

## Hellyer Limited Partnership

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18 January 2012  
Lander BLM  
Attn: RMP Manager  
1335 Main Street  
Lander, WY 82520



Dear BLM,

Thank you for the commenting opportunity. We [Hellyer LP] are an operating ranch headquartered here in Lander. Our mode of operations is centered on the cow-calf model whereby we use mother cows to produce calves which are grown alongside the mother on native grass during the growing season, marketed as calves on cows in the fall with the mother then being carried through the winter on supplemental feed from irrigated production.

We submit this comment in four categories: Background, Specific plan concerns, Recommendations, IMPLAN model deficiencies, Objections, and Minerals. We begin with background....

### Background

The ranch has two distinct components: a spring, summer, and fall headquarters on South Pass together with grazing permits; and wintering places south and east of Lander. Together the combination creates the ranch. On South Pass we own operate Burnt Ranch along the Sweetwater River, south of Lander we own the Hancock Ranch along Willow Creek, and in Lyons Valley to the east of Lander is headquarters. We own these in their entirety. We have no permanent Conservation Easements.

As stated earlier, we use our property currently as a ranch. This type of use means we use many roads, both improved and unimproved, within the planning area. We use heavy equipment, large livestock transport semi-tractor trailers, atv's, horses, airplanes, and most importantly fences and range improvements in the course of normal operations. We directly employ as owner-operators 3 members of the family. The ranch prides itself on success, growth, and sustainability measured as survival in a global economy. At present we are running around 800 mother cows which is below capacity and have plans to stock up to reach capacity as prices are projected to rise for the foreseeable future and consumer demand for beef continues a long term trend upward. It has been a long time coming but global demand for beef now outpaces supply and industry experts expect this trend to continue as emerging economies continue their present growth.

Presently the global economy serves 7 billion plus people, with another 2 billion projected by 2050. It is truly amazing that the BLM could actually propose that a segment of the domestic economy

get smaller. We historically were under the impression that as a nation we valued all agricultural production not only for what it could do to help feed the world, but for the security it provided the nation in terms of self sufficiency. Quite obviously this is no longer the case if the DRMP is viewed as an extension of current overall Federal policy.

### Specific Concerns

We have a general concern that the tone of the overall plan is hostile to production agriculture in the form of grazing. We base this concern on the following:

- An 18% reduction from baseline in AUMs<sup>1</sup>
- “This analysis assumes a relatively constant rate of development....”<sup>2</sup>
- “Changing economics associated with livestock grazing are not expected to change demand...”<sup>3</sup>
- Treating a Range Improvement Project as worthy of Land Use Scale planning.<sup>4</sup>
- Ranchers are getting older.<sup>5</sup>

Of all the above concerns none is more out of touch with reality than the suggestion that because ranchers are getting older the grazing program can be regulated beyond recognition with few negative effects because the ranches are going away regardless. The logic of this regulation can only assume that when old ranchers die the ranch gets buried right next to the body; in short, it is a really big burial plot. Yes, ranchers are getting older, so too are quite a few other people.

Moreover, the whole suggestion that ranches need further regulation because of the aging process shows how removed from reality the regulatory agency is that would make this suggestion. We [Hellyers] have always felt the reason many of our industry publications and trade groups concentrate on aging as an important topic is because of the estate tax and various legal challenges that death and ranch (asset) transfers involve. The suggestion that age equals regulatory need is insulting. The logic used to create the aging suggestion shows a fundamental bureaucrat bias towards ranchers as a class. Furthermore, reducing an aging rancher’s capacity by 18% is a reduction in retirement potential as a reduction lowers the value of the property.

Our ranch has spent a lot of time and money to plan for the future. Most of our neighbors have as well. Additionally, my parents are still active in the business with myself and I personally know plenty of other families who are operating on the multigenerational level.

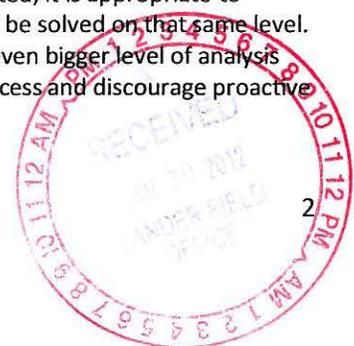
<sup>1</sup> DRMP, 221, Table 2.52, Livestock Grazing. It appears that this number is a minimum and that actual losses could almost double this number.

<sup>2</sup> DRMP, 1182. If the IMPLAN model assumes relative constant, how does a reduction in Actual Use equate constant. Reduction is a decline. Furthermore, the narrative neglects to include the possibility that government can discourage as well as encourage production of any kind through policy.

<sup>3</sup> DRMP, 995, Bullet 12. The last time this author checked the world’s population was projected to grow. Along with this growth comes an increase in food consumption....and by extension a need to produce a food product.

<sup>4</sup> DRMP, 23, last par; 24, first par. This is complete bureaucratic double talk. If, as noted, it is appropriate to permit, monitor, and gauge conflict on an allotment level basis then certainly it could be solved on that same level. The rationale and type of analysis that suggests that range projects have to have an even bigger level of analysis than that of allotment level is designed to do nothing more than weigh down the process and discourage proactive solutions at the local level. Allotments are local level.

<sup>5</sup> DRMP, 4. Emerging Concerns.



## Recommendations

To improve the Plan we would like to recommend the following:

- Use the tone of Alternative C's prescription for Livestock Grazing management and maximize range use.
- Restore the original ¼ mile buffer along NHTs and abandon the overreaching 5 mile buffer proposal.
- Include in the narrative of 2.6.4.7 Land Resources about "...protecting setting..." an acknowledgement that overreaching governmental regulations that pit one use against another (ie...trails versus ranching) *could* negatively impact the setting if private land changes uses.<sup>6</sup>
- Abandon the measurement of Trending Primitive.<sup>7</sup>
- Change *could* to *will* when describing the potential effects of reduced BLM grazing on private land.<sup>8</sup>

The last point is the most important from our perspective. An increase in regulation, a reduction in available AUMs, and a generally hostile environment will have unintended consequences. Certainly the BLM doesn't really think that ranchers won't build up internal private fences as they use more infrastructure to deal with pressures from the outside. Without a doubt, when the pressure to graze less forces ranchers to graze less in one area there is going to be a rise someplace else.

We are not in a position to specifically tell you where the next private fence will be built. But, we are suggesting that as a class, ourselves included, we will do everything in our power to remain in business.

It is the business of ranching that the BLM understands the least. The observation that only 163 jobs are a result of BLM grazing is puzzling.<sup>9</sup> More puzzling is how this [163] number approximates almost the same number of permittees. And even more, how do these figures come close to representing the total number of ranches/jobs in the County? Fremont County ranks in the top five percent of counties nationwide for cattle inventory.<sup>10</sup> The IMPLAN/BLM conclusion is incorrect in the determination that one ranch equals one job. For example, consider only those operations with sales in excess of \$100 thousand and the equation starts with a minimum of 149 jobs.<sup>11</sup> Scale of operation and required labor are directly related. 57 operations have sales in excess of \$250 thousand with 22 of these [57] having sales in excess of \$500 thousand. Perhaps the modeler should check some statistics on how many people it takes to operate a ranch. There is no way one individual is doing the work needed to create

<sup>6</sup> DRMP, 56. Specifically, our ranch occupies a significant portion of Expansion Era history. We think that ranching and this history are compatible. We are aware of no resource conflicts in our area that warrant placing recreation above our ranch. This type of action to protect a setting will only produce more conflict and will not ultimately produce a desired setting.

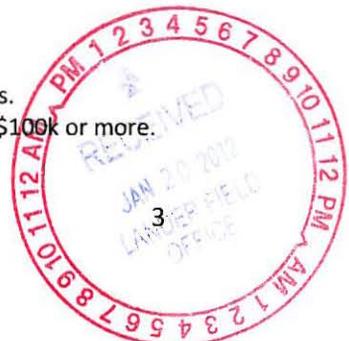
<sup>7</sup> DRMP, 222. This type of measurement only leads to a self fulfilling prophecy whereby the BLM develops more and more regulations to create more hurdles for use of the land. We have always been under the impression that trending primitive was synonymous with healed; a reclamation term applied to wilderness after all previous uses had been prohibited.

<sup>8</sup> DRMP, 995, Bullet 9.

<sup>9</sup> DRMP, 1185, Table 4.49.

<sup>10</sup> USDA, 2007 Census of Agriculture, County Profile. Numerical rank 155 of 3,060 total U.S. counties.

<sup>11</sup> USDA, 2007 Census of Agriculture, County Profile. Figure represents 74% of 202 operations with \$100k or more. The remaining 26% are crop based agriculture and assumed not to be major cattle grazers.



\$250 thousand or more in sales per operation. The IMPLAN needs improvement to accurately capture the number of jobs created by ranching.

Perhaps the BLM has a limited understanding of the ranching economy and business model because it has a preconceived notion of what a rural lifestyle is. Please explain the whole concept of middle country because the maps describing middle county, operational setting and opportunity, etc., are so off base it is sad. Specifically, the area around our ranch on South Pass is measured as middle or back country, but this label doesn't square with the glossary definition.<sup>12</sup> You can't just invent new definitions of things that already have meaning. For example: since when is the town of Lander rural, and the former rural area immediately adjacent to town called middle country?<sup>13</sup> The limited understanding and bias toward the ranching community is best summarized with what the BLM calls a "relatively small contribution to the economy."<sup>14</sup> Strangely, just as BLM can belittle ranching's contribution and downplay the effects that reduced grazing will have on an industry, the BLM can observe at the basic level that there is potential for BLM-authorized actions to affect the profitability of ranching and thereby increase the trend of subdividing if BLM makes the ranch unprofitable<sup>15</sup> If only BLM could see the bigger picture and realize that simply observing and stating for analysis that it [BLM ability to affect] may result in additional development doesn't really address the situation. It may solve the bureaucratic need to satisfy legal requirements for analysis, but it won't produce any positive results.

The problem with subjective designations is that they themselves lead to conflict. Suddenly, what was rural is on the edge of primitive, and therefore subject to increased regulations. This is not accurate, and as members of the BLM planning staff are aware, we have an ongoing discussion with BLM about how a proper visual map is built and how the data are analyzed in the results of view analysis. With the exception of the ACEC maps, we stand by our previous criticism that maps that do not accurately reflect property status, such as viewshed maps, create planning failures. Designations built upon viewshed maps that do not contain an appropriate recognition of the private lands within the viewshed are arbitrary and meaningless. One gets the impression that BLM doesn't care about proper analysis because if the Maps can create conflict among uses, then conflict can be used to reduce grazing, which is a stated part of the Plan.

### IMPLAN Deficiencies

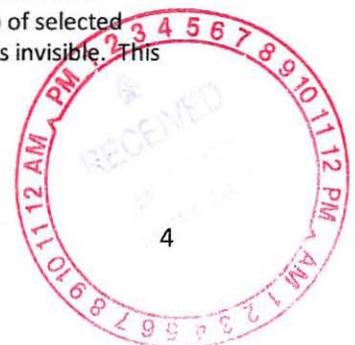
The IMPLAN model is incomplete in the value of goods and services created by ranching. The analysis relying upon only the contributions of BLM lands to the ranch and then extrapolated out the total indirect and direct economic effects fails to include the value that must be added to the ranches contributions from wildlife. The segregation of wildlife out of grazing's contribution is incorrect because it fails to recognize that wildlife spend a portion of their life on private lands. Given the dominance that

<sup>12</sup> DRMP, 1324, Foreground-Middleground Zone; and, Map 88. The South Pass area is dominated by geographic relief. There is no analysis that could produce a 30 mile view (15 in either direction), let alone 5 to 15. It is a stretch to call it 3 to 5. The only way this analysis works is if the analysis is performed from the top of selected individual hills and the researcher ignores the land status map and pretends that private property is invisible. This is entirely subjective.

<sup>13</sup> DRMP, Map 87, Physical Setting; Map 88 Social Setting.

<sup>14</sup> DRMP, 484.

<sup>15</sup> Ibid.



ranching has as a use has concerning private land, it is necessary to add a portion of the economic value of wildlife (non-consumptive, viewing) and hunting (recreation) to the livestock totals.

For example, consider Mule deer, a species of particular concern today to wildlife advocates and managers. Our ranch has as many resident Mule Deer as any other place that comes to mind. Studies have suggested that hunter expenditures for Mule Deer average \$23 on private land and \$23 on public land in Wyoming.<sup>16</sup> Any accurate model suggesting that agriculture's direct and indirect impact per AUM that doesn't include this type of contribution is incorrect. It appears to us that the IMPLAN conclusion that each AUM produces around \$92 total direct/indirect economic benefits is an underestimation of the true contribution. Calculating only the market value of commodities directly produced and marketed by ranching fails to include this non-market captured value of \$23.

To correct this deficiency with the IMPLAN we suggest BLM go to IMPLAN modelers and have the model retooled to accept additional input values; values such as the \$23 referenced above.

A reexamination of the viewshed map, combined with the restoration of the original ¼ mile buffer, together with the willingness to want to help grow the economy and feed the world is the most pragmatic path forward for the BLM. Pragmatism holds that if a visitor to someplace sees a cow licking a block of salt, then the person sees a cow licking a block of salt. You cannot hide the world from itself.

### Objections

We have some specific objections. We feel the South Pass ACEC is completely arbitrary, unnecessary, and will not serve its [the ACEC's] proposed goal. It will unnecessarily burden our ranch and constrain multiple use in the area. The proposed ACEC is not a contiguous area and will negatively impact private property rights in the area.

We object to the possibility that NSO stipulations could be applied to range improvements within the proposed South Pass ACEC and within the proposed Trail buffers.

And, from a recreational standpoint we disagree with the notion that most of the planning area is open to over the snow recreation when a closer reading suggests a 12 inch snow cover before this is so.<sup>17</sup> Over the snow vehicles are so few in number and the 12 inch measure is entirely subjective that the result is to criminalize the few who enjoy riding in the open, unforested areas of the county. What data were used to support this proposal? How big of a recreational threat to BLM are over the snow recreational activities?

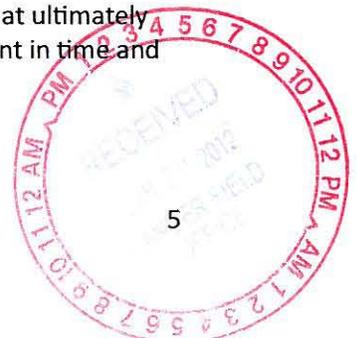
### Minerals

Finally, we suggest that the mineral potential for Fremont County be reevaluated. The only way that the southern third of the entire County has low potential is if the BLM wants it to have low potential. Specifically, our ranch is thought to sit atop the Mission Canyon formation. This formation lies below previously targeted reservoirs and will someday yield economic volumes of hydrocarbons.

In 1982 Amoco, now BP, drilled a nearly 23,000 foot well in the middle (Federal surface and mineral) of our ranch, just south of our fee minerals. They missed the target but passed through several other formations know to produce in other areas. 1982 was also the last year prior to 2007 that any interest was expressed in the fee minerals in the area. 2007 was a robust year for negotiations that ultimately fell prey to global economic difficulties. We fully expect this area to produce at some point in time and

<sup>16</sup> University of Wyoming, Open Spaces Initiative, B-1150, March 2004, p4.

<sup>17</sup> DRMP, 610



those who pursued our minerals do as well. The need for energy production is bigger than our ranch. Our nation needs as much as we can produce from wherever it is found. Energy production is vital to our national interest. It is unfortunate that the only areas the Plan identifies as suitable for oil and gas are the areas that already have development. We can't wish sage grouse away any more than BLM can wish away the location of underground treasure.

Again, Thank You for the opportunity to comment.

Sincerely,

Jim Hellyer 

