

Phoonswadi-Brewer, Sean

From: NPL_AR
Subject: FW: EnCana NPL EIS Public Comments
Attachments: pic19309.jpg

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05/12/2011 02:39
 PM

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To

cc

Subject

EnCana NPL EIS Public Comments

Dear Ms. Kellie Roadifer:

The purpose of this email is to provide some comment relative to the EIS you are conducting for EnCana's proposed NPL project in Sublette County. I am employed by Rocky Mountain Bank and am responsible for our offices in Pinedale and Rock Springs. I am Chairman of the Sublette Economic Resource Council, which is the economic development group for Sublette County. Both as a resident of Sublette County and in my professional life, I am sincerely interested in helping achieve responsible and sustainable economic growth in western Wyoming.

I want to encourage the BLM to adhere to a tight timeline relative to its EIS and review of EnCana's proposed NPL gas field. The importance of business continuity between EnCana's operations in the Jonah Field and the proposed NPL Field cannot be emphasized enough. If EnCana does not have all of the needed regulatory approvals completed when its developmental drilling program in the Jonah Field is completed, then the economic case for developing the NPL Field could be severely diminished. This is due to the following factors:

The current gas price at the Opal Hub is less than \$4.00 / mcf. At this price level every cost associated with developing a gas field must be managed very efficiently in order for the return on investment to justify the various risks associated with the project.

My understanding is that the expected recoverable reserves per well in the NPL Field are good, but not great. This factor also underscores the importance of EnCana being able to seamlessly move people and equipment from the Jonah Field to the NPL Field. Any disruption due to factors such as a longer than anticipated regulatory approval process will add to costs, diminish the return on investment, and could result in jobs and tax revenue being lost to Sublette and Sweetwater Counties.

It is important to keep in mind that there is an economic multiplier effect for each new energy industry job created in an area. EnCana projects it will add one full-time employee for every 20 - 25 wells it drills. The NPL Field could reach 3,500 wells meaning that EnCana could hire 150 - 175 local long term employees. A 2008 study conducted by Booz Allen Hamilton Consulting for the Wyoming Heritage Foundation concluded that for every \$1.00 in salary and benefits cost in the energy industry, another \$1.57 of indirect earnings is created for others in the community. If these newly created EnCana related jobs come to fruition and the salary and benefits cost is \$10 million annually, then an additional \$15,700,000 of indirect earnings will be created in Sublette and Sweetwater Counties. The probability of this positive economic impact is enhanced significantly if EnCana can move in a timely fashion from the Jonah Field to the proposed NPL Field.

I believe EnCana has proven it is a responsible operator as it engages in the exploration and development of natural gas reserves. These prudent practices are part of the Company's culture and will be carried over to its activities in the NPL Field. I believe the following plans will result in a positive result for the project from an environmental perspective:

The characteristics of the NPL Field will allow for directional drilling techniques. This will minimize the impact on wildlife habitats and surface disturbance.

An active monitoring system using state of the art technology to determine any gas leaks (from valves etc.) will minimize the impact of any leaks, and ensure an effective maintenance program is in place.

The three-phase gas gathering system envisioned for the NPL Field should be an effective strategy for managing the potential emissions from the NPL Field.

I feel the financial strength of EnCana is a strength relative their ability to operate in an environmentally responsible manner. They are a public company with a history of strong financial performance. EnCana not only possesses the technical expertise to manage environmental risks, but they possess the access to various forms of capital to be able to finance the implementation of a responsible program.

EnCana has demonstrated it is a responsible and generous member of the western Wyoming community in both Sublette and Sweetwater Counties. I am Chairman of the Pinedale Fine Arts Council and am on the Board of the Sublette County Library System. EnCana has supported these and many other organizations in western Wyoming. If they continue to create economic value in our region, then they will be positioned to continue their support of numerous human service organizations in our area. This makes western Wyoming a better place to live for all of us in both the private and public sectors. And of course an important piece of the value creation puzzle is for EnCana to be able to seamlessly move its operation from the Jonah Field to the proposed NPL Field.

Thank you for your time and consideration. Sincerely, Bill Kleven

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