

February 16, 2006

The Blanco Company
Box 3010
Ruidoso, NM 88355
258-5909

CERTIFIED MAIL
70051820000112432963

David Brooks
Oil Conservation Division
State of NM
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: CASE 13650

Dear Sir:

The Blanco Company is record title owner of federal oil and gas lease NM 100894, which contains 3814 acres in 1N 21W, Catron County, New Mexico (please see affixed BLM case file serial page). These lands are contained within Ridgeway Arizona's proposed Cottonwood Canyon Carbon Dioxide Gas Unit Area as described in your "Notice of Hearing" dated for March 2, 2006.

Blanco Company has not been contacted by Ridgeway regarding this hearing. Indeed, we only know of it by stumbling upon it on your web site. There appear to be many issues regarding this proposed Unit that need to be resolved before Blanco Company can make any kind of judgment:

- 1) Ridgeway has drilled several wells within this area. Will Blanco be invoiced for these wells, and if so, what is the dollar figure? Will well data be forthcoming? At least one dry hole has been drilled. Will Blanco be held accountable for the cost of this dry hole?
- 2) An Environmental Impact Statement was to have been prepared in 2000. Where is this EIS?
- 3) What is the status of the 500-mile pipeline needed to transport the gas out of the area?

Because of these and other unanswered questions regarding this project, Blanco Company requests that OCD cancel this hearing and cause Ridgeway to contact Blanco Company and deliver a copy of the proposed Unit to Blanco. Only then can Blanco Company make an educated judgment as to its election.

Respectfully,

Philip L. White

Cc: John Michael Richardson

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

RunDate/Time: 02/16/06 09:45 AM

Page 1 of 1

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 311121: O&G LSE NONCOMP PD-1987
Commodity 489: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
381.000Serial Number
NMNM-100894

Name & Address

THE BLANCO CO

PO BOX 3010

RUIDOSO

Map	Range	Section	SType	Sub	Subdivision
21	02N	02W	02N	02W	02N
21	02N	02W	02N	02W	02N
21	02N	02W	02N	02W	02N

Act Date	Code	Action
04/23/1998	124	ADMT RECD
04/27/1998	129	DAY AFTER SALE OFFER
04/27/1998	444	ADJ. ADJUSTED READING VARIATION
04/27/1998	237	LEASE 123000
04/26/1998	378	RENTAL AUTHORIZED
04/10/1998	474	AUTOMATIC RENTED VARIATION
05/01/1998	446	RUND CODE
05/01/1998	539	RENT RATE - 12 1/2%
05/01/1998	368	EFFECTIVE DATE
05/15/1998	806	RECORDING NOTED
05/20/1998	044	RENTAL RECEIVED BY NM
06/12/1998	403	CASE RECORDED
06/03/1998	064	RENTAL RECEIVED BY NM
03/09/2000	084	RENTAL RECEIVED BY NM
03/09/2000	084	RENTAL RECEIVED BY NM
03/10/2000	763	EXPIRED

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Sent To **David Brooks**
Street, Apt. No.: **1220 S. St. Francis Dr**
or PO Box No.
City, State, ZIP+4: **Santa Fe, NM 87505**

PS Form 3800, June 2002

See Reverse for Instructions