



April 30, 2015

Armand Southall, Regulatory Specialist
Office of Natural Resources Revenue
P.O. Box 25165 MS61030A
Denver, CO 80225

Sub: Federal Oil and Gas and Indian Coal Valuation Reform (ONRR-2012-0004 (1012-AA13))

Dear Mr. Southall:

As director of the Montana Coal Council, an industry trade association, I am writing about the Department of Interior's recently proposed rule "Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform (ONRR-2012-0004 (1012-AA13))". As proposed, this rule threatens to cause a reduction in responsible production of natural resources, and so we ask that the Department of Interior withdraw the rule.

The proposed rule appears to be incompatible with the Office of Natural Resource Revenue's (ONRR) mission to optimize revenues from federal resources and should be withdrawn. Quite frankly, the new rule is nothing more than a thinly veiled attempt to keep federal coal in the ground rather than to optimize revenues.

I believe this proposed rule would likely have a negative impact on our state by reducing important revenue to Montana and royalties to the Federal government. The Office of Natural Resource Revenue has an important charge, and appropriate development of America's natural resources is essential for economic growth, prosperity and funding of important government services.

Thank you for your attention to this matter of significant importance. In closing, we support the comments submitted by Cloud Peak Energy as well.

Yours sincerely,

A handwritten signature in blue ink that reads "Bud Clinch". The signature is written in a cursive, flowing style.

Bud Clinch, Executive Director
Montana Coal Council