GUNNISON COUNTY PLANNING COMMISSION
PRELIMINARY AGENDA: Friday, April 19, 2013

DRAFT FOR REVIEW BY PLANNING COMMISSION

8:45 a.m.
- **Call to order; determine quorum**
- **Approval of Minutes**
- **Unscheduled citizens:** A brief period in which the public is invited to make general comments or ask questions of the Commission or Planning Staff about items which are not scheduled on the day's agenda.

9:00 a.m. **SG Interests I, Ltd.**, continued public hearing/no action, request for the Federal 11-90-9 gas well project, including five gas wells, located in northwest Gunnison County, in Section 9, Township 11 South, Range 90 West, 6th P.M., west of Highway 133, possible direction to staff

10:00 a.m. **David Baumgarten, County Attorney**, work session/no action, Planning Commission training, including discussion of ex parte communications, Colorado Open Meetings Law, personal liability of Planning Commissioner members

11:00 a.m. **Marlene Crosby, Public Works Director**, work session/no action, information and overview of the Public Works Department functions

End of Meeting
- Report of actions taken by BOCC.
- A brief period in which Commission debriefs on the day's processes, etc. No discussion or action on any specific Land Use Change Permit applications will take place at this time.

Adjourn

GUNNISON COUNTY PLANNING COMMISSION
REGULAR MEETING
April 19, 2013
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The Gunnison County Planning Commission conducted a regular meeting, in the Commissioners' Meeting Room in the Blackstocks Government Center, Planning Commission meeting room. **Present were:**

Chairman- Kent Fulton
Commissioner-Warren Wilcox
Commissioner- Susan Eskew
Alternate Commissioner- Jeremy Rubingh
Alternate Commissioner- Tom Venard

Assistant Director of Community Development- Neal Starkebaum
Planner-Cathie Pagano
Community Development Department Services Manager-Beth Baker
Others present as listed in text

Absent- Commissioner Jim Seitz and AJ Cattles

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With a quorum present Chairman Kent Fulton opened the regular meeting of the Planning Commission.

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Moved by Venard seconded by Wilcox to approve April 5, 2013 Planning Commission minutes as amended. The motion passed unanimously.

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SG Interests, Federal 11-90-9; The Gunnison County Planning Commission (Commission) conducted a continued public hearing. They reviewed the request for the Federal 11-90-9 gas well project, including five gas wells, located in northwest Gunnison County, in Section 9, Township 11 South, Range 90 West, 6th P.M., west of Highway 133.

With a quorum present Chairman Fulton opened the continued public hearing.

Eric Sanford SG Interests (SG) representative was present. Catherine Dickert SG Interests representative participated by phone.

Sanford said the Forest Service has approved the surface use plan of operations; effectively they have a Forest Service permit for this well. The County appeal with the COGCC for the 2A approval has been dismissed. Nothing else substantive has occurred.

Rubingh asked if there had been any progress with wildlife mitigation plan: Sanford said they are waiting to hear from Parks and Wildlife.

High Country Citizens Alliance (HCCA) representative Ally Melton said she understood this had been given a category exclusion underneath one of the exemptions of the Energy Quality Act of 2005. She noted the maximum disturbance allowed was five acres and this site was 4.6 acres; she asked how it was calculated. Why was the pipeline not included in the calculation? Sanford explained the Forest Service calculated the acreage of the site. The pipeline is co-located, to be adjacent to the road. The road and the pad areas were calculated before any calculations were made. It just happened to fall under the five acre maximum. Dickert said the calculation was based on the engineering data given to the Forest Service by SG.

Melton said one of the requirements for the exemption was a site specific NEPA. She asked if the only NEPA was the Gunnison Energy Master Development Plan, dated 2010. Dickert corrected it was not exempted from NEPA, she referred Melton to Forest Service representative Ryan Taylor. A categorical exclusion is a form of a NEPA and this project is compliant with NEPA. Melton asked if there was any other decision document that it was tied to; Dickert said it is tied to the Forest Plan, and there should be a list in the plan of the documents referred to this decision.

Eskew asked which plan; Melton said the Gunnison Energy Master Development Plan.

Rubingh said the Gunnison Energy Master Plan was based on a site that is adjacent to this site. He asked how it works- is it a site specific analysis; Dickert replied with some of the required surveys such as the archeology, there was also archeology done at that site previous to the Gunnison Energy Master Plan. Typically when the Feds do an archeology survey they extend it to a buffer zone outside the site. The Feds do this in anticipation of changes to the project. It is

almost always quite a bit larger than the proposed disturbed area. The Forest Service did an onsite inspection with their specialist/ biologist.

Melton noted there are several Class One air sheds in the vicinity of the project area; will there be any actual monitoring of the area? It could be impacted by any sort of methane venting or other development. Were there any considerations of what those impacts could be? County Attorney David Baumgarten said there has been conversation on how best to monitor the air sheds, but he did not know how far the process had gone. He added the discussions will be cross jurisdictional; they might have a consequence for what type of machinery can be used, and there may be a consideration for the pace of development and the absorption rate of the atmosphere. He anticipates the participation of Gunnison County in those discussions. Rubingh asked if Gunnison County would be party to an EIS: Baumgarten was not sure if there will be an EIS.

Melton pointed out the site is approximately 600 ft. from Little Henderson Creek; she asked what specific mitigations will be taken to ensure cuttings would not impact the creek; and what is the expected impact if any water is taken out of the creek and used for operations. Sanford explained they will comply with the COGCC and Federal requirements as to how the pits are lined, designed and tested when removed. The Little Henderson at that location is not a fish bearing stream, it is a drainage which can be augmented by releasing water from the SG reservoir. When there is a call on water they will be required to use their augmentation plan.

Melton asked how they will attempt to keep wildlife out of the pits; Sanford replied the pad will be netted and fenced.

Melton asked if what would be done with any cleaning fluids not kept in the closed loop cycle. Sanford said the first well will be a shale well and there isn't much produced water with a shale well. He added any liquids that require testing will be removed and sent to a licensed disposal facility. Clean water will go to a disposal well for reinjection. Sanford added the equipment is cleaned before it arrives at the site. The trucks will be cleaned at an approved facility, by a licensed company.

Melton asked if SG is going to do a NEPA analysis later in the process; Sanford said no, unless the scope of the project is changed and an additional NEPA could be required.

Eskew asked what the water sampling schedule is; Dickert said there have not been any changes in the water sampling in 2012. Dickert said it looks like there will be surface water testing done when construction starts. They do have a pre-baseline set, and when construction begins they may want another one, but SG does not have clear direction on that yet.

Fulton asked how much difference there is between State and Federal testing requirements: Dickert explained the closest water well is more than a mile away, but they have agreed to test a well that is more than one mile away. The testing was done in the fall and it will be done again upon post completion of the well. She was unsure how they will mesh; they do have lists of constituents that will be tested for. Sanford explained this is the first well on Federal land since the State has adopted their new water testing requirements. Sanford stated whatever is required will be done. Fulton asked if the testing will be completed in time; Sanford explained they can get an extension of the State permit and the Federal government will not allow them to start without the adequate testing information.

Melton asked what the expected well depth will be; Sanford replied it is a shale well so they will vertically drill 7,500 to 8,500 ft., take a 90 degree angle and drill about approximately 5,000 ft. horizontally. The total measured depth would be approximately 14,000 ft.; with the vertical depth being approximately 8,000 ft. Melton asked if SG has ever drilled this deep before; Sanford said they had, it was a well south east of this location, the Spadafora #2. Melton asked if there are there any concerns regarding the drilling; Sanford said no, the knowledge gained with the Spadafora #2 well gives them confidence they can drill 5,000 to 6,000 ft. horizontally.

Melton asked if the testing points will be down gradient; Dickert said the Forest Service has not decided yet.

Melton asked if any they have any information on the rate of ground water flow, and how long it would take to reach the testing monitoring well: Dickert said no.

Melton asked about baseline testing of soil, and quantity and quality of water.

Fulton questioned the difference between a cuttings pit and a reserve pit. Sanford explained the closed loop system will still have a cuttings pit, and they can also use containers. A cuttings pit is smaller and dryer than a reserve pit. The closed loop system dries out the cuttings and the mud. The cuttings pit contains the same chemical makeup as the soil with less

moisture. The liner would be folded up and they would test the soils. They would test the soil under the liner, and also sample 10 to 20 ft off the edge of pit before drilling to know what the background is. This will tell them if the liner has leaked. The reserve pit is for water and drilling mud only and reused during the drilling of the well. The water from the flow back pits is used for completion.

Melton asked if there is baseline information for water quality and quantity; Dickert said Henderson Creek has been sampled, the Forest Service may require more. They do not have clear direction from the Forest Service yet.

Melton asked about the wildlife mitigation: Sanford said it has been addressed; they are waiting to hear from Parks and Wildlife on the larger scale plan.

The commissioners took a few minutes to review the comments from Hayden-Wing Associates, dated March 29, 2013. Gunnison Country had requested the review.

Sanford said Parks and Wildlife has historically seen these units as overpopulated, so when talking about mitigation it is difficult to talk about mitigation efforts to increase population when their own data indicates it is already overpopulated.

Sanford requested this application be on the next possible agenda.

Starkebaum said he had no further comments.

Eskew and Rubingh were concerned the Forest Service letter did not specifically address this area. Starkebaum said he had contacted CPAW representative John Holtz; they were satisfied with the mitigation as identified for that site, but they declined to submit written comments.

Rubingh expressed his concern the Forest Service letter does not specifically identify this site. The County Oil and Gas operation standards state wildlife and wildlife habit shall not be impacted, and shall not cause significant degradation in the quality of recreational activities in the county. He stated the county standards should be supported. Sanford reiterated his opinion the county does not have jurisdiction over wildlife; the Forest Service has provided comments and mitigations. Those mitigations are outlined in the Forest Service SUPA.

Fulton said after reading what the Federal response was, it states they have accepted the mitigation plan provided. He said there will be some places that require specific timing to drill.

Rubingh said there have been other entities that identified cumulative impacts to wildlife in the area. He said our angling and hunting resources are extremely important economically and as our values as identified as a county. He was not satisfied with the wildlife mitigation plan as submitted.

Eskew was concerned with maximum cumulative visibility in Class I and Cass II areas. Dickert said it is explained that while it adds to the cumulative impact, the proposed project by itself adds an almost immeasurable amount of emissions. Wilcox noted he felt very comfortable with the Forest Service document.

Fulton asked what will be done about the Purple Martins on site; Sanford explained generally with a nesting raptor in the area, it will be determined if they are nesting and they might have to delay or buffer out areas. If the young birds have not been fledged out the drilling will not start.

Fulton asked what is planned in case of a leak. Sanford explained there are daily inspections of the poly-lines when in use. The well pads are monitored daily for well head pressure. There are very detailed inspections conducted quarterly. SG has people on the ground monitoring constantly.

Fulton closed the public hearing at 10:30 A.M.

The Commission directed staff to prepare a draft decision of approval with conditions, with Venard, Wilcox, and Fulton in favor of direction to staff, and Rubingh and Eskew not in favor of direction to staff at this time.

The draft decision of approval will be considered by the Commission on May 3, 2013.

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County Attorney- Training for Planning Commissioners; The Gunnison County Planning Commission (Commission) conducted a work session with the County Attorney, David Baumgarten. They discussed ex parte communications, Colorado Open Meetings Law, and the personal liability of Planning Commissioner members.

With a quorum present Chairman Fulton opened the work session.

Moved by Fulton, seconded by Rubingh for the Commission to go into executive session with County Attorney David Baumgarten, Assistant Director of Community Development Neal Starkebaum, and Planner Cathie Pagano for the purpose of discussing Planning Commission training on ex parte communication, the Sunshine Law and personal risk. The motion passed unanimously.

The Commission went into executive session at 10:40 a.m. *Executive sessions of the Gunnison County Planning Commission are conducted as per C.R.S. 24-6-402(4). This specific session was conducted as per C.R.S. 24-6-402(4)(b).*

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Attorney Statement Regarding Executive Session

Pursuant to C.R.S. 24-6-402 (2)(d.5)(II)(B), I attest that I am the Gunnison County Attorney; that I represent the Gunnison County Planning Commission; that I attended all of the above referenced executive session; that all of the executive session was confined to the topic authorized for discussion pursuant to C.R.S. 24-6-402(4) and that, because in my opinion all of the discussion during the executive session constituted a privileged attorney-client communication, no record of the executive session was required to be kept and no such record was kept.

Date: _____ **_____**

David Baumgarten
Gunnison County Attorney

Chairperson Statement Regarding Executive Session

Pursuant to C.R.S. 24-6-402(4)(d.5)(II)(B), I attest that I am the Chairperson of the Gunnison County Planning Commission; that I attended all of the above referenced executive session; and that all of that executive session was confined to the topic authorized for discussion pursuant to C.R.S. 24-6-402(4).

Date: _____ **_____**

Kent Fulton, Chairperson- Gunnison County Planning Commission

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The Commission came out of executive session at 11:30 A.M. Chairperson Fulton stated that the discussion had remained on the topic.

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Public Works Director: The Gunnison County Planning Commission (Commission) conducted a work session with Public Works Director, Marlene Crosby. She described the overview of the Public Works Department functions.

With a quorum present Chairman Fulton opened the work session.

No minutes were taken.

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Fulton adjourned the meeting at 12:55 P.M. .

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/S/ Beth Baker
Community Development Department Services Manager
Gunnison County Community Development Department