



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Rock Springs Field Office
280 Highway 191 North
Rock Springs, Wyoming 82901

SCOPING NOTICE PUMA PROSPECT EA AREA – SWEETWATER COUNTY

Davis Petroleum Corp.

1.0 INTRODUCTION

Davis Petroleum Corp (Davis) proposes to drill oil and gas wells in the Puma Prospect EA Area (PPEA) to develop gas reserves in the Upper Cretaceous age Frontier and Muddy Formations.

2.0 DESCRIPTION OF AREA

The PPEA includes 9,600 acres located within the Bureau of Land Management (BLM) Rock Springs Field Office in Sweetwater County, Wyoming. See Figure 1 for a map of the area. The project area is approximately 17 miles east of Mountain View, Wyoming. Access to the project area is by established graded roads. Table 1 summarizes the surface and mineral ownership by category. Table 2 locates the project by township, range, and section.

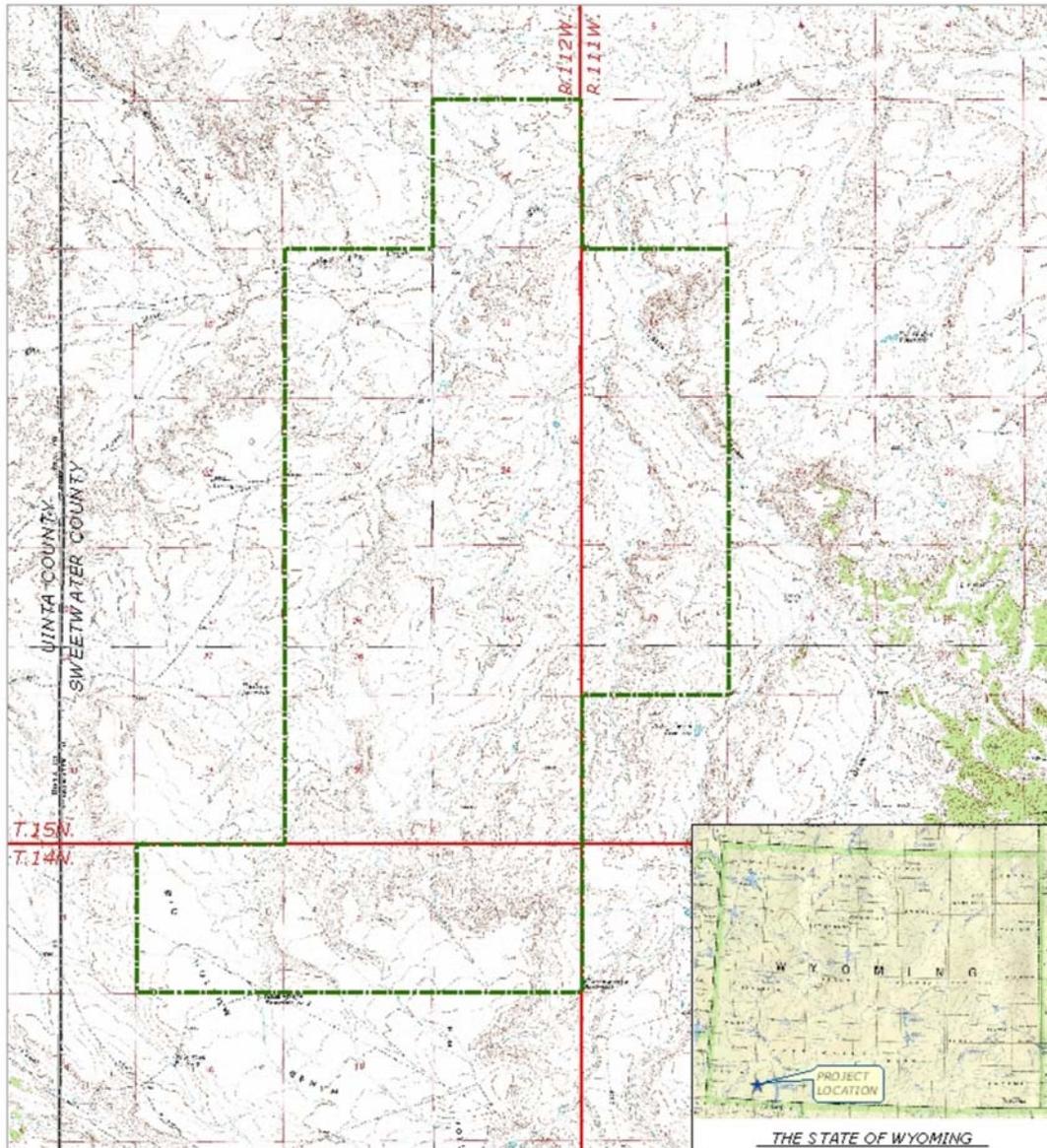
Table 1: Ownership

	Federal Acres	Private Acres	State Acres
Surface	9,440	160	0
Mineral	8,800	160	640

Table 2: Project Location in the Public Land Survey System

Township	Range	Section
15 North	112 West	12,13,14,23,24,25,26,35,36
15 North	111 West	18,19,30
14 North	112 West	1,2,3

Figure 1. Project Area



3.0 PROPOSED DRILLING

The Company proposes to drill 13 additional conventional wells in the PPEA over the next five years. The spacing will be 1 well per 160 acres.

3.1 TOTAL WELLS

Only conventional oil and gas wells are proposed (i.e., no coalbed natural gas wells are proposed). The Company proposes to drill 13 additional wells into the Frontier/Muddy Formations over the next five years. The actual number of wells drilled per year will depend on natural gas prices and on the success of the initial wells. The spacing will be 1 well per 160 acres.

3.2 DRILLING AND SURFACE DISTURBANCE

Two (2) gas wells are already producing from the Frontier/Muddy Formation in the PPEA. A buried 6-inch diameter steel pipeline has been laid to the west to transport the produced natural gas to a sales line. Said pipeline is 7.6 miles in length of which 2.12 miles are within the project area. The access roads constructed to serve the wells have been upgraded, culverts installed, and graveled. The existing main area access road traversed to the well site roads has been shaped and upgraded with numerous culverts installed and various portions graveled. The well sites have been reclaimed and reduced from drill site size to the smaller producing well site. The reclaimed areas have been reseeded with the recommended BLM seed mixture.

The 13 additional wells are expected to average 13,800 feet in depth. The average time from spud to completion is approximately 60 days, with drilling occurring for 30 to 45 days. Each well will have a drilling pad and associated road and pipeline right-of-way. If feasible and on a case-by-case basis, Davis may use a poly-pipe to transport water from a water well located in Sec. 20; T. 15 N., R. 111 W. to the drilling location. The total amount of water used from the water well will be approximately 3.4 acre-feet. Davis will also install a backflow preventer on the water well.

It is anticipated the short-term surface disturbance for these wells will average 9.8 acres. Thirteen wells averaging 9.8 acres per well would initially disturb 127 acres out of the 9600 acres in the PPEA or 1.33 percent of the area. The long-term surface disturbance (30 years) will be approximately 3.6 acres per well. Thirteen wells averaging 3.6 acres per well would be 46.8 acres, or less than 1 percent of the PPEA.

4.0 MANAGEMENT

The BLM encourages ongoing collaboration with resource management specialists to analyze actions on a case-by-case basis to identify mitigation needs to meet Resource Management Plan (RMP) objectives, provide for resource protection, and provide for logical development. Davis will use these strategies to accomplish the management objectives.

4.1 MANAGEMENT ACTIONS

Visual

Davis proposes to address visual resource objectives through such measures as using low-profile tanks, using natural topography to hide tank locations, painting tanks and facilities to blend with the surrounding landscape, and rapid interim reclamation as soon as drilling is completed.

Watershed

Davis proposes to address watershed objectives through typical soil, runoff, spill, and enhanced revegetation management practices as described in the WDEQ required Stormwater Pollution Prevention Plan. Soil effects will be mitigated by protection of stockpiled and replaced soils from erosion, and revegetation of replaced soils as rapidly as possible.

Cultural

Cultural resource surveys will be conducted as necessary for surface disturbing operations within the project area. Archaeological on ground surveys have been conducted and completed on many of the proposed well sites and access roads and the areas cleared. Copies of the reports have been provided to the BLM Rock Springs Field Office.

Wildlife

Davis proposes to address wildlife objectives through typical wildlife management practices. Traffic to the wells will be reduced where possible through use of remote telemetry well monitoring systems. Restrictions for protection of raptors, big game crucial winter range, and big game calving/fawning areas will apply. Table 3 lists the wildlife seasonal restrictions for all surface disturbing activities. Where practical, Davis will also implement innovative reclamation practices including reseeding to match pre-existing habitats as opposed to using one seed mixture for all disturbances.

Table 3: Wildlife Seasonal Restrictions in PPEA

Affected Areas	Restriction	Restricted Area
Big Game Crucial Winter Ranges	Nov. 15 - April 30	Antelope, elk, moose, and mule deer crucial winter ranges
Parturition Areas	May 1 - June 30	Designated parturition areas
Greater Sage-Grouse Leks	March 1 - May 15	Within one-quarter mile radius of lek
Sage-Grouse Nesting Areas	March 15 - July 15	Up to 2-mile radius of lek
Golden Eagle Nest	Feb. 1 - July 31	Within one-half mile radius
Swainson's Hawk Nest	Feb. 1 - July 31	Within one-half mile radius
Ferruginous Hawk Nest	Feb. 1 - July 31	Within one mile radius
Coopers Hawk Nest	Feb. 1 - July 31	Within one-half mile radius
Burrowing Owl Nest	April 10 – September 10	Within one-half mile radius
Merlin Nest	Feb. 1 - July 31	Within one-half mile radius
Other Raptors	Feb. 1 - July 31	Within one-half mile radius

5.0 PROJECT OPERATION

Improvements to the existing and construction of proposed new portions of access roads may involve intermittent stream crossings. Proposed crossings will be sited where the active channel is of minimal width bounded by low-angle slopes. Crossing structures, e.g., culverts or low-water crossings, will be sized to minimize restrictions to natural flow velocities, upstream sedimentation, and downstream scour. Dust generated by vehicle traffic on the access roads will be controlled by spraying the surface of the roads with water hauled by tank trucks.

Disturbance of highly erodible soils will be avoided where possible, and erosion control measures will be applied along the length of the access roads. Stormwater will be diverted from the well pad topsoil stockpiles using ditches, berms, water bars, or

sediment fences as needed to trap runoff and sediments on or near the location. These measures will prevent movement of disturbed and stockpiled soil into natural drainages to eliminate potential effects on the stream flow or sediment load to nearby surface water or other downstream drainages.

Intermittent and ephemeral surface water and shallow unconfined groundwater could be affected by leakage or spills of process fluids or lesser quality groundwater used for drilling, etc. Earth berms or equivalent structures will be constructed around all oil containing equipment to provide secondary containment, with additional containment to be constructed between the well and nearby surface water drainages as needed and described in the EPA required Spill Prevention Control and Countermeasure (SPCC) Plan. In addition, system piping will be monitored for potential leaks.

To prevent potential degradation of shallow groundwater or nearby surface water, all boreholes and wells will be properly cemented and abandoned in accordance with WOGCC and BLM rules and regulations. All produced fluids from the wells will be collected and held in onsite tankage. Produced fluids will be separated with water being trucked to commercial disposal. Condensate will be sold and transported by truck. Gas will be injected into the existing gas transportation pipeline. To the extent possible, gas gathering pipelines will be installed in or along the road rights-of-way. At this time, Davis does not anticipate the need for additional gas compression. The well(s) production operations will be monitored by telemetry thus reducing the amount of daily on-site and support visits.

Project operations will comply with Onshore Order No. 1 and specific conditions of approval for the approved well site Application for Permit to Drill (APD).

5.1 ECONOMIC IMPACT

The wells within the PPEA range in reserve estimates from 2,000 MMcf to 3,000 MMcf for a per-well average of 2,500 MMcf of natural gas. Drilling of these wells will be very sensitive to natural gas prices in Southwestern Wyoming.

Fifteen wells at two and one-half BCF per well, averaging \$5.00 per MCF, could yield \$23.4 million dollars to the United States of America, one-half of which is returned to the State of Wyoming. Wyoming would further benefit through severance and ad valorem taxes totaling 13% of gross sales or \$19.5 million dollars. Drilling rigs, rig and roustabout crews, and construction would all provide employment and sales taxes to the Sweetwater County economy.

6.0 PRELIMINARY RESOURCE MANAGEMENT ISSUES, CONCERNS, AND OPPORTUNITIES

The following issues and concerns have been identified by an interdisciplinary team of resource specialists. The issues identified below are not meant to be all-inclusive, but rather a starting point for public input.

- Potential increased traffic and associated impacts on existing county, state, and BLM roads.
- Potential socio-economic impacts to local communities.
- Potential impacts to surface and groundwater resources.
- Potential impacts from emissions resulting from additional drilling and production activities.
- Potential impacts related to reclamation of disturbed areas and control of invasive plants.
- Potential conflicts with livestock management operations in the project area.
- Potential impacts to cultural, historical, and paleontological resources within the project area.
- Potential impacts to wildlife habitats and populations within the project area, including big game and raptors.
- Potential impacts to threatened, endangered, or candidate plant and animal species, including potential Colorado River depletions and effects on downstream listed fish species.
- Potential cumulative effects of drilling and development activities when combined with other ongoing and proposed developments on lands adjacent to the Puma Project area.
- Potential conflicts between mineral development activities and recreational opportunities.

7.0 INTERDISCIPLINARY TEAM

Based upon current understanding of issues, concerns, and opportunities, an interdisciplinary team (IDT) made up of resource specialists within the BLM Rock Springs Field Office has been identified. The following disciplines are represented on the IDT.

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| • Interdisciplinary Team Leader | • Wildlife Biologist |
| • Air Quality Specialist | • Fisheries Biologist |
| • Rangeland Management Specialist | • Botanist |
| • Archeologist | • Wild Horse Specialist |
| • Geologist | • Socioeconomic Specialist |
| • Realty Specialist | • Public Affairs Specialist |
| • Outdoor Recreation Planner | • Natural Resources Specialist |
| • Hydrologist | • Planning and Environmental Coordinator |
| • Petroleum Engineer | • Writer/Editor |

8.0 PUBLIC INVOLVEMENT

8.1 PUBLIC INPUT

Public input is important in establishing the level and scope of the analysis necessary. The public is encouraged to participate throughout the environmental analysis process to help identify the level of analysis needed, alternatives to the proposed action, other issues or concerns that should be analyzed, mitigation opportunities, and any other comments or ideas to help ensure the completeness of the analysis process. It would best serve the needs of the BLM for a concentrated analysis if scoping comments are submitted by June 19, 2008, allowing a 30-day comment period.

Please submit your comments to:

Jeromy Caldwell, Natural Resource Specialist
 Bureau of Land Management
 Rock Springs Field Office
 280 Highway 191 North
 Rock Springs, Wyoming 82901
Or Email: rock_springs_wymail@blm.gov
 (Please add "Puma Project EA" in the Subject line)

8.2 INITIAL MAILING LIST

The initial mailing distribution for this Scoping Notice includes the following agencies, organizations, media, and leaseholders.

Local Government

City of Rock Springs
 Sweetwater County
 Sweetwater County Conservation
 District
 Sweetwater County Extension
 Sweetwater County Weed and Pest

University of Wyoming Renewable
 Resources
 Western Wyoming Community College
 Wyoming Association of Professional
 Archaeologists
 Wyoming Association of Professional
 Historians

Educational Institutions, Universities, and Museums

Library-University of Wyoming
 Sweetwater County Library
 University of Wyoming American
 Studies Program
 University of Wyoming Dept. of
 Anthropology
 University of Wyoming Natural
 Diversity Database

Environmental or Conservation Groups

American Lands Alliance
 Animal Protection Institute of America
 Biodiversity Conservation Alliance
 Center for Native Ecosystems
 Defenders of Wildlife
 Earthjustice Legal Defense Fund
 Environmental Defense Fund
 Land and Water Fund for the Rockies
 Mormon Trails Association

National Pony Express Association
(NPEA)

National Wildlife Federation

People for the USA

People for the West

People for Wyoming

Predator Project

Public Lands Foundation

Rocky Mountain Elk Foundation

Sierra Club

Southwest Wyoming Mule Deer
Foundation

The Alliance for Historic Wyoming

The Nature Conservancy

Theodore Roosevelt Conservation
Partnership

The Wilderness Society

Trout Unlimited

Western Watersheds Project,
Wyoming Office

Western Wyoming Mule Deer
Foundation

Wildlife Management Institute

Wyoming Advocates for Animals

Wyoming Conservation Voters

Wyoming Outdoor Council

Wyoming People for the USA

Wyoming Wilderness Association

Wyoming Wildlife Federation

Federal Agencies

Federal Aviation Administration

Federal Energy Regulatory
Commission

Office of Environmental Policy and
Compliance

U.S. Army Corps of Engineers

U.S. Department of Agriculture

U.S. Department of Energy

U.S. EPA, Region 8

USDA Natural Resources
Conservation Service

USDI Bureau of Reclamation

USDI Minerals Management Service

USDI National Park Service-Long
Distance Trail Office

USDI Office of Surface Mining
USDI Office of the Regional Solicitor

Federal Elected Officials

U.S. Representative Barbara Cubin

U.S. Senator Mike Enzi

U.S. Senator John Barrasso

Trade Groups

Independent Petroleum Association of
Mountain States

Southwest Wyoming Industrial
Association

Southwest Wyoming Mineral
Association

Petroleum Association of Wyoming

Public Lands Advocacy

Wyoming Business Alliance

Wyoming Mining Association

Media

Casper Star-Tribune

Rock Springs Daily Rocket-Miner

Green River Star

Other

Advisory Council on Historic
Preservation

National Trust for Historic Preservation

Natural Resources Defense Council

Western Governors' Association

Western Wyoming Resource
Conservation & Development

Wyoming Association of Municipalities

Public Land Users or User Groups

Oregon-California Trail Association

Rock Springs Grazing Association

Wyoming Farm Bureau Federation

Wyoming Public Lands Council

Wyoming Sportsman's Association

Wyoming State Grazing Board

Wyoming Stock Growers Association

Wyoming Wool Growers Association

State Agencies/Boards

Department of Agriculture

Department of Environmental Quality
Department of Game and Fish
Department of Revenue
Department of Transportation
Geological Survey
Oil and Gas Conservation Commission
Planning Office
State Engineer's Office
State Forestry Division
State Historic Preservation Office
State Lands and Investments
Wyoming Business Council
Wyoming Livestock Board
Wyoming Outfitters and Guides
Association
Wyoming State Library
Wyoming State Museum

State Elected Officials

Governor Dave Freudenthal
Representative Stan Blake
Representative Bernadine Craft
Representative Kathy Davison
Representative Allen Jaggi
Representative Marty Martin
Representative Bill Thompson
Senator Stan Cooper
Senator John Hastert
Senator Rae Lyn Job

Tribes

Eastern Shoshone Tribe
Northern Arapaho Tribe
Northern Ute Tribe
Shoshone-Bannock Tribe