

## Balancing Resources on the Pinedale Anticline



February 2008

Dear Neighbor,

What better way to ring in 2008 than by setting the record as the coldest temperature in the nation! The bone chilling temperatures in Sublette County made several national headlines throughout the month of January. With more winter weather ahead we hope that you are making the most of the cold and the snow.

We have been busy reviewing the Revised Draft Supplemental Environmental Impact Statement (RDSEIS) and we would like to take a quick moment to update you on the RDSEIS as well as inform you of the second-year results of Wyoming Wildlife Consultants' sage-grouse study.

### REVISED DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT (RDSEIS)

On December 28, 2007, the Bureau of Land Management (BLM) released the Revised Draft Supplemental Environmental Impact Statement (RDSEIS) which contains two additional alternatives that analyze possible development plans for the Pinedale Anticline. According to the BLM, the new alternatives are based on comments received from Wyoming Game and Fish Department, the public and the operators on the Anticline. The two additional alternatives are briefly described below:

#### Alternative D

Alternative D has been labeled as "BLM's Preferred Alternative" and, similar to Alternatives B and C that were included in the first Draft SEIS, will allow for year-round development of up to 4,399 additional wells. A distinctive element of this alternative is that it includes a Potential Development Area (PDA) and will suspend development on nearly 50,000 acres of leases that lie on the flanks outside the PDA. Additionally, this alternative introduces a mitigation and monitoring fund and calls for additional air mitigations.

#### Alternative E

Alternative E is similar to operating under current winter stipulations and does not include year-round access. It does, however, share the same PDA as described in Alternative D. This alternative will also allow for 4,399 additional wells, but regulates the number of active well pads within the core area and flanks, which may result in longer development time. However, Alternative E does not include the operators' committed mitigations that are proposed in Alternative D.

The public has until Monday, February 11, 2008 to submit formal comments to the BLM on the RDSEIS. Also, the BLM will be hosting an additional public meeting Thursday, February 7 from 6:00 pm to 9:00 pm at Rendezvous Pointe in Pinedale to allow more community members to vocally comment on the RDSEIS. The BLM document can be accessed through our Web site at [www.PinedaleSEIS.com](http://www.PinedaleSEIS.com). We hope that you will make your voice heard during this comment period to show support for responsible year-round energy development.

As you know, Ultra, Shell and Questar submitted additional mitigation commitments in our letter to the BLM last April. We believe that responsible development requires year-round access to balance all resources—energy, environment, air quality and community. Year-round access will provide the needed certainty and predictability to implement several of our mitigation commitments, such as installing a Liquids Gathering System and making long term rig commitments to provide cleaner rig engines.

**Community Information Line: 1-877-526-1007**

**On the Web: [www.PinedaleSEIS.com](http://www.PinedaleSEIS.com)**

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Our detailed management plan with year-round access will reduce rig engine NOx emissions, keep wildlife migration corridors open by suspending development on certain flank leases, and use a predictable pace of development that will provide for a stable community. Furthermore, if granted year-round access, we have committed to implementing a performance-based Wildlife Matrix and establishing a Mitigation and Monitoring Fund.

### MITIGATION AND MONITORING FUND

As a part of our plan for year-round access, we have committed to establishing a Mitigation and Monitoring Fund for the Pinedale Anticline. The fund will be used to address impacts to values such as air, wildlife and vegetation to minimize any impacts from energy development. The fund is in addition to the monetary commitments that the operators have made for on-site mitigations, which include directional drilling and Liquids Gathering Systems.

The amount funded will be based on development levels and pace. This fund will be used to minimize and mitigate any impacts to wildlife and their habitats and can be used to expand the current studies already funded by Ultra, Shell and Questar, such as the sage-grouse, pronghorn antelope, mule deer and habitat inventory studies.

### SAGE-GROUSE STUDY

In the last letter, we highlighted Questar's Liquids Gathering System (LGS) and showed how it has reduced noise, road dust and air pollution by reducing truck trips on the Pinedale Anticline since its installation in November 2005. Now researchers are recognizing that installing a LGS across the Pinedale Anticline Project Area (PAPA) may actually reduce overall impact to sage-grouse on the Mesa.

Wyoming Wildlife Consultants, LLC recently released the results from the second-year of their study on sage-grouse in the Upper Green River Basin. According to the study, sage-grouse are not avoiding areas using a Liquids Gathering System. The birds, however, avoided habitats near development lacking the off-site liquids collection. Ultra, Shell and Questar have estimated that installation of a LGS throughout the PAPA would eliminate 165,000 truck trips annually at maximum production.

While this is a long-term study and it is premature to draw any definitive conclusions, the continued presence of sage-grouse near natural gas operations using a LGS is encouraging. We believe that installing Liquids Gathering Systems across the PAPA, if granted year-round access, will continue to minimize sage-grouse habitat disturbance and reduce overall human and truck activity on the Anticline.

### THE MONTHS AHEAD

Like many of you, we will be submitting our comment letter on the RDSEIS prior to the close of the comment period on February 11, 2008. We appreciate hearing your thoughts on our year-round access proposal and hope that you take the time to submit your formal comments to the BLM.

We know that responsible development takes communication and we want to hear from you! Please feel free to contact us at 1-877-526-1007 or visit us at [www.PinedaleSEIS.com](http://www.PinedaleSEIS.com).

Sincerely,

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