

BOARD OF COUNTY COMMISSIONERS FOR
ADAMS COUNTY, STATE OF COLORADO

RESOLUTION FOR LAND USE CASE DECISION - CASE #RCU2014-00002 KERR
MCGEE GATHERING (KMGG) PIPELINE

Resolution 2014-174

WHEREAS, on the 21st day of April, 2014, the Board of County Commissioners, held a public hearing on the application of Kerr McGee Gathering LLC, Case #RCU2014-00002; and,

WHEREAS, this case involved an application for: Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue on the following described property:

PARCEL NUMBER: Multiple Parcels

APPROXIMATE LOCATION: Multiple Parcels along Imboden Road
between East 40th Avenue and East 72nd Avenue

LEGAL DESCRIPTION: *Note 1 - KMGG has only surveyed its ROW on the parcels where it has an executed agreement. All other legal descriptions shown have been obtained from the Adams County records through its mapping site. *Note 2 – The legal descriptions below are only for parcels in unincorporated Adams County. Preferred Route (Shown in Red on the options Map) SECT,TWN,RNG:5-3-64 DESC: ALL 628/76A, SECT,TWN,RNG:8-3-64 DESC: BEG AT SW COR SEC 8 TH E 900 FT TH N 400 FT TH W 900 FT TH S 400 FT TO THE POB EXC RD 7/334A, SECT,TWN,RNG:17-3-64 DESC: N2 320A SECT,TWN,RNG:6-3-64 DESC: PARCEL 9 PT OF THE NE4 OF SEC DESC AS BEG AT THE N4 COR SD SEC 6 TH S 88D 53M E 749/07 FT TO THE TRUE POB TH S 893/66 FT TH E 1875/52 FT TH N 867/66 FT TH N 88D 53M W 1891/73 FT TO THE TRUE POB 38/079A, SUB:TOUCH AMERICA SUBDIVISION LOT:1,SECT,TWN,RNG:5-3-64 DESC: ALL 628/76A, SECT,TWN,RNG:8-3-64 DESC: BEG AT SW COR SEC 8 TH E 900 FT TH N 400 FT TH W 900 FT TH S 400 FT TO THE POB EXC RD 7/334A, SECT,TWN,RNG:17-3-64 DESC: N2 320A, SECT,TWN,RNG:6-3-64 DESC: PARCEL 9 PT OF THE NE4 OF SEC DESC AS BEG AT THE N4 COR SD SEC 6 TH S 88D 53M E 749/07 FT TO THE TRUE POB TH S 893/66 FT TH E 1875/52 FT TH N 867/66 FT TH N 88D 53M W 1891/73 FT TO THE TRUE POB 38/079A, SECT,TWN,RNG:6-3-64 DESC: PARCEL 8 PT OF THE NE4 OF SEC 6 DESC AS BEG AT THE N4 COR SD SEC 6 TH S 88D 53M E 749/07 FT TH S 893/66 FT TO THE TRUE POB TH CONT S 848/25 FT TH E 1859/92 FT TH N 848/35 FT TH W 1875/52 FT TO THE TRUE POB 36/370A, SECT,TWN,RNG:6-3-64 DESC: PARCEL 7 PT OF NE4 OF SEC 6 DESC AS BEG AT THE N4 COR SD SEC 6 TH S 88D 53M E 749/07 FT TH S 1741/91 FT TO THE TRUE POB TH CONT S 855/71 FT TH E 1844/26 FT TH N 7 FT TH N 848/81 FT TH W 1859/92 FT TO THE

TRUE POB 36/382A, SECT,TWN,RNG:6-3-64 DESC: SE4 EXC THE NLY 7 FT OF THE SE4 159/5758A, SECT,TWN,RNG:7-3-64 DESC: ALL 656/04A, SECT,TWN,RNG:18-3-64 DESC: PT OF THE S2 OF SEC 18 DESC AS FOLS BEG AT THE SE COR OF SEC 18 TH N 30 FT TH W 30 FT TH CONT W 1755/36 FT TH N 1737/44 FT TO THE POB TH N 868/72 FT TH E 1755/37 FT TH S 868/52 FT TH W 1755/37 FT TO THE POB 35A, SECT,TWN,RNG:18-3-64 DESC: PT OF THE S2 OF SEC 18 DESC AS FOLS BEG AT THE SE COR OF SEC 18 TH N 30 FT TH W 30 FT TH CONT W 1755/36 FT TH N 868/72 FT TO THE POB TH N 868/72 FT TH E 1755/37 FT TH S 868/52 FT TH W 1755/37 FT TO THE POB 35A, SECT,TWN,RNG:18-3-64 DESC: PT OF THE S2 OF SEC 18 DESC AS FOLS BEG AT THE SE COR OF SEC 18 TH N 30 FT TH W 30 FT TH CONT W 1755/36 FT TH N 868/72 FT TH E 1755/37 FT TH S 868/53 FT TO THE POB EXC PARC 23/0070A, SECT,TWN,RNG:18-3-64 DESC: PT OF THE SE4 OF SEC 18 DESC AS FOLS BEG AT THE SE COR OF SD SEC 18 TH N 30 FT TH W // WITH S LN OF SD SE4 30 FT TO THE POB SD PT BEING ON THE W ROW LN OF IMBODEN RD AND ON THE N ROW LN OF E 48TH AVE TH CONT W 1475 FT TH N 354/42 FT TH E 1475 FT TO A PT BEING 30 FT W OF E LN OF SD SE4 TH S 354/42 FT TO THE POB 11/98A, SECT,TWN,RNG:19-3-64 DESC: BEG AT NE COR SEC 19 TH S 1324/41 FT TH W 1367/37 FT TH N 1323/42 FT TO PT ON N LN NE4 TH E 1366/25 FT TO POB EXC S 30 FT AND EXC RDS 36/69A, SECT,TWN,RNG:19-3-64 DESC: BEG 1324/41 FT S OF NE COR SEC 19 TH S 1324/41 FT TO E4 COR SD SEC TH W 1368/50 FT TH N 1323/37 FT TH S 1367/37 FT TO POB EXC NLY 30 FT AND EXC RD 39/82A, SECT,TWN,RNG:19-3-64 DESC: A PARC OF LAND LYING IN THE SE4 SEC 19/3/64 DESC AS BEG AT E4 COR SD SEC TH W 1368/50 FT TH S 393/57 FT TH E 484/34 FT TH S 929/38 FT TH E 885/30 FT TH N 1324/41 FT TO POB 31/31A, SUB:TOUCH AMERICA SUBDIVISION LOT:1,

WHEREAS, substantial testimony was presented by members of the public and the applicant; and,

WHEREAS, the Adams County Planning Commission held a public hearing on the 27th day of March, 2014, and forwarded a recommendation of APPROVAL to the Board of County Commissioners based on the following:

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners, County of Adams, State of Colorado, that based upon the evidence presented at the hearing and the recommendations of the Department of Planning and Development and the Planning Commission, the application in this case be hereby APPROVED based upon the following findings of fact and subject to the fulfillment of the following conditions precedent and stipulations by the applicant:

1. The conditional use is permitted in the applicable zone district.
2. The conditional use is consistent with the purposes of these standards and regulations.

3. The conditional use will comply with the requirements of these standards and regulations including, but not limited to, all applicable performance standards.
4. The conditional use is compatible with the surrounding area, harmonious with the character of the neighborhood, not detrimental to the immediate area, not detrimental to the future development of the area, and not detrimental to the health, safety, or welfare of the inhabitants of the area and the County.
5. The conditional use permit has addressed all off-site impacts.
6. The site is suitable for the conditional use including adequate usable space, adequate access, and absence of environmental constraints.
7. The site plan for the proposed conditional use will provide the most convenient and functional use of the lot including the parking scheme, traffic circulation, open space, fencing, screening, landscaping, signage, and lighting.
8. Sewer, water, storm water drainage, fire protection, police protection, and roads are to be available and adequate to serve the needs of the conditional use as designed and proposed.
9. Documentation that prior to site disturbance associated with the Proposed Project, the Applicant can and will obtain all necessary property rights, permits and approvals. The Board may, at its discretion, defer making a final decision on the application until outstanding property rights, permits and approvals are obtained or the Board may grant a Permit with conditions and/or conditions precedent which will adequately address outstanding concerns.
10. The Proposed Project considers the relevant provisions of the regional water quality plans.
11. The Applicant has the necessary expertise and financial capability to develop and operate the Proposed Project consistent with all requirements and conditions.
12. The Proposed Project is technically and financially feasible.
13. The Proposed Project is not subject to significant risk from Natural Hazards.
14. The Proposed Project is in general conformity with the applicable comprehensive plans.
15. The Proposed Project does not have a significant adverse effect on the capability of local government to provide services or exceed the capacity of service delivery systems.
16. The Proposed Project does not create an undue financial burden on existing or future residents of the County.
17. The Proposed Project does not significantly degrade any substantial sector of the local economy.

18. The Proposed Project does not unduly degrade the quality or quantity of recreational opportunities and experience.
19. The planning, design and operation of the Proposed Project reflects principals of resource conservation, energy efficiency and recycling or reuse.
20. The Proposed Project does not significantly degrade the environment. Appendix A includes the considerations that shall be used to determine whether there will be significant degradation of the environment. For purposes of this section, the term environment shall include:
 - Air quality,
 - Visual quality,
 - Surface water quality,
 - Groundwater quality,
 - Wetlands, flood plains, streambed meander limits, recharge areas, and riparian areas,
 - Terrestrial and aquatic animal life,
 - Terrestrial and aquatic plant life, and
 - Soils and geologic conditions.
21. The Proposed Project does not cause a nuisance and, if a nuisance has been determined to be created by the Proposed Project, the nuisance has been mitigated to the satisfaction of the County.
22. The Proposed Project does not significantly degrade areas of paleontological, historical, or archaeological importance.
23. The Proposed Project does not result in unreasonable risk of releases of hazardous materials. In making this determination as to such risk, the Board's consideration shall include:
 - Plans for compliance with Federal and State handling, storage, disposal and transportation requirements,
 - Use of waste minimization techniques, and
 - Adequacy of spill prevention and counter measures, and emergency response plans.
24. The benefits accruing to the County and its citizens from the proposed activity outweigh the losses of any resources within the County, or the losses of opportunities to develop such resources.
25. The Proposed Project is the best alternative available based on consideration of need, existing technology, cost, impact and these Regulations.
26. The Proposed Project shall not unduly degrade the quality or quantity of agricultural activities.
27. The proposed Project does not negatively affect transportation in the area.

28. All reasonable alternatives to the Proposed Project, including use of existing rights-of-way and joint use of rights-of-way wherever uses are compatible, have been adequately assessed and the Proposed Project is compatible with and represents the best interests of the people of the County and represents a fair and reasonable utilization of resources in the Impact Area.
29. The nature and location of the Proposed Project or expansion will not unduly interfere with existing easements, rights-of-way, other utilities, canals, mineral claims or roads.
30. Adequate electric, gas, telephone, water, sewage and other utilities exist or shall be developed to service the site.
31. The proposed project will not have a significantly adverse Net Effect on the capacities or functioning of streams, lakes and reservoirs in the impact area, nor on the permeability, volume, recharge capability and depth of aquifers in the impact area.
32. The purpose and need for the Proposed Project are to meet the needs of an increasing population within the County, the area and community development plans and population trends demonstrate clearly a need for such development.
33. The Proposed Project is compatible with the surrounding area, harmonious with the character of the neighborhood, not detrimental to the immediate area, not detrimental to the future development of the area, and not detrimental to the health, safety, or welfare of the inhabitants of the area.

Condition:

1. The applicant shall comply with all terms and conditions of the Development Agreement between Kerr McGee Gathering, LLC and Adams County.

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Henry _____ Aye
Tedesco _____ Aye
Hansen _____ Aye

Commissioners

STATE OF COLORADO)
County of Adams)

I, Karen Long, County Clerk and ex-officio Clerk of the Board of County Commissioners in and for the County and State aforesaid do hereby certify that the annexed and foregoing Order is truly copied from the Records of the Proceedings of the Board of County Commissioners for said Adams County, now in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, at Brighton, Colorado this 21st day of April, A.D. 2014.

County Clerk and ex-officio Clerk of the Board of County Commissioners
Karen Long:



By:



Deputy

Kerr McGee Gathering (KMGG) Pipeline

Case Number:	RCU2014-00002
Planning Commission Hearing Date:	03/27/2014 at 6:00 p.m.
Board of County Commissioners Hearing Date:	04/21/2014 at 10:00 a.m.

Case Manager: Michael Weaver

Case Technician: Mark Moskowitz

Applicant: Kerr McGee Gathering LLC
KIM MENDOZA-COOKE 720-929-6000
1099 18TH STREET
DENVER, CO 80202

Owner:

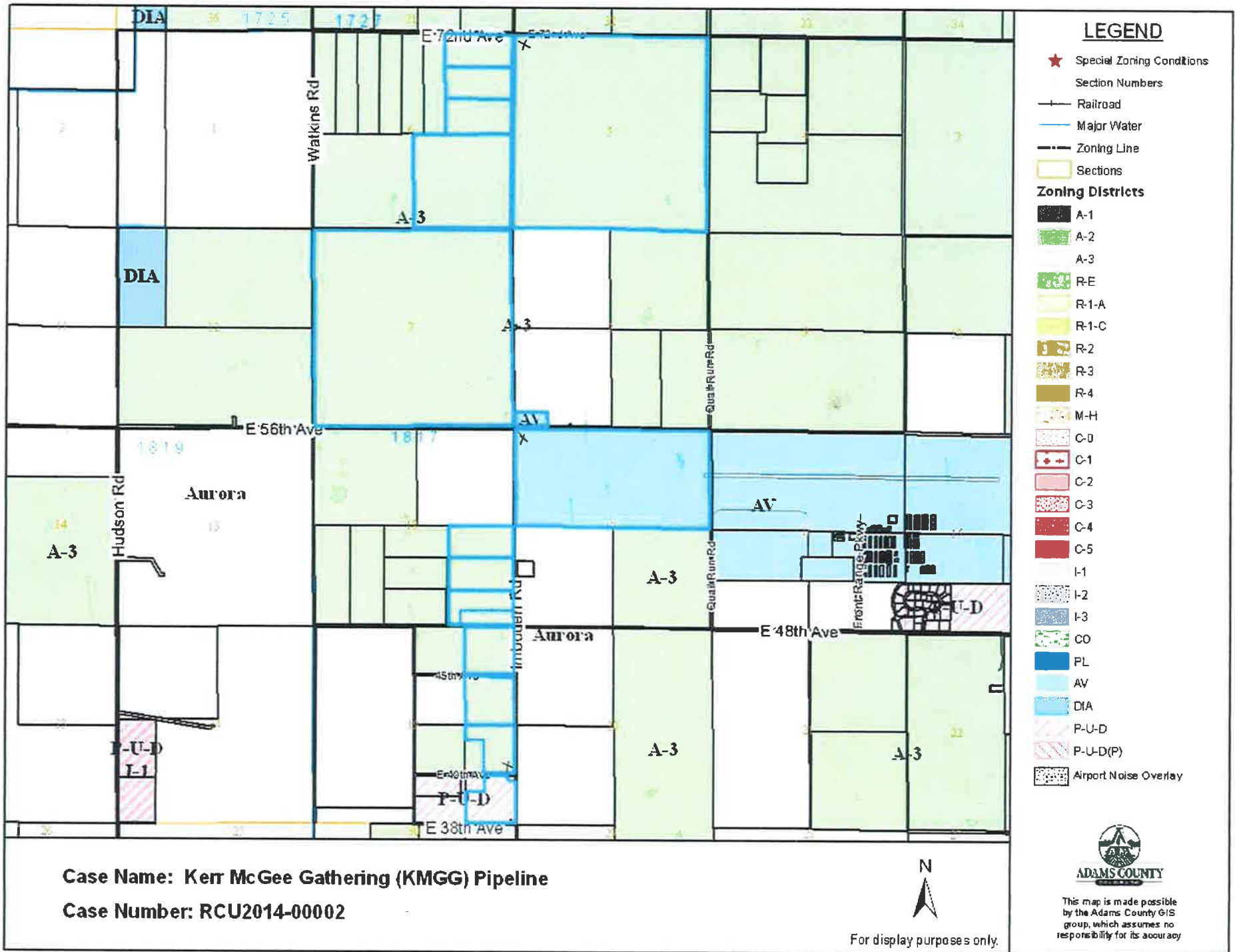
Representative:

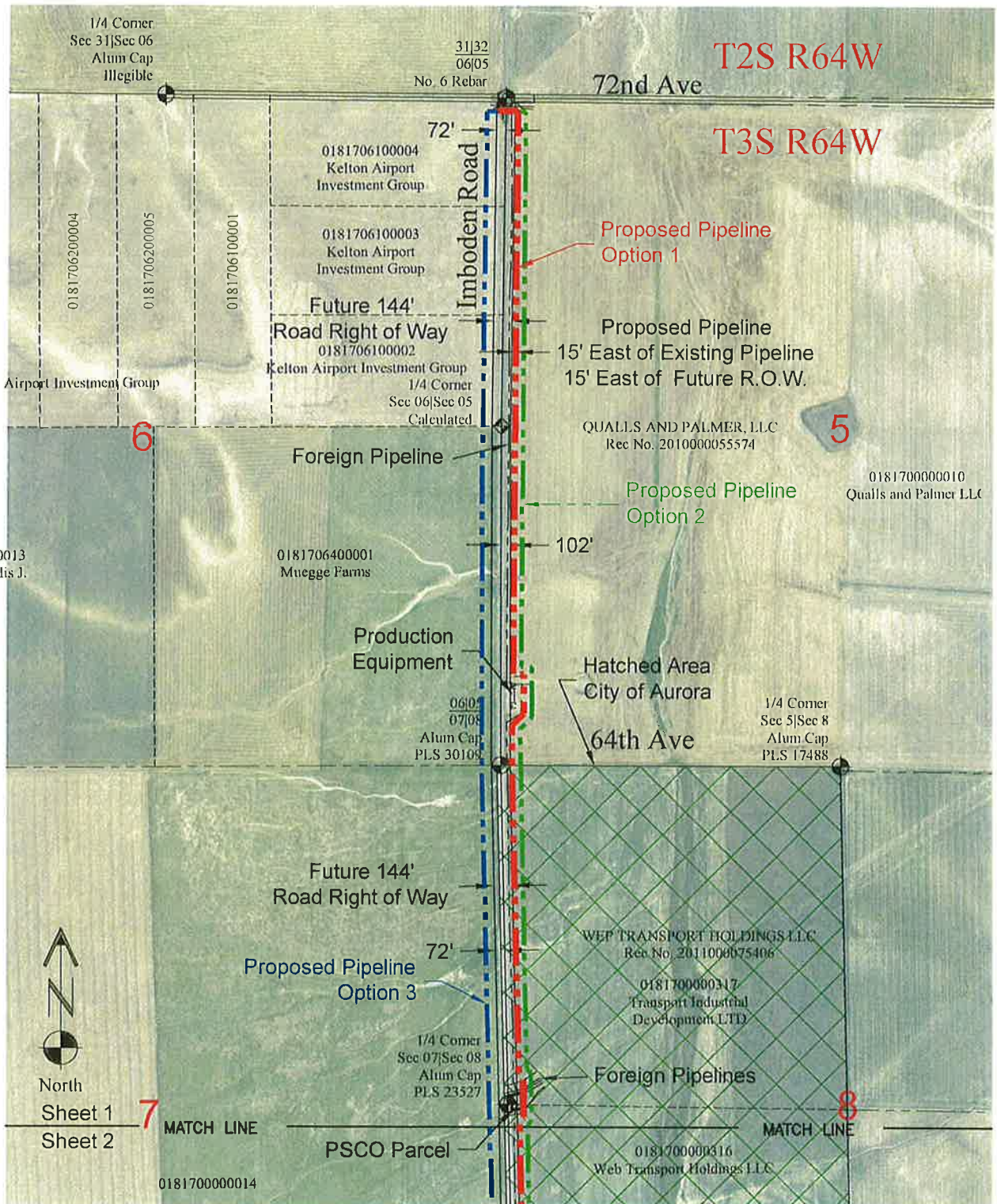
Location: CO
Parcel Number: 0181700000010
Size of Property: undetermined parcel size
Proposed Use:

Request: Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue.

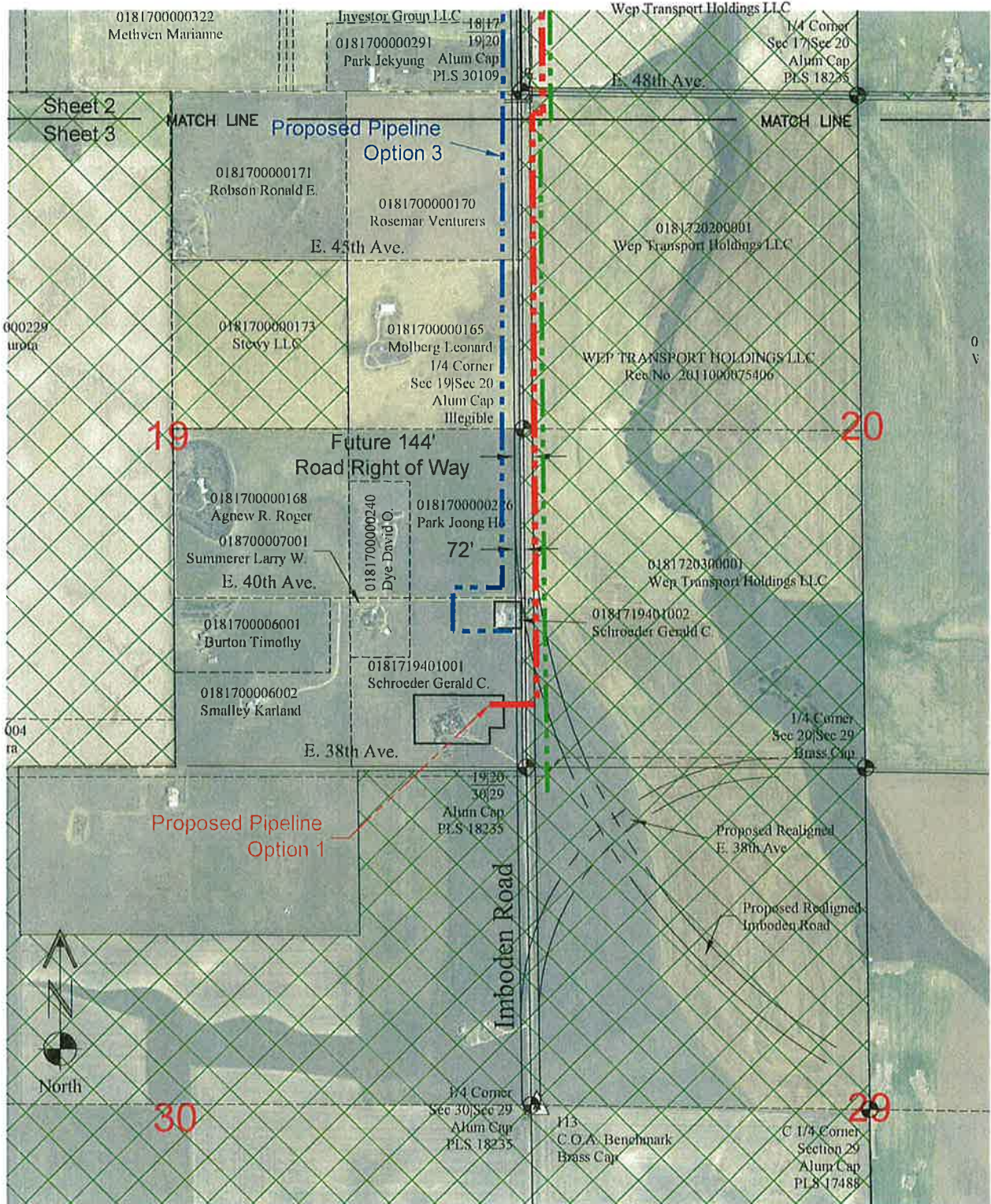
HEARINGS

Planning Commission		Board of County Commissioners
Date:	03/27/2014	Date: 04/21/2014
Action:		Action:
Date:		Date:
Action:		Action:
Review for Tracking:		Date:
Map Updated by:		Date:
Approved By:		Date:





Sheet 1 of 3



Sheet 3 of 3



PUBLIC HEARING AGENDA ITEM

SUBJECT: Case # RCU2014-00002, Kerr McGee Gathering (KMGG) Pipeline: 1) Conditional Use Permit for a 12-inch natural gas pipeline, and 2) Associated Development Agreement.

DATE: 4/21/2014

AGENCY/DEPARTMENT: Planning & Development Department

FROM: Michael Weaver

MW A.M.

RECOMMENDED ACTION: That the Board of County Commissioners 1) Approve Case # RCU2014-00002, Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue, and 2) Approve a Development Agreement which details the requirements of Kerr-McGee Gathering LLC regarding the pre-construction, construction, post-construction, and maintenance requirements of the Project.

BACKGROUND:

Case # RCU2014-00002 is a request for a Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue. The Planning Commission heard this case on March 27, 2014, and recommends Approval of the proposed Project. See the attached Staff Report for additional information.

As part of this project, a Development Agreement has been negotiated with Kerr-McGee Gathering LLC. The Development Agreement details the requirements of Kerr-McGee Gathering LLC regarding the pre-construction, construction, post-construction, and maintenance requirements of the Project. The Development Agreement has been reviewed and approved by the Transportation Department, the Planning & Development Department, and by the County Attorney's Office. See the attached Staff Report for additional information.

AGENCIES, DEPARTMENTS OR OTHER OFFICES INVOLVED:

In addition to the Planning & Development Department, the Conditional Use Permit application and the associated Development Agreement have been reviewed and approved by the County's Transportation Department and by the County Attorney's Office.

ATTACHED DOCUMENTS:

The Staff Report, pertinent case documentation, Development Agreement, and Resolution are attached hereto.

FISCAL IMPACT:

There is no direct fiscal impact from this item.

APPROVAL SIGNATURES:

APPROVAL OF FISCAL IMPACT:

Todd Leopold, County Manager

Budget / Finance

Raymond H. Gonzales, Deputy County Manager

Ed Finger, Deputy County Manager



Planning and Development Department
4430 South Adams County Parkway, 1st Floor, Suite W2000A
Brighton, CO 80601-8216
PHONE 720.523.6800 FAX 720.523.6998

MEMORANDUM

To: Office of the County Attorney

From: Michael Weaver, Planner

Subject: Kerr McGee Gathering (KMGG) Pipeline / RCU2014-00002

Date: March 31, 2014

Attached to this memo is a Development Agreement with Kerr-McGee Gathering LLC. The purpose of this agreement is to formalize the requirements that the developer has agreed to regarding the construction of the KMGG Gathering Pipeline in unincorporated Adams County. Compliance with this agreement is a recommended Condition of Approval for the Conditional Use Permit for the pipeline. The Development Agreement covers items that relate to pre-construction, construction, and post-construction and maintenance requirements. It includes provisions that will ensure that future roadways can be expanded in accordance with the Adams County Transportation Plan and future development on private property can occur in a way that is compatible with this pipeline.

The Development Agreement attached has been reviewed and approved by Staff from the Planning and Development Department, the Transportation Department, and the County Attorney's Office. The Adams County Planning and Development Department recommends approval of the attached Development Agreement.

RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN KERR-MCGEE GATHERING LLC AND ADAMS COUNTY

WHEREAS, Developer desires to construct approximately one mile and a half of underground steel pipeline in unincorporated Adams County (as more particularly described in that certain Conditional Use Permit Application dated January, 2014) to transport natural gas ("the Project"); and

WHEREAS, the Project will provide transportation of natural gas; increase efficiency of delivering products to market; and, reduce impacts to local air quality by reducing the need to flare natural gas at well sites in Adams County; and

WHEREAS, on January 22, 2014, Developer submitted an application for a Conditional Use Permit ("CUP") to Adams County in accordance with the requirements outlined in Chapter 2 of the Adams County Development Standards and Regulations ("the Regulations"), the Conditional Use Permit Checklist, and requested submittal criteria from the Adams County Areas and Activities of State Interest ("AASI") Checklist; and

WHEREAS, it is provided by Sections 1-02-01-02-08 and 1-08 of the Regulations of the Board of County Commissioners, County of Adams, that where designated, the Developer shall have entered into a written agreement with the County addressing Developer's and the County's obligations with regard to the Project as a condition of approval for the CUP; and

WHEREAS, the County and the Developer have planned and designed the Project so it will not prohibit future development, and so that it will not add cost to the County's future infrastructure plans to support development; and

WHEREAS, the Adams County Planning and Development Department recommends Approval of the attached agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners, County of Adams, State of Colorado, that the Agreement with Kerr-McGee Gathering LLC, a copy of which is attached hereto and incorporated herein by this reference, be approved.

BE IT FURTHER RESOLVED that the Chair of the Board of County Commissioners be authorized to execute this AGREEMENT on behalf of the County of Adams, State of Colorado.

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“**Agreement**”) is made and entered into by and between the COUNTY OF ADAMS, a political subdivision of the State of Colorado, hereinafter called “County,” and Kerr-McGee Gathering LLC, 1099 18th Street, Denver, CO 80202, hereinafter called “Developer”.

WITNESSETH:

WHEREAS, Developer desires to construct approximately 1.5 miles of underground steel 12 inch pipeline and appurtenances in Adams County (as more particularly described in that certain Conditional Use Permit Application Case #: RCU2014-00002, Case Name: Kerr McGee Gathering (KMGG) Pipeline dated January 22, 2014) to transport natural gas (“the **Project**”); and

WHEREAS, the Project will provide transportation of natural gas; increase efficiency of delivering products to market; and, reduce impacts to local roads by reducing truck traffic in furtherance of the goals of the Adams County Comprehensive Plan; and

WHEREAS, on January 22, 2014, Developer submitted an application for a Conditional Use Permit (“**CUP**”) to Adams County in accordance with the requirements outlined in Chapter 2 of the Adams County Development Standards and Regulations (“the **Regulations**”), the Conditional Use Permit Checklist, and requested submittal criteria from the Adams County Areas and Activities of State Interest (“**AASI**”) Checklist; and

WHEREAS, Developer has acquired all necessary right-of-way easements and temporary construction easements to utilize certain real property in the County of Adams, State of Colorado, as described in Exhibit "A" attached hereto, and by this reference made a part hereof (the “**Easements**”); and

WHEREAS, the County has designated its future road expansion plans in the Adams County Transportation Plan adopted November 8, 2012 (“**Transportation Plan**”); and

WHEREAS, it is provided by Sections 1-02-01-02-08 and 1-08 of the Regulations of the Board of County Commissioners, County of Adams, that where designated, the Developer shall have entered into a written agreement with the County addressing Developer’s and the County’s obligations with regard to the Project as a condition of approval for the CUP.

WHEREAS, the County and the Developer have planned and designed the Project so it will not prohibit future development, and so that it will not add cost to the County’s future infrastructure plans to support development.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto promise, covenant, and agree as follows:

I. DEVELOPER’S OBLIGATIONS:

1. Pre-Construction Activities. Prior to site disturbance and commencing construction in the County, Developer shall:

- A. Obtain approved construction plans from the Adams County Transportation Department.
 - B. Submit a Stormwater Management Plan (“SWMP”) to the County, as part of the Erosion and Sediment Control Plan to address water quality issues associated with construction activities.
 - C. Prepare a Traffic Control Plan for the portion of the project within Unincorporated Adams County and obtain approval of the Plan by the County. The Traffic Control Plan shall detail any impacts to the right-of-way during the construction of the Project including but not limited to lane closures, access to construction staging sites, hours of operation, etc. The traffic control plan shall be prepared in a way to minimize impacts to adjacent property owners during the construction period. The Developer must obtain written approval of the Traffic Control Plan from Adams County Transportation Department prior to commencement of construction. The Developer shall be responsible to implement any necessary corrections to the traffic control plan.
 - D. Submit the Spill Prevention, Control and Countermeasure Plan to the County.
 - E. Secure all applicable local, state and federal permits for the Project and submit copies of these permits to the County.
 - F. Secure all necessary Easements for a parcel before commencing construction activities on that parcel.
 - G. Submit copies of all executed Easements for the Project to the County.
2. Construction Activities. During construction, the Developer shall:
- A. Construct the project in accordance with the approved construction plans. The Developer shall submit a certification letter from a Professional Engineer within 30 days of construction completion certifying that the Project was constructed in accordance with the approved plans.
 - B. Manage stormwater in accordance with a SWMP (“Storm Water Management Plan”) prepared under the Colorado Department of Public Health and Environment (“CDPHE”) Colorado Discharge Permitting System (“CDPS”) Permit and in accordance with the Clean Water Act National Pollution Discharge Elimination System (“NPDES”) regulations and Adams County’s Grading Erosion and Sediment Control standards. Stormwater Best Management Practices will be implemented for the construction phase to capture and treat all onsite stormwater runoff, in accordance with the requirements for the SWMP.
 - C. Hours of operation shall be from 7 a.m. to 7 p.m., Monday through Saturday, except during hydrostatic testing, horizontal directional drilling (“HDD”), and emergency situations that would cause the Developer to be out of compliance with any applicable local, state or federal permit. The Adams County Director of Planning and Development and the Adams County Construction Manager may extend the hours and days of operation if there has been demonstration of a sufficient need.

- D. Implement the approved Traffic Control Plan.
- E. Comply with all applicable local, state and federal requirements.
- F. Comply with the guidelines suggested by Colorado Parks and Wildlife to ensure there is no effect to any species of concern as referenced within the application materials of Developer's CUP Application.
- G. Comply with the height limitations for all construction related equipment outlined in the comments submitted by Denver International Airport in their email dated February 21, 2014. Developer agrees that no piece of construction equipment shall be taller than 1 foot for every 100 feet horizontal distance from the nearest runway out to the limits of the FAA area of concern.
- H. Comply with the comments submitted by History Colorado in their letter dated February 26, 2014.
- I. Comply with the comments submitted by Xcel Energy in their letter dated February 27, 2014
- J. Comply with the comments submitted by Front Range Airport in their email dated February 17, 2014.
- K. All hauling/construction trucks shall cover their loads pursuant to C.R.S. 42-4-1407.
- L. The Developer will be responsible for the cleanliness and safety of all roadways adjacent to the Project in the event that there are any issues related to the Project during construction. If at any time, these roadways are found to be dangerous or not passable due to debris or mud caused by Project activities, the County shall require Developer to cease Project operations immediately and clear the roadway of any and all debris or mud. The Project shall not resume until the County, in its sole discretion, deems the roadway conditions acceptable. If the Developer fails to keep the adjacent roadways clean and free from debris, the Transportation Department has the option to do the required clean up and bill the cost thereof directly to the Developer.

The Developer shall be responsible for repairing County infrastructure that is damaged as a result of the construction from the Project. Repairs shall occur as soon as possible, but no later than six (6) months following construction completion, unless an extension is granted by the County for extenuating circumstances. The Developer may submit evidence of the condition of the County's right-of-way at the start and completion of construction in order to discern the pre-construction condition and the post-construction condition of the roadways.
- M. All fluid spills including, but not limited to, hydraulic fluids and oil from maintenance of equipment, shall be removed and disposed of at a facility permitted for such disposal.

- N. All complaints received by the Developer concerning off-site impacts, and the resolution of those complaints, shall be conveyed to the Department of Planning and Development. Off-site impacts shall be responded to and resolved immediately by the Developer. Adams County will be the final arbitrator regarding the resolution of noise complaints or any other off-site impacts. Excessive complaints that are not resolved to the satisfaction of the County may be justification for a show cause hearing before the Board of County Commissioners, County of Adams.
- O. All construction vehicles shall have a backup alarm, which shall comply with OSHA requirements, 29 CFR 1926.601(b)(4) and 1926.602(a)(9) and/or other remedies (such as flagmen) to minimize noise as approved by the County.
- P. If fuel will be stored on the subject properties or within the County's right-of-way, the following guidelines shall be implemented: All fuel storage at this site shall be provided with secondary containment, which complies with state law and any appropriate regulatory standards; fueling areas shall be separated from the rest of the site's surface area and protected from storm water; and Developer shall provide a spill prevention plan and release prevention plan for fuel storage and fueling operations. Spill and drip containment pans shall be emptied frequently and all spills shall be cleaned up and disposed of immediately at a facility permitted for such disposal.
- Q. Developer shall notify the County prior to commencing any snow removal operations within the County's right-of-way. The Developer shall be responsible for any damages to the right-of-way caused by these activities and shall repair damages at their expense within 60 days of receiving notice from the County.
- R. Roadways shall be kept free and clear of debris during construction of the Project. The Developer shall utilize professional street sweeping services in the event that it becomes necessary, as determined by the County.
- S. Developer shall comply with all applicable local, state and federal requirements during the course of the Project.
- T. Failure to comply with the requirements set forth in this Agreement may be justification for a show cause hearing before the Board of County Commissioners, County of Adams, where the CUP Permit may be revoked.

3. Design Requirements.

- A. The Project will be designed to meet or exceed the minimum Federal Safety Standards contained in 49 CFR 1925 and national engineering design codes for pipelines set forth by the American Society of Mechanical Engineers contained in B31.8.
- B. Pipeline burial depths will meet or exceed federal, state, and applicable engineering standards. The pipelines will be buried with a minimum of 48-inches of cover where practical and in locations where such burial depth is not achievable, additional mechanical protection will be provided, such as increased pipe wall thickness, as approved by the County and referenced within the Developer's Construction Plans.

- C. To accommodate the County's future development plans, Developer will initially construct and install the pipeline to comply with the depth and wall thickness specifications at the locations specified by Adams County and referenced in the Developers Construction Plans.

Developer agrees to avoid any regional drainage improvements, to the extent possible, as identified in the comments submitted by Adams County Transportation Department. The Developer shall install the pipeline at a depth below certain planned facilities to provide sufficient cover and avoid potential utility conflict at the locations identified by Adams County. The County agrees to make all reasonable attempts to avoid the pipeline during the design and construction of future drainage facilities. In the event that a future regional drainage improvement project requires the relocation of the pipeline, the Developer agrees to relocate the pipeline at its sole expense. Adams County shall give 90 calendar days written notice if it determines that the pipeline needs to be re-located.

- D. Developer agrees to comply with the terms of the two utility permits issued for the Project in Adams County by the Colorado Department of Transportation.

4. Operational Requirements.

- A. The Project will be operated to Federal Safety Standards contained in 49 CFR 192, as well as the Developer's operating standards and practices, and maintenance procedures as referenced within the Developer's CUP application materials submitted to the County for the Project.
- B. The steel pipelines will have a corrosion prevention system as detailed within Section 4.0, Safety, of the Developer's CUP application materials submitted to the County for the Project.
- C. The Project will have a multi-faceted integrity management program, as required under federal pipeline safety standards (49 CFR 192 and ASME B31.8) and the Developer's own pipeline integrity management programs. In the event that there is a conflict between any standard or regulation, the most restrictive standard shall apply.
- D. The project will be operated in accordance with all applicable local, state and federal codes, laws and regulations, including but not limited to the Bennett Fire Protection District ("BFPD"), the Colorado Department of Transportation ("CDOT"), the Colorado Department of Public Health and Environment ("CDPHE"), the Federal Aviation Agency ("FAA"), the Urban Drainage and Flood Control District ("UDFCD") and the Colorado Oil and Gas Conservation Commission ("COGCC").
- E. TThe Applicant shall comply with all applicable state air quality regulations including the revisions to the Air Quality Control Commission's Regulation Numbers 3, 6, and 7 as adopted in 2014.

5. Post-Construction and Maintenance Requirements.

- A. Developer agrees to restore any disturbed County-owned lands in compliance with the requirements of applicable easement agreements, as soon as possible, but no later than October 31, 2014. In the event that reseeded is unsuccessful in the first growing season, the Developer agrees to comply with the terms of the easement agreements to restore the land during the subsequent growing season. The County may grant an extension for good cause, in writing, in the event of unforeseen circumstances.
- B. Developer agrees to restore any disturbed private property in accordance with the applicable easement agreements, as soon as possible, but no later than October 31, 2014. In the event that reseeded is unsuccessful in the first growing season, the Developer agrees to comply with the terms of the easement agreements to restore the land during the subsequent growing season. The County may grant an extension for good cause, in writing, in the event of unforeseen circumstances.
- C. Construction plans submitted by the Developer to the County for the Project show the pipeline located completely outside of the future right-of-way as depicted in the Adams County 2012 Transportation Plan. In the event that the pipeline is not constructed in accordance with the construction plans approved by the County and there becomes a conflict with a future roadway expansion project, as such project is contemplated under the Transportation Plan, the Developer agrees to relocate the pipeline at its own expense.
- D. The Developer also agrees that the approval of encroachment agreement requests for parking lots and driveways on private property shall not be unreasonably or arbitrarily withheld, in accordance with the terms of the easement agreements for the Project.
- E. Developer agrees that it shall not disrupt or damage the functionality of any existing drainage facilities.
- F. Developer agrees to submit "as built" construction drawings to the Adams County Assessor's Office within 60 days of construction completion in accordance with the procedures established by the County.
- G. Developer agrees to submit emergency contact information, emergency response plans, and final maps of the Project, including all associated valves and pipeline components, to the local fire districts along the Project and to the Adams County Office of Emergency Management before commencing operation of the pipeline. The Developer shall comply with all other requests for information from the Adams County Office of Emergency Management in accordance with local, state, and federal law.
- H. Maintenance of the Project will follow guidelines set forth in the Developer's operations and maintenance procedures, which meet or exceed regulatory requirements. Maintenance activities associated with the line and permanent easement include, but are not limited to, the following:

- Implementation of a damage prevention program including observation of any construction activities by others on or near the permanent easement;
- Implementation of a public education program;
- Installation and maintenance of pipeline markers;
- Inspection and maintenance of corrosion control systems;
- Inspection of block valves;
- Inspection of crossings by other pipelines, highways, utilities;
- Inspection and maintenance of safety, control, mechanical, and electrical equipment;
- Maintenance of communication equipment; and
- Calibration of all instruments to comply with USDOT regulations.

6. Development Impact Fees. There are no development fees associated with this Project.

7. Encroachment Upon Future Right of Way.

In any segment of the Project that is parallel to an Adams County right-of-way, the pipeline shall be constructed a minimum of five (5) feet from the edge of the maximum future right-of-way width, as designated in the Adams County 2012 Transportation Plan. The County agrees that no trees shall be placed within the first eleven (11) feet of the right-of-way measured from the eastern edge of the future right-of-way for Imboden Road. Developer agrees that there is no limitation on the type or quantity of landscaping that may be placed within the area between eleven (11) feet from the eastern edge of the future right-of-way of Imboden Road to twenty-two (22) feet from the eastern edge of the future right-of-way of Imboden Road. As development of the Transportation Plan is implemented, and if the location and existence of the Developer's permanent easement precludes such development, Developer will subordinate any necessary overlapping easement rights (subject to the then existing rights of the parties, laws and regulations) to accommodate Adams's County's development.

8. Acceptance and Maintenance of Public Improvements. Developer is not required to make any public improvements or make any public dedications in connection with the Project.

9. Guarantee of Compliance. Developer hereby agrees that should it fail to comply with the terms of this Agreement, then the Board of County Commissioners, County of Adams, State of Colorado, shall be entitled to obtain from the Colorado State District Court for the Seventeenth Judicial District a mandatory injunction requiring said Developer to comply with the terms of this Agreement. Prior to the County seeking such an injunction, Developer shall be provided the opportunity to cure any default in accordance with the terms set forth herein.

10. Financial Security. The County has determined that there is no need for a guarantee of financial security with regard to this Project.
11. Successors and Assigns. This Agreement shall be binding upon the heirs, executors, personal representatives, successors, and assigns of the Developer, and shall be deemed a covenant running with the real property described in Exhibit 'A' attached hereto.

II. COUNTY'S OBLIGATIONS:

The County shall have no obligations associated with this Agreement.

III. GENERAL PROVISIONS:

1. No Third Party Beneficiaries. This Agreement is intended to describe and determine such rights and responsibilities only as between the parties hereto. It is not intended to and shall not be deemed to confer rights or responsibilities to any person or entities not named hereto.
2. Notices. Any and all notices, demands or other communications desired or required to be given under any provision of this Agreement shall be given in writing and delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid or by email addressed as follows:

To Developer:

Kerr-McGee Gathering LLC
Attention: Surface Land Manager
1099 18th Street
Denver, CO 80202

To Adams County:

Director, Department of Planning and Development
4430 South Adams County Parkway, 1st Floor, Suite W2000A
Brighton, CO 80601
Email: amontoya@adcogov.org

With a copy to:

Adams County Attorney
4430 South Adams County Parkway
Brighton, CO 80601

3. Amendments. Should any changes to the Conditional Use Permit be proposed before, during or after completion of the Project, the Developer shall submit the details of those changes to the Adams County Planning & Development Director for a determination as to whether those changes constitute a Major or Minor Amendment in accordance with the Regulations.

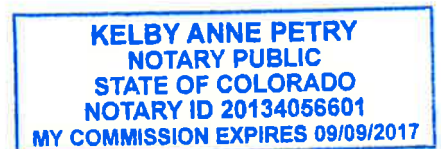

This Agreement may be modified, amended, changed or terminated in whole or in part by an agreement in writing duly authorized and executed by the parties hereto with the same formality, and subject to the same statutory and regulatory requirement, as this Agreement.

The terms of this Agreement shall remain in full force and effect unless or until the pipeline is no longer needed or used for the purpose of transporting materials or components relating to the production, transportation and other handling of oil, natural gas or other natural resources. At such time that the Developer ceases to have used the pipeline for its intended purposes for a period of twenty-four (24) consecutive months, the pipeline shall be abandoned in accordance with the pipeline abandonment procedures prescribed by the Colorado Oil and Gas Conservation Commission or any other pipeline safety regulatory agency then exercising jurisdiction over intrastate gas or oil pipelines in Colorado.

4. Controlling Law. This Agreement and its application shall be construed in accordance with the laws of the State of Colorado.
5. Default. If either party is in default under this Agreement, the non-defaulting party shall provide written notice of said default to the defaulting party to the address provided in Section III. 2 immediately above. The defaulting party shall have 30 days to cure the default, unless an extension is granted in writing by the non-defaulting party for good cause. The non-defaulting party may seek all remedies available pursuant to the Agreement and under the law.
6. Costs and Fees. In the event of any litigation arising out of this Agreement, the parties agree that each will pay its own costs and fees.

Kerr McGee Gathering LLC (Developer)

By: _____



The foregoing instrument was acknowledged before me this 11 day of April, 2014, by Ron Olsen as Agent and Attorney-In-Fact of Kerr McGee Gathering LLC.

My commission expires: 9/9/17

Address: 1099 18th Street, Suite 1800
Denver, CO 80202 Kelby Anne Petry
Notary Public

APPROVED BY resolution at the meeting of 11 April, 2014.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
ADAMS COUNTY, COLORADO

Clerk to the Board

Chair

Approved as to form



County Attorney

EXHIBIT A

Ownership, Assessor's Tax Parcel Number, Description of property where easements were obtained and Executed ROW Agreements with copies attached and made part of this document:

Qualls ROW

Qualls and Palmer LLC

Parcel #01818700000010

SECT,TWN,RNG:5-3-64 DESC: ALL 628/76A

Front Range Airport ROW

Front Range Airport Authority

Parcel #0181700000204

SECT,TWN,RNG:8-3-64 DESC: BEG AT SW COR SEC 8 TH E 900 FT TH N 400 FT TH W 900 FT TH S 400 FT TO THE POB EXC RD 7/334A

Front Range Airport ROW

Front Range Airport Authority

Parcel #0181700000187

SECT,TWN,RNG:17-3-64 DESC: N2 320A

Kelton ROW

Kelton Airport Investment Group

Parcel #0181706100004

SECT,TWN,RNG:6-3-64 DESC: PARCEL 9 PT OF THE NE4 OF SEC DESC AS BEG AT THE N4 COR SD SEC 6 TH S 88D 53M E 749/07 FT TO THE TRUE POB TH S 893/66 FT TH E 1875/52 FT TH N 867/66 FT TH N 88D 53M W 1891/73 FT TO THE TRUE POB 38/079A

Touch America ROW

Bronco Pipeline Company

Parcel #0181719401001

SUB:TOUCH AMERICA SUBDIVISION LOT:1

NOTICE OF PIPELINE LOCATION

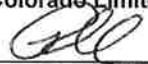
Pursuant to the terms of that certain Right-of-Way Grant dated June 4th, 1975 and recorded July 2nd, 1975 at Book 2003, Page 297 of the records of the Adams County Clerk and Recorder, Adams County, Colorado (the "Grant"), Kerr-McGee Gathering LLC ("KMGG"), whose address is 1099 18th Street, Suite 1800, Denver, Colorado 80202, as successor in interest to Panhandle Eastern Pipeline Company, was granted the right to construct, maintain, lower, inspect, repair, replace, relocate, change the size of, operate and remove a pipeline and from time to time to lay additional pipelines, drips, pipeline markers, valves, launchers, receivers, cathodic equipment, test leads and all appurtenances convenient for the transportation of oil, gas, and other substances, on, over, under and through the West Half (W½) of Section 5, Township 3 South, Range 64 West of the 6th P.M., Adams County, Colorado (the "Lands").

For notification purposes only, a plat attached hereto as Exhibit A sets forth the approximate location of a pipeline constructed in, under, and across the Lands pursuant to the Grant.

This Notice of Pipeline Location is limited to the pipeline described on Exhibit A, and is not intended to represent or depict all pipelines located or possibly located in, under, and across the Lands. Additional pipelines or future pipelines not described on Exhibit A may exist under the Lands.

This Notice of Pipeline Location is not intended and shall not be construed to reduce, minimize, change the scope of, or in any way alter, amend, or terminate any of the rights vested in KMGG by the Grant.

**KERR-McGEE GATHERING LLC, a
Colorado Limited Liability Company**


BY: Ronald H. Olsen
ITS: Agent and Attorney-in-Fact

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 10th day of April, 2014, by Ronald H. Olsen, as Agent and Attorney-in-Fact of Kerr-McGee Gathering LLC, a Colorado limited liability company, on behalf of such company.

Witness my hand and official seal.


Notary Public

My Commission Expires: 1-7-2018

**PATRICK J. BILLADEAU
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144000675
COMMISSION EXPIRES JAN. 07, 2018**

EXHIBIT "A"

Attached to and made a part of that certain Notice of Pipeline Location from Kerr-McGee Gathering LLC.

Description

A strip of land being a portion of that parcel conveyed to Qualls and Palmer, L.L.C. filed August 19, 2010 at Reception No. 201000055574, in Section 5, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said strip of land centerline described as follows:

Note:

1. The Basis of Bearings is the south line of the southwest quarter of Section 5, T3S, R64W 6th P.M., as monumented with an aluminum cap PLS 30109 at the west end and an aluminum cap PLS 17488 at the east end with a grid bearing of S 89°53'54" E.
2. The side lines of the right of way are to be lengthened and/or shortened to end at the property lines.

Commencing at the northwest corner of Section 5, a number 6 rebar; Thence S 00°36'08" W, along the west line of the northwest quarter of Section 5, a distance of 97.64 feet to the POINT OF BEGINNING;

Thence S 89°42'21" E, departing said west line, a distance of 93.29 feet;

Thence S 00°17'39" W a distance of 4404.11 feet;

Thence S 89°42'21" E a distance of 83.34 feet;

Thence S 00°00'55" W a distance of 304.89 feet;


Thence S 45°00'55" W a distance of 131.00 feet to a point 87 feet east of the west line of the southwest quarter of Section 5;

Thence S 00°00'16" E, parallel with and 87 feet easterly of said west line, a distance of 309.45 feet, more or less, to a point on the south line of Section 5 and the POINT OF TERMINUS, from which the southwest corner of Section 5 bears N 89°53'54" W a distance of 87.02 feet.

Centerline being 5326.08 feet in length.



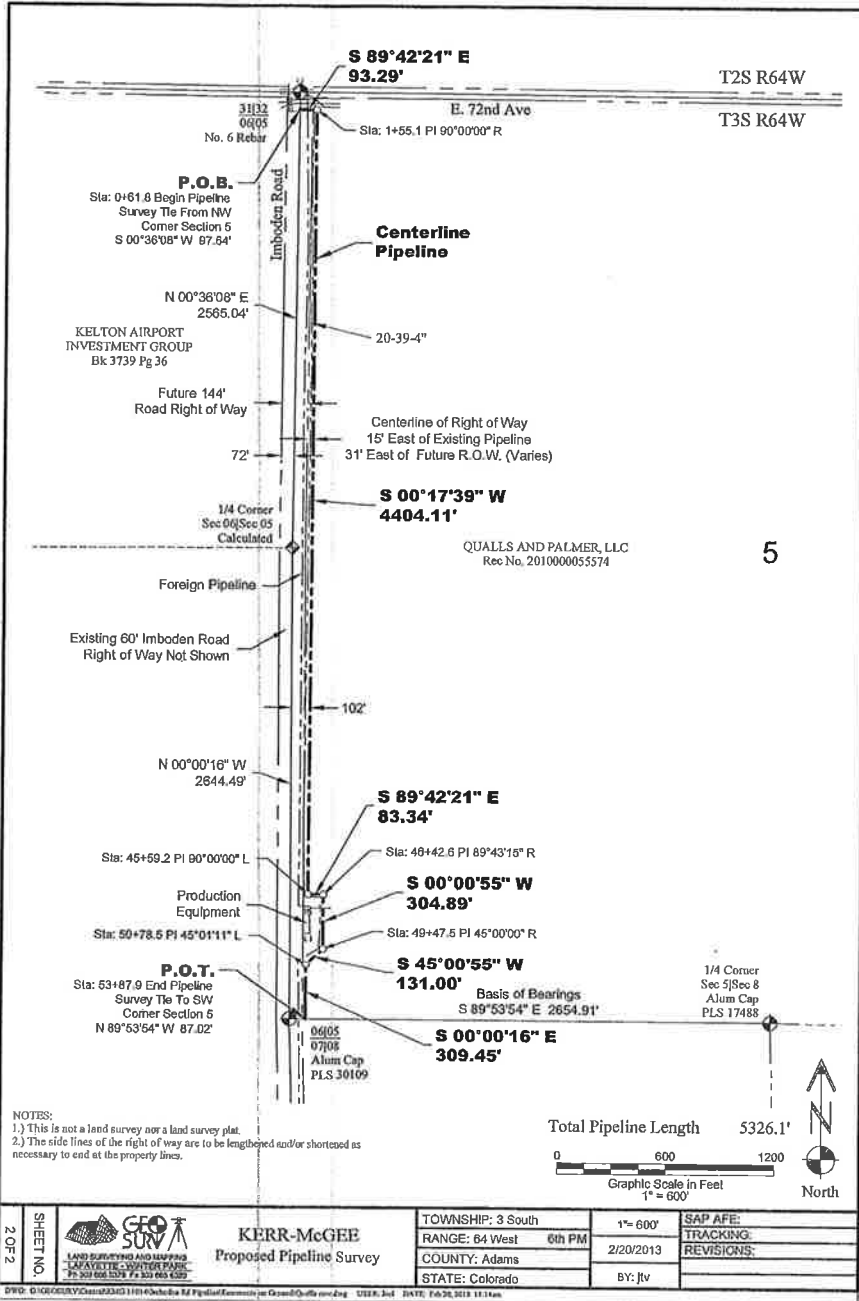
Prepared by EJ Grabowski
For and on behalf of GEOSURV Inc.
520 Stacy Ct. Ste B, Lafayette, CO 80026

SHEET NO. 1 OF 2	 LAND SURVEYING AND MAPPING LAFAYETTE - WINTER PARK P.O. BOX 686 02518 P.O. BOX 686	KERR-McGEE Proposed Pipeline Survey	TOWNSHIP: 3 South	1" = 600'	SAP AFE:
			RANGE: 64 West 6th PM	2/20/2013	TRACKING:
			COUNTY: Adams		REVISIONS:
			STATE: Colorado	BY: JN	

DWG: G:\MCGEORV\CH05\2330 1111 874626 84 Piped\Drawings\01 Qualls\Qualls.mxd VTSR: jrd DATE: 04-24-2013 11:11am

EXHIBIT "A"

Attached to and made a part of that certain Notice of Pipeline Location from Kerr-McGee Gathering LLC.



RIGHT-OF-WAY GRANT

THIS RIGHT-OF-WAY GRANT ("Grant") is made this 22nd day of April, 2013, from **KELTON AIRPORT INVESTMENT GROUP, a Colorado general partnership**, whose address is 225 Wall Street, Suite 240, Vail, Colorado 81657 ("Grantor"), to **KERR-MCGEE GATHERING LLC, a Colorado limited liability company**, whose address is 1099 18th Street, Suite 1800, Denver, Colorado 80202 ("KMGG" or "Grantee"). The parties agree as follows:

Grantor states that it is the sole owner in fee simple of the lands subject to the burden of the Easements (as defined in paragraph 2 of this Grant) and that it has full right, power and authority to enter into this Grant. Grantor and Grantee agree that the Permanent Easement and the Temporary Easement are subject to existing superior easement rights.

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants and conveys unto KMGG, its successors and assigns the rights-of-way and easements described below.

1. **Permanent Easement.** Grantor hereby grants, sells and conveys to KMGG, its successors and assigns forever, as of the date first set forth above, a 40-foot wide (20 feet on the [East/North] side of the centerline and 20 feet on the [West/South] side of the centerline) perpetual right of way and easement (the "Permanent Easement") on over, under, through and across that portion of Grantor's property situated in the Northeast quarter of the Northeast quarter of Section 6, Township 3 South, Range 64 West, 6th P.M., Adams County, State of Colorado, legally described and/or depicted on Exhibit A attached hereto and incorporated herein by this reference (the "Property") for the following uses and purposes: to initially lay, initially construct, maintain, inspect, operate, repair, mark, monitor, abandon or remove in connection with abandonment, at KMGG's election, two underground pipelines, each of which shall not exceed twenty-four inches in diameter, and all appurtenances, above or below ground, necessary for the transportation or transmission of oil, gas, petroleum products, water, hydrocarbons and any other substances, whether fluid, solid or gaseous, and any products, derivatives, combinations or mixtures of any of the foregoing.

2. **Temporary Easement.** In addition to the Permanent Easement, Grantor hereby grants, sells, conveys and assigns to KMGG a temporary easement on, over, under, through and across, and right to use (i) a portion of the Property consisting of an additional 35 feet of temporary work space adjacent to and along one or both sides of the Permanent Easement as more particularly described and/or depicted on Exhibit A (the "Temporary Work Space Easement") as well as (ii) a portion of the Property located adjacent to the Permanent Easement and/or the Temporary Work Space Easement as more particularly described and/or depicted on Exhibit A (the "Additional Temporary Work Space") and, together with the Temporary Work Space Easement, collectively referred to herein as the "Temporary Easement"). KMGG and/or KMGG Parties shall have the right to use the Temporary Easement for the purpose of surveying, excavating, trenching, initially laying and constructing any pipeline(s) and related construction activities. KMGG agrees that its right to use the Temporary Easement shall automatically terminate upon the earlier of: (i) the date KMGG completes construction and installation of the pipeline(s) contemplated hereby and restores the Property pursuant to Section 4 of this Grant; or (ii) ninety (90) days after the construction commencement date in KMGG's notice delivered pursuant to Section 11. The Permanent Easement, the Temporary Easement, and the Access Easement (Defined Below) are sometimes collectively referred to herein as the "Easements." The parties hereto agree that the one-time payment which is made by KMGG to Grantor for the purchase of the Easements referenced herein does not embrace payment for damages or losses to the property covered by the Easements or to Grantor's other property adjacent to the property covered by the Easements which may result from construction, operation and maintenance of the pipeline and appurtenant facilities by KMGG. Such one-time payment is intended by the parties hereto to relate solely to purchase of the right to use the Easements, but such payment shall not be deemed to embrace future damages or losses.

3. KMGG shall have the rights of ingress and egress over and across the Permanent Easement, and where same intersects any public road or public right-of-way or other easement to which KMGG has the right to access and along any private roads designated by Grantor (the "Access Easement") for any and all purposes necessary and incidental to exercising KMGG's rights hereunder. KMGG shall promptly repair any damage to Grantor's roads caused by KMGG, at KMGG's sole cost and expense, so as to maintain the roads in as good or better condition as existed prior to use by KMGG. KMGG shall compensate Grantor or Grantor's designated lessee, if any, for all actual damages to Grantor's or Grantor's designated lessee's growing crops, farm land preparation, pasture, fences, livestock and other real or personal property improvements attributable to the construction, maintenance, repair, replacement, or removal of the pipeline(s). KMGG shall compensate the Grantor for all damages to Grantor's timber caused by the initial

construction of the pipeline(s); thereafter, KMGG shall have the right to cut and keep clear, without payment of damages, all trees, brush, and other obstructions that may in the KMGG's opinion endanger, hinder or conflict with the construction, operation, inspection, protection, maintenance, and use of the pipeline(s). KMGG will provide certified surveys of the "as-built" pipeline(s) installed in the Permanent Easement pursuant to this agreement within thirty (30) days of the completion of installation of the same.

4. The pipeline(s) constructed hereunder shall be placed at a depth of not less than 48 inches below the surface of the ground. Grantor agrees not to increase or decrease the surface elevation on the Easements without KMGG's prior written permission, which permission shall not be unreasonably withheld, conditioned or delayed. KMGG shall repair and/or restore any fence on or adjacent to the Easements removed, severed or damaged in any way by KMGG, its employees, contractors, subcontractors, agents, licensees and invitees (each a "KMGG Party" and collectively "KMGG Parties") to the condition such fence was in prior to the removal or damages by KMGG, at KMGG's sole cost and expense. If necessary to prevent the escape of Grantor's livestock, KMGG shall construct temporary gates or fences in those areas affected by KMGG's operations, at KMGG's sole cost and expense.

5. KMGG shall level, re-grade, reseed and restore any lands affected by KMGG's operations, and shall, in connection with the initial construction and installation of the pipeline(s) contemplated by this Grant, sufficiently compact the soil to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s) within fifteen (15) days following completion of construction. If KMGG or any KMGG Parties, require access to the Property via the Access Easement after completion of the initial construction and installation of the pipeline(s), KMGG shall deliver at least five (5) days advance written notice to Grantor, except in the event of an emergency. If KMGG or any KMGG Party disturbs the surface of the Easements subsequent to initial construction and installation of the pipeline(s), KMGG shall level and restore any lands affected by such operations and sufficiently compact the soil to the condition that existed at the time immediately prior to commencement of same within fifteen (15) days following completion of such operations. KMGG shall re-seed the ground disturbed by any of KMGG's operations and will maintain the Easements free and clean of all litter and trash during any periods of construction, operation, maintenance, repair or removal in connection with abandonment. All construction debris shall be cleaned up and removed from the Property upon completion of any KMGG operations on the Property.

6. Grantor may use the Easement for any and all purposes not inconsistent with KMGG's permitted uses set forth above.

7. KMGG shall be obligated to pay for, repair, replace or otherwise compensate Grantor for any damages resulting from KMGG's activities and operations on the Easements, except for any damage to structures or improvements placed in the Easements contrary to the terms contained herein and except for such damages incurred during a pipeline relocation requested by Grantor.

8. Grantor shall retain all the oil, gas, and other minerals in, on and under the Easements; provided, however, that Grantor shall not be permitted to drill or operate equipment for the production or development of minerals on the Easement, but it will be permitted to extract oil, gas and other minerals from and under the Easements by directional drilling and other means, so long as such activities do not damage, destroy, injure and/or interfere with the Grantee's use of the Easements for the purposes for which the Easements are being sought by Grantee.

9. Grantee agrees to comply in all material respects, at its sole cost, with all applicable federal, state and local laws, rules and regulations which are applicable to Grantee's activities hereunder, including without limitation, the construction, maintenance, repair and service of Grantee's pipeline, associated equipment and appurtenances thereto.

10. KMGG agrees to indemnify, defend, and hold harmless Grantor, its predecessors, successors, assigns, lessees, trustees, officers, directors, shareholders, managers, members, employees, agents, parents, and subsidiaries, both individually and in their respective capacity, from any and all liens, claims, demands, actions, damages, costs (including but not limited to attorneys' fees, accountants' fees, engineers' fees, consultants' fees and experts' fees) or expenses whatsoever, whether for property damage, personal injuries or death, whether foreseen or unforeseen, patent or latent, to the extent arising directly or indirectly from and in connection with KMGG's negligent actions related to the installation, construction, maintenance, operation, or other use of the Easements and the pipeline(s) contemplated herein. Such indemnity shall extend to and cover the acts or omissions of any KMGG Parties. It is the intention of this clause to hold KMGG responsible for the payment of any and all claims by any nature and character arising from the

negligent actions of KMGG in the matters described above, except such claims arising by reason of the gross negligence or willful misconduct of Grantor.

KMGG shall also indemnify, defend, and hold harmless Grantor, its predecessors, successors, assigns, lessees, trustees, officers, directors, shareholders, managers, members, employees, agents, parents, and subsidiaries, both individually and in their respective capacity, from and against any and all liens, claims, demands, costs (including but not limited to attorneys' fees, accountants' fees, engineers' fees, consultants' fees and experts' fees) from (a) the imposition of any lien arising from or in connection with, or resulting from, KMGG's acts or omissions, or (b) the incurring of costs of required repairs, remedial actions, removal actions, clean up, and/detoxification pursuant to any federal, state or local statute, rule or ordinance ("Applicable Law") which result from KMGG's acts or omissions. KMGG is neither an agent nor employee of Grantor, and Grantor has no responsibility to inspect or oversee KMGG's operations nor to defend against, indemnify, hold harmless or correct any potentially harmful, dangerous or damaging conditions which result from KMGG's acts or omissions. If KMGG's operations result in a violation of any Applicable Law, KMGG shall satisfy the requirements imposed by any agency charged with implementation and/or enforcement of such Applicable Law, and KMGG shall provide Grantor with verification from such agency or agencies reflecting that KMGG has satisfied the requirements of such Applicable Law or a letter from such agency or agencies evidencing that no further action is required.

11. Construction of the pipeline(s) provided for in this Grant shall commence no later than three (3) years after the date this Grant is executed. If KMGG fails to commence construction of the pipeline(s) contemplated hereby within three (3) years after the date this Grant is executed then this Grant shall automatically terminate and be of no further force or effect. KMGG shall give Grantor at least thirty (30) days' advance written notice of the date on which it shall commence construction. Following commencement, KMGG shall diligently pursue construction and installation of the pipeline(s) to completion. Notwithstanding anything herein to the contrary, express or implied, the Temporary Easement shall automatically terminate and become of no further force or effect on the earlier of: (i) the date that KMGG completes construction and installation of the pipeline(s) contemplated hereby and restoration of the Property in full compliance with the terms of this Grant; or (ii) ninety (90) days after the construction commencement date indicated in KMGG's notice to Grantor.

12. Except as expressly provided, the Permanent Easement and the provisions of this Grant pertaining to it shall last as long as KMGG is using the pipeline(s) to transport hydrocarbons. If there is a cessation in transportation of hydrocarbons for two consecutive years or longer, KMGG agrees to remove or abandon the pipeline(s) not in use, in place, at KMGG's discretion within ninety (90) days of said two-year period. However, if KMGG chooses to remove the pipeline(s), then it shall notify Grantor of such intention and Grantor may deny such removal request and choose to have the pipeline(s) abandoned in place, in its sole and absolute discretion. Upon completion of such removal or abandonment, KMGG will execute and record an original Release of Right-of-Way Grant in the records of the County in which the Easements are located. If KMGG removes any of pipeline(s), KMGG agrees that it shall (a) grade the surface of the Property on which the Easements are located back to the ground level and contour as existed immediately prior to such removal within a reasonable time following the completion of removal, and (b) comply with all federal, state, or local laws applicable to such removal. KMGG shall replant any plantings and repair or replace, as applicable, any improvements damaged or destroyed by such removal.

13. This Grant cannot be modified, except by an instrument in writing signed by Grantor and an authorized representative of KMGG.

14. The rights granted herein may be assigned in whole or in part, and the terms, conditions, and provisions of this Grant are a covenant running with the land and shall extend to and be binding upon the successors, and assigns of Grantor and KMGG.

15. KMGG shall record an original of this Right-of-Way Grant in the records of the County in which the Easements are located. By recording this Right-of-Way Grant, KMGG shall be deemed to have accepted all of the terms and conditions hereof.

16. This Grant may be executed in counterparts each of which shall be considered one and the same agreement.

17. Notices. All notices required or permitted hereunder shall be given by certified mail, postage prepaid, return receipt requested, or by overnight express delivery by a nationally recognized overnight courier, directed as follows:

If intended for Grantor, to:

Attn: Arthur Kelton, Jr.
Kelton Airport Investment Group
225 Wall Street, Suite 240
Vail, CO 81657

With a copy to:

H. Michael Miller, Esq.
Berenbaum Weinschenk, PC
370 Seventeenth Street, Suite 4800
Denver, CO 80202

If intended for KMGG, to:

Kerr-McGee Gathering LLC
1099 18th Street, Suite 1800
Denver, CO 80202

Such notice delivered by (i) certified mail in accordance with the foregoing procedures shall be deemed to have been duly given after such notice is deposited with the United States Post Office, or (ii) overnight express delivery by a nationally recognized overnight courier shall be deemed to have been duly given one (1) business day after such notice is deposited with such overnight courier with instructions to deliver such notice the next following business day. Any party may specify a different address for notices by delivery of written notice to the other party.

18. This Grant shall be governed by the laws of the State of Colorado, without regard to Colorado's conflict of law principles. Venue shall be proper for any dispute arising under this Grant in the district or county courts of Adams County, Colorado.

19. In the event of any litigation between Grantor and KMGG concerning or relating to the subject matter of this Grant, the prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees.

20. Nothing contained in this Grant shall be deemed a gift or dedication of any portion of the Property for the general public or for any public purpose whatsoever. This Grant shall be strictly limited to and for the purposes set forth herein and shall not be interpreted or construed to create any third-party beneficiary rights in any person not a party hereto unless otherwise expressly provided in this Grant.

21. KMGG shall use the Easements solely for the purposes specified hereinabove. There shall be no hunting or fishing on the Easements or on any of Grantor's lands by KMGG or KMGG Parties at any time. No firearms or fishing equipment shall be taken on the Easements by KMGG or any KMGG Parties at any time.

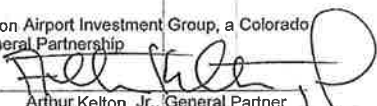
22. KMGG shall comply, at its sole cost, with all applicable federal, state and local laws, rules and regulations applicable to KMGG's activities hereunder, including without limitation, construction, installation, maintenance, repair and service of KMGG's pipeline(s), associated equipment and appurtenances thereto.

IN WITNESS WHEREOF, Grantor has executed and delivered this Right-of-Way Grant as of the date first above written.

GRANTOR:

Kelton Airport Investment Group, a Colorado
General Partnership

By:


Arthur Kelton, Jr., General Partner

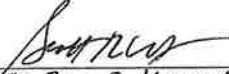
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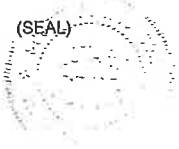
STATE OF COLORADO)
)ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 22nd day of April, 2013, by Arthur Kelton, Jr., as General Partner of Kelton Airport Investment Group, a Colorado General Partnership.

Witness my hand and official Seal.

My Commission Expires: 6-18-2016


Notary Public: Scott R. Kovan
Parsons, Co 80134



RIGHT-OF-WAY GRANT

THIS RIGHT-OF-WAY GRANT ("Grant) is made this 14th day of November, 2012, from **FRONT RANGE AIRPORT AUTHORITY**, a political subdivision of the State of Colorado, whose address is 5200 Front Range Parkway, Watkins, Colorado 80137 ("Grantor" whether one or more), to **KERR-MCGEE GATHERING LLC**, a Colorado limited liability company, whose address is 1099 18th Street, Suite 1800, Denver, Colorado 80202 ("KMGG"). The parties agree as follows:

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, conveys and warrants unto KMGG, its successors and assigns, a perpetual right-of-way and easement to lay, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove, at KMGG's election, two pipelines and all appurtenances, below or above ground, convenient for the transportation or transmission of oil, gas, petroleum products, water, hydrocarbons and any other substances, whether fluid, solid or gaseous, and any products, derivatives, combinations or mixtures of any of the foregoing, in, on, over, under, or through the lands situated in Adams County, State of Colorado, being described as follows:

Township 3 South, Range 64 West, 6th P.M.

Section 8: Part of the SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 17: Part of the W $\frac{1}{2}$ NW $\frac{1}{4}$

The specific route and course of the right-of-way and easement conveyed hereby ("Right-of-Way Lands") are more particularly described in Exhibit "A" attached hereto and made a part hereof. The parties have agreed that the width of the Right-of-Way Lands is seventy five feet (75') during construction, and subsequent to construction the width of the Right-of-Way Lands will be forty feet (40').

After the initial construction of the pipeline(s) KMGG may require, from time to time, temporary additional work space parallel and adjacent to the Right-of-Way Lands to survey, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove the pipeline(s) together with all appurtenances. Grantor agrees to negotiate in good faith with KMGG to allow KMGG the use of this temporary additional work space.

Grantor represents and warrants to KMGG that Grantor is the sole owner in fee simple of the Right-of-Way Lands, subject to the burden of the Right-of-Way and has full right, power and authority to enter into this Grant.

The pipe(s) constructed hereunder shall be placed at a depth of not less than 36 inches below the surface of the ground. Grantor agrees not to increase or decrease the surface elevation on the Right-of-Way Lands without KMGG's prior written permission. KMGG shall repair and/or restore any fence on or adjacent to the Right-of-Way Lands removed or severed by KMGG in the course of the operations provided for in this Grant to the condition such fence was in prior to the removal by KMGG. If necessary to prevent the escape of Grantor's livestock, KMGG shall construct temporary gates or fences in those areas affected by KMGG's operations as provided for in this Grant.

KMGG shall level and restore any lands affected by KMGG's operations that may have excessive settling and sufficiently compact the soil within a reasonable period of time after completion of construction to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s), to the extent reasonably practicable.

Grantor agrees not to build, create, construct or permit to be built, created or constructed, any obstruction, building, fence, reservoir, engineering works or other structures or improvements over, under, on or across the Right-of-Way Lands without the prior written consent of KMGG.

KMGG shall have all rights, privileges and benefits necessary or convenient for the full use and enjoyment of this Grant, including but not limited to, the right of ingress and egress over and across Grantor's lands lying adjacent to the Right-of-Way Lands for any and all purposes necessary and incidental to exercising KMGG's rights hereunder.

KMGG shall be obligated to pay for, repair, replace or otherwise compensate Grantor for any damages resulting from KMGG's activities and operations on the Right-of-Way Lands, except for any damage to structures or improvements placed in the Right-of-Way Lands contrary to the terms contained herein; and, Grantor shall be solely responsible for any and all claims or damages

21-12" Pipeline Extension

EXHIBIT "A"

Attached to and made a part of that certain Right-of-Way Grant dated November 14, 2012, between Front Range Airport Authority and Kerr-McGee Gathering LLC.

**Parcel 1
Right of Way Description**

A 40 foot wide strip of land being a portion of that parcel conveyed to The Front Range Airport Authority filed March 13, 1984 in Book 2849 at Page 370, in Section 8, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said 40 foot wide strip being 20 feet each side of the following described centerline:

- Note:
1. The Basis of Bearings is the west line of the northwest quarter of Section 17, T3S, R64W 6th P.M., as monumented with an aluminum cap PLS 30109 at each end with a grid bearing of N 00°18'13" W.
 2. The side lines of the right of way are to be lengthened and/or shortened as necessary to end at the property lines.

Commencing at the southwest corner of Section 8, an aluminum cap PLS 30109; Thence N 10°29'52" E a distance of 451.64 feet to a point on the northerly line of that parcel described in Book 2849 at Page 370, being 92 feet easterly of the west line of the southwest quarter of Section 8 and the POINT OF BEGINNING;

Thence S 01°15'20" E, parallel with and 92 feet easterly of said west line, a distance of 399.99 feet to a point on the northerly right of way line of East 56th Avenue, being 45 feet northerly of the south line of Section 8 and the POINT OF TERMINUS from which the southwest corner of Section 8 bears S 64°06'56" W a distance of 101.21 feet.

Containing 0.367 acres more or less.

**Parcel 2
Right of Way Description**

A 40 foot wide strip of land being a portion of that parcel conveyed to The Front Range Airport Authority filed November 27, 1984 in Book 2940 at Page 856, in Section 17, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said 40 foot wide strip being 20 feet each side of the following described centerline:

- Note:
1. The Basis of Bearings is the west line of the northwest quarter of Section 17, T3S, R64W 6th P.M., as monumented with an aluminum cap PLS 30109 at each end with a grid bearing of N 00°18'13" W.
 2. The side lines of the right of way are to be lengthened and/or shortened as necessary to end at the property lines.

Commencing at the northwest corner of Section 17, an aluminum cap PLS 30109; Thence S 52°31'09" E a distance of 116.41 feet to a point on the southerly right of way line of East 56th Avenue as recorded September 8, 2008 at Reception Number 2008000071634, being 92 feet easterly of the west line of the northwest quarter of Section 17 and the POINT OF BEGINNING;

Thence S 00°18'13" E, parallel with and 92 feet easterly of said west line, a distance of 2574.38 feet to a point on the south line of the northwest quarter of Section 17 and the POINT OF TERMINUS from which the west quarter corner of Section 17 bears N 89°21'45" W a distance of 92.01 feet.

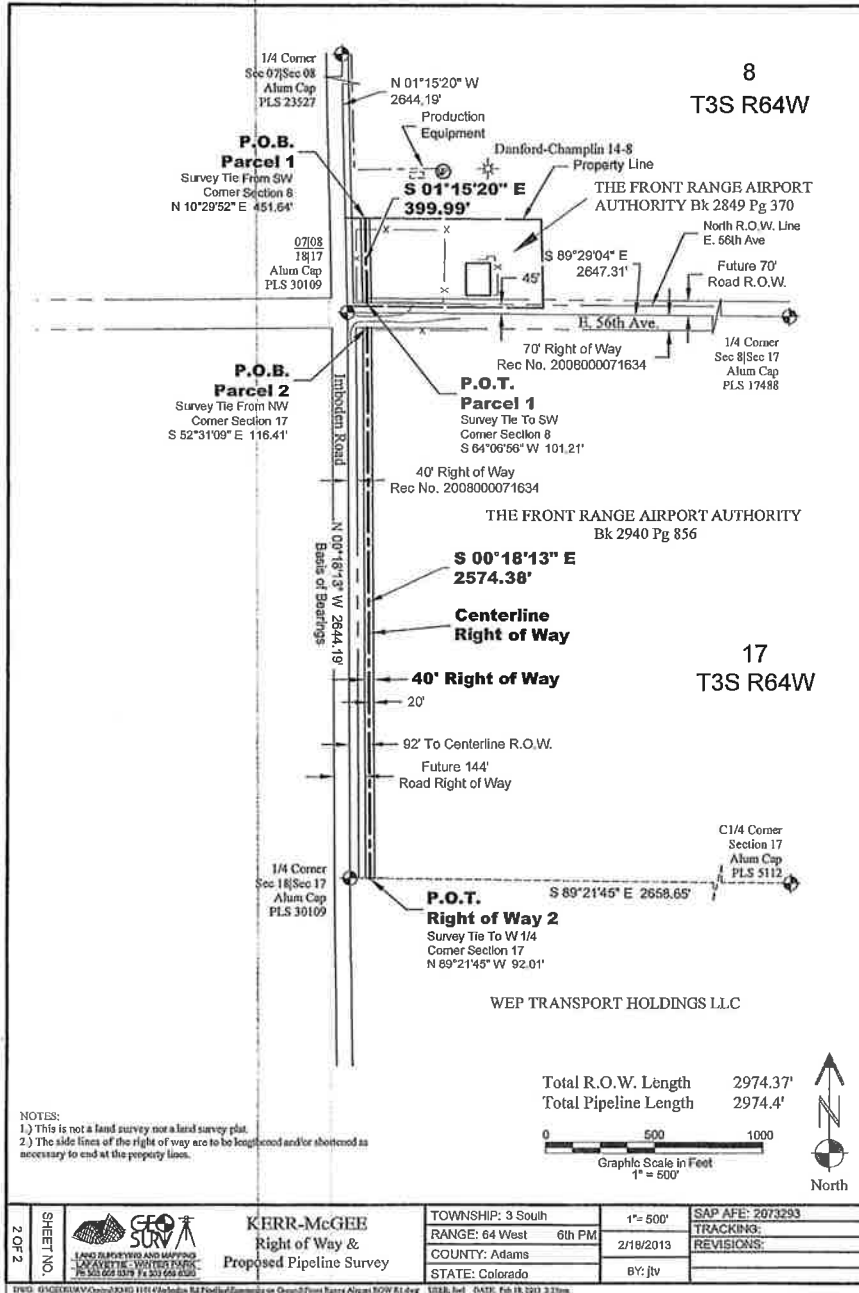
Containing 2.364 acres more or less.



SHEET NO. 1 OF 2	 LAND SURVEYING AND MAPPING LAFAYETTE - WALTER PARK P.O. BOX 108 COL CO. PA. 303 566-6333	KERR-McGEE Right of Way & Proposed Pipeline Survey	TOWNSHIP: 3 South	1" = 500'	SAP AFE: 2073293
			RANGE: 64 West 6th PM		TRACKING:
			COUNTY: Adams	2/18/2013	REVISIONS:
			STATE: Colorado	BY: jlv	
<small>PROJ: G:\2008\SRV\Cross\3365\1121\Final\shh\shh 2\ Right of Way & Proposed Pipeline Survey on Grand Front Range Airport ROW R1.dwg 1/22/13 4:41 DATE: Feb 18, 2013 3:25pm</small>					

EXHIBIT "A"

Attached to and made a part of that certain Right-of-Way Grant dated November 14, 2012, between Front Range Airport Authority and Kerr-McGee Gathering LLC.



RIGHT-OF-WAY GRANT

THIS RIGHT-OF-WAY GRANT ("Grant) is made this 25th day of April, 2013, from **GERALD C. SCHROEDER and MARY L. SCHROEDER**, whose address is 3851 Imboden Mile Road, Watkins, Colorado 80137 ("Grantor" whether one or more), to **KERR-MCGEE GATHERING LLC, a Colorado limited liability company**, whose address is 1099 18th Street, Suite 1800, Denver, Colorado 80202 ("KMGG"). The parties agree as follows:

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, conveys and warrants unto KMGG, its successors and assigns, a perpetual right-of-way and easement to lay, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove, at KMGG's election, two pipelines and all appurtenances, above or below ground, including meters, launchers, receivers and related equipment convenient for the transportation or transmission of oil, gas, petroleum products, water, hydrocarbons and any other substances, whether fluid, solid or gaseous, and any products, derivatives, combinations or mixtures of any of the foregoing, in, on, over, under, or through the lands situated in Adams County, State of Colorado, being described as follows:

Township 3 South, Range 64 West, 6th P.M.

Section 19: Part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$, also described as Touch America Subdivision, Lot 1

The specific route and course of the right-of-way and easement conveyed hereby ("Right-of-Way Lands") are more particularly described in Exhibit "A" attached hereto and made a part hereof. The parties have agreed that the width of the Right-of-Way Lands is seventy five feet (75') during construction, and subsequent to construction the width of the Right-of-Way Lands will be fifty feet (50').

After the initial construction of the pipeline(s) KMGG may require, from time to time, temporary additional work space parallel and adjacent to the Right-of-Way Lands to survey, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove the pipeline(s) together with all appurtenances. Grantor agrees to negotiate in good faith with KMGG to allow KMGG the use of this temporary additional work space.

Grantor represents and warrants to KMGG that Grantor is the sole owner in fee simple of the Right-of-Way Lands, subject to the burden of the Right-of-Way and has full right, power and authority to enter into this Grant.

The pipe(s) constructed hereunder shall be placed at a depth of not less than 36 inches below the surface of the ground. Grantor agrees not to increase or decrease the surface elevation on the Right-of-Way Lands without KMGG's prior written permission. KMGG shall repair and/or restore any fence on or adjacent to the Right-of-Way Lands removed or severed by KMGG in the course of the operations provided for in this Grant to the condition such fence was in prior to the removal by KMGG. If necessary to prevent the escape of Grantor's livestock, KMGG shall construct temporary gates or fences in those areas affected by KMGG's operations as provided for in this Grant.

KMGG shall level and restore any lands affected by KMGG's operations that may have excessive settling and sufficiently compact the soil within a reasonable period of time after completion of construction to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s), to the extent reasonably practicable.

Grantor agrees not to build, create, construct or permit to be built, created or constructed, any obstruction, building, reservoir, engineering works or other structures or improvements, excepting fences, over, under, on or across the Right-of-Way Lands without the prior written consent of KMGG.

KMGG shall have all rights, privileges and benefits necessary or convenient for the full use and enjoyment of this Grant, including but not limited to, the right of ingress and egress over and across Grantor's lands lying adjacent to the Right-of-Way Lands for any and all purposes necessary and incidental to exercising KMGG's rights hereunder. Grantor hereby agrees that Grantee may, at its option, pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the lands burdened by the Right-of-Way. If Grantee exercises such option, Grantee shall be subrogated to the rights of the party to whom payment is made, and in addition to its other rights, may reimburse itself out of any rentals, royalties, shut-in royalties, or any other amounts otherwise payable to Grantor hereunder.

KMGG shall be obligated to pay for, repair, replace or otherwise compensate Grantor for any damages resulting from KMGG's activities and operations on the Right-of-Way Lands, except for any damage to structures or improvements placed in the Right-of-Way Lands contrary to the terms contained herein; and, Grantor shall pay for, reimburse, indemnify and hold KMGG harmless from any and all claims or damages resulting from Grantor's activities on the Right-of-Way Lands. Grantor shall have the right to use and enjoy the Lands, subject to the rights herein granted.

This Grant cannot be modified, except by an instrument in writing signed by Grantor and an authorized representative of KMGG.

The rights granted herein may be assigned in whole or in part, and the terms, conditions, and provisions of this Grant are a covenant running with the land and shall extend to and be binding upon the successors, and assigns of Grantor and KMGG.


KMGG shall record an original of this Right-of-Way Grant in the records of the County in which the Right-of-Way Lands are located. By recording this Right-of-Way Grant, KMGG shall be deemed to have accepted all of the terms and conditions hereof.

This Grant may be executed in counterparts each of which shall be considered one and the same agreement.

IN WITNESS WHEREOF, Grantor has executed and delivered this Right-of-Way Grant as of the date first above written.

GRANTOR:


Gerald C. Schroeder


Mary L. Schroeder

STATE OF COLORADO)
)ss.
COUNTY OF ADAMS)

The foregoing instrument was acknowledged before me this 25TH day of April, 2013, by Gerald C. Schroeder and Mary L. Schroeder.

Witness my hand and official Seal.

My Commission Expires: 6-18-2016




Notary Public: Scott R. Knutson
Parker, CO 80134

EXHIBIT "A"

Attached to and made a part of that certain Right-of-Way Grant dated April 25, 2013, between Gerald C. Schroeder and Mary L. Schroeder and Kerr-McGee Gathering LLC.

Parcel Description

A 30 foot wide strip of land being a portion of Lot 1, Touch America Subdivision filed September 1, 2001 at Reception No. C0856526, in southeast quarter of Section 19, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said 30 foot wide strip being 15 feet each side of the following described centerline:

Note:

1. The Basis of Bearings is the east line of the southeast quarter of Section 19, T3S, R64W 6th P.M., as monumented with an aluminum cap PLS 18235 at the south end and an illegible aluminum cap at the north end with a grid bearing of N 00°31'54" W.
2. The side lines of the right of way are to be lengthened and/or shortened as necessary to begin at the property line.


Commencing at the southeast corner of Section 19, an aluminum cap PLS 18235; Thence N 04°00'47" W a distance of 494.05 feet to a point on the westerly right of way line of Imboden Road and the POINT OF BEGINNING;

Thence S 89°28'06" W a distance of 250.05 feet to the POINT OF TERMINUS, from which the east quarter corner of Section 19 bears N 06°52'12" E a distance of 2173.86 feet.

Containing 0.172 acres more or less.

Prepared by EJ Grabowski
For and on behalf of GEOSURV Inc.
520 Stacy Ct. Ste B, Lafayette, CO 80026



1 OF 2	SHEET NO.	 LAND SURVEYING AND MAPPING LAFAYETTE - WRIGHT PARK PO BOX 6518 LAFAYETTE CO CO 80026	KERR-McGEE		TOWNSHIP: 3 South	1"= 100'	SAP AFE:
			Right of Way Survey		RANGE: 64 West 6th PM	9/19/2013	TRACKING:
			COUNTY: Adams	STATE: Colorado	REVISIONS:		
			BY: jlv				



**DEPARTMENT OF PLANNING AND DEVELOPMENT
STAFF REPORT**

Board of County Commissioners

April 21, 2014

CASE No.: RCU2014-00002 CASE NAME: Kerr McGee Gathering (KMGG) Pipeline

Owner's Name:	Kerr McGee Gathering LLC
Applicant's Name	Kerr McGee Gathering LLC
Applicant's Address:	1099 18 th Street, Denver, CO 80202
Location of Request:	Multiple Parcels along Imboden Road between East 40 th Avenue and East 72 nd Avenue.
Nature of Request:	Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40 th Avenue to approximately East 72 nd Avenue.
Site Size:	Multiple Parcels
Zone Districts:	A-3, Agricultural; AV, Aviation; and P.U.D., Planned Unit Development
Existing Uses:	Agricultural, Residential, Aviation
Proposed Use:	Agricultural, Residential, & Aviation with buried pipeline
Hearing Date(s):	PC = March 27, 2014 (6:00 p.m.) BoCC = April 21, 2014 (10:00 a.m.)
Report Date:	March 31, 2014
Case Manager:	Michael Weaver <i>MW</i> <i>A.M.</i>
PC Recommendation:	Approval with 33 Findings of Fact and 2 Conditions
Staff Recommendation:	Approval with 33 Findings of Fact and 1 Condition

SUMMARY OF APPLICATION

The applicant is requesting a Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to Kerr McGee's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue. This low pressure gathering pipeline will connect to existing pipelines to the north and to the south; the natural gas will pass through a

proposed future liquids handling and metering station (referred to as the Pony Station, which will be owned and operated by the ConocoPhillips Corporation) before entering this pipeline, and it will then travel northbound, connecting to an existing 16-inch pipeline and ultimately to Kerr McGee's Brighton Compressor Station, located just to the northwest of the intersection of E. 128th Ave. and Powhaton Road (due north of Denver International Airport). Kerr McGee Gathering (KMGG) LLC is owned and operated by the Anadarko Petroleum Corporation.

Parcels along the route located within Unincorporated Adams County are zoned a combination of A-3, Agricultural; AV, Aviation; and P.U.D., Planned Unit Development. The future land use map designates these parcels as Public, Mixed Use Employment, and Estate Residential. The three alignment options put forth by the applicant all roughly parallel Imboden Road, which runs north to south. Options #1 and #2 run on the east side of Imboden Road, while Option #3 runs on the west side of Imboden Road. While the distance from north to south is approximately 4 miles, it is noted that the City of Aurora has jurisdiction of several of the parcels on both sides of Imboden Road, and therefore, the total length of pipeline associated with this project running through Unincorporated Adams County will be less than 4 miles in length. Option #1 is the applicant's preferred alignment, which runs for approximately 1.5 miles through Unincorporated Adams County.

PROJECT OVERVIEW

Background

The pipeline project to be constructed in unincorporated Adams County consists of approximately 4 miles of a 12-inch diameter steel pipeline that will transport natural gas along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue. Some portions of the pipeline are located within the City of Aurora and therefore are not part of this application. The pipeline would be entirely underground, with the exception of an above ground component at the southern terminus of this pipeline where it connects to the proposed future Pony Station.

The applicant states that natural gas is a clean energy sources that can help replace other fuels and reduce dependence on foreign energy sources. Natural gas production from well sites is transported via pipeline to processing facilities throughout Colorado for distribution to sales outlets to heat and provide power to homes, businesses, and schools. Natural gas is transported via pipelines; therefore, pipeline infrastructure is essential to the development and distribution of this natural resource.

The Applicant

The applicant, Kerr McGee Gathering (KMGG) LLC, is a wholly-owned subsidiary of Western Gas Partners, LP, a limited partnership formed by Anadarko Petroleum Corporation to own, operate, acquire, and develop energy assets. Western Gas Partners gathers, processes, compresses, treats, and transports natural gas, condensate, natural gas liquids, and crude oil for Anadarko and third party producers. Anadarko is among the world's largest independent oil and natural gas exploration and production companies based on proven reserves. The company holds extensive mineral rights covering approximately 350,000 net acres in the Wattenberg Field, in

which it has been operating for 30 years. Anadarko has annual revenues exceeding \$13 billion. The applicant states that it is financially capable of developing this \$4.5 million project, which will be financed using funds that are available in its capital fund. The applicant further states that it possesses the technical capabilities to oversee the construction and operation of the project, for which it assumes full responsibility. Currently the applicant operates over 12,000 miles of regulated and unregulated natural gas and hazardous liquid pipelines in Texas, Colorado, Utah, Wyoming, Pennsylvania, Kansas and Oklahoma. The applicant states that it conducts its activities to the highest standards of safety, environmental stewardship, and regulatory compliance, and that only contractors with the experience and the expertise to construct this project will be pre-qualified to bid on the project. The project is expected to be constructed during the 2nd and 3rd quarters of 2014.

KMGG operates approximately 500 miles of midstream gathering pipelines in Adams County and more than 3,000 miles of pipelines throughout Colorado. These lines service approximately 5,000 wells operated by Anadarko in the Denver-Julesberg Basin. The proposed pipeline is defined by industry and the U.S. Department of Energy's Federal Energy Regulatory Commission (FERC) as a natural gas gathering line to gather natural gas upstream of a processing plant. The natural gas gathering system transports natural gas from wells to a compressor station for further processing.

Need for the Project

The proposed project is imperative to allow Bronco Pipeline Company and other third party operators to transport natural gas production to processing. This 4-mile low pressure (the average pressure will range from 100-250psi) gas pipeline is an extension of KMGG's existing pipeline network in the area. At the Brighton Station, any liquids that have condensed in the pipeline due to temperature and/or pressure changes (condensates) will be separated from the gas and either trucked or pipelined to an oil handling facility. The gas is compressed at the Brighton Station to around 1,000 psi and discharged to a high pressure pipeline that eventually connects to the Wattenberg Plant for further processing. The raw natural gas received from the Bronco Pipeline and others is anticipated to be similar in composition to wells currently producing in the vicinity of its planned production. It is predicted that the gas wells will be water saturated, with the main component being methane. The capacity of the pipeline depends on the actual product composition, operating conditions, and the frequency of pipeline "pigging" (a process of launching a steel ball into the line to sweep any liquids that have settled to the bottom of the line during transport). Initially, the Bronco Pipeline Company will produce only a few wells; the KMGG pipeline has the capacity for all the anticipated production from Bronco's wells.

The proposed pipeline will connect to ConocoPhillips' Bronco Pipeline at a centralized facility referred to as Pony Station (proposed). The natural gas pipeline will deliver products to its Brighton compression station located at 128th Avenue and Powhatan Road via an existing line located north of E. 72nd Avenue. The gathering lines and related apparatus will be placed in private ROW easements negotiated with the surface owners. A portion of the proposed pipeline is located within an existing ROW easement and corridor. Where practical, the applicant has worked to locate new easements adjacent to existing corridors, and has situated the pipeline in such a way as to avoid conflicts with existing utilities, ROW, and infrastructure, and has worked

to locate new easements adjacent to existing or planned future corridors. There will be four road crossings and no water/riparian crossings associated with the proposed pipeline. The projected lifespan of the proposed pipeline is approximately 30-50 years. KMGG states that it properly inspects and maintains its pipeline so they can remain in service indefinitely, and will be subject to a comprehensive safety and integrity management program that meets or exceeds state Department of Transportation pipeline standards. Should the pipeline be removed from service, KMGG states it will either remove the abandoned pipeline or abandon it in place in accordance with Colorado Oil and Gas Conservation Commission (COGCC) and U.S. Department of Transportation regulations. The applicant has acquired all permanent and temporary easements along its preferred alignment. Reclamation will begin on all disturbance associated with construction of the pipeline within one growing season of construction, and will acquire all applicable permits from the County, the City of Aurora, and the State of Colorado.

Construction, Siting, Easements, and Rights-of-Way

The rights-of-way are prepared for construction by grading and trenching. Construction of the pipeline is done above grade and all welds are completed by tested welders and inspected at intervals higher than required by regulation for quality assurance. Once the pipe is welded, visually and x-ray inspected, and after the appropriate coatings have been applied, it is lowered into the trench and backfilled. Then it is hydrostatically tested using water at pressures higher than expected operating pressures to assure it is capable of safe operation. Safety markers are placed at all road crossings. The pipeline will be mapped using GPS data devices and logged on maps with the state One-Call to assure that Anadarko is notified if 3rd parties are planning excavation activities in the area. Cathodic Protection is then activated to help with corrosion control. Steel pipelines can corrode due to the presence of water and oxygen, resulting in small holes in the pipeline or pits that reduce the pressure-carrying capacity of the pipe. The effectiveness of the Cathodic Protection system is routinely monitored and tested. All records are maintained for the life of the pipeline.

The applicant states that during construction, storm water will be managed in accordance with a Storm Water Management Plan, prepared under the CDPHE Colorado Discharge Permitting System, as well as under the Clean Water Act National Pollution Discharge Elimination System regulations and under the County's Grading, Erosion and Sediment Control manual.

During construction, approximately 40-100 workers would be present across multiple active construction locations throughout the County. This dispersed workforce is not expected to significantly impact traffic. The pipeline will be bored under existing roadways, and the operation of the pipeline would not impact the surface transportation network. During construction, the applicant will maintain the topsoil, and will conduct setup and staging within the private ROW in order to keep traffic and equipment off the public ROW. Installation would take place during daytime hours, and the construction team would coordinate with the County and the City of Aurora to limit traffic impacts. KMGG has acquired ROW in order to accommodate Aurora's future 144-foot ROW width for Imboden Road. Private property owners will have the use of the easement for agriculture, roads, and other non-building infrastructure.

The applicant states it has undergone extensive due diligence associated with the siting of the proposed pipeline. The route selection process was designed to minimize the project's impacts on the environment, landowners, and nearby residents. Where possible, KMGG is closely paralleling existing utility corridors and roads, thereby minimizing environmental impacts as well as limiting the overall footprint of the project. The applicant further states that it will notify and supply the fire protection district with applicable emergency response contact information. KMGG states that there are no significant risks from natural hazards associated with the project. KMGG has negotiated a right-of-way agreement with Front Range Airport. The City of Aurora is requiring KMGG to obtain a Storm Water Management Permit and ROW crossing permits for the proposed pipeline.

Project Impacts

The applicant states that operation of the pipeline would not produce any nuisances, resulting neither in excessive traffic generation, noise, vibrations, dust, glare, heat, smoke, fumes, gas, nor odors. KMGG states that the proposed project will be a privately financed pipeline that will not change the existing tax burden or fee structure for government service. No public funds would be used for the project. The applicant states that a limited and temporary impact to farming operations may occur during construction of the project, and will work with landowners to mitigate all impacts. The applicant does not expect any permanent or post-construction impacts. The applicant states that the pipeline will not degrade recreational opportunities, including open space, parks, and trails. KMGG also states that the project will promote resource conservation by transporting natural gas produced at well sites to a processing facility rather than flaring the gas at the well location. The applicant states that the project will have no significant impacts to groundwater aquifers.

Project Safety

Anadarko operates in accordance with the regulations developed by PHMSA (Pipeline and Hazardous Materials Safety Administration, an agency of the U.S. Department of Transportation responsible for regulating and ensuring the safe and secure movement of hazardous materials to industry and consumers by all modes of transportation, including pipelines – PHMSA also has exclusive jurisdiction over transmission, distribution, and regulated gathering pipelines to develop, audit, and enforce regulations to assure the safety and environmentally sound operation of these pipelines), other agencies, as well as its own internally developed safety requirements. All pipelines built by Anadarko meet or exceed federal requirements. Since 2009, Anadarko has reported a total of 123 incidents on its more than 14,000 miles of pipeline. The largest number of incidents (65) is excavation damage, often the result of a third party excavating near a pipeline without notifying the One-Call system. The next most important cause of incidents is corrosion (19), most of which occurred on gathering pipelines installed prior to 1970 before Cathodic Protection became an industry best practice.

To prepare for the event of a leak, the applicant states that it communicates and plans with local emergency responders, and immediately dispatches trained personnel to work with emergency responders upon the notification of an incident or leak. The applicant states that its operators are extensively trained to respond to an emergency to restore safe conditions for the public and to minimize impacts to the environment.

KMGG states that the proposed pipeline is designed to meet or exceed all state and federal Department of Transportation guidelines and requirements. The applicant states the pipeline will be externally coated with Fusion Bond Epoxy (so as to prevent corrosion) as well as Induced Current or Sacrificial Anode Cathodic Protection Systems (so as to backup any defects in the external coating). Pressure monitoring instruments are installed throughout the system to monitor for high pressures. Overpressure Protection is implemented upstream of the pipeline through either automatic shutoff valves or by pressure relief valves. Non-Destructive Testing of the pipeline will be performed before the line is put into service, and all test records and reports will be maintained. The pipeline will also regularly be cleaned internally and swept free of liquids.

The applicant states that pipelines are the safest and most effective way to transport energy products. KMGG will maintain a comprehensive safety and integrity management program that meets or exceeds state Department of Transportation pipeline standards, including a multi-faceted integrity management program. The pipeline will be buried to a minimum depth of 48 inches, and in locations where such burial depth is not achievable, additional mechanical protection will be provided. Block valves will be located periodically along the pipeline route, the purpose of which is to provide emergency safety segregation to limit the volume of releases in the unlikely event of an accident. KMGG will follow the guidelines set forth in its Integrity Management and Best Management Guidelines to meet or exceed regulatory requirements. In the event of spills, leaks, or breaks in the pipeline, KMGG's personnel will contain the occurrence in accordance with the Anadarko Petroleum Corporation Rocky Mountain Region Emergency Response and Oil Spill Contingency Plan, as well as COGCC regulations.

Alternative Alignments

The applicant states that numerous factors were evaluated during the due diligence process to select the best route for the proposed pipeline. The routing process was specific so as not to hinder future road development of Imboden Road and also to position the proposed pipeline to be located within setback corridors to minimize any landowner's future development issues. The applicant met with the landowners near the proposed line to review the proposed pipeline project. Determination of the preferred route was influenced by the ability of the applicant to negotiate with landowners near the proposed line. The ROW agreements for the preferred route have all been obtained by the applicant. The applicant has received conditional approval from the City of Aurora on its preferred route. The preferred route is the most direct route and parallels two existing pipelines also owned by KMGG along the northern portion of the project.

For the majority of the route, the applicant's right-of-way begins at a point approximately 72 feet east of the section lines on the eastern side of Imboden Road. The right-of-way would extend away from the edge of the future widened road right-of-way and into the surface owners' properties. The long-term plans of the City of Aurora are to widen Imboden Road to a total width of 144 feet; the County plans to widen Imboden Road to a total width of 140 feet. The rationale for the location of the acquired right-of-way was to encompass both the City's and the County's future road expansion projects for Imboden Road and also to allow for the road expansion without the need for relocation of the pipeline to be constructed.

The alternative route located on the west side of Imboden Road was determined by the applicant not to be the preferred route. The main concern for the applicant under this alternative was obtaining landowner approval in an area where pipelines did not currently exist. The applicant states that it was determined from discussions with landowners that it would be preferred to construct the proposed pipeline near the existing pipelines located on the east side of Imboden Road and to create a pipeline corridor in that area.

The alternative route located on the east side of Imboden Road was ruled out by the applicant based on concerns from the land owner relating to future development plans as well as safety concerns over the access point off of Imboden Road. The applicant goes on to explain that because the location of the existing 12-inch pipeline is located directly adjacent to Imboden Road, options for alternative routes were limited.

Zoning, Land Use, & Comprehensive Plan

Along this stretch of Imboden Road, the Adams County Comprehensive Plan directs employment related growth (Mixed Use Employment land use category) to be located on both sides of Imboden Road north of 48th Avenue, with the exception of those parcels owned by Front Range Airport (which are designated as Public). Land in Unincorporated Adams County south of 48th Avenue is designated as Estate Residential in the Future Land Use Plan.

The proposed route considers the built environment by co-locating, as much as possible, with existing utilities and pipelines that are already in existence. Where the route is adjacent to roadways, the pipeline will be located and constructed outside the boundaries of the anticipated future road ROW so as not to interfere with future road development; and within the County's building setback boundaries so as to minimize interference with future private development.

Many of the items described in this report are included in a Development Agreement between KMGG and Adams County to formalize the concepts that make the pipeline compatible with Adams County's future development plans. KMGG and Staff have finalized a Development Agreement that includes KMGG constructing its pipeline outside the ROW boundaries of future road rights-of-way as designated in the Adams County Transportation Plan.

Environmental Impact Analysis

The applicant retained the firm Tetra Tech to conduct an environmental impact analysis of the proposed project. The environmental issues that are addressed by the applicant include the expected impacts to water bodies such as wetlands, floodplains, streambeds, etc., the existing vegetation within the project area, the presence of any known endangered or threatened species, air quality, water quality, stormwater management, and various other topics.

The applicant coordinated field studies of the project area that were completed by ecologists. Ecologists evaluated the proposed project area for certain species and their associated habitat. The proposed project would not affect the physical characteristics of the unnamed intermittent streams or affect any meandering characteristics or streambed limits. No adverse effects in the downstream waters of the West Fork or Bear Gulch are anticipated. The project is expected to have minimal impact on terrestrial or aquatic animals, habitat, or food chain under any of the three route options. Due to the

relatively small footprint of the gathering lines, minimal impact to terrestrial and aquatic plant life, including short grass prairie, is anticipated from the project. The applicant will reclaim any lands disturbed during construction. The specific findings of this study are detailed thoroughly in the Environmental Analysis section of the application.

REFERRAL COMMENTS

In an email dated 3/7/14, the Colorado Department of Transportation (CDOT) stated it has no objection to the proposed project, and notes that the proposed pipeline does not cross any State Highways. Any pipelines that enter or cross CDOT right-of-way would require a CDOT Special Use Permit; however, this does not appear to be the case with this project.

In a letter dated 3/7/14, the Tri-County Health Department states that it has reviewed the application for compliance with applicable environmental and public health regulations and has no comments.

In a letter dated 2/27/14, Xcel Energy states that it has electric transmission lines and a substation along the proposed pipeline. Any activity including grading, proposed landscaping, erosion control or similar activities involving its existing right-of-way will require Xcel's approval. Encroachments across these easements must be reviewed for safety standards, operational and maintenance clearances, liability issues, and acknowledged with a Public Service Company License Agreement to be executed with the property owner. Xcel also owns and operates existing natural gas and electric distribution facilities in multiple areas along the proposed pipeline. *The applicant states that the proposed pipeline is outside of the substation and transmission line corridor. KMGG will coordinate with Public Service Company during construction.*

In a letter dated 2/26/14, History Colorado states that a search of the Colorado Cultural Resource Inventory database indicates three previously recorded sites within the project area, including Oriental Market, Front Range Airport Farm, and Tupps' Farm. History Colorado notes the possibility of as yet unidentified cultural resources existing within the proposed project area. History Colorado further notes that in the event there is Federal involvement in the proposed project, they recommend that a professional survey be conducted to identify any cultural resources in the project area which are eligible to be listed on the National Register of Historic Places. *The applicant states the proposed project will not require federal involvement; therefore, a cultural study is not being requested. If human remains are discovered during project activities, then KMGG and its contractors will comply with all requirements under state law.*

In an email dated 2/21/14, the Denver International Airport (DIA) Planning Office stated: 1. The location falls within the 14CFR Part 77 (Objects Affecting Navigable Airspace) surfaces associated with DIA. Therefore, if the pipeline or any associated construction equipment (ex: crane to offload pipe, etc.) exceeds in height a slope of 100:1 horizontally (100 feet horizontally for each 1 foot vertically from the nearest point on any DIA runway) the Federal Aviation Administration (FAA) requires the proponent to file a FAA Form 7460-1 (Notice of Proposed Construction or Alteration) to complete an FAA aeronautical study. Based on DIA planning office calculations, the northern terminus of the pipeline is located approximately 15,500 feet

southeast from Runway 35R. Therefore if any temporary construction equipment exceeds the 100:1 ratio, or is greater than 155 ft. in height, the applicant should file an FAA Form 7460. Based on the above information, DIA does not object to the conditional use permit. *The applicant states that the proposed pipeline project will not require equipment greater than 155 feet in height for either its installation or operation.*

In an email dated 2/17/14, Front Range Airport stated that in November 2012 the Airport Authority signed a ROW/grant/easement with KMGG. Since that time, nothing has changed for the Airport. KMGG has addressed the future road width concerns we had, and there are no aviation concerns. John Wolken and Doug Edelstein reviewed and assisted the Airport in this case in 2012. KMGG would need to pay the easement prior to starting. *The applicant states that it has addressed concerns regarding the future road width; this confirmation is shown within the ROW document provided in the Conditional Use Permit application. KMGG paid Front Range Airport on April 3, 2014.*

The Adams County Transportation Department notes that the proposed route for the pipeline is not located in a designated Flood Hazard Area; therefore, a Floodplain Use Permit is not required for this project. The proposed route is not located in the MS4 Permitted Area but the disturbance appears to be greater than 1 acre; therefore, a state CDPS Permit and a copy of the Storm Water Management Plan will be required. The use of Best Management Practices for erosion and sediment control is expected. In the event that Adams County performs a roadway or drainage project that requires adjustment or relocation of the pipe line within the right-of-way, the County requests that the applicant be required to perform any adjustments or relocations at their own expense upon receiving notification from the County as a condition of this case. It shall be the responsibility of the applicant to not disrupt or damage the functionality of any existing drainage facilities. The line must also be deep enough in order not to be vulnerable to erosion. The project shall be required to conform to all applicable environmental regulations. The proposed pipeline easements need to be outside any future road right-of-way in accordance with the Adams County Master Transportation Plan. This will need to be shown on the project plans. Imboden Road is a Regional Arterial with a total right-of-way of 140 feet, 70 feet on each side of the section line. We understand that most, if not all, the pipeline easements have been acquired. If those easements are within the future County right-of-way, the pipeline itself should not be placed within the future right-of-way and like the Front Range Pipeline, an agreement to subordinate the pipeline easements to the County once the right-of-way is acquired should be required.

CITIZEN COMMENTS

No citizen comments were received during the referral period.

DEVELOPMENT AGREEMENT

Kerr McGee Gathering LLC has agreed to enter into a Development Agreement as part of this application that will cover a number of issues such as pre-construction requirements, construction and operational standards, maintenance of the pipeline, referral agency comments, and consideration for future development. The purpose of the Development Agreement is to formalize the requirements that KMGG has agreed to regarding all aspects of the project, and includes provisions that will ensure that future roadways can be expanded in accordance with the

Adams County Transportation Plan and that future development on private property can occur in a way that is compatible with this pipeline. The Development Agreement has been reviewed and approved by Staff from the Transportation Department, Planning & Development Department, and by the County Attorney's Office. Adherence to all terms and conditions of the Development Agreement is included as a condition of approval of this case. The actual Development Agreement will be acted upon by the BOCC via a separate resolution.

PLANNING COMMISSION UPDATE

This case was heard on March 27, 2014 by the Planning Commission, which recommended approval in a unanimous decision (7-0). No public testimony was presented at the hearing. The Planning Commission asked the applicants to elaborate on past incidents, the pressure of the pipeline, and the cathodic protection to be utilized on the pipeline; the Planning Commission was satisfied with the applicants' testimony. *Staff notes that the Planning Commission had recommended 2 Conditions of Approval; however, one of those conditions simply directed the Applicant to continue working with Staff on the Development Agreement, which the Applicant has done, and which therefore is no longer needed as a Condition of Approval.*

STAFF RECOMMENDATION

In conclusion, Staff feels that the route is compatible with the future development plans of Adams County as captured within the Adams County 2012 Comprehensive Plan. The route is in harmony with the County's future roadway expansion plans. The application material submitted with this request was adequately detailed and provided sufficient documentation of the agency reviews of this project. The applicant has provided clear, detailed and comprehensive information related to the environmental impact analysis of the project, the review of any existing historic or cultural resources and the mitigation efforts planned for such resources. Finally, the applicant has provided detailed information related to its safety record, safety measures, emergency response protocol, and related information to satisfy concerns raised by Staff and Referral Agencies. Staff recommends approval of the applicant's preferred alignment, based on 33 Findings of Fact and 1 Condition.

RECOMMENDED FINDINGS OF FACT

1. The conditional use is permitted in the applicable zone district.
2. The conditional use is consistent with the purposes of these standards and regulations.
3. The conditional use will comply with the requirements of these standards and regulations including, but not limited to, all applicable performance standards.
4. The conditional use is compatible with the surrounding area, harmonious with the character of the neighborhood, not detrimental to the immediate area, not detrimental to the future development of the area, and not detrimental to the health, safety, or welfare of the inhabitants of the area and the County.
5. The conditional use permit has addressed all off-site impacts.
6. The site is suitable for the conditional use including adequate usable space, adequate access, and absence of environmental constraints.
7. The site plan for the proposed conditional use will provide the most convenient and functional use of the lot including the parking scheme, traffic circulation, open space, fencing, screening, landscaping, signage, and lighting.
8. Sewer, water, storm water drainage, fire protection, police protection, and roads are to be available and adequate to serve the needs of the conditional use as designed and proposed.
9. Documentation that prior to site disturbance associated with the Proposed Project, the Applicant can and will obtain all necessary property rights, permits and approvals. The Board may, at its discretion, defer making a final decision on the application until outstanding property rights, permits and approvals are obtained or the Board may grant a Permit with conditions and/or conditions precedent which will adequately address outstanding concerns.
10. The Proposed Project considers the relevant provisions of the regional water quality plans.
11. The Applicant has the necessary expertise and financial capability to develop and operate the Proposed Project consistent with all requirements and conditions.
12. The Proposed Project is technically and financially feasible.
13. The Proposed Project is not subject to significant risk from Natural Hazards.
14. The Proposed Project is in general conformity with the applicable comprehensive plans.
15. The Proposed Project does not have a significant adverse effect on the capability of local government to provide services or exceed the capacity of service delivery systems.

16. The Proposed Project does not create an undue financial burden on existing or future residents of the County.
17. The Proposed Project does not significantly degrade any substantial sector of the local economy.
18. The Proposed Project does not unduly degrade the quality or quantity of recreational opportunities and experience.
19. The planning, design and operation of the Proposed Project reflects principals of resource conservation, energy efficiency and recycling or reuse.
20. The Proposed Project does not significantly degrade the environment. Appendix A includes the considerations that shall be used to determine whether there will be significant degradation of the environment. For purposes of this section, the term environment shall include:
 - Air quality,
 - Visual quality,
 - Surface water quality,
 - Groundwater quality,
 - Wetlands, flood plains, streambed meander limits, recharge areas, and riparian areas,
 - Terrestrial and aquatic animal life,
 - Terrestrial and aquatic plant life, and
 - Soils and geologic conditions.
21. The Proposed Project does not cause a nuisance and, if a nuisance has been determined to be created by the Proposed Project, the nuisance has been mitigated to the satisfaction of the County.
22. The Proposed Project does not significantly degrade areas of paleontological, historical, or archaeological importance.
23. The Proposed Project does not result in unreasonable risk of releases of hazardous materials. In making this determination as to such risk, the Board's consideration shall include:
 - Plans for compliance with Federal and State handling, storage, disposal and transportation requirements,
 - Use of waste minimization techniques, and
 - Adequacy of spill prevention and counter measures, and emergency response plans.
24. The benefits accruing to the County and its citizens from the proposed activity outweigh the losses of any resources within the County, or the losses of opportunities to develop such resources.

25. The Proposed Project is the best alternative available based on consideration of need, existing technology, cost, impact and these Regulations.
26. The Proposed Project shall not unduly degrade the quality or quantity of agricultural activities.
27. The proposed Project does not negatively affect transportation in the area.
28. All reasonable alternatives to the Proposed Project, including use of existing rights-of-way and joint use of rights-of-way wherever uses are compatible, have been adequately assessed and the Proposed Project is compatible with and represents the best interests of the people of the County and represents a fair and reasonable utilization of resources in the Impact Area.
29. The nature and location of the Proposed Project or expansion will not unduly interfere with existing easements, rights-of-way, other utilities, canals, mineral claims or roads.
30. Adequate electric, gas, telephone, water, sewage and other utilities exist or shall be developed to service the site.
31. The proposed project will not have a significantly adverse Net Effect on the capacities or functioning of streams, lakes and reservoirs in the impact area, nor on the permeability, volume, recharge capability and depth of aquifers in the impact area.
32. The purpose and need for the Proposed Project are to meet the needs of an increasing population within the County, the area and community development plans and population trends demonstrate clearly a need for such development.
33. The Proposed Project is compatible with the surrounding area, harmonious with the character of the neighborhood, not detrimental to the immediate area, not detrimental to the future development of the area, and not detrimental to the health, safety, or welfare of the inhabitants of the area.

Staff Recommendation:	APPROVAL with 33 Findings of Fact and 1 Condition
PC Recommendation:	APPROVAL with 33 Findings of Fact and 2 Conditions

Recommended Condition of Approval

Recommended Condition:

1. The applicant shall comply with all terms and conditions of the Development Agreement between Kerr McGee Gathering, LLC and Adams County.



MEMORANDUM

To: Board of County Commissioners

From: Michael Weaver, Planner II – Economic Development

Subject: Kerr McGee Gathering (KMGG) Pipeline / Case #RCU2014-00002

Date: April 21, 2014

If the Board of County Commissioners does not concur with the Planning Commission and Staff recommendation of Approval, the following findings may be adopted as part of a decision of Denial:

ALTERNATIVE RECOMMENDED FINDINGS

1. The conditional use is not permitted in the applicable zone district.
2. The conditional use is not consistent with the purposes of these standards and regulations.
3. The conditional use will not comply with the requirements of these standards and regulations including, but not limited to, all applicable performance standards.
4. The conditional use is not compatible with the surrounding area, harmonious with the character of the neighborhood, detrimental to the immediate area, detrimental to the future development of the area, and detrimental to the health, safety, or welfare of the inhabitants of the area and the County.
5. The conditional use permit has not addressed all off-site impacts.
6. The site is not suitable for the conditional use including adequate usable space, adequate access, and absence of environmental constraints.
7. The site plan for the proposed conditional use will not provide the most convenient and functional use of the lot including the parking scheme, traffic circulation, open space, fencing, screening, landscaping, signage, and lighting.
8. Sewer, water, storm water drainage, fire protection, police protection, and roads are not available and are not adequate to serve the needs of the conditional use as designed and proposed.

9. Documentation that prior to site disturbance associated with the Proposed Project, the Applicant cannot and will not obtain all necessary property rights, permits and approvals. The Board may, at its discretion, defer making a final decision on the application until outstanding property rights, permits and approvals are obtained or the Board may grant a Permit with conditions and/or conditions precedent which will adequately address outstanding concerns.
10. The Proposed Project does not consider the relevant provisions of the regional water quality plans.
11. The Applicant does not have the necessary expertise and financial capability to develop and operate the Proposed Project consistent with all requirements and conditions.
12. The Proposed Project is not technically and financially feasible.
13. The Proposed Project is subject to significant risk from Natural Hazards.
14. The Proposed Project is not in general conformity with the applicable comprehensive plans.
15. The Proposed Project has a significant adverse effect on the capability of local government to provide services or exceed the capacity of service delivery systems.
16. The Proposed Project creates an undue financial burden on existing or future residents of the County.
17. The Proposed Project significantly degrades any substantial sector of the local economy.
18. The Proposed Project unduly degrades the quality or quantity of recreational opportunities and experience.
19. The planning, design and operation of the Proposed Project does not reflect principals of resource conservation, energy efficiency and recycling or reuse.
20. The Proposed Project significantly degrades the environment. Appendix A includes the considerations that shall be used to determine whether there will be significant degradation of the environment. For purposes of this section, the term environment shall include:
 - Air quality,
 - Visual quality,
 - Surface water quality,
 - Groundwater quality,
 - Wetlands, flood plains, streambed meander limits, recharge areas, and riparian areas,
 - Terrestrial and aquatic animal life,
 - Terrestrial and aquatic plant life, and

- Soils and geologic conditions.
21. The Proposed Project causes a nuisance and, if a nuisance has been determined to be created by the Proposed Project, the nuisance has been mitigated to the satisfaction of the County.
 22. The Proposed Project significantly degrades areas of paleontological, historical, or archaeological importance.
 23. The Proposed Project results in unreasonable risk of releases of hazardous materials. In making this determination as to such risk, the Board's consideration shall include:
 - Plans for compliance with Federal and State handling, storage, disposal and transportation requirements,
 - Use of waste minimization techniques, and
 - Adequacy of spill prevention and counter measures, and emergency response plans.
 24. The benefits accruing to the County and its citizens from the proposed activity do not outweigh the losses of any resources within the County, or the losses of opportunities to develop such resources.
 25. The Proposed Project is not the best alternative available based on consideration of need, existing technology, cost, impact and these Regulations.
 26. The Proposed Project unduly degrades the quality or quantity of agricultural activities.
 27. The proposed Project negatively affects transportation in the area.
 28. All reasonable alternatives to the Proposed Project, including use of existing rights-of-way and joint use of rights-of-way wherever uses are compatible, have not been adequately assessed and the Proposed Project is not compatible with and does not represent the best interests of the people of the County and does not represent a fair and reasonable utilization of resources in the Impact Area.
 29. The nature and location of the Proposed Project or expansion will unduly interfere with existing easements, rights-of-way, other utilities, canals, mineral claims or roads.
 30. Adequate electric, gas, telephone, water, sewage and other utilities do not exist or shall not be developed to service the site.
 31. The proposed project will have a significantly adverse Net Effect on the capacities or functioning of streams, lakes and reservoirs in the impact area, or on the permeability, volume, recharge capability and depth of aquifers in the impact area.

32. The purpose and need for the Proposed Project are not to meet the needs of an increasing population within the County, the area and community development plans and population trends do not demonstrate clearly a need for such development.
33. The Proposed Project is not compatible with the surrounding area, not harmonious with the character of the neighborhood, detrimental to the immediate area, detrimental to the future development of the area, and detrimental to the health, safety, or welfare of the inhabitants of the area.

Michael Weaver

From: Jeri Coin [JCoin@ftg-airport.com]
Sent: Wednesday, April 09, 2014 11:07 AM
To: Michael Weaver
Cc: Bob Lewan; Samantha Hacker
Subject: RE: Kerr-McGee Right-of-Way Grant Payment
Attachments: 11-21-12 Kerr-McGee for Right-of-Way Grant.pdf

Hello Michael,

You're welcome and I received the check via mail and turned it over to Robert (Bob) Lewan, Interim Director, who reviewed the agreement and accepted the check, which was given to Samantha Hacker, who is our Full Charge Bookkeeper for deposit. Is this what you are asking?

Also please find attached the Kerr-McGee Grant.

Jeri Coin
Executive Assistant

5200 Front Range Parkway
Watkins, CO 80137
jcoin@ftg-airport.com
www.ftg-airport.com

From: Michael Weaver
Sent: Wednesday, April 09, 2014 10:53 AM
To: Jeri Coin
Subject: RE: Kerr-McGee Right-of-Way Grant Payment

Thank you, Jeri! And could you provide for me the name of the person that accepted the payment? Thanks!!

From: Jeri Coin [<mailto:JCoin@ftg-airport.com>]
Sent: Wednesday, April 09, 2014 10:37 AM
To: Michael Weaver
Cc: Bob Lewan; Mary Ha; Samantha Hacker; Mary Ha
Subject: Kerr-McGee Right-of-Way Grant Payment

Greetings Michael,

Please find attached the letter and payment for the Kerr-McGee Right-of-Way Grant Payment.

Please let me know if you need more documentation.

Jeri Coin
Executive Assistant

5200 Front Range Parkway
Watkins, CO 80137
jcoin@ftg-airport.com
www.ftg-airport.com

Michael Weaver

From: Greg Labrie
Sent: Thursday, April 10, 2014 10:59 AM
To: Michael Weaver
Subject: RE: rho-kmc edit - KMGG_DEVELOPMENT_AGREEMENT 4 10 14 KC REdline.docx

Michael,

Transportation Development Review Department has no further comments for the above reference agreement. Email or call with questions, 720-523-6824.

Thanks,
Greg

From: Michael Weaver
Sent: Thursday, April 10, 2014 10:51 AM
To: Greg Labrie
Subject: FW: rho-kmc edit - KMGG_DEVELOPMENT_AGREEMENT 4 10 14 KC REdline.docx

Please let me know if it looks good to you. Thanks!

From: Mendoza-Cooke, Kimberly [<mailto:Kimberly.Mendoza-Cooke@anadarko.com>]
Sent: Thursday, April 10, 2014 8:43 AM
To: Michael Weaver
Cc: Olsen, Ron
Subject: rho-kmc edit - KMGG_DEVELOPMENT_AGREEMENT 4 10 14 KC REdline.docx

Michael,
Attached is our updated document with the final edits you requested. Again you will have to view final without markup if you don't want to see the comments throughout the document. If you have no further changes we will print sign and attach the copies related to the legal descriptions on Exhibit A.

Thanks
Kim

[Click here for Anadarko's Electronic Mail Disclaimer](#)



April 1, 2014

Jeri Coin
Front Range Airport Authority
5200 Front Range Parkway
Watkins, CO 80137

Re: Payment for Right-of-Way Grant for pipelines to be located on Front Range Airport lands
Township 3 South, Range 64 West, 6th P.M.
Section 8: Part of the SW/4SW/4
Section 17: Part of the W/2NW/4
Adams County, Colorado ("Lands")

Dear Ms. Coin:

Per the Right-of-Way Grant dated November 14, 2012, that was executed by Front Range Airport Authority, Kerr-McGee Gathering LLC has agreed to pay for a new pipeline that will be installed on the Front Range Airport lands described above.

As consideration and payment for Front Range Airport's execution of the Right-of-Way Grant, enclosed is WGR Operating LP Check # 742108785 in the amount of \$19,500.00 as full payment for the Right-of-Way Grant. The payment is for approximately 3,000 feet of pipeline to be installed @ \$6.50 per foot. I am also forwarding copies of the Right-of-Way Grant and the Letter Agreement for your reference.

Please sign below indicating your acceptance of the check as final payment and settlement for the right-of-way and return one signed copy of the letter in the enclosed envelope. Thank you for your consideration in this matter.

Very truly yours,
Kerr-McGee Gathering LLC

Scott R. Knutson
Consulting Landman

AGREED AND ACCEPTED THIS 3rd DAY OF APRIL, 2014.

Front Range Airport Authority

By:

Robert W. Lewan, Interim Director

WGR Operating LP
PO Box 1330
Houston, TX 77261-1330

PAGE: 1 of 1

DATE: March 25, 2014
TRACE NUMBER: 742108785
CHECK NUMBER: 742108785
AMOUNT PAID: \$19,500.00

ACCOUNTS PAYABLE INQUIRIES: (800) 370-9867



00013 CKS LA 14044 - 0742108785 NNNNNNNNNNNN 0845100004502 X392D1 C
FRONT RANGE AIRPORT AUTHORITY
5200 FRONT RANGE PARKWAY
WATKINS CO 80137



VENDOR NO: 0009511638

DOCUMENT #	VENDOR INV #/ REMARKS	INVOICE DATE	TOTAL AMOUNT	PRIOR PMTS & DISCOUNTS	NET AMOUNT
1300003206	CKRQ032014	03/20/14	\$19,500.00	\$0.00	\$19,500.00
Consideration for ROW Grant dated 11-14-12 for 21-12" Pipeline Project (Approximately 3,000 feet of pipeline @ 6.50 per foot on 21-12" pipeline)					
TOTALS			\$19,500.00	\$0.00	\$19,500.00

PLEASE DETACH BEFORE DEPOSITING CHECK

WGR Operating LP
PO Box 1330
Houston, TX 77261-1330

CHECK NUMBER 742108785

74-1292
724

March 25, 2014

PAY TO THE ORDER OF: FRONT RANGE AIRPORT AUTHORITY
5200 FRONT RANGE PARKWAY
WATKINS, CO 80137

CHECK AMOUNT

***19,500.00**

PAY EXACTLY *****

19,500 DOLLARS AND 00 CENTS

JPMorgan Chase Bank, Dearborn
Dearborn, Michigan



AUTHORIZED REPRESENTATIVE OF THE COMPANY

⑈ 74 2 108 785 ⑈ ⑆ 0724 12927⑆

7586647420

Michael Weaver

From: Christine Francescani
Sent: Monday, April 07, 2014 2:12 PM
To: Michael Weaver; Greg Labrie
Cc: John Wolken
Subject: RE: KMGG_DEVELOPMENT_AGREEMENT 4.7.14 KC REdline.docx
Attachments: KMGG_DEVELOPMENT_AGREEMENT 4 7 14 CF REdline.docx

Some very minor, but perhaps annoying, cleanup, mostly for consistency. You all will get to know I'm a bit of a grammar/punctuation nut. The formatting for the note at the end on legal descriptions is kind of all over the place (font/size), but I didn't change that because I wasn't sure if I should. I also deleted some of the comments that look like they've been covered.

Thanks Michael!

From: Michael Weaver
Sent: Monday, April 07, 2014 10:52 AM
To: Christine Francescani; Greg Labrie
Cc: John Wolken
Subject: FW: KMGG_DEVELOPMENT_AGREEMENT 4.7.14 KC REdline.docx
Importance: High

FYI

From: Mendoza-Cooke, Kimberly [<mailto:Kimberly.Mendoza-Cooke@anadarko.com>]
Sent: Monday, April 07, 2014 10:51 AM
To: Michael Weaver
Cc: Olsen, Ron; Wyche, Alex
Subject: KMGG_DEVELOPMENT_AGREEMENT 4.7.14 KC REdline.docx

Michael,
Sorry we have made additional changes to the languages proposed by Mr. Lucero please see the updated copy attached and disregard the previous draft.

Thanks
Kim

[Click here for Anadarko's Electronic Mail Disclaimer](#)

Michael Weaver

From: Greg Labrie
Sent: Monday, March 31, 2014 4:48 PM
To: Michael Weaver
Subject: RE: Kerr McGee Development Agreement

Michael,

Development Review Engineering has no additional comments to the Kerr-McGee Development Agreement.

Sincerely,
Greg Labrie

From: Michael Weaver
Sent: Friday, March 28, 2014 4:51 PM
To: Greg Labrie
Subject: Kerr McGee Development Agreement

Hi Greg,

Please let me know if you see the need for any additional changes to the Kerr-McGee Development Agreement.

Thanks,
Michael

Michael Weaver, AICP | Planner II - Economic Development
Adams County Planning and Development Department
4430 South Adams County Parkway | 1st Floor, Suite W2000A | Brighton, CO 80601 720.523.6853

Michael Weaver

From: Nate Lucero
Sent: Friday, March 28, 2014 1:57 PM
To: Michael Weaver
Cc: Christine Francescani
Subject: RE: Additional Comments/Revisions to draft Development Agreement

Michael,

Here is my suggested change to the Development Agreement. In section III.3. – change the heading to Amendments and Termination. Then add a paragraph which states:

The terms of this Agreement shall remain in full force and effect unless or until the pipeline is no longer needed or used for the purpose of transporting natural gas. At such time that the Developer ceases to use the pipeline for its intended purpose, the pipeline shall be abandoned in accordance with the natural gas pipeline abandonment procedures prescribed by PHIMSA of any other natural gas pipeline safety regulating agency then in existence.

You may want to touch base with Kerr-McGee to be sure we are using the correct terminology (i.e. abandonment) and the correct regulatory agency name.

Thank you, Michael!

Nate Lucero | Assistant County Attorney | Adams County Attorney's Office | Phone (720) 523-6116

This email message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.

From: Michael Weaver
Sent: Friday, March 21, 2014 3:34 PM
To: Nate Lucero
Cc: Christine Francescani
Subject: FW: Additional Comments/Revisions to draft Development Agreement

Hi Nate,

Here is a revised draft of the Development Agreement for Case # RCU2014-00002, Kerr McGee Gathering (KMGG) Pipeline. Would you review one more time and provide any comments and/or let me know if it looks ok to you?

Thanks,
Michael

Michael Weaver, AICP | Planner II - Economic Development
Adams County Planning and Development Department
4430 South Adams County Parkway | 1st Floor, Suite W2000A | Brighton, CO 80601 720.523.6853

From: Mendoza-Cooke, Kimberly [<mailto:Kimberly.Mendoza-Cooke@anadarko.com>]
Sent: Wednesday, March 19, 2014 12:42 PM

To: Michael Weaver
Subject: RE: Additional Comments/Revisions to draft Development Agreement

Michael,
Here is the Development Agreement including the changes you reference below. I had to send in PDF to attach the ROW agreements as those are not in Word format the Word document can be viewed as final by going into the Review Tab and Show Final (not final with markup). Sorry I can't find the setting to send without the comments.

Please let me know if you need any additional information.

Thanks,
Kim

Kim
Anadarko Petroleum Corp
Phone: 720-929-6303

From: Michael Weaver [<mailto:MWeaver@adcogov.org>]
Sent: Tuesday, March 18, 2014 4:36 PM
To: Mendoza-Cooke, Kimberly
Subject: RE: Additional Comments/Revisions to draft Development Agreement

Hi Kim,

Copies of the easement agreements should suffice.

Thanks,
Michael

From: Mendoza-Cooke, Kimberly [<mailto:Kimberly.Mendoza-Cooke@anadarko.com>]
Sent: Tuesday, March 18, 2014 1:04 PM
To: Michael Weaver
Subject: RE: Additional Comments/Revisions to draft Development Agreement

Michael,
One question with reference to Exhibit A do you want copies of the ROW agreements as Exhibit A or listings of the property owners or some other format to show this information?

Kim
Anadarko Petroleum Corp
Phone: 720-929-6303

From: Michael Weaver [<mailto:MWeaver@adcogov.org>]
Sent: Tuesday, March 18, 2014 11:00 AM
To: Mendoza-Cooke, Kimberly
Subject: Additional Comments/Revisions to draft Development Agreement

Hi Kim,

Below please find additional edits to be made to the draft Development Agreement. Please make these changes and email back to me a fully revised and clean copy of the draft Development Agreement at your earliest convenience (preferably by COB Monday, March 24).

Page 1:

Michael Weaver

From: Nate Lucero
Sent: Monday, March 24, 2014 1:55 PM
To: Michael Weaver
Cc: Christine Francescani
Subject: RE: Additional Comments/Revisions to draft Development Agreement

Looks good, Michael. Thank you.

Nate Lucero | Assistant County Attorney | Adams County Attorney's Office | Phone (720) 523-6116

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Michael Weaver, AICP | Planner II - Economic Development
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4430 South Adams County Parkway | 1st Floor, Suite W2000A | Brighton, CO 80601 720.523.6853

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Kim

Kim
Anadarko Petroleum Corp
Phone: 720-929-6303

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Subject: RE: Additional Comments/Revisions to draft Development Agreement

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Michael

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Sent: Tuesday, March 18, 2014 1:04 PM
To: Michael Weaver
Subject: RE: Additional Comments/Revisions to draft Development Agreement

Michael,
One question with reference to Exhibit A do you want copies of the ROW agreements as Exhibit A or listings of the property owners or some other format to show this information?

Kim
Anadarko Petroleum Corp
Phone: 720-929-6303

From: Michael Weaver [mailto:MWeaver@adcogov.org]
Sent: Tuesday, March 18, 2014 11:00 AM
To: Mendoza-Cooke, Kimberly
Subject: Additional Comments/Revisions to draft Development Agreement

Hi Kim,

Below please find additional edits to be made to the draft Development Agreement. Please make these changes and email back to me a fully revised and clean copy of the draft Development Agreement at your earliest convenience (preferably by COB Monday, March 24).

Page 1:

- 1st Paragraph under Witnesseth: after the words *certain Conditional Use Permit Application* and before the words *January 2014*, insert (Case #: **RCU2014-00002**, Case Name: **Kerr McGee Gathering (KMGG) Pipeline**).
- 2nd Paragraph under Witnesseth: remove space between the word *gas* and the semi-colon.
- 3rd Paragraph under Witnesseth: after the word *January* insert **22nd**
- 4th Paragraph under Witnesseth: references an attached Exhibit A. When you resubmit the revised Development Agreement, please include Exhibit A.
- 5th Paragraph under Witnesseth: after the word *November* insert **8th**

Page 2:

- Paragraph 1H: Delete **H**.

Page 3:

- Paragraph 2F: Delete: **on page tbd.**
- Paragraph 2G: Delete: **, addressed to _____, referencing _____.**
- Paragraph 2H: Insert: **Comply with the comments submitted by History Colorado in their letter dated 2/26/14.**
- Paragraph 2I: Insert: **Comply with the comments submitted by Xcel Energy in their letter dated 2/27/14.**



**DEPARTMENT OF PLANNING AND DEVELOPMENT
STAFF REPORT**

Planning Commission

March 27, 2014

CASE No.: RCU2014-00002	CASE NAME: Kerr McGee Gathering (KMGG) Pipeline
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Owner's Name:	Kerr McGee Gathering LLC
Applicant's Name	Kerr McGee Gathering LLC
Applicant's Address:	1099 18 th Street, Denver, CO 80202
Location of Request:	Multiple Parcels along Imboden Road between East 40 th Avenue and East 72 nd Avenue.
Nature of Request:	Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40 th Avenue to approximately East 72 nd Avenue.
Site Size:	Multiple Parcels
Zone Districts:	A-3, Agricultural; AV, Aviation; and P.U.D., Planned Unit Development
Existing Uses:	Agricultural, Residential, Aviation
Proposed Use:	Agricultural, Residential, & Aviation with buried pipeline
Hearing Date(s):	PC = March 27, 2014 (6:00 p.m.) BoCC = April 21, 2014 (10:00 a.m.)
Report Date:	March 10, 2014
Case Manager:	Michael Weaver <i>MW</i>
Staff Recommendation:	Approval with 33 Findings of Fact and 2 Conditions

SUMMARY OF APPLICATION

The applicant is requesting a Conditional Use Permit for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to Kerr McGee's Brighton Compressor Station, for approximately 4 miles along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue. This low pressure gathering pipeline will connect to existing pipelines to the north and to the south; the natural gas will pass through a proposed future liquids handling and metering station (referred to as the Pony Station, which will

be owned and operated by the ConocoPhillips Corporation) before entering this pipeline, and it will then travel northbound, connecting to an existing 16-inch pipeline and ultimately to Kerr McGee's Brighton Compressor Station, located just to the northwest of the intersection of E. 128th Ave. and Powhatan Road (due north of Denver International Airport). Kerr McGee Gathering (KMGG) LLC is owned and operated by the Anadarko Petroleum Corporation.

Parcels along the route located within Unincorporated Adams County are zoned a combination of A-3, Agricultural; AV, Aviation; and P.U.D., Planned Unit Development. The future land use map designates these parcels as Public, Mixed Use Employment, and Estate Residential. The three alignment options put forth by the applicant all roughly parallel Imboden Road, which runs north to south. Options #1 and #2 run on the east side of Imboden Road, while Option #3 runs on the west side of Imboden Road. While the distance from north to south is approximately 4 miles, it is noted that the City of Aurora has jurisdiction of several of the parcels on both sides of Imboden Road, and therefore, the total length of pipeline associated with this project running through Unincorporated Adams County will be less than 4 miles in length. Option #1 is the applicant's preferred alignment, which runs for approximately 1.5 miles through Unincorporated Adams County.

PROJECT OVERVIEW

Background

The pipeline project to be constructed in unincorporated Adams County consists of approximately 4 miles of a 12-inch diameter steel pipeline that will transport natural gas along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue. Some portions of the pipeline are located within the City of Aurora and therefore are not part of this application. The pipeline would be entirely underground, with the exception of an above ground component at the southern terminus of this pipeline where it connects to the proposed future Pony Station.

The applicant states that natural gas is a clean energy sources that can help replace other fuels and reduce dependence on foreign energy sources. Natural gas production from well sites is transported via pipeline to processing facilities throughout Colorado for distribution to sales outlets to heat and provide power to homes, businesses, and schools. Natural gas is transported via pipelines; therefore, pipeline infrastructure is essential to the development and distribution of this natural resource.

The Applicant

The applicant, Kerr McGee Gathering (KMGG) LLC, is a wholly-owned subsidiary of Western Gas Partners, LP, a limited partnership formed by Anadarko Petroleum Corporation to own, operate, acquire, and develop energy assets. Western Gas Partners gathers, processes, compresses, treats, and transports natural gas, condensate, natural gas liquids, and crude oil for Anadarko and third party producers. Anadarko is among the world's largest independent oil and natural gas exploration and production companies based on proven reserves. The company holds extensive mineral rights covering approximately 350,000 net acres in the Wattenberg Field, in which it has been operating for 30 years. Anadarko has annual revenues exceeding \$13 billion.

The applicant states that it is financially capable of developing this \$4.5 million project, which will be financed using funds that are available in its capital fund. The applicant further states that it possesses the technical capabilities to oversee the construction and operation of the project, for which it assumes full responsibility. Currently the applicant operates over 12,000 miles of regulated and unregulated natural gas and hazardous liquid pipelines in Texas, Colorado, Utah, Wyoming, Pennsylvania, Kansas and Oklahoma. The applicant states that it conducts its activities to the highest standards of safety, environmental stewardship, and regulatory compliance, and that only contractors with the experience and the expertise to construct this project will be pre-qualified to bid on the project. The project is expected to be constructed during the 2nd and 3rd quarters of 2014.

KMGG operates approximately 500 miles of midstream gathering pipelines in Adams County and more than 3,000 miles of pipelines throughout Colorado. These lines service approximately 5,000 wells operated by Anadarko in the Denver-Julesberg Basin. The proposed pipeline is defined by industry and the U.S. Department of Energy's Federal Energy Regulatory Commission (FERC) as a natural gas gathering line to gather natural gas upstream of a processing plant. The natural gas gathering system transports natural gas from wells to a compressor station for further processing.

Need for the Project

The proposed project is imperative to allow Bronco Pipeline Company and other third party operators to transport natural gas production to processing. This 4-mile low pressure gas pipeline is an extension of KMGG's existing pipeline network in the area. At the Brighton Station, any liquids that have condensed in the pipeline due to temperature and/or pressure changes (condensates) will be separated from the gas and either trucked or pipelined to an oil handling facility. The gas is compressed at the Brighton Station to around 1,000 psi and discharged to a high pressure pipeline that eventually connects to the Wattenberg Plant for further processing. The raw natural gas received from the Bronco Pipeline and others is anticipated to be similar in composition to wells currently producing in the vicinity of its planned production. It is predicted that the gas wells will be water saturated, with the main component being methane. The capacity of the pipeline depends on the actual product composition, operating conditions, and the frequency of pipeline "pigging" (a process of launching a steel ball into the line to sweep any liquids that have settled to the bottom of the line during transport). Initially, the Bronco Pipeline Company will produce only a few wells; the KMGG pipeline has the capacity for all the anticipated production from Bronco's wells.

The proposed pipeline will connect to ConocoPhillips' Bronco Pipeline at a centralized facility referred to as Pony Station (proposed). The natural gas pipeline will deliver products to its Brighton compression station located at 128th Avenue and Powhatan Road via an existing line located north of E. 72nd Avenue. The gathering lines and related apparatus will be placed in private ROW easements negotiated with the surface owners. A portion of the proposed pipeline is located within an existing ROW easement and corridor. Where practical, the applicant has worked to locate new easements adjacent to existing corridors, and has situated the pipeline in such a way as to avoid conflicts with existing utilities, ROW, and infrastructure, and has worked to locate new easements adjacent to existing or planned future corridors. There will be four road

crossings and no water/riparian crossings associated with the proposed pipeline. The projected lifespan of the proposed pipeline is approximately 30-50 years. KMGG states that it properly inspects and maintains its pipeline so they can remain in service indefinitely, and will be subject to a comprehensive safety and integrity management program that meets or exceeds state Department of Transportation pipeline standards. Should the pipeline be removed from service, KMGG states it will either remove the abandoned pipeline or abandon it in place in accordance with Colorado Oil and Gas Conservation Commission (COGCC) and U.S. Department of Transportation regulations. The applicant has acquired all permanent and temporary easements along its preferred alignment. Reclamation will begin on all disturbance associated with construction of the pipeline within one growing season of construction, and will acquire all applicable permits from the County, the City of Aurora, and the State of Colorado.

Construction, Siting, Easements, and Rights-of-Way

The rights-of-way are prepared for construction by grading and trenching. Construction of the pipeline is done above grade and all welds are completed by tested welders and inspected at intervals higher than required by regulation for quality assurance. Once the pipe is welded, visually and x-ray inspected, and after the appropriate coatings have been applied, it is lowered into the trench and backfilled. Then it is hydrostatically tested using water at pressures higher than expected operating pressures to assure it is capable of safe operation. Safety markers are placed at all road crossings. The pipeline will be mapped using GPS data devices and logged on maps with the state One-Call to assure that Anadarko is notified if 3rd parties are planning excavation activities in the area. Cathodic Protection is then activated to help with corrosion control. Steel pipelines can corrode due to the presence of water and oxygen, resulting in small holes in the pipeline or pits that reduce the pressure-carrying capacity of the pipe. The effectiveness of the Cathodic Protection system is routinely monitored and tested. All records are maintained for the life of the pipeline.

The applicant states that during construction, storm water will be managed in accordance with a Storm Water Management Plan, prepared under the CDPHE Colorado Discharge Permitting System, as well as under the Clean Water Act National Pollution Discharge Elimination System regulations and under the County's Grading, Erosion and Sediment Control manual.

During construction, approximately 40-100 workers would be present across multiple active construction locations throughout the County. This dispersed workforce is not expected to significantly impact traffic. The pipeline will be bored under existing roadways, and the operation of the pipeline would not impact the surface transportation network. During construction, the applicant will maintain the topsoil, and will conduct setup and staging within the private ROW in order to keep traffic and equipment off the public ROW. Installation would take place during daytime hours, and the construction team would coordinate with the County and the City of Aurora to limit traffic impacts. KMGG has acquired ROW in order to accommodate Aurora's future 144-foot ROW width for Imboden Road. Private property owners will have the use of the easement for agriculture, roads, and other non-building infrastructure.

The applicant states it has undergone extensive due diligence associated with the siting of the proposed pipeline. The route selection process was designed to minimize the project's impacts on

the environment, landowners, and nearby residents. Where possible, KMGG is closely paralleling existing utility corridors and roads, thereby minimizing environmental impacts as well as limiting the overall footprint of the project. The applicant further states that it will notify and supply the fire protection district with applicable emergency response contact information. KMGG states that there are no significant risks from natural hazards associated with the project. KMGG has negotiated a right-of-way agreement with Front Range Airport. The City of Aurora is requiring KMGG to obtain a Storm Water Management Permit and ROW crossing permits for the proposed pipeline.

Project Impacts

The applicant states that operation of the pipeline would not produce any nuisances, resulting neither in excessive traffic generation, noise, vibrations, dust, glare, heat, smoke, fumes, gas, nor odors. KMGG states that the proposed project will be a privately financed pipeline that will not change the existing tax burden or fee structure for government service. No public funds would be used for the project. The applicant states that a limited and temporary impact to farming operations may occur during construction of the project, and will work with landowners to mitigate all impacts. The applicant does not expect any permanent or post-construction impacts. The applicant states that the pipeline will not degrade recreational opportunities, including open space, parks, and trails. KMGG also states that the project will promote resource conservation by transporting natural gas produced at well sites to a processing facility rather than flaring the gas at the well location. The applicant states that the project will have no significant impacts to groundwater aquifers.

Project Safety

Anadarko operates in accordance with the regulations developed by PHMSA (Pipeline and Hazardous Materials Safety Administration, an agency of the U.S. Department of Transportation responsible for regulating and ensuring the safe and secure movement of hazardous materials to industry and consumers by all modes of transportation, including pipelines – PHMSA also has exclusive jurisdiction over transmission, distribution, and regulated gathering pipelines to develop, audit, and enforce regulations to assure the safety and environmentally sound operation of these pipelines), other agencies, as well as its own internally developed safety requirements. All pipelines built by Anadarko meet or exceed federal requirements. Since 2009, Anadarko has reported a total of 123 incidents on its more than 14,000 miles of pipeline. The largest number of incidents (65) is excavation damage, often the result of a third party excavating near a pipeline without notifying the One-Call system. The next most important cause of incidents is corrosion (19), most of which occurred on gathering pipelines installed prior to 1970 before Cathodic Protection became an industry best practice. Where possible, those lines are being replaced with corrosion resistant non-metallic pipe to prevent releases or to slow the rate of corrosion.

To prepare for the event of a leak, the applicant states that it communicates and plans with local emergency responders, and immediately dispatches trained personnel to work with emergency responders upon the notification of an incident or leak. The applicant states that its operators are extensively trained to respond to an emergency to restore safe conditions for the public and to minimize impacts to the environment.

KMGG states that the proposed pipeline is designed to meet or exceed all state and federal Department of Transportation guidelines and requirements. The applicant states the pipeline will be externally coated with Fusion Bond Epoxy (so as to prevent corrosion) as well as Induced Current or Sacrificial Anode Cathodic Protection Systems (so as to backup any defects in the external coating). Pressure monitoring instruments are installed throughout the system to monitor for high pressures. Overpressure Protection is implemented upstream of the pipeline through either automatic shutoff valves or by pressure relief valves. Non-Destructive Testing of the pipeline will be performed before the line is put into service, and all test records and reports will be maintained. The pipeline will also regularly be cleaned internally and swept free of liquids.

The applicant states that pipelines are the safest and most effective way to transport energy products. KMGG will maintain a comprehensive safety and integrity management program that meets or exceeds state Department of Transportation pipeline standards, including a multi-faceted integrity management program. The pipeline will be buried to a minimum depth of 48 inches, and in locations where such burial depth is not achievable, additional mechanical protection will be provided. Block valves will be located periodically along the pipeline route, the purpose of which is to provide emergency safety segregation to limit the volume of releases in the unlikely event of an accident. KMGG will follow the guidelines set forth in its Integrity Management and Best Management Guidelines to meet or exceed regulatory requirements. In the event of spills, leaks, or breaks in the pipeline, KMGG's personnel will contain the occurrence in accordance with the Anadarko Petroleum Corporation Rocky Mountain Region Emergency Response and Oil Spill Contingency Plan, as well as COGCC regulations.

Alternative Alignments

The applicant states that numerous factors were evaluated during the due diligence process to select the best route for the proposed pipeline. The routing process was specific so as not to hinder future road development of Imboden Road and also to position the proposed pipeline to be located within setback corridors to minimize any landowner's future development issues. The applicant met with the landowners near the proposed line to review the proposed pipeline project. Determination of the preferred route was influenced by the ability of the applicant to negotiate with landowners near the proposed line. The ROW agreements for the preferred route have all been obtained by the applicant. The applicant has received conditional approval from the City of Aurora on its preferred route. The preferred route is the most direct route and parallels two existing pipelines also owned by KMGG along the northern portion of the project.

For the majority of the route, the applicant's right-of-way begins at a point approximately 72 feet east of the section lines on the eastern side of Imboden Road. The right-of-way would extend away from the edge of the future widened road right-of-way and into the surface owners' properties. The long-term plans of the City of Aurora are to widen Imboden Road to a total width of 144 feet; the County plans to widen Imboden Road to a total width of 140 feet. The rationale for the location of the acquired right-of-way was to encompass both the City's and the County's future road expansion projects for Imboden Road and also to allow for the road expansion without the need for relocation of the pipeline to be constructed.

The alternative route located on the west side of Imboden Road was determined by the applicant not to be the preferred route. The main concern for the applicant under this alternative was obtaining landowner approval in an area where pipelines did not currently exist. The applicant states that it was determined from discussions with landowners that it would be preferred to construct the proposed pipeline near the existing pipelines located on the east side of Imboden Road and to create a pipeline corridor in that area.

The alternative route located on the east side of Imboden Road was ruled out by the applicant based on concerns from the land owner relating to future development plans as well as safety concerns over the access point off of Imboden Road. The applicant goes on to explain that because the location of the existing 12-inch pipeline is located directly adjacent to Imboden Road, options for alternative routes were limited.

Zoning, Land Use, & Comprehensive Plan

Along this stretch of Imboden Road, the Adams County Comprehensive Plan directs employment related growth (Mixed Use Employment land use category) to be located on both sides of Imboden Road north of 48th Avenue, with the exception of those parcels owned by Front Range Airport (which are designated as Public). Land in Unincorporated Adams County south of 48th Avenue is designated as Estate Residential in the Future Land Use Plan.

The proposed route considers the built environment by co-locating, as much as possible, with existing utilities and pipelines that are already in existence. Where the route is adjacent to roadways, the pipeline will be located and constructed outside the boundaries of the anticipated future road ROW so as not to interfere with future road development; and within the County's building setback boundaries so as to minimize interference with future private development.

Many of the items described in this report will be included in a Development Agreement between KMGG and Adams County to formalize the concepts that make the pipeline compatible with Adams County's future development plans. KMGG and Staff have been working toward finalizing a draft Development Agreement that would include KMGG constructing its pipeline outside the ROW boundaries of future road rights-of-way as designated in the Adams County Transportation Plan.

Environmental Impact Analysis

The applicant retained the firm Tetra Tech to conduct an environmental impact analysis of the proposed project. The environmental issues that are addressed by the applicant include the expected impacts to water bodies such as wetlands, floodplains, streambeds, etc., the existing vegetation within the project area, the presence of any known endangered or threatened species, air quality, water quality, stormwater management, and various other topics.

The applicant coordinated field studies of the project area that were completed by ecologists. Ecologists evaluated the proposed project area for certain species and their associated habitat. The proposed project would not affect the physical characteristics of the unnamed intermittent streams or affect any meandering characteristics or streambed limits. No adverse effects in the downstream waters of the West Fork or Bear Gulch are anticipated. The project is expected to have minimal impact on

terrestrial or aquatic animals, habitat, or food chain under any of the three route options. Due to the relatively small footprint of the gathering lines, minimal impact to terrestrial and aquatic plant life, including short grass prairie, is anticipated from the project. The applicant will reclaim any lands disturbed during construction. The specific findings of this study are detailed thoroughly in the Environmental Analysis section of the application.

REFERRAL COMMENTS

In an email dated 3/7/14, the Colorado Department of Transportation (CDOT) stated it has no objection to the proposed project, and notes that the proposed pipeline does not cross any State Highways. Any pipelines that enter or cross CDOT right-of-way would required a CDOT Special Use Permit; however, this does not appear to be the case with this project.

In a letter dated 3/7/14, the Tri-County Health Department states that it has reviewed the application for compliance with applicable environmental and public health regulations and has no comments.

In a letter dated 2/27/14, Xcel Energy states that it has electric transmission lines and a substation along the proposed pipeline. Any activity including grading, proposed landscaping, erosion control or similar activities involving its existing right-of-way will require Xcel's approval. Encroachments across these easements must be reviewed for safety standards, operational and maintenance clearances, liability issues, and acknowledged with a Public Service Company License Agreement to be executed with the property owner. Xcel also owns and operates existing natural gas and electric distribution facilities in multiple areas along the proposed pipeline. *The applicant states that the proposed pipeline is outside of the substation and transmission line corridor. KMGG will coordinate with Public Service Company during construction.*

In a letter dated 2/26/14, History Colorado states that a search of the Colorado Cultural Resource Inventory database indicates three previously recorded sites within the project area, including Oriental Market, Front Range Airport Farm, and Tupps' Farm. History Colorado notes the possibility of as yet unidentified cultural resources existing within the proposed project area. History Colorado further notes that in the event there is Federal involvement in the proposed project, they recommend that a professional survey be conducted to identify any cultural resources in the project area which are eligible to be listed on the National Register of Historic Places. *The applicant states the proposed project will not require federal involvement; therefore, a cultural study is not being requested. If human remains are discovered during project activities, then KMGG and its contractors will comply with all requirements under state law.*

In an email dated 2/21/14, the Denver International Airport (DIA) Planning Office stated: 1. The location falls within the 14CFR Part 77 (Objects Affecting Navigable Airspace) surfaces associated with DIA. Therefore, if the pipeline or any associated construction equipment (ex: crane to offload pipe, etc.) exceeds in height a slope of 100:1 horizontally (100 feet horizontally for each 1 foot vertically from the nearest point on any DIA runway) the Federal Aviation Administration (FAA) requires the proponent to file a FAA Form 7460-1 (Notice of Proposed Construction or Alteration) to complete an FAA aeronautical study. Based on DIA planning

office calculations, the northern terminus of the pipeline is located approximately 15,500 feet southeast from Runway 35R. Therefore if any temporary construction equipment exceeds the 100:1 ratio, or is greater than 155 ft. in height, the applicant should file an FAA Form 7460. Based on the above information, DIA does not object to the conditional use permit. *The applicant states that the proposed pipeline project will not require equipment greater than 155 feet in height for either its installation or operation.*

In an email dated 2/17/14, Front Range Airport stated that in November 2012 the Airport Authority signed a ROW/grant/easement with KMGG. Since that time, nothing has changed for the Airport. KMGG has addressed the future road width concerns we had, and there are no aviation concerns. John Wolken and Doug Edelstein reviewed and assisted the Airport in this case in 2012. KMGG would need to pay the easement prior to starting. *The applicant states that it has addressed concerns regarding the future road width; this confirmation is shown within the ROW document provided in the Conditional Use Permit application. KMGG will pay Front Range Airport in the near future (March 2014).*

No citizen comments were received during the referral period.

DEVELOPMENT AGREEMENT

Kerr McGee Gathering LLC has agreed to enter into a Development Agreement as part of this application that will cover a number of issues such as pre-construction requirements, construction and operational standards, maintenance of the pipeline, referral agency comments, and consideration for future development. This agreement is currently in draft form and the most recent draft has been included in this packet for informational purposes. The intent is for the final Development Agreement to be included as a condition of approval when this case is heard before the BOCC.

CONCLUSION & RECOMMENDATION

In conclusion, Staff feels that the route is compatible with the future development plans of Adams County as captured within the Adams County 2012 Comprehensive Plan. The route is in harmony with the County's future roadway expansion plans. The application material submitted with this request was adequately detailed and provided sufficient documentation of the agency reviews of this project. The applicant has provided clear, detailed and comprehensive information related to the environmental impact analysis of the project, the review of any existing historic or cultural resources and the mitigation efforts planned for such resources. Finally, the applicant has provided detailed information related to its safety record, safety measures, emergency response protocol, and related information to satisfy concerns raised by Staff and Referral Agencies. Staff recommends approval of the applicant's preferred alignment, based upon the following:

RECOMMENDED FINDINGS OF FACT

1. The conditional use is permitted in the applicable zone district.
2. The conditional use is consistent with the purposes of these standards and regulations.
3. The conditional use will comply with the requirements of these standards and regulations including, but not limited to, all applicable performance standards.
4. The conditional use is compatible with the surrounding area, harmonious with the character of the neighborhood, not detrimental to the immediate area, not detrimental to the future development of the area, and not detrimental to the health, safety, or welfare of the inhabitants of the area and the County.
5. The conditional use permit has addressed all off-site impacts.
6. The site is suitable for the conditional use including adequate usable space, adequate access, and absence of environmental constraints.
7. The site plan for the proposed conditional use will provide the most convenient and functional use of the lot including the parking scheme, traffic circulation, open space, fencing, screening, landscaping, signage, and lighting.
8. Sewer, water, storm water drainage, fire protection, police protection, and roads are to be available and adequate to serve the needs of the conditional use as designed and proposed.
9. Documentation that prior to site disturbance associated with the Proposed Project, the Applicant can and will obtain all necessary property rights, permits and approvals. The Board may, at its discretion, defer making a final decision on the application until outstanding property rights, permits and approvals are obtained or the Board may grant a Permit with conditions and/or conditions precedent which will adequately address outstanding concerns.
10. The Proposed Project considers the relevant provisions of the regional water quality plans.
11. The Applicant has the necessary expertise and financial capability to develop and operate the Proposed Project consistent with all requirements and conditions.
12. The Proposed Project is technically and financially feasible.
13. The Proposed Project is not subject to significant risk from Natural Hazards.
14. The Proposed Project is in general conformity with the applicable comprehensive plans.
15. The Proposed Project does not have a significant adverse effect on the capability of local government to provide services or exceed the capacity of service delivery systems.

16. The Proposed Project does not create an undue financial burden on existing or future residents of the County.
17. The Proposed Project does not significantly degrade any substantial sector of the local economy.
18. The Proposed Project does not unduly degrade the quality or quantity of recreational opportunities and experience.
19. The planning, design and operation of the Proposed Project reflects principals of resource conservation, energy efficiency and recycling or reuse.
20. The Proposed Project does not significantly degrade the environment. Appendix A includes the considerations that shall be used to determine whether there will be significant degradation of the environment. For purposes of this section, the term environment shall include:
 - Air quality,
 - Visual quality,
 - Surface water quality,
 - Groundwater quality,
 - Wetlands, flood plains, streambed meander limits, recharge areas, and riparian areas,
 - Terrestrial and aquatic animal life,
 - Terrestrial and aquatic plant life, and
 - Soils and geologic conditions.
21. The Proposed Project does not cause a nuisance and, if a nuisance has been determined to be created by the Proposed Project, the nuisance has been mitigated to the satisfaction of the County.
22. The Proposed Project does not significantly degrade areas of paleontological, historical, or archaeological importance.
23. The Proposed Project does not result in unreasonable risk of releases of hazardous materials. In making this determination as to such risk, the Board's consideration shall include:
 - Plans for compliance with Federal and State handling, storage, disposal and transportation requirements,
 - Use of waste minimization techniques, and
 - Adequacy of spill prevention and counter measures, and emergency response plans.
24. The benefits accruing to the County and its citizens from the proposed activity outweigh the losses of any resources within the County, or the losses of opportunities to develop such resources.

25. The Proposed Project is the best alternative available based on consideration of need, existing technology, cost, impact and these Regulations.
26. The Proposed Project shall not unduly degrade the quality or quantity of agricultural activities.
27. The proposed Project does not negatively affect transportation in the area.
28. All reasonable alternatives to the Proposed Project, including use of existing rights-of-way and joint use of rights-of-way wherever uses are compatible, have been adequately assessed and the Proposed Project is compatible with and represents the best interests of the people of the County and represents a fair and reasonable utilization of resources in the Impact Area.
29. The nature and location of the Proposed Project or expansion will not unduly interfere with existing easements, rights-of-way, other utilities, canals, mineral claims or roads.
30. Adequate electric, gas, telephone, water, sewage and other utilities exist or shall be developed to service the site.
31. The proposed project will not have a significantly adverse Net Effect on the capacities or functioning of streams, lakes and reservoirs in the impact area, nor on the permeability, volume, recharge capability and depth of aquifers in the impact area.
32. The purpose and need for the Proposed Project are to meet the needs of an increasing population within the County, the area and community development plans and population trends demonstrate clearly a need for such development.
33. The Proposed Project is compatible with the surrounding area, harmonious with the character of the neighborhood, not detrimental to the immediate area, not detrimental to the future development of the area, and not detrimental to the health, safety, or welfare of the inhabitants of the area.

Staff Recommendation: APPROVAL with 33 Findings of Fact and 2 Conditions

Recommended Conditions of Approval

Recommended Conditions:

1. The applicant shall continue to work with Adams County staff to finalize and execute a Development Agreement prior to the April 21, 2014 Board of County Commissioners hearing on this application.
2. Once finalized and executed, the applicant shall comply with all terms and conditions of the Development Agreement between Kerr McGee Gathering, LLC and Adams County.

CITIZEN COMMENTS

None

COUNTY AGENCY COMMENTS

ADAMS COUNTY BUILDING SAFETY DIVISION:

None

ADAMS COUNTY CODE COMPLIANCE DIVISION:

None

ADAMS COUNTY PARKS & COMMUNITY RESOURCES DEPARTMENT:

None

ADAMS COUNTY SHERIFF'S OFFICE:

None

ADAMS COUNTY TRANSPORTATION DEPARTMENT:

Regional Drainage

Flood Insurance Rate Maps *FIRM Panels 08001C0680H, 08001C0690H, and 08001C0689H*, published by the Federal Emergency Management Agency, March 5, 2007

According to the above references, the proposed route for the Kerr McGee Gathering Pipeline is NOT located in a designated Flood Hazard Area. A Floodplain Use Permit is NOT required for this project.

The proposed route is not located in the MS4 Permitted Area but the disturbance appears to be greater than 1 acre. Therefore, a state CDPS Permit and a copy of the Storm Water Management Plan will be required. The use of Best Management Practices for erosion and sediment control is expected.

The project is located within the boundaries of the following regional drainage studies:

Lower Box Elder Creek Watershed. Prepared for Adams County, City and County of Denver, and the Urban Drainage and Flood Control District. Prepared by Wright Water Engineers, Inc. October 2001.

According to the above study, the pipe line will cross the area of various proposed regional drainage facilities in unincorporated Adams County. Some of these facilities may include – but not be limited to the following:

Stream BGU – Proposed grass lined channel
Stream BGO – Proposed grass lined channel
Stream BGMa – Proposed grass lined channel
Stream BGM – Proposed grass lined channel
Stream BGL – Proposed grass lined channel
Stream BGK – Proposed grass lined channel

The drainage facilities itemized above are based on the mapping provided by the applicant. There may be other facilities that may be in the path of the proposed pipeline as scaled drawings are produced. The applicant will need to account for these as the design progresses.

Access & Construction Issues

In the event that Adams County performs a roadway or drainage project that requires adjustment or relocation of the pipe line within the right-of-way, the County requests that the applicant be required to perform any adjustments or relocations at their own expense upon receiving notification from the County as a condition of this case.

For the regional drainage facilities mentioned in the study above, it is recommended that the applicant either avoid them or install the line to a depth below the facility to provide sufficient cover and avoid potential utility conflicts.

It shall be the responsibility of the applicant to not disrupt or damage the functionality of any existing drainage facilities. The line must also be deep enough in order not to be vulnerable to erosion.

The project shall be required to conform to all applicable environmental regulations. Any documentation, including but not limited to Stormwater Management (SWMP) Plans, copies of CDPS permits, Erosion & Sediment Control Template / Plans, will need to be provided to Adams County.

The applicant will need to coordinate with Adams County Transportation Department to obtain the necessary permits prior to construction. Construction plans should only be submitted for the portions of the project located within unincorporated Adams County. At a minimum, the plans need to contain the following:

- Jurisdictional boundaries
- Vicinity map
- Construction details
- Floodplains
- Right-of-way & easement lines
- Details of above-ground surface structures proposed in the public right-of-way.
- Contact information on the plan sets
- Description of construction methods (boring versus open cut in roadways).
- Drawings that are scaled properly

Right-of-Way

The proposed pipeline easements need to be outside any future road right-of-way in accordance with the Adams County Master Transportation Plan. This will need to be shown on the project plans. Imboden Road is a Regional Arterial with a total right-of-way of 140 feet, 70 feet on each side of the section line. We understand that most, if not all, the pipeline easements have been acquired. If those easements are within the future County right-of-way, the pipeline itself should not be placed within the future right-of-way and like the Front Range Pipeline, an agreement to subordinate the pipeline easements to the County once the right-of-way is acquired should be required.

REFERRAL AGENCY COMMENTS

Responding without concerns:

Tri-County Health Department

Responding with concerns:

Colorado Department of Transportation

Colorado Historical Society

Denver International Airport

Front Range Airport

Xcel Energy

Failure to Respond / Considered a Favorable Response:

Bennett Fire District

Bennett Park & Recreation

Bennett School District

City of Aurora

Colorado Department of Public Health and Environment (CDPHE)

Colorado Division of Wildlife

Comcast

East Adams Soil Conservation

Federal Aviation Administration

Front Range Metropolitan District

Metro Wastewater Reclamation

Qwest Communications

Sable Altura Fire District

Urban Drainage and Flood Control District



Planning and Development Department
4430 South Adams County Parkway, 1st Floor, Suite W2000A
Brighton, CO 80601-8216
PHONE 720.523.6800 FAX 720.523.6998

MEMORANDUM

To: Planning Commission

From: Michael Weaver, Planner II – Economic Development

Subject: Kerr McGee Gathering (KMGG) Pipeline / Case #RCU2014-00002

Date: March 27, 2014

If the Planning Commissioners does not concur with the staff recommendation of Approval, the following findings may be adopted as part of a decision of Denial:

ALTERNATIVE RECOMMENDED FINDINGS

1. The conditional use is not permitted in the applicable zone district.
2. The conditional use is not consistent with the purposes of these standards and regulations.
3. The conditional use will not comply with the requirements of these standards and regulations including, but not limited to, all applicable performance standards.
4. The conditional use is not compatible with the surrounding area, harmonious with the character of the neighborhood, detrimental to the immediate area, detrimental to the future development of the area, and detrimental to the health, safety, or welfare of the inhabitants of the area and the County.
5. The conditional use permit has not addressed all off-site impacts.
6. The site is not suitable for the conditional use including adequate usable space, adequate access, and absence of environmental constraints.
7. The site plan for the proposed conditional use will not provide the most convenient and functional use of the lot including the parking scheme, traffic circulation, open space, fencing, screening, landscaping, signage, and lighting.
8. Sewer, water, storm water drainage, fire protection, police protection, and roads are not available and are not adequate to serve the needs of the conditional use as designed and proposed.

9. Documentation that prior to site disturbance associated with the Proposed Project, the Applicant cannot and will not obtain all necessary property rights, permits and approvals. The Board may, at its discretion, defer making a final decision on the application until outstanding property rights, permits and approvals are obtained or the Board may grant a Permit with conditions and/or conditions precedent which will adequately address outstanding concerns.
10. The Proposed Project does not consider the relevant provisions of the regional water quality plans.
11. The Applicant does not have the necessary expertise and financial capability to develop and operate the Proposed Project consistent with all requirements and conditions.
12. The Proposed Project is not technically and financially feasible.
13. The Proposed Project is subject to significant risk from Natural Hazards.
14. The Proposed Project is not in general conformity with the applicable comprehensive plans.
15. The Proposed Project has a significant adverse effect on the capability of local government to provide services or exceed the capacity of service delivery systems.
16. The Proposed Project creates an undue financial burden on existing or future residents of the County.
17. The Proposed Project significantly degrades any substantial sector of the local economy.
18. The Proposed Project unduly degrades the quality or quantity of recreational opportunities and experience.
19. The planning, design and operation of the Proposed Project does not reflect principals of resource conservation, energy efficiency and recycling or reuse.
20. The Proposed Project significantly degrades the environment. Appendix A includes the considerations that shall be used to determine whether there will be significant degradation of the environment. For purposes of this section, the term environment shall include:
 - Air quality,
 - Visual quality,
 - Surface water quality,
 - Groundwater quality,
 - Wetlands, flood plains, streambed meander limits, recharge areas, and riparian areas,
 - Terrestrial and aquatic animal life,
 - Terrestrial and aquatic plant life, and

- Soils and geologic conditions.
21. The Proposed Project causes a nuisance and, if a nuisance has been determined to be created by the Proposed Project, the nuisance has been mitigated to the satisfaction of the County.
 22. The Proposed Project significantly degrades areas of paleontological, historical, or archaeological importance.
 23. The Proposed Project results in unreasonable risk of releases of hazardous materials. In making this determination as to such risk, the Board's consideration shall include:
 - Plans for compliance with Federal and State handling, storage, disposal and transportation requirements,
 - Use of waste minimization techniques, and
 - Adequacy of spill prevention and counter measures, and emergency response plans.
 24. The benefits accruing to the County and its citizens from the proposed activity do not outweigh the losses of any resources within the County, or the losses of opportunities to develop such resources.
 25. The Proposed Project is not the best alternative available based on consideration of need, existing technology, cost, impact and these Regulations.
 26. The Proposed Project unduly degrades the quality or quantity of agricultural activities.
 27. The proposed Project negatively affects transportation in the area.
 28. All reasonable alternatives to the Proposed Project, including use of existing rights-of-way and joint use of rights-of-way wherever uses are compatible, have not been adequately assessed and the Proposed Project is not compatible with and does not represent the best interests of the people of the County and does not represent a fair and reasonable utilization of resources in the Impact Area.
 29. The nature and location of the Proposed Project or expansion will unduly interfere with existing easements, rights-of-way, other utilities, canals, mineral claims or roads.
 30. Adequate electric, gas, telephone, water, sewage and other utilities do not exist or shall not be developed to service the site.
 31. The proposed project will have a significantly adverse Net Effect on the capacities or functioning of streams, lakes and reservoirs in the impact area, or on the permeability, volume, recharge capability and depth of aquifers in the impact area.

32. The purpose and need for the Proposed Project are not to meet the needs of an increasing population within the County, the area and community development plans and population trends do not demonstrate clearly a need for such development.
33. The Proposed Project is not compatible with the surrounding area, not harmonious with the character of the neighborhood, detrimental to the immediate area, detrimental to the future development of the area, and detrimental to the health, safety, or welfare of the inhabitants of the area.

CERTIFICATE OF POSTING



I, Michael Weaver, do hereby certify that I posted the property at

Multiple Parcels along Imboden Road between E. 40th Ave. and E. 72nd Ave.

on March 7, 2014

in accordance with the requirements of the Adams County Zoning Regulations

Michael Weaver

Michael Weaver

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“**Agreement**”) is made and entered into by and between the COUNTY OF ADAMS, a political subdivision of the State of Colorado, hereinafter called “**County**,” and Kerr-McGee Gathering LLC, 1099 18th Street, Denver, CO 80202, hereinafter called “**Developer**”.

WITNESSETH:

WHEREAS, Developer desires to construct approximately 1.5 miles of underground steel 12 inch pipeline and appurtenances in Adams County (as more particularly described in that certain Conditional Use Permit Application dated January 2014) to transport natural gas (“the **Project**”); and

WHEREAS, the Project will provide transportation of natural gas ; increase efficiency of delivering products to market; and, reduce impacts to local roads by reducing truck traffic in furtherance of the goals of the Adams County Comprehensive Plan; and

WHEREAS, on January, 2014, Developer submitted an application for a Conditional Use Permit (“**CUP**”) to Adams County in accordance with the requirements outlined in Chapter 2 of the Adams County Development Standards and Regulations (“the Regulations”), the Conditional Use Permit Checklist, and requested submittal criteria from the Adams County Areas and Activities of State Interest (“**AASI**”) Checklist; and

WHEREAS, Developer has acquired all necessary right-of-way easements and temporary construction easements to utilize certain real property in the County of Adams, State of Colorado, as described in Exhibit "A" attached hereto, and by this reference made a part hereof (the “**Easements**”); and

WHEREAS, the County has designated its future road expansion plans in the Adams County Transportation Plan adopted November 2012 (“**Transportation Plan**”); and

WHEREAS, it is provided by Sections 1-02-01-02-08 and 1-08 of the Regulations of the Board of County Commissioners, County of Adams, that where designated, the Developer shall have entered into a written agreement with the County addressing Developer’s and the County’s obligations with regard to the Project as a condition of approval for the CUP.

WHEREAS, the County and the Developer have planned and designed the Project so it will not prohibit future development, and so that it will not add cost to the County’s future infrastructure plans to support development.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto promise, covenant, and agree as follows:

I. DEVELOPER’S OBLIGATIONS:

1. Pre-Construction Activities. Prior to site disturbance and commencing construction in the County, Developer shall:

- A. Obtain approved construction plans from the Adams County Transportation Department.
 - B. Submit a Stormwater Management Plan (SWMP) to the County, as part of the Erosion and Sediment Control Plan to address water quality issues associated with construction activities.
 - C. Prepare a Traffic Control Plan for the portion of the project within Unincorporated Adams County and obtain approval of the Plan by the County. The Traffic Control Plan shall detail any impacts to the right-of-way during the construction of the Project including but not limited to lane closures, access to construction staging sites, hours of operation, etc. The traffic control plan shall be prepared in a way to minimize impacts to adjacent property owners during the construction period. The Developer must obtain written approval of the Traffic Control Plan from Adams County Transportation Department prior to commencement of construction. The Developer shall be responsible to implement any necessary corrections to the traffic control plan.
 - D. Submit the Spill Prevention, Control and Countermeasure Plan to the County.
 - E. Secure all applicable local, state and federal permits for the Project and submit copies of these permits to the County.
 - F. Secure all necessary Easements for a parcel before commencing construction activities on that parcel.
 - G. Submit copies of all executed Easements for the Project to the County.
 - H. .
2. Construction Activities. During construction, the Developer shall:
- A. Construct the project in accordance with the approved construction plans. The Developer shall submit a certification letter from a Professional Engineer within 30 days of construction completion certifying that the Project was constructed in accordance with the approved plans.
 - B. Manage stormwater in accordance with a SWMP (Storm Water Management Plan) prepared under the Colorado Department of Public Health and Environment (“CDPHE”) Colorado Discharge Permitting System (“CDPS”) Permit and in accordance with the Clean Water Act National Pollution Discharge Elimination System (“NPDES”) regulations and Adams County's Grading Erosion and Sediment Control standards. Stormwater Best Management Practices will be implemented for the construction phase to capture and treat all onsite stormwater runoff, in accordance with the requirements for the SWMP.
 - C. Hours of operation shall be from 7 a.m. to 7 p.m., Monday through Saturday, except during hydrostatic testing, horizontal directional drilling (HDD), and emergency situations that would cause the Developer to be out of compliance with any applicable local, state, or federal permit. The Adams County Director of Planning and Development may extend the hours and days of operation if there has been demonstration of a sufficient need.

- D. Implement the approved Traffic Control Plan.
- E. Comply with all applicable local, state and federal requirements.
- F. Comply with the guidelines suggested by Colorado Parks and Wildlife to ensure there is no effect to any species of concern as referenced within the application materials on page tbd of Developer's CUP Application.
- G. Comply with the height limitations for all construction related equipment outlined in the comments submitted by Denver International Airport in their email dated February 21, 2014, addressed to _____, referencing _____. Developer agrees that no piece of construction equipment shall be taller than 1 foot for every 100 feet horizontal distance from the nearest runway out to the limits of the FAA area of concern.
- H.
- I.
- J.
- K. All hauling/construction trucks shall cover their loads pursuant to C.R.S. 42-4-1407.
- L. The Developer will be responsible for the cleanliness and safety of all roadways adjacent to the Project in the event that there are any issues related to the Project during construction. If at any time, these roadways are found to be dangerous or not passable due to debris or mud caused by Project activities, the County shall require Developer to cease Project operations immediately and clear the roadway of any and all debris or mud. The Project shall not resume until the County, in its sole discretion deems the roadway conditions acceptable. If the Developer fails to keep the adjacent roadways clean and free from debris, the Transportation Department has the option to do the required clean up and bill the cost thereof directly to the Developer.

The Developer shall be responsible for repairing County infrastructure that is damaged as a result of the construction from the Project. Repairs shall occur as soon as possible, but no later than six (6) months following construction completion, unless an extension is granted by the County for extenuating circumstances. The Developer may submit evidence of the condition of the County's right-of-way at the start and completion of construction in order to discern the pre-construction condition and the post-construction condition of the roadways.
- M. All fluid spills including, but not limited to, hydraulic fluids and oil from maintenance of equipment, shall be removed and disposed of at a facility permitted for such disposal.
- N. All complaints received by the Developer concerning off-site impacts, and the resolution of those complaints, shall be conveyed to the Department of Planning and Development. Off-site impacts shall be responded to and resolved

immediately by the Developer. Adams County will be the final arbitrator regarding the resolution of noise complaints or any other off-site impacts. Excessive complaints that are not resolved to the satisfaction of the County may be justification for a show cause hearing before the Board of County Commissioners, County of Adams.

- O. All construction vehicles shall have a backup alarm which shall comply with OSHA requirements, 29 CFR 1926.601(b)(4) and 1926.602(a)(9) and/or other remedies (such as flagmen) to minimize noise as approved by the County.
- P. If fuel will be stored on the subject properties or within the County's right-of-way, the following guidelines shall be implemented: All fuel storage at this site shall be provided with secondary containment, which complies with state law and any appropriate regulatory standards; fueling areas shall be separated from the rest of the site's surface area, and protected from storm water; and Developer shall provide a spill prevention plan and release prevention plan for fuel storage and fueling operations. Spill and drip containment pans shall be emptied frequently and all spills shall be cleaned up and disposed of immediately at a facility permitted for such disposal.
- Q. Developer shall notify the County prior to commencing any snow removal operations within the County's right-of-way. The Developer shall be responsible for any damages to the right-of-way caused by these activities and shall repair damages at their expense within 60 days of receiving notice from the County.
- R. Roadways shall be kept free and clear of debris during construction of the Project. The Developer shall utilize professional street sweeping services in the event that it becomes necessary, as determined by the County.
- S. Developer shall comply with all applicable local, state and federal requirements during the course of the Project.
- T. Failure to comply with the requirements set forth in this Agreement may be justification for a show cause hearing before the Board of County Commissioners, County of Adams where the CUP Permit may be revoked.

3. Design Requirements.

- A. The Project will be designed to meet or exceed the minimum Federal Safety Standards contained in 49 CFR 1925 and national engineering design codes for pipelines set forth by the American Society of Mechanical Engineers contained in B31.8.
- B. Pipeline burial depths will meet or exceed federal, state, and applicable engineering standards. The pipelines will be buried with a minimum of 48-inches of cover where practical and in locations where such burial depth is not achievable, additional mechanical protection will be provided, such as increased pipe wall thickness, as approved by the County and referenced within this Agreement.

- C. To accommodate the County's future development plans, Developer will initially construct and install the pipeline to comply with the depth and wall thickness specifications at the locations specified by Adams County.
Developer agrees to avoid any regional drainage improvements, to the extent possible, as identified in the comments submitted by Adams County Transportation Department. The Developer shall install the pipeline at a depth below certain planned facilities to provide sufficient cover and avoid potential utility conflict at the locations identified by Adams County. The County agrees to make all reasonable attempts to avoid the pipeline during the design and construction of future drainage facilities. In the event that a future regional drainage improvement project requires the relocation of the pipeline, the Developer agrees to relocate the pipeline at its sole expense. Adams County shall give 90 calendar days written notice if it determines that the pipeline needs to be re-located.
- D. Developer agrees to comply with the terms of the two utility permits issued for the Project in Adams County by the Colorado Department of Transportation.

4. Operational Requirements.

- A. The Project will be operated to Federal Safety Standards contained in 49 CFR 192, as well as the Developer's operating standards and practices, and maintenance procedures as referenced within the Developer's CUP application materials submitted to the County for the Project.
- B. The steel pipelines will have a corrosion prevention system as detailed within Section 4.0, Safety of the Developer's CUP application materials submitted to the County for the Project.
- C. The Project will have a multi-faceted integrity management program, as required under federal pipeline safety standards (49 CFR 192 and ASME B31.8) and the Developer's own pipeline integrity management programs. In the event that there is a conflict between any standard or regulation, the most restrictive standard shall apply.
- D. The Project will be operated in accordance with all applicable local, state and federal codes, laws and regulations, including but not limited to the Bennett Fire Protection District ("BFPD"), the Colorado Department of Transportation ("CDOT"), the Colorado Department of Public Health and Environment ("CDPHE"), the Federal Aviation Agency ("FAA"), the Urban Drainage and Flood Control District ("UDFCD") and the COGCC.

5. Post-Construction and Maintenance Requirements.

- A. Developer agrees to restore any disturbed County-owned lands in compliance with the requirements of applicable easement agreements, as soon as possible, but no later than October 31, 201. In the event that reseeded is unsuccessful in the first growing season, the Developer agrees to comply with the terms of the easement agreements to restore the land during the subsequent growing season.

The County may grant an extension for good cause, in writing, in the event of unforeseen circumstances.

- B. Developer agrees to restore any disturbed private property in accordance with the applicable easement agreements, as soon as possible, but no later than October 31, 201. In the event that reseeded is unsuccessful in the first growing season, the Developer agrees to comply with the terms of the easement agreements to restore the land during the subsequent growing season. The County may grant an extension for good cause, in writing, in the event of unforeseen circumstances.
- C. Construction plans submitted by the Developer to the County for the Project show the pipeline located completely outside of the future right-of-way as depicted in the Adams County 2012 Transportation Plan. In the event that the pipeline is not constructed in accordance with the construction plans approved by the County and there becomes a conflict with a future roadway expansion project, as such project is contemplated under the Transportation Plan, the Developer agrees to relocate the pipeline at its own expense.
- D. The Developer also agrees that the approval of encroachment agreement requests for parking lots and driveways on private property shall not be unreasonably or arbitrarily withheld, in accordance with the terms of the easement agreements for the Project.
- E. Developer agrees that it shall not disrupt or damage the functionality of any existing drainage facilities.
- F. Developer agrees to submit "as built" construction drawings to the Adams County Assessor's Office within 60 days of construction completion in accordance with the procedures established by the County.
- G. Developer agrees to submit emergency contact information, emergency response plans, and final maps of the Project, including all associated valves and pipeline components, to the local fire districts along the Project and to the Adams County Office of Emergency Management before commencing operation of the pipeline. The Developer shall comply with all other requests for information from the Adams County Office of Emergency Management in accordance with local, state, and federal law.
- H. Maintenance of the Project will follow guidelines set forth in the Developer's operations and maintenance procedures (referenced in Section tbd of this Agreement), which meet or exceed regulatory requirements. Maintenance activities associated with the line and permanent easement include, but are not limited to, the following:
 - Implementation of a damage prevention program including observation of any construction activities by others on or near the permanent easement;
 - Implementation of a public education program;

- Installation and maintenance of pipeline markers;
- Inspection and maintenance of corrosion control systems;
- Inspection of block valves;
- Inspection of crossings by other pipelines, highways, utilities;
- Inspection and maintenance of safety, control, mechanical, and electrical equipment;
- Maintenance of communication equipment; and
- Calibration of all instruments to comply with USDOT regulations.

6. Development Impact Fees. There are no development fees associated with this Project.

7. Encroachment Upon Future Right of Way.

In any segment of the Project that is parallel to an Adams County right-of-way, the pipeline shall be constructed a minimum of five (5) feet from the edge of the maximum future right-of-way width, as designated in the Adams County 2012 Transportation Plan. The County agrees that no trees shall be placed within the first eleven (11) feet of the right-of-way measured from the eastern edge of the future right-of-way for Imboden Road. Developer agrees that there is no limitation on the type or quantity of landscaping that may be placed within the area between eleven (11) feet from the eastern edge of the future right-of-way of Imboden Road to twenty-two (22) feet from the eastern edge of the future right-of-way of Imboden Road.

8. Acceptance and Maintenance of Public Improvements. Developer is not required to make any public improvements or make any public dedications in connection with the Project.

9. Guarantee of Compliance. Developer hereby agrees that should it fail to comply with the terms of this Agreement, then the Board of County Commissioners, County of Adams, State of Colorado, shall be entitled to obtain from the Colorado State District Court for the Seventeenth Judicial District a mandatory injunction requiring said Developer to comply with the terms of this Agreement. Prior to the County seeking such an injunction, Developer shall be provided the opportunity to cure any default in accordance with the terms set forth herein.

10. Financial Security. The County has determined that there is no need for a guarantee of financial security with regard to this Project.

11. Successors and Assigns. This Agreement shall be binding upon the heirs, executors, personal representatives, successors, and assigns of the Developer, and shall be deemed a covenant running with the real property described in Exhibit "A" attached hereto.

II. COUNTY'S OBLIGATIONS:

The County shall have no obligations associated with this Agreement.

III. GENERAL PROVISIONS:

1. No Third Party Beneficiaries. This Agreement is intended to describe and determine such rights and responsibilities only as between the parties hereto. It is not intended to and shall not be deemed to confer rights or responsibilities to any person or entities not named hereto.
2. Notices. Any and all notices, demands or other communications desired or required to be given under any provision of this Agreement shall be given in writing and delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid or by email addressed as follows:

To Developer:

Kerr-McGee Gathering LLC
Attention: Surface Land Manager
1099 18th Street
Denver, CO 80202

To Adams County:

Director, Department of Planning and Development
4430 South Adams County Parkway, 1st Floor, Suite W2000A
Brighton, CO 80601
Email: amontoya@adcogov.org

With a copy to:

Adams County Attorney
4430 South Adams County Parkway
Brighton, CO 80601

3. Amendments.
Should any changes to the Conditional Use Permit be proposed before, during or after completion of the Project, the Developer shall submit the details of those changes to the Adams County Planning & Development Director for a determination as to whether those changes constitute a Major or Minor Amendment in accordance with the Regulations.

This Agreement may be modified, amended, changed or terminated in whole or in part by an agreement in writing duly authorized and executed by the parties hereto with the same formality, and subject to the same statutory and regulatory requirement, as this Agreement.

4. Controlling Law. This Agreement and its application shall be construed in accordance with the laws of the State of Colorado.
5. Default. If either party is in default under this Agreement, the non-defaulting party shall provide written notice of said default to the defaulting party to the address provided in Section III. 2 immediately above. The defaulting party shall have 30 days to cure the default, unless an extension is granted in writing by the non-defaulting party for good cause. The non-defaulting party may seek all remedies available pursuant to the Agreement and under the law.
6. Costs and Fees. In the event of any litigation arising out of this Agreement, the parties agree that each will pay its own costs and fees.

Kerr McGee Gathering LLC (Developer)

By: _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by _____ as Agent and Attorney-In-Fact of Kerr McGee Gathering LLC.

My commission expires: _____

Address: _____
 _____ Notary Public

APPROVED BY resolution at the meeting of _____, 2013.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
 ADAMS COUNTY, COLORADO

 Clerk to the Board

 Eva Henry, Chair

Executive Summary

Adams County CUP Permit Application

Kerr McGee Gathering LLC (KMGG) is seeking a Conditional Use Permit (CUP) from Adams County for the construction of a natural gas gathering pipeline that would transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station. KMGG is submitting this application for a CUP to Adams County in accordance with the requirements outlined in the CUP Checklist and additional requested items from the Adams County Areas and Activities of State Interest (AASI) Checklist and a Conceptual Review Summary Letter, as outlined during the Conceptual Review Process.

Natural Gas

Energy is an important part of Colorado's economy and natural gas is a clean energy source that can help replace other fuels and reduce our dependence on foreign energy sources. Natural Gas production from wellsites is transported via pipeline to processing facilities throughout Colorado for distribution to sales outlets to heat and provide power to our homes, business and schools. Natural gas is transported via pipelines; therefore, pipeline infrastructure is essential to the development and distribution of this valuable resource.

Kerr McGee Gathering LLC

Kerr McGee Gathering, LLC (the "Applicant") is a wholly-owned subsidiary of Western Gas Partners, LP, a limited partnership formed by Anadarko Petroleum Corporation to own, operate, acquire, and development midstream energy assets. Western Gas Partners is engaged in the business of gathering, processing, compressing, treating and transporting natural gas, condensate, natural gas liquids and crude oil for Anadarko, as well as third party producers.

Alternate Route Analysis

Preferred Route

KMGG's proposed pipeline will extend approximately 4 miles along Imboden Road in unincorporated Adams County and the City of Aurora.

Numerous factors were evaluated during the due diligence process to select the best route for the proposed pipeline. The Adams County Comprehensive Plan was one of the primary factors considered. One of the major policies of the Comprehensive Plan that related to the pipeline involved the preservation of strategic corridors. The routing process was specific as to not hinder future road development of Imboden Road and also position the proposed pipeline to be located within setback corridors to minimize any landowner's future development issues.

The proposed route crosses entirely on private/fee lands, so landowner approval was another primary concern in the decision making process. The Applicant met with the landowners near the proposed line to review the proposed pipeline project. Determination of the final route was influenced by the ability to negotiate with the landowners located near the proposed line. As a general business practice KMGG does not utilize condemnation as a method to obtain ROW. If an agreement is not reached with a surface owner the route will be reevaluated. The ROW agreements for the preferred route have all been obtained.

The pipeline route for the entire project also involves the City of Aurora. The Applicant is working with the City of Aurora and has received conditional approval on the preferred route. A Storm Water Permit with the City is required and will be obtained prior to construction.

The applicant compared the environmental impacts of each of the various routes. The Project is expected to have minimal impact on terrestrial or aquatic animals, habitat, or food chain under any of the detailed routes. Due to the relative small footprint of the gathering lines, minimal impact to terrestrial and aquatic plant life, including short grass prairie, is anticipated from this project. The Applicant will reclaim any lands disturbed during construction.

The preferred route (detailed in red on the attached map) of the 12" natural gas pipeline is the best route in a number of ways. This preferred route is the most direct route that connects the existing 12" pipeline owned by Kerr-McGee Gathering LLC (near 72nd and Imboden Road) with the executed Right of Way Grants that have been acquired in Adams County and the City of Aurora. The proposed new pipeline parallels two (2) existing pipelines along the northern portion of the project. Both of the existing pipelines are also owned by Kerr-McGee Gathering LLC. The pipeline that is proposed to be paralleled is approximately one mile in length and is located in the western portion of Section 5. The second pipeline proposed to be paralleled with the new pipeline is also located in Section 5 and continues approximately one more mile into the western portion of Section 8. The Applicant received approval for the alignment within the City of Aurora. The preferred route in Adams County aligns with the plans for future road widening projects within both the City of Aurora and Adams County.

The majority of the route of Applicant's right of way begins at a point approximately 72 feet east of the section lines on the eastern side of Imboden Road. The right of way would extend away from the edge of the future widened road right of way and into the surface owners properties. The long term plans of the City of Aurora are to widen Imboden Road to a total width of 144 feet. Adams County's plans are to widen Imboden Road to a total width of 140 feet. The rationale for the location of the acquired right of way was to encompass both the City of Aurora and Adams County's future road expansion projects for Imboden Road and also allow for the road expansion without the need for relocation of the pipeline to be constructed on this project.

A third party contractor has conducted an environmental analysis of the entire route (**See Section 5 – Environmental Analysis**) and the report indicates no environmental concerns.

This preferred route would allow for future City of Aurora and Adams County development. The preferred route is also the route that the Applicant would be able to construct the pipeline in the timeliest manner. The majority of the pipeline would be located within the setback areas along the edges of the property owner's respective lands and all the surface owners have executed Right of Way Grants and are agreeable to the location of the pipeline on their lands. All of the attributes listed make it the primary route desired by the Applicant.

Alternate Routes 1 and 2

The Map also depicts two (2) alternate routes considered by the Applicant. The alternative routes run parallel to the preferred route and are located on both sides of Imboden Road.

The alternative route located on the west side of Imboden Road (detailed in blue) on the Map was determined not to be the preferred route from discussions with Adams County Staff and surface owners along the route. The main concern for the Applicant under this alternative was obtaining landowner approval in an area where pipelines did not currently exist. It was determined from discussions with landowners that it would be preferred to construct the proposed pipeline near the existing pipelines located on the east side of Imboden road and create a pipeline corridor in that area. In meetings with Adams County Planning, it was also understood that the lands on the west side of Imboden Road also have the greatest potential for future development plans.

The alternative route located on the east side of Imboden Road (detailed in green) on the Map was ruled out based on concerns from the land owner relating to future development plans as well as safety concerns over the access point off of Imboden Rd.

Kerr-McGee Gathering LLC owns an existing 12" pipeline that is located near 72nd Avenue and Imboden Road. The 12" pipeline is being extended to connect with a 12" pipeline to be built by ConocoPhillips. Because the location of the existing 12" pipeline is located directly adjacent to Imboden Road the options for alternative routes were limited.

KERR MCGEE GATHERING LLC

NEIGHBORHOOD MEETING SUMMARY

Overview: On 9/10/13, Kerr McGee Gathering LLC (KMGG) conducted a Neighborhood Meeting together with Bronco Pipeline Company (BPC) to discuss three (3) projects with landowners and third parties affected by projects proposed by each entity.

The projects were:

KMGG:

1. A 12" natural gas gathering pipeline from the intersection of E 72nd Avenue and Imboden Rd and terminate south of the intersection of E 40th Avenue and Imboden Rd on the Schroader property that will tie-in to the BPC line at Pony Station.

BPC:

1. A Conditional Use Permit Application for a Gathering System Pipeline from I-70 at Quail Run Road through parts of Sections 32 and 29, Township 3 South Range 64 West in Adams County and terminating in Section 19, Township 3 South Range 64 West.
2. A natural gas liquid handling facility and tie-in point to be known as Pony Station situated in the SEC of Section 19, T3S R64W at 38th & Imboden, Adams County.

Per the directive of Adams County and the requirements of Section 2-01-02-01 of the Adams County Development Review Procedures for Development Applications KMGG sent notices to affected landowners within 500' of the preferred route and 2 alternate routes, using a list provided by Adams County Staff. A copy of the invitation is attached.

During the meeting each interested party was asked to sign in upon their arrival as indicated on the attached sign-in sheets. They were then introduced to employees of Anadarko Petroleum Corporation as representatives for KMGG and ConocoPhillips Company (BPC) in order to discuss their questions and comments.

In general the discussions went well and all parties worked to address issues and/or answer questions related to perceived issues.

Regulatory Oversight – Gas Gathering Lines

Definition

Gathering Line – a pipeline that transports gas from current production facility to a transmission line or main.

Per DOT guidelines a “class location unit” is an onshore area that extends 220 yards (200 meters) on either side of the centerline of any continuous 1-mile (1.6 kilometers) length of pipeline. A Class location is determined by the location of dwellings in relation to the pipeline.

A class 1 location unit is any class location unit that has 10 or fewer buildings intended for human occupancy.

A Class 2 location is any class location unit that has more than 10 but fewer than 46 buildings intended for human occupancy.

A Class 3 location is any class location unit that has 46 or more buildings intended for human occupancy; or an area where the pipeline lies within 100 yards (91 meters) of either a building or a small, well-defined outside area (such as a playground, recreation area, outdoor theater, or other place of public assembly) that is occupied by 20 or more persons on at least 5 days a week for 10 weeks in any 12-month period. (The days and weeks need not be consecutive.)

A Class 4 location is any class location unit where buildings with four or more stories above ground are prevalent.

The proposed 21-12 pipeline does not meet the criteria for a “class location unit” designation; however, as noted KMGG will build the proposed line to meet or exceed DOT design requirements.

Spills and Releases

The Colorado Oil and Gas Conservation Commission regulates spills and releases. Details can be found in Section 906 of the COGCC Rules and Regulations. In addition KMGG has provided a copy of COGCC form 19 in section 4.2 of the complete CUP application packet.

In addition KMGG internal Best Management Practices include a detailed Spill Prevention Control and Countermeasure Plans, Facility Response Plans, Emergency Response Plans, and Oil Spill Contingency Plans.

Michael Weaver


From: Mendoza-Cooke, Kimberly [Kimberly.Mendoza-Cooke@anadarko.com]
Sent: Tuesday, February 11, 2014 1:04 PM
To: Michael Weaver
Subject: Kerr McGee 21-12 CUP
Attachments: 13018-C02-1001 Rev E.PDF; 13018-C02-1003T Rev B.PDF; 13018-C03-0003 Rev A.PDF

Follow Up Flag: Follow up
Flag Status: Completed

Michael,
Per your request please find additional drawings of the proposed above ground equipment. We look forward to meeting tomorrow and please let me know if you need anything before the meeting.

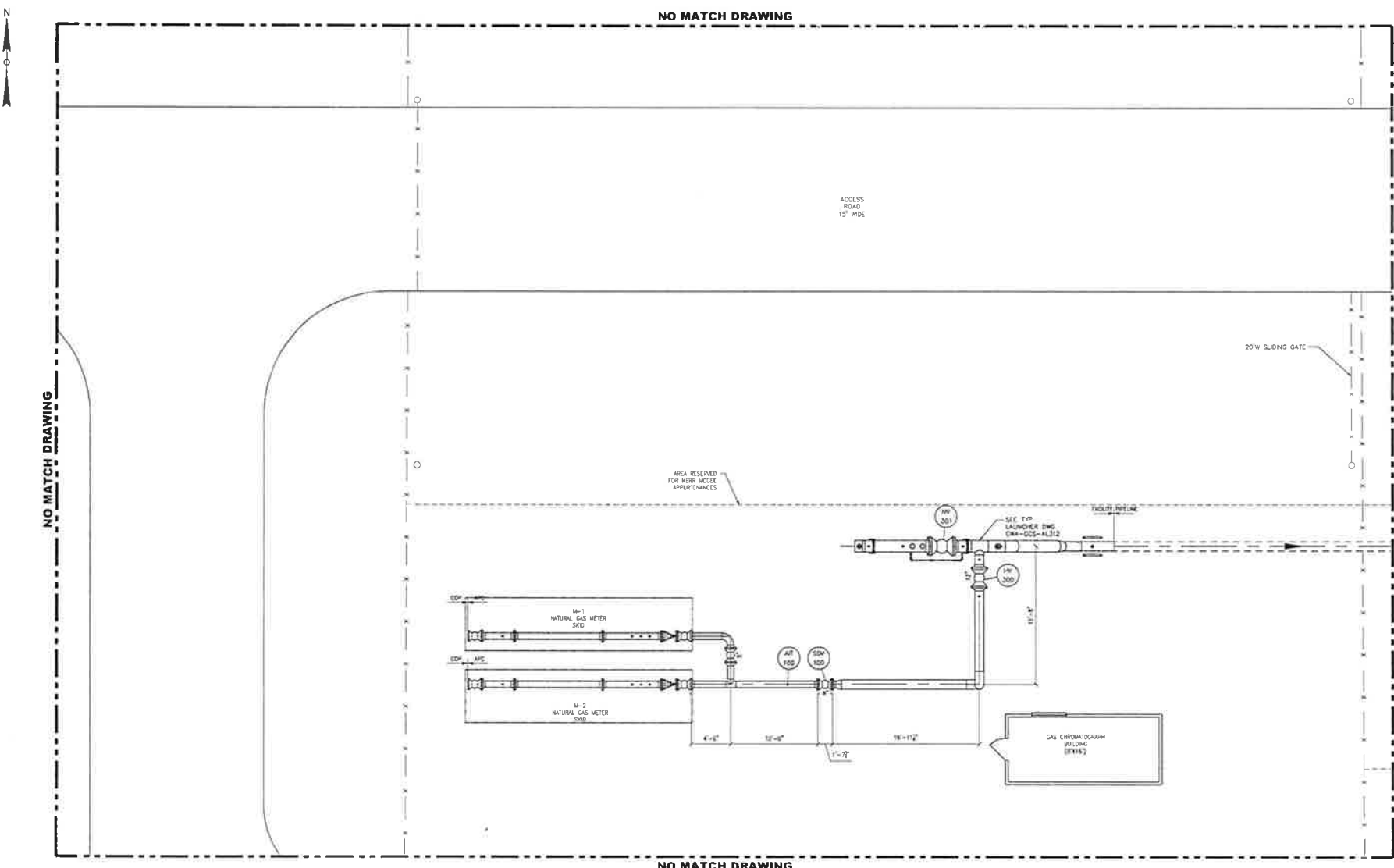
Thanks,
Kim

Kim M. Cooke | Sr. Municipal Planning Analyst
Anadarko Petroleum Corp. | 1099 18th Street | Denver, CO 80202
Phone: 720-929-6303

 Please consider the environment before printing this email.

[Click here for Anadarko's Electronic Mail Disclaimer](#)

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NO MATCH DRAWING

NO MATCH DRAWING

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MATCHLINE - FOR CONT. SEE DWG 13018-C02-1002

NOTES:
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REFERENCE DRAWINGS	
DWA-C02-AL312	12" STANDARD WELD END-BORING LAUNCHER
13018-IPD-1001	EDP-METER AND INTERCONNECT SITE

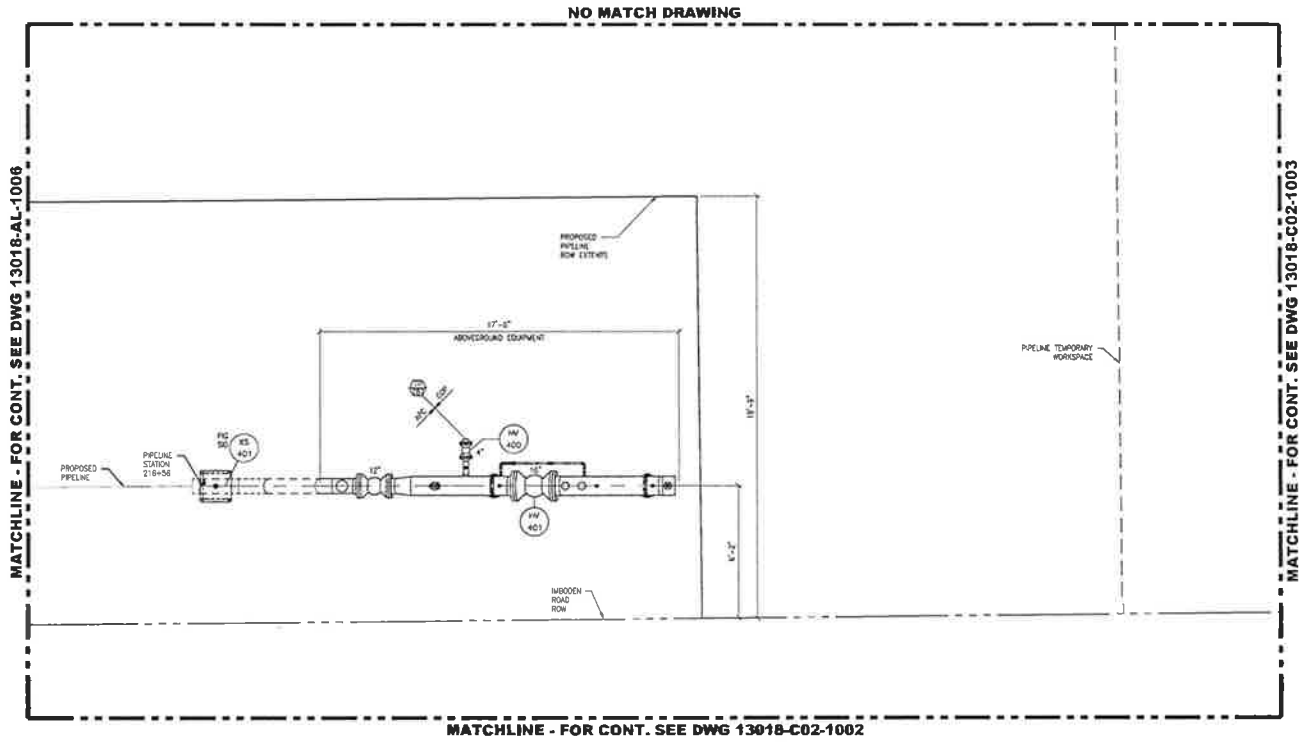
REVISIONS	
1	ISSUED FOR PERMIT
2	ISSUED FOR CLIENT APPROVAL
3	ISSUED FOR PERMIT
4	ISSUED FOR APPROVAL
5	ISSUED FOR BLUE*



CONOCO PHILLIPS INTERCONNECT SITE LAYOUT COP METER AND INTERCONNECT SITE			
DESIGN BY: RBY	CREATION DATE: 06/11/13	DATE: _____	
APPROVED: DZW	DATE: 10/02/13	DATE: _____	
SCALE: NTS	ENG. No.: 13018-C02-1001	SHEET No.: 1 of 1	▲

FILE LOCATION: \\VLMC01\DATA\13018 - CONOCO PHILLIPS INTERCONNECT\DRAWINGS\DATA - INTERCONNECT - CONOCO PHILLIPS\13018-C02-1001.dwg (1/21/13) (R) (M) (S)

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MATCHLINE - FOR CONT. SEE DWG 13018-C02-1002

PLAN (TEMPORARY)
SCALE 1/8" = 1'-0"

NOTES:
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NO.	DESCRIPTION	DATE	BY	CHKD BY
1	ISSUED FOR PERMIT	01/13/14	JAY	CHS
2	ISSUED FOR CLIENT APPROVAL	01/13/14	JAY	CHS

NO.	TITLE	NO.	DESCRIPTION	DATE	BY	CHKD BY
1	13018-C02-1001	1	COMP. WATER AND INTERCONNECT SITE	01/13/14	JAY	CHS
2	13018-AL-1006	1	21+11" INTERCONNECT ALIGNMENT SHEET	01/13/14	JAY	CHS
3	13018-IND-1001	1	COMP. METER AND INTERCONNECT SITE	01/13/14	JAY	CHS



**CONOCO PHILLIPS INTERCONNECT
SITE LAYOUT
TEMPORARY LAUNCHER**

DESIGNER: JAY	CREATION DATE: 01/13/14	SHEET NO.:
APPROVED: CHS	APPR. DATE: 01/13/14	1 of 1
DWG. No.: 13018-C02-1003T		SCALE: NTS

FILE LOCATION: \\KERRMCGEE\WORKSPACE\PROJECTS\CONOCO PHILLIPS INTERCONNECT - 013018-IND-1001\DWG\13018-C02-1003T.dwg 01/13/14 BY: JAY/JAY

May 13, 2013

Kim Mendoza-Cooke
Anadarko Petroleum Corporation
1099 18th Street, Suite 1800
Denver, CO 80202

RE: PRE2013-00012, KerrMcgee Pipeline

Ms. Mendoza-Cooke:

I am writing to follow-up on our meeting of April 30, 2013, and provide written comments pursuant to the Adams County Development Standards and Regulations. This is not intended to be an all inclusive list since additional issues may arise during the referral period for your application. Completion of these items is required to ensure your application is determined complete. Please review the enclosed land use applications for the exact submittal requirements. During our meeting we discussed a variety of issues outlined below and marked with an "X":

<X> Attending staff:

Kristin Sullivan, Planning Manager
Christopher LaRue, Senior Planner
Ian Cortez, Public Works/ROW
Michael Weaver, Planner II
Craig Tessmer, Environmental Analyst
Matthew Emmens, Public Works/Engineering

<X> Address or specific site location:

The proposed 12-inch natural gas pipeline would commence near the intersection of E. 72nd Avenue and Imboden Road, and would terminate near the intersection of E. 38th Avenue and Imboden Road, on the WEP Transport Holdings LLC property. At this juncture, the applicant has identified one possible pipeline alignment, which would run for approximately 4.5 miles within private ROW easements that roughly parallel the north-south orientation of Imboden Road between the proposed starting and ending points identified above. This alignment would run through portions of unincorporated Adams County as well as the City of Aurora. The applicant understands that at least two additional viable pipeline alignments will need to be identified, and that full and complete documentation will need to be provided to Adams County for all three (or more) of the applicant's proposed pipeline alignment alternatives.

<X> Existing Zoning:

Existing zoning, for the one potential pipeline alignment already identified, is A-3 and PUD.

<X> Existing Comprehensive Plan:

The one pipeline alignment identified passes through unincorporated land designated for mixed use employment and estate residential uses on the Adams County Future Land Use Plan.

<X> Applicant/Owner's Preliminary Proposal(s):

The applicant wishes to construct a new 12-inch steel natural gas pipeline to service current and proposed wells in the vicinity of the proposed route identified above. This pipeline is not related to the proposed Front Range Pipeline, although the two pipelines would cross each other. The one pipeline alignment identified thus far would parallel an existing 4-inch pipeline and stay outside of any proposed ROW. Two different providers will hook up to this line. The proposed KerrMcgee pipeline would connect with a future pipeline owned by ConocoPhillips that will pass through Arapahoe County to the south and terminate in Texas. The applicant has already acquired easements along the one pipeline alignment identified thus far, including an easement from Front Range Airport. At the southern terminus of this proposed pipeline (near the intersection of E. 38th Avenue and Imboden Road), the applicant proposes the construction of a facility to separate liquids out of the pipeline contents which will then be trucked off-site by ConocoPhillips. The proposed site for this proposed facility is part of the Touch America Planned Unit Development, which would require a Major Amendment to the PUD.

<X> Application(s) to be submitted / required:

<X> Conditional Use Permit (CUP)

<X> Relevant Planning Issues:

<X> Water: Project would not require a water supply.

<X> Sanitation: Project would not require public sanitation.

<X> Soils: This issue would be relevant depending on soil conditions along the pipeline.

<X> Public Land Fees: Due only with a subdivision application.

<X> Traffic Impact Fees: New traffic would not be generated from the project after completion. There may be short term traffic impacts associated with construction activities. You will be required to coordinate your construction with the County.

<X> Setbacks: Must be consistent with the appropriate zone district.

<X> Height: Must be consistent with the appropriate zone district.

<X> Bulk: Must be consistent with the appropriate zone district. Please detail any temporary construction/staging areas and describe any associated storage that could occur.

<X> Animals: Provide full and complete documentation how construction, placement, and maintenance of the proposed pipeline would impact wildlife in the area.

<X> Landscaping: Areas that could be seen from the public right-of-way or any other sensitive use (i.e. residential) should be adequately landscaped and screened.

<X> Parking: Coordination will be required for construction activities and parking.

<X> Schools: Coordinate construction activities with local schools regarding any impacts.

<X> Open Space/Parks: Contact our Parks Department to determine their concerns.

<X> Airport Overlay: The proposed pipeline falls within the Airport Influence Zone overlay and Noise overlay (both associated with Front Range Airport). Please reach out to Front Range Airport and share full and complete information about your proposed project.

<X> Coordination with Cities: The proposed pipeline passes through land incorporated within the City of Aurora. Coordinate all three (or more) of the proposed pipeline alignments with both Adams County and the City of Aurora, and keep the County updated as to permit approvals from the City.

<X> Neighborhood meeting: A neighborhood meeting (or meetings) will be needed prior to any land use submittal to the County to present your proposal to area residents and property owners in the vicinity of all three (or more) of your proposed pipeline

alignment alternatives. All neighborhood meetings shall comply with Section 2-01-02 of the Adams County development standards and regulations.

- <X> Local Economy: Summarize how the proposed pipeline would affect the local economy.
- <X> Alternatives: Please provide a detailed analysis on your route selection. You will need to discuss fully and completely at least three different alternatives you considered (your preferred alignment may be included as one of the three alignment alternatives).
- <X> Other: Provide information regarding securing permissions from private property owners where the pipeline may cross, and determine the concerns of the fire districts.
- <X> Other Approvals: Please list and submit copies of all applicable Federal and State permits and approvals that have been or shall be required for the Project, including but not limited to descriptions of surrounding cultural resources and all relevant components of an environmental impact analysis. Please also describe the regulatory framework in which you operate in regard to Federal, State, and Local oversight.
- <X> Nearby Residential Uses: Please identify all relevant State and Federal regulations pertaining to proximity of crude oil pipelines to residential property owners, and provide a narrative description of compliance with such statutes.
- <X> Safety Record: Please also provide operational safety records for all parties involved in the construction, operation and maintenance of the pipeline in regard to incidents such as deaths, injuries, explosions, leaks and spills. Please describe in detail the systemic and technical root causes of past incidents, and the corrective and preventive actions taken to ensure such incidents don't happen again in the future. Additionally, please describe other relevant safeguards, protocols, and reporting/notification systems that are in place to adequately respond to potential safety and security incidents and accidents involving the pipeline.

<X> Contact CDOT to determine if they have any concerns.

<X> Relevant Engineering Issues (Contact Public Works at 720-523-6875):

- <X> Building: Any structures (temporary or permanent) for construction will need to be coordinated with Public Works at 720-523-6825.
- <X> Drainage: A drainage study may be required. Please include a list/chart of all drainageways the pipeline alignment alternatives will be crossing. Please contact Public Works to determine any of their concerns 720-523-6875.
- <X> Traffic: Please include a list/chart of all intersections between the proposed pipeline alignment alternatives and current roadways. Some traffic issues may occur when getting the equipment on site; work with Public Works to address any of their concerns. You will be required to provide a traffic control plan prior to beginning any construction activities. Public Works may require a traffic study with your submittal.
- <X> Roads/Transportation/Right-of-Way: Right-of-way may be required. You must consult the Public Works Department at 720-523-6875 to determine their requirements. You will need to coordinate all construction activities with Public Works. Any crossings of State Highways will require coordination with CDOT. Please ensure that any future right-of-way/construction projects are not impacted by your proposal.
- <X> Easements: We discussed the acquisition of easements; please contact John Wolken at 720-523-6840. You will need to coordinate your proposal with the Parks Department (303-637-8000) should you impact of any of their lands.
- <X> Utilities: Contact utility companies to ensure compliance with their requirements.

- <X> Floodplain: Any impacts to designated floodplains would require a flood plain use permit (FUP). Coordinate any floodplain issues with Public Works.
- <X> Other:
- Work with Public Works prior to any submittal to prevent possible conflicts.
 - Provide a list and a map(s) of all the planned road crossings within Adams County.
 - Take into account any future road projects to avoid any potential conflicts. This would ensure relocation of structures/pipes or unnecessary expenditures.
 - Prudently plan your pipe locations now so as not to impact any existing or planned infrastructure/plans.

The following is a short summary of the meeting and the staff recommendation:

During this meeting, we discussed your proposal to construct a new 12-inch steel natural gas pipeline that would commence near the intersection of E. 72nd Avenue and Imboden Road, and would terminate near the intersection of E. 38th Avenue and Imboden Road, on the WEP Transport Holdings LLC property for approximately 4.5 miles along the Imboden Road ROW through southern Adams County, including the City of Aurora. This new pipeline will transport natural gas from current and proposed wells in the vicinity to a proposed facility on the Touch America Subdivision/PUD and which would connect to a future ConocoPhillips pipeline that would run south into Arapahoe County and eventually to Texas.

At this juncture you have identified one potential pipeline alignment, which would run for approximately 4.5 miles within private ROW easements that roughly parallel the north-south orientation of Imboden Road between the proposed starting and ending points. This alignment would parallel an existing 4-inch pipeline, and easements have already been acquired for this alignment. The nature of the easements will be both permanent access and temporary construction. You understand that at least two additional viable pipeline alignments will need to be identified, and that full and complete documentation will need to be provided to Adams County for all three (or more) of the proposed pipeline alignment alternatives.

We discussed in our meeting that all parcels within unincorporated Adams County would require easements and be directly affected by the project. Please keep us updated with acquisition of these easements. We will need something definitive from the public and private easements that will be required in unincorporated Adams County. Please contact John Wolken, our Right-of-Way specialist with Public Works, with questions on this topic at 720-523-6840. Please include with your permit application construction plans that will demonstrate what will occur within the easements and any issues that may arise. As discussed, we would also like a chart/listing of all cross-sections that all proposed pipeline alignment alternatives would make with roadways and drainage ways within the County. Please also submit a financial feasibility analysis for the project.

For this proposal a Conditional Use Permit (CUP) is required. The Conditional Use Permit (CUP) is processed through two public hearings. The first hearing is with the Planning Commission, which makes a recommendation; the second hearing is with the Board of County Commissioners, which has the ultimate decision-making authority. The process typically takes 90 to 120 days to complete and will include notices to surrounding property owners as well as pertinent referral agencies. Please review Chapter 2-02-08 of the Adams County development standards and regulations regarding Conditional Use Permits along with the CUP checklist and make sure you complete all of the requirements.

Due to the interrelated nature of the proposed KerrMcgee Pipeline and the future ConocoPhillips pipeline, the County recommends that they be combined into a single application in order to better streamline and coordinate the process. Additionally, a Major Amendment to the Touch America PUD would be required should either applicant pursue a potential facility located in the Touch America Subdivision/PUD.

Please complete at minimum the following items as part of your submittal:

1. A completed CUP Application, including all relevant items within the application checklist;
2. A summary of all neighborhood/scoping meetings held by the applicant(s) addressing the concerns of the meeting. The summary should include the names, addresses, telephone numbers, and concerns expressed during the meeting.
3. The site plan to be submitted shall be prepared at an easily readable scale showing:
 - a. Boundary of the proposed activity;
 - b. Relationship of the proposed activity to surrounding topographic and cultural features such as roads, streams and existing structures;
 - c. Proposed buildings, improvements, and infrastructure; and
 - d. Clearly labeled major roads.
4. Please submit all items listed on the CUP and ASSI (Areas and Activities of State Interest) checklists (both are attached) for all proposed pipeline alignments. All of the submittal items in the CUP and ASSI applications are equally important, and please pay particular importance to AASI checklist items #25, #27-35, and Submittal Item E. While the process for permitting this project will be a Conditional Use Permit, we review additional information similar to the requirements listed on the AASI application.
5. Please provide a written summary that describes the impacts of the proposed project as it relates to applicable approval criteria that shall be required for the application, along with a copy of the latest approved zoning and subdivision plans, a vicinity/zoning map, and Assessor Parcel Numbers of the parcels that are proposed to be developed.
6. Describe the status of other Federal, State, and local permit requirements (chart form is preferred). If you have obtained said permits please submit them with your application.

This letter is only a reaction to the meeting and discussion we had on April 30, 2013. The initial staff review is only valid for six (6) months and is subject to change with new regulations and/or policies adopted by the County. If you have any questions, or if we can be of further assistance, please do not hesitate to contact me in our office at 720-523-6853.

Sincerely,

Michael Weaver
Planner II – Economic Development

Enclosures: Conditional Use Permit application
Areas and Activities of State Interest application

cc: Scott Knutson
1099 18th Street, Suite 1800
Denver, CO 80202

March 6, 2014

Adams County Planning & Development
Attn: Michael Weaver
4430 South Adams County Parkway
1st Floor, Suite W2000A
Brighton, CO 80601

RE: RCU2014-00002 – Kerr McGee Gathering (KMGG) Pipeline

Dear Mr. Weaver,

Kerr-McGee Gathering LP (KMGG) is in receipt of referral comments from various agencies regarding case RCU2014-00002.

Below please find our written response the comments received.

Front Range Airport: KMGG has addressed concerns regarding the future road width; this confirmation is shown within the ROW document provided in the CUP application. As noted KMGG will pay Front Range Airport prior to construction this timeframe will be determinate upon obtaining approval from Adams County.

History Colorado: The proposed project will not require federal involvement; therefore, a cultural study is not being requested. If human remains are discovered during project activities; KMGG and its contractors will comply with all requirements under state law.

Xcel Energy: Attached is the ROW exhibit associated with the Public Service Front Range Electric Substation and related transmission lines in Section 17; the proposed pipeline is outside of the substation and transmission line corridor. KMGG will coordinate with PUC during construction.

Denver International Airport (DIA) – The proposed pipeline project will not require equipment >155' for either installation or operation.

Adams County Public Works – A state CDPS Permit and a copy of the Storm Water Management Plan was provided in the CUP application packet; please indicate if additional copies are required.

Thank you for your time and consideration to our Conditional Use Permit Application. We look forward to final confirmation of hearing dates.

Regards,

Kim M. Cooke

Adams County Public Works Department

Referral Case Comments

Date: March 3, 2014

Referral Case: Kerr McGee Gathering (KMGG) Pipeline

Case Number: RCU2014-00002

Document Number:

Regional Drainage

Flood Insurance Rate Maps *FIRM Panels 08001C0680H, 08001C0690H, and 08001C0689H*, published by the Federal Emergency Management Agency, March 5, 2007

According to the above references, the proposed route for the Kerr McGee Gathering Pipeline is NOT located in a designated Flood Hazard Area. A Floodplain Use Permit is NOT required for this project.

The proposed route is not located in the MS4 Permitted Area but the disturbance appears to be greater than 1 acre. Therefore, a state CDPS Permit and a copy of the Storm Water Management Plan will be required. The use of Best Management Practices for erosion and sediment control is expected.

The project is located within the boundaries of the following regional drainage studies:

Lower Box Elder Creek Watershed. Prepared for Adams County, City and County of Denver, and the Urban Drainage and Flood Control District. Prepared by Wright Water Engineers, Inc. October 2001.

According to the above study, the pipe line will cross the area of various proposed regional drainage facilities in unincorporated Adams County. Some of these facilities may include – but not be limited to the following:

Stream BGU – Proposed grass lined channel
Stream BGO – Proposed grass lined channel
Stream BGMa – Proposed grass lined channel
Stream BGM – Proposed grass lined channel
Stream BGL – Proposed grass lined channel
Stream BGK – Proposed grass lined channel

The drainage facilities itemized above are based on the mapping provided by the applicant. There may be other facilities that may be in the path of the proposed pipeline as scaled drawings are produced. The applicant will need to account for these as the design progresses.

Access & Construction Issues

In the event that Adams County performs a roadway or drainage project that requires adjustment or relocation of the pipe line within the right-of-way, the County requests that the applicant be required to perform any adjustments or relocations at their own expense upon receiving notification from the County as a condition of this case.

For the regional drainage facilities mentioned in the study above, it is recommended that the applicant either avoid them or install the line to a depth below the facility to provide sufficient cover and avoid potential utility conflicts.

It shall be the responsibility of the applicant to not disrupt or damage the functionality of any existing drainage facilities. The line must also be deep enough in order not to be vulnerable to erosion.

The project shall be required to conform to all applicable environmental regulations. Any documentation, including but not limited to Stormwater Management (SWMP) Plans, copies of CDPS permits, Erosion & Sediment Control Template / Plans, will need to be provided to Adams County.

The applicant will need to coordinate with Adams County Transportation Department to obtain the necessary permits prior to construction. Construction plans should only be submitted for the portions of the project located within unincorporated Adams County. At a minimum, the plans need to contain the following:

- Jurisdictional boundaries
- Vicinity map
- Construction details
- Floodplains
- Right-of-way & easement lines
- Details of above-ground surface structures proposed in the public right-of-way.
- Contact information on the plan sets
- Description of construction methods (boring versus open cut in roadways).
- Drawings that are scaled properly

Right-of-Way

It is requested that future easements for the pipeline that parallel county roads be located beyond the future expansion areas shown on the Adams County Transportation Plan. This will need to be shown on the project plans.

John Wolken, Adams County Right-of-Way Supervisor, will provide information regarding right-of-way requirements.

Michael Weaver

From: John Wolken
Sent: Tuesday, March 11, 2014 1:21 PM
To: Michael Weaver
Cc: Ian Cortez
Subject: Kerr McGee Gathering RCU2014-00002

Michael,

As we discussed, the proposed pipeline easement needs to be outside any future road right-of-way in accordance with the Adams County Master Transportation Plan. Imboden Road is a Regional Arterial with a total right-of-way of 140 feet, 70 feet on each side of the section line. We understand that most, if not all, the pipeline easements have been acquired. If those easements are within the future County right-of-way, the pipeline itself should not be placed within the future right-of-way and like the Front Range Pipeline, an agreement to subordinate the pipeline easements to the County once the right-of-way is acquired should be required.

If there are any questions or additional information is needed, please call or e-mail.

Thanks,
John Wolken, Right-of-Way Supervisor
Adams County Government Center | Transportation Department
4430 S. Adams County Parkway, Suite W2000B | Brighton, CO 80601-8218
Office Phone: 720.523.6875; Office Fax: 720.523.6996; Direct Line 720.523.6840
New Email: jwolken@adcogov.org

Michael Weaver

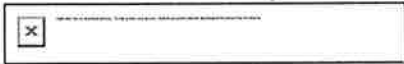
From: Cross, Marilyn [marilyn.cross@state.co.us]
Sent: Friday, March 07, 2014 5:10 PM
To: Michael Weaver
Cc: Richard Solomon - CDOT
Subject: CDOT Referral Comments, RCU2014-0002, Kerr McGee Gathering (KMGG) Pipeline

Michael,

Thank you for allowing us the opportunity to review this submittal. CDOT has no objection to the proposed gathering Pipeline along Imboden Road from E. 40th to E 72nd since the pipeline does not cross any State Highways.

Any pipelines (new, additional or replacement) that enter or cross CDOT Right-of-Way, will necessitate a CDOT Special Use Permit, and this does not appear to be the case with this project.

If you have any additional questions or concerns, please feel free to contact me at the number listed below or simply reply to this message



Marilyn Cross, AICP

Access Manager
CDOT Region 1 - Traffic Section
2000 S Holly Street
Denver, CO 80222

303-512-4266 Office
303-317-7755 Cell
303-757-9886 Fax

marilyn.cross@state.co.us

<http://www.coloradodot.info/business/permits/accesspermits>



March 7, 2014

Michael Weaver
Adams County Planning & Development Department
4430 South Adams County Parkway
Suite 2000A
Brighton, CO 80601-8216

RE: Kerr McGee Gathering (KMGG) Pipeline
RCU2014-00002
Conditional Use Permit
TCHD Case No. 3083

Dear Mr. Weaver:

Thank you for the opportunity to review and comment on the Kerr McGee Gathering Pipeline to allow construction for a 12-inch pipeline to transport natural gas from well locations within Arapahoe and Adams Counties to KMGG's Brighton Compressor Station for approximately four miles along Imboden Road from approximately East 40th Avenue to approximately East 72nd Avenue. Tri-County Health Department (TCHD) staff has reviewed the application for compliance with applicable environmental and public health regulations and has no comments.

Please feel free to contact me at (720) 200-1568 or email at wbrown@tchd.org if you have any questions on TCHD's comments.

Sincerely,

A handwritten signature in cursive script that reads "Warren S. Brown".

Warren S. Brown, P.E.
Public Health Engineer

CC: Sheila Lynch, Monte Deatrich, TCHD



Right of Way & Permits

1123 West 3rd Avenue
Denver, Colorado 80223
Telephone: 303.571.3306
Facsimile: 303. 571.3660
donna.l.george@xcelenergy.com

February 27, 2014

Adams County
Department of Planning and Development
4430 South Adams County Parkway
1st Floor, Suite W2000A
Brighton, CO 80601-8216

Attn: Michael Weaver

Re: Kerr McGee Gathering (KMGG) Pipeline, Case # RCU2014-00002

Public Service Company of Colorado (PSCo) has determined **there is a conflict** with the above captioned project. Please be aware PSCo has electric transmission lines and a substation along this proposed pipeline. **Any activity including grading, proposed landscaping, erosion control or similar activities** involving our existing right-of-way will require Public Service Company approval. Encroachments across Public Service Company's easements must be reviewed for safety standards, operational and maintenance clearances, liability issues, and acknowledged with a Public Service Company License Agreement to be executed with the property owner. **PSCo is requesting that, prior to any final approval of the development plan**, it is the responsibility of the property owner/developer/contractor to contact **Mike Diehl, Siting and Land Rights Supervisor at (303) 571-7260 or michael.diehl@xcelenergy.com**, to have this project assigned to a Land Rights Agent for development plan review and execution of a License Agreement.

PSCo also owns and operates existing natural gas and electric distribution facilities in many areas along the proposed Imboden Road pipeline route. As a safety precaution, PSCo would like to remind the developer to call the **Utility Notification Center at 1-800-922-1987** to have all utilities located prior to any construction.

It is important to note that further determinations cannot be made until more detailed information has been delivered, including but not limited to plan and profile drawings and KMZ files.

The property owner/developer/contractor must contact the **Builder's Call Line at 1-800-628-2121** and complete the application process for any new gas or electric service, or modification to existing facilities. It is then the responsibility of the developer to contact the Designer assigned to the project for approval of design details. Additional easements may need to be acquired by separate document for new facilities.

Should you have any questions with this referral response, please contact me at 303-571-3306.

Sincerely,

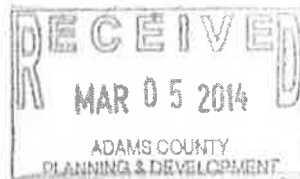
Donna George
Contract Right of Way Referral Processor
Public Service Company of Colorado



HISTORY Colorado

February 26, 2014

Michael Weaver
Adams County
Department of Planning and Development
4430 South Adams County Parkway, Suite W2000A
Brighton, CO 80601-8216



Re: Conditional Use Permit For a 12-Inch Pipeline To Transport Natural Gas From Well Locations Within Arapahoe And Adams Counties to KMGG' Brighton Compressor Station, for Approximately 4 Miles Along Imboden Road From Approximately East 40th Ave To Approximately East 72nd Avenue (Case Name: Kerr McGee Gathering (KMGG) Pipeline RCU2014-00002 (SHPO Project: #65490)

Dear Mr. Weaver:

Thank you for your correspondence dated February 14, 2014 (received by our office on February 24, 2014) regarding the above listed subject matter.

A search of the Colorado Cultural Resource Inventory database indicated three previously recorded sites within the project area:

Site No. :	Name	National Register Eligibility:	Recording or Assessment Year:
5AM307	ORIENTAL MARKET	Field not eligible	1985
5AM596	FRONT RANGE AIRPORT FARM	Field not eligible	1990
5AM610	TUPPS' FARM	Field not eligible	1990

Our files contain incomplete information for this area, as most of Colorado has not been inventoried for cultural resources. As a result, there is the possibility that as yet unidentified cultural resources exist within the proposed permit area. In the event there is Federal involvement in the proposed project, we recommend that a professional survey be conducted to identify any cultural resources in the project area which are eligible to be listed on the National Register of Historic Places. We look forward to consulting with you regarding the effect of the proposed project on any eligible cultural resource in accordance with the Advisory Council on Historic Preservation Procedures for the Preservation and Protection of Historic and Cultural Resources (36 CFR 800). Please provide this office with the results of the cultural resource survey for our review of professional adequacy and compliance with regulations. Also should human remains be discovered during project activities, the requirements under State law C.R.S. 24-80 (part 13) apply and must be followed.

Thank you for the opportunity to comment. If we may be of further assistance, please contact Todd McMahon, Staff Archaeologist at (303) 866-4607/todd.mcmahon@state.co.us or Dan Corson, Intergovernmental Services Director at (303) 866-2673/dan.corson@state.co.us.

Sincerely,

Edward C. Nichols
State Historic Preservation Officer
ECN/TCM

Michael Weaver

From: Howes, Brandon - DIA [Brandon.Howes@flydenver.com]
Sent: Friday, February 21, 2014 3:26 PM
To: Michael Weaver
Cc: Stoufer, Jeannette - DIA; Reed, Tom - DIA
Subject: Adams County CUP Case Number RCU2014-00002

Mr. Weaver

The Denver International Airport (DIA) Planning Office has received the 'Request for Comments,' dated February 14, 2014, regarding the subject case number.

The proponent is requesting a conditional use permit to allow construction of a 12-inch diameter natural gas liquids pipeline. The pipeline runs for approximately 4 miles in length along Imboden Rd., from approximately East 40th Ave to approximately East 72nd Ave in unincorporated Adams County and the City of Aurora.

We offer the following comment:

1. The location falls within the 14CFR Part 77 (Objects Affecting Navigable Airspace) surfaces associated with DIA. Therefore, if the pipeline or any associated construction equipment (ex: crane to offload pipe, etc.) exceeds in height a slope of 100:1 horizontally (100 feet horizontally for each 1 foot vertically from the nearest point on any DIA runway) the Federal Aviation Administration (FAA) requires the proponent to file a FAA Form 7460-1 (Notice of Proposed Construction or Alteration) to complete an FAA aeronautical study. Based on DIA planning office calculations, the northern terminus of the pipeline is located approximately 15,500 feet southeast from Runway 35R . Therefore if any temporary construction equipment exceeds the 100:1 ratio, or is greater than 155 ft. in height, the applicant should file an FAA Form 7460. See FAA Advisory Circular 70/7460-2K, attached. For more information on filing a 7460 application the proponent is should visit: <https://oaaaa.faa.gov/oaaaa/external/portal.jsp>

Based on the above information, DIA does not object to the conditional use permit.

If you have any questions, please let us know.

Thanks
Brandon



BRANDON HOWES, AICP
Senior Landside Planner
Denver International Airport
Planning and Environmental Services | Airport Office Building
7th Floor AOB | 8500 Peña Boulevard | Denver, CO 80249-6340
303.342.4661 | Brandon.Howes@flydenver.com | www.flydenver.com



Michael Weaver

From: Ken Lawson [KLawson@ftg-airport.com]
Sent: Monday, February 17, 2014 10:39 AM
To: Michael Weaver
Cc: Todd Leopold
Subject: Front Range Airport
Attachments: 20140217101441635.pdf; 20140217101327327.pdf

Good day Michael.

RE: Request for Comments, Case # RCU 2014-00002, KMGG

In Nov-2012 the Airport Authority signed a ROW/grant/easement with KM.

Drawing of location attached.

Comments: Nothing has changed for the Airport. KM addressed the future road width concerns we had, you should double check. No aviation concerns.

John Wolken and Doug Edelstein (from Adams) reviewed and assisted the Airport in this case in 2012.

KM would need to pay the easement prior to starting.

Ken Lawson

Interim Director

Front Range Airport

303 261 9103 office; 303 947 7815 cell

klawson@ftg-airport.com

www.ftg-airport.com