

**Colorado Independent Cattle Growers Association
Private Property Rights**

Private Property Rights #1

CICA opposes the proposed Pre-Draft Oil and Gas Rules and Regulations from the passing of HB 1298 and HB 1341 and any wildlife takings by the Colorado Department of Natural Resources and Colorado Division of Wildlife on private property rights. Cause No. 1R Docket No. 0803-RM-02

Private Property Rights #2

While CICA endorses clean water and sound management practices, CICA opposes the Proposed Current Clean Water Restoration Act.

Private Property Rights #3

CICA opposes the building of a new proposed railroad in Eastern Colorado to move coal to Texas as proposed by the Colorado Department of Transportation. Colorado Department of Transportation has proposed two plans (Plan A and Plan B). CICA considers this a takings and are therefore against the proposed new railroad.

Private Property Rights #4

CICA opposes the Colorado 2008 Severance Tax Initiative 113 as filed.

Private Property Rights #5

CICA understands that there are climate changes occurring naturally. However, CICA opposes using the concept of global warming for funding action plans.

BEFORE THE OIL AND GAS CONSERVATION COMMISSION

STATE OF COLORADO

**IN THE MATTER OF CHANGES TO THE)
RULES AND REGULATIONS OF THE OIL)**

Cause No. 1R

**AND GAS CONSERVATION COMMISSION)
OF THE STATE OF COLORADO)**

DOCKET NO. 0803-RM-02

Petition opposing new Oil and Gas Rules

Many of Our Rural Counties benefits greatly from the oil and gas industry through local employment either directly through gas companies or through creation of smaller support businesses that contract with energy developers. In addition to providing numerous jobs the industry also purchases a vast amount of goods and services promoting economic growth in the rural communities. Impact of the Draft rules could negatively affect the economy of our Rural Counties by making energy development even less competitive than other regions of the nation.

The Oil & Gas Industry provides significant State and County Tax Assessment which is a significant contribution to our counties and State. Any decrease in the tax base of our rural counties would cause serious harm to our schools, hospitals, the economy and the welfare of our citizens. We believe that the Pre-Draft Rules will have a direct and indirect negative impact on future development and production of gas wells in our community while providing little to no benefit to the health, safety and wellbeing to the citizens.

We believe the Pre-Draft Rules impose a "Takings" by the Commission on the private property owners by dictating how and where the exploration and development of Oil & Gas will occur on their Private Property.

The Pre-Draft rules set up a very cumbersome regime of multi-agency interference and oversight of activities being conducted on "Private Property", thus, diminishing the potential value of the property as well as creating undue cost and expense to the Land Owner and Operator when a contractual agreement has been mutually agreed to by both parties. The proposed Rules circumvent and even negate the agreements that the Surface Owner and Operator might have negotiated as to ingress/egress routes, facility placement, pipeline routes and production structures, not to mention the Multi-State Agencies interjecting their restrictions, objections and even a request for denial to the Director.

We are extremely concerned that the Division of Wildlife [DOW] has any input on the exploration and development of oil and gas in Colorado. We believe that the wildlife population in Colorado has grown and actually thrived right along with the exploration and development of Natural gas. To our knowledge, there are no proven detrimental impacts from oil and gas exploration on wildlife in Colorado. To mandate time restriction or impose restricted surface

occupancy areas within Colorado will stifle oil and gas development and operations causing a direct impact on the economic stability of our State.

Based on the context of the Pre-Draft Rules a substantial amount of the proposed language appears to be drafted and relevant to issues and concerns associated with the Western Slope and other areas of the State other than the Eastern Plains of Colorado. The "One-Size" fits all approach taken by the Commission and reflected in the Pre-Draft Rules fail to take into account the vast differences between Oil & Gas Development and production on the Western Slope and that of the Eastern Plains

We feel that the proposed Pre-Draft Rules will add additional expenses to existing wells and new wells to be drilled, which will make drilling new wells uneconomic, and existing wells less economic thereby causing them to be plugged earlier than current existing economics. This will then impact the Rural Counties by having a detrimental Impact on our economic stability.

We believe that the COGCC is denying the Citizens of Colorado their Due-Process by refusing to hold adequate hearings though out the state in those regions that will be most affected by the Pre-Draft Rules. And that these proceedings are on a fast track by the COGCC to the detriment of the industry and the rural communities that rely on gas and oil development for part of their economic stability.

We believe the existing Pre-Draft Rules and new changes still fail drastically in recognizing, differentiating and addressing the significant differences between the issues, concerns and "Private" Property rights of various Colorado regions and oppose the adoption of the new proposed rules as the state oil and gas commission failed to reach adoption of any new rules by the legislated mandate of July 16, 2008. We believe the commission is out of time and operating outside of the law - *ULTRA VIRES!*