Gloria Tibbets
Field Manager
Bureau of Land Management
Colorado River Valley Field Office
2300 River Frontage Road
Silt, Colorado 81652

VIA ELECTRONIC SUBMISSION ONLY

July 17, 2018

Dear Ms. Tibbets,

On behalf of the Board of County Commissioners of the County of Gunnison, Colorado ("BOCC"), we submit the following preliminary comments to the Bureau of Land Management's ("Bureau's") proposed December 6, 2018 oil and gas lease sale of eight parcels within the management of the Uncompahgre Field Office ("UFO") in the State of Colorado.[1] Except as otherwise indicated or to the extent the proposed lease sale involves land, water, or other resources within or affecting Gunnison County, the BOCC's comments are limited to the following parcels: 8320, 8351, and 8140.[2] In particular, the BOCC acknowledges its partnership and cooperation with Delta County, Colorado and other members of the North Fork Coal Mine Methane Working Group, respecting that Delta County and other members of the group are important stakeholders in this process who may have additional or different comments regarding the proposed lease sale, particularly with regard to those portions of the proposed lease sale that do not implicate Gunnison County or its citizens. Nothing in the BOCC's comments should be construed as speaking for or against such interests, or as to those matters that exist outside or that do not affect Gunnison County.

At this time, the BOCC provides the following initial comments:

1. The BLM Has Not Identified the Economic Need for a Lease Sale at this Time, Particularly if the Proposed Sale Includes Development of Coalbed Methane as Opposed to Just Coalmine Methane Gas.

The BOCC recognizes that natural gas development is an important part of Colorado's economy and affords economic development opportunities within Gunnison County. Natural gas is a valuable resource that should be extracted in a manner that both permits economic opportunities for the County's citizens and also protects public health, safety, wildlife, tourism and recreation, scenic resources, light and noise pollution, agricultural uses, water quality, and the environment.

[1] The BOCC also submits with this letter maps that help illustrate these comments and provide the BLM information available to Gunnison County regarding the proposed lease sale.
[2] We note that proposed parcel 8135 crosses into Gunnison County. Thus, the comments set forth in this letter would apply to that parcel as well.

At the same time, natural gas prices remain historically low and are predicted to remain so until 2019, thus raising the question of whether it makes sense to develop additional natural gas resources at present. *See* United States Energy Information Administration, "EIA expects 2018 and 2019 natural gas prices to remain relatively flat", *available at* www.eia.gov/todayinenergy/detail.php?id=34672. Moreover, Colorado Oil and Gas Conservation Commission data reveals very few active producing wells within the proposed lease area (at least within Gunnison County), suggesting that there is little need for new wells in this location. *See* www.cogccmpa.state.co.us/cogcc_gis_online. Accordingly, the BLM should explain why the proposed lease sale is economically prudent at this time. This is particularly the case because in February 2013, the BLM elected to defer a similar proposed lease sale covering parcels that are similar to or perhaps part of the present proposed sale in order to address concerns raised by local residents and communities, including Gunnison County. Thus far, Gunnison County has not received any information from the BLM about why the agency believes the 2013 deferred lease sale should be revived at this time, particularly in light of current economic conditions.

The Gunnison BOCC encourages the lease sale to the extent it results in the development of recoverable coalmine methane, or methane recovered from coal mine operations. As the BLM is likely aware, Gunnison County has consistently supported the exploration of methods to safely, economically and effectively recover methane from active and inactive coal mines, particularly in the North Fork Coal Mining Area. In conjunction with Delta County, Gunnison County has convened a North Fork Coal Mine Methane Working Group which is comprised of stakeholders from industry, conservation, land management agencies and local, state and federal government with the mission to support coal mines and the surrounding communities in the North Fork Valley through the development of a comprehensive strategy for education, capture, exploration of mitigation, and economic utilization of coal mine methane. That group has been meeting for almost a year and has developed a robust discussion on various issues, barriers and technologies available for capture, mitigation and utilization of coal mine methane in both active and inactive mines. We ask the BLM to take appropriate steps to ensure that any lease sale encourages the work that this group has conducted in developing a coal mine methane capture and utilization implementation strategy which could include economic utilization and mitigation strategies such as electricity generation, scrubbing and piping and heat generation. In addition, Gunnison County recognizes that, so long as consistent with air and water quality requirements, methane mitigation can occur through methods such as flaring. Thus, Gunnison County would support the development within the proposed lease sale of coal mine methane extraction to the extent it makes economic sense and is consistent with sound management principles and considerations, including the comments that appear in this letter.

With regard to coalbed methane natural gas ("CBM"), however, Gunnison County is not presently aware of the need for exploration and drilling of additional CBM wells in the proposed lease sale area, particularly given the economic conditions described above. Therefore, the BLM should limit the proposed lease sale to economically viable and environmentally responsible coal mine methane extraction and not lease lands for CBM development at this time, unless the BLM can explain and demonstrate to the satisfaction of stakeholders the economic viability of new CBM wells within the proposed leasing area consistent with prudent and responsible operation parameters that take into account at least the issues outlined in this letter.

2. The BLM Should Include Compliance with Gunnison County's Regulations Regarding Oil and Gas Development as a Mandatory Lease Term.

As the BLM is likely aware, Gunnison County has the authority to protect and promote the health, welfare and safety of the people of Gunnison County, and the authority to regulate land use planning and quality and protection of the environment in the County. To this end, Gunnison County has adopted regulations to exercise such authorities including the review, approval or denial of proposed activities and uses of land and natural resources. To the extent the BLM proceeds with the proposed lease sale, it is critical for the BLM to include compliance with all Gunnison County regulations regarding oil and gas exploration, development, operation, and upstream activities as a mandatory lease term in any lease of parcels within the proposed lease area. In addition, the BLM should include a requirement that any lessee comply with any other land use or environmental regulation imposed by Gunnison County that in any way relates to operations on the leasehold, including but not limited to water quality, public roads, emergency response, wildlife concerns, agricultural uses and recreation uses.

3. The BLM Should Ensure that the Proposed Lease Sale Complies with Any Current Resource Management Plan and any Future Plan Adopted During Any Lease Term.

In 2016 the BLM published a proposed Resource Management Plan for the Uncompaghre Field Office that Gunnison County understands includes lands within the proposed lease sale. That RMP recognized, among other things, the critical importance of proper protection and management of "terrestrial and aquatic habitat, water resources, and special management areas, while maintaining biological diversity and native species populations." *See* United States Department of the Interior, Bureau of Land Management, *Uncompaghre Field Office Draft Resource Management Plan and Environmental Impact Statement* (May 2016). Accordingly, the BLM should ensure compliance with the current RMP and also take all necessary steps to ensure that the present proposed RMP, if adopted, be incorporated into the management practices for the natural gas development associated with the proposed lease sale. Further, should BLM adopt any future RMP covering the proposed lease area during the term of any lease that results from the current proposal, that RMP should be applied to such lease(s).

4. The BLM Should Consider Any Potential Impacts to the Paonia Reservoir, Muddy Creek, Deep Creek and Henderson Creek.

Proposed lease areas 8351 and 8320 are close to Muddy Creek and Paonia Reservoir, and part of 8351 bisects Deep Creek that feeds into the Reservoir. The BLM should ensure that any natural gas development in these areas do not negatively impact this important water supply, such as water contamination from drilling operations, fracking, and road and wellpad stormwater runoff.

In addition, proposed lease area 8140 bisects part of Henderson Creek, which is a popular fishing spot. Recreational opportunities such as this one should be protected from excessive visual impacts, noise and air pollution associated with natural gas operations.

With regard to these water and other natural resources within the proposed lease area, the BLM should consider whether to require no surface occupancy ("NSO") stipulations in any lease proximate to such resources in order to afford them at least some protection from development.

This does not mean that in the opinion of the BOCC, NSOs are the only potential issue the BLM should consider with regard to how it protects water and other natural resources. For example, the BLM should carefully consider whether any directional drilling, wastewater disposal or fracking techniques could place these resources at risk through subsidence, seismic disturbance or groundwater pollution.

5. The BLM Should Expressly Identify and Address Potential Wildlife Impacts

It does not appear to Gunnison County that BLM has specifically identified the wildlife species that could be impacted by development on the proposed lease parcels and the scope and extent of that potential impact. The County understands that there may be as many as 40 different wildlife species that could be affected by natural gas exploration, drilling, operations and infrastructure on the proposed lease parcels. They include the Bald Eagle, Peregrine Falcon, Elk, Mountain Goat, Moose, Mule Deer and Wild Turkey. Although these species are not necessarily threatened or endangered, the BLM should take steps to ensure protection of their habitat, range, and food sources from the proposed development, including but not limited to conducting a comprehensive wildlife analysis across the entirety of the potentially effected terrain seasonably in advance of the proposed lease sale.

6. The BLM Should Take Steps to Minimize any Potential Visible Impacts and Noise and Light Pollution.

Parcels 8351 and 8320 are in proximity to Highway 133, which is a designated portion of the West Elk Loop Scenic Byway and as such draw considerable economic income to Gunnison County from tourism. In addition to the visual impacts that natural gas development inevitably creates, exploration, drilling, operation, production and post production of natural gas all negatively affect ambient noise and light levels that are important part of the scenic beauty of this area of the County. The BLM should take appropriate states to prevent or at least minimize the visual and auditory effects that will likely arise from the proposed lease sale.

7. The BLM Should Consider Extending the Comment Period for the Proposed Lease Sale.

The BLM provided only a 15-day initial comment period for the proposed lease sale, and one of the 15 days was a federal holiday and one of the busiest parts of the summer tourist season in the Gunnison Valley. Accordingly, many of Gunnison County's citizens may not have been afforded adequate time to submit comments. For this reason, the BOCC requests the BLM extend the initial comment period for at least an additional 15 days.

Conclusion

In conclusion, the BOCC appreciates the opportunity to provide initial comments to the proposed lease sale, and reiterates its recognition of and commitment to economically viable and

environmentally responsible natural resources development on lands within Gunnison County. Please do not consider the foregoing an exhaustive list of all of the BOCC's comments or concerns regarding the proposed lease sale; the BOCC expressly reserves the right to fully participate in this process, including but not limited to submission of additional comments as the process progresses.

We appreciate your consideration. Thank you.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By: _____	By: _____	By: _____
Phil Chamberland	Jonathan Houck	John Messner
Chairperson	Vice Chairperson	Commissioner

Enclosures