizens will be hosting a public forum on oil and gas impacts on human health on June 25 at the Parachute Library, starting at 6 p.m. The Grand Valley Forum will feature two guest speakers. Dr. Lisa Mackenzie, research associate, Colorado School of Public Health and Dr. John Hughes from Aspen integrated Medicine, all are invited to attend.

Grass Mesa – Michael Meskin

No new updates and no citizen concerns reported.

Citizen Representatives:

Dry Hollow Creek – Kurt Grimm

No new updates and no citizen concerns reported, no drilling in the area.

Roan Creek – Scott Stewart

No new update for Roan Creek. Stewart said he wanted to remind everyone that fire season is here. He said there was a small fire on the other side of the Ranch property, which they are keeping a close eye on.

Parachute/Parachute Creek – Howard Orona

No new updates and no citizen concerns reported.

Mamm Creek/Hunter Mesa – Scott Brynildson

No new updates and no citizen concerns reported. He did thank everyone for their support of the 18th Annual Rifle Rendezvous in May.

Divide Creek – Jeff Simonson

Said Ursa has activity on Divide Creek but he has not heard any issues or neighbor complaints.

Rifle/North Rifle – Brent Buss

No new updates and no citizen concerns reported.

Battlement Mesa – Bob Arrington

Arrington said citizen issues had been fairly quiet. BBC has had two meetings with Ursa to discuss the injection well they are working on and reported to the members.

Taugenbaugh Mesa – Tom VonDette

Said they have had steady truck traffic working in the area. He said Piceance Energy was getting ready to do some fracking. He said he heard that Memorial Resources were fined for some wells on Beaver Creek but he didn't know the details. Wynn said it was unknown if they would be fined or not, the COGCC hearing will be on June 25, 2014 here at the Library, in this same room. He can check the schedule to see if it will be on the docket.

Operators:

WPX – Susan Alvillar

WPX Energy has a new CEO, his name is Rick Muncrief. She said he came from Continental Resources, they have a big play in the Bakken basin. He met with all of the employees recently and talked about his vision for the company. WPX is installing 4 pipelines, 2 water and 2 gas trying to reduce truck traffic, they will be buried. WPX has 8 rigs operating in Garfield County.

Caerus Oil & Gas - Michael Rynearson

He said they are operating one rig, the Patterson, west of Parachute and south of the interstate. It is on its second location, they will be drilling there through July and August. Next to the rig location they are working on some wells completions. They are working with Encana regarding water resources.

Chevron – Michael DeBerry

He said they have no incidents to report or safety or environmental issues and continue working in the field on summer maintenance work. He said the company is working on pipeline construction in the northern part of the County which is accessed via Rio Blanco County. Last month there was some media coverage about the newly signed agreement between Chevron and CSU. The company is happy to be working with the Warner College of Natural Resources at CSU; funding a fellowship program for graduate students conducting experiments and research regarding the Piceance basin.

Encana – Sandy Kent

She said the company has no rigs currently running. They have work over rigs running with 1 completion crew. The Parachute office continues operating with about 200 employees; producing 700 million cubic feet of natural gas and 2100 barrels of oil a day.

Ursa Operating Company – Don Simpson

He said Ursa has one rig operating in the Parachute/Battlement Mesa area. They are hoping to go to two rigs next year. They sponsored a charity golf tournament in Battlement Mesa, the Rifle Rendezvous, and dinner at the Energy & Environment Symposium. The company has attended various community meetings regarding get prepared for URSA drilling meetings. Citizens wanted to know more about disposal wells. The company put together a presentation for them describing what it is and why we chose certain zones; all of the protective measures that are taken and the long process and the many forms you need to file to have a disposal well. A site visit followed the presentation to the Monument Ridge Pad in Battlement Mesa. He said Ursa has already been operating near homes and has had few complaints. The sound walls have gone over well and make a significant difference. He introduced Kyla Lundeen, an intern from Colorado Mesa University's energy management program who is working for Ursa in the Rifle office. Michael DeBerry said Chevron also have an intern working out of their Grand Junction office and to give him a call if the interns would like to compare notes.

Garfield County – Kirby Wynn

(Provided as a Power Point presentation.) 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 gdubois@garfield-county.com or call 970-625-5915.

EAB Public Comment review. The purpose of the EAB is to provide a positive, proactive forum for the public to engage local officials, industry and other citizens about oil and gas topics or issues of concern. It has been a long standing practice at EAB to have the podium available for anyone who feels impacted or concerned about oil and gas, or ask a question and engage or find the right person to talk to. He said he was asked what are the trends or questions coming to EAB. To answer the question staff went through the last 10 EAB meetings of data looking at the public comments that have come before the Board. The results are one actual complaint of a citizen coming to us and saying they were impacted by oil and gas. One complaint regarding parliamentary procedures and that of course is a relevant topic for this board to address, which we did. All of the other public comments were very broad in nature speaking to individual perspectives on oil and gas. Wynn stated to the audience that the EAB was here to help citizens with concerns on oil and gas problems or issues.

He said the Northwest Colorado Oil and Gas Forum was held this morning at the CMC in Rifle and had a good turnout. Newspaper ads were placed in the *Glenwood Post Independent* announcing the June EAB meeting and inviting the public to attend. He said the next meeting of the Northwest Colorado Oil & Gas Forum would be September 4 at a location to be decided.

Garfield County has 10 active drilling rigs operating, 1 from Ursa, 1 Caerus and 8 from WPX. He said the rig map is from the Community Counts website. If you are on their website you can click on the map pins and information will show the relevant rig information. Wynn reviewed the monthly rig count comparison chart depicting drilling activity over the last few years. He said last year there were 12 rigs operating in Garfield County and 16 in 2012. EAB meetings are held the first Thursday of the month.

Resident calls to the office for April and May 2014 are: 1 odor; 1 permitting question, 1 air pollution, 2 traffic, 1 haul route and 46 information requests. Wynn encouraged citizens who are having issues or questions regarding oil and gas to contact him to get the matter resolved quickly. The County has had 112 well drilling starts in 2014. COGCC approved drilling permits in Garfield County are 454 as of June 2, 2014.

He said if anyone has questions of the Colorado Oil and Gas Commission they will be conducting a hearing at the Rifle Library (same meeting room) on June 17, 2014. 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. Wynn said the next EAB meeting would be August 7, at the Rifle Library.

Susan Alvillar invited everyone to attend a "Community Conversation" hosted by CMC on August 23, 2014. More details at the next meeting.

ADJOURN

There being no further business, Orona adjourned the meeting at 7:20 pm.

MOTIONS PASSED AT THIS MEETING

A motion was passed approving the May 1, 2014 meeting minutes.

NEW ACTION ITEMS:

EAB Training-Work Session planning Sub-committee will meet and have a report for next meeting. Members of the sub-committee are: Scott Stewart, Howard Orona, Tom VonDette, Leslie Robinson, Cary Baird, Juanita Williams and Kirby Wynn.

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

Approved by the EAB on August 7, 2014.