

April 16, 2012

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

Michael L. Drake  
P.O. Box 1534  
Paonia, CO 81428

Dear Chief Stallings,

I have concerns about the anti-trust settlement in Gunnison County, Colorado in the Ragged Mountain Basin between Gunnison Energy Corporation and SG Interests.

These companies were found guilty of anti-trust violations in a Bureau of Land Management (BLM) lease sale. They perpetrated a fraud during the bidding on that sale and therefore should be charged and convicted as such. In another case, when a private citizen, Tim DeChristopher, presented bids in a BLM lease sale in Utah where he never intended to actually pay for the lease, he was convicted of fraud. Currently, he is serving two years in jail. Since the Supreme Court Citizens United decision stated that corporations are people, it would seem that a prison sentence would be appropriate in the Gunnison Energy Corporation and SG Interests incident also.

Gunnison Energy Corporation and SG Interests were fined \$275,000 each. To these companies that amounts to a negligible fine when compared to their annual profit level. Such a low level fine does not present any deterrent for future actions. This fact becomes even more apparent when one considers that they were allowed to keep the leases. Further evidence of the lack of deterrence imposed by the settlement, SG Interests has been quoted as saying the company did nothing wrong and only settled for expedience and to save legal fees. The fine simply restored an estimate of the money the federal government, state of Colorado and local municipalities should have received for the lease of their public lands. Therefore, there was no penalty for breaking the law. This fact generates a perception that Corporate America is not held to the same standard as individual citizens. I am sure that is not the intent of the Department of Justice.

Gunnison Energy Corporation and SG Interests have operated cooperatively for years. It would seem to be reasonable to assume that they have bid illegally in the past. I respectfully ask that you set aside the current suit settlement and consider criminal, not just civil charges. Since the leases were obtained fraudulently, I ask that you revoke the illegally obtained leases for the four parcels and investigate other lease sales involving SG Interests and Gunnison Energy, including the proposed Bureau of Land Management proposed sale currently scheduled for August 2012.

After further investigation, you will have additional information and can formulate appropriate legal action.

Sincerely,

A handwritten signature in black ink that reads "Michael L. Drake". The signature is written in a cursive, flowing style.

Michael L. Drake