Bureau of Land Management March 22, 1996 Pickett Draw No. 2 & 3

not be the best environmental solution. We are putting the gas to good use and generating revenue for the government by being able to produce the Pickett Draw wells. Upon taking the above into consideration, we would respectfully request a variance to continue the off lease operation and not be required to remit royalty on the casinghead gas.

Sincerely,

BETTIS, BOYLE & STOVALL

Kim Ligon

Regulatory Analyst