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A second Denver oil company adopts continuous emissions monitoring

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Another Denver oil and gas company is committing to start continuous air emissions monitoring at its wells in the Denver-Julesburg Basin of northeast Colorado.

Bayswater Exploration and Production LLC will team with local startup Project Canary to deploy monitors that will continuously take emissions data from 99% of Bayswater's wells in the state and send the data to the Colorado School of Mines' Payne Institute for Public Policy for third-party verification, the company said Monday.

"We chose to engage with Payne and Project Canary because of the tremendous learning opportunity it provides us to know even more about improving the efficiency of our operations so that we can engage more effectively with the communities where we operate and the regulators who oversee our activities," said Steve Struna, president and CEO of Bayswater, in a statement. "Our goal is to demonstrate the low environmental impact of our operations. The best thing we can have is real-time data which affords us the opportunity to continuously improve our health, safety, and environmental performance."

Bayswater Resources is a privately held oil and gas development and funding company, primarily focused on the Denver-Julesburg Basin and parts of the Permian Basin of West Texas. The company produces about 15,000 barrels of oil and natural gas equivalents



daily from about 200 wells.

The company said it will have Project Canary monitors deployed at well sites where 99% of its Denver-Julesburg Basin oil and gas production comes from by summer. It's a test of the technology which Bayswater could deploy elsewhere, if the technology succeeds.

Project Canary last year began offering service and forging partnerships with oil and gas companies to deploy low-cost emissions monitoring technology. The company, led by politically connected entrepreneur Chris Romer, argues that collecting continuous emissions data and verifying environmental responsible oil and gas production will benefit companies.

Having the Payne Institute collect the data

is meant to provide third-party oversight that helps ensure the integrity of the data so that policymakers and the public can have confidence in what the monitors collect.

Project Canary puts multiple monitoring stations – mounted on a pole topped by a birdhouse with a solar-panel – around a well site. They take readings every two minutes and transmit wind and detailed emissions data to Project Canary's computer servers several times an hour.

Crestone Peak Resources, a Denver-based oil and gas company that's solely focused on the Denver-Julesburg Basin, in January announced that it will add Project Canary monitors at its horizontal wells by fall.

Colorado law requires companies to periodically check well sites for leaks of methane and other potential pollutants.

The state's air regulations are the most stringent in the country, Struna said, and having continuous monitoring will demonstrate the company's responsible oil and gas development.

Oil and gas companies typically use handheld infrared cameras, or flyovers with specialized aircraft and temporary emissions-detection trailers to find leaks. Continually monitoring wells has been considered too expensive and, until recently, technologically unrealistic.

But Colorado regulators are expected this year to consider requiring continuous emissions monitoring for well sites.