

SCOPING NOTICE

LABARGE PLATFORM EXPLORATION AND DEVELOPMENT PROJECT ENVIRONMENTAL IMPACT STATEMENT

Bureau of Land Management Pinedale Field Office

EOG Resources, Inc. (EOG) has notified the Bureau of Land Management (BLM) Pinedale Field Office that they propose to conduct infill drilling and exploration to develop the hydrocarbon resources from oil and gas leases within the La Barge Platform Exploration and Development Project Area (La Barge Platform Project Area) in northern Lincoln County and southern Sublette County, Wyoming (see attached map). EOG's intent is to explore and develop potentially productive subsurface formations underlying oil and gas leases owned by EOG within the La Barge Platform Project Area. EOG proposes to conduct these activities with year-round drilling and completions. While it is anticipated that some impacts from winter drilling may occur, it may also provide opportunities to reduce surface disturbance, air emissions, traffic, and shorten the time of these effects. As of May 2009, the LaBarge Platform Project Area contained an estimated 2,940 already approved and drilled wells, including approximately 678 wells owned and operated by EOG.

The BLM has determined that permitting this proposed project constitutes a federal action that may affect the quality of the human environment. Pursuant to the National Environmental Policy Act (NEPA) and the Council on Environmental Quality Regulations on implementing NEPA, the BLM will prepare an Environmental Impact Statement (EIS) that will describe and evaluate the potential impacts of the proposed action and alternatives. The purpose of the EIS will be to provide the public and decision-makers with sufficient information to understand the direct and cumulative environmental consequences of the Proposed Action and alternatives, and to identify and develop appropriate mitigation measures to minimize environmental impacts.

This notice is to inform the public that the BLM will prepare an EIS which will include analyses of natural gas and oil development in the La Barge Platform Project Area. This Scoping Notice seeks public input on issues, alternatives, the proposed action, and other management aspects in the project area. Cooperating agencies include the State of Wyoming; Lincoln, Sublette, and Sweetwater counties; Lincoln, Sublette, and Sweetwater Conservation Districts; and the towns of Pinedale, Big Piney, Marbleton, and LaBarge.

DESCRIPTION OF THE PROPOSED ACTION

The project area consists of approximately 218,000 acres in an existing oil and gas producing area located in northern Lincoln County and southern Sublette County, Wyoming. The project wells and facilities would be constructed and operated on lands owned by the federal government, the State of Wyoming, and private owners. EOG's oil and gas leases were issued by the Bureau of Land Management (BLM), State of Wyoming, and private owners.

EOG proposes to drill, complete, produce, and eventually reclaim up to 604 new oil and gas wells on an estimated 454 well pads as infill, exploratory, or step-out wells to all productive formations. Target formations include, but are not limited to, the Almy, Transition zone, Mesaverde, Baxter, Frontier, and Dakota formations. The majority of wells would be in the Frontier formation. Well depths would range from approximately 1,000 to 10,000 feet.

Additional oil and gas wells proposed in this area include:

- ExxonMobil proposes 214 horizontally-drilled natural gas wells with a project life of 15 years.
- Chevron USA Inc. proposes 126 oil and natural gas wells.
- Wexpro/Questar companies propose 31 wells.
- Pinedale Investments Inc. proposes 13 wells.

Therefore, a minimum of 1,000 wells will be analyzed for this project area.

Although actual operations are subject to change as conditions warrant, EOG's plan of development is to drill wells at the rate of approximately 60 wells per year over 10 years. The total number of wells drilled and annual drilling rate would depend largely on factors outside of EOG's control such as production success, engineering technology, economic factors, and availability of commodity markets.

Because the proposed Baxter horizontal drilling program is considered to be exploratory, EOG's future plans in the La Barge Platform Project Area and the description of the proposed project are a conceptual representation. An estimated 96% of all new vertical wellbores would be located on new well pads; approximately 54% of all new horizontal or directional wells would be located on new well pads. The productive life of each successful well is estimated to be approximately 40 years.

EOG plans to utilize a combination of vertical, directional, and horizontal drilling techniques and utilize existing infrastructure to the extent feasible to minimize surface impacts over the life of this project. EOG would utilize existing well pads and co-locate new wells throughout the La Barge Platform Project to the greatest possible extent when drilling a horizontal or directional well. The possibilities for siting a new well include locating on:

- An existing well pad, co-located with a producing well;
- A new well pad where it will be shared by more than one new well;
- A new stand-alone well pad.

All operators will adhere to all lease conditions, in addition to all federal and state laws, regulations, and policies. Other aspects of the proposal, including environmental protection measures include the following:

- No new ancillary facilities are required.
- Most equipment at gas wells would be powered by natural gas and solar panels. Power lines would be needed to operate artificial lift equipment at new oil wells.
- Produced water from gas wells would be stored in a tank on the well pad and transported by truck to an approved disposal site. Vehicle traffic would be reduced by having large enough tanks to enable emptying a water storage tank approximately once every 3 to 6 months for long term well operations.
- Produced water and oil from the majority of oil wells would be transported by pipeline to existing central facilities and trucked from the central facility to an approved disposal. A limited number of individual oil wells may require on-site facilities, in which case the water would then be trucked to disposal from the site and the oil would be trucked to sales.

- A typical well pad in the project area would require surface disturbance of approximately 2 to 5 acres. Surface disturbance acreage would be also required for co-located wells on a pad and new road construction.
- All operators will comply with the Wyoming Department of Environmental Quality – Air Quality Division (WDEQ-AQD) Interim Policy on demonstration of compliance with WAQSR Chapter 6, Section 2(c)(ii) for sources in Sublette County (issued July 21, 2008), or rules in effect subsequent to the interim policy. New technologies may be implemented after their effectiveness is tested and determined. Necessary air permits to construct, test, and operate facilities will be obtained from the WDEQ-AQD.
- All internal combustion equipment will be kept in good working order. Best Available Control Technologies (BACT) will be implemented as required by WDEQ-AQD.
- All operators will conduct site-specific surveys or block surveys for cultural and paleontological resources, as applicable. All operators will take appropriate action to avoid or mitigate impacts to these resources, if they are identified, in compliance with all applicable rules and regulations.
- All operators will construct new roads and well sites to standards described in the BLM Gold Book (BLM and USFS, 2007) and in BLM Manual 9113 – Roads.
- All operators will consider installing surface pipelines where necessary to minimize erosion.
- All operators will implement BMPs and will consult with the BLM to determine procedures/construction techniques to minimize erosion and sedimentation.
- All operators will not construct using frozen or saturated soils or during periods when watershed damage is likely to occur.
- All operators will replace reserve pits with closed loop drilling systems for well locations where the water table or other topographic restrictions would interfere with a reserve pit. All operators will line all reserve pits and pad them as necessary to prevent tearing or puncturing of the liner and fluid migration to the subsurface.
- All operators will maintain a 500-foot offset to riparian areas and surface water, or will consult with the BLM to develop site-specific mitigation if no other practical option exists.
- All operators will avoid new construction within all floodplains. No permanent structures will be constructed within its boundary unless it can be demonstrated on a case-by-case basis that there is no physically practical alternative.
- All operators will construct impenetrable containment berms completely around production facilities designed to store fluids (i.e., production tanks, produced water tanks, methanol tanks).
- All operators will paint all new facilities a color that best allows the facility to blend with the background.
- All operators will perform final reclamation by recontouring and revegetating all disturbed areas, including access roads, to the original contour or a contour that blends with the surrounding topography.
- All operators will utilize fencing, as needed, to protect reclaimed areas until vegetation can be established.
- All operators will control weeds on disturbed areas within the exterior limits of the access roads, well pads, and pipeline routes in accordance with approval from the BLM.

- All operators will immediately repair or remedy any damage to the function of range improvements (e.g. fence damage, cattle guard cleaning, livestock loss) from operations.
- All operators will continue to conduct operations to retain access to cattle movement corridors (trails) so that livestock can be managed.
- All pads will be completely fenced and maintained until reclamation is successful.
- All operators will use remote telemetry to monitor wells throughout the field to reduce truck travel in order to minimize the impacts to wildlife.

Where power lines will be needed to operate artificial lift equipment at new oil wells, anti-perch devices will be installed on overhead power lines to reduce perches for predators, thereby minimizing predation of greater sage-grouse and other wildlife.

The complete proposal is on file with the BLM Pinedale Field Office and available for public review.

COMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA)

In compliance with NEPA, BLM will prepare the EIS to analyze the environmental impacts associated with the proponents' proposal described above. BLM has developed a Memorandum of Understanding with proponents to prepare the EIS using a third-party contractor.

One element of the NEPA process is "scoping." Scoping activities are initiated early in the process to:

- Identify reasonable alternatives to be evaluated in the environmental analysis;
- Identify issues of environmental concern related to the proposed project;
- Determine the depth of analysis for issues addressed in the EIS.

This Scoping Notice has been prepared to enable governmental 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.

LAND AND RESOURCE MANAGEMENT ISSUES AND CONCERNS

Land and resource management issues and concerns associated with the LaBarge Platform Exploration and Development EIS that would be considered include:

- Known and potential impacts to federally-listed threatened and endangered species;
- Known and potential impacts to BLM-sensitive plant and animal species;
- Known and potential impacts to greater sage-grouse, breeding, nesting, and wintering habitat;
- Known and potential impacts to mule deer crucial wintering habitat and other seasonal ranges;
- Known and potential impacts to pronghorn antelope herd crucial wintering habitat and migration routes;
- Known and potential impacts to range resources;
- Known and potential impacts on cultural resources (prehistoric and historic resources);
- Known and potential social and economic effects to the local communities;
- Known and potential transportation impacts;

- Known and potential impacts to surface and groundwater resources;
- Known and potential impacts to air quality and air quality related values;
- Known and potential impacts to visual resources;
- Revegetation and restoration of short-term disturbances and long-term stabilization, and control of noxious weeds;
- Conformance of the proposed action to BLM'S Resource Management Plan for the Pinedale Field Office.

PUBLIC PARTICIPATION

We invite you to review the proponents' proposal for year-round access and submit written comments. All issues raised in written comments submitted by mail or email will aid BLM in identifying alternatives and assuring all issues are analyzed in the SEIS. Your comments, questions or concerns are encouraged and welcomed. The purpose of the scoping process is to assist federal agencies in identifying issues and concerns with the proposed action (40 CFR 1501.7). Your input will help the agencies to identify reasonable alternatives and complete the analyses of those alternatives.

We ask that your comments be constructive, relate directly to this proposal and impending EIS, that you be as specific as possible, and that you cite any data or other information that you believe would assist BLM in developing the most realistic range of alternative actions and the best-informed environmental impact analysis.

The Pinedale BLM will be hosting open houses for the LaBarge Platform Exploration and Development EIS at the following locations in the region. The open houses will be held from 4:00 p.m. to 7:00 p.m. Questions and comments will be accepted at the open house.

- Kemmerer, Wyoming—August 24 at South Lincoln Training and Event Center, 215 Wyoming Highway 233.
- LaBarge, Wyoming—August 25 at LaBarge Town Hall, 228 S. LaBarge St.
- Big Piney/Marbleton—August 26 at Marbleton Town Hall, 10700 US Highway 189.
- Pinedale, Wyoming—August 27 at Pinedale BLM office, 1625 West Pine St.

To be fully considered, comments must be received in the Pinedale BLM office by September 16, 2009. Written comments must be provided by mail, email or may be delivered to the BLM Pinedale office at 1625 West Pine St., Pinedale, Wyoming. Faxes will be accepted at 307-367-5329. Please send your comments to:

LaBarge Platform Exploration and Development EIS
 Bureau of Land Management
 Pinedale Field Office
 P.O. Box 768
 Pinedale, WY 82941

Or by email:

LaBarge_Platform_WYMail@blm.gov

For more information, contact Lauren McKeever at (307) 367-5352 or at the above email address.

This notice has been sent to individuals, industries, organizations, media, and federal, state, and local government entities.