

To: Board of County Commissioners

From: Community Development Department – Matt Lafferty

Date: June 3, 2020

Re: Oil & Gas Regulations – “Greenfields” Definition

Background/Purpose:

During the adoption of Larimer County oil and gas regulations in March 2020 the term “greenfield” was added to the applicability section regarding where/when the regulations would apply. The addition of this term generated concern as how this it will affect the application of the regulations and what constitutes a “greenfield”. At the suggestion of Commissioner Kefalas, the Board of County Commissioners asked staff to consider defining the term.

The planning and development professions have generally understood the term “greenfield” to mean land that is in a native or undeveloped condition, and where there is no need to demolish or rebuild any existing structures. Over time “greenfield” has been used by a variety of professions and has evolved to be interpreted by many as the start of new or expanded improvements without the need to consider any prior work.

During the formulation of the Larimer County oil and gas regulations, most Task Force conversations evolved around the notion that the regulations would be applied to new development sites. Also included in the early phases of the formulation of the regulations was the idea that the regulations could apply to existing oil and gas operations that were undergoing a “recompletion”; however, this term clouded many of the conversations and eventually was removed from the proposed regulations.

The land use regulations are intended to ensure that:

- the location of new uses or activities are consistent with local land use objectives,
- the outcome of new development meets the adopted standards of the community, and
- the mitigation of potential adverse impacts of new uses/activities are being minimized or eliminated.

Proposed Interpretation:

Staff understands the “greenfield” to mean:

Greenfield: *The surface development of new oil and gas facilities, which include the expansion of surface development of properties currently encumbered by existing oil and gas facilities. This **excludes** the repair or replacement of existing improvements that do not change the layout and function of the site as originally constructed, and down hole activities such as the re-drilling and recompletion of existing wells, unless such activity results in new surface development or expansion of the property.*

Next Steps:

If the Board of County Commissioners agrees with this application of the term “greenfield”, the Community Development Department could:

1. Consider this to be the policy or interpretation of the County Commissioners, until the 1st quarter of 2021, when staff is to re-evaluate our oil and gas regulations against the final rules adopted by the COGCC, or
2. Go through a hearing process to add the definition to the Land Use Code.

The first alternative would be effective immediately, while the second alternative will require a joint work session and subsequent hearings with the Planning Commission and Board of County Commissioners. The latter alternative will be difficult given the hearings in next few months are limited due to several major projects currently in process.