

Don't sacrifice the Roan for uncertain tax receipts

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Editor:

Thanks go to Reps. John Salazar and Mark Udall for working to delay administrative funding to process leases for the Roan Plateau for one year. I want to also thank Gov. Bill Ritter's office for its efforts to seek more time to review the leasing proposal.

It isn't news to anyone living in energy developing areas that once the drilling begins, many of the original values associated with the land are permanently impacted. We need to do this thoughtfully. Once the values of the Roan are lost, they are gone forever.

According to state Sen. Josh Penry, (*The Daily Sentinel*, May 16) the state stands to lose \$1 billion up front and up to \$5 billion over a period of 30 years if no drilling is allowed on the Roan. However, we don't have any idea how much money the state would receive initially because the leases have not yet been sold. Only after the bidding is complete will we have any actual figures.

If the \$1 billion dollar figure used by Sen. Penry (and others in the oil and gas industry) has any relationship to production, Garfield County would have to be producing about eight times more than current volumes to produce a payment to the state of \$1 billion (according to Legislative Council staff). As far as I know, the proposed plan would not increase Garfield County's production eightfold.

With regard to the \$5 billion long-term payments that would be lost, the senator's number breaks down to \$16.6 million per year. Just to put these numbers in perspective, in 2005/2006 the entire state received \$144 million from all federal mineral leases. Garfield County provided 26 percent of the state total or about \$37 million.

After you subtract the \$5 million per year in recreation value lost (as cited in the *Sentinel*), the net income for the state would be \$11.6 million per year. Under current law, the only federal mineral lease dollars that could work their way back to Garfield County would come from the Department of Local Affairs competitive energy impact grant fund. I wonder, would the region get back the \$5 million per year it lost because of impacts to hunting and other recreation activities?

It should be noted that the proposed leasing plan is nearly identical to the phased approach recommended by the Colorado Department of Natural Resources under Russell George, which calls for limited drilling of 250-300 wells. I would be pleased to learn how a one-year delay would result in the loss of \$5 billion to this state.

However, since when is the money for the leasing more important than the unique value of this natural resource? How many sportsmen, caring citizens and local government officials do we have to hear from before we really listen?

No matter how much the Roan lease money ends up being, it goes into the state's coffers. Under current law, the energy-impacted areas will only see a fraction of it. And, after the roads, pipelines, compressor stations, waste pits and well heads are established — the Roan Plateau as we know it today will be forever altered.

While I agree money for education and transportation is important, I am not willing to sacrifice the Roan Plateau to get it.

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