

Master Leasing Plan Recommendation: Greater Adobe Town

Prepared by

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I. Area Name and Location: Greater Adobe Town – located in Southwest Wyoming,
Northwest Colorado

II. Summary Data

- BLM Field Office/s of jurisdiction and counties – Rawlins and Rock Springs Field Offices, Wyoming, lands within Sweetwater and Carbon Counties, Little Snake Field Office, CO, lands within Moffat County
- Relevant RMP and date issued or current status – Rawlins RMP was finalized in 2008, Rock Springs RMP is due for revision with scoping expected to start later in 2010, Little Snake Field Office Proposed RMP is expected out shortly
- Map showing area boundary and nearby areas: Attached
- Total acres: 1,228,610
- % Federal Lands: 84% (1,034,159 acres)
- % Federal Minerals: 84% (1,036,407 acres)
- % of BLM Land Leased: 63%
- Leases poised to expire: 132,732 acres (29% of non-producing leases) to expire in 0-3 years; 66,903 acres (15%) to expire in 3-5 years; 58,951 (13%) to expire in 5 or more years; 196,199 acres (43%) unknown expiration date.

III. Indications of Industry Interest:

As shown in the attached maps, the Adobe Town Area has been the focus of industry interest in both leasing and development. In 2004, the BLM approved the Desolation Flats project, entailing 385 wells, 542 miles of road and 360 miles of pipeline in a 250,000-acre section of the Wyoming's southern Red Desert. Samson Resources is drilling exploratory wells in the Endurance and Barricade Units in the eastern portion of Adobe Town in Wyoming. BLM has completed scoping of the Hiawatha Infill project, which is evaluating drilling of 4,200 new wells. Several wildcat wells have been drilled along Powder Rim, and a handful of new wells have been drilled west of Kinney Rim in the Trail, Kinney, and Pacific Rim fields. According to USGS, this is an area of low to moderate potential for oil and gas, and a high proportion of the wells spudded have been abandoned as "dry holes."

The proposed area also has substantial tracts of land that are presently unleased for oil and gas development. Importantly, this also includes a substantial number of leases that expired. As a prime example, the Adobe Town WSA was withdrawn from future leasing in the early 1980s, even though it was covered with leases at the time, and today the WSA is almost entirely free from oil and gas leases. Tracts of currently unleased federal minerals totaling tens of thousands of acres stretch across the Kinney Rim South and North citizens' proposed wilderness units. In addition, substantial acreages of BLM minerals along the Powder Rim are completely unleased. Further, most of the leased land in the MLP area is made up of nonproducing leases, particularly the Adobe Town, Kinney Rim North, and Kinney Rim South citizens' proposed wilderness areas, the Powder Rim migration corridor, and lands north of Red Creek Rim. A nonproducing unit, the Desolation Road unit, is made up of leases past their expiration date which have been suspended; the unit is nonproducing and it is questionable whether the leases involved actually legally exist.

Two major geophysical exploration projects, Red Creek and Cherokee West in 2005 to 2007, covered a great amount of these nonproducing leases in the southern portion of the proposed MLP, and the Haystacks Seismic Project in 2002 covered about 50,000 acres of predominantly nonproducing leases in the northern part of the proposed MLP. The lack of new well spuds (an estimated 4 new wells across approximately 225,000 acres subjected to geophysical exploration) is a testament to the lack of oil and gas prospects in this area, and thus many of the nonproducing leases are likely to expire without being developed.

The expiration of Adobe Town leases over the past two decades illustrates the point that protecting lands with nonproducing leases makes good sense. The ongoing industry interest in the area, however, underscores the need for the BLM to take a stronger role in managing the leasing in the area – such that opportunities to protect other values are taken and leases that are not producing do not continue to limit those opportunities.

IV. Potential Resource Conflicts

Instruction Memorandum 2010-117 identifies a “non-exhaustive” list of resource issues to be considered when developing an MLP. The Adobe Town area has many of these important resources. For purposes of this initial proposal, we are highlighting several key resources, with additional detail available.

Resource Values:

Wilderness Characteristics

The Adobe Town MLP contains a number of citizen-proposed wilderness areas:

Adobe Town: The Adobe Town citizens' proposed wilderness encompasses 180,910 acres including the currently designated Adobe Town Wilderness Study Area and additional surrounding areas shown on the attached maps. According to BLM, Adobe Town:

is one of the few large roadless undeveloped areas in the Wyoming Basin with spectacular scenery. It is desert wild land at its best. With development this wild character will be lost probably forever, certainly for the duration of its life as a gas-producing area.

BLM (no date) at 13 (attached). BLM has previously determined that approximately 40,000 acres outside the Adobe Town WSA also possess wilderness character (BLM 2002), although the remainder of the area unquestionably possesses wilderness characteristics as well, based on the agency's own criteria.

The wilderness-quality of the entire Adobe Town citizens' wilderness proposal was highlighted by its designation as Very Rare or Uncommon by the State of Wyoming Environmental Quality Council under the State's Environmental Quality Act in 2007, based on its scenic, wildlife, geological, paleontological, archaeological, botanical, and scenic values.¹ This designation restricts non-coal surface mining, including oil shale development. Particular Very Rare or Uncommon features for which the area was designated include:

- Willow Creek Rim, an uncommon scenic value, containing "a scenic vista overlooking the entire Adobe Town area." (p. 9 of Order);
- Sage grouse leks;
- Mountain plover nesting habitats;
- Scenic vistas from the Skull Creek Rim;
- Juniper woodlands and associated songbirds not found elsewhere in Wyoming;
- "Unique geological features and has high aesthetic, photographic and scenic values" along the Powder Rim." (Order at p. 10);
- Crucial mule deer winter range; and
- Archaeological sites.

These values are seldom found within the state and could become extinct or extirpated if left unprotected." Order at 19.

In addition, on December 16, 2008, the Sweetwater County Commission adopted Resolution 08-12-CC-03, recommending stronger protections for Adobe Town, including the entire Very Rare or Uncommon Area south of Area A, from future oil and gas leasing and development "to allow state and federal lands in Adobe Town to remain undeveloped in this wild and scenic area." Furthermore, the resolution provides, "Current oil and gas leases within Adobe Town should be developed in a way that minimizes intrusions on the land and wildlife." This resolution was ignored by BLM in its subsequently completed Rawlins RMP.

Kinney Rim: The Kinney Rim citizens' proposed wilderness includes two units: Kinney Rim North, all in Wyoming, and Kinney Rim South, which includes lands in both Colorado

¹ Available online at <http://deq.state.wy.us/eqc/orders/Rare%20or%20Uncommon%20Closed%20Cases/07-1101%20Adobe%20Town/Adobe%20Final.pdf>.

and Wyoming. The Kinney Rim South unit is more than 125,000 acres, remote from population centers and characterized by undulating terrain, with outstanding opportunities for wild horse viewing and antelope hunting, as well as hiking along the spectacular crest of the Kinney Rim. The Kinney Rim North unit, totaling more than 128,000 acres, also possesses the full suite of wilderness characteristics.

Monument Valley

The Monument Valley Management Area was designated under the Green River Resource Management Plan as a candidate for designation as an Area of Critical Environmental Concern (ACEC) but has yet to be acted upon by BLM Rock Springs. According to the Green River RMP, “the Monument Valley area has unique scenic features and has the apparent high potential for significant cultural and paleontological resources...” The Green River RMP describes the management objective for this area as follows: “The management objective for the Monument Valley area is to provide protection of wildlife, geologic, cultural, watershed, scenic, and scientific values (paleontological and cultural).” This area is open to “consideration for mineral leasing, exploration, and development provided mitigation can be applied to retain the resource values.” According to the Green River RMP, Designation of the area as an ACEC will be deferred until a determination can be made that specific resources meet the ACEC relevance and importance criteria.” GRRMP at 37. This analysis has now been deferred for 13 years, during which time intensive wilderness inventories and the Wyoming EQC’s Very Rare or Uncommon designation process with considerable expert testimony² have taken place.

Cultural Resources

The cultural resources in the MLP area represent important periods in our Western heritage, as well as Native American history.

The ruins of the Cow Creek Ranch, also known as the Jolley Ranch, are a historic sheep ranch between the Adobe Town and Kinney Rim South citizens’ proposed wilderness areas, exhibits excellent typical traits of a Wyoming arid lands ranch, including a main house, bunkhouse, barn, corrals, buckboard wagons, and other structures.

Along the Powder Rim, the ruins of several cabins with links to Butch Cassidy and his Powder Wash Gang are to be found. The Outlaw Trail passes through the proposed MLP area while the Cherokee Historic Trail, an emigrant wagon trail dating to the 1850s, traverses the proposed area.

The entire Adobe Town area is known to possess an unusually high density of archaeological sites and the BLM has recognized these attributes. BLM (1991, p. 188).

² As noted above, the petition, EQC ruling, and much of the written testimony from this process are available online at <http://deq.state.wy.us/eqc/orders/Rare%20or%20Uncommon%20Closed%20Cases/07-1101%20Adobe%20Town/07-1101%20Adobe%20Town.htm>.

Paleontological Resources

The Washakie Formation, comprising the Kinney Rim and Adobe Town members, represents one of only two North American outcrops including the fossil record of the Uintan-Bridgerian interface during the Eocene period. Numerous fossils have been found in this area. Dr. William Turnbull, of the Chicago Field Museum, worked to excavate fossils in this area between 1950 and 2006, and indicated that this area was rich in fossil resources and thus “must be protected.”³ BLM (1981: 16) assessed the Washakie Basin’s fossil resources as follows:

The entire Washakie Basin is well known as a location where large quantities of Eocene fossils are found. They have been found throughout the area and range from petrified wood to large mammals and turtles.

Wildlife Migration Corridor and Wildlife Habitat

Powder Rim Big Game Migration Corridor/Crucial Range: The Powder Rim is a known migration corridor for big game, which migrate from summer ranges in the Sierra Madre and Elkhead ranges to crucial winter ranges along the Powder Rim. Porter (1999) documented elk migrations to summer ranges in the mountains to the east, on both sides of the Colorado-Wyoming border, while mule deer summering along the Atlantic Rim migrated to Powder Rim crucial winter ranges each year. In recognition of the importance of this migration route, in 2009 the Wyoming Department of Transportation installed an underpass and guide fencing at Fivemile Point on Wyoming Highway 789 north of the town of Baggs, in hopes of aiding the migration and decreasing vehicle-deer collisions during migrations to and from Powder Rim. The largest triple-overlapping crucial winter range for elk, mule deer, and pronghorn in the Rawlins Field Office (and perhaps the state) is found along the western reaches of the Powder Rim.

This area is also home to a rare resident desert elk herd, the Petition Herd, which ranges throughout the proposed MLP but concentrates its use along the Powder Rim. The yearlong desert elk population on Powder Rim represents approximately ¼ the total number of elk wintering on Powder Rim; migrants from the mountains make up the remaining ¾ (Porter 1999).

Heart of the West Conservation Plan Priority Sites: The Powder Rim linkage was also recognized as an Endangered Linkage in the Heart of the West Conservation Plan, which spans the Wyoming Basins Ecoregion across Wyoming, northeastern Utah, and northwestern Colorado. This plan also identifies the Adobe Town – Vermillion Core Area as one of the region’s important core wildlife habitats.⁴ The Adobe-Vermillion Core Area, encompassing much of the proposed MLP area, has been determined to be one of the five most vulnerable and irreplaceable core areas in the Wyoming Basins Ecoregion (Jones et al. 2006).

³ The brief comments of Dr. Turnbull on the Adobe Town Very Rare or Uncommon petition are found at <http://deq.state.wy.us/eqc/orders/Rare%20or%20Uncommon%20Closed%20Cases/07-1101%20Adobe%20Town/10-24-07.Comments/Comments.WTurnbull.pdf>.

⁴ Plan online at http://www.voiceforthewild.org/Heart_of_the_West/HeartoftheWestPlan.pdf.

Greater Sage-grouse: The MLP area includes important sage-grouse habitat in both Colorado and Wyoming. Portions of the Kinney Rim North citizens' proposed wilderness fall within a Sage Grouse Core Area as designated by the State of Wyoming. Once abundant throughout the west, the greater sage-grouse is threatened by loss of its sagebrush habitat, including loss from oil and gas development, sprawl, human destruction of sagebrush, and invasive weeds like cheat grass. When habitat damage takes place due to one of these activities, sagebrush ecosystems can take 25-100 years to recover. As the sagebrush ecosystem is destroyed, so is the bird's primary source of food and shelter, as well as the setting for its traditional courting ritual. Studies suggest there has been a decrease of 70-90% in overall abundance of the bird, and they are at even greater risk of reduced genetic variation due to this severe population decline.

In March 2010, the greater sage-grouse was placed on the candidate list for ESA protection. This announcement was issued simultaneously with new guidance from BLM for protecting the species from energy development. IM 2010-071 not only provided a menu of actions BLM can take in priority habitat when evaluating and approving RMPs and energy projects, including withholding or deferring lease parcels and attaching conditions of approval, but also acknowledged the need for and the agency's commitment to protecting greater sage-grouse from the impacts of oil and gas development. In addition to the BLM's national guidance on managing sage-grouse habitat, BLM Wyoming has also produced guidance (IM WY-2010-013) that supports protection from oil and gas development. In addition, there are a number of sage grouse leks as well as identified wintering habitat that require protection.

White-tailed Prairie dog complexes

The Dad white-tailed prairie dog complex within the MLP area was also proposed as an ACEC under the Rawlins RMP, with potential as a reintroduction site for the endangered black-footed ferret. The Dad complex is potentially large enough to support a reintroduction of the endangered black-footed ferret. The White-tailed Prairie Dog Conservation Assessment was recently approved by the Western Association of Fish and Wildlife Agencies (January 2006). The four state wildlife agencies that manage white-tailed prairie dogs (including the Wyoming Game and Fish Department), and WAFWA, their umbrella group, have endorsed the conclusion that:

the threat posed by oil and gas exploration and extraction may justify listing unless it is addressed on public lands managed by the BLM. It is critical that the BLM, through its Land Use Plans, manage oil and gas leasing and development in WTPD complexes to maximize prairie dog habitat potential. Land Use Plans must be revised on a state-by-state basis and WTPD protection should be initiated in order to prevent further, more drastic actions, possibly including listing the WTPD under the ESA. (pp. 70-71) (emphasis added).

The Little Snake Black-footed Ferret Management Area is located adjacent to the Hiawatha project area on the Colorado side of the line; white-tailed prairie dog complexes in this area extend northward into Wyoming (BLM 2000).

Birds of Prey: The cliffs along the Adobe Town and Skull Creek Rims as well as the Haystacks and Powder Rim are concentration areas for nesting birds of prey. The area generally has a high density of nesting raptors, In the Vermillion Basin, although nest surveys had not been conducted, 75 known nest sites were identified in and adjacent to the 92,490-acre project area (BLM 2000).

Impacts to Values from Leasing:

As shown above and acknowledged by the BLM and other agencies evaluating the values of the Adobe Town MLP area, the wilderness characteristics, cultural and paleontological resources, and wildlife migration corridors and habitat described above are all put at risk by leasing and damaged by the surface and sub-surface disturbance inherent in oil and gas drilling.

MLP Criteria:

As shown in the above summary and the attached maps, the proposed Adobe Town MLP meets the criteria requiring establishment of an MLP because:

- A substantial portion of the area is unleased;
- There is a majority of federal mineral interest;
- The industry has expressed a specific interest in leasing and there is at least a moderate potential for oil and gas in the area, with producing wells; and
- Additional analysis is needed, including because of:
 - Deferred consideration of protecting areas like Monument Valley;
 - Reevaluation needed for inventory and management of lands with wilderness characteristics based on the lack of guidance during the preparation of the Rawlins RMP and the age of the Rock Springs MLP;
 - Risk to sage-grouse that was not evaluated under new national guidance, updated science, and new guidance from the Wyoming BLM.

V. Potential Master Leasing Plan Decisions—Opportunities to Solve or Prevent Conflicts:

The proposed Adobe Town MLP has already been subject to ongoing conflict in appeals and litigation over the Rawlins RMP and large-scale proposed and ongoing oil and gas development projects. Nonetheless, the area also retains a wealth of other natural and cultural resources that can be protected by active and thoughtful management.

In the MLP area, there has been relatively little active oil and gas development to date, oil and gas potential is rated as low to moderate, and a large proportion of the currently nonproducing leases are slated to expire within the next two years. Producing leases are clustered in a handful of small and isolated fields, including the Kinney Rim, Trail, Endurance, Willow Creek Reservoir, Barrel Springs, Hangout Wash, and South Baggs fields. The Hiawatha project will also proceed on both the Colorado and Wyoming portions

of the proposed MLP, such that ongoing development will be available and productive. As noted above, much of the non-WSA lands in the Adobe Town citizens' proposed wilderness have been under lease in recent years. In the December 2009 lease auction, BLM deferred 15,000 acres of proposed leases in the Adobe Town CPW. As a result of this single action, there are now 15,000 acres of additional wilderness-quality lands unencumbered by oil and gas leases today.

To solve current conflicts and prevent future ones, the Adobe Town MLP must fully protect citizens' proposed wilderness areas in Adobe Town and Kinney Rim, as well as sage-grouse habitat. In this context, we would note that the Stiles Report⁵, produced by a team of experienced BLM and National Park Service employees after a court invalidated a 2008 Utah lease sale. In addition to specifically recommending certain parcels be deferred due to sage-grouse and wilderness characteristics, the Stiles Report noted the lack of national guidance on managing lands with wilderness characteristics and found that this lack of guidance contributes to uninformed oil and gas leasing decisions, and recommended the guidance be issued soon. The report further recommended that "BLM-Utah review the [recently-completed RMPs] in light of this new guidance and make necessary modifications." (pp. 32-33).

Closures to leasing and stipulations for greater sage-grouse should be based on the most recent research from the Western Association of Fish and Wildlife Agencies (WAFWA)⁶ and Doherty⁷. The Stiles Report recommended that lease parcels in all sage-grouse habitat have NSO stipulations year-round. In light of the ESA listing decision and BLM's guidance, the Adobe Town MLP should fully protect greater sage-grouse core areas, as mapped by the Colorado Division of Wildlife in Colorado and by the State of Wyoming.

In both citizen-proposed wilderness and sage-grouse habitat these areas, the MLP should also provide that once leases expire, they will not be reoffered and the lands will be closed to leasing. Leasing and ongoing development in white-tailed prairie dog habitat and wildlife corridors and core areas should be subject to no surface occupancy stipulations. Leasing and development in other areas, such as big game crucial ranges and migration corridors, viewsheds of historic trails, and mountain plover concentration areas, should proceed with appropriate best management practices and stipulations.

⁵ http://www.doi.gov/documents/BLM_Utah77LeaseParcelReport.pdf.

⁶ A compilation of studies released by the Western Association of Fish and Wildlife Agencies (WAFWA) in 2004 confirmed that oil and gas development exceeding approximately one well per section (640 acres) results in calculable impacts on Greater Sage-Grouse populations, with negative impacts to leks detectable out to a minimum of 4 miles away. (*Greater Sage-Grouse Conservation Assessment* (Connelly *et al.*, 2004)). The more recent recommendations and conservation plan released by WAFWA also confirm the need to identify and protect "core habitat" areas; the signatory agencies, which includes the BLM, committed to "provide for non-renewable resource development and utilization with the assurance of 'no net loss' of sagebrush habitat or Greater Sage-Grouse populations at appropriate spatial and temporal scales" (*Greater Sage-Grouse Comprehensive Conservation Strategy* (Striver, *et al.* 2006, p. 2-10), as well.

⁷ Doherty, K.E. 2008. Sage-grouse and Energy Development: Integrating Science with Conservation Planning to Reduce Impacts, doctoral dissertation, University of Montana, Missoula, Montana

During the preparation of the MLP, it is vital that no new leases be issued and all applications for permits to drill incorporate new conditions of approval to alert operators to the possibility of new protective stipulations to be incorporated in the ongoing MLP.

This area has been a hot-bed for legal challenges. There is ongoing litigation challenging many of the oil and gas management decisions made in the Rawlins RMP. IBLA cases have been filed against the following gas and coalbed methane projects: Desolation Flats, Vermillion Basin, and Pacific Rim, and the Cherokee West and Haystacks seismic projects. The revision of the Little Snake RMP is likely to defer decisions on sage-grouse habitat. The revision of the Rock Springs RMP is long overdue and is expected to begin in 2010. The preparation of the Adobe Town MLP would provide opportunities to correct oversights in the Rawlins and Little Snake RMPs, as well as to set key decisions for inclusion in the Rock Springs RMP, with the potential to reduce conflict associated with oil and gas development and increase protection for the many other irreplaceable resources in this area.

VI. Stakeholders:

A large variety of stakeholders has sought protection of the citizen-proposed wilderness areas, wildlife habitat, and other cultural and paleontological resources in the Adobe Town MLP. The wildlife agencies in both Colorado and Wyoming are focused on managing sage-grouse, as well as ensuring hunting opportunities (and the economic benefits they bring) are protected. Both states and the local communities also have an interest in well-managed oil and gas development, such that revenue is earned with a minimum of conflict and due regard for the other resources of these lands that contribute to local economies and quality of life. Governor Freudenthal has repeatedly expressed his support for protection of the greater Adobe Town area, as has the Wyoming Association of Churches and the AFL-CIO. Conservation groups have supported accurate inventory and protection of wilderness-quality lands and acknowledgment and protection of vulnerable wildlife species. This large contingent of stakeholders would support preparation of an MLP and provide valuable input into this process.

VII. Appendix:

Maps:

1. Land Ownership
2. Federal Minerals by Surface Ownership
3. Leases by Years to Expiration
4. Elk Habitat and Migration Routes
5. Mule Deer Habitat and Migration Routes



Adobe Town Proposed MLP--Federal Minerals by Surface Ownership

