



Economic Summary of Livestock Grazing in the Northern Red Desert

Will oil and gas development have a cumulative impact on livestock grazing?

According to the BLM's analysis, "Increasing development and recreation, along with the presence of grazing wildlife, would cause soil disturbances, remove vegetation reduce available forage, and **disturb and displace livestock.**

These impacts could degrade rangeland resources on some allotments and thus **jeopardize compliance with the Wyoming Standards for Healthy Rangelands**, which could require some operators to alter grazing practices ... Implementing appropriate actions for livestock grazing management might be necessary to achieve the standards.

Such actions could include, but not be limited to, reduction of permitted AUMs, modified turnout dates, livestock water developments, range improvements, shorter grazing periods, growing season rest, riparian pastures and enclosures, implementation of forage utilization levels and livestock conversions" (JMH/CAP FEIS, p. 4-156)

The Value of Grazing in the Northern Red Desert

The value of livestock grazing and the potential impacts from oil & gas development in the northern Red Desert was estimated by the Bureau of Land Management (BLM) in its analysis titled Jack Morrow Hill Coordinated Activity Management Plan (JMH/CAP): the BLM calls the northern Red Desert by its own designation, the Jack Morrow Hills. The area currently provides grazing opportunities for four ranches: Houghton, Crookstone, Johnson Place and Chilton (JMH/CAP DEIS vol.2, map 63.)

The agency reported that one AUM for cattle was worth \$33.27 and \$22.82 for sheep. Keep in mind that an AUM is an annual unit month, the common unit of measure defined as "the amount of forage to sustain one mature cow or the equivalent, based on an average daily forage consumption of 26 pounds of dry matter per day" (JMH/CAP FEIS, G-1). At these accepted values, the BLM calculated that cattle production would produce \$65.07 per AUM of total economic impact, which is both direct and secondary returns; sheep production would produce \$41.16 per AUM (JMH/CAP DEIS, p. 466).

A five-year average showed that 11,602 AUMs (10,649 for cattle and 953 for sheep) were leased in the northern Red Desert out of a possible 26,830. All the related calculations are based on this five-year average but reported here in per-year increments. So the calculations indicate that cattle production at the five-year average would generate \$692,930 per year and \$1,537,409 per year if all the AUMs were leased. For sheep production, the five-year average would generate \$39,225 and \$131,835 for all the AUMs available. **Combined the five-year average would generate \$732,155 and \$1,669,244 if all the AUMs were leased (see Table 2).**



Direct revenue to local governments from cattle production was calculated to be \$20,020 for the five year average and \$44,419 at the fully permitted use. For sheep these numbers were \$1,372 at the five-year average and \$4,612 for fully permitted use all AUMs available. **Combined, local governments could receive \$21,392 at the five-year average and \$49,031 for fully permitted use per year (see Table 2).**

Table 4-12. Economic Assumptions For Livestock Grazing (USDI BLM. 2000. "DEIS JMH/CAP." Rock Springs, Wyoming. p. 466.)

	Cattle Grazing (Per AUM)	Sheep Grazing (Per AUM)
Production (1)	\$33.27	\$22.82
Total-Impact (2)	\$65.07	\$41.16
Earnings (2)	\$11.81	\$8.99
Jobs (2)	0.000710	0.000639
Local Government Revenue(3)	\$1.88	\$1.44

Sources:

- (1) Five-year average derived from Wyoming Agricultural Statistics, 1993-97.
- (2) Updated from Southwest Wyoming Resource Evaluation, Socio/Economic Evaluation, 1997.
- (3) Estimated.

Table 2. Summary of Livestock Grazing Economic Benefits in the northern Red Desert.

	Five-year historic average (in AUMs) ¹	Fully permitted active use (in AUMs) ¹	Total economic benefit (5 yr historic average) ²	Total economic benefit (fully permitted use) ²	Direct revenue to local governments (5 yr historic average) ³	Direct revenue to local governments (fully permitted use) ³
Cattle	10,649	23,627	\$692,930	\$1,537,409	\$20,020	\$44,419
Sheep	953	3,203	\$39,225	\$131,835	\$1,372	\$4,612
Total	11,602	26,830	\$732,155	\$1,669,244	\$21,392	\$49,031

1. USDI BLM. 2004. FEIS Jack Morrow Hills Coordinated Activity Plan. Rock Springs, Wyoming. p. 4-144.
2. Calculated using the Total Impact Revenue value from table 4-12.
3. Calculated using the LG Revenue value from Table 4-12.

Names of Grazing Allotments (USDI BLM. 2004. FEIS JMH/CAP Vol. 2. Rock Springs, WY. Map 63).

Bar X	Bush Rim	Continental Peak
Forth of July	Hay Meadow	Middle Hay
Pacific Creek	Red Desert	Rock Springs
Sands	Steamboat Mountain	

Ranches (USDI BLM. 2004. FEIS JMH/CAP Vol. 2. Rock Springs, WY. Map 63).

Houghton	Crookstone
Johnson Place	Chilton

Friends of the Red Desert is a coalition of citizens, businesses and conservation organizations united to protect Wyoming's magnificent Red Desert. For more information please contact us at:

**Friends of the Red Desert
P. O. Box 1611
Lander, WY 82520**

**Phone: (307) 332-3608
E-mail: contact@reddesert.org**