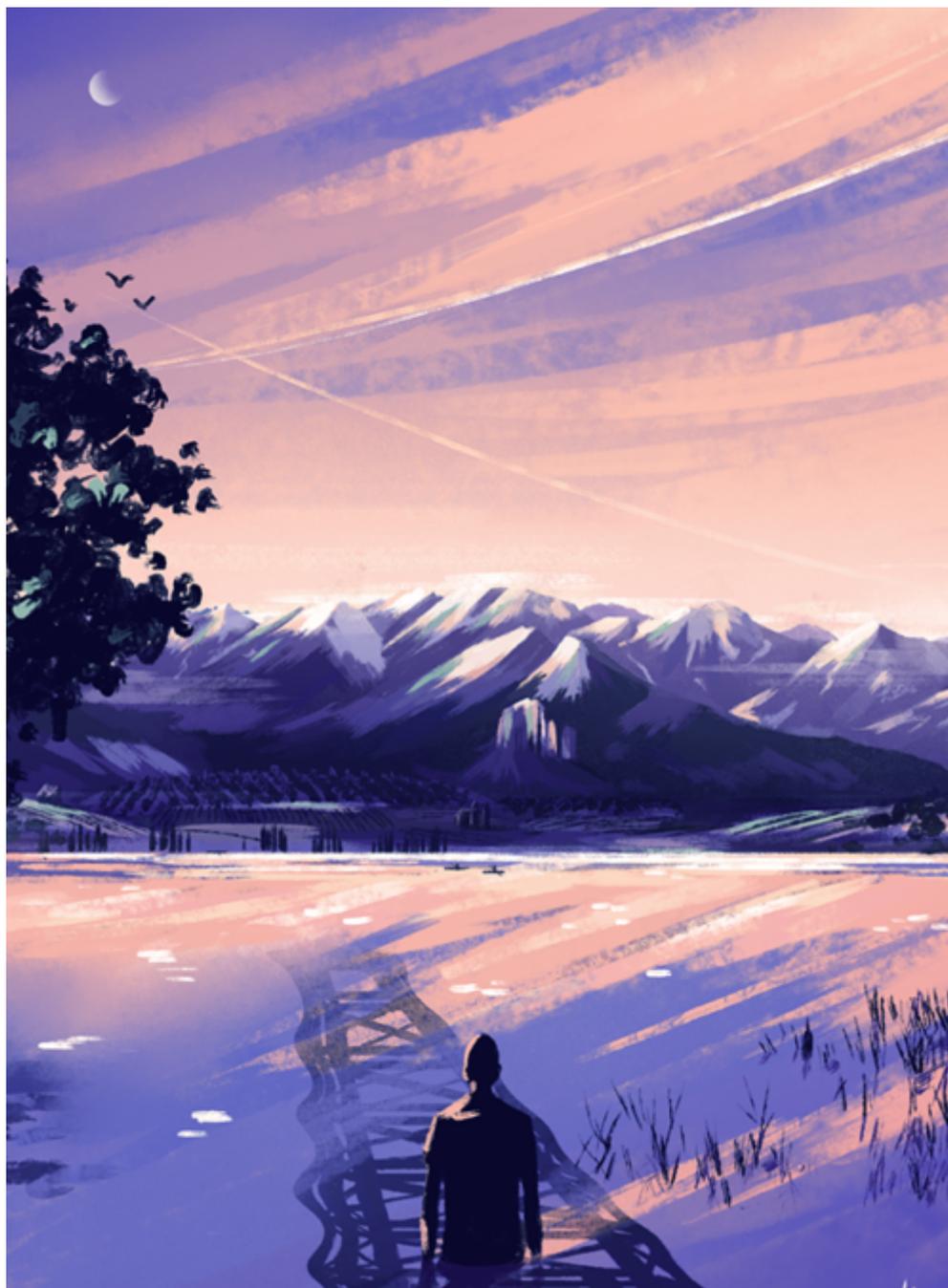


A Colorado Valley Built a Post-Coal Economy. Now the BLM Is Pushing Drilling

Jason Plautz • December 6, 2019



Colorado's North Fork Valley has built an economy around organic farming and outdoor recreation. Locals worry a federal plan to open up oil and gas activity threatens that progress. | Illustration by Morgan Krieg

Tracy McCurdy isn't used to navigating the trails around Jumbo Mountain on foot. Usually she takes her mountain bike through this winding network of trails in Paonia, Colorado, but on this day, clad in an athletic top and a hat to block the baking late September sun, she was on foot.

As we trudged up a hill, McCurdy, whose day job is technical writing, looked out over the roughly 14 miles of trail she helps maintain. The trails begin on flat private ranches and climb a wooded 1,500 feet to the ridgeline, which affords views of Gunnison and Lamborn peaks, plus wide swaths of farmland below. Perceptive hikers might spot eagle chicks in their nests.

This network runs through federal land controlled by the Bureau of Land Management, and has been carved out over the years by mountain bikers like McCurdy, a member of the North Fork Trail Advocacy Group. These volunteers also handle maintenance, and have stashed first-aid kits complete with tarps and gauze behind rocks. At some point, the trails will be formalized with federal support from the BLM, but for now they stay relatively under the radar.

McCurdy and I were joined by Michael Burkley, a volunteer with the Western Slope Conservation Center who leads regular "Mike's Hikes" events designed to get locals out on what he considers under-appreciated trails. Burkley spent years living near Moab, Utah, and in Arizona, and he insists that this region skirting the North Fork Gunnison River has some of the most natural beauty in the nation.



The trail seems like a rarity: a space to hike and bike with mountain views that's not overrun by people. Given that Colorado's most stunning trails can be crowded even on weekdays, I remarked to McCurdy and Burkley that they're spoiled.

"More like unspoiled," McCurdy fired back.

Trail advocates in the area fear that privilege could be at risk if the administration of President Donald Trump allows oil and gas development in the area. The BLM is in the final stages of setting a resource management plan, or RMP, for the more than 3 million acres of public land around the North Fork Valley. The plan will set the federal rules as to how the land — comprising more than 55 percent of the valley — can be used.

McCurdy, along with a coalition of business owners and farmers in the North Fork Valley, asked the BLM not to allow drilling as part of that plan. Rigs, they said, would be incompatible with the outdoorsy and organic lifestyle the area has nurtured in recent years.

Throughout the nearly decadelong RMP process, these Paonia residents were encouraged that a "no drilling" option remained on the table. When the BLM released its [draft plan in 2016](#), its preference was to make much of the North Fork Valley off-limits to surface development, meaning no drilling infrastructure could be built on the land.

That changed under the Trump administration. In June, the BLM released its long-awaited proposed [resource management plan for the Uncompahgre field office](#) and final environmental impact statement — the penultimate documents in the RMP process. In a surprise move, BLM officials selected a new alternative — one not considered in the draft analysis — that would keep the North Fork area open to drilling.



Now the region has become a flashpoint in the debate over how best to use public lands, and whether communities are best served by drilling or by emphasizing recreation and preservation. Oil and gas can mean valuable revenue for a county or city, but some in the North Fork Valley fear it could just as rapidly wipe out their new outdoors economy. A spill could threaten the watershed and pose risks to organic farms. Trucks hauling equipment could clog up the two-lane mountain roads. Emissions could generate pollution, making the clean mountain air look more like Denver's.

Plus, McCurdy said, who would want to mountain bike on Jumbo Mountain when, instead of fields of green, they're looking at rigs and trucks?

“It's not just an economic opportunity — there's a quality of life when we have these recreational opportunities,” McCurdy said. “What's the value of offering a person exercise and solitude?”

The North Fork Valley is no stranger to the energy industry. Three nearby coal mines — West Elk, Elk Creek, and Bowie No. 2 — provided steady, good-paying jobs for decades; as recently as 2010, they employed more than 900 miners. State mining data show that production here fell some 67 percent in the decade after 2008, and just one mine — West Elk — remains open. About 800 people lost their jobs in that span.

The valley has stayed afloat, though, even without the oil and gas drilling that has blossomed elsewhere across Colorado's Western Slope. A concentration of organic farms meant the region was already an agricultural powerhouse, exporting fresh fruit around the state. The county invested in broadband internet to attract remote workers, and a local solar energy business is working to retrain coal workers and

1



11



Today, the town of Paonia, which sits just 10 miles from the West Elk mine and at the foot of Jumbo Mountain, may be better known for its arts scene and farm-to-table restaurants than for its coal. Delta County has seen hardly a dip in population since the beginning of the decade, and the cost of living has remained low.

“I think this has been this Cinderella story. Everyone said the sky was falling, but now we’re stronger than we’ve ever been,” said Chelsea Bookout, Paonia’s mayor pro-tem who also runs a juice bar in town. “Every economic indicator shows that we didn’t fall apart.”

Delta County is home to more than 1,250 farms that provide \$55 million a year in direct sales, according to data from the Valley Organic Growers Association. Wineries in the West Elks American Viticultural Area add another \$10 million to the county economy. It’s estimated that recreation contributes another \$36 million per year, although the economic impact of recreation is traditionally hard to measure.

The region’s revamped identity is exemplified by the annual Mountain Harvest Festival, held in September. The weekend festival opens with a poetry and storytelling night, an event notorious for an audience so boisterous it has to be shushed throughout the evening. At this year’s festival, the town square was filled with farm stands and artisanal food stalls. The rest of the weekend’s events ranged from a chili cook-off to a bike parade.

“The whole Western Slope has been dealing with the decline of extractive industries, but Paonia is really on the end of the spectrum in terms of rethinking itself,” said Stephan Weiler, director of the Regional Economic Development Institute at Colorado State University. While most resource-rich areas are captive to the boom-and-bust cycle of energy prices, Weiler said Paonia represents one that has “really rethought local amenities and entrepreneurship.”



Now, Bookout and others fear the new economy they've built without extraction could be at risk.

In 2011, the BLM proposed that it would lease some 30,000 acres in the region for oil and gas development. Residents immediately spoke up, saying the land in question was unstable and too close to the region's watershed, putting orchards, vineyards, and cattle ranches at risk. With rocky terrain and small mountain roads, the area directly around Paonia isn't as attractive to drillers as other parts of the Western Slope, but locals fear there still could be interest from oil and gas companies looking for any spot to drill.

In a [written comment to the BLM](#), the Western Environmental Law Center and the local Citizens for a Healthy Community said drilling would "threaten the North Fork Valley's very foundation." In response to the public outcry, the BLM withdrew the sale. But the move drew attention to the fact that the agency's resource management plan for the region hadn't been updated since 1989, before the influx of organic farms, before hydraulic fracturing became widespread, and before Colorado's rewrite of oil and gas laws this year that imposes more pollution requirements and gives local governments more control over where and how drilling can occur.

Currently, there are no restrictions on drilling in the North Fork Valley, but low natural gas prices and difficult drilling conditions have blunted interest; just two companies hold leases in the area. But Eric Carlson, executive director of the Western Slope Colorado Oil and Gas Association, said he is "confident" there will be ample opportunity for development in the area if prices rebound.

The 2011 lease sale, and the rancor it incited, prompted the BLM to kick off the lengthy process of rewriting its management plan. A resource management plan is essentially a set of zoning codes that dictate how certain swaths of land should be used



this was a chance to set terms for any future drilling, and impress upon the BLM how their new economy integrated with the lands around it.

The winding process involved in an RMP is designed to involve the public throughout. At various stages, the BLM collects comments from residents, industry groups, and local governments. The agency then comes up with various alternative options for land use, each of which is subjected to more analysis and public comment. Typically, the agency whittles them down to one preferred choice.

Even for a process designed to bring in as many voices as possible, knowing how and when to comment can be difficult. Many North Fork residents needed a crash course in how to use the government websites to submit comments. Bookout, worried that the town of Paonia wasn't engaged enough, ran for the town board of trustees in in 2016 on a platform to stop the proposed drilling (she narrowly lost the election, but was appointed to a vacant seat later that year). "We're the first impacted community next to all this possible drilling — we need to have a voice," she said. "It's hard for a small community to stay up on it, but it's important."

That sentiment was galvanized in 2018, when the BLM included North Fork parcels in a lease sale but pulled them at the behest of local groups and state elected officials, including then-Governor John Hickenlooper and Senator Michael Bennet.

Over time, a motley crew of farmers, vintners, bikers, hunters, and small business owners coalesced around a single message: don't drill in Delta County. At the very least, they had hoped for greater setbacks to keep rigs away from their trails and watershed. The Obama administration seemed to be on board. Alternatives that closed off North Fork to drilling remained options throughout the process. The restriction on surface development the BLM proposed in 2016 wasn't the outright ban on drilling advocates wanted, but it was close.



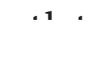
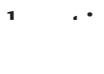
The BLM’s proposed RMP released in June was the first document produced under the Trump administration. In a move unusual this late in the process, it introduced a new option — “Alternative E” — that was an amalgamation of previously discussed alternatives.

Alternative E would keep 871,810 acres open to leasing, including areas in the North Fork Valley where locals had hoped to ban drilling because of their proximity to farms, watersheds, and trail networks. Alternative D, which the BLM preferred in its 2016 analysis, would have boosted environmental protection on 247,340 acres across the region; under Alternative E, just 30,190 acres would be designated as “areas of environmental concern.” Setbacks around the North Fork Gunnison River were reduced from a quarter-mile to 400 feet. Though the final plan does include “controlled surface use” restrictions in much of the valley, the area remains open to surface drilling.

“It was discouraging to see just this blatant disrespect for the time and effort that went into this,” said Bookout. “All the community meetings, all the input, and they’re just going to do whatever they want to do. It’s this energy mandate.”

When crafting a management plan, BLM decision makers must balance the wishes of environmentalists, hunters, mountain bikers, oil-and-gas firms, ranchers, and others when deciding how best to use land with various and often competing demands. During the Uncompahgre planning process, 783 comments were filed.

This process has long generated controversy, but ire among some groups has grown more intense under an administration that has broadly prioritized the energy industry in land-use decisions. The Trump administration, for instance, has shortened public comment periods. The BLM headquarters is being moved to Grand Junction, which the government says will put top staff closer to the public lands they manage. But the



long-term staff plan to retire, accept reassignments, or resign rather than move their families away from Washington, D.C. Half of the BLM's national environmental review team would be distributed to different states under plans reported by *Politico*, which critics say could complicate reviews or undermine environmental safeguards. The agency has also quietly faded the influence of local advisory councils, which often balanced conservation and energy-industry viewpoints.

In Colorado, Alternative E came as a shock to many. Dan Gibbs, the director of Colorado's department of natural resources, said in a July letter to the BLM that the "abrupt rollout" of the plan left little time for an adequate review, and had "damaged the good will" between federal and state staff.

Eric Coulter, a spokesman for the BLM's Southwest Colorado District, said in an interview that Alternative E reflected a "blend of the different alternatives that met a lot of administration priorities." He continued: "There can be conflicting issues at times, which is why we make sure there's responsible energy development."

Carlson, with the West Slope Colorado Oil and Gas Association, said member companies were in tune with the concerns from local communities, and could manage drilling responsibly. "I don't see any incompatible uses," he said. "I won't say those fears are misplaced, but we have adequate protections in place for the agriculture community or the recreation community."

A key reason the BLM decided not to block off drilling in the North Fork Valley was input from Delta County, according to Coulter. The conservative county government has long pushed back on federal restrictions on land use. After environmental groups challenged the county for not adequately enforcing its oil and gas rules, for instance, county administrators this summer revoked them entirely, opting instead to rely on state rules.



In written comments to the BLM, Delta County Administrator Robbie LeValley said the county wanted “site specific management” of leasing areas and that it “supports all forms of energy.” The county’s master plan sets a goal of facilitating “responsible, beneficial energy development in order to promote the wise use of natural resources,” she wrote, while also touting the potential for solar energy for the region.

Delta County Commissioner Don Suppes said the county’s priority is economic diversity, and BLM analysis suggests that’s possible. Under Alternative E, the agency predicts that, between 2018 and 2038, recreation in the area will generate \$809 million, and natural gas production could pump \$1.07 billion into the area economy over that period. Concerns that drilling will spoil things like farming, Suppes said, are unfounded.

“We’ve been listening to this doomsday preaching for a long time,” Suppes said. “I take issue with folks saying, ‘We built this,’ when the oil and gas was here before they moved in and started building. Oil and gas has been here for a while. Coal has been mined here since the late 1800s. To come in and say now that you’re here, it’s time to shut everything off — it’s just not logical.”

The North Fork debate is a familiar one around the West: What is the best use for public lands? Under the Trump administration’s “energy dominance” agenda, the driving philosophy has been that oil and gas reserves should not be locked away. Speaking at the Society of Environmental Journalists conference in October, William Perry Pendley, acting director of the BLM, said leaving fossil fuels untouched would be “a terrible blow to people in the West.”

“Development of these resources is the lifeblood for these people,” he said. Although



the revenue from fossil fuels was the best way to support many communities.

That's not to say other industries aren't kicking in cash. The Bureau of Economic Analysis calculated that, in 2017, the latest year data are available, recreation accounted for \$427.2 billion of economic activity, good for 2.2 percent of the U.S. gross domestic product (that includes manufacturing, retail, and hospitality related to recreation). The sector also grew faster than the economy as a whole.

CSU's Weiler has done research showing that the designation of a national park or national monument can be an economic driver, even when it blocks off other forms of development on that land. The associated tourism and sustainable economies, he found, can more than make up for the loss of drilling or mining revenue.

"It gets to this idea that public lands can be a resource not just for the one-time development, but to generate a continuing economic effect," Weiler said. He pointed to cities like Leadville, a longtime mining town that was once the second-largest city in Colorado, but now defines itself as a home base for outdoor enthusiasts and hosts an annual 100-mile running race. Other towns on the Western Slope, like Grand Junction and Fruita, have also leaned heavily into outdoor recreation as an economic booster. In Utah's Uinta Basin, recreationists have tried to use public land trusts to set aside areas near trails from drilling.

For their part, energy industry groups say operations have only gotten cleaner and safer, and that they can balance drilling with any other uses of land. But North Fork farmers, in particular, don't think that brand of multiple use is a possibility. Mark Waltermire moved to Paonia 10 years ago and opened Thistle Whistle Farm. On his 15-acre site, he grows heirloom tomatoes, peppers, fruit, herbs, and some more "esoteric" crops like Mexican sour gherkins and zaatar. "I like to find seeds that are intriguing," he said.



Even though there's no risk of a rig going up directly on his land, he says converting the valley into an oil and gas haven would tank his business. Constant truck traffic would bring more pollution and nuisance, as would emissions from nearby rigs. Any accident near the watershed could be disastrous.

“Even if a spill doesn't end up on my field, my reputation is ruined,” said Waltermire, who also served as head of the Valley Organic Growers Association. “This RMP gives us nothing to protect what we're creating.”

The resource management plan, once expected to finally define the North Fork Valley's economic priorities, now seems likely to set up decades more debate over drilling. The BLM allowed for a final 30-day protest period to allow original commenters to respond to the plan. Colorado Governor Jared Polis was given 60 days to submit a consistency review on how the plan interacts with state law.

In his [response](#), the governor pointed out that the potential for more drilling could set back the state's clean air and climate goals; the BLM's own environmental review estimated that Alternative E could mean a 27 percent increase in greenhouse gas emissions over 10 years. He also said drilling on federal lands would have to comply with the state's [recent oil-and-gas reforms](#), which could require companies to limit air emissions, impacts on wildlife, and proximity to communities. Implementation of the law and its accompanying regulations is still in the works, which means leases mentioned in the RMP could face extra scrutiny at the state level.

The BLM has not said when it will finalize the plan. The land in Delta County likely won't be the first to be leased — there's terrain more appealing to oil and gas firms that should be up first — but a process that could have set the terms of engagement



uneasy about the prospects of their businesses and communities. Further, they're required to stay engaged with the bureaucracy.

“I'm a farmer, I can talk to you about varieties of peppers for hours,” said Waltermire. “But this BLM stuff, it's confusing for someone like me. It hurts to feel like I'm excluded from that process.”

The decision also comes as the Trump administration has truncated opportunities for public input over specific oil and gas leases to “simplify and streamline the leasing process.” In a [January 2018 memo](#), the BLM said that a 30-day comment period when quarterly lease sales were announced could be shortened at the discretion of local offices (many reduced it to 15 days). A second protest period after the list of specific parcels to be sold was cut from 30 days to 10.

Speaking in October, Pendley said the move was meant to reduce delays brought about by what he implied were frivolous setbacks from environmentalists. “At the end of the day,” he said, “everybody knows who is going to file a protest.”

For many in towns like Paonia, that condensed opportunity for comment and uncertain policy spells trouble. Bookout said the pre-set schedule of council meetings doesn't always line up with a crunched federal review process.

“I can feel the board getting worn out already,” she said. “But we have to engage and be listed as showing up on all these documents, because I don't know if there's an agency above us that's going to support us the same way.”

McCurdy, meanwhile, fears that the decision and future uncertainty could undo all the work that's made Jumbo Mountain an up-and-coming biking destination. The BLM process was meant to kick off the important process of formally marking and supporting the trails, but the possibility of rigs in the area threatens the characteristics



“Our valley has so much to offer, recreation being just one of those things,” McCurdy said. “A lot of people say they don’t even know the trail network is here, but that they’re going to come back because they enjoy it so much.”

She worries about what the RMP will do, ultimately, to set back all the work that has been done in the valley to draw a new future for itself. “You take out any one thing, and this all becomes a little less attractive.”

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