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Bureau of Land Management
Northeastern States Field Office
626 East Wisconsin Ave., Suite 200
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Via Facsimile

July 27, 2013
Re: Allegan State Game Area
Federal Oil/Gas Leasing

To Whom This May Concern:

We have just learned that the federal government owns severed mineral interests in the Allegan State Game area, that the BLM auctioned oil/gas leases covering 6,470 acres in 2012, and has plans to auction additional leases covering 27,302 acres in September 2013. We are writing to express our strong disagreement with the policy and the nature of BLM's execution of procedures that have resulted in such misguided action.

We own a home and 40 acres inside what you call, and have designated as, the Decision Area. On our land are situated numerous springs, three spring-fed streams, the headwaters of Bear Creek, a significant wetland, a vernal pool, 22 bird species designated by the State of Michigan as in decline and in need of habitat, 70 additional bird species, endangered reptiles, among other things. We went to considerable expense and trouble to create a conservation easement on our property in order to protect the varied habitat and abundant wildlife on our land and to enhance the natural value of adjacent publicly-held land.

We have reviewed the two Environmental Impact Assessments you have prepared, and have concluded that your findings of No Significant Impact are based, in part, on inaccurate assumptions, serious misconceptions and erroneous information. For those reasons, and others, we demand that the BLM suspend all planning for the September 2013 auction of additional leases, undertake to prepare a proper, full-fledged Environmental Impact Statement pursuant to the National Environmental Policy Act, and render new decisions on requests to lease and new findings with respect to significant impacts as to both the completed sale and the proposed September 2013 sale.

Perhaps it has not come to your attention that a federal district court sitting in the State of California ruled earlier this year that the BLM may not auction mineral leases on federally held land based only on minimal Environmental Impact Assessments such as the ones your office has

prepared here, and that before the BLM may consider auctioning such leases, it must undertake and complete thorough Environmental Impact Statements.

The BLM bases its determination of No Significant Impact, in part, on its assumption that because large portions of the Allegan State Game Area are presently classified as "nondevelopment" and because producers, theoretically, can access oil/gas reserves from pads situated outside boundaries of the game area, there will be little or no surface disturbance (although the EIA does recognize that some wetlands will necessarily be "disturbed" to widen roads and construct pipelines). However, the technical definition of "nondevelopment" and documented history in Michigan of transforming nondevelopment status into development status, underscores the infirmity of this assumption. Recent deposition testimony of MDNR officials establishes that the concept of nondevelopment acts as a curb on the activities of only the lessee companies themselves, and, in the vast majority of cases, only temporarily. Other entities servicing the well pads will certainly engage in significant "surface disturbance". The lessee companies themselves can, and do, disturb nondevelopment surfaces simply by obtaining subsequent permits from the Michigan Department of Environmental Quality. Lessee companies can also seek and obtain variances or amendments to reclassify from nondevelopment to development. Such accommodations are routinely and broadly extended to companies.

In what your EIA for the 2013 auction identifies as the "high scenario" development of mineral interests in the Allegan State Game Area, you conclude that 300,000,000 million gallons is the largest volume of water that would be extracted. Apparently, this conclusion is based on use of 5,000,000 to 6,000,000 gallons to fracture one lateral leg, information provided to you by agencies of the State of Michigan. However, citizens here have learned through Freedom of Information Act requests submitted to those state agencies and through deposition testimony of agency personnel, that wells in Michigan, specifically in Kalkaska County (where the first Michigan wells were fractured quite recently using slickwater high volume horizontal fracturing), are using far greater amounts of water, specifically, 18,000,000 and 21,000,000 gallons to fracture each lateral leg. Moreover, Encana has permits in hand authorizing it to use 31,000,000 gallons for each lateral leg of several of its wells. Those few Encana wells alone will use more than 300,000,000 gallons. A high scenario development in the Allegan State Game Area of the federal leasing planned for this Fall, can more realistically expect to extract between 1.2 and 1.8 **Billion** gallons of water.

Your EIA appears to place great confidence in the Water Withdrawal Assessment Tool as a means to ensure that inordinate use of high volumes of water will be prevented. Perhaps you are not aware that it has been established in litigation here that the Water Withdrawal Assessment Tool is not always reliable. It appears to be based on inaccurate assumptions stemming from scant actual data sets which were extrapolated too far, too widely and too confidently. Moreover, even when the tool concludes adverse impact from a withdrawal, Michigan's Supervisor of Mines can, and does, authorize the adverse high volume withdrawals. Also of concern is that the tool does not take into consideration the cumulative effects of withdrawals, instead looking only at the effects of one discreet permit request at a time. Michigan regulators have never denied a permit application for high volume withdrawals.

Our water well is one of the approximately 1,000 wells identified in your two EIA's as located in the Decision Areas. It is our only source of drinking water in our home. We are aware of a family in Michigan whose water well failed when high volume horizontal hydraulic fracturing was undertaken near their residence and water well. They own their home and land but not the mineral rights. The owner of the mineral rights entered into a mineral lease. The lessee began production earlier this Summer, drawing approximately 100,000 gallons of water a day. The water pumped from the family's well first became cloudy. Well failure soon followed. The Michigan Department of Environmental Quality advised them that their well failure had nothing to do with the high volume withdrawals down the road. The family retained an expert who concluded that high volume withdrawals by Encana caused the water table to drop eleven to fifteen feet. The MDNR now says it is "investigating" it.

We would like to know what local notice requirements the BLM has, if any, prior to auctioning mineral interests. We read local newspapers closely, and neither saw nor heard any notice or mention of either the 2012 or the 2013 auction. As landowners in your Decision Areas we hereby request prior, individual and timely notice of any and all actions the BLM is contemplating concerning further mineral auctions, permit applications, so-called Expressions of Interest, public hearings, public comment periods or any other process, procedure, decision or action which will have or could have any impact on the Allegan State Game Area, buffer areas around it or Decision Areas.

Yours truly,

John Davis

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