

Information Notice Competitive Oil and Gas Lease Sale



In Reply To:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Montana State Office
5001 Southgate Drive, P.O. Box 36800
Billings, Montana 59107-6800
<http://www.mt.blm.gov/>



MTM 93902

Notice of Competitive Lease Sale Oil and Gas

November 30, 2004

The Montana State Office is holding a competitive oral sale of Federal lands in the States of Montana, and North Dakota for oil and gas leasing. We are attaching a list that includes the parcel numbers, legal land descriptions and corresponding stipulations. The list is available on the Internet at:
<http://www.mt.blm.gov/oilgas>.

When and where will the sale take place?

- When:** The competitive sale begins at 9:00 a.m. on Tuesday, November 30, 2004. The sale room opens at 8:00 a.m. for registration and assignment of bidder numbers.
- Where:** We will hold the sale at the Bureau of Land Management, Montana State Office, 5001 Southgate Drive, Billings, Montana. Parking is available.
- Access:** The sale room is accessible to persons with disabilities. If you need a sign language interpreter or materials in an alternate format, please tell us no later than one week before the sale. You may contact Elaine Kaufman at (406) 896-5108 or Joan Seibert at (406) 896-5093.

How do I register as a bidder?

Before the sale starts, you must complete a bidder registration form to obtain a bidding number. The forms are available at the registration desk.

May I participate in a competitive oil and gas lease sale if my acreage holdings exceed the acreage limitations provided under 43 CFR 3101.2?

No. Qualified individuals, associations, or corporations may only participate in a competitive lease sale and purchase Federal oil and gas leases from this office if such purchase will not result in exceeding the State limit of 246,080 acres of public domain lands and 246,080 acres of acquired lands (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations, you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. Lease acreage committed to a unit agreement or development contract that you hold, own or control is excluded from chargeability for acreage limitation purposes.

The acreage limitations and certification requirements apply for competitive oil and gas lease sales, noncompetitive lease offers, transfer of interest by assignment of record title or operating rights, and options to acquire interest in leases regardless of whether an individual, association, or corporation has received, under 43 CFR 3101.2-4, additional time to divest excess acreage acquired through merger or acquisition.

What is the sale process?

Starting at 9:00 a.m. on the day of the sale:

- the auctioneer offers the parcels in the order they are shown on the attached list;
- registered bidders make oral bids on a per-acre basis for all acres in a parcel;
- the winning bid is the highest oral bid equal to or exceeding the minimum \$2.00 bid;
- the decision of the auctioneer is final; and
- names of high bidders (lessees) remain confidential until the results list is available.

If a parcel contains fractional acreage, round it up to the next whole acre. For example, a parcel of 100.48 acres requires a minimum bid of \$202 (101 acres x \$2). If the United States owns less than 100 percent of the oil and gas rights in a parcel, we will issue the lease for the percentage of interest the United States owns. You must calculate your bid and advance rental payment on the gross acreage in the parcel. For example, if the U.S. owns 50 percent of the oil and gas in a 100.48 acre parcel, the minimum bid is \$202 (101 acres x \$2) and the advance rental due is \$151.50 (101 acres x \$1.50).

What conditions apply to the lease sale?

- **Parcel withdrawal or sale cancellation:** We reserve the right to withdraw any or all parcels before the sale begins. If we withdraw parcels or cancel a sale, we will post a notice in our Public Records and Information Center and announce the withdrawn parcels at the sale.
- **Lease terms:** Leases issue for a primary term of 10 years. They continue beyond the primary term as long as the lease is producing in paying quantities or receiving production from another source. Rental is \$1.50 per acre for the first 5 years (\$2 per acre after that) until production begins. Once a lease is producing, we charge a royalty of 12.5 percent on the production removed or sold from the lease. You will find other lease terms on our standard lease form (Form 3100-11, June 1988 or later edition).
- **Stipulations:** Some parcels are subject to surface use restrictions or conditions affecting how you conduct operations on the lands. The stipulations become part of the lease and replace any inconsistent provisions of the lease form.
- **Bid form:** On the day of the sale, successful bidders must submit a properly completed lease bid form (Form 3000-2, October 1989 or later edition) along with their payment. The bid form is a legally binding offer to accept a lease and all its terms and conditions. When the prospective lessee or an authorized representative signs the bid form, they certify the lessee meets the conditions of 43 CFR 3102.5-2 and complies with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of bidders, and collusion among bidders. You cannot withdraw your bid.
- **Payment:**
 - **minimum due by 4:00 p.m. on day of sale:**
 - Bonus bid deposit of \$2.00 per acre or fraction thereof;
 - First year's rent of \$1.50 per acre or fraction thereof except for future interest parcels; and
 - \$75 nonrefundable administrative fee
 - **remaining balance due by 4:00 p.m. December 14, 2004**

If you don't pay in full by this date, you lose the right to the lease and all the money you paid the day of the sale. We may offer the parcel in a future sale.

- **Method of payment:** You can pay by:
 - personal check;
 - cashier's check;
 - money order; or
 - credit card (Visa, Mastercard, American Express or Discover).

Make checks payable to: **Department of the Interior-BLM.** We do not accept cash. If you previously paid us with a check backed by insufficient funds, we will require a guaranteed payment, such as a cashier's check.

- **Lease issuance:** After we receive the bid forms and all monies due, we can issue the lease. The lease effective date is the first day of the month following the month we sign it. We can make the lease effective the first day of the month in which we sign it, if you ask us in writing before we sign the lease.

How can I find out the results of this sale?

We post the sale results in our Public Records and Information Center and the Internet at: <http://www.mt.blm.gov/oilgas>. You can buy a \$5/\$10 printed copy of the results list from the Public Records and Information Center.

How do I file a noncompetitive offer after the sale?

Lands that do not receive a bid and are not subject to a pre-sale offer are available for a two-year period beginning the day after the sale. To file a noncompetitive offer, you must submit:

- three copies of standard lease form (Form 3100-11, June 1988 or later edition) with lands described as specified in our regulations at 43 CFR 3110.5;
- \$75 nonrefundable administrative fee; and
- first year's advance rental (\$1.50 per acre or fraction thereof)

Place offers filed on the day of the sale and the first business day after the sale in the drop box in the Public Records and Information Center. We consider these offers simultaneously filed. When a parcel receives more than one filing by 4 p.m. on the day after the sale, we will hold a drawing to determine the winner. Offers filed after this time period, receive priority according to the date and time of filing in this office.

How do I file a noncompetitive pre-sale offer?

Under our regulations at 43 CFR 3110.1(a), you may file a noncompetitive pre-sale offer for lands that:

- are available; and
- have not been under lease during the previous one-year period; or
- have not been in a competitive lease sale within the previous two-year period.

Once we post a competitive sale notice, you cannot file a pre-sale offer for lands shown on the notice.

To file a pre-sale offer, you must submit:

- three copies of standard lease form (Form 3100-11, June 1988 or later edition) with lands described as specified in our regulations at 43 CFR 3110.5;
- \$75 nonrefundable administrative fee; and
- first year's advance rental (\$1.50 per acre or fraction thereof)

If we don't receive a bid at the sale for the parcel(s) contained in your pre-sale offer, we will issue the lease. You can withdraw your offer prior to the date we sign your lease. Your pre-sale offer is your consent to the terms and conditions of the lease, including any additional stipulations advertised in the Competitive Sale Notice.

Where can I obtain information pertaining to the individual Forest Service Stipulations?

The applicable Forest Service Environmental Impact Studies (EIS) describe stipulations for parcels located within the administrative boundary of the Forest Service units. The Geographic Information System (GIS) maps of the stipulations may be viewed at the following Forest Service offices:

- The individual District Ranger's Office identified in the stipulation listing included with this sale notice,
or
- The individual Forest Supervisor's Office identified in the stipulation listing included with this sale notice,
or
- Forest Service, Region One Office, 200 East Broadway, Missoula, Montana

May I protest BLM's decision to offer the lands in this Notice for lease?

If you are adversely affected by our decision to offer the lands in this Notice for lease, you may protest the decision to the State Director under regulation 43 CFR 3120.1-3. You must file your protest by 4:00 p.m. the day before the sale. **You may not submit your protest electronically via email.**

If BLM receives a timely protest of a parcel advertised on this Sale Notice, how does it affect the parcel?

We will announce receipt of any protests at the beginning of the sale. We will also announce a decision to either withdraw the parcel or proceed with offering it at the sale.

If I am the high bidder at the sale for a protested parcel, when will BLM issue my lease?

We will suspend lease issuance until the protest is resolved.

If I am the successful bidder of a protested parcel, may I withdraw my offer and receive a refund of my first year's rental and bonus bid?

No. You may not withdraw your offer.

How does an untimely protest affect my competitive offer?

We will dismiss untimely protests. We will not allow you to withdraw your offer.

If BLM upholds the protest, how does that affect my competitive offer?

If we uphold a protest and withdraw the parcel from leasing, we will refund your first year's rental and bonus bid.

If the decision upholding the protest results in additional stipulations, we will offer you an opportunity to agree with the additional stipulations prior to lease issuance. If you do not agree to the additional stipulations and wish to withdraw your offer, we will refund your first year's rental and bonus bid.

May I withdraw my offer if the protestor files an appeal?

No. If the protestor appeals our decision, you may not withdraw your offer.

If resolution of the appeal results in lease cancellation, we will authorize refund of the bonus bid and rentals if there is no evidence that the lessee(s) derived any benefit from possession of the lease during the time they held it and no indication of bad faith or other reasons not to refund the rental and bonus bid.

How do I nominate lands for future sales?

- file a letter with this office describing the lands you want put up for sale;
- file a pre-sale offer

Who should I contact if I have a question?

For more information, contact Tessie Vaughn at (406) 896-5091.

When is the next competitive oil and gas lease sale scheduled in Montana?

We are tentatively holding our next competitive sale on January 25, 2005.

Karen L. Johnson, Chief
Fluids Adjudication Section

OFFICIAL POSTING DATE MUST BE ON OR BEFORE October 15, 2004

The official posting date will be noted on the copy posted in the Information Access Center of the Bureau of Land Management, Billings, Montana.

PUBLIC NOTICE

Any noncompetitive offers received for lands that are listed on the Notice from the time the list is officially posted in the Montana State Office Public Room until the first business day following the completion of the sale will be rejected as unavailable for filing per 43 CFR 3110.1(a)(ii).

THE FOLLOWING NOTICE WILL BE ATTACHED TO ALL ISSUED LEASES

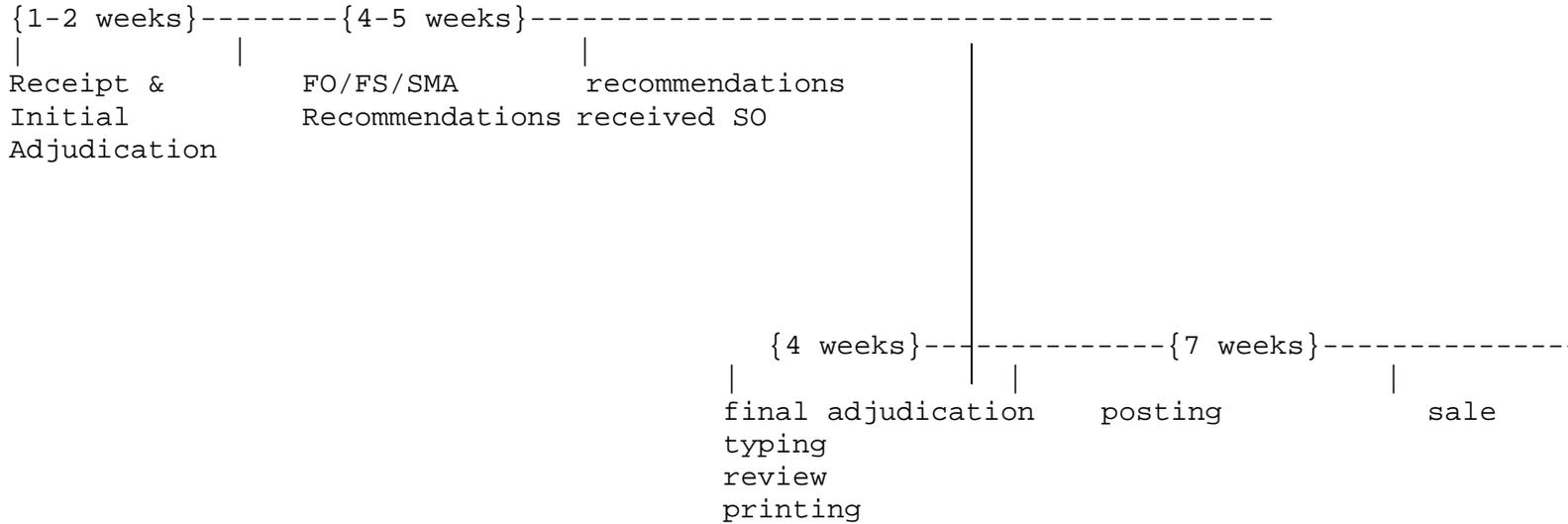
NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

**TIMELINE TO PROCESS EXPRESSIONS OF INTEREST (EOI)
OR PRESALE OFFERS**



**Total time required to process EOI/Offer
4-5 months {16-18 weeks}**

SMA-Surface Management Agency
 ie: Forest Service, Bureau of Reclamation
 FO-BLM Field Office FS-BLM Field Office
 SO-Mon

ALL LANDS ARE LISTED IN TOWNSHIP AND RANGE ORDER

MONTANA

11-04-01 PD
T. 32 N, R. 34 E, PMM, MT
sec. 13 PORTION SWNE IN RESVR
ROW M 01720;
Phillips 14.50 AC
Stipulations: Lease Notice-1,
Standard, TES

The lands in this parcel are committed to Communitization Agreement (CA) MTM 69294. The CA communitizes the Bowdoin and Phillips formations for the NE of section 13.

The total amount in escrow for the SWNE of section 13 is \$31,394.27. The CA operator may require the successful bidder to pay certain administrative and operating costs.

NORTH DAKOTA

11-04-02 PD
T. 157 N, R. 91 W, 5TH PM, ND
sec. 34 BED WHITE LAKE RIPAR
TO LOT 2 DESC BY M&B;
Mountrail 40.958 AC
Stipulations: NSO-1, Standard, TES,
Timing-1

11-04-03 PD
T. 153 N, R. 92 W, 5TH PM, ND
sec. 4 LOT 1;
27 SWNE;
33 W2E2,SENE,NESE;
34 NENW,SWNW,NWSW;
Mountrail 439.93 AC
Stipulations: CSU-1,
Lease Notice-2, Standard, TES

11-04-04 ACQ
T. 147 N, R. 98 W, 5TH PM, ND
sec. 3 BED OF LITTLE MISSOURI
RIVER RIPAR TO LOTS 5-13
INCL DESC BY M&B
(46.722 AC) 1/
3 LOTS 5-13 INCL;
3 SWNW,NWSW,E2SE;
4 LOTS 4,5,6,7;
4 SWNW;
4 BED OF LITTLE MISSOURI
RIVER RIPAR TO LOTS
5,6,7 **AND**
9 BED OF LITTLE MISSOURI
RIVER RIPAR TO LOTS
4,5,6 DESC BY M&B
(30.146 AC) 1/
9 LOTS 4,5,6;
9 S2;
McKenzie 1036.998 AC
Stipulations: R1-FS-2820-13d,
14-1,2,3, 15-1,2, 16-1,2,3, 18a

11-04-05 ACQ
T. 143 N, R. 99 W, 5TH PM, ND
sec. 19 LOTS 1,2;
19 E2,E2NW;
Billings 480.76 AC
Stipulations: R1-FS-2820-15-2,
16-1,4, TES (BLM)
SPLIT ESTATE 2/

11-04-06 ACQ
T. 143 N, R. 99 W, 5TH PM, ND
sec. 29 ALL;
30 LOTS 1,2,3,4;
30 S2NE,E2W2,SE;
31 NE;
32 N2;
Billings 1681.60 AC
Stipulations: R1-FS-2820-13d, 14-4,
15-2, 16-1, 18a

EXPLANATION 1/, 2/, 3/, SEE PAGE 7

11-04-07 ACQ
T. 143 N, R. 99 W, 5TH PM, ND
sec. 32 SW;
Billings 160.00 AC
95% U.S. MINERAL INTEREST 3/;
Stipulations: R1-FS-2820-13d, 14-4,
15-2, 18a

11-04-08 ACQ
T. 157 N, R. 99 W, 5TH PM, ND
sec. 11 NW;
Williams 160.00 AC
50% U.S. MINERAL INTEREST 3/;
Stipulations: CSU-1, Standard, TES

11-04-09 PD
T. 143 N, R. 100 W, 5TH PM, ND
sec. 6 LOTS 1,2,6,7;
6 S2NE,E2SE;
Billings 314.96 AC
Stipulations: R1-FS-2820-13d, 14-3,
15-2, 16-1, 18a, 22c

11-04-10 ACQ
T. 143 N, R. 100 W, 5TH PM, ND
sec. 6 LOTS 3,4,5;
6 SENW,E2SW,W2SE;
8 ALL;
18 LOTS 1,2,3,4;
18 E2,E2W2;
Billings 1587.28 AC
Stipulations: R1-FS-2820-13d,
14-3,4, 15-2, 16-1, 18a, 22c

11-04-11 ACQ
T. 143 N, R. 100 W, 5TH PM, ND
sec. 10 S2S2;
15 ALL;
22 N2;
Billings 1120.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
15-2, 16-1, 18a

11-04-12 ACQ
T. 143 N, R. 100 W, 5TH PM, ND
sec. 11 SW;
13 SE;
14 E2SW, SE EXCL 2.0 AC IN
SESE;
24 NW;
Billings 718.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
15-2,3, 16-1,4, 18a, TES (BLM)
SPLIT ESTATE 2/

11-04-13 ACQ
T. 143 N, R. 100 W, 5TH PM, ND
sec. 28 NW;
Billings 160.00 AC
75% U.S. MINERAL INTEREST 3/;
Stipulations: R1-FS-2820-13d, 16-1,
18a

11-04-14 ACQ
T. 144 N, R. 100 W, 5TH PM, ND
sec. 2 LOTS 1,2,3;
2 S2N2,S2;
3 LOTS 1,2,3,4;
3 S2N2,S2;
10 SE;
Billings 1487.14 AC
Stipulations: R1-FS-2820-13d, 14-3,
15-2, 16-1,3, 18a, 22b

11-04-15 PD
T. 144 N, R. 100 W, 5TH PM, ND
sec. 2 LOT 4;
Billings 52.70 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1,3, 18a, 22b

11-04-16 ACQ
T. 144 N, R. 100 W, 5TH PM, ND
sec. 18 LOTS 3,4;
18 E2,E2SW;
31 NE,N2SE;
Billings 712.16 AC
Stipulations: R1-FS-2820-13d, 14-3
15-2, 16-1,3, 18a, 22c

11-04-17 PD
T. 144 N, R. 100 W, 5TH PM, ND
sec. 32 W2;
Billings 320.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1, 18a, 22c

11-04-18 ACQ
T. 138 N, R. 101 W, 5TH PM, ND
sec. 7 LOTS 3,4;
7 E2SW;
15 NE,S2;
Billings 626.84 AC
Stipulations: R1-FS-2820-14-2,3,5
15-1,4, 16-1,3,4, TES (BLM)
SPLIT ESTATE 2/

11-04-19 ACQ
T. 138 N, R. 101 W, 5TH PM, ND
sec. 22 PORTION OUTSIDE
MANAGEMENT AREA 1.2
SUITABLE FOR WILDERNESS;
Billings 64.50 AC
Stipulations: R1-FS-2820-13d, 15-4,
16-1,3, 18a, TES (BLM)
SPLIT ESTATE 2/

11-04-20 PD
T. 145 N, R. 101 W, 5TH PM, ND
sec. 2 LOTS 1,2,3,4;
2 S2N2;
McKenzie 305.92 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1, 18a

11-04-21 PD
T. 145 N, R. 101 W, 5TH PM, ND
sec. 8 W2;
McKenzie 320.00 AC
Stipulations: R1-FS-2820-14-3,
15-1, 16-1,3,4, TES (BLM)
SPLIT ESTATE 2/

11-04-22 ACQ
T. 146 N, R. 102 W, 5TH PM, ND
sec. 1 LOT 12;
McKenzie 34.00 AC
Stipulations: R1-FS-2820-13d,
14-1,3, 15-2,5, 16-1,2,5, 18a

11-04-23 ACQ
T. 146 N, R. 102 W, 5TH PM, ND
sec. 18 LOTS 1,2,3;
18 SENW,E2SW,S2SE;
McKenzie 312.98 AC
Stipulations: R1-FS-2820-13d, 14-3,
15-2, 18a

11-04-24 PD
T. 146 N, R. 102 W, 5TH PM, ND
sec. 22 NE,S2NW;
McKenzie 240.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1,3, 18a

11-04-25 ACQ
T. 146 N, R. 102 W, 5TH PM, ND
sec. 28 S2N2,N2S2;
McKenzie 320.00 AC
Stipulations: R1-FS-2820-13d,
14-3,6, 16-1, 18a

11-04-26 ACQ
T. 146 N, R. 102 W, 5TH PM, ND
sec. 34 SWNE;
McKenzie 40.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1,3, 18a

11-04-27 PD
T. 146 N, R. 102 W, 5TH PM, ND
sec. 34 NW,S2;
McKenzie 480.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1,3, 18a

11-04-28 ACQ
T. 150 N, R. 102 W, 5TH PM, ND
sec. 4 LOT 4 EXCL 2.48 AC IN
RR ROW;
4 S2NW,SW,W2SE;
5 LOTS 1,2,3,4;
5 S2N2,N2S2,SESW,S2SE;
9 LOTS 1,2;
9 W2NE,NW,NWSE;
McKenzie 1276.52 AC
Stipulations: R1-FS-2820-13d, 18a

11-04-29 ACQ
T. 150 N, R. 102 W, 5TH PM, ND
sec. 6 LOTS 1-7 INCL;
6 S2NE,SE,SW,SE;
McKenzie 628.25 AC
Stipulations: R1-FS-2820-13d, 18a

11-04-30 ACQ
T. 154 N, R. 102 W, 5TH PM, ND
sec. 15 SW;
Williams 160.00 AC
50% U.S. MINERAL INTEREST 3/
Stipulations: CSU-1, Standard, TES

11-04-31 PD
T. 147 N, R. 103 W, 5TH PM, ND
sec. 2 SWNW;
8 W2NW,S2SE;
McKenzie 200.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
18a

11-04-32 ACQ
T. 147 N, R. 103 W, 5TH PM, ND
sec. 8 NE,E2W2,N2SE;
9 ALL;
McKenzie 1040.00 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1, 18a

11-04-33 ACQ
T. 147 N, R. 103 W, 5TH PM, ND
sec. 8 W2SW;
14 NW;
22 SW,N2SE,SWSE;
27 E2NE,W2E2,E2W2,NWNW;
30 W2NESE;
McKenzie 980.00 AC
Stipulations: R1-FS-2820-14-3,5,
15-2, 16-1,4, TES (BLM)
SPLIT ESTATE 2/

11-04-34 ACQ
T. 147 N, R. 103 W, 5TH PM, ND
sec. 12 ALL;
McKenzie 640.00 AC
Stipulations: R1-FS-2820-13d, 14-
3,5, 16-1, 18a

11-04-35 ACQ
T. 147 N, R. 103 W, 5TH PM, ND
sec. 20 E2;
29 ALL;
31 LOTS 1,2,3,4;
31 E2,E2W2;
32 ALL;
McKenzie 2175.84 AC
Stipulations: R1-FS-2820-13d,
14-3,4, 15-2, 16-1, 18a

11-04-36 PD
T. 147 N, R. 103 W, 5TH PM, ND
sec. 22 SESE;
McKenzie 40.00 AC
Stipulations: R1-FS-2820-16-4,
BLM (TES)
SPLIT ESTATE 2/

11-04-37 ACQ
T. 147 N, R. 103 W, 5TH PM, ND
sec. 26 E2,NESW;
27 SWNW,W2SW,E2SE;
28 N2NE,W2,S2SE;
34 N2,E2SE;
35 ALL;
McKenzie 2080.00 AC
Stipulations: R1-FS-2820-13d,
14-3,5, 15-2, 16-1, 18a, TES (BLM)
SPLIT ESTATE 2/

11-04-38 ACQ
T. 151 N, R. 103 W, 5TH PM, ND
sec. 11 W2NE,SENE;
12 SWNW;
21 NE;
24 SW,NWSE;
McKenzie 520.00 AC
50% U.S. MINERAL INTEREST 3/
Stipulations: CSU-1, NSO-1,
Standard, TES, Timing-1

11-04-39 PD
T. 153 N, R. 103 W, 5TH PM, ND
sec. 9 NWNE;
Williams 40.00 AC
Stipulations: CSU-1, Standard, TES

11-04-40 ACQ
T. 145 N, R. 104 W, 5TH PM, ND
sec. 29 NE,SW;
30 NE;
31 LOTS 3,4;
31 E2SW;
32 NW,NESW,W2SW;
McKenzie 919.86 AC
Stipulations: R1-FS-2820-13d, 16-1,
18a

11-04-41 ACQ
T. 147 N, R. 104 W, 5TH PM, ND
sec. 17 ALL;
21 NE,SW;
McKenzie 960.00 AC
Stipulations: R1-FS-2820-13d,
14-3,4, 15-2, 16-1, 18a

11-04-42 ACQ
T. 145 N, R. 105 W, 5TH PM, ND
sec. 1 LOTS 1,2,3,4;
1 S2N2,S2;
2 LOTS 1,2,3;
2 S2NE,SE,SW,E2SW,SE;
12 NE;
McKenzie 1282.11 AC
Stipulations: R1-FS-2820-13d,
14-3,4, 15-2, 16-1, 18a

11-04-43 ACQ
T. 145 N, R. 105 W, 5TH PM, ND
sec. 10 LOTS 1,2,3;
10 E2E2;
11 ALL;
14 ALL;
15 LOTS 1,2,3,4;
15 E2E2;
McKenzie 1925.80 AC
Stipulations: R1-FS-2820-13d, 14-3,
16-1, 18a

11-04-44 ACQ
T. 145 N, R. 105 W, 5TH PM, ND
sec. 22 LOTS 3,4;
22 E2SE;
26 W2NW,SW;
27 LOTS 1,2,3,4;
27 E2E2;
34 LOTS 1,2,3,4;
34 E2E2;
McKenzie 1085.50 AC
Stipulations: R1-FS-2820-13d, 16-1,
18a

11-04-45 ACQ
T. 145 N, R. 105 W, 5TH PM, ND
sec. 24 ALL;
25 ALL;
McKenzie 1280.00 AC
Stipulations: R1-FS-2820-13d,
14-3,5, 15-2, 16-1, 18a

STATISTICS

Total Parcels:	45
Total Acreage:	30,465.106
No. of Parcels with Presale Offers:	0

FOOTNOTES

- 1/ The exact metes and bounds description will be made a part of any lease issued for these lands.
- 2/ All or part of the lands are non-federal surface (split estate) with title to the mineral estate held by the United States. Due to this status, the mineral estate is administered by the Bureau of Land Management (BLM). Permits and approvals will be issued by the authorized BLM Officer. A notice will be attached at lease issuance. This notice will include legal descriptions and information for filing APDs.
- 3/ These parcels have fractional interests. Rentals are payable on total acres; royalties are payable on fractional interest.

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints:

No disturbance of riparian areas of wetlands, intermittent, ephemeral, or perennial streams and rivers would be allowed except for essential road and utility crossings.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-03	T. 153 N, R. 92 W, 5 th PM sec. 4: Lot 1 27: SWNE 33: W2E2, SENE, NESE 34: NENW, SWNW, NWSW
11-04-08	T. 157 N, R. 99 W, 5 TH PM sec. 11: NW
11-04-30	T. 154 N, R. 102 W, 5 TH PM sec. 15: SW
11-04-38	T. 151 N, R. 103 W, 5 TH PM sec. 11: W2NE, SENE 12: SWNW 21: W2NE, SENE 24: NWSE
11-04-39	T. 153 N, R. 103 W, 5 TH PM sec. 9: NWNE

For the purpose of:

Protection of riparian habitat (NDRMP - P. 20).

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CSU-1

LEASE NOTICE

This parcel is within a Reservoir Right-of-Way. No surface occupancy will be allowed on the entire parcel in accordance with the following provisions from the Standard Stipulations:

500 feet, or when necessary, within the 25-year flood plain from reservoirs, lakes, and ponds and intermittent, ephemeral or small perennial streams;

1,000 feet, or when necessary, within the 200-year flood plain from larger perennial streams, rivers, and domestic water supplies.

11-04-01

Lease Notice-1

LEASE NOTICE

Parcels nominated for oil and gas leasing are located adjacent and/or near to Lake Sakakawea (Missouri River) and contain high potential for National Register eligible historic and cultural properties. Lessees are notified that archaeological resource inventory and mitigation costs may be high within this area.

11-04-03

Lease Notice-2

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy (NSO) or use would be allowed within 200 feet of wetlands, lakes, and ponds on the lands described below (legal subdivision or other description).

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-02	T. 157 N, R. 91 W, 5 TH PM sec. 34: Bed of White Lake riparian to Lot 2 described by M&B
11-04-38	T. 151 N, R. 103 W, 5 TH PM sec. 21: SENE

For the purpose of:

Protection of wetlands (NDRMP - p.20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NSO-1

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
P. O. Box 36800
Billings, Montana 59107

OIL AND GAS LEASE STIPULATIONS

ESTHETICS--To maintain esthetic values, all surface-disturbing activities, semipermanent and permanent facilities may require special design including location, painting and camouflage to blend with the natural surroundings and meet the intent of the visual quality objectives of the Federal Surface Managing Agency (SMA).

EROSION CONTROL--Surface-disturbing activities may be prohibited during muddy and/or wet soil periods.

CONTROLLED OR LIMITED SURFACE USE STIPULATION --This stipulation may be modified, consistent with land use documents, when specifically approved in writing by the Bureau of Land Management (BLM) with concurrence of the SMA. Distances and/or time periods may be made less restrictive depending on the actual onground conditions. The prospective lessee should contact the SMA for more specific locations and information regarding the restrictive nature of this stipulation.

The lessee/operator is given notice that the lands within this lease may include special areas and that such areas may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled, or **if absolutely necessary**, excluded. Use or occupancy will be restricted only when the BLM and/or the SMA demonstrates the restriction necessary for the protection of such special areas and existing or planned uses. Appropriate modifications to imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

After the SMA has been advised of specific proposed surface use or occupancy on the leased lands, and on request of the lessee/operator, the Agency will furnish further data on any special areas which may include:

100 feet from the edge of the rights-of-way from highways, designated county roads and appropriate federally-owned or controlled roads and recreation trails.

500 feet, or when necessary, within the 25-year flood plain from reservoirs, lakes, and ponds and intermittent, ephemeral or small perennial streams: 1,000 feet, or when necessary, within the 100-year flood plain from larger perennial streams, rivers, and domestic water supplies.

500 feet from grouse strutting grounds. Special care to avoid nesting areas associated with strutting grounds will be necessary during the period from March 1, to June 30. One-fourth mile from identified essential habitat of state and federal sensitive species. Crucial wildlife winter ranges during the period from December 1 to May 15, and in elk calving areas during the period from May 1 to June 30.

300 feet from occupied buildings, developed recreational areas, undeveloped recreational areas receiving concentrated public use and sites eligible for or designated as National Register sites.

Seasonal road closures, roads for special uses, specified roads during heavy traffic periods and on areas having restrictive off-road vehicle designations.

On slopes over 30 percent or 20 percent on extremely erodable or slumping soils.

11-04-01 thru 11-04-03
11-04-08
11-04-30
11-04-38 thru 11-04-39

Standard(May 2001)

See Notice on Back

NOTICE

APPLICATIONS FOR PERMIT TO DRILL (APDs)--The appropriate BLM field offices are responsible for the receipt, processing, and approval of APDs. The APDs are to be submitted by oil and gas operators pursuant to the requirements found in Onshore Oil and Gas Order No. 1 -- Approval of Operations on Onshore Federal and Indian Oil and Gas Leases (Circular No. 2538). Additional requirements for the conduct of oil and gas operations can be found in the Code of Federal Regulations Title 43, Part 3160. Copies of Onshore Oil and Gas Order No. 1, and pertinent regulations, can be obtained from the BLM field offices in which the operations are proposed. Early coordination with these offices on proposals is encouraged.

CULTURAL AND PALEONTOLOGICAL RESOURCES--The SMA is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the SMA, shall:

1. Contact the appropriate SMA to determine if a site-specific cultural resource inventory is required. If an inventory is required, then:
2. Engage the services of a cultural resource specialist acceptable to the SMA to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the SMA for review and approval no later than that time when an otherwise complete application for approval of drilling or subsequent surface-disturbing operation is submitted.
3. Implement mitigation measures required by the SMA. Mitigation may include the relocation of proposed lease-related activities or other protective measures such as testing salvage and recordation. Where impacts to cultural resources cannot be mitigated to the satisfaction of the SMA, surface occupancy on that area must be prohibited.

The operator shall immediately bring to the attention of the SMA any cultural or paleontological resources discovered as a result of approved operations under this lease, and not disturb such discoveries until directed to proceed by the SMA.

ENDANGERED OR THREATENED SPECIES--The SMA is responsible for assuring that the leased land is examined prior to undertaking any surface-disturbing activities to determine effects upon any plant or animal species, listed or proposed for listing as endangered or threatened, or their habitats. The findings of this examination may result in some restrictions to the operator's plans or even disallow use and occupancy that would be in violation of the Endangered Species Act of 1973 by detrimentally affecting endangered or threatened species or their habitats.

The lessee/operator may, unless notified by the authorized officer of the SMA that the examination is not necessary, conduct the examination on the leased lands at his discretion and cost. This examination must be done by or under the supervision of a qualified resources specialist approved by the SMA. An acceptable report must be provided to the SMA identifying the anticipated effects of a proposed action on endangered or threatened species or their habitats.

ENDANGERED SPECIES ACT SECTION 7 CONSULTATION STIPULATION

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act as amended, 16 U.S.C. § 1531 et seq., including completion of any required procedure for conference or consultation.

11-04-01
11-04-02
11-04-03
11-04-05
11-04-08
11-04-12
11-04-18
11-04-21
11-04-30
11-04-33
11-04-36
11-04-38
11-04-39

TES (BLM)

TIMING LIMITATION STIPULATION

Surface occupancy or use would be subject to the following special operating constraint: No seismic exploration would be allowed within 500 feet of waterfowl nesting habitat during the following time period(s): between March 1 and July 1. This stipulation does not apply to operation and maintenance of production facilities.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-02	T. 157 N, R. 91 W, 5 TH PM, sec. 34: Bed of White Lake riparian to Lot 2 described by M&B
11-04-38	T. 151 N, R. 103 2, 5 TH PM sec. 21: SENE

For the purpose of (reasons):

Protection of nesting waterfowl (NDRMP- p.20).

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Timing-1

**NOTICE FOR LANDS OF THE NATIONAL FOREST SYSTEM
UNDER JURISDICTION OF
DEPARTMENT OF AGRICULTURE**

The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of Interior in the permit. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of an exploration plan by the Secretary of the Interior, (2) uses of all existing improvements, such as forest development roads, within and outside the area permitted by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by an exploration plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

District Ranger, McKenzie Ranger District
Dakota Prairie Grasslands
1901 South Main Street
Watford City, ND 58854

who is the authorized representative of the Secretary of Agriculture.

CULTURAL RESOURCES - The FS is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures, in accordance with the Archaeological Resources Protection Act of 1979, the National Historic Preservation Act of 1966 (as amended), and the American Indian Religious Freedom Act of 1996. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the FS, shall:

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.
3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U.S. Government as appropriate.

11-04-04	11-04-19 - 20	11-04-37
11-04-06	11-04-22 thru 29	11-04-40 thru 45
11-04-07	11-04-31 - 32	
11-04-09 thru 17	11-04-34 - 35	

The lessee or operator shall immediately bring to the attention of the FS and BLM any cultural or resources or any other objects of scientific interest discovered as a result of surface operations under this lease, and shall leave such discoveries intact until directed to proceed by FS and BLM.

Vertebrate Paleontology Notice - The FS is responsible for assuring that the leased lands are examined to determine if paleontological resources are present and to specify mitigation measures, in accordance with Organic Act, and the National Forest Management Act of 1976

Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the Forest Service, shall:

1. Contact the Forest Service to determine if a site-specific vertebrate paleontologic inventory is required. The Forest Service will conduct inventories and surveys as part of the field review for the proposed activity on the lease. The operator may voluntarily engage the services of a qualified paleontologist to conduct the inventory.
2. Implement mitigation measures required by the Forest Service and Bureau of land management to preserve or avoid destruction of vertebrate paleontologic resources. Mitigation may include relocation of proposed facilities or other protective measures.
3. The lessee or operator shall immediately bring to the attention of the Forest Service any vertebrate paleontologic resources discovered as a result of surface operation under this lease, and shall leave such discoveries intact until directed to proceed by the Forest Service.

FLOODPLAIN AND WETLANDS - The lessee is hereby notified that this lease may contain land within a riparian ecosystem. All activities within this area may be highly restricted in order to comply with Executive Order 11988 - *Floodplain Management* and Executive Order 11990 - *Protection of Wetlands*, in order to preserve and restore or enhance the natural and beneficial values served by floodplains and wetlands.

Riparian ecosystems will be managed by the Forest Service to protect from conflicting uses in order to provide healthy, self-perpetuating plant and water communities that will have optimum diversity and density of understory and overstory vegetation. Occupancy and use of lands within riparian ecosystems proposed in a proposed Surface Use Plan of Operations will be considered in an environmental analysis done to identify the mitigation measures necessary to protect the riparian area. Special measures such as road design, well pad size and location or directional drilling, may be made part of the permit authorizing the activity.

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal sub-division or other description).

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 TH PM sec. 3: Lots 5-13 3: Bed of Little Missouri River riparian to lots 5-13; Portions of SWNW, NWSW, E2SE 4: Lots 6, 7 4: Bed of Little Missouri River riparian to lots 5, 6 9: Lots 4, 5, 6 9: Bed of Little Missouri River riparian to lots 4, 5, 6
11-04-22	T. 146 N, R. 102 W, 5 TH PM sec. 1: Lot 12

For the purpose of:

No surface occupancy or use is allowed within $\frac{1}{4}$ mile each side of the Little Missouri River, to maintain the recreation opportunities and settings within the river corridor. Refer to the Land and Resource Management Plan, Management Area Direction MA 4.22, River and Travel Corridors, Standards and Guidelines, Minerals and Energy Resources, number 2, and Appendix D-25.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description)

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 TH PM sec. 9: S2SW, SE; Portions of Lot 6, N2SW
11-04-18	T. 138 N, R. 101 W, 5 TH PM sec. 7: Lots 3, 4, E2SW

For the purpose of:

No surface occupancy or use is allowed within bighorn sheep habitat MA 3.51, to achieve optimum habitat suitability for bighorn sheep. Refer to the Land and Resource Management Plan, Management Area Direction, MA 3.51 Bighorn Sheep Habitat, Standards and Guidelines, Minerals and Energy Resources number 1, and Appendix D-23.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description)

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 th PM sec. 3: Portions of SWNW 4: Portions of Lots 4, 5, SWNW 9: Portions of Lot 5, SW, NWSE, S2SE
11-04-09	T. 143 N, R. 100 W, 5 TH PM sec. 6: Portions of Lots 1,2,6,7, S2NE, E2SE
11-04-10	T. 143 N, R. 100 W, 5 TH PM sec. 6: Portions of Lots 3,4,5, SENW E2SW, NWSE 8: Portions of N2, SW, N2SE, SWSE 18: Portions of Lots 1,2,3,4, E2NE, E2W2, S2SE
11-04-11	T. 143 N, R. 100 W, 5 TH PM sec. 10: Portions of S2SW, SESE 15: Portions of NENE, W2NE, NWNW
11-04-12	T. 143 N, R. 100 W, 5 TH PM sec. 11: Portions of W2SW
11-04-14	T. 144 N, R. 100 W, 5 TH PM sec. 2: Portions of Lot 3, SWNW, E2SW, SESE 3: Lots 1, 4, SWNE, SWNW, N2SE, SWSE 10: NWSE, SESE
11-04-15	T. 144 N, R. 100 W, 5 TH PM sec. 2: Portions of Lot 4
11-04-16	T. 144 N, R. 100 W, 5 TH PM sec. 18: Portions of Lots 3,4, NE, E2SW, NESE, S2SE 31: Portions of NE, N2SE

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-17	T. 144 N, R. 100 W, 5 TH PM sec. 32: Portions of S2NW, SW
11-04-18	T. 138 N, R. 101 W, 5 TH PM sec. 7: Portions of Lots 3, 4, E2SW 15: Portions of NWSW
11-04-20	T. 145 N, R. 101 W, 5 TH PM sec. 2: Portions of Lots 1, 4, SWNE, S2NW
11-04-21	T. 145 N, R. 101 W, 5 TH PM sec. 8: Portions of W2
11-04-22	T. 146 N, R. 102 W, 5 TH PM sec. 1: Portions of Lot 12
11-04-23	T. 146 N, R. 102 W, 5 TH PM sec. 18: Portions of SESE
11-04-24	T. 146 N, R. 102 W, 5 TH PM sec. 22: Portions of NE, S2NW
11-04-25	T. 146 N, R. 102 W, 5 TH PM sec. 28: Portions of S2NE, SWNW, N2S2
11-04-26	T. 146 N, R. 102 W, 5 TH PM sec. 34: Portions of SWNE
11-04-27	T. 146 N, R. 102 W, 5 TH PM sec. 34: Portions of NW, S2
11-04-31	T. 147 N, R. 103 W, 5 TH PM sec. 8: Portions of W2NW, SWSE
11-04-32	T. 147 N, R. 103 W, 5 TH PM sec. 8: Portions of NWNE 9: Portions of NWNE, SENE, S2NW, S2SE
11-04-33	T. 147 N, R. 103 W, 5 TH PM sec. 14: Portions of SWNW 22: Portions of W2SW, NWSE 27: Portions of E2NW, NESW, NWSE
11-04-34	T. 147 N, R. 103 W, 5 TH PM sec. 12: Portions of NENW, SWSE

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-35	T. 147 N, R. 103 W, 5 TH PM sec. 29: Portions of NWNE, E2W2, N2SE, SWSE 31: Portions of SESE 32: Portions of SENE, NWNW, S2SW, NWSE
11-04-37	T. 147 N, R. 103 W, 5 TH PM sec. 26: Portions of SENE, E2SE 27: Portions of SWNW, E2SE 28: Portions of SWNW, N2SW, SWSE 34: NWNE, E2SE 35: NWNW, W2SW, SESE
11-04-41	T. 147 N, R. 104 W, 5 TH PM sec. 17: Portions of S2SW
11-04-42	T. 145 N, R. 105 W, 5 TH PM sec. 1: Portions of SESW 12: W2NE, SENE
11-04-43	T. 145 N, R. 105 W, 5 TH PM sec. 10: Portions of Lots 1, 3 14: Portions of S2NE
11-04-45	T. 145 N, R. 105 W, 5 TH PM sec. 24: Portion of SWSE 25: Portion of SWNW, NWSE

For the purpose of:

Surface occupancy and use is prohibited on slopes greater than 40 percent to protect soil resources from loss of productivity, prevent erosion on steep slopes, soil mass movement, and resultant sedimentation. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Soils, number 6, and Appendix D-3.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal sub-division or other description).

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-06	T. 143 N, R. 99 W, 5 TH PM sec. 29: SWNE; Portions of N2NE, SENE, E2NW, NWSE 30: Lot 2, SWNE, SENW; Portions of Lots 1, 3, NENW NESW, NWSE
11-04-07	T. 143 N, R. 99 W, 5 TH PM sec. 32: SWSW; Portions of N2SW, SESW
11-04-10	T. 143 N, R. 100 W, 5 TH PM sec. 8: Portions of SWNW, NWSW
11-04-35	T. 147 N, R. 103 W, 5 TH PM sec. 31: Portions of SENE, NESE 32: Portions of NW, N2SW, SESW, S2SE
11-04-41	T. 147 N, R. 104 W, 5 TH PM sec. 21: Portions of N2NE
11-04-42	T. 145 N, R. 105 W, 5 TH PM sec. 12: Portions of E2NE

For the purpose of:

No surface occupancy or use is allowed within 0.25 mile (line of sight) of a sharp-tailed grouse and sage grouse display ground to prevent abandonment of display grounds, reduced reproductive success, and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 13, and Appendix D-14.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal sub-division or other description).

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-18	T. 138 N, R. 101 W, 5 TH PM sec. 7: Lot 3; Portions of Lot 4, E2SW
11-04-33	T. 147 N, R. 103 W, 5 TH PM sec. 22: Portions of S2SW, SWSE 27: W2NE, E2NW, NESW, NWSE; Portions of E2NE, NWNW, SESW, SWSE
11-04-34	T. 147 N, R. 103 W, 5 TH PM sec. 12: SWSE; Portions of SWSW, E2SW, N2SE, SESE
11-04-37	T. 147 N, R. 103 W, 5 TH PM sec. 27: SWNW, NESE; Portions of W2SW, SWSE 28: Portions of NENE
11-04-45	T. 145 N, R. 105 W, 5 TH PM sec. 24: Portions of S2SW 25: W2NW, SENW, NWSW; Portions of NENW, NESW, S2SW

For the purpose of:

No surface occupancy or use is allowed within 0.5 mile (line of sight) of golden eagle, merlin, and ferruginous hawk nests; to prevent reduced reproductive success and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plant, number 55, and Appendix D-11.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal sub-division or other description).

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-25	T. 146 N, R. 102 W, 5 TH PM sec. 28: Portions of S2NE, N2SE

For the purpose of:

No surface occupancy or use is allowed within 0.25 mile (line of sight) of prairie falcon and burrowing owl nests to prevent reduced reproductive success and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 55, and Appendix D-13.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

USDA Forest Service

R1-FS-2820-14-6

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation applies to drilling and testing and new construction projects, and does not apply to operation or maintenance of production facilities.

April 1 through June 15

Within 1 mile (line of sight) of lambing areas.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 TH PM sec. 9: S2
11-04-18	T. 138 N, R. 101 W, 5 TH PM sec. 7: Lots 3, 4, E2SW
11-04-21	T. 145 N, R. 101 W, 5 TH PM sec. 8: Portions of SESW

For the purpose of:

To safeguard lamb survival and prevent bighorn sheep displacement from lambing area. Refer to the Land and Resource Management Plan Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 12 and Appendix D-7.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

USDA Forest Service

R1-FS-2820-15-1

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation applies to drilling, testing, new construction projects, and does not apply to operation and maintenance of production facilities.

March 1 - June 15

Within 1 mile (line of sight) of active sharp-tailed grouse display grounds.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 th PM sec. 9: S2
11-04-05	T. 143 N, R. 99 W, 5 TH PM sec. 19: SE; Portions of Lot 2, S2NE, SENW
11-04-06	T. 143 N, R. 99 W, 5 TH PM sec. 29: W2NW, SW, NESE, S2SE; Portions of N2NE, SENE, E2NW, NWSE 30: Lots 1,4, S2NE, SESW, NESE, S2SE; Portions of NENW, NESW, NWSE 31: NE 32: N2
11-04-07	T. 143 N, R. 99 W, 5 TH PM sec. 32: Portions of N2SW, SESW
11-04-09	T. 143 N, R. 100 W, 5 TH PM sec. 6: SESE; Portions of Lot 7, NESE
11-04-10	T. 143 N, R. 100 W, 5 TH PM sec. 6: SESW, SWSE; Portions of NESW, NWSE 8: N2NW, SENW, NESW, S2SW, W2SE; Portions of N2NE, SENE, NWSW, E2SE 18: NE, NENW; Portions of Lots 1, 2, SENW, N2SE
11-04-11	T. 143 N, R. 100 W, 5 TH PM sec. 10: Portions of S2SW 15: Portions of NWNW

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-12	T. 143 N, R. 100 W, 5 TH PM sec. 13: N2SE, SWSE; Portions of SESE 14: NESE; Portions of NWSE, SESE 24: Portions of N2NW
11-04-14	T. 144 N, R. 100 W, 5 TH PM sec. 3: S2NW, NWSW, S2SW; Portions of NESW, SESE 10: Portions of W2SE
11-04-16	T. 144 N, R. 100 W, 5 TH PM sec. 18: NE; Portions of NESW, N2SE
11-04-22	T. 146 N, R. 102 W, 5 TH PM sec. 1: Lot 12
11-04-23	T. 146 N, R. 10W 2, 5 TH PM sec. 18: Portions of Lots 1,2,3, SENW, E2SW, S2SE
11-04-33	T. 147 N, R. 103 W, 5 TH PM sec. 30: Portions of W2NESE
11-04-35	T. 147 N, R. 103 W, 5 TH PM sec. 29: SW, SWSE; Portions of S2NW, N2SE, SESE 31: NENE, W2E2, SESE; Portions Lots 1-4, SENE, NESE 32: NE, NENW, SWSW, N2SE; Portions of NWNW, S2NW, N2SW, SESW, S2SE
11-04-37	T. 147 N, R. 103 W, 5 TH PM sec. 28: Portion of SWSW
11-04-41	T. 147 N, R. 104 W, 5 TH PM sec. 17: NENE; Portions of NWNE, S2NE, E2SE 21: S2NE, NESW; Portions of N2NE, NWSW, SESW
11-04-42	T. 145 N, R. 105 W, 5 TH PM sec. 1: NESE, S2SE; Portions of Lots 1-3, SENE, E2SW, NWSE 12: W2NE; Portions of E2NE,

PARCEL NO.

LAND DESCRIPTIONS

11-04-45

T. 145 N, R. 105 W, 5TH PM
sec. 24: NE, NESE; Portions of E2NW,
NWSE, SESE

For the purpose of:

To prevent abandonment of display grounds and reduced reproductive success. Refer to the Land and Resource Management Plan Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 15 and Appendix D-5.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

USDA Forest Service

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TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

May 1 - December 1

Surface use is prohibited within 0.25 miles of the established boundaries of Burning Coal Vein, Buffalo Gap, Sather Lake, CCC, Campgrounds and Summit, Whitetail Picnic Areas, and the 6 Maa Daa Hey Trail overnight camps; Wannagan, Roosevelt, Elkhorn, Magpie, Beicegel, and Bennett.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-12	T. 143 N, R. 100 W, 5 th PM sec. 13: Portions of W2SE 14: Portions of E2SE excl. 2 ac in SESE 24: N2NW

For the purpose of:

To maintain the recreation opportunities and settings within the area surrounding campgrounds, picnic areas, and recreation trail overnights. Refer to the Land and Resource Management Plan Grassland-wide Direction, Minerals and Energy Resources number 13 and Appendix D-4.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation applies to drilling, testing, new construction projects, and does not apply to operation and maintenance of production facilities.

January 1 - March 31

On identified pronghorn antelope winter range.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-18	T. 138 N, R. 101 W, 5 TH PM sec. 15: NE, S2
11-04-19	T. 138 N, R. 101 W, 5 TH PM sec. 22: All within portion lying outside MA 1.2a Suitable for Wilderness

For the purpose of:

To maintain the health, vigor, and physical condition of wintering pronghorn by minimizing disturbance on winter range during the critical period. Refer to the Land and Resource Management Plan Direction Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 11 and Appendix D-9.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation applies to drilling, testing of wells, and new construction projects, and does not apply to operation and maintenance of production facilities.

October 16 - June 14

Limit on-lease activities (operation and maintenance of facilities) to the period from 10 a.m. to 4 p.m. except in emergency situations.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-22	T. 146 N, R. 102 W, 5 TH PM sec. 1: Lot 12

For the purpose of:

To provide quality forage, cover, escape terrain and solitude for bighorn Sheep. Refer to the Land and Resource Management Plan MA 3.51B, Bighorn sheep Habitat with nonfederal ownership, Standards and Guidelines, Minerals and Energy Resources, number 1 and Appendix D-22 and Addendum, p. 51

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints:

Try to locate activities and facilities away from the water's edge and outside the riparian areas, woody draws, wetlands, and floodplains. If necessary to locate facilities in these areas, then:

- Deposit no waste material (silt, sand, gravel, soil, slash, debris, chemical or other material) below high water lines, in riparian areas, in the areas immediately adjacent to riparian areas or in natural drainage ways (draws, land surface depressions or other areas where overland flow concentrates and flows directly into streams or lakes).
- Deposit no soil material in natural drainage ways.
- Locate the lower edge of disturbed or deposited soil banks outside the active floodplain.
- Stockpile no topsoil or any other disturbed soil in the active floodplain.
- Locate drilling mud pits outside riparian areas, wetlands and floodplains. If location is unavoidable in these areas, seal and dike all pits to prevent leakage or use containerized mud systems.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 TH PM sec. 3: Portions of Lots 5-13, Bed of Little Missouri River riparian to lots 5-13, SWNW, NWSW, NESE 4: Portions of Lots 4,5,6,7, SWNW 9: Portions of Lots 4,5,6, Bed of Little Missouri River riparian to lots 4,5,6, S2
11-04-05	T. 143 N, R 99 W, 5 TH PM sec. 19: Portions of Lots 1, 2, NE, E2NW, SESE
11-04-06	T. 143 N, R. 99 W, 5 TH PM sec. 29: W2NW, NWSW 30: Portions of Lots 1,3,4; Portions of NENW, E2SW, SWSE
11-04-09	T. 143 N, R. 100 W, 5 TH PM sec. 6: Portions of Lots 1,2,6,7, S2NE, E2SE

PARCEL NO.

LAND DESCRIPTIONS

11-04-10 T. 143 N, R. 100 W, 5TH PM
sec. 6: Portions of Lots 3,4,5,
SENW, E2SW, W2SE
8: Portions of N2, NESW, S2SW,
SE
18: Portions of Lots 1-4, E2,
E2W2

11-04-11 T. 143 N, R. 100 W, 5TH PM
sec. 10: Portions of S2S2
15: Portions of NE, N2NW, NESE,
S2SE
22: Portions of N2NE, SENE

11-04-12 T. 143 N, R. 100 W, 5TH PM
sec. 11: Portions of N2SW, SWSW
13: Portions of NWSE
14: Portions of NESW, SE
24: Portions of NW

11-04-13 T. 143 N, R. 100 W, 5TH PM
sec. 28: Portions of NW

11-04-14 T. 144 N, R. 100 W, 5TH PM
sec. 2: Portions of Lots 1, 2, 3,
S2NE, SENW, S2
3: Portions of Lots 2, 4,
S2NE, SENW, SW, NESE, S2SE
10: Portions of SE

11-04-15 T. 144 N, R. 100 W, 5TH PM
sec. 2: Portions of Lot 4

11-04-16 T. 144 N, R. 100 W, 5TH PM
sec. 18: Portions of Lots 3, 4,
NENE, S2NE, E2SW, N2SE, SESE
31: Portions of NE, N2SE

11-04-17 T. 144 N, R. 100 W, 5TH PM
sec. 32: Portions of W2

11-04-18 T. 138 N, R. 101 W, 5TH PM
sec. 7: Portions of NESW
15: Portions of N2NE, SENE,
SWSW, NESE, S2SE

11-04-19 T. 138 N, R. 101 W, 5TH PM
sec. 22: Portions of NENE, NWNW,
NESE lying outside MA 1.2a
Suitable for Wilderness

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-20	T. 145 N, R. 101 W, 5 TH PM sec. 2: Lots 1, 2, 4, S2NE, SWNW
11-04-21	T. 145 N, R. 101 W, 5 TH PM sec. 8: Portions of W2
11-04-22	T. 146 N, R. 102 W, 5 TH PM sec. 1: Portions of Lot 12
11-04-24	T. 146 N, R. 102 W, 5 TH PM sec. 22: Portions of NE, S2NW
11-04-25	T. 146 N, R. 102 W, 5 TH PM sec. 28: Portions of SWNE, S2NW, N2S2
11-04-26	T. 146 N, R. 102 W, 5 TH PM sec. 34: Portions of SWNE
11-04-27	T. 146 N, R. 102 W, 5 TH PM sec. 34: NW, S2
11-04-32	T. 147 N, R. 103 W, 5 TH PM sec. 8: Portions of SENE, E2W2 9: Portions of S2NW
11-04-33	T. 147 N, R. 103 W, 5 TH PM sec. 8: Portion of SWSW 14: Portion of N2NW 27: Portions of NWNE, N2NW SESW, SWSE 30: Portion of W2NESE
11-04-34	T. 147 N, R. 103 W, 5 TH PM sec. 12: Portions of SWNE, SENW, N2SW
11-04-35	T. 147 N, R. 103 W, 5 TH PM sec. 20: Portions of W2NE, N2SE, SESE 29: Portions of SWNE, NESW, S2SW, W2SE 31: Portions of NENE, S2NE, E2NW 32: Portions of N2N2, SWNW, NWSW, E2SE
11-04-37	T. 147 N, R. 103 W, 5 TH PM sec. 27: Portions of W2SW, SESE 28: Portions of N2NE, NWNW, W2SW SESW 34: Portions of SWNE, NENW, S2NW, E2SE 35: Portions of N2NW

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-40	T. 145 N, R. 104 W, 5 TH PM sec. 29: Portions of S2NE, NWSW 30: Portions of NWNE 31: Portions of Lot 3, NESW 32: Portions of W2SW
11-04-41	T. 147 N, R. 104 W, 5 TH PM sec. 17: Portions of NENE
11-04-42	T. 145 N, R. 105 W, 5 TH PM sec. 2: Portions of Lots 2, 3, SWNE, SENW
11-04-43	T. 145 N, R. 105 W, 5 TH PM sec. 10: Portions of Lot 3, NESE 11: Portions of NWSW 14: Portions of SWNW 15: Portions of SENE
11-04-44	T. 145 N, R. 105 W, 5 TH PM sec. 26: Portions of NWNW 27: Portions of SENE, E2SE 34: Portions of Lots 2,3,4, E2E2
11-04-45	T. 145 N, R. 105 W, 5 TH PM sec. 24: Portions of N2, E2SE 25: Portions of NENE

For the purpose of:

To protect the biological and hydrologic features of riparian areas, woody draws, wetlands, and floodplains. Refer to the Land and Resource Management Plan Grassland-wide Direction, Water, number 6 and Appendix D-2

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints:

Surface occupancy and use is subject to operational constraints to maintain a landscape character intact. Deviations may be present but must repeat the form, line, color, texture, and pattern common to the landscape character so completely and to such scale that they are not evident.

Operational constraints may include utilizing topographic/vegetative screening, matching color tones of facilities with surrounding topographic features, orienting the well pad/facilities, redesigning production facilities to such scale that they may not be evident, or placing facilities outside the high SIO area.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 TH PM sec. 3: Portions of Lots 5-13, SWNW, NWSW, E2SE 4: Lot 6; Portions of Lot 7 9: Lot 4; Portions of Lots 5, 6
11-04-22	T. 146 N, R. 102 W, 5 TH PM sec. 1: Lot 12

For the purpose of:

To maintain the Scenic Integrity Objective (SIO) for areas identified as **high**. Refer to the Land and Resource Management Plan Grassland-wide Direction, Scenery Management, number 1, and Appendix D-15 and D-28.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints:

Surface occupancy and use is subject to operational constraints to maintain a landscape character that is no more than slightly altered. Noticeable deviations must remain visually subordinate to the landscape character being viewed.

Operational constraints may include utilizing topographic/vegetative screening, matching color tones of facilities with surrounding topographic features, orienting the well pad/facilities, redesigning production facilities to such scale that they are visually subordinate to the landscape, or placing facilities outside the moderate SIO area.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-04	T. 147 N, R. 98 W, 5 TH PM sec. 3: Portions of Lots 5,9, SWNW, E2SE 4: Lots 4,5, SWNW; Portions of Lot 7 9: Portions of Lots 4,5,6, S2
11-04-14	T. 144 N, R. 100 W, 5 TH PM sec. 2: S2NW, N2SW, SWSW; Portions of Lots 2, 3, SWNE, SESW, W2SE 3: Lots 1, 2, S2NE, NESW, S2SW, SE; Portions of Lots 3, 4, S2NW, NWSW 10: SE
11-04-15	T. 144 N, R. 100 W, 5 th PM sec. 2: Lot 4
11-04-16	T. 144 N, R. 100 W, 5 TH PM sec. 18: Lots 3, 4, E2, E2SW
11-04-18	T. 138 N, R. 101 W, 5 TH PM sec. 7: Portions of Lot 4, SESW 15: S2
11-04-19	T. 138 N, R. 101 W, 5 TH PM sec. 22: N2N2; Portions of SENE lying outside MA 1.2a Suitable for Wilderness

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-21	T. 145 N, R. 101 W, 5 TH PM sec. 8: W2SW, SESW; Portions of W2NW, SENW, NESW
11-04-24	T. 146 N, R. 102 W, 5 TH PM sec. 22: E2NE; Portions of W2NE, SENW
11-04-26	T. 146 N, R. 102 W, 5 TH PM sec. 34: Portions of SWNE
11-04-27	T. 146 N, R. 102 W, 5 TH PM sec. 34: N2SE; Portions of E2W2, S2SE

For the purpose of:

To maintain the Scenic Integrity Objective (SIO) for areas identified as **moderate**. Refer to the Land and Resource Management Plan Grassland-wide Direction, Scenery Management, number 1, and Appendix D-15 and D-28.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints.

Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified by the contrary by the BLM, shall:

- Contact the BLM to determine if a site-specific vertebrate paleontological inventory is required. If it is required, the operator must engage the services of a qualified paleontologist, acceptable to the BLM, to conduct the inventory. An acceptable inventory report is to be submitted to the BLM for review and approval at the time a surface-disturbing plan of operation is submitted.
- Implement mitigation measures required by the BLM to preserve, avoid, or recover vertebrate paleontological resources. Mitigation may include relocation of proposed facilities or other protective measures. All costs associated with the inventory and mitigation will be borne by the lessee or operator.
- The lessee or operator shall immediately bring to the attention of the BLM any vertebrate paleontological resources discovered as a result of surface operations under this lease, and shall leave such discoveries intact until directed to proceed by the BLM.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-05	T. 143 N, R. 99 W, 5 TH PM sec. 19: Lots 1, 2, E2, E2NW
11-04-12	T. 143 N, R. 100 W, 5 TH PM sec. 13: East 10 rods of E2SE, E2E2SE
11-04-18	T. 138 N, R. 101 W, 5 TH PM sec. 7: Lots 3, 4, E2SW 15: NE, S2
11-04-21	T. 145 N, R. 101 W, 5 TH PM sec. 8: W2
11-04-33	T. 147 N, R. 103 W, 5 TH PM sec. 8: W2SW 14: NW 22: SW, N2SE, SWSE 27: E2NE, W2E2, E2W2, NWNW 30: W2NESE

PARCEL NO.

LAND DESCRIPTIONS

11-04-36

T. 147 N, R. 103 W, 5TH PM
sec. 22: Portions of SESE

For the purpose of:

To protect key paleontological resources from disturbance, or mitigate the effects of disturbance to conserve scientific and interpretive values, and the interests of the surface owner.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

USDA Forest Service

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CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints.

- Operations may be modified or moved to minimize additional impacts on bighorn sheep habitat.
- Future roads to non-producing wells on private minerals under NFS lands would be obliterated and the disturbed areas reclaimed.
- Road construction and associated lease activities will be located to minimize loss of bighorn sheep habitat.
- Well locations will be located to avoid lambing areas, steep slopes (escape terrain) and known travel corridors.
- Whenever possible, access roads will be gated to prevent unnecessary human activity.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-22	T. 146 N, R. 102 W, 5 TH PM sec. 1: Lot 12

For the purpose of:

To provide quality forage, cover, escape terrain, and solitude for bighorn sheep. Refer to the Land and Resource Management Plan, Management MA 3.51B, Bighorn Sheep Habitat with nonfederal Ownership, Standards and Guidelines, Minerals and Energy Resources, number 1, and Appendix D-22 and Addendum p.51.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

**USDA - FOREST SERVICE
THREATENED, ENDANGERED, AND SENSITIVE
PLANT OR ANIMAL SPECIES LEASE NOTICE**

The lease area may contain threatened and endangered species or habitat necessary for the continued existence of threatened, proposed, candidate or endangered species which are protected by the 1973 Endangered Species Act, as amended (16 USC 1531 et seq.) and implementing regulations (50 CFR 402 et seq.). The lease area may also contain habitat or species, which may require protective measures to prevent them from being listed as threatened or endangered; or result in a loss of viability or biological diversity (36 CFR 219.19 or 219.26). A biological evaluation of the leased lands may be required prior to surface disturbance to determine if endangered, threatened, proposed, candidate or sensitive plant or animal species or their habitat are present and to identify needed mitigation measures. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator shall:

1. Contact the Forest Service to determine if a biological evaluation is required. The Forest Service is responsible for ensuring that the leased land is examined through a biological evaluation, prior to undertaking any surface-disturbing activities, to determine effects upon any plant or animal species listed or proposed for listing as threatened, endangered, or a sensitive species-
2. The lessee or operator may choose to conduct the evaluation on the leased lands at their discretion and cost. This biological evaluation must be done by or under the supervision of a qualified biologist/botanist approved by the Forest Service. An acceptable report must be provided to the Forest Service identifying the anticipated effects of a proposed action on endangered, threatened, proposed, candidate or sensitive species. An acceptable biological evaluation is to be submitted to the Forest Service for review and approval no later than that time when an otherwise complete application for permit to drill or subsequent surface-disturbing operation is submitted.
3. Implement mitigation measures required by the Forest Service. Mitigation may include the relocation of proposed lease-related activities or other protective measures. The findings of the biological evaluation, analysis and consultation may result in restrictions to the operator's plans or even disallow use and occupancy to comply with the 1973 Endangered Species Act (as amended), threatened and endangered species regulations and Forest Service statutes and regulations.

If endangered, threatened, proposed, candidate or sensitive plant or animal species are discovered in the area after any required biological evaluation has concluded, an evaluation will be conducted to assess the effect of ongoing and proposed activities. Based on the conclusion drawn in the evaluation, additional restrictions or prohibitions may be imposed to protect the species or their habitats.

11-04-04	11-04-19 - 20	11-04-37
11-04-06	11-04-22 thru 29	11-04-40 thru 45
11-04-07	11-04-31 - 32	
11-04-09 thru 17	11-04-34 - 35	

LEASE NOTICE

Roadless Area Conservation Rule

Lands contained in this lease are located in an inventoried roadless area subject to the rule entitled "Special Areas; Roadless Area Conservation Rule; Final Rule" published in the Federal Register on January 12, 2001. Operations such as road construction or reconstruction may be prohibited by the Roadless Area Conservation Rule or subsequent modifications thereof.

On the lands described below:

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>
11-04-14	T. 144 N, R. 100 W, 5 TH PM sec. 2: Lots 1, 2, 3, S2N2, S2 3: Lots 1,2,3,4, S2N2, S2 10: SE
11-04-15	T. 144 N, R. 100 W, 5 TH PM sec. 2: Lot 4

US Forest Service

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LEASE NOTICE

Roadless Area Conservation Rule

Lands contained in this lease are located in an inventoried roadless area subject to the rule entitled "Special Areas; Roadless Area Conservation Rule; Final Rule" published in the Federal Register on January 12, 2001. Operations such as road construction or reconstruction may be prohibited by the Roadless Area Conservation Rule or subsequent modifications thereof.

Specific exemptions are made at 36 CFR 294.12 for lands that were leased as of January 12, 2001. Land in this lease were previously leased as described below.

<u>PARCEL NO.</u>	<u>LAND DESCRIPTIONS</u>	<u>PREVIOUS LEASE</u>	<u>EXPIRATION DATE</u>
11-04-09	T. 143 N, R.100 W, 5 TH PM sec. 6: Lots 1,2,6,7, S2NE, E2SE	NDM 81893	02/01/2003
11-04-10	T. 143 N, R. 100 W, 5 TH PM sec. 6: Lots 3,4,5, SENE, E2SW, W2SE 18: Lots 1,2,3,4, E2W2, S2SE; Portions of W2NE, N2SE	NDM 81899	02/01/2003
11-04-16	T. 144 N, R. 100 W, 5 TH PM sec. 18: Lots 3,4, E2, E2SW 31: NWNE, S2NE, N2SE; Portions of NENE	NDM 82080 NDM 82082	04/30/2003 04/30/2003
11-04-17	T. 144 N, R. 100 W, 5 TH PM sec. 32: SW; Portions of NW	NDM 82083	04/30/2003