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November 23, 2020

James Simino
Walt Brown
Cam Hooley
Columbine District
P.O. Box 439
Bayfield, CO 81122

Dear James, Walt and Cam:

We appreciated the all-day excursion on Tuesday, Nov. 17 to contemplate well pads and pipeline routes around the northern HD Mountains. Nothing beats walking around and kicking dirt.

One area where we may have some shared perspective could be the proposed FGU #6-1 well pad next to the Munger's property. The alternative location farther east – with shorter access road, less clearing of dense mature oakbrush, lesser need for cut slopes, and still substantial vegetative screening – appears more environmentally preferential, depending upon feedback from the Mungers as well.

The obvious solution to us for the pipeline route would appear to be the so-called “two pipeline” alternative or more appropriately, an alternative that takes gas north and west. The distance west to Sauls Creek from the Federal #25A-1 is only a couple of miles to existing infrastructure, whereas the pipeline distance south from FGU #6-1 to Fosset Gulch looks to be five miles or more. The route west from Federal #25A-1 has much less impact on national forest resources than does the southern route through Little Squaw Creek. Additionally, as noted in the attached letter from Southern Ute Tribe to La Plata County planning department concerning the proposed El Toro compressor plant, the Tribe notes that there is ample existing compressor capacity by Red Cedar and BPX Energy west of the HDs.

The linear construction zone prohibition in the Colorado Roadless Rule was promulgated specifically to address this circumstance of a pipeline proposed through a roadless area on a No Surface Occupancy lease. We don't see how the Forest Service can comply with the letter or the intent of the rule and attempt to authorize the Petrox pipeline across the HD Mountains roadless area on lease COC64935. The Colorado Roadless Rule is a regulatory constraint that precludes this route.

The alternative that skirts the roadless area to the east poses its own environmental challenges. As the draft EA previously noted and as we observed for ourselves, that route is rugged with erosive soils, steep slopes and thick timber and doesn't seem very viable given the NSO stipulation and reclamation challenges. Perhaps there is still another option along Highway 160 corridor that could be more intensively explored.

The fundamental challenge it appears to us is that Petrox has acquired leases and proposed a development scheme that simply doesn't align with regulatory and topographic realities. Did Amoco (BP) originally drill the USA-Amoco Com AC #1 with the idea it would link to the Saul's Creek area to the west? It would be useful to understand the larger pipeline context surrounding the HD Mountains and what various options exist for collection and transport to markets. But as proposed, running a collection pipeline as Petrox suggests either through the roadless area or across rugged terrain is not viable.

Sincerely yours,

A handwritten signature in cursive script that reads "Mark Pearson".

Mark Pearson
Jimbo Buickerood
Gary Skiba



SOUTHERN UTE INDIAN TRIBE

February 12, 2020

Via U.S. Mail and Email: Planning@co.laplata.co.us

La Plata County Planning Director
La Plata County Planning Department
211 Rock Point Drive
Durango, CO 81301

Re: Project No. PL20190170; Project Name: Harvest Midstream – El Toro
Compressor Facility; Land Use Development Application for Oil and Gas Major
Facility (“Application”)

Dear La Plata County Planning Director:

This letter is submitted on behalf of the Southern Ute Indian Tribe (“Tribe”) to comment on the Land Use Development Application for the proposed El Toro Compressor Facility (“El Toro” or the “Facility”). Because this proposed project site is located approximately one-half mile north of the Southern Ute Indian Reservation (“Reservation”), the Tribe did not receive notification as a governmental agency of the pending Application. However, after inquiring about the status of the Application, the Planning Department extended the time for submission of governmental agency comments regarding this proposed major facility. We appreciate the opportunity to comment on this project.

In preparing comments, the Southern Ute Indian Tribal Council has considered information from multiple departments and affiliates of the Tribe, including the Tribe’s Department of Energy and the Tribe’s Air Quality Program. From a technical standpoint, the Application is not complete. For example, in describing the project’s proposed location, the Application identifies the wrong governmental township/range number in a way that would place this project within the Reservation. More significantly, throughout the Application, the listed applicant/owner varies from “Harvest Midstream” to “Harvest Four Corners, LLC.” We suggest that clarity be provided in that regard. As described more fully in these comments, other defects in the Application render it incomplete.

In a broader context, however, the proposed project, if approved, would have far-reaching impacts that extend well beyond the physical boundaries of the project site. Both the source of gas to be

served by the compressor plant and the delivery point of compressed gas are located within the boundaries of the Reservation. The Application lacks any meaningful explanation as to the following: the need for the project; its relationship to comprehensive environmental studies under the National Environmental Policy Act ("NEPA") involving natural gas development in the Northern San Juan Basin; its impact on regional air quality; the staggering challenges looming in attempting to run natural gas supply lines from the "West Bull Area" across San Juan National Forest lands to reach El Toro; and the proposed routes and impacts involved in transporting compressed gas from El Toro to the "Harvest Ignacio Plant." In the absence of a more detailed and comprehensive description of those matters by the Applicant (whoever that may be), we urge the Planning Department to deem the Application incomplete. Further, we urge the Planning Department, the Planning Commission, and the Board of County Commissioners to require a comprehensive analysis of the external impacts of this proposed project.

Specific Application Defects

As reflected in Term No. 3 of the signature page of the Application, inaccuracies in submitted information "may be grounds for the County to stop processing the application" In addition to the incorrect governmental township/range reference and the varying identification of the Owner/Applicant mentioned above, the Application suffers from other defects. In the first paragraph of the Project Narrative, the Application states as follows:

Harvest will be receiving gas from Catamont in the West Bull Area, east of the facility, the gas leaving El Toro will head to the Harvest Ignacio Plant for future processing and sale.

We are not aware of any exploration and production company named "Catamont." We assume that this statement is intended to refer to Catamount Energy Partners LLC, an oil and gas exploration and development company that is active in this area. Similarly, we are not familiar with the "West Bull Area." It is our understanding that the Bull Creek Gas Unit is located several miles to the east of the proposed project on federal lands within the San Juan National Forest and within the Reservation and that Catamount Energy Partners LLC has obtained a federal permit to drill a well on the western side of the HD Mountains in the Bull Creek Gas Unit. We assume that the Applicant intends to compress gas obtained from the well or wells to be drilled by Catamount Energy Partners LLC in the Bull Creek Gas Unit on the west side of the HD Mountains. However, the Applicant should be required to clarify these points.

On pages 1 and 2 of the Project Narrative, the Applicant states that nine or ten natural gas fired compressor engines will be installed at the project site. Those engines are identified as "Waukesha L7042GSL – S5" engines. We believe that the Applicant has listed a non-existent Waukesha engine model. As a result, we have been unable to determine potential airshed impacts associated with the project. If the engine manufacturer has verified the site rated horsepower—as required under the Project Narrative requirements—we have not seen that verification or the manufacturer's confirmation of the engine model number. Again, the Applicant should be required to correct this information.

Neither the Project Narrative nor other documents submitted with the Application describe how gas from the "West Bull Area" will be delivered to El Toro. Presumably, gas delivery will be made through pipelines that do not currently exist. In the Wildlife Mitigation Plan submitted on behalf of the Applicant by Warren C. Rider of Animas Environmental Services, LLC, dated December 12, 2019 ("Wildlife Mitigation Report"), Mr. Rider states as follows:

La Plata County has requested that Harvest address several items related to Wildlife Mitigation that would not otherwise be [sic] addressed by other regulatory agencies. Harvest has reviewed the list items from La Plata County and will approach each item as follows:

With regard to pipeline alignments, Harvest is in the process of securing easements for pipeline(s) associated with the facility. While the permitting scope for this compressor facility does not include pipeline permitting, the alignments for the associated pipeline(s) are generally associated, and co-located, with existing roads or pipeline corridors. Additional information will be provided in the pipeline permitting documents.

See Application, Wildlife Mitigation Report at 3. The Tribe believes that an accurate understanding of the status of pipeline easements and pipelines needed to deliver gas from the "West Bull Area" to El Toro and from the Facility to Harvest's Ignacio Plant is critical to La Plata County's consideration of this project. The importance of that information is not limited to wildlife impacts. In fact, it is critical to evaluating the nature of this proposed project. Clearly, the Applicant's less-than-informative response to La Plata County's inquiries is deserving of more detailed supplementation. Because proposed pipeline routes would by necessity be located within the Reservation, the Tribe has a direct interest in evaluating the Applicant's information on this subject. In that regard, it is the Tribe's understanding that there is no existing pipeline easement allowing for installation or operation of a pipeline across National Forest land that would connect the Bull Creek Gas Unit directly or indirectly to El Toro. Further, we understand that there are serious environmental and cultural impediments to installation of such a pipeline, without which the Facility would have no gas to compress.

Broader Impacts of this Project

As reiterated at the conclusion of the Planning Engineering checklist provided to the Applicant, Section 82-196 of the La Plata County Land Use Code states that "an analysis of a proposed development may be required if . . . the proposed development has the potential of producing unmitigated negative external effects." The Tribe believes this proposed project justifies a more expansive analysis because of the negative external effects that it could generate. The remaining portions of these comments outline some of those broader concerns.

In July of 2006, the U.S. Department of the Interior, Bureau of Land Management and the U.S. Department of Agriculture, Forest Service completed the *Final Environmental Impact Statement; Northern San Juan Basin Coal Bed Methane Project* ("EIS"). Significantly, that comprehensive study evaluated the impacts and alternatives for Coalbed Methane ("CBM") development on federal, state, and private lands in a study area that included the lands where both the Bull Creek

Gas Unit and the Applicant's proposed project are located. Although the EIS does not bind La Plata County directly or limit its decision-making authority, the accepted alternative reflected in the Record of Decision issued on April 4, 2007 ("ROD"), and the conditions imposed on CBM Development applicable to the San Juan National Forest lands from which the Applicant proposes to obtain Catamount-produced gas, apply directly to Catamount's activities---activities that are integrally related to the purpose and operation of El Toro.

Among the most significant aspects of the EIS and the ROD were the findings made by the BLM and Forest Service regarding air quality matters, which were undertaken in cooperation with the State of Colorado's Air Pollution Control Division and the Four Corners Air Quality Task Force. Ultimately, in order to maintain acceptable air quality levels within the Northern San Juan Basin, limitations were imposed on cumulative horsepower that could be deployed regionally, and certain emission controls were required on engines of the size proposed by Applicant in order for exploration and development to continue to occur on federal lands in the Northern San Juan Basin.

The materials submitted as part of the proposed El Toro Application make no mention of how much horsepower remains available for deployment for new, major compression projects under the EIS and ROD within the airshed of the County and the Reservation. In the context of air quality considerations and deployable horsepower, existing facilities operated by BPX Energy and by Red Cedar Gathering Company have the capacity to take and compress gas volumes from the Bull Creek Gas Unit without the need for construction of a new, major compressor facility. The Tribe is concerned that approval of the Application would reduce the cumulative efficiencies of existing systems not just to the detriment of those existing operations, but also to the detriment of regional air quality.

Further, nothing in the El Toro Application indicates what emission controls will be used on the engines and equipment in order to meet current air quality requirements. The Tribe has significant concerns regarding the potential for the Reservation area to fall into non-attainment status for ozone under the Clean Air Act. NO_x and VOC emissions from El Toro could hasten non-attainment. To be sure, if the County grants land-use approval for the Facility, the Applicant will still need to obtain operational permits from the Colorado Department of Health and Environment; however, we urge the County to take a closer look at this issue in the context of the land use development application for the Facility.

The Applicant's proposed delivery of compressed natural gas to Harvest's Ignacio Plant also raises additional concerns regarding air quality impacts associated with that plant on the Reservation. Again, we believe it is imperative for La Plata County to gain a better understanding of how this proposed project interrelates to activities occurring on federal, tribal, and private land within La Plata County, and the impacts and limitations related to those activities in relation to air quality.

Conclusion

The proposed El Toro Compressor Facility would be a major oil and gas facility with multiple impacts beyond the project site. Its off-Reservation location serves as a brief pit stop in the

development of on-Reservation natural resources that would re-enter the Reservation for ultimate disposition at the Ignacio Plant. Because the facility implicates activities on federal, tribal, and county lands, and has the potential for significant adverse impacts, we urge the County to require a complete and thorough application and to conduct a comprehensive analysis of the Applicant's proposal. Your consideration of the Tribe's comments is appreciated.

Sincerely,



Ms. Cheryl Frost, Vice Chairman
Southern Ute Indian Tribal Council

cc: Tribal Council
Kourtney Hadrick, Growth Fund Operating Director -- Energy
Mike Matheson, Energy Department
Danny Powers, Air Quality Program
David Smith, Legal Department Director
Thomas H. Shipps, Esq.