



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
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<https://www.blm.gov/new-mexico>



IN REPLY REFER TO:  
3745 (00622)

May 16, 2023

## **Via EMAIL**

Dear Storage Contract Holders,

As explained during our May 16, 2023, storage contract holder's meeting, the BLM is proposing some minor amendments to your FY 2022-2027 storage contracts in preparation for the future sale of the Federal Helium System. Please see attached document with track changes for your review and comment. You may schedule a time to privately ask questions and can provide comment via e-mail to Jordan Fairfield at [jfairfield@blm.gov](mailto:jfairfield@blm.gov). The BLM will accept comments on the proposed changes until Wednesday, May 31, 2023.

The track changes show all proposed changes to the original FY 2022-2027 storage contract. The purpose of these changes is to adjust the contract to reflect that the government will sell the Federal Helium System as two separate lots (instead of one lot as previously anticipated when the original FY 2022-2027 contract was drafted in 2021). The purchaser of Helium Lot #1 will be required to enter a distinct storage contract with the BLM. The Real Property Purchaser (which includes Helium Lot #2) is expected to agree to similar conditions as a condition of sale and as described in the Invitation for Bid (IFB). These conditions are related to allocation, and delivery. The storage contract for the purchaser of Helium Lot #1 and the conditions for the Real Property Purchaser will be viewable on the GSA website as attachments to the IFB. Your storage contracts and the storage contract for the purchaser of Helium Lot #1 will be transferred to the Real Property Purchaser upon conveyance.

Proposed amendments to the original storage contract address how the helium delivery rights and fees for Purchaser of Helium Lot #1 and the Real Property Purchaser relate to existing allocation rights and fees under your original FY 2022-2027 storage contract. Additionally, we have removed the definition of Transfer Helium and revised the definition of Secondary Private Helium to reduce the administrative accounting burden for the Real Property Purchaser. We are proposing that Secondary Private Helium will only refer to helium added via injection after the Conveyance. Lastly, transportation and storage fees, and the resource management fee will be reduced by 20 percent because Purchaser of Helium Lot #1 and Real Property Purchaser are responsible for the remaining 20 percent.

As you have already agreed to the terms of the original FY 2022-2027 storage contract, please limit your comments to any new track changes that are being proposed as amendments to the original storage contract. After considering all comments, the BLM intends to provide a final version of the amended contract for your signature by June 15, 2023.

Sincerely,

Michael J Larson  
Management and Program Analyst