

Minutes of the Oil and Gas Advisory Committee  
City of Aurora, Colorado  
July 19, 2023

**VIRTUAL MEETING**

**THE FOLLOWING WERE PRESENT:**

Brad Pierce, Committee Member, Chair, Citizen  
Josh Reddell, Committee Member, Vice-Chairman, Citizen  
Max Blair, Committee Member, Industry  
David Carro, Committee Member, Surface Owner  
Marc Cooper, Committee Member, Surface Owner – joined late.  
Philip Holmes, Committee Member, Industry - **ABSENT**  
Larry Quirk, Committee Member, Citizen  
Greg Bloodworth, Member, Citizen  
Industry - **OPEN**  
James Spehalski, Committee Member, Surface Owner  
Tom Tobiassen, Committee Member, Citizen- **ABSENT**

Jeffrey S. Moore, City of Aurora, Energy & Environment Division Manager  
Maria Alvarez, City of Aurora, Senior Oil & Gas Planner, Energy & Environment Division  
Susan Sherman, City of Aurora, Senior Oil & Gas Inspector, Energy & Environment Division  
Dave Scott, City of Aurora, Assistant City Attorney - **ABSENT**  
Ian Best, City of Aurora, Assistant City Attorney  
Pete (public, not from CO, but from MI)

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1. Chairman Pierce called the meeting to order at 4:03 p.m.
    - There was a quorum of 7. After meeting started, Mr. Cooper joined, quorum of 8.
    - Chairman Pierce asked that City of Aurora Staff and members of the public to introduce themselves. All attendees are listed above.
  2. Approval of May 17, 2023, minutes: Motion from Mr. Spehalski, 2<sup>nd</sup> Mr. Blair, unanimous. Mr. Blair, abstained from vote.
  3. Public Comment Period
    - o No comments
  4. Staff Updates
    - Maria Alvarez, Senior Oil & Gas Planner, Energy & Environment Division, City of Aurora
      - Permitting - Current
        - Chico Watkins South – Administrative Decision 7/12/2023.
        - Watkins 30-5 North – Administrative Decision 7/12/2023.
        - Lussing Trust – Administrative Decision 7/19/2023.
      - Permitting - Future
        - Crestone Resources - King South Phase 2 – ATEC area, north of I-70, east of E-470 change in Crestone Peak Resources Operator Agreement.
        - Crestone Resources - Bijou North - ATEC area, north of I-70, east of E-470 change in Crestone Peak Resources Operator Agreement.
        - GMT Exploration – Invicta 3-65-28 – Will be processed through the Oil and Gas Manual, there is no existing Operator Agreement, 2 Phase process, Schedule 2 total time 6 months (2-12 weeks; 2-3 review cycles) Phase 1 focuses on the location/site impacts; Phase 2 focuses on the surface environmental impacts.
      - Other Updates – Permit system upgrade from AMANDA 6 to AMANDA 7.
        - Answered questions about Oil & Gas Manual vs. Operator Agreement.

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- Susan Sherman, Senior Oil & Gas Inspector, Energy & Environment Division, City of Aurora  
Inspections
  - (2) re-entry inspections at Box Elder,
  - (4) spill inspections: North Grande, Frasier, Big Sandy and Lussing; 3 out of 4 were affected by flooding and spilled 16 gal on Frasier pad and 3 bls. on Lussing.
  - Water leak at Jewell and Watkins, near old Conoco offices.
  - Inspection completed at the Blue pad, all electric rig, 7 total proposed wells, 2 of the 7 are Federal.
  - Jamaso frac only had 2 sandboxes.
  - 35 total pipeline inspections
  - All wells inspected with the exception of KPK well due to road conditions, unable to access due to heavy rains. KPK field rep will contact to advise when the site is available.
  - Inspections complete north of I-70 with the exception of (2) WEP wells, (2) orphan wells: Danford Left Hand isn't producing, empty tanks shut in due to 3<sup>rd</sup> Creek Line being shut down, and Hudson Rd. is closed.
  - Crow and Frasier are inaccessible due to flooding, there was a lot of erosion and access road was being maintained.
  - FLIR inspections completed at the large wellsites.
  - A recurring thing that is happening is that there are no bull plugs on the oil and water loadouts. People there to work on these.
  - Looking to have addresses on all entrance signs.
  - All inspections complete, now working on getting administrative items in place.
- Comments:
  - Mr. Blair surprised there weren't any leak reports.
  - Ms. Sherman stated that she was looking at things from a big picture perspective. Next time inspections will be done in more detail.
  - Chairman Pierce stated that KPK was court ordered to halt operations until remediation took place.
  - Mr. Moore gave summary detail about the COGCC hearing on KP Kaufman (KPK).
  - Pete (public) came to watch Committee meeting, not in Colorado, from Michigan, not affiliated with media.
- Jeffrey S. Moore, Manager Energy & Environment, City of Aurora  
General Updates
  - GMT Exploration moving forward via OGM, 1<sup>st</sup> application that is a wellsite, and Non-OA.
  - COGCC invited City staff to attend Pre-Application meeting for GMT, they were also invited to our process.
  - Due to large amounts of rainfall, Hudson Rd was inaccessible due to flooding and road damage will be needing significant rebuilding.
  - Celebrates Division anniversaries: Ms. Alvarez 1 – year and Ms. Sherman – 2 months, super busy!
  - Production values for Aurora (slide) attached.
- Axis Exploration Operator Agreement changes to Exhibits A and D. (presentation) attached.  
Background on changes to Axis Exploration OA:

This has already gone through Planning and Economic Development - PED (Wednesday, July 12, 2023); Study Session (Monday, July 24, 2023) and if approved will move onto City Council Hearing (Monday, July 31, 2023).

  - Axis Exploration OA signed July 2019, (4) vested well sites with a total of 80 wells. None have been constructed.
  - Change is being requested within the same geographical area, targeting the same minerals described in the OA.
    - Change to (2)- locations Hammer Pad (west of E-470) and ACP East (east of E-470). The cancelled sites are within a floodplain and the Operator has requested well consolidation to be moved to the Deuce well pad.

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- Deuce pad will have 18 well sites. This change is going to lessen total surface impacts. Between Hammer and ACP East, there were a total of 40 wells, so there is a significant reduction in surface and floodplain impacts as well as residential development.
- Has Energy and Environment and surface owner support.
- Mr. Dan Harrington with Civitas Resources will be making a presentation.
- Mr. Moore requested a letter from the O&GAC, in support or denial.
- Both of these sites are located outside of the Crestone Resources CAP. The CAP boundary is 56<sup>th</sup> Avenue.
- Not impacting Aurora Highlands or Fullenwider development.
- Motion by Mr. Blair in support for the Axis Exploration letter, 2<sup>nd</sup> Mr. Spehalski, unanimously approved.
- Chairman Pierce will draft letter of support for City Council.
- Lowry Ranch CAP updates – Crestone Peak Resources
  - Outside of the City of Aurora, in Unincorporated Arapahoe County.
  - Incomplete application resubmitted 04/28/23 locations have shifted east due to proximity to Aurora Reservoir.
  - 900+ page application Mr. Moore will update FAQ and will place updates to website.
  - Again, as previously mentioned, no authority over these wells, can provide feedback due to proximate local government.
  - The wells will drill west approximately 3 miles at a depth of 8,000' towards E-470, the edge of the jurisdiction. The closest location is 3,500 feet southeast of the Aurora Reservoir.
  - Application is at ECMC going through application review. The review will take another 6 months, 2-month public comment period and will go to director for recommendation. That's solely on the CAP, not an application.
- Public Utilities Commission (PUC) Rulemaking for Pipelines
  - Delegated authority from federal government
  - Senate Bill 21-108 – pipeline safety, a bill Mr. Moore worked with Senator Story.
  - Pipeline to wellhead is called flowline, this is under ECMC authority.
  - Regional transmission contains natural gas, crude oil or hazardous liquids, this is under the authority of PHMSA, not much oversight from City of Aurora, will help take other lines not under agency and will allow us to inspect.

5. Open Items

- Mr. Blair asked about the changes in definitions and changes in authority.
- Mr. Moore advised of COGCC has changed names into Colorado Energy and Carbon Management Commission (ECMC).
- Chairman Pierce remind there is an open position on the O&GAC.


6. Next meeting September 20, 2023

7. Meeting Adjourned at 5:19 PM

2023 Meeting Dates (listed below).

- September 20, 2023
- November 15, 2023

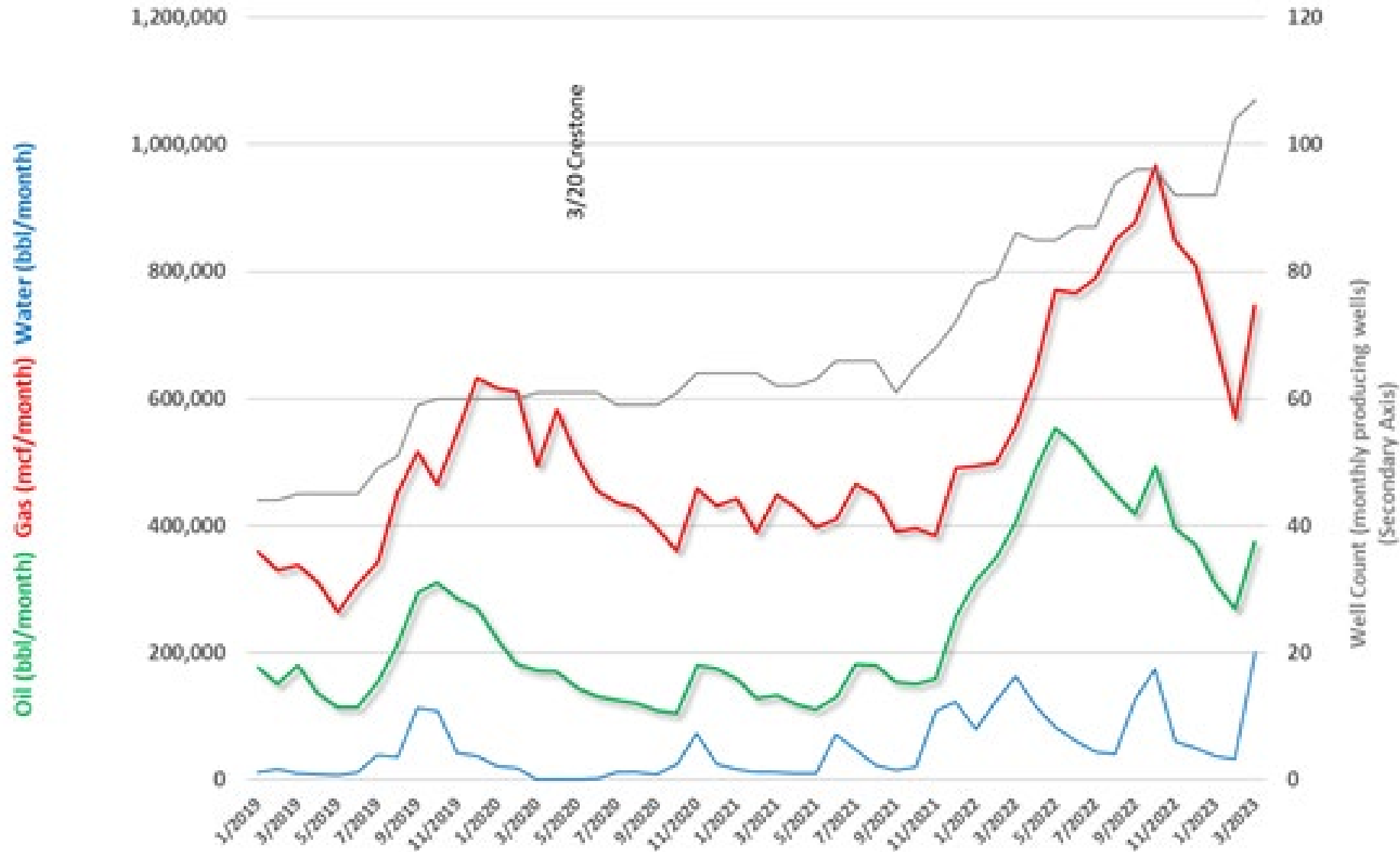
Minutes Approved

  
\_\_\_\_\_  
Brad Pierce, Chairman

09/20/2023

\_\_\_\_\_  
Date

### Aurora Production (2019-Present)



Data compiled from COGCC website June 2023

Courtesy of the Aurora Energy & Environment Division

# City of Aurora, Colorado

City Council Study Session

July 24, 2023

Axis Exploration LLC

Amendment of Exhibits A & D



**Jeffrey S. Moore, P.G.**  
*Manager*  
Energy & Environment Division

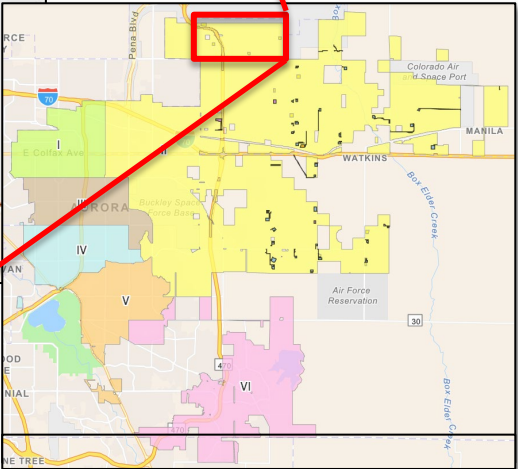
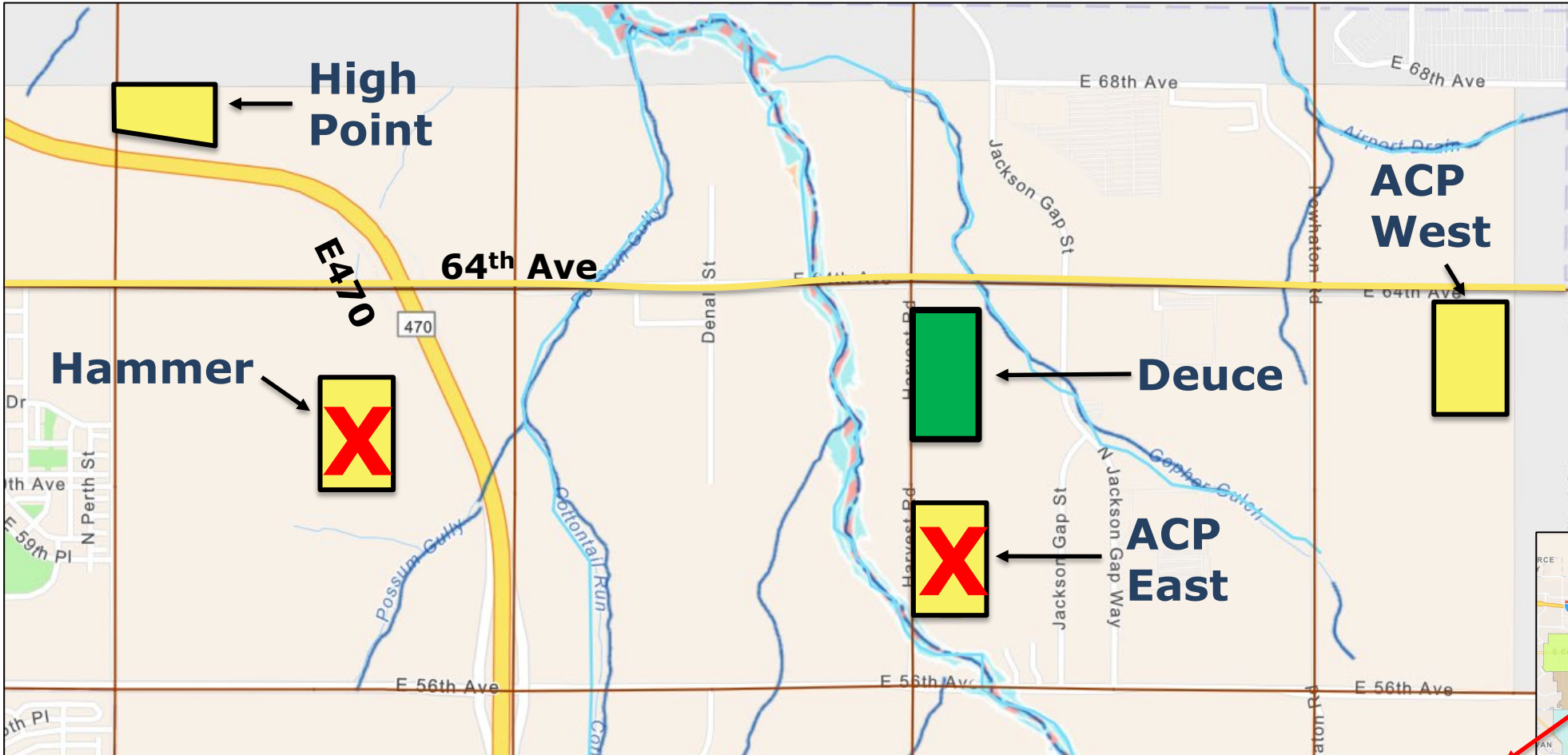
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# Background

- Operator Agreement signed with Axis Exploration on July 24, 2019
- Vested 4 Well Sites with a total of 80 wells
  - No Well Sites or Wells have been constructed
- Operator Agreement allows revisions to wells and Well Sites, after a Public Hearing at City Council
- Axis is requesting changes to Well Sites within the same geographical area and targeting the same minerals as described in the Operator Agreement



# Overview – Well Sites



**OA Well Site**



**Proposed Well Site**

**Near E470 and 64<sup>th</sup> Ave**

# Summary

- Proposed plans have been fully reviewed and supported by the Energy & Environment Division
- Confirmed support by surface owner
- Benefits of proposed changes:
  - Reduces total surface impact of oil and gas within the City
  - Cancels a site adjacent to a floodplain, and <2,000' from future residences
  - Cancels a site west of E470
  - Provide greater protection for public health, safety, welfare, the environment, and wildlife resources





# Thank you!



**Jeffrey S. Moore, P.G.**  
*Manager*  
Energy & Environment Division

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