

Nicholas Hanson
12123 Slate Point Rd
Paonia, CO 81428
970-527-3385

William H. Stallings
Chief, Transportation, Energy and Agriculture Section
Antitrust Division, U.S. Department of Justice
450 Fifth Street, N.W.
Suite 8000
Washington, DC 20530

April 15, 2012

Re: United States v. SG Interests I LTD., et, al.
Civil Action No. 12-cv-00395-RPM-MEH

Dear Mr. Stallings,

I am writing this letter to respectfully request that the Department of Justice set aside the settlement judgment on the above case and seek another judgment, one that fits the crime.

Corruption can run deep and the status of the criminal ought not determine the punishment. In this case, corrupt unethical executives intentionally violated the law. Because of their company status and financial resources, however, they got a slap in the hand, were allowed to keep and continue to benefit from the spoils of their crime, and are still allowed to bid for upcoming leases.

SGL and GEC colluded to pay lower prices to the government so they can benefit from lower costs and higher profits. For one of the parcels, COC068490, they had agreed to pay up to \$300 per acre. Instead they paid \$2 per acre. Had they been competing against each other they would have gone to their maximum attributed value. Had they paid the \$300 per acre lease price that they were willing to go up to, their costs would have been significantly higher. If my math is correct, $\$300 \times 643$ acres of parcel COC068490 = \$192,900. Instead, because of their collusion they only paid \$1,286. It is not known how much they would have paid for the other three parcels, COC068350, COC068351 and, COC068352, had they competed instead of colluding, but one can safely assume the losses to the public are much higher than \$250,000.

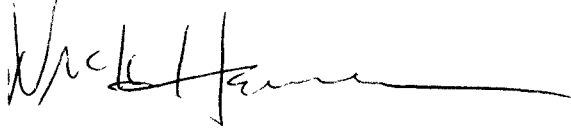
Being individually fined the minimum losses, being allowed to hold on to the leases and keeping their status as a bidder in good standing with the BLM, makes me wonder why the government would want to give this gift to those who break the law and at the same time jail an individual, Tim DeChristopher, who disrupted a BLM gas lease sale as a protest and not for monetary gain. In his case, the DOJ asked for and got a hefty fine and jail time. Mr. DeChristopher is serving two years in federal prison.

The unequal application of justice by the same two federal agencies undermines respect for the law and raises serious issues of preferential treatment and complacency within the government ranks. Furthermore, it sends the wrong message.

Fortunately you have the opportunity to remedy this double standard by setting aside the settlement judgment and pursuing a judgment that fits the crime. A judgment that imposes punitive damages, nullifies the lease sale, and bans the companies from bidding on future leases for a time period that appropriately reflects the crime, which, taking into account Tim DeChristopher's sentence, is, in my opinion, a minimum of seven years.

Sending a strong message to those that are willing to intentionally break the law and cheat the public is the only fair option.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicholas Hanson", with a long horizontal flourish extending to the right.

Nicholas Hanson