

APPENDIX A
NORTHERN SAN JUAN BASIN CBM PROJECT COUNTY
GOALS AND OBJECTIVES FOR THE IMPACT ANALYSIS

NORTHERN SAN JUAN BASIN CBM PROJECT
County Goals and Objectives for the
Impact Analysis Process

A. La Plata County's Goals For The County Impact Report (CIR)

1. Evaluate social and economic impacts of industry proposed CBM drilling and production
2. Recommend ways to County Commissioners to mitigate impacts of CBM development
3. Produce analyses and findings in the form of an impact report; this report will serve as a technical support document in preparation of the EIS
4. Address these impact topics:
 - a. Road
 - b. Property value
 - c. Economics
 - d. Public safety
 - e. Fire and emergency response
 - f. Noise
 - g. Subdivision/residential land use
 - h. Loss of acreage
 - i. Agriculture

B. La Plata County Objectives For Analysis of Impacts

1. Prepare a report that is useful, current and forward-looking
 - a. Examines scenarios that acknowledge more density of well development than the industry currently proposes
 - b. Addresses the possibility of "unitization"
 - c. Considers precedents that could lead to innovative mitigations
 - d. Integrates with county advance planning
2. Develops as quantitative a basis as possible for measures to mitigate land use conflicts and impacts to property values

3. Full disclosure of information on all relevant topics
4. Assembles information (data, precedents, rationale) to help ease surface impacts through policy or code changes
5. Acknowledges convergence of residential and CBM development
6. Includes thematic maps to provide visual comparisons of development characteristics and trends
7. Specific issues for key impact topics:
 - a. Property value: If there is loss of value, can it be recognized and translated into property tax relief even without specific comparable sales data?
 - b. Socioeconomics:
 - i. What will the eventual decline in gas revenues mean for the maintenance of service levels?
 - ii. What is the fiscal impact to the County of trying to maintain roads subjected to traffic from drill rigs, gravel trucks, water trucks, and other use related to well drilling and production?
 - iii. How will employment and purchasing patterns associated with well drilling and production affect local employment and income?
 - c. Public safety: What are the specifics of drilling and production safety that pertain to reasonable provisions for setbacks and fire/emergency response?
 - d. Noise:
 - i. What is an appropriate standard for noise, based on specific characteristics of pumping and compression?
 - ii. Ancillary facilities are not always clearly specified in field development scenarios. For example, how much additional compression will be needed, can its location be projected, and what will be its noise impact?
 - e. Visual: What opportunities exist for mitigating the visual impacts of well drilling and production?
 - f. Subdivision/residential land use:
 - i. Where will land use conflict potentially occur in the future, if not on a site-by-site basis then at some "useful" level of detail?
 - ii. How can risk to future buyers/developers be disclosed or mitigated without devaluing property unnecessarily?

- iii. Where residential development is projected in the future, what residential densities would be compatible with other surrounding uses, both residential and industrial?
- iv. What legal/practical basis is there for surface interests to have more influence in the APD process and on facilities siting?
- g. Agriculture:
 - i. How much existing agricultural activity potentially would be lost because of CBM development impacts?
 - ii. What opportunities are there to mitigate the impacts of well drilling and production on agricultural activities?

C. La Plata County Objectives For The CIR Process

1. Puts County in visibly proactive posture
2. Is a public process
3. Incorporates specific stakeholder input
 - a. San Juan Citizens Alliance
 - b. Homeflower Conservancy, other subdivision protective groups
 - c. La Plata County Energy Council
 - d. Real estate development and sales community
 - e. And others, as identified
4. Bears similarity to a county planning process in terms of
 - a. Schedule
 - b. Level of analysis
 - c. Public involvement
 - d. Administrative oversight (i.e., by planning department)
 - e. Planning Commission and Board of County Commissioners review

Leads to a document that is adaptable for use in a County comprehensive planning context

APPENDIX B
MEASURING THE IMPACTS OF COALBED METHANE WELLS ON
PROPERTY VALUES
