



Wyoming Department of Agriculture

2219 Carey Ave., Cheyenne, WY 82002 ■ Phone: 307-777-7321 ■ Fax: 307-777-6593
E-mail: wda1@state.wy.us ■ Website: wyagric.state.wy.us

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August 5, 2005

Bureau of Land Management
Pinedale Field Office
ASU YRD Demonstration Project
P.O. Box 768
Pinedale, WY 82941-0768

To the Pinedale Field Office:

Following are the comments from the Wyoming Department of Agriculture (WDA) on the Scoping Notice for the Environmental Assessment for the ASU Year-Round Drilling Demonstration Project.

Our comments are specific to our mission within state government which is to be dedicated to the promotion and enhancement of Wyoming's agriculture, natural resources, and quality of life. As these treatments will have major impacts upon our agriculture industry, our natural resources, and the welfare of our citizens, we believe it's important that we be kept informed of proposed actions and decisions and that we continue to be provided the opportunity to express pertinent issues and concerns.

We strongly encourage Anschutz Pinedale Corporation, Shell Exploration and Production Company, and Ultra Resources, Inc. (ASU), along with the Bureau of Land Management (BLM) to address the following issues raised by the WDA.

Year-Round Drilling and Livestock Grazing

We ask that the ASU conduct research and monitor the effects of year-round drilling on livestock grazing. We can foresee that a 50% time reduction in which drilling occurs on the Pinedale Anticline due to year-round drilling will increase the distribution of livestock once drilling has been completed, mainly due to a lack of disturbance by drilling operations.

Ranching/Livestock Concerns

Under this proposal, ASU will conduct research and monitor the effects of drilling on pronghorn antelope and associated wildlife. As winter drilling will occur, wildlife could potentially be pushed onto private rangeland. This will increase the

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impact to the landowner as the saved livestock winter forage and stored hay will be consumed by displaced wildlife. We ask that off-site mitigation to a landowner in this instance be included in the voluntary commitments from ASU.

ASU has committed to develop a plan with the BLM for how livestock permits will be handled for off-site mitigation areas. We offer our support and assistance to this plan development to help monitor and record such data, as the applicability to other federal allotments in Wyoming would be of value to our department.

The WDA supports compensatory mitigation discussions between gas operators and livestock permittees to lessen the burden, livestock stress and economic impact to a grazing permittee from this development. Such mitigation strategies and costs could include, but are not limited to, the following information:

1. Movement of livestock to an open allotment or pasture

For producers who desire to maintain their current herd size, an open federal allotment or private pasture may be found and utilized for the actual livestock that are displaced. The producer may also elect to absorb the displaced livestock into a surrounding or adjacent allotment. Where available, a pasture may be rented for the livestock producer.

Cost – additional pasture rental; trucking and freight to a different allotment or pasture; herding; water development; fencing; cow and calf weight loss due to new surroundings.

2. Purchase hay in lieu of allotment use

Livestock producers may chose to graze their livestock at home on their hay meadows, and have hay purchased for them for use in lieu of grazing the affected allotment. This activity could serve as a temporary fix until other alternatives are found, or it may serve as a long-term mitigation strategy.

Cost – hay and forage purchase; trucking and freight; feeding and hay handling equipment improvements; water development; fencing; hay storage; compaction and ground disturbance.

3. Monitoring of development impacts

Livestock producers may chose mitigation based on direct impacts, which are documented from on-the-ground monitoring. Rangeland monitoring can be used to make both short- and long-term management decisions. Monitoring can include utilization, plant community composition, cover, function, structure and species presence. Compensation can be based on a predetermined value which is placed on the recorded impact. Based on monitoring analysis, range improvements will be constructed. The WDA recommends the use of the Wyoming Rangeland Monitoring Guide (August, 2001).

Cost – water development; fencing; herding; actual monitoring; permittee time.

4. Develop water

Poor water distribution is the chief cause of poor livestock distribution on most ranges. In certain allotments in the west, water is the limiting resource for complete utilization of the allotment. By developing water, livestock are able to move throughout the allotment and utilize the forage, without concentrating in one particular area. Water developments in either the affected allotment or surrounding allotments will improve the carrying capacity for livestock. Water could also be developed on the producer's private land to increase AUMs or hay crop yield.

Cost – drilling and maintenance; water development; haying equipment purchase.

5. Purchase grazing land for Cattlemen's or Grazing Association control

Gas operators will purchase private land in the area, turn the control over to the local grazing or cattlemen's association, in which they will utilize the land for grazing as displacement occurs in the oil and gas area. This effort will act as a grass bank until AUMs are returned on federal land.

Cost – land purchase; taxes.

6. Reimburse the producer for AUM loss

To temporarily offset the displacement of livestock due to oil and gas development, negotiate a settlement to reimburse the producer for lost AUMs until grazing resumes. This payment may be for a portion or for all AUMs located within the affected allotment. The reimbursement may continue for the life of the displacement of livestock, and cease following reclamation; upon which time livestock grazing will resume.

Cost – AUM purchase; fencing.

Additionally, future projects like range improvements and water developments that would enhance the natural resource base of the grazing allotments on the Anticline should be addressed in an attentive manner by the BLM. Livestock permittees are currently aware of areas within the allotments that are underutilized by livestock. Addressing the potential for livestock to utilize these areas and implementing projects that would encourage this use should be supported. Projects could be placed not only with underutilization of forage in mind, but also with a concept of predicting the development location impact. If ASU is committed to continue to work together on the Anticline, this could easily be achieved.

Mitigation projects performed offsite of the Anticline will also have a direct impact on livestock grazing. Areas surrounding the Anticline for future offsite mitigation potentially have active grazing permits. It is important that compensation be

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similarly awarded to the permittees on the permits with offsite mitigation projects, as any offsite mitigation will undoubtedly result in an AUM decrease.

Eventually, these rangeland enhancements will provide better forage for livestock and wildlife and improve the carrying capacity of each allotment, as well as improve utilization and dispersal of both. Offsite mitigation of the environmental impacts occurring on the Anticline can help improve the natural resources in the Green River basin. However, costs to livestock permittees in the surrounding allotments will rise, due to displacement during offsite mitigation enhancements. We ask ASU to apply all mitigation opportunities to all affected permittees due to offsite mitigation resulting from impacts on the Anticline. We ask that ASU work with the livestock permittees to lessen any burden as a result of disruption in their operations due to habitat enhancement activities.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Etchepare', written over a horizontal line.

John Etchepare

JE/mh

CC: Governor's Planning Office
Wyoming Farm Bureau Federation
Wyoming Stock Growers Association
Wyoming Wool Growers Association
Wyoming Game and Fish Department