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Public Comments Processing
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The Montana Petroleum Association (MPA) offers the following comments to the U.S. Fish Wildlife Service (USFWS) as they consider a decision regarding the status of the Greater Sage Grouse in Montana. The MPA is a trade association that represents exploration, production, transportation, refining and numerous ancillary support businesses to the oil and gas industry in Montana. The decision to list the Greater Sage Grouse is of concern because of the consequences of such a decision on our ability to develop oil and gas resources at such a critical time in our nation's energy history. MPA's comments will focus on the research work done to date. Individual companies will send USFWS comments about the specific actions they have done to minimize impact of energy development. In addition, industry groups across the Western U.S are gathering additional company data on sage grouse and conservation measures we have undertaken. This data will be submitted under separate cover.

Essentially, MPA does not believe conditions exist to list the greater sage grouse as a threatened or endangered species. Please consider the following:

There have been significant studies and efforts by a variety of groups and organizations since the Western Association of Fish and Wildlife Agencies and various federal natural resource agencies signed their Memorandum of Understanding (MOU) on July 12, 2000. This MOU began an effort by the Montana Fish Wildlife and Parks (MFWP) to establish working groups and develop conservation strategies across the state. In February of 2005 MFWP issued its Management Plan and Conservation Strategies for Sage Grouse in Montana. This document outlines strategies to address all the identified impacts to sage grouse survival. Energy development was one of the analyzed areas and the plan lists the following measures (listed are some of the key strategies, for a complete list please refer to the MFWP Management Plan and Conservation Strategies document available at the MFWP):

- Work cooperatively with agencies, utilities and landowners to identify and map important seasonal ranges for sage grouse.
- Remove facilities and infrastructure when use is completed.
- Enhance our understanding of the effects of energy development through:
 - Pre-activity inventory
 - Monitoring over the life of the development
 - Annual evaluations

- Allow no surface occupancy within .25 miles of an active lek. Use the best available information for siting structures near important breeding, brood-rearing, and winter habitat considering the following:
 - Size of structures
 - Life of the operation
 - Extent to which impact would be minimized by topography and disturbance by noise and maintenance
- Allow no surface use in nesting habitat within 2 miles of an active lek during a period of breeding and nesting – 1 March – 15 June.
- Restrict maintenance and related activities in sage grouse breeding/nesting complexes – 1 March – 15 June – between the hours of 4:00-8:00 am and 7:00-10:00 pm.
- Allow no surface use activities within crucial sage grouse wintering areas during 1 December – 31 March.
- Avoid locating roads and power lines in crucial sage grouse breeding, nesting, and wintering areas.

Drilling permits on state and federal lands in Montana have stipulations in place that comply with the above recommendations. Based on MFWP sage grouse population reports these practices on development appear to have had a positive effect on sage grouse and their habitat.

Since the completion of the MFWP Management Plan and Conservation Strategies for Sage Grouse many of the key strategies listed in the plan have been incorporated into industry development plans. The table below lists drilling permits issued by the Montana Board of Oil & Gas Conservation (MBOGC) during the last 18 years. MPA questions whether a significant number of permits have been issued since 2005 to support the assertion that 2005 recommended strategies are not valid.

**PERMITS ISSUED BY
YEAR**

Pyear	Quarter	Oil	Gas	CBM	Storage	EOR_Injection	Disposal	Other	Total
1990	Year	106	264	3	2	0	0	0	375
1991	Year	78	199	3	2	0	0	1	283
1992	Year	80	202	0	3	0	0	2	287
1993	Year	96	105	0	4	0	0	1	206
1994	Year	133	163	0	3	0	0	0	299
1995	Year	109	120	7	2	0	0	9	247
1996	Year	138	89	0	2	0	0	0	229
1997	Year	202	252	31	0	1	3	0	489
1998	Year	111	302	48	0	1	0	0	462
1999	Year	79	329	156	3	0	0	0	567
2000	Year	130	345	113	6	2	2	4	602
2001	Year	127	468	81	7	3	0	6	692
2002	Year	142	453	13	2	0	0	0	610
2003	Year	214	398	218	3	0	1	0	834
2004	Year	243	525	66	0	0	1	5	840
2005	Year	313	413	577	0	0	0	1	1304
2006	Year	278	495	273	0	1	1	5	1053
2007	Year	248	521	69	0	0	1	0	839
2008	Year	113	170	40	0	0	0	0	323

MFWP sage grouse populations have increased in the last several years. In 2007, the MFWP lowered the bag limits for sage grouse to 2 from 4. The background paper developed by MFWP staff for consideration of the MFWP Commission stated that based on their standard reporting procedures, the sage grouse populations were strong and supported a four bird limit. However, because of heightened public awareness and concern over energy development, the limit was lowered to two birds. It is clear that populations are increasing, even given the increase in oil and gas activity between 2004 -2006.

Recent studies by Dr(s). Naugle and Holloran suggest that impacts to the sage grouse are more severe, an assertion that MPA questions. The information from these studies has led many environmental interest groups to make outrageous public statements. For example, the Sagebrush Institute claims that sage grouse populations have plummeted 99% since the early 1900s, from 14 million birds to a present 140,000. While this is just one example of the misinformation rampant in the public discourse on sage grouse, federal and state land management personnel have suggested that additional, more restrictive stipulations are necessary to protect the bird in response to public pressure fueled by this erroneous information. Yet there are several analysis of recent studies that have not been given ample, if any, discussion; that should be considered by USFWS.

First, Renee Taylor of Taylor Environmental Consulting in Evanston, Wyoming has written an observational report (Taylor et al. 2007 Greater sage-grouse and Energy Development in Wyoming, attached). The Taylor paper raises questions about the conclusions in previous "peer reviewed" research. Of significance is Taylor's claim that application of the BLM standard sage grouse stipulations appear to be effective in reducing the impact of oil and gas development on male-lek attendance. BLM's standard sage grouse stipulations are in agreement with the MFWP 2005 Sage Grouse Management Plan and Conservation Strategies. While the attached Taylor report is an observational paper of previous research, there have been three technical pieces derived from the base work performed by the authors. MPA has attached the abstracts and understands that the completed papers will be submitted by the Petroleum Association of Wyoming.

Secondly, on November 19, 2007 the Montana State Department of Natural Resources and Conservation (MDNRC) released a report reviewing information that the MFWP is using to make assertions that current stipulations from MFWP's 2005 Sage Grouse Management Plan are not adequate. MFWP is using one study by Dr. Naugle to make these claims which have been analyzed by MDNRC experts. Again there is significant disagreement about the Naugle research and subsequent claims by MFWP. None of these have been discussed in any public forum. It is important to note that MDNRC states in the paper that they have adopted the 2005 Sage Grouse Management Plan recommendations on State of Montana Trust Lands. This effectively means that all public lands in Montana with oil and gas development have stipulations in place to protect sage grouse. Legitimate questions surrounding some research that concludes the stipulations are not adequate have not been answered or discussed.

In January of 2008, state agency wildlife officials met in Salt Lake City to develop a "best science" document on sage grouse. The meeting participants included state wildlife agency personnel from Montana, Wyoming, Utah and Colorado with the stated goal of "reaching an agreement on the conservation concepts and strategies related to oil and gas development that are supported by current published peer-reviewed and unpublished literature". The only invited researchers were Dr. Holloran (University of Wyoming) and Dr. Naugle (University of Montana), no other researchers were included. This meeting resulted in the development of a "best science" document that was submitted to various state wildlife agency heads with the request that the document be forward to USFWS and the Western Association of Fish and Wildlife Agencies Technical Committee on sage grouse. MPA takes

serious issue with the meeting process, the fact that other respected scientists with differing views were not invited, and submission of this document to anyone as "best science" without first some discussion of the differing views. (both documents are attached)

As a result of the release of the agency staff's determination of "best science" regarding sage grouse and oil and gas development, MPA contracted with Taylor Environmental to analyze their document and provide comments. The Taylor comments are attached (electronic map copies are in our electronic submission). The Taylor comments address many of the assumptions taken by the authors of the "best science" document and the previous research. In addition to the Taylor work, the MDNRC Director, Mary Sexton, also took issue with the document (attached). Director Sexton made 7 findings that refute the MFWP "best science" document. MPA urges the USFWS to review the papers from Taylor Environmental and MDNRC and give serious considerations to their statements in your deliberations.

MPA appreciates the opportunity to offer these comments. The listing of the sage grouse as a threatened or endangered species would have a serious negative impact on the oil and gas industry in Montana and across the West. Many of the areas of exploration begun over 70 years ago reside in sage grouse habitat and sage grouse populations are still vibrant in these areas. Models suggesting negative impact on the grouse because of development fail to explain why the grouse has been doing well in areas where development has occurred, in some cases intense development. MPA does not envy the work ahead of you on this issue and stands ready to provide any information we can if you make the request.

Best Regards:



David A. Galt

Enclosures