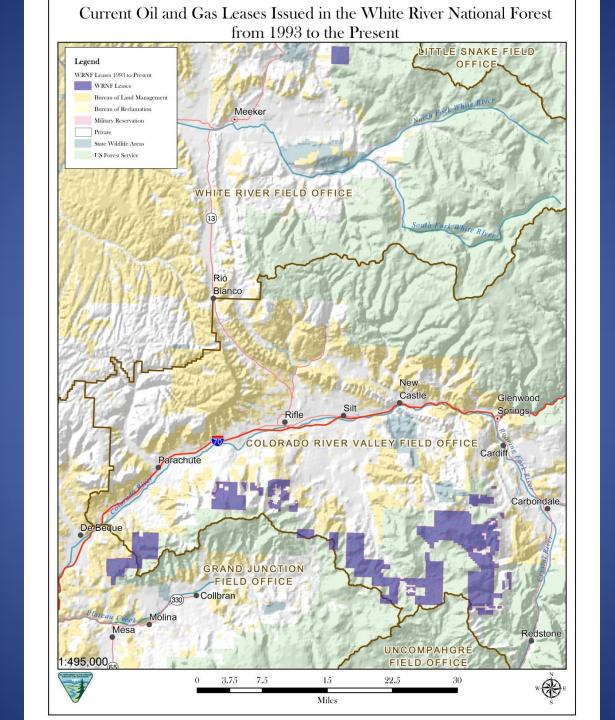
EIS on Previously Issued Oil and Gas Leases on the White River National Forest

Presentation to RAC May 29 2014

What we are doing

 EIS analyzing 65 existing leases issued since 1993 on the White River National Forest.

- Final result will be a Record of Decision
 - Keep leases as they currently are
 - Modify existing leases
 - Cancel existing leases



What this EIS does not address

- Future leasing.
 - White River National Forest is currently revising their Oil and Gas EIS. Final expected later in 2014.

- Drilling/development proposals.
 - Forest Service would take lead on drilling proposals, including specific routes, locations
 - Forest Service waiting for results of BLM EIS

What EIS does not address

Policy decisions outside scope of this EIS

Lease suspensions

Leases issued before 1993

Why is BLM conducting the EIS?

- Forest Service determines which of its lands are available for oil and gas leasing (BLM manages the leases)
- Forest Service 1993 EIS made lands available
 - Decisions carried forward in 2002 Forest Plan
 - Most leased '95-2004
- 2007 IBLA decision
 - BLM did not formally adopt Forest Service analysis or do our own

Issues already identified

- Changes in oil and gas since 1993
 - More development
 - Different technologies
- New air quality analyses available
- Endangered species updates since 1993
- Roadless Rule new since 1993

Common questions

How important are public comments?

How important are local comments?

Do you have the authority to cancel leases?

Why not just cancel the leases?

Why were lease suspensions approved?

- Ursa Resources 7 leases
 - Development proposal in 2009
 - Unitization request in 2012

- SG Interests 18 leases
 - Unitization request in 2011
 - Development proposals in 2012

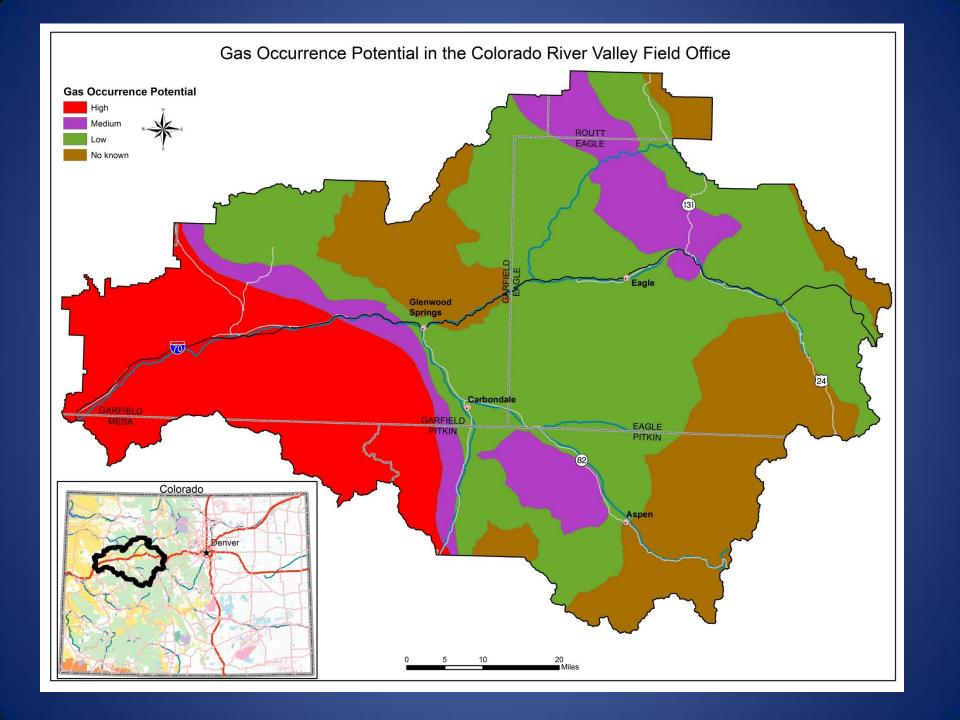
Why was the area leased (particularly Thompson Divide)?

Forest Service decision made the lands available

Industry nomination

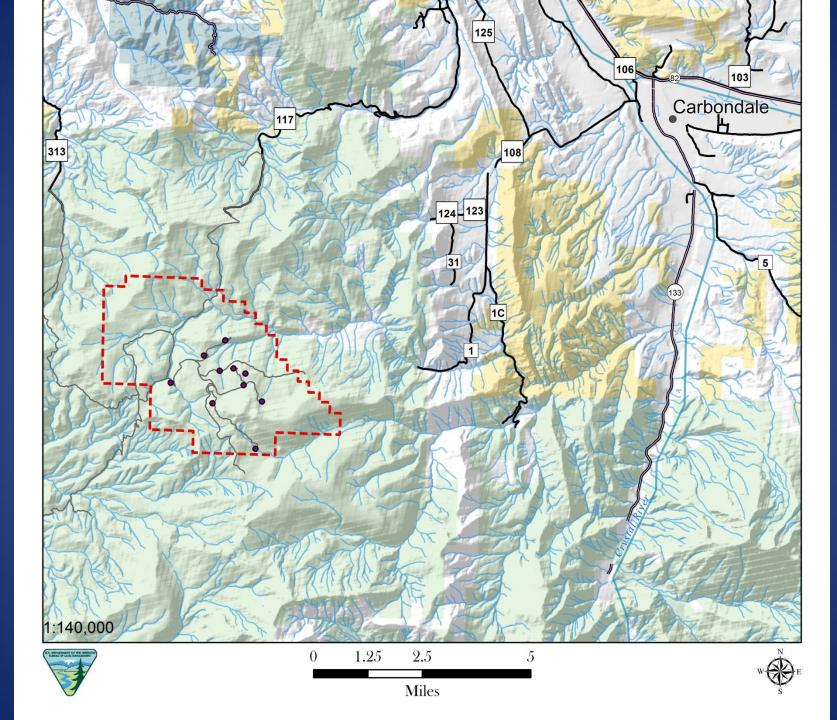
 Forest Service concurred with offering the lands for lease

Interest in the area for many decades



Historic Wells in Thompson Divide COGCC Oil and Gas Well Locations Bureau of Land Management Private State Lands US Forest Service Thompson Divide Area Carbondale County Boundaries CRVFO Boundary - BI M Route - County Route - Forest Service Route

- First well in Thompson
 Divide 1947
- 34 wells have been drilled since 1947
- 31 found gas, 16 produced gas
- Only 1 currently producing

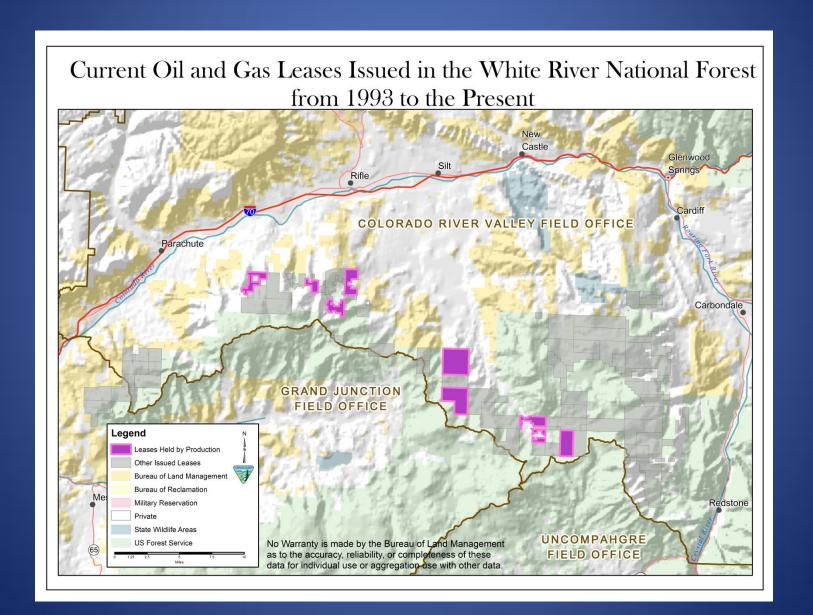


How will BLM incorporate the new Forest Service EIS decisions?

 BLM EIS will use as much of the Forest Service analysis as possible

BLM could include an alternative for the 65
 current leases that mirrors the Forest Service
 decision for future leases

Are any of the 65 leases producing?



Scoping period

- Ran from April 2 publication of NOI to May 16
- Public meetings:

| <u>location</u> | <u>date</u> | approximate # signed in | |
|-----------------|-------------|-------------------------|--|
| Glenwood | | | |
| Springs | 4/15/2014 | 151 | |
| | | | |
| Carbondale | 4/16/2014 | 282 | |
| Aspen | 4/17/2014 | 95 | |
| Debeque | 5/1/2014 | 240 | |
| | | 768 | |

Comments:

- Approximately 200+ hand-written comment forms or letters
- Approximately 45+ typed hard copy letters or forms
- Approximately 32,700+ form emails
- Approximately 170+ unique emails
- Approximately 550 minutes of transcribed (to MS Word and .txt files) verbal comments and questions/answers from scoping meetings

Cooperating Agencies

- Building a preliminary list of invitees based on known issues and those heard in scoping
- Preliminarily to include:
 - County governments: e.g. Garfield, Mesa, Rio Blanco, Pitkin
 - Municipalities: e.g. DeBeque, Glenwood Springs, Meeker, New Castle, Parachute, Rangely, Silt, Carbondale, Collbran, Grand Junction
 - State agencies: e.g. DNR, CPW
 - Federal agencies: e.g. EPA, FWS, USFS (WRNF)
 - Tribes: e.g. Ute Indian Tribe, Southern Ute Indian Tribe, Northern Ute Indian Tribe
- Intend to invite agencies in the next few weeks, will sing MOUs with all. Intend to specify specific expertise sought or area of jurisdiction.

Draft Schedule and Next Steps

| Milestone Tasks for EIS | Completion Dates |
|---|------------------|
| Secure Contractor | July-14 |
| PHASE 1 PROJECT PLANNING, SCOPING, AND ALTERNATIVES | |
| DEVELOPMENT | |
| - Scoping Report | October-14 |
| - Alternatives | November- |
| | 14 |
| | |
| PHASE 2 DRAFT EIS | |
| - Preliminary Draft EIS | April-15 |
| - Notice of Availability | July-15 |
| - Public Meetings | August-15 |
| | |
| PHASE 3 –FINAL EIS | |
| - Public Comment Report | October-15 |
| - Preliminary Final EIS | December- |
| | 15 |
| - Final EIS Public Availability Period | April-16 |
| | |
| PHASE 4: ROD | June-16 |

Requested RAC Involvement

- Priority issues RAC advises BLM to address in this EIS
- Key information RAC advises BLM to consider
- RAC-suggested alternative(s)
- Advice on any fatal flaws to BLM approach