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Gas under school to be tapped - Greeley-Evans district expects to reap royalties

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By Gargi Chakrabarty, Rocky Mountain News

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Students streamed out of a Greeley high school on a recent afternoon unmindful of the treasure trove of natural gas buried thousands of feet underneath.

This summer, local company Francis Energy will set up a rig in a neighboring, private plot to scour for gas directly under Northridge High School. Five gas wells from the plot will snake out under the school's 101-acre property, including its rolling green playground.

High schoolers will hear the constant hum of the rig, and perhaps see the top of it over the southeast corner - about 1,500 feet from the school and 800 feet to 900 feet from its stadium.

They won't hear or see much else, since the wells will be sunk to depths of 7,000 feet underground.

"When I first heard about the drilling, I was a little concerned," said Marrisa Flores, 16, a junior at Northridge. "But they are taking many measures to ensure safety.

"It's cool, knowing the gas is right underneath us. I don't think the company will do a sloppy job."

Having a rig operate that close to a school is a concern, said Matt Samelson, special projects director at Donnell-Kay Foundation, a Colorado nonprofit that promotes education.

"If I were a staff member or had a kid in there, I would want a safe and healthy environment where my kids go to school," he said. "I would definitely want to know the safety track record of the company, see if the company is financially secure and have a better idea of what sort of a neighbor the wells will be for the school."

The school district and Francis Energy both describe the drilling plan as beneficial: The company gets to unlock rich gas reserves, and the school pockets hundreds of thousands of dollars in royalties over the life of the wells, without any footprints on its property.

"Yes, that's why we are doing it," said Wayne Eads, the Greeley-Evans District 6's chief operations officer. "We own mineral rights to the land. The wells could last for 20 years . . . (the district could earn) hundreds of thousands of dollars."

Eads said the money would help pay for teachers, school buses and other needs of the district. Safety of the students, Eads said, was the top priority when the district approved the drilling plan last week.

Fences and earth berms around the site meant to contain any accidental spills are some measures the company will implement for safety, Eads said.

The bulk of the drilling will be done during summer vacation, he added.

The district has not informed the parents of Northridge's 1,200 students about its decision. Principal Margaret Neely said that with the rig site being off the school property and the wells so deep, she believes the drilling won't impact the students.

"If (parents) were to call and ask, I will address their concerns," Neely added.

The company hopes to complete the wells within 60 days, said owner Nick Francis, 58, who launched the company in 1988.

"I have been in Weld County for 30 years. I own interest in close to 300 oil and gas wells and have been very active in the area," Francis said. "I have never had any problems. We do a good job of drilling wells."

chakrabartyg@RockyMountainNews.com or 303-954-2976

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