

Written Testimony of

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**Before the Subcommittee on Forests and Forest Health
of the**

**U.S. House of Representatives
Committee on Resources**

**Regarding HR 3817
Valle Vidal Protection Act**

October 27, 2005

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Mr. Chairman and Committee Members. First I want to thank you for giving me the opportunity to talk to you today about a place that is near and dear to the hearts of hunters, anglers, outfitters, guides, ranchers, horseback riders, hikers, county commissioners, businessmen and others in New Mexico and throughout the United States.

My Name is William Schudlich, and I am the Chairman of the New Mexico Council of Trout Unlimited. Trout Unlimited is very supportive of H.R.3817. This legislation will ensure that the Valle Vidal is not harmed by gas development.

As an organization, Trout Unlimited is not opposed to gas and oil development. We all use and need energy. In fact, we have been working closely with the Bureau of Land Management, Forest Service, energy companies and others to help ensure gas development is done in a manner that protects fish and wildlife habitat. Recently, we endorsed a unique project by Questar in the Upper Green River Basin of Wyoming, because we felt it was good, responsible development. However, we also feel that some places, like the Valle Vidal, should be off limits to development, as they are more valuable to our nation in their current wild state than what little gas and oil might be gained by drilling.

The Valle Vidal makes up between 1-2% of the entire Raton Basin, which is, in and of itself, one of the smallest gas basins in the West. We do not oppose drilling in the Raton Basin, but the Valle Vidal, which holds the headwaters for the Canadian River drainage, and is also prime spring calving range for the state's largest elk herd, is frankly too special, too important, and too sensitive an area to allow for coal-bed methane development.

If there were a significant amount of gas under the Valle Vidal, it may be worth talking about the best way to get it out. But there is not. The coal seam is thin, and if fully developed would provide enough gas to power this nation for about 2 days.

Certainly there would be some economic benefit to El Paso Natural Gas and some local businesses if the Valle Vidal is developed. However, the tradeoffs are not worth it. For the tens of thousands of New Mexicans, citizens of other states, and the Boy Scouts who visit and use the area in a sustainable way every year, it will be nothing short of a disaster. This is a piece of land that was purchased and is managed with the hard earned tax dollars of all Americans. In fact, it was sold to the American People by Pennzoil, which saw more value in the above ground wildlife and recreational opportunities than what little value lies beneath the ground in the form of natural gas. It would be a shame to sacrifice those wild and recreational values 25 years after it was purchased, to the special interests bent on extracting its resources at the expense of all others.

Trout Unlimited's primary focus in New Mexico over the past several years has been to help the state and federal government agencies do work that will keep our state fish, the Rio Grande cutthroat trout (RGCT), off the endangered species act list. This includes extensive work on the degraded stream conditions of Comanche Creek in the Valle Vidal. The RGCT has been petitioned more than once for listing as an endangered species. The current petition is still in litigation, and could frankly go either way. McCrystal Creek, which runs right through the middle of the area that would be drilled, contains the largest population of RGCT in all of the Canadian River drainage. There is little doubt that the drilling activities, which would include multiple roads across the stream, inevitable discharges of petrochemicals into the stream, and the

dewatering of the stream through groundwater extraction will have a devastating impact of the RGCT that inhabit it.

If the petitioners lose their current case to list the fish, they will most certainly petition the fish again, citing impacts like drilling in the McCrystal Creek drainage, as reasons that the species has been further degraded since the last petition. To date, we have been working WITH the federal government to prevent the fish from being listed. Now it seems the federal government is abandoning these efforts, and working AGAINST us.

With each well likely to produce up to several million gallons of water per year, Trout Unlimited is concerned about both water quantity and water quality issues regarding coal-bed methane development. Very little is known about the impacts of coal bed methane development on trout and other aquatic life. Last year, Trout Unlimited worked with Confluence Consulting out of Bozeman, Montana, to produce an annotated bibliography looking at all the research ever done on impact of gas and oil development on coldwater fisheries. In sum, the report shows not much is known about the impacts, but what little research has been done reveals serious concerns. This bibliography is attached.

A report commissioned by the Montana State Legislature concludes: “There simply isn’t enough independent research evaluating the environmental costs, especially with land-use change and water quality.” Here is some of what we do know: Along the Tongue River in Montana, there has been a dramatic decline in caddisflies, mayflies, nymphs and other macroinvertebrates (the main food sources for trout) below coal-bed methane discharge points. A Columbus University study predicts coal-bed methane development could cause up to an 80 percent decline in fish and other aquatic life in parts of the West, and the possible extinction of 20 to 30 species of fish and aquatic insects. The Montana Department of Environmental Quality warns that coal-bed methane development is likely to result in draw downs of aquifers, springs, wells and some streams; reduced crops and impacts to fish, wildlife and livestock from reduced water and from sodium and other impurities often released in produced water. In other words, coal bed methane development in the Valle Vidal will have adverse impacts to Rio Grande cutthroat, deer, elk and other wildlife.

The Elk herd in the Valle Vidal is the crown jewel for New Mexico hunters. An elk permit for this area is a once in a lifetime opportunity. Displacing crucial migratory corridors and winter range with wells, power lines, waste pits, roads and other structures associated with gas development will certainly have an impact on elk, deer and other wildlife. A study funded, in part, by Questar Energy shows a 49% drop in mule deer populations around gas development in the Upper Green River Valley of Wyoming. In Alberta, hunting outfitters and guides have noticed a significant drop in elk and deer populations near gas and oil development.

While the drilling activities themselves will take place over 15-20 years, we also have to consider the reclamation that must occur. In an area as sensitive as this, it is expected to take an additional 80 years for the land to recover. A recent Associated Press investigation has shown there is an enormous shortfall between the amount in bonds that the companies put up and the actual clean-up and restoration cost. We can expect that vast majority of the clean-up costs for the Valle Vidal will fall on the shoulders of the taxpayers.

New Mexico Representative Heather Wilson took a trip up to the Valle Vidal recently and saw firsthand the unspoiled Valle Vidal. She came to the correct conclusion that coal-bed methane drilling is incompatible with multiple-use on the Valle Vidal.

Some have argued that the Valle Vidal can be drilled in a manner similar to the Vermejo Park Ranch. Vermejo Park Ranch has certainly done their best to reduce the damage that the roads and drilling pads cause, but for local people, Vermejo Park Ranch is the reason we don't believe the spin. We've seen coal-bed methane drilling as good as it gets – and it's not good enough. Vermejo Park Ranch is the reason we don't want to see the Valle Vidal drilled. Responsible oil & gas development means that there are some places we shouldn't drill.

Because of the nature of the Valle Vidal, even a density of one well every 160 acres would have a devastating effect on McCrystal Creek. Also, since the elk have been pushed off Vermejo Park due to the drilling activity there, and onto the Valle Vidal, they really have no place left to go if the Valle Vidal gets developed.

There has been much talk in New Mexico about letting “the process” work its course. That we are going through the forest planning process now, and that once that is completed we will go through a leasing analysis. For the most part, I agree that well thought out processes are good for determining what we should and shouldn't do, but this process is broken. For example, the Forest Plan currently being developed for the Valle Vidal is not allowed to recognize that drilling is not compatible with all other uses, regardless of the more than 50,000 comments from local citizens to that effect.

When the leasing analysis is done, there will be no more analysis of how much gas there is beneath the Valle Vidal. The 20 Year Reasonable Foreseeable Development Study has already been done. We already know the quantity of gas there, and it is not much.

The leasing analysis will not take into account the value of this hunting resource. It will not take into account the income earned by guides taking hunting parties into the Valle Vidal.

It will not take into account the value of the revenue to the local economies of Raton, Cimarron, Springer, Taos, Questa, Costilla, that hunters, fisherman, horseback riders, and other visitors to the area spend every year.

It will not take into account the many volunteer hours that have already been spent by Trout Unlimited, New Mexico Trout, the Boy Scouts of America, the Rocky Mountain Youth Corps and the Quivera Coalition to make sure that this place is in even better condition for our children than it is for us.

If the Rio Grande cutthroat trout gets listed under the ESA because another stream was lost, the leasing analysis will not take into account the impact of such a listing on all the resources users in northern New Mexico and across southern Colorado. Water use, ranching, logging, mining, fishing and hunting – and not just in the Valle Vidal, but in all of northern New Mexico and southern Colorado. We're talking about losing fishing opportunities across an entire region. The leasing analysis will also not take into account all the agency man hours that will have to go into fighting another petition to list the fish, and if it does get listed, the time and effort that will have to go into developing and executing a recovery plan.

The leasing analysis will not take into account the bulk of the clean-up costs that will have to be shouldered by the taxpayers of this country and especially New Mexicans. Volunteers with Trout Unlimited, the Boy Scouts and other local conservation clubs have spent countless hours working on the ground and improving the health of the Valle Vidal – because we were told it was an area managed with an emphasis on fishing, hunting and wildlife. We do not want to see this promise broken.

We're not naïve. Local people know that one way or another, this decision will ultimately be made 1,800 miles away, here in Washington, D.C. The only question left is, who will stand up for the Boy Scouts, the anglers, the horseback riders, the hunters, and the local communities who depend on this place? I'm here today to ask you to stand up for these people.

In business, if you find a company that is liquidating its assets for short-term cash in order to make the income statement look good, you know that company is in serious trouble – likely facing a bankruptcy in the not too distant future. This – drilling the Valle Vidal – is akin to liquidating one of the greatest long-term assets we have in New Mexico for the short-term profits of one gas company. It will do nothing to help our energy situation in this country – that is a fact. It will do nothing to affect the price of natural gas – that is a fact. Its contribution to the nation as a whole is insignificant, but the impact on us in New Mexico would be devastating.

The question then becomes, why are we even considering drilling here? Should we as a nation even be considering liquidating one of our greatest assets for a few hours of gas? Are we as a nation really heading towards bankruptcy? Drilling the Valle Vidal would be akin to tearing up the floorboards of your living room to get at a dime.

We do not need to sacrifice special, wild places like the Valle Vidal to meet our nation's energy needs. The Valle Vidal is far more valuable to the American people than what little bit of gas can be produced in this area. Trout Unlimited urges the Resources Committee and the entire House of Representatives to support H.R.3817 in order to help us protect this special, wild place for the benefit of wildlife, fisheries and the people of this nation.

Thank you for this opportunity.

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