

# Roan Plateau settlement: Final or not? Who won? Who lost?

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The Roan Plateau, in a way, is the best of both worlds. And therein lies the problem.

Rising about 3,500 feet above Rifle and Parachute in Western Colorado, with the Colorado River near its base, the plateau is rich in both energy and natural resources. The plateau and surrounding lands may hold about 15.4 trillion cubic feet of technically recoverable natural gas on federal, state and private lands. Conflicts arise over the use of the more than 73,000 acres of lands on and around the Roan because it is also home to genetically pure Colorado River cutthroat trout and several rare plants found few other places in the world. It provides important habitat for mule deer and elk, other wildlife, and contains riparian areas and high-recreational value scenery.

Yet it is crisscrossed by dirt roads, barbed wire fences and already-producing gas wells on private lands. There's even a huge tunnel driven through a mountainside by an energy company so big diesel trucks and others can access drilling sites.

As a resident of Rifle for about a quarter of a century and a working journalist during the height of the public process that recently led to a settlement of a lawsuit that sought to halt development on top of the plateau, I've watched closely how the issue has played out.

## **Not just another lease at heart of the fight**

The Bureau of Land Management's 2008 sale of mineral leases to gas companies hoping to develop the top of the Roan was the highest grossing in the lower 48 states in history, at just under \$114 million. Ten environmental groups filed suit over the BLM's management plan governing the area, setting the stage for a long legal battle. In 2012, a district judge sent the plan back to the BLM, saying it had failed to adequately analyze more protective options, along with air-quality impacts.

The BLM temporarily suspended the leases on the Roan so it could make a final determination regarding the management plan and what happens to the leases.

Then, on Friday, Nov. 21, U.S. Interior Secretary Sally Jewell, along with state and federal elected officials, announced a landmark settlement. It called for 17 of the 19 leases to be canceled, effectively protecting most of the plateau's sensitive resources from future energy development. Companies can still seek to lease and develop 16,000 acres, mostly around the base of the Roan, with provisions on about half the area to protect wildlife. The Bill Barrett Corp., which holds the canceled leases, will receive a \$47.6 million refund. Barrett's remaining two leases on top of the plateau and a dozen leases at the base, held by WPX Energy, Ursa and Oxy, will remain in place.

## **Is this really it?**

However, as so many things in the legal realm, this may not be the real end of the fireworks. While the BLM has agreed to analyze the settlement as a possible approach to managing the area, the agency is not required to adopt it in a revised management plan.

So while the environmental groups are happy, and a statement from Barrett said the company was pleased to finally be able to do at least some development on and around the Roan, I know many in the Rifle and Parachute communities were expecting more. The Great Recession, especially the downturn in gas drilling and new home construction, hit the two municipalities, school districts and Garfield County especially hard. And unlike the Front Range of Colorado, the local economy hasn't come back.

One local county commissioner was quoted in an area newspaper as saying one drilling rig equals 55 jobs. That activity also means more property tax revenue for schools, other special districts and the county. Any economic activity also trickles down in the form of sales tax revenue in Rifle and Parachute, along with other area towns. So while the settlement means some gas development on and around the Roan may occur, if all 19 leases had been allowed to be developed, we'd be talking about a much greater economic impact.

There's also the issue of where the \$47.6 million to refund Barrett will come from. Another county commissioner noted he didn't want to see local entities like the county, Rifle and Parachute held up over funds they've already received and spent. And while Colorado Gov. John Hickenlooper – another happy party to the settlement – said he supports a legislative measure to prevent future state mineral lease revenue from being withheld until the refund is made, who knows what the state legislature might do? During the recession, they raided that fund for other needs.

## **Winners and losers**

So the winners right now are the wildlife and natural resources on top of the Roan (which you can't really put a price on, right?) Barrett and potentially other companies can do a limited amount of drilling and development, which should help the local economy, but to a lesser extent than originally envisioned.

Losers are taxpayers who have already footed the bill for the BLM's more than 8-year-long planning process, which I'd bet is well over \$1 million. Then there's attorneys fees in the recent legal action, which you know is pretty substantial. Lawyers win, but someone will pay their bill. On the other hand, those bills won't go any higher with the settlement.

Those who enjoy the Roan for its natural amenities can continue to do so without fear of running into a new gas rig while hiking or mountain biking. At least on most of the plateau.

In the early 2000s, I took part in a (mostly windshield) tour of the Roan. At the end of it, the BLM staffer in charge of developing the management plan asked me what I thought the agency should do in terms of directing how the often scenic but fragmented area should be used. Ever wanting to portray an objective reporter's view, I said I was glad I didn't have to make that decision.

Now, while we have a better idea of what may lay ahead for the Roan Plateau, there's still not a 100 percent certainty. There may never be and I still don't want be the one to try to make that decision.

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### ***Roan Plateau history***

Originally set aside as Naval Oil Shale Reserves #1 and #3 in the 1910s, the Roan Plateau was transferred to the Bureau of Land Management from the Department of Energy in 1997 by Congress, with directions to lease the area for oil and natural gas development "as soon as practicable," while protecting the plateau's wildlife, water and other natural resources. The transferred lands totaled 56,238 acres and the legislation required that the 12,029 acre-area below the rim, which already contained wells, be leased within a year.

*Source: BLM*

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