



## **OIL AND GAS:**

### **BLM reviewing massive Wyo. project overlapping sage grouse core areas**

May 16, 2014

Phil Taylor, E&E reporter

The Bureau of Land Management today announced it will review a proposal to drill 5,000 oil and gas wells in east-central Wyoming in the coming decades, a project that has raised the concern of one sage grouse advocate.

BLM today initiated a 45-day public scoping period for the 1.5-million-acre Converse County Oil and Gas Project, which would occur primarily on state and private lands but tap mostly federal minerals.

The project could be a test-case for the Interior's evolving landscape scale mitigation strategy, which seeks to identify ways for energy companies to avoid and minimize harm to sensitive species and habitats, while compensating unavoidable impacts off site.

If approved, the project may also require BLM and the Forest Service to amend their land use plans around Casper and the Thunder Basin National Grassland.

The plan by Anadarko Petroleum Co., Chesapeake Energy Corp., RKI Exploration and Production LLC, Samson Resources and SM Energy is to drill 5,000 wells from 1,500 pads over a 10-year period.

It would also require the construction of roads, pipelines, power lines, compressor and electrical substations and water supply wells and disposal facilities, though specifics of the plan are still being worked out.

But initial plans call for about 50,000 acres of temporary surface disturbance with about 20,000 acres disturbed for the project's 20- to 30-year lifetime.

The companies are also requesting to drill year-round rather than observe timing restrictions designed to protect wildlife including nesting raptors and the greater sage grouse, a candidate for protection under the Endangered Species Act. That's raised the concern of wildlife advocates given that the project includes all or parts of three different sage grouse core areas identified by the state of Wyoming.

BLM said it is considering mitigation strategies for avoiding and minimizing impacts, as well as habitat compensation on-site and regionally. It is considering "landscape-level conservation and management actions to achieve regional mitigation objectives" in areas of critical environmental concern and priority habitats, according to a notice in today's *Federal Register*.

Those efforts are in line with a secretarial order issued last fall by Interior Secretary Sally Jewell that required BLM to explore mitigation regionally as opposed to on a project-by-project basis. While no decisions have been made about how BLM may mitigate for the Converse project, officials today said they're exploring how the drilling plans could be tied into efforts to restore abandoned coal-bed methane development in the Buffalo field office or support private landowners' efforts to build a private mitigation bank.

The drilling project would occur on a complex mix of lands: While BLM manages about two-thirds of the subsurface minerals, it and the Forest Service only manage a combined 10 percent of the surface lands. The rest are owned privately and by Wyoming.

BLM is taking comments through June 30 and plans to host public meetings in Casper, Douglas and Glenrock before then.

The preliminary plans worry Erik Molvar, a wildlife biologist with WildEarth Guardians.

He said sage grouse populations are already "crashing" in the Powder River Basin and that their further decline could disrupt a critical link between sage grouse populations in Montana and the Dakotas. In addition, the long-term presence of noisy pump jacks associated with oil production could pose greater threats to the ground-dwelling bird than natural gas development, which can have a relatively quieter and smaller long-term footprint, he said.

"This project is ridiculously ill advised," Molvar said today in a media release.

He was particularly critical of the companies' requested exemptions from timing restrictions and said the firms could do more to reduce their surface footprint through directional drilling. "We ought to be seeing that kind of commitment to minimizing impacts when key sage grouse habitats are involved," he said.

It's unclear how BLM's review of the project will inform its current efforts to amend its Wyoming land use plans to beef up sage grouse protections ahead of a court-ordered September 2015 deadline for the Fish and Wildlife Service to decide whether to grant the birds formal ESA protection.

Also unclear is what kinds of conditions BLM could place on approving drilling.

While most of the surface lands are state or private, what happens to the sage grouse there will inform how BLM manages the bird elsewhere and could inform whether FWS lists it.

BLM's Wyoming office does have some experience in mitigating for large-scale oil and gas projects.

In 2006, it authorized a pilot in southwest Wyoming's Jonah gas field, a sagebrush patch where Encana Oil & Gas Inc. and other developers had proposed an unusually dense concentration of wells -- more than 3,000 pads amid 30,000 acres -- threatening harm to sage grouse and pronghorn that could not be avoided.

Operators offered to pool \$24.5 million to establish a mitigation fund that helped purchase tens of thousands of acres of private conservation easements, grazing improvements and wildlife-friendly fences, among other steps. Juniper trees were chained and sod seeded to restore sagebrush, and millions of dollars were spent on wildlife monitoring.