



TOWN BOARD WORK SESSION

March 2, 2020 - 6:00 PM

1st Floor Conference Room, 301 Walnut Street, Windsor, CO 80550

GOAL of this Work Session is to have the Town Board receive information on topics of Town business from the Town Manager, Town Attorney and Town staff in order to exchange ideas and opinions regarding these topics.

Members of the Public in attendance are asked to be recognized by the Mayor before participating in any discussions of the Town Board

AGENDA

1. PRC Strategic Plan Draft Presentation - E. Lucas
2. Oil and Gas Location Requirements - S. Ballstadt
3. Future Meetings Agenda

The Town of Windsor will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 674-2400 by noon on the Thursday prior to the meeting to make arrangements.



MEMORANDUM

Date: March 2, 2020
To: Mayor and Town Board
Via: Shane Hale, Town Manager
From: Eric Lucas, Public Services Director
Re: PRC Strategic Plan
Item #: 1.

Background / Discussion:

The enclosed Parks, Recreation & Culture Strategic Master plan is the result of months of community outreach and conversations with Town Board, staff and others over the past year. Neelay Bhatt, from PROS our consultant, and staff will briefly present an overview of the efforts to date and answer questions.

The draft can be found at the following location as it is too large to attach to this document:

<https://www.dropbox.com/s/5x0svhgm5ozr6px/Windsor%20Strategic%20Plan%202020%2002%2027.docx?dl=0>



MEMORANDUM

Date: March 2, 2020
To: Mayor and Town Board
Via: Shane Hale, Town Manager
From: Scott Ballstadt, Director of Planning
Re: Oil and Gas Location Requirements
Item #: 2.

Background / Discussion:

Please see attached memo.

ATTACHMENTS:

- ▢ Oil and Gas Location Requirements memo
- ▢ 1-23-20 map email to Town Board
- ▢ Map of known future oil & gas activity
- ▢ Town of Windsor Oil & Gas webpage
- ▢ 1-21-20 COGCC Wells in Windsor area
- ▢ 1-21-20 COGCC Wellbores in Windsor area



MEMORANDUM

Date: March 2, 2020
To: Mayor and Town Board
From: Shane Hale, Town Manager
Ian D. McCargar, Town Attorney
Scott Ballstadt, Director of Planning
Re: Oil & Gas Location Requirements Summary

Background / Discussion

Town Board held work sessions regarding SB 19-181 on June 3, 2019 and August 5, 2019 and identified oil and gas location requirements as a priority to discuss further, among others. A subsequent work session concentrating on oil and gas location requirements was held on January 20, 2020 and at the end of that discussion, Town Board directed staff to schedule this subsequent work session.

There was not a consensus of Town Board regarding proposed legislation at the January 20th work session. Some board members prefer to wait for the outcome of the pending state rulemaking processes to ensure that any new local legislation is not rendered moot or redundant, while others were in favor of processes similar to the Adams County model that does not allow oil and gas in residential zones unless the board approves a waiver based on criteria. Staff was asked for more information on the following topics:

Maps

Various maps were discussed and staff subsequently sent examples of mapped information to the Town Board for review (please see attached 1/23/20 email and examples).

Horizontal Drilling Questions

Town Board also asked about industry information regarding technological limits of horizontal drilling distances and at what distance does it typically become economically infeasible even if a distance may be technically feasible. Unfortunately, there doesn't appear to be a good published source of this kind of information, as every situation is somewhat unique and dependent upon the particular formation that is being targeted, the required orientation of the wells that is dictated by the local geology, a company's experience with and risk tolerance for extended horizontal drilling, limitation of the drilling rig, technical considerations associated with completing (hydraulic fracturing) the well, long-term well maintenance, etc.

Aside from the technical and economic limitations of extended horizontal drilling, there are a host of other considerations that come into play, for example:

- The operator has to be able to reach agreement with the surface owner regarding the location of the well pad.
- The operator has to have the legal right to drill into and through the rock beneath the well pad. Even though an operator might be able to drill 2-3 miles horizontally to reach minerals they have leased, pushing the surface location further from the minerals being accessed could result in the surface location being underlain by minerals not leased by that

operator. Although it is possible to reach an agreement with the owner and/or lessee of those minerals to drill through them, it is typically not an easy process and could result in unreasonable compensation demands.

- Similarly, the operator may not have an approved drilling and spacing unit (DSU) with the COGCC for the area beneath the proposed surface location. Again, although it might be possible to obtain approval for drilling from this area into an approved DSU, that process is very difficult and contains a lot of uncertainty.
- When designing the location and trajectory of new wells, existing wells in the area also have to be considered so as to not impact those wells during the drilling and completion of the new wells. This potential conflict with other wells could limit the options for the surface location. The path of the wellbore also has to meet certain specifications for setbacks from the DSU and lease boundaries.
- The existing COGCC process (and the new Weld County 1041 WOGLA process) has a wide range of considerations that have to be taken into account when siting surface locations. Although it might be technically and economically feasible to drill from another location, the specifics of the alternate location may make it very difficult or impossible to permit.
- Moving the surface location could also impact the ability to obtain access to the location or to tie into the existing pipeline and other infrastructure needed to produce the wells on the pad.

Next Steps

Unless there are further questions or required information, staff stands by for further Town Board direction.

Previous work session materials

[6/3/19 Town Board work session packet](#)

[8/5/19 Town Board work session packet](#)

[01/20/20 Packet - Town Board Work Session](#)

Attachments

1/23/20 email and map examples

Scott Ballstadt

From: Scott Ballstadt
Sent: Thursday, January 23, 2020 8:51 AM
To: TownBoard
Cc: Shane Hale; Ian McCargar; John Thornhill
Subject: oil and gas maps
Attachments: Map of known future Oil & Gas activity.pdf; 1-21-20 COGCC Wells in Windsor area.pdf; 1-21-20 COGCC Wellbores in Windsor area.pdf; 1-21-20 Town of Windsor Oil & Gas Webpage.pdf

Dear Mayor Melendez and Town Board,

Regarding Monday night's discussion about oil and gas mapping, attached are some examples of the type of information available:

- The first map is the one from the July work session and could easily be updated to reflect underlying zoning if that will suffice.
- The two attached COGCC maps are screen shots from the COGCC GIS website to illustrate permitted wells and wellbores if that information is helpful.
- The last map is a screenshot and link to the Town's oil and gas web page which includes an interactive map containing additional detail about each well pad in Windsor, including older wells for historical reference. I found a few of the more recent pads need to be updated to include detailed pad information, but most are current.

Staff is hoping to receive further direction from Town Board regarding the desired map before committing resources that may not be headed in the right direction. Please let me know if you have any questions. Thanks, Scott

Scott Ballstadt, AICP

Director

Town of Windsor | Planning
301 Walnut Street | Windsor, CO 80550

Dir: 970-674-2411 | Off: 970-674-2400

www.windsorgov.com

Gomer 32-G Pad
18 wells proposed
Extraction Oil & Gas
CUG under review

Otis 32-K Pad
18 wells proposed
Extraction Oil & Gas
CUG under review

Raindance Pad
14 wells completed
59 total wells planned
8-16 wells over next 3-5 years
Great Western Oil & Gas
CUG approved

Broe FD Pad
42 total wells planned
8-16 wells over next 3-5 yrs
Great Western Oil & Gas
CUG not yet submitted

Municipal Boundary

Windsor Corporate Limits - 25.6 sqmi

0 0.25 0.5 1 Miles
1:72,000

Sources: Esri, USGS, NOAA



This map was created for illustrative purposes only. Any representations from the misuse or misrepresentation of this map or its contents, whether intentional or not, are the sole responsibility of the user.

Updated: 7/5/2019
Updated by: mmenand
Created: 10/28/2009
Created by: stonemich
File: Map of Windsor Boundary(8.5x11-P)

Town of Windsor Oil & Gas webpage:

<https://gis.windsorgov.com/maps/?viewer=default&run=Windsor Parent-Theme Switcher&in theme=Oil%20%26%20Gas>

The screenshot displays the 'Community Maps' interface for the Town of Windsor, Colorado. The header includes the town's logo and the title 'Community Maps Windsor Information & Navigation Gateway'. A search bar and a 'Sign in' link are in the top right. Below the header, a navigation bar contains tabs for 'Themes', 'Tools', 'Measure', and 'Markup'. The 'Themes' tab is active, showing a grid of icons for various map themes: Home, Layers & Legend, Property Info & Boundaries, Community Development, Recreation, and Oil & Gas. The 'Oil & Gas' theme is selected, and the map area displays a grid of sections labeled 'T6N R66W S11' through 'T6N R67W S36'. The map shows a network of roads, including County Road 3, County Road 20, and County Road 23, and several lakes, including Myer Reservoir, Cache la Poudre River, and Eagle Lake. A scale bar at the bottom indicates a distance of 1 mile. A 'Tools' button is visible in the top right corner of the map area.

Community Maps
Windsor Information & Navigation Gateway

Search... Sign in

Themes Tools Measure Markup

Home Layers & Legend Property Info & Boundaries Community Development Recreation Oil & Gas Print Export Share

Themes

Welcome to... I want to...

Use the themes to:

Find property information such as ownership, land use, zoning, voting districts, utility districts, school attendance boundaries and much more!

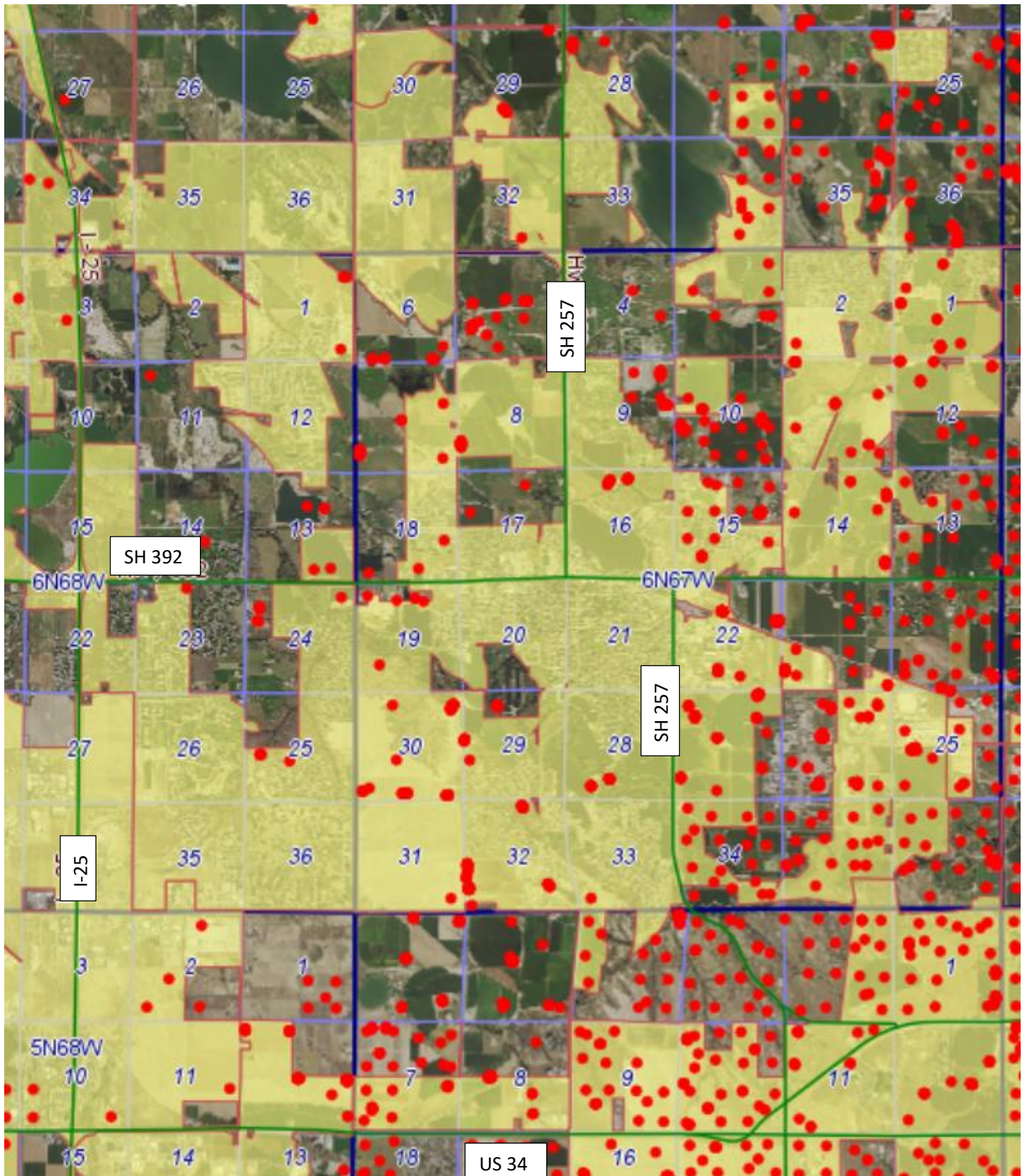
Also view construction projects, development projects, recreation opportunities.

Search for properties using the search box in the upper right-hand corner to locate a property or simply click on the map.

Clicking "Parcel Info" will

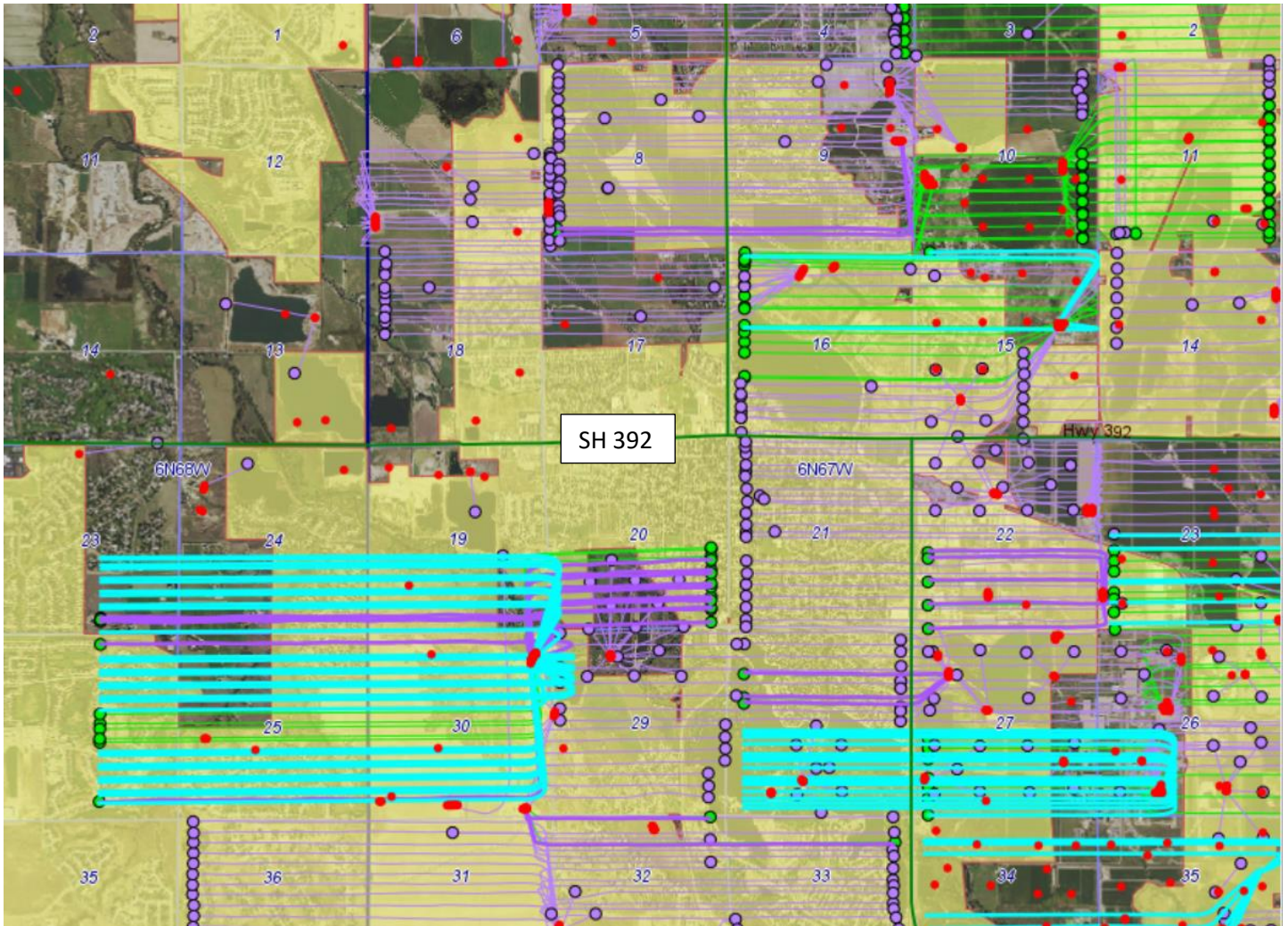
WKID: 4326 Lat/Long ▲ Lat: 40.4939° N Lon: 104.9164° W 0 0.5 1mi

Oil & Gas Wells in Windsor Area per COGCC GIS Website 1/21/20



Oil & Gas Well Directional Wellbores in Windsor Area per COGCC GIS Website 1/21/20

SH 257



CO BLVD

SH 257