

Phoonswadi-Brewer, Sean

From: NPL_AR
Subject: FW: Western Energy Alliance scoping comments - Proposed Normally Pressured Lance Natural Gas Development Project
Attachments: Western Energy Alliance scoping comments - NPL EIS.pdf

Spencer Kimball
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05/12/2011 02:14
 PM

"[NPL EIS WY@blm.gov](mailto:NPL_EIS_WY@blm.gov)"
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To

cc

Subject

Western Energy Alliance scoping
 comments - Proposed Normally
 Pressured Lance Natural Gas
 Development Project

Please see Western Energy Alliance's scoping comments on the proposed Normally Pressured Lance Natural Gas Development Project attached.

Regards,

Spencer

Spencer Kimball

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(See attached file: Western Energy Alliance scoping comments - NPL EIS.pdf)



May 12, 2011

Submitted via email: NPL_EIS_WY@blm.gov

Kellie Roadifer
Wyoming Bureau of Land Management
Pinedale Field Office
P.O. Box 768
Pinedale, WY 82941

Re: Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Normally Pressured Lance Natural Gas Development Project, Sublette County, Wyoming

Dear Ms. Roadifer:

Western Energy Alliance (formerly IPAMS) represents over 400 companies engaged in all aspects of environmentally responsible exploration and production of natural gas and oil in Wyoming and across the West. We submit the following comments to the Wyoming Bureau of Land Management (BLM) in response to the Bureau's notice of intent to prepare an Environmental Impact Statement (EIS) for the proposed Normally Pressured Lance (NPL) natural gas development project in Sublette County, Wyoming.

General Comments

Western Energy Alliance strongly supports the timely development and approval of an EIS and associated Record of Decision (ROD) that provides for the full development of natural gas and oil resources in the NPL project area.

Encana Oil and Gas (USA) recognizes that many factors will have to be addressed in order to successfully explore and develop this resource and has developed a proposal that will minimize environmental impacts while providing significant benefits to local communities, the state, and the nation.

Limiting Surface Disturbance

Encana's proposal features a variety of advanced mitigation techniques that will limit surface disturbance and minimize impacts to local ecological resources. Encana proposes to install a three-phase liquids gathering system, implement several cutting-edge emission reduction technologies, utilize directional drilling when possible, and limit disturbance to four multi-well pads per section. These measures will limit total surface disturbance to

approximately 5,429 acres (3.9% of the planning area) and post-reclamation disturbance to approximately 1,411 acres (1% of the planning area).

Transition from Jonah

Timely approval of the EIS and associated ROD will allow Encana to smoothly transition equipment and workers from the Jonah Field to the nearby NPL Field. Because of the fields' geographic proximity, Encana can lessen impacts to local communities by building upon existing Jonah infrastructure and technologies. In addition, Encana will continue to utilize its *Community Investment Program*, which provides assistance to local communities affected by oil and gas development.

Socio-economic Impacts

Wyoming's oil and gas industry contributes significantly to the local, state, and national economy, providing billions of dollars each year in royalties, bonuses, and severance taxes, besides the added benefits of direct capital investment to local economies and high paying jobs. In 2009, Wyoming benefited from over \$2.4 billion in tax and royalty revenue from oil and natural gas development.

Timely development of the NPL field will help ensure the State continues to benefit from robust oil and gas revenue. Assuming that the development of one well generates \$134,669 in total government revenue,¹ the NPL could generate over \$47.1 million every year throughout the life of the project.

Oil and gas development supports over 71,000 jobs² in Wyoming and Encana already employs over 1,100 workers across the state. Assuming that 26.3 jobs³ and \$2.3 million⁴ in labor earnings are created with the development of each well, the NPL project could create approximately 9,205 average job equivalents (AJEs) and \$805 million in earnings each year.

Conclusion

Environmentally responsible development of natural gas and oil resources in the NPL project area will provide significant benefits while minimizing impacts to the environment and local communities. In order to successfully develop these resources, BLM must

¹ Based on annual royalty and tax revenue rates from the Pinedale Anticline EIS, in 2010 dollars.

² "The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy: Employment, Labor Income, & Value Added." Pricewaterhouse Coopers. September 2009.

³ The average AJE per well includes the direct, indirect and induced jobs per well in the Pinedale (47.4 AJE), Jonah (16.7 AJE does not include direct project-related jobs), Hiawatha (28.7 AJE) and Moxa (12.4 AJE) project areas.

⁴ Average labor earnings include the direct, indirect and induced earnings per well for Pinedale (\$2,628,535) and Hiawatha (\$1,972,859) project areas, in 2010 dollars.

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establish reasonable alternatives that will enable environmentally-sound development of energy resources in the project area.

Thank you for your consideration of these comments. If you have questions, please contact me at (303) 623-0987 or skimball@westernenergyalliance.org.

Sincerely,



Spencer Kimball
Manager of Government Affairs