

IMPACT REPORTS RECEIVED

LESSER PRAIRIE-CHICKEN (LPC) THREATENED LISTING

- 3 Windfarm Projects Dropped (1 Morton; 2 Scott);
- Tomcat Drilling – Tim Sanders estimated if 50 rigs halt drilling in the listing area with 15 employees/rig with a spouse and 2 children – 3000 people affected;
- Mull Oil ceasing new exploration in LPC listing area – declined to pay \$46,000 mitigation fee on well:
 - Kyle Randa said “It costs as much as \$45,000 in fines [mitigation] to tear up a single acre of lesser prairie chicken habitat — it goes beyond that.” Randa, who works for Mull Drilling of Ness City, used to start his days by 6 a.m. or earlier, but now he and other oil patch workers are barred from going anywhere near a rig before 9 a.m.;
 - In recent months, plain white SUVs bearing government plates have dotted a distant roadside near his job sites; small planes have passed and circled overhead.;
 - “We’ve been seeing a lot of government vehicles. I think they’re observing, somewhat,” Randa said. “I guess we can only say what we’re seeing, but it definitely feels like we’re being observed, and I’ve never had that feeling before.”;
- Mark Hammerschmidt, a driller with Pelican Hill Oil and Gas said “We’ve got guys on drilling units that don’t have jobs now, because there’s so many that have backed off. Each well, you’re affecting maybe 100 people by the time you get all the service,”;
- Farm Credit of Western Kansas ACA – loan officers now required to complete a synopsis of Lesser Prairie-Chicken and Black-footed Ferrets effect on value of property in Logan County prior to loan decision;
- Gove County well shut-down due to LPC sighting and oil company declined to pay \$55,000 mitigation fee;
- Millions of dollars spent in efforts to prevent listing by Oil & Gas, States, Counties, Private Property Owners;
- Report new oil drilling permit applications down 60 in May from April applications;
- KEC reports \$11,000 to \$22,000 in mitigation fees for distribution lines or \$870,000 for 1 mile of Transmission line;
- Land sold for \$1,100/acre - \$1,700 to \$1,800 had been average prior to LPC listing – 35% less – neighboring landowner was only willing to bid \$500 due to LPC listing;
- Vess Oil ceasing business in western Kansas and will divert dollars to Texas;
- Vincent Oil paid \$83,000 mitigation fee in Ford County for a project near the **ONE** confirmed Lesser Prairie-Chicken Lek in the county.
- Val Drilling, a drilling company/oil field service company operating in Scott County gave “pink slips” to all employees of the service company in Scott County, after just recently asking several to transfer to Scott County.
- Logan County oil companies are prohibited from checking wells until 9 a.m. – July 15, 2014

- Land Development Company, which provides – Utility Services, Demolition, Dams, Highway & Streets Works, etc – in Oakley, Kansas employs 80 citizens – will come under additional restrictions, mitigation and/or penalties on project bids won for KDOT projects.
- Sherman County Farmer purchased expired Conservation Reserve Program (CRP) land and was denied by FSA/NRCS ‘permission’ to ‘break out’ the land and return it to production as a result of the listing of the Lesser Prairie- Chicken – contacted Senator Moran’s office for help – no change of status.
- Raymond Oil is pulling out of Logan County and halting all further development
- Raymond Oil plans to hold their leases – leaving the landowners without development potential until the lease they granted to Raymond Oil expires.
- Norman Nelson – who owns the First State Bank in Norton and is a large landowner in Norton, Trego and Russell counties – partnered with Al Gross – Pelican Hill Oil- and purchased the 13,000 acre Pyramid Ranch (J.M. Thies) with plans to develop for Oil but with the listing of the Lesser Prairie-Chicken, they have halted all plans for development.
- All proposed well drilling sites within an indeterminate distance of the Smokey Hill River may require a permit from the Army Corp of Engineers following KCC evaluation of site.
- Landmark Oil enrolled in Range-wide Conservation Plan (RWCP) and is not shooting seismic to avoid using up enrollment fee and paying additional mitigation fees. No overlay shooting is conducted by other oil companies on properties Landmark holds leases due to the RWCP enrollment and the requirement to reimburse Landmark for mitigation costs generated for seismic shooting.
- Seismic companies Paragon (TX based) and Breckenridge (Wichita based) will not shoot seismic in LPC area.
- Federal authorities are requiring private landowners to submit to an Archeological surveys – for burial grounds, etc – if any federal land is leased within a block of private property prior to the shooting of seismic.
- Federal authorities are attempting to seize control of private property bordering the Cimarron National Grasslands in Morton County due to the claimed discovery of a burial ground on the property – the landowner is refusing to grant permission to enter property at this time.
- Morton County landowner stated he was informed any CRP acreage is automatically in the LPC program.
- Morton County Farm Service Agency – Entire acreage of Morton County is under jurisdiction due to the designation/classification as Lesser Prairie-Chicken Conservation/Preservation habitat.
- Morton County Farm Service Agency – some acreage of Stevens County designated LPC habitat.
- Morton County Private Property owner is required to get a permit from USDA – Forest Service to construct a shed on his property north of Rolla because he has a FSA loan and his understanding is that any participation in FSA programs by private property owners subjects them to permitting requirements.
- Morton County private property owner’s tenants were shut down from breaking out expired CRP until a Habitat Conservation Plan (HCP) was developed, which will prevent them from having the land in condition for milo planting to harvest this fall. The HCP restricts the property to No-till farming, as they are not permitted to have bare ground.
- Two Oil company workers were in the process of building a well site NW of Coldwater in Comanche County and received a call from their Wichita headquarters shutting down the site construction due to the Lesser Prairie-Chicken.

- Drilling was stopped in Ness County, KS by Val Drilling and several employees were laid off from Morton County, KS.
- Saxon Drilling was required to delay drilling at a Seward County, Kansas site until July 15, 2015 due to the Lesser Prairie-Chicken listing.
- A partnership of independent drillers with drilling sites in Cimarron County, Oklahoma had to submit to Lesser Prairie-Chicken surveys and pay mitigation fees to move forward with their well drilling projects. No Lesser Prairie-Chickens or leks were located on the sites. Inspector Jina Donnell from the Okla. Dept. of Wildlife did the surveys (inspections) after mitigation fees were paid with their application – in Oklahoma Alan Janus is the supervisor at the Dept. of Wildlife Conservation in Stillwater, Okla. 224 N. Orchard Street, Suite 113B - USDA Building, Okla. State University, Stillwater, Okla. Sean Kyle is overseeing for Texas Parks and Wildlife – with both in charge of "enrolled acreage" for the Lesser Prairie-Chicken.
- Mull Drilling Company had to hire an independent biologist to conduct Lesser Prairie-Chicken surveys at proposed drilling sites and the cost is dependent on how large an area they are required to survey. Some surveys have encompassed 8+ square miles.
- East of Minneola in Southern Ford County, Kansas “CP Bloom Wind Project”, an affiliate of Capital Power Corporation, a Canadian publicly traded Company renewed a conditional use permit – informed Ford County Commission they had to have two people walk a grid across the entire project area surveying for leks – none were located. They are expecting the projects mitigation costs to be in the upper six-figure to low seven-figure range.
- Mull Drilling Company is delaying all projects on grasslands and Conservation Reserve Program (CRP) lands in Lesser Prairie-Chicken region from March 1 to July 15, 2015.