

PINEDALE ANTICLINE WORKING GROUP (PAWG)

BLM Field Office, Pinedale, Wyoming

August 9, 2005

9:00AM - 5:30 PM

Action Items

1. Look at what the TG's have done and compare to the state's matrix presented at this meeting, regarding the terms of the ROD, in order to understand what needs to be done going forward. (Robin)
2. Inquire of the State Office about Air Quality Funding for FY 2006 (Carol)

Decisions

1. Kirby Hendrick, PAWG Member Public-at-Large, tendered his resignation from the PAWG, effective today.

Recommendations

1. To move forward to the BLM the Air Quality TG's 3 recommendations presented at his meeting. (Terry)
2. Accept the monitoring recommendations presented at this meeting by the Wildlife TG and pass them along to the BLM for funding consideration. (Paul)
3. Discussion about strategy for funding monitoring be tabled until October meeting. (Linda)

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In Attendance:

Pinedale Anticline Working Group (PAWG) Members:

Bob Barrett, Public-At-Large; Mary Flanderka, State of Wyoming (by phone); Susan Kramer, Landowners Bordering/Within PAPA ; Robin Smith, PAPA Oil and Gas Operators; Linda Baker, Environmental Community and Co-Chair; Kirby Hendrick, Public-at-Large; Nylla Kunard, Town of Pinedale; Paul Hagenstien, Livestock Operators Bordering/Within PAPA.

Task Group (TG) Members:

Socioeconomic - Carmel Kail, Jana Weber, Tom Burns

Air Quality – Terry Svalberg (USDA-FS)

Wildlife – Rollie Sparrowe, Ron Hogan (Questar), Aimee Davison (Shell)

Water Resources- Gene George (by phone)

Pinedale BLM: Prill Mecham, Carol Kruse, Mike Stiewig, Steve Belinda

Questar: Chuck Greenhawt

Ultra: Debbie Ghani

Media: Bill Boender (Sublette Examiner), Jeff Gearino (Casper Star Tribune), Noah Brenner (Pinedale Roundup)

Others: Ron Kail (Kail Consulting), Betty Fear (Sublette County Commission), Rob Sanford (State Planning Office), Bill Daniels (State of Wyoming), Dick Gross (Consensus Council)

Meeting Facilitated By: Linda Baker, co-chair

Meeting Recorded By: Susan Webster

Call to Order at 9:15 AM, Linda Baker

Prill Mecham Addresses the Group

It looks like everyone is here except for Mary. Prill introduced the PAWG members and recapped the PAWG business to date. The PAWG and TGs have done a tremendous amount of work. Many of the group's recommendations have been carried forward to state office and been funded. She commended the TGs in their work. That effort is a tremendous benefit to the BLM.

The PAWG group is Chartered on a two year basis. We have Bill Daniels here today representing the State Office. He was primary author of the PAWG Charter. Many TGs are represented here today. Their efforts have been instrumental in getting recommendations to the PAWG. This year has been a learning process especially concerning the original conception in the AEM and the roles and responsibilities. It's important to go back to Appendix C of the Record of Decision (ROD) to refresh our memory. The Charter was developed out of Appendix C. The purpose for developing PAWG was to evaluate post decisional actions; we were in a situation where there were only 14 wells on the Anticline. We knew there was a lot of gas out there but had no idea how much. We thought there would be a lot of issues. When we decided to authorize 900 wells we never thought about directional drilling; at the time everyone was flaring gas. There was no talk about condensate and other issues we have since learned about.

It was 5 years ago last week that the ROD was signed. The whole idea was that the PAWG would look at the impact of development and come up with monitoring plans for the resources. The plans would determine how effective the mitigation was that was put into the EIS. This was the purpose of the monitoring group--to make course corrections. That is still what I need the group to do. That is what the monitoring plans you have given us will do. The next task is to take the monitoring plans and determine changes and thresholds. It is important to recognize each PAWG member represents a group; they need to make sure they are communicating with people they represent. Much of that communication takes place outside these meetings. It is important that TGs are dialoguing with the PAWG.

I looked back at Appendix C at the duties outlined for the PAWG and TGs. PAWG is to develop recommendations; people have questioned this. Developing recommendations and matters pertinent to development must be looked at in its context, which is mitigation and monitoring under the ROD. There has been some confusion about this. BLM has made some mistakes and needs some midcourse corrections. The confusion stems from a desire on my part to have input from PAWG about the Questar proposal. That was a new NEPA action and we asked for input. The input we asked for was monitoring and mitigation input. However, the way that was done, there is nothing that refers to predecisional document. I believe that when we asked for input we were taking the focus away from what PAWG is suppose to be doing. There are other venues for this. I know what the intent of Appendix C is and we have strayed from this. Another duty of the PAWG is also the review monitoring results of mitigation effectiveness. The next big task is that we are in need of making changes. Another task is to synthesize what we need to do in out years. We need activities to be in line with what we are doing. The TGs needs to make monitoring plans, implement plans, get results, and see if changes need to be made; the TGs are to provide guidance for monitoring.

The duties of task groups are to prepare monitoring plans as described in Appendix C4, to review and evaluate monitoring data, to resend it to the PAWG, to modify as needed relative to effectiveness, and to recommend modifications to mitigation if need be- this is the next be effort.

A key point that came out of Appendix C is that all recommendations are to be made through consensus. All meeting agendas must be approved prior to the meetings by the Pinedale Field Office Manager. The PAWG has had 10 meetings this year. Originally we thought it would be 2-4 meetings. There are bigger issues that the public needs to get involved in. PAWG serves to provide advice on monitoring and mitigation. PAWG meetings are to be facilitated by a qualified facilitator. PAWG does not want this. They prefer co-chairs. I have some observations about this. I think each one of you represents an interest group. It is difficult to represent your constituency and to be a chairman and to have to serve a dual role. The co-chair idea relieved all the pressure from one individual doing this. But when Bob resigned it became unfair to Linda. When I started looking at the Charter regarding this, I saw a discrepancy. There are many views about the effectiveness of both scenarios. I am concerned about the ability of the group to perform their function effectively with the co-chair scenario. We are not going down the path exactly as the Charter had intended.

PAWG Response to Prill's Comments

Robin - You described Appendix C very well. I am in agreement with you. I think we have not addressed who is going to pay for what. Overall my understanding is what you described. I think we need co-chairs, but I personally am not willing to take it on the position as one. I would not be able to separate my views and remain objective. I admire Linda for what she has taken on with this job. There is a lot in Appendix C about BLM participation and you have not participated at the level I think you should. There is a need for more involvement. Perhaps the BLM could take over the chairmanship. I am not against a facilitator but we need to do it better next time.

Susan- I agree with Robin. More BLM participation is needed.

Paul- I appreciate Prill's thoughts. My main concern is that we "study" too much. You step outside and we don't see what we used to see like the Wind Rivers and the animals. We should be benefiting 4-5 generations ahead, instead of one. We ought to do a little less talking and a little more doing. I was disappointed with the first facilitator. I am concerned about why we have to go so far and so fast. The scoping meeting was very disorganized-Anschutz/Shell/Ultra.

Prill- Paul, will you speak to your feelings about this group?

Paul- The co-chair idea worked well but became difficult when Bob resigned. I think co-chairs work quite well but it's hard to represent your group and do this job. I am concerned about the direction the recommendations are going in.

Prill- Reiterated Paul's thoughts that this is a tough balancing act.

Susan- I don't think it is impossible to continue with a co-chair, but it just seems too difficult.

Paul- I am a climatic condition proponent. No one has been addressing this.

Bob - I don't see a problem with Linda separating her personal thoughts from her duties as a chair. If you bring in a facilitator, it needs to be some knowledgeable about the Anticline. I think we are doing fine with Linda. Kirby has volunteered to help out. Why is our agenda tweaked today? As I read it, the duties of the PAWG are pretty broad "including but not limited to". I don't know why the agenda for today was suddenly changed and how are we suddenly off course? As far as what the purpose of the group is, I see it more broadly than you do. If we can't start discussing what we are going to do about adaptive management now we may as well go home. There is enough science out there. I think Linda is doing a good job. I don't think we need a change unless Linda feels like she is through.

Linda - I agree that a facilitator needs to have a firm grasp of the subject matter. The PAWG and the TGs have done a great job. Over 100 people have been involved in this process. I have great trust in everyone. Personally, I don't have a problem with the work load and clearly stated that I would take it on and ask for opinions; I don't feel challenged by the extra work. We need to think about what the BLM charged us with. We were to provide recommendations and be an advisory group to the BLM. I don't have a problem remaining as chair, but will go with the group on whatever decision they see as best.

Mary - A good chair is a good facilitator. We had agreed on a co-chair; we may want to look at rotating chairs in and out every 6 months. If we brought in an outside facilitator, that person would need to be a strong leader. We need to walk before we run. I'd like to try to get things on the ground. I rather do things really well instead of mediocre. We need good solutions.

Kirby- Back to your original thoughts Prill, I see a conflict. The Shell and Questar proposals are target. Even if we are limited to monitoring and mitigation, aren't we able to give recommendation to the BLM? I have no problem with having a facilitator. Our meetings are not contentious. I believe BLM recommended a chairman; I have never had any reason to believe that Linda has done anything other than make sure our best resources are put forward. She is very balanced. I think there is an issue here of BLM leadership. We don't have a good process in place. This group will never be effective unless BLM gives us guidance. This is one of the smartest groups of people I have ever seen working together. "All of us are smarter than any one of us". The Department of Defense pays me to consult on Iraqis oil issues. If the BLM doesn't listen to the advice of this group they are making a big mistake. You have great collective wisdom in this room. I get the impression that the BLM wished this group would go away. I don't feel we get any thing done. There is too much bureaucracy and I am very disappointed.

Prill- I hear what you are saying.

Kirby- I feel like people no longer believe they can make a difference.

Prill- Why do you feel this?

Kirby- I have more experience in the oil industry than any one here in this room. I see a concerted effort not to draw on this. If I were in your position, I would go to the people and listen to them. I would dig into other sources. I see a push back on an effort to do this. There are people here who are very smart. The BLM would be more proactive if they were interested in doing this. The intellectual capital in this community is not being drawn on.

Prill- You don't expect me to listen, but I do listen.

Kirby- I sent you a letter about directional drilling and no one responded. I was going to pay to have the people come to talk with you about this. You didn't want that letter in the public domain. Look at Rollie Sparrowe. I just don't understand why the BLM isn't drawing on resources like him. We will look back 20 years and wish we would have done a better job.

Nylla- Many hours are put in and nothing happens. The Socioeconomic TG has done a great job as it relates to the town and the people who live here. Whether it's in the Charter or Appendix C we need to consider these things. They even went out and got money. I wouldn't mind if we had a facilitator. I like the idea of co-chair and a chair to run the meetings. If you get a facilitator who is knowledgeable that's fine. We need to be listened to a bit more. We don't want somebody to come in and tell us what to do.

Prill- Thank you all. I realize you are very emotionally invested in this process. This situation in Pinedale is not any easy one. We have the good fortune and blessing to live in place with fantastic natural resources. We live here because we love it. The ROD was signed the week before I got here. My husband and I met at Teton Park. I love this place. I never expected we would have the development we would have here, including the underground resources. Kirby you are right, I recognize the skills in this room. There are other places where this development is going on but does not have the advantage of the resources we have.

This group has very important functions. We need to walk before we can run. That's was my intent for the discussion about Appendix C. If we take it beyond that we need to do a good job with how we proceed. I believe we can grow under the original design of this project. I am concerned, though. Linda has done an excellent job; it is a tough job and requires a great deal of balance. Everyone brings their own biases to the table and you have to work at managing them. One of the big objections of the last facilitator was that she didn't fit in. The group doesn't seem opposed to one, yet you do not necessarily need one. We need to focus on what we are trying to accomplish here. It might be a good idea to try to get someone with capability of performing the task. Do you want to consider getting someone to facilitate meetings?

Bob- I'm against the idea.

Draft

Kirby- It ought to be someone who knows the issues.

Linda- What have we not accomplished that a facilitator could help us with?

Prill- We probably didn't need so many meetings and they may have helped with the decision making process.

Susan- I don't think anyone minded coming to a couple extra meetings. The recommendations seem to have fallen on deaf ears.

Prill- I'm confused. BLM pushed those recommendations through.

Susan- BLM should have been more involved.

Prill- The BLM as facilitator worried me because we wanted it to be an outside group. If BLM did this how would we steer?

Kirby- BLM has strongly steered this. Many of us were hoping we as group could provide BLM with ideas. This a BLM leadership issue; that's part of our problem.

Linda-My experience has been that it takes a year to get up and running and to develop trust and a working relationship.

Prill-I gave feedback this morning on the mission of the PAWG. I feel comfortable looking at Appendix C and saying it is related to monitoring and mitigation. Kirby, you are right. It wasn't as clearly stated before.

Kirby- I'd like to hear from you and Bill Daniels about the Anschutz/Shell/Ultra (ASU) proposal. You took it off the agenda.

Prill- Yes, I did that because it was a new NEPA document. What we are looking at are operator's plans currently under the ROD, not new plans. It's not because we don't want to hear about it but because it was going to take us beyond the scope of the original plan. The mechanism we are using is monitoring and evaluating the effects and impacts through those monitoring plans. That is my understanding of what Appendix C says.

Bob - Why are we splitting hairs about this?

Prill- I'm not afraid of this.

Kirby- Prill, you are regretting that this group is capable of giving input.

Prill- Kirby, you sound bitter. We would have to revise the Charter and appendix in order to do this.

Carol- I want to remind you all that there was a tremendous amount of public input with this process. Prill is going back to what the crafters of the ROD had in mind.

Bob- But what about the phrase “included and not limited too”?

PAWG Charter Review and Discussion

Bill Daniels (authored the PAWG Charter)

Bill- We had to be very careful about this process. This group came to be out of litigation and was Chartered under FACA (Federal Advisory Committee Act), as a result. This is a wonderful experiment and the second of such in existence. You would not exist if the BLM did not want to hear what you have say. BLM does not always have time to hear what you say, but we do want your input. The document (ROD) says you have assignments and they are relative to what comes out of a post decisional document... the monitoring, mitigation etc., not from new projects.

We have tried to establish boundaries and limitations in order to stay the course. That’s why you have been told this. Your plans for mitigation are extremely important to us and looked at all the way up to the DOI. We want to hear everything you have to say. The Charter does not read like Appendix C. It was carefully worded so you would know what your task is. The Socioeconomic TG is gathering info broader than the scope of the Anticline. We do not see any problem with that. It will be of value down the line. I want to remind you that you have a legally binding Charter.

Bob- Then why did you ask us to give input on the Questar proposal?

Prill- That was a mistake.

Bob - There is a real disconnect here.

Bill- Yes there was. And that was the reason for a mid-course correction.

Linda- Why would you ask the public review on scoping and not PAWG input?

Bill- We go through public input process on every action we take. We desire your input on other projects too. We want you involved, but this is a different kind of a group.

Prill- If we were to change that, we would have to change the Charter. Appendix C lays out what the Charter charges you with. You can’t take the wording out of the context.

Bill- The elements of the Charter are your major binding documents.

Bob- When duties were written into the Charter it included language that says “including but not limited to”. That puts us into a whole other realm.

Draft

Carol- It has become clear that there are some discrepancies between the Charter and Appendix C. We do not have a template for adaptive management. That is part of what they want us to do. This is an effort that everyone wants to work toward. Given the discrepancies, what do you folks see as the solution so we can move forward? What do we need to do?

Susan- What does BLM feel we are not doing?

Prill- What you guys have accomplished is great.

Linda- I think it needs to be made clear. We should consider the ASU proposal, not operator's info, and it says we can review these.

Carol- Their's is a pilot program.

Linda- Yes, but what they are doing falls under our purview.

Carol- We had no idea these things were going to exist.

Kirby- That is the crux. I am disappointed in our government and in the BLM. BLM is interpreting these very rigidly.

Prill- That is not true. It is not what was in Appendix C.

Carol- How do we do this?

Kirby- Prill needs to ask us to look at these proposals, even if they are not written into the Charter.

Carol- BLM does not have the luxury of giving the time to look at the proposal and make decisions.

Prill- The Charter is a legally binding document. It is a time constraint.

Kirby- I find it fundamentally flawed that the ASU proposal is related to so many key points and then to not want PAWG's input on this is hard to believe. It makes a farce of public involvement. I guess I don't have much to give to this group.

Linda- We have time to make a recommendation on the ASU proposal. I don't think we need to change the adaptive nature of this to make a decision. I think we should have a chance to do this.

Robin- We have a fundamental problem on the PAWG. We should not go forward unless we resolve this. Kirby thoughts have a lot of merit. I never thought our job was to review the proposals for technical merit.

Kirby- I was hoping the BLM would ask for the collective advice of this group. What I hear discourages input instead of encourage it.

Prill- I propose we take an early lunch break and think about this.

Public Comment

None at this time.

**** Lunch****

Prill- Let's continue discussion on ASU Proposal and the role of the PAWG. We want to also address Rob Sanford from Cheyenne, the 2 presentations from the TGs, and talk further about whether or not to use a facilitator for future meetings.

****Gene George joined the group by phone****

I have brought in a facilitator to discuss what a facilitator can do for the PAWG. She introduced Dick Gross of the Consensus Council from Napoleon, North Dakota. He is a former State Legal Counsel for the Governor of the State of North Dakota and has done quite a bit of work in Wyoming and all over the world.

Dick - Had you had a good facilitator the issues you are having now would have been cleared up. The first item on the agenda of a facilitator is to develop a set of ground rules, as follows:

1. It's your show
2. Everyone is equal
3. No relevant topic is sacred
4. No discussion is ended
5. Respect each other
6. Respect the time
7. Silence on decisions is agreement
8. Make sure I write what you mean to say
9. Have fun

It is important for the group to have the following items:

- Proposed Agenda
 - Proposed Goals
 - Subgroups
 - Proposed Products
 - Subgroups

While you try to bring as many ideas of your constituency to a discussion, neutrality is important. It is very difficult to be completely neutral when representing your constituency. I would like to answer any questions you may have.

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Carmel- At the last PAWG meeting there was discussion about the overall travel budget. Is there a budget for a facilitator?

Prill- Not at the moment. The opportunity to have more focus and fewer meetings may be a benefit. We may be able to work the budget to accommodate this if the PAWG decides they need this.

Dick- There is nothing wrong with having a facilitator, co-chairs, and even a steering group working on this. At the beginning of your process there should have been, and could have been, an explanation of the processes of FACA, the ROD, the Charter, etc. It is a provision for keeping backroom conversation from occurring. An explanation of how this came to be would have been helpful--like an education session.

Carol- I've heard it causes confusion to have a co-chair, the BLM involvement, and a facilitator. How does that work?

Dick- It's different from one group to the next, from my experience. We usually do a draft agenda of a meeting and send it out for review to everyone electronically. We did a process on the flooding of the Red River which involved 30 different stake holders and 5 facilitators; we tried to balance people's perception. There are various possibilities. In meetings facilitators takes care of the agenda. Much depends on the desired level of involvement individuals want to have.

Susan-Do you feel like four meetings in one year is adequate?

Dick- I cannot answer that at this stage. I think it would not have taken you as long if your had been facilitated all along. I noticed in your documents the necessity for public input; what about holding meetings at night. What ever you do, keep that in mind.

Prill- The other issue was the agenda and talking about ASU project. I don't believe that this group was Chartered to talk about the proposals themselves. If we need more discussion about roles and responsibilities we can do that. For now, I would like to leave this off the agenda.

Robin- Are you saying you recognize our role and responsibility with this, we are just not going to talk about it now?

Prill- Yes, I do not think you were charged to look at this.

Robin- I think we still need to address this.

Kirby- I think it is resolved. This is Prill's working group. It is acceptable for her to limit the scope of the advice we give. I am disappointed.

Robin- You look like you feel disenfranchised.

Kirby- Yes, I am going to resign. If my advice is not needed here, I have other things to do.

Robin- In the future there will be some exciting things to do. Once we get passed some of this stuff, I think your expertise will really come into play down the road.

Kirby- There is no opportunity on this fast rolling train to give advice. On the basis of what Prill has said, this will be my last meeting.

Prill- I'm disappointed that you did not hear what I have to say. There is a tremendous opportunity to talk about.

Kirby- I hereby tender my resignation from the PAWG. I give my heartfelt appreciation to everyone for their hard work and I wish you well. (*Kirby departed the meeting*)

Carmel-The Socioeconomic group has provided comment in their report on the ASU proposal.

Prill-Those comments, coming as a group, can still be delivered and it is acceptable. BLM will not ignore any comments that are made.

Linda- Is there any discussion about the minutes from the last meeting? She recommended accepting the minutes with the noted changes to be made on pages 1, 3, and 7. Minutes are not accessible on line on the BLM website. TG groups can make copies and distribute. All were in favor of the minutes being accepted as amended.

ROD Protocol and Procedure Discussion

Rob Sanford

Linda- We have Rob Sanford here from the State of Wyoming at the request of Mary Flanderka and the PAWG. He will present information about monitoring. He works in the State Planning Office and is here to replace Mary today. The fundamental question he is looking at is who is in charge of the oversight of the ROD.

Rob- I did not get an answer to that question. This group or the BLM may have to decide how to answer this question.

Robin- Are you talking about enforcement of decisions?

Rob- It's really more about the oversight and the compliance in general.

Robin- I would think that it's the BLM's responsibility and the role of the PAWG is to over see.

Carol- Rob, did you look at the DOI regulations?

Rob- Yes. The information on this spreadsheet (matrix) is the best we could find on protocol and procedure. It is in everyone's best interest to do our homework now before it is too late. The ROD does not spell this out. It would be good for operators, BLM, and PAWG. We would like to know if this is getting done. I'm displaying my observations on what I found and what the BLM supplied in a short term. The whole point is to follow NEPA. The 10th Circuit has admonished that the NEPA document is only as strong as the operators of it. We need to know who follows up the terms of the ROD, and if the recommendations are implemented, who is responsible to follow up on mitigation guidelines.

Operators on the Anticline are willing to participate in the effort. Pinedale has a community that takes initiative. Pinedale is ahead of most communities. The column on left is taken verbatim from the ROD. We need to decide who is responsible when, where and for what.

Linda- So this is intended to start a discussion with all interested parties?

Rob- Yes, and to take care of those things that would avoid litigation.

Mike- This is similar to the matrix we have talked about.

Rob- The PAWG reports have done similar things. The PAWG, in their role, has a clean slate they are working with is this right? This is just from the ROD.

Linda- Do you anticipate working with Mary side-by-side and working with the PAWG on this?

Rob- I will ask Mary that.

Linda- Formally thanked Kirby for his service on the PAWG and his work is greatly appreciated.

Susan- So, do we have to accept Kirby's resignation?

Linda- I am not sure about that. I would hope we can invite Kirby back. We are now hobbled in our ability to perform our work.

Carol- Introduced Betty Fear the new nominee for the county seat on the PAWG.

Linda- We should identify the next steps for the terms of the ROD matrix. We should break this down into task group responsibility. We should go through with an eye toward which ones go with which.

Robin- Let's determine what has been done and what could be done in the future.

Carmel- What is the purpose of this exercise? It is not clear to me. It sounds like some of the discussion is about monitoring the BLM instead of impacts, etc. If we are trying to monitor impacts this might not be a good setup.

Linda- This is more of a PAWG monitoring overview.

Carmel- Are there socioeconomic impacts? Yes there are. I don't know our TG fits in.

Rob- We are looking at mitigation, monitoring and the impact.

Robin- At the last meeting you were looking at a matrix where you would identify impact, a threshold, look at mitigation and look at where to go from there. Is that right? It looks like this might be a first step toward this.

Susan- When BLM looks at an APD, do they have a checklist they go through?

Prill-Yes, the specifics are all in the APD.

Robin- How do you look at how many wells there are and when directional drilling would start?

Prill- We have counts that we use.

Carmel- What do you want us to do with this information?

Linda- I am going to first let the TGs have a look at the items and ask if TGs have come up with what they are going to do.

Rollie- We wrote up a very detailed description that neither the PAWG nor BLM has responded to. Maybe you need to look at this more before you ask us to do something with this.

Mike- This is going to be your primary management tool for the adaptive management process.

Terry- A lot of those are spelled out in the EIS.

Linda- This points to the need for another meeting.

Robin will look at what the TGs have done and compare to the State's matrix to look at what needs to be done going forward.

Air Quality TG Report

Terry Svalberg

Terry- We had eight items we wanted to discuss today but had no time. We have the following 3 recommendations we would like to make to the PAWG:

1. Request the BLM to complete the 2004 NOx Tracking Report.
2. Request a more formalized response mechanism between for the BLM to address the PAWG and TG recommendations.
3. Stress the urgency of securing funds for FY 2006.

Prill- Do you want a decision about who is going to fund this?

Terry- Yes, we have been patient but item number 3 on our list needs to be addressed. The State of Wyoming is currently funding us with \$32,000, so far. We are looking at a fairly short turn around on this.

Carol- The State Office is working with the Forest Service and State for funding for 2006.

Terry- I'm not aware of who is doing this.

Prill- Carol, can you follow up on this for Terry because of the tight deadline?

Carol- Yes.

Linda- There seems to be a lot of confusion about who is funding Air Quality. Are there agencies that signed an MOU to this effect?

Prill- Yes, that applies to new projects, not existing ones.

Linda- The PAWG started a discussion about the cycle of information from the PAWG to BLM and back again. We have to get back to you about whether or when it is going to funded.

Terry- If we can get the money in place we have someone to do the work and the agreements with all involved parties. There were no number on the airquality total for all monitoring, but I think it is around \$165,000 per year.

Carol- I will start with Ken Peacock and see where I need to go. None of the money has been allocated to air quality. I heard some one in the State office was negotiating for this.

Terry-DEQ took the commission out of the agreement.

Carol-I will talk to Walt. I will express the urgent time frame.

Draft

Robin- You need long-term funding?

Terry- Yes, our budget has been flat lined for 5 years.

Carol- The BLM budgets are being cut as well.

Linda- Do we agree we should forward these 3 recommendations to the BLM?

Paul- What about the results?

Carol- I have the results right here.

Linda- Should we allow the monitoring to go de-funded?

Carol- Some of this will be answered with supplemental Jonah information on air quality. It is up on the website.

Robin- Paul is talking about analyzing not modeling.

Terry- We are going to compile and send information to DEQ and the operators that have funded the study.

Susan- Is there some way we can put air monitoring devices near pads to see what they are emitting to get a ball park figure?

Terry- That is what the NOx tracking report will tell us.

Carmel- Are we waiting for information on DEQ before they can release money? Is this a state or a BLM decision?

Prill- We can disclose impacts but we don't have authority to make requirements on anyone.

Carmel- If the state doesn't deem it necessary, does that mean it will not be required.

Prill- The state has to make that decision.

Terry- The PAWG would be used to move this forward.

Prill- It's the state's responsibility.

Terry- The state is edgy about mitigation but they don't permit monitoring. We are looking at improved emissions.

Carol- We have a letter from DEQ requiring Tier 2 technology on the Anticline and the Jonah.

Terry- The state uses certain equipment required for gathering data.

Prill- We can see if that is applicable with the BLM.

Terry- Cara Casten could help with this.

Carol- We don't have the NEPA documentation to do any more than we are doing.

Susan- Under Appendix A, once an APD is issued, is it for the life of the well?

Prill- Yes. An APD has certain conditions legally placed that operators can expect as the conditions they work under. If you modify these, you breach the contract.

Wildlife TG Report

Rollie Sparrow

Rollie – The Wildlife TG has had four public meetings since the last PAWG meeting. Regarding the impacts on sage grouse and mule deer, the PAWG asked for more specifics; we had 4 meetings to address this. The meetings were well attended and three PAWG members were present. There are things happening with these species. The sage grouse are displaced from their leks and the data shows that birds are moving away. Further research is being done on breeding. There is a strong feeling in our group that conservation needs to happen in a larger area than just our site. The details are in the minutes of the meetings.

Regarding the mule deer there has been displacement from favored winter range and it is progressive. Climatic changes are showing an effect. There are 46 % fewer deer on the mesa in the winter; something is happening. We are concerned with focusing our efforts only on the Anticline. We believe that all holes should be punched as they have been in the past. We don't know what the impact will be. We recommend a collaborative effort of all agencies on reduction of activity. We believe there needs to be an educational program to explain the importance. We should consider new employee info about conservation for oil field workers.

Regarding the sage grouse, this is a landscape species -we need immediate action. Reduction in activity will help. There should be a training activity that includes this in the package of training modules that are used.

Mike- Do operators have formal training for new operators?

Robin- There is opportunity for training, but not necessarily specific to new hires. Shell has developed some classroom training.

Rollie- What kind of threshold will everyone embrace? With the deer, how far down do we let the population go and then what do we do about it when we get there?

Robin- Is there opportunity to bring disturbed habitat back into the picture again?

Rollie- We have discussed it loosely. You will be reclaiming habitats. But most fields do not show signs of no drilling. Eleven lek complexes have some intrusions. We could take one of those and approach a new field with no preconceived notions using the Anticline and Jonah experience. Maybe we will have a better chance of achieving a goal.

Linda- So, your recommendation is to enforce seasonal and surface stipulations?

Rollie-Yes, it's going to take some work.

Bob. – Enforcement is beyond fuzzy and is almost non-existent. The rangers will not enforce the enclosures.

Prill- The Sheriff's office will enforce it; it will go in the federal register.

Bob- In addition to mule deer, faun survival is significantly lower on the Anticline. Those to me are alarming numbers.

Linda- So you endorse enforcing enclosures?

Rollie -Yes.

Susan- Could we ask the Game and Fish for a threshold on mule deer and sage grouse?

Bob- Animals can come back from low numbers. What does the decline from 32,000 to 10,000 mule deer really mean?

Linda- We can ask. Clat Braun has done this type of research.

Rollie- It is more complicated than that. If we get a bad winter and eventual development or more drilling, these things can affect it.

Linda- What constitutes a healthy heard and a healthy habitat?

Steve -What happens if we don't meet the threshold? Maybe we need to start thinking about the "what ifs".

Bob- I can't see how Ron Hogan would get upset about decline that is not necessarily endangering the species.

Linda- We've danced around this since day one. PAWG could make recommendation to BLM and we can see if it works.

Carmel- What do we do if we are at the threshold now?

Linda- There are a lot of measures along the way in answering the question.

Susan- Lets say the deer population drops to 10%. Does that ring an alarm for anyone?

Prill- I don't know.

Robin- Isn't there a provision that Questar has for this?

Prill- Yes there is. The real struggle here is what the thresholds are and what you think we should do about them.

Steve- Most biological systems have 2 thresholds. After the 2nd threshold, even with immediate action, you will bottom out. Then you have to rebuild. This is a balancing act. The question is, is it acceptable to not have any grouse or deer on the Anticline?

Rollie- It is also affected by the sequence of decisions you are about to make.

Betty - The winter we had last year is probably more normal than not. We also have predators to consider.

Bob- Sublette County has a control that sends up an alarm- taking weather and predators into consideration.

Linda- Is there anything else you would like to add to the recommendations?

Rollie- We can't really do that without re-convening the group. We have also been talking about measuring human impacts.

Linda- Have levels of concern ever been assessed and if not, do you think they would take a stab at doing that?

Susan- We would be negligent if we did not look at things like this.

Linda- Are we at a red flag when we are half way through the project? The 46% reduction is over the course of the last 5 years; 30% suffered during last winter; 70% of those were in the controlled area.

Bob –You have to compare the 46% on the Anticline with the population in the controlled area.

Rollie- There has been a significant loss and their habitat is not the same now; they are trying to rebound.

Bob- In the absence of the research, how can we know if the lek disturbance is just a relocation and not a permanent effect?

Rollie- We don't really know how this will shake out.

Linda- We have to take into consideration a decrease in habitat and all other aspects to be able to look at this effectively.

Steve- As habitat managers, we focus on habitat issues and we wouldn't want to put a threshold out there that would be arbitrary and stop drilling and development. The question is how you balance this? You put a number out there and it becomes a target. You have to have flexibility. We would need to change, and so would everyone else. This could take time to develop a process for this.

Linda- Aren't we saying let's do the best job we can to offset any unforeseen things in the future?

Steve- "Best" could mean total protection or no protection; it's subjective. The objective is to allow the birds unimpeded breeding opportunities. The PAPA ROD doesn't have that flexibility.

Paul- I think we are missing the point on everything. We haven't addressed the steamroller that is pushing this development.

Linda- The question is whether the PAPA ROD is flexible enough to work with.

Susan- Can we make a recommendation to have BLM identify for us what a healthy population is?

Robin- The TGs have brought us a recommendation. They think there is a problem and here is what we should. They see that a threshold has been reached and it's time to do something.

Rollie- Nodded in affirmation.

Steve- We are still discussing this.

Rollie- We should continue to wrestle with it.

Carol- This is the first year the condensate and water lines will be up and running, so there will be fewer trucks on the Anticline.

Robin- Did you reach a consensus?

Rollie and Ron -Yes.

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Paul - I recommend we accept the recommendations of this TG and pass them on to the BLM.

Steve- Do you want to see acreage and land based assessment? Do you want a certain number of animals?

Robin- The ROD already set up a threshold.

Steve- We won't know a population is sustainable until we lose them. Do you want population information or land information?

Linda- We should try to determine what a healthy land base is.

Robin- The EIS used a predictive model for impacts. Is that something that you think if you went back through you could use?

Steve- There are better models than that out there.

Linda- I have not looked at this closely yet. Is it a modification of your original proposal?

Ron - The changes in this EA address significant conditions of approval. Just the condensate has been rerouted from Bird Canyon to La Barge, so it is 46 miles shorter than the original plan.

Linda- What were the issues?

Carol-The analysis had to do with the whole route. We had to analyze impacts and disclose them.

Ron-We went to crossing only one river.

Carol- It was a total of 60 miles less disturbed.

Paul – Where are your pads this winter?

Ron- On the southern portion of the Mesa. We have made several proposals and, at the current time, will be in that southern portion.

Bob- Wasn't the proposal to pull the pads closer together?

Ron- Yes.

Carol- Our own people said one of the performance objectives was not realistic, so we changed it. There were small modifications that needed to be made with the system. All of them showed net reduction of impacts. The reclamation is the first part that was an unworkable part of the decision.

Funding Matrix Discussion

Linda- How we are going to fund monitoring? It's always a tough question. Bob and Carol did some good work on understanding this since our last meeting.

Bob- I compiled info from the Wyoming Oil and Gas Conservation Commission web site and calculated production through 2005 with the goal of establishing a relationship between production and monitoring expenditures. I believe industry will fund the majority of the costs. Most of the numbers were from 2000. I would like to see who has paid into this so far.

Linda- What kind of funding makes sense and is equitable? What percentage makes sense to ask of the agencies and operators? Should it be based on production?

Robin-All wells are not operated solely by one entity and may not have a 100% working interest in any one well. It is almost impossible to figure out who should pay what. Our solution was to divide the cost evenly among the 6 operators. Keep in mind that anything we propose they will rebut.

Bob- What is the rebuttal going to be?

Robin- We can get them to break out net production by company and partner. Ron, how quickly could Questar give us numbers on their interests?

Ron- Pretty quickly. But, what if I never drilled another well? How will I be assessed? The companies are all doing different things. For instance, we are putting pipelines in right now.

Robin- The harder question is going to be how come "we" (any one operator) have this big chunk and have to pay this much?

Bob- The ROD says operators will "share" or pay "for the majority of the cost." This language is conflicting.

Linda- Read the language from the ROD to the group.

Robin- Read the "cooperatively funded" language from the ROD.

Bob- So, you would rather us not tell the BLM to tell them what to fund?

Robin- I think we should go to operators after we have the monitoring figured out and ask them what they will pay for.

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Linda- There is a formalized process for asking them. The question is, should we ask them?

Robin- I think we should, but who should ask?

Prill- This is a PAWG issue.

Robin- It would be helpful if I had a number. One point three million has already been spent by operators on wildlife (only for the PAWG start-up group) and water quality monitoring.

Linda- BLM has funded \$325,000 total to date. We do not have a real accounting of all funding to date, though. The question is what percent should be paid by each operator?

Member of Public - What is the check and balance that is going to put into place as an obligation under the ROD?

Prill- That's why the BLM chooses which monitoring effort should be funded. We are talking about how overall approved projects get funded and how the funding should be split up.

Robin- Checks and balances can take place at the TG level.

Member of Public- My concern is that you don't wind up with a pot of money in that bank that is at the discretion of the PAWG for spending.

Linda- Let's try to get to the ideal of what we think we should do. The ROD is our guiding document. I hear and see agencies saying we don't have the money, so it defaults to the operators. What do people feel is a fair percentage for them to seek?

Bob- The Appendix says we need to identify the "who."

Steve-You are giving us an awful lot of power here.

Carmel- I think we are going to have trouble with this issue. She read from the ethics sections. I think we will be reporting on non-consensus to the BLM.

Robin- BLM has extended its appreciation to the PAWG and TGs and does not want to minimize this at all. They have come up with some money for you folks as a result of the good job. The figure is somewhere between \$350 and \$375 thousand dollars. This is a windfall. We have a 50-50 chance at refunding next year. This is a result of the fruits of the TG's and the PAWG's labors. You all deserve a pat on the back. We realize this was a huge effort on your part. It has not been a smooth road. This money should be a huge moral boost. Everything that the TGs have submitted has been passed along to the BLM except for Air Quality, which is a statewide project.

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Linda- The PAWG wants to thank Carol to for all her hard work and dedication to the PAWG and welcome Mike Stiewig as the new BLM liaison.

Carol- What about the sage brush ecosystem related monitoring?

Steve- The \$55,000 needs to be obligated to the State Office. The Wildlife TG could use that money. The national office is doing an accounting of all monitoring right now for budgeting for next year. It's not going unnoticed. We have spent our money wisely.

Susan- Are we funded for next year with DOI funding?

Prill- The TGs are not, but the PAWG is funded.

Linda- What sounds reasonable, if we were to establish a percentage?

Robin- Let's give the operators a number and let them divvy it up.

Prill- What is the total percentage? The government cannot predict if they will pay.

Linda- Should we base what they pay on total MCF or should it be equal down the line?

Prill- Whatever the total amount they are going to pay is, let's let them figure it out.

Linda –I have found that industry will be step up if we ask them. Maybe we should ask would you be willing to pay for some or all of it.

Robin-What if they say no?

Steve- Maybe we should use language that says industry will provide for no less than a certain percentage of the monitoring costs.

Linda- Our intent is to come up with a policy.

Nylla- Do we need to put down our priority requests for funding?

Linda- Yes.

Carol- What are you trying to fund?

Linda- We want to make up for the Air Quality shortfall and for future monitoring.

Carol- It is on top of what the State and County Commissioners have put in. Are you headed for recommendations for next year?

Linda- It's important to know what has been funded. It would be easier to think of if we had a number of some kind.

Carol - It is \$750,000 – \$1.5-2.0 million, per year.

Steve- Wildlife will go down.

Terry- We have about \$150,000.

Carol-DEQ spends money also.

Linda- We would like to get numbers on who is doing what.

Carol – Exxon would say we have been monitoring for 20 years.

The discussion was tabled until the next meeting.

Linda- Going forward, we will consider a strategy for funding monitoring, how much is being collected, and how much we will need for fiscal year '06 funding.

Gene- Reported on the surface data as it relates to the macro invertebrates. The reporting is about one year behind because of the time required for analysis. The earliest the report may be available is the first of December.

Public Input

None at this time

Next Meeting

Items for next meeting's agenda:

1. Funding
2. Strawman-AEM
3. TG Recommendations
4. Report on Air Quality
5. Facilitator- Dick Gross

The Date for the next PAWG meeting is Tuesday, October 25, 2005

Meeting Adjourned 5:30 PM

Certified as Accurate

Linda Baker, Co –Chair

Date

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