

ANNUAL NATURAL GAS PRODUCTION IN MCF BY THE TOP 7 PRODUCING COUNTIES IN UTAH

COUNTY	2000	2001	2002	2003	2004	2005	2006	2007	2008
Carbon	39,269,262	86,531,650	90,701,081	85,198,008	79,232,223	74,821,436	82,337,741	93,674,345	94,544,012
Duchesne	8,033,654	13,878,803	12,519,753	11,998,514	14,644,167	20,089,535	22,525,615	25,329,553	26,570,939
Emery	1,808,826	7,736,759	13,878,399	17,211,996	17,443,464	16,606,964	16,199,707	16,963,820	16,703,868
Grand	3,224,799	5,600,283	5,538,588	5,628,843	7,225,045	6,579,817	6,854,143	6,537,548	6,283,934
San Juan	12,740,555	24,264,486	21,428,813	20,635,826	17,392,707	13,404,278	12,434,900	12,484,383	13,364,776
Summit	45,804,879	67,999,791	43,567,222	33,961,787	23,789,441	16,526,002	11,211,675	11,189,237	10,310,239
Uintah	45,112,559	95,317,359	104,231,639	111,174,912	131,464,128	163,568,421	203,522,421	218,464,429	272,711,226

Facts and Information on
BILL BARRETT'S WEST TAVAPUTS NATURAL GAS FIELD

located in Carbon County, Utah as of September, 2009

*prepared by
William D. Krompel, Carbon County Commission*

1. Potential (proven, probable, possible) reserves of 1 trillion cubic feet in an area where natural gas drilling has occurred for nearly 60 years.
2. 168 Natural gas wells in production as of July 2009.
3. 61 wells permitted and drilled in 2008.
4. 13 wells planned for 2009 – 6 on federal leases, 7 on original SITLA lands.
5. Producing 100,000,000 to 110,000,000 cubic feet in 2009 per day – down from 115-120 million cubic feet in 2008.
6. Annual hedging of 2/3'rds of Bill Barrett's natural gas sold for 2009 at \$6.50/mcf. For calendar year 2010 60% of Bill Barrett's natural gas is hedged at \$6.60/mcf.
7. Steep decline occurs in the volume of natural gas wells after first year sometimes by as much as 70%, thereafter a gradual decline that could last 20 - 30 years with reclamation of wells to follow.
8. Bill Barrett is still actively pursuing a Record of Decision (ROD) on an Environmental Impact Statement required by the BLM for full field development.
9. Full Field development could result in as many as 75 new wells drilled a year over the next 7-10 years topping out at around 500-600 wells. Total long-term surface land disturbance would be less than 2% of lease hold.
10. Further drilling by Bill Barrett on federal lands at its leased West Tavaputs Natural Gas Field is suspended unless the Environmental Impact Statement is approved and the Record of Decision is signed by Utah's BLM director. This means natural gas production in this field in 2010 and beyond would decline significantly.
11. In 2008 Bill Barrett paid \$1,440,078 in property taxes to Carbon County. Carbon School District received 67% (\$964,852); Carbon County Government 30% (\$432,024); and Carbon Water Conservancy District 3% (\$43,202).
12. In 2008 Bill Barrett paid \$26,547,025 in Federal Mineral Lease money. \$13,273,513 was distributed to Federal Government; \$7,964,107 to State; and \$5,309,405 to Carbon County.
13. In addition, State Institutional Trust Lands Administration collects from natural gas and coal mining companies operating on School Trust Land in Carbon County tens of millions of dollars annually in mineral lease royalties (\$27,231,745 in 2005) which benefits all of the state's 500,000 plus school children.
14. In calendar year 2008, the State of Utah collected approximately \$65,000,000 in severance tax on oil and natural gas and \$17,000,000 in severance tax from metalliferous minerals for a total of \$82,000,000. Of that amount Bill Barrett paid approximately \$8.5 million production tax (severance tax and ad valorem from the West Tavaputs Gas Field.)

15. If Bill Barrett is permitted by the BLM to proceed with full natural gas development of the West Tavaputs Natural Gas Field, peak production is estimated at 300,000,000 cubic feet/day for the next 7-10 years – triple the 2009 production. Production and revenues would continue for the next 20 years but on a declining basis with 5 years of reclamation thereafter.
16. Total tax revenues from the West Tavaputs Natural Gas Field distributed to the federal, state and local governments would exceed over \$120,000,000 per year (assuming \$6/mcf). Federal mineral lease royalties estimated at \$82,000,000 annually. Severance and ad valorem tax at \$47,000,00 annually. Total tax revenue potential from the West Tavaputs Natural Gas Field over the next 20-30 years of life of the field is in the billion dollar plus range.
17. In addition, hundreds of long-term, good-paying jobs with benefits would be created with huge direct and indirect benefits to the local economies of Eastern Utah and the entire State.
18. 85% of Utah families rely on natural gas to meet their energy needs. And a growing number of Rocky Mountain power plants that generate electricity are fueled by natural gas. West Tavaputs Natural Gas Field would meet 30% of Utah's natural gas demand based on 2007 levels. Utah currently has the highest ratio of natural gas users in the nation and the lowest average natural cost in the lower 48 states.
19. For more details and information on Bill Barrett's West Tavaputs Natural Gas Field go to www.tavaputs.com.
20. In order to help build and sustain our County and State's economic future, prosperity and energy self-reliance, please consider emailing or calling the following federal officials to express your support for full development of the West Tavaputs Natural Gas Field.

<p>Bob Abbey, Director Bureau of Land Management Bob_Abbey@ios.doi.gov 202-208-3801</p> <p>Ken Salazar, Secretary of Interior Ken_Salazar@ios.doi.gov 202-208-3100</p> <p>David Hayes, Deputy Secretary of Interior David_Hayes@ios.doi.gov 202-208-6291</p>	<p>Steve Black Steve_Black@ios.doi.gov 202-208-4123</p> <p>Ned Farquhar, Deputy Asst. Secretary Ned_Farquhar@ios.doi.gov 202-208-6734</p>
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(Mineral Lease Royalties are the 2nd largest tax source to the Federal government after federal income tax. \$23 billion collected nationwide in mineral lease royalties in 2008.)

2008
10 LARGEST CARBON COUNTY VALUES

NAME	VALUE	TAX AMOUNT
CONOCO PHILLILPS	\$544,738,446.00	\$4,731,076.00
ANADARKO PETROLEUM	\$198,574,593.00	\$1,816,672.00
BILL BARRETT	\$170,131,336.00	\$1,440,078.00
CANYON FUEL CO	\$132,228,495.00	\$1,119,182.00
PACIFICORP	\$88,609,438.00	\$829,138.00
QUESTAR PIPELINE	\$77,541,234.00	\$680,759.00
SUNNYSIDE CO-GENERATION	\$47,597,929.00	\$545,853.00
HIDDEN SPLENDOR RESOURCES	\$42,867,114.00	\$362,827.00
WESTRIDGE RESOURCES	\$33,814,158.00	\$286,203.00
QUESTAR TRANSPORTATION SER	\$26,974,453.00	\$228,312.00
TOTALS	\$1,363,077,196.00	\$12,040,100.00
TOTAL COUNTY MARKET	\$2,709,145,511.00	
TOTAL COUNTY TAXABLE	\$2,277,114,783.00	
TOTAL TAXES CHARGED	\$21,389,162.42	