



March 25, 2016

Ruth Welch
State Director
BLM Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7093

RE: Support for the May 12, 2016 Lease Sale for Consideration as Part of the Formal Protest Period

Dear Ms. Welch:

Western Energy Alliance wishes to express support for the upcoming May 12, 2016 oil and natural gas lease sale, for consideration during the protest period extended to March 29, 2016. We urge the Bureau of Land Management (BLM) to refrain from deferring any parcels from the sale, as they have undergone the necessary NEPA analysis, specifically the San Juan National Forest and Proposed Tres Rios Field Office Land and Resource Management Plan and Final Environmental Impact Statement (LRMP/FEIS) and the leasing Environmental Assessment for the Little Snake Field Office.

Western Energy Alliance represents over 450 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in Colorado and across the West. The Alliance represents independents, the majority of which are small businesses with an average of fifteen employees. Oil and natural gas development, including on public lands, plays an important role in the economic well-being of Colorado, and our members are proud to provide jobs and royalty revenue that funds vital services for the state. Oil and natural gas provides the large majority, 71%, of economic activity on Colorado BLM lands—\$4.7 billion of the \$6.6 billion value, from BLM's own estimates.

These comments are in support of all parcels noticed for the sale, serial numbers: COC77676, COC77677, COC77678, COC77679, COC77680, COC77681.

According to the Federal Land Policy and Management Act (FLPMA), mineral exploration and production, including oil and natural gas, is one of the "principle or major" uses of public lands. We are concerned that BLM continues to come under political pressure to downgrade this principle use of appropriate public lands, and is backing away from its obligations under FLPMA and the Mineral Leasing Act (MLA).

BLM has cancelled lease sales recently in Colorado because of policies put in place in 2010. The 2010 policy of converting lease sales in the state, as required by the MLA, into field- and district-office specific sales has created a situation in which quarterly lease sales are not held because the parcels are not ready, even as interest remains for acreage in other

parts of the state. The February 2016 and August 2016 sale cancellations are two examples. Simply calling these sales “postponed” is obfuscatory language; the reality is that when only two sales are held in a year, BLM Colorado is failing to meet its obligation to hold four quarterly sales.

In addition to BLM policies that are limiting sales, several environmental groups have begun a campaign to stop all oil and natural gas leasing on federal lands. Dubbed Keep-It-in-the-Ground, the movement is motivated by an agenda of ultimately stopping all fossil fuels, which of course would be devastating for the entire economy, not to mention the quality of life and safety of all Americans. While we understand that environmental zealots are not the fault of BLM, Western Energy Alliance is concerned that whenever pressure is applied, BLM comes down on the side of those who seek to stop responsible leasing and development of public lands.

The extension of the protest period is just one such example. For all its faults, the leasing policy implemented in 2010 through IM 2010-117 put in place a specific process for multiple public comment periods before a lease sale takes place. Despite ample time for public comments, BLM extended the protest period after pressure from environmental activists. The process is well established, has specific deadlines, and is noticed far in advance to the public. Criticism that the process was rushed is simply not true, given that Expressions of Interest (EOI) had to be submitted by May 4, 2015, a public scoping process happened from August 10 – September 9, 2015, a public review of the leasing EA was held November 12 – December 14, 2015, and we’re now in the midst of the protest period. Certainly no flexibility was given to anyone who wanted to nominate a parcel after the May 4, 2015 EOI deadline. The Archuleta and La Plata County parcels are covered by a very recent 2013 Record of Decision for Oil and Gas Leasing Availability for the San Juan National Forest and Proposed Tres Rios Field Office Land and Resource Management Plan and Final Environmental Impact Statement (LRMP/FEIS) and the Tres Rios Field Office Approved Resource Management Plan Record of Decision dated February, 2015, both of which enabled public comment.

Environmental groups now complaining had ample time and opportunity to provide input, and their requests are merely meant to delay. In all likelihood they will request most or all acreage be pulled from the sale, even though only 6,960 acres have been noticed for sale, a very small amount by historic standards. We have noticed in tracking lease sales over many years that protests are often boilerplate, lacking much rigor and validity. Environmental groups typically allege environmental harm without substantive information to support their assertions while ignoring the extensive stipulations BLM has placed on the parcels to ensure no undue degradation.

The lease stipulations that the protests will likely ignore include those for protection of game, endangered, threatened, candidate or other special status species and their habitat, including winter and breeding habitat; paleontological; cultural; air quality; surface and groundwater; fragile soils and biological soil crusts; slopes; woodlands; visual; and other resources, per the particular values found on each parcel. In addition, the La Plata and

Archuleta County parcels have several No Surface Occupancy stipulations. There are no parcels without any stipulations. Protestors generally fail to demonstrate how the lease stipulations are ineffective or inadequate to protect each of these resources. Furthermore, protests will likely ignore the fact that any development will occur only after more project-specific NEPA, including complying with the National Historic Preservation Act to protect any cultural resources the parcels contain.

Activists are trying to make the case that the parcels in Archuleta and La Plata counties must not go to sale because the HD Mountains must be protected, but the reality is that the parcels are all located adjacent to active producing leases and the entire area has many active wells on private, state, federal and tribal lands. Because development is done in an environmentally responsible manner with stipulations to ensure minimal footprint and protect other natural resource values, the HD Mountains have maintained their scenic qualities and value for wildlife and cultural resources even as oil and natural gas development has occurred in the area. There is certainly no logical reason to deny a small amount of additional acreage subject to extensive stipulations when the proposed parcels are surrounded by producing leases.

The parcels in the Little Snake office, besides representing a very small amount of acreage, are all adjacent to existing leases, and it is likewise appropriate to move forward with leasing of those parcels. We would like to register our dissatisfaction with all the deferred acreage, most of which is also within areas of existing leases and/or near existing wells, and urge BLM to move forward with clearing the deferred acreage backlog and bringing those parcels to sale soon.

Western Energy believes BLM should be able to quickly resolve the boilerplate protests it is likely to receive and move forward with issuing the leases. Groups like the San Juan Citizen's Alliance are opposed to oil and natural gas leasing on federal lands as a general matter and will protest parcels regardless of the NEPA analysis performed or the protective measures applied. Therefore, BLM should also not attempt to achieve litigation-proof NEPA analysis, but rather concentrate on resolving protests using the support of existing case law and reasonable standards of NEPA sufficiency and recognition of the stringent stipulations applied to the leases.

We urge BLM to allow all nominated parcels to move forward to the May 2016 lease sale. We appreciate the opportunity to comment. Should you have any questions, please do not hesitate to contact me.

Sincerely,



Kathleen M. Sgamma
Vice President of Government and Public Affairs