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Mr. Caleb Hiner  
PAPA RDSEIS Project Manager  
Bureau of Land Management Pinedale Field Office  
1625 West Pine St.  
P.O. Box 768  
Pinedale, WY 82941

Re: Comments to Revised Draft Supplemental Environmental Impact Statement for the Pinedale Anticline Oil and Gas Exploration and Development Project

Via E-Mail

Dear Mr. Hiner:

With this letter, American Petroleum Institute (API) provides its comments to the Revised Draft Supplemental Environmental Impact Statement for the Pinedale Anticline Oil and Gas Exploration and Development Project (RDSEIS). API represents nearly 400 companies involved in all aspects of the oil and natural gas industry.

Our comments may be summarized as follows: Project Alternative D should be approved and adopted with specific provision for year round access to designated areas for natural gas development drilling and production operations as urged by the project proponents Shell, Questar and Ultra. Alternative D will assure that a natural gas resource of nationally strategic significance can be developed for the benefit of American consumers, homes and businesses, while allowing environmentally sound management of project activities for the benefit of wildlife, air quality and ecosystem health on these multiple use public lands.

Access to abundant natural gas resources that are found under non-park, non-wilderness multiple use public lands in the Mountain West remains a critical component of a balanced energy policy capable of meeting the needs of Americans. Areas like the Pinedale Anticline are areas where resources may be found of sufficient scale to respond to a growing economy's demand for energy.

Natural gas is the "cleanest" of the fossil fuels, and an indispensable bridge to the future many Americans seek of where energy is abundant and affordable, and provided by a mix of traditional, renewable and unconventional sources. Natural gas is now and will remain an important energy source and feedstock for manufacturing and agriculture; industries that currently comprise approximately one-quarter of the nation's total energy use. We have recently seen a number of adverse effects to our nation's economy from an increase in natural gas prices. High natural gas prices have increased operating costs and impacted employment in the chemical industry, which relies heavily on natural gas as a raw material for

its products. In a similar manner, rising natural gas costs have contributed to the highest fertilizer prices on record in the agricultural industry.

Current estimates indicate that if allowed under the proponents' alternative, the Pinedale Anticline could yield as much as 21 trillion cubic feet of natural gas. This is an amount of natural gas sufficient to heat 10 million homes for 30 years, or to cover the electric power needs of the entire nation for a three year period. In this context, the natural gas that is found in the Pinedale Anticline is a resource of national importance.

Alternative D combines innovative approaches in project development with forward-thinking mitigation measures designed to allow a project of this scale to proceed in an environmentally responsible manner. Project plans include concentrated development involving concurrent site construction, drilling, completion and production operations, directional drilling from multi-well pads, sophisticated liquids gathering systems and computer assisted operations that will reduce vehicular traffic in the operating areas. Environmental measures include emissions reductions in NOx to 2005 levels within 1 year and an additional 80 percent reduction within 42 months, a matrix approach to wildlife monitoring and mitigation developed in concert with the Wyoming Department of Game and Fish, and an expected \$36 million mitigation and monitoring fund. The application of directional drilling from pads and the liquids gathering systems clearly constitute avoidance, minimization and mitigation of development impacts because they greatly reduce habitat fragmentation and human disturbance. In fact, recent studies on mule deer and sage grouse suggest that the LGS may be one of the largest benefits to the wildlife.

The benefits to wildlife and air quality which accrue from the mitigation measures offered by the proponents are contingent upon year-round access and cannot be achieved with partial access. Exceptions from seasonal stipulations for all species must be granted and as such, the proponents have developed their monitoring and mitigation based on that premise. The Wildlife Matrix agreed upon between the Proponents and the WGFD will track and *"proactively react to emerging impact changes early enough to assure both effective mitigation responses and a fluid pace of development over the life of the project"* (RDSEIS p. 10-5) and applies to current sensitive raptor and mammal species and sensitive sagebrush associated bird species, as well as game species. To accomplish this, the Proponents offer to provide through the mitigation and monitoring fund *"assurance that financial support is available for mitigation and monitoring for the life of the project"*. (4/5/07 comment letter, Appendix D, p. 2). The Proponents' air quality mitigation commitments require long-term rig contracts that cannot be executed with uncertainty of anything less than the proposed year-round access in the defined activity areas. The year-round access requested by the project proponents is the key to the capability to manage the operational and environmental attributes of this major project for the benefit of both the development of the resource and the protection of the surrounding environment.

The innovative and costly on-site mitigation components of the Proposed Action and as described in Alternative D—such as the Liquids Gathering System (LGS), directional drilling, Wildlife Matrix, mitigation and monitoring fund, etc.—should be more clearly addressed in Chapter 2 of the body of the RDSEIS even though they are contained in the document's Appendices. Many other major on-site mitigation measures such as interim and real-time reclamation, leaving lateral and linear migration corridors available, Bald Eagle and Raptor Best Management Practices (accurately described), computer-

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assisted operations, etc. presented in Appendices should be more clearly presented to highlight the key elements of the Proponents’ proposal for purposes of impact analysis and for the benefit of the reader.

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We specifically oppose adoption of Alternative C that would require that in addition to an 80% drill rig engine NOx emissions reduction, the proponents would use “any and all available means” to ensure that visibility impacts will not exceed 1.0 deciview on any day (See Chapter 4, p. 4-82). Similar language has been included in Chapter 4, p. 4-85: “Accordingly, the Operators, BLM, EPA and WDEQ-AQD would jointly agree to a mitigation plan that complies with the goal (0 days of visibility impairment over 1.0 dv at the Bridger Wilderness Area), using any and all practicable means with full consideration of all resources.” The approach described in Alternative C is not what was committed to by the Proponents with concurrence from the Wyoming Department of Environmental Quality (WDEQ-AQD). WDEQ-AQD has jurisdiction over air quality in the State of Wyoming and Proponents should not have to support WDEQ-AQD ceding that authority through a NEPA process to any other entity – BLM or EPA. In addition to the above-mentioned sentence, BLM has appointed EPA as one of the decision-makers throughout the air quality portion for Alternative D. Again, because WDEQ-AQD has jurisdiction, all such references should be deleted. In addition, language on p. 4-85 RDSEIS puts in question year-round access and therefore destroys the Proponents’ ability to make long-term commitments for emission reduction efforts. This language could result in the Proponents having to reduce activity levels or take other drastic measures if there are no technologically and economically feasible or other reasonable means to further reduce drill rig engine emissions, despite the very significant investment in drill rig emissions reduction equipment and methods to achieve the 80% drill rig engine NOx reduction level.

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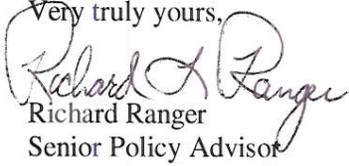
Year-round access will allow for long-term planning for both the operators and for local governments which will create long-term economic benefits for the state. The BLM, Wyoming Game and Fish and other Cooperating Agencies have been instrumental in a collaborative process which has involved proactive business leadership, state agency input, and spirited community debate. Year round operations will yield a sound development plan which will benefit Wyoming and Sublette County by modulating the swings in employment and contract and commercial activity that provide undue stress to the economies of this lightly populated region. Of utmost importance to Wyoming’s private sector economy is the distinction between short-term and long- term impacts. API believes that fifty years from today, when much of the area’s natural gas development will have diminished, policy leaders and citizens will realize that long-term interests—wildlife, clean air, habitat, etc.—were protected because natural gas development occurred with minimal imprints on the landscape. It is important for BLM to assure that its decisions on the project capture the intent of the proposal they all have worked so long and hard to develop.

Proponents have offered a well-thought out and balanced long-term plan that will benefit a majority of the environment, wildlife species, communities and business that rely on the Pinedale Anticline. The economic interests of the proponents in a project alternative that fosters more efficient development of the important natural gas resource should be obvious. Nevertheless, their substantial voluntary mitigation commitments show that they have presented a plan for natural gas development that addresses regional environmental and socioeconomic concerns. Oil and gas activity throughout the year does not mean that the Pinedale Anticline will become an industrialized area. Rather, year-round access allows for development of the natural gas resource in an efficient manner so that operators can begin to remove

equipment from the field sooner than current operations allow and reduce the timeframe in which the Pinedale Anticline is subjected to heavy equipment and construction activity.

In conclusion, we support the approval and adoption of Alternative D as the best option to safely and effectively develop natural gas resources of national significance. The RDSEIS comprehensively identifies potential environmental and social impacts. The Proposed Action will optimize recovery of this resource through advanced technology and year-round operations. It will also ensure reduced air emissions, support ongoing wildlife research, and invest in innovative approaches to help sustain the environmental values of these multiple use public lands. Thank you for considering these comments.

Very truly yours,

  
Richard Ranger  
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