

Davidson, Florene, EMNRD

From: Fesmire, Mark, EMNRD
Sent: Tuesday, November 13, 2007 8:26 AM
To: Davidson, Florene, EMNRD
Subject: Florene: Pit rule, please print out the attachment and include it.
Attachments: TRASHED REAL ESTATE - FOR WEB SITE 11-13-07.doc

From: Jim Ratchford [mailto:jimratchford@msn.com]
Sent: Monday, November 12, 2007 9:36 PM
To: Fesmire, Mark, EMNRD
Subject: PLEASE PROTECT US FROM OPEN AND/OR BURIED OIL DRILLING WASTE PITS

Dear Mr. Fesmire and good folks of the OCD,

The **threat of oil drilling along** CR55A and CR55 has **stoped all real estate sales and caused every existing contract to be terminated.**

The hundreds of people who have homes in this area are going to start seeing **thier properties devalued.**

The reality doesn't matter, it's **the perception that counts** and buyers percieve this as **making the area uninhabitable** for the kind of enviornemt they want to live in.

That kind of burried toxic waste will become **the the lawsuits future** and the enviornmental clean ups we will all have to pay for.

If restrictions on doing that kind of permant damage to our properties makes it impossible for them to drill on our homes, it would be a very good thing,

Please do all you can to stop oil drilling all together in or near residential areas.

The real wealth of Santa Fe County is invested in it attraction as a beautiful place to live and visit. All our local wealth derives from that in one way or another. Oil drilling will kill that.

Anything you do to stop oil drilling near residential area will make you to be seen as local heros by the people of New Mexico who are going to suffer even more from oil drilling damage to thier home areas.

Keep up the good work, Mark. We are all in your hands and wil be grateful for anything you can do to protect us.

Jim Ratchford, Broker
Santa Fe Real Estate Company
400 County Road 55A
Cerrillos

PS: I have **attached an in depth analysis** of the effect of oil drilling on our local economy and people. It's kinda long, but it **might be worth your while to skim it.**

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AN OPEN LETTER TO OUR SANTA FE COUNTY COMMISSIONERS

Oil Drilling and Real Estate Values in the Galisteo Basin

The rumor of oil drilling has stopped all real estate sales at the end of General Goodwin Road. The Cash ranch and the old Silver ranch properties at the end of that road, CR 55A, are now all high end homes and home sites. The lots have been selling for \$200,000 to \$650,000. The entire two dozen sold within 18 months. But in the last three weeks, the only two active contracts have been terminated because of talk about oil drilling. A realtor on Gold Mine Road has shut down his office. I've heard all sales have come to a halt in the general area and property values will now start falling until oil drilling is stopped all together. Locals are going to start seeing the most valuable thing they own drop in value.

Why people want to live here

After listening to hundreds of lookers and callers over 23 years, I know the reason people want to live on the lots of the old Cash Ranch. Its the same for the entire Galisteo Basin. Its one of the most uniquely beautiful natural landscapes in New Mexico. It is truly enchanting, the scene of many movies. Its a favorite place for western filmmakers, artists and visitors because of its breathtaking western panoramas and unusual geologic formations.

Its almost impossible to step foot on these lands without walking on the archeological ruins of several civilizations, often very significant ruins like an entire village that was occupied when Coronado came thru this Silver and Cash in 1542.

He mentioned in his diary, how healthy and prosperous the local people were. The people of San Marcos and San Lazaro, Burnt Corn and Pueblo Blanco, and dozens of other villages in this immediate area, must have lived here for some of the same reasons we do.

The private owners of some of those ruins have gone to great lengths to preserve and protect them. The surrounding residential lots have all had archeological studies done before any earth could be destroyed. Building sites are limited to five acres out of lots that are typically 140 acres or more. The developer put over half of the adjacent Silver ranch into a conservation easement so the entire Galisteo corridor on these ranches is protected. I am not sure oil companies have to recognize any of that preservation or cultural history. They may be able to just bulldoze right over it.

The hundreds of people who live in the general area are extremely protective of these lands and it's incredible history. To feel that this place, so sacred to them, as it was to thousands of "ancient ones", Comanches and Apaches, is going to be hammered by hundreds of new dirt roads and thundering, dust billowing trucks, is terrifying and heartbreaking.

They can legally make your home unlivable

Our government can't arbitrarily drive us out of our homes, but Oil exploration companies can. A Huston LLC is just months away from drilling oil wells on home sites on the old Cash ranch properties that are being seen by their owners, and prospective buyers, as making them uninhabitable.

The threat that leaseholders may have the right to bury toxic waste on our property is terrifying to cattle grazers, let alone families with children. In other areas of the state oil drillers are actually complaining that "closed loop systems" are too expensive! What effect do you think just the rumor of a toxic waste pit buried on a home site is going to have when the owner tries to sell (dump) it.

The perception of buyers will become the reality.

It doesn't matter what the reality is. Oil drilling is perceived to be completely destructive of every reason people live here. The words "oil drilling" is enough to send shivers up the spine of any prospective buyer. Even the rumor of drilling, several miles from a property, is enough to kill a sale. If exploration proceeds the southern half of Santa Fe County will be perceived by the public, including professional Realtors, to be a wasteland of industrial ruin. Even if that wasn't entirely true, it will be perceived that way, and that's all that matters.

Cash ranch becomes high end real estate

The most recent sales indicate a total property value of some where in the range of \$80,000,000 from Ralph Tingles and Tom Ford's ranches, downstream along the Galisteo to Hwy 14. Just along 55A there are several homes that are in the \$3,000,000 range and many more in the \$1,000,000 to \$2,000,000 range. There have very recently been sales of a dozen more large tracts of the Cash and Silver, where people intended to put \$2,000,000 or more in improvements. But not now. Not until all oil drilling is permanently stopped.

The area to be impacted next year

The larger area to be most impacted by the first round of oil drilling is more heavily populated with middle-income people. That area would be defined by CR42 on the north, Gold Mine Road on the south, Hwy 14 on the west, and Hwy 41 on the east. I would guess the present property value in that general area to be about \$500,000,000. Half a billion dollars! That does not include the entire new communities under construction on the former Thornton Ranch, unique developments, with schools, affordable and high end homes, shops, etc., or the lands of the Rancho Viejo, that equal the present size of the city of Santa Fe.

Before gated communities

The area is like Santa Fe, used to be before gated communities. People of all cultural and financial backgrounds live mixed together and have formed a sense of community with common values. And those values are completely antithetical to mining and oil drilling and any other extractive or "dirty" industry.

Counties entire economic value

Whether the homes belong to ancient Hispanic families in the area, people who gave up good paying careers to move here, or one of the many families of substantial means who have built one of the many two to three million-dollar homes, they choose to stay here or come to this area for the same reason. To live in breath taking beauty and undisturbed serenity, tranquility, privacy and quiet.

That's where the money is.

This is a moral battle for us, but it will be fought on an economic battlefield. Santa Fe County may be the only county in the state whose entire economic future lays solely in its value as a beautiful place to live and visit. Becoming more of a middle class place to live. Anything, at all, that has a negative impact on that will destroy our most valuable asset.

Reason new businesses relocate here

The reason all the "clean" industries come to this area is because Santa Fe County is seen as a beautiful place to live by the owners and employees. That is, and will continue to be, worth more than any extractive business will bring us. The clean businesses we need to keep our young people here, will come in even greater numbers as long as we don't start allowing any industry to create the perception that half the county has become an industrial wasteland.

The values of the people who come here with those clean industries will be in great conflict with oil wells anywhere near them. We can't have the county trying to be an attractive place clean manufacturing, high tech businesses, visitors, movies and arts, while much of it is perceived as being polluted with carcinogens, noise, light pollution, or miles of ugly dirt roads with giant trucks billowing up huge rooster tails of dust.

Benefits to our local people

All the non-polluting businesses that are coming here, create millions of dollars of local wealth. That infusion of economic activity creates the many offshoot businesses that are creating jobs and higher standards of living and education in public schools. The wealth generated by those clean companies creates other companies that have jobs and careers for our local people. And I don't mean service jobs. The new comers who brought their companies here because it was such an attractive place to live, are demanding and paying for higher standards in our public schools, higher standards of environmental quality, of building codes, of emergency services, of communications, transportation, and things like first home financing which greatly benefit our local people.

Our local kids won't have to move to LA

That's why more of our local young people won't have to move to Los Angeles to survive. Those businesses are here because of one thing. It's a place that is perceived to have no dirty industry. A place to raise a family without the fear that pits of buried, carcinogenic waste will be polluting the water their children drink and the soil they play on.

For example, the owner of one such company from Chicago moved his entire headquarters and all his employees here. Those new residents pumped a fortune into the local economy. The oil business will bring jobs like flag people to hold us up while oil trucks roar past.

The movie business and the wave shaped mountain.

The governor's office is trying to promote movie business, not drive it away with oil drilling. Movie making is an example of a business that is here because there is no industry. We have several movie towns in this area. One of the major sets is on Tom Ford's ranch, which backs on the Cash. The back areas of that set look west into the open fields on the Cash ranch. One of the first old, capped wells Tectron intends to redrill is in the middle of that field and they may no longer be able to shoot that way.

A movie they are shooting right now is "Appaloosa", at that set at the base of Cerro Pelon. That's the wave shaped mountain you see when looking south from Santa Fe.

A neighbor told me how "New Mexico has become a hub of movie activity in the last few years. One of the things that draws the filmmakers to New Mexico is the possibility of wide-open vistas. And yes, they employ huge crews, as well as hire locals as extras. "Brothers" is also currently shooting in Santa Fe with Tobey McGuire, Jake Gyllenhall and Nathalie Portman".

How to kill the movie business

Once again, just a rumor that scenes could be disturbed by industrial activity may stop set locators from even looking here. The amount of business from movie crews and celebrities working here, buying real estate, hotel rooms, food, shopping down town, is enormous. Several celebrities have bought properties on or near the Cash that will now have oil wells in the middle of them. Brian Dennehey bought 160 acres of the Cash because he fell in love with the area while shooting El Dorado. Burl Ives and Larry Haggman have also owned land in this valley. Do you honestly think they, or anyone else, would have bought property here if there were even a chance that they'd have a number of oil wells in the area?

Visitors

Going south on Hwy14, as it drops into the Galisteo Creek valley, one often sees visitors driving slowly, or stopped at the Rocks of the Gods, or pulled over on the side. They sometimes have cameras out and easels set up, to record the unique beauty of this area. Those visitors are most likely going to spend money in the businesses along Hwy 14, in Santa Fe if going north, or Cerrillos and Madrid if going south. How long do you think that will go on when they have oil trucks roaring by them and see the huge rooster tails of dust thrown up by trucks barreling down the miles of dirt roads crisscrossing the area?

Santa Fe County belongs to all the people of New Mexico. Not only it is our capitol, it is probably the only county in the state whose entire wealth is generated, directly or indirectly, from it's appeal as a beautiful place. What do you think that open, flat country around Stanley will look like with hundreds of oil wells trashing the land to the horizon? Do you want to be remembered as a person who was responsible for that?

How to kill our \$1,000,000,000 tourism trade (that's B as in billion)

The negative impacts on our billion dollar tourism trade of oil drilling anywhere in the county is obvious. Imagine the effects on people of seeing hundreds of oil wells to the horizon as they drive up I-40 to Hwy 285, 41 and 14. Those breathtaking vistas of the rolling hills going up into the Sangres blighted with oil derricks and trucks billowing huge rooster tails of dust as they roar over hundreds of miles of new dirt roads. At their PR meetings Tectron's managing partner said that was his vision of Santa Fe County. I noticed he had his bodyguard standing in the corner.

What about esthetic pollution?

Santa Fe County is known through out the world as a beautiful place with unique and ancient cultures and completely without dirty industry. It is the only county in New Mexico that can maintain it's economic life on its attraction as a place to live. Not a place to live for our wonderful Hispanic citizens who have in the

past been forced to leave or sell their inherited lands to survive, but for the newcomers who bring economic opportunity that doesn't trash the place. Oil drilling will kill the entire southern half of Santa Fe County as residential real estate, as a place visitors love, damage miles of significant archeology, and probably curse the area for movies. That will have a tremendous negative effect on the entire county.

Extractive industries have become an even lower tier of ways to produce wealth in this county. They are at the bottom of agriculture, heavy industry, technology and the information business, and the wealth they produce can no longer justify the damage they do to scarce, valuable lands.

Economic benefits vs. losses from oil drilling

You must have a real hard look at whether the economic benefits and tax revenues lost from the negative impacts of oil drilling in the southern half of Santa Fe County may be greater than the promised returns. A hard look at what your constituents value in life. Oil drilling will come and go and like mining, leave a legacy of lands that are perceived to be toxic and ugly. Years from now people will be digging up toxic crap and suing each other like we experienced with the buried gasoline tanks on Old Santa Fe Trail.

Above all else, this is a moral issue.

I can understand why some people, when presented with the opportunity to make incredible personal wealth, may go for it regardless of what it does to others. But it is just not right for anyone to make us feel our homes could be dangerous to live in; or so dirty, noisy, dusty, polluted and ugly, that neither we, nor anyone in the future, would want to live there.

THE COUNTY DOES HAVE THE AUTHORITY TO PROTECT US BEYOND STATE STATUTE.

That was made clear by state attorneys and department heads in state government. Our county commissioners and staff are completely overloaded as it is without dealing with this whole new issue. We must remind them that THEY DO HAVE THE POWER TO PROTECT US over and above the state laws. And then give them the support they need to do that. We may have to add support staff, attorneys, inspection and enforcement personnel. That may mean increased property taxes TO PROTECT OUR PROPERTY FROM BEING DEVALUED INTO OIL FIELDS. Commissioners should not be afraid of proposing raised property taxes on this one. The fear of devastating loss in real estate value in the Galisteo Basin, and the devaluation of the entire basis of our economic wealth as a county, should be more than enough motivation to get the job done.

No political future in Santa Fe County

A neighbor, who's property is going to be devastated by oil drilling, a prominent local attorney, said any elected official, who aspires to future office in Santa Fe County, better not be associated with oil drilling. That will be the kiss of death to any political future. It doesn't matter whether people are property owners, or tenants, visitor based business owners, artists, wealthy or poor. Whether they are Democrats, Republicans, Independents, Green Party folks, or what ever. No one (who doesn't own oil leases) wants to see oil drilling here. Public officials who do

everything possible to stop it will be perceived as local heroes. I think political careers will be built on this issue. It is a national hot button that brings liberals and conservatives together.

Thanks for your good work commissioners,

Jim Ratchford, Broker

Santa Fe Real Estate Company

400 County Road 55A

Cerrillos

OR:

Our group? Or SantaFeNotOil ? Is that our site name?