



**Town of New Castle**

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# Memo

**To:** Mayor Bob Gordon and Town Counselors

**From:** Tim Cain

**Date:** December 24, 2015

**RE:** BLM Draft EIS

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**Purpose:**

This memo is intended to provide you all with an update about sixty-five (65) previously issued oil and gas leases in the White River National Forest.

**Background:**

The BLM is in the middle of a formal public comment period for the draft Environmental Impact Study that was released last month. The comment period ends January 8, 2016. The analysis revisits leases on the White River National Forest, which the Interior Board of Land Appeals determined in 2007 had not been adequately reviewed by the BLM before they were issued between 1995 and 2004.

While the Forest Service determines what federal lands can be leased for oil and gas extraction, the BLM manages the actual leases.

Initially there were five (5) alternatives ranging from doing nothing to canceling all 65 leases. The BLM has proposed Alternative four (4) which will cancel or modify 25 leases in the Thompson Divide area, most of which are in Pitkin County. Eighteen (18) leases are to be canceled and seven (7) leases will be reduced in size. SG Interests and Ursa Resources are the owners of leases in the Thompson Divide area.

The other forty (40) leases, stretching west toward DeBeque, would remain valid under the draft BLM EIS.

The rationale behind the proposal closely mirrors a separate decision finalized earlier this month by White River National Forest Supervisor Scott Fitzwilliams.

Authority is granted to BLM to cancel leases, but judicial action would be required in order to cancel any leases that are producing. Some of the leases under review, primarily on the west end of the study, are in production.

BLM held three (3) public meetings in December. I attended one in Glenwood Springs. The majority of people agreed with BLM's proposal and many spoke about canceling all

the leases and start over. The BLM will release its final EIS next summer. At that time they will issue a "preferred alternative" which could be one of the five (5) alternatives. The point is, based upon public and industrial input, the BLM could change its decision. There will be another public comment period after the final analysis is released.

**Recommendation:**

I believe the BLM's decision is in the best interest of the public and my personal opinion is they will not change their decision. If council would like me to draft a letter stating the Town's position, I will gladly draft one, but it needs to be done by January 8, 2016. We can also wait for the final EIS and state our position next summer in 2016