

The United States House of Representatives  
Natural Resources Committee  
Subcommittee on Oversight and Investigations  
*“The Status of the Federal Government’s Management of Wolves”*

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Spur Ranch Cattle Co. LLC

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Who We Are, Where and What We Do

1. I represent the Spur Ranch Cattle Co. LLC. The owners are my wife, Callie, our daughters, Lindsay and Caroline, and myself. Majority rules, and I don't control a majority. Callie has a BBA in accounting and an MBA in Tax from the University of Texas. She's a CPA. Lindsay was graduated from Yale in 2014. She's an associate with Riverstone Holdings in New York City doing energy private equity. Caroline was graduated from Sewanee: the University of the South last May. She's an economist with Alvarez & Marsal in Houston. I'm from Clifton, Arizona. I was graduated from high school in Silver City, New Mexico, did my undergraduate in Agricultural Economics at Texas A&M, got my masters and Ph.D. in Ag Economics and a law degree from the University of Wisconsin. I've practiced law for going on 32 years. I'm a partner with Susman Godfrey in Houston. I'm licensed in Texas and New Mexico. I practice oil and gas. I'm at the ranch about a week each month. When I'm not, I spend about 25 hours a week on ranch business. Our ranch crew includes our south ranch foreman, Clint Fischler. He lives with his family on the South Ranch six miles west of Alma. Clint has years of experience working cattle. We've got a couple fellows helping Clint. The foreman position for the north ranch near Luna is currently open.

2. We are located on both sides of Arizona/New Mexico line, about a third of the way up from Mexico to Colorado. This is rough, mountainous country. Our elevation ranges from 4500 feet to 9000 feet. It's easy for cattle to hide. Geronimo was born not far away. According to Captain French in his book Recollections of a Western Ranchman, it's where the Apache went when they jumped the reservation at San Carlos in the 1800s. It's also on what's known as the Outlaw Trail. Think Butch Cassidy and the Sundance Kid. They once worked on the WS Ranch in this area before the Pinkerton agents swooped in.

3. We now run about 500 head of mother cows on 125,000 acres of federal grazing leases. To put that in perspective, that's about a fifth the size of Rhode Island. We have a north ranch for summer grazing and a south ranch for year-long and winter grazing. Much of our south ranch is formally designated primitive. It is part of the Blue Range Primitive Area. It is administered as if it is Wilderness. We also use about a section or 640 acres of private land. The pastures range in size from our smallest, which are a couple section breeding traps to our largest, which is over 30 sections or about 20,000 acres. The pastures on the south ranch in primitive area are accessible only by horseback or on foot.

4. We run our cattle near the communities of Luna and Alma, New Mexico and Alpine and Blue, Arizona. When you stand on top of Maple Peak in the southwest corner of our south ranch, you can see the tailings dam at Morenci, Arizona, about 30 miles away.
5. We are active and aggressive conservationists. The Spur Ranch Safe Harbor Agreement was among the first in our region between USFWS and a private landowner. Through the Spur Ranch Project, we have done close to \$1 million in erosion control projects on a tributary to the San Francisco River as well as forest thinning and burning.
6. We obtained our Forest Service grazing permits in 2008, 2009 and 2012. Each allotment was in very poor condition. Fences were down, stock tanks were filled with forest trash and silt, water distribution pipelines were in disrepair, wells were nonfunctional and there were no facilities for working cattle safely or for our employees. Feral cattle ran on the south ranch.
7. Things are different today. We haven't finished our building work by any stretch but we are well on our way. We have put in tens of thousands of stays to fix existing fence. We've built many miles of new fence to replace what didn't exist or couldn't be fixed. We've cleaned stock tanks. We've replaced those pipelines. We've expanded their coverage extensively. We've fixed the wells and drinkers. Professor Temple Grandin and her colleagues designed our working facilities, which are safe for cattle and the people working them. Our employees and their families have modern housing. There is an occasional feral animal that shows up. By and large, they are gone.
8. We don't raise cattle the way grandpa did 100 years ago. We are committed to best practices for our cattle. We routinely get and rely on input from our extension veterinarian, Dr John Wenzel, and from our extension beef cattle specialist, Dr. Marcy Ward. Both are excellent resources. We have commercial cows and registered Angus, Simmental and Sim-Angus bulls that we buy from throughout the west. During breeding seasons, we figure we need one bull for every 10 to 15 cows. I'm dickering on some now. Last year the price was \$6000 a head. Trich is a sexually transmitted disease. It causes abortions. It has been a terrible, wide-spread problem in our area. We test our bulls for it annually. To date, we have been negative--a testimony to the diligence our staff shows in keeping out neighbor cattle.
9. We endeavor to give our cattle the best care possible. We are in country that is deficient in some minerals. Our cattle have salt and loose minerals year round. When the grass is dry, we cake and put out tubs to supplement the protein the cattle get from the dry grass. We routinely check in with our extension veterinarian for any changes in our vaccination protocols. We vaccinate the cows each spring for black leg and bovine respiratory disease, among other things. We preg test fall calving cows in the spring. We preg test spring calving cows in the fall. Last year we tested the herd for bvd, bovine viral diarrhea, which causes abortions. The results were negative. When we bought replacement heifers last year, they cost \$2500 each. Each cow has an ear tag and an electronic identification button. We use Cattle Sense for our electronic record keeping.
10. We are getting just under an 80 percent calf crop. That's not good enough. Given the body condition scores on our cattle when they are bred, research from the University of Nebraska indicates that we should be at 90 percent. Calves are born in the spring or in the late summer and early fall. Calves are vaccinated at branding, which happens twice a year. Each gets an ear tag with its mother's ear tag number on it. It is rare for any animal to get an antibiotic, which means we're all natural. We sell calves in the spring and fall. Spring calves average about 500 pounds.

Fall calves are about 40 pounds lighter. Before they are sold, we precondition the calves for 45 days. That means they are weaned, have their vaccinations current and are trained to eat at a bunk and water at a drinker. For the past couple years, we've sold our calves to a feedlot near Dodge City, Kansas. A year ago, we sold our calves for over \$300 a hundred weight. This past spring, they sold for two thirds of that. The current market shows we'll get significantly less this fall. We are waiting for our grazing fees to follow suit.

### Experience with Wolves

11. Since we began running stockers in 2009, we've never had a year when each animal is accounted for. From 2009 through 2011, we weren't able to account for about half a dozen head each fall when we gathered. We don't know what happened to those cattle. Did wolves, bear or lion kill them? Did they die of natural causes? Did a hunter shoot them? Did someone rustle them?

12. We switched from a stocker operation to a cow/calf operation in 2012. When we did, we made some significant changes from how our neighbors operate in order to accommodate the wolves. Most of our neighbors have calves born year round. There's a problem. Having baby calves in the area where the wolves are denning in the spring means we're more likely to have calf kills. The wolves go after those calves. The cows intervene. The wolf tends to kill the cow and orphan the calf. For this reason, we have elected to manage our herd to have a late summer/early fall calving season. In the fall, the concern with wolves is still present but somewhat less because the pups are larger and elk hunters leave gut piles starting around September 1. What happens though if the fall calving cow isn't bred when we preg test in the spring? Do we wait to breed her the following fall and lose a full year or go ahead and breed her for a spring calf? We typically opt to breed them, which means we will have cows calving in the spring. Research recommendations on calving only in late summer/early fall sometimes don't seem to get that point.

13. We've suspected wolf kills since we switched to running cows in 2012. Each year, a certain number of cows didn't come back in at gathering time. We'd find some on the next cycle. Some we never have. Were they killed, did they die of natural causes, did hunters kill them, did someone steal them or are they still out there? We don't know and that's not for a lack of trying.

14. Some of our suspicions about the wolves' role in our losses were confirmed during 2015, when we had our first confirmed wolf kill. This year, 2016, has been a wreck because of our confirmed losses. We have found where wolves have attacked our spring calving cows in a two section breeding trap and in a small pasture on our north ranch. This year we know that we've lost seven cows to various causes, all but one of which we found because they were in very small pastures. The seventh cow was killed in a large pasture but near a stock tank we regularly monitor. The wolf investigators confirmed that one cow was a wolf kill and one was a probable kill. Of the other five, we think one died of natural causes, two were also wolf kills the investigators couldn't or wouldn't confirm, one was a bear kill and one was too far gone to know what killed it. We know of two calf kills; the investigators confirmed these as wolf kills.

15. The practical challenge we have is that we will never really know how many other wolf kills we've had. The kills we find are in our smallest pastures. You don't find them in pastures that are many thousands of acres large. By the time all the varmints are done with a carcass, we

don't even find the plastic ear tag. The research results vary and individual situations differ but an estimate from USFWS--that we think is conservative--is that, for every wolf kill you find, there are at least five that you don't.

### Impact from the Wolves

16. Death loss on cattle is not the only impact wolves have on us. We get lower body condition scores on our cows. That translates into reduced conceptions. We have lower weaning weights on our calves than we should. We spend many precious daylight hours moving our cattle to other pastures to avoid wolf concentrations. We also spend those precious hours monitoring for predators and looking for dead cattle. We spend time administratively dealing with the USFWS in New Mexico or the Arizona Game & Fish on reporting and compensation requests. Every kill consumes time on the ground—a couple hours to a half day--to meet with investigators and a couple hours administratively to request reports, submit reports and do follow up.

17. There are other, perhaps less obvious impacts from the wolf. One is employee retention and safety. Some cowboys will endure threats from bears, lions, coyotes, rattlesnakes and scorpions. The wolf is different. It doesn't run away. We've had guys quit because they don't want to deal with the wolf.

18. The wolf has an impact on our communities, My 85 year old friend Howard in Luna lives on the edge of the woods with his three dogs. He has seen a pack of nine wolves from the Escudilla Pack cross behind his house. His dogs would be an appetizer for that pack. They go inside. We don't want to be stalked. Does using the forest now mean that people have to carry a pistol for protection? That goes for hikers, campers, off-road enthusiasts and hunters. To the extent those people stop coming to our communities, we lose tax receipts and our businesses become even more marginal. I've asked about wolf tourism. The response I've received is that the notion is a farce.

### Problems and Frustrations

19. The apparent objective of the radical environmental community is to remove man from landscape. The wolf is one mechanism they are using to do that That is not multiple use management of our public lands.

20. These wolves are not the majestic animals on pet food commercials. Please look at the photos on my exhibits. Wolves are ruthless killers who are preying on our livestock.

21. They are costing us time and money.

22. Don't fool yourselves. There isn't a real compensation program in place. The current rules require Wildlife Services to confirm the wolf has killed an animal to be eligible for compensation. Dig deeper. These kills occur on pastures that are thousands of acres large. The rancher is charged with finding the kill. He has to do so before the carcass deteriorates or is otherwise fully consumed by the wolf and other varmints. Indeed, if it is so hot that a carcass will deteriorate quickly, he's got to be on top of finding that needle in the hay stack almost immediately. If Wildlife Services does confirm the wolf kill, we have to wait for a depredation report. The one from a kill the summer of 2015 didn't show up until March 2016. Once we have

the depredation report, we have to request reimbursement. We wait. Often for months. Here are real examples:

a. In May of this year, we branded calves that had been born this spring. We paired them up with their mothers and gave each an ear tag that had the same number as on its mother's tag. We then branded and vaccinated the calf. We vaccinated the mother. We then took them to our Cradle Mesa Breeding Trap, a fenced in pasture of about 1280 acres and put them with the bulls to breed them so they'll have a calf next spring. In early June, I got a call from the USFS on a Friday afternoon that a lone, male wolf number 1388 was in our area. I asked the USFS to have someone from USFWS come out and haze that wolf away from our cattle. He called back, told me he had tried but, because it was the weekend, no one was available to help. Wolves work on weekends even if government employees don't. That weekend we had a wolf kill on a cow in that pasture. Wildlife Services confirmed it. I've attached a copy of that June 4 depredation report as an exhibit. The wolf had immobilized the cow under her front legs. She went down and couldn't get up. The wolf began eating her from the rear end forward. She was still alive for part of that until she bled to death. We got a depredation report. We submitted it for payment. We got payment on that cow in early September, which was record speed. But what about that calf? It was too young to survive on grass on its own and we're not equipped with the help to bottle feed it. Do we let it die? No. Do we slit its throat? No. What's humane? We donated it to the FFA kids to raise. Is that calf an economic loss to us? Absolutely. Who is responsible for it? The wolf. Will we get compensated for it? No. I found out on Friday that we won't because the wolf only orphaned it; the wolf didn't kill it. That's what we call a stupid rule.

b. There's more. Early that next week, on June 8, we found two more cows dead in that pasture. We called Wildlife Services. They came the next day with personnel from USFWS. They reported that these two cows had been dead for five to six months and they couldn't say what killed them. No confirmation, no compensation. We were furious. Those cows hadn't been dead for five to six months. If they had been, then they had a miraculous resurrection experience. That is, they rose from the dead, finished out their pregnancies, calved, allowed us to gather them, take them to our processing facilities, and brand and vaccinate them. What's more, we paired them up with each's calf, put the mother's tag number on the calf's ear tag and then hauled them out to that breeding trap. That's where they were when, apparently, those cows died from some unknown cause and miraculously looked like they'd been dead for five to six months. When we pointed this out, the response we got was dismissive: "Regardless of how long the cows had been dead, Wildlife Services couldn't detect the cause of death." No compensation. Not for the two cows. Not for the two calves. I'm disappointed to report that, contrary to what they told us on the ground, by the time we got the depredation reports after we'd confronted them on their proposed dates of death, they changed their estimate to say one cow had been dead for two weeks and the other dead for three weeks—not for five to six months. I've attached a copy of that report. What about lone male wolf 1388 that was in that area at that time? This is one of those genetically diverse wolves that USFWS treasures. They wouldn't pin the kills on him. The USFWS did agree to pick him up and move him to Grant County. That wasn't a perfect solution when a wolf can travel many miles a day but it was better than having him on top of us while we were now gathering the cattle out of that pasture a month early and moving



them to our north ranch. The problem: USFWS called me back a couple days later to tell me that a federal district court judge had ruled that USFWS could not release any more wolves in New Mexico until further order of the court. If USFWS couldn't release Wolf 1388 in Grant County, they weren't going to pick him up. I called them out on that. The Court's order didn't tell them they couldn't pick that wolf up. They could do that and put him in a zoo or they could adopt him out to live with people who advocate for wolves. Nothing doing. Wolf 1388 is a desirable wolf. It is genetically diverse. It mysteriously disappeared into Arizona. As far as we know, it is still killing stock. The only good thing that came of this: The USFWS stopped having a young guy call me up periodically to extol the virtues of the wolf program. Now, the senior administrator, John Oakleaf, does the calls and he, fortunately, knows how to give me a straight answer.

c. There's still more. A week later, a different wolf from the Buckaloo Pack killed a cow/calf pair in that pasture on our north ranch. Wildlife Services confirmed the calf and went out on a limb to say the cow was a probable kill, which cuts any compensation in half. Please look at the photos of that kill we called in on June 20. That's what a calf looks like after a wolf gets it.

d. And, most recently, we know that a wolf killed one of our baby calves near Alpine, Arizona. How'd we find it? Someone was out hiking. They saw the dead calf. They took a photo and posted it to Facebook. The USFWS saw it and called us. Clint went to find it on August 22. He did. At least, all that was left—one back leg. He took the leg in to the wolf people in Alpine. They confirmed it was a wolf kill. We got that depredation report on September 14. I must say that speed on my depredation reports has improved over the past several months.

e. And yes, there's more. During the summer of 2015, we had a confirmed wolf kill near Alpine. The wolves killed the cow as she was calving. We lost the cow and the calf. We didn't get the depredation report until March 2016. We got payment in mid-August 2016, about a year later. That delay cost me another calf. You see, by last fall we'd have had that cow in a breeding pasture with bulls. There's an 80+ percent chance she'd have conceived. That cow would have calved late this summer and we'd have a calf to sell next spring. The delay on administering the program ended up costing me two calves, not one.

f. Lastly, there's a wolf presence program in Arizona and in New Mexico. This is compensation for wolves generally. It doesn't depend on confirmed kills. It should reflect the cost to a rancher of lower pregnancy rates and lower weight gain on our calves. Both are a reality. When wolves are running down cows, they're less likely to go into estrus or stand to be bred. When wolves are running stock, they are running body condition off the cows and they are running weight off the calves. I applied for payment in 2014. When I didn't get paid, I asked and was told the Wolf Council didn't get my applications. Okay. My mistake, I didn't send them registered mail. I applied for payment before the June deadline this year. I got a call in late August that they didn't have my application. I went through my files, found the application and emailed them in. What's the problem here? Aside from no payment for 2014, there's an attitude that the rancher has unlimited time to respond to bureaucrats who can't get their paperwork straight. I called on Friday, September 16 to find out if we are getting paid this year. The answer is yes. The amount, I was told, is at the high end. It is \$7,048. That doesn't

come close to compensating us for a very conservative ten percent decrease in weaned calves, which is how we compare to what we think our weaning rates should at least be. The loss of 50 calves at USFWS rates is about \$53,000. The \$7,048 is 13 percent of what we think our losses are. The net loss to us is \$45,952

g. Let me put the wolf compensation program in perspective for you. There isn't one. For just this past summer, we know that wolves have killed four cows, three on our south ranch and one on the north ranch. They've killed two calves. They've orphaned three other calves, all of whom are being raised by the FFA kids. At \$2500 a pop for a cow and \$1060 for a calf, that's a \$15,300 loss to us. Of that, we qualify for payment on one and a half cows and two calves or \$5,870. The net loss to us is \$9,430. That's what we know about. Based on published research, we believe that for every confirmed wolf kill, there are at least five kills we never find. I'll know more about our actual experience by the end of October when we finish gathering. If it were true, however, this year alone we've lost 20 cows and 25 calves. The cost to us would be \$76,500, of which we will get \$5,870 back. That's a net loss of \$70,630 before we include the decrease in conception rates. When we add that net loss of \$45,952 in, we get a net loss of about \$116,582. Who, we ask, is bearing the brunt of the cost of the wolf program on the ground? The rancher is. This is a business. Our profit is on the revenue we receive from the last calves we sell. How do you expect us to stay in business with those losses? We can't stay in business to feed wolves. Our cattle are not wolf food. The rules don't reflect reality. They don't reflect the size of our pastures. The burden of proof is completely and undeniably on the rancher. That's not a fair compensation program. If the American people want wolves on the ground, they should pay for the privilege. They aren't.

23. It is certainly legitimate to turn the tables and ask, as between the rancher and the wolf, what benefit does the American public receive from having ranchers on public lands? Here are some data points: We are the ones consistently on the ground in much of this country. We have a vested interest in wise management of the resource. If the land or water fails, we don't survive. We spot forest fires and report them. We remind hunters that they can't camp next to where our cattle and wildlife go to water. Our presence is a deterrent to illegal wood cutters. Wildlife poachers don't want to be observed, so we are a threat. We are also a deterrent to the crazies who don't want to be seen in the woods. These include the people who mutilate animals—cats, dogs, and cattle. When the game and fish has a question or a concern, they call us. We are the ones who keep up the fences that have been there for decades so there can be rotational grazing. Without those fences, feral cattle become a problem, especially in riparian areas. The XXX Allotment in Arizona is a persistent example of feral cattle hammering riparian areas on an allotment that is in non-use. We enhance and maintain the water resources that wildlife use right alongside our cattle. Our cattle are not the only ones that use the salt, minerals and protein we put out. Elk, for example, are routinely at our salting grounds. Our ranch families have children who go to our local schools. We and our employees support local businesses. We produce a grass-fed, all natural product that enters the food system. Consumers around the world want that protein. Their demand will only continue to grow in the decades to come. Those are benefits from ranching on public lands. People whose intention is to use the wolf program to remove us from the landscape should consider carefully what the resource costs will be if they are successful. If the American people are truly committed to multiple use management, please stop trying to use the wolf to drive ranchers away. Give us a fair compensation system for the economic cost to us of the wolf.

## Recommendations

1. Remove the wolves. In life we have to do cost/benefit analyses. What have we genuinely gained from the wolf program? What has it cost? The last estimate for the Mexican Gray Wolf Program is approaching \$37 million. That cost is increasing at about \$3 million per year. For the 97 wolves now estimated to be on the ground, that's about \$30,000 per wolf per year. The cost far exceeds any benefit from them in this settled region. The program has failed. We should stop spending money on a failed program.
2. If you're not going to remove the wolves, do more than pay lip service about the rancher. We don't need a pat on the head.
  - a. Get serious about compensating ranchers fairly for the cost the wolves impose. That's all the costs—direct and indirect.
  - b. At the very least, give ranchers in wolf country a discount on their grazing fees. It costs us more to operate with the wolf than those who don't have varmints. We currently pay the same as everyone else.
  - c. You should authorize the USFS to stream line NEPA so we can manage around the wolves. Don't make us wait years on NEPA to do the improvements we need to manage cattle around the wolves. That means fences and water projects get reviewed and authorized on an expedited basis.
  - d. Allocate the money to the USFS to use to put allotments in non-use back in functional status and hold them open for ranchers to use when wolves are attacking his or her cattle.
  - e. When a wolf has two confirmed kills on cattle, it has likely killed a lot more. Track the wolf down and kill it or remove it permanently from the wild.
  - f. Encourage communication with ranchers so we know where the wolves are.
  - g. Compensate ranchers for costs of moving cattle to unscheduled locations to avoid wolf conflicts. That's wages to gather the cattle at \$125 a day per cowboy, hay most recently at about \$200 per ton to feed the cattle in the holding pen during gathering and trucking at \$4 a loaded mile.
  - h. Tie compensation to wolf numbers in and around allotments rather than just to specific kills. Compare data from pre-wolf release predation losses to current losses and compensate accordingly. Paying a couple thousand dollars for a 10-20 percent decrease in conception rates doesn't come close for us.
3. Wolves do not fear man. Why should they? We are threatened with jail if we shoot them. Change that. Teach them to fear man and his environment to keep the wolf away from us and our livestock.
  - a. Have a special permit hunting season on them.
  - b. Allow private landowners to kill wolves whenever they are on private property and regardless of whether they are attacking livestock, pets or the owner.
  - c. Allow anyone to shoot wolves with rubber bullets on federal lands
4. Things you can do to help wolves be successful but minimize their impact on man.



- a. Train wolves to eat elk by wounding elk in seasonal pastures not then in use by livestock so they can then kill and eat the animal.
- b. Provide early and timely suspected den locations so livestock can be moved away prior to whelping. Don't wait to tell us until after we move in.
- c. Allow permittees and our agents to use rubber bullets or paint guns to dissuade wolves from hanging around livestock during calving seasons.