Annual Report
2015

IMAGE CREDIT: USGS AND TOMTOM
Dear Supporters,

Thanks to your backing CHC accomplished a great deal in Fiscal Year 2015 in our mission of protecting the North Fork Valley and holding state and federal government agencies accountable. We won our lawsuit against the US Forest Service’s approval of new gas wells near Little Henderson Creek. We mobilized the community to submit public comments to the Bull Mountain Master Development EIS as well as other proposals that would radically change the face of the Upper North Fork Valley. Together, we also stood up to political pressure and opposed a proposal for new leasing disguised as a benefit.

We have our work cut out for us in 2016. Despite an over supply of natural gas and the subsequent decline in natural gas prices, energy companies, SG Interests, Gunnison Energy, Fram, and Petrox, are aggressively moving forward with their development plans in our watershed. We are aware of drilling proposals that could amount to 821 wells, which would result in 800,000 truck trips on single lane roads, and increased risk of water and soil contamination if they are all actually permitted. On top of this, there are tens of thousands of acres of existing oil and gas leases across the Delta County region, which hold the potential for further development.

The number of new wells beyond what we know about could range from a few to hundreds, or even thousands. The approval by the Gunnison County Commissioners of three new wastewater pits above Paonia Reservoir in March 2015 demonstrates to us the critical importance of increasing our arsenal in this fight against irresponsible oil and gas development.

You are the source of CHC’s power. We will face the challenges in 2016, with confidence knowing that you are here to keep us going.

Sincerely,

Natasha Léger
Interim Executive Director
Fiscal Year 2015 Financials

The CHC Fiscal Year runs from October 1-September 31.

**REVENUE**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memberships and Donations</td>
<td>$61,646</td>
</tr>
<tr>
<td>Foundation Support</td>
<td>$75,750</td>
</tr>
<tr>
<td>In-Kind</td>
<td>$276</td>
</tr>
<tr>
<td>Special Event Revenue</td>
<td>$2,320</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$139,992</strong></td>
</tr>
</tbody>
</table>

**EXPENSES**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations Facilities &amp; Equipment</td>
<td>$9,896</td>
</tr>
<tr>
<td>Payroll &amp; Professional Fees</td>
<td>$77,132</td>
</tr>
<tr>
<td>Travel &amp; Meetings</td>
<td>$5,333</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$92,360</strong></td>
</tr>
</tbody>
</table>
2015 Highlights

AIR QUALITY PROGRAM

» April: CHC hosted a half-day educational forum featuring expert speakers and residents from heavily-drilled communities across the West, at which, Dr. Carol Kwiatkowski from TEDX, The Endocrine Disruption Exchange, presented an overview of unconventional oil and gas development and the preliminary results from CHC’s baseline air sampling project.

PROTECT THE NORTH FORK

» February: CHC mobilized residents to submit comments on the proposal from Gunnison Energy to construct three new 9.24 million gallon capacity pits to hold flowback water (i.e. water that comes back up a well after drilling and fracking) and produced water (i.e. water that is produced from coal bed methane drilling) for re-use in future drilling and fracking in the area. The location of the project is about 2.5 miles to the west of West Muddy Creek just above Paonia Reservoir on a small piece of private land surrounded by the Gunnison National Forest. The project is modeled after an existing pit facility located just 3 miles to the north-north-west of Paonia Reservoir. Despite our efforts, Gunnison County approved these three new pit facilities in March.

» April: CHC joined with conservation groups from across Colorado-- High Country Conservation Advocates, Western Colorado Congress, Wilderness Workshop, the Sierra Club Rocky Mountain Chapter, Great Old Broads for Wilderness, the Crystal River Caucus, EcoFlight, WildEarth Guardians, Rocky Mountain Wild, and the Rocky Mountain Recreation Initiative, and submitted comments to the BLM on the Proposed Bull Mountain Drilling Plan. The Western Environmental Law Center submitted the comments on behalf of the organizations.
August: CHC submitted comments on an Environmental Assessment (EA) for up to 25 new natural gas wells in northern Gunnison County. The wells were proposed by Gunnison Energy and SG Interests and would be located within and adjacent to beautiful and wildlife-rich public lands, and would require fracking, miles of new pipeline and road construction, and significant water use.

September: CHC Board rejected a County-endorsed proposal for a legislative exchange of leases in the Thompson Divide for leases in Delta County tied to a mineral withdrawal in parts of the North Fork Valley. The lease exchange area included Mule Park and Hubbard Park. CHC held three public meetings on the proposed lease exchange and mineral withdrawal. The Board and the community determined that the risks to the community of oil and gas development in the proposed lease exchange area were much higher than in the mineral withdrawal areas, due to the apparent lack of drillable gas and oil in the withdrawal areas versus the lease exchange area. Despite political pressure to support this proposal, we took the position that best protected the community and opposed the proposal.

GOVERNMENT ACCOUNTABILITY

January: CHC and High Country Conservation Advocates (HCCA) won our lawsuit in U.S. District Court for the District of Colorado to overturn the Forest Service’s decision, which approved five new gas wells near Little Henderson Creek. An accident, spill, or chemical release would threaten to poison the creek, which flows into the North Fork of the Gunnison River. The Western Environmental Law Center represented CHC and HCCA. The settlement required the Forest Service and the Bureau of Land Management to conduct a joint environmental analysis of the drilling project and to make that analysis available to the public for review and input.
Thank You!

Thank you to our wonderful members and volunteers who contributed to our success in 2015. Whether you made a financial contribution, dedicated your time as a volunteer, or made an in-kind donation, we are so very appreciative. Though space and cost constraints prevent us from listing the more than 450 members who made a financial contribution, we are sincerely grateful! We would like to extend a special thanks to our foundation funders and the individuals below who contributed $250 or more during FY2015.

Foundation Support

Aspen Skiing Company Environment Foundation
Boettcher Foundation
Civil Society Institute
Clif Bar Family Foundation
Maki Foundation
New Belgium Brewing
New-Land Foundation
Wolcott Family Foundation
Patagonia

In Memory

We lost a great champion in December 2014 when Theo Colborn, Founder of The Endocrine Exchange (TEDX) passed away. We are indebted to Theo for the work she spearheaded in exposing the impact of oil and gas development on human health, and her work on our baseline air quality project. She will be greatly missed, but her good work lives on through us all.
Individual Support


Board of Directors

Nicole Carpenter
Ellie Goldstein, Secretary
Brent Helleckson
David Inouye
Kari Schoonhoven, Treasurer
Phyllis Swackhammer
John VanDenBerg, Chair