

Chronology

- 01-96 Richardson identifies the West Farmington Prospect as a geologically feasible area to drill natural gas wells. Prospect development begins with researching ownership of oil and gas rights in county, state and federal records and making proposals for leases, farmin agreements and mineral purchases. In Fall of 1997 we met with BLM and BHP in Farmington and informed all parties of our acreage position, drilling program and pipeline gathering system.
- 10-31-97 Richardson protests issuance of coal lease and reiterates to BLM our CBM drilling program.
- 5-22-98 Richardson again protests issuance of coal lease and advises BLM that we are actively drilling CBM wells.
- 9-4-98 BLM (DC) decision on Richardson protest to plan amendment.
- 10-1-98 BLM approves Coal Leasing Area Resource Management Plan.
- 10-30-98 Richardson appeals BLM approval of Coal Leasing Area Resource Management Plan.
- 12-9-99 Notice in Federal Register of competitive coal lease sale.
- 1-10-00 Richardson again protests coal lease sale due to our ongoing drilling program on senior oil and gas leases.
- 1-11-00 BLM issues Notice of Coal Lease Sale Cancellation.
- 2-1-00 BLM advises all reasonable actions will be taken to ensure protection of valid existing gas rights during the development of the coal resource. "Protection of valid existing rights is essential in the development of these mineral resources."
- 5-11-00 Richardson protests BLM holding coal lease sale, and again reiterates that it is drilling and producing CBM gas into extensive pipeline system.
- 5-26-00 In its reply to Richardson, BLM states "we will only approve new leases or mine plan modifications that won't impede methane production for the next ten years.....we encourage rapid development of methane to maximize CBM recovery."
- 10-19-00 Richardson submits comments on revision of Farmington RMP and gives a full update of our drilling activity, through completion of drilling program estimated to be in 2002.

- 11-3-00 Met with BLM, BHP, Dugan in Farmington. Oil and gas operators were directed by BLM to expedite their drilling programs. BLM wants both minerals developed. Discussion of possible incentives to help offset against additional costs to oil and gas operators includes: *Royalty rate reduction *Unitize properties to share infrastructure *Coal company to pay for dewatering *Coal company fund drilling program
- 1-4-01 Richardson writes BLM because 13 of its APD's have been pending approval 5+ months due to EA issues. Wells are located in area that will be mined through.
- 1-8-01 Pursuant to a verbal request from BLM, Richardson and Dugan submit maps showing producing wells, planned wells, existing pipeline systems. As requested, we also listed incentives that would encourage acceleration of development.
- 3-1-01 Coal Lease NMNM 99144 issued.
- 6-30 to 7-3-01 Richardson files APD's for WF Fed 30-3, WF Fed 30-4, WF Fed 31-1, WF Fed 31-2.
- 8-31-01 BHP sends letter to BLM protesting approval of pending APD's in Deep Lease and Deep Lease Extension. In their letter, BHP states they will also protest infill location application.
- 9-5-01 BLM approves 4 Richardson APD's in coal mine area.
- 9-11-01 Richardson files with OCD application for infill locations and for the first time learn of BHP's protest of approval of APD's and promise to oppose infill application.
- 9-14-01 Based on BHP's protest, BLM rescinds APD approval of 4 Richardson wells.
- 9-25-01 APD's reinstated.