



City of Flagstaff

OFFICE OF THE MAYOR

August 27, 2020

Maribeth Greenslade
Groundwater Section
1110 W. Washington St., MC5415B-3
Phoenix, AZ 85007

Ms. Greenslade,

The City of Flagstaff is responding to public comment on a permit for helium drilling within the Holbrook Basin, Aquifer Protection Permit NO. P-513196. The location of the proposed project is in proximity to the aquifer of which the City's future water supply is hydraulically connected.

Upon reviewing the permit, the City is concerned with a lack of regulation and oversight. In particular, the permit allows the applicant to be accountable for the integrity of protective cement seals; and there is no guarantee that fluids will be fully contained within the target strata. Therefore, the City of Flagstaff requests the applicant in this and similar projects drill and sample at point of compliance wells during and for a time period after the project has commenced; with reporting provided to ADEQ and available for public review. The City also requests a 3rd party consultant be hired for frequent site visits, confirmation and integrity of cement seal, and sampling of the POC wells.

Specific statements of concern in this draft APP Permit under review by ADEQ include:

- “Therefore, stimulation of the wells...*is unlikely to* cause stimulation fluids to travel...below into the Moenkopi Formation.”
- “The stimulation campaign *is expected to* maintain an approximate 100 ft. buffer between the Shinarump Member of the Chinle Formation and the Coconino Formation.”
- “Based on these considerations, the stimulation campaign *is expected to* be protective of the Members above the Shinarump Member of the Chinle, Moenkopi and Coconino groundwater in the Prize Energy Resources Area of Development.”
- “Prior to well stimulation, the *cement bond logs shall be reviewed by the permittee to assure that the quality of the cement bond is adequate* to prevent migration of gas or fluid along the outside annulus of the well.”
- “Monitoring is not required by this permit.”

With all the onus on the permittee for compliance, it leaves those with water supply interests concerned with the vagueness of regulation and the inability to access information and monitor projects. Annual reporting of water quantity and quality should be required.

Lastly, the City respectfully requests notification of any new projects, or project amendments on existing APP permits in the Little Colorado River watershed.

Sincerely,

A handwritten signature in black ink that reads "Coral J. Evans". The signature is written in a cursive style with a large, stylized 'C' and 'E'.

Coral J. Evans, MBA
Mayor
City of Flagstaff

CC: Marta Hodan - Administrator, Arizona Oil & Gas Conservation Commission