

William H. Stallings, Chief
Transportation, Energy and Ag. Section
Antitrust Division
U.S. Dept. of Justice
450 Fifth St. NW Ste 8000
Washington, D.C. 20530

April 15, 2012

Re: Civil Action No. 12-cv-00395-RPM

Dear Mr. Stallings:

It has come to my attention (through testimony by Anthony Gale) that in 2004 and 2005, Gunnison Energy Corp. (owned by Bill Koch) and SG Interests (another gas company) made an agreement that only one of them would bid on four natural gas leases offered by the BLM in the area east of the Paonia Reservoir. This effectively eliminated competitive bidding. After SG Interests won the bid, the two companies split ownership of the four leases. This agreement was in violation of anti-trust laws, and means the federal government, the state of Colorado and local counties and municipalities get less money than they would have if the lease sales had been conducted competitively, fairly and legally.

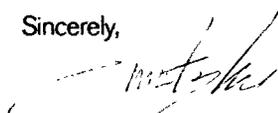
The US DOJ entered the lawsuit and offered a settlement: that the two companies pay fines of \$275,000 each and keep the four gas leases. These two companies own many leases in this area, and we would ask that the DOJ investigate thoroughly whether they obtained these other leases legally. GEC and SGI, under the terms of the proposed Justice Department settlement, get to keep the leases their alleged collusion allowed them to get at rock bottom prices. These companies remain in good standing with the BLM, and may be planning to bid on upcoming lease sales near our community.

In Utah, a private citizen, Tim DeChristopher, got a hefty fine and two years in prison for disrupting a gas lease sale as a protest. The unequal application of justice by the same two federal agencies (DOJ and BLM) brings into question why the laws don't apply equally to these two companies?

The low bids that occurred mean that the federal government, the state of Colorado, and local counties and municipalities got less money than they would have if the four lease sales had been conducted competitively. Drilling for and production of gas puts a tremendous burden on government through roads, regulations, public health and the like. And now we learn that the companies that would put that burden on our communities acted to reduce how much money we would get to deal with these impacts.

I am asking that the Department of Justice vigorously investigate the other BLM auctions these companies have participated in, levy substantial fines, and revoke the four leases that were obtained in an illegal manner.

Sincerely,



Caroline Metzler
34947 Powell Mesa Rd.
Hotchkiss, CO 81419