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United States Department of the Interior

BUREAU OF LAND MANAGEMENT

New Mexico State Office  
1474 Rodeo Road  
P. O. Box 27115  
Santa Fe, New Mexico 87502-0115

IN REPLY REFER TO:  
NMNM 99144  
3400 (93200-itv)

February 01, 2000

CERTIFIED-RETURN RECEIPT REQUESTED

Mr. David B. Richardson  
Richardson Production Company  
1700 Lincoln, Suite 1700  
Denver, Colorado 80203

Dear Mr. Richardson:

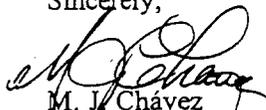
The Bureau of Land Management has carefully reviewed and considered the points outlined in your protest letter of January 10, 2000. The Bureau is currently addressing your concerns. All reasonable actions will be taken to ensure protection of valid existing gas rights during the development of the coal resource.

The Bureau's policy is to promote multiple use of Federal resources. The National Environmental Policy Act is the regulatory mechanism to anticipate, evaluate, and mitigate possible conflicts between coal and gas resources. In cases such as this, protection of valid existing rights is essential in the development of these mineral resources. The conflict protocols, which are contained in the Resource Management Plan Amendment/Environmental Assessment of April 1998, were developed to address this conflict. Input from Dugan Production and Richardson Production were instrumental in the development of these protocols.

The Coal Lease Sale, which had been scheduled for January 12, 2000, was canceled by Notice dated January 11, 2000, so that the Bureau may assess new information concerning resource values in the area to be leased. We intend to offer the coal resources referenced in the Lease Sale Notice of December 2, 1999, as soon as possible.

If you have any questions concerning this matter, please contact Mr. Carsten Goff, Deputy State Director, Division of Resource Planning, Use and Protection, at (505) 438-7488.

Sincerely,

  
M. J. Chavez  
State Director

1 Enclosure:  
Notice of Cancellation

BEFORE THE  
OIL CONSERVATION COMMISSION  
Case No. 12734  
Exhibit # A-13  
Submitted By: Richardson Oper. Co.  
Hearing Date: October 28 & 30, 2002

Application of Richardson Operating  
Co.  
Record on Appeal, 776.