

Oil and Gas Regulations Meeting on Mar. 22 at 6:00 p.m.

Summary of Meeting

Agenda

- Introductions and commissioner welcome
- Schedule review (Ellis)
- Comparative analysis and discussion of review process and procedures (Sura and Lafferty)
- Public comment period
- Preview of April 8 meeting and topics (Sura and Lafferty)

Panelists

Commissioners Kefalas, Shaddock-McNally, and Stephens all attended along with staff Laurie Kadrick, Matt Lafferty, Frank Haug, Lea Schneider, Lesli Ellis, and consultant Matt Sura

Participants

(58 logged in at 6:30)

1. Phone number x7688
2. Alan Philp
3. Ally Little
4. Andrew Forkes-Gudmundson
5. Anne Best Johnson
6. Ben Trujillo
7. Bev Perina
8. Brad Tidd
9. Cailea Eisenberg
10. Caroline Schmiedit
11. Catriona Smith
12. Chris Colclasure
13. Cody Bird
14. Cody Jeanneret
15. Dawson Metcalf
16. Deb Bjork
17. Doug Henderson
18. Ed Behan
19. Eftekher Ahmed
20. Eliaine Branjord
21. Evelyn King
22. Gayla Martinez
23. Harold Gosse
24. Heidi Pruess
25. J K
26. Janice Lynne
27. Jared Kossover
28. Jay Young
29. Jessica Donahue
30. Ji Hoon Chang
31. Jim Gerek
32. Justin Prendergast
33. Karen Artell
34. Katrina Winborn-Miller
35. Kristin Grazier
36. Lori Brunswig
37. Marty Anderson
38. Mary B
39. Max Levy
40. Meghan Bright
41. Melinda Ford
42. Mitch Murray
43. Nancy Cambon
44. Nancy York
45. Neil Snyder
46. Patricia Miller
47. Peter Cunningham
48. Randy Crider
49. Rick Casy
50. Robert Morain
51. Robert Orta
52. Sarah Johnson
53. Steven Shogry
54. Tim Gosar
55. Tom Shaw
56. Tommy Raye
57. Trisha Fanning
58. Will MacClarence

Verbal Public Comments and Input

1. Bev Parina – Armadillo property management in FC. Large process to apply. Appreciates public community meetings and process. Perception that O&G don't give back to community. They provide jobs, housing, economic benefits. A small business, in one case veteran owned and operated. Monitoring wells in safe manner at that company in Weld Co. Ethics, protocols, etc. was outstanding. Consider how the regulations will consider small businesses. Support the industry as we recover from the pandemic.
2. Andrew Forkes-Gudmundson – League of Oil and Gas Affected Coloradoans. Doesn't live in Larimer county but works with a lot who do. Provided comments earlier today to BCC and all with comparison document and 7 jurisdictions. There is an excellent set of regulations in CO that is an amalgamation of other jurisdictions. COGCC mission rulemaking served an important purpose – it generated evidence about impacts and potential solutions. Local governments have built on that. Certain areas where state is doing excellent job and Larimer County can build on that. Document earlier notes 7-8 key areas.
3. Brad Tidd – Recently retired small business here. Buys land and houses. The arbitrary changing of rules that impacts investment property is a concern and could destroy his business and employees and family. Appreciate clarity. Worried about trying to duplicate processes at state level. Would like to see value add for local level as well as at state level. For investment process, should have a known return on investment. What do we get out of the process? Cheap energy a huge boost to economy, especially high tech. Need a variety of energy sources.
4. Harold Gosse – Retired oil and gas attorney. Lives in SW Loveland. Drilled some wells in Larimer County, Johnstown area. And was part of another company with Michael Smith. People in the industry are some of the best and community oriented. Have seen increased regulations over the years. Industry has participated. It provides jobs, taxes, income, benefits. A lot has changed over the years from vertical to horizontal drilling. Consider some of the losses and risks that occur by trying to over-regulate. The thoughtful consideration of the issues will come up with good results.
5. Robert Morain – Has lived in FC and Larimer County 40 years. This is the best place to live because of the fostering of economic development, responding to emergencies, environmental protections. That requires a robust economy. O&G contributes to local economy and business. Concerned about adverse effect of regulations on economy. Have seen slow downs in past year. Consider impacts of decisions in this area. Avoid unintended consequences – oil and gas contributing to well-being. Will need strong economy for deployment of new technologies. We have some stringent regulations already in the county. Be careful about going overboard. Appreciates serious attention. Hopes for balance.

6. Gayla Martinez – Appreciates the information and opportunity, comparisons. First graph showing production levels – while far from the top related to production, cumulative impacts are high because of our proximity to Weld County location. Air quality is affected by that. Be careful about how much more production and how that may worsen air quality. Non monetized costs are frequently overlooked (e.g., air, water, soil) – we are discussing, but haven’t costed them out. Talk about economic costs as well as benefits. Boulder County – strong requirements related to electrification. Company must provide offsets. Supports idea of using planning documents from the state – improving or recording in our documents to improve transparency. It’s hard to go through the huge volume at the state. Commerce City asked for translation of announcements for non-English speaking population. Excellent opportunity to garner ideas from around the state – combine for best for Larimer County.
7. Steve Shogry – Co for past 7 years, 5 in FC, now in Windsor. 16 years in Oil and Gas, inspector pipelines. Signs off on inspections before it goes into service. Health and safety are at forefront. Make BCC aware there has not been ground water contamination from fracking – no instances. Refers to report by Dr. Larry Wolk, former CDPHE Medical Officer, who noted that a 500-foot setback was sufficient. Revenue – Oil and Gas provides millions to state coffers and for schools. 81% of distributions by school trust. Jobs – oil and gas contributes 200,000 jobs in the state -- direct and indirect. Happy to give back to the community that way. Firestone – that tragedy was deemed to be the fault of the housing contractor for not making the 811 call first. Air quality – completed wells emit zero methane -- no danger of methane.
8. Peter Cunningham – 60-year resident of Larimer County, FC. 6 kids, and families involved in production O&G. Good steady jobs and income. Helps other small businesses in their community. Could buy homes. Jobs provided by the industry. Use a variety of energy sources, electricity, diesel, locally produced energy. Important that there is collaboration between industry and government – find a balance. Good job so far in trying to do that. Appreciates the collaboration. The county has regulations. See if they are adequate before adding new ones. Are we looking for a solution to a non-problem?
9. Janice Lynne – Lifelong CO, living in Larimer County – A major concern about Oil and Gas in the region has to do with the water. Reduced water supply due to drought. Meeting last year with Wellington operating company – concern about releasing the water into groundwater – alluvium of Boxelder Creek. Do they monitor the sources nearby – land and water? Farmers in that area with livestock. Can we answer that question? (Lafferty says will follow up later.)
10. Deb Bjork – 30-year resident. Appreciates comparison table. Notes that because current intent and purpose section does not prioritize health, safety, welfare, wildlife, etc., that undermines other parts of the regulations. Trust that purpose will be improved as revised per SB-181 priorities. Tweak comparison table to change the words “strict” to “protective”. Physicians for Social Responsibility has 1,800 studies that show

impacts to human health from fracking. Air quality – “F” from American Lung Association. EPA surface ozone affects people with asthma. Leaks, spills, releases are affecting our air quality. State regulations – we must meet or go stronger.

11. Tim Gosar – 26-year resident – small business owner, concerned about environment. Agrees with Andrew’s comments about combined good in regulations. We have some of the worst air quality, in part due to Weld County. Address from a standpoint of protective regulations. Economic benefits great. In energy space, 2-4x more jobs in new energy, clean energy, sustainable future. Hopefully we’d all want that. Urge BCC and public to consider changing the setbacks from 1,000 to 2,000 feet or more. Air quality monitors to be paid for by industry. 24-hour monitoring. Be protective and think of other great examples. To address climate crisis, consider from economic perspective and clean energy.
12. Melinda Ford – Native to FC, 50 years. Not associated with industry but has family and friends affected by new regulations. Concerned citizen. Oil and gas is vital as source of revenue and a large employer. A company shut site because of increased regulations and moratoriums, and that created loss of employment for family member and economic impacts, loss of income. Setbacks affecting another friend. Federal land permits not happening, so O&G industry may dry up in next 5 years. These people are considering leaving the area, changing careers, and no longer considering buying homes. These decisions affect entire economy. Industry provides many products we use on a regular basis. Renewable energy sources not reliable; oil and gas is. Don’t force it out of business. It’s needed.
13. Ben Trujillo – Lived in Loveland for over 40 years. Self-employed for 39 – with up to 2 employees. Each time gas prices go up, he’s affected. Home heating prices affect everyone. Energy costs affect all, each day. We keep prices down with supply increasing or competition availability. Within limits of safety and health, keep regulations down to keep prices down. Regulations are a driving force to decide if business can exist or thrive. Appreciate considering that if there are regulations at another level, don’t put extra on industry to make it less competitive. The industry passes on the cost to consumers.
14. Randy Crider – Resident for 43 years, FC and county, employed by small businesses and business owner. Large or small business in Larimer County important and paramount to success of country. Can’t provide enough renewable energy to eliminate oil and gas. Applauds advances in sustainable energy areas and oil and gas that continues to be productive even with more regulations. Table is large enough for all of it. Build a climate of cooperation and balance in this time of emotion and exclusion.
15. Doug Henderson – Resident of Larimer County. Science is based on continued reassessment of expanding information about the world. As understanding changes, we develop new public policies. The reason for policy making is because our understanding about impacts on us and environment is changing. We know O&G has huge impact on health, safety, environment. Body of evidence is growing. County needs to take science

into serious consideration in this process of updating regulations. We don't want to breathe bad air and deal with multitude of impacts. Our air quality recently was the worst in world. The industry is a major contributor, ozone. Address the science – public health, safety, environment for now and future. Encourage that in upcoming process.

16. Mary Bedosky – Comparison chart useful. Questions: All oil and gas must go through special review? There was confusing language in the applicability section. Will all pending, reapplications have to go through the county process, or just the state? Comment: cumulative impacts – look at closely for the area and determine what is really involved with it – air, water, etc. Hope we look at closely. (Lafferty – greenfield section will be addressed at upcoming session. All applications pending with state were removed, so they will become new applications when they apply and go through the state and county process. Cannot submit during the temporary moratorium period. Recomplications – if new expanded use, then would go through the process.)
17. Nancy York – Long time resident of FC, served on FC air quality advisory group for years. Has been reviewing recent studies regarding health impacts of air quality and O&G emissions. She seconds the idea of curtailing emissions as much as possible. Saw research about subsidies by industry – they are one of the highest subsidized industries in the country. Pay attention to that because companies must cover costs of clean up – plug holes after drilling and not have leaks of methane – climate warming contributor. Glad for 2,000-foot setback and hopes county does not compromise on that.
18. Ed Behan – Resident in FC – 5 years and previously in Boulder and Gulf Coast. Familiar with O&G on a regional basis. Concern about process of public notification and radius (1/2 mile) when there are impacts beyond. Should be expanded. We should look at seriously. (Lafferty – that distance only applies to O&G; typically, 500 feet applies.)
19. Andrew Forkes-Gudmundson – A lot of misinformation has been shared during the comment period. Wells emit methane the entire time. There's evidence at COGCC and Broomfield emissions data. Plugged and abandoned wells are leaking. Look at the agencies and data vs. industry. A few areas where Larimer County is suited to protect: (1) Setbacks and reverse setbacks. Support at least 2,000 feet. Boulder Co is considering hard and soft setback. Don't just replicate Boulder. They do well at preapplication information gathering. Generate more information before process. A lot more to cover.
20. Gayla Martinez – Agrees with Behan and Forkes-Gudmundson comments.
21. Tim Gosar – Posted a comment in chat about impacts.
wells.<https://www.bloomberg.com/news/features/2020-09-17/abandoned-gas-wells-are-left-to-spew-methane-for-eternity> – risks of lack of financial assurances. When we stop talking about regulation, need to talk about what's best for the most people. Will to have very protective regulations akin to best examples from around the state. Hopes temporary moratorium extended.
22. Steven Shogry – Would like to finish statement about methane – can't stop it from being released. Thermogenic – different.

23. Lori Brunswig – CDPHE Reg. 42 – what do we know about that which was passed in 1999 where O&G gets a pass to release toxic water north of FC? (Lafferty: Similar to question about Wellington Co – will have to look into that and follow up.) Shouldn't have any O&G because we are in 8-hour ozone nonattainment area. Weld Co needs to stop polluting our air. Contact them and make them stop emitting bad air there.
24. Cody Jeanneret – Good discussion. Consider that green energy can't replace the energy needs in our area. Manhattan institute study – looked at emissions to build batteries. Don't forget entire life cycle when considering energy usage and environment. O&G will be around. It is needed; impacts of taking it away would be significant.

Chat Comments Regarding Oil and Gas

Mitch Murray: Why was a stated goal to exceed the state regulations?

Brad Tidd: Why does the board think duplicate plans are a good thing (just more work with no more results) unless you can accept an exact copy of the state plans by the same name?

Lori Brunswig: 1) Explain the CDPHE Regulation 42 and how the area North of the City of Fort Collins was designated to have no groundwater protection? 2) Why are we discussing any oil and gas? We are currently in an 8-hr ozone non-attainment area? 3) Weld County is poisoning us with their emissions, and it is hurting our health. How is this okay?

Cody Jeanneret: Why is it important to review and change the regulations that were adopted in 2020?

Meghan Bright: We can create jobs in carbon sequestration too. O&G isn't the only game in town.

Janice Lynne: How does Wellington Operating Company monitor what happens to the nearby ground water, land, and water sources after they release their flow their produced water into the Boxelder Creek alluvium?

Meghan Bright: I staff for Chevron and I see both sides but let existing operators extract the remaining reserves. We have 50-80 years left of existing stock piles. Let's keep Colorado ahead of the climate change curve.

Jody Kost : Does everyone know where the majority of our electricity comes from? Natural gas that's produced by these wells

Andrew Forkes-Gudmundson: <https://www.denverpost.com/2018/05/23/anadarko-firestone-explosion-lawsuit-settlement/> Plugged wells can leak:
<https://www.reporterherald.com/2018/03/08/old-well-that-spilled-near-berthoud-was-improperly-plugged-report-finds/>

Meghan Bright: Natural gas wells often use more water than oil wells, especially gas wells that are horizontally drilled.

Lori Brunswig : Meghan, 50-80 years remaining? Why should we let allow that? What Climate curve? We will be dead by then.

Andrew Forkes-Gudmundson: The good news is that local governments who've adopted more protective regulations have NOT see the oil and gas industry leave. Adams has a booming oil and gas industry with regulations significantly more protective than Larimer's current regs...

Andrew Forkes-Gudmundson : I say good news, but maybe that's only good news for the oil and gas industry folks

Meghan Bright: Hi Lori! Good to see you. I am neutral about fossil fuels. I do support sustainable practices and the US overall has enough proved reserves for 50-80 years. Extreme water use in an evaporative climate like ours where air quality is so poor is an issue here in Colorado. The planners will not allow bad operators into the area. But we cannot control mineral rights being sold to out of state operators already in existence.

Tim Gosar: Here's some current info about how much leaking can happen in a single orphaned wells.<https://www.bloomberg.com/news/features/2020-09-17/abandoned-gas-wells-are-left-to-spew-methane-for-eternity>

Andrew Forkes-Gudmundson: This is absolutely, and verifiably false information. Oil and gas facilities emit methane constantly. Numerous rulemakings are the AQCC can disprove the statement you just heard.

Tim Gosar: Thanks Commissioners, Lesli, Matt, Matt & staff for the comparative analysis & the opportunity to address you!

Andrew Forkes-Gudmundson: Just as one example of the methane emissions associated with oil and gas facilities comes from pneumatic controllers. These devices emit methane as a design feature, and the AQCC is working to limit those emissions.

Andrew Forkes-Gudmundson: Other examples include regular venting and flaring

Tim Gosar: Please post that study link Cody. I drive a EV so am curious.

Andrew Forkes-Gudmundson: And methane is just one harmful chemical emitted by oil and gas facilities throughout their life cycle

Written Questions in Q&A

Meghan Bright - Does the cumulative impacts plan include proppants and seismic activity? Pressure can cause earthquakes up to 10 miles away and proppants mixed in the water/sand do

eventually get into the water table. Water testing is recommended for 1 mile from any well pads. Thanks!

Jessica Donahue - While it makes sense if you have to submit a plan that is already being required by COGCC with your County application, what about the plans that may be waived under COGCC's Lesser Impacts Exemption Request? For example, you may not have H2S at your location so therefore you can request an exemption for the H2S plan from COGCC. Will Larimer County be willing to be similarly flexible, dependent upon site-specific conditions?

Closing Comments from BCC

- Kefalas – Thanked public – important for BCC to listen. Will undertake in a thoughtful and deliberative way.
- Stephens – “Thank you for your comments tonight. I am sorry that my mic was not working.”
- Shaddock-McNally – thankful for public participation. Taking it seriously.

Adjourned a little after 8:00 p.m.