



May 15, 2008

Mr. David Neslin, Interim Director  
Colorado Oil & Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

**Re: Comments of the Grand Junction Area Chamber of Commerce on Proposed Rulemaking to Implement HB07-1298 and HB07-1341**

Dear Director Neslin:

On behalf of the Grand Junction Area Chamber of Commerce (GJACC), I respectfully submit the following comments regarding the draft proposed rules to implement HB07-1298 and HB07-1341. Our board, representing our diverse membership, appreciates having input into this important public process.

Our organization recognizes that the energy industry is our state's top industry sector, contributing over \$23 billion to Colorado's economic health and, in addition, we support the responsible development of Colorado's energy resources, including traditional and renewable energy sources. We therefore express our concern with multiple provisions included in the commission's draft rule making that, if implemented, will have an onerous effect on our state and local economy. If adopted, the proposed rules could lead to a downturn among Colorado's number one economic contributor, lost jobs and major decreases in tax revenue. We express our concern that the draft rules as currently written continue to violate the intent of the enabling legislation, include drilling restrictions that would lead to the creation of a transient workforce, and continue to lack industry expertise and involvement in the rulemaking process.

The draft rules remain inconsistent with the legislative mandates of HB07-1298 and HB07-1341. Rather, these rules seem to go beyond the legislative intent through an attempt to reinvent a regulatory process that has been thoughtfully crafted and updated over time in close consultation with COGCC staff, local governments, industry experts and other stakeholders.

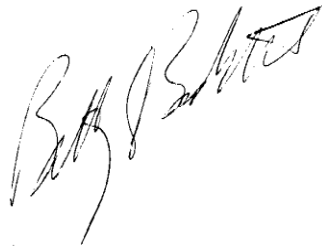
Perhaps the most egregious issue brought forth in the draft rulemaking is the concept of a 90 day shutdown of drilling activity for certain identified wildlife habitat areas. From a business standpoint, this will be extremely difficult for energy companies and their employees to plan for as the Colorado Division of Wildlife has defined all of the Piceance Basin as a "critical habitat." From an economic standpoint, these proposed time

restrictions will lead to a transient workforce, deterring employees from acclimating into our communities, buying homes, cars and other durable goods. The socio-economic impacts of this onerous proposal would be tremendous.

From a business perspective, it is concerning to an organization such as ours to find that the rulemaking process continues to lack sufficient representation from the oil and gas industry. It is imperative that the process of regulating such a technical field involve sufficient participation and input from the industry, as is the case with other technical fields such as health care or aerospace. Moving forward, we believe that through a better crafted process for rulemaking that involves the industry, the rulemaking can be a positive step toward proper protection of the environment and regulation of the industry.

GJACC anticipates that many of its member companies will be filing supplemental comments to the draft rules. The GJACC remains committed to working with Governor Ritter, our state legislators and the COGCC to fulfill the legislative intent of HB07-1298 and HB07-1341. As with any industry, we support regulatory processes that are based on sound science and fact. Again, we urge you to rethink the direction, scope and potential economic impacts of the draft rules before the formal rulemaking process begins.

Sincerely,

A handwritten signature in black ink, appearing to read "Betty Bechtel", written in a cursive style.

Betty Bechtel  
Chairman, Board of Directors

Cc: Donnah Moody, CACI  
Tamra Ward, Denver Metro Chamber of Commerce  
Reeves Brown, Club 20  
Senator Josh Penry, District 7  
Representative Bernie Buescher, District 55  
Representative Steve King, District 54