Agenda

- Discussion of Potential Further Charter Restrictions on Lease of Water for Oil & Gas Operations - Ken Huson
- Pipeline Presentation Josh Jostwick
- Update on site investigations of existing Plugged and Abandoned Wells and Facilities - Jason Elkins
- Report and Discussion on Setbacks from Existing Plugged and Abandoned Wells and Pipelines – Brad Schol



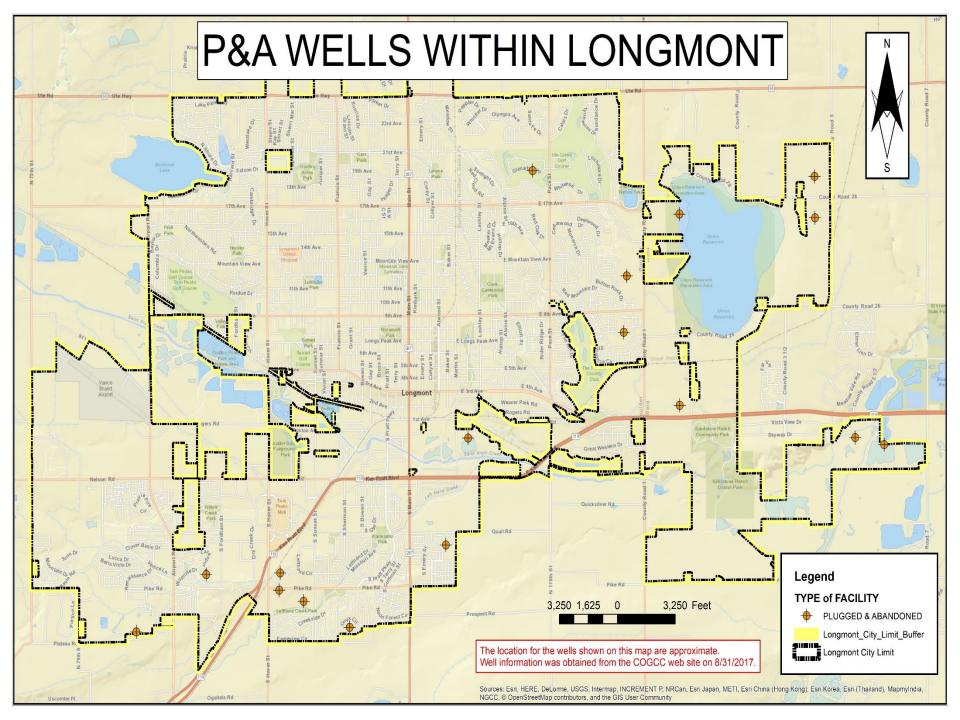


Update on site investigations of Existing P&A Well and Facilities

- 2012 City conducted historical records investigation into all P&A wells within city limits
 - P&A Research Summary Report issued in 2013
 - Report located on City website
- 2013 City conducted site investigations of active wells and installed water quality monitoring wells
- Site investigations now being conducted on existing P&A wells
- City hired Terracon, Ajax Analytics, and partnering with local universities and researchers to conduct thorough investigation







Scope of P&A Well Site Investigations

- Locating wellhead, flow lines, former location of production equipment and circulations pits, etc.
- 3 soil sample tests
- 2 soil vapor points (permanent feature)
- 3 groundwater monitoring wells (permanent feature)
- 2 soil vapor tests
- 3 groundwater sample tests
- Real-time monitoring for methane





Investigation Progress Update

Rider #1

- Terracon mobilized
- Partial investigation complete
- Samples taken
- Results are pending
- Remaining investigation scheduled for 18-Oct



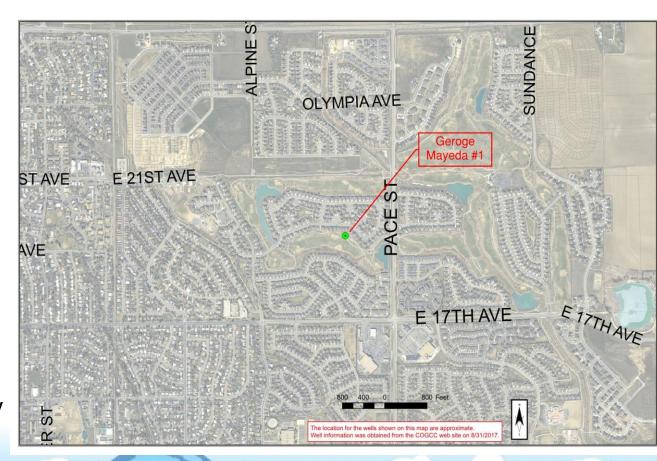




Investigation Progress Update...continued

George Mayeda #1

- Records investigation complete
- Notice to nearby residents
- Feedback has been positive
- Terracon mobilizing 18-Oct
- Ground Penetrating
 Radar (GPR) in an
 attempt to locate any
 remnants of
 flow/gathering lines







Work to Plug & Abandon Existing Wells

Longmont #8-10k

- Currently shut-in well
- Located on City
 Sanitation Fund
 Property
- Scheduled to be P&A this fall
- Terracon mobilizing after abandonment and remediation







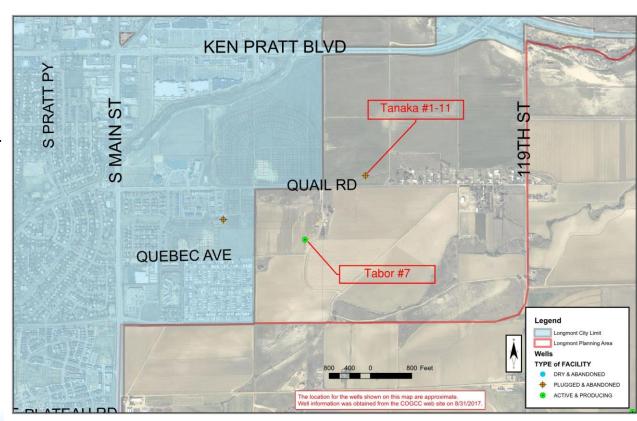
Existing Wells on Lands Currently Being Annexed

Tabor #7

- Active well
- Notified operator of intent to monitor
- Terracon mobilizing 30-Oct.
- Full investigation planned
- Annexation pending

Tanaka #1-11

- Plugged & Abandoned
- Annexation recently approved by Council







Discussion of setbacks from Plugged and Abandoned Wells and Inactive Pipelines

- Conflicts When new development occurs near existing P&A oil and gas wells
- Code requires
 - Set back 150' from P&A well to occupied building
- Requirement to show locations of P&A wells on development applications
 - This must include pipelines and gathering lines



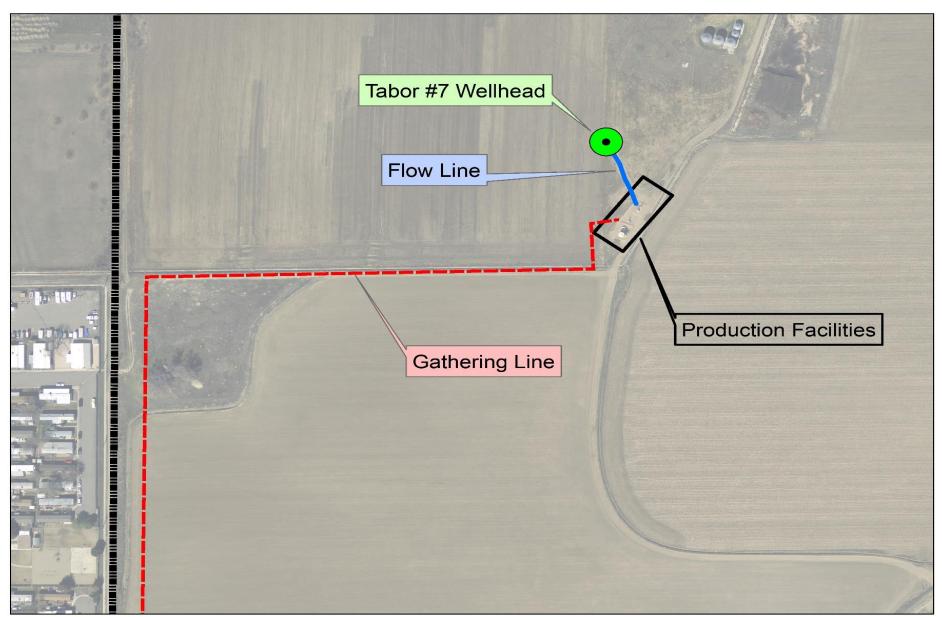


Setbacks from Active Pipelines

- Pipelines and gathering lines are an "oil and gas operation or facility" under Longmont code
- All lines require a land use permit
- No specific setback standard except for flow lines. Fall into the 750' definition of "production facility"
- Limited existence of pipelines and gathering lines in Longmont



Flow & Gathering Line Diagram



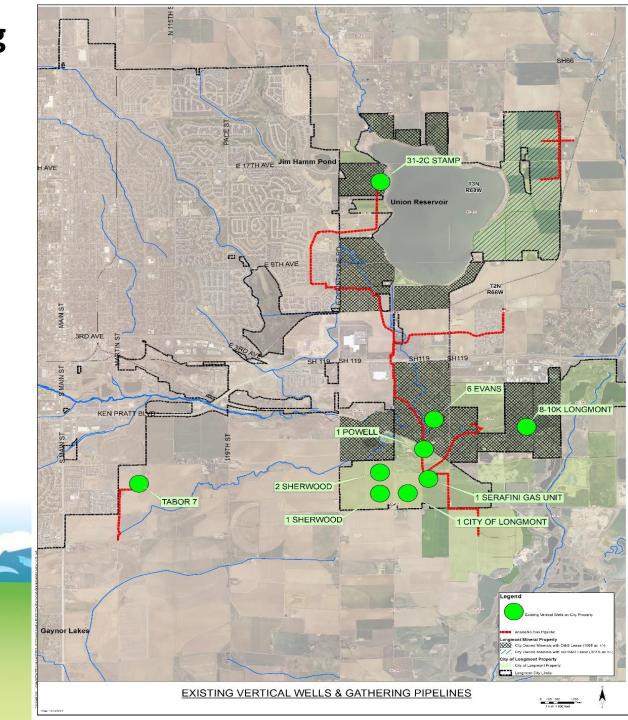
Existing Gathering Lines in and near Longmont

Currently includes the gathering line from the Stamp Well

Following annexation of the Tabor Well site an additional gathering line will be located within the City

 Both of the gathering lines are owned and operated by Anadarka (Kerr McGee)





Pipeline Setbacks

- Pipeline setbacks generally not regulated
 - 500' Thornton
- Management of setbacks can be through "pipeline impact radius" (PIR) calculation or "consultation zones"
- COGCC has started rulemaking process around flow lines but not gathering lines





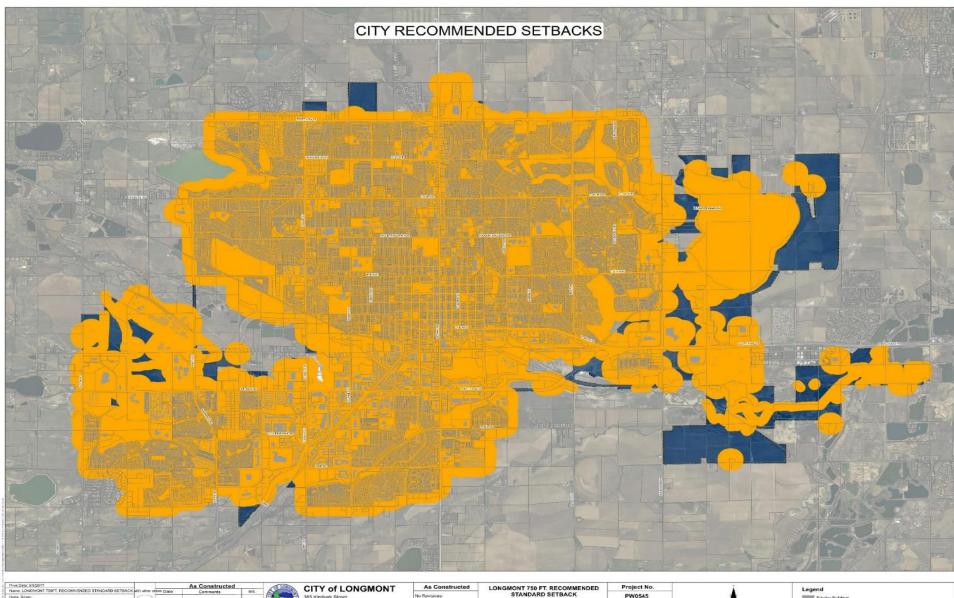
Setback Determinations

- Standards for setbacks from P&A wells and pipelines are not well advanced
- Rule making at COGCC and pipeline working group at Weld County may yield information and recommended standards
- Setbacks can be arrived at using PIR



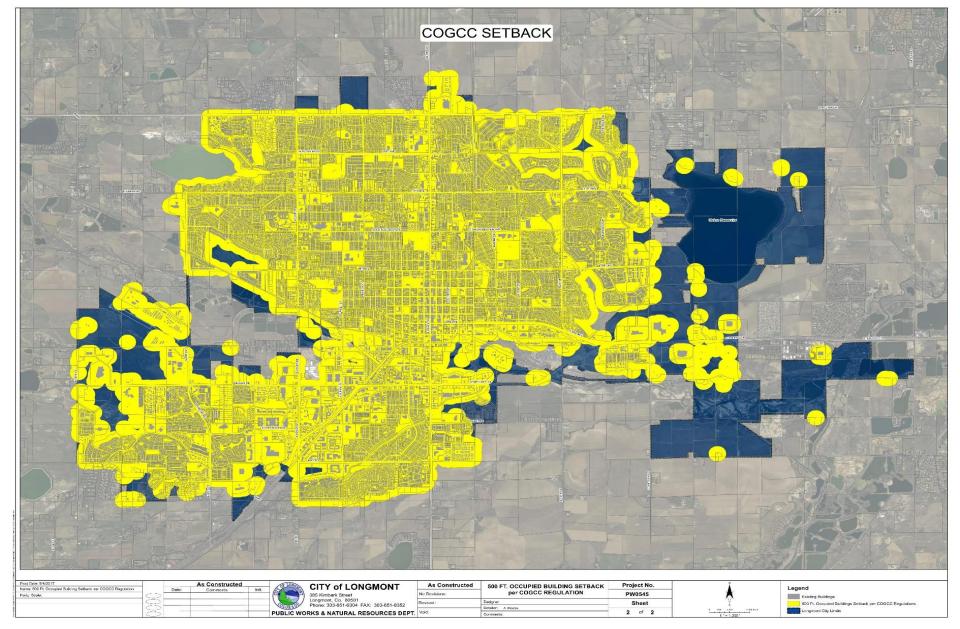


Understanding the Risks (750' set back)



PUBLIC WORKS & NATURAL RESOURCES DEPT.

Understanding the Risks (500' set back)



Council Direction

- Is 150' set back acceptable?
- Do you want to complete environmental monitoring of P&A wells, evaluate the information and potential risks prior to determining whether or not to establish new setbacks?
- Do you want to increase the setbacks from pipelines for new development?
 - This will be done through the Land Development
 Code as it pertains to development





End



