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*****FOR IMMEDIATE RELEASE*****

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GOVERNOR URGES BALANCE ON PUBLIC LANDS NEAR PINEDALE

CHEYENNE, Wyo. - As a result of the intense pace of oil and gas development in the Pinedale area, the Bureau of Land Management should work to provide balance for other uses of public lands in order to preserve a "functional landscape" which includes open space.

Gov. Dave Freudenthal expressed his concerns with the overall management of public lands within the BLM's Pinedale Field Office today in comments on the Pinedale Resource Management Plan Draft Environmental Impact Statement (RMP).

Now is the time to evaluate the long-term land management of the area and consider the cumulative impacts of existing and proposed uses of public lands, Freudenthal said. In addition to ensuring that the document supports multiple uses, Freudenthal said the BLM should seek to protect areas that have not yet been leased.

"Given the intense level of (oil and gas development) in areas administered by the Pinedale Field Office, there needs to be a high level of assurance that the very limited remaining unleased portions of the management area remain unavailable to leasing in order to maintain a functional landscape for wildlife habitat, recreational opportunities, grazing, cultural resources and open space," he said.

In a letter to Pinedale Field Office Manager Dennis Stenger, Freudenthal questioned whether or not the draft RMP provides long-term assurances that areas in the Pinedale Field Office's jurisdiction will be maintained in the future.

"As the Preferred Alternative is currently written, I am not confident that there that will be long-term protection of resources other than oil and gas development throughout the life of this RMP," Freudenthal said.

The governor urged the BLM to reconsider its rapid pace of development, in part because the state's pipeline capacity is at its limit. When developing the final RMP, he said the BLM should take great care in ensuring that new development maximizes existing

resources, protects surface values and considers the long-term value of the natural resources being developed.

“With the scale of development that has already been authorized and the scope of development that is contemplated in this draft document, many will allege a violation of the multiple use mandate of the BLM,” Freudenthal said. “Given the face and pace of the development, such an allegation is hard to deny. If, however, oil and gas development is considered with a greater emphasis on balance, this fear can be moderated somewhat.”

The text of the letter follows below.

June 18, 2007

Dennis Stenger
Pinedale Field Office Manager
Bureau of Land Management
P.O. Box 768
Pinedale, WY 82941

Re: Comments on the Pinedale Resource Management Plan

Dear Mr. Stenger:

Thank you for this opportunity to comment on the Pinedale Resource Management Plan Draft Environmental Impact Statement (RMP). I would also like to thank you for granting our request to extend the comment period for an additional thirty (30) days.

Let me begin by acknowledging my appreciation for the Pinedale Field Office’s willingness to consider a performance-based planning approach. This creative approach allows the state of Wyoming to better participate in processes that establish clearer management goals for public lands. That said, it is critical that this performance-based approach provide enough detail and description on how the Pinedale Field Office will administer the RMP.

My primary concern is that the Pinedale RMP does not assure the state of Wyoming that resources will be managed as described in the draft document. As the Preferred Alternative is currently written, I am not confident that there that will be long-term protection of resources other than oil and gas development throughout the life of this RMP. Given the intense level of such in areas administered by the Pinedale Field Office, there needs to be a high level of assurance that the very limited remaining unleased portions of the management area remain unavailable to leasing in order to maintain a functional landscape for wildlife habitat, recreational opportunities, grazing, cultural resources and open space.

The RMP's 30,000-foot view of the entire management area provides us the opportunity to consider the cumulative impacts of existing and proposed uses of public lands. With the vast majority of the field office already under lease, there is little that this RMP can truly alter as existing law favors lease rights and development plans generally trump any new protective measures that might otherwise be considered. With that in mind, it is critical that steps be taken to maintain areas that have not yet been leased.

Wind River Front

Under the Preferred Alternative, the statements in the document concerning areas along the Wind River Front that are being considered for no surface occupancy (NSO) and unavailable for leasing do not appear to be binding. I understand that management of public lands on the Wind River Front is complicated by private surface and subsurface ownership. However, it is my understanding that in the largest block of NSO designated area, there are already numerous leases. This designation does not exclude leaseholders from conducting exploration activities. Under existing regulations, if resources are found in the exploration process, leaseholders have the authority to develop minerals despite the NSO designation of the area. More assurances should be given to the state of Wyoming that these areas will remain undeveloped during the life of the RMP. In the alternative, if development is contemplated, it must be done in a manner that is fully consistent with the NSO stipulation.

Trappers Point, Ryegrass/Cottonwood and Fontenelle Elk Winter Range

Consistent with my stated views regarding protection for the Wind River Front, I would encourage the BLM to consider expanded protection for the Trappers Point, Ryegrass/Cottonwood and Fontenelle Elk Winter Range similar to the prescriptions outlined in Map 2-3, which depicts the Oil and Gas Leasing Categories for Alternative 3. Retaining unleased surface acreage within these areas for wildlife and other uses, like grazing, makes inherent sense given the scope and scale of already-leased acreage within the Pinedale Field Office.

Pace of Development

The BLM should reconsider its rapid pace of leasing lands in the Pinedale Field Office. Already there are difficulties with constructing the necessary infrastructure to properly extract and market our state's natural gas resources. As you are well aware, existing natural gas pipeline capacity is at its limit in western Wyoming. These conditions prevent the state of Wyoming and the federal government from collecting the full value of their resources. Currently, there is a \$4.00/MMbtu price differential between the Opal Hub and larger national markets. In the final alternative selection, great care should be taken to ensure that development takes place in a manner that maximizes development of existing resources, contemplates protection of surface values and considers the long-term value of the natural resources being considered for development.

Socioeconomic Impacts

Chapter 3 of the RMP analyzes the existing socioeconomic conditions of the Pinedale Field Office. Unfortunately, the analysis is limited to the traditional BLM-type evaluation of such impacts. Specifically, the draft document makes no reference to what should be done to mitigate the significant impacts associated with existing and expected levels of development. My office has been working with the Sublette County commissioners and local Pinedale officials to address the specific challenges facing this area of the state and sought technical guidance in order to quantify the socioeconomic impacts that attend the development taking place in Sublette County. As these impacts become better defined, I ask that state and local cooperators be able to further inform the socioeconomic impacts of the activities contemplated in the RMP and that the BLM work with us to contour appropriate mitigation strategies going forward.

In this regard, we appreciate your willingness to include the Town of Pinedale as a cooperating agency. This community is facing the brunt of the impacts associated with development in the Pinedale Field Office and deserves to have the opportunity to work closely with the BLM in this process. To specifically highlight one significant area of concern, I would greatly appreciate the BLM's consideration of language in the RMP that would initiate land disposal or land exchanges. Pinedale is surrounded by public lands administered by the BLM and is facing a severe housing shortage and as such, the RMP should identify parcels that could be considered for exchange, disposal or other action to allow Pinedale to address these needs.

Annual Meetings to Discuss Categorical Exclusions

In the Energy Policy Act of 2005 (Act), Section 390(b)(3) allows for a categorical exclusion from NEPA analysis for the "drilling an oil or gas well within a developed field for which an approved land use plan or any environmental document prepared pursuant to NEPA analyzed such drilling as a reasonably foreseeable activity, so long as such plan or document was approved within 5 years prior to the date of spudding the well." I have made my objections to this provision known to Congress and others, in no small part due to representations made by Pinedale Field Office personnel regarding their intent to use the provision to clear full-field development projects. (Please see my attached letters to the Congressional committees of proper jurisdiction regarding this concern.) I remain convinced that land use plan level analysis is wholly inappropriate for the authorization of a categorical exclusion, especially since the impacts to wildlife habitat and air quality, two resource areas already under significant pressure, would not be fully evaluated if categorical exclusions are granted under the cited provision of the Act.

In the absence of Congressional action on this issue, I request that the Categorical Exclusion Annual Meeting document that was accepted by the Wyoming BLM State Office be incorporated into this RMP, to provide some regulatory oversight over the process of granting categorical exclusions under Section 390(b)(3) of the Act.

Performance Based RMP

Because this RMP is performance-based, it is critical that the BLM provide assurances that the process will work as it is contemplated in the document and as it was understood by state cooperators. With a majority of the decisions set to be decided in the future, it is critical that there be stringent sideboards placed in this document relative to performance objectives, monitoring, adaptive management, reclamation and mitigation and that cooperators be involved throughout the life of the RMP in these processes. Our recent experience with the Moxa Arch performance based development strategy underscores the need for diligence in each of these endeavors. Should an analogous result come from a similar lack of attentiveness to achieving the necessary objectives - due to incomplete or unacceptable monitoring, adaptive management, reclamation and/or mitigation - I hope that federal, state, local and private stakeholders remain steadfast in their commitment to achieving the stated objectives of the RMP and not bow to any request to depart from the requirements and pre-conditions that come with the objectives. I would also hope that proper funding be provided to allow the BLM to wholly and objectively see to it that the performance based process is appropriately implemented.

Incorporation of Project Objectives

In the wake of the Pinedale Anticline Supplemental EIS and Jonah Infill EIS, two projects of massive scope and implication, the BLM must ensure that the RMP is consistent with the objectives set forth in these documents. It is essential that these projects are not in conflict with the provisions of the RMP, such that the development contemplated in these documents can continue in a manner that dovetails with the overall management philosophy for the Pinedale Field Office contemplated in the RMP.

Thank you once again for the opportunity to provide comment on the Pinedale RMP Draft Environmental Impact Statement. With the scale of development that has already been authorized and the scope of development that is contemplated in this draft document, many will allege a violation of the multiple use mandate of the BLM. Given the face and pace of the development, such an allegation is hard to deny. If, however, oil and gas development is considered with a greater emphasis on balance, this fear can be moderated somewhat. It can be further moderated if the BLM effectively implements the RMP's provisions. Historical experience dictates that RMP language is long on promises and short on delivery. With the performance-based nature of this RMP, if implemented properly, the language will be of real import and consequence for all users of the BLM surface and sub-surface within the Pinedale Field Office. Even though I remain skeptical of the BLM's and others' ability to operate in a performance-based structure, I am willing to give it a chance - so long as we endure success and failure with the same vigor and commitment we are all agreeing to today.

Best regards,

Dave Freudenthal
Governor