

Carroll: The Roan bonanza
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Five years ago the *Rocky Mountain News* reported that the Roan Plateau in western Colorado “is on the Bureau of Land Management’s Top 10 list of areas across the country put on a fast track to expedite oil and gas drilling.”

Some fast track. The BLM has yet to lease the land. But the waddle of a federal bureaucracy is still too speedy for congressmen John Salazar and Mark Udall, who accuse the agency of rushing to judgment. This week, the pair called for a moratorium of at least one year on any leases, to provide more time for public comment on the BLM plan.

The Roan is an interesting test case for the seriousness of American energy policy. Drilling atop the plateau is being fought not only by environmentalists, who as a matter of head-in-sand principle oppose all new drilling, but also by some local communities and outdoor enthusiasts.

Against that opposition, however, must be weighed the following facts:

The Roan sits above what is possibly the largest untapped natural gas field in the lower 48 states — enough to heat 4 million homes for at least the next 20 years.

The BLM will impose development restrictions as severe as any in existence. Among other things, the rules would protect sight lines, limit drilling to only 350 acres at one time, mandate reclamation as drilling migrates from site to site, and permit only one operator to work on behalf of leaseholders.

Roan leasing could produce a tax bonanza for Colorado totaling billions of dollars over coming decades. Indeed, the state and local share of lease bonuses, which are one-time payments at the time leasing occurs, could alone soar to perhaps \$1 billion, if recent bonuses on nearby land are any hint.

Duane Zavadil of the Bill Barrett Corp., which develops oil and natural gas properties in the West, tells me that all signs point to perhaps a \$40,000 per acre bonus for the Roan. Maybe Gov. Bill Ritter doesn’t have to let our property taxes climb after all.

With coal becoming a pariah and nuclear still in the wings, is there anyone who doubts that this nation will be using *more* natural gas a decade from now than it does today — even with a profusion of new wind farms?

If opportunities like Roan Plateau aren’t seized, we will deserve whatever onerous heating bills come our way.