

Naval Oil Shale Reserve drilling will be good for Colorado

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The recent request by Congressmen Mark Udall and John Salazar to stop the Bureau of Land Management from leasing the Naval Oil Shale Reserve (aka Roan Plateau) will hurt Colorado gas consumers and deprive the state, its schools and local governments billions of dollars of leasing bonus payments, royalty revenue and production taxes if enacted by Congress. The public process that began in 2004 should be allowed to proceed and the carefully crafted plan to produce clean, low greenhouse effect natural gas while protecting the NOSR should be implemented.

This small part of the Roan Plateau, host to nearly 200 miles of existing roads, can and should be tapped for the enormous natural gas reserves that lie underneath. There is enough gas under the NOSR to heat every home in Colorado for the next quarter century.

COGA estimates that the lease bonus payment alone could generate up to \$1 billion the year the Roan is leased. In addition, over \$5 billion in royalties and production taxes could be realized over a 30-year period (\$166 million annually!), and the state would benefit through the economic impact of the substantial investment by the industry of over \$11 billion dollars over the life of the project.

The plan, which will protect wildlife, views, and hunting, is the product of unprecedented public involvement and innovation. In summary, the plan calls for:

- No ground disturbance on 52 percent of the area and access restrictions on an additional 42 percent;

Clustered development and directional drilling from common pads to reduce land disturbance with a density of well pads being only four per square mile;

- Phased drilling in only one of six designated areas at any given time. No drilling would be allowed in sensitive valley bottoms;

- Trout habitat and scenic waterfalls are off limits.

By limiting disturbance to just one percent of the total area, impacts to natural areas are extremely limited and successful reclamation is mandated. After the natural gas is extracted, the NOSR can be restored and Colorado can have the benefit of domestic natural gas production while preserving the NOSR.

American energy consumers are already facing record energy costs, and our reliance on foreign sources of energy is impacting national security. Closer to home, over 100,000 households in Colorado alone required some type of energy assistance last year. Further delay is not the answer when it is now proven that this development can occur in the most environmentally way achievable.

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