San Juan Public Lands Center

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Minutes of the Bayfield BLM Southwest Resource Advisory Council (RAC) Meeting on the Northern San Juan Basin Coal Bed Methane Development Project

August 11, 2004
6-9 p.m.
Bayfield High School Cafetorium

Notes taken by Ann Bond, Public Affairs Specialist, San Juan Public Lands Center

RAC subcommittee members in attendance:

- Lon Abadie
- Ann Harold
- Nik Kendziorski

Meeting moderated by Marsha Porter-Norton, Private Facilitator

MARK STILES, San Juan National Forest Supervisor/BLM Field Center Manager - Welcome to the first RAC subcommittee meeting, our sixth session for the public on the project. At the hearing, which was also held here at Bayfield High School, we recorded your statements with a court reporter. The open houses allowed the public to ask questions, and these RAC subcommittee meetings are much different. We the agencies will be using regional citizens as our ears; they are members of a larger 15-member citizen advisory committee that provides advice to the BLM in western Colorado on planning and management. At our request, this group established a subcommittee of three of their members. They represent a cross-section of the full RAC, which is appointed by the Secretary of Interior. Each serves a three-year term, and they are appointed to represent commercial uses of public lands, regional or national conservation groups and academia, and elected officials, tribal, public at large. The three members of the subcommittee are here to tonight to take your comments and ask follow-up questions to clarify your concerns.

To be certain we fully explore the effects of all the alternatives for the proposed action, we have put the draft EIS out for public review, and we will analyze all the comments that come in, including whether there are alternatives or mitigation measures, beyond those included, that need to be considered. This RAC subcommittee will help us ascertain what your concerns are. Their ears can hear you a little differently than the federal government can.

PUBLIC COMMENTS ADDRESSED TO THE RAC SUBCOMMITTEE MEMBERS:

PUBLIC COMMENT: Everyone must recognize that what is at stake with drilling in the HD Mountains is that this natural resource may never come back, if this area is touched in manner. Why can't we use the wells that already exist in the area? Several are capped, why are they capped? Have they run out of gas?

PUBLIC COMMENT: We're in the midst of a political campaign in which every other word is 'values,' and I hope you will look at this issue in terms of values of private property for those who live around this development, which will turn this area into desert-like areas or places contaminated with methane. You need to consider the value of having a small area of natural

resources that a rapidly growing community can turn to for recreation and contact with nature, which is still part of the human need. You need to consider the problems of the farmers and ranchers who will have to redo all their efforts, because wildlife will be displaced into private property – Bayfield will have more bears, deer and elk will go onto farms and ranches. You need to consider the fact that some of us are told we're not patriotic when we have these concerns, because of the country's need for natural gas. We hope you'll respond to that. You must be interested in the health and respect of this agency you're advising – we're looking at a document that insists there will be this, this, and this, that its staff will have do to, and there's no indication that there will be more staff to do it. We'll find ourselves in the predicament that the Farmington BLM now finds itself – good people trying to do their jobs without the funding to do so. You need to help the San Juan Public Lands Center and these good people not get themselves into such a situation.

PUBLIC COMMENT: A lot of the people in this room have been following this process for more than two years, and it's a complex process we've been involved in. It's difficult - we have a lot of information. Issues that are especially hard to deal with are drilling in the HDs and along the Fruitland Outcrop – most of our comments are focused there. To many people, these parts of the project are insane, they will destroy a whole environment and create massive repercussions on our lives, including increased sedimentation of surface water, methane seeps, elk die-offs, and landslides. From our perspective, our public lands will be losing many of their multiple uses, including their value for hunting, recreation, and water.

Another issue is the document itself - on the outcrop, it says wells will go dry, homes might have to be condemned – well, this brings up takings issues – sure, we have to allow them access to their minerals, but if, as a result, they take our irrigation water, this is essentially a takings of our water rights. This is a contradiction – who are we taking from? The EIS is good in saying there will be dramatic effects but dismal on the ecological effects drilling will have in the roadless area. Its steep, narrow canyons, riparian areas, and willows will essentially be destroyed. It's frustrating that the EIS doesn't talk about these issues – that it doesn't explore what happens when you change a roadless area to a roaded area. What happens if you put roads into an area where there weren't roads before? It doesn't cover this. There's a section on habitat fragmentation, which says, because the project will only affect small parts of habitat, it won't fragment it. The ecological section on the roadless area is inadequate and doesn't describe the irreversible effects of drilling.

PUBLIC COMMENT: The problem is that sedimentation will flow into the watershed from landslides caused by road construction. In Ignacio Creek, I don't see how you can build roads and well pads and not see massive landslides. Also the document doesn't list the springs that exist all over the place - the document assumes the HDs are dry. You build a road across a seep, it's going to slump.

PUBLIC COMMENT: Please consider whether it is reasonable to allow these companies to build roads in landslide areas and cause permanent impairment of the landscape versus maintaining that integrity in perpetuity, which is the agency's mandate? How much can the agency condition the development – can they dictate horizontal drilling or placement of wells, say that a company can build a road but it has to be to these engineering conditions? Those are the issues that will frame what is a reasonable alternative that balances everybody's concerns. We keep hearing the Forest Service has to give carte blanche to the holders of the leases, that their hands are tied, once leases are issued, the agencies can tweak the edges. To me, that's the crux of the issue – how much flexibility does the Forest Service have to dictate that the companies must follow the laws the agencies are supposed to follow. We think the Forest Service has the legal obligation to condition this use to protect the integrity of the landscape, that it is clearly within their legal mandate to analyze that in the EIS.

PUBLIC COMMENT: The HDs Mountains are a resource. The Forest Service can forbid roads in a roadless area, the Forest Service needs to buy back the leases, even if it takes an act of Congress, that needs to be considered in the document.

PUBLIC COMMENT: The landslides are important, but the general erosion this project could cause is even more important. It takes 1,000 years to create an inch of soil, one rain can wash it away. The companies do not have to pay the cost of mucking up our wells and rivers and streams, the effects of which go downstream as far as the rivers go. Water is our most precious resource. Ecological cost of impacts to water is not considered in the EIS. Companies are not paying the full economic costs of their impacts - we are by losing the uses of the roadless area and through impacts to our water. Drilling will mess up our wells, spills will mess up ground water, there will be erosion from construction. Bigger culverts is not the answer, re-vegetation is the only answer, and I don't think you can re-vegetate these dry areas. We should look several There will also be impacts to wildlife and cultural resources, but water is the most important.

I'm a new resident but have been a visitor to this area for years – we invested our retirement money in property here because we thought we'd have clean water and air, with a reliable water source. I think drilling can affect the aquifers - wells will have to be drilled deeper, it will pollute the water supplies we have that are scarce from the drought, and also pollute the air, which you can already see happening over Farmington. If we impact the surface environment for 40 years, I'm wondering, where is the balance –they can take the mineral rights subsurface, but what about our surface rights? We pay taxes and will have to pay taxes to repair their damages. We have a stake in this – by coming to these meetings, we give input and lip service, but I don't see any solutions offered or any enforcement in place to take care of cleanup. I don't see any teeth in our laws to protect us from the companies' leaving the area a disaster, outside of court action. We should leave roadless areas alone, they are supposed to be federally protected.

PUBLIC COMMENT: How do we mitigate the air pollution? San Juan County south of us is already close to exceeding the EPA limits for ozone. It seems to me that BP can make solar panels, instead of using gas to power compressors. But most importantly, want to talk about re-vegetation, my understanding is it is incumbent upon the company that drills to rehabilitate the drill pads.

USFS/BLM RESPONSE: In the short term after construction, when the areas are no longer required for construction, they are required to do earth work and plant seed mix. During the 40 years of production, the road and pad stay open. When a well is finally abandoned, all surface disturbances must be reclaimed and re-vegetated. The possibility of bonding upfront is being discussed so that there's money available to do these things.

PUBLIC COMMENT: If the initial company goes broke, what happens? What about putting the money in escrow? You need a strong financial impetus for a company to have to do a good job of this – I remember the Summitville Mine, the Canadian company left, and we the taxpayers have paid for partial rehabilitation of that site, which can never totally be reclaimed.

PUBLIC COMMENT: We have a well pad on our property, it's been there for 15 years, and they have not done any rehab on it at all – there are weeds and barbed wire. They said they'd to do this and that within 7 years, and there's nothing done. If they're not doing anything in our neighborhoods, who's going to enforce it on public lands? Things don't come back naturally.

PUBLIC COMMENT: There are only one to two people who work on this Ranger District to maintain the trails in the area. If there's not enough staff to maintain trails, how is there going to be enough staff to make sure gates to the well pads are closed, that there are no weeds coming in. The federal government is not pouring lots of money into the BLM or Forest Service.

PUBLIC COMMENT: What we perceive is the agencies' unwillingness to place any kind of restrictions on the companies. But that doesn't mean they have carte blanche to extract any way they see fit. The agencies' job is to make sure that extraction doesn't interfere with other uses of the land, make other uses impossible or undesirable. One of the powers of the Forest Service is to impose a higher bond limit - $25,000 isn't enough to reclaim even one well pad in the HDs. The average cost, according to BLM, is $10,000 - $19,000 per well site. I'd like to have the subcommittee convey to the full RAC that it should recommend to the BLM that a bond be created in the exact amount of how much it will cost to reclaim each well site and each mile of road. If that's not cost effective, I don't care. They're afraid the industry is going to sue them. But whoever goes in there to drill needs to be held legally accountable. These sites will cost more than others on flat ground to cleanup - these are riparian areas, steep mountainsides - not your average piece of ground – the HDs are a very unique place.

PUBLIC COMMENT: This EIS does include enough information on the cumulative effects from private and public lands, so it's appropriate for people to be talking about both tonight. It does not adequately concern itself with the cumulative impacts that include private land. The Forest Service has been slower to do reclamation than private people in dealing with the surface impacts – the wells in Saul's Creek are larger than they need to be. There are smaller well pad sizes – one to two to 4/10s of an acre in the county, the Forest Service doesn't do that. I've written letters about specific erosion problems, but because of a lack of staff, hoping they'll do anything about it is a fairy tale. I've also called BP about erosion and nasty arroyos, but it's hard for Forest Service to get industry to respond to these concerns.

PUBLIC COMMENT: You have to have them put the money up front - industry has a bad reputation. Would you let them into your backyard? The only thing that seems to speak is money - if the agencies have control over money set aside for rehabilitation, the companies will be responsive.

PUBLIC COMMENT: This project should not go forward unless the agencies have enough staff, and if the money for staffing is not coming from the government, it should come from industry. How much staff will it take to make sure mitigation is done, monitoring is done? Industry needs to put up money to make sure it happens. Put it in escrow. COGCC needs to address this.

PUBLIC COMMENT: Monitoring and mitigation are not the issues in the roadless area and outcrop – the action itself is the damage – there is no way you can prevent methane seeps. Springs and water wells are going to go dry, landslides are going to happen - it doesn't matter if you're watching it, it's going to happen. The solution is not to drill along the outcrop or in the roadless area. Also, this area will never recover - we are living in an area that has never recovered from the mining or grazing of the past. In 1886, the HDs were called a gold mine for cows, there was grass everywhere, they thought there was enough for everyone. Well, we have historical documentation that it was overgrazed in six years. They did not know what they were doing, water levels went down so wells had to be deeper, the water table dropped. You cannot fix a landslide or replace a water table. We are living in a desert because of what we did 100 years ago, re-vegetation is a fantasy. Trees have died, thistle is everywhere – it's a very fragile environment, and no amount of mitigation/monitoring will help. The development itself will cause the damage.

PUBLIC COMMENT: The EIS states that at least 20 homes, water wells, or private lands will be impacted. How come the names of those properties have not been made public? I could build a house where there's not one now. Water makes property livable.

USFS/BLM RESPONSE: We need to clarify that, the maps in the DEIS show some of them, but there's information missing on locations of water wells and houses along the outcrop. Conditions for approval of future actions can be attached to any final decisions for permit to drill, that they would have to survey and locate houses and water wells in proximity to proposed well pads.

PUBLIC COMMENT: What about sponsors to police the area? I am against the project – I think it's silly to drill in pristine areas, but why not have private industry sponsor well pads with willing partners to monitor and police areas?

PUBLIC COMMENT:
Re-vegetation is unlikely – it's absurd to think that, after 40 years, if you cut a road and debris has slid down the slope, you're going to pull it back up the slope and put it back together. The RAC needs to grapple with bigger issues. You can't put an old-growth forest back together again, you can't undo well pads and roads. What is the ecological consequence of disturbing an old-growth forest like this? What is the significance of these proposed actions to the overall landscape, which has very little old-growth ponderosa pine left?

There is a lot of information not included in the DEIS that a decision maker would need to make a rational decision, so the RAC can't make a rational recommendation to the BLM. The consequences are drastically underestimated, because so much information is not revealed to the public in the EIS. We need an EIS that has all the information, so we can come to a conclusion.

Another aspect is the burden of project has been put onto private property owners on the outcrop. Industry will not bear the burden of impacts. If this project dries up water wells or causes methane to seep into homes, are the companies going to haul water to homeowners, condemn private property, make a financial settlement? Why should the private property owner bear the burden? Industry is proposing all this. If you're one of the two houses that will be contaminated with methane, do you have to hire lawyers to sue the richest company in the world? The burden is not on the industry that they will not damage homes and water wells and environments – it is an inappropriate balance. Industry and agency should demonstrate without a doubt that they will not harm people's private property or public lands.

PUBLIC COMMENT:
Other things not in the EIS include enough study of management indicator species - black bear and turkey are not covered at all, and their habitat is really important. The EIS should explore how building roads deep in into a roadless area will affect habitat for black bear and turkey. And there will be many more effects from methane seeps and benzene. We're losing half a million acres of wildlife habitat in Colorado every decade. The HDs is a migratory area for deer and elk, where are they supposed to go? It does discuss deer and elk, they're shy as it is, roads will radically affect them. The EIS is horrible on discussing the ramifications.

PUBLIC COMMENT:
There is no mitigation for something that can never be replaced - developing that roadless area is a sacrilege. You can't put an old-growth forest back together. The very nature of this development is that it will have impacts they can't do anything about. I have wells around me and on my property, and the development all around has totally changed the nature of where I live. There is now access to areas where I used to watch fawns, areas that used to be so quiet I could hear bird songs. Now, there isn't any place on my property where I don't pick up beer cans or trash or hear noise. Once you give the access and cut the trees, there's nothing in the world you can do to replace that. Surely, we have some treasures we can't afford to ruin.

PUBLIC COMMENT:
I hope you have some sense of the opposition by the public to drilling in the HDs, and there's a good reason for it. If you look at a map of all the wells in La Plata County, there's one tiny green place without wells, the HDs – why do we have to drill there? The HD Mountains are special ecologically, and they are different than other areas. They are very special because they offer a real multiple-use place for ranchers to graze, hunters and horseback riders to recreate, and these groups are all very up in arms about this. This project would destroy the area's multiple-use characteristics and make it a single-use area. The EIS is illogical, because the project is

illogical. The Forest Service asserts that its hands are tied on the valid leases, it rejects a phased-in drilling approach. It won't say they have to try experimental drilling techniques - they say industry would sue us. There are several leases that are no-surface-occupancy, and the Forest Service is ignoring that, it says we have to let them go in.
Given the controversy and special nature of the HDs, the EIS seems casual and contradictory, there is no real range of alternatives or impacts. There is no real low-impact alternative. Alternatives 2, 4, and 5 are throw-away and not even valid. One is industry's proposed action - 1A is a Forest Service cut-down version, and 1B includes directional drilling and cuts the number of wells to be drilled. There's another that says no drilling in the roadless area, but in that one, the number of wells goes up. Why not combine alternative 1B with alternative 3 to offer a real low-impact alternative?

Also, the spacing issue should be handled in the EIS. Why is there a well every 160 acres, why are most of the wells vertical? Why is there a need to down-space anyway? The federal government has an obligation to ask why we need a well every 160 acres. There are other possibilities – the EIS doesn't even deal with down-spacing to 80 acres at all. The EIS is not site-specific enough, it includes several wells that Walt was quoted as saying, the companies likely can't even get to. It just makes general statements like, we might have some wells here, we might have some wells there. There's nothing real to react to in the EIS. We asked that these things be covered during scoping – we said we want a low-impact alternative, but when the DEIS came out, it's not there. The EIS should also cover whether the agencies think they can or cannot accomplish the monitoring or mitigation.

PUBLIC COMMENT:
The EIS is formidable, even the county commissioners have asked for an extension of time for public comment. *(Asks for a show of hands in the audience of how many people have read the entire document. Very few hands are raised.)* If most the people here have not read the entire EIS, it seems reasonable to ask for an extension.

PUBLIC COMMENT: I'm concerned they're calling for a well every 160 acres. Once they get their foot in the door, once they start drilling the HDs, forget it. Re-vegetation is just rhetoric. Building a road is bad enough, once you start talking about the gathering system, it will tear the place up. Well spacing is different for drilling the different formations. Sometimes a vertical well may be put next to a directional well.

We're hearing from employees that there were no site visitations, that the DEIS relied on maps and aerial photographs for its data. This may or may not be true, but when you hear enough of that, you start to think some of it is true. The document looks like it was done on short order with not enough manpower. There aren't any real good alternatives.

PUBLIC COMMENT:
What we think are issues not addressed in EIS - we have been raising the same issues for 3-4 years now, but they are excluded from the analysis. Many of these issues first surfaced with work on revision of the Forest Plan in 1996-97, when the San Juan contracted with OCS for public meetings for two years. A lot of information was solicited from the public, there were reports and recommendations, and none of that appears in this EIS, even that which dealt directly with the HD Mountains. They are still working on a Forest Plan Revision, and looking at whether roadless areas should be recommended for wilderness recommendation, and the fact that the HDs is one of those is not even mentioned in the EIS. You'd never know that fact from reading this analysis. The Forest Plan public working group also came up with recommendations for Research Natural Areas. Ignacio Creek was recommended as a high-quality candidate for RNA protection. The working group said Spring Creek Archeological Area should be larger and at least include Bull Canyon – this also is mentioned nowhere in the EIS. There are many examples of agency information that are either not in the document or area glossed over or ignored - the fact that the wilderness qualities of the HDs will be obliterated, that the Ignacio Creek RNA will be wiped off the face of the earth, that there will be impacts to a

possible Spring Creek expansion. We're putting together 10 pages of comments just on cultural resource information that has been ignored or left out. The Forest Service has to consult with tribes, and the Hopis have asked for a block survey of the EIS – this fact is not mentioned. The scope of the information that is missing is large. These issues are very complex, and everything fades into everything else. That's why people want more time to comment.

PUBLIC COMMENT:
The EIS has a water problem – it forgot there are springs, wetlands, and riparian areas in the HDs. Those of us who live here know it, but if you look at maps in EIS, they have none in the roadless part of the HDs. You can't characterize an area without the water, so I've been mapping them and will give it to the Forest Service. What will be in the impact on riparian areas? They say none, because there is no water.

That's because they used aerial photographs. Once the water is gone in the HDs, there will be no animals and hence no hunters. Please go there, it's so amazing. Biological diversity is tremendous. If you like desert or water, you can go there. The springs are not present in the EIS - you can't evaluate the impacts of drilling on surface water if you don't know it's there.

PUBLIC COMMENT:
Fifty percent of the gas will be dissipated into the air - that seems like a tremendous waste and addition to greenhouse gases.

PUBLIC COMMENT:
The roads that do exist in the HDS are seasonally closed, and the public can't access. If the public isn't allowed during those times, there's a good reason for that. The Forest Service did a lot of research and decided the seasonal closure would aid migration of animals in those areas. Why does that change for industry? They don't have to abide by those seasonal closures - why different for one group than another?

USFS RESPONSE:
The intent of the seasonal closures in the area is to minimize impacts to wintering wildlife. The industry is allowed to use the roads for well access, to assure their wells are working properly and do minimal maintenance, but large construction activities are not allowed during those winter closures. Companies can reduce their need for physical access by using remote telemetry. The EIS states all this would stay the same and allows 6 trips per day per company.

PUBLIC COMMENT:
I like to ride horses, and you can't ride in New Mexico anymore because of the gas well industry down there. We need areas here where you could get away from well pads. Where are we going to play, take bicycles, go hiking? I'd like to see the EIS save some places for recreation and in the future develop trailheads.

PUBLIC COMMENT:
There's nothing magic about 160 acres, it's just typical practice for spacing. In terms of the number of pad sites, a directional well can be drilled 6 miles in any one direction, so from one site, a 12-mile radius could be reached, in fact, 96 wells have been drilled from one pad. This technology could substantially reduce the number of well pad sites.

PUBLIC COMMENT:
Is there any precedent to stopping drilling of wells on public lands?

USFS RESPONSE: Yes, there are times when a well proposal is not allowed. Even when a company already has lease rights, there are times when they can't drill a single well.

PUBLIC COMMENT:

The BLM office in Farmington purchased wells in a wilderness area, and we have asked that that information be put in the EIS, but so far without success.

PUBLIC COMMENT:
Don't drill in the outcrop or roadless area, and reissue this EIS in some form the public can deal with so we can have real alternatives and real public discussion. Horizontal drilling must be considered, a lot of damage can be avoided by horizontal drilling. When an operator response to this is that one company says it's too small and can't afford it, it makes me worried they'll be able to fix landslides. BP says they'll be able to consider this technology in a year or two, so if we waited, we could drill into the roadless area from outside.

PUBLIC COMMENT: Include an alternative that evaluates conservation and alternative energy to replace natural gas removal.

PUBLIC COMMENT:
Consider implementing this project more slowly, doing test wells, and wait for technology to catch up - why isn't that an alternative?

PUBLIC COMMENT: Wells could be drilled from the road to the leases to get the gas out directionally. There is a problem that the leases are done without any sort of environmental analysis, then you look at it later, and the impacts are greater. The agencies should look at the environmental costs before leasing. All these concerns would have surfaced at the time the decision was made to lease these lands. This EIS process, a major part of it, should have been done way back before the lands were ever leased. Once they're leased, they're probably going to get drilling. This input needs to come earlier in the process.

PUBLIC COMMENT: Someone decided in the 1980s all these federal lands were suitable for oil and gas leasing, well, some of them clearly are not. Most of the discussion in EIS focuses on well pads and roads, I'd like to see more unveiling of impacts from the gathering systems and pipelines, which can do a significant amount of damage in their own right. The discussion tonight of bonding is interesting – my experience is that these companies will comply with contracts if they are structured specific to what they can do, and if it's enforced. What is the BLM/FS going to get down on paper that the operators agree to do? The public will watch the agencies as closely as the operators and will expect you all to do a good job of it.

PUBLIC COMMENT: Has it been decided whether there will be an extension of public comment period?

USFS RESPONSE: We will let you know by Friday.

Facilitator Marsha Porter-Norton thanked everyone for their comments and thoughtful dialogue, and announced there will be two more meetings next week in Pagosa Springs and Durango. The meeting was adjourned so that audience members could ask questions Questions speak one-on-one with RAC members and agency personnel.

Mark Stiles asked the participants to let the agencies know how tonight's meeting went, and to tell us if anything could have been handled better.