

# SAVE ROAN PLATEAU FACT SHEET-Q&A ABOUT THE ROAN PLATEAU DRAFT PLAN

February 2005

**QUESTION-The oil and gas industry says that drilling can occur on top of Roan Plateau without jeopardizing its unique natural resources and outstanding recreational opportunities. Is that true?**

**ANSWER-**No. The draft Roan Plateau plan describes the impacts of drilling on Roan Plateau. Under any of the alternatives allowing new leasing and drilling on top of Roan Plateau, other public uses and resource values are likely to suffer irreparable harm.

For example, under the three total lease alternatives (Alternatives III, IV, and V) between one-third and half of the deer herd is likely to be eliminated. Under any of the 'action' alternatives (Alternatives II, III, IV, and V) current popular backcountry recreational opportunities on top of Roan Plateau will decline by over 97%. Roadless and natural lands, scenic viewsheds, and local quality-of-life are all likely to be significantly impacted, according to the draft plan.

**QUESTION-Under the draft's alternatives, how much gas would be "off-limits" with no drilling on top?**

**ANSWER-** Looking at all five alternatives, a comparative analysis shows that between 85% and 99% of the natural gas likely to be produced from the Planning Area during the plan would come from the base, putting between 1-15% of the gas likely to be developed under this plan "off-limits" to any leasing or drilling with no drilling on top.

The Bureau of Land Management (BLM) bases the draft plan's development projections on production in the area (found on page 4-215, 216 and in Appendix H at H-1 and Table H-2). The forecast is in terms of 'developable reserves,' meaning the amount of gas likely to be developed during the 20-year life of the plan.

Under the draft plan, the various alternatives produce different volumes of gas from the base and top, and different amounts of total gas ranging from 983 to 1819 billion cubic feet (bcf). Without any leasing or drilling on top, under Alternatives II, III, and IV, a range between 940 and 1329 bcf is projected. Thus, without any leasing or drilling on top, between 58 and 193 bcf of gas that is otherwise projected for production would be unavailable during the life of this plan.

Even much of the natural gas currently unavailable underneath and around the Plateau, could become available with improvements in new technologies that can extract gas without disturbing the public lands on top. These technologies are expected to continue improving rapidly over the twenty year life of the plan. The final plan could encourage innovation in such technologies through not leasing the top unless and until these technologies became available. But the BLM would have to include this sensible provision in its final plan.

## TABLE – ROAN PLATEAU GAS PRODUCTION, COMPARING THE ALTERNATIVES

Comparing gas development under each alternative (represented by the number of wells at the base and on the top) and comparing the gas projected for extraction show that drilling on top will remain relatively unimportant during the plan.

(Gas production is represented in billions of cubic feet, or "bcf").

Alternative from draft plan	Alt I "No Action"	Alt II	Alt III "Preferred"	Alt IV	Alt V	Formula or Source
Total "recovered" reserve	983 bcf	1041 bcf	1523 bcf	1523 bcf	1819 bcf	DEIS 4-214
Total wells	855	905	1324	1324	1582	DEIS 4-214
Wells on top	10	87	51	168	234	DEIS 4-214
Wells at base	845	818	1273	1156	1348	DEIS 4-214
"Recovered" reserve from top	11.50 bcf	100.07 bcf	58.67 bcf	193.25 bcf	269.06 bcf	(Total "recovered" reserve/total wells) * wells at top
"Recovered" reserve from base	971.50 bcf	940.93 bcf	1464.33 bcf	1329.75 bcf	1549.94 bcf	(Total "recovered" reserve/total wells) * wells at base
<b>Percent "recovered" from top</b>	<b>1%</b>	<b>10%</b>	<b>4%</b>	<b>13%</b>	<b>15 %</b>	("Recovered" reserve from top/total "recovered" reserve) * 100%
<b>Percent "recovered" from base</b>	<b>99%</b>	<b>90%</b>	<b>96%</b>	<b>87%</b>	<b>85%</b>	("Recovered" reserve from base/total "recovered" reserve) * 100%

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**QUESTION-The oil and gas industry claims that the law that transferred Roan Plateau to the BLM requires that drilling be allowed on top, is this correct?**

ANSWER-No. Passed by Congress in 1997, the Transfer Act, as it is commonly known (National Defense Authorization Act, Public Law 105-85), required that the Naval Oil Shale Reserves #1 and #3 (then administered by the Department of Energy) be transferred to the BLM, and that about 6,000 acres of these lands be leased “not later than one year after the date of the enactment of this section.” That requirement has already been surpassed with the leasing of more than 18,000 acres at the Plateau’s base. A Department of Energy “Fossil Energy Tech Line” bulletin (April 8, 1997) emphasizes that the area is being transferred for a variety of public uses, including the protection of natural and roadless lands:

“The Department of Energy is recommending the transfer of its three Naval Oil Shale Reserves – two in Colorado, the third in Utah – to the Department of Interior, an action that would make up to 145,000 acres of public lands available for future commercial leasing while preserving public access to certain scenic wilderness areas (emphasis added).”

Although the Act required that the BLM lease other lands in the Planning Area, “as soon as practicable,” since the transfer a number of leases have been issued and are in development inside the Planning Area, which many analysts believe fulfills the requirements of this Act. More leasing is almost certain to occur; without leasing and drilling the public lands on top, some 2/3 of the Planning Area (about half the public lands) would remain available for energy development.

Furthermore, the Act specifically requires that the BLM manage these lands in accordance with other laws, notably the Federal Lands Policy and Management Act and the Mineral Leasing Act. These laws require, among other things, that the BLM manage public lands for a range of public uses, avoid unnecessary damage to resources, and prioritize protection for areas of critical environmental concern. These laws also give broad discretion to the BLM in determining which of its lands to make available for leasing, and under what provisions.

BLM officials have themselves stated that the agency is not required to lease all of the Planning Area, and the inclusion of Alternatives I and II in the draft plan’s ‘range of reasonable alternatives’ verifies this position. Finally, there is an important difference between leasing and drilling, and even if the BLM decides to makes lands available for leasing, it is never required to allow surface drilling and disturbance on those lands. In fact the BLM is given the specific authority to disallow surface disturbing activity in its land use plans, even on lands it makes available for oil and gas development.

**QUESTION-Under the draft plan’s Alternative III, the agency’s so-called ‘preferred alternative,’ drilling on top of Roan Plateau would begin after 80% of the anticipated wells are drilled below the rim, at the base of the Plateau. Based on current drilling rates in the area, when is this threshold likely to be met?**

ANSWER-Based on industry projections for 2005 drilling rates, development could be expected to start on top on Roan Plateau in about eight years – half the time predicted by the draft plan, which uses outdated drilling rates in its analysis.

**WHEN WILL DRILING START ON TOP? (Under the Deferred Leasing provision of Alt. III)**

**1,651 wells** [remaining to be drilled to reach 80% threshold]. This is the point at which the public lands atop the Roan Plateau would be opened for drilling, according to the draft plan (DEIS 4-126). This number can change based on new information and circumstances (DEIS 4-216). [BLM’s number of wells drilled to meet the 80% threshold (DEIS 4-216)] *minus* [Current wells inside Planning Area (Pers. Conversation w/ BLM)]

$$2,342 - 691 = 1,651$$

**/248 wells per year** [as “weighted annual average” drilled at base]. Calculations according to formula in “Notes” Reasonable Foreseeable Development Table (DEIS H-14) ([Lands which remain to be leased at base (DEIS H-14)]\*[annual EnCana wells] + [lands at based leased by Williams (DEIS H-14)]\*[annual Williams wells]’) / ([lands which remain to be leased at base] + [lands at based leased by Williams])

$$(16,476 * 300 + 18,066 * 200)^1 = 8,556,000 = 248 (16,476 + 18,066) = 34,542$$

**=6.66 Years** [until drilling at base meets 80% threshold] The BLM calculates that drilling will start “up to a year” after the lands atop the Roan Plateau are available for leasing (DEIS 4-216). Thus under the “deferred leasing” of Alt. III, drilling on top would start in about eight years, based on current rates, using the BLM’s numbers and formulas. [Wells remaining to be drilled to reach 80% threshold] / [“weighted annual average”]

$$\frac{1,651}{248} = 6.657258064$$

**EXPLANATION**

Text depicts formulas and indicates sources. Numbers and formulas are taken directly from the Roan Plateau Planning Area (RPPA) Resource Management Plan and Draft Environmental Impact Statement (DEIS), variously at section 4.5.5.3 (DEIS 4-215, 216) and in Appendix H (“Oil and Gas Reasonable Foreseeable Development for the Roan Plateau Planning Area” (DEIS H-1) and Table H-2 “Reasonable Foreseeable Development” (DEIS H-14)), unless noted: Current well numbers inside the RPPA (691) are from a December 2, 2004 personal conversation w/ Steve Bennett, Glenwood Springs BLM. The projections for estimated annual Williams and EnCana wells are based on recent reports. See “Today’s Economy: A Colorado Viewpoint.” *The Adam’s Group*, 10/22/04 (at [www.coloradoeconomy.com/nl102204.html](http://www.coloradoeconomy.com/nl102204.html)); and, “Natural gas company plans 800 new wells,” *Glenwood Springs Post-Independent*, 11/19/04 (at [www.postindependent.com/article/20041119/VALLEYNEWS/111190019](http://www.postindependent.com/article/20041119/VALLEYNEWS/111190019)).