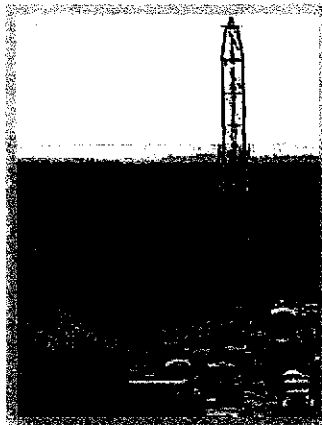


EXHIBIT 13

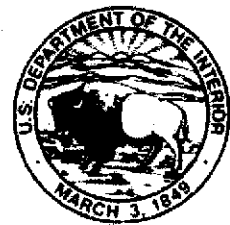
Farmington Resource Management Plan with Record of Decision

December 2003



U.S. Department of the Interior
Bureau of Land Management

Farmington Field Office
Farmington, New Mexico





United States Department of the Interior
BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401



IN REPLY REFER TO: 1610 (07200)

Dear Reader:

Enclosed is the Farmington Resource Management Plan (RMP). This document is the culmination of a planning process which began in September 2000.

A Draft RMP and associated Draft Environmental Impact Statement were prepared and made available for public review and comment from June 28, 2002 to September 26, 2002. Based on the comments received, revisions were made and the Proposed RMP and Final Environmental Impact Statement was released on April 4, 2003. The Record of Decision was signed by the New Mexico State Director on September 29, 2003 and has been reprinted in this document for your reference just ahead of the RMP.

The RMP presents the text of the selected alternative described in the Record of Decision. During preparation of this document several editorial errors were noted in the ROD. These editorial inconsistencies make no changes to the decisions as described in the ROD. Corrections are presented on the attached Errata Sheet and appropriate changes will be made to the RMP as part of plan maintenance in accordance with 43 CFR part 1610.5-4.

Ground disturbing activities associated with decisions made in this RMP are still subject to environmental and administrative reviews according to applicable federal regulations. The Farmington Field Office will use this RMP as the framework for pursuing collaborative management of natural resources on public lands in the San Juan Basin. If you have any questions regarding this document, please contact Jim Ramakka, RMP Project Manager, at 505-599-6307.

Sincerely,

Steve Henke
Field Manager



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
1610 (07200)

Dear Reader:

This Record of Decision (ROD) approves the proposed revision to the Farmington Resource Management Plan. The proposed plan revision was described as the preferred alternative in the Farmington Proposed Resource Management Plan (PRMP) and Final Environmental Impact Statement (FEIS). The plan provides guidance for managing approximately 1,415,300 acres of public land and 3,020,693 acres of federal minerals in San Juan, McKinley, Rio Arriba and Sandoval Counties. The overall planning area encompasses 8,274,100 acres.

This plan was prepared under the regulations implementing the Federal Land Policy and Management Act of 1976 (43 CFR 1600). An environmental impact statement was prepared for this Plan in compliance with the National Environmental Policy Act (NEPA) of 1969.

The ROD approves new decisions concerning oil and gas leasing and development, Off Highway Vehicle (OHV) designations, land ownership adjustments, management of Specially Designated Areas and coal leasing suitability. These decisions are intended to replace goals, objectives, management actions and conditions of use described in the 1988 Farmington RMP and subsequent amendments related to these matters. No other decisions of the 1988 Farmington RMP and amendments are affected.

The DRMP/DEIS was made available for public review and comment from June 28, 2002, to September 26, 2002. The PRMP/FEIS was released on April 4, 2003.

The Proposed RMP was subject to a 30-day protest period that ended May 5, 2003. The protests were reviewed by the BLM Assistant Director, Renewable Resources and Planning, in Washington, DC. This ROD includes information about the protests and BLM's findings. No significant changes to the proposed plan were made as a result of the protests.

The regulations in 43 CFR 1610.5-2 do not provide for any additional administrative review of this decision. However, actions taken to implement this plan, such as approval of application for permit to drill (APD), other land use permits, leases, or lands disposal or exchange actions, may be administratively reviewed in accordance with applicable regulations at that time such action is taken.

Thank you for your interest and participation in the development of the plan. If you have any questions about the ROD, please contact, James M. Ramakka, RMP Project Manager, at 505-599-6307.

Sincerely,

Steve Henke
Field Manager

A. Introduction

This Record of Decision (ROD) approves for immediate adoption the Farmington Resource Management Plan. The approved plan consists of Alternative D in its entirety, except that it incorporates that portion of Alternative B allowing oil and gas leasing with No Surface Occupancy in the Negro Canyon Specially Designated Area as analyzed in the Farmington Proposed Resource Management Plan and Final Environmental Impact Statement (PRMP/FEIS)(BLM, March 2003). The RMP provides guidance for the management of public lands and resources on approximately 1.4 million acres of public surface and 3 million acres of subsurface minerals in all of San Juan County, most of McKinley County, western Rio Arriba County and northwestern Sandoval County, New Mexico.

The planning area encompasses the New Mexico portion of the San Juan Basin. This basin is one of the largest natural gas fields in the nation and has been under development for more than 50 years. It supports approximately 18,000 active oil and gas wells and there are more than 2,400 existing oil and gas leases in the planning area. Virtually all of the area with high potential for oil and gas development has already been leased. For those portions of the planning area that fall outside the administrative boundaries of the Farmington Field Office (FFO), planning analysis only addressed oil and gas development.

Comprehensive land use planning is a requirement of the Federal Land Policy and Management Act of 1976 (FLPMA). The Farmington RMP revises the 1988 RMP and subsequent amendments. The 1988 RMP was amended six times between 1990 and 2000. Decisions from the 1988 RMP and subsequent amendments that are still valid have been carried forward as part of the revision and are listed in Appendix A of the PRMP/FEIS. Changes in land use, particularly urban/suburban expansion and an increase in Off Highway Vehicle (OHV) use, demands to reduce conflicts with oil and gas development and OHV activity from grazing lessees and the public, as well as industry interest in coal leasing outside of areas previously analyzed in earlier plans, precipitated the need for this revision. The primary purpose of the revision is to update management constraints on oil and gas leasing and development and to reevaluate earlier decisions concerning land ownership adjustments, OHV designations, Specially Designated Areas (SDAs), and coal leasing suitability assessment.

The use of public lands and federal mineral estate for the development of reliable domestic sources of energy is consistent with the recommendations of the President's Energy Policy Development Group and Executive Order (EO) 13212 as well as the Federal Land Policy and Management Act (FLPMA). The revised RMP provides for development and transport of oil and gas resources, protection of sensitive areas, regulation of OHV activity, continuation of coal leasing, and land ownership adjustments, while maintaining public health and safety and ensuring compliance with applicable laws and regulations.

BLM initiated the planning process in September 2000 by requesting comments to determine the scope of the issues and the concerns that should be incorporated into the action alternatives and impact analysis. A Core Team of BLM, USBR, and USFS staff formed the interdisciplinary team that guided the identification of the issues and the development of the project description and alternatives.

Formal scoping identified five major issues:

1. Oil and Gas Leasing and Development
2. Land Ownership Adjustments
3. Off-Highway Vehicle Use
4. Specially Designated Areas
5. Coal Leasing Suitability Assessment

A Draft RMP/Draft EIS (DRMP/DEIS) was written and made available for public review and comment on June 28, 2002. In response to comments, the Farmington Field Office met with the New Mexico Environment Department Air Quality Bureau and Environmental Protection Agency (EPA) Region 6 personnel to discuss air quality issues. Additional air quality modeling and analysis was conducted and incorporated into the PRMP/FEIS. BLM joined with other agencies and stakeholders to form the Four Corners Ozone Taskforce in order to seek monitoring and mitigation strategies to avoid significant air quality impacts. Concerns raised in other comments were addressed in comment responses or by adding text to the PRMP/FEIS.

Endangered Species Act Section 7 consultation with the U.S. Fish and Wildlife Service resulted in concurrence with BLM's determination that implementation of Alternative D may affect but would not be likely to adversely affect any listed species or adversely modify critical habitat for listed species. Likewise, after review of the DRMP/DEIS, the New Mexico State Historic Preservation Officer returned a "no comments" response to the BLM.

After reviewing and considering public comments, a revised document was published as the Farmington PRMP/FEIS. A Notice of Availability was published in the Federal Register on April 4, 2003.

B. Decision

The decision is hereby made to approve the Proposed Farmington Resource Management Plan as described in the Preferred Alternative (Alternative D) in the Farmington PRMP/FEIS, published April 4, 2003. In addition that portion of Alternative B regarding oil and gas leasing in the Negro Canyon SDA is approved. This decision is further described below.

The decision does not apply to private or state lands or minerals or to lands or minerals administered by the Bureau of Indian Affairs for the benefit of Native American Tribes or individuals. All of the lands and minerals administered by the Farmington Field Office are included in the decision. Oil and gas related activities on lands administered by the Albuquerque Field Office are also included. BLM will continue to manage subsurface aspects of oil and gas leases under lands administered by the U.S. Bureau of Reclamation and U.S. Forest Service, but surface management will be determined by those agencies' land use planning documents.

C. Goals, Objectives, and Management Actions

The Plan will guide the Farmington Field Office when making decisions regarding oil and gas leasing and development, OHV designations, land ownership adjustments, management of SDAs, and coal leasing suitability. The specific management goals, objectives and management actions that comprise the Plan are contained in the description of the preferred alternative (Alternative D) and that portion of Alternative B regarding oil and gas leasing in the Negro Canyon SDA. Refer to Chapter 2 of the PRMP/FEIS. Highlights of the major decisions include:

Oil and Gas Leasing and Development

A total of 2,597,193 acres of BLM managed lands will remain open for oil and gas leasing and development under Standard Terms and Conditions. Lands subject to oil and gas leasing restrictions are listed in Appendix A. Nondiscretionary closures (those required by existed laws and regulations) will continue on 111,148 acres. These areas are contained in designated Wilderness, Wilderness Study Areas, and SDAs. Approximately 79,000 acres, primarily contained within SDAs, will be closed to new leasing. Total acreage presented in Appendix A is greater than the sum of the acreages listed above due to overlapping designations in certain areas. The majority of lands listed as closed to new leasing is subject to existing leases, thus a discretionary closure would apply only to new leases or if existing leases were allowed to expire. Approved lease stipulations specific to the FFO and AFO are listed in Appendix B.

The following former Farmington Field Office Lease Stipulations are no longer considered applicable:

Stipulation F-2 applied a controlled surface stipulation to the Farmington Lake Watershed SMA. Due to mixed land status and limited amount of public land, this SMA designation has been dropped. Constraints to protect water quality in the area will continue but are more appropriately addressed by a Lease Notice rather than a stipulation.

Stipulations F-5, 6, 7, 8, 10, 11, 12, 17, 18, 20, and 24 were contradictory in that they closed areas to leasing and, thus, there would be no leases on which to attach the stipulations. The areas of concern have been designated as SDAs with management prescriptions closing the areas to new oil and gas leasing.

Stipulation F-16 required No Surface Occupancy on new leases in the Aztec Gilia ACEC. The Plan drops this ACEC designation because inventories conducted since designation of the ACEC revealed that this plant is more widespread than previously thought. This species will continue to receive adequate protection through application of site-specific conditions of approval. Likewise Stipulation F-15 is dropped as it applied to the Rights-of Way Window Special Management Area, a designation that is replaced by Rights-of Way corridors in the Plan. Constraints within the corridors are more appropriately addressed by a Lease Notice rather than a stipulation. The restrictions listed in Appendix A and B also apply to geophysical exploration activities.

Cumulative impacts of the potential development of 9,942 new oil and gas wells were analyzed in the PRMP/FEIS. Up to 60 percent of new completions may be commingled wells, thus reducing surface impacts. The Plan does not approve any individual wells. Each well will require