

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

IN THE MATTER OF AN APPLICATION OF
LOGAN COUNTY SEEKING AN ORDER FOR
PARTIAL EXEMPTION FROM VISUAL IMPACT
MITIGATION REQUIREMENTS OF RULE 804

CAUSE NO.

DOCKET NO.

Logan County ("Applicant"), by and through undersigned counsel, hereby files this Application with the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order seeking a partial exemption from the requirements of Commission Rule 804, Visual Impact Mitigation, and in support of its Application states and alleges as follows:

1. Production facilities associated with oil and gas operations are located within the Applicant's boundaries in the State of Colorado.
2. Rule 801 of the Commission permits any Colorado county, home rule or statutory city, town, territorial charter city, or city and county to apply to the Commission for an exemption from any or all of the rules and regulations in the 800-Series of the Commission's Rules for all or a portion of the lands within its boundaries.
3. The Applicant seeks a partial variance from Rule 804, Visual Impact Mitigation, for all or a portion of the lands within its boundaries as described below:

All lands within Applicant's boundaries as described in Title 30, Article 5, C.R.S.; (hereinafter "Application Lands"), that is, all property within the boundaries Logan County as described in §30-5-142 C.R.S.

4. Rule 804 requires that production facilities, regardless of construction date, that are observable from any public highway must be painted by September 1, 2010 with uniform, non-contrasting, non-reflective color tones (similar to the Munsell Soil Color Coding System), and with colors matched to but slightly darker than the surrounding landscape.
5. The Applicant believes that enforcement of the amended provisions of Rule 804 as applicable to production facilities constructed or substantially repainted prior to May 30, 1992, is not necessary for the protection of public health, safety and welfare, or the environment on the Application Lands and, thus, a variance should be granted for the Application Lands for the following reasons:
 - a) Oil and gas production facilities in the County are predominately located in areas where they will not distract drivers on public highways.

- b) The area of the County where the majority of the affected oil and gas facilities are located is not densely populated and is very remote. Accordingly, the visual impact of the tanks and other production facilities is substantially mitigated.
- c) Many of the older production facilities that have heretofore been exempt from the requirements of Rule 804 are low producing "stripper" wells of marginal economic utility and little remaining useful life. Enforcement of the amended version of Rule 804 could result in these marginal wells being "shut in" as the costs of compliance will outweigh the economic returns possible. This will reduce production and county tax revenues, and will increase unemployment. Between 1999 and 2009, Logan County annual oil production, as shown by COGIS production records, declined from 231,199 barrels in 1999 to 210,042 barrels in 2009, and annual gas production declined from 385,601 MCF in 1999 to 237,847 MCF in 2009. Enforcement of the current version of Rule 804 will likely exacerbate further decline. At least half of the production facilities in Logan County will be affected and burdened by enforcement of the amended Rule.
6. The Applicant is not seeking a variance from the provisions of Rule 804 in its entirety. The Applicant is only requesting a variance from the amended version of the Rule, which requires all production facilities, even those constructed or repainted prior to May 30, 1992, to be repainted prior to September 1, 2010. The Applicant has no objection to the enforcement of Rule 804 as it existed prior to the 2009 amendments.
7. The names and addresses of the interested parties, according to the information and belief of the Applicant, are set forth in Exhibit A attached hereto and made a part hereof.
8. Applicant respectfully requests the Commission to set the Application for hearing and grant the Applicant a variance from the amended provisions of Rule 804.

DATED this 27th day of July, 2010.

Respectfully submitted,

By: 

Alan W. Samber, Atty. Reg. #20463
Logan County Attorney
508 S. 10th Avenue
Sterling, CO 80751
Telephone: 970.521.7190
Fax: 970.521.7192
asamber@loganco.gov

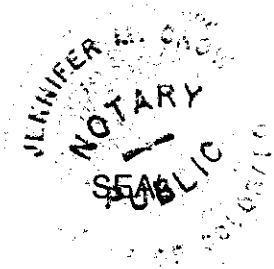
VERIFICATION

I, Debra L. Zwirn, Chair of the Board of County Commissioners of Logan County, hereby certify that the facts asserted in this Application are true and correct to the best of my personal knowledge.

Debra L. Zwirn
Debra L. Zwirn

STATE OF COLORADO)
) ss:
COUNTY OF LOGAN)

SUBSCRIBED AND SWORN to before me this 27 day of July, 2010, by Debra L. Zwirn as Chair of the Board of County Commissioners of Logan County.



Jennifer M. Crow
Notary Public

My Commission Expires: 5/12/13

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the **APPLICATION FOR AN ORDER SEEKING EXEMPTION FROM RULE 804, VISUAL IMPACT MITIGATION**, has been mailed this 27th day of July, 2010 to the following entities that require notice of such filing:

Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

Attn: Carol Harmon

_____

EXHIBIT "A"

It is impossible to distinguish those groups and individuals of the general public, surface property owners, and oil and gas operators who will be directly affected by an exemption from enforcement of Rule 804 in Logan County from those which are not affected. Therefore, notice of this application and of hearing time and date must be accomplished by publication in the newspaper of legal record for Logan County:

Sterling Journal Advocate
P.O. Box 1272
Sterling, CO 80751

barnold@journal-advocate.com