

August 14, 2014 -- Property Transaction Proposal

Colorado Parks and Wildlife

Roselund and Black Mountain Parcels Fee Title Acquisition and White River Access Easement

Rio Blanco County

695 acres

15 miles west of Meeker

Section 33-1-105 (3)(a), C.R.S. states:

In the event that the [Parks and Wildlife] Commission plans to acquire the fee title to any real property or to acquire an easement for a period to exceed 25 years or at a cost to exceed \$100,000 or to enter into any lease agreement for the use of real property for a period to exceed 25 years or at a cost to exceed \$100,000, or to sell or otherwise dispose of the fee title to any real property which has a market value in excess of \$100,000, the Commission shall first submit a report to the Capital Development Committee [CDC] which outlines the anticipated use of the real property, the maintenance costs related to the property, the current value of the property, any conditions or limitations which may restrict the use of the property, and, in the event real property is acquired, the potential liability to the state which will result from such acquisition. The CDC shall review the reports submitted by the Commission and make recommendations to the Commission concerning the proposed land transaction within 30 days from the day on which the report is received. The Commission shall not complete such transactions without considering the recommendations of the CDC, if such recommendations are timely made.

The required report is attached. CDC staff questions about the report are listed below.

Action Required

Recommend support for the fee title acquisition of the 535-acre Roselund Ranch parcel and the 160-acre Black Mountain parcel (\$1,500,000 CF for 695 acres) and recommend support for the acquisition of a public access easement for fishing and hunting along the White River.

CDC Staff Questions

None.

Capital Development Committee August 2014—Property Transaction Proposal

Department of Natural Resources *Division of Parks and Wildlife*

Action Required	Pursuant to C.R.S. 33-1-105(3)(a) and C.R.S. 33-10-107(2) recommend to the Colorado Parks and Wildlife Commission support for the Division of Parks and Wildlife’s proposal to acquire fee title to 695 acres (535 of which abut Rio Blanco Lake State Wildlife Area) and, additionally, a public access easement for fishing and hunting on the south side of the White River, abutting the Roselund Parcel.
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General Information	
Name	Rio Blanco Lake State Wildlife Area (Roselund Parcel and Black Mountain Parcel) 13-061-NW
Number of acres	695 (Roselund Ranch – 535; Black Mountain Parcel – 160)
Location	15 miles west of Meeker on the north side of the White River and both sides of HW 64
County	Rio Blanco

Costs / Source of Funding			
Purchase Price	\$1,500,000	Funding Source	GOCO Base, GOCO Legacy, Habitat Stamp
<i>Spending authority has already been approved for this project in the Long Bill.</i>			

GOCO	GOCO funds are not appropriated in the Long Bill		
	Fiscal Year	2011-12 - GOCO Wildlife Purpose	
	Grant	GOCO11150	
	Grant Amount	\$1,814,617	
	Remaining Unexpended Balance	\$631,80	
GOCO	GOCO funds are not appropriated in the Long Bill		
	Fiscal Year	N/A-GOCO Board Resolution October 10, 2011	
	Grant	GOCO08729	
	Grant Amount	\$6,200,000	
	Remaining Unexpended Balance	\$268,120	
Wildlife Cash – Habitat Stamp	Spending authority has already been approved for this project in the Long Bill		
	Fiscal Year	2013-14	
	Line Item	Land and Water Acquisitions	
	Appropriation	\$6,500,000	
	Remaining Unexpended Balance	\$6,500,000	
Annual Monitoring and Operation Costs	\$5,860 (ditch and fence maintenance, weed treatment)	<i>This cost includes an annual estimated Impact Assistance Grant payment for this property in the amount of \$860.</i>	

Development Costs	\$62,500 (two parking lots, signs, fences and building demolition)
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Summary of Proposal:

To acquire fee title to 695 acres on both sides of Hwy 64 and a public access easement to the non-fee title remainder of the abutting White River for fishing and small game hunting. The acquisition will add significant benefit to the adjacent Rio Blanco Lake State Wildlife Area. The property includes riparian willows, irrigated hay meadows, sub-irrigated meadows (Roselund Parcel) and dry-land scrub (Black Mountain Parcel). In addition, the property has the following features:

- Approximately two miles of frontage on the north/northeast sides of the White River (Roselund parcel)
- Direct access from HW 64 (Roselund Parcel)
- Acquisition of two-thirds of the remaining undivided interest not already owned by CPW in the Imes-Reynolds ditch that supplies Rio Blanco Lake and irrigation water for the Roselund Ranch.
- Big game winter range habitat and migration corridor
- Fishing and small game hunting public access easement extending from the middle of the White River (the Roselund property line) to 20 feet beyond the high water mark on the opposite (south/southwestern) banks
- Public access from the Black Mountain parcel to BLM property for hunting and other recreational uses

The south/southwest property boundary for the Roselund parcel is the centerline of the White River. In addition to the fee title frontage on the north/northeast side of the river, the property conveyance will include a perpetual public access easement for fishing and small game hunting (including waterfowl) from the centerline of the river extending southerly and southwesterly to 20 feet above the high water mark on the opposite bank. Finally, the conveyance will include fee title to an existing bridge over the river at the easterly end of the Roselund parcel to provide public pedestrian access to the south riverbank for fishing and hunting and vehicular access for CPW (only) for administrative purposes.

Additional information:

- Current use and proposed future use. The portion of the Roselund Parcel between HW 64 and the White River is, and will continue to be, irrigated hay meadow. The Black Mountain Parcel and the portion of the Roselund Parcel north of HW 64 are, and will continue to be, grazing land. The house on the Roselund Parcel is vacant and has been unoccupied for some years. The house will be razed by CPW.
- Date landowner purchased the Property. December 30, 2012.
- If within 10 years, price paid for the Property. Not known. The Roselund and Black Mountain parcels were two of five parcels purchased by ExxonMobil from the Loves and separate values were not apportioned for each parcel.

Renewable Resources:

According to a review of the first map referenced below, the Property lies outside the scope of regions of known or potential geothermal resources. According to a review of the second map

referenced below, the Property lies outside the Central Solar Power and the Wind Resource Generation Development areas.

Geothermal: November, 2003 US Department of Energy, Office of Energy Efficiency and Renewable Energy, Geothermal Technologies Program.

Wind and Solar: A map entitled “SB07-91 Renewable Resource Generation Development Areas” from “Renewable Energy Development Structure,” a report of the Colorado Governor’s Energy Office dated December 2009.

Mineral Interest Ownership and Potential:

The title commitment and mineral assessment report reveal the following with regard to mineral ownership and the potential for mineral development.

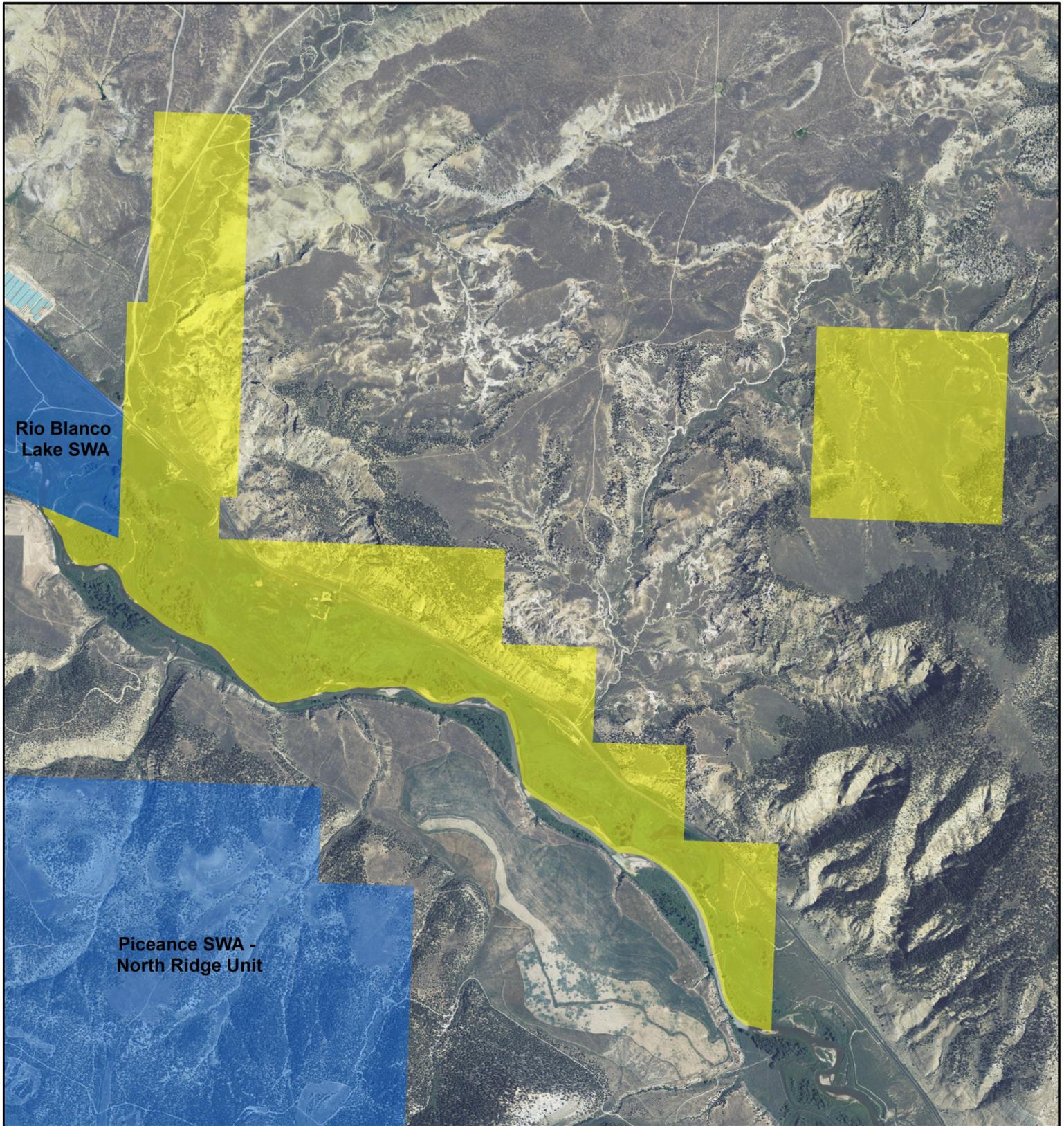
Ownership. Rights to “all oil and gas” were reserved by the United States in the 1940 patent for approximately 160-175 acres of the Roselund Parcel located north of HW 64. All, or practically all, remaining mineral interests were reserved by various members of three separate families in conveyances between 1929 and 1964. It appears that all mineral rights for the property have been either severed or reserved, with the exception of “salable minerals” (see below).

Potential. According to the March 2014 Mineral Assessment Report by Rare Earth Science, development potentials for the various classifications of minerals are:

- “Locatable Minerals” (e.g. gold, silver, uranium) – low resource potential. No known veins or lodes; nearest historic mining is more than 20 miles away.
- “Leasable Minerals” (e.g. oil, gas, coal, coalbed methane) – high resource potential. No oil or gas wells exist on the property and no proposed or recently-permitted wells were identified in the COGCC website. An active gas well is located 900 feet northwest of the northern end of the Roselund Parcel, north of HW 64. Additionally, three active leases exist in the northern end of the Roselund Parcel, again north of HW 64. COGCC identifies the entire Roselund/Black Mountain area as “Sensitive Wildlife Habitat.” Prior to any active drilling, CPW would attempt to control pad/well locations and drilling activity impacts through negotiated surface use agreements. Coal and coalbed methane both are likely to exist beneath the properties, but they are at such great depths that any attempts at extraction are unlikely. The nearest active coal mines (two) are 25-30 miles from the site.
- “Salable Minerals” (e.g. sand, gravel, dimension stone) – high resource potential. There have been no historic sand or gravel mining activities, although it is likely that both resources may be found on the property near the White River. There is no record that rights to any of these resources were reserved by previous owners, so the rights to sand and gravel will be transferred to CPW.
- James Armstrong, of Rare Earth Science, states that the “probability of surface mining occurring at the Site is so remote as to be negligible.” However, the possibility exists for oil and/or gas exploration and extraction via methods other than surface mining (e.g. horizontal or diagonal drilling) from adjoining lands.

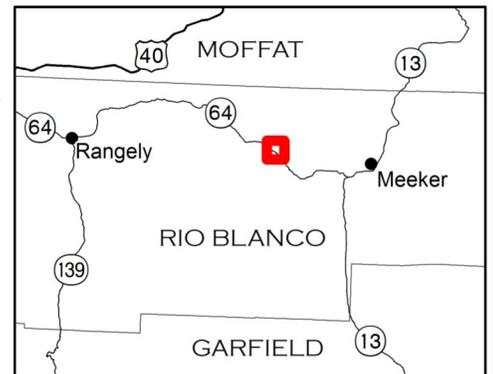
Attachments:

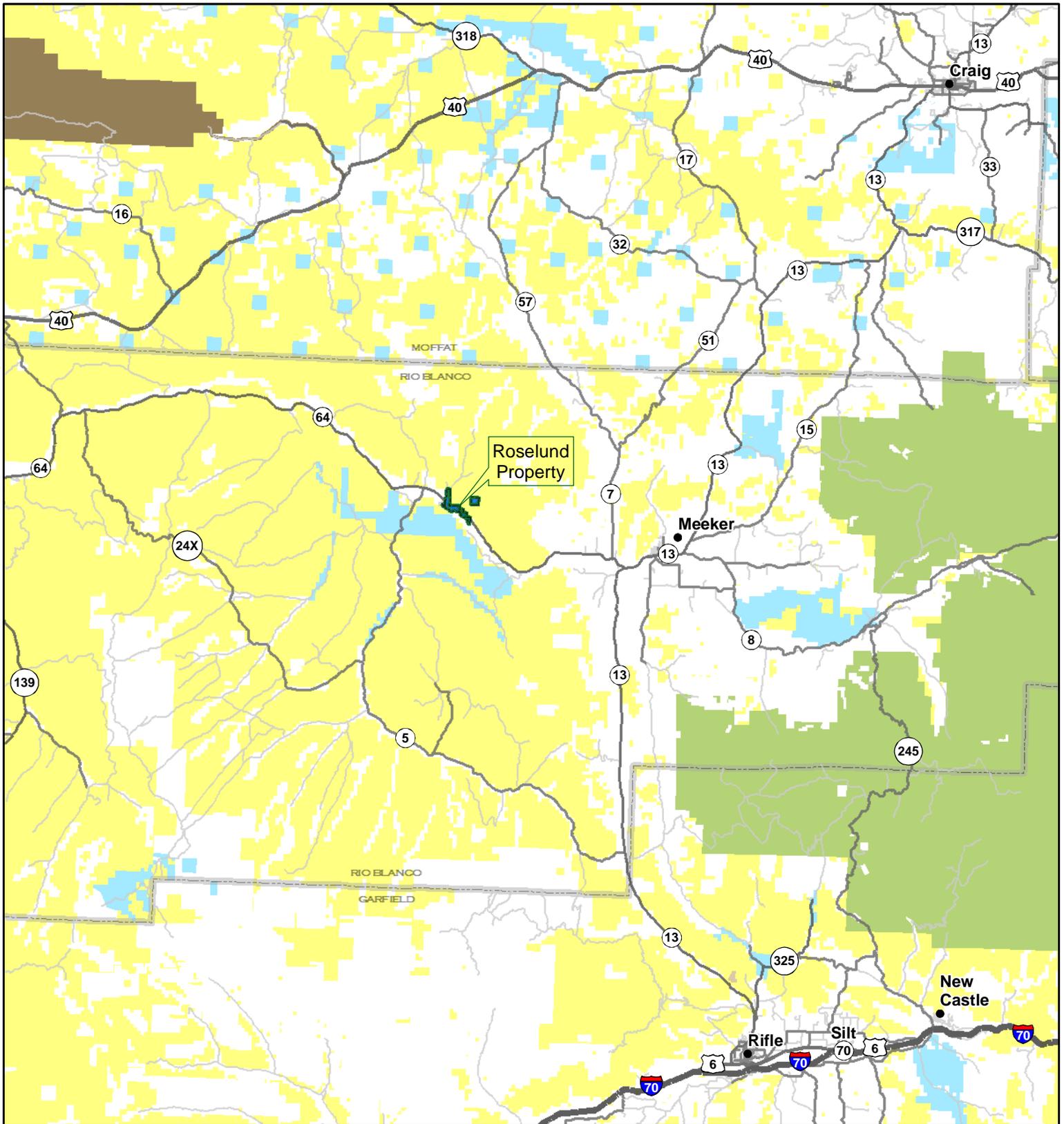
- Maps – detail and area
- Concurrence letters
- Three (3) comparables from appraisal



**Roselund 2013 RFP
 Fee Title Acquisition from
 Exxon Mobil Corporation
 13-061-NW
 Rio Blanco County**

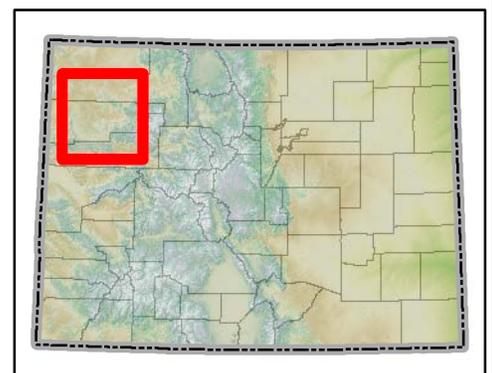
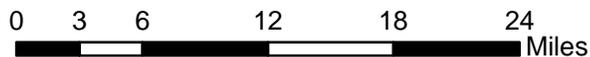
- Roselund Property
- CPW Property





- Roselund Property
- State
- BLM
- USFS
- Other Federal
- NPS
- USFWS
- Tribe
- Local
- Land Trust
- NGO

**Rio Blanco Lake SWA - RFP
Fee Title Acquisition from
Exxon Mobil Corporation
13-061-NW
Rio Blanco County**



Bill de Vergie
Colorado Parks and Wildlife
Meeker Service Center
PO Box 1181
Meeker, CO. 81641

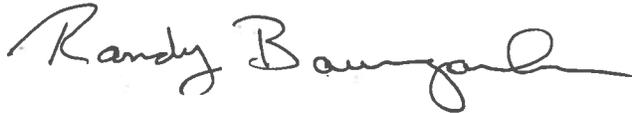
Re: Roselund/Exxon Mobil Fee Title Purchase with CPW

Dear Bill,

The Colorado Parks and Wildlife and Exxon Mobil are currently in negotiations concerning a fee title purchase of a parcel of land in Rio Blanco County. With this acquisition, the CPW would agree to protect some critical wildlife habitat in Rio Blanco County, Colorado.

I concur/do not object with the fee title purchase between the Colorado Parks and Wildlife and Exxon Mobil.

Randy Baumgardner, Senator

A handwritten signature in black ink that reads "Randy Baumgardner". The signature is written in a cursive style with a long, sweeping underline.

Bill de Vergie
Colorado Parks and Wildlife
Meeker Service Center
PO Box 1181
Meeker, CO. 81641

Re: Roselund/Exxon Mobil Fee Title Purchase with CPW

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I concur/do not object with the fee title purchase between the Colorado Parks and Wildlife and Exxon Mobil.

A handwritten signature in black ink, appearing to read "Bob Rankin", with a horizontal line drawn through it.

Bob Rankin, Representative



RIO BLANCO COUNTY
BOARD OF COUNTY COMMISSIONERS
COUNTY ADMIN BUILDING, 200 MAIN
P.O. BOX I
MEEKER, COLORADO 81641
970-878-9430

14 July 2014

Bill de Vergie,
Area Wildlife Manager
Colorado Parks and Wildlife
Meeker Service Center
P.O. Box 1181
Meeker, Co 81641

Dear Bill:

The Rio Blanco County Board of Commissioners are supportive of the efforts of the Colorado Parks and Wildlife in negotiating the fee title land purchase from Exxon Mobil Corporation.

It is our understanding the parcel of land being negotiated is approximately 695 acres located adjacent to Rio Blanco Lake SWA. The property is known as the Roselund Place and consist of important wildlife habitat. The White River Valley is renowned for its exceptional hunting and fishing and the purchase of this property will give the public additional access to hunting and 1.2 miles of fishing on the White River.

This project will be of value to the citizens of Rio Blanco County.

Sincerely,

Board of Commissioners
Rio Blanco County

A handwritten signature in cursive script that reads "Jon D. Hill".

Jon D. Hill,
Chairman of the Board

Rio Blanco Lake SWA – Roselund Ranch and Black Mountain Parcel
Fee Title Acquisition
13 - 061-NW

Real Estate Comparable Sales from Appraisal – May 21, 2014

Sale No. 2

Date of sale: May 2011
Acreage: 1,155
Location: RCR 27, Haydon
Value per acre: \$1,472

Sale No. 3

Date of sale: March 2012
Acreage: 1,305
Location: RCR 37, Haydon
Value per acre: \$1,635

Sale No. 4

Date of sale: October 2012
Acreage: 1,682
Location: MRC 51, Craig
Value per acre: \$1,501