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September 11, 2014

Ms. Jane Stanczk, Permit & Technical Services Manager  
Colorado Oil & Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203

Via Email: jane.stanczyk@state.co.us

Re: Landowner Objection: Permit No. 400607994, Lynch 34-6-18

Dear Ms. Stanczk:

I am writing on behalf of Mr. Jay Lynch to object to the Form 2A filed by Catamount Energy Partners, LLC ("Catamount"), which has been designated Permit No. 400607994. Mr. Lynch's property has unique current and future land uses that have been ignored by Catamount. Additionally, earlier this summer, after Mr. Lynch learned of Catamount's intent to drill on his property, he promptly sent Catamount's agent a number of written questions that went unanswered for nearly three (3) months. This delay precluded Mr. Lynch from having a meaningful opportunity to evaluate Catamount's proposal before the conclusion of the public comment period. It is significant that incomplete answers to Mr. Lynch's questions were provided only a week ago and the first substantive site visit occurred only three (3) days ago. For the foregoing reasons, Mr. Lynch respectfully requests that the Director withhold approval of Catamount's Form 2A because there is reasonable cause to believe that that proposed location is in material violation of the Commission's rules and regulation or otherwise presents an imminent threat to the environment and a material threat to wildlife resources. See R. 303.j.

Mr. Lynch's property possesses natural, wildlife, agricultural, scenic, and open space values that are of great importance to the public. By a Deed of Conservation Easement ("Conservation Deed") dated December 22, 2005, Mr. Lynch conveyed a legal interest in his property to the La Plata Open Space Conservancy, a nonprofit Colorado corporation. A copy of the Conservation Deed is attached hereto. In this Conservation Deed, Mr. Lynch undertook a legal obligation to preserve and protect the conservation values of his property in perpetuity. He committed to limit the use of his property to prevent any activity that would significantly impair or interfere with the conservation values. Among other things, he expressly covenanted to prohibit surface disturbances, to the extent he can control, from the exploration, development, and extraction of minerals and hydrocarbons. Deed, Sec. 3(j). Unlike other surface owners, Mr. Lynch has a legal

duty to ensure that the present and future conservation values of his property are protected and he can be held liable for his failure to do so.

In a good faith effort to comply with his legal obligations, Mr. Lynch, by a letter dated June 17, 2014, sent Catamount's agent a number of questions that sought to obtain more information about Catamount's intended use of his surface estate. A copy of Mr. Lynch's letter is attached. The La Plata Open Space Conservancy, by a letter dated April 18, 2014, also sent Catamount's agent list of questions to better understand the affect of Catamount's proposed drilling operation on conservation values under protection on Mr. Lynch's property. A copy of the La Plata Open Space Conservancy's letter is attached. Catamount did not respond to either Mr. Lynch or the La Plata County Open Space Conservancy until September 3, 2014, and, it is my understanding, that the correspondence provided at that time did not address a number of the concerns that were raised.

Three (3) days ago, on Monday, September 8, 2014, Catamount conducted its R. 306 consultation with Mr. Lynch and representatives from La Plata Open Space Conservancy. I was not present at that meeting, but I understand that Catamount still did not have answers or proposals for addressing the concerns raised by my client and by the La Plata County Open Space Conservancy to protect the legally recognized conservation values on the property. In light of the facts at hand, Catamount's R. 306 consultation was not completed in good faith, as required by R. 306.

Catamount's Form A2 makes no reference to the Conservation Deed or the protected conservation values of Mr. Lynch's property. It erroneously categorizes the current and future land use as an irrigated hay meadow, when it should inform the Colorado Oil and Gas Conservation Commission that this property has legally protected wildlife, scenic, and open space values. Catamount's failure to accurately classify the current and future land use and its failure to complete the R.306 consultation in good faith (only days before the expiration of the comment period) require the Director to withhold approval of Catamount's Form A2 under R.303.j.

Please do not hesitate to contact me or my client, Mr. Lynch to discuss this matter further.

Yours Very Truly,  
COLORADO WATER & LAND LAW, LLC

  
By: Amy N. Huff

*w/enclosures*

*cc: client w/enclosures*

*LPOSC w/enclosures*