



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:
CO922 (GB)

September 3, 2009

NOTICE OF ADDENDUM #3

This amends the Colorado State Office, Competitive Oil and Gas Lease Internet Auction Pilot Sale Notice dated July 8, 2009, for the Lease Sale Auction to be held on September 9 - 17, 2009.

Exhibit CO-51– Lease notice of BLM requirements associated with the gas or water production from coal beds. Exhibit CO-51 is added to the Parcel COC73859.

COC 73859 – This parcel is deferred for further analysis on water quality studies.

The following eight parcels are deferred for further analysis; these parcels are within the new congressionally designated National Heritage area.

COC73864
COC73865
COC73866
COC73867

COC73868
COC73869
COC73870
COC73871

COC 73872 – This parcel is deferred for further analysis, this parcel is within the State Natural area.

Total Acreage – The updated total acreage in the Sale Notice is 15,216.20 acres.

Total Parcels – There are 28 parcels being offered competitively in the September 9 - 17, 2009, sale.

/s/ Martha Maxwell

Martha Maxwell, Acting
Chief, Fluid Minerals Adjudication

EXHIBIT CO-51

Lease Number:

LEASE NOTICE

The Raton Basin produces a significant amount of coalbed methane (CBM). Typically, the CBM wells produce water initially followed by increasing amounts of CBM as the coals are dewatered. In the Raton Basin in Colorado there are concerns with the amount, quality, uses, and effects of CBM produced water and with how the production of water may be affecting CBM gas seepage at the surface. In order to protect the ground and surface water resources in and outside the basin, and to ensure that all operations are conducted in a manner which protects other natural resources and the environment, the BLM will require the identification, monitoring, and mitigation of any potential impacts associated with gas or water production from shallow coal beds may be present. This may involve the sampling of area water wells and protective drilling and production methods, procedures, equipment installation, and operations.

On the lands described below: