

RE: Scoping Notice
Cave Gulch-Bullfrog-Waltman
Infill Natural Gas Project

Dear Reader:

The enclosed Scoping Notice, as required by the National Environmental Policy Act, initiates the analysis process for Bill Barrett Corporation, Chevron USA Inc., and Prima Energy proposed continued development in the Cave Gulch-Bullfrog-Waltman Fields. If you are interested in participating in the scoping process, we request you respond by supplying your written or e-mail comments or concerns about the proposed activity by June 7, 2004. Please submit your written comments to:

Joe Meyer, Project Manager
Bureau of Land Management
Casper Field Office
2987 Prospector Drive
Casper, Wyoming 82604
e-mail: casper_wymail@blm.gov

(Please refer to the Cave Gulch-Bullfrog-Waltman Infill Natural Gas Project in your response.)

Additionally, the Scoping Notice will be posted on the Bureau of Land Management, Casper Field Office's homepage at www.wy.blm.gov/cfo. Your response is important and will be considered in the environmental analysis process. If you do respond, we will keep you informed of decisions resulting from the analysis. Please note that public comments submitted for this scoping review, including names, e-mail addresses, and street addresses of the respondents, will be available for public review and disclosure at the above address during regular business hours (7:45 a.m. to 4:30 p.m.), Monday through Friday, except holidays. Individual respondents may request confidentiality. If you wish to withhold your name, e-mail address, or street address from public review or from disclosure under the Freedom of Information Act, you must state this plainly at the beginning of your written comment. Such requests will be honored to the extent allowed by law. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public inspection in their entirety.

If you have questions concerning this proposal or if you need additional information, please contact Joe Meyer at the above e-mail address, street address, or by phone at (307) 261-7641.

Sincerely,

Field Manager

Enclosure

**SCOPING STATEMENT
CAVE GULCH-BULLFROG-WALTMAN INFILL
NATURAL GAS DEVELOPMENT PROJECT
ENVIRONMENTAL ASSESSMENT**

Bill Barrett Corporation, Chevron USA Inc. and
Prima Energy Corporation

Bureau of Land Management
Casper Field Office

Description of Project

Bill Barrett Corporation, Chevron USA Inc., and Prima Energy, hereafter known collectively as the operators, propose continued development in the Cave Gulch-Bullfrog-Waltman Fields. The current programmatic NEPA analysis, the Cave Gulch-Bullfrog-Waltman Natural Gas Development Project (CGBWNGDP) EIS, completed in May 1997, analyzed impacts from 160 wells on 107 well pads, and activity to date has nearly reached these levels. Based on current data, the operators estimate that up to 149 additional wells would be required to fully develop all currently known oil and gas resources within the project area (Figure 1).

The operators propose to drill a maximum of 149 wells on 105 well pads over a ten year period. Of this total, 111 wells would be drilled to the relatively shallow Fort Union and Lance Formations (< 10,000'), with 38 wells proposed in the deeper horizons of the Cody and Mesa Verde Formations. The core area of the field in Sections 29, 30, 31 and 32 of T37N, R86W will see much of the drilling, with development at 20 and 10 acre densities in certain areas. Field wide, the operators estimate that 82 wells would be drilled at a 40 acre density, 26 wells would be drilled at a 20 acre density, and 41 wells would be drilled at a 10 acre density. The operators propose to utilize directional drilling techniques in conjunction with some of the 20 acre and all of the 10 acre density wells. The number of wells ultimately drilled at each density, locations of the proposed drill sites, and timing of drilling activities would be dictated by the continued success of development wells, the future success of wells drilled at increased depth and well densities, technological advances that allow for the efficient development of marginal resources, and future economic considerations.

The operators also foresee drilling wells in three sections south of the southern boundary of the analysis area originally considered in the 1997 CGBWNGDP EIS document. Some of the wells tabulated above are proposed for Sections 34, 35 and 36 in T36N, R87W. As a consequence, the analysis area would be increased by approximately 1,920 acres from the 25,093 acres originally analyzed in the CGBWNGDP EIS to 27,013 acres currently proposed for additional infill development (see Figure 1).

Drilling, completion, and production methods will be similar to those utilized to date and previously analyzed in the 1997 CGBWNGDP EIS.

It is likely that two additional produced water injection wells, to be proposed at as yet undetermined locations, will be needed. Existing compression facilities are considered adequate to handle the additional volumes of gas and no new compression is being proposed. The existing gathering

system will also be utilized by the new wells with incremental expansion of said gathering system to the new well sites, typically using a utility (pipeline) corridor that is common with and parallel to the access road.

The proposed development would be initiated upon approval and drilling will probably occur over a 10-year period. The operators project that up to four drilling rigs may be active at any one time in the area and that most of the drilling would occur within 5 years of initial project approval.

National Environmental Policy Act

On reviewing the current proposal received from the Operators, the CFO/BLM has determined that an Environmental Assessment (EA) will be initiated to determine if an environmental impact statement (EIS) is required. If the impacts of the proposed action analyzed in the EA are determined to be “not significant”, then and EIS will not be required, and the BLM Field Manager may sign a Decision Record(DR) with a “Finding of No Significant Impact”(FONSI), which would allow the infill drilling program to proceed as described in the EA. If the impacts of the proposed action analyzed in the EA are determined to be significant, the preparation of an EIS will be required.

One element of the *National Environmental Policy Act* (NEPA) process is scoping. Scoping activities are initiated early in the process:

- x to identify reasonable development alternatives to be considered in the environmental document;
- x to identify environmental/socioeconomic issues of concern related to the proposed project; and
- x to determine the depth of analysis for issues addressed in the environmental document.

This scoping statement has been prepared to enable government agencies, the general public, and other interested parties to participate in and contribute to the analysis process. Public input is important in establishing the scope of analysis for any NEPA document, and the BLM encourages public participation.

Identified Resource Management Issues, Concerns, and Opportunities

The major issues related to the Cave Gulch-Bullfrog-Waltman Infill Natural Gas Development Project identified to date include the potential differences in impacts to resources previously analyzed.

Interim Drilling Activities

While the Cave Gulch-Bullfrog-Waltman Infill Natural Gas Development Project EA is being prepared, the BLM may allow development to continue on a case-by-case basis under the drilling program as approved in the August 1997 Record of Decision for the Cave Gulch-Bullfrog-Waltman Natural Gas Development Project Environmental Impact Statement.

Interdisciplinary Team

Based on the current understanding of issues, concerns, and opportunities and established objectives from the previous analysis, an interdisciplinary team (IDT) made up of the following specialists and skills have been identified:

- x Air Quality Specialist;
- x Archaeologist;
- x Environmental Protection Specialist (surface protection);
- x Geologist;
- x Hydrologist;
- x Interdisciplinary Team Leader;
- x Petroleum Engineer;
- x Public Affairs Specialist;
- x Range Management Specialist;
- x Realty Specialist;
- x Recreation Planner;
- x Soil Scientist; and
- x Wildlife Biologist.

Timing Needs and Requirements

Public input is important in establishing the level and scope of the analysis. The public is encouraged to participate throughout the environmental analysis process to help in identifying the level of analysis needed, alternatives to the proposed action, other issues or concerns that should be analyzed, mitigative opportunities, and any other comments or ideas to help ensure the completeness of the analysis process.

Your comments are due by June 7, 2004. Please submit your comments to:

Address: Joe Meyer, Project Manager
Bureau of Land Management
Casper Field Office
2987 Prospector Drive
Casper, WY 82604

Email: casper_wymail@blm.gov

(Please refer to the Cave Gulch-Bullfrog-Waltman Infill Natural Gas Project in your response.)

PUBLIC PARTICIPATION

Attached to this scoping notice is a list of agencies, companies, individuals and organizations who will receive a copy of this scoping statement. In addition, a notice will be distributed to local media and posted on the BLM web page at: www.wy.blm.gov/cfo.

Agencies, companies, individuals and organizations receiving this notice:

Bill Barrett Corporation	Chevron USA Incorporated
Chevron USA Production	Yates Petroleum Corporation
Yates Drilling Company	ABO Petroleum Corporation
MYCO Industries Incorporated	Cabot Oil & Gas Corporation
Marathon Oil Company	Texaco Exploration and Production
Incorporated Los Chicos	Tom Brown Incorporated
Sacramento Partners LP	Marico Exploration Incorporated
John A. Yates	Trust Q
Lillie M. Yates	Marathon Oil Company
Sharbro Oil LTD Company	Prima Oil & Gas Company
John P. Lockridge	Nancy L. Kittinger
Bruce E. Kittinger	Mary Laura Lockridge
Liberty Petroleum Corporation	NPC Incorporated
Hanson & Strahn Incorporated	Lindenmuth & Associates
Pioneer Natural Resources USA Inc.	INTOIL Incorporated
Keith L. Mohl	Bill Womacks
W. A. Moncrief	KENTTA Corporation
Vernon R. Drwenski	Lee Wiley Moncrief 1988 TRST
C. B. Moncrief	RWM 1988 Trust
Monty Brennan Moncrief Trust	TO Moncrief Trust
Richard Jason Moncrief Trust	Mindyanne E Moncrief Trust
W A Moncrief	City of Casper
U.S. Environmental Protection Agency	Murie Audubon Society
Natrona County Commissioners	Natrona County Conservation District
Sierra Club	The Nature Conservancy
U.S. Representative Barbara Cubin	U.S. Senator Craig Thomas
U.S. Senator Mike Enzi	U.S. Fish & Wildlife Service
Wyoming Nature Conservancy	Wyoming Outdoor Council
Land Quality Advisory Board	Natrona County Weed Control District
Wyoming Department of Agriculture	Wyoming Game & Fish Department
Wyoming Geological Survey	Wyoming Office of Federal Land Policy
Wyoming Office of State Lands and Investments	Wyoming Oil & Gas Conservation Comm.
Wyoming State Engineer's Office	Wyoming State Historic Preservation Office
Wyoming State Planning Office	Wyoming Wildlife Federation
Petroleum Association of Wyoming	Brad and Donna Carlson
Flying A Ranch	Norman Preator
Deer Creek Ranch Inc.	Murphy Ranch Company
Colorado Interstate Gas Company	Encana Pipelines (USA), Inc.
Express Pipeline Partnership	Frontier Pipeline, Inc.

Kinder Morgan, Inc.
Rocky Mountain Pipeline Systems, LLC
Crow Tribe
Northern Arapaho Tribe
Oglala Lakota

Platte Pipeline Company
Cheyenne / Arapahoe Tribes of Oklahoma
Eastern Shoshone Tribe
Northern Cheyenne Tribe

Figure 1. Project Area Location Map.

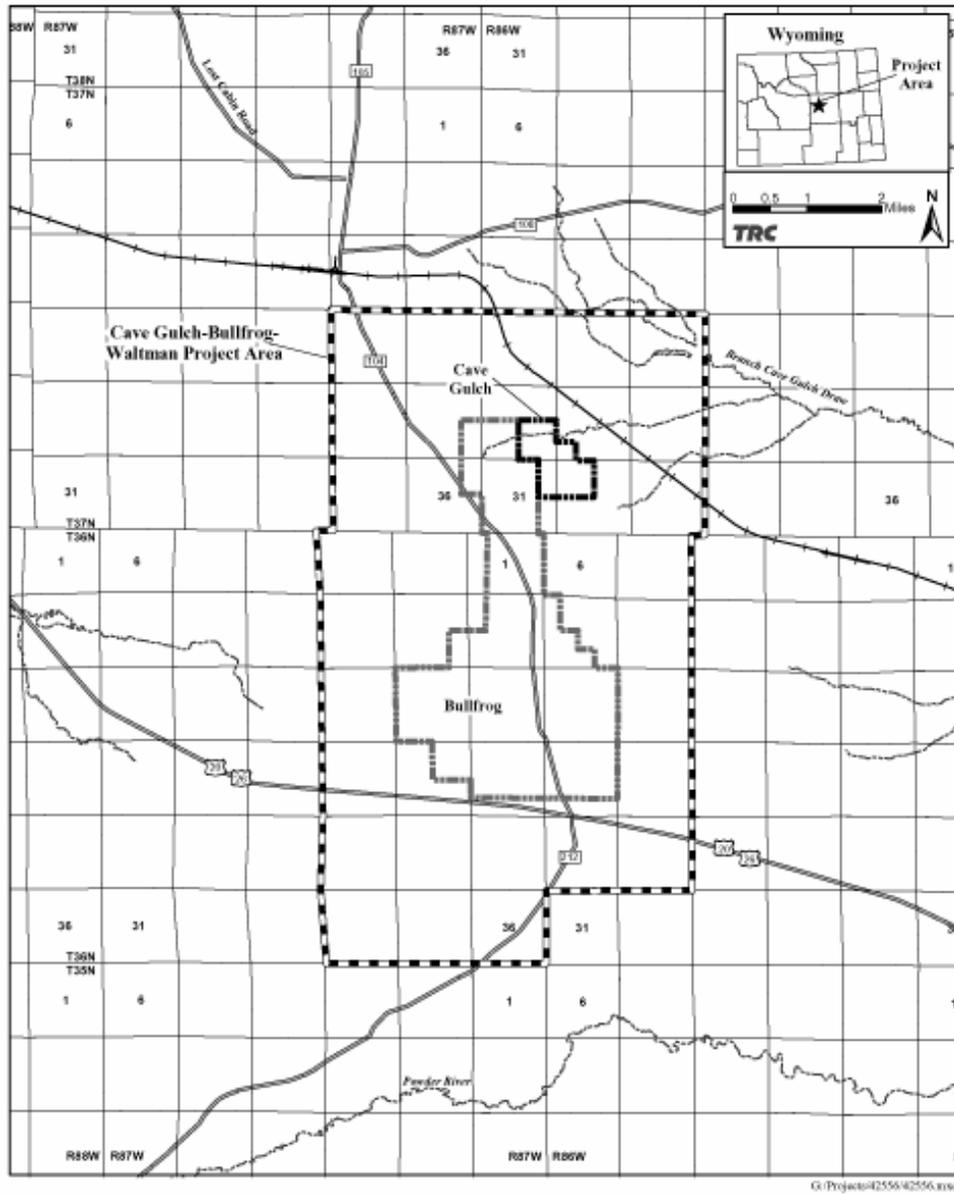


Figure 1. Location of the Cave Gulch-Bullfrog-Waltman Project Area.