

August 13, 2009

Mr. Dennis Boal
Chairman, Environmental Quality Council
122 West 25th Street
Herschler Building, Room 1714
Cheyenne, WY 82002

Subject: Docket# 09-1101 Petition to Establish Primary and Secondary Wyoming Ambient Air Quality Standards for ozone that are more stringent than the National Ambient Air Quality Standard.

Dear Mr. Boal:

Ultra Resources, Inc. (Ultra), Shell Exploration & Production Company (Shell), and Questar Market Resources (Questar), collectively known as "Operators", appreciate the opportunity to provide written comments on the proposed petition for Air Quality Rulemaking entitled "Petition to Establish Primary and Secondary Wyoming Ambient Air Quality Standards for Ozone that are more stringent than the National Ambient Air Quality Standards".

The Operators conduct development activities on the Pinedale Anticline on their respective leases including both drilling and producing activities to develop natural gas resources. Recently, the Operators worked together with the various cooperating governmental agencies in the three-year analysis of the Pinedale Anticline Supplemental Environmental Impact Assessment that was approved with a Record of Decision issued in September 2008. Many of the mitigation efforts specified in the Record of Decision and now being implemented by the Operators are related to air quality, specifically to reduce VOC and NO_x emissions from operations in efforts to improve visibility and to mitigate ozone formation to comply within the current primary standard for ozone set by Environmental Protection Agency (EPA).

The EPA set a new lower national primary/secondary standard for ozone in March 2008. The new primary standard for ozone was lowered from 0.084 ppm after much scientific study and debate in support of both a higher standard and a lower standard. Ultimately, the process resulted in the EPA adopting the new primary standard of 0.075 ppm for the 8-hr average, 4th high. This new standard is now the law of the land and is what all states are required to comply with today. Areas within a state that do not meet the new standard for ozone are required to develop plans to achieve attainment. The Governor has recommended that Sublette County, Wyoming and areas in surrounding counties be designated for non-attainment for the current standard, subject to EPA approval. WDEQ has already begun developing technical strategies to improve air quality, and will soon begin developing a State Implementation Plan under the Clean Air Act to bring the designated area back into attainment.

Arbitrarily lowering the ozone standard to 0.065 ppm in Sublette County as requested in the petition specifically does not necessarily reduce emissions and address air quality issues in Wyoming. Historical data from air quality monitors located in Yellowstone National Park from the 1990's (pre-oil & gas development) indicate levels above the standard for ozone proposed in the petition. Background ozone data in some parts of Wyoming is near 0.065 ppm. The 3-year average of 8-hr average, 4th high for the Yellowstone ozone monitor is 0.066 ppm today according to CASTNET data. The Yellowstone monitor would be considered up wind of and not impacted by energy development in Sublette County. In fact, many counties in Wyoming would be near or above the petitioner's proposed standard if adopted statewide.

WDEQ has implemented new guidance and regulations to lower ozone precursor emissions in and around Sublette County. WDEQ has both mandatory and voluntary programs in place. The operators in Sublette County, including Ultra, Shell and Questar operations in the Pinedale Anticline, have already begun to significantly lower emissions like VOCs and NOx emissions from their operations. These are known precursors to the ozone formation and the Operators' efforts to reduce these emissions have been significant since elevated levels were first monitored in the winter of 2008. These emission reduction activities in the Pinedale Anticline include lowering drill rig engine emissions (reducing NOx), control of emissions from their production facilities (reducing VOCs) beyond WDEQ requirements, installing liquids gathering systems (reducing NOx / VOCs), and the development of ozone contingency plans to address mitigation measures for short term ozone formation when meteorological conditions are favorable for ozone formation. The operators have also worked with WDEQ to implement WDEQ's interim emissions offset policy that has also been successful in reducing both VOCs and NOx emissions in the last year at new or modified production facilities. The operators continue to work with the WDEQ and other agencies to implement existing air quality mitigation methods and to look for additional opportunities to reduce these emissions in their respective operations.

The Operators believe that the petition does nothing to enhance the current efforts already under way to achieve what we all want...clean air in Wyoming, where our employees and contractors live and work. Acceptance of the petition will only delay and ultimately divert scarce resources that are already focused on improving air quality in Sublette County, Southwestern Wyoming, and all of Wyoming. A lengthy standard setting rulemaking process would take scarce state resources away from the primary objective. The Clean Air Act's State Implementation Plan process is just beginning, and it is working to reduce ozone emissions. In 2009 there have been no ozone exceedances at the Boulder ambient air quality monitoring station. We urge the EQC to deny the petition to lower the standard for ozone in Sublette County, keep WDEQ and industry resources focused on implementing ozone reduction strategies to reduce ozone precursor emissions, and continue encouraging collaboration between all stakeholders so we can achieve the goal of cleaner air throughout Wyoming.

Sincerely,



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