



PRODUCING DEPARTMENT
ROCKY MOUNTAIN UNITED STATES
DENVER DIVISION

PETROLEUM PRODUCTS

March 7, 1973

TEXACO INC.
P. O. BOX 2100
DENVER, COLO. 80201

90/8032

RECEIVED
MAR 9 1973
STATE LAND BOARD
MINERAL DEPARTMENT

To: Arapahoe County Board of Adjustment
5606 South Court Place
Littleton, Colorado 80120

Request for Interpretation

1. Date of Request: March 7, 1973
Date of Hearing: March 8, 1973
Since this request is for an interpretation only, no posting was deemed necessary or appropriate.
2. Property Owner: State of Colorado
3. Address of Property Owner: 1845 Sherman, Denver, Colorado
4. Applicant: Texaco Inc., mineral lessee.
5. Address of Applicant: 1570 Grant Street, Denver, Colorado
6. Legal Description:
Section 24, Range 65 West, Township 5 South, Arapahoe County.
7. Location of Property:
Lowry Bombing Range. Site in uninhabited oil field land, near several producing oil and gas wells and Texaco tank battery "W". See Exhibit A to application.
8. Interpretation Requested:
Present Zoning Resolution of Arapahoe County permits in agricultural zone (either AE, or A1 if oil field there before resolution) installation of gas handling or separating production facilities (sometimes called "gas processing plant" or "gasoline plant") on State land as a part oil and gas production.
9. Stage of Construction: Not commenced.
10. Discussion:
Installation of this gas separating facility is essential if natural gas is to be produced from Lowry Oil Field. As

3/9/73 - Board granted interpretation as requested.

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presently produced, the gas contains too much natural gas liquid to be marketed, hence it is now being flared, i.e. burned. This procedure is unsatisfactory on all counts, particularly conservation, and is strongly opposed by the Colorado Oil & Gas Conservation Commission. To reduce the flaring of gas Texaco has cut back oil production in this field by some 1,000 bbl. per day. This in turn has resulted in a reduction of income to the State of Colorado. The proposed facilities will make the gas marketable by removing the liquid hydrocarbons (propane, butane) which themselves may then be utilized.

Advantages resulting from the proposed interpretation include:

- a) Cessation of flaring, i.e. burning of the gas.
- b) Increase in State income from Texaco's production alone in approximate amount of \$1,000 per day, including income from gas and natural gas liquid sales made possible by the facility.
- c) Makes possible utilization of badly needed natural gas rather than its continued waste.
- d) Increased property tax income to Arapahoe County.
- e) Insures uniformity of treatment to all parties in similar circumstances. (See Exhibit A, depicting present presence of similar facilities in Arapahoe County, both in Zones AE and A-1. Also see the recently allowed variance granted Gas Processing Enterprises to construct a similar facility on a six acre tract serving the Latigo field.)
- f) Allows retention of agricultural zone designation, thereby leaving planning and zoning options open for future decision based upon possibly changing conditions and circumstances.

11. Size, Appearance, and Estimated Life of Facilities:

See Exhibit B for Plot Plan. Primarily facilities will be enclosed in two buildings of a size and appearance comparable to equipment presently on the premises. The best estimate of the duration of use of this equipment is approximately 10 to 15 years, following which time the buildings and equipment will be dismantled and removed from the premises.

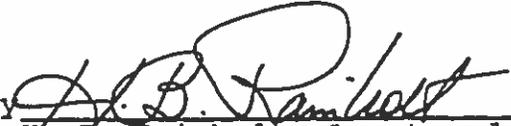
12. Conclusion:

The facility proposed is appropriate under the applicable circumstances and zoning. This interpretation is not detrimental to but will enhance the public good and will not

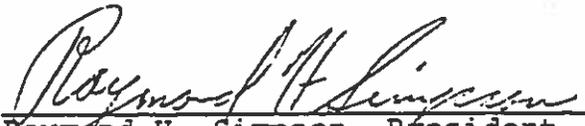
impair the intent and purpose of the zoning plan and zoning resolution. It is not contrary to the objectives of the master plan and indeed will assist in reaching such objectives. It does not constitute a grant of special privileges and in fact provides for equality and uniformity of treatment of parties and property similarly situated.

Respectfully submitted,

On behalf of Applicant Texaco Inc.
TEXACO INC.

By 
E. B. Rainbolt, Agent and
Attorney in Fact

On behalf of Owner State of Colorado
STATE BOARD OF LAND COMMISSIONERS

By 
Raymond H. Simpson, President