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

IN THE MATTER OF THE APPLICATION OF)
CITY OF LONGMONT FOR)
OUTSIDE ACTIVITY AREA DESIGNATION) Cause No.:
Part of the N1/2 of Section 6, T2N, R68W, part of the NW1/4))
of Section 5, T2N, R68W and part of the S1/2 of the SW1/4)
of Section 32, T3N, R68W of the 6 th PM,)
WELD COUNTY COLORADO	Docket No ·

AMENDED APPLICATION

The Union Reservoir Company ("Company"), a Colorado corporation, and the City of Longmont, Colorado, a municipal corporation ("City"), by their undersigned counsel, files this Application and request that the Colorado Oil and Gas Conservation Commission ("Commission") designate the Union Reservoir Recreation Area ("Union"), which is identified in Exhibit 1, as a Designated Outside Activity Area ("DOAA") pursuant to the Commission Rule 603.d. The City and the Company may be collectively referred to herein as the "Applicants". The purpose of this Application is to protect the City's significant investment in and prevent future adverse impacts to Union and its visitors from oil and gas operations. The City is working cooperatively with the operator that has leasehold rights in the area to identify mutually agreeable drilling locations to minimize adverse impacts to City resources and to allow the operator to further oil and gas exploration. The City has also conferred with Commission Staff to develop this application. If future drilling permits are granted, they should be subject to appropriate restrictions, setbacks and safeguards as contemplated by Rule 603.d. As grounds for this Application, the City states as follows:

BACKGROUND

- 1. The Company is the owner of the surface fee and mineral rights of the property known as Union, located in part of the N1/2 of Section 6, T2N, R68W, part of the NW1/4 of Section 5, T2N, R68W and part of the S1/2 of the SW1/4 of Section 32, T3N, R68W of the 6th PM, Weld County, Colorado. *See* attached Exhibit "1". The mineral rights are leased to TOP Operating.
- 2. Union is a popular local and regional destination and has been developed by the City for recreation and public use through a lease granted to the City by the Company. The City has held its lease at Union since 1991 and currently pays approximately \$75,000 annually to maintain it.

- 3. Visitation to Union has increased over the last several years. Union is currently used by approximately 170,000 individuals annually, and it generates approximately \$250,000 in revenue to the City. *See* Exhibit "2", hereto. Uses include swimming, boating, bicycling, running, family and social gatherings, and the like.
- 4. Over the past 5 years, the City has invested approximately \$1.8 million to improve and upgrade Union in order to provide outdoor recreation opportunities for citizens of Longmont and the surrounding communities.
- 5. The 100 Series Definitions of the Oil and Gas Conservation Commission Rules provides that a DOAA is a "well-defined outside area (such as a playground, recreation area, outdoor theater, or other place of public assembly) that is occupied by twenty (20) or more persons on at least forty (40) days in any twelve (12) month period or by at least five hundred (500) or more people on at least three (3) days in any twelve (12) month period.
- 6. Union satisfies all of the DOAA criteria because it is a well-defined outside area that is occupied by at least 20 or more persons on at least 40 or more days in any 12-month period, and/or by at least 500 people or more on at least 3 days in any 12-month period. During 2011, over 170,000 persons visited Union. Visitation on at least in 4 days in 2011 exceeded 500 people for triathlon events. During March through May, 2012, Union was occupied by over 23,253 persons, with over 500 persons for 10 days and over 20 persons for 92 days. Daily visitation for March, April and May 2012 is detailed in Exhibit "3", hereto.
- 7. The City supports the safe and efficient exploration and production of oil and gas resources in a manner consistent with the protection of public health, safety and welfare, and COGCC rules. As such, the City is currently negotiating a surface use and access agreement with TOP Operating Company to identify drilling locations that support the operator's right to drill and explore its mineral rights, protect the City's resources and public safety, and would be consistent with this DOAA request.

CERTIFICATE OF NOTICE

8. The undersigned certifies that, to the best of his information and belief, a copy of this document has been served on all parties who are entitled to notice under Commission Rules 507.b. and 507.c.

WHEREFORE, Applicants respectfully requests that the Commission designate the Union Reservoir Recreation Area as a Designated Outside Activity Area (located in part of the N1/2 of Section 6, T2N, R68W, part of the NW1/4 of Section 5, T2N, R68W and part of the S1/2

of the SW1/4 of Section 32, T3N, R68W, 6th P.M., Weld County, Colorado) (or so much thereof as may be appropriate) in accordance with rules in Rule 603.d and establish appropriate set backs for the property.

DATED this _____ day of July, 2012.

Respectfully submitted,

Kenneth Huson

Union Reservoir Company

President of the Board of Directors

Ken & Huson

P.O. Box 445

Greeley, Colo. 80632

CITY OF LONGMONT, COLORADO,

a municipal corporation

Eugene Mei

City Attorney

City of Longmont

Civic Center Complex

408 3rd Avenue

Longmont, CO 80501

Telephone: 303-651-8914

Kim Shugar

Natural Resources Manager

7 South Sunset Street

Longmont, CO 80501

Telephone: 303-651-8992

Bv:

Xin Shoon

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing APPLICATION, has been mailed, first class postage prepaid, this ______ day of July 2012, addressed to the following:

Erika Zimmer Enger, Esq. Temkin Wielga & Hardt, LLP 1900 Wazee Street, Ste. 303 Denver, CO 80202

Thomas J. Kimmel, Esq. Zarlengo & Kimmel LLC 1775 Sherman, Ste. 1375 Denver, CO 80203

TOP Operating Company ATTN: Murray Herring 7500 West Mississippi Ave., Ste. B-3 Lakewood, CO 80226

ALLISON EXPLORATION LLC 3928 SIMMS ST WHEAT RIDGE, CO 80033

JOHN R CALVIN 733 CHAVEZ RD NW ALBUQUERQUE, NM 87107

ROBERT HECKENDORF DBA CARRIED GAS VENTURE PO BOX 1855 GYPSUM, CO 81637-1855

COCKRELL PRODUCTION CO INC POB 3638 ABILENE, TX 79604

MARGARET O ECKEL %PATRICIA R ECKELS 12516 CR 1 LONGMONT, CO 80501

DEBORAH S HERRING 1081 HITCHRACK RD BAILEY, CO 80421

MURRAY J HERRING & GLADSIE A HERRING 1630 S IRIS WAY LAKEWOOD, CO 80232

PAUL R HERRING 2745 SCENIC DR PLANO, TX 75025

RODNEY K HERRING & DEBORAH S HERRING 1081 HITCHRACK RD BAILEY, CO 80421

BERNEN E IDEN & LOIS G IDEN 12490 CR 1 LONGMONT, CO 80504

JC THOMPSON & JC JR THOMPSON LP 325 N ST PAUL STE 4300 DALLAS, TX 75201

DELMAR C JONES & JOANN M JONES 805 9TH ST BERTHOUD, CO 80513

ROBERT S KLIPPING 14645 STERLING RD CO SPGS, CO 80921

JAMES M MARTIN 943 T AVE RR 1 BOX 321 COUNCIL GROVE, KS 66846-8777 LEROY SCHLAGEL & ALBERTA J SCHLAGEL 9671 YELLOWSTONE RD LONGMONT, CO 80504

LANNA D SHAFFER 7876 W NEWBERRY CIR LAKEWOOD, CO 80235

SOUTH VALLEY DRIVE LLC POB 717 LONGMONT, CO 80502

EARL D SOWERS & BARBARA A SOWERS 7251 TIMOTHY PL LONGMONT, CO 80503

UNION RESERVOIR CO POB 445 GREELEY, CO 80632

TOM J WEISS & DIANA MARY WEISS 18155 CLARNO CT PORTLAND, OR 97229

PHILLIP M WILLIS & MARSHA A WILLIS 12244 CR 1 LONGMONT, CO 80501

ERIC COYLE 397 CR 26 LONGMONT, CO 80504

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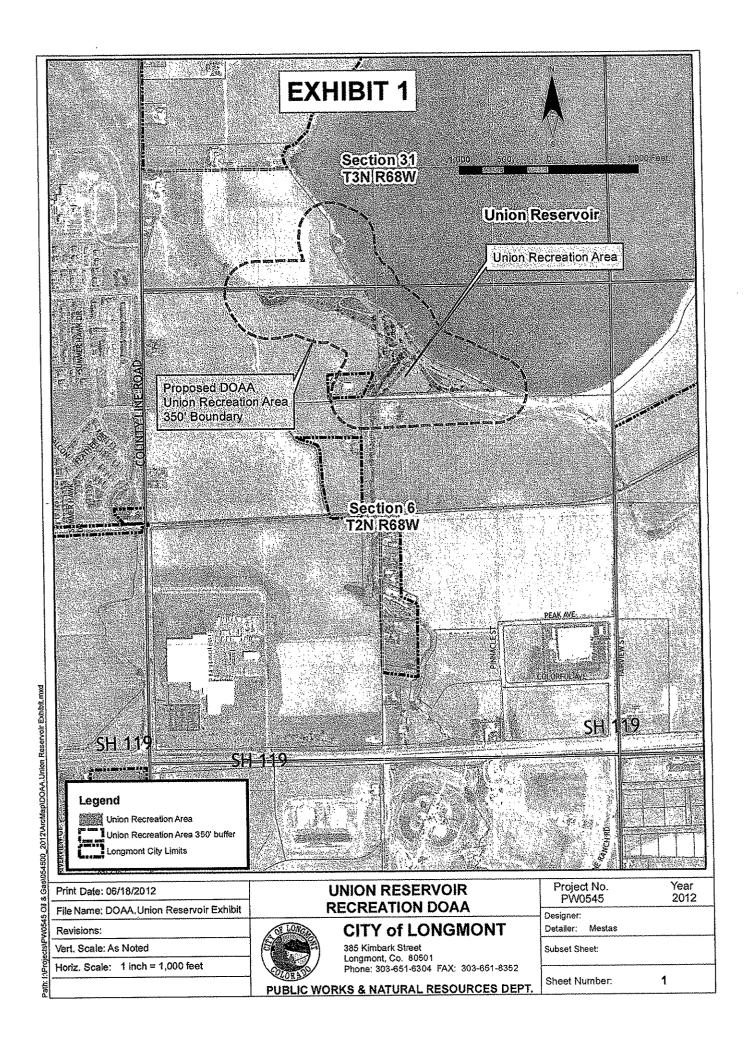


Exhibit 2 Union Reservoir Revenue/Attendance

	2009	2009	2010	2010	2011	2011
MONTH	Attendance	Revenue	dance	Revenue	Attendance	Revenue
January	356	\$941	215	\$654	145	\$432
February	1.446	\$2,308	988	\$1,908	896	\$1,244
March	4.748	\$10.981	4,582	\$13,616	7,845	\$17,432
	5.466	\$12,659	18,487	\$32,729	13,645	\$25,223
	31.200	\$38,506	29,768	\$39,757	25,950	\$31,810
Inne	35,890	\$47.714	34,322	\$49,471	44,872	\$56,228
July	37.788	\$53,619	36.252	\$50,407	45,650	\$55,730
Anguet	27.856	\$36.978	31.293	\$38,047	25,780	\$28,839
Sent	12,372	\$14.108	9.134	\$12,979	10,047	\$14,354
October	1.455	\$2.140	1,875	\$4,353	2,122	\$4,821
November	124	\$155	169	\$306	216	\$192
December	146	\$248	235	\$443	121	\$2,317

Attendance	107,034	80,905	93,956	107,226	128,464	153,644	158,129	156,081	158,847	167,320	177,289
Revenue	\C0,1416	\$115,828	\$125,142	\$145,941	\$171,744	\$203,263	\$195,292	\$199,632	\$228,505	\$246,995	\$250,684
000	7007	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Attendance	11.644	not available	not available	36.888	35,488	59,959	57.566	70.264	70.313	89,010) () () () () () () () () () (
Revenue	\$29.965.45	833,610,00	C38 304 00	863 363 76	\$ 69.408.76	\$ 86 284 50	\$ 85,006,72	\$104.595.00	\$101,774.00	\$119,096,00	
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TOTAL	3238	973	31213	
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IN THE MATTER OF THE APPLICATION OF)	
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of Section 5 T2N, R68W and part of the S1/2 of the SW1/4)	
of Section 32 T3N, R68W of the 6 th PM,)	
WELD COUNTY, COLORADO)	Docket No.:

AFFIDAVIT OF JOHN BRIM

John Brim, having been duly sworn, states as follows:

- 1. My name is John Brim and I hold the position of parks and open space ranger with the City of Longmont, Colorado. As part of my responsibilities I am aware of the public usage and visitation at the Union Reservoir Recreation Area, which is a popular outdoor recreation area that is frequently visited by residents of Longmont and the surrounding communities for activities such as swimming, boating, bicycling, running, family and social gatherings, and organized athletic events such as triathlons and other races.
- 2. The Union Reservoir Recreation Area is identified in Exhibit "1" to the Application, and is a well-defined outside area that is occupied by at least 20 or more persons on at least 40 or more days in any 12-month period, and/or by at least 500 people or more on at least 3 days in any 12-month period. During 2011, over 170,000 persons visited Union. Visitation on at least 4 days in 2011 exceeded 500 people for triathlon events. During March through May, 2012, the Area was occupied by over 23,253 persons, with over 500 persons for 10 days and over 20 persons for 92 days. Annual revenues and daily visitation for March, April and May 2012 at the Union are detailed in Exhibits "2" and "3" to the City and Company's Application, which are true and correct to the best of my knowledge.
- 3. In conclusion, the Union Reservoir Recreation Area satisfies the requirements of a Designated Outside Activity Area under the COGCC Rules as I understand them.

FURTHER AFFIANT SAYETH NAUGHT

		John Brim)
STATE OF COLORADO)	ss:
County of Longmont)	
SUBSCRIBED AND SW John Brim.	ORN to 1	before me this <u>215+</u> day of June, 2012, by
		Cymlin S. Sats Notary Public
	,	
My Commission Expires:	11/15	5/14/
WHITE A L. COMM.		