
To: John Noto, COGCC

cc:

From: Miracle Pfister, Regulatory Manager

Subject: Rasmussen 19H 2A Operator Comments

Date: 6/9/2015

For the last eight months, Encana has been listening and responding to concerns and comments that we have received from nearby neighbors as well as the Commission, about the Rasmussen 19H and Regnier Farms 19H permits. A coffee meeting was held on May 28, 2015 at Encana's Erie Office to listen to the concerns from neighbors we had not heard from yet, and to share Encana's plan of development for the Rasmussen 19H and Regnier Farms 19H proposed locations.

Based on comments to Encana's permits, one-on-one discussions with neighbors, and questions raised during the coffee meeting, there appear to be four main areas of concern to the neighboring landowners:

- Environmental impacts to air, water and wildlife
- Access and traffic concerns, including emergency response plans
- Surface location concerns
- Noise concerns

Encana intends to address these concerns in the following way:

Environmental Impacts

a. *Air*

- i. Oil and gas operations are subject to the Clean Air Act (CAA). Drilling emissions are regulated by the CAA through required emission standards for drilling rig engines. Completions operations are regulated under the New Source Performance Standards (NSPS). Production operations must adhere to NSPS and National Emission Standards for Hazardous Air Pollutants (NESHAPs) requirements.
- ii. In addition, states are required to monitor air quality in areas to show compliance with National Ambient Air Quality Standards (NAAQS). Even if there is not a specific regulation pertaining to a certain type of operation, all areas in the state must be in compliance with the NAAQS. In areas of the state in which the NAAQS are violated – “non-attainment areas”, the state must develop its own air quality regulations to reduce emissions to meet the NAAQS requirement. The Colorado Department of Public Health and Environment (CDPHE) continuously tracks air quality via air quality monitoring stations throughout the state. The Denver area (including Weld and Boulder Counties) is

non-attainment for ozone. Therefore, the State has put in place stricter regulations for Volatile Organic Compounds (VOC) and Nitrogen Oxide (NOx) emissions (ozone precursors) through Colorado Regulation Number 7.

b. Emissions on location

- i. Encana has permitted the Rasmussen location as a traditional facility or a “Hub” facility. Encana’s goal, however, is to connect the Rasmussen and the Regnier Farms locations to Encana’s central gathering facility, commonly referred to as the “Hub”. Connecting both of these locations to the Hub, means that only separators, meters and wellheads will be on location and all liquids will be taken from the well sites via pipeline to the Hub. By removing much of the production equipment from the well location, Encana is also removing a number of the emission sources. In the event Encana elects to place traditional facilities on the Rasmussen and Regnier sites, the sites will be visited daily to ensure proper functioning of emission control equipment, and reviewed monthly with an FLIR camera throughout the first year. Encana has an automated system in place to notify Encana personnel of any issues on location, such as equipment failure, so Encana can promptly address the issue.

c. Water

- i. Encana typically sets surface casing to 800 feet - 350 feet below the base of the Fox Hills Aquifer. Three of the nearest water wells are 285 feet deep or less. All water wells near the proposed well locations are substantially shallower than the 800 feet to which Encana sets surface casing and cement. Further, Encana will comply with COGCC pre- and post-water sampling requirements.

d. Wildlife

- i. Encana complies with COGCC rule 1201 and 1203 regarding wildlife habitat. Encana conducts pre-construction plant and wildlife surveys administered by experienced wildlife consultants. Encana is required to and complies with all state and federal wildlife laws including, but not limited, to the Migratory Bird Treaty Act. Well sites are monitored for noxious weeds and vegetation growth following construction per CDPHE stormwater regulations.

1. Access Roads and Traffic Impacts

a. Access

- i. Encana has met with both Boulder and Weld Counties, and is developing a traffic management plan based both on a traffic study that was conducted as part of the planning process and on comments received from nearby neighbors. The plan includes widening sections of CR 18 to allow passing of a vehicle blocking the road. The portion of CR 18 that will be used is a privately owned road that Encana has, at the owner’s request, helped maintain in the past. Encana has provided truck traffic estimates to the counties, neighbors, and COGCC for its operations.

b. Emergency Situation

- i. Encana has identified an alternate egress from the proposed well locations in the event of an emergency. Encana works closely with local emergency responders to develop an emergency response plan for each location. In addition, we hold training sessions and mock drills in conjunction with emergency responders to prepare for any type of incident.

c. Historical Site

- i. Encana is aware of the historic cemetery that is near the proposed location. The cemetery is approximately 15 feet from the road and approximately 500 feet from the edge of the drilling pad. There are no plans to disturb the cemetery.

2. Surface Location Impacts

a. Location

- i. This surface location allows Encana to access the minerals in the most efficient way possible. Drilling multiple horizontal wells on a single pad decreases the overall surface disturbance. Further, drilling all the wells at the same time reduces the length of time Encana is on location.

b. Facilities

- i. The Rasmussen 19H facilities are located on property that is traditionally farmed. The original agreement with the surface owner was to place production equipment on the eastern most portion of the property so the land could continue to be used for agriculture. After ongoing negotiations with the surface owner, the facilities were moved north, closer to existing facilities and farther away from the homes to the east. If a traditional facility is placed at this location, Encana has developed a plan to remove unused equipment needed to reduce the size of the facilities pad over time.

3. Noise Concerns

a. Noise

- i. Encana will develop a site specific noise mitigation plan for this location. Ambient noise testing will be conducted before and during operations to ensure compliance with COGCC regulations. In addition, neighbors can expect to see sound walls around the perimeter of the drilling location that will remain in place during drilling and completions. The rig is equipped with mufflers that further reduce rig engine noise. Encana works diligently to minimize light coming from the location, directing it away from neighbors and installing light diffusing material on individual rig lights. Additional noise studies may be done and additional mitigation put in place as needed throughout operations.

Following the coffee meeting with neighbors near our Rasmussen and Regnier Farms locations, Encana committed to sharing the full traffic development plan with the neighbors near the two sites. The goal is to provide this by Q4 2015. Once these locations are scheduled to be drilled, Encana will notify neighbors within ½ mile of each site, before commencing operations.

