

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF AN APPLICATION OF
MORGAN COUNTY SEEKING AN ORDER FOR
PARTIAL EXEMPTION FROM VISUAL IMPACT
MITIGATION REQUIREMENTS OF RULE 804

CAUSE NO.

DOCKET NO.

Morgan County (“Applicant”), by and through undersigned counsel, hereby files this Application with the Oil and Gas Conservation Commission of the State of Colorado (“Commission”) for an order seeking a partial exemption from the requirements of Commission Rule 804, Visual Impact Mitigation, and in support of its Application state and allege as follows:

1. Production facilities associated with oil and gas operations are located within the Applicant’s boundaries in the State of Colorado.
2. Rule 801 of the Commission permits any Colorado county, home rule or statutory city, town, territorial charter city, or city and county to apply to the Commission for an exemption from any or all of the rules and regulations in the 800-Series of the Commission’s Rules for all or a portion of the lands within its boundaries.
3. The Applicant seeks a partial exemption from Rule 804, Visual Impact Mitigation, for all or a portion of the lands within its boundaries as described below:

All lands within Applicant’s boundaries as described in Title 30, Article 5, C.R.S.; (hereinafter “Application Lands”), that is, all property within the boundaries Morgan County as described in §30-5-148 C.R.S..

4. Rule 804 requires that production facilities, regardless of construction date, that are observable from any public highway must be painted by September 1, 2010 with uniform, non-contrasting, non-reflective color tones (similar to the Munsell Soil Color Coding System), and with colors matched to but slightly darker than the surrounding landscape.
5. The Applicant believes that enforcement the September 1, 2010 deadline of Rule 804 is not necessary for the protection of public health, safety and welfare, or the environment on the Application Lands and, thus, the Application Lands should be exempted from this rule for the following reasons:
 - a) Oil and gas production facilities are not located where they will distract drivers on public highways.
 - b) The county, particularly in those areas where the affected oil and gas facilities are located, is not densely populated. So, aesthetics of the tanks and other production facilities are not a significant concern.

- c) Oil and gas production facilities which are not painted in earth tone colors facilitate the response of emergency services to the sites.
 - d) The public, as represented by the Board of County Commissioners of Morgan County, has expressed a desire for an exemption from enforcement of Rule 804.
 - e) Many of the facilities which have not already been painted in earth tone colors pursuant to the previous version of Rule 804 are low producing “stripper” wells which are of marginal economic viability. Enforcement of the present version of Rule 804 could result in wells being shut in which will reduce county revenues and resource production and will increase unemployment. Between 2000 and 2009 Morgan County oil production declined by 23.4% and gas production by 51.3%. Enforcement of the current version of Rule 804 will only exacerbate this decline. At least half of the facilities in Morgan County will be affected by enforcement of Rule 804.
6. The Applicant is not seeking an entire exemption from the provisions of Rule 804. The Applicant is only requesting an exemption from the September 1, 2010 requirement. The Applicant has no objection to the enforcement of Rule 804 as it existed prior to the 2009 amendments. That is, any oilfield equipment, including tank batteries, must be painted in earth tone colors upon installation or repainting as part of regular maintenance.
7. The names and addresses of the interested parties, according to the information and belief of the Applicant, are set forth in Exhibit A attached hereto and made a part hereof.
8. Applicant requests the Commission to set the Application for hearing and designate the Application Lands as partially exempt from Rule 804.

DATED this 20th day of July, 2010.

Respectfully submitted,

By: _____
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VERIFICATION

I, Brian McCracken, Chairman of the Board of County Commissioners of Morgan County, hereby certify that the facts asserted in this Application are true and correct to the best of my personal knowledge.

Brian McCracken

STATE OF COLORADO)
) ss:
COUNTY OF MORGAN)

SUBSCRIBED AND SWORN to before me this _____ day of July, 2010, by Brian McCracken as Chairman of the Board of County Commissioners of Morgan County.

Notary Public

SEAL

My Commission Expires: _____

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the **APPLICATION FOR AN ORDER SEEKING EXEMPTION FROM RULE 804, VISUAL IMPACT MITIGATION**, has been mailed this 20th day of July, 2010 to the following entities that require notice of such filing:

Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, suite 801
Denver, CO 80203

Attn: Carol Harmon

EXHIBIT “A”

It is impossible to distinguish those groups and individuals of the general public, surface property owners, and oil and gas operators who will be directly affected by an exemption from enforcement of Rule 804 in Morgan County from those which are not affected. Therefore, notice of this application and of hearing time and date must be accomplished by publication in the newspaper of legal record for Morgan County:

Fort Morgan Times
329 Main Street
Fort Morgan, CO 80701

fmtimes@fortmorgantimes.com