



March 8, 2011

To: Chandler Peter, U.S. Army Corps of Engineers
David Neslin, Colorado Oil and Gas Commission
Jim Martin, U.S. Environmental Protection Agency

From: Save the Poudre: Poudre Waterkeeper

Regarding: Oil and gas development under and near the proposed Northern Integrated Supply Project's Galeton Reservoir and required analysis under NEPA

Dear Mr. Peter, Director Neslin, and Director Martin,

The proposed Northern Integrated Supply Project (NISP) is a water supply concept that involves two proposed reservoirs in Larimer and Weld County, Colorado. Due to its proposed impacts to the environment, NISP has triggered the National Environmental Policy Act, a federal law that requires a full accounting of all of the environmental, economic, and social impacts associated with building the project. That NEPA process has been delayed for several years while those impacts are being considered. A Draft Environmental Impact Statement (DEIS) was released in the fall of 2008; a Supplemental DEIS (SDEIS) is supposed to be released near the end of this year, 2011.

Recently, oil and gas exploration, drilling, and production have occurred on top of and very near the footprint of the proposed Galeton Reservoir which would be located a few miles northeast of Greeley, Colorado. No analysis of this development and its impacts on and/or from NISP was included in the DEIS; such an analysis must be included in the SDEIS for NISP. To that end, Mr. Peter of the Army Corps of Engineers has informed Save the Poudre: Poudre Waterkeeper that the SDEIS will include an analysis of the "costs" associated with the "oil/gas issue." In an email to Save the Poudre dated February 17, 2011, Mr. Peter wrote:

"The oil/gas issue was not a consideration in the DEIS since it wasn't being developed when these cost estimates were pulled together. The SDEIS will be addressing those costs as well as the mineral rights."

By mapping the reservoir location along with COGCC producing and permitting oil and gas well data, Save the Poudre has determined that at least 11 producing wells are under the footprint of the proposed Galeton reservoir, at least 23 wells are permitted under the footprint of the proposed Galeton reservoir, and at least 72 wells are either producing or permitting within one mile of the proposed Galeton reservoir (see map attachment, as of March 7, 2011). Additionally, by researching the drilling records on the Colorado Oil and Gas Commission website, Save the Poudre has determined that of the 11 producing wells under the footprint of the proposed Galeton reservoir, 8 were completed through hydraulic fracturing ("fracking") with fluids of undisclosed chemical composition during the drilling process. Those well numbers and fracking descriptions are:

- Well 05-123-26089: FRAC'D CODL W/144,740 GALS SLICKWATER & SILVERSTIM W/ 269,600# OTTAWA SAND.
- Well 05-123-26968: FRAC'D LYONS W/175,494 GALS SLICKWATER AND 250,050 #'S SAND.
- Well 05-123-26087: FRAC'D CODL WITH 129234 GALS OF VISTAR WITH 274813#'S OTTAWA SAND.

- Well 05-123-31052: Frac'd Codell w/101835 gals Silverstim, Acid, and Slick Water with 201220 lbs Ottawa sand
- Well 05-123-31068: Frac'd Codell w/ 101640 gals Silverstim, Acid, and Slick Water with 200865 lbs Ottawa sand
- Well 05-123-31055: Frac'd Codell w/ 133620 gals Silverstim, Acid, and Slick Water with 269980 lbs Ottawa sand
- Well 05-123-26969: Codell & Niobrara are commingled Codell 7047'-7059', 48 holes, .41" Frac'd Codell w/133854 gals Silverstim, Acid, and Slick Water with 269420 lbs Ottawa sand Niobrara 6766'-6903', 48 holes, .73" Frac'd Niobrara w/174804 gals Silverstim and Slick Water with 250000 lbs Ottawa sand
- Well 05-123-31071: Codell & Niobrara are commingled Codell 7021'-7034', 52 holes, .41" Frac'd Codell w/130830 gals Vistar, Acid, and Slick Water with 270306 lbs Ottawa sand Niobrara 6738'-6924', 72 holes, .72" Frac'd Niobrara w/231504 gals Vistar, Acid, and Slick Water with 364329 lbs Ottawa sand

(This information is obtained from <http://cogcc.state.co.us/> and was retrieved on March 7, 2011. Data is accessible by clicking on "database," clicking on "facilities," choosing "well" from dropdown list, and entering county code 123 and well sequence number.)

We believe that the existence of oil and gas wells on top of, and near, the proposed Galeton reservoir may pose significant human and environmental health risks that need to be adequately addressed in the NISP SDEIS. We request that at least the following analyses be included in the NISP SDEIS relating to the proposed Galeton reservoir, along with any additional information found to be relevant during the analysis process.

1. Scientific analyses with regards to the potential threat to human health and the environment from the presence of oil and gas wells on and near the proposed reservoir site related to:
 - a. Exploration activities
 - b. Drill hole presence
 - c. Fracking chemicals
 - d. Groundwater contamination
 - e. Subsurface formation disturbances
 - f. Surface contamination due to spills, drilling activities, and drilling structures
 - g. Water pressure exerted by the reservoir
 - h. Surface water flow into the reservoir
2. Economic/cost analysis with regards to eliminating and/or mitigating the potential threat to human health and the environment due to the presence of oil and gas wells on and near the proposed reservoir site including:
 - a. Capping wells and bore holes
 - b. Containing groundwater contamination associated with fracking chemicals and other pollutants
 - c. Reclaiming drilling sites and drill pads
 - d. Potential horizontal or directional drilling options, if necessary
 - e. Potential mineral rights buyouts, if necessary
3. Scientific projection of future oil and gas development activities in the vicinity of all of the reservoirs under consideration for NISP. This projection should use industry and agency consultation, public information, and other data sources to forecast a likely development scenario. This scenario should

be used to assess probable impacts on NISP components from future development as well as the impact of NISP on future oil and gas extraction.

The National Environmental Policy Act requires that the U.S. Army Corps of Engineers analyze all environmental impacts associated with the proposed Northern Integrated Supply Project. Further, because the project has triggered the Clean Water Act, the SDEIS must address the EPA's 404(b)(1) guidelines (see 40 C.F.R. § 230), and the Corp's "public interest" factors (see 33 C.F.R. §§ 320 et seq.) including:


- Rejecting a permit if there is a practical alternative that would cause less adverse impact
- Only granting a permit if it will not degrade water quality
- Ensuring that the permitting project not cause significant degradation to waters of the U.S. – because the water proposed to be stored in Galeton will be pumped directly from the South Platte River, all water in Galeton will be "waters of the U.S." as defined by the Clean Water Act
- Mitigating any impacts

Because the U.S. Army Corps of Engineers' SDEIS must analyze all environmental impacts associated with the proposed action or any alternative action, and because the Clean Water Act requires a full environmental analysis so that a competent permitting decision can be made, we believe that the chemical composition and quantities of the fracking chemicals used in the wells within and near the footprint of the proposed Galeton reservoir must be made available to the federal and state permitting agencies – U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, Colorado Dept of Public Health and Environment, and Colorado Division of Wildlife – as well as to the public at large through the SDEIS.

Therefore, Save the Poudre: Poudre Waterkeeper requests that the U.S Army Corps of Engineers, with the assistance of the Colorado Oil and Gas Commission and the U.S. Environmental Protection Agency, obtain the chemical composition of the fracking materials used, incorporate this information into its analyses, and publish it in the SDEIS. Save the Poudre additionally requests that the composition of those fracking chemicals be made available to the public – including to Save the Poudre – as soon as they are available to the federal agencies so that the public may knowledgably comment on the SDEIS. Save the Poudre believes that the National Environmental Policy Act and the Clean Water Act require the disclosure of these fracking materials.

Thank you for the opportunity to provide input and make requests about Northern Integrated Supply Project and its environmental and economic impacts in northern Colorado. Please acknowledge receipt of this letter. Please let us know if you have any questions about our request.

Respectfully,



Gary Wockner

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Gary Wockner, PhD, Director
Save the Poudre: Poudre Waterkeeper
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Map Attachment: NISP's Proposed Galeton Reservoir with oil/gas drilling/permitting locations overlay:

