



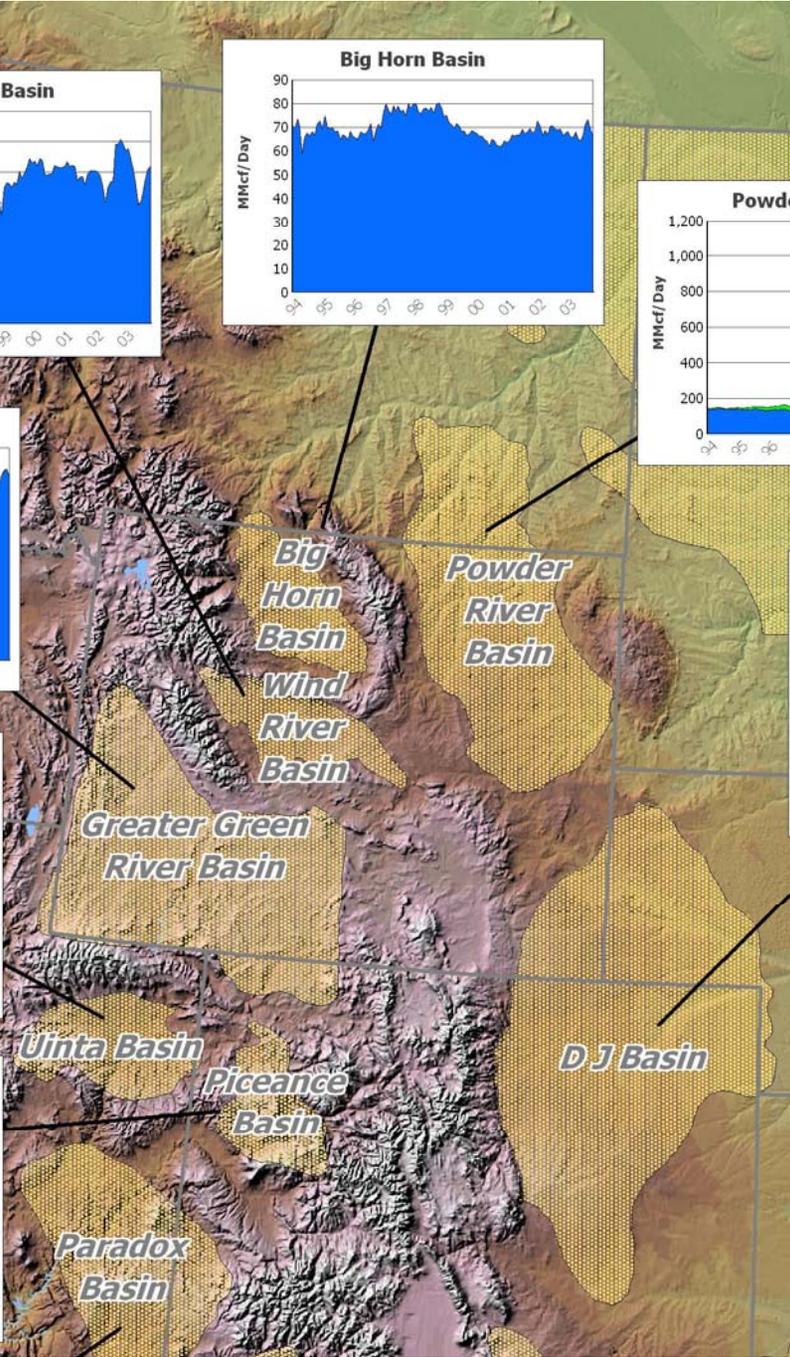
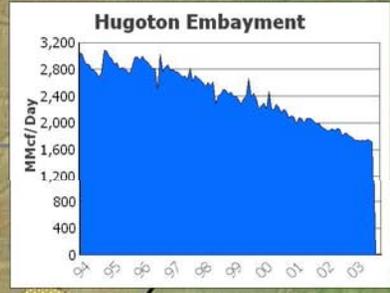
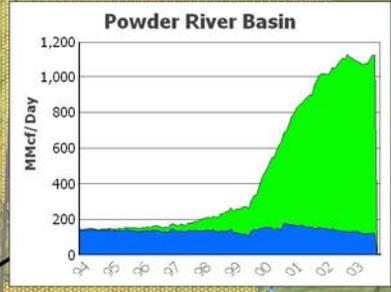
Rocky Mountain Production and Pipeline Capacity

2004 BLM National Fluid Minerals Conference

June 24, 2004

Where is Production
Growing

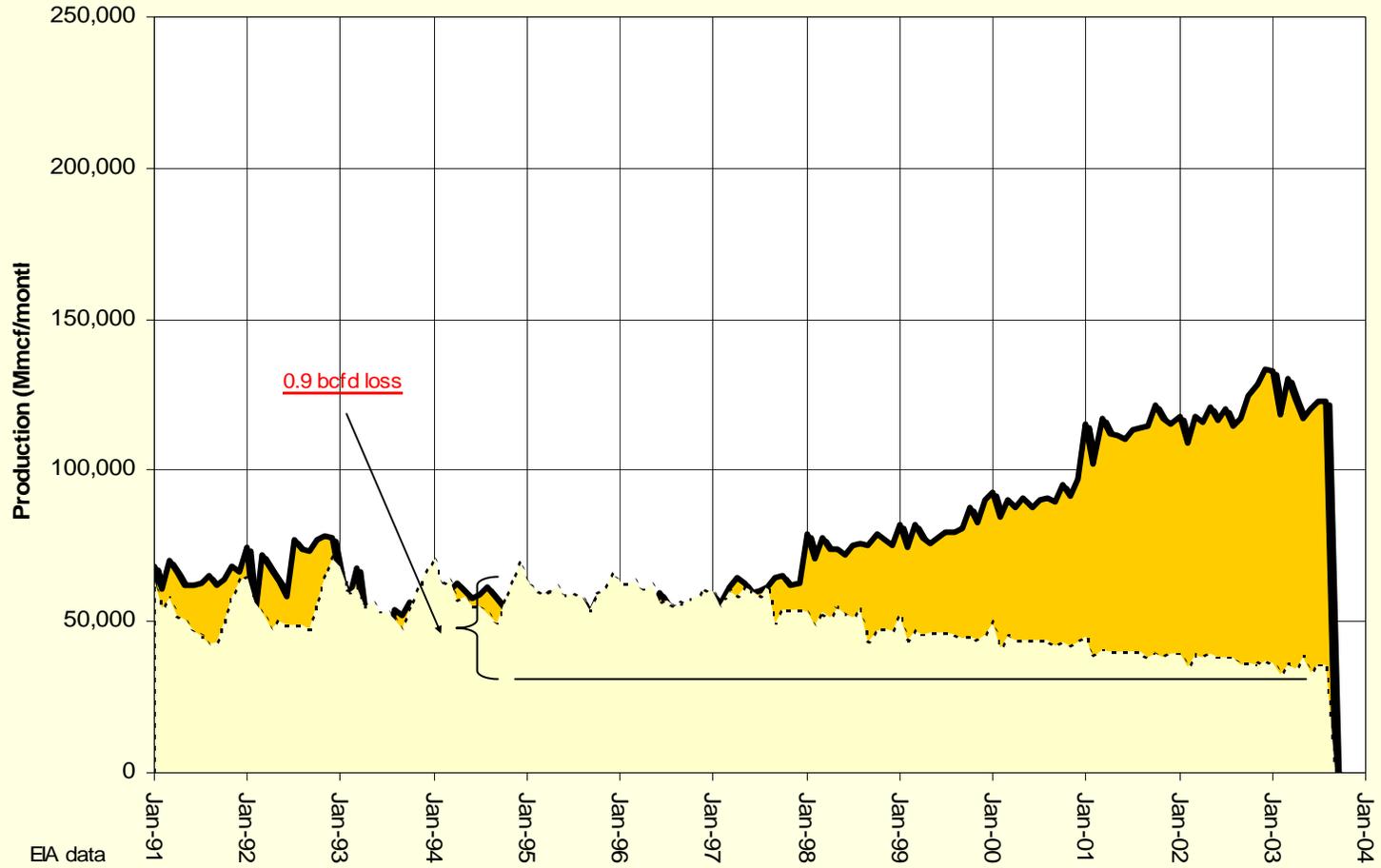
.....**The Rockies!!!!**



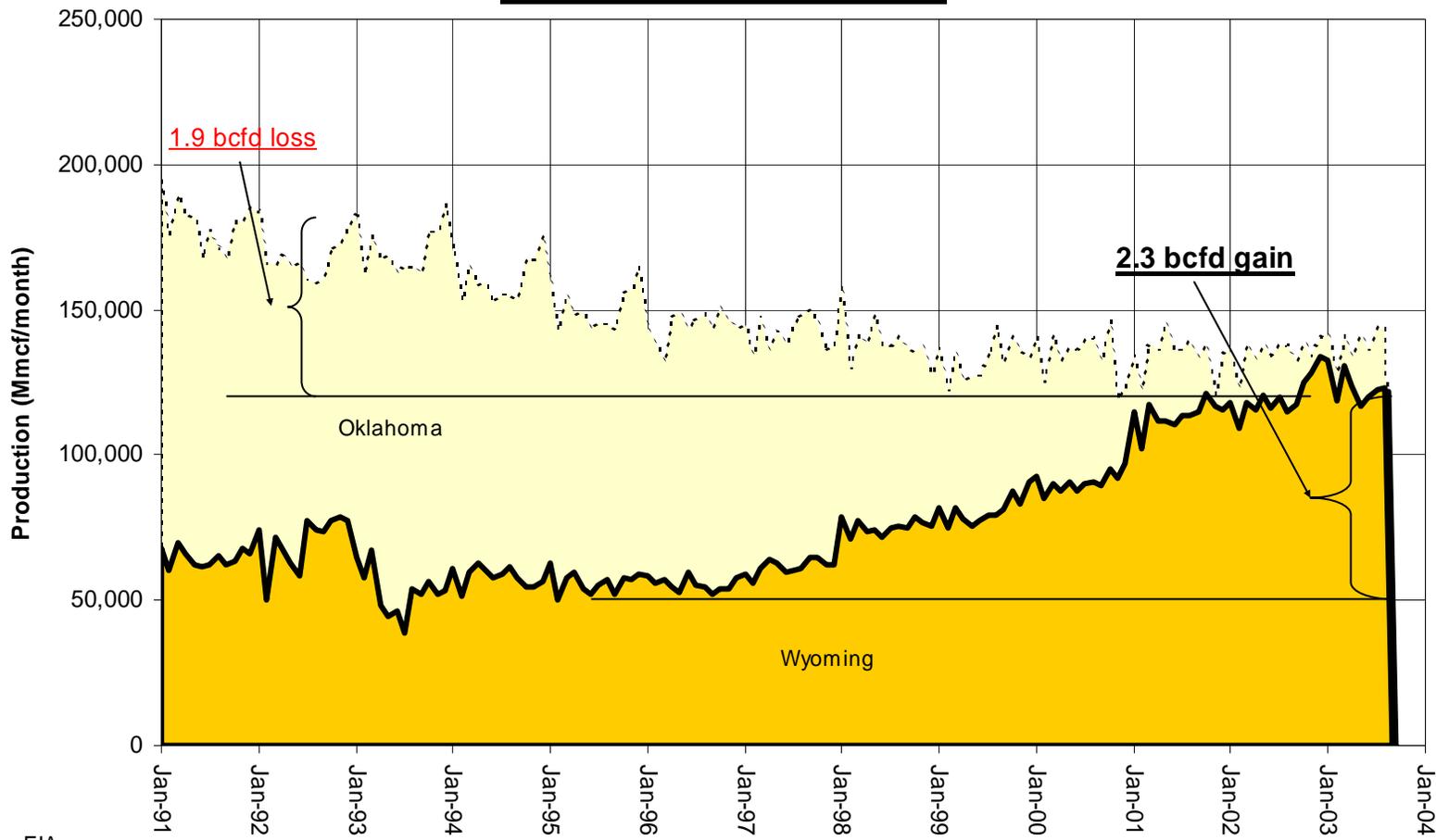
Growth In Production - Wyoming

	Opal	Granger	Blacks Fork	Echo Springs	Lost Cabin	Pavillion	Powder River
1998	545	172	89	303	0	35	82
1999	582	156	98	279	55	47	156
2000	645	139	127	295	78	50	403
2001	713	148	125	323	84	56	673
2002	839	189	89	346	91	68	848
Oct '03	1078	255	98	344	121	45	952
Latest Avai	963	328	86	365	212	42	889

Wyoming vs Kansas

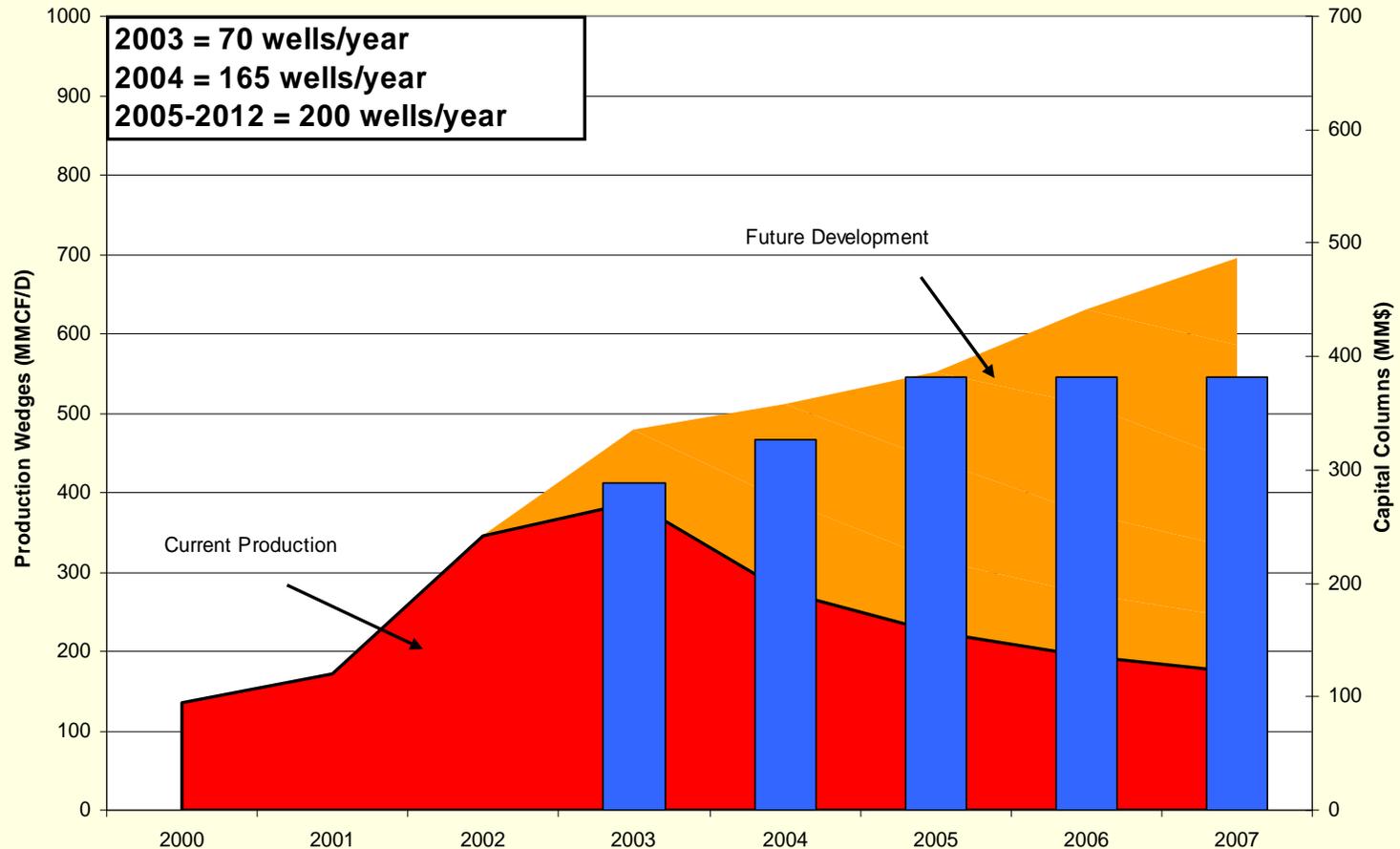


Wyoming vs Oklahoma



Jonah Field (EnCana Interest Only)

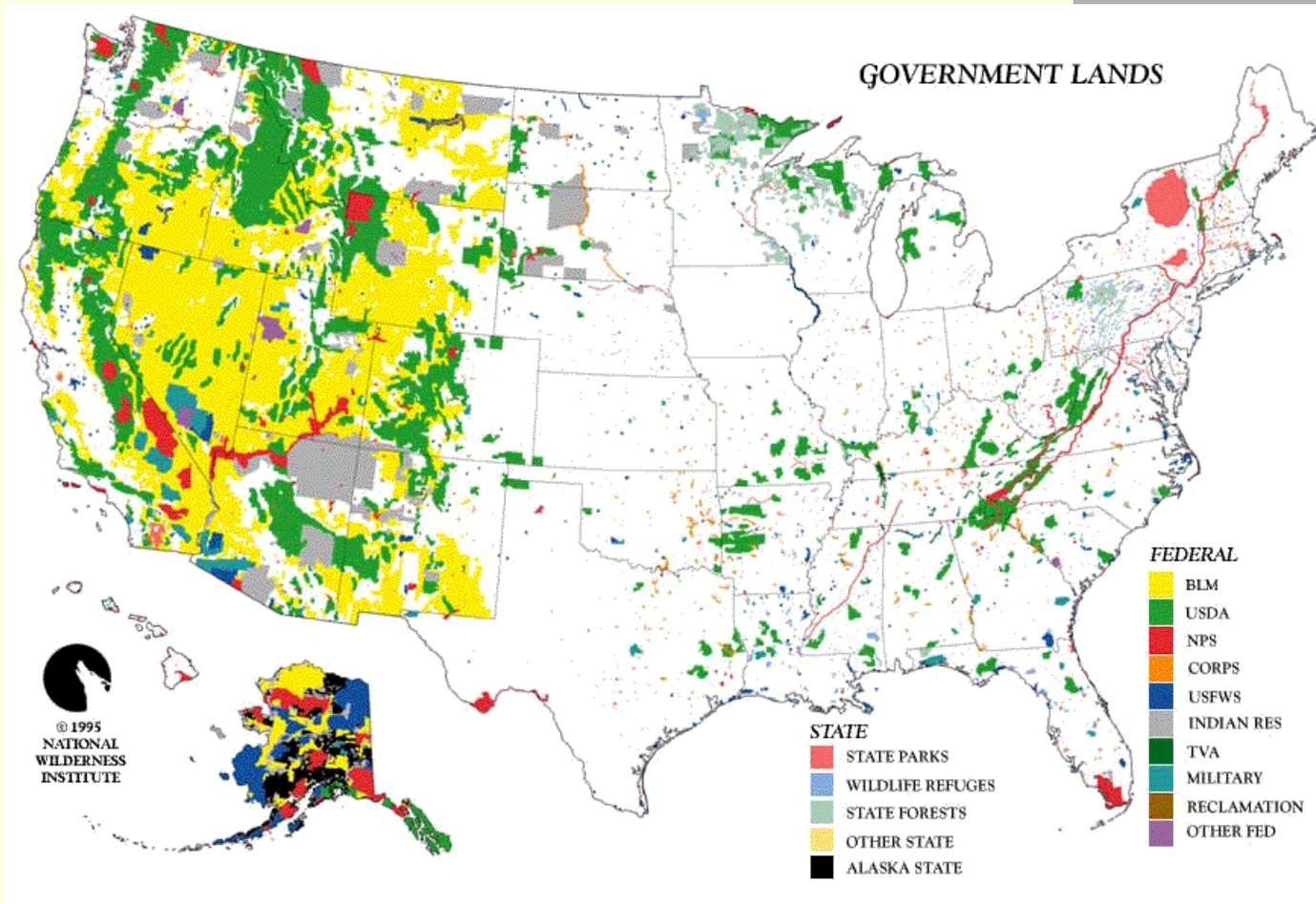
Jonah - Unrestricted Capital and Production Forecast



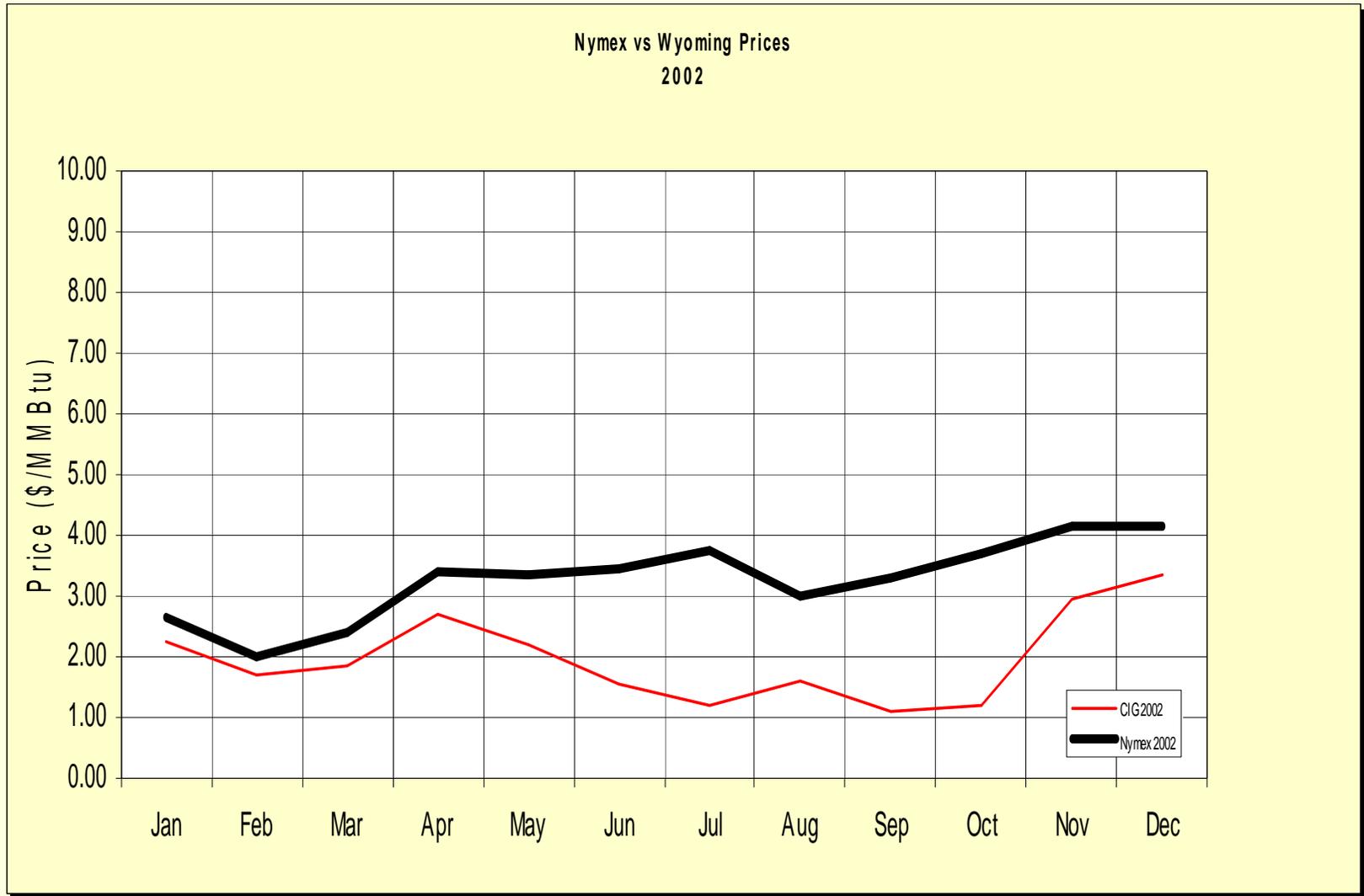
Critical Success Factors For Resource Development

- Access to Lands in a Timely Manner
- Price
- Timing of Regulatory Approvals
- Gathering System Capacities and Pressures
- Transportation Export Capacity
- Capital Efficiency
- Public Acceptance

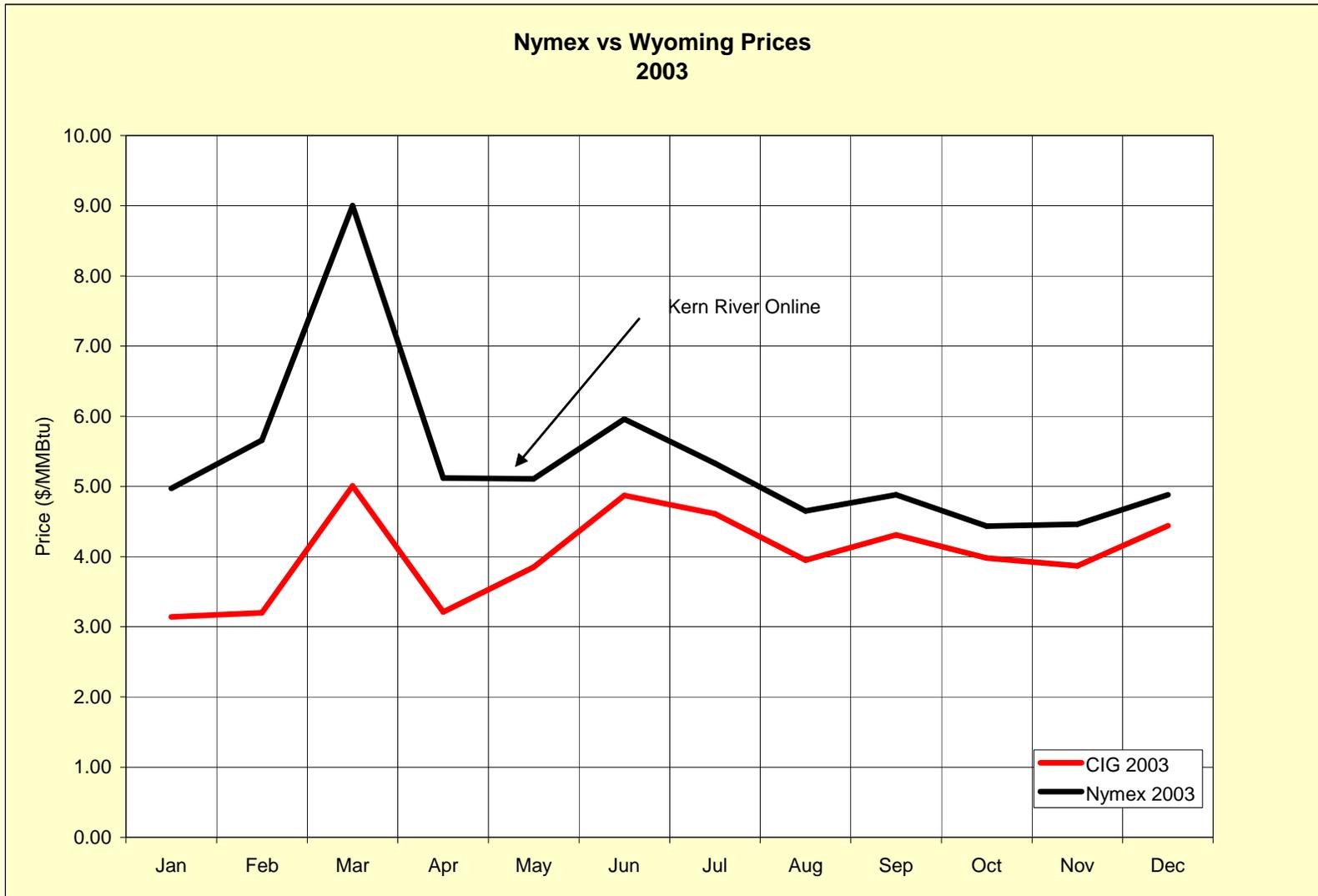
The Lay of the Land



Nymex vs Wyoming Prices - 2002

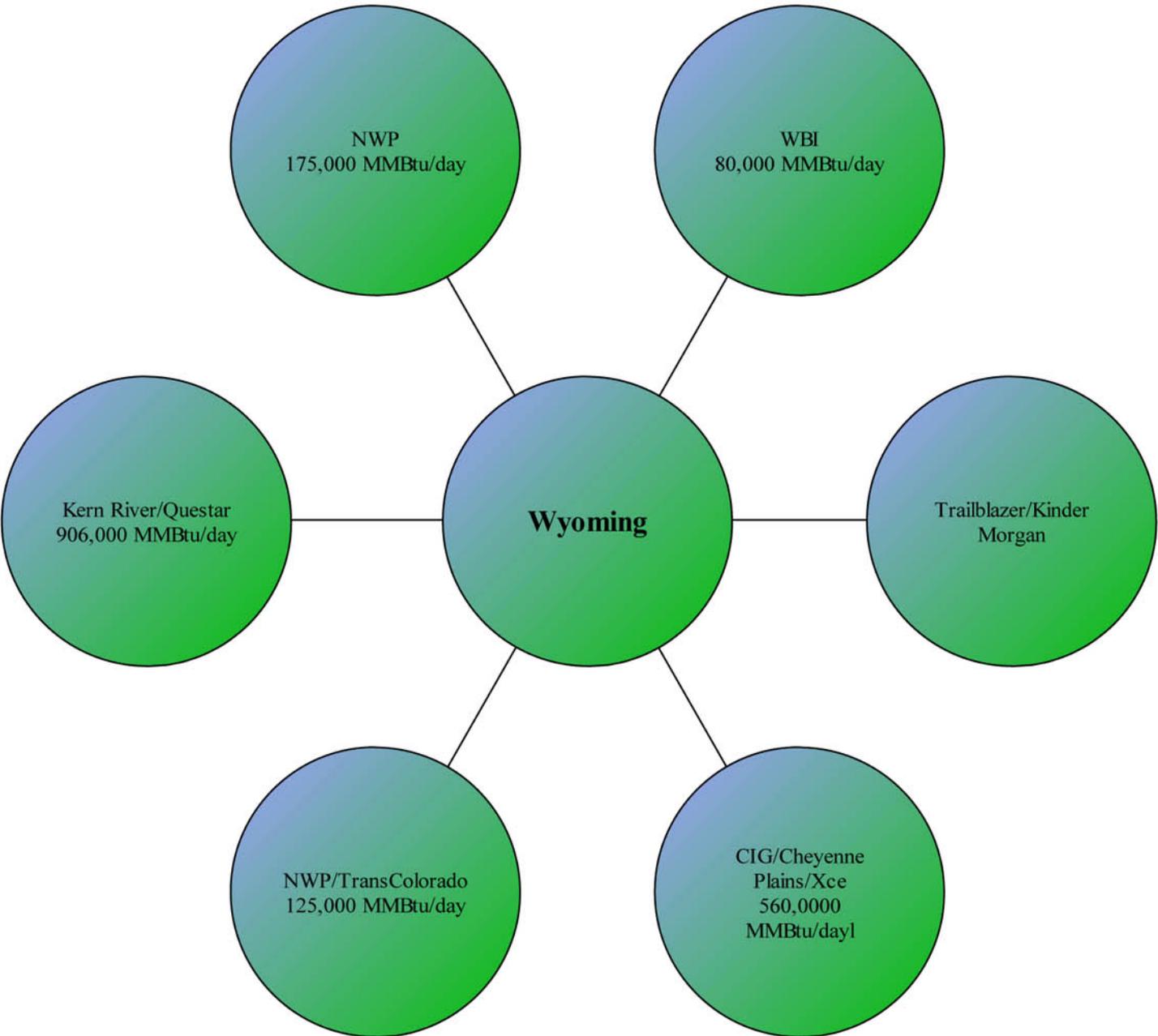


Nymex vs Wyoming Prices - 2003



Pipeline Investment Committed to Move Wyoming Production

- Kern River - \$1.3 billion
- El Paso Cheyenne Plains - \$0.43 billion
- Williston Basin Grasslands - ?



NWP
175,000 MMBtu/day

WBI
80,000 MMBtu/day

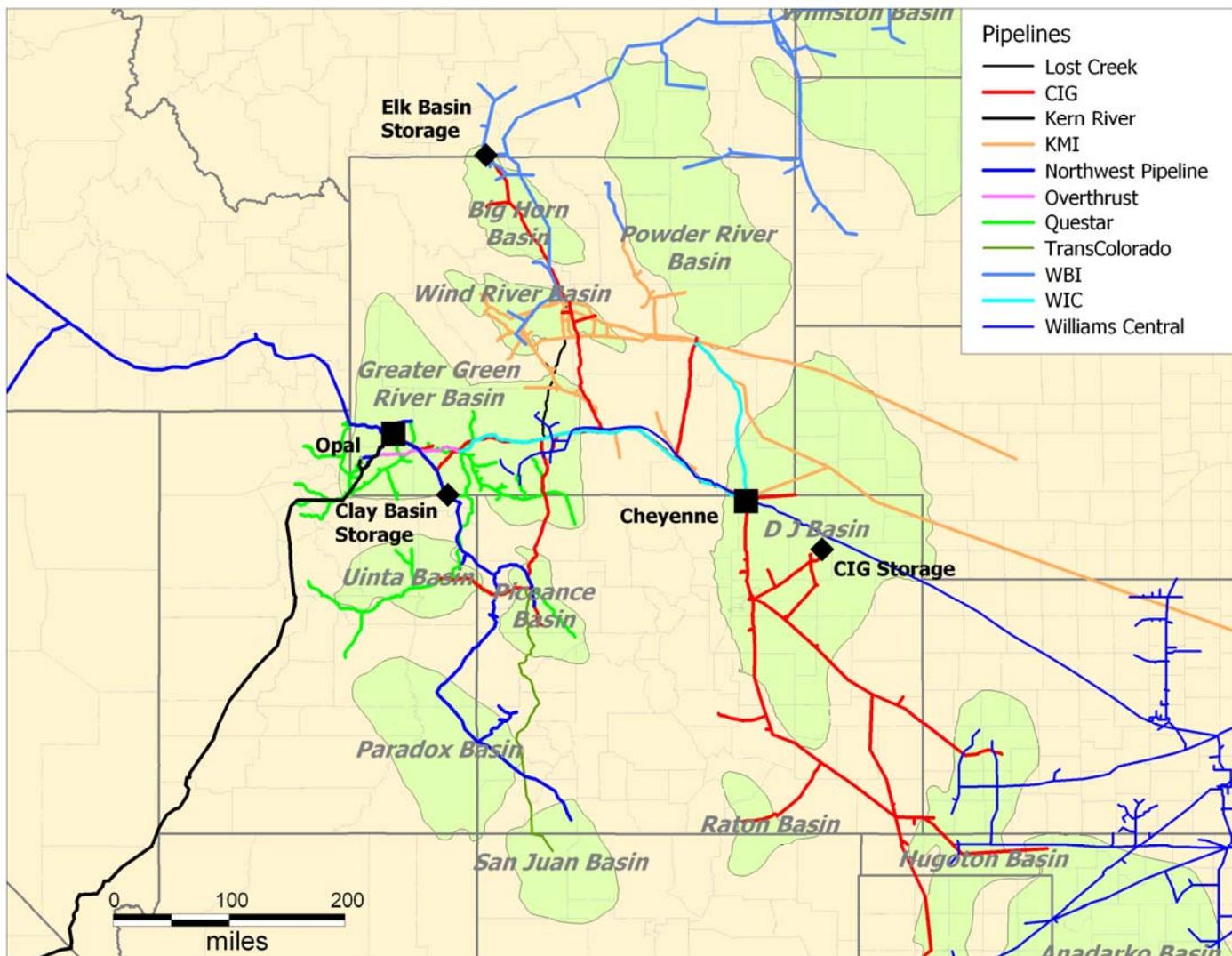
Kern River/Questar
906,000 MMBtu/day

Wyoming

Trailblazer/Kinder
Morgan

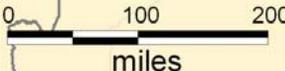
NWP/TransColorado
125,000 MMBtu/day

CIG/Cheyenne
Plains/Xce
560,000
MMBtu/day



Pipelines

- Lost Creek
- CIG
- Kern River
- KMI
- Northwest Pipeline
- Overthrust
- Questar
- TransColorado
- WBI
- WIC
- Williams Central



Teppco Jonah Gas Gathering System

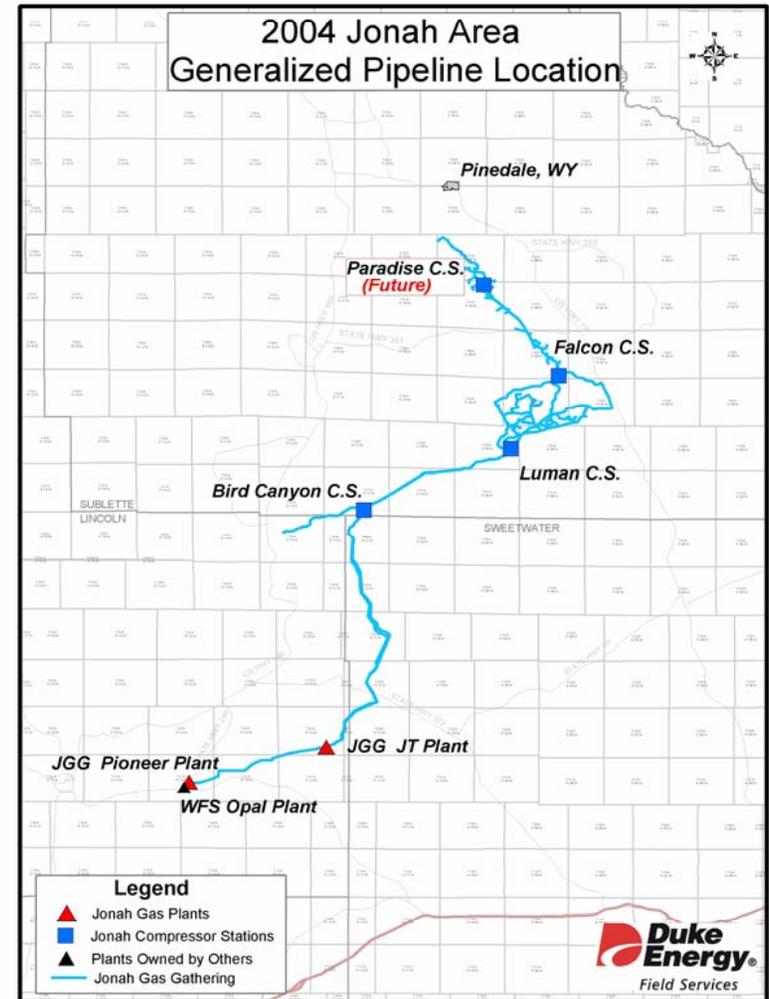
Expansions Since 2001 Acquisition:

- Phase I: 9000 HP
50 miles of 20"
- Phase II: 9000 HP
40 miles of 20"/24"
- Phase III: 3000 HP
90 miles of 20"/24"
250 MMcf/d Plant

2001 Capacity: 450 MMcf/d

2004 Capacity: 1180 MMcf/d

Current Volume: 925 MMcf/d



Cost of Limited Infrastructure to Wyoming

- \$130 + million in Federal/State royalties and severance taxes – 2002.
- \$1 million per day in March 2003.
- Stalled investment in development of mineral resources.
- Limited ability to predict revenues with certainty.

Revenue Facts.....

- Wyoming receives 50% of Federal Royalties = approximately 6.25% of production off of Federal lands. Assume 100% of production comes from Federal lands.
- Wyoming receives approximately 7% of the value received from all production in the State as a result of severance tax assessment.
- Wyoming's current saleable production is approximately 4.2 bcf/d.
- Wyoming's revenue share of production is approximately $4.2 \text{ bcf/d} \times (.0625 + 0.07) = 556,500 \text{ Mcfd}$.
- At gas prices of \$2 per Mcf, Wyoming could expect to receive \$1,113,000 per day in natural gas revenue. At \$4 per Mcf, Wyoming could expect to receive \$2,226,000 per day.

The Wyoming Pipeline Authority Will

- Promote all industry sponsored and supported projects.
- Proactively promote infrastructure development within the state and the Rocky Mountain Region.
- Promote efficient utilization of existing infrastructure in a cost effective manner.
- Promote development of Wyoming's mineral resource base in a systematic, streamlined and environmentally responsible manner.
- Utilize its bonding authority to build or cause to be built infrastructure projects that will enhance state netbacks and promote development of a resource base that is in the nation's best interests.

Thanks for the opportunity to
speak with you.

Bryan Hassler

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