

Minutes of the Oil and Gas Advisory Committee
City of Aurora, Colorado
May 20, 2020

VIRTUAL MEETING

Meeting was called to order at 4:00 p.m.

The following were present:

Brad Pierce, Committee Member, Chair, Citizen
Josh Reddell, Committee Member, Vice-Chairman, Citizen
Polly Page, Committee Member, Citizen
William Gollhofer, Committee Member, Citizen
Tom Tobiassen, Committee Member, Citizen
Jim Rogers, Committee Member, Industry
Max Blair, Committee Member, Industry
Philip Holmes, Committee Member, Industry
Justin Wells, Committee Member, Surface Owner
Marc Cooper, Committee Member, Surface Owner
James Spehalski, Committee Member, Surface Owner
Jeffrey Moore, City of Aurora Oil and Gas Division Manager
Susan Chapel, City of Aurora Planning and Development Services
Juliana Berry, City of Aurora Planning and Development Services
Ian Best, City of Aurora, Assistant City Attorney
Christine McKenney, City of Aurora, Assistant City Attorney
Kathy Denzer, Crestone Peak Resources

1. Brad Pierce, Chairman, called the meeting to order at 4:00 p.m. There was a quorum.
2. Chairman Pierce introduced himself and asked those present to introduce themselves.
3. Max Blair made a correction to the January 15, 2020 meeting minutes.

A motion was made by Mr. Tobiassen and seconded by Mr. Reddell to approve the minutes as amended.

Motion passed unanimously.

4. Juliana Berry reported that ConocoPhillips is now Crestone Peak Resources, and because of this transition there has not been any formal movement on any of the current applications.

The GMT application is still moving through the review process.

Axis has an application that will be starting the review process soon.

There have been several pipeline applications that have come in and are close to being approved.

5. There was no public comment.

Minutes of the Oil and Gas Advisory Committee
City of Aurora, Colorado
May 20, 2020

6. Jeffrey Moore, Oil and Gas Division Manager, gave a presentation on the pending update of the Unified Development Ordinance (City Code) to reflect oil and gas regulations and the draft Oil and Gas Manual.

Mr. Gollhofer asked how the Oil and Gas Manual and best management practices were developed and if there was City Council oversight. Mr. Moore explained the development and approval process of the draft regulations.

Mr. Blair asked if there are plans for outreach to the oil and gas developers regarding the manual. Mr. Moore answered that yes there are plans to reach out to those parties.

Mr. Holmes asked if Mr. Moore would like feedback from the Committee regarding the proposed process. Mr. Moore responded that he would like to hear back from the Committee. He added that he and Chairman Pierce had a conversation where they agreed to provide a copy of the Manual to each member of the Oil and Gas Advisory Committee during the Public Comment period so that they could provide meaningful feedback.

Mr. Gollhofer asked what entities would be approving the Oil and Gas Manual. Mr. Moore answered that the approval process involves PED, the Planning and Zoning Commission and the City Council.

Mr. Tobiassen asked if a public open house is being planned to inform the public and collect comments. Mr. Moore stated that the opportunity for the public to comment will be publicized on the city website, and other organizations and channels such as social media will be utilized to promote the public comment period. He further stated that he believes it would most helpful for the public to comment on the BMPs and regulations in writing so that specific concerns can be addressed using the clearly enumerated sections of the Manual.

Chairman Pierce asked if the public comment period would be from June 2nd to July 2nd. Mr. Moore replied in the affirmative. Chair Pierce stated that perhaps a special meeting of the Committee is needed to weigh in on the Manual during that public comment period. He asked, for clarification purposes, if the Oil and Gas Manual is based on the Operator Agreements that are currently in place. Mr. Moore responded yes, including the Best Management Practices. He further noted that when the current operators review the Manual they will find that over 95% will be exactly what they would expect, there are no major substantive changes at this point. The main change is to a definitive format, instead of agreement format, regarding what the operator will have to comply with.

In answer to a previous question from Mr. Gollhofer, Chairman Pierce reminded the Committee that the City Council has already approved Operator Agreements with Extraction and Crestone. It was also noted that ultimately the approval process for the Oil and Gas Manual will be done administratively by Mr. Moore even though it has public components to it.

Chairman Pierce asked if the Oil and Gas Manual will be part of the Unified Development Ordinance (UDO). Mr. Moore answered it will not be part of the UDO; it is a separate Manual and that is why City Council does not have to give formal approval. Mr. Moore explained that he has reviewed the UDO and any portions of it that are applicable to the Oil and Gas Manual and the BMPs have been included.

Minutes of the Oil and Gas Advisory Committee
City of Aurora, Colorado
May 20, 2020

Ms. Berry noted that it is a hand-in-hand process; any outdated Code language must be struck at the same time that the Manual moves forward. City Council will approve the UDO changes.

Mr. Gollhofer asked if the Manual will supersede the Operator Agreements. Mr. Moore answered in the negative, emphasizing that the current agreements will remain in full affect until they expire. The new Oil and Gas Manual will apply to new operators that come in without an Operator Agreement and will only apply to current operators if they want to drill wells beyond locations that were identified in their Operator Agreement. Mr. Gollhofer expressed concern that since Mr. Moore will be the one to approve the Manual that he could at any time change it. Mr. Moore explained that any future amendments to the Manual will be also be subject to a formal process.

Ian Best, Assistant City Attorney, elaborated that the Oil and Gas Manual is a technical manual, and the municipal Code allows updates to be done by the Oil and Gas Manager with City Council approval. Chairman Pierce stated that he believes that there are enough safeguards in place that amendments to the Manual will be done in an aboveboard manner. Christine McKenney, Assistant City Attorney, concurred and further stated that PED would be the entity to approve any amendments.

Chairman Pierce requested that when the Manual is sent to the members of the Committee for review, portions that are different from the Operator Agreements be highlighted. Mr. Moore stated the text in the Manual is currently color coded to differentiate the source of the language.

Mr. Reddell asked if the Oil and Gas Manual, including the BMP's and the rules that the Oil and Gas Division operate under will follow the UDO or specific zoning. Mr. Moore noted that there are a general set of BMPs for the entire city limits but additional BMPs come into effect if certain conditions are met.

8. Chairman Pierce stated that he would like to schedule a special meeting before the end of the Public Comment period ends for the Oil and Gas Manual. Wednesday, June 17, 2020 at 4:00 p.m. was chosen as a tentative date and time. A general discussion took place regarding how comments will be documented.

9. The general meeting was formally adjourned at 5:09 p.m. until Wednesday, June 17,2020.