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COGCC

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

IN THE MATTER OF AN APPLICATION OF
BACA COUNTY, COLORADO SEEKING AN
ORDER FOR EXEMPTION FROM VISUAL
IMPACT MITIGATION REQUIREMENTS OF
RULE 804

CAUSE NO.

DOCKET NO.

ORIGINAL

Baca County, Colorado ("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 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. Applicant seeks an exemption 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;
Containing 2565 square miles more or less
(hereinafter "Application Lands").

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. Applicant believes that enforcement of Rule 804 is not necessary for the protection of public health, safety and welfare, or the environment on the Application Lands and thus the Application Lands should be exempted from this rule for the following reasons:

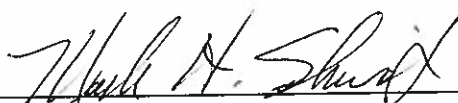
The county is not densely populated, having a population estimated at 4,154, so aesthetics of the tanks and other production facilities are not a concern.

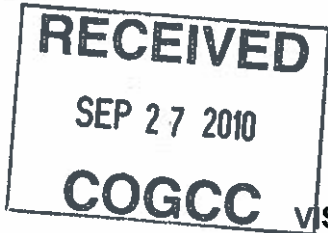
6. There are 26 oil and gas operators in Baca County and their facilities are located on land for which there are approximately 200 surface owners. The names and addresses of these interested parties are not set forth herein in an Exhibit. Notice will be given by publication.
7. A map of Baca County is attached as Exhibit A.
8. Applicant requests the Commission to set the Application for hearing and designate the Application Lands as exempt from Rule 804.

DATED this 17th day of December, 2010.

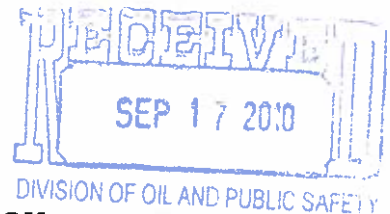
Respectfully submitted,

SCHMIDT AND SCHMIDT

By: 
MARK H. SCHMIDT
Attorney for Applicant
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Springfield, Colorado 81073
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**RESOLUTION # 2010-20
BACA COUNTY, COLORADO**



**RESOLUTION REQUESTING EXEMPTION FROM
VISUAL IMPACT MITIGATION REGULATIONS ADOPTED BY THE
COLORADO OIL AND GAS CONSERVATION COMMISSION**

WHEREAS, the Board of County Commissioners of Baca County, Colorado has determined that it would be desirable to request an exemption from certain regulations adopted by the Colorado Oil and Gas Conservation Commission in the interests of the citizens of Baca County; and

WHEREAS, oil and gas production in Baca County is critical to the economy and well being of the citizens; and

WHEREAS, due to the land area of the County being over 2558 square miles and the population base of approximately 4154 within the County, the visual impact of oil and gas equipment is negligible; and

WHEREAS, pursuant to the language contained in 801. Introduction of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission (COGCC) as adopted on April 1, 2009, this Board may request an exemption from 804. Visual Impact Mitigation relating to the repainting of oil and gas equipment a uniform non-contrasting, non-reflective color tone, and with colors matched to but slightly darker than the surrounding landscaping and;

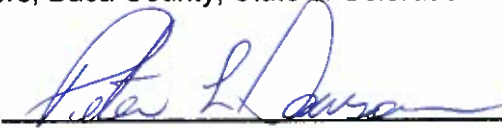
WHEREAS, at a regular Board meeting held on this date the Board has discussed this matter and therefore has determined to take the following action.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BACA COUNTY, as follows:

1. The Board of County Commissioners hereby formally requests an exemption from the aforementioned Visual Impact Mitigation regulation relating to the repainting of all oil and gas equipment/ activities located within Baca County.
2. The reason for this request is that this Board is of the opinion that enforcement of this rule is not necessary to ensure the protection of health, safety, and welfare, and aesthetic values of the citizens and residents of Baca County.
3. The ad valorem taxes collected from the operators of producing oil and gas wells are an important source of revenue for Baca County. We believe this requirement, which would force most operators to incur additional operating expenses by repainting all of their equipment could result in the premature plugging and abandonment of economically marginal producing wells.
4. Should the Colorado Oil and Gas Conservation Commission require any additional supporting documentation in order to grant this exemption, please contact the Baca County Administrator at 719-523-6532.

Dated this 1 day of SEPTEMBER, 2010

Board of County Commissioners, Baca County, State of Colorado



Peter L. Dawson, Chairman



Troy Crane, Commissioner

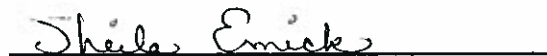


Glen Ausmus, Commissioner

STATE OF COLORADO)
COUNTY OF BACA) ss

The foregoing instrument was acknowledged before me this 31st day of August 2010,
by Peter L. Dawson, Chairman of the Board of County Commissioners, Troy Crane,
Commissioner, and Glen Ausmus, Commissioner.

Witness my hand and official seal.



Sheila Emick
Clerk and Recorder

Tindall Operating Company

12741 East Caley - Suite 142
Englewood, Colorado 80111
(303) 850-7272 Fax (303) 850-0175

NOV 24 2010

November 22, 2010

Board of County Commissioners
Baca County
741 Main St
Springfield, CO 81073

RE: COGCC Rule 804

Dear Sirs:

Tindall Operating Company (TOC) is the operator of two stripper gas wells in Baca County. These wells are low volume, low BTU, low profit wells that will be negatively effected economically if it becomes necessary to comply with Rule 804. At no time has TOC received any complaints about the color of paint at these two wells.

Yours truly,



R. Lee Tucker, President
Tindall Operating Company

RLT/kk/



August 16, 2010

Baca County Commissioners
Baca County Court House
Springfield, CO 81073

Re: COGCC Rule 804 exemption

Dear Sirs:

The Colorado Oil & Gas Conservation Commission has declared a ruling (paraphrased) which requires all oil and gas operators to paint any tanks on well sites visible from any public road. This particular ruling is an 800 rule to which any county or city may claim an exemption. I have downloaded the exemption application from the COGCC website and attached it to this letter. We are respectfully requesting that Baca County Commissioners apply for this exemption.

This ruling was put into place because of the large volume of wells near metropolitan areas in northern Colorado. Upon reading the ruling, we believed it did not apply to us because the language states "public highways". I was informed today, however, that the COGCC definition of a public highway is any public road, paved or otherwise. Energy Alliance Company, Inc. has six wells affected by this ruling.

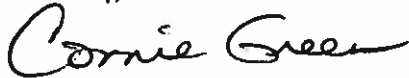
One of the reasons we are requesting your assistance with this is the extreme delicateness of our well's economics. EAC produces low volume, low BTU wells which receive a 65%+ dock on natural gas pricing because our gas consists primarily of nitrogen. If we are required to paint these tanks, the cost of that will consume several month's profits per well. We may be forced to plug these wells instead of painting the tanks. Each well that we can keep producing helps the Baca County employee we have, adds ad valorem tax to the County, puts some money into Baca County royalty owner's pockets, and helps our working interest owners who live in Baca County.

I will be happy to assist you in applying for this exemption in any way I can. One of the requirements the Commission has is to send an original plus 13 copies so that each person on the Oil and Gas Commission has a copy of each application. The application also needs to have attached to it a legible map indicating the area/land applicable to the application. If you apply for the entire County, I would expect you would have that map. If you apply for only our area of the County, I can assist you with a map of our affected area. The address of the Commission is: 1120 Lincoln St., Ste. 801 Denver, CO 80203.

It is our understanding that Cheyenne County and perhaps Lincoln County Commissions applied for this exemption several months ago and it was granted to them. If you have any questions of me, I am reachable via phone at (316) 267-0155 (office) or (580) 554-8053 (cell).

Thank you in advance for your consideration of this matter.

Sincerely,



Connie Green
Vice President/Treasurer

/cg

enclosure