

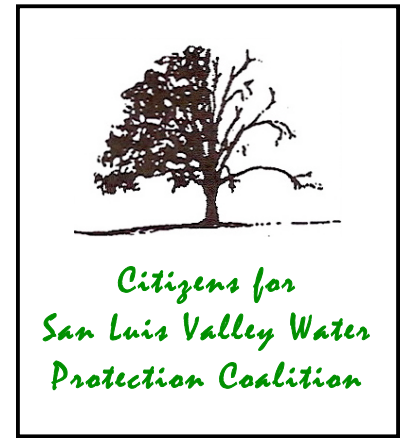
For immediate release

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Industry lawyers directed Baca National Wildlife Refuge drilling study

Concerns of refuge scientists overridden by Interior, Justice officials

ALAMOSA, Colo. ~ Industry attorneys have improperly collaborated with Bush administration officials in an ongoing attempt to pave the way for oil and gas exploration in Colorado's newest national wildlife refuge, newly disclosed documents show.

Emails, memos and other official records show lawyers in the U.S. Department of Interior's Office of the Solicitor allowed industry lobbyists and attorneys for the Canadian firm, Lexam Inc., to improperly influence the analysis of Lexam's plan to drill exploratory wells in the Baca National Wildlife Refuge. The records were obtained as a result of the Freedom of Information Act lawsuit filed by the Citizens for San Luis Valley Protection Coalition.

The revisions by Lexam's attorney and industry-friendly Bush officials significantly misrepresented the likely impact of drilling in the Baca NWR, a refuge so new the public isn't yet allowed on it.

"The Interior Department is once again acting like a wholly owned subsidiary of the oil industry," said PEER Executive Director Jeff Ruch, pointing to recent reports of Interior staff partying and sleeping with oil lobbyists. "These documents provide the inside view of how supposedly objective reviews are manipulated and skewed by those who stand to profit."

Documents recently released as a result of a lawsuit filed under the Freedom of Information Act show that:

- Handwritten notes on internal drafts, presumably made by a lawyer in the Interior Department Solicitor's office, emphatically directed the U.S. Fish and Wildlife Service not to assess the drilling impacts of Lexam's proposed drilling plan. "*NO!!! The drilling*

is not part of the proposed action!!”

- DOI attorney Thomas Graf invited Lexam to help limit the scope of the Environmental Assessment’s analysis to avoid inconvenient conclusions made by USFWS biologists regarding environmental impacts and lack of information regarding these.
- Interior officials held meetings with industry attorneys and Thomas Sansonetti, a former top attorney in the Environment and Natural Resources Division of the Department of Justice from 2001-2005, whose role has not been disclosed by the government.
- Lexam attorney David Bailey advised officials to eliminate discussion of the cumulative impacts of drilling on the refuge.
- Lexam’s attorney handpicked industry consultant ENSR to conduct the study.
- DOI attorney Thomas Graf instructed the consultant to not consider the potential impact of long-term development if exploratory wells found natural gas.
- Graf sent internal drafts to Bailey and others to line-edit the environmental assessment.
- Graf and Bailey discussed how to circumvent public comment on the study.

The records came to light only after protracted legal fights led by a local coalition concerned about the impact of development on the refuge itself and the Unconfined Aquifer, an enormous underground water supply that’s critical to the economy of the arid San Luis Valley.

The government still has not disclosed the specific changes made by Lexam’s attorney to internal drafts of the EA. The pending suit seeks a court-ordered disclosure of those documents. A scheduling conference is set for October 16, 2008.

“It’s unbelievable that local citizens must keep going back to federal court to find out what’s going on while industry simply calls upon their friends in the Solicitor’s office to grease the skids for their project,” said Travis Stills, an attorney with the Energy Minerals Law Center.

The revelations in the newly released documents come on the heels of a series of scathing reports about inappropriate relationships between Interior Department officials and industry. In Denver, employees of the Mineral Management Service’s Royalty In Kind program were found to have engaged in sex, substance abuse, and accepted trips and gifts from industry officials in exchange for preferential treatment of industry contracts. Although headlines focused on the scandalous activities in the Interior Department’s Denver offices, the MMS scandal also involves questionable practices in the selection and use of industry contractors.

The 92,500-acre Baca NWR is next door to the Great Sand Dunes National Park. Set against the

stunning backdrop of the Sangre de Cristo Range, the refuge protects the Unconfined Aquifer and the largest concentration of wetlands in the Southwest. The federal government purchased the refuge for \$33 million in 2000 to protect its “unique hydrological, biological, educational and recreational values.” Although normally included in Refuge protection, the Baca mineral interests were not secured in the purchase agreement.

Drilling on the Baca NWR has gained considerable national attention since it was proposed in 2006. The FWS received more than 48,000 letters criticizing the draft study and demanding that the agency do a better job of assessing the potential impacts of drilling. The National Park Service, the Environmental Protection Agency, the Colorado Division of Wildlife and the Office of Archaeology and Historic Preservation were among many who sharply criticized the study earlier this year.

The local groups, including the Citizens for San Luis Valley Water Protection Coalition and the San Luis Valley Ecosystem Council, are asking the Fish and Wildlife Service to conduct a full Environmental Impact Statement on the drilling plan. An EIS requires a more comprehensive examination of likely impacts than an environmental assessment.

“The government should consider all options, including buying out the mineral rights to protect the refuge,” said Ceal Smith, of the water protection coalition. “Not only has the government rejected a hard look at the impact of drilling, they’re playing games to make sure it comes out just the way industry wants. These people have no shame.”

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Additional information:

Documents disclosed under Freedom of Information Act:

<http://www.slvwater.org/pressrelease/index.html>

PEER’s report on America’s Ten Most Imperiled Refuges:

http://www.peer.org/news/news_id.php?row_id=1052