



Legislation Details (With Text)

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On agenda: 1/5/2021 **Final action:** 1/5/2021

Title: Case No. AE18-003 - Swan #4-64 6-1 Oil and Gas Facility - Resolution to Rescind Approval

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution, 2. AE18-003 Resolution Set, 3. AE18-003 Swan Well Facility Exhibit, 4. AE18-003 Letter Requesting Withdrawal

Date	Ver.	Action By	Action	Result
1/5/2021	1	Board of County Commissioners Business Meeting	approved	Pass

To: Board of County Commissioners

Through: Bryan Weimer, Director, Public Works and Development

From: Jason Reynolds, Current Planning Program Manager, Public Works and Development

Subject:
Case No. AE18-003 - Swan #4-64 6-1 Oil and Gas Facility - Resolution to Rescind Approval

Purpose and Recommendation:

Adoption of a resolution to rescind the approval of case no. AE18-003. The Board of County Commissioners approved the Conoco Swan oil and gas well site near the intersection of 6th Avenue and Imboden Road on August 28, 2018. Conoco subsequently sold its Arapahoe County interests to Crestone Peak Resources, who have submitted a request to withdraw the Conoco Swan well facility (case no. AE18-003).

Background:

In 2018, Conoco submitted an application for the Swan oil and gas well site, located northeast of the intersection of 6th Avenue and Imboden Road (case no. AE18-003). The proposed facility was located just over 1,000’ from the closest home.

On July 5, 2018, the PWD Director referred the Swan application to the Board for a public hearing because of public concern over the proposal.

On August 28, 2018, after several hours of public testimony in favor of and against the proposal, the Board of County Commissioners approved the Swan oil and gas facility, for a single well, with 16 conditions of approval

(case no. AE18-003/Resolution no. 180545, attached).

After approval, Conoco worked with Arapahoe County staff to address the conditions of approval, including designs for two emergency access roads.

In March 2020, Crestone Peak Resources completed the acquisition of ConocoPhillips' leasehold interest in Colorado, including the Swan site. At the time of the sale, the conditions of approval, including the requirement for two emergency access roads, had not been met.

On July 29, 2020, Crestone Peak Resources notified Arapahoe County that they do not plan to use the Swan well site to access their mineral resources due to the presence of an alternative site. They withdrew the Swan application, case no. AE18-003 (letter attached).

Discussion:

Quality of Life: The original approval included several design measures and conditions intended to foster safe communities. During the public hearing, many nearby residents indicated that they felt the proposed design and conditions of approval did not adequately address their concerns. Rescinding the approval, as requested by Crestone Peak Resources, would clarify the record related to case no. AE18-003, resolving citizen concerns that this project could move forward without additional public input.

Crestone Peak Resources, who acquired ConocoPhillips leasehold interests in Colorado, has asked to withdraw their application for the Swan well site (case no. AE18-003). Since the Swan well site was approved by the Board of County Commissioners, rescinding the Swan approval resolution would clarify the case closure.

Alternatives:

The Board of County Commissioners has several options:

1. Approve the resolution rescinding the Swan well site approval. Staff recommends this option: it clarifies the outcome and is consistent with Crestone Peak Resources' request to withdraw the application.
2. Deny the resolution rescinding the Swan well site approval. This would leave the Swan well site's approval in place. If Crestone Peak Resources or another operator could meet all the approval conditions, they could potentially develop the site.
3. Continue this item to another meeting to gather additional information.

Fiscal Impact:

None.

Reviewed By:

Jason Reynolds, Current Planning Program Manager
Jan Yeckes, Planning Division Manager
Bryan Weimer, Director of Public Works and Development
Todd Weaver, Finance Department
Bob Hill, Senior Assistant County Attorney

Attachments:

Resolution Approving Swan Well Site (case no. AE18-003/Resolution no. 180545)
Case No. AE18-003 Plan Set
Crestone Peak Resources Letter Requesting Withdrawal of Application