AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

AgendaTitle:
Resolution; Approving the Extension of Gunnison County Oil and Gas Permit OG2011-06 McIntyre Flowback Pits 1 and 2, SG Interests I, Ltd

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:
SG Interests I, Ltd. is requesting a one-year extension of the Oil and Gas Permit for the McIntyre Flowback Pits 1 and 2.

Fiscal Impact:

Submitted by: Neal Starkebaum **Submitter's Email Address:** nstarkebaum@gunnisoncounty.org

Finance Review: ○ Required ● Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ● Required ○ Not Required

Comments:

ok db 7/30/14

Reviewed by: GUNCOUNTY1\dBaumgarten Discharge Date: 7/30/2014 Certificate of Insurance Required

Yes ○ No ●

County Manager Review:

Comments:

Reviewed by: GUNCOUNTY1\mbirnie Discharge Date: 7/30/2014

○ Consent Agenda ● Regular Agenda ○ Worksession Time Allotted: 10 mins

Agenda Date: 8/5/2014 Follow Up Agenda Date:

Revised April 2013

BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY
RESOLUTION NO. 14 - __

A RESOLUTION
APPROVING THE EXTENSION OF GUNNISON COUNTY OIL AND GAS PERMIT
OG2011-06 MCINTYRE FLOWBACK PITS 1 AND 2
SG INTERESTS I, LTD.

WHEREAS, the Board of County Commissioners approved Resolution No. 2011-26 A Resolution approving the McIntyre Flowback Pits 1 and 2 on July 12, 2011, Oil and Gas Permit OG2011-06, recorded in the Office of the Gunnison County Clerk and Recorder at Reception No. 606659, July 13, 2011; and

WHEREAS, by letter of July 3, 2014 Catherine Dickert, Environmental & Permit Manager, SG Interests I, Ltd., requests a one year extension of Gunnison County Oil and Gas Permit OG2011-06 McIntyre Flowback Pits 1 and 2; and

WHEREAS, the McIntyre Flowback Pits 1 and 2 have not yet been constructed; and

WHEREAS, this Resolution is not, nor shall not be construed to be, a determination on which the McIntyre Pits 1 and 2 shall be permitted as a Centralized E and P Waste Facility; and

WHEREAS, the Board of Commissioners intends to approve the extension of Gunnison County Oil and Gas Permit OG2011-06 and;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF GUNNISON COUNTY that:

Gunnison County Oil and Gas Permit OG2011-06 McIntyre Flowback Pits 1 and 2, issued to SG Interests I, Ltd., is hereby extended until July 12, 2015 and SG Interests I, Ltd. shall comply with all conditions, terms and requirements identified in the Permit and that all such conditions, terms and requirements remain in full force and effect;

INTRODUCED by Commissioner _____, seconded by Commissioner _____, and passed on this 5th day of August, 2014.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

_____
Paula Swenson, Chairperson

_____
Phil Chamberland, Vice-Chairperson

_____
Jonathan Houck, Commissioner

ATTEST:

_____
Gunnison County Deputy County Clerk

SG Interests I, Ltd. **1485 Florida Road, Suite C202** **Durango, CO 81301**

July 3, 2014

Gunnison County Board of County Commissioners
c/o Neal Starkebaum
Assistant Director
Gunnison County Community Development Department
Blackstock Government Center
221 N. Wisconsin, Ste. D
Gunnison, CO 81230

Re: Permit #2011-06 McIntyre Flowback Pits 1 and 2

Mr. Starkebaum:

SG Interests I Ltd. is requesting an extension of permit number 2011-06 McIntyre Flowback Pits 1 & 2 for one year. We understand that the Board of County Commissioners (BOCC) must hear this request and we would like to have this issue included on the next available BOCC meeting agenda. This year we plan to commission and use the McIntyre Flowback Pits 3 & 4 for the first time. Once we have used these pits for several well completions, we hope to better understand our need for additional water storage. Based on this experience, we will be able to decide whether or not to construct the McIntyre Flowback Pits 1 & 2.

The McIntyre Flowback Pits 1 & 2 have valid permits in place with the Colorado Oil and Gas Conservation Commission. We have converted the McIntyre Flowback Pits 3 & 4 to a long-term E & P Waste Facility through the Commission. If we construct the McIntyre Flowback Pits 1 & 2 facility, we would follow a similar process and permit it as a Centralized E & P Waste Facility also. There have been no changes to the project from the time we permitted it with Gunnison County.

Please contact me with any questions or requests for additional information. Thank you.

Sincerely,

Catherine Dickert
Environmental and Permitting Manager

SG Interests I, Ltd., A Limited Partnership **Gordy Oil Company, General Partner**
(970) 385-0696 Fax: (970) 385-0636