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**Study Indicates Liquids Gathering System Could Reduce Impact on Sage-Grouse
Relative to Conventional Gathering Systems**

Pinedale, WY—The second annual report investigating greater sage-grouse use of winter habitat in the Upper Green River Basin indicates that the birds are not avoiding areas near well pads using off-site liquids collection. These new data suggests that collecting liquids off-site via a gathering system may reduce the impact to the sage-grouse as a result of developing natural gas reserves.

The \$1.4 million, five-year study, conducted by Wyoming Wildlife Consultants, LLC of Pinedale, Wyoming, began in April, 2005. The objective of the study is to determine if natural gas development on the Pinedale Anticline influences the habitat selection of wintering greater sage-grouse.

“The continued presence of sage-grouse near natural gas operations using a liquids gathering system is encouraging for us. We believe that installing a full-field liquids gathering system, if we are granted year-round access, will continue to increase the benefits for sage-grouse and the habitat they rely on,” said John Bickley, Development Manager for Shell Exploration & Production Company, one of the companies funding the study.

The study was commissioned and funded by Ultra Resources Inc., Shell Exploration & Production Company and Questar Market Resources. These operators have offered a year-round operations plan which includes mitigation components like the full-field liquids gathering system for the Pinedale Anticline in order to minimize effects on the environment.

Using radio-transmitting collars, data was tracked and recorded at various stations on the Pinedale Anticline to monitor sage-grouse presence within defined habitat patches. The study compares habitat containing pads for year-round natural gas operations, both with and without off-site liquids collection, plowed main haul roads and control areas. Researchers studied the length of time and number of visits sage-grouse had to these distinct habitat patches.

Although the data indicates sage-grouse are not avoiding locations with off-site collection systems, the second-year report generally shows that wintering greater sage-grouse were spending less time in habitats near natural gas development associated with relatively high levels of activity, especially pads lacking a liquids gathering system and pads with drilling rigs active during the winter. Sage-grouse were also avoiding habitats near plowed main haul roads. Because this is a long term study it is premature to draw any definitive conclusions from the information presented in a single year.

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Matt Holloran, Senior Ecologist for Wyoming Wildlife Consultants, LLC suggests, "Being interested in establishing potential management options that maintain sage-grouse populations in areas being developed for natural gas, we are encouraged by these preliminary results. However, because the first year of this project was considered a pilot, these results are based essentially on only one year's worth of data; we advise waiting for some consistency through temporal replication prior to making any definite conclusions."

The annual report presenting the first two years of data from the ongoing five-year research project has been jointly released by WWC, Ultra, Shell and Questar. The report is being made available to both the Bureau of Land Management and the Wyoming Game and Fish Department. A complete copy of the 2007 progress report is also available to the public and can be accessed online at www.PinedaleSEIS.com.

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