

**Proposed USA and State South Branch 1-8 Well
T25N, R1W, Sec. 7 & 8, Crawford County, Michigan
Timeline of Events (updated 09/21/04)**

The following depicts current and future agency activities in processing the drilling permit applications for Savoy Energy's proposed USA and State South Branch 1-8 well.

Actions to date:

- ***May 5, 2003***
Savoy Energy filed a State drilling permit application with the Michigan Department of Environmental Quality (DEQ).
- ***May 7, 2003***
Savoy Energy filed a Federal drilling permit application with the U.S. Department of the Interior, Bureau of Land Management (BLM), Milwaukee, Wisconsin. BLM sends copy to U.S. Forest Service for review and approval of the Surface Use Plan of Operations. BLM cannot approve the Federal drilling permit without the U.S. Forest Service's approval of the Surface Use Plan of Operations.
- ***May 15, 2003***
Field inspection of proposed well location with BLM, U.S. Forest Service, and Savoy Energy. This inspection is required under the Federal regulations/orders (i.e., Onshore Order No. 1) for processing of Federal drilling applications. Purpose of inspection was to review the surface use and drilling plans and discuss concerns with the operator.
- ***June 3, 2003***
BLM issued letter to Savoy Energy for additional information in order to complete its Federal drilling permit application package.
- ***June 3, 2003***
U.S. Forest Service issued letter requesting public comment on the proposal as part of the environmental analysis process.
- ***June 18, 2003***
Savoy Energy provided additional information to BLM as requested by letter of June 3, 2003.
- ***July 2, 2003***
Field inspection of proposed well location and operating plan with Michigan DEQ, Michigan Department of Natural Resources, and U.S. Forest Service. As the surface owner of the Mason Tract, the Department of Natural Resources heard many public concerns about potential effects to recreational values and aesthetic qualities associated with the Mason Tract and the entrance to the Mason Chapel. The agencies met to discuss specific concerns and identify potential measures to mitigate impacts. Measures discussed included: 1) moving the production facility approximately 1.8

miles to the east to mitigate concerns associated with noise, odors, and truck traffic, 2) minimizing disturbance associated with flowline construction along the edge of the access road, 3) movement of the flowline from the south side of the road to the north side of the road, and 4) possible alternate location for the wellpad.

- ***July 10, 2003***
State Senator Bruce Patterson sponsored a public meeting in Grayling, Michigan to solicit comments on the proposal.
- ***July 15, 2003***
Michigan DEQ issued a letter to Savoy Energy requesting additional information in order to complete its State drilling permit application package.
- ***July 11, 2003***
Governor Granholm wrote a letter to U.S. Forest Service requesting reconsideration of the proposed location of the USA South Branch 1-8 and associated facilities.
- ***July 16, 2003***
Senator Bruce Patterson held an Energy and Technology Committee hearing to receive comments on the proposal in Lansing, Michigan.
- ***July 16, 2003***
Michigan DEQ, Michigan Department of Natural Resources, and U.S. Forest Service met on-site to look further into reasonable alternatives for the proposed well location as well as access.
- ***July 23, 2003***
Michigan DEQ, U.S. Forest Service, and Savoy Energy met on-site to consider all reasonable alternatives for wellpad location and other measures to mitigate concerns. Potential locations within approximately 2,000 feet of the bottomhole location were investigated. Three alternatives to the initial proposed site were identified.
- ***July 23, 2003***
U.S. Forest Service sent a letter to Governor Granholm offering to meet with her and agency representatives to discuss proposal.
- ***August 18, 2003***
Public meeting in Grayling sponsored by DEQ, in cooperation with U.S. Forest Service, BLM, and Michigan Department of Natural Resources.
- ***September 11, 2003***
Savoy Energy filed new drilling permit applications with the Michigan DEQ and BLM.
- ***September 2003***
Review by State and Federal agencies of new drilling application.

- ***October 8, 2003***
BLM sent a letter to Savoy outlining what additional information is needed to complete the Federal drilling permit application package.
- ***October 9, 2003***
DEQ sent a letter to Savoy outlining what additional information is needed to complete the State drilling permit application package.
- ***October 16, 2003***
Savoy responded to BLM and DEQ letters with requested information.
- ***November 26, 2003***
DEQ approved State drilling permit.
- ***August 14, 2004***
The U.S. Forest Service, in cooperation with the BLM, completed the Environmental Assessment (EA) documenting potential effects of the proposal in compliance with the National Environmental Policy Act. The EA was mailed to those parties on the project mailing list. In addition, the EA is posted to the Forests' website. Comments on the EA were due 30 days from publication of the legal notice in the Cadillac News.
- ***September 10, 2004***
A letter was mailed to the project mailing list with additional information correcting a printing error in the EA. Comments on the EA are now due 30 days from the date of printing of the second legal notice in the Cadillac News.
- A decision on this project can be expected after October 20, 2004.