

Pinedale Anticline Working Group (PAWG) Minutes

July 12, 2004

9:00 a.m.-5:15 p.m.

Sublette County Public Library; Pinedale, WY

PAWG Members Present:

- Mary Flanderka, State of Wyoming
- Robert Barrett, Member at Large
- Nylla Kunard, Town of Pinedale
- Susan Kramer, Landowners bordering PAPA
- Robin Smith, PAPA Oil & Gas Operators
- Linda Baker, Environmental Community
- Kirby Hedrick, Member at Large
- Robert Reese, Sublette County Government

PAWG Member Absent:

- Paul Hagenstein, Livestock Operators Bordering/Within PAPA

BLM Employees Present:

- Prill Mecham
- Carol Kruse
- Daisy Pistey-Lyhne
- Renee Dana
- Steve Belinda

Presenter:

- Ron Hogan, Questar Market Resources, General Manager of Pinedale Division

Wyoming Game & Fish Present:

- Bernie Holz

Carol Kruse called the meeting to order at 9 a.m.

Carol stated she will run the meeting until the group elects a chairman. The chairman will then run meetings.

PAWG members introduced themselves:

- Mary Flanderka-I represent the State of Wyoming-Governor's office. I am currently working on Pinedale and other Resource Management Plans.
- Bob Barrett-I have been a resident of Pinedale for six years. I am retired and a member-at-large.
- Nylla Kunard-I am a 45 year resident of Pinedale. I am involved with city and county issues. I represent the city.
- Susan Kramer-I represent landowners
- Robin Smith-I have worked at both Jonah and the Pinedale Anticline. I am an industry representative.
- Linda Baker-I have lived in Pinedale for 23 years, am a librarian and represent the conservation community. I am involved with the Upper Green River Valley Coalition.
- Kirby Hedrick-I formally worked for Phillips Petroleum. I have lived in Pinedale for four years. I am involved in grazing and outdoors issues. I am interested in wildlife issues. I am here to be a objective member of this group.
- Bob Reese-I have been retired from the Forest Service for 2+ years and am now a representative of the Sublette County Commission.

Prill Mecham, field manager with the BLM, introduced herself and stated that she was excited about the formation of the PAWG. She stated that this group should be considered a model group for the Adaptive Management process.

Carol also asked that all meeting participants park across the street or around the corner in order to preserve space for other people using the library.

Carol introduced the notebooks that were provided to PAWG members and noted that more material would be supplied as meetings continued. She asked that if members are not able or willing to continue serving over time, they need to pass along their notebooks to the new PAWG member.

Carol discussed the ground rules for Federal Advisory Committee Act Charter Committees (FACA) committees.

- The meetings are open to the public and an opportunity for public comment needs to be worked into the agenda, possibly at the end of each meeting
- Meetings must be planned in advance and published in the daily Federal Register. There must be a notice of meeting dates, times, and locations, as well as the agenda, a minimum of 30 days prior to a meeting. The agenda can be tentative at that time. Carol needs an extra 15 days to get the Federal Register notice prepared and through review, so there is a 45 calendar-day lead time before any meetings can be held.

Notice of the next PAWG meeting has been published in the Federal Register and will take place Wednesday, August 11, 2004, in the Pinedale Library, beginning at 9:00 a.m. The agenda for this meeting will be sent to local newspapers to publicize the meetings to the public. The new Chairman will make up the next agenda. Carol requested that the group think about preferred meeting times.

Carol explained that the PAWG is an adaptive management advisory group with oversight over resource-specific Task Groups (TGs) [see handout Appendix C for more information]. The Working Group forms the TGs. These TGs may change as new issues come and go.

The role of the TGs is to:

- Develop monitoring plans for resources
- Figure out who will conduct this monitoring. Monitors should be specifically identified by the group.
- Determine how monitoring will be funded.
 - Carol indicated that the group should not always lean on operators to fund monitoring
- Ensure that monitoring gets done
- Compile and evaluate monitoring data
- Develop monitoring and management recommendations as indicated by the monitoring data
- Bring recommendations to the PAWG

The PAWG will then:

- Look at all TG recommendations, ask questions, make revisions and additions if necessary, and coordinate all TG recommendations into one package
- Present that package of monitoring and/or management recommendations to BLM
- The PAWG will also review Pinedale Anticline Project Area (PAPA)-related proposals that come before the BLM, such as Questar's proposal, and may review the need for monitoring or management changes in the PAPA under the revised Pinedale Resource Management Plan, when it is released.

Carol brought up part of the ROD appendix regarding working group decision-making.

- PAWG decision-making should be made by consensus.
- She said that consensus means that everyone in the group can live with and support the Group's decision
- Carol said that if consensus cannot be reached the Groups either needs to keep talking or tell BLM they cannot reach consensus.
- Carol stated that this is an Adaptive Management group. Decisions that are made can be revised, are adaptable, flexible and dynamic. Decisions can be revisited if they are no longer applicable or the Group feels they need to be updated.

Carol discussed advisory committee regulations as outlined in the Department of Interior regulations in each PAWG member's notebook.

- Carol stated the Secretary of the Department of the Interior (DOI) granted the charter for PAWG on August 15, 2002. The charter must be renewed every 2 years.
- Paperwork has been submitted to DOI to renew the PAWG charter
- The Charter is in the Department Solicitor's office. The charter renewal will should be signed soon. It needs to take place by August 15, 2004.
- Membership in the PAWG will last through May 4, 2006; then the Secretary of DOI must re-appoint members.

Carol stated that if a PAWG member is interested in stepping down from their position, please let her know as soon as possible, so she can let Washington know and get the necessary documentation and call for nominations into the Federal Register. (Notice of all charter renewals and calls for member nominations must be published in the Federal Register [Fed Reg].)

Robin asked if TG meetings need to be published and be public.

Carol said she was still slightly unclear on the rules, but what she understands right now is that if the meetings are deliberative and what's being discussed could eventually be part of a recommendation to BLM, then TG meetings must be published in the Fed Reg and open to the public. TG (and PAWG) tours must be published if being done as a group. TG meetings may not have to be published or open to the public if TGs are doing monitoring field work. Carol also said she can announce more than one meeting in one Fed Reg notice. She would like to try and publish up to 6 months of meetings in one notice. She also reminded the Group that at least tentative agendas must be developed 45 days prior to those Fed Reg meeting notices.

Minutes of PAWG meetings must be distributed to all interested parties and posted on a federal FACA committee website. TG notes will probably fall under the same requirements, as well.

Linda asked if any of the previous Adaptive Management work and monitoring plan creations would be applicable to the PAWG.

Carol stated that because of the former lawsuit against BLM, the previous work could not be used. She clarified that it did not mean that the current PAWG could not come up with similar views. Those views however, must be documented by the PAWG as new work.

Robin confirmed that the PAWG would decide on which TGs would be needed.

Carol stated that the TGs do not have to have a representative from each interest, but TGs should have a BLM specialist on each. Likewise, the State or local government with authority should have a representative on appropriate TGs (for example, the State should have a Game & Fish person on the wildlife TG, DEQ people on the air quality and water resources TGs, the County should have a Weed & Pest person on the Reclamation TG, etc.) Decisions about others with expertise should be made and agreed on by the Working Group.

PAWG members do not have to serve on TGs, but can if they choose. Carol recommended that the RGs get started this fall so that they can develop monitoring plans over the winter and collect appropriate baseline data where available.

Kirby asked if he could receive access to data from the previous AM process. Carol said he could have the data from the previous group's efforts. If the data is still valid, the PAWG can use it to develop new recommendations. For example, a TG could come in with data that was previously gathered and used by the current TG.

A PAWG member asked how long the previous working group had met. Carol said the Working Group met once, the TGs over about six months. Carol stated that data being collected separate from the previous PAWG effort includes surface and ground water data, wildlife studies, and air quality data. In addition, information is available from the EIS. She also cautioned that all the data the Working Group may want/need might not already exist.

Linda asked if the Working Group would address expected codes of conduct for the group. She wanted to discuss how the Working Group should talk to the media outside of meetings, who should be the spokesperson and what the Working Group's ground rules would be.

Regarding Ground Rules, Carol said she was sure all members will be civil to each other and the public. The media is welcome at all meetings, but the Working Group should decide the best manner in which to deal with the media.

Prill stated that the Working Group is not being led by BLM, so the PAWG should collectively decide how the Group should be run and structured. BLM will be present at meetings to clarify and answer questions. Carol's purpose is not to steer the group, but rather to provide support.

Susan said that the group should consider allowing the public to speak during discussions. Carol asked if the group could discuss this after the break.

15 minute break

Carol asked the group what they would like to discuss for the remainder of the meeting.

PAWG members said:

- Ground rules for the Working Group
- Task Groups
- Where and how to staff TGs
- Set up dates for the next PAWG meeting-after the previously scheduled August meeting
- Tours of the Pinedale Anticline Project Area
- The public input process- All tapes and transcripts of meetings should be made available to public. The group needs to come up with a process that facilitates this effort.

Carol stated that BLM can make GIS data and maps are available to everyone.

Mary asked where she could get a copy of the Pinedale EIS/ROD

Carol said the Pinedale EIS/ROD was available by CD and in hard copy.

Linda said there was also a hard copy available at the library that can be checked out.

Carol stated that the Pinedale RMP is currently under revision and that it was due out in 2005. The draft should be out this fall.

Carol reminded everyone that she was just there to help facilitate and she expected the group to freely discuss amongst themselves.

Group ground rules for speaking with the media:

Linda asked what the ground rules should be for the group regarding talking to the media. There should be a message that all of the group can agree on and separation between group views versus individual opinions when in the media.

Bob said that he would clarify when he is speaking for himself or for the Commissioners.

Robin said that the Working Group should be careful to not give the media their headline and that the Working Group should support the decisions that were made collectively by the Group.

There were concerns of appointing one media contact due to constituency representation obligations of the members.

The Group was cautioned that the media tries to get headlines and may misinterpret dissenting opinions, which could cause the Group to lose external support.

Group decision:

The Group decided that if a media inquiry occurred post-decision, the members would support their collective decision. If the media inquiries occurred pre-decision, the members should limit opinions, but rather provide comments that explain what the Group is discussing and their constituents' perspective. Everyone in the group should feel free to speak to reporters.

Guidelines for public input during meetings:

Bob said that it did not bother him if people wanted to speak or provide comment during the meeting.

Mary said that she would like to have public comment given before a decision was made. She offered that the public could have 15 minutes be built into the agenda for public comment on the issue before the decision was to be made by the PAWG.

Susan agreed that she did not want to make people wait until the end of a meeting to make a comment or ask a question.

Group decision:

During meetings when decisions are not made, the chairperson can decide how to facilitate the public input process. The public will be provided an opportunity to comment prior to the Working Group making any decisions. A time limit (per public person) will be decided based on how many members of the public are interested in making a comment. The chairperson will have the opportunity to gauge the meeting to determine guidelines for public comment. There should be time structured at the end of each meeting for any additional/miscellaneous comments.

Carol said that the Group can ask BLM to schedule and hire a professional facilitator and/or a court reporter. BLM does have funds in their budget to support the group. Carol noted that she would be available at each meeting.

PAWG Code of Conduct:

The group agreed that they should collectively:

- Listen
- Avoid personal attacks
- Be respectful of each other and opinions

Carol stated that a point of view can be presented at PAWG meetings by a person that has been asked by a PAWG member to be present because they can better explain a perspective than can the PAWG member. People with specific expertise can also be brought in as information resources.

Linda asked if the Group could use information from the old AEM as an information source. Carol said no.

Carol said that Wyoming Game & Fish and University of Wyoming data from the deer and sage-grouse studies can be used, but the TGs and Working Group cannot adopt any monitoring plans developed by previous TGs. Previous monitoring plans cannot be cited – only the data.

Carol said that members from previous task groups can be on the new TGs, but they should be careful to not use previous information. The PAPA EIS is a legally binding document and should serve as guidelines for the Working Group. Wildlife study reports cannot reference previous TG work. Monitoring protocols must be newly established, though existing protocols such as Wyoming Dept. of Environmental Quality surface and groundwater sampling protocols, can be referenced.

All announcements of meetings must appear in the Federal Register at least 30 days before a meeting. Carol stated that the Group can announce meetings and tentative agendas in the Federal Register 15 days prior to emergency meetings, but that emergency meetings should be rare, as they are really intended for national emergencies under the current law. Carol would still need 15 additional days in order to prepare the Federal Register notice, even for an emergency meeting – in other words, there will have to be a 30 calendar-day lead time for any emergency meeting.

Carol said the PAPA ROD and FACA charter require the Working Group to meet at least once each year, but state that the Working Group will normally meet two to four times per year. The original idea was that the Working Group will meet February or March to develop recommendations for BLM for the upcoming drilling year. The number of meetings needed in a year will depend on the amount of work and rising issues or adaptive management proposals. There was a suggestion to meet 4 times per year.

Task Groups:

Carol asked if the Group wanted to change, add or delete any TGs to what was established in the PAPA ROD.

Mary asked that a TG be added to evaluate the socioeconomic effects. This would include health and safety issues, social conditions, infrastructure, housing, and public well-being.

Carol clarified that the TGs must be careful to keep the La Barge and Jonah fields out of the monitoring information. While everyone acknowledges that impacts don't begin or end at the PAPA boundary, this Group's deliberations are meant to be restricted to impacts created (or not) by oil and gas development and production activities within the PAPA boundary. Monitoring reports can note the cumulative contributions from outside or non-oil & gas activity, but the PAWG-TG data/information should strive to not be cumulative.

Linda asked if the PAWG was one of the first AM teams in the nation. Carol stated that there are other FACA-chartered AM groups nationwide, but their focus is much more specific than PAWG's. She said the PAWG is a pilot model for the Bureau and will be watched and evaluated closely.

Linda asked if there was impact to a resource, could we leverage that information to recommend mitigation measure or halt/alter drilling?

Robin said that the PAWG can make a recommendation within its power, based on monitoring, but that BLM has the final decision-making authority. It is likely that PAWG will find both positive and negative effects, but PAWG needs to be familiar with the federal regulations by which BLM is bound.

Action Item: For the next meeting, Carol will summarize major lease and operation regulations for the Group's reference.

Task Group Recruitment:

Susan asked how TGs should be recruited.

The Group decided that typically 6-8 people make a well-rounded TG. Carol reminded the Group that TG deliberations that could wind up being part of recommendations to BLM must be open to the public and such meetings must be announced in the Federal Register. The Group decided the sooner the TGs are formed, the better.

Susan said she'd like to get on the local radio station and send written requests to people asking if they would participate in TGs.

Linda asked that the Group consider the large time commitment when considering who to approach to volunteer for the TGs. It was brought up that a list of responsibilities and commitments should be available up-front for potential volunteers to review.

Group members discussed that members of TGs should be representative of all backgrounds and perspectives. Carol noted that most TG members should have some technical expertise or specialist knowledge about the resource, but can also include interested parties.

The Group discussed that Terry Svalberg from USDA-FS was a good resource regarding air issues, Laurie Goodman from Trout Unlimited for environmental related issues, and Darrell Walker from the Sublette County Conservation District for socio-economic related issues.

PAWG will decide who will be recruited for participation on the TGs.

Action Item: Linda asked for the list of TGs, participants, and functions that were listed in the ROD. (Carol provided a copy to each member after the lunch break at this meeting.)

Action Item: BLM will provide a press release regarding recruitment for working groups.

Action Item: PAWG members need visit around the community or with their governmental entities, and submit a list of potential candidates for consideration for the TGs to Carol by August 2nd.

Carol suggested that the Group focus on recruitment for TGs that have issues that are considered the most pressing – other TGs can be established or staffed later.

Linda asked if the Group should consider adding a range TG. They decided this issue could fall under the reclamation, wildlife, and/or water TGs.

Carol also said that the appropriate BLM member must sit on each TG. Prill Mecham will appoint the BLM members.

Action Item: BLM will provide names of appropriate BLM staff and their specialties for next meeting.

Robin asked if an off-road vehicle plan would be included in the transportation TG plan so that the TG could account for impacts of off-roading related to oil and gas development.

There is a concern about increased off-roading as a result of development. Recommendations can be made by the Group, however this would be a BLM issue.

The Group decided that vegetation management for domestic livestock and wildlife could be added to the work of the reclamation TG. In the past, there has been minimal discussion on range issues and the effects from oil and gas development. Most issues have dealt with water resources – depletion of aquifers, and surface and groundwater contamination.

Linda noted that, according to the PAPA ROD, there are several areas of focus including: socioeconomic, transportation, land use, residential areas, recreation, visual, cultural/historical, air quality, geology/minerals, paleontology, water resources, soil, vegetation, grazing, wetlands, threatened and endangered species, wildlife and aquatic resources.

Carol said that in the past, the cultural TG also deals with visual resource issues. Water resources would deal with geology, and recreation/tourism could go under the socioeconomic TG. Threatened and endangered species, as well as aquatic issues would be under the wildlife TG.

Carol asked the public if they had any comment before the group broke for lunch.

Lunch Break

Makeup of Task Groups:

The group discussed which entities should be represented in each TG:

- Socioeconomic TG: Emergency/medical services, schools, housing, law enforcement, city, county, state representatives, legislative, chamber, woman's business group
- Wildlife: USFWS, Wyoming Game and Fish
- Transportation: Wyoming Department of Transportation, County Road & Bridge
- Reclamation and Vegetative Management: County Weed and Pest Control
- Air Quality: Wyoming DEQ, USDA-FS, National Park Service, EPA
- Cultural: SHPO
- Water Resources: Army Corps of Engineers, Wyoming DEQ, State Engineer
- Use university or community colleges for research with other groups as well as with legislators.
 - Roger Coupal and Tex Taylor with University of Wyoming for economics
 - Katherine Jensen and Audie Blevins with UW for social/cultural issues
 - Graduate students doing research

Group Decision: They do not need to see the BLM press release that will go out regarding recruitment for the TGs, prior to its release. The press release will go out statewide and will include positions available and functions.

Carol asked how soon the Group would like to receive information packets before the meeting.

Group Decision: At least ten days before the next meeting.

Action Item: PAWG should tell her the names of people they would like to have come to any meeting, and she'll contact them. Carol will also need information for packets by August 1st.

The Group decided individual members should check with their respective constituents for TG members, and visit with the general public, as well, to find volunteers interested in participating in the TGs.

Action Item: BLM will send a letter to people on the old TG member list.

Robin said that he would prefer that the TGs were combined rather than expanding the number, because it is harder to get volunteers with many groups.

A PAWG member asked about the cultural TG. Bob R. stated there is a programmatic agreement for reporting cultural resources through the State Historic Preservation Office. Carol noted that BLM and the operators are currently working to develop a Programmatic Agreement for the management of cultural resources that will cover both the PAPA and Jonah Fields. Once this PA is signed, dealing with cultural finds in either field will be much more efficient.

Questar's Proposal:

Carol said that PIC Technologies is the contractor for the Questar Year-round Drilling Proposal EA, and they are currently working on the scoping process for that. Some Scoping Notices are available at this meeting; PIC will mail notices out to a list of interested parties tomorrow. Public comments must be at BLM offices by August 4th, not postmarked by that date.

Carol said the BLM is requesting recommendations from the PAWG regarding Questar's proposal at the next PAWG meeting on August 11, 2004.

Carol said BLM's target date for a decision on Questar's proposal is early November, that it is only fair to Questar to know by then if they need to prepare a winter pad or continue with the current EIS development.

Linda said that the PAWG was actually not supposed to act without consideration and recommendations by its pertinent TG(s), so the PAWG shouldn't really be making any recommendations to BLM until after TG consideration of the Questar proposal. Carol replied that BLM cannot wait for the TGs to begin their work due to the short timeline before winter drilling seasonal stipulations start.

Kirby asked if there is study that is being conducted for Mule Deer. Carol said Questar is supporting a study that Hall Sawyer is conducting on Mule Deer on the Anticline and that perhaps he could present information about the study to the PAWG. Carol said that baseline data from this study is available from the 2000-2001-winter season.

Kirby said that there is new sage-grouse data that is coming out that will affect this decision. There is currently not enough sage-grouse data.

Kirby said he was concerned about setting a precedent for development on the Pinedale Anticline.

Carol said that BLM wants a recommendation from the PAWG at their August 11 meeting, about what BLM should be looking at in terms of potential issues and impacts, and mitigation opportunities BLM should consider.

Questar submitted the proposal to BLM and we have to review and consider it. Shell and other operators have not submitted a written proposal but they have approached us regarding similar year-round development on their acreage, some of which lies in antelope crucial winter range.

Questar Presentation:

Questions and comments during the presentation:

- Question during Slide 5: In the “Surface Disturbance Permitted in EIS ” section, is this during the drilling phase and does it include roads?
 - Ron Hogan’s Answer: Yes, it does include both the drilling phase and accounts for roads
- Question during Slide 5: How long would a rig be on a pad using directional drilling?
 - Ron’s answer: For the 16 wells that can be drilled per pad (contemplating 20 acre spacing), the rig would be on the pad for approximately 1¼ year.
- Question during Slide 10: Kirby asked if crews would just be bused over the winter.
 - Ron’s answer: Yes, they would be bused over the winter months.
- Question during Slide 15: How long does reclamation take?
 - Ron’s answer: It takes about two years to dry out the pits. Once the site has been replanted and re-vegetated, it takes another year for the vegetation to become established. Establishing sagebrush takes even longer, sometimes 10 years or more.
- Question during Slide 17: Is GPS data collected on the Deer Study daily?
 - Ron’s answer: The collars on the mule deer tracks two times a day, but readings are recorded in the collar. Collars drop off in the spring. All of the data is then collected and then evaluated.
- Question during Slide 21: How much does the wildlife study cost per year?
 - Ron’s answer: \$125,000 per year
- Question during Slide 21: What are the efficiencies for the company?
 - Ron’s answer: There is a shortened time period to extract the resource and natural gas can get to market quicker.
- Question during Slide 21: Will all of the natural gas be drained from Questar’s acreage?
 - Ron’s answer: No. Once the well has been drilled, each well is expected to be producing for approximately 60 years.

Questions and comments post-presentation:

- Question: How big are single and double well pads?
 - Ron’s answer: A single well pad is five acres and a multiple-well pad can be around 13 acres.
- Question from public (Tony Gosher): How many bottomhole locations is Questar proposing?
 - Ron’s answer: With 40-acre spacing, there would be 250 bottomhole locations. With 20-acre spacing, there would be 430 bottomhole locations. It’s important to note that when employing directional drilling, surface disturbance would occur on 61 pads, with multiple wells drilled from one pad rather than one pad per well.
- Question from PAWG member: Will Questar share the pipeline with other operators?
 - Answer from Ron: Other operators are currently considering this. Questar would be the operator.
- Question from PAWG member: Where will the water and condensate be piped to?
 - Answer for Ron: Condensate will be piped to Granger. Water will be piped off of the Mesa and then trucked.

- Question from PAWG member: How much water does Questar use per day?
 - Answer from Ron: We can use up to 12,000 barrels per day. During peak drilling activity and frac-ing, that can go up to 40,000 barrels a day.

- Question from Kirby: So, Questar will still be trucking water once it is piped off of the Mesa?
 - Answer from Ron: We think so, for now, at least.
 - Carol: For your information, the water pipeline is going to be built regardless of BLM's decision regarding year-round drilling, so that is being considered in a separate right-of-way EA. It isn't part of this proposal, although the mitigative effects of the water pipeline will be part of our cumulative impact assessment.

- Question from Kirby: In this context, there are clearly benefits to wildlife. Why is there not a higher deviation used in directional drilling?
 - Answer from Ron: Due to the geology of the Anticline, technology does not allow Questar to drill with a higher deviation. Questar has been unsuccessful deviating further than what we are currently attempting while directionally drilling. There have been problems with rocks, mud, turns, and shales.

- Question from Kirby: Has Questar been funding research to figure out what the problem is? Is this a shale issue? Has Questar been conducting research on drilling technologies that could be considered for use on the Pinedale Anticline? Can new pads be delayed until new technology is available?
 - Ron's answer: This is a shale issue. Questar is doing on-location evaluation of the directional drilling technology to identify efficiencies for working on the Anticline and is working with the drilling company to improve the technology. But Questar isn't funding any *research*, per se.

- Question from Kirby: So, the more that you deviate at an angle, the more expensive it becomes?
 - Answer from Ron: Yes, and more days to drill. Each day that we work, the more that it costs for us to operate.

- Comment from Kirby: So, let's say that your acreage will produce 500 million barrels of oil recovery. At \$30-\$40, that is roughly \$20 billion dollars of revenue. There is lots of room here for Questar to do it technically right and well. There is an opportunity to protect mule deer herds and sage-grouse.

- Comment from Robin: Yes, but you must consider the difference between protecting habitat with longer development versus managing impacts for a much shorter disturbance. We realize that we need to see the effects and analyze the results.

- Question from Kirby: Can Questar do it better?
 - Answer from Ron: Right now, technically, this is the best that can be done. Our proposal causes significantly less impact than what is contemplated in the EIS.

- Question from PAWG member: You have been working on the Mesa since 1999? How many wells have you drilled?
 - Answer from Ron: At this time, we have drilled 25 wells during the summer and 5 wells during the winter. We have 52 well pads right now. 80% of our wells last year were directional. There is one vertical on the winter pad.

- Question from PAWG Member: Questar is proposing 9 new pads and expanding existing pads. Each of these would be 15 acres, not including the road acreage? How long would the rigs be on the pad drilling?
 - Answer from Ron: If we drill 16 wells, that's 8 per rig, and so it would be about a year to a year and a quarter per pad.

- Question from PAWG member: What is considered the centralized production facilities?
 - Answer from Ron: The PAPA EIS allows more pads as long as production is in a central spot to treat the gas. In a directional pad the wells come to the surface in the same spot. This facility will centrally take care of all of the gas from those wells. Production facilities include the water separator and dehydrator and produced-water and condensate storage tanks. Any new facilities will not be extremely larger than those already existing.

- Question from PAWG member: Is Questar willing or able to share pipelines with other operators?
 - Answer from Ron: We've talked to other operators who are reviewing the proposal.

- Question from Susan: Is there any other way to reduce air emissions?
 - Answer from Ron: Based on this proposal, we will reduce NOx emissions and eliminate VOCs. The larger pieces of equipment will be more efficient.

- Question from Robert B.: Would Questar be willing to put this proposal into a contract? Can Questar change their mind?
 - Answer from Ron: After we get the blessing from the BLM that is what we are hoping for.

- Question from PAWG Member: Questar is proposing 9 new pads and expanding existing pads. Are all of these ¼ mile outside of leks?
 - Answer from Ron: No, the proposal said that we will work with the BLM to determine location of the pads within a reasonable distance.

- Question from PAWG Member: If Questar does want to drill near leks, would the company apply for an exception?
 - Answer from Ron: Correct.

- Question from PAWG member: From what I understand BLM and Wyoming Game & Fish have different boundaries that they consider crucial winter range for mule deer. Is that true?
 - Answer from Bernie Holz (Wyoming Game & Fish): What is considered the antelope and mule deer winter range does not completely match up. They move throughout the whole mesa and their range is relatively wide.

- Question from Bob B to Bernie. Please explain how Wyoming Game and Fish could come out and support Questar's proposal when the mule deer and sage-grouse data is not available until the end of the year? What was the G&F thought process to support this proposal before the impact analysis is done?
 - Answer from Bernie: Data has been collected for a couple of years and data from this year has not yet been analyzed. We have three phases of study to look at. Wyoming Game and Fish was able to reach a conclusion because Questar's proposal is significantly better than what the old model for oil and gas development looked like. It is the property right of the oil and gas lessee to develop on their leases. There is a huge difference (nearly 1000 acres) in habitat loss under Questar's proposal and huge reduction in disturbance. This proposal

should be considered. This is a pretty good proposal compared to what they're allowed to do.

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- PAWG member to Bernie: Please speak to the sage-grouse issue as well.
 - Answer from Bernie: This issue is not as clear, except when impact is reduced in magnitudes of direct and indirect habitat loss. This will translate to wintering and feeding, and breeding.
- Question from PAWG member: If Matt Holloran's data shows differently, would Wyoming Game and Fish change their recommendation? Should you be worried about sage-grouse being listed as a result of activities on the Mesa?
 - BLM has to say that there are no significant environmental impacts in order to make a decision based on an EA. I don't know about Matt's study or the results. We have to go by the EIS right now.

Carol stated that PAWG's responsibility is to give BLM input and recommendations on the adaptive management aspects of the Questar proposal, not to do the impact analysis.

- Susan commented that considering the amount of money that is generated by this project, I think we have a lot of options. We can compromise on both sides. Why doesn't Questar buy their rigs?
 - Answer from Ron: We rent the rigs and use drilling contractors because it is more economically efficient.
- Susan commented that we should not look only at the costs because we have a lot of options. "I'm just trying to think of some solutions. If we want to protect the wildlife, there are ways to do it."
- Question from PAWG Member: If sage-grouse were listed as an Endangered Species, would Questar stop operations?
 - Answer from Ron: I'm not sure.
- Question from PAWG member: Is this proposal being offered with an Environmental Assessment or Environmental Impact Statement? Is this considered an Adaptive Management proposal?
 - Answer from Carol: BLM has determined that an EA is the most-appropriate NEPA document, at this point in time. Should we find significant impacts that cannot be mitigated, we will have to expand the analysis into an EIS. And yes, this proposal is considered an Adaptive Management proposal.
- Question from Linda: If impacts are higher than what was initially expected, can you halt the project?
 - Answer from Carol: I don't know right now – that's something we need to look at with Questar. We'll consider this during the impact analysis/EA process.

Carol said that PAWG will likely have opportunity to consider future information and modify any recommendations they make now.

Ron stated that this is a tradeoff situation that is better than what is allowed under the EIS. Questar asked that the PAWG consider this proposal, which uses Best Management Practices. Think about this as any other management proposal.

Bernie stated Wyoming Game and Fish is working with Questar. Wyoming Game and Fish has made a recommendation to BLM on habitat mitigation improvements that Questar mitigate at a 3:1 ratio for long-term disturbed acres; in other words, for about 500 acres of long-term disturbance, Questar would mitigate on about 1500 acres off-site. .

- Question from PAWG member to Bernie: Do you have specific mitigation plans with Questar and BLM and Wyoming Game and Fish?
 - Answer from Bernie: Questar has committed to providing and funding mitigation based on Wyoming Game and Fish's recommendation. Wyoming Game and Fish and BLM are currently working on developing this plan, but right now there is no concrete proposal. No concrete proposals will be made until the current proposal is approved.
 - Comment from Carol: BLM cannot require mitigation until impacts are experienced.
 - Ron reminded the group that along with the proposal, Questar is committed to doing studies on wildlife and habitat.

Mary asked Kirby what he felt was missing. Kirby stated that clearly the second column of Questar's table (from slide 5) is the better option. He said he supported multiple land use, but he wants BLM and Questar to do it in the best possible manner. He wants to make sure that Questar has the least impact on the surroundings. He stated that the Group needs to feel comfortable. He commented that if he was putting this proposal together, he would do it in the same manner. However, he said he did have some questions regarding specifics.

- Question from Kirby: Is this preferential treatment to Questar? Will other operators want to do this?
 - Answer from Carol: G&F and BLM are working hard to develop screening criteria for these types of proposals, and all such proposals – including Questar's – will be put through that "screen." The criteria are being developed as part of the NEPA/EA process, so those criteria are not available now – though she noted one of the criteria will certainly be large contiguous blocks of lease acreage, such as Questar has. How big the block needs to be to have the short-term impacts more than offset by long-term benefits is not known yet.
- Question from Kirby: How many operators are within the Pinedale Anticline Project Area?
 - Answer from Ron: About 6-8

Kirby commented that Questar needs to encourage other operators to do the same as what Questar is proposing to do.

- Question from PAWG member: Is Questar proposing to complete their wells during the winter?
 - Answer from Ron: Questar will not complete wells during the winter for the first couple of years.
- Question from PAWG member: Based on the Questar proposal, will there be a reduction in service company traffic?
 - Answer from Ron: Based on our operations, we will be required to have service providers on the Mesa. However, if we were able to operate year-round, that traffic would be leveled out and significantly reduce water truck traffic. There will be service traffic during all activity phases including drilling and production.
- Question from Kirby: What is your work-over rate? How many wells a year do you have to work over?
 - Answer from Ron: We haven't had to do any yet. With any luck we won't have much. We may only have to lower the tubing.

- Comment from public (Tony Gosher): Without moisture and in drought conditions, what's the carrying capacity of the Mesa? I don't think that the BLM can provide a study of this. We have studies of populations of sage-grouse and other animals. Past drilling, especially in Big Piney in the past, has shown that animals will move. Even by mitigating surface disturbances, you are invading habitat and the animals will leave.
- Question from PAWG member: Have you contacted USFWS regarding your proposal?
 - Answer for Ron: Yes, we have presented the information about our proposal to USFWS. We did not, however, ask for a recommendation from them.

Action Item: Mary commented that she saw a presentation regarding sage-grouse and that she will contact USFWS for more information. She said that the presentation discussed how to reduce sage-grouse habitat fragmentation and improve habitat. Mary said that she will send information out to the Group.

Linda said that Matt Holloran can also provide information about his research on sage-grouse. He doesn't have a published report, but may be willing to share his data. She also said that Hall Sawyer would be presenting data from the Sublette Mule Deer Study on Thursday in Pinedale (7/15/04)

Carol asked that the group provide her with a list of subjects they would like to discuss at the next PAWG meeting.

- Question from Daisy: Why does Questar have to drill during the winter months?
 - Answer for Ron: If we do not drill throughout the year, there is a great deal of lost time and opportunity to build and drill from the pads. The unbalanced development during summer months also creates unintended consequences for the community and Questar related to economics, infrastructure and safety. We also have to increase the size of the pads.
- Question from PAWG member: Who else has done data collection on the Mesa for sage-grouse?
 - Answer from collective group discussion: Matt Holloran, Tom Christensen is the G&F statewide coordinator, and Allison Lyons. There are more theses that have been published or reside in university libraries on the subject.

Carol introduced Archie Reeve and Dan Duce of PIC Technologies. PIC is doing the impact analysis and writing the EA; currently they're sending out the Scoping Notices and will summarize comments for the PAWG. They have good capability to develop GIS maps, as well.

Discussion regarding the election of a Group chairperson:

Mary suggested that the group elect co-chair people. She suggested that it would be beneficial to have two in case one chair was absent from a meeting.

Bob B. questioned whether it was necessary to have a chair. He thought that being an autonomous organization, he did not know if it was necessary to have a chairperson.

The Group discussed what the role of a chairperson would look like. They agreed that the chair position would do the following:

- Approve minutes
- Provide Group leadership
- Keep the Group on task and manage time
- Run the PAWG meetings
- Work with BLM to approve agendas

A PAWG member discussed the possibility of passing off the chair position every six months.

Robin stated that it would be difficult for the chair to remain objective. He liked the idea of changing the position a couple of times per year.

Kirby said he was on the PAWG because he wanted to ask the hard questions, so he wouldn't feel comfortable as the chair.

Group Decision: The Working Group selected Bob R. and Linda as co chairs of the PAWG for the next six months. The Group agreed to re-evaluate at the beginning of 2004.

The Group discussed taking a tour of the Pinedale Area Project Area. Carol stated that if they go as a Group, they must announce the date and time of the tour in the Federal Register 30 days before the tour, meaning she needs 45 days total to get the announcement in.

Shawna suggested that Questar would be willing to take individuals out on tours of the Mesa as part of Questar's Neighbor 2 Neighbor program. Call Shawna, 303-382-4065 to schedule a tour.

Kirby stated that Questar's acreage is only 10% of the Pinedale Anticline Project Area. He stated that in order to do an evaluation, the area should be unitized to fully understand the issue. He asked if BLM could force unitization. Carol stated that BLM cannot, but that under some circumstances the State Oil and Gas Commission can force unitization, though no one can remember it being done, at least not in recent history.

Carol said that the RMP draft EIS is scheduled to come out in September or October.

Group Decision: The third PAWG meeting was scheduled for October 5, 2004, 9 a.m. to 5 p.m. at the Pinedale Library.

Action Item: Carol said that she will send the Federal Register notice and have BLM do press releases for that meeting.

Bernie wanted to add that Wyoming Game and Fish came to the conclusion to support the Questar proposal because they have several other things on their plate at the same time. He said they could have delayed their support while they were waiting for more data, but in their experience research results wind up asking more questions than they answer. He said that his fear was that if Wyoming Game and Fish did not go with their best judgment right now, the opportunity would be lost to minimize disturbance. He stated that they felt that they did not have the luxury to wait for more data and answers, and urged the PAWG to not wait for future research results before making recommendations to BLM, either.

When asked if other companies had approached BLM with similar proposals, Carol stated that Shell has not submitted a proposal but has talked to BLM about a proposal for year-round drilling. They are talking with Dr. Joel Berger regarding an antelope study similar to the study Questar is funding for mule deer.

Carol stated that Questar has the advantage of a large block of contiguous acreage; other operators on the Mesa don't necessarily have similarly large blocks, and several operators may have to cooperate in order to fit through the upcoming criteria "screen."

Discussion of agenda for next meeting:

The group discussed that they would like to see the following on August's agenda:

- Task Groups
- Questar proposal discussion and recommendation
- Presentations regarding sage-grouse, mule deer, and antelope studies
- The USF&WS perspective
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Discussion of impressions of PAWG meeting:

The group discussed their impressions of this first PAWG meeting:

- Bob R.: He thought the meeting went well overall, but he would have like to discuss Questar's proposal longer
- Kirby: He thought it went well and thanked Ron for presenting information about the Questar proposal.
- Linda: She had wanted to begin to formulate the TGs at this meeting, but overall thought the meeting went okay.
- Robin: He felt the meeting went pretty well. He said there was a tremendous amount of complicated discussions and suggested the Group members tour the Pinedale Anticline.
- Susan: She thought the group did a very good job considering what they were up against, but she wished she'd had more time to make a decision on the Questar proposal.
- Bob B.: He thought it went well.
- Mary: Stated that the community of Pinedale was lucky to have people who care about the resource.

The meeting ended at 5:15 p.m.