

## MINUTES AND TIMELINE

Stakeholder Work Group for HB07-1298/1341 Rulemaking

Process Group – Meeting No. 1

COGCC Conference Room, 1120 Lincoln Street, Suite 801, Denver, CO 80203

Tuesday, January 8, 2008

Tim Atkeson, Facilitator

### Attendees:

Thom Kerr	John Broderick	Linda Pavelka	Jevin Croteau
Rob Masden	Tim Atkeson	Perry Pearce	Jennifer Biever
Stephen Flaherty	Alex Correa	Thomas Williams	Steve Bennett
Paul Frohardt	Jep Seman	Bob Randall	David Richardson
Doug Lempke	Mike Chiropolos	Eileen Dey	Stuart Francone
Michael Saul	Judy Jordan	Peg Young	David Bell
Ken Wonstolen	Elise Jones	Suzanne Jones	Morgan McCamman
Howard Boigon	Ann Lane	Ed Graham	Sherry Bursay
Dave Brown	Diane Blieszner	Jerry Alberts	Fernando Blackgoat
Randall Ferguson	Reed Scott	Julie Acevedo	
Dan Prenzlow	Lonnie Nichols	Julia Crusius	

Meeting was called to order at 8:00am.

Dave Neslin, COGCC Acting Director, made opening remarks. Explained that the proposal was divided into five sections and this is the first section – the process.

Dave introduced Tim Atkeson, the Facilitator.

Tim made opening remarks. Anyone wanting to make a comment can email him directly at: [tim@atkeson.net](mailto:tim@atkeson.net). July 1, 2008 is the deadline to get regulations on the books. This group today is here to identify areas of consensus and/or non-consensus. To give recommendations to the Agencies (COGCC, DOW, CDPHE) and not to hammer out language.

Tim outlined what was to be discussed at each of the meetings:

1<sup>st</sup> meeting: Permit Applications; Notification of Permits; How comments come in

2<sup>nd</sup> meeting: Onsite inspections with landowners and LGD on Form 34 applications; Timelines for Form 34 approvals; Appeals of Form 34 approvals and who has standing to appeal; Duration of Form 34 approvals

3<sup>rd</sup> meeting: What form the regulation should take -- Form 34, expanded APD, something else; role of adjacent landowners

4<sup>th</sup> meeting: All issues related to Comprehensive Development Plan (CDP)

5<sup>th</sup> meeting: Finish up CDP issues and discuss three issues on Geographic Area Plan (GAP)

6<sup>th</sup> meeting: Relationship of Form 34, CDP, and GAP to existing, federal, and local and county regulations

Anyone is free to bring comments and written proposals. Anything submitted in writing will be posted on the website.

Tim asked that the participants select 15 people to sit at the Table: 2 from each Agency; 3 from oil & gas industry; 3 from local government & landowners; 3 from wildlife, sportsmen & environment. The parties were unable to self-select, so the discussion started with the people who were already around the Table. Tim emphasized that this is not the formal rulemaking process and that input from everyone will be taken into account. He also noted that consensus would not be determined by straw polls or votes.

Tim asked that everyone observe basic ground rules.

1. Approach things with openness
2. Be fair
3. Respect everybody else
4. Come prepared to work and committed to see the process through

#### Discussion on Appendix A – Requirements for an Application

The stakeholders then discussed the application requirements set forth in Appendix A to the 11/27 proposal.

1<sup>st</sup> Issue: 8 1/2 x 11 scaled drawing.

- The stakeholders agreed that much of this was already being provided and that the requirements were acceptable other than the information set forth in bullet 5.
- Discussion on 500 feet setback in bullet 5; the further out the more complex it gets. This issue is being referred to the Wildlife and Environmental Groups.

Goal in this rulemaking is to be as clear as possible so as to let the industry know exactly what's expected of them and to let other stakeholders know what standards are being applied.

2<sup>nd</sup> Issue: Aerial Photos

- After some discussion, the stakeholders agreed that this requirement was acceptable as long as the applicants could use the aerial photos already on file at the COGCC.

3<sup>rd</sup> Issue: Topographic Map – the stakeholders agreed that this requirement was acceptable.

4<sup>th</sup> Issue: Location Cross-Section Plot

- Currently, not doing that. Not showing 3 different phases; before, during, and after.
- When you need to change the drawings, do you have to re-apply? -- The issue of when an application needs to be revisited because of changes is a more general one and one that needs to be discussed and addressed. Tim will discuss with the other facilitators which group will take this on.

The Additional Regulations Group will address the topic of what cross sections will be required when they discuss reclamation.

A short discussion was then had about a variety of issues, including

- The concept behind the 11/27 proposal is that Form 34 would streamline the process – a blanket approval for the area, then expedited approval for specific wells with less information required.
- Process is to be timely and efficient and not meant to duplicate procedures.
- If Agencies are already accepting someone else’s work, they will continue to do so unless affirmatively noted.

5<sup>th</sup> Issue: Location used as a multiple well pad -- the stakeholders agreed this requirement was acceptable.

6<sup>th</sup> Issue: Access Road Construction Plan -- the stakeholders were concerned about the requirement for scaled construction drawings and the need for such was referred to one of the substantive groups.

7<sup>th</sup> Issue: Vegetative Analysis

- Trying to get an inventory for reclamation
- What’s the impact on the wetlands? Do we need the 800-meter buffer? It’s a very wide area.
- The specifics of the vegetative analysis will be defined by one of the substantive groups.
- Figure out a way to get that information upfront so there is no delay in the application process.

A 10 minute Recess was called.

8<sup>th</sup> Issue: NRCS Soil Mapping

- This is already a requirement on Form 2A and was deemed acceptable by the stakeholders.

9<sup>th</sup> Issue: Wildlife Survey

- To complete holes in the DOW database; refine data layer
- DOW would list the specific surveys and who could conduct the survey. Database would be updated.
- Duration of the survey?
- One-time survey for that proposed site. Discussion needed on methodology and what animals should take place in the Wildlife Group.
- Feasibility of getting it done on private land? If you can’t get access from landowner, then what?

10<sup>th</sup> Issue: Off-site Mitigation

- The Operator would know ahead of time of any mitigation. Standards will be set. If you trip the standards, you’ll need to mitigate and tell how you will do that.
- Shouldn’t be open-ended statements. Needs description of where, what, and when.
- Should have established standards..
- Discussion as to what happens when there is a material change in the original application. New application? Define “minor changes.”

11<sup>th</sup> Issue: Waste-Management Plan

- Need to describe how you’re going to meet the rules and then annually show that you have certified with that plan.
- Need to have discussion on how much detail this plan should entail.

- Issue referred to substantive group

12<sup>th</sup> Issue: Detailed List of all Production Infrastructure at Location

- This is new. Currently not required.
- At the time of submitting the application, a list of what's anticipated is required. What about changes?

Tim clarified that COGCC will determine whether the application is complete. DOW and CDPHE do not necessarily need to see every application. SOPs will be set across the board. If a trigger is "hit" then another agency will also need to approve the application and will set best management practices.

13<sup>th</sup> Issue: Construction and Ongoing Operations and Maintenance Plan

- Access Road Maintenance Plan – a lot is determined by the landowner
- Statement from Operators as to how they will deal with this.
- There will be a set of regulations and that will be determined in other groups.
- We might come back to this issue and go through the list..

14<sup>th</sup> Issue: Certification of Bond Coverage

- This applies to all well bonds.
- This is a stand-alone – get bond before well permits are submitted.
- You can say on the application that there is a bond on file.

15<sup>th</sup> Issue: Notification. Found on Page 5 in the pre-draft, not in Appendix A.

- File with Agency and notify surface owner and Local Government Designee (LGD), along with an informational brochure.
- Application required to certify that notice was sent to the surface owner and others. A hard copy to be mailed to the surface owner. LGD can go on the COGCC website and see the information online.
- Need to discuss timing issues, especially when all 3 agencies need to be involved.
- Notify surface owner and LGD at the time the application is submitted to COGCC so they have 30 days before the comment period begins? Front load the process.

16<sup>th</sup> Issue: Determine whether the location is in a high-density development or in an environmentally sensitive area

- The concept was to pick up the triggers on consultation.
- Once standards are set, as part of the application, you need to ask, "did I set off any triggers.?"

17<sup>th</sup> Issue: Variance from Standard Operating Practices

- Concept pretty much the same as in Issue 16 above.

18<sup>th</sup> Issue: Catch All Issue

Next Week Topics:

- Onsite Inspections with landowners and LGD on Form 34
- Timelines for approvals. Interest in keeping them as short as possible and notifying those interested parties as soon as possible. How do deal with the timeframe with incomplete applications? Come prepared to talk about triggers.

- Appeals of Form 34 approvals and who has standing to appeal?
- Duration of Form 34 approvals

Tim will try to sketch out his understanding of the timelines.

Our Concept: Meet the objectives as set in the Statute and set basic minimum requirements.

Meeting adjourned at 11:55am.

Tim's understanding of the timeline set forth in the 11/27/07 proposal

Day 1 -- Operator submits application to COGCC and serves surface owner/lessee, adjoining landowner, and LGD.

Day 30 -- COGCC determines application complete

Day 37 -- COGCC posts application; public comment period begins; if applicable, consultation period with DOW and CDPHE begins

? -- Sometime between Day 37 and Day 87 consultation with surface owner and LGD takes place

Day 67 -- public comment period closes

? -- Sometime before Day 97 landowner requests COGCC inspection

Day 97 -- COGCC Director rules on application (with possible conditions); applications subject to agency consultation are ruled on with conditions/mitigation measures

? -- Operator has to accept or reject conditions/mitigation

? -- Aggrieved party (with standing) asks for hearing

15 days -- within 15 days of request for hearing, parties need to meet to negotiate possible resolution

? -- hearing held if no resolution