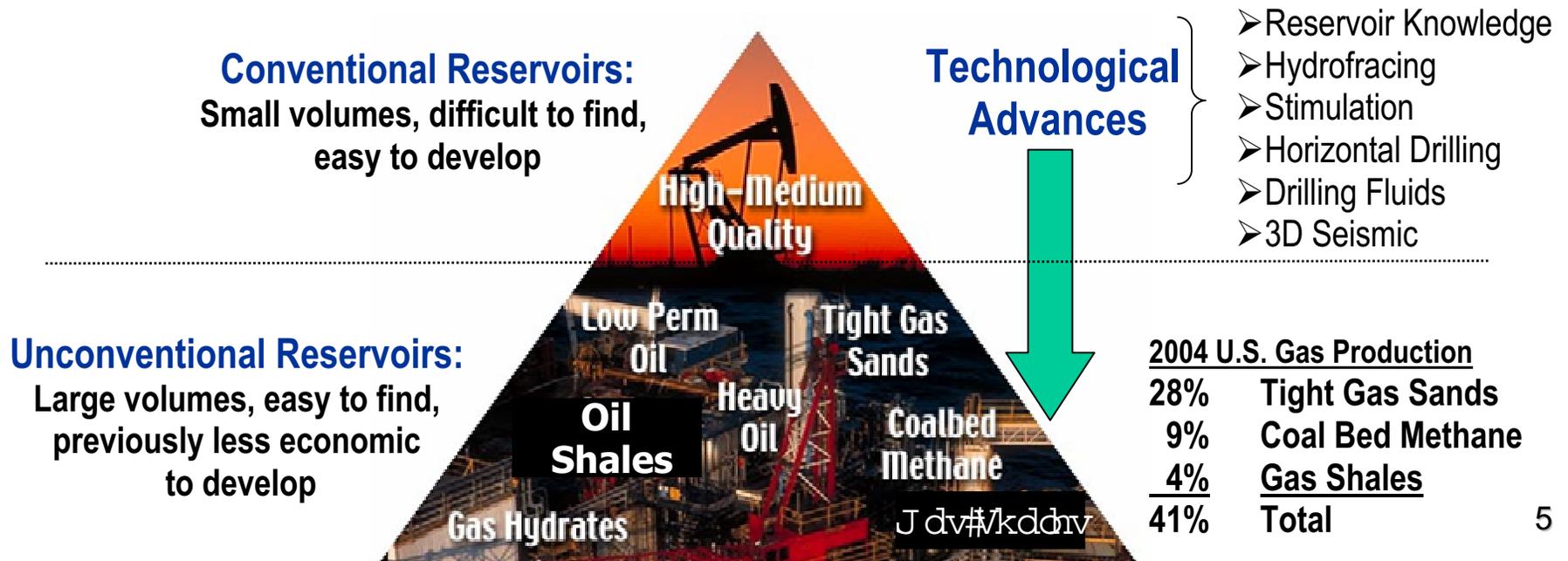


# Business Rationale

## E&P Business is Being Revolutionized

- **Unconventional reservoirs (“UCRs”)** to be largest U.S. gas source within 10 years
  - Production from **UCRs has increased to 41%** of natural gas output, from 15% in 1990
  - Production from **conventional reservoirs has declined 15%** since 1995
- Technological advances are shifting the E&P industry to **UCRs** to fill U.S. gas supply gap



# Rockies Surface Use

Category	Colorado	Montana	New Mexico	Utah	Wyoming	Total
Private	37,431,830	63,706,253	51,592,782	13,974,492	30,910,657	197,616,014
Federal Oil and Gas						325,000
State Forest/Park	342,000	44,000	121,000	97,000	120,000	724,000
Fish and Wildlife Service	66,624	611,711	326,855	103,243	56,343	1,164,776
USFS Grasslands	633,000	0	136,500	0	550,000	1,319,500
National Monuments	297,047	76,578	108,669	1,757,966	1,428,522	3,668,782
Military	265,340	17,722	3,081,479	1,836,380	44,903	5,245,824
BLM WSA	621,737	450,823	970,532	3,255,490	575,841	5,874,423
National Parks	592,953	1,223,422	381,331	2,092,034	2,391,478	6,681,218
USFS Wilderness	3,157,204	3,375,699	1,391,043	773,124	3,112,561	11,809,631
Tribal	4,829,474	3,490,753		4,200,000		12,520,227
USFS Roadless	4,433,000	6,397,000	1,597,000	4,013,000	3,257,000	19,697,000
USFS Other	6,274,178	7,091,712	6,198,619	3,321,189	2,339,594	25,225,292
BLM Other	7,679,613	7,623,767	11,916,910	18,914,642	17,817,261	63,952,193
<b>Total</b>	<b>66,624,000</b>	<b>94,109,440</b>	<b>77,822,720</b>	<b>54,338,560</b>	<b>62,604,160</b>	<b>355,498,880</b>

Federal oil and gas total is based on actual acres of disturbance

New Mexico Tribal total included in Colorado

Montana Tribal included in Wyoming total

# Federal Land Uses In the Rockies

Federal Land Uses Compared with Oil and Gas Operations

