

134 Middle Bay Road
Brunswick, ME 04011
April 15, 2012

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

Dear Mr. Stallings:

I learned today that in 2004 and 2005 two gas companies – Gunnison Energy Corp. and SG Interests – agreed that only one of them would bid on four natural gas leases in Colorado on lands managed by the Bureau of Land Management (BLM) in the area east of the Paonia Reservoir in western Colorado.

Why do I care about these leases? For two reasons:

1. Today is April 15, the day that taxpayers like me around the country pay for the many services provided by state and federal governments.
2. My wife and I met and lived in Colorado for many years, and visited this beautiful valley several times.

In conspiring with each other, the two companies eliminated competitive bidding, most likely reducing their payments to the BLM. This put a bigger burden on me, and other taxpayers in all parts of the country, to support the BLM, the Department of Justice, and other federal agencies.

The Department of Justice has fined the two companies, but this is not sufficient because

1. The companies continue to maintain their innocence, saying that they settled only to save on legal fees. Clearly, the settlement is not deterring further actions of this kind by them.
2. It is unfair for the two companies to violate the law and then keep the leases.
3. The penalties imposed by the Department on these two firms seem insufficient. Some protesters against BLM gas lease sale have been fined and even served time in federal prison. Unequal application of justice undermines respect for the law.

The two companies own many leases in the area. I would also ask that the DOJ investigate whether they obtained those other leases properly, and if there is a pattern of collusion, restrict their participation in future lease sales.

Please inform me what final action you take in this matter.

Sincerely yours,


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