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Cubin, Freudenthal differ on drilling

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GILLETTE -- Gov. Dave Freudenthal this week criticized actions by U.S. House Republicans pushing for sweeping exemptions of environmental protections regarding domestic oil and gas development in general and winter drilling stipulations in particular.

On Tuesday, the Democratic governor sent a letter to U.S. Rep. Barbara Cubin, R-Wyo., taking issue with proposed actions that would lift seasonal wildlife restrictions -- an issue at the forefront of natural gas development in western Wyoming.

As a member of both the House Committee on Resources and House Committee on Energy and Commerce, Cubin has supported recent measures to ease regulatory and environmental protections that are perceived to slow domestic energy production.

Freudenthal argued that a better way to speed up regulatory permitting and increase domestic energy production would be to increase funding for staff and technical expertise on permitting and environmental analysis.

"I would request that the discussion of removing seasonal wildlife stipulations be replaced with a focus on increasing federal dollars for staff and technical expertise related to pipelines, permitting and environmental analysis," Freudenthal wrote. "By shifting the dialogue to address these needs, our state's wildlife will be protected and development can be achieved at an increased pace."

Much of the opposition to the "National Energy Supply Diversification and Disruption Prevention Act" introduced by House Resources Committee Chairman Richard W. Pombo, R-Calif., targeted measures to lift long-standing moratoriums on offshore drilling on the East Coast and West Coast and drilling in the Alaska National Wildlife Refuge. House Republicans backed off the Pombo bill this week.

Cubin's press secretary, Joe Milczewski, suggested the governor's criticism was off-point. Milczewski noted that the proposed exemptions would have applied only during times of "significant disruption" -- to be determined by either the secretary of Interior or the secretary of Agriculture -- in the nation's supply of oil and gas.

Milczewski said the legislation also included language ensuring proposed exemptions would not trump any provisions of the Endangered Species Act.

"In the wake of a sudden disruption after a terror attack or natural disaster, it's not outrageous to temporarily waive some sage grouse protections to make sure that people can keep the heat on," Milczewski said via e-mail.

"The groups who oppose the bill because of this section are the same groups who oppose every single effort to produce more domestic energy," Milczewski continued. "This is another example of them throwing up roadblocks to any development proposal, with the end result being an America that is ever more dependent on foreign energy."

Milczewski also said Cubin "has the best record of just about anyone in trying to get the money in place to pay for more people to process (applications for permit to drill). She's secured at least \$5 million just for this purpose since 2001."

An industry view

Shell Oil Co., Ultra Petroleum and Anschutz Corp. have coordinated efforts in recent years to gain two "demonstration" projects to test the viability of lifting drilling restrictions in critical wildlife winter ranges in the Pinedale Anticline. The trio recently submitted a new proposal for a full-field rollback of the restriction that would come with myriad mitigation measures to offset impacts.

Shell spokeswoman Deena McMullen said Freudenthal's letter seemed to echo many of her company's concerns.

"Further funding for monitoring, mitigation and enforcement -- Shell has advocated for that funding for quite some time and continues to do so," McMullen said. "We definitely understand that more money is needed in that area to make the agency more efficient and able to deal with all the issues that come before them."

Shell didn't have comment about recent efforts by the House Committee on Resources on the issue. But McMullen said lifting winter use restrictions requires careful analysis.

How big a burden?

Since backing off his original bill, Pombo has indicated he would consider a version without the nationally contentious offshore and ANWR drilling measures. However, there remains wide support from House Republicans to continue to seek dozens of regulatory exceptions that would affect the Rocky Mountain Region, where natural gas is booming.

In particular, Freudenthal said he is concerned about continuing pressure on the Bureau of Land Management to lift seasonal drilling restrictions in the Pinedale Anticline on a full-field scale. He said he has supported limited variances from the restrictions in two specific cases in the region, and the fact the industry has been able to receive such variances is proof that there's nothing to fix.

"Our present approach of imposing winter stipulations and having industry request a variance from these stipulations has served to protect both game and non-game species while still allowing industry to conduct necessary operations when appropriate and carefully crafted," Freudenthal wrote.

"Much emphasis has been placed on the delays imposed on industry as it works to comply with seasonal stipulations," Freudenthal continued. "Certainly, an element of delay cannot be denied, but they are rarely overly burdensome."