



SPORTSMEN FOR
Responsible Energy Development



BOWHUNTERS
OF
WYOMING

July 15, 2010

Mr. Don Simpson, Wyoming State Director
Bureau of Land Management
5353 Yellowstone Road
P.O. Box 1828
Cheyenne, Wyoming 82003

Re: Master Leasing Plan Proposal for Greater Little Mountain Area in southwest Wyoming

Dear Mr. Simpson:

The Greater Little Mountain Coalition applauds the recent energy policy revisions pertaining to the Onshore Oil and Gas Leasing Reforms (Instruction Memorandum No. 2010-117). These reforms bring some much needed balance back to our oil and gas leasing and development programs. As these reforms are implemented within each state office, it is imperative to ensure that these concepts are put into action.

With this in mind, the Greater Little Mountain Coalition (referred to as Coalition) would like to be an active participant in developing ideas to aid in the implementation of these leasing reforms. We are particularly interested in the Master Leasing Plan (MLP) concept as it is a strong mechanism that incorporates the needed balance by identifying areas that would benefit from further evaluation, scientific analysis, and updated management actions. Our letter to you today offers a proposal for consideration of a pilot project using the MLP concept.

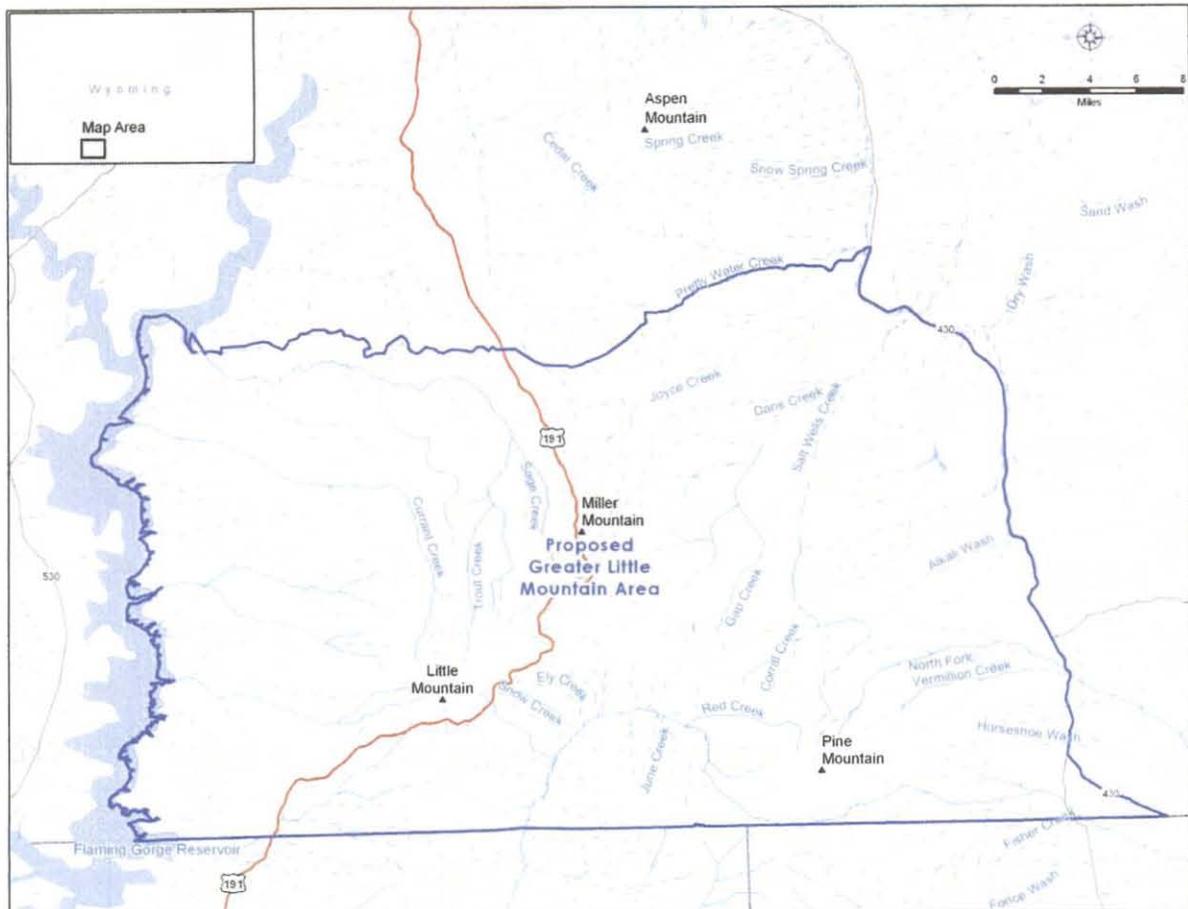
Our Coalition believes the Greater Little Mountain Area (GLMA) is a perfect place to showcase the MLP process. The GLMA is a unique landscape of BLM lands in southwest Wyoming that not only meets the criteria for an MLP, as described in the IM, it also has a number of other unique circumstances that make it a prime candidate for a MLP designation. This concept will serve as a proactive solution to create balanced multiple use management, reducing stakeholder conflict over time.

For the last three years, our Coalition of sportsmen groups, labor union members, local anglers and hunters, citizens and businesses have been working to advocate for responsible energy development in the GLMA. Additionally, the Governor of Wyoming, local, county and city government, industry and more traditional interests like livestock operators have all voiced a desire for a balanced multiple use solution in the GLMA. This combination of interests are coming together in a way which presents an opportunity for delineating areas where energy development is not appropriate, areas where specified stipulations dictate how development will occur, and areas that use responsible energy development practices.

It is clear that the existing Green River Resource Management Plan (GRRMP) for the Rock Springs BLM office is outdated, having been completed in 1997. However, the field office just received funding to revise the plan. A public notice is said to be released in November of 2010. If an MLP is initiated for the GLMA, it could be combined with the GRRMP revision rather than as an RMP amendment. Without comprehensive analysis that incorporates current resource science and management scenarios, along with a landscape scale look at this special area, we feel that the GLMA will be placed in jeopardy. It is our recommendation that the GLMA be considered for a Master Leasing Plan.

PURPOSE: The MLP concept represents a great opportunity to take a landscape scale approach to leasing and development of oil and gas resources in important natural resource areas prior to an area being leased. It is our belief that the GLMA in southwest Wyoming (Map A) meets the MLP criteria set forth by IM No. 2010-117 and would be a great place to showcase this concept.

The Coalition believes this mechanism could resolve or greatly reduce future public land management conflicts among the numerous stakeholders. A landscape scale review that accounts for cumulative impacts followed by a balanced multiple use strategy for the region will consider the multitude of energy activities that have the potential to impact this area. With natural gas drilling activities up by more than 900 rigs, compared to this time last year, it seems obvious that there is increased interest in developing natural gas. In addition, with increased interest in developing wind energy and other resources in the GLMA, a more proactive management scenario suggests that the MLP would be a prudent course of action. Increases in energy development in this area could potentially mimic the conflict among various stakeholders (i.e., ranchers, hunters, anglers, community, wildlife advocates, and businesses) within the Pinedale, Wyoming resource area, such as loss of wildlife habitat, loss of animal unit months (AUM) for ranchers, big game population declines, sage grouse impacts, and water and air quality concerns. By implementing a MLP in the GLMA prior to further development, stakeholders will have increased buy-in in the long-term management of the area, and hopefully avoid many of the conflicts we have seen in other areas of Wyoming.



Map A. Greater Little Mountain Area Boundary Map

CRITERIA: Below are the BLM’s four criteria for the preparation of a MLP and our supportive rationale for a MLP in the GLMA. In addition, the following information can aid the Wyoming BLM office in writing their Implementation Plan and timeline for accomplishing those tasks outlined in the IM and due August 16, 2010 to the Washington office.

Criteria 1: *A substantial portion of the area to be analyzed in the MLP is not currently leased.*

The GLMA includes lands north of the Colorado and Utah border, east of the Flaming Gorge Reservoir, west of highway 430 and south of the checkerboard (Map A). To be more specific, the GLMA encompasses 522,236 acres of federal and state lands of which 278,311 acres (53%) are leased and of that 74,585 acres (14%) are held in production. The IM does not define “substantial” and the Coalition would like to suggest that this first criterion be given some broad leeway. This terminology becomes more unclear when, under Criteria 2, the word “majority” is used to describe how much federal mineral interest is held in an area. Using the word “substantial” in Criteria 1 shows a clear intent to set a lower threshold for the standard used

when applied to the area leased. When compared to “majority” this means that a “substantial” threshold could be met with less than 50% of the area being un-leased.

As Director of this state’s BLM agency, you are very aware that a majority of BLM lands in Wyoming and most of the West have been leased during the last ten-year period. However, not all have been developed. In addition, a significant portion of the leased parcels within the GLMA have expired this spring or are due to expire over the next few years. These expiring leases will increase the percentage of un-leased lands over time. We understand that not all of these leases will necessarily expire. However, given that many leases in the area have expired in the past couple of years we feel it is an important statistic that adds to our case that a “substantial” portion of the area is un-leased. We are not advocating a particular outcome for these leased areas but simply providing reasoning for why the GLMA meets the MLP criteria. For clarification, a BLM primary lease term is 10 years and will continue beyond that primary term if oil and gas is produced in paying quantities. The following data in Table 1 represent leases projected to expire in the coming years within the GLMA. Note that many of these leased acreages lie within sensitive and critical fish and wildlife habitat, highlighting our interest in these particular leases.

Year	Projected Acres Expiring	Percent of Projected Acres Expiring based on GLMA total acreage	Percent of Projected Acres Leased within GLMA
2010	49,191 acres	9%	Leaving 44% of the GLMA leased
2011	40,387 acres	7%	Leaving 37% of the GLMA leased
2012	1,989 acres	0.3%	Leaving 37% of the GLMA leased
2013	46,204 acres	8.8%	Leaving 28.2% of the GLMA leased

Table 1. Oil and Gas Lease Parcels Projected to Expire

While there has been significant leasing in this area, there has been relatively little development. Since 2008, just one well has been drilled within the boundaries of the GLMA, creating a further need for a comprehensive leasing and development plan that the MLP concept would provide.

The following table (Table 2) illustrates the amount of acreage under lease within several of the highly sensitive fish and wildlife areas in the GLMA. These areas have been identified as special designated areas in the GRRMP of 1997. Our interest includes those acreages in the Sage Creek ACEC, the Currant Creek ACEC, the Red Creek ACEC, Pine Mountain SMA, and the Sugarloaf Basin SMA, which totals 275,820 of Federal GIS acres. Many lease parcels within the identified areas are currently under review by the BLM and according to the IM it is entirely appropriate to apply this new policy to such parcels.

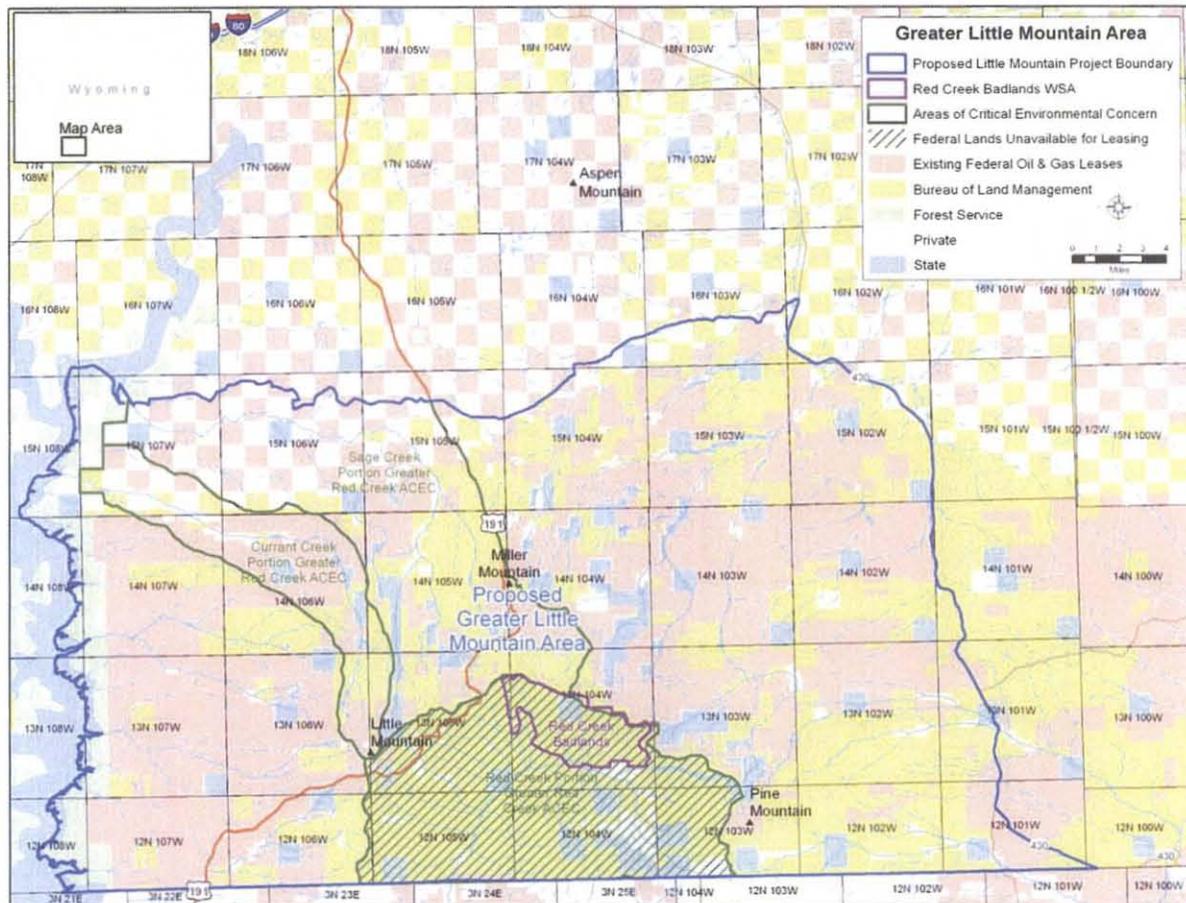
	Federal Acres (GIS)	GR RMP Acres (plats)	No O&G Leasing Areas	NSO Acres	CSU Acres	Acres Leased to Oil and Gas	% Acres Leased	Comments
Red Creek Wilderness Study Area	8,051	8,020	8,051	-	-	-	0	
Sage Creek Portion of the Greater Red Creek ACEC	52,199	52,270	-	-	52,199	31,698	61%	Northern Portion is within checkerboard
Current Creek Portion of the Greater Red Creek ACEC	25,924	23,740	-	25,924	-	17,171	66%	Northern Portion is within checkerboard
Red Creek Portion of the Greater Red Creek ACEC	47,696	55,880	46,226	-	-	1,470	3.10%	Leases pre-date WSA
Pine Mountain Special Management Area	62,758	64,200	-	-	62,758	56,007	89%	-
Sugarloaf Special Management Area	87,243	85,880	-	1,600	85,643	74,896	86%	-
Remaining BLM Lands within GLMA	150,601	144,482	-	-	-	97,069		
State and Private Lands within GLMA	87,764	87,764	-	-	-	-		
Total	522,236	522,236	54,277	27,524	200,600	278,311		

Table 2. Greater Little Mountain Area Acreage

*The acreages presented above are subject to slight variations due to differences in GIS layers.

Criteria 2: *There is a majority Federal mineral interest.*

The BLM manages a majority of the GLMA (83%) and nearly all of the mineral interests in this area are federally owned. The GRRMP FEIS, Map B, shows this ownership. Our Coalition has also created a map (Map B) to view mineral interest designation.



Map B. GLMA Mineral Interest Designation

Criteria 3: *The oil and gas industry has expressed a specific interest in leasing, and there is a moderate or high potential for oil and gas confirmed by the discovery of oil and gas in the area.*

The GLMA encompasses 522,236 acres of federal and state lands of which 278,311 acres (53%) are leased by oil and gas companies and of that 74,585 acres (14%) are held in production. From January 2008 through January 2010, five BLM WY Oil and Gas Competitive Lease Sales have included parcels within the sensitive areas of the GLMA. Due to protests from sporting groups, conservation organizations, citizens and the Governor, parcels within the GLMA were deferred from issuance in three of those five sales until further environmental analysis could be completed. In addition, the upcoming lease sale on August 3, 2010 is offering four leases totaling

6,361 acres (of which 6,161 acres are within the GLMA boundary) near the Potter Mountain Elk Butte region of the GLMA. We request that the BLM reevaluate the adequacy and environmental analysis, including the new lease parcel review process and issuance of leases for this August 2010 lease sale. This would provide a case example for which you could include in your Implementation Plan to the Washington office.

Also since 2008, the BLM has approved Devon Energy's Baxter Natural Gas Drilling proposal (EA FONSI), the Rubicon 3D Seismic Survey proposal (also Devon's) (EA FONSI), the Horseshoe Basin 3D Seismic Survey proposal (EA FONSI), and is in the process of writing the final environmental assessment for the North Dutch John 2D Seismic Survey proposal (Azalea Oil Co.). All of these projects are located within the GLMA. Finally, Devon Energy had approval to drill two exploratory wells in their Baxter Natural Gas southern platform in late 2008. Devon drilled one well in 2008 with a result of both oil and gas deposits in significant quantities. Devon Energy has yet to drill the second well that was approved within the Trout Creek drainage.

Criteria 4: *Additional analysis or information is needed to address likely resource or cumulative impacts if oil and gas development were to occur where there are the following:*

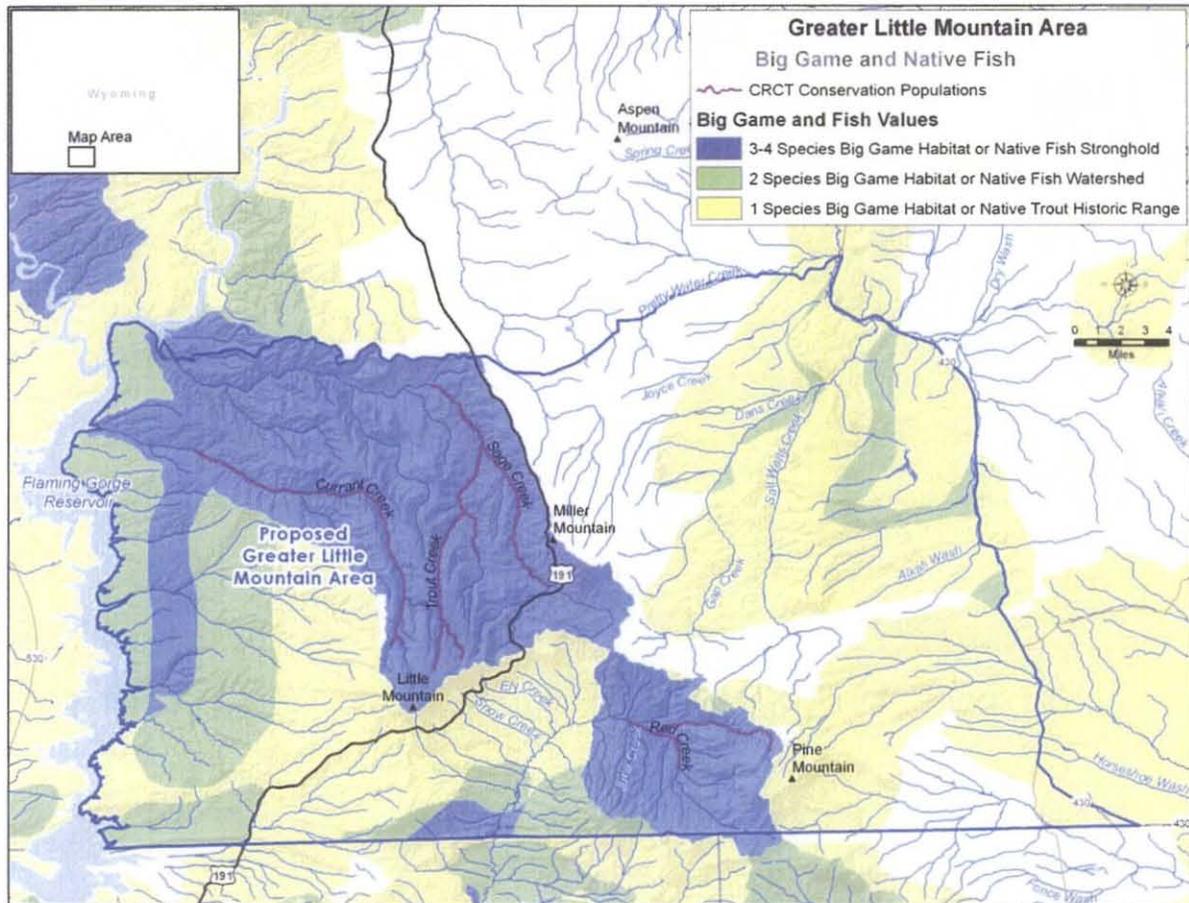
- ***Multiple-use or natural/cultural resource conflicts***

Both the Wyoming Game and Fish Department and the Governor of Wyoming have been very vocal in their opposition to further lease sales and oil and gas projects in sensitive fish and wildlife habitats within the GLMA. Indeed, the BLM has long recognized the outstanding fish and wildlife resource values of this area as described in the GRRMP and evidenced by the over \$2 million worth of habitat improvement projects that have been initiated here since 1990. The BLM contributed the largest amount at \$1,652,814 and the Wyoming Game and Fish Department spent the second largest amount at \$341,174, while other contributors interested in protecting and improving this area included Trout Unlimited, Rocky Mountain Elk Foundation, National Fish and Wildlife Foundation, Bowhunters of Wyoming, local donors, and others.

The GRRMP of 1997 recognized the significance of the valuable resources in this area. Establishments of No Surface Occupancy (NSO) stipulations, Controlled Surface Use (CSU) areas, no lease areas, and rights-of-way exclusion and avoidance areas exist in the GRRMP for large portions of this landscape. As earlier described, the BLM designated several Areas of Critical Environmental Concern (ACEC) containing important watersheds and wildlife habitat (Currant Creek, Sage Creek and Red Creek ACEC's). Additionally, the Red Creek Badlands Wilderness Study Area (WSA), the Pine Mountain Special Management Area (SMA), and the Sugarloaf Basin Special Management Area also exist within the GLMA.

The GLMA is a biologically rich landscape with abundant and diverse terrestrial and aquatic species. Some of the species include: elk, mule deer, antelope, sage grouse, mountain lion, black bear, numerous raptors (such as the Bald Eagle and the Ferruginous Hawk), and waterfowl. Overlapping critical winter habitat for elk, mule deer, pronghorn, along with yearlong big game habitat, exist in significant quantities (Map C). Migration routes for big game crisscross the GLMA and important breeding and rearing habitat for sage grouse exist. Portions of the

landscape are within Wyoming's Sage Grouse Core Area designated by Governor Freudenthal's Sage Grouse Implementation Team. And the entire area is within the Rock Springs BLM Field Office that is involved in the National Environmental Policy Act (NEPA) process for Instruction Memorandum (IM) 2010-012 and 2010-013 to revise sage grouse and sagebrush management direction in their resource management plans.



Map C. GLMA Big Game and Native Fish Strongholds

Colorado River cutthroat trout (identified as a Sensitive Species and a Species of Greatest Concern by the State of Wyoming and the BLM) are located within Upper Sage Creek, Curren Creek, Trout Creek, Red Creek, Gooseberry Creek, and Little Red Creek within the GLMA. Map C illustrates the significance of the specific high value fish and wildlife areas in the GLMA. Highly fragile and sensitive soils, subject to erosion, sedimentation, and washouts from sudden event storms, natural or manmade fires, or from heavy road traffic occur in this area. Current and past sedimentation and erosion events have impacted both the streams and riparian areas in addition to Flaming Gorge itself. This directly impacts future population survival of Colorado River cutthroat trout. The hydrology in this area represents an important groundwater recharge

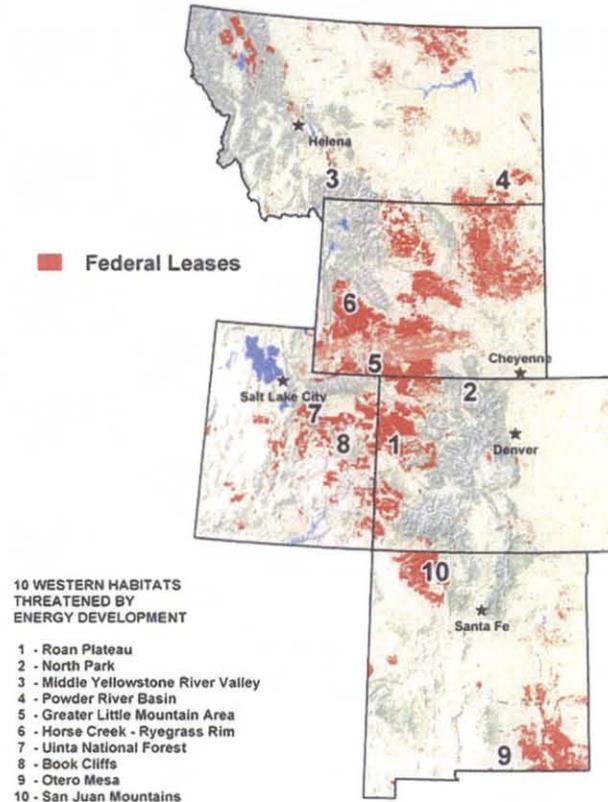
area for the numerous springs and coldwater streams in addition to providing the much needed water for wildlife in this high desert environment.

The GLMA also includes unique habitat for other state and federally recognized sensitive and threatened or endangered wildlife species such as the Pygmy Rabbit and the Midget-faded rattlesnake. Because of the contrasting aspen mountain community, juniper woodland and high desert sagebrush steppes, several raptor species occupy the GLMA that are considered as special status species, which include the Ferruginous Hawk, Golden Eagle, and the Bald Eagle.

The GLMA is a significant source for hunting and fishing opportunities for the public and simultaneously provides a vital role in contributing to the economic diversity for communities within this region. Flaming Gorge borders the western portion of the GLMA and is one of the largest reservoirs in the state. Obtaining the highly prized limited quota big game licenses in this area is often a life-long pursuit by the residents of Sweetwater County and the state. In fact, the GLMA is one of three most popular elk hunting spots in the state, the most popular deer area for both non-resident and resident hunters, and is an outstanding outdoor and backcountry recreation area.

In 2009, Sportsmen for Responsible Energy Development (SFRED) designated the GLMA as one of their top 10 western habitats threatened by energy development (Map D). It was chosen because of the area's ecologically balanced components, world class wildlife (both aquatic and terrestrial) that inhabit the GLMA. Conversely, this area is also valuable from a minerals perspective and as earlier discussed, more than 50% of the area is leased to oil and gas companies that have the right to develop those parcels. This combination leads to a natural/cultural resource conflict and calls for a plan that will mitigate this conflict. To date, leasing and development in this area have taken a case-by-case approach and a large landscape scale analysis has not been performed to address the likely cumulative impacts.

Public Land Leased for Oil and Gas Development



Map D. Top 10 Western habitats on public lands threatened by oil and gas development (SFRED map 2009).

- ***Impacts to air quality.***

The GLMA is composed of Class II, III, and IV visual airsheds. None of the recently approved projects within the GLMA were thoroughly evaluated for future air or greenhouse gas emissions or climate change impacts. New NEPA guidance will require this evaluation and the establishment of environmental mitigation commitments will need to be implemented. For this region of Wyoming, significant air quality issues exist with airsheds being compromised. Quantification of cumulative emissions over the life of the projects proposed for this area need to be considered and completed.

- ***Impacts on the resources or values of any unit of the National Park System, national wildlife refuge, or National Forest wilderness area, as determined after consultation or coordination with the NPS, the FWS, or the FS; or Impacts another specially designated areas.***

As mentioned earlier, the GLMA contains three ACEC's, two SMA's and one WSA. Impacts to these special areas from oil and gas development and other cumulative impacts could be significant and would include air quality, water quality, and surface impacts.

OTHER CIRCUMSTANCES:

A. Identifying and Evaluating Potential Resource Conflicts in a MLP

The following provides a non-exhaustive list of potential resource conflicts that should be considered when developing an MLP. All of the items listed under Section A, page 2 of IM 2010-117 are of concern for the GLMA. We have attempted to illustrate many of those in the previous discussion above. Potential resource conflicts that are not mentioned, but should be, include alternate and renewable energy development within the area.

This section of Wyoming has been identified as a significant area for oil shale development. It is also being considered for carbon sequestration projects, a water pipeline project from the Green River to the Colorado's front range, and has significant wind development opportunities. These potentially conflicting resource development issues need to be addressed. The impacts from numerous energy development projects on the surface and subsurface areas significantly increase the potential impacts to fish and wildlife.

B. Potential MLP Decisions.

The following examples identified in Section B on page 2 of IM 2010-117 include other planning decisions that may be made through the MLP process with supporting NEPA analysis. The approach and outcomes described in the IM mirror the type of analysis and approach we have been advocating for in the GLMA. The IM calls for resource protections identified through the MLP to be addressed as new or modified plan decisions that may include lease stipulations for new leases and/or closing certain areas to leasing. The GLMA recognizes that the 1997 GRRMP has designated specific stipulations for much of the GLMA that include NSO, Timing Limitations, Controlled Surface Use, planned unitization, and the implementation of best management practices in certain cases. Despite these fairly restrictive stipulations in recognition of the high value of this area, leasing of the lands occurred in these sensitive areas anyway.

However, the GRRMP is outdated in its energy resource information, lacks detailed discussion for phased leasing and development, as well as any requirements for the capture or reduction of air emissions, liquid gathering systems, multiple well installation, or caps on new surface disturbances. These items all represent recent management efforts at mitigation on federal lands in the West. The Coalition feels that by implementing the MLP in the GLMA, these planning decisions can be incorporated.

SUMMARY: The GLMA is uniquely positioned to utilize the Master Leasing Plan concept. An MLP in this area will serve as a positive solution which can guide energy development in a balanced manner for years to come. By strengthening guidelines for development of areas where no leasing and/or surface occupancy is appropriate, areas where stipulations and best management practices are appropriate, and areas where responsible energy development practices are acceptable, we can cooperatively create a strategy that will manage the numerous valuable resources of the GLMA while allowing for responsible energy development.

We thank you for this opportunity to present our reasoning for implementing a Master Leasing Plan in the Greater Little Mountain Area. We are available for any further assistance or involvement.

Respectfully representing the Greater Little Mountain Coalition,

Joy Bannon
Wyoming Wildlife Federation
P.O. Box 1312
Lander, WY 82520
307-335-8633 Office
307-287-0129 Cell

Steven Brutger
Trout Unlimited
250 N 1st St
Lander, WY 82520
307-332-6700 Office
307-438-2596 Cell

Monte Morlock
United Steelworkers of America 13214
2904 Westridge Drive
Rock Springs, WY 82901
307-872-2136 Office
307-382-3815 Home

Josh Coursey
Mule Deer Foundation – Muley Fanatic
2695 Alamosa Circle
Green River, WY 82935
307-389-7495 Cell

Steve Belinda
Theodore Roosevelt Conservation Partnership
PO Box 295
Boulder, WY 82923
307-537-3135 Office
307-231-3128 Cell

Steve Martin
Bowhunters of Wyoming
483 Quadrant Drive
Rock Springs, WY 82901
307-350-0486 Home

Tony Herrera
Southwest Wyoming Labor Council
1005 Oak Way
Rock Springs, WY 82901
307-362-7592 Home

cc: Bob Abbey, BLM Director
Ned Farquhar, BLM Deputy Assistant Secretary for Land and Minerals Management
Mike Pool, BLM Deputy Director (Operations)
Marcilynn Burke, BLM Deputy Director (Programs and Policy)
John Ruhs, Wyoming BLM High Desert District Manager
Lance Porter, Wyoming BLM Rock Springs Field Office Manager
Wyoming Governor Dave Freudenthal
US Senator John Barrasso
US Senator Mike Enzi
US Representative Cynthia Lummis