BEFORE THE WYOMING ENVIRONMENTAL QUALITY COUNTRY OF WYOMING

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APR 1 0 2008

Terri A. Lorenzon, Director

Environmental Quality Council

IN THE MATTER OF THE PETITION **OF BIODIVERSITY CONSERVATION** ALLIANCE FOR DESIGNATION OF **"ADOBE TOWN" AS VERY RARE OR UNCOMMON**

EQC DOCKET NO. 07-1101

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

THIS MATTER came before the Environmental Quality Council (EQC) on October 24 and October 25, 2007, for an evidentiary hearing and the record was closed on October 25, 2007. Council members present at the hearing included Richard C. Moore, P.E., Chairman and Presiding Officer, John N. Morris, Kirby L. Hedrick, Dennis M. Boal, and Mark W. Gifford. Terri A. Lorenzon, Executive Director of EQC and Bridget Hill, Assistant Attorney General were also present. Deborah A. Baumer from the Office of Administrative Hearings served as the Hearing Examiner in the proceeding. The Petitioner, Biodiversity Conservation Alliance (BCA) and seven other conservation groups appeared by and through Erik Molvar, Director of BCA. Written opposition to the Petition was received from the Wyoming Mining Association, Sweetwater County, the Sweetwater County Conservation District, the Rock Springs Grazing Association, and a coalition referred to as the Oil and Gas Operators. EQC received a 26 page written comment with three attachments from BCA, as well as over 250 written comments in support of the Petition for designation as very rare or uncommon. The EOC received a 29 page written comment from the Oil and Gas Operators, along with eight exhibits. Written comments were also received from the Office of State Lands and Investments and the Wyoming Outdoor Council. The EQC reconvened on November 28, 2007 for deliberations. Council member Sara

Flitner read the transcript and was present for deliberations. Council member F. David Searle recused himself in this matter. The Council has considered the evidence and argument of the parties, and makes the following:

I. JURISDICTION

"The council shall act as the hearing examiner for the department and shall hear and determine all cases or issues arising under the laws, rules, regulations, standards or orders issued or administered by the department or its air quality, land quality, solid and hazardous waste management or water quality divisions." Wyo. Stat. Ann. § 35-11-112(a) (LEXIS 2006).

The council shall, "Designate at the earliest date and to the extent possible those areas of the state which are very rare or uncommon and have particular historical, archeological, wildlife, surface geological, botanical or scenic value. When areas of privately owned lands are to be considered for such designation, the council shall give notice to the record owner and hold hearing thereon, within a county in which the area or a major portion thereof, to be so designated is located, in accordance with the Wyoming Administrative Procedures Act." Wyo. Stat. Ann. § 35-11-112(a)(v) (LEXIS 2006).

The EQC enacted rules of procedure for designation hearings and these rules are contained in Chapter VII of the DEQ Rules of Practice and Procedure.

On November 6, 2006, BCA, along with seven other conservation groups, filed a Petition with the EQC seeking designation of approximately 180,910 acres of land located in Sweetwater County, Wyoming as very rare or uncommon. For convenience, this acreage will be referred to in this document as the area in and around Adobe Town. Therefore, the EQC has jurisdiction to hear and decide this matter.

II. STATEMENT OF THE CASE

BCA and seven other conservation groups filed a Petition with the EQC to designate 180,910 acres in Sweetwater County, Wyoming, which includes the boundary in and around an area known as "Adobe Town," as very rare or uncommon. On June 21, 2007, the EQC considered the petition at a public meeting held in Rock Springs, Wyoming pursuant to Chapter VII, Section 6 of the DEQ Rules of Practice and Procedure. Notice of the meeting was provided to the petitioner and surface and mineral owners "whose lands or minerals are within the area proposed for designation". The EQC heard a presentation on the petition from BCA and comments from a number of citizens and organizations present at the meeting. At the conclusion of the meeting, the EQC accepted the petition and determined that a formal hearing on the proposed designation should be held. At the designation hearing in September, 2007, the EQC heard comments supporting the designation. A number of oil and gas operators, as well as the Wyoming Mining Association and the Rock Springs Grazing Association opposed the designation. The Petitioner asserted the entire 180,910 acres has scenic, surface geological and fossil values, archeological and historical features, as well as a sensitive wildlife habitat.

III. ISSUES AND CONTENTIONS

The sole issue in this case is whether the Petitioner has proven, by a preponderance of the evidence, that the areas in and around Adobe Town meet the requirements to be designated as very rare or uncommon pursuant to the Environmental Quality Act, Wyo. Stat. Ann. § 35-11-112 (a)(v) (LEXIS 2006) and Chapter 7 of the EQC Rules and Regulations governing very rare or

uncommon designations. If so, the Council must decide what effect such a designation has on the area.

IV. FINDINGS OF FACT

1. On November 6, 2006, BCA and seven other conservation groups including the Wyoming Wilderness Association, Wilderness Society, Wyoming Chapter of the Sierra Club, Friends of the Red Desert, Wyoming Outdoor Council, Center for Native Ecosystems and Natural Resources Defense Council, submitted a Petition to the EQC for Designation of an Area Known as Adobe Town as Very Rare or Uncommon.

2. On June 18, 2007, the EQC received a written objection to the designation from the Wyoming Mining Association. The Mining Association took the position that the designation was "nothing more than a covert effort to prohibit domestic mining and oil and gas development in the area, especially on federal lands." The Mining Association further argued that a portion of the lands are amply protected by an existing Wilderness Study Area (WSA) designation and the majority of the land outside the WSA area is currently leased and subject to valid existing federal lease rights which must not be infringed upon. The Mining Association opposed the designation because the Petition included over 50,000 acres within the Land Grant checkerboard area and would result in impossible administration of the checkerboard area.

3. On June 21, 2007, the EQC considered the petition at a public meeting held in Rock Springs, Wyoming pursuant to Chapter VII, Section 6(b) of the DEQ Rules of Practice and Procedure. The Petitioner presented information on the attributes of the Adobe Town area and argued that these attributes warranted taking the petition through the formal designation process. Comments were accepted from those present who supported the petition and those who opposed the petition.

4. The EQC received written opposition to the designation from a coalition of oil and gas developers including Anadarko Petroleum Corporation, Devon Energy Company, Samson Oil and Gas, Questar Exploration and Production Company and Yates Petroleum Corporation collectively referred to as Oil and Gas Operators (Operators) at the June 21st meeting and at the later hearing on the Petition. The Operators opposed the designation asserting they are "actively pursuing projects and investing millions of dollars into these leases to develop the commercial gas resources which are present in the area. BCA's Petition here is a thinly veiled attempt to thwart mineral development under the Operators' valid leases." The Operators also opposed the designation alleging the proposed lands were already fully protected, do not qualify under the standards set forth in the statute and EQC's Rules. Additionally, the Operators argued the land encompasses almost exclusively BLM administered land and would render any state designation ineffectual and impossible to administer and the term "very rare or uncommon" is vague and cannot be implemented in a manner that is not inherently arbitrary and capricious. At the conclusion of the meeting, the Council voted to accept the petition and move forward with a formal hearing on whether the Adobe Town area should be designated as very rare or uncommon.

5. The areas identified by BCA to be included in the very rare or uncommon designation include an area currently designated by the federal government as a Wilderness Study Area (WSA) and consisting of approximately 86,000 acres. Additionally, BCA identified nearly 95,000 acres surrounding the WSA area. The Petitioner designated these areas as Area A, Area

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B, Area C, Area D, Area E and Area F. These areas are marked on the maps used in the hearing

and are contained in the record. Each area will be discussed separately below.

6. The area proposed for designation is described as follows:

Bounded by roads and pipelines, as follows. T17N R97W: Sec. 36 S1/2. T17N R96W: Sec. 22 SE1/3; Sec. 24 SW1/3; Sec. 28 SE1/2; Sec. 32 S2/3; and Sec. 26, 34, & 36. T17N R95W: Sec. 30 SW1/2; Sec. 32 SW1/2. T16N R97W: Sec. 8 SE1/8; Sec. 18 SE1/3; Sec. 25 S1/2; Sec. 27 SE1/4SE1/4; Sec. 33 SE¹/4 & Sec. 2, 10, 12, 14, 16, 20, 22, 24, 26, 28, 30, 32, 34, 35, and 36. T16N R96W: Sec. 29 S¹/₂; Sec. 27 SE 7/8 & Sec. 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 25, 26, 28, 30, 31, 32, 33, 34, 35, & 36. T16N R95W: Sec. 8 W1/3; Sec. 20 W1/3; Sec. 19 SE5/8; Sec. 29 W1/3; Sec. 29 SE1/5; Sec. 28 SW1/3; Sec. 33 W2/3 & Sec. 6, 18, 30, 31, & 32. T15N R98W: Sec. 12 E1/2; Sec. 13 SE1/2; Sec. 24 NW1/4, NE1/4, SE1/4; Sec. 25 E1/3; Sec. 36 E1/3. T15N R97W: Sec. 5 SE1/4, E1/2 of SW1/4; Sec. 7 NE1/4, SW1/4, SE1/4 & Sec. 1, 2, 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, & 36. T15N R95W: Sec. 4 SW7/8; Sec. 3 S1/2; Sec. 2 SW1/8; Sec. 11 SW2/3; Sec. 13 SW1/4; Sec. 14 NW1/8, SE1/8; Sec. 15 NW7/8; Sec. 22 SW7/8; Sec. 23 SE2/3; Sec. 24 SW2/3; Sec. 25 all but NE1/4NE1/4 & Sec. 5, 6, 7, 8, 9, 10, 16, 17, 18, 19, 20, 21, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 36. T15N R94W: Sec. 30 SW1/4SW1/4 & Sec. 31 W1/3. T14N R94W: Sec. 6 NW1/4. T14N R95W: Sec. 1 NW7/8; Sec. 10 NW2/3; Sec. 11 N1/3; Sec. 12 NW1/4NW1/4, SW1/4NW1/4, NE1/4NW1/4; Sec. 16 NW1/3; Sec. 17 NW7/8 & Sec. 2, 3, 4, 5, 6, 7, 8, 9 & 18. T14N R96W: Sec. 24 NW1/3; Sec. 25 NW1/8; Sec. 26 N1/3; Sec. 27 N1/3 & SW1/4; Sec. 34 W1/2 & Sec. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 28, 29, 30, 31, 32, 33. T14N R97W: Sec. 18 NE¾; Sec. 19 NE1/4NE1/4; Sec.20 NE2/3; Sec. 29 NE1/3; Sec. 31 S1/2 except SE1/4SW1/4 & NW1/4SE1/4; Sec. 32 SE3/4 & Sec. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35, 36. T14N R98W: Sec. 1 E1/3; Sec. 12 E2/3; Sec. 13 NE1/3; Sec. 36 SE1/3. T13N R98W: Sec. 1 NE1/4NE1/4, E1/2 of SE1/4; Sec. 12 NE1/4NE1/4. T13N R97W: Sec. 6 all but SE1/4SW1/4; Sec. 7 E1/2, NE1/4NW1/4, S1/2 of NE1/4, NE1/4SW1/4; Sec. 18 E1/2; Sec. 19 NE1/4NE1/4; Sec. 29 E3/4; Sec. 32 NE1/3; Sec. 33 N2/3; Sec. 34 all but SW1/4SW1/4 & Sec. 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 35, 36. T13N R96W: Sec. 3 W3/4; Sec. 10 NW2/3; Sec.15 NW1/4; Sec. 16 N2/3; Sec. 17 all but SE1/4SE1/4; Sec. 20 W¹/₂; Sec. 29 W1/3; Sec. 31 all but SW1/4SW1/4; Sec. 32 SW2/3 & Sec. 4, 5, 6, 7, 8, 9, 18, 19, and 30. T12N R96W: Sec. 5 N1/4; Sec. 6 NE1/8. T12N R97W: Sec. 1 NW1/4NW1/4; Sec. 2 N1/3; Sec.3 NE1/6. All of T15N R96W

7. The legal description above differs from the legal description published in the public notice for this case. The differences are typographical corrections and the elimination of several

parcels of private land that were inadvertently included in the original description. BCA did not petition for designations of private lands.

8. The EQC and the hearing participants referred to maps of the Adobe Town area throughout the hearing process. Two maps are attached to this order. The first map that is attached was prepared for the EQC by the Bureau of Land Management Office in Rock Springs, Wyoming. This map is easily identified by the statement above the legend on the map which reads "This map was made at the request of the EQC using data provided by BCA and the BLM". This map is Attachment 1.

9. The second map that is attached was created by BCA at the request of the Council after the Council made its decision on the designation. This map is identified by the logo and information in the upper right-hand corner. The logo is "Adobe Town Proposed Very Rare or Uncommon Area". Below this logo are two notations. These notations state "Cherry-stem exclusions eliminated" and "BLM Inventory area labeled". The cherry stems that were removed were jagged black lines that indicated roads in the Adobe Town area. It was decided that these roads did not need to be excluded from the designation. This map also differs from the original map of the area to be designated as there is a correction of the boundary line on the western-most portion of the southern boundary of Area B. The corrected boundary runs east across a small "hook" shaped piece of land from the point where the boundary of Area C meets the southern boundary of Area B. This piece of land was erroneously included in Area B on the original map. The corrected map, that is attached, had the boundary line excluding the piece of land. This map is Attachment 2. 10. In reaching their decision in this matter, the EQC relied on the maps as showing the boundary of the area designated. The legal description appearing in paragraph 5 of this order generally describes the lands included in the designation as well as the boundary.

A third map that was used in the hearing process is a USGS Map of the Kinney Rim.
This map is produced by the BLM and is readily available.

12. The WSA area consists of 86,000 acres and was estimated to contain 30 archeological sites per square mile. It is marked by stabilized sand dunes. The Skull Creek Rim is located in this area with buttes and pinnacles containing bands of uncommon colors such as pink and purple. It is the most visited area contained in the Petition due to its very scenic and photographic values. The WSA area also has historical value as mentioned in literature. Opposition to the designation of this area focused on the fact that the area is already designated as a WSA by the Federal Government and therefore, fully protected. The opposition also warned the EQC that overlapping designations may lead to conflict. However, no evidence was submitted by any party to support this contention as to how or what the conflict would be.

13. Area A is commonly referred to as the Haystacks. Area A received the most opposition to its designation as very rare or uncommon. It is located to the north of the WSA and is a checkerboard area, where every other section is private. BCA only requested the state and federal portions of the checkerboard to be designated as very rare or uncommon, leaving the private sections of the checkerboard out of the designation. The Petitioner argued the Haystacks area is a unique geological feature, has spectacular scenic values with pinnacles and spires and is an important habitat for nesting raptors and golden eagles. The Haystacks surface is a crucial winter range for mule deer and contains fossiliferous characteristics very rare or uncommon in Wyoming. The opposition focused on a fear that the checkerboard area would prove to be a

management nightmare and impossible to administer, that legal and liability issues arise surrounding access to the area and that the area is not uncommon because it is seen in other areas of Wyoming. The EQC strongly disagrees with the opposition and finds that the designation has no effect on management or access to the area and is very rare or uncommon in this state.

14. Area B is east of the Willow Creek Rim featured by a high sharp escarpment that is uncommon in the area and overlooks badlands that have a deeply eroded maze of canyons and ridges. BCA designated Area B due to its scenic and wildlife values as the area is a nesting site for golden eagles. BCA admitted that the features of Area B were not very rare in Wyoming, but argued the area was uncommon and the view shed needed to be protected. The EQC finds the area contains a scenic vista overlooking the entire Adobe Town area. A compelling case was made that the area contains fossiliferous features, historical, geological, wildlife, and paleontological values. The EQC rejects the opposition's argument that the only reason the area has been designated by BCA is to hinder oil and gas development. The EQC also rejects the oppositions "fear" that BLM would not re-nominate leases as they expire in the area due to a very rare or uncommon designation. No evidence was submitted to support these contentions.

15. Area C is located to the east of the WSA and contains sage grouse leks. Area D is located to the southeast of the WSA and contains rare mountain plover nesting habitats. Both areas are scenic and a designation protects the vista from Skull Creek Rim. The opposition focused on BCA understating the oil and gas development in both areas and the "fear" the BLM would not re-nominate leases as they expire in the area due to a very rare or uncommon designation. The EQC finds the designation affects non-surface coal mining operations and the opposition did not adequately make a case supporting their "fear" being justified.

16. Area E is to the south of the WSA and marked by the Powder Rim. The area has scenic values and contains juniper woodlands which support a botanical value. As a result, the area contains migratory songbirds not found elsewhere in Wyoming. The area also contains unique, geological features and has high aesthetic, photographic and scenic values. Additionally, Area E is a crucial winter range for mule deer. This area is very uncommon in Wyoming.

17. BCA argued Area F should be designated because of its archeological, historical paleontological and cultural values. It is covered with stabilized sand dunes ideal for archeological digs. It is a possible archeological site, and the EQC visited this area on its ground tour. The EQC finds the area is very scenic as it lies squarely between the Skull Creek Rim and Adobe Town Rim and contains the values stated in the Petition.

18. BCA also argued the entire proposed area is very rare or uncommon in terms of probable vertebrate fossil yield classification, rated at 5 by the BLM which is the highest classification. BCA argued the entire area has geological values and therefore should be designated. BCA also argued that in order to keep the view shed of the Skull Creek Rim in the WSA, its scenery is fully dependent on the lands that are outside the WSA.

19. On behalf of the Operators, Samson senior geologist, Greg Anderson, showed that BCA understated the value of the gas reserves in Areas B, C and D where wells currently produce gas. Anderson also believed if the designation was granted, BLM would not re-nominate those tracts of leases that expired. Anderson admitted that there was no real basis or evidence that the Operators would be negatively impacted by the designation, just a "fear" that this would happen.

20. The Operators also argued the EQC must evaluate the criteria, "weigh" the factors and look at the "intent" of the Petitioner. The Operators argued the intent of the Petitioner was to

oppose or hinder oil and gas development. The Operators failed to convince the EQC that the intent of the Petitioner should lead the EQC to deny the designation.

21. Jim Magagna (Magagna), Vice President of the Wyoming Stockgrowers Association commented in opposition to the designation for fear there would be a public expectation on how the area would be managed, i.e., that people do not want to walk through sheep or cattle to get to the area. Magagna admitted, however, that under the applicable statutes and rules, agriculture is clearly exempt from any impact from the designation.

22. Marion Loomis (Loomis), Executive Director of Wyoming Mining Association also commented in opposition to the designation. Loomis admitted they have no mines planned in the area, but the designation would preclude them from ever trying to develop a mine. Loomis stated that a designation in the past killed a mine and that features in the Adobe Town area are not uncommon because they were also found in the Bighorn Basin area. The EQC finds Loomis' fears were not justified and were not supported by evidence. The EQC also finds the entire Adobe Town area to be very rare or uncommon.

23. John Hay (Hay), from the Rock Springs Grazing Association, a surface and mineral owner in the checkerboard area north of the WSA, commented in opposition to the designation stating that energy development should be the top priority and should be accommodated. Hay commented that a designation would make it impossible to manage the area for multiple use purposes and the designation would have a negative impact on agricultural operations. According to Hay, it would be difficult to do any structural development, such as fences, wells, springs and weed control. The EQC does not find Hay's comments persuasive or supported by any evidence.

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24. Professor Jason Lillegraven, Professor Emeritus in geology and zoology at the University of Wyoming, discussed the paleontological and geological importance of the Adobe Town area. Professor Lillegraven showed that Adobe Town is beyond rare, it is unique, because it is composed of rocks of early late Eocene age and Uintan age that are in strategraphic order. This is the only place in Wyoming where you find fossiliferous deposits of this age. The entire Haystacks area and Adobe Town Rim contain these deposits.

25. Throughout the two days of public comment, citizens testified to the reasons they believed the Adobe Town area should be protected. These reasons included the fossils that can be seen in the area, the rugged nature of the desert terrain, the harsh beauty of the rock features such as hoodoos, and the scenic vistas. People described taking their children to the area for hiking and exploration. Comments were received from university students who grew up hiking and hunting in the Adobe Town area and who frequently return to the area. One comment described the observations of an Israeli general who described the spiritual nature of this desert and compared Adobe Town to places in the Mideast where major religions were born. In summary, there was a diversity of comments from people who were familiar with the area, all in support of the designation.

26. The EQC also considered an October 24, 2007 letter from Sweetwater County and the Sweetwater County Conservation District generally opposing a very rare or uncommon designation for all areas outside the WSA for a number of reasons including the designation would interfere with range projects, would interfere with existing oil and gas rights, would interfere with local governments control of predators, noxious weeds and wild horses, did not meet the statutory criteria, would result in denial of mining permits, and was just another effort to propose wilderness management on lands that had been evaluated and rejected as having

wilderness characteristics. The EQC finds no evidence was submitted to support the "fears" of Sweetwater County and the Sweetwater County Conservation District.

27. All findings of fact set forth in the following conclusions of law section shall be considered a finding of fact and are fully incorporated into this paragraph.

V. CONCLUSIONS OF LAW

A. Principles of Law

28. BCA bears the burden of proof in the proceedings herein. "The general rule in administrative law is that, unless a statute otherwise assigns the burden of proof, the proponent of an order has the burden of proof." *JM v. Department of Family Services*, 922 P.2d 219, 221 (Wyo. 1996) (citation omitted); *Penny v. State ex rel. Wyoming Mental Health Prof. Licensing Board*, 120 P.3d 152, (Wyo. 2005).

29. "The EQC shall:

(v) Designate at the earliest date and to the extent possible those areas of the state which are very rare or uncommon and have particular historical, archeological, wildlife, surface geological, botanical or scenic value. When areas of privately owned lands are to be considered for such designation, the council shall give notice to the record owner and hold hearing thereon, within a county in which the area, or a major portion thereof, to be so designated, is located, in accordance with the Wyoming Administrative Procedures Act." Wyo. Stat. Ann. § 35-11-112(a)(v) (LEXIS 2006).

30. In 1993 the Wyoming Supreme Court found that the phrase "very rare or uncommon" was too amorphous to allow such a designation without the benefit of corresponding standards created by the Council. *Matter of Bessemer Mt.*, 856 P.2d 450, 453 (Wyo. 1993). Accordingly, the Court directed the Council to adopt the factors and criteria that will serve as the standards for the classification of lands as "very rare or uncommon." Id. at 455. As a result, the Council

adopted Chapter 7 of the Department of Environmental Quality's Rules of Practice and Procedure. These rules set forth the process for designating "very rare or uncommon areas" as well as the criteria for such a designation.

31. When considering whether to grant the designation the EQC must follow a two-tiered review process. First, the EQC must determine if the area has some "particular historical, archaeological, wildlife, surface geological, botanical or scenic value." WYO. STAT. § 35-11-112(a)(v). Second, if one or more of those values is found to exist, the EQC must determine whether that particular value is "very rare or uncommon." The EQC's rules set out detailed factors that the EQC must consider for each statutory value, which are generally set forth below. *See* Rules of Practice and Procedure, Ch. VII, § 11 for additional detail. The EQC must consider the significance and the weight of all specifically identified factors that are set forth in the rules.

A. Historical, Prehistorical, or Archaeological Value:

- Whether the area is mentioned prominently in historic journals or other historic literature;
- Whether the area is important because it is associated with cultural or religious traditions and practices;
- Whether the area has received a designation pursuant to state or federal laws that provide for protection such as National Historic Landmarks, National Historic Sites, or the National Register of Historic places; and
- Whether the area contains buildings, structures, artifacts, or other features that are significant in the history or prehistory of the state.

B. Wildlife value:

- Whether the area includes lands that are considered irreplaceable fish or wildlife habitat;
- Whether the area includes preserves or easements which have been established and used for the protection of habitat for wildlife;
- Whether the area includes lands that G&F has designated as crucial or vital habitat for resident species;
- Whether the area contains or may affect Class I fisheries;

- Whether the area includes fragile lands that offer unique wildlife or scientific values;
- Whether the area includes federally designated critical habitat for threatened or endangered plant or animal species;
- Whether the area contains an active bald or golden eagle nest; and
- Whether the area includes bald or golden eagle roost and concentration areas used during migration and wintering.

C. Surface Geological Value:

- Whether the area has unique surface geological formations that expose upheavals and faults that are indicative of sub-surface geological features;
- Whether the area has significant paleontological resources; and
- Whether the area has geological features with unusual or substantial recreational, aesthetic, or scientific value.
- **D. Botanical Value:** Petitioner has not asserted a particular Botanical value.

E. Scenic Value:

- Whether the area includes lands within or adjacent to a corridor for a river designated as a National Wild and Scenic River or a corridor for a National Scenic Byway;
- Whether the area had been the subject of substantial artistic attention in the works of artists, sculptors, photographers, or writers; and
- Whether the area has substantial aesthetic value and its value would be apparent to a reasonable person.

As noted above, if the EQC finds that the area is eligible for designation because it

possesses one or more of the above described values, the EQC must then consider if the area is

"very rare or uncommon." The rules set out the following factors to be considered when making

this determination.

F. Very Rare or Uncommon:

- Whether the area exhibits historical, archaeological, wildlife, surface geological, botanical or scenic values that are very rare or uncommon when compared with other areas of the state or a region therein;
- Whether the area contains historical, archaeological, wildlife, surface geological, botanical or scenic values seldom found within the state or a region therein; and

• Whether the area contains historical, archaeological, wildlife, surface geological, botanical or scenic values known or suspected to be declining which, if left unprotected could become extinct or extirpated.

32. After applying these criteria, the EQC shall make their decision in a public meeting. Thereafter, the EQC shall issue a written decision. The decision may be to designate all or a portion of the area or to deny the Petition. The EQC must issue a written statement of the reasons for the decision and serve the Petitioner with a copy of the decision and statement of reasons.

33. The only other statutes that relate to the "very rare or uncommon" designation are WYO. STAT. ANN. §§ 35-11-406(m) and 35-11-1001. WYO. STAT. ANN. § 35-11-406 (m)(iv) provides that the director of the Department of Environmental Quality (DEQ) may deny an application for a mining permit if "the proposed mining operation would irreparably harm, destroy, or materially impair any area that has been designated by the council a rare or uncommon area and having particular historical, archaeological, wildlife, surface geological, botanical or scenic value [.]" WYO. STAT. ANN. § 35-11-1001 provides that any person having a legal interest in the mineral rights for which the State has prohibited mining operations based on a "rare or uncommon" designation may petition the district court to determine whether the prohibition constitutes an unconstitutional taking without compensation.

34. In addition to these statutory provisions, the EQC's rules related to "rare or uncommon" areas provide some additional guidance related to the effect of the designation. Specifically, the rules state, "[t]hese rules apply only to the Land Quality Article, Article 4, of the Environmental Quality Act. The scope of these rules is limited to areas sought to be designated for purposes

related to the permit approval and denial process contained in W.S. § 35-11-406(m) for noncoal mining operations." DEQ RULES OF PRACTICE AND PROCEDURE, Ch. VII, § 2.

35. "Non-coal mining operations" does not include oil and gas operations. Specifically, the Environmental Quality Act provides that nothing in the act "limits or interferes with the jurisdiction, duties or authority of … the oil and gas supervisor or the oil and gas conservation commission, …." WYO. STAT. ANN. § 35-11-1104 (Emphasis added). Additionally, WYO. STAT. ANN. § 35-11-401 provides "nothing in this act shall provide the land quality division regulatory authority over oil mining operations as defined in W.S. 30-5-104(d)(ii)(F)." "Oil mining operations" are defined as "operations associated with the production of oil or gas from reservoir access holes drilled from underground shafts or tunnels." WYO. STAT. ANN. § 30-5-104(s)(ii)(F).

36. Thus, considering the language of the statute a "very rare or uncommon" designation means that the area has a "particular historical, archaeological, wildlife, surface geological, botanical or scenic value." WYO. STAT. ANN. § 35-11-112(a)(v). However, the effect of a "very rare or uncommon" designation appears to be confined to mining permits issued by the DEQ. Indeed, the statutes do not indicate any other restrictions on the use of land that has been designated "very rare or uncommon."

B. Application of Principles of Law

37. Wyo. Stat. Ann. § 35-11-112(a)(v) (LEXIS 2006) requires that the EQC designate any area of the state as very rare or uncommon if it meets the criteria set forth in the statute and further defined by the EQC's rules and regulations. The Petitioner must demonstrate that the Petition complies with the requirements of the statute.

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38. The designation protects the area from non surface coal mining only. The designation would prevent surface mining for oil shale and uranium, as well as gravel pit mining. The designation does not limit oil and gas leasing, exploration, drilling, production or related construction. The designation does not limit or curtail any type of access to private in-holdings or for purposes other than non-coal surface mining on public lands, including livestock grazing.

39. The Petitioner has proven that the area referred to as Adobe Town and included in the WSA should be considered as very rare or uncommon. The Petitioner has proven that the area has very scenic values, archeological values, is mentioned prominently in journals and is the subject of artistic and photographic attention. The WSA is very rare or uncommon and deserves the designation.

40. Likewise the Petitioner has proven that Area A deserves the very rare or uncommon designation due to its historical, geological, wildlife and scenic values. This area covers the Haystacks region and is beyond rare or uncommon.

41. A compelling case was made by the Petitioner for Area B to be considered rare or uncommon due to its historical, wildlife, geological, scenic and paleontological values.

42. Areas C and D contained botanical, geological, wildlife, and photographic values. These two areas are not common in the Sate of Wyoming.

43. Area E should be designated for its paleontological and scenic values

44. Finally, Area F should be designated because of its archeological, historical paleontological and cultural values.

45. The designation does not prevent the construction of roads, agricultural use or change the current use. The only effect this designation has is to provide a higher level of scrutiny when it comes to non-coal mine permits.

46. The Adobe Town Area, including Areas A, B, C, D, E, and F, exhibits surface geological, historical, archaeological, wildlife, and scenic values that is very rare or uncommon when compared with other areas of the state or the region. These values are seldom found within the state and could become extinct or extirpated if left unprotected.

DECISION

Pursuant to the authority vested in the Environmental Quality Council by WYO. STAT. ANN. § 35-11-112(a)(v) (LEXIS 2006), the Council hereby grants the Petition to Designate Adobe Town as Rare and Uncommon. The entire area was observed by the Council and planned with great caution and deliberation. The area as designated is very unique and spectacular and should be protected as very rare or uncommon.

ORDER

IT IS THEREFORE ORDERED that the Petition for Designation as Very Rare or Uncommon is hereby granted in its entirety as presented to this Council.

DATED this $\frac{10^{+4}}{10^{-1}}$ day of $\frac{40^{-11}}{10^{-10}}$, 2008.

~ hure

Richard C. Moore, P.E., Chairman

John Morris Approved as to form

Kirby Hedrick

CERTIFICATE OF SERVICE

I, Joe Girardin, certify that at Cheyenne, Wyoming, on the <u>Marka</u> day of April, 2008, I served a copy of the foregoing ORDER by United States Mail, postage prepaid and by e-mail to the following person:

Erik Molvar, Executive Director Biodiversity Conservation Alliance P.O. Box 1512 Laramie, WY 82073 erik@voiceforthewild.org

also to the following persons via interoffice mail and by e-mail:

Don McKenzie, Administrator LDEQ 122 W. 25th, 4-W Herschler Bldg. Cheyenne, WY 82002 <u>DMcKen@state.wy.us</u>

John Corra Director, DEQ 122 W. 25th, 4-W Herschler Bldg. Cheyenne, WY 82002 JCorra@state.wy.us

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