

## **Pine River Times, Feb. 25, 2005**

### **Land owners need rights when dealing with gas operators**

To the editor:

I'm writing in hope that my story of working with BP Amoco will help persuade you to support the Curry Surface Owners Compensation Bill.

My background is as a CPA, small business owner, and sometimes real estate developer. Along with my wife, I own 157 acres about 15 miles east of Durango that we plan to develop. The land has been conceptually approved by La Plata County for 10 residential lots.

In 2000, we received notice from BP Amoco of their intention to drill another gas well on our land (there was one on the property when we bought it). I specifically asked to work directly with whomever was authorized to make final decisions regarding well placement, pad size, noise mitigation, compensation, etc. I was told that Ralph Chamberlain of Timberline Land Corporation was the man for me to work with. After many hours of work and numerous walks on the land, Ralph and I agreed to a pad location and size with specific protection for about a dozen very nice, large Ponderosas.

Then I got a call from Scott Thompson of BP Amoco, the man for whom Ralph was working. Scott said that what Ralph and I had agreed to had no standing and that Scott and I would have to begin all over again on working through well placement, pad size, etc. In my mind, this was an egregious breach of good faith. If I had been working with a building contractor in an arm's length transaction, I would have severed the relationship immediately and refused to do business with them.

But as I was reminded by BP Amoco in every phone conversation, letter, and meeting at that time, I had no choice but to do business with them and if I didn't cooperate, they didn't need to do business with me and they would simply 'bond and drill'. 'Bond and drill' became the gun to my head that made me realize that I could only ask for or resist very little and then I'd better shut up.

As it turned out, BP Amoco drilled the well in approximately the location that Ralph and I had agreed to, but with a much bigger pad size so that we lost those dozen or so Ponderosas closest to the gas well that we had hoped to protect. I can't tell you specifically what compensation or promises of mitigation my wife and I got from BP in our Surface Use Agreement because I am legally bound to confidentiality by the agreement itself, but I can tell you that the money doesn't come close to compensating us for the damage to the surface and the promises of mitigation are pretty much non-existent.

I was opposed to the agreement confidentiality provision because I would like to be able to share the experience I had with BP Amoco with other landowners facing the same situation and perhaps help them, but again BP Amoco held the gun to my head and I was forced to leave the confidentiality provision in the agreement. My relations with BP

Amoco were and continue to be very cordial, but there's always the implicit understanding that the game is rigged in their favor and I'd better cooperate or else.

I am a businessman and I believe in the free market. I believe that BP Amoco has the right to profit from their mineral rights, but I also believe that I have the right to enjoy and profit from my surface rights. By drilling a gas well on my land without adequately compensating me for surface destruction or protecting against noise or other pollution related to the gas well, I have been denied a portion of my surface rights.

The 10 lots that I will develop on my land will now all have a reduced value because of the proximity of the gas wells and it will be my family and not BP who suffers that financial loss.

I ask you to please support HB 1219 to help level the playing field between gas well operators and land owners. Don't let gas well operators continue to exploit their mineral rights at the expense of land owners' surface rights.

Thank you,  
Bruce Thomson  
Bayfield