



PETROLEUM ASSOCIATION OF WYOMING

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May 2, 2003

The Honorable Craig Thomas
United States Senator
2632 Foothill Boulevard, Suite 101
Rock Springs, Wyoming 82901

Re: "Friends of the Red Desert" Propaganda
Jack Morrow Hills Supplemental Draft Environmental Impact Statement

Dear Senator Thomas:

On April 9, 2003, "The Friends of the Red Desert" (FRD) held a meeting at the Western Wyoming Community College in Rock Springs prior to the Bureau of Land Management's recent hearing for the Jack Morrow Hills Supplemental Draft Environmental Impact Statement (JMH SDEIS). After being presented with over an hour of exaggerations and misinformation based upon what appears to be a "scare tactic" strategy, conservation advocates were outraged by what they had been told was about to happen in the Jack Morrow Hills (JMH) area. It is now time for the facts to be presented:

1. Jonah vs. Jack Morrow Hills.

- FRD displayed an aerial photo of the Jonah Field near Pinedale and insinuated that identical impacts were about to occur in JMH unless something was done about the JMH SDEIS Preferred Alternative. Jonah and JMH are truly apples and oranges and the following facts outline a few obvious differences.
- The Jonah field is 30,000 acres in size. The JMH SDEIS area is 622,000 acres in size (over 20 times the area).
- Approximately 500 wells have been drilled in 5 years in Jonah (100 wells per year). The Preferred Alternative in JMH allows 200 wells over the next 20 years (10 wells per year). JMH will have 1/10th of the wells per year in an area 20 times as large as Jonah. This results in 1/200th of the impact on an annual well per acre basis.

- The wells in Jonah are development wells and almost all are productive. Outside of the Nitchie Gulch field, the wells in JMH will be exploratory with an approximate 1 in 10 chance of being productive. The unsuccessful wells will be plugged, fully reclaimed and restored. The areas surrounding unsuccessful wells will likely be free from future oil and gas activity due to the initial well's uneconomic results. Development drilling after new discoveries could eventually require the preparation of additional environmental analysis if there is new drilling concentrated in an area.

2. Steamboat Mountain Elk Herd.

- Oil and gas development has taken place in the Jack Morrow Hills area since the 1920's. The elk herd has flourished and a certain segment of the population still believes that the area is pristine and worth protecting. A balance between environmental protection and economic growth has been clearly proven and it would be unfounded for BLM to manage the area for the expanded elk herd at the expense of oil and gas development by preventing or restricting access to the entire JMHCAP or Core Area.
- FRD asserts that the Desert Elk Herd is in jeopardy. The herd has flourished simultaneously with ongoing oil and gas activity (exploratory and producing wells). The elk population objective for the Steamboat Elk Herd has been 500 since 1984. The current estimated population counts show that the herd consists of approximately 1,800 to 2,000 elk. The Wyoming Game and Fish Department (WGFD) recently raised the herd objective to 1,200. Increases in the herd objective must be based on scientific evidence that forage in the management area can support the increase in the herd objective as well as other range resource users (i.e. livestock grazing, wildlife, etc.). Furthermore, WGFD must implement a strategy for controlling the growing elk herd and bringing the elk numbers back down to the appropriate population objective.

3. Exploitation by Big Oil.

- FRD asserts that the BLM is "*planning to open up Wyoming's Jack Morrow Hills Area, the wild heart of the fabled Red Desert, to exploitation by big oil.*"
- In reality, ten (10) wells per year in an area the size of the state of Rhode Island is hardly exploitation. There is limited interest in investing in JMH by oil and gas companies because the agency has already discouraged or prevented leasing and development from occurring.
- While the petroleum industry is interested in protecting its rights to produce oil and gas in JMH, rigs will not be lined up on Highway 191 upon issuance of a Record of Decision. At this time, only exploration projects are foreseeable in JMH, which require extensive capital and a high tolerance for the associated risk of an approximately 1 in 10 success rate. For example, 153 wells have been drilled in the JMH area; while 30 wells within the Nitchie Gulch field are producing, only 6 of the other 123 wells drilled are currently producing.

4. Unfettered Access to Oil Companies.

- FRD asserts that this plan will "*open up your public lands to unfettered access to oil companies and represents another on-the-ground example of the Administration's*

energy plan in action." Unfettered access couldn't be further from the truth. If and when it is determined that areas are available for oil and gas leasing, the preferred alternative in the Jack Morrow Hills SDEIS contains hundreds of pages of restrictions on oil and gas activities designed to protect sensitive resources including:

- Seven Wilderness Study Areas;
- Five Areas of Critical Environmental Concern;
- Timing Limitation stipulations, which restrict drilling activity to protect seven major categories of wildlife during winter, nesting seasons, mating seasons, and birthing areas (i.e. Elk, Mule Deer, Antelope, Wild Horses, Sage Grouse, Raptors, Mountain Plover);
- Rights-of-Way restrictions;
- Visual Resources protection;
- Heritage Resources protection (i.e. Boars Tusk, White Mountain Petroglyph, Crookston Ranch, Tri-Territory Marker, Indian Gap and South Pass Overlook);
- Water Resources protection; and
- Oil and Gas Leasing is highly restricted on approximately 80% of the JMH area.

5. Nine Weeks of Natural Gas Consumption for the United States.

- FRD asserts that if exploration is successful in the JMH that it will provide the United States with approximately 9 weeks of natural gas.
- While our figures indicate that the estimates are closer to a 10-week supply, one must keep in perspective that 9 or 10 weeks worth of United States natural gas consumption is a considerable amount of natural gas (3.9 trillion cubic feet). This rate of consumption clearly demonstrates the country's tremendous need for this clean burning energy resource. If areas are continuously closed to domestic oil and gas exploration and development activity, dependence upon foreign energy sources will increase exponentially and supply prices will rise dramatically.
- The study referenced by the FRD for this 3.9 TCF figure further predicts that with technological advances another 9.2 TCF could be discovered and developed in the JMH area. This total would provide enough gas for all of the country's residential use for 1 year and 7 months.

6. Hardest Hit Area.

- The FRD asserts that in the JMH *"the part that will be hardest hit is land adjacent to Steamboat Mountain, a Shoshone Indian holy site and ancient Native American buffalo jump site, giving preference to natural gas drilling"*.
- At present, there are no drilling plans within 5 miles of Steamboat Mountain. The well locations currently proposed are within an existing field that has been producing for over forty years.

We have described and refuted only a few of the most flawed assertions made by "The Friends of the Red Desert" during the meeting described above and on their website. It is important that government decision-makers understand their tactics include the use of inappropriate analogies (i.e. Jonah vs. Jack Morrow Hills), exaggerations (e.g. "exploitation by big oil"), misinterpretations (e.g. "unfettered access to oil companies") and many other

inflammatory catch phrases to solicit support and comments directed at thwarting environmentally responsible oil and gas development on federal lands.

It is important to Wyoming and this great nation to maintain access to federal lands, particularly in areas that are known to have high potential for mineral development. Please do not allow misinformation to drive the decision-making process.

We appreciate your consideration of this important issue. Please feel free to contact me should you have further questions regarding Jack Morrow Hills.

Sincerely,

Dru Bower
Vice President
Petroleum Association of Wyoming

Claire M. Moseley
Executive Director
Public Lands Advocacy

Cc: The Honorable Mike Enzi
The Honorable Barbara Cubin
The Honorable Dave Freudenthal
Sweetwater County Commissioners
Fremont County Commissioners
Sublette County Commissioners
Sweetwater County Conservation District
Mr. Robert Bennett
Mr. Alan Kesterke
Mr. Alan Rabinoff
Ms. Patricia Hamilton
Mr. Ted Murphy
Mr. Bernie Weynand
Mr. Tim Kuamo
Mr. Leonard Hay

April 3, 2003

Renee Dana, Team Leader
Bureau of Land Management
Rock Springs Field Office
280 Highway 191 North
Rock Springs, Wyoming 82901

RE: COMMENTS FOR SUPPLEMENTAL DRAFT ENVIRONMENTAL IMPACT
STATEMENT FOR THE JACK MORROW HILLS COORDINATED
ACTIVITY PLAN/DRAFT GREEN RIVER MANAGEMENT PLAN
AMENDMENT

Dear Ms. Dana:

The following comments are made on behalf of Yates Petroleum Corporation (Yates) of Artesia, New Mexico. Yates owns and operates significant federal leaseholds throughout Wyoming and appreciates the opportunity to comment on this NEPA document. Specifically, this letter addresses concerns that the socioeconomic analysis does not adequately represent the significant positive impact oil and gas development will have on the project-area economy (Sweetwater, Sublette, and Fremont Counties).

The socioeconomic analysis uses threshold levels to determine whether employment and earnings growth will have a significant impact on the project-area economy. These threshold levels are based on the maximum deviation of total employment (+4,600/-5,400 jobs) and total earnings (+/- \$35 million) from twenty-year trends in the tri-county area. Changes in employment and earnings from all alternatives are found insignificant since they do not exceed the threshold criteria. While this analysis adequately demonstrates the project-area economy will not be negatively affected by development (no major pressures will be placed on existing infrastructure, because the existing infrastructure has historically absorbed larger fluctuations), the analysis does not adequately represent the positive impact of development from the alternatives.

For example, employment in any area is influenced by a combination of national, regional, state, and local economic conditions. These superimposed trends form the actual changes in employment observed in any location. One method of assessing the components of this total trend is a shift-share analysis, which separates employment into two parts. The first (share component) is growth that would have occurred if the project-area employment grew at the average benchmark rate (average national, regional, or state rates). The second (shift component) illustrates extra or reduced growth because the project-area grew more or less rapidly than the benchmark rate. If negative, the local

area is not competitive with the benchmark and the shift component indicates how many additional jobs must be created to reach the benchmark level. If positive, the local area has a competitive advantage and illustrates the number of jobs the area has generated above the benchmark level.

In the case of the Jack Morrow Hills project area, a shift-share analyses (enclosed) of the data provided in EIS Appendix 16 shows that when the project area is compared to national and state benchmarks, there is no local competitive advantage to annual employment during most years between 1979 and 1999. The result is similar when compared to the Rocky Mountain Region. While the area may have experienced marginal overall employment growth during any year, this growth was largely influenced by national, regional or state trends. Using a five-year average (1995-1999), the actual project-area growth was 860, 1369, and 347 jobs *below* the national, regional, and state benchmarks, respectively.

This deficient employment growth, when compared to benchmarks, illustrates an important point about the significance of project-area development. Annual employment is projected to range between 128 and 188 jobs depending on the development alternative. These jobs will *reduce* the regional employment deficiency between 9% and 14% and the state employment deficiency between 37% and 54%. This represents significant job growth. In fact, 60 jobs (the difference between maximum and minimum alternatives) is also significant job growth.

Finally, a point must be made about the portrayal of industry earnings in the EIS. The document downplays the contribution of earnings from the mining sector and the impact of earnings on overall quality of life. In all cases, earnings are evaluated in isolation without regard to earnings-per-person employed, which better portrays the impact of changes in earnings. For example, on page 3-61 the document states, "Although mining remains important in terms of earnings in this area, the industry has reported significant declines in earnings between 1979 and 1999... Other industries reporting declines in earnings between 1979 and 1999 include construction and farm services."

However, a much different picture is created if you consider earnings-per-person employed. While the earnings-per-person in the farm services and construction sectors *declined* 19% and 35%, respectively, earnings in the mining sector *increased* 27%. In addition, the mining sector averages the highest annual earnings per person employed (\$68,621 per person employed) compared to all other industry sectors (the next highest sector is transportation and public utilities at \$46,321 per person employed).

If one considers earnings a factor in quality of life, then the mining sector has historically provided the best opportunities in the project area for improvement in this qualitative measurement of wellbeing. Therefore, the jobs created by development of the project area are significant from the standpoint of maximizing earnings potential and thus maximizing the earnings contribution to quality of life.

Yates appreciates the effort by the Bureau of Land Management to protect our natural resources while balancing the Nation's demand for the development of those resources. Although the EIS adequately demonstrates that project area development will not negatively stress existing infrastructure, Yates believes the socioeconomic analysis does not adequately address the significant positive contribution of development to the local economy. This positive impact is a significant benefit and deserves appropriate weight in the evaluation of project alternatives.

Sincerely,

Steven M. Jenkins
Socioeconomic Analyst
Agent for Yates Petroleum Corporation

Enclosure

Dedicated to the wise use of Wyoming's Section 3 grazing lands.

WYOMING STATE GRAZING BOARD

CENTRAL COMMITTEE
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(307) 332-2601

100,342

5/20/03

Renée Dana, Team Leader
BLM Rock Springs
280 Hiway 191 N.
Rock Springs, Wyo., 82901

Dear Renée,

Please accept the following comments on the JMCAP Supplemental Draft EIS on behalf of the Wyoming State Grazing Board Central Committee.

In general, we support the preferred alternative with respect to livestock grazing because it supports livestock grazing as a legitimate multiple use of the Jack Morrow area and most of the narrative in this alternative encourages and provides for management flexibility and consultations between the BLM and the livestock permittees. We would like to suggest some additional language in various places we feel would strengthen the objectives of flexibility and enhanced consultations.

Volume 1

Pg. 2-92: In the "Desired Plant Community", (DPC), section, we are very much in support of the DPC concepts, and suggest you add that they will be developed ASAP in each allotment in consultation with the permittee, and that order 3 soils surveys and ecological site descriptions will be developed as the basis for DPC objectives.

Pg. 2-94: In "vegetation treatment", we do not feel that the state of the art rangeland science will support a position of always requiring one year of rest before treatment, or always a two year rest after treatment. This narrative should provide the flexibility for more time, or less time, than the rest periods in the Draft for this section, if the on-the-ground situation dictates, or by agreement between the BLM & permittee.

Pg. A-8-1: If areas are rested from livestock grazing, they should also be rested from grazing by horses and concentrations of large wildlife.

Pg. 2-96 & 97: Monitoring plans and the actual field level allotment monitoring should be conducted jointly by the BLM & permittees.

Pg.2-98: Fire Suppression: Fire should be allowed for the purpose of removal of sagebrush that has encroached on meadow type habitat and created closed canopy uplands and should always be planned in consultation with the permittee.

Pg. 2-101: Wetlands and Floodplains: Any plans on dunal ponds should include continued access by livestock to drinking water, either on site or near by.

Pg. 2-101: The narrative should state that BLM intends to consult directly with the permittee on the planning of riparian enclosures. The uses that benefit from the enclosure, not the livestock permittee, should maintain the enclosure.

Pg. 2-103: The document should re-state the BLM's commitment to compliance with the Agreement with the Rock Springs Grazing Association on the subject of "wild" horses, and present a firm time-table and BLM budget commitment for this to actually occur.

Pg. 2-105: Guidelines for Livestock Grazing Management: The narrative at this section should provide for the flexibility to evolve with possible changes in BLM Grazing Regulations and policies on the subject of Standards & Guidelines. In addition, this narrative should state an intention to always consult with the permittee before any technical evaluation of his/her allotment is conducted by the BLM. This Plan should state a BLM commitment to the use of good quality monitoring data, not just qualitative observations, on every subject in the S & G process. We also comment that this document should preclude serious consideration of information from any "studies" of rangelands by persons or organizations that are not supportive of multiple use and not recognized as rangeland professionals.

Pg. 2-107: Forage Utilization Levels: We agree with the BLM's National Riparian Team on this subject when they convey, "PFC assessments identify possible stream hydrology problems only". PFC was never intended by the author's as a decision tool. It was developed as a "first approximation" qualitative assessment process. PFC is at best, a starting point for monitoring, never an "end point" for assessing riparian areas.

Pg. 2-113: Water Developments: The WSGB takes objection that the concerns of wildlife are paramount to livestock with respect to water rangeland improvements. We agree with a case by case evaluation process, but more balance is needed with respect to the needs of all multiple uses of water.

Pg. 2-114: We very much disagree that BLM has the right to any information from private surface without the written permission of the landowner, even in those situations of split-estate.

Pg.2-115: BLM should defer all decisions about predator control to the State of Wyoming.

Pg.2-119: Black Footed Ferret: The BLM should not agree to any re-introduction program unless, and until, it has been agreed to by all private landowners affected by the release.

Pg. 2-123: BLM should not undertake any analysis of introduction, or re-introduction, of species not currently residing in the area unless, and until, it has been approved by owners of private lands affected by the proposal.

Pg. 2-128: Historic Livestock Management Sites: The BLM should not try to restrict any legitimate livestock management activity near an "historic livestock site" if that activity is needed by permittees to help maintain a viable livestock operation. The WSGB certainly supports the protection of important elements of our history. But it would indeed be ironic if BLM were to place unnecessary restrictions on existing viable livestock operations in order to protect a relic site that evolved into a relic site because it could no longer qualify as a component of the current livestock industry. History might then repeat itself.

Pg.3-29: Ranching-Related Historic Sites: The WSGB has been told by local ranchers that this narrative is inaccurate with respect to name and ownership location of some of the sites listed in this draft. Please make every effort to fix these concerns as they are identified by the ranchers.

With respect to the concept of "adaptive management", we are encouraged by the BLM's willingness to embrace the flexibility in management decisions that comes with this concept. But we did not read in the draft any discussion of how the BLM intends to modify the current inefficient BLM processes of, for example, the appropriate delegation of authority on a case by case basis; or stream-lining the internal "approved by" signature process to include only those federal employees who have a direct responsibility to a particular project; or specific time-lines for project components with incentives to federal employees for quality work accomplished ahead of schedule; or project plans and work schedules tailored to the complexity of a project; or changes in policy on the level of detail and pages of paper necessary to comply with the NEPA, ESA, OHSA, etc, in order to actually conduct "adaptive management" in this Field Office. Until the BLM is willing and able to conduct an internal review of the meaningful changes it needs to make in the way it conducts business with the business world, the concept of "adaptive management" will exist in the Rock Springs BLM office in name only.

Under the assumption that the narratives in the Final JMCAP will reflect the comments you receive that are supportive of an economically viable family ranching livestock industry in this area, especially those from the permittees, please insure that the issues in the Final that affect livestock grazing programs are not delayed by Protest that do not have merit. Progress on a variety of grazing issues has been slowed, and in some cases stopped all together, by the very laborious planning process in the Jack Morrow area. It's now (past) time to have the ability to move ahead with the projects and management required to keep the land healthy and the ranches economically viable.

Thank you for considering these comments.



Dick Loper, Public Lands Consultant to the WSGB

100,343

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May 20, 2003

Rence Dana, Team Leader
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RE: COMMENTS FOR SUPPLEMENTAL DRAFT ENVIRONMENTAL IMPACT
STATEMENT FOR THE JACK MORROW HILLS COORDINATED ACTIVITY
PLAN/DRAFT GREEN RIVER MANAGEMENT PLAN AMENDMENT

Dear Ms. Dana:

The following comments are made on behalf of GZ Livestock (Gary and JoAnn Zakotnik). We hold federal grazing permits in the Jack Morrow Hills area, and we value the opportunity to be able to live and work where we can enjoy the wildlife and the beauty of the area included in the JMCAP.

We would like to acknowledge BLM employees for their time, effort, and dedication in the preparation of this document. It was not an easy task. We support most of the preferred alternative because it is truly a multiple use alternative that includes recreation, livestock grazing, wildlife, and protection of cultural and historical sites and allows for the development of mineral resources while conserving the uniqueness of the area. The management objectives of the preferred alternative meet watershed, wildlife, recreation, and livestock grazing management objectives.

There are an abundance of protection measures in place that will allow limited oil and gas development and not significantly impact other resources. The socioeconomic analysis needs to be revisited to ensure that this analysis adequately represents the positive impact oil and gas development will have on the project-area economy. On the other hand, it is essential that the BLM is able to complete the necessary monitoring and evaluation and to ensure that necessary mitigation measures are required in order to sustain the wildlife and the uniqueness of this area.

Our specific comments follow.

2.7.1 LAND AND WATER RESOURCES MANAGEMENT
VEGETATION TREATMENTS. Resting one year prior to treatment and 24 months after treatment does not provide enough flexibility. A site-specific evaluation by the

BLM in consultation with the permittee should determine the time necessary for rest prior to treatment and after treatment.

Appendix 8 Page A 8-1 states that "All areas where vegetation manipulation occurs would be totally rested from livestock grazing. Wild horses and wild life should be included.

MONITORING PLAN The monitoring plans and the monitoring in the field should be conducted jointly by the BLM and the permittees.

2.7.1.2 FIRE MANAGEMENT

FIRE SUPPRESSION Prescribed fire should always be done in consultation with the permittee.

2.7.1.3 WATERSHED MANAGEMENT

WETLANDS AND FLOODPLAINS. In plans for dunal ponds, livestock need to be allowed access to water.

RIPARIAN MANAGEMENT EXCLOSURES BLM needs to consult with the permittee with the planning of riparian exclosures. Maintenance on the exclosure needs to be done by the beneficiaries of the exclosure.

2.7.1.4 WILD HORSE MANAGEMENT

It is imperative that the AML of 415-600 horses be implemented immediately. The numbers of wild horses out of AML is increasing dramatically. During drought years this is particularly damaging to the resource.

2.7.1.5 GUIDELINES FOR LIVESTOCK GRAZING MANAGEMENT

We support the flexibility allowed by guidelines to address management practices at the AMP level. Management actions to maintain or improve undesirable rangeland conditions within reasonable time frames can be determined on a site-specific basis, rather than one prescription fits all as in the previous plan. The statement "Management actions could include" suggests that the list that follows is not all inclusive. However, the document could be strengthened if the narrative reflected that management actions not included could be added if good science made us aware of new practices, or if new BLM Grazing Regulations and policies on the subject of Standards and Guidelines were adopted. The document should make clear that consultation with the permittee would take place before any technical evaluation of his/her allotment is conducted by the BLM. In the course of deciding if allotments meet Standards and Guidelines, good monitoring data, not just qualitative observations, needs to be used.

FORAGE UTILIZATION LEVELS.

We support the determination of forage and utilization levels in accordance with individual AMPs or other activity plans. However, PFC should not be the basis for management prescriptions. There are numerous other tools besides use levels that should be considered and utilized to solve riparian problems related to grazing.

LIVESTOCK WATER DEVELOPMENTS

The provision to allow water developments and range improvements to maintain or improve resource conditions and or enhance livestock distribution is an important key in order for livestock and wildlife to better utilize the range. The needs of all multiple uses need to be balanced with respect to water developments.

2.7.1.7 WILDLIFE HABITAT MANAGEMENT

SPECIAL STATUS WILDLIFE SPECIES We disagree that the BLM has the right to any information from private surface without the written permission of the landowner, even in those situations of split-estate.

PREDATOR DAMAGE CONTROL All decisions about predator control should be deferred to the State of Wyoming.

BLACK-FOOTED FERRET Before the BLM agrees to any re-introduction program for the black-footed ferret, all private landowners affected need to be in agreement with the re-introduction program.

INTRODUCTION AND REINTRODUCTION OF SPECIES BLM should not undertake any analysis of introduction, or re-introduction of a species not currently residing in the area unless, and until, owners of private lands affected by the proposal have approved it. In addition, prior to any introduction or re-introduction a recovery plan must be in place.

2.7.2 HERITAGE RESOURCES MANAGEMENT

HISTORIC LIVESTOCK MANAGEMENT SITES

The protection of these sites from surface-disturbing activities should not restrict proper livestock grazing management.

3.2.5.4 RANCHING-RELATED HISTORIC SITES

This section mentions ranching-related historic sites that are included in the Jack Morrow Hills area. It is mentioned that the Halter and Flick Ranch at Pacific Springs is on private land. For the sake of consistency, the other private sites, such as, Chilton and Houghton Ranch sites, the Washington Homestead, and Charlie Jameson's horse trap and cabin should also be listed as privately owned. An effort should also be made to use historically correct names for the sites. At least they should be names that are used by local citizens. "Charlie Jameson's horse trap" is an example. As it is on our private land, we call it the Bill Lewis horse trap. My grandfather, Ivan Dearth, purchased the place from Bill Lewis, a legendary local character. Many local old timers called it the Dearth horse trap.

CHARLES (CHUCK) JAMIESON (note the spelling of Jamieson) never owned the place. His wife Josephine Jamieson owned it

Thank you for the opportunity to comment.

Jo Ann Zakotnik
Gary and JoAnn Zakotnik
GZ Livestock



100,344

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May 21, 2003

Ms. Renee Dana, Team Leader
Rock Springs Field Office
Bureau of Land Management
280 Highway 191 North
Rock Springs, Wyoming 82901

Dear Ms. Dana:

RE: JMH CAP DEIS

Thank you for the opportunity to comment on the Jack Morrow Hills CAP DEIS. I am amazed that it has taken 10 years to get to this point, but at least we have something to comment on. I actually drilled and completed some of the wells in Nitchie Gulch and Pine Canyon fields for a previous employer and am very familiar with the area.

I am very concerned with the concept of adaptive environmental management as expressed in this document. It appears to be a way to simply avoid the leasing decision in perpetuity which is more difficult to deal with than an actual no lease decision. At least a no lease decision could be appealed and considered on its merits.

The idea of staged leasing places unfair and unwarranted restrictions on valid existing lease rights. The elk herds have habituated well to existing oil field activity with numbers well above WG&F targets. Habitat in and around the existing operations is extensively used by the elk and there is little or no reason to believe that elk would not quickly habituate to other activity as well. This area is prospective for natural gas, which is now selling for near record prices. Further delays in exploration and development of valid leases deprive the lessee of the fair present value of his minerals.

The BLM has not done a very good job of managing the wild horse herd. Population is well above targets established based on the carrying capacity of the range. Simply restricting other uses of this multiple use area to allow the horse population to continue to expand is unreasonable.

The preferred alternative would unduly restrict activity within 3 miles of the centerline of National Historic Trails. The current stipulation in the GR RMP for the

energy opportunity growth

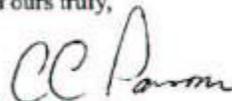
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protection of trails and associated view sheds calls for an avoidance area of ¼ mile on either side of the trail or visual horizon, whichever is less. BLM must abide by the current stipulation until the Trail Management Plan is completed, is subject to public review and is amended to the GR RMP.

The preferred alternative does not adequately reflect the value of the mineral resources to be developed and the positive socio-economic benefit to Sweetwater County, the state of Wyoming and the nation. Natural gas is currently in short supply. Development of these oil and gas leases would provide needed jobs for local workers, additional tax and royalty revenue to fund education and other public benefits and additional gas supply to help decrease the cost of gas for American consumers.

The BLM, WOGCC and DEQ are well able to manage development without undue degradation of the environment and should not continue to try and block development.

Yours truly,



C.C. Parsons
Division Operations Manager

CCP/rgt

Cc: Dru Bower - PAW
Claire Moseley - PLA
File

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Wildlife Management Institute

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ROLLIN D. SPARROWE
President

RICHARD E. McCABE
Vice-President

May 20, 2003

Rence Dana, Team Leader
BLM Rock Springs Field Office
280 Highway 191 North
Rock Springs, WY 82901

Dear Team Leader:

I am the Southwest Field Representative for the Wildlife Management Institute. The Institute is a private, nonprofit, scientific and educational organization founded in 1911 and dedicated to the restoration, conservation, and sound management of natural resources, especially wildlife and their habitats, in North America. Following are comments on the supplemental DEIS and Coordinated Activity Plan for the Jack Morrow Hills Area.

We previously provided input on the Jack Morrow Hills Area EIS and CAP in July of 1998, September 2000, and January 2002. Many of the comments we made in previous letters are still pertinent today. We are concerned about long-term protection of these important public lands and the valuable wildlife resources residing there. The large number of lands and resources in the planning area which meet criteria for protection and management under special management designations (ie areas of critical concern) attest to the unique characteristics of these public lands. This planning effort is critical to that concern.

A major concern with development in the Jack Morrow Hills is that important antelope and sage grouse populations and the unusual desert elk herd will be displaced or significantly reduced. To prevent this from happening it is essential that adequate monitoring and plan adjustments are made as development occurs.

We argued in September 2000 that the entire area should be precluded from further development. At the least the EIS should present one alternative that precludes further development in this area. The accelerated rate of energy development on adjacent public lands requires that an option of long-term protection of the Jack Morrow Hills Area should be part of the supplemental DEIS.

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In absence of a total resource protection alternative, the Institute recommends Alternative 2 over the Bureau's preferred alternative for several reasons. First, Alternative 2 focuses on improving and protecting habitat for wildlife and sensitive plant and animal species, improving riparian areas and water quality, and protecting historic, cultural, and Native American sites. This alternative also would not allow additional lands to be considered for fluid mineral leasing in the core area. It also provides for boundaries of existing ACEC's to be expanded as necessary to protect these resources. Alternative 2 also provides for consideration of expansion of wilderness study areas (WSA's). It is not clear exactly what resource protection would be provided under the Preferred Alternative. Expansion of both ACEC's and WSA's should be key to any final plan for this area.

In our earlier letters we suggested development of an alternative to address the important and neglected issue of the pace at which development occurs. This alternative would present a slower approach of development to allow wildlife to better adapt to encroachment on their habitats.

We note with interest under the BLM's Preferred Alternative that "timing and sequencing of events" will be used to reach a balance of uses (page iv). It is not clear however, that the approach described in Section 2.7.5.1 on leasable fluid minerals management will be feasible. It is stated on page 2-81 that "The entire planning area would not be leased at the same time, and exploration and development activities would not be allowed to occur at the same time over the entire planning area." Obviously, the devil is in the details but we have seen little evidence that the Bureau can control leasing in such a manner. We do agree that a strategy like this would be preferable to all areas open at once and urge the Bureau to implement this approach no matter which Alternative is chosen. The final EIS should discuss feasibility of this approach and present details on how this strategy would be carried out.

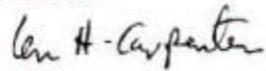
As suggested on page 2-82 it will be absolutely necessary that adequate monitoring of "sensitive resource indicators" be done to help plan for timing and subsequent development. It is not clear how the Bureau will achieve these monitoring tasks. It is critical that the Bureau have adequate human and fiscal resources to accomplish this work. This commitment should be part of the planning process and should be addressed in the final EIS. The final planning documents should specify who will pay for necessary work to implement key aspects (like monitoring) of the Coordinated Activity Plan. The American sportsmen and women paid once to return wildlife populations to abundance and wide distribution. They should not have to pay again.

Finally, the supplemental DEIS is grossly insufficient in its treatment of cumulative effects. An adequate EIS would have addressed the cumulative effects of this project in consideration with all the existing and proposed energy projects in SW Wyoming. The EIS should address the complex issue of cumulative impacts, especially evaluating cumulative impacts of past, current, and future projects on migration corridors and movements of big game. One of the basic principles of NEPA is that the Federal Government shall attain the widest range of beneficial uses of the environment *without degradation*, risk to health or safety, or other undesirable

consequence. A cumulative analysis is critical to meet this important planning principle and should receive more attention in the final EIS.

Thank you for the opportunity for comment. Please include me on the mailing list for all future documents related to this issue.

Sincerely,



Len H. Carpenter

cc:
R. Sparrowe, WMI

100,350

Arthur J. Wiley
 620 N. Fork Rd
 Lander, WY 82520
 5/20/03

Renee Dana
 Team Leader - Jack Morrow Hills CAP
 280 Highway 191 North
 Rock Springs, WY. 82901

Team Leader:

While the SDEIS for the Jack Morrow Hills CAP, is a formidable document, I have tried to give it a pretty thorough review. The Jack Morrow Hills is a quite unique piece of valuable natural wild land with a considerably diverse set of fragile values. These, of course include wildlife, recreation, cultural, endangered species, integrated, historical, archeological, vegetation, scenic, etc. resources. The management proposals common among most of the CAP alternatives mostly address the conflicts and problems between the competing uses in an adequate manner. The major exception to this is the efforts to deal with the minerals potential and the minerals legal framework and the minerals industry. The nature of mineral development, especially oil and gas and coal-bed methane development, as well as exploration to a lesser extent, is to cause serious disturbance and destruction to most other resources where they overlap. In a fragile diverse area such as the JMH, a number of unique long-term or permanent losses of other resource values can be expected with any of the alternatives as presented.

Considering the mineral resources (O&G, localables, Leaseables, CBM, etc.), none of these are endangered of being destroyed or permanently locked up. The planning period will only make decisions for 10-20 yrs. Efforts to minimize mineral development for 10-20 yrs will not affect the mineral resource if and where it is, it will still be there if seriously needed. Economics are the major factor driving whether or not mineral reserves are developed - little profit - little effort to develop resources. The long term lack of major interest in developing most of the O&G leases in the TPH indicates it isn't that great a prospect and that probably won't change much in the current planning time frame. Current gasfield development in the Dinakale area and the Coal Bed Methane development in the Powder River Basin are producing or poised to produce huge quantities of gas that the state can not find capacity to export even at prices 30% to 50% below the national price. We are losing these resources at bargain basement prices by over-development at the present time. This way we are accomplishing while knocking the socks out of many other resources with vegetation - habitat changes and destruction, sage grouse leas and winter rangeland, disturbance, movement corridors spider-webbed with road network, mineral resources ruined, water contaminated, etc. to mention a few. This is not necessary at this time in the TPH. (See the enclosed clipping from the Dinakale area.)

I would like to endorse the Preferred Alternative in relation to the handling of everything but the minerals management aspects. I realize that not much can be done with the development efforts to arise on existing leases other than enforce the existing stipulations. However, I know that mineral leases expire and do not have to be renewed - (10 yrs?) I would like to recommend that you look at Map 10 in Vol 2. and do the following:

1. Obtain a closure to all new leasing in the Core Area and in the WSA's (or their current areas if the WSA's are rescinded)
2. Look at the wildlife movement corridor between the birthing areas in the Oregon Butte area and the southern big game crucial areas, WSA's and Core Area. There is a movement corridor area between these seasonal ranges that should be closed to new leasing and any leases that expire without development should be removed from leasing data. Such corridors are prone to long term ruination with spider-licking mineral development roads, pads, pipeline - human negative effects!! (Look at Dalgage, Simdale, Little Colorado, Powder River Basin, Green Mtn and the North Uranium)
3. Sage Grouse are on the verge of making it to the Endangered Species List!! YIP GOD! We need a much better inventory of Sage Grouse Winter Concentrating areas not the spot where seen but the area of good sage habitat required to

4

survive the severe winters. These habitats must be preserved if the ESA designation is to be avoided. We can't allow the habitat to be removed and the area become spider-webbed with roads and all the forms of human intrusion they bring. Leasing should cease and current leases not developed allowed to expire without renewal on these crucial sage grouse habitats.

There are some other concerns with the Preferred Alternative but the above are of greatest concern. One example - I think there should be NO Surface Occupancy on Sage Grouse Leaks within 1/2 mile of the center of the "Controlled Surface Use" designation, allow for the impairment of these crucial sites. There are several other concerns but I won't nit-pick other than to say that your reliance on "adaptive management strategy" while sounding good in theory is disconcerting to many people, including myself because of the lack of broad public exposure to such processes going on and open, being prone to pressure of politicians, lobbyists and the Dick Lopez of the world! Thank you for the opportunity!

Sincerely,
Dorothy [Signature]

SCHNAUBER, HALL & EDMAN, P.C.

100,352

CERTIFIED PUBLIC ACCOUNTANTS
220 B STREET POST OFFICE BOX 970
ROCK SPRINGS, WYOMING 82902-0970

JANE F. SCHNAUBER, C.P.A.
LORI A. HALL, C.P.A.
PAUL R. EDMAN, C.P.A.

TELEPHONE
(307) 362-6631
FAX
(307) 362-6639

May 21, 2003

Renée Dana
Bureau of Land Management
280 Highway 191 North
Rock Springs, WY 82901

Dear Ms. Dana:

I appreciate the opportunity to comment on the alternatives presented for the future management of the Jack Morrow Hills Coordinated Activity Plan. I have lived and worked in Rock Springs, Wyoming for 27 years. I am a partner in Schnauber, Hall & Edman, P.C. which is a firm of certified public accountants located in Rock Springs. We provide accounting, tax and management advisory services for individuals and businesses located principally in southwest Wyoming. We have many clients who will be both directly and indirectly affected by the future management of the Jack Morrow Hills area.

I believe that any management plan must continue to allow a variety of uses for the Jack Morrow Hills area. Use of this area has been essential to the agricultural industry in the State. Wyoming ranchers have accepted responsibility for stewardship of the land and have been instrumental in the improvement of riparian areas and water quality. Many of my clients are involved in reseeding programs on their own land and on acreage owned by the Bureau of Land Management. They have provided water wells and reservoirs for their cattle which also are utilized by the wildlife. The ranchers are currently required to work closely with the BLM in order to ascertain that all federal regulations are being adhered to and that the land is not subject to deterioration. The ranchers continue to see the elk, deer and antelope increase in numbers. The drought has been a severe financial hardship for the ranchers and the disallowance or reduction in the grazing permits would certainly be the end to the agricultural industry in this part of the state.

The management plan should provide for continued oil and gas exploration and development. This industry is already subject to strict regulatory requirements and environmental regulations regarding development, withdrawals and closures. Disallowance of continued drilling activity would not only affect the local community, but the state and national economy as well. Continued monitoring and evaluation of future activities is imperative, but the future of the oil and gas industry in Wyoming must be sustained. Our local community would suffer from the loss of thousands of jobs in the oil industry. More workers would be forced to leave the area to find work. The local businesses, including my own firm, depend on the trade provided by these people and many would not survive. The State of Wyoming depends heavily upon the taxes

generated by the mineral industry. The nation depends upon the oil and gas industry for its fuel. We need to become more independent of foreign oil sources.

As a long-time resident of Wyoming, I am also concerned about maintaining the beauty of the environment and the preservation of our wildlife. I would like to voice my support for the BLM's Preferred Alternative Plan because I believe that it best provides a balance between industry development and the protection of our natural resources. The plan offers adequate consideration to the needs of industry and the need to maintain and improve the habitat. Thank you very much for the opportunity to submit this comment.

Sincerely,



Jane F. Schnauber
Certified Public Accountant

100,358

Robert Hale
813 Cypress St.
Monterey, CA 93940

19 May 2003

RE: SDEIS for JMH CAP

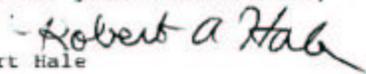
Renee Dana, Team leader:

The EIS process needs to consider and analyze the Citizen's Wildlife and Wildlands Alternative. It would seek to prohibit oil/mineral leasing by buying out or exchanging leases and managing the area to retain the wild largely pristine state that exists presently for future generations to enjoy. On a recent flight I witnessed the tremendous fragmentation and development occurring in the San Juan Basin of New Mexico and hope it will never happen to the JMH area. Your SDEIS acknowledges several ACEC's, WSA's and unique geologically, scenic and historical resources. Energy exploration is not appropriate in this nationally outstanding area. I hope to visit the area soon now that I am more aware of the outstanding natural resources there.

Specific comments:

- 1) SDEIS must address how much fragmentation and road building would occur with all the alternatives.
 - a) what effect will road building and energy development have on viewsheds? How many of the pristine viewsheds will be unmarred for future generations?
 - b) what effect will road building and energy development have on the spread of weeds and increase in fires and degradation of the exceptional sage communities to potential weed infestations and or conversion to cheat grasslands?
 - c) how much will it cost to control weeds spread by development? You state that weeds now are mainly near roads, so apparently current management is not controlling them there. So how will, with a marked increase in potential roads and disturbance, be able to protect the area from more significant weed and degradation problems that will come with your preferred alternative?
- 2) I strongly support the proposed Citizens Wildlife and Wildlands Alternative and urge your field office to select this as the final alternative. Of the other alternatives only Alternative 2 is close to the emphasis of resource protection I would support.

Thanks for your consideration,


Robert Hale

100,365

Dear Ms. Dana:

Oilfield development as per the Bureau of Land Management preferred option for the Jack Morrow Hills should not be allowed. The BLM plans on allowing at least 200 well pads with more coal bed methane exploration to follow. Any further industrialization of the JMH will negate any possibility for management of the Hills to provide "multiple use" which the BLM likes to state is there main focus. Any multiple use such as wilderness, recreation, wildlife protection, solitude, and protection of culturally significant resources cannot be accessed with the industrialization that would follow by allowing permitting of gas exploration and development. The increased roads and traffic will have a definite, immediate and detrimental impact on the wildlife that live in the area. Increased roads will provide increased access and unlawful access to cultural artifacts. Increased roads will increase stress and harassment of big game herds. Sage Grouse can not withstand any increases in human encroachment in the Jack Morrow Hills. The serenity that can be experienced in the Jack Morrow Hills will no longer be possible D/T the increases in traffic and petroleum development. You may dispute this, but the gas play currently going on in Wamsutter is the model that development will take in the Hills if allowed. Since allowing the current Wamsutter field development, there have been over a two dozen requests for construction of pump stations necessary for gas development. The effect of diesel exhaust, in continual outpouring on the environment was not addressed in the management plan. It is the same for the Jack Morrow Hills. Gas production facilities, pipelines, roads and increased human encroachment in the Hills will eliminate the possibility for any multiple use of the Hills. Once the land has been scraped, the sage brush stands flattened, and roads providing a lattice work of access for both off the road ATV'ers and gas development activities are made, it will be impossible to monitor or limit access to currently hard to get places in the Hills. The BLM does not have the personnel to even suggest that they will be able to monitor or manage for such. Gas development negates any possible attempt to manage for multiple use. If there is any hope for Sweetwater County to ever develop an economy in which tourism has a place, it will be by having the Jack Morrow Hills accessible as currently possible and not by having a full field development as a vista.

I strongly urge the BLM accept the Citizens Alternative Action Plan for the Jack Morrow Hills. No further development by gas, coal, methane or any other extractive industry for the Hills. Leases in or near the Hills should be bought back, traded, or just summarily refunded. Agricultural users should be limited or curtailed all together in the core area. The wildlife in the Hills should take precedence. This is a different day and age than a hundred years ago. The Hills are a unique and irreplaceable area and habitat. Wyoming has lost other such areas to development and the Hills are the last. Save the Hills from gas development and allow the children who will come later to experience the Hills as I have.

Sincerely,


Bill Spillman

100,372

May 22, 2003

To: Renee Dana, Team Leader
280 Highway 191 North
Rock Springs, WY 82901

Dear Ms. Dana,

I would like to take this opportunity to comment on the SEIS for the Jack Morrow Hills. It is apparent that the preferred alternative is a very insightful and complete analysis of all foreseeable consequences. I am most impressed by both the depth and scope of this alternative. Every consideration— from wildlife habitat, to development impacts, to socioeconomics, to recreation, to grazing, to protection of precious archeological sites— all of these have been addressed in a way that accommodates all *legitimate* stakeholders. Additionally, the adaptive management strategy is an excellent and timely check and balance, having great potential for mitigating unforeseeable problems in the future.

I do, however, have a few concerns about the preferred alternative. The first involves the wild horse objectives. The numbers recommended in the preferred alternative are absolutely essential to the maintenance of sustainable habitat, and I wholeheartedly support the recommended numbers in the preferred alternative. Ideally, the horse population should be maintained in a manner that allows the surplus to be adopted out in balance with the demand for adoptions. The population in the preferred alternative will do that when the objectives are reached, but getting the existing populations down to objectives will likely necessitate the BLM taking emergency action that will be politically unpopular. Hopefully, the BLM will have the funding and the leadership to do what must be done to cull the herd down to sustainable, healthy numbers. There are many concerned and involved members of the public who understand the importance of this issue and will back the BLM when the time comes.

My second concern involves economic issues. As a lifelong resident of Wyoming and Sweetwater County, I have experienced the "Boom/Bust" cycle several times. Wyoming's economy will, for the foreseeable future, critically depend on energy production. As far as the JM Hills are concerned, the gas and oil resources *will be* developed. It is simply a matter of when, how quickly, and under what circumstances. The resource is worth literally billions of dollars. Eventually the oil and gas, if kept off-limits and undeveloped, will be worth more than any environmental considerations. The oil boom of the 70's caused many environmentally destructive actions to occur, and none of us who are concerned about the land and resources want to see this destruction happen again. With the dependency this country has on imported oil, together with the potential for disruptions of supplies through terrorist acts, it is inevitable that a scenario will occur that will rekindle the next oil boom. Will the energy shortage that spawns this inevitable boom be serious enough to make environmental considerations moot? It makes much more sense to me to develop the oil and gas in an orderly and environmentally

sustainable way, rather than to hold back development until a desperate public loses its environmental conscience. The preferred alternative calls for 205 wells to be allowed over the next twenty years. Using your figure of 2.2 billion cu. ft. of gas per well, this allows for a potential of 451 billion cu. ft. to be produced in the 20 year time frame. Using the State of Wyoming's estimate of 4.1 trillion cu. ft. total reserves, the resource should last 180 years at the rate of production called for in the preferred alternative. This rate of development, together with precedents established via the environmental constraints in the plan, will ensure that the Hills will be as pristine in 200 years as they are today. My concern is that the orderly development of the oil and gas resource will be jeopardized by the actions of a certain vocal, yet short-sighted group of "citizens". If this group's plan ever comes to fruition, it will guarantee that the JM Hills will eventually see the very destruction that they are hoping to prevent. It is for these reasons that I support the preferred alternative. It is- far and away- the best thought out of any proposal I have seen to date, and that includes the four alternatives seen in the previous DEIS of the year 2000.

My third concern involves the issue of classes of "viewshed". Wind power will inevitably become a key factor in the energy independence of our nation. With the steadily depleting fossil fuel reserves we are seeing, it is becoming likely that this state will become a key player in the wind energy business. It appears that the JMH study area has a very high potential for development of this resource, and there is not much mention made of that possibility in the SDEIS. There perhaps needs to be more time spent addressing this issue, as it does relate to viewshed concerns. Some of the best sites for wind farms fall within the Oregon Buttes viewshed, as defined in the DEIS.

In closing, I would like to commend you and your colleagues on the quality of work seen in this SDEIS. I am pleased to see that you are utilizing the Green River RMP as your guiding document, and that all five of the alternatives are multiple-use oriented. Additionally, all of the alternatives provide for resource development as well as for environmental protection. I am optimistic that the preferred alternative will win out as the next management plan, and that the BLM will be able to implement the plan to the greatest public benefit.

Sincerely,



Patrick Mehle
1037 Cypress Circle
Rock Springs, WY 82901

100,373

BERCO RESOURCES, LLC

May 22, 2003

Bureau of Land Management
280 Highway 191 North
Rock Springs, Wyoming 82901-3447
Attention: Mr. Andy Tenney

Via Federal Express, Telefax & E-mail

**Re: Comments on Supplemental Draft EIS
For the Jack Morrow Hills Coordinated Activity Plan /
Draft Green River Resource Management Plan Amendment
Sweetwater County, Wyoming**

Ladies and Gentlemen:

Berco Resources, LLC ("Berco") has reviewed the Supplemental Draft Environmental Impact Statement for the Jack Morrow Hills Coordinated Activity Plan/Draft Green River Resource Management Plan Amendment ("SDEIS"), dated January 21, 2003. In addition, Berco's representatives have attended both the open house held on March 12, 2003 in the Bureau of Land Management's ("BLM") Rock Spring's office and the hearing held on April 9, 2003 at the Western Wyoming Community College.

Berco is headquartered in Denver, Colorado and has an operations office in Rock Springs, Wyoming. We have been engaged in the business of developing oil and gas properties in the Rocky Mountain region for more than 16 years. We believe that we conduct our fieldwork in an environmentally prudent manner to produce natural gas, which is the cleanest burning fossil fuel. As we prepare these comments Federal Reserve Chairman Alan Greenspan was quoted as saying that the issue of natural gas supply "is a very serious issue" and we "are very readily constrained in our ability to increase supply". He went on to say "that something has got to give, and what is giving, of course, is price."

We respectfully offer our comments on the SDEIS as follows:

Stakeholder

Berco is a major stakeholder in this process. Berco owns the majority interest and operates 25 of the 30 wells located in the Nitchie Gulch field. The Nitchie Gulch field is

One Tabor Center, Suite 600, 1200 17th Street, Denver, Colorado 80202
Tel. (303) 825-1188 Fax (303) 825-1189
NATURAL RESOURCE DEVELOPMENT & INVESTMENTS
Page 1 of 5

located in the south central portion of the Jack Morrow Hills Environmental Impact Statement (JMH EIS) study area and is centered in the northwest of Township 23 North, Range 103 West. The Nitchie Gulch field represents 30 of the 36 currently producing wells in the entire 622,000-acre JMH EIS study area. The oil and gas leases from which the Nitchie Gulch field produces only cover approximately 1.7% of the JMH EIS study area or 11,000 acres. These wells produce by the rights granted through oil and gas leases predominantly issued between July 1, 1951 and July 1, 1958 without stipulations. The field contains unique infill drilling and development opportunities.

SDEIS Alternatives

The BLM has described 5 alternatives in the SDEIS. They are referred to as the No Action Alternative, Alternative 1, Alternative 2, Alternative 3 and the Preferred Alternative. The BLM's Preferred Alternative utilizes the Adaptive Management approach for resource use and protection. The key to Adaptive Management method for addressing uncertainty in natural resource management being successful is that the BLM must be able to thoroughly monitor results of an experiment in order to make the proper evaluation and adjustments. The BLM appears to be under funded with regard to monitoring programs (e.g. Elk Monitoring). If the BLM is to select the Preferred Alternative, it should make certain that it has adequate funding to properly monitor results so that only appropriate and necessary adjustments are implemented.

If the BLM is unable to secure adequate funding to implement the Preferred Alternative, it should select Alternative 1, which the SDEIS describes as the alternative that "protects sensitive resources to the extent required by applicable laws and regulations". The general public is not aware of the protection afforded environmental resources by existing laws and regulations.

Alternative 1 contains extensive regulatory protection including Seven Wilderness Study Areas and Five Areas of Critical Environmental Concern. Specific regulatory protection is included for Wildlife during winter, nesting seasons, mating seasons and birthing areas (i.e. elk, mule deer, antelope, wild horses, sage grouse, raptors, mountain plover). Further protection is provided for black-footed ferrets, wildlife habitat, vegetation, visual resources, heritage resources (i.e. Boars Tusk, White Mountain Petroglyph, Crookston Ranch, Tri-Territory Marker, Indian Gap, South Pass Overlook, Oregon Trail, California Trail, Mormon Pioneer Trail, Pony Express Route and the Tri-Territory Marker), paleontological and archaeological sites, recreational resources, air resources (Clean Air Act), livestock grazing, land and water resources (Wyoming Standards for Healthy Rangelands, Proper Functioning Condition for Riparian Areas, Desired Plant Community objectives, Clean Water Act, fencing restrictions, fire management, etc.) and Native American Sites (American Indian Religious Freedom Act and National Historic Preservation Act). Transportation management (right-of-way restrictions, off-highway vehicle management, road design limitations) is also provided for in order to reduce impacts to the surface. The existing applicable regulations are too numerous to list in their entirety.

Berco believes that industry has historically conducted its operations in the JMH EIS study area in an environmentally prudent manner and that existing regulations adequately protect the sensitive resources involved. We see no reason for regulation beyond that provided for in Alternative 1. Please remember that the JMH EIS was not initiated by any specific industry proposal and there are no significant proposals from industry other than Berco's infill program for the existing Nitchie Gulch field.

Development Wells

Berco has previously commented on its plans to drill up to 38 additional infill wells over the next five or more years on its valid and existing oil and gas leasehold rights in the Nitchie Gulch field area. These plans appear to have been recognized in the BLM's oil and gas activity estimates for each alternative in Appendix 13.

The drilling of these infill wells constitutes a unique low risk and low impact oil and gas resource opportunity. These infill locations are low risk because they will be drilled in between or adjacent to previously drilled wells. These wells will be relatively low impact because they will be drilled in an established producing field area. This extraordinary type of oil and gas resource does not occur anywhere else in this JMH EIS area and warrants minimal additional mitigation.

Wildlife

The northern portion of the field along with approximately 60.00% of the 620,000 acre EIS area is within a "Connectivity Area (Migration Corridor)" that ranges from six to twenty-seven miles in width. It appears that the migrating wildlife will have room to adjust to moderate activity levels within this expansive corridor. Our field's existence has had no measurable negative impact on wildlife migration since it started producing in 1962.

It is important to note that the Nitchie Gulch Field is not within any critical habitat areas for Elk, Mule Deer or Antelope nor is it within any birthing areas for Elk or Mule Deer. There are no sage grouse leks, winter concentration areas or nesting habitat near the field. There are no nesting sites or habitat for Raptors near the field. Mountain plover aggregation areas are not in the Nitchie Gulch field area. No wild horse herd management areas are near our field.

Visual Impacts

There is an existing infrastructure in the Nitchie Gulch field. Any new roads and pipelines will be of a minimum distance. Our wells are powered by natural gas and do not require the installation of power lines. The view shed for each well site is quite limited due to rolling hills associated with the dunal terrain. The field, which has been in existence for over forty years, including its existing wells, equipment and roads are a part of the characteristic landscape in this area. Our valid and existing lease rights preceded

the Visual Resource Management classification contained in the Resource Management Plan. Any imposed mitigation should contemplate these facts.

Mitigation

Case law states in *Sierra Club vs. Peterson* from the United States Court of Appeals for the District of Columbia Circuit No. 82-1695 that "On land leased without a No Surface Occupancy Stipulation the Department cannot deny the permit to drill; it can only impose "reasonable" conditions which are designed to mitigate the environmental impacts of the drilling operations."

Berco would like to reiterate that the oil and gas reserves that have been encountered in the Nitchie Gulch Field area on a per well basis are not sufficient to warrant the additional expense of directional drilling. Directional drilling also presents unnecessary additional mechanical risk when fracture stimulating the objective horizons. Nitchie Gulch field reserves are not comparable to other more prolific southwest Wyoming producing areas such as the Jonah field or the Pinedale Anticline. Requiring directional drilling on our existing leases will have the same effect as disapproving the APD altogether inasmuch as the operation will be rendered uneconomic. This mitigation is unacceptable in the Nitchie Gulch field area.

If additional mitigation is required by the Adaptive Management Strategy contained in the Preferred Alternative or pursuant to the terms of another selected alternative, specific justification for each restriction should be supported by irrefutable scientific data as a basis for the application to the action. Berco considers arbitrary government restrictions imposed upon the use of its existing oil and gas leases (e.g. the number of well pads per section, requirements to directionally drill, requirements to install remote control facilities, and wildlife stipulations during winter months in the sand dunes) as a deprivation of its core property right to develop its property. Unnecessary restrictions or conditions run contrary to the spirit and terms of our valid and existing oil and gas leases. If these restrictions are unreasonably imposed, they will cause significant development drilling not to occur and prevent Berco from realizing all of the economic beneficial use of its oil and gas leasehold, which may constitute a regulatory taking.

Friends of the Red Desert

As stated above, we have had representatives at the open house and the hearing in Rock Springs. Berco believes that the Bureau of Land Management understands that the "Friends of the Red Desert" is presenting the public with distortions and misinformation specifically described in the Petroleum Association of Wyoming's letter dated May 2, 2003 (copy attached). I do not believe one speaker from the "Friends of the Red Desert" contingent correctly referenced the provisions contained in the SDEIS and I am certain few had ever read a word of the document itself. This misinformation will be the basis for many comments that you receive on this SDEIS rather than the document itself. The existing laws and regulations and the protective measures for sensitive resources that the BLM has worked so hard to include in the SDEIS are being totally ignored by the

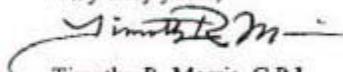
"Friends of the Red Desert" and their supporters. The BLM is certainly justified in significantly discounting its consideration of their comments, since they are based upon these distortions and misrepresentations and not based upon facts or the content of the SDEIS.

General

Berco is committed to exercising its rights to further develop these properties in a timely and environmentally prudent manner. We believe that there are significant oil and gas reserves yet to be produced from our Nitchie Gulch field leases. The existence of this field has not significantly impacted other resources in the area and our future development plans will not significantly impact other resources in the area.

Berco will appreciate your consideration of the additional information contained herein while preparing the Final EIS and Record of Decision. If we can provide you with any other information, please feel free to contact the undersigned.

Very truly yours,



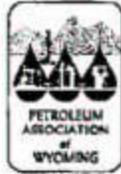
Timothy R. Morris, C.P.L.
Vice President - Land

05/22/2003

07:54

Petroleum Assoc. of Wyo. → 13838251189

NO. 448 0002



PETROLEUM ASSOCIATION OF WYOMING

951 Werner Court, Suite 100
Casper, Wyoming 82601
(307) 234-5333

fax (307) 266-2189
e-mail: paw@pawyo.org
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May 2, 2003

The Honorable Craig Thomas
United States Senator
2632 Foothill Boulevard, Suite 101
Rock Springs, Wyoming 82901

Re: "Friends of the Red Desert" Propaganda
Jack Morrow Hills Supplemental Draft Environmental Impact Statement

Dear Senator Thomas:

On April 9, 2003, "The Friends of the Red Desert" (FRD) held a meeting at the Western Wyoming Community College in Rock Springs prior to the Bureau of Land Management's recent hearing for the Jack Morrow Hills Supplemental Draft Environmental Impact Statement (JMH SDEIS). After being presented with over an hour of exaggerations and misinformation based upon what appears to be a "scare tactic" strategy, conservation advocates were outraged by what they had been told was about to happen in the Jack Morrow Hills (JMH) area. It is now time for the facts to be presented:

1. Jonah vs. Jack Morrow Hills.

- FRD displayed an aerial photo of the Jonah Field near Pinedale and insinuated that identical impacts were about to occur in JMH unless something was done about the JMH SDEIS Preferred Alternative. Jonah and JMH are truly apples and oranges and the following facts outline a few obvious differences.
- The Jonah field is 30,000 acres in size. The JMH SDEIS area is 622,000 acres in size (over 20 times the area).
- Approximately 500 wells have been drilled in 5 years in Jonah (100 wells per year). The Preferred Alternative in JMH allows 200 wells over the next 20 years (10 wells per year). JMH will have 1/10th of the wells per year in an area 20 times as large as Jonah. This results in 1/200th of the impact on an annual well per acre basis.
- The wells in Jonah are development wells and almost all are productive. Outside of the Nitchie Gulch field, the wells in JMH will be exploratory with an approximate 1 in 10 chance of being productive. The unsuccessful wells will be plugged, fully reclaimed and restored. The areas surrounding unsuccessful wells will likely be free from future oil and gas activity due to the initial well's uneconomic results. Development drilling after new discoveries could eventually require the preparation of additional environmental analysis if there is new drilling concentrated in an area.

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2. Steamboat Mountain Elk Herd.

- Oil and gas development has taken place in the Jack Morrow Hills area since the 1920's. The elk herd has flourished and a certain segment of the population still believes that the area is pristine and worth protecting. A balance between environmental protection and economic growth has been clearly proven and it would be unfounded for BLM to manage the area for the expanded elk herd at the expense of oil and gas development by preventing or restricting access to the entire JMHCAP or Core Area.
- FRD asserts that the Desert Elk Herd is in jeopardy. The herd has flourished simultaneously with ongoing oil and gas activity (exploratory and producing wells). The elk population objective for the Steamboat Elk Herd has been 500 since 1984. The current estimated population counts show that the herd consists of approximately 1,800 to 2,000 elk. The Wyoming Game and Fish Department (WGFD) recently raised the herd objective to 1,200. Increases in the herd objective must be based on scientific evidence that forage in the management area can support the increase in the herd objective as well as other range resource users (i.e. livestock grazing, wildlife, etc.). Furthermore, WGFD must implement a strategy for controlling the growing elk herd and bringing the elk numbers back down to the appropriate population objective.

3. Exploitation by Big Oil.

- FRD asserts that the BLM is *"planning to open up Wyoming's Jack Morrow Hills Area, the wild heart of the fabled Red Desert, to exploitation by big oil."*
- In reality, ten (10) wells per year in an area the size of the state of Rhode Island is hardly exploitation. There is limited interest in investing in JMH by oil and gas companies because the agency has already discouraged or prevented leasing and development from occurring.
- While the petroleum industry is interested in protecting its rights to produce oil and gas in JMH, rigs will not be lined up on Highway 191 upon issuance of a Record of Decision. At this time, only exploration projects are foreseeable in JMH, which require extensive capital and a high tolerance for the associated risk of an approximately 1 in 10 success rate. For example, 153 wells have been drilled in the JMH area; while 30 wells within the Nitchie Gulch field are producing, only 6 of the other 123 wells drilled are currently producing.

4. Unfettered Access to Oil Companies.

- FRD asserts that this plan will *"open up your public lands to unfettered access to oil companies and represents another on-the-ground example of the Administration's energy plan in action."* Unfettered access couldn't be further from the truth. If and when it is determined that areas are available for oil and gas leasing, the preferred alternative in the

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Jack Morrow Hills SDEIS contains hundreds of pages of restrictions on oil and gas activities designed to protect sensitive resources including:

- Seven Wilderness Study Areas;
- Five Areas of Critical Environmental Concern;
- Timing Limitation stipulations, which restrict drilling activity to protect seven major categories of wildlife during winter, nesting seasons, mating seasons, and birthing areas (i.e. Elk, Mule Deer, Antelope, Wild Horses, Sage Grouse, Raptors, Mountain Plover);
- Rights-of-Way restrictions;
- Visual Resources protection;
- Heritage Resources protection (i.e. Boars Tusk, White Mountain Petroglyph, Crookston Ranch, Tri-Territory Marker, Indian Gap and South Pass Overlook);
- Water Resources protection; and
- Oil and Gas Leasing is highly restricted on approximately 80% of the JMH area.

5. Nine Weeks of Natural Gas Consumption for the United States.

- FRD asserts that if exploration is successful in the JMH that it will provide the United States with approximately 9 weeks of natural gas.
- While our figures indicate that the estimates are closer to a 10-week supply, one must keep in perspective that 9 or 10 weeks worth of United States natural gas consumption is a considerable amount of natural gas (3.9 trillion cubic feet). This rate of consumption clearly demonstrates the country's tremendous need for this clean burning energy resource. If areas are continuously closed to domestic oil and gas exploration and development activity, dependence upon foreign energy sources will increase exponentially and supply prices will rise dramatically.
- The study referenced by the FRD for this 3.9 TCF figure further predicts that with technological advances another 9.2 TCF could be discovered and developed in the JMH area. This total would provide enough gas for all of the country's residential use for 1 year and 7 months.

6. Hardest Hit Area.

- The FRD asserts that in the JMH *"the part that will be hardest hit is land adjacent to Steamboat Mountain, a Shoshone Indian holy site and ancient Native American buffalo jump site, giving preference to natural gas drilling"*.
- At present, there are no drilling plans within 5 miles of Steamboat Mountain. The well locations currently proposed are within an existing field that has been producing for over forty years.

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We have described and refuted only a few of the most flawed assertions made by "The Friends of the Red Desert" during the meeting described above and on their website. It is important that government decision-makers understand their tactics include the use of inappropriate analogies (i.e. Jonah vs. Jack Morrow Hills), exaggerations (e.g. "exploitation by big oil"), misinterpretations (e.g. "unfettered access to oil companies") and many other inflammatory catch phrases to solicit support and comments directed at thwarting environmentally responsible oil and gas development on federal lands.

It is important to Wyoming and this great nation to maintain access to federal lands, particularly in areas that are known to have high potential for mineral development. Please do not allow misinformation to drive the decision-making process.

We appreciate your consideration of this important issue. Please feel free to contact me should you have further questions regarding Jack Morrow Hills.

Sincerely

Dru Bower
Vice President
Petroleum Association of Wyoming

Claire M. Moseley
Executive Director
Public Lands Advocacy

Cc: The Honorable Mike Enzi
The Honorable Barbara Cubin
The Honorable Dave Freudenthal
Sweetwater County Commissioners
Fremont County Commissioners
Sublette County Commissioners
Sweetwater County Conservation District
Mr. Robert Bennett
Mr. Alan Kesterke
Mr. Alan Rabinoff
Ms. Patricia Hamilton
Mr. Ted Murphy
Mr. Bernle Weynand
Mr. Tim Kuamo
Mr. Leonard Hay