



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Wyoming State Office

P.O. Box 1828

Cheyenne, Wyoming 82003-1828

In Reply Refer To:

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DEC 14 2007

Dear Reader:

This Revised Draft Supplemental Environmental Impact Statement (SEIS) for the proposed long-term development of the natural gas resource in the Pinedale Anticline Project Area (PAPA) is submitted for your review and comment. This Revised Draft SEIS has been prepared to analyze the potential impacts from year-round development (construction, drilling, completion, and production) proposed by Ultra Resources, Inc., Shell Exploration & Production Company, Questar Market Resources including Wexpro Company, BP America Production Company, Stone Energy Corporation, Newfield Exploration Company, Yates Petroleum Corporation, and Anschutz Pinedale Corporation, collectively referred to as the Proponents. The PAPA is located entirely within Sublette County, Wyoming.

The Bureau of Land Management (BLM) accepted comments on the Draft SEIS beginning in December 2006. Based upon the comments received, the BLM determined it was necessary to analyze two additional Alternatives, which are included in this Revised Draft SEIS. The Revised Draft SEIS is available for review at the BLM offices listed below. All of these documents may be viewed or downloaded from the BLM website at <http://www.blm.gov/wy/st/en/info/NEPA/pfodocs/anticline/seis.html>.

Bureau of Land Management
Wyoming State Office
5353 Yellowstone Road
Cheyenne, Wyoming 82009

Bureau of Land Management
Pinedale Field Office
1625 West Pine Street
Pinedale, Wyoming 82941

Public scoping was conducted in 2005 and 2006 after the Proponents requested exception from BLM's seasonal restrictions (Condition of Approval or lease stipulation) for year-round development within certain areas of the PAPA that coincide with big game (mule deer and pronghorn) crucial winter habitats and greater sage-grouse seasonal habitats. The PAPA includes 198,037 acres, of which 158,415 acres (80 percent) is Federal surface ownership, 9,800 acres (5 percent) is State surface ownership and 29,822 acres (15 percent) is private surface ownership. As of November 2006, there were 642 producing natural gas wells in the PAPA with associated infrastructure. Wellfield development (drilling, completion, production and construction of well pads, roads, pipelines, and ancillary facilities) in the PAPA was approved in the 2000 Record of Decision for the *Pinedale Anticline Oil and Gas Exploration and Development Project*.

Five Alternatives are analyzed in this Revised Draft SEIS. Under the No Action Alternative (Alternative A), the Proponents' proposal for year-round development (Alternative B) would be denied. Alternative A does not provide for full resource recovery.

The Proposed Action Alternative (Alternative B) includes year-round development of up to 4,399 additional wells and up to 12,885 acres of new disturbance, including well pads, roads, pipelines, and other ancillary facilities in the PAPA. Under Alternative B, year-round development would mostly occur in three Consolidated Development Areas within the Alternative B Core Area. The Proponents would install a liquids gathering system in the central and southern portions of the PAPA, complementing the existing liquids gathering system in the northern portion of the PAPA. Tier 2 equivalent emission controls would be installed on drilling rig engines in 29 out of 48 drilling rigs at peak drilling in 2009. The Proponents have offered 3:1 off-site mitigation for wildlife, if necessary.

Alternative C is similar to Alternative B in that it includes the same project components including up to 4,399 additional wells on up to 12,885 acres of surface disturbance. However, it is different from Alternative B, spatially. That is, rather than only specifying certain areas where year-round development could occur, Alternative C specifies areas where year-round development would not occur. It includes a core area (Alternative C Core Area) that is smaller than the Alternative B Core Area and is made up of five development areas (DAs). Year-round development would be allowed within four of the five DAs (1 through 4). The overall objective of Alternative C is to control spatial disturbance over time, maximizing development in some areas while minimizing development in other areas, especially in portions of big game crucial winter ranges. Alternative C includes additional air mitigation to further reduce impacts to nearby sensitive areas.

Alternative D, the BLM Preferred Alternative, is the result of comments received on the Draft SEIS. Alternative D is similar to Alternatives B and C in that it includes the same project components including up to 4,399 additional wells on up to 12,885 acres of disturbance. Unique features of this Alternative are an expanded core area (Alternative D Core Area) made up of five DAs, and a Potential Development Area (PDA) that surrounds the majority of the Alternative D Core Area. Similar to Alternative C, this Alternative presents a spatially phased development approach, while adding additional Proponent-offered measures, including Federal suspended and term no surface occupancy (NSO) leases (where no additional development would occur for at least the first 5 years) in the flanks, outside of the Alternative D Core Area and PDA. Alternative D includes additional air mitigation to further reduce impacts to nearby sensitive areas. An Adaptive Management approach and a Proponent-offered compensatory mitigation fund are elements of Alternative D.

Alternative E, also the result of public comment on the Draft SEIS, analyzes the development of the Pinedale Anticline natural gas resource without considering year-round development with exception to seasonal restrictions. This Alternative, if selected, would reflect a development approach similar to that considered in the PAPA Record of Decision (ROD), while allowing for full recovery of the natural gas resource. Under this Alternative, a core area (the Alternative E Core Area) is defined, which is the same as the Alternative D Core Area. A Buffer Area, which is the same as the Alternative D PDA, has also been defined. This Alternative sets limits on the number of active well pads and acres of surface disturbance within the Alternative E Core Area, the Buffer Area, and the flanks.

Additional information based on public comments received on this Revised Draft SEIS and BLM internal review may result in the selection of an Alternative or combination of Alternatives to provide the best operational requirements, impact mitigation, and management practices to reduce environmental harm.

If you wish to submit comments on this Revised Draft SEIS, BLM requests that comments be specific. Comments are more helpful if they include suggested changes, sources, or methodologies. Comments that contain only opinions or preferences will not receive a response from the BLM; however, they will be considered and included as part of the BLM decision-making process.

The BLM can best use your comments if they are submitted within 45 days after the Environmental Protection Agency (EPA) publishes its Notice of Availability in the Federal Register. Please submit written comments to:

Caleb Hiner, Project Lead
Bureau of Land Management
Pinedale Field Office
1625 West Pine Street
P.O. Box 768
Pinedale, Wyoming, 82941

You may also submit comments electronically to the following address: WYMail_PAPA_YRA@blm.gov. Please include "Pinedale Anticline SEIS" in the subject line.

Following the publication of the EPA's Federal Register notice, the BLM will host a public meeting to receive comments on this Revised Draft SEIS. This meeting will be announced at least 14 calendar days in advance through public notices, media news releases, and mailings.

This Revised Draft SEIS was prepared pursuant to the National Environmental Policy Act and other regulations and statutes to address the environmental and socioeconomic impacts which could result from implementation of any of the Alternatives. This Revised Draft SEIS is not a decision document. Its purpose is to inform the public and interested agencies of impacts associated with implementing the Proponents' long-term development proposal, to evaluate Alternatives to the proposal, and to solicit comments. This Revised Draft SEIS conforms to the current Pinedale Resource Management Plan as well as to the Pinedale Draft Resource Management Plan revision that is currently under revision.

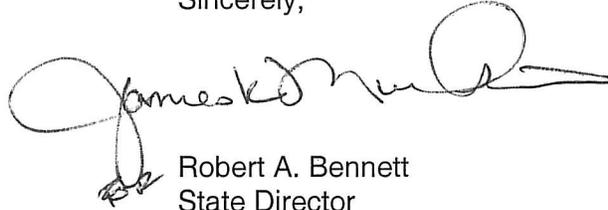
Freedom of Information Act Considerations: Before including your address, phone number, e-mail address, or other personal identifying information in your comment, be advised that your entire comment, including your personal identifying information, may be made publicly available at any time. While you can ask us in your comment to withhold from public review your personal identifying information, we cannot guarantee that we will be able to do so. Public comments submitted for this Revised Draft SEIS, including the names and street addresses of respondents, will be made available for review after the comment period closes. Comments may be examined at the Pinedale Field Office during regular business hours (8:00 a.m. to 4:30 p.m.), Monday through Friday, except holidays. Public comments on both the Draft SEIS and this Revised Draft SEIS will be published as part of the Final SEIS. Individual respondents may request confidentiality. If you wish to withhold your address from public review or from disclosure under the Freedom of Information Act, you must state this prominently at the beginning of your written comment. Such request will be honored to the extent allowed by law.

All submissions from organizations, businesses, or individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public inspection in their entirety.

This Revised Draft SEIS has been sent to affected Federal, State, and local government agencies, and to individuals who commented during scoping.

If you have questions or need additional information, please contact Caleb Hiner, Project Lead, at the Pinedale Field Office, address shown above, or by telephone (307) 367-5352.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Bennett". The signature is fluid and cursive, with a large initial "R" and "B".

Robert A. Bennett
State Director