

ATTACHMENT 1
CONTRACTED DEVELOPMENT PLAN

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February 24, 2010

Mr. Jerry Kenczka
Acting Field Office Manager
Price Field Office
Bureau of Land Management
125 South 600 West
Price, UT 84501

RE: *West Tavaputs Plateau EIS – Contracted Development Plan*

Dear Mr. Kenczka:

Bill Barrett Corporation (BBC) is the primary lease holder and only active oil and gas operator in the area being analyzed for full field natural gas development under the West Tavaputs Plateau Environmental Impact Statement (EIS). The comment period for the draft EIS closed approximately May 1, 2008. In addition, a programmatic agreement has been prepared and executed under the National Historic Preservation Act. The Resource Management Plan for the Price Resource Area has been updated and adopted. It appears to us that the process leading to a Final EIS and Record of Decision (ROD) is nearing completion.

While the analyses performed to date are valid and appropriate, our current plans for development differ in scope from that earlier proposed. As you will recall, the process for the EIS was formally initiated with scoping on August 26, 2005. At that time, BBC had drilled only 33 wells in the field. Through interim drilling authorized by BLM during preparation of the EIS, BBC has learned much about the geology and extent of the natural gas deposits underlying the project analysis area. Operational practices have been refined and technology has advanced. The environmental analyses performed for the interim drilling have informed us of the other natural resources in the area. In addition, we also spent a significant amount of time discussing the project with other stakeholders and reviewing public comments. We have also come to understand the policies of the Department of the Interior and Secretary Salazar, who now manage these resources on behalf of the citizens of the United States.

As a consequence of all of these considerations, BBC's current plans for development, though completely consistent in methods, geographic location and impacts to those analyzed in the EIS, differ in scope. BBC now seeks authorization of only a subset of the development analyzed by the EIS.

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The current plan is graphically illustrated in the attached map. For purposes of illustrating the scope of the contracted plan, representative summary statistics regarding the draft EIS Preferred Alternative (E) and the contracted plan are compiled below. The preferred alternative of the draft EIS (Alternative E) considers the following components of development:

- Operations within areas of approximately 53,250 acres on the three plateaus,
- 488 well pads,
- 807 well bores,
- 164 miles of new access roads
- 46.6 miles of improvements of existing roads,
- 6 miles of road closures and reroutes to avoid sensitive areas,
- 20 well pads in Wilderness Study areas and 218 well pads in areas with Wilderness Character.
- 3390 acres of initial disturbance (pre-reclamation) and 1705 acres of long term disturbance

Based upon our current knowledge of the underlying resource, we now foresee that project development would have the following components:

- Operations within areas of approximately 18,076 acres on the three plateaus,
- 85 new and 57 reoccupied well pads,
- 596 well bores,
- 79 miles of new access roads
- 47 miles of improvements of existing roads,
- The same 6 miles of road closures and reroute to avoid sensitive areas,
- 0 well pads in Wilderness Study areas and 7 new well pads in areas with wilderness character.
- 1,323 acres of initial disturbance (pre-reclamation) and 711 acres of long term disturbance

As you will note from the above statistics, the operations area, the number of wells pads and surface disturbance is dramatically less (a 66% reduction of the total operations area, a 88% reduction in new pads, with an associated reduction of long term disturbance of over 57%) under the contracted development plan while the total number of wells (596 versus 807) is only 26 percent less. This is the result, primarily, of more extensive application of directional drilling and multiple well pads. The number of well pads that will have up to 8 wells drilled from them (something already analyzed in the EIS) is greater under the current development plan. The planned well pad density is now approximately 4 pads per section on Prickly Pear and Flat Iron Mesas and 2 pads per section on the Peters Point Mesa where wilderness character lands prevail. Our previous plan called for 8 pads per section over the entire area.

Some drilling locations are no longer prospective and have been eliminated from plans. We also no longer plan to drill wells in the Jacks Canyon and Desolation Canyon Wilderness Study Areas (WSAs).

Operationally, we plan to eliminate surface equipment and install subsurface wellhead on certain new locations in the more sensitive wilderness character area. Other new locations in the wilderness character lands will utilize low profile, low visibility production equipment. We are also committed to designing roads to those wells to minimize changes to the visual character of the area. In order to facilitate reclamation and minimizing impacts to visual character and to minimize operational interference, BBC is requesting gating of certain roads into sensitive lands.

BBC will also commit to drilling wells for which the derrick would be visible from the Green River and pads within ¼ mile of a WSA boundary only during the recreational off-season (October through April). As applicable, the elements of our current contracted development plan are illustrated in the attached map.

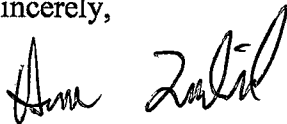
Note that BBC's contracted development plan is a subset of, but is similar in nature to, our earlier plan. BBC's reduced development plan does not entail any substantive operational changes or new project configurations that would result in any new potential impacts or category of impacts not previously analyzed in the EIS. In other words, the impacts for reduced development will only differ in degree (less impacts), and not differ in terms of the category, location, or types of impacts.

BBC's contracted plan falls between the Alternative B (No Action Alternative) and Alternative A (the Proposed Action). The contracted development plan is similar in scope and analysis of impacts as those analyzed in Alternative D (558 wells, no development of WSAs, gates on certain roads, etc.). The EIS explains that within the ROD, the BLM will determine "[w]hether to approve the Proposed Action, select a different alternative, or select a combination of alternatives." EIS Section 1.3 (page 1-4). Accordingly, BLM has the ability to authorize BBC's contracted development plan in the Record of Decision through a combination of alternatives without the need for supplemental NEPA analysis. And, by concurrently issuing the FEIS and ROD, BLM would ensure that there would not be public confusion regarding BLM's ultimate decision.

Regardless of the alternative or combination thereof ultimately authorized by BLM, BBC will only ultimately seek permits for those projects elements included in BBC's contracted development plan. Were BLM to find BBC's additional commitments acceptable, (e.g. wilderness character land mitigation measures) they can be reflected as Conditions of Approval, similar to how other operator and BLM mitigation requirements are enforced. BBC requests that this letter be included in the materials made available to the public when the Record of Decision is published.

Thank you for your consideration on this issue and contact me if you have any questions or concerns.

Sincerely,



Duane Zavadil

BILL BARRETT CORPORATION

