

## MONTHLY STAFF REPORT - January 3, 2001

### I. STATISTICS

.. Our monthly statistics report is attached. ([Page 1](#), [Page 2](#), [Page 3](#), [Page 4](#)) There were 1,529 Applications for Permit-to-Drill ("APDs") approved during calendar year 2000, an increase of over 50% from the 1,010 APDs approved during calendar year 1999. Based on the permitting activity in the past several months, it is forecasted that the COGCC will approve 1,800 APDs during calendar year 2001.

.. I would like to recognize the COGCC well permitting staff for their hard work and dedication in processing permits during a very busy period at the end of the 2000 calendar year.

### II. NORTHWEST COLORADO

#### .. Northwest Colorado Oil and Gas Forum

The next meeting of the Forum will be held on Thursday, February 1 from 10:00 a.m. until 2:00 p.m. at the Rifle City Hall. The Forum, which consists of representatives from federal, state and local government, the oil and gas industry and all interested citizens, is co-chaired by Brian Macke and Garfield County Commissioner Larry McCown. Please contact Brian Macke at 303-894-2100 x122 or [brian.macke@state.co.us](mailto:brian.macke@state.co.us) to submit agenda topics for the next meeting.

#### .. Barrett Resources Increased Well Density Application

COGCC staff has been working with Barrett Resources to begin processing Applications for Permits-to-Drill for new wells within lands subject to the Commission order adopted during the October 2000 hearing for 20-acre density in Garfield County.

To date, the COGCC has received four Applications for Permits-to-Drill for the newly adopted 20-acre density area. Two wells are directional wells from existing surface locations and two wells are new locations. None of the applications were within the "specified surface wellsite lands". One of the new wells required an onsite inspection because it was within 500 feet of a riparian area. Barrett Resources' annual drilling plan for 2001 has been submitted and includes 93 wells in the Grand Valley, Parachute and Rulison Fields, 42 of which are within the newly approved 20-acre density lands. Barrett Resources has also submitted the emergency preparedness plan to Garfield County that is required under the order.

COGCC staff has been working closely with Barrett Resources permitting staff and Garfield County to ensure that the requirements of the 20-acre density order are met in an efficient manner.

### III. SOUTHWEST COLORADO

#### .. COGCC Class II Injection Wells South of the Ute Line

The COGCC has been delegated by the EPA the authority to regulate Class II UIC injection wells in Colorado. The EPA has taken the position that it must regulate UIC wells within the tribal boundaries of the Southern Ute Reservation. In the past, the COGCC regulated Class II wells on fee and state lands south of the Southern Ute Line. The EPA has continued to regulate these wells also and cannot delegate the authority to regulate these wells to the COGCC. This dual jurisdiction for these wells has resulted in inconsistent permit conditions, dual inspections and operators submitting dual permits. This is currently occurring on six wells with another injection permit in progress.

To eliminate the unnecessary regulation, I have directed COGCC staff to stop regulating Class II UIC wells south of the Ute Line.

.. La Plata County Gas & Oil Regulatory Team (GORT)

The next GORT meeting is scheduled for February 8, 2001 from 8:30 to noon at the La Plata County Fairgrounds.

.. La Plata County/San Juan Basin 3M Project – Update

The “3M CBM Model Final Report” is now available on the COGCC website. Executable files for the public domain multi-phase model created for this project are also available from the website, along with a Users Manual and input files for the simulations described in the Final Report. To download these files, open the web page <http://www.cogcc.state.co.us>, click on “Studies in the San Juan Basin”, and then “3M CBM Model Final Report”. The “3M Hydrologic Model Final Report” will be available on the COGCC website soon.

.. Investigation of Water Well Complaints

Staff has completed the investigation of a complaint from a landowner in La Plata County alleging impacts to his water well from oil and gas activity. Based upon the analytical results of samples collected from his water well, review of water and gas well completion information, local geology, and information about recent work conducted on gas wells, the water well does not appear to have been impacted by nearby gas wells. Two other water well complaints, one in Rio Grande County and one in La Plata County, are currently being investigated. Gas and water samples have been collected and submitted for laboratory analysis.

**IV. SOUTHEAST COLORADO**

.. Raton Basin Project 2000 - 2002

Contracts have been signed with consultants for Phase I and Phase V of the Raton Basin Project. Phase I is the investigation of methane seeps using infrared instruments capable of detecting gas at one part per million. Field work began the week of October 23, 2000. Phase V is the identification of core and drill holes as well as underground mine workings. Work on Phase V began in November.

**V. ENVIRONMENTAL ISSUES**

.. Water Quality Control Commission Annual Report

COGCC environmental staff presented the COGCC annual report as an implementing agency of ground water standards and classifications to the WQCC during the WQCC hearing on December 12, 2000.

.. Statewide Integrated Ground Water Quality Protection Program

The next meeting of the Colorado Ground Water Protection Council will be held on January 11, 2001 from 9:00 to 11:00 a.m. in the COGCC conference room.

.. Rule Making Proposed to the Water Quality Control Commission (WQCC)

In an ongoing process to resolve discrepancies between the EPA requirements for UIC programs and the WQCC standards and classifications for ground water, Randall Ferguson, Debbie Baldwin, and Ed DiMatteo continue to work with staff from both agencies. The site-specific ground water classifications of Limited Use and Quality and standards were adopted by the WQCC on December 12, 2000. These new rules apply to the Lyons Sandstone in Weld County (WQCC Rule 42.7.(46)); the Parkman Sandstone in Weld County (WQCC Rule 42.7.(47)); the Sussex Sandstone in Weld County (WQCC

Rule 42.7.(48)); and the D and J Sandstones in Adams, Arapahoe, Morgan, Washington, and Weld Counties (WQCC Rule 42.7.(48)). The rules are available on the Colorado Department of Public Health and Environment (CDPHE) website at [www.cdphe.state.co.us](http://www.cdphe.state.co.us)

Staff will continue to identify additional formations within specified areas for proposed rulemaking by the end of the 2000/2001 fiscal year.

## VI. ORGANIZATION

### .. Staff Organization

Our current organization [chart](#) is attached.

### .. Staff Recognition

On November 4, 2000, the Rocky Mountain Association of Geologists presented Tricia Beaver, COGCC Hearings Manager, its award for Distinguished Public Service to Earth Science 2000 for her exemplary service to the citizens of Colorado. I would like to congratulate Tricia for her efforts in receiving this important recognition.

## VII. PLANNING/ADMINISTRATION/OTHER

### .. Department of Natural Resources Oil and Gas Legislative Package and Citizen Group COGCC Conflict of Interest Legislation

Attached are newspaper articles about the proposed legislation. ([Article 1](#), [Article 2](#))

### .. Well Log Imaging

The division's open hole well log electronic imaging project that was approved for the fiscal year 2000/2001 budget has been started. The goal of this project is to image all of the estimated 66,000 plus well logs and make them available to all COGCC data users. Ultimately, the log images will be accessible through the Internet. There will be more information about how the logs can be accessed in future staff reports.

The scanner that was anticipated to meet the requirements of the project has been tested, the image output looked good and the throughput will work with the purchase of an additional scanner which has been ordered. The software that will be used to index and import the data is an off-the-shelf product that is being modified to handle the large files. After the additional scanner has been received and the software modifications complete, the scanning will begin. The scanning, which will be performed by the Colorado Division of Central Services, will take three to six months depending on the number of eight-hour work shifts that are utilized.

### .. Colorado Oil and Gas Information System (COGIS)

The information system for COGCC has been named the Colorado Oil and Gas Information System (COGIS). COGIS is made up of the database management system, the Geographic Information System (GIS) and the document imaging system. All of these systems are available on the Internet, for use by staff and in the public room.

The database application consists of a forms processor that stores entered data for review by appropriate technical staff for quality control and compliance. Data access is provided by an online query application to view individual records on the computer screen. Reports are being developed to provide access to multiple record data sets.

The GIS is made up of two parts. The plat mapping tool spots wells, pits, and other associated facilities. The Internet available GIS tool is the Autodesk Mapguide application that displays statewide data including wells, pits, land ownership, spacing, surface water, surface geology, municipalities, roads, etc. Autodesk Mapguide allows for zooming, panning, printing and redirection to the database queries.

The document imaging system contains digital images of all paper records of the COGCC. The historical records, including cement bond logs and oversize hearing exhibits, have all been scanned. The images are available on the Internet.

The impact of these new systems substantially affects the processes that COGCC staff uses to complete its work. Work continues on program fixes (bugs), training, documentation, and modifications to the workflow to fit the new methods of data processing. As these issues are worked through, delays in form approvals and data distribution experienced by COGCC customers should be resolved. Data migration and cleanup continues, although this will be a long-term project. The results will be well worth the effort.

#### Electronic Levy Reporting

There are several levy payors submitting their Conservation Levy reports electronically. These reports account for 2,522 of 17,222 total leases reported in a single quarter or fifteen percent (15%) of the total. While this is a big help it is a small amount of the total percentage and the data entry volume is very significant.

Sharon Tansey has been contacting Levy payors directly and urging them to submit their reports electronically. She will also be working on creating an Excel spreadsheet to help with the data format. The specifications are detailed in the document titled "Oil and Gas Conservation Levy, Form 8, Specifications" which can be found on the Internet under the same title at <http://www.cogcc.state.co.us/documents.html>. Electronic filing of levy data will help reduce the data input requirements and data entry errors thus enabling faster turnaround time of all documents. Electronic submission may be made by e-mail attachment to [ogcc.eforms@state.co.us](mailto:ogcc.eforms@state.co.us) or by mailing 3.5-inch diskette or CD. Questions should be directed to Sharon Tansey at (303) 894-2100 x128.

#### Production Reporting by E-mail

There are currently more than 60 operators reporting production electronically. These electronic reports account for 17,625 out of a total of 24,131 well completions reported or 73% of the total reported for June, 2000. This significantly helps reduce the manual data entry volume.

Sharon Tansey has been distributing an Excel spreadsheet that lays out the electronic format for the production report. Electronic submission may be made by e-mail attachment to [ogcc.eforms@state.co.us](mailto:ogcc.eforms@state.co.us) or by mailing a 3.5-inch diskette or CD. To assist operators in understanding the new production reporting form, the codes used on the form, and the data format for reporting electronically, COGCC staff have prepared a document titled "Monthly Report of Operations, Form 7 Specifications". This document is available on the COGCC Website at <http://www.cogcc.state.co.us/documents.html>, or from the COGCC office. Questions should be directed to Sharon Tansey at (303) 894-2100 x128.

#### Data Entry

The volume of data entry has increased significantly over the past year. With the current oil and gas prices, we are seeing an increase in drilling and completion activities and the 1999 production reporting requirements significantly changed the number of lines of data submitted. In addition, the new COGIS database allows for storage of a more complete data set than the previous database for wells and

other oil and gas operations. In order to facilitate faster turnaround time of approvals and earlier data access to submitted data, all operators are being encouraged to submit their production and levy reports electronically. The COGCC is exploring ways to make forms available for submission on the Internet so that all forms can be submitted electronically.

The COGCC, with the State's Pueblo Data Entry Center (PDEC), is exploring the option of Optical Character Recognition (OCR) conversion of the production reports. OCR technology allows the conversion of an image back to the characters that made the data. This technology has greatly improved over the last two years and the accuracy is much higher. The COGCC would scan the production reports and transfer the images to PDEC. PDEC would run the OCR application on the imaged files, review the converted data and correct any improperly converted characters.

In order to implement this there will be a requirement to use a form that is just like the current form except that it has markers on the corners to help the software resize the form and square it so that it can be read. In addition, there will be a request for operators who are generating paper reports from their computers to submit the data electronically.

#### COGCC on the Internet

The COGCC continues to expand its Internet presence. Access to the COGIS database is now available via the "Info Systems" button on the COGCC homepage. The GIS and Document Images are available via the same selection. The COGCC searchable orders are available from either the homepage or the Info Systems page.

The GIS has been modified to return the well data query when a well spot is double clicked to display the well data. Active undrilled permits are now available on the GIS

We continue to redesign our web pages to provide improved customer service. The public is invited to leave comments or suggestions for improvements of the COGCC Internet site. Our e-mail address is [dnr.ogcc@state.co.us](mailto:dnr.ogcc@state.co.us).

#### Customer Feedback on Web Site

The comments we receive are encouraging and continue to deliver the message that we are on the right track to provide our customers with the right product. Our goal is to continue to improve the website and the data contained within. With the constructive and positive feedback that we continue to receive we hope to improve on the product.

#### NGPA Well Determination Process Resumed

The COGCC and the Federal Energy Regulatory Commission ("FERC") held a workshop on September 19, 2000 for producers to discuss the FERC's July 14, 2000 approval of Order No. 616 which became effective on September 25, 2000. BLM Representatives were among the 27 attendees.

On October 1, 2000, the COGCC began accepting applications for determination of coal seam gas and tight formation gas for wells spudded after December 31, 1979 and before January 1, 1993 for which determinations were never requested. In addition, applications may be filed for determination for wells recompleted for coal seam gas and tight formation gas commenced after January 1, 1993, in wells drilled after December 31, 1979 and before January 1, 1993, for which determinations were never requested. Further, gas producers may wish to file applications with the COGCC seeking designation for new tight formation areas previously undesignated.

Operators must submit FERC Form 121 and the COGCC Form along with the required materials to the COGCC for processing for well determinations. FERC Form 121 is available in hard copy at the COGCC. The COGCC form is available digitally on the website by clicking on "Natural Gas Category

Determination". Additional information is available on the website including a list of tight formation area designations and a list of all previously approved well determinations provided by the FERC. To date, 403 applications have been filed with 305 processed and sent to FERC recommending approval. For additional information, contact Tricia Beaver at (303) 894-2100 x115 or [tricia.beaver@state.co.us](mailto:tricia.beaver@state.co.us).

#### Penalties Status

Attached is a revised [table](#) showing the status of penalties paid and penalties pending collection. Penalties pending collection over sixty days old have been referred to State Collections so they can attempt to collect these penalties.

#### February Hearing Docket

A preliminary docket for February has been provided. Hearing dockets are updated on the COGCC website and can be accessed at <http://cogcc.state.co.us/2001HearingSchedule.htm>.

### **VIII. VARIANCES**

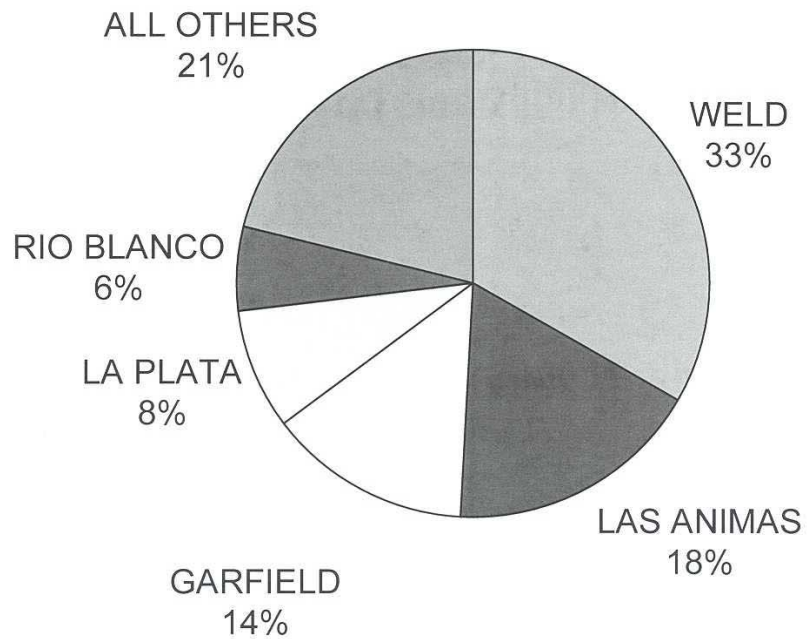
Amoco was granted a 502.b. variance to lease line setback requirements established in Order No. 112-157 for the Federal Land Bank Gas Unit B #2 Well. This is to be a test of the Fruitland Coal in the SW $\frac{1}{4}$  SW $\frac{1}{4}$  of Section 25, Township 34 North, Range 9 West, N.M.P.M. This exception has been requested to utilize an existing graveled area and to avoid the ground flare at Amoco's Florida River Compression Facility and is approximately 315 feet west and 720 feet south of the drilling window prescribed in Order No. 112-157.

Amoco was granted a 502.b. variance to lease line setback requirements established in Order No. 112-157 for the Ford Gas Unit F #1-A Well. This is to be a test of the Fruitland Coal in the NE $\frac{1}{4}$  NE $\frac{1}{4}$  of Section 3, Township 33 North, Range 8 West, N.M.P.M. This exception has been requested to utilize an existing well and is approximately 440 feet east of the drilling window prescribed in Order No. 112-157.

Amoco was granted a 502.b. variance to lease line setback requirements established by Order No. 112-157 for the Simon Land and Cattle 21U-1R #2 Well. This is to be a test of the Fruitland Coal in the SW $\frac{1}{4}$  NW $\frac{1}{4}$  of Section 21, Township 34 North, Range 9 West, N.M.P.M. This exception has been requested to avoid irrigated pasture, a building site and steep terrain and is approximately 580 feet west of the drilling window prescribed in Order No. 112-157.

HS Resources was granted a 502.b. variance to lease line setback requirements established by Rule 318A for the Platteville #23-19A Well. This is to be a deepening of a directionally drilled well testing the J Sand in the NE $\frac{1}{4}$  SW $\frac{1}{4}$  of Section 19, Township 3 North, Range 66 West, 6<sup>th</sup> P.M. This exception has been requested to utilize an existing well and is approximately 150 feet east of the drilling window prescribed in Rule 318A.

### Colorado Oil and Gas 2000 Drilling Permits



Colorado Oil and Gas Conservation Commission

Data Current Through 12/31/00

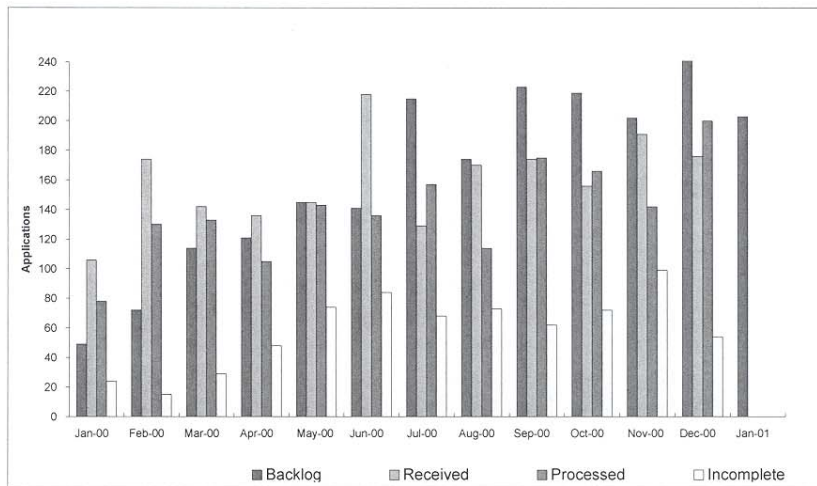


### Colorado Oil & Gas Conservation Commission

#### Monthly Breakout of Drilling and Recompletion Permits

	Backlog	Received	Processed	Withdrawn	Rejected	Incomplete	In-Process	Remaining
<b>Drilling</b>								
Jan-00	47	99	71	5	0	24	46	70
Feb-00	70	152	114	5	0	15	88	103
Mar-00	106	130	116	2	0	29	89	118
Apr-00	118	133	103	5	0	48	95	143
May-00	143	128	129	6	0	74	62	136
Jun-00	136	198	122	8	0	84	120	204
Jul-00	204	123	148	13	0	68	98	166
Aug-00	166	154	107	6	0	73	134	207
Sep-00	207	140	138	1	0	62	146	208
Oct-00	208	143	155	6	0	62	128	190
Nov-00	190	181	135	3	0	92	141	233
Dec-00	233	162	191	19	0	48	137	185
Jan-01	185	0	0	0	0	0	0	185
<b>Recompletion</b>								
Jan-00	2	7	7	0	0	0	2	2
Feb-00	2	22	16	1	0	0	7	7
Mar-00	8	12	17	0	0	0	3	3
Apr-00	3	3	2	2	0	0	2	2
May-00	2	17	14	0	0	0	5	5
Jun-00	5	20	14	0	0	0	11	11
Jul-00	11	6	9	0	0	0	8	8
Aug-00	8	16	7	1	0	0	16	16
Sep-00	16	34	37	2	0	0	11	11
Oct-00	11	13	11	1	0	10	2	12
Nov-00	12	10	7	2	0	7	6	13
Dec-00	13	14	9	0	0	6	12	18
Jan-01	18	0	0	0	0	0	0	18
<b>Total</b>								
Jan-00	49	106	78	5	0	24	48	72
Feb-00	72	174	130	6	0	15	95	110
Mar-00	114	142	133	2	0	29	92	121
Apr-00	121	136	105	7	0	48	97	145
May-00	145	145	143	6	0	74	67	141
Jun-00	141	218	136	8	0	84	131	215
Jul-00	215	129	157	13	0	68	106	174
Aug-00	174	170	114	7	0	73	150	223
Sep-00	223	174	175	3	0	62	157	219
Oct-00	219	156	166	7	0	72	130	202
Nov-00	202	191	142	5	0	99	147	246
Dec-00	246	176	200	19	0	54	149	203
Jan-01	203	0	0	0	0	0	0	203

Incomplete are permits that have missing or inaccurate data and cannot be approved.



Backlog = Incomplete + In-process = Remaining permits from previous month



Colorado Oil Gas Conservation Commission  
Monthly Statistics

Page 1 of 2

YEAR	MO	Baker - Hughes rig count	Permits								Active Wells	Unedited Historic Records	Public Visits			Well Oper Change
			Drilling		Recompletion		Injection		Pits				Data	Office	Internet	
			Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd						
1997	Total		1002	1012	134	130	15	16	85	121			2297	2495	0	3228
1998	JAN	18	73	94	4	5	1	0	14	1	23282	15378	176	243		76
	FEB	16	140	143	5	9	1	2		52	23395	15367	166	212		829
	MAR	17	115	98	17	12	0	1	2	0	23487	15361	164	312		
	APR	15	89	92	14	15	0	3	14	0	23532	15361	181	298		
	MAY	14	75	109	12	15	0	2	8	2	23590	15349	190	272		
	JUN	15	126	130	14	33	0	2	0	15	23602	15340	172	199		820
	JUL	13	83	141	8	15	2	2	3	2	23661	15333	163	268		240
	AUG	10	101	89	28	18	0	1	3	1	23761	15306	160	226		383
	SEP	9	84	80	13	10	2	0	6	7	23820	15305	155	232		100
	OCT	6	93	103	8	13	2	0	41		23841	15304	130	243		335
	NOV	8	103	69	20	9	0	2	9	21			150	168		276
	DEC	12	75	62	10	5	3	2	12	4	23943	15245	128	242		285
1998	Total		1157	1210	153	159	11	17	112	105			1935	2915	0	3344
	JAN	10	51	57	0	1	1	0	13	5	23925	15226	139	271	1263	159
	FEB	11	49	73	6	7	2	2	28	1	23905	15217	158	250	1540	216
	MAR	11	86	65	7	5	1	0	10	20	23889	15204	168	332	1232	38
	APR	8	76	112	7	6	0	0	28	15	23965	15196	145	361	1487	47
	MAY	11	92	82	0	0	0	1	11	7			116	321	1711	506
	JUN	13	95	95	1	1	0	0	19	19	24035	15182	145	234	1506	132
	JUL	10	82	78	6	8	1	1		3	24126	15178	150	326	2594	54
	AUG	13	73	81	6	6	1	1		2	24145	15176	155	212	1956	40
	SEP	14	90	124	7	13	1	1	14	17			130	132	1136	697
	OCT	15	133	110	13	16	0	0	2	31			146	120	NA	52
	NOV	17	96	90	24	16	3	1	10	5			65	162	NA	90
	DEC	18	87	90	9	8	0	0	23	15			107	119	814	155
1999	Total		1010	1057	86	87	10	7	158	140			1624	2840	15239	2186
	JAN	18	71	99	7	7	0	0	3	6			140	92	3025	287
	FEB	17	114	152	16	22	2	2	16	15			123	126	3432	210
	MAR	18	116	130	17	12	1	1	5	9			126	172	3611	190
	APR	18	103	133	4	3	2	1	5	54	21989		108	169	3219	356
	MAY	17	129	128	14	17	0	1	71	34	22098		131	218	3664	154
	JUN	16	122	198	14	20	0	0	18	11	22103		106	117	3391	367
	JUL	19	148	123	9	6	4	8	35	30	22190		100	172	3384	214
	AUG	16	107	154	7	16	1	0	22	40	22247		103	75	3759	192
	SEP	16	138	140	37	34	1	2	51	37	22175		66	208	4941	308
	OCT	19	155	145	11	13	0	0	42	22	22224		99	205	4863	234
	NOV	22	135	181	7	10	1	1	51	34			82	155	4704	138
	DEC	24	191	162	9	14	0	1	9	6	22228		80	135	4143	17
2000	Total		1529	1745	152	174	12	17	328	298			1264	1844	46136	2667

GLENNWOOD "POST/INDEPENDENT" DEC. 22, 2000

The

## Watchdogs point out need for disclosure of oil and gas interests

By Heather McGregor  
Staff Writer

Environmental watchdogs of the gas drilling industry have called for full disclosure of oil and gas interests held by the seven members of the Colorado Oil and Gas Conservation Commission.

Janey Hines, of the Grand Valley Citizens Alliance, said five of the commission's seven members "work for the industry they are supposed to be regulating."

The challenge comes just a few weeks before the start of the 2001 legislative session, when state Sen. Jim Dyer, D-Durango, will push a bill reducing the number of industry-oriented board members.

A similar bill introduced in the 2000 session by House Speaker Russell George failed by one vote.

"A new law must be passed that requires a fair, impartial and trustworthy Oil and Gas Commission," Hines said. She noted that the Oil and Gas Commission recently approved 20-acre gas well spacing in western Garfield

County, the most dense in the state.

The Citizens Oil and Gas Support Center, which includes groups in Parachute, Durango and Trinidad, issued the disclosure challenge Wednesday in a news release.

Officials at the Oil and Gas

**Support Center members charge the situation has resulted in drilling permits that damage the environment and endanger the public.**

Commission office in Denver knew nothing of the request.

The Support Center contends that close industry relationships among most of the Oil and Gas Commission's board members amount to "the industry regulating itself."

And Support Center members charge the situation has resulted

in drilling permits that damage the environment and endanger the public.

"Despite serious environmental problems, the commission continues to allow new well drilling before it can determine how to prevent these problems from happening in the first place," said Jerry Swingle of the Durango-based San Juan Citizens Alliance.

Swingle said the problems include contaminated drinking water, methane and hydrogen sulfide seeps in and near homes, underground coal fires, exploding water wells, wrecked wildlife habitat and loss of surface owner rights.

The seven Oil and Gas Commission members are Dan Skrabacz, Brian Cree, Stephen Sonneberg, Abe Phillips, Tom Ann Casey, Michael Klish and Bruce Johnson.

Of the seven, only Klish and Johnson are not employed in the energy industry. Johnson is a farmer and real estate broker, and Klish is an environmental scientist who specializes in reclamation.

GRAND JUNCTION "DAILY SENTINEL"  
DEC. 27, 2000

# Groups feel 'duped' over conflict bill

*Environmentalists: Walcher  
blocking conflicts of interest bill*

By MARIJA B. VADER  
The Daily Sentinel

RIFLE — State representatives from areas most affected by oil and gas drilling will not sponsor a citizen-initiated bill to bar conflicts of interest on the Colorado Oil and Gas Conservation Commission.

Environmental groups are not happy about it.

"We feel we've been duped," said Janey Hines of the Grand Valley Citizens Alliance, a Parachute-based watchdog group.

What's more, Hines alleged, Department of Natural Resources Director Greg Walcher asked two state representatives to specifically not sponsor the grass-roots conflict of interest bill.

And they agreed, Hines said.

"One person is trying to wrest away from the citizens the power of a true reform bill by limiting the number of legitimate sponsors of that bill," Hines said of Walcher.

"Walcher is a resource pig. He will always promote the extraction of natural resources," Hines said.

State Rep. Gregg Rippy, R-Glenwood Springs, "already promised he'd carry," the conflict bill, Hines said.

Rippy took over the seat formerly held by House Speaker Russ George.

Last year, George sponsored the conflict bill.

"Gregg Rippy missed the opportunity to truly come through and represent the people of his district," Hines added.

Rippy, however, said Thursday that nobody from the Alliance has asked him to sponsor the conflict bill.

Furthermore, he can introduce only five bills, and he's already committed all five slots, Rippy added.

And, of conversations with Walcher, "There was certainly nothing said about what you can or can't carry," Rippy said.

The Alliance, the San Juan Citizens Alliance in Durango, Southern Colorado CURE in Trinidad and the Citizens Oil and Gas Support Center in Durango have strongly supported a bill that would prohibit persons with conflicts of interest from serving on the state oil and gas commission.

The watchdog groups claim some commission members work for the industry they regulate, creating conflicts of interest.

The groups unsuccessfully

See BILL, page 8A ➤



GREG WALCHER

## BILL: Walcher introduced 3 bills

➤ Continued from Page One

attempted the past two years to pass the legislation.

They will introduce similar legislation again this year.

State Sen. Jim Dyer, D-Durango, will sponsor the conflict bill in the Senate, but the citizens groups have yet to find a representative to sponsor the measure in the House.

Walcher denied Friday that he asked Rippy to not sponsor the conflict bill.

Walcher did not specifically deny that he asked Rep. Mark Larson, R-Cortez, to not sponsor the conflict bill.

Instead, Walcher said Friday, "we reached that conclusion together."

Larson denied he made a deal with Walcher.

Instead, "As I recall, it was my option to not move forward with the conflict bill, in hopes I would be able to spur interest and support for the surface damage bill," said Larson Friday, referring to a bill proposed by Walcher.

Furthermore, the surface damage bill is "more important at this point," Larson said, "so I guess it was a matter of my priorities."

Also, members of the state oil and gas commission denied a request this year by Barrett Resources to increase well density in Garfield County, Larson said.

"Why hold them hostage when they're doing what people wanted them to do anyway?" Larson said.

Jerry Swingle of the San Juan Citizens Alliance was discouraged by Larson's actions.

"People have expressed everything from disappointment to

resentment that our representative has disavowed any support for legislation," said Swingle. "It's fortunate that the representative that should be most sympathetic to the need for this legislation is available and isn't willing."

In October, Walcher introduced three of his own proposed bills aimed at changing oil and gas law.

Walcher's legislation deals with drilling conditions and paying damages done by drilling, notification of drilling, of subdivision and of mineral severance laws, surface owners' ability to claim mineral rights.

State Reps. Larson, Rippy, Shawn Mitchell, R-Broomfield, each sponsor one Walcher bill while Dyer will be the Senate sponsor for all three proposals.

Walcher's proposals "dove well" with the grass-roots bill, Swingle said.

Hines, however, said Walcher's proposals will have "very little political impact. People were asking a racehorse, and what we got was a hedgehog."

Walcher took a similar tack with the conflict bill, calling it a "Ba Aid that doesn't fix the problem," said, "Rep. Larson reached the same conclusion."

Instead, Walcher claimed his legislation strikes at the heart of a quated state laws and does not personalize the issue.

"We don't want it to get personal," Walcher said, adding that commission members are "all volunteers and doing the best they can with a complicated set of issues."

■  
Marija B. Vader can be reached via e-mail at [mvader@ajds.com](mailto:mvader@ajds.com).