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Steven Haydon, Forest Minerals Staff  
Bridger-Teton National Forest  
P.O. Box 1888  
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**Re: Supplemental EIS regarding oil and gas leasing of 44,720 acres in the Big Piney Ranger District**

Dear Steve,

After sending the letter of April 10, 2008 regarding Stanley Energy's inappropriate access to and direction over the third-party contractor drafting the EIS, the Wyoming Outdoor Council learned that Stanley Energy—not the Forest Service—is paying for the preparation of the EIS. I write again to express my objection to this arrangement and request that the EIS process be halted immediately in order that the Forest Service may take steps to remedy this conflict of interest and its breach of the public trust.

As I explained in my prior letter, it is not uncommon for a company with valid lease rights to be in close contact with the lead agencies to discuss specific aspects of a project during the drafting of an EIS to respond to an Application for Permit to Drill ("APD"). In such a situation, because lease status is not in question, the company often pays for the drafting of the EIS. In contrast, this EIS process is designed to determine the fate of the 44,720 acres and the rights of this and several other high bidding companies. Because the December 2005 and April 2006 sales were issued improperly, they are "voidable" and can be cancelled if the Forest Service decides to alter its leasing decision based on a review of changed circumstances. Thus, it stands to reason that the EIS (the document through which such a decision will be made) cannot be paid for and certainly not unduly influenced by one of these very companies.

In 2000, the Bridger-Teton National Forest initiated an EIS process to consider whether to authorize leasing in four management areas in the northern portion of the forest. Although this process was undertaken in response to the nominations of companies regarding various parcels within these management areas, the Forest Service paid for the EIS in order to ensure the objectivity of the decision. We assumed that the same protocol was being followed here, as this is also a leasing EIS. Stanley Energy cannot underwrite the cost of the EIS, nor can it direct or coach the third-party contractor in its preparation of the document without the appearance of improper influence.

Even if the bi-monthly meetings in which Stanley Energy and its attorneys consult privately with the lead and cooperating agencies and the third-party contractor ceased tomorrow, the damage has already been done. There is no way that the Forest Service can ensure the public of its impartiality given its transgressions in allowing these meetings to occur. Moreover, the fact that Stanley Energy is paying for the analysis will continue to taint the objectivity of the process.

To remedy these serious problems, the Forest Service should suspend the EIS process immediately. If the Forest Service chooses ultimately to move ahead, it must start on a clean slate by funding the EIS itself. If it opts not to prepare the document in-house, it must select a new third-party contractor. Given third-party contractor's willingness to engage in repeated unethical consultation with an interested stakeholder, Arcadis should not be retained to draft this or any future documents related to leasing of the 44,720 acres.

I have prepared a FOIA request for the following documents, which I am sending separately. The request for records includes:

- a. All documents referring or relating to the leasing of the 44,720 acres among Stanley Energy, Holland & Hart, LLP, Arcadis and/or the Forest Service before, during and after the 44,720 acres were offered for sale beginning in 2005.
- b. All documents referring or relating to Stanley Energy's, Holland & Hart's or any other high bidding company's communications with Mark Rey, Undersecretary of Agriculture or other Forest Service personnel about the Wyoming Range Legacy Act of 2007 or the leasing SEIS for the 44,720 acres.
- c. All documents reflecting communications among the Forest Service, Stanley Energy, Holland and Hart, and Arcadis concerning the SEIS, including without limitation, the following records: 1) the MOU between the Forest Service and Stanley Energy regarding terms of agreement for the preparation of the leasing SEIS for the 44,720 acres; 2) the disclosure statement from Arcadis, the third party contractor as required by 40 C.F.R. § 1506.5(c); 3) the contract between the Forest Service and Arcadis describing the terms of employment; 4) all notes from meetings or conference calls regarding the SEIS; and 5) records indicating whether Stanley Energy or another entity is paying for the preparation of the SEIS.

I appreciate your prompt response to my concerns and look forward to hearing from you.

Sincerely,



Lisa McGee

Cc: Kniffy Hamilton, BTNF Supervisor  
Harv Forsgren, Intermountain Regional Forester  
Don Simpson, BLM Acting State Director  
Janet Kurman, BLM NEPA Specialist  
Joyel Dhieux, EPA NEPA Program  
Dave Freudenthal, Governor