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E-Mail: Grandcty1@co.grand.co.us
PHONE: 970/725-3347
Fax: 970/725-0565
LURLINE UNDRBRINK CURRAN
County Manager
ANTHONY J. DICOLA
County Attorney

February 1, 2011

Mr. David Stout
Field Manager
Bureau of Land Management
Kremmling Field Office
P.O. Box 68
Kremmling, Colorado 80459-0068

Re: DOI-BLM-LLCON2000 -2011-0016-EA

Dear Bureau of Land Management:

Environmental Assessment Comments on Lease Sale Parcels 5903, 5904, 5907, 5938, 5937, 5936, 5934, 5935

Introduction

Grand County has great concerns in regards to the upcoming leases of eight parcels totaling 12,412 acres of land in Grand County for Oil and Gas exploration. The local ecosystem is very fragile and much care is taken to protect it in order to preserve the County's natural beauty. The County feels that the impending exploration of Oil and Gas could have drastic negative consequences on our local environment and infrastructure.

Water Resources and Water Quality

Two of the most serious issues in Grand County are water resources and water quality. Grand County is a unique and sensitive area due to being the headwaters for the Colorado River. Several tributaries to the Colorado River run through the proposed lease parcels, including Deer Creek, Pass Creek, Red Dirt Creek, Dunning Creek, Pinto Creek, the East Fork of the Troublesome Creek, Round Gulch and several un-named water courses. Water quality in all of these Creeks and water courses is of serious concern, as they provides irrigation water to several area ranches, and they are critical to the ranching and fishing economy in Grand County.

Grand County has a growing concern regarding availability of water to support the current population and tourism sector. Adding large industry, such as Oil and Gas, would put even further strain on this valuable resource. Water resources such as the Colorado River and many local lakes are also major tourist and recreation attractions. The heavy water needs adherent to Oil and Gas exploration would put a strain on these water bodies, thus endangering the features of these attractions.

Resource Management Plan

The Kremmling BLM Field Office is currently working on revising their Resource Management Plan (RMP), which was originally developed in 1984, to insure that our ecosystem and wildlife are not adversely impacted. More time is needed in order to have this outdated document finalized before a determination can safely be made in regards to the impact that the exploration of Oil and Gas will have on the local environment.

Grand County continues to believe that the BLM should defer parcels that are covered by RMPs that are ongoing amendment or revision. National Environmental Policy Act (NEPA) provides that, during preparation of an environmental impact statement (EIS), such as that accompanying the amendment or revision of a resource management plan, the BLM cannot take actions that will limit the choice of alternatives. 43 C.F.R. § 1506.1 (Limitations on actions during NEPA process). By approving oil and gas leasing while considering their impacts on other resources, including alternatives to protect those resources from the potential damage caused by oil and gas development, the BLM will foreclose the selection of alternatives, including important mitigation measures. Such action undermines the efforts of both the agency and the public in participating in the lengthy planning process for amendment or revision of a resource management plan.

In granting the protest of the February 8, 2007, lease sale by a number of conservation groups as it pertained to parcels within the White River Field Office, the BLM stated:

BLM is currently developing management alternatives to amend the 1997 White River Resource Management Plan (RMP) to address proposed oil and gas development activity within the planning area. The management alternatives will analyze impacts to wildlife, including sage-grouse. The White River field Office has decided to defer these parcels from the lease sale during the RMP Amendment process. (emphasis added).

As confirmed by this decision, there are potential impacts to other resources, including wildlife (and specifically sage grouse), from oil and gas development. An ongoing RMP Amendment, such as that which occurred in the White River Field Office, is an important opportunity to consider new information on impacts and ways to protect other resources. Similarly, revisions of RMPs, such as those occurring in the Kremmling Field Offices, which reassess all decisions in the existing plan, consider impacts from oil and gas development and management alternatives, including mitigation measures, to protect them.

During this environmental analysis, BLM should consider the importance of protection of plants, wildlife and wilderness characteristics. With respect to sage grouse, as well as other wildlife, such as mule deer, moose and elk, strong consideration should be given to the current condition of habitat and the impacts of oil and gas drilling on the habitat. Other wildlife concerns include sage grouse winter habitat and potential habitat for threatened or endangered plant or animal species. Previous protest letters from Grand County have outlined concerns regarding raptor nesting and fledgling habitat, sage grouse nesting, and wetland vegetation areas, in addition to potential habitat for threatened or endangered plant or animal species.

Preserving wetlands is important to allow for a healthy ecosystem by improving water quality through filtering, maintaining stream flow during dry periods, and replenishing groundwater. According to the United States Environmental Protection Agency:

More than one-third of the United States' threatened and endangered species live only in wetlands, and nearly half use wetlands at some point in their lives. Many other animals and plant depend on wetlands for survival. Migratory waterfowl use wetlands as resting, feeding, breeding, or nesting grounds for at least part of the year. Parcels that include wetlands that should be further studied to understand the impact that Oil and Gas exploration will have.

The BLM should also take into consideration, during the current RMP revision, the growing impact present to public lands caused by increased recreation demand and rapidly expanding urban interface areas in Grand County.

On August 13, 2004, the Acting Director, Francis R. Cherry, Jr., published a memo to set policy which provides flexibility and to re-emphasize the discretionary authority of the State Director to defer leasing of specific tracts of land with legitimate BLM-recognized resource concerns. The memo states:

All State Offices are to consider temporarily deferring oil, gas and geothermal leasing on federal lands with land use plans that are currently being revised or amended. A decision temporarily to defer could include lands that are designated in the preferred alternative of draft of final RMP revisions or amendments as: 1) lands closed to leasing; 2) lands open to leasing under no surface occupancy; 3) lands open to leasing under seasonal or other constraints with an emphasis on wildlife concerns; or 4) other potentially restricted lands.

Based on the new information now available to the BLM, the NEPA analysis in the current RMPs cannot support leasing parcels under conservation easements or parcels with wilderness characteristics or habitat for sage grouse, mule deer, moose, elk. The ongoing amendment and revision process for the Kremmling RMP provides the appropriate opportunity for a thorough analysis of new information and consideration of alternatives to protect these important natural resources. Grand County was of the understanding that no Oil and Gas exploration leases would be considered until such time as the RMP has been adopted.

Conservation Easements

The proposed Oil and Gas leases are on private properties, some of which are under conservation easement. Parcel 5872 has property under conservation easement with the Rocky Mountain Elk Foundation. The conservation easement was granted due to the "significant relatively natural habitat for native wildlife and ecological, scenic, and open space values as recognized in Colorado Revised Statute §§ 38-30.5-101 *et seq.* Pursuant to the Conservation Easement, the property conserved by the conservation easements is declared to be "Open space and natural land, and may not be coveted or directed to any uses other than those provided in the easement." Mineral activities is addressed as follows: "Exploration or extraction of oil, gas, and other mineral in, on, or under the Property is prohibited by open-pit or surface mining methods. No sub-surface or other exploration or extraction of oil, gas, rock, gravel, sand or other minerals, including the lease, sale or other disposition of the rights to such material may impair or result in the destruction of the Conservation values."

Parcel 5873 is also under a Conservation Easement with the State of Colorado acting by and through the Department of Natural Resources for the use and benefit of the Division of Wildlife and Wildlife Commission. Under Section 7, the following is prohibited: "mining drilling or exploring for or extracting minerals, oil, gas, or other hydrocarbons, soils sand, gravel, rock, ground water, or other materials on or below the surface of the Property...". Leasing property for oil and gas exploration that is subject to a conservation easement is inconsistent with CRS §§ 38-30.5-101 *et seq.* which recognizes the importance of preserving land in a natural, open scenic condition and for wildlife habitat uses, and under no circumstance, should not be permitted.

County Regulations

Grand County feels that it is important that our regulations address the potential impacts that Oil and Gas exploration would have on our infrastructure. Unfortunately, our current regulations do not specifically address many of these impending issues. Oil and Gas exploration requires an increased volume of large vehicles to travel our local highway and county road system. An impact fee structure will be needed to fund the increased traffic on our road system. We are asking that the proposed leases be delayed in order for the county to amend current regulations in preparation for this industrial application.

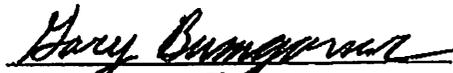
Conclusion

For the reasons stated above, the nominated parcels in Grand County are inappropriate for mineral leasing and development. There is too much at stake in Grand County to permit this kind of high impact activity, especially without current information and evaluation of relevant issues, especially water quality.

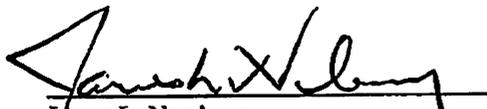
Due to the unique water quantity and quality issues facing Grand County we request no leasing be done in parcels that affect any of the tributaries to the Colorado River. Since the Colorado River has it's headwaters in Grand County any impacts to this river could impact millions of downstream users.

Grand County respectfully requests that the Field Manager withdraw the nominated parcels from the August 2011, competitive lease sale. In the event that the BLM proceeds to offer these parcels, all prospective bidders should be informed of the pending protest.

Sincerely,


Gary Bumgarner, Chairman
Grand County Commissioner, District 3


Nancy Stuart
Grand County Commissioner, District 2


James L. Newberry
Grand County Commissioner, District 1

cc: Board of Trustees, Town of Kremmling
Board of Trustees, Town of Granby
Board of Trustees, Town of Grand Lake
Board of Trustees, Town of Hot Sulphur Springs
Board of Trustees, Town of Fraser
Board of Trustees, Town of Winter Park