

**Oil and Gas Task Force**  
**Minutes for Meeting #3 – August 15, 2019, 4:30 – 7:30 p.m.**  
**Held at County Building, 200 Peridot Avenue, Loveland**

The following minutes are a high-level summary of the proceedings because a video recording is available. For a more thorough review of the proceedings, please refer to the video recording of the meeting: <https://fortcollinstv.viebit.com/player.php?hash=W4sMhYIIPclq>

**Task Force Members and Liaisons Present:** Peterson, Godbold, Shero, Valentine, Graves, Ryan, Slutsky, Turner, Mendoza-Cooke, Borch, Bedosky, Harrison, Grazier, Snyder, Palmer?, Alper

**Staff:** Lafferty, Haug, Ellis, Butts, Schneider

**Guest Speakers:** Marc Morton, Mike Leonard COGCC

Approx. 15 members of public in attendance

**4:30** - The Third Meeting of the Oil and Gas Task Force began with an overview of the agenda (Matt)

**4:45** – Marc Morton and Mike Leonard from the Colorado Oil and Gas Conservation Commission (COGCC) provide a presentation outlining the review procedures at the State. They also provided information regarding current and future rulemaking at the State.

See presentation at <https://fortcollinstv.viebit.com/player.php?hash=W4sMhYIIPclq>

**Questions:**

- Question: New regulations because of 181 – Could we do broad set? Or, look at specific areas where local conditions suggest we should be more stringent. How many inspectors? How often do inspections happen? Answer: 5 more inspectors for a total of 35. 1.7 years per well for timing of inspections. It's tough to say if there's enough. Some counties have their own inspectors using the same information. Adams inspects based on state regulations and local regulations.
- Question How many wells per year get inspected? Answer: It's different in every area. The bigger the density of wells, inspector does more. Last year more wells were plugged than drilled. Because of multi well pads, can do more per day.
- Question: As you go up to 35 field inspectors, what might timeline be? Answer: Unknown. Also have environmental evaluation staff. Goal is to keep the rate of inspection down. Training slows down inspectors. Hopefully within 2 years the number will be down to 1.2 or so.
- Question: How much of the rulemaking is a result of science-based risk assessment? Answer: Cumulative impacts and site assessment. Replacing language with "reasonable and necessary" in rules. Asking for stakeholder engagement to make the rulemakings more science driven. Could contribute federal academia research, etc.
- Question: What about the director's criteria – are they new? Answer: Yes, brand new. Are being used now for permits. Called out as the method for now. Will be rolled into the rulemaking. They are posted on the website. They are guidance. If director isn't happy, doesn't have to approve.

- Question: Forms – statistics on how many are being approved? Answer: It's tracked closely. After passage of law, the number dipped. 5 in May. Goal is to get about 30 approved on a monthly basis. Over 500 2As and 6,200 2s. Small numbers being approved. Rejected? If anything hits the box, it has to be reviewed by the director.
- Question: How not to duplicate state regs at local level? Answer: 140 people at COGCC. What are 3 leading things – what's broken? Perception that never denied a permit is not true. If it can't meet certain criteria, it doesn't get approved. Next? In pocket of industry is not true. Change from foster to regulate wasn't seen as a big different by staff. Complaint process doesn't satisfy some of complainants. Slow follow up. Nuisance complaints cause biggest workload. Traffic and dust. Have to put traffic on the county. Noise is a challenge because it doesn't exceed the rules as written, even though people are sensitive. Odors are transient, so that makes those challenging.
- Question: How can local government make things better for state? Answer: Take nuisance rules. Talking to each other.
- Question: Scope of the group is large. Is there a relation with state and health departments – re: air and water. Do health departments talk with each other? Are there facts that indicate health relationship? Answer: Not yet, or not at this point. CDPHE has a health response line and have responded to over 650 complaints. Not a causal relationship.
- Question: Have explosions harmed properties beyond the setback lines? Answer: No
- Other health issues: Some local jurisdictions have been writing into the rules continuous air monitoring by a 3<sup>rd</sup> party. Mobile unit for CDPHE is limited availability. The unit needs a special electrical source. Operators have agreed to provide the special hook up.
- One of the new commissioners is a public health expert. A toxicologist may be joining staff to address those kinds of questions.

**5:30** - Tom Butts, Larimer County Health Department provided a presentation addressing the State Air Quality Program

See presentation at <https://fortcollinstv.viebit.com/player.php?hash=W4sMhYIIPclq>

**Questions:**

- Question: What recommendation to share with task force that would be helpful to monitor air and water in the county? Answer: regs are evolving, so it's hard to predict how they will align with community. A variety of approaches around the state. E.g., Garfield county's mobile sampling, driven by activity in valley. Broomfield has monitoring required of the operators and reviewed by 3<sup>rd</sup> party. Adams County has inspector. Boulder county does too. They look for spills and use infrared cameras. County does inspect stationary pollution sources, and that's limited by state and local funding. Another possibility is looking at construction permit as El Paso County does.
- Question: Is county taking waste from the sites at our landfill or are they being disposed of away from the county? Can we decline at our landfills? Answer: Solid Waste Dept would have to answer that. The waste is handled by other landfills. In certain cases, they can manage on a private basis. Majority might go to Keensburg or North Weld. None goes to Larimer.
- Question: Ozone is regulated – one of the few – often exceeds the limits in CO- At what time do we enforce a change in technology e.g., diesel-based alternatives to type of compressors, etc.?

Answer: Our air quality was downgraded recently. AQCC and RAQC look at ways to change how we do business. All fair game because of our serious violations.

- Opportunity for the group to have an impact with Larimer County by recommending that they participate in the stakeholder process that Tom talked about. In the past, staff have been involved e.g., in methane regulations. Advisory Board recommended supporting that regulation at state level even though other counties didn't support. That might be a way to leverage what we want to do. Can participate in the state rulemaking process.
- Do you know how many pages of regulations are in Reg 7 or 8? Like 225 pages. All on state's website.

**6:00** - Frank Haug and Matt Lafferty presented information regarding a Skelton version of code outline indicating that this was a broad outline a more detail would be added over the next few meetings.

**6:15 Group Discussion**

**Land Use Code – Oil and Gas Regulations Purpose Statement**

- Nice job of capturing the purpose of 181. Add wildlife.
- Boulder has a "however" which negates what's before. It recognizes the separate and distinct interests of mineral owners. Adams and Boulder both recognized the separate estates. Add that.
- Last sentence regarding requiring applications – it's usually separate from a purpose clause. Haven't yet agreed on accepting applications. Not necessarily against that.
- Don't care for word "facilitate," as it sounds like foster. Is that the sole purpose? Maybe "guide"? Prefer "regulate" as with state's language. Would it need to include reasonable and necessary as in 181? Does reasonable hold up in court? Necessary is the floor – it's required. Reasonable means a reasonable basis which is open to interpretation and subject.
- It might fit in a purpose statement but not a regulation.
- Mentioned general land use code purpose – that's important to look at to see if it falls within. E.g., to implement the Master Plan.
- Should we mention current and future residents.
- Not doing in a vacuum. Suggest something to augment and support state and federal regulations.
- How about "in a manner that protects the environment and promotes health and safety."

**Specific Code Standards and Regulations**

- Transportation Impacts
  - o Public roads
  - o Access point
  - o Access/service

- Questions: How will county handle general improvement districts? Does law enforcement increase personnel?
- Should we consider alternative access re: impacts. E.g., by moving access road it minimizes impacts.
- County does a traffic impact study? Transportation demand. Clarifies traffic study related to development proposal.
- Road impact fee now – discussions about whether or not that should apply to oil and gas. It would need study. Clarify – have to do the analysis before you can charge the fees. Would need an updated study. County’s was recently updated but didn’t include those components.
- How long would updated study take? A few months... based on several factors.
- Risk associated with transporting toxic waste. Consider from prospective of potential impacts – trains. State monitors how it moves via truck. CDOT if industrial chemicals and would report to COGCC under certain circumstances. But uncertainty about spill contents. More going to flow lines.
- Local health department also notified when accidents happen.
- There may be opportunities to identify routes, alternative routes, or route plan to be reviewed by other entities. Related to traffic impact analysis. Might force issues to certain locations. Other agencies in review process.
- Larimer – unique - our oil route is I-25 going through the oil patch. Might already have the rules and regulations for assessing, but just a different type. May not need to reinvent. Explanation of what we do was effective.
- Is there an existing process this could be tied into? We do for traffic reports, onroad, etc. Engineering department addresses well. We might lack from the access point into the site. May want to think about fire protection (relating to dirt roads). Public safety.
- State inspectors cover in their regs thoroughly – internal access roads.
- Proximity to school routes, recreation trails, evacuation route. Proximity to municipal boundary. Pull in other local government about their concerns. Shifts for drivers – safety standpoint. Restriction on shifts for drivers handling hazardous products. Idling air quality. Hours of operation.
- An option to set general regulations OR conditions relating to a site. Site specific analysis.
- Agriculture – times of year when a lot of equipment is on the road.
- Access road onto private property – state has reasonable accommodation standard. Make sure surface owner’s rights aren’t lost when that access road happens (ditches, etc.) Could be specific or general standard.
- Clarify oil and gas wastes are classified “non-hazardous.”
- Think about whatever arrangements on site are typical or standard between lessor or lessee. To what extent do we assume the lease addresses those topics – accommodative of leasing arrangements that are typical.

- Non-hazardous – radioactive? Then classified as hazardous. Hydrocarbons and effects in water. Must manage properly for solid and hazardous waste. (Follow up regarding pollutants and how treated.)

#### Site Design

- Stormwater management. Does state require? We handle at local level and may understand better at local level. No pits, containment instead.
- Zoning requirements – flexibility regarding final design of site, visual mitigation.
- Weld deals with it via compatibility of uses within 1,000 feet of the site – surrounding land uses.
- Short term – screening, lighting requirements, etc. while trees grow. Later do we want buffering or trees or landscape plan?
- Lighting, topography, emergency plan, ag land, wetlands, floodplains, limits surface disturbances specific to that site (other items).
- Scope seems to be expanding and ability to narrow seems hard.
- What zone should oil production go into? Not contained in a zone. Should each site be zoned heavy industrial, then put tools in place. Most of what’s been addressed in these meetings have been addressed. But, there are a lot of wells in ag land. Compatibility issue. If you zone properly, you address that. Transportation – most of those topics already addressed, and these things are reactive. Get proactive and show the companies where to go. Designated oil areas off the main corridors away from where it visually impacts communities. Can we come out of here with 10 good ideas that county might adopt. Get to something that can have a positive impact. WE are dealing with a heavy industrial use.
- Oil and gas is industrial in nature but we can’t spot zone. We can make regulations that make the industry have to adhere to certain standards. Zoning needs to be separate from how it’s treated.
- If we come up with oil and gas framework and point to something in the code which small modifications might cover. Not unnecessary work doing that.
- Need to study the various items before we get to a public hearing process. E.g., other counties addressed pits and other topics that don’t happen at state level.
- Within the next month working on actual regulations to bring to this group.
- An industrial use – if we’re going to put on agricultural land, need a process e.g., minor review or special review which allows the commissioners to mitigate to make it more compatible.
- But 10 acres on every section is a heavy industrial use. How does fracking not qualify as heavy industrial?
- Resource is located in certain locations.
- Honest assessment of what is happening in community.
- Gravel pit example of how a process works. (bring example at future meeting – bonds, restoration, etc.)

- Can look at in spacing – better alternatives of where something goes.
- Minimize spills that can impact groundwater. Groundwater monitoring program. Pesticides to remove weeds go into water.
- Optimize likelihood for success for reclamation (Thomas clarified at end of meeting.)

#### **7:20 - Next steps**

- Build on the outline tonight at the next meeting. We might focus on issues that people care the most about. See how development standards cover.
- Will we create new section or put these regulations throughout the code? Special section that references the existing provisions.
- Air? Are there new items? Possibly so. Rulemaking will take 9-12 months. If we make requirements before that, could be beneficial. Can for instance talk about diesel engines or monitoring. Relative to the size of the site or the disturbance. Wouldn't mean rewriting.
- Conditional use permits by extraction. Is there criteria to know if companies are following up? Each regulatory agency checks – e.g., combustion. A lot of time there isn't detail and inspection.
- Get the right people with the right tools. Adequate staff.
- Illinois comprehensive regulations – operators had to pay fees to permit wells. Pay fee to fund inspectors.
- COGCC – nuisance level – focus there since they can't regulate as well, and we could focus on that.
- Stormwater permits cover a lot (dust, access). Fines through EPA? Maybe no longer. Rules changing. If county requires to produce.
- Companies have to produce a stormwater plan for the state, but it doesn't necessarily get used or reviewed. Local jurisdiction could review that plan. Show thoughtfulness about how to mitigate.

#### **7:25 - September open house**

- Will BCC be there? More informative for the public and to gather feedback. There will be public hearings for the adoption phases.
- Limited time – listen to major public concerns and how county can best possible take care of those if reasonable.
- How will public open house be kept productive and under control? Working on that.

#### **7:30 - Next meeting**

- Sept. 25 in Fort Collins at Court House.
- Might try to get the state water resource representatives.
- Stormwater
- DOT

- Emissions research air quality. We'll aim to narrow and focus on monitoring. Tom Butt's handout provided some of that information in the packet. Type of monitoring might be a question. There's a limitation and a cost.
- Go back and ask COGCC to list the categories of complaints so we can zero in on the types of nuisance issues.
- Who makes decisions on funding? Board of County Commissioners would decide whether to add programs or staffing to implement the regulations. A proposal that involves a lot of new resources may not be viable. 3<sup>rd</sup> party funding or resources may work.
- Focus top 10 things.
- September forum – do a new survey or email – what are the 3-5 things that are most important? World café type design. Comments from public to address biggest issues. Do a flip chart or screen for each topic to gather ideas from the public.
- Prioritize the topics.

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