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Drilling in the Wyoming Range?

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JACKSON -- A Bureau of Land Management oil and gas lease sale slated for Tuesday will auction a 1,280-acre parcel in the foothills of the Wyoming Range that conservationists say will likely jump-start other suspended leases in the area.

Peter Aengst with the Bozeman, Mont.-based Wilderness Society said some leases on federal land in the area west of Merna were suspended in recent years as developers said they needed more acreage to drill to make the area economically viable for gas extraction. Those developers were involved in persuading Bridger-Teton National Forest officials to release acreage in the area for possible lease sales, he said. The BLM handles oil and gas leasing on national forest lands released by the Forest Service for that purpose.

"It's the dark secret on the Bridger-Teton," Aengst said. "This new leasing by the Bridger-Teton in the Wyoming Range is not only about expanding the existing area controlled for oil and gas, but it's also potentially the key to unlock the door to allow more drilling on existing leases."

That would result in a dramatic increase in impacts to wildlife and air and water quality in pristine areas, some of which are roadless, he said.

John Lockridge with Denver-based Mountain Petroleum Corp. said he has an interest in several thousand acres of leases from the BLM to the west of the forthcoming forest leases. The area has about half a dozen wildcat wells drilled since the 1950s, he said.

Lockridge said in an e-mail he had requested a suspension of these leases for several years because the Forest Service "had deferred releasing a fairly large amount of acreage in the Horse Creek and nearby areas for leasing by the BLM."

Earlier this year, Bridger-Teton officials agreed to release 44,600 acres in that area for possible lease sales. That number was scaled back from about 175,000 acres after public outcry from residents, Gov. Dave Freudenthal and U.S. Sen. Craig Thomas. They said the area had natural resources qualities that should be protected.

Eliminated from potential lease sales were acres in roadless areas and areas labeled as "no surface occupancy."

Lockridge said his group had asked that the Forest Service "consider release of the lands in the Horse Creek area for posting" for lease sale, and said the acreage reduction was a "prudent action at the time."

Asked why his company wouldn't drill on the existing leases on BLM land, Lockridge said, "It does not seem financially prudent to invest significant capital to drill wildcat wells adjacent to unleased federal acreage."

That parcel is under protest after a coalition of groups submitted a protest to the BLM last month. Bidders are alerted when a parcel is under protest, but people can still bid. The BLM has 45 days to determine if the lease should be pulled, and if it is, the winning bidder gets the money back.

Protests are not unusual, according to Steven Hall, BLM spokesman. According to the BLM, 87 of 177 parcels set for lease sale Tuesday have been protested. In August, 123 lease parcels were protested of the 188 put up for sale. In June, 142 out of 189 were protested, and in April, 83 of 227 were protested.

If the BLM determines the Bridger-Teton lease sale should continue, Aengst said the protesting groups' "only recourse is to go to court and file a preliminary injunction."

The Wyoming Outdoor Council, Jackson Hole Conservation Alliance, Greater Yellowstone Coalition, Biodiversity Conservation Alliance, Wyoming Wilderness Association and the Hoback Ranches Service and Improvement District also joined in the protest. Trout Unlimited and the National Wildlife Federation wrote similar protests.

Tom Darin, public lands director with the Jackson Hole Conservation Alliance, said the upcoming lease sale "may set in motion drilling on 85,000 acres of pristine, roadless areas just miles from Hoback Junction, including areas near the Hoback River, Cliff Creek and Monument Ridge -- places exactly like those on the leasing block last year that had everybody up in arms."

When the BLM allowed the original lease suspensions, it was done with an agreement with the operator that leasing nearby parcels was relevant to the overall interest, he said. But those suspensions expire one year after the new leases are issued, so pristine areas may start seeing drilling pressure in the near future. Thomas, R-Wyo., was originally against leasing the entire 175,000-acre area, but supported the scaled-back version.

"I went into the Bridger-Tetons on horseback to get a feel for what kind of country we were talking about for leases," Thomas said this week. "After staying the night in Roosevelt Meadows and seeing some heavily forested areas, I was convinced that some of these areas should not be considered for leasing. The Forest Service took a long look at the issue, and I'm pleased the acreage has been limited to about one-quarter of the original proposal. I encourage folks to continue to be involved in the public process. Leasing makes more sense where there is already development in the southern part of the range."

"The poor public have had no opportunity to comment on new leasing because no new (environmental studies) have been updated," Aengst said, noting the last study the Bridger-Teton did examining possible lease releases was in the 1990s. Things have changed since then since the boom of development in the Upper Green River Basin, he said.

"New leasing could incentivize drilling in these existing leases," he said. "It's a one-two punch."