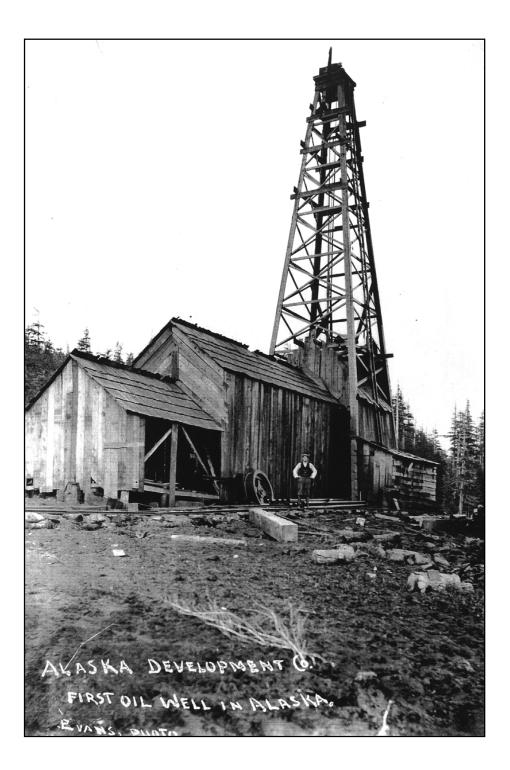
Revised Environmental Assessment Oil and Gas Exploration in the Katalla Area Cordova Ranger District, Chugach National Forest



٩	United States Department of Agriculture	Forest Service	Chugach National Forest	3301 C Street Suite 300 Anchorage, AK 99503
			File Code:	2820

Date: September 24, 2002

Dear Friend of the National Forest:

The Forest Service has completed a revised Environmental Assessment to evaluate potential effects of approving Cassandra Energy Corporation's Plan of Operations for oil and gas drilling on private land near Katalla, Alaska. On April 30, 2002, an Environmental Assessment was released for a 30-day public review and comment period as per 36 CFR 215.3. During the review period, Cassandra Energy Corporation sought review with the State of Alaska under the Coastal Management Program. In this review, the Alaska Department of Fish and Game objected to Alternative 2, and suggested a modification of the Alternative. A new modified Alternative is now Alternative 4. The Forest Service decided to revise the EA rather than supplement the existing EA, to avoid confusion and clarify information in the first EA.

The decision consists of whether to approve the Plan of Operations. There are two major components of the Plan of Operations: (1) exploratory oil and gas drilling operations and establishment of a crew camp, both on private lands, and (2) access to the drill site and crew camp site which consists of construction of a barge off loading ramp or temporary access road in alternatives 3 and 4, establishment of a temporary staging area, and use and maintenance of an existing temporary access road, all on National Forest System lands.

Approval of this Plan of Operations constitutes a federal action because the proposal is to drill directionally from private land into Chugach Alaska Corporation's reserved oil and gas estate, on the National Forest which invokes the terms of the 1982 CNI (Chugach Natives Incorporated, now Chugach Alaska Corporation) Settlement Agreement thereby requiring Forest Service approval; and the temporary access road is located on federal lands.

A copy of the Environmental Assessment is enclosed. The purpose of this letter is to provide an opportunity to comment prior to the decision. Written or oral comments will be accepted for 30 days following the publication of a notice in the Anchorage Daily News, expected to be September 24, 2002.

It is the responsibility of persons providing comments to submit them by the close of the comment period. Persons submitting comments must provide the following information:

Name, address and (if possible) telephone number.

Title of the document on which comment is being submitted.

Specific facts or comments along with supporting reasons that you believe the Responsible Official should consider in reaching a decision.

Send written comments to Ken Hodges, Cordova Ranger District, Cordova, Alaska, P.O. Box 280, Cordova, Alaska, 99574-0280, or via e-mail at: khodges@fs.fed.us.

Additional information regarding this action, including a copy of the environmental assessment, can be obtained from the Cordova District Ranger, P.O. Box 280, Cordova, Alaska, 99574-0280; and the Forest Supervisor's Office, 3301 C St., Anchorage, Alaska, 99520. The Environmental assessment is also available on the Internet at:

http://www.fs.fed.us/r10/plans_projects/katalla/index.html

For more information on this Environmental Assessment please call Ken Hodges, Cordova Ranger District at (907) 424-4738; or Chuck Frey, Supervisor's Office, Anchorage, at (907) 743-9557. Thank you for your interest in the Chugach National Forest.

Sincerely,

/s/ Dave R. Gibbons

DAVE R. GIBBONS Forest Supervisor

Enclosure