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15-02-00-0070-219
Date: May 11, 2015

Chris Bement
Sr. Manager, Western Operations
Encana Services Company Ltd.
Republic Plaza 370 - 17th Street
Suite 1700
Denver, Colorado 80202

Dear Mr. Bement:

On February 10, 2015, you filed an objection on behalf of Encana Oil and Gas (USA) Inc. regarding the White River National Forest's *Oil and Gas Leasing Decision*. The legal notice for that project was published in the *Glenwood Springs Post Independent* on December 12, 2014, which initiated the 60-day objection period. Your objection was timely. This letter is my written response to your objection, as required by 36 Code of Federal Regulations (CFR) 219.56(g).

To satisfy 36 CFR 219.57(a), an objection resolution meeting was held with the objectors in Glenwood Springs, Colorado on April 27, 2015. Rob Mathes joined by telephone to represent your interests. I was in attendance as was Scott Fitzwilliams, Supervisor of the White River National Forest and staff from both the forest and the Rocky Mountain Regional Office. We were unable to resolve your objections at that meeting.

Project Subject to Objection

The White River National Forest proposes to make portions of that forest available for oil and gas leasing, to adopt stipulation requirements for use on those lands, to close other portions of the forest to oil and gas leasing, and to amend the White River National Forest Land and Resource Management Plan (LRMP).

Three alternatives were considered in detail in this project's final environmental impact statement (FEIS). These alternatives included:

- Alternative A – No Action (current management);
- Alternative B (Scenario 1 & 2) – No New Leasing;
- Alternative C (Scenario 1 & 2) – Proposed Action.

Scenario 1 assumes the 39 leased/undeveloped parcels would expire or terminate and subsequently be closed to future leasing through management direction (Alternative B) or a combination of closed to future leasing through management direction and available for lease (Alternative C).



Scenario 2 assumes the 39 leased/undeveloped parcels would not expire and would be developed under the 1993 WRNF Oil and Gas Leasing stipulations and/or stipulations they were leased under. As detailed in the Draft Record of Decision (DROD) for this project, a combination of Alternatives B and C was selected for implementation.

Objection Responses

Following are summaries of the objection issues, paraphrased from the actual objections filed by the addressee. The agency response then follows each summarized issue.

Objection Issue 1: The final environmental impact statement (FEIS) and Draft Record of Decision (DROD) fail to protect Encana's valid existing rights.

Objection Response – This issue was addressed in a response to comments. (FEIS Public Concerns) Administration and protection of valid existing rights are thoroughly discussed in the analysis. (FEIS Sections 1.4, 1.5, 3.6.8.3, and DROD)

Oil and gas leasing on National Forest System land (NFS) is a collaborative process between the Forest Service and the Bureau of Land Management (BLM). The BLM is in the process of conducting analysis on 65 previously issued leases in the White River National Forest. The BLM announced that effort through publication of a notice of intent on April 2, 2014. That publication occurred between the release of the White River National Forest Oil and Gas Leasing Project Draft Environmental Impact Statement (DEIS) and Final Environmental Impact Statement (FEIS). The FEIS and DROD now include extensive references to the BLM effort (FEIS Sections 1.4, 1.5, 3.6, Response to Comments, and DROD). The BLM decision is not yet final.

As explained in the FEIS and DROD, the project analysis was based on the assumption that 26 of the 65 existing leases were either part of a unit or held by production (developed) 39 of these were undeveloped. Two scenarios were then developed for the FEIS which modeled how those leases might be managed in the future. The FEIS analysis used the best information available at the time it was conducted. (FEIS 1.4, 1.5, 3.6, Response to Comments and DROD) There is no evidence that the analysis and decision violated any law, regulation or policy with regard to responsibility owed the objector.

Objection Issue 2: The White River leasing FEIS/DROD lease stipulations are more restrictive than necessary to adequately protect other resource values.

Objection Response – Your objection did not cite specific examples of stipulations that are too restrictive, so my response is general in nature. This issue was addressed in a response to comments (FEIS Public Concerns). A description of lease stipulations and acknowledgement that stipulations should only be as restrictive as necessary is provided and is disclosed and discussed. The FEIS and its supporting documents provide extensive evidence and rationale for the selected lease stipulations. Analysis of the methodology used to develop, and the rationale used to apply, lease stipulations are fully disclosed and discussed. (FEIS Section 1.4.6, and in Appendices A and B)

The mix of different stipulations demonstrates that the Forest Service applied less restrictive stipulations where considered appropriate. A summary of the extent of various stipulation applications is provided. (FEIS Section 2.2.3, Table 6)

Objection Issue 3: The DROD did not provide a map showing the application of new lease stipulations.

Objection Response – There are stipulation maps for Alternative C. (FEIS map packet, Figures 11-13) There is no such set for Alternative B because that alternative assumes no new leases. More to the point, there is no stipulation map set for the selected alternative (a blending of Alternatives B and C). Once a final decision is made on this project, a stipulation map will be provided.

Suggested Remedies:

In your objection, you stated that the White River National Forest must remove any indication that the Forest Service might impose new stipulations on existing leases, must provide a clearer justification for each stipulation, and that it should provide a map of stipulations with the final Record of Decision (with clarification that the map is informational and based on the latest data to date and is subject to change at the time of lease with the most up to date data).

Conclusion:

Based on my review of your objection, the FEIS, and objection record, I find no violation of law, regulation, or policy. I do agree with you, however, that there is a need for a stipulation map. By copy of this letter, I am instructing the Responsible Official, Forest Supervisor Scott G. Fitzwilliams, to include a map(s) in the Final Record of Decision showing the application of stipulations under the selected alternative. As required by 36 CFR 219.58(a), Forest Supervisor Fitzwilliams cannot sign a decision for this project until all instructions have been addressed. This response is not subject to further administrative review by the Forest Service or the Department of Agriculture pursuant to 36 CFR 219.57(b)(3).

If you have any questions or concerns regarding this response, please contact Nancy Miller at 303-275-5373 or njmillier@fs.fed.us.

Sincerely,



JAMES S. BEDWELL
Acting Deputy Regional Forester
Reviewing Official

cc: Scott Fitzwilliams, Sarah Hankens, Wendy Haskins