DAVE FREUDENTHAL
GOVERNOR

THE STATE OF WYOMING

STATE CAPITOL
CHEYENNE, WY 82002

Office of the Governor

February 17, 2005

Dave Simmons
BLM Project Manager
Rawlins Field Office
P.O. Box 2407
Rawlins, WY 82301

Re: Atlantic Rim Draft EIS

Dear Mr. Simmons:

Thank you for the opportunity to comment on the Atlantic Rim Draft Environmental Impact Statement (Draft EIS). This document is important to the state of Wyoming as it will set the stage for future coalbed methane development in southwest Wyoming, particularly in the Colorado River system.

Document Quality:

After meeting with state agencies, industry representatives and other interested parties concerning the Draft EIS, I have concerns about the quality of the document. Irrespective of the lack of substantive direction that a preferred alternative would no doubt add to the document, the general nature and overall quality of the document are deficient and will require much alteration in the coming weeks and months. I have heard reasons for the document's faults, but none are acceptable – especially in light of the willingness of cooperators to assist in creating both a quality and timely product. The final EIS must see major improvement in content, organization, and clarity.

The Atlantic Rim Draft EIS is an example of why such documents should always outline a preferred alternative. A preferred alternative would help the reader to comment meaningfully and specifically on a likely development scenario. Unfortunately, because the Rawlins Field Office did not develop a preferred alternative, comments will be overly broad with the public being left to essentially vote on their favorite of various alternatives. This in contrast to a system where commenters are usually able to provide focused comments related to a preferred alternative. Even though the document indicated that the BLM does favor a combination of Alternatives B and C, it is impossible to determine which parts of each alternative the BLM favors. With this uncertainty in mind, I ask that you work closely with the cooperating agencies and the affected stakeholders during the development of the preferred alternative.

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Well Spacing

From my recollections as a member of the Wyoming Oil and Gas Conservation Commission, this area has been approved for 80-acre spacing. However, this approved well spacing is absent in all but one alternative in the document. Given the added complexities that attend coal bed natural gas production, including the intricacies of dewatering a coal seam in order to extract the gas, it does not seem prudent to require spacing at a level that will not allow for productive dewatering. Single-pad directional drilling is not a sound option for this formation, as it is not technically feasible or economically sound to directionally drill in such shallow coals. Hence, I would offer that requiring spacing at anything less than 80 acres will not allow for efficient and adequate extraction of the resource and I ask that you consider inclusions of 80-acre spacing in the Record of Decision.

Phased Drilling

I do not support the BLM's proposal for phased drilling as outlined in Alternative B. The phased development scenario provided in the proponents' proposal is a more efficient and economical way to develop the resource. The BLM's phased development scenario will burden existing natural gas and agricultural lessees and may impact the proponents' ability to responsibly and effectively develop the reservoir. The approach outlined in Alternative B might also affect state leases. The various interested agencies will be providing you with specific concerns related to these issues.

Wildlife

As with any development of this scale, there will be potentially significant impacts to fish and wildlife. Seasonal stipulations, if included in the Record of Decision and adhered to during field development and production, can avoid some impacts and mitigate others. However, regardless of the use of seasonal stipulations, there will be additional impacts from this project, and these will be added to other adjacent developments and land uses. The EIS needs to adequately disclose and analyze the remaining impacts, as well as all cumulative impacts, and to respond with adequate monitoring, mitigation, and reclamation plans to deal with them. This is particularly necessary with regard to crucial big game ranges, sage grouse habitats, and the Muddy Creek drainage with its high-concern fish species. The operators have shown a willingness to work with Wyoming Game and Fish Department in formulating a development plan for dealing with these fish and wildlife issues, and we encourage your consideration of their input as part of the preferred alternative.

Cultural Resources

It is inevitable that there will be impacts to cultural resources, especially historic trails, within the Atlantic Rim project area, and it is likely that those impacts can be mitigated. However, it is important that the Rawlins Field Office take into account the cumulative impacts of cultural and trails disturbance not only in Atlantic Rim but in combination with adjacent current and planned development. While one or two disturbances within a project area might not translate to a significant impact, numerous impacts along the trails across different project boundaries could significantly affect the integrity of the trails. I ask that you work with the State

Historic Preservation Office, the proponents and the surface landowners to plan for a collective strategy to ensure long-term trail preservation.

Reclamation

Proper reclamation of well pads and service roads will be critical in the Atlantic Rim, given the sensitive soil types and arid climate of the area. It is my understanding that part of the delay in the development of this document is in part due to issues related to reclamation. It is absolutely essential that all reclamation be completed as quickly as possible with any long-term issues being dealt with in a proactive manner coordinated by state agencies, BLM, the operators and their subcontractors. Should there be problems with current practices or seed mixtures, new practices should be explored, and perhaps a performance-based standard be put in place to allow the operator the flexibility to modify practices to fit soil type, slope and weather conditions.

Mitigation/Monitoring

As the preferred alternative is developed, there will undoubtedly be resource values that conflict with one another. I encourage the BLM to consider appropriate mitigation practices that may offset short- and long-term impacts to various resources. However, I do believe that a strong monitoring program must be in place to make sure that planning assumptions are confirmed and that unintended impacts are addressed as quickly as possible. State and local cooperators stand ready to provide you with assistance and information in this regard.

In closing, I understand that the BLM will require re-injection of all produced water within the project area. While I understand the protection requirements within the Colorado River drainage system, I would like to stress that as new solutions are proposed and new technology is made available that the BLM consider acting on those new proposals.

Thank you for the opportunity to comment on the Atlantic Rim Draft EIS. I am certain that the Rawlins Field Office, in its enhanced capacity as a BLM pilot project office, will be able to deliver a quality final EIS within the allotted time schedule. For my part, I have directed all state agencies to work with the BLM to ensure both a quality and timely product.

Best regards,

Dave Freudenthal

Dave Freudenthal
Governor

DF:LA:pjb