

**Statement of
Luke Johnson, Deputy Director
Bureau of Land Management
House Committee on Natural Resources
Subcommittee on National Parks, Forests and Public Lands
H.R. 3301, the Southeast Arizona Land Exchange and Conservation Act
November 1, 2007**

Thank you for the opportunity to testify on H.R. 3301, the Southeast Arizona Land Exchange and Conservation Act. The legislation provides for the exchange of a 3,025-acre parcel of Forest Service-managed land in exchange for a number of private parcels and a cash payment to a special Forest Service fund. Two of the private parcels are identified for transfer to the Secretary of the Interior. In general, we defer to the United States Forest Service on those issues directly related to Forest Service lands. We support the principal goals of H.R. 3301, and we appreciate that a number of changes have been made to the legislation since last Congress in response to concerns we raised. However, we would like the opportunity to continue to work with the sponsor and the Committee on a number of additional modifications to the legislation.

It is our understanding that the intent of the legislation is to facilitate an exchange of land with Resolution Copper Mining. Resolution Copper has indicated its intention to explore the possibility of a very deep copper mine near Superior, Arizona, and wishes to acquire the 3,025-acre Forest Service parcel overlying the copper deposit as well as the subsurface rights.

The legislation provides for the exchange of a number of parcels of private land to the Federal government. We note that while the bill states that two of these parcels are to be conveyed to the Secretary of the Interior, it is our understanding that the intention of the sponsors is for the parcels to be under Bureau of Land Management (BLM) management. The parcels identified are:

- 3,073 acres along the Lower San Pedro River near Mammoth, Arizona;
- 160 acres within the Dripping Springs area, near Kearny, Arizona.

The lower San Pedro parcel is east of the town of Mammoth, Arizona, and straddles the San Pedro River. The acquisition of these lands would enhance a key migratory bird habitat along the San Pedro River, and we would welcome them into BLM management. While H.R. 3301 directs the BLM to manage the lower San Pedro parcel consistent with the management of the existing San Pedro Riparian National Conservation Area (NCA) designated by Public Law 100-696, it specifically does not make these lands a component of that NCA. The new lands lie along the same riparian corridor, but they are at least 60 miles downstream (north) of the existing NCA, and have substantially different resource issues and needs. We recommend the lands either be designated as a separate unit of the existing NCA (with their own management guidance), or that they be managed consistent with the other lands in their vicinity under existing BLM Resource Management Plans. We understand there is a collaborative effort of stakeholders currently underway with whom we would like to work in developing the direction for the management of this area.

The Dripping Springs parcel presents several problems. The legislation proposes to transfer 160 acres in the Dripping Springs area northeast of Hayden to the BLM. The BLM is then directed in section 8(b) to transfer these 160 acres plus an additional approximately 2,000 acres of public land to the Arizona State Parks Board for the purpose of a rock-climbing area to replace a similar area currently managed by the Forest Service that is within the area to be transferred to Resolution Copper. The bill directs the transfer to Arizona State Parks at no cost as soon as the new State Park is established.

The Department can support the transfer of the existing 2,000 acres to the State of Arizona. The majority of these lands were previously identified for disposal. However, we recommend that the legislation provide for an immediate transfer of these lands to the State without waiting for the establishment of the State Park. The BLM does not currently have the resources or staff to manage a rock climbing area to replace the existing one on Forest Service lands that would be taken over by Resolution Copper in this exchange. Therefore, since Dripping Springs has been designated as the replacement area, we urge its immediate transfer to the State so that appropriate management of the area can be arranged. In addition, we do not believe that it is appropriate for the 160-acre parcel to be a part of the Federal exchange when the BLM will simply act as a pass-through for the State. Any arrangements between Arizona State Parks and Resolution Copper should be handled outside of the Federal exchange.

H.R. 3301 also requires the BLM to provide public access to Arizona State Parks to construct a road to the new rock-climbing area. The proposed road stretches over approximately six miles of rough terrain and, in addition to crossing BLM-managed land, also crosses state and private property. The legislation would require Resolution Copper to pay up to \$500,000 to the Secretary of the Interior for transfer to Arizona State Parks for the construction of the road. We believe that the funding for the road should be between Resolution Copper and the State of Arizona rather than involve the Secretary of the Interior.

Section 8(b)(2)(A) requires the immediate granting of a right-of-way across Federal lands for the road. We believe it is important to determine the appropriate route for the road through a full and open public process consistent with the provisions in FLPMA and encourage the bill be amended to allow us to do so. The BLM is happy to provide a right-of-way for the road but does not believe it should be involved in the design, payment, or construction of the road.

Other issues requiring clarification include: timing of the exchange; appraisal-related provisions; and, the equalization of values provisions. Section 4(d) of the legislation requires that the exchange be completed within one year. Based on our experience with exchanges, we do not believe that this is sufficient time for the completion and review of a mineral report, completion and review of the appraisals, and final verification and preparation of title documents. Preparation of a mineral report is a crucial first step toward an appraisal of the Federal parcel because the report provides the foundation for an appraisal where the land is underlain by a mineral deposit. Accordingly, adequate information for the mineral report is essential. We recommend adding a provision requiring Resolution Copper to provide confidential access to the Secretaries of Agriculture and the Interior (and their representatives) to all exploration and development data and company analyses on the mineral deposits underlying the Federal land in order to ensure an accurate appraisal.

Finally, we would like the opportunity to work with the sponsor and the Committee on miscellaneous technical items including maps for the areas to be exchanged. In the case of lands to be transferred to or from the Secretary of the Interior, the maps should be completed by the BLM.

Thank you for the opportunity to testify, I will be happy to answer any questions.