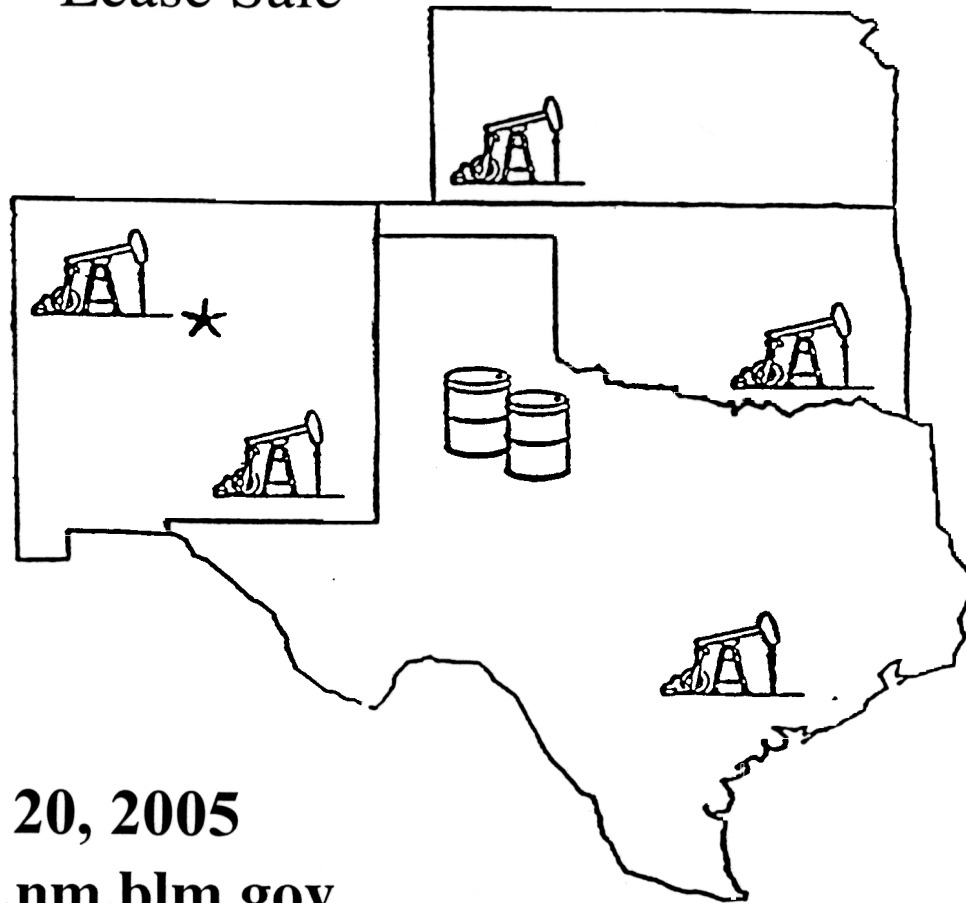


**New Mexico State Office  
P.O. Box 27115  
Santa Fe, NM 87502-0115**



**Competitive Oil & Gas  
Lease Sale**



**July 20, 2005**

**[www.nm.blm.gov](http://www.nm.blm.gov)**

**Bureau of Land Management**

**1474 Rodeo Road**

**Santa Fe, NM 87504**



# United States Department of the Interior

## Bureau of Land Management

New Mexico State Office  
1474 Rodeo Road  
P.O. Box 27115  
Santa Fe, New Mexico 87502-0115  
www.nm.blm.gov

IN REPLY REFER TO:  
3120 (92100-btm)

May 20, 2005

## NOTICE OF COMPETITIVE LEASE SALE Oil and Gas

We are pleased to announce that we will offer for competitive sale certain Federal lands in the States of **New Mexico and Oklahoma** for oil and gas leasing. This notice describes-

- The time and place of the sale;
- How the sale will be conducted;
- How to participate in the bidding process;
- The sale process;
- How long the sale will last;
- The conditions of the sale;
- How to file a noncompetitive offer after the sale; and
- How to file a pre-sale noncompetitive offer;
- How to file a protest to our offering the lands in this Notice.

Beginning on page 1, is a list of the lands we are offering. The lands are described by parcel number and legal land description. They are listed in Range and Township order by state and land type and will be offered in that sequence. Below each parcel we have included any stipulations, lease notices, special conditions, or restrictions that will be made a part of the lease at the time we issue it. We have also identified those parcels where the United States owns less than 100 percent interest in the oil and gas mineral rights, have pending pre-sale noncompetitive offers to lease, and are not available for noncompetitive offers to lease if they receive no bid at this sale. For your convenience, we are also including copies of the stipulations, lease notices, etc. affecting the parcels in this sale notice.

### When and where will the sale take place?

- When:** The competitive sale will begin at **9:00 a.m. on Wednesday, July 20, 2005**. The **Lobby Area at the National Park Service, Paisano Building** will be used to register all bidders. Registration will start at 8:00 a.m. through 9:00 a.m. so you can obtain your bidding number.
- Where :** We will hold the sale at the **NATIONAL PARK SERVICE, in the second floor conference room, (Cactus Room No., 2080), 2968 Rodeo Park Drive West, Paisano Building, Santa Fe, New Mexico, 87505 (see attached map)**.
- Access:** The sale room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or

material in an alternate format, contact the New Mexico State Office, Marcella Montoya at (505) 438-7537 by **July 8, 2005**.

### **How will the sale be conducted?**

The sale will be conducted by oral auction. You must make your bids verbally. The winning bid is the highest verbal bid equal to or exceeding the national minimum acceptable bid.

### **How do I participate in the bidding process?**

To participate in the bidding process, you must fill out a Bidder Registration form identifying the lessee's name and address that will be shown on the lease form and get a bidding number. We will begin registering bidders at 8:00 a.m. on the day of the sale in the **Lobby Area at the National Park Service**. If you plan to bid, you must be registered before the sale begins. You must display your bid number to the auctioneer when you make a bid.

### **What is the sale process?**

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

- The auctioneer will offer the parcels in the order they are shown in this Notice.
- All bids are on a per-acre basis for the entire acreage in the parcel;
- The winning bid is the highest oral bid
- The decision of the auctioneer is final. However, if you believe the auctioneer has made an error or not acknowledged your bid, you must immediately make your concerns known to the auctioneer. Once the auctioneer has opened the bidding on the next parcel available for an oil and gas lease, the decisions made on the previous parcels offered are final.

The minimum bid BLM can accept is \$2.00 per acre. If a parcel contains fractional acreage, round it up to the next whole acre. For example, a parcel of 100.51 acres requires a minimum bid of \$202 (\$2 x101 acres).

### **How long will the sale last?**

We begin the sale at 9:00 a.m. and it continues until all of the parcels in this Notice have been offered. The length of the sale depends on the number of parcels we are offering and the pace of the bidding. Normally, the sale is done before noon.

### **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 a parcel(s), we will post a notice in the New Mexico State Office Information Access Center (Public Room) before the day of the sale. We will announce withdrawn parcels before beginning the sale. If we cancel the sale, we will notify you as soon as possible.

**-Fractional interests:** If the United States owns less than 100 percent of the oil and gas mineral interest for the land in a parcel, we will show that information with the parcel. When we issue

the lease, it will be for the percentage or fraction of interest the United States owns. However, you must calculate your bonus bid and advance rental payment on the gross acreage in the parcel, not the United States net interest. For example, if a parcel contains 200 acres and the United States owns 50 percent of the oil and gas mineral interest, the minimum bonus bid will be \$400 (\$2x200 acres) and the advance annual rental will be \$300 (\$1.50X200 acres) for the first 5-years and \$400 (\$2X200 acres) for the remainder of the lease term. Royalty on production will be calculated on the United States net oil and gas mineral interest.

**Payment due on the day of the sale:** For each parcel you are the successful high bidder, you must pay the minimum bonus bid of \$2 per acre or fraction of an acre; the first years' advance annual rental of \$1.50 per acre or fraction of an acre; and a non-refundable administrative fee of \$75. You must make this payment in our Accounts Section at the BLM office either during, or immediately following the sale.

**-Remaining payments:** If your bonus bid was more than \$2.00 per acre or fraction of an acre and you didn't pay the full amount on the day of the sale, you must pay the balance of your bonus bid by **4:00 p.m. on August 3, 2005**, which is the 10<sup>th</sup> working day following the sale. **If you do not pay in full by this date, you lose the right to the lease and you will forfeit the money you paid on the day of the sale.** If you forfeit a parcel, we may offer it at a later sale.

**-Forms of payment:** You may pay by personal check, money order, or credit card (Visa, MasterCard, American Express or Discover Card only). Make checks payable to: **"Department of the Interior - BLM."** We cannot accept cash. If a check you have sent to us in the past has been returned for insufficient funds, we may ask that you give us a guaranteed payment, such as a money order. **Note for customers planning to pay with Credit Card, effective February 1, 2005, BLM will not accept credit or debit card payments to the Bureau for any amount equal to or greater than \$100,000. Payments of \$100,000 or more should be made by Automated Clearing House (ACH) or Federal Wire Transfer. We suggest that no one plan to make a payment of \$100,000 or more by credit card.** If you pay by credit card and the transaction is refused, we will try to notify you early enough so that you can make other payment arrangements. **However, we cannot grant you any extension of time to pay the money that is due the day of the sale.**

**Bid Form:** On the day of the sale, if you are a successful bidder you must give us a properly completed and signed competitive bid form (Form 3000-2, October 1989, or later edition, copy included) with your payment. This form is a legally binding offer by the prospective lessee to accept a lease and all its terms and conditions. Once the form is signed, you cannot change it. ***We will not accept any bid form that has information crossed out or is otherwise altered.***

We recommend you get a copy of the bid form and complete all but the money part before the sale. You can fill out the money part at the sale. Your completed bid form certifies that:

(1) You and the prospective lessee are qualified to hold an oil and gas lease under our regulations at 43 CFR 3102.5-2; and

(2) Both of you have complied with 18 U.S. C. 1860, a law that prohibits unlawful combinations, intimidation of and collusion among bidders.

**-Federal acreage limitations:** 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 246,80 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.

**-Lease terms:** A lease issued as a result of this sale will have a primary term of 10 years. It will continue beyond its primary term as long as oil or gas is produced in paying quantities on or for the benefit of the lease. Advance rental at \$1.50 per acre or fraction of an acre for the first 5 years (\$2.00 per acre after that) is due on or before the anniversary date each year until production begins. Once a lease is producing, you must pay a royalty of 12.5 percent of the value or the amount of 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, copy included).

**-Stipulations:** Some parcels have special requirements or restrictions which are called stipulations. These are noted with each of the parcels. Stipulations are part of the lease and supercede any inconsistent provisions of the lease form.

**-Lease Issuance:** After we receive the bid form and all the money due, and, if appropriate, your unit joinder information, we can issue the lease. Usually, a lease is effective the first day of the month following the month in which we sign it. If you want your lease to be effective the first day of the month in which we sign it, you must ask us in writing to do this. We have to receive your request before we sign the lease.

**-Legal Land Descriptions:** We prepared this Notice with land status information from our Legacy Rehost 2000 (LR2000) case recordation system. We are providing you with the following information to assist you in understanding the legal descriptions given for each parcel:

- The township and range contains additional zeros. For example, T. 28 N., R. 32 E., is shown as T0280N, R 0320E (additional zeros Underlined).

-The section numbers contain additional leading zeros. For example, section 4 is shown as sec. 004.

-Lands are described separately by lots, aliquot parts, tracts, and exceptions to survey for each section.

-LR2000 will code a ½ township as a 2 in the database. This 2 will appear as the last digit in the number. For example, T 14 ½ N, will appear as T 0142N.

**-Cellular Phone Usage:** You are restricted from using cellular phones in the sale room during the oral auction. You must confine your cellular phone usage to the hallway or area outside the saleroom when the auction is taking place.

**-Other Conditions of the Sale:** At the time the sale begins, we will make any rules regarding sale procedures that we feel are necessary for the proper conduct of the sale.

### **NONCOMPETITIVE OFFERS TO LEASE**

#### **What parcels are available for noncompetitive offers to lease?**

Unless stated in this notice, parcels that do not receive a bid at the competitive sale are available for noncompetitive offers to lease beginning the first business day following the day of the sale. If not withdrawn, or shown with a noncompetitive Pre-sale offer pending, these parcels are available for noncompetitive offers to lease for a period of two years following the day of the sale.

#### **How do I file a noncompetitive offer after the sale?**

If you want to file a noncompetitive offer to lease on an unsold parcel, you must give us-

-Three copies of form 3100-11, *Offer to Lease and Lease for Oil and Gas* properly completed and signed. **(Note: We will accept copies of the official form, including computer generated forms, that are legible and have no additions, omissions, other changes, or advertising. If you copy this form you must copy both sides on one page. If you copy the form on 2 pages or use an obsolete lease form, we will reject your offer).** You must describe the lands in your offer as specified in our regulations at 43 CFR 3110.5; and

-Your payment for the total of the \$75 filing fee and the first year's advance rental computed at (\$1.50 per acre or fraction of an acre). Remember to round up any fractional acreage when you calculate the rental amount.

For your convenience, you may leave your noncompetitive offers for any parcel which has received no bid with the Accounts Staff. We consider all offers filed the day of the sale and the first business day after it, for any of the unsold parcels, to be filed as of 9:00 a.m. the first business day following the day of the sale. If a parcel receives more than one offer, we will hold a drawing to select the winner (see 43 CFR 1822.17). We have identified those parcels that have pending presale offers. A noncompetitive presale offer to lease has priority over any other noncompetitive offer to lease filed after the sale.

### **How do I file a noncompetitive presale offer?**

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

- Are available, and;
- Have not been under lease during the previous one-year period, or;
- Have not been included in a competitive lease sale within the previous two-year period.

Your noncompetitive presale offer to lease must be filed prior to the official posting of this sale notice. If your presale offer was timely filed, was complete and we do not receive a bid for the parcel that contains the lands in your offer, it has priority over any other noncompetitive offer to lease for that parcel filed after the sale. Your presale offer to lease is your consent to the terms and conditions of the lease, including any additional stipulations. If you want to file a presale offer, follow the guidance listed above for filing a noncompetitive offer after the sale and the regulations at 43 CFR 3110.1(a).

### **When is the next competitive oil and gas lease sale scheduled?**

We have tentatively scheduled our next competitive sale for **October 19, 2005**. Please send nominations for that sale by **June 10, 2005**.

### **How can I find out the results of this sale?**

We will post the sale results in the New Mexico State Office Information Access Center (Public Room). You can buy (\$5) a printed copy of the results by contacting our Accounts Staff, at (505) 438-7462. The list is also available on our public internet website: <http://www.nm.blm.gov>

### **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 regulations 43 CFR 3120.1-3. You must submit your protest in writing to the State Director during our regular business hours of 8:00 a.m. to 4:00 p.m. local time, Monday through Friday, excluding Federal holidays, prior to the day of the sale. If you file your protest by means of a facsimile machine (fax), the fax must be received by the State Director prior to the day of the sale. Subsequent to our fax transmission, you must submit a hard copy of your protest to the State Director. Regardless of the method you use to submit your protest (United States Postal Service, courier, hand delivery, fax, etc.), it must be received by the State Director during our regular business hours of 8:00 a.m. to 4:00 p.m. local time, Monday through Friday, excluding Federal Holidays, prior to the day of the sale. **Please note, you may not submit your protest electronically via email.** Generally, if we are unable to decide the protest before the sale, we will hold the sale while we consider the merits of your protest.

-You may review the decision to offer the lands for lease and the supporting National Environmental Policy Act documents at our New Mexico State Office Business Information Access Center. Our office hours are from 8:00 a.m. to 4:00 p.m. Monday through Friday, except on National Holidays.

### **Power Outages**

**In the event of a power outage, the office will be CLOSED.**

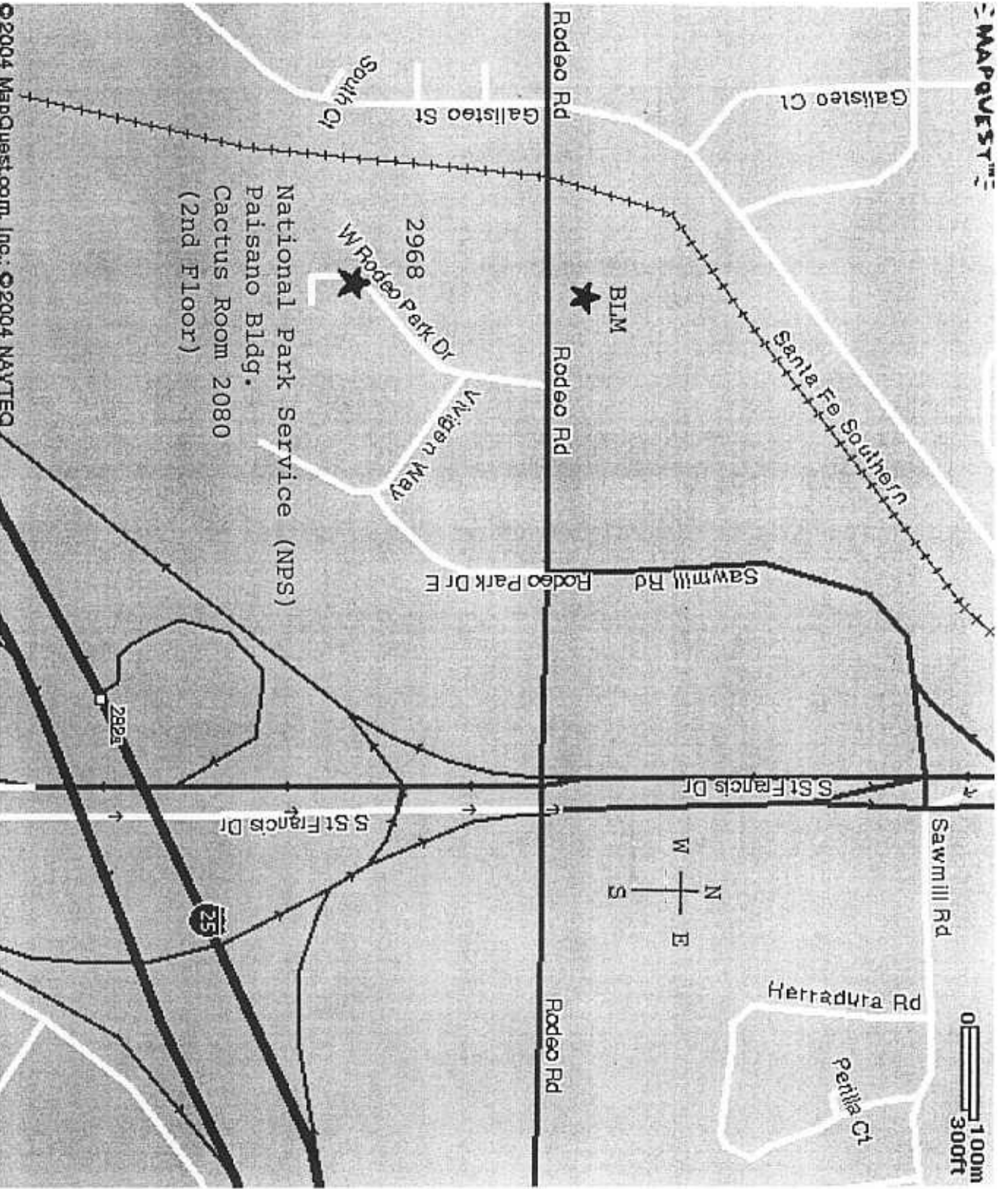
### **Whom should I contact if I have a question?**

For general information, please contact our Information Access Center at (505) 438-7565 or 438-7530.

*/s/Bernadine T. Martinez*

***Bernadine T. Martinez***  
***Land Law Examiner***  
***Fluids Adjudication Team***





**PLEASE FILL IN THE NAME AND ADDRESS AS IT SHOULD  
APPEAR ON THE ISSUED LEASE**

**NEW BIDDER REGISTRATION FORM**

**BIDDER NO. \_\_\_\_\_  
(Leave Blank)**

**NAME:** \_\_\_\_\_

**TELEPHONE:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**CITY:** \_\_\_\_\_

**STATE:** \_\_\_\_\_ **ZIP CODE:** \_\_\_\_\_

**E-MAIL ADDRESS:** \_\_\_\_\_

**THE LESSEE MUST BE QUALIFIED TO HOLD A FEDERAL OIL  
AND GAS LEASE.**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**DATE**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR  
GEOTHERMAL RESOURCES LEASE BID  
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359;  
30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED  
OMB NO. 1004-0074  
Expires: May 31, 2000

		State	Date of sale
PARCEL NUMBER		AMOUNT OF BID (See Instructions below)	
		TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR (Check one) :			
<input type="checkbox"/> Oil and Gas Parcel Number _____			
<input type="checkbox"/> Geothermal Parcel Number _____ Name of Known Geothermal Resource Area (KGRA) _____			

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. (See details concerning lease qualifications on reverse.)

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

**IMPORTANT NOTICE:** Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Print or Type Name of Lessee			Signature of Lessee or Bidder		
Address of Lessee					
City	State	Zip Code			

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID  
(Except NPR-A)

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale*.
2. Bid **must** be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance **must** be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, **must** be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is **not** the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed (*signed*) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR  
NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid **must** be accompanied by one-fifth of the total amount of bid. The remittance **must** be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in (*Name of KGRA*) or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
5. If bidder is **not** the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on reverse)

OFFICIAL FILE COPY

Form 3000-2 (July 1997)

## QUALIFICATIONS

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association (including partnerships and trusts) of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 246,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 300,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority cited herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this bid for a Competitive Oil and Gas or Geothermal Resources Lease.

**AUTHORITY:** 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

**PRINCIPAL PURPOSE:** The information is to be used to process your bid.

**ROUTINE USES:** (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or concurrence is required prior to granting a right in public lands or resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

**EFFECT OF NOT PROVIDING INFORMATION:** Disclosure of the information is voluntary. If all the information is not provided, your bid may be rejected.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220..

This information will be used to determine the bidder submitting the highest bid.

Response to this request is required to obtain a benefit..

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (WO-630), 1620 L Street, Washington, D.C. 20036 and the Office of Management and Budget, Desk Officer for the Interior Department, Office of Regulatory Affairs (1004-0074), Washington, D.C. 20503.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Serial No. \_\_\_\_\_

**OFFER TO LEASE AND LEASE FOR OIL AND GAS**

The undersigned (*reverse*) offers to lease all or any of the lands in Item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

**READ INSTRUCTIONS BEFORE COMPLETING**

Name \_\_\_\_\_  
Street \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_

2. This application/offer/lease is for: (*Check only One*)  PUBLIC DOMAIN LANDS  ACQUIRED LANDS (percent U.S. interest \_\_\_\_\_)  
Surface managing agency if other than BLM: \_\_\_\_\_ Unit/Project \_\_\_\_\_  
Legal description of land requested: \_\_\_\_\_ \*Parcel No.: \_\_\_\_\_ \*Sale Date (m/d/y): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
**\*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**  
T. \_\_\_\_\_ R. \_\_\_\_\_ Meridian \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_

Amount remitted: Filing fee \$ \_\_\_\_\_

Rental fee \$ \_\_\_\_\_

Total acres applied for \_\_\_\_\_  
Total \$ \_\_\_\_\_

**DO NOT WRITE BELOW THIS LINE**

3. Land included in lease:  
T. \_\_\_\_\_ R. \_\_\_\_\_ Meridian \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_

Total acres in lease \_\_\_\_\_  
Rental retained \$ \_\_\_\_\_

This lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (*except helium*) in the lands described in Item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

**NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.**

Type and primary term of lease: \_\_\_\_\_ THE UNITED STATES OF AMERICA  
 Noncompetitive lease (ten years) by \_\_\_\_\_  
(Signing Officer)  
 Competitive lease (ten years) \_\_\_\_\_  
(Title) \_\_\_\_\_ (Date) \_\_\_\_\_  
 Other \_\_\_\_\_ EFFECTIVE DATE OF LEASE \_\_\_\_\_

4. (a) Undersigned certifies that (1) offeror is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) all parties holding an interest in the offer are in compliance with 43 CFR 3100 and the leasing authorities; (3) offeror's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(b) Undersigned agrees that signature to this offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment or separate lease that may include any land described in this offer open to leasing at the time this offer was filed but omitted for any reason from this lease. The offeror further agrees that this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the proper BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed on behalf of the United States.

This offer will be rejected and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required payments. 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Duly executed this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

(Signature of Lessee or Attorney-in-fact)

## LEASE TERMS

Sec. 1. Rentals—Rentals shall be paid to proper office of lessor in advance of each lease year. Annual rental rates per acre or fraction thereof are:

- (a) Noncompetitive lease, \$1.50 for the first 5 years; thereafter \$2.00;
- (b) Competitive lease, \$1.50; for the first 5 years; thereafter \$2.00;
- (c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan contains a provision for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), or (c) for those lands not within a participating area.

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) shall automatically terminate this lease by operation of law. Rentals may be waived, reduced, or suspended by the Secretary upon a sufficient showing by lessee.

Sec. 2. Royalties—Royalties shall be paid to proper office of lessor. Royalties shall be computed in accordance with regulations on production removed or sold. Royalty rates are:

- (a) Noncompetitive lease, 12½ %;
- (b) Competitive lease, 12½ %;
- (c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

Lessor reserves the right to specify whether royalty is to be paid in value or in kind, and the right to establish reasonable minimum values on products after giving lessee notice and an opportunity to be heard. When paid in value, royalties shall be due and payable on the last day of the month following the month in which production occurred. When paid in kind, production shall be delivered, unless otherwise agreed to by lessor, in merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessee be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

Minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced, for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (30 U.S.C. 1701). Lessee shall be liable for royalty payments on oil and gas lost or wasted from a lease site when such loss or waste is due to negligence on the part of the operator, or due to the failure to comply with any rule, regulation, order, or citation issued under FOGRMA or the leasing authority.

Sec. 3. Bonds—A bond shall be filed and maintained for lease operations as required under regulations.

Sec. 4. Diligence, rate of development, unitization, and drainage—Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to, loss of, or waste of leased resources. Lessor reserves right to specify rates of development and production in the public interest and to require lessee to subscribe to a cooperative or unit plan, within 30 days of notice, if deemed necessary for proper development and operation of area, field, or pool embracing these leased lands. Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessor.

Sec. 5. Documents, evidence, and inspection—Lessee shall file with proper office of lessor, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing amounts and quality of all products removed and sold, proceeds therefrom, and amount used for production purposes or unavoidably lost. Lessee may be required to provide plats and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by lessor, lessee shall keep a daily drilling record, a log, information on well surveys and tests, and a record of subsurface investigations and furnish copies to lessor when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessor, the leased premises and all wells, improvements, machinery, and fixtures thereon, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or in the leased lands. Lessee shall maintain copies of all contracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that supports

costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

During existence of this lease, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations—Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-way. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary. Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

Sec. 7. Mining operations—To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessor reserves the right to deny approval of such operations.

Sec. 8. Extraction of helium—Lessor reserves the option of extracting or having extracted helium from gas production in a manner specified and by means provided by lessor at no expense or loss to lessee or owner of the gas. Lessee shall include in any contract of sale of gas the provisions of this section.

Sec. 9. Damages to property—Lessee shall pay lessor for damage to lessor's improvements, and shall save and hold lessor harmless from all claims for damage or harm to persons or property as a result of lease operations.

Sec. 10. Protection of diverse interests and equal opportunity—Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; and take measures necessary to protect the health and safety of the public.

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with section 28 of the Mineral Leasing Act of 1920.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease—As required by regulations, lessee shall file with lessor any assignment or other transfer of an interest in this lease. Lessee may relinquish this lease or any legal subdivision by filing in the proper office a written relinquishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surety to pay all accrued rentals and royalties.

Sec. 12. Delivery of premises—At such time as all or portions of this lease are returned to lessor, lessee shall place affected wells in condition for suspension or abandonment, reclaim the land as specified by lessor and, within a reasonable period of time, remove equipment and improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of default—If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

Sec. 14. Heirs and successors-in-interest—Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, beneficiaries, or assignees of the respective parties hereto.

**BUREAU OF LAND MANAGEMENT**  
**NEW MEXICO STATE OFFICE**  
**July 20, 2005, Lease Sale Statistics by State**  
**Parcels with and without Pre-sale Noncompetitive Priority Offers**

<b>STATE</b>	<b>PARCELS WITH PRESALE OFFER</b>	<b>PARCELS WITHOUT PRESALE OFFER</b>	<b>TOTAL PARCELS</b>	<b>ACRES WITH PRESALE OFFER</b>	<b>ACRES WITHOUT PRESALE OFFER</b>	<b>TOTAL ACRES</b>
<b>NM</b>	14	54	68	23,530.02	44,638.27	68,158.29
<b>KS</b>	0	0	0	0.00	0.00	0.00
<b>OK</b>	1	11	12	150.00	5,668.32	5,818.32
<b>TX</b>	0	0	0	0.00	0.00	0.00
<b>TOTALS</b>	15	65	80	23,680.02	50,296.59	73,976.61

**NEW MEXICO PUBLIC DOMAIN**

**NM-200507-001 1600.000 Acres**

T.0260S, R.0120E, 23 PM, NM  
Sec. 015 N2, E2SW, SE;  
022 E2, E2NW;  
023 ALL;  
Otero County  
Las Cruces FO  
THE SUCCESSFUL BIDDER IS REQUIRED TO  
JOIN EXPLORATORY UNIT NMNM 94469-X.  
NMNM 66213  
Stipulations:  
LC-37A Desert Grassland Habitat  
LC-38 Designated Historic Trails  
LC-40 Special Status Species Habitats  
LC-47 Authorized Surface Disturbance  
LC-48 Traditional Cultural Properties  
WO-ESA-7 Endangered Species Act

**NM-200507-002 2560.000 Acres**

T.0040S, R.0210E, 23 PM, NM  
Sec. 026 ALL;  
027 ALL;  
034 ALL;  
035 ALL;  
Chaves County  
Roswell FO  
PENDING PRESALE OFFER NO. NMNM 113608  
NMNM 32331, NMNM 86959  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-003 1120.440 Acres**

T.0050S, R.0210E, 23 PM, NM  
Sec. 001 LOTS 1-4;  
001 S2N2, SW;  
003 LOTS 1-4;  
003 S2N2, S2;  
Chaves County  
Roswell FO  
NMNM 36185, NMNM 78339  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-004 1921.070 Acres**

T.0050S, R.0210E, 23 PM, NM  
Sec. 004 LOTS 1-4;  
004 S2N2, S2;  
009 ALL;  
010 ALL;  
Chaves County  
Roswell FO  
PENDING PRESALE OFFER NO. NMNM 113608  
NMNM 78339, NMNM 78340, NMNM 82828  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-005 2545.910 Acres**

T.0050S, R.0210E, 23 PM, NM  
Sec. 005 LOTS 1-4;  
005 S2N2, S2;  
006 LOTS 1-7;  
006 S2NE, SENW, E2SW, SE;  
007 LOTS 1-4;  
007 E2, E2W2;  
008 ALL;  
Chaves County  
Roswell FO  
PENDING PRESALE OFFER NO. NMNM 113608  
NMNM 36186, NMNM 78339, NMNM 82828  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-006 1280.000 Acres**

T.0050S, R.0210E, 23 PM, NM  
Sec. 015 ALL;  
022 ALL;  
Chaves County  
Roswell FO  
PENDING PRESALE OFFER NO. NMNM 113608  
NMNM 78341  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management



**NM-200507-007 1793.740 Acres**

T.0050S, R.0210E, 23 PM, NM  
Sec. 017 ALL;  
018 LOTS 1-4;  
018 E2,E2W2;  
019 LOTS 1;  
019 N2NE,NENW;  
020 W2NE,NW;  
021 NENE,S2SW;  
Chaves County  
Roswell FO  
PENDING PRESALE OFFER NO. NMNM 113608  
NMNM 36186, NMNM 82828  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
(Sec. 21)  
SENM-S-20 Spring, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-008 320.000 Acres**

T.0050S, R.0210E, 23 PM, NM  
Sec. 023 E2;  
Chaves County  
Roswell FO  
NMNM 36188  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-009 2556.360 Acres**

T.0040S, R.0220E, 23 PM, NM  
Sec. 017 ALL;  
019 LOTS 1-4;  
019 E2,E2W2;  
020 N2N2,SWNW,W2SW,SESW;  
020 NESE,S2SE;  
021 E2,N2NW,SWSW,E2SW;  
028 W2;  
Chaves County  
Roswell FO  
NMNM 32333, NMNM 32333-A, NMNM 32334  
NMNM 32336, NMNM 33216  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-010 640.000 Acres**

T.0040S, R.0220E, 23 PM, NM  
Sec. 033 ALL;  
Chaves County  
Roswell FO  
NMNM 32336  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-011 1520.000 Acres**

T.0050S, R.0220E, 23 PM, NM  
Sec. 008 N2S2,S2SW;  
009 NE,N2SW,E2SE;  
017 S2NE,E2NW,NESW,SE;  
020 N2,SW,E2SE,SWSE;  
Chaves County  
Roswell FO  
PENDING PRESALE OFFER NO. NMNM 113607  
NMNM 36700, NMNM 36703, NMNM 86879  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-012 1520.000 Acres**

T.0050S, R.0220E, 23 PM, NM  
Sec. 010 ALL;  
015 NW,N2S2;  
021 W2;  
029 NE,E2NW;  
Chaves County  
Roswell FO  
PENDING PRESALE OFFER NO. NMNM 113607  
NMNM 36703, NMNM 81875, NMNM 86880  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-013**                    **2542.610 Acres**  
T.0070S, R.0220E, 23 PM, NM  
  Sec. 004    LOTS 1-4;  
          004    S2N2,W2SW,SESW,SE;  
          005    LOTS 1-4;  
          005    S2N2,S2;  
          006    LOTS 1-7;  
          006    S2NE,SENW,E2SW,SE;  
          007    LOTS 1-4;  
          007    E2,E2W2;  
Chaves County  
Roswell FO  
NMNM 36712, NMNM 36713  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-014**                    **680.500 Acres**  
T.0130N, R.0250E, 23 PM, NM  
  Sec. 007    LOTS 3,4;  
          007    NENE,E2SW;  
          008    SENE,NWNW;  
          010    LOTS 2,3,4;  
          010    NESW;  
          015    LOTS 1;  
          015    NWNE;  
          017    SESE;  
          018    LOTS 1,4;  
          018    NESW;  
San Miguel County  
Taos FO  
NMNM 43893  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-NSO (Conchas Lake)

**NM-200507-015**                    **160.000 Acres**  
T.0130N, R.0250E, 23 PM, NM  
  Sec. 015    NW;  
San Miguel County  
Taos FO  
NMNM 43893  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains

**NM-200507-016**                    **80.000 Acres**  
T.0150S, R.0250E, 23 PM, NM  
  Sec. 030    W2SE;  
Chaves County  
Roswell FO  
NMNM 68073  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-017**                    **120.000 Acres**  
T.0200S, R.0250E, 23 PM, NM  
  Sec. 025    SENE,E2SE;  
Eddy County  
Carlsbad FO  
NMNM 94073  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
Steep Slopes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-018**                    **160.000 Acres**  
T.0200S, R.0250E, 23 PM, NM  
  Sec. 026    SW;  
Eddy County  
Carlsbad FO  
NMNM 94074  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
Steep Slopes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-019**                    **1278.800 Acres**  
T.0100S, R.0260E, 23 PM, NM  
  Sec. 018    LOTS 1-4;  
          018    E2,E2W2;  
          019    ALL;  
Chaves County  
Roswell FO  
NMNM 28868, NMNM 69360  
NMNM 69361, NMNM 71748  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-020**                    **335.480 Acres**  
T.0120S, R.0260E, 23 PM, NM  
  Sec. 004    LOTS 1-3;  
          004    SENE,SE;  
Chaves County  
Roswell FO  
NMNM 69156  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management  
SENM-S-38 NSO-Overflow Wetlands w/map

**NM-200507-021 200.000 Acres**

T.0120S, R.0260E, 23 PM, NM  
Sec. 009 N2N2,SENE;  
Chaves County  
Roswell FO  
NMNM 70879  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management  
SENM-S-38 NSO-Overflow Wetlands w/map

**NM-200507-022 155.430 Acres**

T.0130S, R.0270E, 23 PM, NM  
Sec. 019 LOTS 1,2;  
019 E2NW;  
Chaves County  
Roswell FO  
NMNM 94592  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-023 1960.000 Acres**

T.0130S, R.0270E, 23 PM, NM  
Sec. 025 NWNE,E2W2,SE;  
026 ALL;  
027 N2,SE;  
035 N2,SW;  
Chaves County  
Roswell FO  
NMNM 60043, NMNM 62186  
NMNM 68646, NMNM 90516  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-024 360.000 Acres**

T.0140S, R.0270E, 23 PM, NM  
Sec. 002 W2SW;  
006 S2NE,SENW;  
007 NE;  
Chaves County  
Roswell FO  
NMNM 43540, NMNM 62186, NMNM 62187  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-025 1600.000 Acres**

T.0140S, R.0270E, 23 PM, NM  
Sec. 022 NENE,S2NE,NWNW,E2SW,SE;  
028 W2NE,W2,SE;  
029 ALL;  
Chaves County  
Roswell FO  
NMNM 16094, NMNM 57516, NMNM 58030  
NMNM 60763, NMNM 85868, NMNM 90517  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-20 Springs, Seeps and Tanks  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-026 280.000 Acres**

T.0160S, R.0270E, 23 PM, NM  
Sec. 026 NW,N2SE,SWSE;  
Eddy County  
Carlsbad FO  
NMLC 062623-B  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
Gypsum Soils  
SENM-S-21 Caves and Karst

**NM-200507-027 640.000 Acres**

T.0250S, R.0270E, 23 PM, NM  
Sec. 029 ALL;  
Eddy County  
Carlsbad FO  
NMNM 38345, NMNM 53222  
NMNM 82872, NMNM 85873  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-17 Slopes or Fragile Soils  
Gypsum Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
Floodplains

**NM-200507-028 638.400 Acres**

T.0250S, R.0270E, 23 PM, NM  
Sec. 031 LOTS 1-4;  
031 E2,E2W2;  
Eddy County  
Carlsbad FO  
NMNM 88119  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-17 Slopes or Fragile Soils  
Gypsum Soils

**NM-200507-029**                    **1200.000 Acres**  
T.0260S, R.0270E, 23 PM, NM  
Sec. 028    NENE,W2E2,W2,SESE;  
          029    ALL;  
Eddy County  
Carlsbad FO  
NMNM 39138, NMNM 62906, NMNM 66919  
NMNM 81727, NMNM 85878  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-17 Slopes or Fragile Soils  
Gypsum Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
Floodplains  
SENM-S-20 Springs, Seeps and Tanks

**NM-200507-030**                    **622.770 Acres**  
T.0130S, R.0280E, 23 PM, NM  
Sec. 019    LOTS 3,4;  
          019    E2SW,SE;  
          031    LOTS 1-4;  
          031    E2NW,NESW;  
Chaves County  
Roswell FO  
NMNM 60046, NMNM 63726, NMNM 90888  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-031**                    **2560.000 Acres**  
T.0130S, R.0280E, 23 PM, NM  
Sec. 023    S2;  
          024    S2;  
          025    ALL;  
          026    ALL;  
          035    ALL;  
Chaves County  
Roswell FO  
NMNM 54280, NMNM 56727, NMNM 64960,  
NMNM 76996, NMNM 90887  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-032**                    **440.110 Acres**  
T.0140S, R.0280E, 23 PM, NM  
Sec. 005    LOTS 1;  
          012    W2E2,NW,N2SW;  
Chaves County  
Roswell FO  
NMNM 17218, NMNM 57250  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

**NM-200507-033**                    **599.680 Acres**  
T.0200S, R.0300E, 23 PM, NM  
Sec. 005    LOTS 1-4;  
          005    S2N2,N2SW,SESW,SE;  
Eddy County  
Carlsbad FO  
NMNM 84720  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-1 Potash Stipulation  
SENM-S-17 Slopes or Fragile Soils  
Gypsum Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-30A - NSO Potash Area  
(Sec. 5: Lot 1, SENE, NWSW, SESW, SWSE)

**NM-200507-034**                    **640.000 Acres**  
T.0230S, R.0300E, 23 PM, NM  
Sec. 017    ALL;  
Eddy County  
Carlsbad FO  
NMNM 92179  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-1 Potash Stipulation  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-30 NSO - Potash Area  
(Sec. 17: SWNW,NWSW,E2SW,W2SE,SESE)

**NM-200507-035**                    **640.000 Acres**  
T.0230S, R.0300E, 23 PM, NM  
Sec. 024    ALL;  
Eddy County  
Carlsbad FO  
NMNM 21007, NMNM 0532516, NMNM 0532341  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-1 Potash Stipulation  
SENM-S-15 Wildlife Habitat Projects  
SENM-S-30 NSO - Potash Area  
(Sec. 24: NE,N2NW,SENW,E2SW,SE)

**NM-200507-036**                    **1039.890 Acres**  
T.0230S, R.0330E, 23 PM, NM  
Sec. 005    LOTS 3,4;  
          005    S2NW,W2SE;  
          011    ALL;  
          014    SW;  
Lea County  
Carlsbad FO  
NMNM 92194, NMNM 92778, NMNM 93216  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-22 Prairie Chickens  
(SEC. 05)  
SENM-S-36 NSO-LPC/SDL Habitat

**NM-200507-037**                    **40.850 Acres**  
T.0250S, R.0360E, 23 PM, NM  
Sec. 006    LOTS 6;  
Lea County  
Carlsbad FO  
NMNM 94133  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-038**                    **1920.000 Acres**  
T.0250S, R.0360E, 23 PM, NM  
Sec. 015    ALL;  
     022    E2;  
     027    ALL;  
     033    N2;  
Lea County  
Carlsbad FO  
NMNM 94133  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-19 Playas and Alkali Lakes

**NM-200507-039**                    **240.000 Acres**  
T.0250S, R.0360E, 23 PM, NM  
Sec. 030    S2SE;  
     031    NE;  
Lea County  
Carlsbad FO  
NMNM 94133  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-37 NSO-Lesser Prairie Chicken Habitat

**NM-200507-040**                    **240.070 Acres**  
T.0250S, R.0360E, 23 PM, NM  
Sec. 031    LOTS 3,4;  
     031    SENW,E2SW,SWSE;  
Lea County  
Carlsbad FO  
NMNM 94633  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-37 NSO-Lesser Prairie Chicken Habitat

**NM-200507-041**                    **240.000 Acres**  
T.0230S, R.0380E, 23 PM, NM  
Sec. 007    N2NE,SWNE,SWNW,E2SW;  
Lea County  
Carlsbad FO  
NMNM 93241, NMNM 94638  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-19 Playas and Alkali Lakes

**NM-200507-042**                    **1160.000 Acres**  
T.0230S, R.0380E, 23 PM, NM  
Sec. 017    SWNE,W2,SE;  
     018    ALL;  
Lea County  
Carlsbad FO  
NMNM 81751, NMNM 92211  
NMNM 93502, NMNM 94638  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-22 Prairie Chickens

**NM-200507-043**                    **447.030 Acres**  
T.0230S, R.0380E, 23 PM, NM  
Sec. 030    SESW,SE;  
     033    LOTS 4;  
     033    NW,N2SW;  
Lea County  
Carlsbad FO  
NMNM 94638  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-22 Prairie Chickens

**NM-200507-044**                    **1921.720 Acres**  
T.0170N, R.0030W, 23 PM, NM  
Sec. 003    LOTS 1-4;  
     003    S2N2,S2;  
     004    LOTS 1-4;  
     004    S2N2,S2;  
     005    LOTS 1-4;  
     005    S2N2,S2;  
Sandoval County  
Farmington FO  
NMNM 38277, NMNM 38574, NMNM 57440  
NMNM 71507, NMNM 80470, NMNM 84811  
NMNM 92139  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-045**                    **1200.000 Acres**  
T.0180N, R.0030W, 23 PM, NM  
Sec. 021    W2SW;  
     027    N2NE,SENE,E2NW,S2;  
     028    N2,SW;  
     029    N2SE,SWSE;  
Sandoval County  
Farmington FO  
NMNM 84668, NMNM 84669, NMNM 84816  
NMNM 87224, NMNM 89121, NMNM 92734  
NMNM 97832  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-046**                    **1120.000 Acres**  
T.0180N, R.0030W, 23 PM, NM  
Sec. 032 ALL;  
034 E2,SW;  
Sandoval County  
Farmington FO  
NMNM 57440, NMNM 62748, NMNM 63557  
NMNM 89778, NMNM 89779, NMNM 92735  
NMNM 94572  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-047**                    **62.960 Acres**  
T.0200N, R.0030W, 23 PM, NM  
Sec. 005 LOTS 3,4;  
Sandoval County  
Farmington FO  
NMNM 46961  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-048**                    **640.000 Acres**  
T.0210N, R.0030W, 23 PM, NM  
Sec. 032 ALL;  
Sandoval County  
Farmington FO  
NMNM 24445  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-049**                    **319.640 Acres**  
T.0170N, R.0040W, 23 PM, NM  
Sec. 006 LOTS 1,2;  
006 S2NE,SE;  
Sandoval County  
Farmington FO  
NMNM 93444  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-050**                    **301.140 Acres**  
T.0190N, R.0040W, 23 PM, NM  
Sec. 004 LOTS 3,4;  
004 S2NW,SE;  
Sandoval County  
Farmington FO  
NMNM 89782  
Stipulations:  
NM-11-LN Special Cultural Resource Lease

**NM-200507-051**                    **1000.670 Acres**  
T.0200N, R.0040W, 23 PM, NM  
Sec. 003 LOTS 1-4;  
003 S2N2,S2;  
010 N2NE;  
011 SENW;  
017 N2;  
Sandoval County  
Farmington FO  
NMNM 20903, NMNM 56302, NMNM 82809  
NMNM 93245, NMNM 99145  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
RP-11-CSU Torrejon Fossil ACEC

**NM-200507-052**                    **2560.000 Acres**  
T.0210N, R.0040W, 23 PM, NM  
Sec. 015 ALL;  
020 ALL;  
021 ALL;  
022 ALL;  
Sandoval County  
Farmington FO  
NMNM 63560, NMNM 78050  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-053**                    **1283.720 Acres**  
T.0210N, R.0040W, 23 PM, NM  
Sec. 019 LOTS 1-4;  
019 E2,E2W2;  
030 LOTS 1-4;  
030 E2,E2W2;  
Sandoval County  
Farmington FO  
NMNM 23230, NMNM 25612, NMNM 35612  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
RP-11-CSU Torrejon Fossil ACEC

**NM-200507-054**                    **2000.000 Acres**  
T.0210N, R.0040W, 23 PM, NM  
Sec. 027 W2,N2SE;  
028 ALL;  
029 ALL;  
031 E2;  
Sandoval County  
Farmington FO  
NMNM 23230, NMNM 78050  
NMNM 81608, NMNM 93246  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
RP-11-CSU Torrejon Fossil ACEC

**NM-200507-055**                    **320.000 Acres**  
T.0310N, R.0040W, 23 PM, NM  
Sec. 035 N2;  
Rio Arriba County  
Farmington FO  
NMNM 89783  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-056**                    **1040.000 Acres**  
T.0210N, R.0070W, 23 PM, NM  
Sec. 021 E2SW;  
028 NE;  
029 NE,S2;  
033 W2;  
Sandoval County  
Farmington FO  
NMNM 93251  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-057**                    **320.000 Acres**  
T.0240N, R.0100W, 23 PM, NM  
Sec. 011 SE;  
023 SW;  
San Juan County  
Farmington FO  
NMNM 16763  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-058**                    **320.000 Acres**  
T.0250N, R.0100W, 23 PM, NM  
Sec. 034 NW;  
035 SE;  
San Juan County  
Farmington FO  
NMNM 28757, NMNM 62979  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-059**                    **320.000 Acres**  
T.0240N, R.0110W, 23 PM, NM  
Sec. 026 N2;  
San Juan County  
Farmington FO  
NMNM 19160  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-060**                    **1279.080 Acres**  
T.0250N, R.0130W, 23 PM, NM  
Sec. 005 LOTS 1-3,5-9;  
005 S2N2,S2;  
008 ALL;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111540  
NMNM 29768  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-061**                    **2136.170 Acres**  
T.0250N, R.0130W, 23 PM, NM  
Sec. 006 LOTS 1-14;  
006 S2NE,SE;  
007 LOTS 1-12;  
007 E2;  
018 LOTS 1-12;  
018 E2;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111540  
NMNM 27928, NMNM 29768, NMNM 42742  
NMNM 61274, NMNM 61941, NMNM 87298  
NMNM 88076  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-062**                    **1457.170 Acres**  
T.0250N, R.0130W, 23 PM, NM  
Sec. 009 ALL;  
017 ALL;  
T.0260N, R.0130W, 23 PM, NM  
Sec. 031 LOTS 10;  
031 N2NE,S2SE;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111540  
NMNM 37565, NMNM 63586, NMNM 65534  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-063**                    **1996.880 Acres**  
T.0250N, R.0130W, 23 PM, NM  
  Sec. 019    LOTS 1-12;  
          019    SE;  
          030    LOTS 1-12;  
          030    E2;  
          031    LOTS 1-12;  
          031    E2;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111541  
NMNM 27928, NMNM 42742, NMNM 56671,  
NMNM 57453, NMNM 70137, NMNM 87299,  
NMNM 87307, NMNM 87308  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-064**                    **1120.000 Acres**  
T.0250N, R.0130W, 23 PM, NM  
  Sec. 020    E2,SW;  
          021    ALL;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111541  
NMNM 87300, NMNM 87301  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-065**                    **480.000 Acres**  
T.0250N, R.0130W, 23 PM, NM  
  Sec. 028    W2,SE;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111541  
NMNM 57453, NMNM 87304, NMNM 87305  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-066**                    **1920.000 Acres**  
T.0250N, R.0130W, 23 PM, NM  
  Sec. 032    ALL;  
          033    ALL;  
          034    ALL;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111541  
NMNM 57453, NMNM 58727, NMNM 61274  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease  
Notice

**NM-200507-067**                    **160.000 Acres**  
T.0260N, R.0130W, 23 PM, NM  
  Sec. 032    NE;  
San Juan County  
Farmington FO  
NMNM 65382  
Stipulations:  
BIA-1  
NM-11-LN Special Cultural Resource Lease  
Notice  
\*\*This parcel contains an unplugged  
well. The successful bidder will be  
required to submit a \$10,000 bond to  
assume liability for the existing fruitland  
coal well, unless adequate Statewide or  
Nationwide bond coverage is already being  
maintained.

**NEW MEXICO ACQUIRED - NW**

**NM-200507-068**                    **280.000 Acres**  
T.0200N, R.0040W, 23 PM, NM  
  Sec. 002    S2N2SW,S2SW;  
          002    S2NWSE,N2SWSE;  
          011    N2NW,SWNW;  
Sandoval County  
Farmington FO  
NMNM 93434  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
RP-11-CSU Torrejon Fossil ACEC

**OKLAHOMA PUBLIC DOMAIN**

**NM-200507-069**                    **9.750 Acres**  
T.0170N, R.0020E, 17 IM, OK  
  Sec. 008    LOTS 9;  
          008    REMAINDER OF LOT 8;  
          008    ACC & RIP TO LOTS 8 & 9;  
          008    SEE EXH A FOR M&B W/MAP;  
Payne County  
Tulsa FO  
Stipulations:  
ORA-1 Floodplain Protection (CSU)  
ORA-2 Wetland/Riparian (CSU)  
ORA-3 Season of Use Stipulation  
ORA (LN-1) Threatened & Endangered Species

**NM-200507-070**                    **150.000 Acres**  
T.0010S, R.0100E, 17 IM, OK  
  Sec. 008    E2NWNW,S2SWNWNW,N2NWSWNW;  
          008    N2NE,NENW;  
Coal County  
Tulsa FO  
PENDING PRESALE OFFER NO. OKNM 113599  
Stipulations:  
NM-8 Coal Reserves (Lease Notice)  
ORA-1 Floodplain Protection (CSU)  
ORA-2 Wetland/Riparian (CSU)



**NM-200507-071**            **39.710 Acres**  
T.0230N, R.0160W, 17 IM, OK  
Sec. 030    LOTS 3;  
Major County  
Tulsa FO  
OKNM 60804  
Stipulations:  
None

**NM-200507-072**            **40.000 Acres**  
T.0020N, R.0240W, 17 IM, OK  
Sec. 007    NESW;  
Harmon County  
Tulsa FO  
OKNM 55998  
Stipulations:  
None

**NM-200507-073**            **80.000 Acres**  
T.0030N, R.0250W, 17 IM, OK  
Sec. 025    S2SE;  
Harmon County  
Tulsa FO  
OKNM 62951  
Stipulations:  
None

**OKLAHOMA ACQUIRED**

**NM-200507-074**            **447.200 Acres**  
T.0280N, R.0030E, 17 IM, OK  
Sec. 025    TR 1504 (PART OF);  
      025    NESWNW PART OF TR 1507;  
      025    ACC & RIP TO LOTS 2-4;  
      026    TR 1508;  
      026    TR 1504 (PART OF);  
      026    ACC & RIP TO LOTS 8-13;  
      026    SEE EXHIBIT B FOR M&B'S;  
Kay County  
Tulsa FO  
CORPS OF ENGINEERS  
KAW LAKE PROJECT  
OKNM 44671, OKNM 58634  
Stipulations:  
COE SS-1-A (KAW LAKE)

**NM-200507-075**            **320.000 Acres**  
T.0270N, R.0040E, 17 IM, OK  
Sec. 008    TR 1421;  
Kay County  
Tulsa FO  
CORPS OF ENGINEERS  
KAW LAKE PROJECT  
OKNM 66285  
Stipulations:  
COE SS-1-A (KAW LAKE)

**NM-200507-076**            **27.810 Acres**  
T.0080N, R.0170E, 17 IM, OK  
Sec. 018    TR J-1011;  
Pittsburg County  
Tulsa FO  
CORPS OF ENGINEERS  
EUFAULA LAKE PROJECT  
OKNM 51256  
Stipulations:  
COE SS-1-A (EUFAULA LAKE)

**NM-200507-077**            **560.830 Acres**  
T.0030N, R.0240E, 17 IM, OK  
Sec. 001    LOTS 1,2;  
      001    S2NE,SE;  
      002    LOTS 1-4;  
      002    S2NE;  
Le Flore County  
Tulsa FO  
OUACHITA NATIONAL FOREST  
OKNM 105173  
Stipulations:  
FS1  
FS8(OK)CSU-1A  
FS8(OK)CSU-1B  
      (Sec. 01)  
FS8(OK)LN-3  
FS8(OK)LN-4

**NM-200507-078**            **1423.020 Acres**  
T.0030N, R.0240E, 17 IM, OK  
Sec. 003    LOTS 1-4;  
      003    S2N2,SE;  
      004    LOTS 1-4;  
      004    S2N2;  
      005    SE;  
      006    LOTS 1-5;  
      006    S2NE,SENW;  
      007    LOTS 3,4;  
      007    E2SW;  
Le Flore County  
Tulsa FO  
OUACHITA NATIONAL FOREST  
OKNM 58101, OKNM 105174, OKNM 105175  
Stipulations:  
FS1  
FS8(OK)CSU-1A  
      (Secs. 3,4,5 & 6)  
FS8(OK)CSU-1B  
      (Secs. 5,6 & 7)  
FS8(OK)CSU-1C  
      (Sec. 7)  
FS8(OK)LN-3  
FS8(OK)LN-4

**NM-200507-079                    960.000 Acres**

T.0030N, R.0240E, 17 IM, OK

Sec. 020    S2;  
      021    E2;  
      023    SW;  
      024    NW;

Le Flore County

Tulsa FO

OKNM 69194, OKNM 70917, OKNM 71586

Stipulations:

FS1

FS8(OK)CSU-1A

(Sec. 24)

FS8(OK)CSU-1C

(Sec. 23)

FS8(OK)LN-3

FS8(OK)LN-4

**NM-200507-080                    1760.000 Acres**

T.0030N, R.0240E, 17 IM, OK

Sec. 025    W2;  
      026    W2;  
      027    ALL;  
      028    N2,SE;

Le Flore County

Tulsa FO

OUACHITA NATIONAL FOREST

OKNM 69194, OKNM 71586

Stipulations:

FS1

FS8(OK)CSU-1C

(Sec. 26: W2)

(Sec. 27: E2NE)

(Sec. 28: S2SE)

FS8(OK)LN-3

FS8(OK)LN-4

Number of Parcels - 80

Total Acreage - 73976.61

Total number of Parcels with Presale Offers - 15

Parcel Number of Parcels with Presale Offers - 002,  
004, 005, 006, 007, 011, 012, 060, 061, 062, 063,  
064, 065, 066, 070

Total Acreage With Presale Offers - 23680.02

Any portion of the listed lands may be deleted upon  
determination that such lands are not available for  
leasing.

METES AND BOUNDS DESCRIPTION  
OF THE REMAINDER OF LOT 8  
AND THE FORMER RIPARIAN ACREAGE TO ORIGINAL LOT 8,  
T. 17 N., R. 02 E., 1M  
LOCATED ALONG THE CIMARRON RIVER,  
PAYNE COUNTY, OKLAHOMA  
(Bearings and Distances are Geodetic)

Commencing at a point being the Southeast corner of Section 8, said point being South 89° 58' 00" West a distance of 5323.56 feet from a BLM Monument at the Southeast corner of Section 9 and North 00° 33' East a distance of 2616.24 feet from a ½" Iron Rod at the East Quarter corner of Section 17, T. 17 N., R. 02 E., Payne County, Oklahoma;

Thence along the South line of said Section 8, South 89° 59' 00" West a distance of 20.46 feet to a point on the 1987 right bank, said point being the Southeast corner of said Lot 9 per the BLM Survey of July 21, 1989;

Thence along the 1987 right bank the following courses and distances:  
North 75° 04' 00" West a distance of 269.02 feet;  
North 61° 25' 00" West a distance of 145.66 feet to the intersection of the 1987 right bank and the ancient right bank;

Thence along the ancient right bank, South 63° 44' 00" West a distance of 314.54 feet to the Southwest corner of said Lot 9, said point also being the ancient meander corner on the ancient right bank between Sections 8 and 17;

Thence North 12° 52' 00" West a distance of 461.28 feet to a point on the ancient medial line;

Thence along the ancient medial line, North 71° 06' 11" East a distance of 726.72 feet to a point;

Thence South 18° 54' 28" East a distance of 358.53 feet to the ancient meander corner on the ancient right bank between Section 8 and 9;

Thence along the East line of said Section 8, South 01° 46' 00" West a distance of 345.84 feet to the POINT OF BEGINNING, and containing 8.79 acres of land more or less.

The total of Lot 9 in Section 8 is 0.96 acres of land more or less.

Aggregating a total of 9.75 acres of land more or less.

TRACT NO. 1504

INDIAN MERIDIAN

T. 28 N., R. 3 E.

SECTIONS 25 and 26, All that part of Lots 2, 3, and 4 of Section 25 and Lots 8 and 9 of Section 26 and accretions and riparian rights thereto lying North of the center of the present Arkansas River containing in all 150.00 acres, more or less, of which 35.00 acres, more or less, is in the present river bed, said accretions and riparian rights being a portion of the original river bed and platted land described as part of Lots 2, 3, and 4 of Section 25 and part of Lots 8 and 9 of Section 26, Township 28 North, Range 3 East. ALSO, the Southwest Diagonal Half of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$  of said Section 25.

The area described aggregates 250.00 acres, more or less, situate in Kay County, Oklahoma.

PART OF TRACT NO. 1507

INDIAN MERIDIAN

T. 28 N., R. 3 E.

SECTION 25, the NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$  being a part of TRACT 1507.

The area described is 10.00 acres, more or less, situated in Kay County, Oklahoma.

TRACT NO. 1508

INDIAN MERIDIAN

T. 28 N., R. 3 E.

SECTION 26, N $\frac{1}{2}$ SE $\frac{1}{4}$ , ALL THAT PART OF Lots 10, 11, 12, and 13 and accretions and riparian rights thereto lying East of the center of the present Arkansas River, containing in all 187.20 acres, more or less, of which 52.00 acres, more or less, is in the present river bed, said accretions and riparian rights being a portion of the original river bed and platted land described as part of Lots 10, 11, 12, and 13, Section 26, Township 28 North, Range 3 East.

The area described aggregates 187.20 acres, more or less, situate in Kay County, Oklahoma.

NAVAJO AREA, BUREAU OF INDIAN AFFAIRS  
SURFACE MANAGEMENT AGENCY LEASE STIPULATIONS  
FOR FEDERAL OIL AND GAS LEASE OFFERING

1. Lessee shall carry on all operations in a good and workmanlike manner in accordance with approved methods and practices.
  
2. Lessees shall abide by and conform to appropriate provisions of Titles 25, 36, and 43, Code of Federal Regulations, and any and all other applicable regulations and manuals of the Secretary now or hereafter in force relative to surface leasing rights-of-way and as amended, and National Area Environmental Protection guidelines; the National Historic Preservation Act of 1966, as amended, Archaeological Resources Protection Act, and American Indian Religious Freedom Act and other applicable laws, 30 BIA, 36 CFR 800 and 43 CFR 7.
  - a. Prior to issuing any cultural clearances, the Lessee shall provide the necessary cultural clearances to the Bureau of Land Management after consultation with the Navajo Nation Historic Preservation Department, P. O. Box 2898, Window Rock, AZ 86515, and provide copies of all historic preservation related documents associated with an undertaking. The Navajo Nation contracted under Public Law 93-638 the Navajo Area Archaeology Office.
  
  - b. Prior to entry upon the land or the disturbance of the surface thereof for drilling or other purposes, Lessee shall submit a development plan for surface use to the Area Manager, Farmington Resource Area, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. An Environmental Analysis will be made by the Bureau of Land Management in consultation with the BIA Navajo Area Office for the purpose of ensuring proper protection of the surface, the natural resources, the environment and existing improvements and for assuring timely reclamation of disturbed lands. Upon completion of said environmental analysis, the Oil and Gas Field Manager shall notify Lessee of the conditions to which the proposed surface disturbing operations will be subject. (Note: Prior to operations beginning; Lessee shall furnish a copy of its development plan and Bureau of Land Management conditions to the BIA. The BIA reserves the right to require site specific archaeological surveys and environmental reviews on tracts selected for development prior to giving concurrence to proposed actions(s). The BIA will consult with the Navajo Nation prior to concurring in such actions.)
  
3. The Lessee shall not use or permit to be used any part of said leased land for any unlawful conduct or purpose whatsoever. Lessee will not use or permit to be used any part of said leased land for the manufacture, sale, gift, transportation, or storage of intoxicating liquors, beverages or drugs. In the event any representative of Lessee or its contractor or subcontractor, employed in connection with the operations on the lease premises shall be responsible for any of the unlawful acts described in this clause,

Bureau of Land Management shall give Lessee information as to such violation(s) with a copy of the notice to BIA and Navajo Nation. Lessee shall immediately take steps to cure the violations, including the termination or transfer of such employee. (25 CFR 162.5(g) (3); 18 U.S.C. Sections 1151, 1154, and 1156, as amended.)

4. Except as otherwise stated herein, copies of correspondence and notices shall be mailed to the Bureau of Indian Affairs in care of the Area Director, Navajo Area Office, Attention: Branch of Real Property Management, Bureau of Indian Affairs, P. O. Box 1060, Gallup, NM 87305-1060; and to the Navajo Nation in care of the President, Navajo Nation, Attention: Navajo Tribal Minerals Department, P. O. Box 146, Window Rock, AZ 86515.

#### THE NAVAJO NATION STIPULATIONS

1. The surface ownership of lands contained in this lease may be all or partly managed by the Navajo Tribe. Site specific rights-of-way clearances and/or inventories may be required prior to entry upon the surface for operation of the lease holdings. Prior contact with the Navajo Nation will be required prior to operations beginning. All applicable laws of the Navajo Nation (including tax laws, water codes, requirements of Environmental Protection Administration, etc.) shall be complied with by the Lessee.

2. The Navajo Nation requires a copy of complete exploration and development data (drilling logs, seismic data, etc.) obtained by the Lessee on the subject lands will be provided to the Navajo Nation at no cost. All materials data will be held confidential as described in 43 CFR 3162.8.

3. Navajo grazing rights to the surface of the lands so leased shall be protected, and the Nation's rights respecting the use of water shall be unimpaired.

4. Lessee shall not obtain water for use in drilling from Indian-owned wells, tanks, springs, or stockwater reservoirs without prior written permission from the Navajo Nation. Lessee shall not drill any water wells for its use without prior written consent of the Navajo Nation and the Area Director.

5. Lessee shall compensate the Navajo Nation and its grazing permittees (if any), for all surface use(s) as well as damages to crops, buildings, and other improvements of surface landowner, including loss of grazing lands, occasioned by the Lessee's operations except the Lessee's control. Compensation for surface use shall be negotiated by Lessee and the Navajo Nation and will be based upon the duration of activity on the land.

6. Lessee shall not drill any well within 500 feet of any house, structure, or reservoir of water without the Navajo Nation's written consent.

7. Lessee shall bury all pipelines crossing tillable lands below plow depth unless other arrangements are made with the Navajo Nation.

8. Upon the request of the Navajo Nation or if so required by the Area Director or his authorized representative, and under the direction of the Field Manager, Bureau of Land Management, the Lessee shall condition any well drilled which does not produce oil or gas in paying quantities, but which is capable of producing water satisfactorily for domestic, agricultural, or livestock use by the Navajo Nation. Otherwise, after the expiration or termination of the lease, the Lessee shall remove all pumping equipment installed by Lessee at any well.

NAVAJO AREA, BUREAU OF INDIAN AFFAIRS  
SURFACE MANAGEMENT AGENCY LEASE STIPULATIONS  
FOR FEDERAL OIL AND GAS LEASE OFFERING

The pipeline will be so installed that it will not interfere with the construction and/or development of the area for agricultural purposes and/or operation of same in connection with the Navajo Indian Irrigation Project. Any changes or relocations found to be necessary during said construction and/or development will be accomplished at the Company's expense.

In addition, the pipeline will be buried to a depth of 48 inches and any permanent metering and production equipment installed at the actual site will conform to "no well and/or production equipment within irrigable fields of the Navajo Indian Irrigation Project will exceed two feet above natural surface elevation and be adequately barricaded for safety." Further, if crops are planted prior to accomplishment of the pipeline work, surface damages must be negotiated with Navajo Agricultural Products Industry.



LEASE NOTICE

A. The lessee is advised that the lease area may contain essential habitat for threatened and endangered species. Surveys will be required to be conducted during the appropriate season for species of concern as determined by the Navajo Nation Fish and Wildlife Department.

B. The lessee is advised that all settling and evaporation pits used for production purposes will be lined and covered.

BIA-4  
April 8, 1993

U. S. ARMY CORPS OF ENGINEERS  
SPECIAL STIPULATIONS 1-A  
EUFAULA LAKE

1. This is a no surface occupancy lease.
2. All oil and gas drilling and production operations shall be under the supervision of the District Manager, Bureau of Land Management (BLM), in accordance with 43 Code of Federal Regulations 3160.
3. The Secretary of the Army or designee reserves the right to require cessation of operations if a national emergency arises or if the Army needs the leased property for a mission incompatible with lease operations. On approval from higher authority, the District Engineer will give notice of the required suspension. The lessee agrees to this condition and waives compensation for its exercise.
4. If the District Engineer or his authorized representative discovers an imminent danger to safety or security which allows no time to consult the BLM, that person may order such activities stopped immediately. The District Manager, BLM, will be notified immediately, will review the order, and will determine the need for further remedial action.
5. Lessee liability for damage to improvements shall include improvements of the Department of Defense. Lessee shall be liable for pollution and other damages, as a result of their operations, to Government-owned land and property and to the property of the Government's authorized surface user.
6. Before beginning to drill, the lessee must consult with third parties authorized to use real estate in the lease area and must consider programs for which third parties have contractual responsibility.
7. A license to conduct geophysical test on the leased area must be obtained separately from the District Engineer.
8. That all rights under this lease are subordinate to the rights of the United States to flood and submerge the lands, permanently or intermittently, in connection with the operation and maintenance of the above-named project.

9. That the United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the use and occupation of the said premises, or for damages to the property of the lessee, or for injuries to the person of the lessee's officers, agents, servants, or employees, or others who may be on said premises at their invitation or the invitation of any one of them arising from or incident to the flooding of the said premises by the Government or flooding from any other cause, or arising from or incident to any other governmental activities; and the lessee shall hold the United States harmless from any and all such claims.

10. That the work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Corps of Engineers, in direct charge of the project, and subject to such conditions and regulations as may be prescribed by him, and the plans and locations for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval in advance of commencement of any work on said lands. The District Engineer shall have the right to enter on the premises, at any time, to inspect both the installation and operational activities of the lessee

11. That no structure or appurtenance thereto shall be of a material or construction determined to create floatable debris.

12. That the construction and operation of said structures and appurtenances thereto shall be of such a nature as not to cause pollution of the soils and the waters of the project.

13. That the United States reserves the right to use the land jointly with the lessee in connection with the construction, operation, and maintenance of the Government project and to place improvements thereon or to remove materials therefrom, including sand and gravel and other construction material, as may be necessary in connection with such work, and the lessee shall not interfere in any manner with such work or do any act which may increase the cost of performing such work. If the cost of the work performed on land outside the property included in the lease is made more expensive by reason of improvements constructed on the leased property by the lessee, the lessee shall pay to the United States money in the amount, as estimated by the Chief of Engineers, sufficient to compensate for the additional expense involved.

14. All areas with 2,000 feet of any major structure, including but not limited to the dam, spillway, or embankment, are restricted areas. The lessee, his operators, agents, or employees shall not utilize the surface of restricted areas for any purpose. Drilling operations in, on, or under the restricted areas, including drilling outside of the restricted areas which would cause a bore hole to be under the restricted area, will not be permitted. The restricted areas are included in the lease for the sole purpose of becoming part of a drilling unit so that the United States will share in the royalty of the unit.

15. All existing or proposed public use areas, recreation areas, wildlife and waterfowl refuges, historical sites, and hiking and horseback trail areas may be leased for the sole purpose of becoming a part of a drilling unit. The lessee, his operators, agents, or employees will not use or enter upon the surface for any purpose. Directional drilling from non-public areas is permitted if not otherwise restricted.

16. All storage tanks and slush pits will be protected by dikes of sufficient capacity to protect the reservoir from pollution to flood pool elevation 597.00 feet for Eufaula Lake, National Geodetic Vertical Datum.

17. It is the responsibility of the lessee to identify and be aware of areas where entry is prohibited. There will be no surface or subsurface entry within 2,000 feet of the dam structure. A portion of the lease includes the Public Use Area, therefore, stipulation is applicable. Stipulation also applies to portions of the lease area.

18. The operator will immediately stop work and advise the District Engineer or his authorized representative if contamination is found in the operating area.

U. S. ARMY CORPS OF ENGINEERS  
SPECIAL STIPULATIONS 1-A  
KAW LAKE

1. This is a no surface occupancy lease.
2. All oil and gas drilling and production operations shall be under the supervision of the District Manager, Bureau of Land Management (BLM), in accordance with 43 Code of Federal Regulations 3160.
3. The Secretary of the Army or designee reserves the right to require cessation of operations if a national emergency arises or if the Army needs the leased property for a mission incompatible with lease operations. On approval from higher authority, the District Engineer will give notice of the required suspension. The lessee agrees to this condition and waives compensation for its exercise.
4. If the District Engineer or his authorized representative discovers an imminent danger to safety or security which allows no time to consult the BLM, that person may order such activities stopped immediately. The District Manager, BLM, will be notified immediately, will review the order, and will determine the need for further remedial action.
5. Lessee liability for damage to improvements shall include improvements of the Department of Defense. Lessee shall be liable for pollution and other damages, as a result of their operations, to Government-owned land and property and to the property of the Government's authorized surface user.
6. Before beginning to drill, the lessee must consult with third parties authorized to use real estate in the lease area and must consider programs for which third parties have contractual responsibility.
7. A license to conduct geophysical test on the leased area must be obtained separately from the District Engineer.
8. That all rights under this lease are subordinate to the rights of the United States to flood and submerge the lands, permanently or intermittently, in connection with the operation and maintenance of the above-named project.

9. That the United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the use and occupation of the said premises, or for damages to the property of the lessee, or for injuries to the person of the lessee's officers, agents, servants, or employees, or others who may be on said premises at their invitation or the invitation of any one of them arising from or incident to the flooding of the said premises by the Government or flooding from any other cause, or arising from or incident to any other governmental activities; and the lessee shall hold the United States harmless from any and all such claims.

10. That the work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Corps of Engineers, in direct charge of the project, and subject to such conditions and regulations as may be prescribed by him, and the plans and locations for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval in advance of commencement of any work on said lands. The District Engineer shall have the right to enter on the premises, at any time, to inspect both the installation and operational activities of the lessee

11. That no structure or appurtenance thereto shall be of a material or construction determined to create floatable debris.

12. That the construction and operation of said structures and appurtenances thereto shall be of such a nature as not to cause pollution of the soils and the waters of the project.

13. That the United States reserves the right to use the land jointly with the lessee in connection with the construction, operation, and maintenance of the Government project and to place improvements thereon or to remove materials therefrom, including sand and gravel and other construction material, as may be necessary in connection with such work, and the lessee shall not interfere in any manner with such work or do any act which may increase the cost of performing such work. If the cost of the work performed on land outside the property included in the lease is made more expensive by reason of improvements constructed on the leased property by the lessee, the lessee shall pay to the United States money in the amount, as estimated by the Chief of Engineers, sufficient to compensate for the additional expense involved.

14. All areas with 2,000 feet of any major structure, including but not limited to the dam, spillway, or embankment, are restricted areas. The lessee, his operators, agents, or employees shall not utilize the surface of restricted areas for any purpose. Drilling operations in, on, or under the restricted areas, including drilling outside of the restricted areas which would cause a bore hole to be under the restricted area, will not be permitted. The restricted areas are included in the lease for the sole purpose of becoming part of a drilling unit so that the United States will share in the royalty of the unit.

15. All existing or proposed public use areas, recreation areas, wildlife and waterfowl refuges, historical sites, and hiking and horseback trail areas may be leased for the sole purpose of becoming a part of a drilling unit. The lessee, his operators, agents, or employees will not use or enter upon the surface for any purpose. Directional drilling from non-public areas is permitted if not otherwise restricted.

16. All storage tanks and slush pits will be protected by dikes of sufficient capacity to protect the reservoir from pollution to flood pool elevation 597.00 feet for Eufaula Lake, National Geodetic Vertical Datum.

17. It is the responsibility of the lessee to identify and be aware of areas where entry is prohibited. There will be no surface or subsurface entry within 2,000 feet of the dam structure. A portion of the lease includes the Public Use Area, therefore, stipulation is applicable. Stipulation also applies to portions of the lease area.

18. The operator will immediately stop work and advise the District Engineer or his authorized representative if contamination is found in the operating area.

STIPULATION 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 the 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 : Forest Service  
Ouachita National Forest  
At : P.O. Box 1270 - 100 Broadway Federal Bldg.  
Hot Springs, AR 71902  
Telephone No : (501) 321-5202

Who is the authorized representative of the Secretary of Agriculture.



## CONTROLLED SURFACE USE STIPULATION

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

Activities must be conducted in such a manner compatible with the purpose for this management area. Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality objectives to the extent practical.

On the lands described below:

For the purpose of: To meet visual quality objective and to protect Semi-Primitive recreation values; Land and Resource Management Plan dated March 5, 1990, as amended and Final EIS. The above lands lie within Winding Stair Mountain National Recreation Area (Management Area 19a) of the Amended Land and Resource Management Plan.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, 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:

Activities must be conducted in such a manner compatible with the purpose for this management area. Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality objectives to the extent practical.

On the lands described below:

For the purpose of:

To meet visual quality objective and to protect semi-primitive recreation values; Land and Resource Management Plan dated March 5, 1990, as amended and Final EIS.

The above lands lie within a visually sensitive foreground area, U.S. Highway 27, (Management Area 18) of the Amended Land and Resource Management Plan.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, 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:

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation in a corridor up to 200' on either side of the Ouachita National Recreation Trail.

On the Lands Described below:

For the purpose of:

To meet visual quality objectives for Sensitivity Level I trail in Management Area #18, Land and Resource Management Plan dated March 5, 1990, as amended and Final EIS.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, or the regulatory provisions for such changes.

LEASE NOTICE

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the current Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

LEASE NOTICE

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.27(e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest Officer.

DESERT GRASSLAND HABITAT  
CONTROLLED SURFACE USE STIPULATION

Surface – disturbing activities will not be authorized on the leasehold until the lessee has formed (or joined an existing) exploratory unit. The combined un-reclaimed and un-re-vegetated surface disturbance from exploration, drilling, production and other activities associated with lease operations cannot exceed five percent (5%) of the leasehold at any one time. Surface disturbance is considered to be any surface altering activity that the operator proposes to conduct, from the time that a lease is issued, through the time that the lease expires. This limitation applies to all maintenance and operation of producing wells on this lease and any subsequent sublease or other assignments of any type.

On the lands described below:

All lands in lease.

(Otero Mesa Desert Grassland Area – Ts 23 - 26 S – Rs 10 – 14 E, NMPM)  
(Nutt Desert Grassland Area – T 19 S – Rs 05 & 06 W, NMPM)

Reason for restriction: To protect the desert grasslands on Otero Mesa and Nutt and the associated threatened or endangered wildlife species.

Waiver: None

Exception: None

Modification: May be modified only in the case of temporary surface disturbances that will be substantially unnoticeable within one year of initial disturbance or in the case of demonstrated need for health or safety.

Justification: The Otero Mesa and Nutt areas contain large blocks of generally undisturbed Chihuahuan desert Grassland habitat that are important to the maintenance of numerous desert grassland species that inhabit them. A stipulation of controlled surface use is necessary to manage the amount of disturbance within these remaining areas.

Prior to acceptance of these stipulations the prospective lessee is encouraged to contact the Bureau of Land Management for further information regarding the restrictive nature of this stipulation.

DESIGNATED HISTORIC TRAILS  
CONTROLLED SURFACE USE STIPULATION

New disturbance will be minimized as follows:

No surface disturbing activities within  $\frac{3}{4}$  mile from each side of the trails  
(entire length)

Existing disturbance points could be used to cross the trails

On the lands described below:

All lands in lease.

Objective: To provide protection for existing cultural and scenic values associated with these trails. (Butterfield Trail)

Waiver: None

Exception: Granted if it is demonstrated in a surface use plan of operations that no surface-disturbing activities will be visible from the trails and that existing disturbed points/areas would be used to cross the trail.

Modification: None

Justification: Stipulating controlled surface use is deemed necessary to minimize impacts on Cultural resources. Closing the trails and a  $\frac{1}{4}$  mile buffer on either side of the trails to leasing or stipulating no surface occupancy is not considered necessary since impacts can be mitigated by requiring controlled surface use.

### SPECIAL STATUS SPECIES HABITATS

(Including those not protected by the Endangered Species Act; species proposed for Federal listing, Federal candidates, BLM sensitive Species and State-listed Species)

Operations will be designed to avoid known populations of special status species. Each exploration and development project will be scrutinized carefully for potential effect on known populations of special status species. In known population areas, surface-disturbing activities may be relocated beyond 0.125 miles but not more than 0.25 miles from occupied habitat, depending on the species requirements. Seasonal restrictions may apply, depending on the need of the identified species. There will be a 0.25 (1/4) mile buffer between surface disturbance activities and black-tailed prairie dog colonies. This stipulation applies solely to Sierra and Otero Counties because unlike other black-tailed prairie dog habitat in other western states, suitable habitat within the planning area is limited to small grassy swales where the soil depth is adequate for prairie dogs to establish their burrows. The upland grass areas adjacent to these swales occur over a shallow layer of limestone and do not provide the suitable habitat characteristics for the black-tailed prairie dogs.

Location: Species-specific. Stipulation applies to all known and later discovered locations of special status species throughout the lease. This will apply to habitats for the following known species:

Plants: Desert night-blooming cereus; Guadalupe rabbit brush; Grama grass cactus; Guadalupe Mountains mesquite; Sheer's cory cactus.

Animals: Arizona black-tailed prairie dog; Mountain plover; Western Burrowing owl.

Objective: To avoid adverse impacts on individual species and their associated habitats.

Waiver: None

Modification: None

Justification: Stipulating controlled surface use is deemed necessary to minimize adverse impacts on special status species and their habitats, as required by BLM guidance. Closing these areas to leasing or stipulating no surface occupancy is deemed overly restrictive since BLM allows other surface-disturbing activities within the area. Under standard lease terms and conditions, the requirements described above would be the same; however, the stipulation for controlled surface use informs the lessee of the resource concern at the time the lease is acquired.



AUTHORIZED SURFACE DISTURBANCE THRESHOLD  
REQUIREMENTS FOR ADDITIONAL ENVIRONMENTAL ANALYSIS

Land use allocations decisions made by the Bureau of Land Management (BLM) are documented in Resource Management Plans (RMP) authorized under the Federal Land Policy and Management Act of 1976. Such land use plans indicate which BLM-managed lands are open for oil and gas leasing, and under what conditions those leases may be issued. This lease is issued in conformance with a land use plan specific to Federal oil and gas development in Otero and Sierra Counties, New Mexico.

The two-county area is considered a frontier area for oil and gas resources and the level of development is expected to be small. Commensurately, the land use plan for Sierra and Otero Counties is based on a limited amount of development. However, unexpected exploration successes could produce a situation where the potential for development exceeds that analyzed in the governing land use plan. If oil and gas development activities appear to exceed that which was analyzed in the current RMP, additional environmental analysis may be required before further surface disturbing activities are authorized.

The total combined surface disturbance from exploration, drilling, production and other activities associated with lease operations cannot exceed 1,589 acres in Sierra and Otero Counties. Surface disturbance is considered to be any surface altering activity that the operator proposes to conduct from the time that a lease is issued through the time that a lease expires. Approval of future requests for lease related activities may be delayed or denied as BLM conducts required National Environmental Policy Act reviews. This limitation applies to all maintenance and operation of producing wells on this lease and any subsequent sublease or other assignments of any type.

For the purpose of:

Managing the orderly development of oil and gas resources.  
Preservation and protection of the environmental qualities of Sierra and Otero Counties.

TRADITIONAL CULTURAL PROPERTIES (TCP)  
STIPULATION

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

Waiver: None

Exceptions: None

Modification: None

Justification: See pages 26, 27 and 28 of Record of Decision document dated January 24, 2005.

LEASE NOTICE  
COAL PROTECTION

Federal coal resources exist on this lease. Operations authorized by this lease may be altered or modified by the authorized officer (at the address shown below) in order to conserve and protect the mineral resources and provide for simultaneous operations.

Address:

Tulsa Field Office  
7906 E. 33<sup>Rd</sup> Street, Suite 101  
Tulsa, OK 74145  
(918) 621-4100

Bureau of Land Management  
New Mexico State Office

NM-8-LN  
April 2, 1991

SPECIAL CULTURAL RESOURCE  
LEASE NOTICE

All development activities proposed under the authority of this lease are subject to compliance with Section 106 of the NHPA and Executive Order 13007. The lease area may contain historic properties, traditional cultural properties (TCP's), and/or sacred sites currently unknown to the BLM that were not identified in the Resource Management Plan or during the lease parcel review process. Depending on the nature of the lease developments being proposed and the cultural resources potentially affected, compliance with Section 106 of the National Historic Preservation Act and Executive Order 13007 could require intensive cultural resource inventories, Native American consultation, and mitigation measures to avoid adverse effects—the costs for which will be borne by the lessee. The BLM may require modifications to or disapprove proposed activities that are likely to adversely affect TCP's or sacred sites for which no mitigation measures are possible. This could result in extended time frames for processing authorizations for development activities, as well as changes in the ways in which developments are implemented.

FLOODPLAIN PROTECTION STIPULATION  
CONTROLLED SURFACE USE

All or portions of the lands under this lease lie in and/or adjacent to a major watercourse and are subject to periodic flooding. Surface occupancy of these areas will not be allowed without specific approval, in writing, of the Bureau of Land Management.

For the following described land(s):

Any changes in this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

WETLAND/RIPARIAN STIPULATION  
CONTROLLED SURFACE USE

All or portions of the lands under this lease contain wetland and/or riparian areas. Surface occupancy of these areas will not be allowed without the specific approval, in writing, of the Bureau of Land Management. Impacts or disturbance to wetlands and riparian habitats which occur on this lease must be avoided, or mitigated. The mitigation shall be developed during the application for permit to drill process.

For the following described land(s):

Any changes in this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

SEASON OF USE STIPULATION

Surface occupancy of this lease will not be allowed from February 15 to May 15, as well as all applicable hunting seasons without the specific approval, in writing, from the authorized officer of the Bureau of Land Management. This stipulation does not apply to operation and maintenance of production facilities.

One the land(s) described below:

For the Purpose of: Wildlife seasonal use requirements or recreation use conflicts with drilling activities.

Any changes in this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

Bureau of Land Management  
Oklahoma Field Office

ORA-3  
November 1991

LEASE NOTICE  
THREATENED AND ENDANGERED SPECIES

According to preliminary information all or portions of this lease area could contain Federal and/or State-listed threatened or endangered species and/or their habitats. Any proposed surface disturbing activity may require an inventory and consultation with the U.S. Fish and Wildlife Service and/or the State Wildlife agency. The consultation could take up to 180 days to complete. Surface occupancy could be restricted or not allowed as a result of the consultation. Appropriate modifications of the imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

Bureau of Land Management  
Oklahoma Field Office

ORA (LN-1)  
November 1991



CONTROLLED SURFACE USE STIPULATION  
TORREJON FOSSIL ACEC

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

A pedestrian survey must be conducted for paleontological material, using a qualified paleontologist, prior to any surface disturbing activity. (Qualification identified in BLM Handbook 8270). The survey will be used to determine appropriate level of mitigation during construction activities and production stages of the lease. A report on the results of the paleontological survey must be submitted to BLM as part of the permit application for the proposed lease activity.

For the purpose of: Protection of paleontology values in Torrejon Fossil Fauna ACEC.

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).

LEASE NOTICE  
POTENTIAL CAVE OR KARST OCCURRENCE AREA

All or portion of the lease are located in a potential cave or karst occurrence area. Within this area, caves or karst features such as sinkholes, passages, and large rooms may be encountered from the surface to a depth of as much as 2,000 feet, within surface areas ranging from a few acres to hundreds of acres. Due to the sensitive nature of the cave or karst systems of this area, special protective measures may be developed during environmental analyses and be required as part of approvals for drilling or other operations on this lease. These measures could include: changes in drilling operations; special casing and cementing programs; modifications in surface activities; or other reasonable measures to mitigate impacts to cave or karst values. These measures may be imposed in accordance with 43 CFR 3101.1-2; 43 CFR 3162.5-1; Onshore Oil and Gas Order No. 1; and Section 6 of the lease terms.

NO SURFACE OCCUPANCY  
CONCHAS LAKE

A portion of the offered lease is within the reservoir flood pool of Conchas Lake. All drilling sites must be located above mean sea level elevation 4,218 feet. No surface occupancy is allowed on lands at or below that elevation. All drilling sites and any production facilities must be located a minimum of 200 meters from the high water line of the lake. It is intended that these restricted lands be developed by directional drilling.

Before surface disturbing operations are commenced, the lessee or lease operator must prepare, and submit a copy to the authorized officer of the Bureau of Land Management, a Spill Prevention Control and Countermeasure Plan as described in Title 40 CFR.

For the purpose of: Preservation and protection of fresh water resources.

POTASH STIPULATION

Stipulations to be made part of any oil and gas lease involving lands described in Secretarial Order, 51 Federal Register 39425 (October 28, 1986).

The lessee further agrees that:

- (1) Drilling for oil and gas shall be permitted only in the event that the lessee establishes to the satisfaction of the Authorized Officer, Bureau of Land Management, that such drilling will not interfere with the mining and recovery of potash deposits, or the interest of the United States will best be served by permitting such drilling.
- (2) No wells shall be drilled for oil or gas at a location which, in the opinion of the Authorized Officer, would result in undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.
- (3) When it is determined by the Authorized Officer, that unitization is necessary for orderly oil and gas development and proper protection of potash deposits, no well shall be drilled for oil or gas except pursuant to a unit plan approved by the Authorized Officer.
- (4) The drilling or the abandonment of any well on said lease shall be done in accordance with applicable oil and gas operating regulations (43 CFR 3160), including such requirements as the Authorized Officer may prescribe as necessary to prevent the infiltration of oil, gas or water into formations containing potash deposits or into mines or workings being utilized in the extraction of such deposits.

On the land(s) described below:

Bureau of Land Management  
Carlsbad Field Office

SENM-S-1  
Revised December 1996

WILDLIFE HABITAT PROJECTS

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

Surface disturbance will not be allowed within up to 200 meters of existing or planned wildlife habitat improvement projects. Large-scale vegetation manipulation projects such as prescribed burns will be excepted. This requirement will be considered for waiver with appropriate off-site mitigation, as determined by the Authorized Officer.

For the purpose of: Protecting Wildlife Habitat Projects

SLOPES OR FRAGILE SOILS

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

Surface disturbance will not be allowed on slopes over 30 percent. Exceptions will be considered for authorized mineral material extraction sites and designated OHV areas, for the installation of projects designed to enhance or protect renewable natural resources, or if a plan of operating and development which provides for adequate mitigation of impacts was approved by the Authorized Officer. Occupancy or use of fragile soils will be considered on a case-by-case basis.

On the lands described below:

For the purpose of: Protecting Slopes or Fragile Soils

STREAMS, RIVERS, AND FLOODPLAINS

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

Surface disturbance will not be allowed within up to 200 meters of the outer edge of 100-year floodplains, to protect the integrity of those floodplains. On a case-by-case basis, an exception to this requirement may be considered based on one or more of the criteria listed below. The first three criteria would not be applied in areas of identified critical or occupied habitat for federally listed threatened or endangered species.

--Additional development in areas with existing developments that have shown no adverse impacts to the riparian areas as determined by the Authorized Officer, following a case-by-case review at the time of permitting.

--Suitable off-site mitigation if habitat loss has been identified.

--An approved plan of operations ensures the protection of water or soil resources, or both.

--Installation of habitat, rangeland or recreation projects designed to enhance or protect renewable natural resources.

For the purpose of: Protecting Streams, Rivers and Floodplains

On the lands described below:

PLAYAS AND ALKALI LAKES

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

Surface disturbance will not be allowed within up to 200 meters of PLAYAS of Alkali Lakes. Waiver of this requirement will be considered on a case-by-case basis for projects designed to enhance or protect renewable natural resources. An exception for oil and gas development will be considered if Playa lake loss was mitigated by the protection and development of another playa exhibiting the potential for improvement. Mitigation could include: installing fencing; developing a supplemental water supply; planting trees and shrubs for shelter belts; conducting playas basin excavation; constructing erosion control structures or cross dikes; or by improving the habitat in another area.

On the lands described below:

For the purpose of: Protecting Playas and Alkali Lakes



SPRINGS, SEEPS AND TANKS

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

Surface disturbance will not be allowed within up to 200 meters of the source of a spring or seep, or within downstream riparian areas created by flows from the source or resulting from riparian area management. Surface disturbance will not be allowed within up to 200 meters of earthen tanks or the adjacent riparian areas created as a result of the presence of the tanks. Exceptions to this requirement will be considered for the installation of habitat or rangeland projects designed to enhance the spring or seep, or downstream flows.

For the purpose of: Protecting Springs, Seeps and Tanks

CAVES AND KARST

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

Surface disturbance will not be allowed within up to 200 meters of known cave entrances, passages or aspects of significant caves, or significant karst features. Waiver of this requirement will be considered for projects that enhance or protect renewable natural resource values, or when an approved plan of operations ensures the protection of cave and karst resources.

For the purpose of: Protecting Caves and Karst Features

PRAIRIE CHICKENS

No surface use is allowed during the following time periods; unless otherwise specified, this stipulation does not apply to the operation and maintenance of production facilities.

Drilling for oil and gas, and 3-D geophysical exploration operations will not be allowed in Lesser Prairie Chicken Habitat during the period of March 15 through June 15, each year. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 a.m. and 9:00 a.m.. The 3:00 a.m. and 9:00 a.m. restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during the period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise. Exceptions to these requirements will be considered for areas of no or low prairie chicken booming activity, or unoccupied habitat, including leks, as determined at the time of permitting, or in emergency situations.

For the purpose of: Protecting Prairie Chickens

VISUAL RESOURCE MANAGEMENT

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

Painting of oil field equipment and structures to minimize visual impacts be conducted according to the requirements of Notice to Lessees (NTL) 87-1, New Mexico. Low profile facilities also may be required, when needed to reduce the contrast of a project with the dominant color, line, texture, and form of the surrounding landscape. Other surface facilities or equipment approved by the BLM, such as large-scale range improvements or pipelines, will be painted, when needed, to conform with the requirements of visual resource management to minimize visual impacts. Paint colors will be selected from the ten standard environmental colors approved by the Rocky Mountain Coordinating committee. The selected paint color will match as closely as possible the predominant soil or vegetation color of the area.

For the purpose of: Protecting Visual Resources Management

NO SURFACE OCCUPANCY  
POTASH AREA

All or portion of the lease is over known potash deposits. The drilling of oil and gas wells which would penetrate these deposits is prohibited. For this purpose, and in addition to the conditions imposed by Stipulation SENM-S-1, no surface occupancy (NSO) will be allowed on the lands described below. These NSO lands are leased with the requirement that they are to be explored and/or developed by wells directionally drilled from surface locations on adjacent lands. The well bore of any directionally drilled well shall be drilled vertically until it penetrates USGS Marker Bed 126 or, if not present, its stratigraphic position, both as determined by the BLM authorized officer.

No surface occupancy is allowed on the lands described below:

For the purpose of: To prevent the drilling of wells for oil or gas which would result in an undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.

NO SURFACE OCCUPANCY  
POTASH AREA

All or portion of the lease is over known potash deposits. The drilling of oil and gas wells which would penetrate these deposits is prohibited. For this purpose, and in addition to the conditions imposed by Stipulation SENM-S-1, no surface occupancy (NSO) will be allowed on the lands described below. These NSO lands are leased with the requirement that they are to be explored and/or developed by wells directionally drilled from surface locations on adjacent lands. The well bore of any directionally drilled well shall be drilled vertically until it penetrates USGS Marker Bed 126 or, if not present, its stratigraphic position, both as determined by the BLM authorized officer.

No surface occupancy is allowed on the lands described below:

T 20 S – R 30 E, NMPM  
Sec. 05: Lot 1, SENE, NWSW, SESW, SWSE

Additional restrictions:

Due to the proximity of open mine workings, locations for wells deeper than the base of the Delaware Mountain Group are restricted to and are available only in Lots 3 and 4 and the SENW, Section 5. Bottom hole locations elsewhere on the lease, for wells deeper than the Delaware Mountain Group, may be reached by directional drilling from these locations.

For the purpose of: To prevent the drilling of wells for oil or gas which would result in an undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.

NO SURFACE OCCUPANCY  
LESSER PRAIRIE CHICKEN – SAND DUNE LIZARD  
HABITAT KEY AREAS WITHIN ZONE 3

All or a portion of the lease is within habitat suitable for the Lesser Prairie Chicken and/or the Sand Dune Lizard, special status species of concern. In accordance with the BLM "INTERIM MANAGEMENT FOR THE SHINNERY OAK SAND DUNE HABITAT COMPLEX," dated August 2004, surface occupancy is allowed in Zone 3 habitat, however; NSO may be applied to part of the lease in sand dunes and/or shinnery oak to protect key habitat areas within Zone 3. This lease is issued with the intention that it be developed by directional drilling from or pro-rationing within the lease boundaries or from an existing lease on the periphery of the designated NSO portion of the lease. Plans of development may be requested by the BLM in these Zone 3 habitats. This stipulation may not be waived unless or until decisions on management of the habitat complex allow such waivers. These decisions will be made by the Bureau of Land Management in a Resource Management Plan (RMP) Amendment to the Roswell and Carlsbad RMP's.

No Surface Occupancy on the lands described below:

NO SURFACE OCCUPANCY  
LESSER PRAIRIE CHICKEN  
KEY HABITAT AREAS WITHIN ZONE 4

All or a portion of the lease is within habitat suitable for the Lesser Prairie Chicken, a special status species of concern. In accordance with the BLM "INTERIM MANAGEMENT FOR THE SHINNERY OAK SAND DUNE HABITAT COMPLEX," dated August 2004, surface occupancy is allowed in Zone 4 habitat, however; NSO may be applied to portions of a lease in sand dunes and/or shinnery oak to protect key habitat areas within Zone 4 or until surveys deem habitat unsuitable for LPC. Plans of development may be requested by the BLM in Zone 4 habitat. This lease is issued with the intention that it be developed by directional drilling from or prorationing within the lease boundaries or from an existing lease on the periphery of the subject lease. This stipulation may not be waived unless or until decisions on management of the habitat complex allow such waivers. These decisions will be made by the Bureau of Land Management in a Resource Management Plan (RMP) Amendment to the Roswell and Carlsbad RMPs.

No Surface Occupancy on the lands described below:



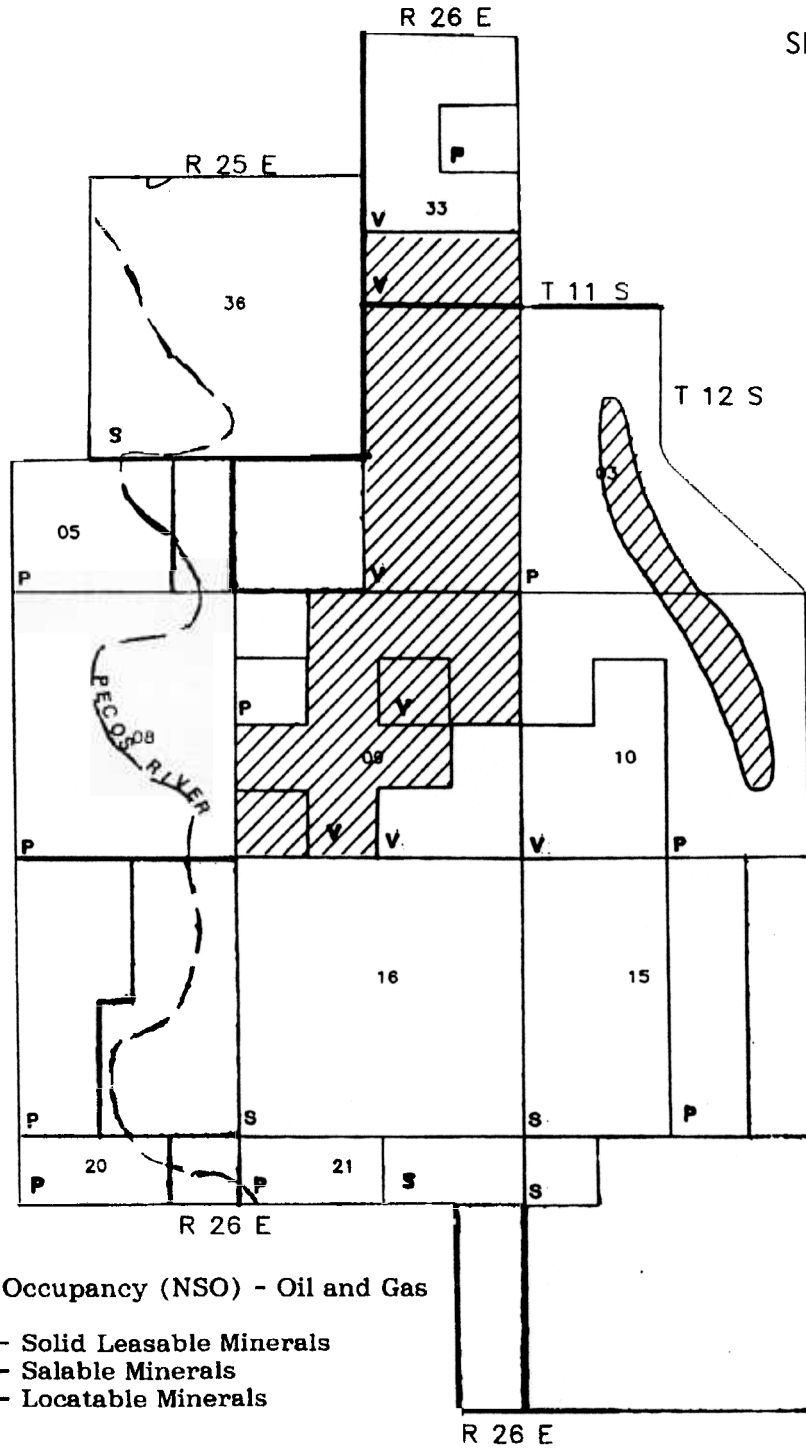
NO SURFACE OCCUPANCY  
OVERFLOW WETLANDS ACEC

All or a portion of the lease is within the boundary of the Overflow Wetlands Area of Critical Environmental Concern (ACEC). A portion of this ACEC is designated as no surface occupancy for oil and gas operations. The restricted areas are illustrated on the map included with this stipulation. Access for oil and gas lease development is prohibited within these designated areas or as described below. The portion of the lease within the no surface occupancy zones may be developed by pro-rationing or directional drilling from outside the restricted area.

For the purpose of protecting resource values within the Overflow Wetlands Area of Critical Environmental Concern.

(Note: With Attached Map)

V - Federal Land  
(Public Lands)  
P - Private Land  
S - State Lands



No Surface Occupancy (NSO) - Oil and Gas

Closed to - Solid Leasable Minerals  
- Salable Minerals  
- Locatable Minerals

MAP A12-2  
**OVERFLOW WETLANDS**  
Roswell Resource Area

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.

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