



Duna Vista Resorts Public Comments Environmental Assessment of EOI-266

Ellduapent@aol.com <Ellduapent@aol.com>

Tue, Jul 23, 2013 at 8:05 AM

To: ES_EOI_Nominations@blm.gov

Cc: jcgwillim@ymail.com, jimandhelensimon@comcast.net, wmolag@netscape.com, germainetothsubject1@yahoo.com, dhi94@aol.com, pmohai@umich.edu, radcliff@egr.msu.edu

Bureau of Land Management
7450 Boston Blvd.
Springfield, VA 22153
Attention: Kemba Anderson

Attached please find "Public Comments" from the Duna Vista Resorts home owners association located in Pentwater Township, Oceana County, Michigan regarding Bureau of Land Management's Environmental Assessment of Expression Of Interest 266 (EOI-266).

Duna Vista Resorts Board of Directors

Duna Vista Oil and Gas Leasing Subcommittee.

Paul Mohai pmohai@umich.edu 734-255-2124

Duane Hamburger ellduapent@aol.com 231 869 2419



DunaVistafinalDrafttoBLM-July172013-Final.docx

27K

Public Comments for the Bureau of Land Management's Environmental Assessment of Expression of Interest 266 (EOI-266). Submitted by The Duna Vista Resorts home owners association (110 members) Pentwater Township, Oceana County, Michigan.

The Board of Directors of the Duna Vista Resorts home owners association, consisting of 110 members and located in Pentwater Township, Oceana County, Michigan has appointed the Duna Vista Oil and Gas leasing sub-committee to prepare comments for your consideration.

The following public comments to The Bureau Of Land Management's environmental assessment of Expression Of Interest 266 (EOI-266) were prepared as a result of a unanimous vote at the Duna Vista Resorts annual meeting held on July 20, 2013.

We have reviewed the BLM's Environmental Assessment (EA) and disagree with its decision to auction oil and gas leases in the two 40 acre parcels in Pentwater Township. One of these 40 acre parcels intersects properties in the Duna Vista Resorts area. Although in the EA, the BLM states that the selling of the oil and gas leases does not constitute an authorization to drill wells in those two parcels, nor obligates the successful lease bidder to drill a well, it is clear that the purpose of offering up such leases is for anticipated oil and/or gas extraction activities. Indeed, in a number of places in the EA it is stated that "it is reasonable to expect the development of one well in the future".

We believe that oil and gas drilling in Pentwater Township, especially in areas near to Duna Vista resorts and similar areas, would have a negative impact on the aesthetic, recreation, and tourism values of these areas of Pentwater Township. Pentwater Township is also significant for its number of retirement and vacation homes, whose property values would also be put at risk. Recreation, tourism, and associated business activities such as restaurants, bars, specialty shops, boat rentals, and the like are the chief economic activities of this area. Regardless of the size of oil and gas drilling activities, any actions that would degrade the aesthetics of the area, harm trees, plants, and wildlife, introduce noise, noxious smells, truck traffic, and related safety concerns, or otherwise reduce the desirability of Pentwater Township as a recreation and tourist destination risks imposing significant economic harm. By the BLM's own estimates, reviewed below, revenues and economic benefits from oil and gas drilling are miniscule compared to the existing aesthetics, plant and wildlife, recreation and tourism, and home values in the area. Thus our opposition to selling oil and gas releases for possible drilling and development is based on our concerns about the negative impacts on the much greater values that currently exist near Duna Vista Resorts and in Pentwater Township generally.

Economic Impacts

On page 22, the BLM indicates that the minimum bid price for the leases is \$2.00 per acre, thus \$160 for the two 40 acre parcels. In a call with the BLM on May 8, 2013, the BLM indicated that for this area of Michigan, with its limited productivity for oil, the maximum bid price would likely be no more than \$3.25 per acre. Thus, the maximum revenue from purchasing the leases for the entire 80 acres would likely be no more than about \$260 dollars. Furthermore, the lease rental is \$1.50 per acre for the first five years and \$2.00 per acre per year for the next five years. Thus the total revenues generated from the rent of the 80 acres over the next 10 years would be not more than \$1400. The total of the likely maximum bid (\$3.25 per acre) plus the rental fees over a ten year period would thus amount to only about \$1660 for the 80 acre area. These revenues are trivial compared to the amount of potential environmental and economic harm that could be incurred by oil and gas drilling and development in Pentwater Township.

Public Comments for the Bureau of Land Management's Environmental Assessment of Expression of Interest 266 (EOI-266). Submitted by The Duna Vista Resorts home owners association (110 members) Pentwater Township, Oceana County, Michigan.

Furthermore, on page 23, the BLM acknowledges that "Oceana does not rank as one of the top 10 oil and gas producing counties in Michigan." The BLM furthermore acknowledges that "In 2012, Oceana County did not receive any payments directly related to oil and gas production on federal lands." In addition, BLM states "The proposed action and the associated Reasonably Foreseeable Development Scenario (RFDS) indicate that a total of one well could potentially be drilled in on these parcels." "The project would likely bring very small revenues in the form of royalty payments, severance taxes, and rent monies to the state and county, wages, and salaries... [and others]."

Below we summarize the environmental and other values that the BLM acknowledges could be affected by oil and gas drilling and development. We also summarize below the specific impacts on these values that the BLM acknowledges could occur. These potentially impacted values appear much greater than any revenues and related economic benefits that oil and gas leasing, drilling, and development are expected to generate.

Summary of Existing Environmental and Economic Values in the Duna Vista Area and Pentwater Township

- 1) The BLM acknowledges that there are six federally listed endangered species in Oceana and Mason Counties. Note that the introduction of this section on page 13 states "Three", but the subsequent list includes six. The BLM goes on to state that there are several dozen additional species listed by the State of Michigan as endangered, threatened, or special-concern known to occur in the two Counties and are associated with wetlands or dunes.
- 2) The BLM acknowledges that the Decision Area "likely harbors populations of diverse types of wildlife, including deer, rabbit, turkey, nesting birds, reptiles, amphibians, and insects". The BLM also acknowledges that, depending on the location of proposed wells and the timing of drilling, migratory birds could be impacted by the removal or degradation of stopover and/or nesting habitat.
- 3) The BLM acknowledges that the project area is located in a Township that is frequented by recreational users, retirees, tourists, and summer vacationers. These groups are vital for the economic health of this area. Oil and gas development could have a detrimental effect on these users and the economic health of Pentwater Township. Indeed, the BLM acknowledges (page 16) that: "... the small inland lakes, scattered woodlots, and the large block of forests and wetlands likely provide opportunities for hunting, fishing, trapping, hiking, and other nature-based recreation." BLM further acknowledges that "it is evident that employment in Oceana County increases during the tourist season between summer and early fall, as the rate fluctuated between 11% in April 2012 and 8.6% in October 2012." "This pattern also held during the previous three years."
- 4) The BLM acknowledges that the Decision Area contains 300 acres of critical dunes. In addition, 25% of the Decision Area is rated with a severe erosion hazard rating and 5% is rated a moderate erosion hazard. An examination of the map on Figure 2 reveals that even greater portions of the two 40 acre parcels are rated with a severe erosion hazard rating (at least 50%).
- 5) The BLM acknowledges that the Decision Area also contains 335 acres of farmland of local importance.

Public Comments for the Bureau of Land Management's Environmental Assessment of Expression of Interest 266 (EOI-266). Submitted by The Duna Vista Resorts home owners association (110 members) Pentwater Township, Oceana County, Michigan.

- 6) The BLM acknowledges that the Decision Area includes 36 acres of emergent wetlands, 480 acres of forested and/or shrubby wetland, and 10 acres of open water. The Decision Area also contains six miles of streams with associated floodplains.
- 7) We disagree with the BLM's claim that there are only 81 water wells in the Decision Area. There are more than that in Duna Vista alone, which is wholly contained in the Decision Area.

Summary of Impacts of Oil and Gas Drilling and Development in the Duna Vista Area and Pentwater Township

- 1) On page 18, the BLM acknowledges that oil and gas exploration and development activities would include "construction, drilling, production, infrastructure installation, vehicle traffic, and reclamation." They also state that "it is unknown when, where, how, or if future surface disturbing activities would be proposed." They go on to state that "the potential impacts from exploration and development activities would be analyzed after receipt of an Application for a Permit to Drill (APD) or sundry notice." However, if oil and gas leases are to be sold, then there is a reasonable expectation that surface disturbances will take place. These impacts must therefore be evaluated.
- 2) On pages 20 and 21, the BLM acknowledges that hazardous chemicals are introduced into the environment in the process of drilling. "These include drilling and completion fluids which may contain heavy metals, hydrochloric acid, hydrocarbons, and brine... Also brines that are rich in calcium and that contain minimal concentrations of hydrogen sulfide and a few aromatic hydrocarbons may be used for ice and dust control and road stabilization. Environmental impacts to the Decision Area may occur under several circumstances." For example, chemicals may be spilled or leaked.
- 3) On page 21, the BLM acknowledges that the construction of roads, well pads, and other structures associated with oil and gas development can be expected to spread invasive species and/or noxious weeds.
- 4) On page 21, the BLM also acknowledges that well construction, operation, and eventually abandonment will create noise and change views in ways that will make the area less attractive to people who desire solitude and natural surroundings.
- 5) On page 22, the BLM acknowledges that construction equipment generates between 70 and 115 decibels. Hunters or game animals are unlikely to tolerate noise above 40 decibels. The affected radius with respect to hunting around construction operations would range from 150 to 1500 feet. These noises are expected to continue nonstop for 30 days for each well that is constructed.
- 6) On page 23, the BLM acknowledges that oil and gas exploration could create an inconvenience to people living adjacent to leases due to increased traffic and traffic delays, and light, noise, and visual impacts.
- 7) On page 24, the BLM acknowledges that vegetation would be completely removed for the well pad and would be maintained in a cleared state for the duration of construction or up to approximately 25 years, until the wells were abandoned.

Public Comments for the Bureau of Land Management's Environmental Assessment of Expression of Interest 266 (EOI-266). Submitted by The Duna Vista Resorts home owners association (110 members) Pentwater Township, Oceana County, Michigan.

- 8) On page 24, the BLM acknowledges that construction of well pads produces water quality impacts similar to those from other types of construction, such as increased total suspended solids downstream of the sites.
- 9) On page 24, the BLM states that surface impacts can be limited with properly constructed wells, including adequate casing and cementing design and equipment testing. However, these can fail.
- 10) On page 38, the BLM states that hydrogen sulfide has been a problem in many of the well in this field. Also, the source of drilling water may be from a water well drilled in the pad or from surface water sources. Obviously these have consequences for air and water quality in the area.

Not Addressed in the EA

The EA does not address issues concerning the proximity of a new oil or gas well to homes in and adjacent to the two 40 acre parcels. The EA acknowledges that drilling activities would result in a number of disturbances, including total removal of vegetation, road construction, dust, noise, air pollution and other impacts. What effect would these have on homeowners living nearby?

Conclusion

In closing, we do not believe the "No Action" alternative was given serious enough consideration given the small economic benefits anticipated from oil and gas development and the large significant potential impacts of such development on the aesthetics, wildlife, recreation, tourism, property and other values critically important to the local economy of Pentwater Township and to our members.

We thank you for the opportunity to comment on the Environmental Assessment for EOI-266 and look forward to seeing our concerns responded to in the Final Draft, and we ask that we be kept informed as the process moves along.

Duna Vista Resorts Board of Directors
Duna Vista Oil and Gas sub-committee