

Showing "Jonah in the Trees"

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June 25, 2007

SkyTruth, a company expert at mapping and visual landscape analysis, has developed a series of maps at the request of The Wilderness Society that demonstrate the likely impact of full field development in the northern Wyoming Range by Plains Exploration and Production company ("PXP").

Last week, PXP announced it had requested the Forest Service to analyze and permit full field level production; rather than only the three exploratory wells in the northern Hoback drainage.

Three maps each show the expanded drilling from a different perspective. The first, showing a panorama view, is attached in black-white (jpg) and simulates drilling in the Wyoming Range (Bridger-Teton National Forest) on the Eagle natural-gas prospect near Bondurant, at 40-acre spacing (16 wells per square mile). Two other maps, showing topographical and landsat views, will come under separate email. [Note: Larger maps and color versions are available from [SkyTruth](#) and John Amos, 304-260-8886.]

The visual representation of full field development again shows why federal legislation is needed to prevent new oil and gas leasing in the Wyoming Range while also moving forward to allow the retirement of existing, non-producing leases in the Wyoming Range.

WHY SHOW FULL FIELD DEVELOPMENT?

Plains originally submitted a proposal to the Forest Service for three exploratory wells from a 4.5-acre well pad on Bridger Teton Forest lands in the northern Hoback drainage. PXP proposed accessing the site via four miles of new road from the east (Merna side). The Forest Service then released a Draft EIS on this proposal in February 2006. Last week, however, the company changed its plans and decided it wants field level production to also be analyzed and permitted. In a June 11, 2007 letter, Plains stated:

PXP requests the Forest Service to take the unprecedented step to expand its current NEPA review to include an evaluation of impacts associated with development/production from PXP leases in the area of the Eagle Unit. ... [W]e expect that this process will entail analysis of various development alternatives that will include an expanded evaluation of impacts associated with production; we will not confine our review to the initial exploration wells.

WHY 40-ACRE SPACING?

In the map analysis, well pads were situated at 40-acre spacing across the geologically defined "Eagle Prospect" and given a 4-acre size. Roads were assigned a width of 35 feet

and digitized on the landscape to connect the well pads to an initial minimal road network. The analysis shows 40-acre pad spacing because initial development of similarly "tight sands" natural gas reserves in nearby Jonah and Pinedale Anticline gas fields required this density of development (over time both fields have resulted in much denser spacing).

HOW PROPOSAL REPRESENTS "JONAH IN THE TREES"

In presentations to investors and SEC filings, Plains has noted the geologic similarities of the Eagle Prospect to the Jonah Field. Plains' CEO also stated in an April 27, 2006 *Pinedale Roundup* article, "The key about it [Eagle Prospect] is it mirrors the same geologic aspects of the Jonah Field... We're hoping to get a thicker, much more commercial play, so we can develop a nice field right in the middle of the forest."

It was for this and other reasons that the Governor in his comments to the Forest Service opposing this project termed this project a "Jonah in the Trees." From the Governor's April 30, 2007 letter:

Irrespective of the documented scope of the DEIS, it is clear that the supposed "wildcat" must be viewed as setting the start of significant additional development within the proposed Project Area. To view it any other way betrays the reality of a situation where a publicly traded company would endure overwhelming public opposition, draft a full-blown EIS (on only a portion of their planned development) and spend a significant amount of money to drill three wildcat wells after having filed SEC statements that suggest that this project is functionally a "Jonah in the trees."

WHY USE THE EAGLE PROSPECT AS THE AREA OF DEVELOPMENT?

While the Forest Service's Draft EIS analysis focuses on the South Rim unit, PXP's development actually focuses on an area termed the "Eagle Prospect." In information presented to investors, Plains makes clear that the geology it is focused on developing extends beyond the South Rim unit. It extends beyond the South Rim Unit, along Highway 191 nearly to the mouth of the Hoback Canyon and on the western extent, includes portions of Cliff Creek drainage. This information is available from the Wilderness Society and maps showing the Eagle Prospect are also on the SkyTruth web site.

FOR MORE INFORMATION:

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