

Upper Green River Valley Coalition

Position Paper on Proposed Drilling Escalation in the Pinedale Anticline Gas Field

Comments on Pinedale Anticline Revised Draft Supplemental Environmental Impact Statement

Background: Major Changes Proposed and Major Values At Stake:

On December 28, 2007, the Bureau of Land Management (BLM) released for public review its revised Draft Supplemental Environmental Impact Statement (DSEIS) for the Pinedale Anticline. Volume I, with 674 pages of analysis and provisions, includes two new alternatives addressing industry's proposal for year-round and expanded drilling in this 200,000-acre project area in the heart of the Upper Green River Valley. The proposal calls for 4,400 more wells, almost nine times the number currently in place, likely drilled at a rate of up to 232 wells per year, and substantially expanding the impacts beyond those originally authorized in the BLM's 2000 Pinedale Anticline EIS. In addition, the operators propose to drill year-round and no longer be subject to well-established, seasonal drilling protections for big game and sage grouse. Unless strong and enforceable mitigation measures are included, this ramped-up drilling in the Pinedale Anticline will harm Sublette County's quality of life, exceptional vistas, and extraordinary wildlife—all the things that make Wyoming's Upper Green a great place to live and visit.

Modified Alternative D: an approach that won't sacrifice the Upper Green River Valley for energy:

The Upper Green River Valley Coalition fully supports several of the components included by the Pinedale Anticline operators (principally Ultra, Shell, and Questar) to reduce habitat fragmentation and wildlife disturbance, including: substantial directional well drilling, workforce bussing and access station, expanded liquid gathering systems, and centralized facilities. In addition, there are several new measures in the revised SEIS that the Coalition endorses in principle but, as now crafted, fail to deliver needed benefits. Examples of such components that need to be strengthened and/or clarified are: suspension of leases on the flanks of the Pinedale Anticline, wildlife threshold matrix provisions, off-site mitigation fund, and the requirement for no visibility impairment in Class I airsheds.

The Coalition therefore supports modification of the BLM's preferred alternative in the revised DSEIS (alternative D) so that it includes important protections provided in alternative E, in addition to those currently specified in alternative D. As currently written, Alternative D does not provide sufficient protections and allows too fast a pace of development. The result is that it would exacerbate the already occurring wildlife, air quality, and socio-economic impacts. We urge the BLM and cooperating agencies to amend the SEIS so that the final decision incorporates both the positive operator-proposed components found in alternative D and the special area protections and timing stipulations found in alternative E (the alternative E provisions continue important and long-established special area protections found in the 2000 Pinedale Anticline EIS). In addition, specific changes must be made to strengthen and/or clarify several air and wildlife provisions, as described in the section below.

If the BLM and cooperating agencies make these changes, the final SEIS would then allow for the operators' proposed 4,400 new wells but at a slower pace, with stronger mitigation measures, and with clearer language governing implementation. Doing less than this will mean significant erosion of the world-class wildlife populations and air quality found in this part of the Greater Yellowstone Ecosystem, as well as escalation of the stresses on roads, infrastructure, businesses, social services, and housing that the current drilling boom is already causing.

Key Changes, Clarifications, or Additions Needed to the SEIS Preferred Alternative:

- Incorporate the special management area provisions in alternative E into the currently preferred alternative (alternative D) so that development is guided by a staged, coordinated drilling approach limited to the Anticline crest via multi-well pads, liquid gathering system, and long-term flank protections, *as well as* seasonal timing restrictions and special management area prescriptions. No more than 250 additional well pads should be constructed.
- Strengthen the new provision in the preferred alternative suspending some flank area leases (or imposing No Surface Occupancy requirements) in order to preserve wildlife migration and limit big game winter range disturbance. The length of the lease suspensions (currently only certain for 5 years) should at a minimum equal the length of the drilling phase for the Anticline crest, which is until at least 2023. Suspensions for only 5 years cannot guarantee protection of the important wildlife habitats on the flanks.
- Remove Alternative D’s Potential Development Area or “PDA.” There is no need for this half-mile wide expansion beyond the core area where year-round drilling could be allowed. Pinedale operators are already capable of directionally drilling a half mile (and technological advances will soon make greater reach distances feasible). Alternative D’s core area was already expanded 23 percent beyond the original Draft SEIS proposal, which ensures that all the high gas potential areas are included in this core area (see SEIS map 2.4-4). Also, previous BLM analysis has concluded that the Mesa Breaks and New Fork River area provide exceptional refuge for winter wildlife, but the proposed PDA includes some of these areas. To access gas beyond the core area, operators should access it directionally from existing pads.
- In order to protect the exceptional fisheries in the New Fork and Green watersheds, stronger measures to control sediment run-off should be added so that “substantial watershed impacts” do not occur, as allowed and acknowledged in the current SEIS.
- Instead of limiting actions to “practicable means,” the final SEIS must clearly require “any and all available means” (as specified in the original draft SEIS) be used to protect visibility in Class I airsheds of Grand Teton Park and all Wind River Wilderness Areas.
- Strengthen the Wildlife Monitoring and Mitigation Plan and Matrix (Appendices 9 and 10) so that revision of drilling operations and pace of development (option 4 in the matrix) is stipulated as a primary response to any wildlife threshold exceedance. At best, Alternative D now provides for this as a last resort, after other voluntary options are first tried and years of monitoring show continued exceedance. Also, so that the public has certainty that the thresholds will provide some protection and so that they compel operators to proactively take action, the monitoring and mitigation program details must be provided in the SEIS and not left up to just operators, BLM, and WYGF to develop after SEIS approval.
- Include more direction in the SEIS regarding off-site mitigation and for all monies in the Operators Monitoring and Mitigation Fund, and soon after SEIS approval. As now proposed, the operators will develop a comprehensive off-site mitigation plan within one year of SEIS approval and initially contribute only \$4.2 million of the total \$36 million committed. The rest of the monies are tied to industry getting to pursue the pace of development it wants. Given that Anticline operators expect to spend \$3-8 million per well and will likely gross \$ 175 billion (assuming \$7/mcf gas price—Cheyenne Hub price on 1/14/08—and given the SEIS estimate of 25 TCF total field production), providing just \$36 million up front is a very financially modest requirement.
- Add a provision to the SEIS specifying that all currently unleased lands in the PAPA (now totaling 37,067 acres), as well as any areas in the PAPA with upcoming lease expirations, be withdrawn from leasing availability for the life of the SEIS. In addition, the SEIS should identify areas adjacent to the PAPA for lease withdrawal (the Pinedale Resource Management Plan should reinforce these lease withdrawals). Such a withdrawal provision would serve to help provide both secure wildlife habitat areas off the Anticline core and provide larger blocks of habitat where off site mitigation projects could be effectively conducted without risk of development undermining such investments.

Time for BLM to Listen to the Requests for a More Balanced & Protective Approach

Many of these requested changes and our proposed modification of alternative D by incorporating the provisions of alternative E described above are consistent with what the State of Wyoming, EPA, Town of Pinedale, and others asked for in comments on the original draft SEIS. Consider the excerpts below from draft SEIS comment letters submitted last spring:

I ask and expect that the final preferred alternative will provide for coordinated development in the 'core area' and for every reasonable effort to be made to protect the current existing crucial habitat identified in the flanks of the Pinedale Anticline Project Area (PAPA) during 'core area' development. The bottom line standard must be to not only prevent any further degradation in wildlife numbers but to also provide habitat preservation and enhancements which will allow the several species of indigenous wildlife to flourish and recover to normal levels based on historical carrying capacity of the PAPA habitat.

It is my sincere hope that the specific thresholds never become a real issue. If trends begin to approach any of the impact mitigation threshold levels, it is a clear signal that something is out of balance with bottom line objectives and natural gas development activities need to be reviewed very critically to see if they are contributing factors. Trends towards thresholds will signal a need to change the pace and/or activities associated with the natural gas development in order to appropriately balance for the interests of all resources.

Governor Freudenthal

The proposed [air quality] mitigation strategy would be implemented in two phases with the ultimate goal of achieving zero days over 1 deciview of modeled visibility impairment in the Bridger Wilderness Area. If this goal cannot be demonstrated, the Operators, BLM, EPA, and DEQ would jointly agree to a mitigation plan that complies with the goal, using any and all means available. If technology alone cannot meet this goal, reducing the rate of drilling on the PAPA will need to be considered by BLM and the operators.

Region VIII, EPA

Operators will set aside delineation and development activities on the flanks of the core area using lease suspensions or NSO's until the crest is developed, in order to provide the necessary mitigation success. ...This allows a large acreage to remain undisturbed and receive habitat enhancements during the development of the core area. It is anticipated that the flank set-asides will need to remain in place until the core area is developed and reclamation is providing substantial habitat function there.

A major component of this plan is the assurance of the availability of flank areas for wildlife while the more intense, year-round development takes place in the core area. We strongly recommend the BLM also contribute to this effort by committing, in the ROD, to suspend leasing of any currently unleased parcels in the area at least until the core area has been developed and reclamation has proceeded to the point where habitat on the core area is again functional. These unleased areas should include those areas adjacent to the SEIS analysis area that also contain crucial and important habitats for wildlife that use the SEIS area. It is anticipated that habitat enhancements will be done on these areas and would thus contribute to maintaining habitat function during the development phase of the PAPA.

Terry Cleveland, Wyoming Game and Fish Department

Because of the substantial socioeconomic impacts that the proposed planned increase in gas development will bring to the Town of Pinedale, we urge the BLM to slow down, or at least more evenly pace energy development to allow the affected towns to adequately plan for infrastructure capacities, increased traffic, to allow market forces to increase the amount of housing, allow our school systems to plan for greater population and the myriad of other effects to our community from a rapid population influx. By slowing down, or staging development, our community would be better able to handle the impacts that we have been struggling with for several years now. By phasing-in development, the pace would be slowed to a more manageable level, allowing for better social and economic responses by our community. One way to phase development is to not allow development in new areas until already developed areas are fully reclaimed.

Considering the 46 percent decline in the mule deer population since drilling began in the northern Pinedale Anticline, a decrease that occurred when roughly 1,000 acres of mule deer winter range were disturbed, and that additional disturbance of 3,500 acres of mule deer winter range will occur under the preferred alternative, we urge the BLM and cooperating wildlife agencies, to use maximum amount of caution when making decisions that could affect these herds for decades. Pinedale would not be the same community if our wildlife were severely diminished.

New drilling, all pad construction, and road building should be limited to the industry identified “concentrated development area” along the crest of the Anticline for the life of the field.

We would like to see a limit placed on the allowance for negative results from the greatly expanded (over two decades) drilling period. When thresholds for impacts to air and water quality or wildlife are reached, immediate reduction in the pace of development would be required.

Town of Pinedale

Putting the Pinedale Anticline SEIS Proposal in Context

What is allowed under the current Pinedale Anticline drilling plan signed in 2000 =

- 700 producing wells or well pads and 900 initial well pads
- 693 tons of nitrogen oxide (NOx) emissions a year
- 4,485 acres of surface disturbance over existing level
- 276 miles of roads and 400 miles of pipelines for gathering and sales

Where we are now -- the development level reached by the end of 2006 =

- 642 wells from 340 well pads
- 82 wells per year have been drilled *on average* since authorization of the project in 2000.
- 186 miles of road and 128 miles of gathering pipeline
- 4,835 acres of surface disturbance

Additional development (beyond current levels) under BLM’s proposed alternative D =

- 4,399 more wells from 250 additional well pads (600 total well pads)
- 232 new wells/year *on average* for the next 17 years (up to 48 rigs operating)
- 4,735 tons of NOx emissions per year
- 100 miles of new roads and 100 miles of new gathering pipelines
- 12,885 acres of additional initial surface disturbance

Take a Stand -- Send Comments on Draft SEIS by **February 11 Deadline To:**

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