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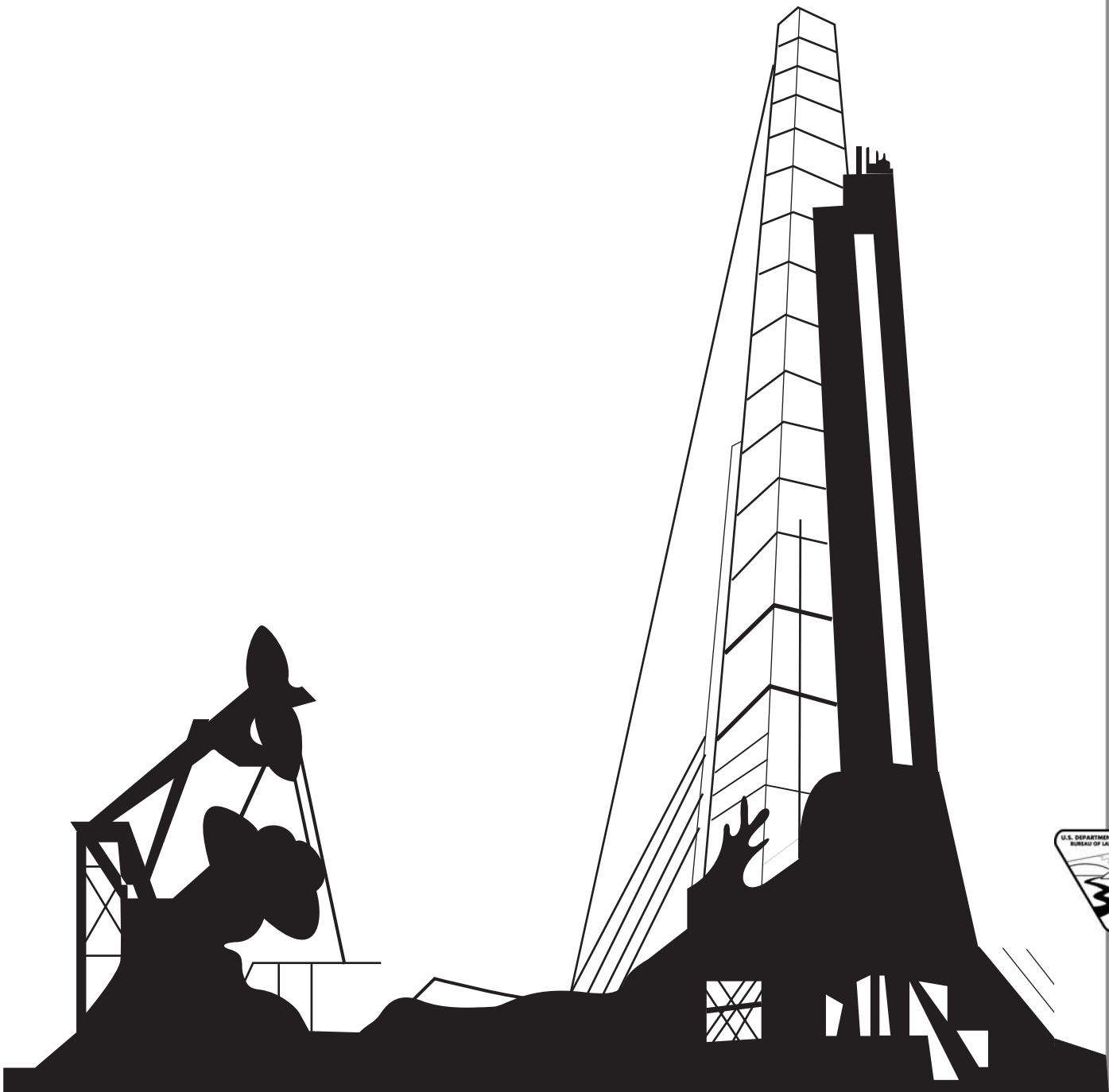
New Mexico
Oklahoma
Texas & Kansas

Competitive Oil and Gas Lease Sale

October 18, 2006

Bureau of Land Management
New Mexico State Office
1474 Rodeo Road
Santa Fe, New Mexico, 87505

BLM





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-gsb)

August 31, 2006

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, Kansas, Oklahoma, and Texas** 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, October 18, 2006**. The Accounts Office at the Bureau of Land Management, New Mexico State Office located at 1474 Rodeo Road, Santa Fe, NM 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 Bureau of Land Management, New Mexico State Office, 1474 Rodeo Road, Santa Fe, New Mexico 87504, in the second floor conference room.

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 October 4, 2006.

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 **Accounts Office at the Bureau of Land Management**. 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 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 **\$130**. 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 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 November 1, 2006**, which is the 10th 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 246,080 acres of public domain lands and 246,080 acres of acquired lands (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations, you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. Lease acreage committed to a unit agreement or development contract that you hold, own or control is excluded from chargeability for acreage limitation purposes.

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

-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 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 T 0280N, 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 **\$335** 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 **January 17, 2007**. Please send nominations for that sale by September 11, 2006.

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?

Yes, under regulation 43 CFR 3120.1-3, you may protest the inclusion of a parcel listed in this sale notice. All protests must meet the following requirements:

- ? We must receive a protest no later than close of business on the 15th calendar day prior to the date of the sale. If our office is not open on the 15th day prior to the date of the sale, a protest received on the next day our office is open to the public will be considered timely filed. The protest must also include any statement of reasons to support the protest. We will dismiss a late-filed protest or a protest filed without a statement of reasons.
- ? A protest must state the interest of the protesting party in the matter.
- ? You may file a protest either by mail in hardcopy form or by telefax. You may not file a protest by electronic mail. A protest filed by fax must be sent to (505) 438-7684. A protest sent to a fax number other than the fax number identified or a protest filed by electronic mail will be dismissed.

- ? If the party signing the protest is doing so on behalf of an association, partnership or corporation, the signing party must reveal the relationship between them. For example, unless an environmental group authorizes an individual member of its group to act for it, the individual cannot make a protest in the group's name.

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

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

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

We will make every effort to decide the protest within 60 days after the sale. We will issue no lease for a protested parcel until the State Director makes a decision on the protest. If the State Director denies the protest, we will issue your lease concurrently with that decision.

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

No. In accordance with BLM regulations (43 CFR 3120.5-3) you may not withdraw your bid.

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

If we uphold a protest and withdraw the parcel from leasing, we will refund your first year's rental, bonus bid and administrative fee. If the decision upholding the protest results in additional stipulations, we will offer you an opportunity to accept or reject the lease with the additional stipulations prior to lease issuance. If you do not accept the additional stipulations, we will reject your bid and we will refund your first year's rental, bonus bid and administrative fee.

If BLM's decision to uphold the protest results in additional stipulations, may I appeal that decision?

Yes, you may. Note, an appeal from the State Director's decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

May I appeal BLM's decision to deny my protest?

Yes, you may. Note, an appeal from the State Director's decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

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

No. If the protestor appeals our decision to deny the protest, you may not withdraw your bid. We will issue your lease concurrently with the decision to deny the protest. If resolution of the appeal results in lease cancellation, we will authorize refund of the bonus bid, rentals and administrative fee if—

- ? there is no evidence that the lessee(s) derived any benefit from possession of the lease during the time they held it, and;
- ? There is no indication of bad faith or other reasons not to refund the rental, bonus bid and administrative fee.

Whom should I contact if I have a question?

For general information, please contact our Information Access Center at (505) 438-7565 or for information or questions about the sale, contact: Gloria Baca at (505) 438-7566.

/s/ Gloria S. Baca
Gloria S. Baca
Land Law Examiner
Fluids Adjudication Team

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.

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 USE 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.

**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

**BUREAU OF LAND MANAGEMENT
NEW MEXICO STATE OFFICE
October 18, 2006, Lease Sale Statistics by State
Parcels with and without Pre-sale Noncompetitive Priority Offers**

STATE	PARCELS WITH PRESALE OFFER	PARCELS WITHOUT PRESALE OFFER	TOTAL PARCELS	ACRES WITH PRESALE OFFER	ACRES WITHOUT PRESALE OFFER	TOTAL ACRES
NM	1	58	59	640.00	57,777.01	58,417.01
KS	0	5	5	0.00	1,037.56	1,037.56
OK	0	11	11	0.00	946.19	946.19
TX	0	12	12	0.00	9,475.12	9,475.12
TOTALS	1	86	87	640.00	69,235.88	69,875.88

KANSAS ACQUIRED

NM-200610-001 160.000 Acres
T.0130S, R.0120W, 06 PM, KS
Sec. 006 SE;
Russell County
Tulsa FO
CORPS OF ENGINEERS
WILSON LAKE PROJECT
Stipulations:
KS(COE)NSO

NM-200610-002 477.560 Acres
T.0330S, R.0410W, 06 PM, KS
Sec. 015 NE;
019 LOTS 4;
019 NE,NESW,N2SE;
Morton County
Tulsa FO
KSNM 94061
CIMARRON NATIONAL GRASSLANDS
Stipulations:
R2-FS-01
FS2(KS)CSU2
FS2(KS)NSO3

NM-200610-003 160.000 Acres
T.0320S, R.0430W, 06 PM, KS
Sec. 030 NE;
Morton County
Tulsa FO
KSNM 94062
CIMARRON NATIONAL GRASSLANDS
U.S. OWNS 50% MINERAL INTEREST
Stipulations:
R2-FS-01

NM-200610-004 160.000 Acres
T.0340S, R.0430W, 06 PM, KS
Sec. 027 SW;
Morton County
Tulsa FO
KSNM 69301
CIMARRON NATIONAL GRASSLANDS
This parcel contains an unplugged well.
The successful bidder will be required to
Submit a \$10,000.00 or adequate bonding
To assume liability for the well, unless
Adequate Statewide or Nationwide Bond
Coverage is being maintained.
Stipulations:
R2-FS-01

NM-200610-005 80.000 Acres
T.0340S, R.0430W, 06 PM, KS
Sec. 032 E2SE;
Morton County
Tulsa FO
CIMARRON NATIONAL GRASSLANDS
KSNM 94063
Stipulations:
R2-FS-01

NEW MEXICO PUBLIC DOMAIN – SE

NM-200610-006 1915.280 Acres
T.0180S, R.0200E, 23 PM, NM
Sec. 013 LOTS 1-4;
013 W2E2,W2;
014 ALL;
015 ALL;
Chaves County
Carlsbad FO
NMNM 69550, NMNM 78158
NMNM 83150, NMNM 89101
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-31 Northern Aplomado Falcon Suitable
Habitat

NM-200610-007 2080.000 Acres
T.0180S, R.0200E, 23 PM, NM
Sec. 022 ALL;
023 ALL;
026 W2;
027 N2,S2S2;
Chaves County
Carlsbad FO
NMNM 63699, NMNM 69551
NMNM 78158, NMNM 78160
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-31 Northern Aplomado Falcon Suitable
Habitat

NM-200610-008 1520.000 Acres
T.0200S, R.0200E, 23 PM, NM
Sec. 011 NE,E2SE;
012 ALL;
013 ALL;
Chaves County
Carlsbad FO
NMNM 56333, NMNM 68630, NMNM 90486
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon Suitable
Habitat

NM-200610-009 520.000 Acres
T.0200S, R.0200E, 23 PM, NM
Sec. 022 N2NE,W2,W2SE,SESE;
Chaves County
Carlsbad FO
NMNM 71534
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon Suitable
Habitat

NM-200610-010 1240.000 Acres
T.0200S, R.0200E, 23 PM, NM
Sec. 023 E2,NW,E2SW,SWSW;
024 ALL;
Chaves County
Carlsbad FO
NMNM 32155, NMNM 78162, NMNM 81653
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon Suitable
Habitat

NM-200610-011 1280.000 Acres
T.0220S, R.0210E, 23 PM, NM
Sec. 033 ALL;
034 ALL;
Eddy County
Carlsbad FO
NMNM 64469, NMNM 66254
LINCOLN NATIONAL FOREST
Stipulations:
FS-1
FS3(NM)CSU3
FS3(NM)CSU4
FS3(NM)CSU4-1
FS3(NM)CSU4-5
FS3(NM)CSU4-6
FS3(NM)CSU4-7
FS3(NM)CSU4-8
FS3(NM)CSU4-9
FS3(NM)LN
NM-11-LN Special Cultural Resource
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

NM-200610-012 320.000 Acres
T.0230S, R.0240E, 23 PM, NM
Sec. 034 E2;
Eddy County
Carlsbad FO
NMNM 112710
Stipulations:
NM-11-LN Special Cultural Resource
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-200610-013 637.750 Acres
T.0150S, R.0250E, 23 PM, NM
Sec. 006 LOTS 1-7;
006 S2NE,SENW,E2SW,SE;
Chaves County
Roswell FO
NMNM 71742
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200610-014 1235.680 Acres
T.0210S, R.0250E, 23 PM, NM
Sec. 021 N2,N2SW,SESW,SE;
031 LOTS 1-4;
031 E2,E2W2;
Eddy County
Carlsbad FO
NMNM 94585, NMNM 96201
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
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-200610-015 340.000 Acres
T.0130S, R.0260E, 23 PM, NM
Sec. 024 E2SW,E2SWSW;
026 E2E2,SWSE;
035 NENW;
Chaves County
Roswell FO
NMNM 84845, NMNM 84846
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17R Slopes or Fragile Soils
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200610-016 860.000 Acres
T.0150S, R.0260E, 23 PM, NM
Sec. 027 SE;
033 NENE,S2NE,W2SENW,E2SW;
034 N2N2;
035 NE,N2NW,E2SE;
Chaves County
Roswell FO
NMNM 54265, NMNM 57236, NMNM 76969
NMNM 88113, NMNM 94586
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17R Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200610-017 271.360 Acres
T.0130S, R.0270E, 23 PM, NM
Sec. 030 LOTS 1-4;
030 NENW,E2SW;
Chaves County
Roswell FO
NMNM 46214
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17R Slopes or Fragile Soils
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200610-018 520.000 Acres
T.0140S, R.0270E, 23 PM, NM
Sec. 027 NENE,W2NE,E2NW,S2;
Chaves County
Roswell FO
NMNM 83565
Stipulations:
SENM-S-17R Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains

NM-200610-019 2198.840 Acres
T.0150S, R.0270E, 23 PM, NM
Sec. 008 SESE;
029 N2,N2S2,SWSE;
030 LOTS 1-3;
030 E2,E2W2;
031 E2E2,NWNE,SWSE;
032 SENW,E2SW,SWSE;
033 ALL;
Chaves County
Roswell FO
NMNM 35362, NMNM 62997, NMNM 70424
NMNM 76982, NMNM 76985, NMNM 81620
NMNM 85869
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17R Slopes or Fragile Soils
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200610-020 640.000 Acres
T.0230S, R.0270E, 23 PM, NM
Sec. 025 W2SW;
026 NE;
033 E2NE;
034 N2;
Eddy County
Carlsbad FO
NMNM 36419, NMNM 83567, NMNM 86113
NMNM 94079, NMNM 98129
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks

NM-200610-021 1364.690 Acres
T.0260S, R.0270E, 23 PM, NM
Sec. 023 N2N2,SENE;
031 LOTS 1-4;
031 N2NE,NENW;
032 LOTS 2,3;
032 N2NE,NENW;
033 LOTS 1-4;
033 N2N2;
034 LOTS 1-4;
034 N2N2;
035 LOTS 1-4;
035 N2N2;
Eddy County
Carlsbad FO
NMNM 57243, NMNM 63724
NMNM 88120, NMNM 93195
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-5 Threatened Plant Species
(Gypsum Wild-Buckwheat)
SENM-S-15 Wildlife Habitat Projects
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-20 Springs, Seeps and Tanks

NM-200610-022 640.000 Acres
T.0160S, R.0280E, 23 PM, NM
Sec. 023 ALL;
Eddy County
Carlsbad FO
NMNM 100845
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-15 Wildlife Habitat Projects
SENM-S-17 Slopes or Fragile Soils
SENM-S-21 Caves and Karst

NM-200610-023 120.000 Acres
T.0250S, R.0280E, 23 PM, NM
Sec. 024 W2NE,NWSE;
Eddy County
Carlsbad FO
NMNM 86122
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-11 Pecos River/Canyon
Complex ACEC: Sec. 24: SWNE,NWSE
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-25 Visual Resource Management

NM-200610-024 1440.000 Acres
T.0260S, R.0280E, 23 PM, NM
Sec. 013 N2NE,SENE,SENW;
025 ALL;
026 ALL;
Eddy County
Carlsbad FO
NMNM 77008, NMNM 88129, NMNM 93198
Stipulations:
NM-11-LN Special Cultural Resource
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

NM-200610-025 520.000 Acres
T.0240S, R.0290E, 23 PM, NM
Sec. 008 S2NE,NW,NWSE;
017 N2NW;
018 NE;
Eddy County
Carlsbad FO
NMNM 84866, NMNM 96223, NMNM 100553
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-11 Pecos River/Canyon
Complex ACEC: Sec. 18: W2NE
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-200610-026 1275.280 Acres
T.0250S, R.0290E, 23 PM, NM
Sec. 007 LOTS 1-4;
007 E2W2;
018 LOTS 1-4;
018 E2,E2W2;
019 LOTS 3,4;
019 NE,E2SW;
Eddy County
Carlsbad FO
NMNM 62199, NMNM 92954, NMNM 94604
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-11 Pecos River/Canyon Complex ACEC:
Sec. 07: Lots 1-4, NENW, E2SW
Sec. 18: Lots 3, 4, N2NE,SENE, NENW,
E2SW, SE
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-200610-027 80.000 Acres
T.0150S, R.0300E, 23 PM, NM
Sec. 003 SENW,NWSE;
Chaves County
Roswell FO
NMNM 96225
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-LN-3 T&E or Sensitive Species
(Kuenzler Cactus)
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200610-028 240.000 Acres
T.0170S, R.0300E, 23 PM, NM
Sec. 007 NE,E2NW;

Eddy County
Carlsbad FO
NMNM 007750

This parcel is excluding the Grayburg Formation which is the established underground reservoir The top of which is found at 2416 feet and the Base of which is found at 2710 feet, on the Gamma Ray-Neutron Log of the Kewanee Oil Company, #10 Bedingfield Well, located in the SWSE of Section 1, T. 17 S., R. 29E., NMPM insofar as the same lies within the Unit Area.

Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-22 Prairie Chickens

NM-200610-029 408.680 Acres
T.0110S, R.0310E, 23 PM, NM
Sec. 005 LOTS 1-4;

05 S2;
Chaves County
Roswell FO
NMNM 63755, NMNM 94091

Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200610-030 80.000 Acres
T.0130S, R.0340E, 23 PM, NM
Sec. 022 E2NE;

Lea County
Carlsbad FO
NMNM 71574

Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-22 Prairie Chickens

NM-200610-031 400.000 Acres
T.0240S, R.0340E, 23 PM, NM
Sec. 022 E2NE,SESE;

023 NE,SWSW,W2SE;
Lea County
Carlsbad FO

NMNM 56755, NMNM 93492,
NMNM 94624, NMNM 96247

Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens

NM-200610-032 1080.000 Acres
T.0260S, R.0350E, 23 PM, NM
Sec. 001 ALL;

009 W2NE,SENE,S2;
Lea County
Carlsbad FO
NMNM 96252, NMNM 96253

Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-22 Prairie Chickens

NM-200610-033 1696.140 Acres
T.0250S, R.0380E, 23 PM, NM
Sec. 033 LOTS 1,2;

033 NW;
T.0260S, R.0380E, 23 PM, NM
Sec. 007 SE;
008 S2SW;
017 W2;
018 ALL;
019 N2;

Lea County
Carlsbad FO
NMNM 2593, NMNM 56416

Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-17 Slopes or Fragile Soils
SENM-S-22 Prairie Chickens
SENM-S-23 Sand Dune Lizard

NM-200610-034 1392.010 Acres
T.0260S, R.0380E, 23 PM, NM
Sec. 019 S2;
020 NE, W2, N2SE, SWSE;
021 N2SW;
029 W2NW, W2SE;
030 SE;
031 LOTS 1;
031 NENE;

Lea County
Carlsbad FO
NMNM 2593, NMNM 67504,
NMNM 95657, NMNM 95658

Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-22 Prairie Chickens
SENM-S-23 Sand Dune Lizard

NM-200610-035 160.000 Acres
T.0190S, R.0390E, 23 PM, NM
Sec. 031 NE;

Lea County
Carlsbad FO
NMNM 96076

Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-19 Playas and Alkali Lakes

NEW MEXICO PUBLIC DOMAIN – NW

NM-200610-036 481.120 Acres
T.0060N, R.0010W, 23 PM, NM
Sec. 018 LOTS 1-4;
18 NE, E2W2;

Valencia County
Albuquerque FO
NMNM 97621
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-037 960.950 Acres
T.0060N, R.0020W, 23 PM, NM
Sec. 004 S2;
006 LOTS 1,2;
006 SENE, SWSE;
008 W2, SE;

Valencia County
Albuquerque FO
NMNM 97622
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-038 1920.000 Acres
T.0060N, R.0020W, 23 PM, NM
Sec. 010 ALL;
012 ALL;
014 ALL;

Valencia County
Albuquerque FO
NMNM 97615
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-039 1923.600 Acres
T.0060N, R.0020W, 23 PM, NM
Sec. 018 LOTS 1-4;
018 E2, E2W2;
020 ALL;
030 LOTS 1-4;
030 E2, E2W2;

Valencia County
Albuquerque FO
NMNM 97616
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-040 2560.000 Acres
T.0060N, R.0020W, 23 PM, NM
Sec. 022 ALL;
024 ALL;
026 ALL;
028 ALL;
Valencia County
Albuquerque FO
NMNM 97623
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-041 640.000 Acres
T.0060N, R.0020W, 23 PM, NM
Sec. 034 ALL;
Valencia County
Albuquerque FO
NMNM 97624
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-042 634.850 Acres
T.0160N, R.0030W, 23 PM, NM
Sec. 015 LOTS 1;
015 NWNE,S2NE,W2,SE;
Sandoval County
Albuquerque FO
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-043 2240.520 Acres
T.0170N, R.0040W, 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;
009 N2;
Sandoval County
Albuquerque FO
NMNM 68054, NMNM 83672, NMNM 89017
NMNM 89018, NMNM 92141, NMNM 92142
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-044 640.000 Acres
T.0170N, R.0040W, 23 PM, NM
Sec. 011 W2;
014 W2;
Sandoval County
Albuquerque FO
NMNM 66116, NMNM 92141, NMNM 92142
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-045 2240.000 Acres
T.0220N, R.0060W, 23 PM, NM
Sec. 010 E2,SW;
013 ALL;
014 ALL;
015 N2,SW;
Sandoval County
Albuquerque FO
NMNM 109388
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-046 1600.000 Acres
T.0220N, R.0060W, 23 PM, NM
Sec. 025 ALL;
026 E2,SW;
036 E2,NW;
Sandoval County
Albuquerque FO
NMNM 93447
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-047 639.120 Acres
T.0230N, R.0060W, 23 PM, NM
Sec. 004 LOTS 1-4;
004 S2N2,S2;
Rio Arriba County
Farmington FO
NMNM 28734
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-048 160.000 Acres
T.0240N, R.0060W, 23 PM, NM
Sec. 029 S2NE,N2NW;
Rio Arriba County
Farmington FO
NMSF 078724
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-049 1349.920 Acres
T.0160N, R.0070W, 23 PM, NM
Sec. 026 LOTS 1-8;
026 N2,N2S2;
034 LOTS 1-8;
034 E2,E2W2;
McKinley County
Farmington FO
NMNM 35108, NMNM 82006
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-050 641.140 Acres
T.0240N, R.0070W, 23 PM, NM
Sec. 006 SE;
007 LOTS 1-2;
007 NE,E2NW;
014 NW;
Rio Arriba County
Farmington FO
NMNM 76840, NMNM 82813
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-051 1722.450 Acres
T.0240N, R.0070W, 23 PM, NM
Sec. 015 ALL;
019 LOTS 4;
019 SESW,E2SE,SWSE;
022 N2NW;
023 W2NW;
026 S2SW;
030 LOTS 1-2;
030 E2,E2NW;
033 SE;
Rio Arriba County
Farmington FO
NMNM 14021B, NMNM 14964A, NMNM 33038
NMNM 33039, NMNM 54978, NMNM 58879
NMSF 080107A
Stipulations:
NM-11-LN Special Cultural Resource
F-19-NSO Special Cultural Values:
Sec. 15: NWNW, W2NENW
Sec. 23: W2NW

NM-200610-052 160.000 Acres
T.0260N, R.0070W, 23 PM, NM
Sec. 024 SE;
Rio Arriba County
Farmington FO
NMSF 079034
Stipulations:
F-19-NSO Special Cultural Values:
Sec. 24: NWSE, NWSWSE, N2SWSWSE,
N2N2NESWSE
F-38 NSO Ephemeral Wash Riparian Areas:
Sec. 24: NESE

NM-200610-053 1282.400 Acres
T.0220N, R.0080W, 23 PM, NM
Sec. 001 LOTS 1-4;
001 S2N2,S2;
003 S2NW,S2SE;
012 NE,W2;
San Juan County
Farmington FO
NMNM 83505, NMNM 84824
NMNM 90467, NMNM 90842
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-054 1279.280 Acres
T.0170N, R.0090W, 23 PM, NM
Sec. 030 LOTS 1-4;
030 E2,E2W2;
034 ALL;

McKinley County
Farmington FO
NMNM 15843A, NMNM 90474
Stipulations:
NM-11-LN Special Cultural Resource

NEW MEXICO PUBLIC DOMAIN – SW

NM-200610-055 621.330 Acres
T.0180S, R.0130W, 23 PM, NM
Sec. 006 LOTS 3;
006 NESW;
019 E2E2;
020 LOTS 1-9;
020 NWNW,SWSW,NESE;

Grant County
Las Cruces FO
Stipulations:
NM-11-LN Special Cultural Resource
WO-ESA-7 Endangered Species Act

NEW MEXICO PUBLIC DOMAIN – NW

NM-200610-056 1280.000 Acres
T.0240N, R.0130W, 23 PM, NM
Sec. 001 S2SE;
011 ALL;
012 E2;
014 N2NE,NW;

San Juan County
Farmington FO
NMNM 36955, NMNM 71715
NMNM 89200, NMNM 89202
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-057 2233.560 Acres
T.0240N, R.0130W, 23 PM, NM

Sec. 005 LOTS 1-4;
005 S2N2,S2;
006 LOTS 1-7;
006 S2NE,SE,SW,SE;
007 LOTS 1-4;
007 E2,E2W2;
008 ALL;

San Juan County
Farmington FO
NMNM 69533, NMNM 87297
NMNM 89129, NMNM 89201
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-058 1120.000 Acres
T.0240N, R.0130W, 23 PM, NM

Sec. 015 N2;
016 ALL;
021 NW;

San Juan County
Farmington FO
NMNM 30588, NMNM 36955
NMNM 65533, NMNM 71715
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-059 2159.000 Acres
T.0240N, R.0130W, 23 PM, NM

Sec. 017 ALL;
018 LOTS 1-4;
018 E2,E2W2;
019 LOTS 1-4;
019 E2,E2W2;
020 N2,SW;

San Juan County
Farmington FO
NMNM 26356, NMNM 30588, NMNM 46028
NMNM 65533, NMNM 71715, NMNM 80505
NMNM 89203
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-060 640.000 Acres
T.0250N, R.0130W, 23 PM, NM
Sec. 027 ALL;
San Juan County
Farmington FO
NMNM 57453, NMNM 87304
Pending Presale Offer No. NMNM 111541
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-061 15.000 Acres
T.0290N, R.0130W, 23 PM, NM
Sec. 007 NWNWNE, W2SWNWNE;
San Juan County
Farmington FO
NMNM 58894
Stipulations:
F-25-NSO River Tracts Special Management Area
NM-11-LN Special Cultural Resource
WO-ESA-7 Endangered Species Act

NM-200610-062 24.030 Acres
T.0290N, R.0130W, 23 PM, NM
Sec. 007 LOTS 5,7,8,11,12;
San Juan County
Farmington FO
Stipulations:
NM-11-LN Special Cultural Resource

NM-200610-063 413.630 Acres
T.0320N, R.0130W, 23 PM, NM
Sec. 012 LOTS 9-16;
013 LOTS 1-4;
San Juan County
Farmington FO
Bureau of Reclamation
Southern Ute Dam Site
Animas-La Plata Project
NMNM 24667
Stipulations:
BOR-SS-NSO
NM-11-LN Special Cultural Resource

NEW MEXICO PUBLIC DOMAIN – SW

NM-200610-064 360.000 Acres
T.0180S, R.0140W, 23 PM, NM
Sec. 023 S2SW, W2SE;
026 SENW, SE;
Grant County
Las Cruces FO
Stipulations:
NM-11-LN Special Cultural Resource
WO-ESA-7 Endangered Species Act

OKLAHOMA PUBLIC DOMAIN – NE

NM-200610-065 40.000 Acres
T.0030N, R.0180E, 17 PM, OK
Sec. 031 SESE;
Texas County
Tulsa FO
OKNM 45241
Stipulations:
TFO-OG (NSO)

OKLAHOMA PUBLIC DOMAIN – NW

NM-200610-066 132.670 Acres
T.0230N, R.0150W, 17 PM, OK
Sec. 024 Accretion & Riparian acreage
024 to Lot 4;
024 See Exhibit A for metes & bounds;
024 w/map;
Woods County
Tulsa FO
OKNM 42828
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
WO-ESA-7 Endangered Species Act

NM-200610-067 40.000 Acres
T.0260N, R.0150W, 17 PM, OK
Sec. 008 SESE;
Woods County
Tulsa FO
OKNM 95590
Stipulations:
None

NM-200610-068 121.890 Acres
T.0290N, R.0180W, 17 PM, OK
Sec. 014 LOTS 3;
014 NWSW;
015 LOTS 2;
020 NWNW;
Woods County
Tulsa FO
OKNM 96178
Stipulations:
ORA-5 Lesser Prairie Chicken

NM-200610-069 14.300 Acres
T.0220N, R.0190W, 17 PM, OK
Sec. 008 LOTS 3;
Woodward County
Tulsa FO
OKNM 96179
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
ORA-3 Season of Use Stipulation
ORA (LN-1) Threatened & Endangered Species
WO-ESA-7 Endangered Species Act

NM-200610-070 80.000 Acres
T.0250N, R.0190W, 17 PM, OK
Sec. 031 NENE;
032 NESW;
Woodward County
Tulsa FO
OKNM 86571
Stipulations:
ORA-5 Lesser Prairie Chicken

NM-200610-071 40.000 Acres
T.0240N, R.0200W, 17 PM, OK
Sec. 001 SWNE;
Woodward County
Tulsa FO
OKNM 0226214B
Stipulations:
ORA-5 Lesser Prairie Chicken

NM-200610-072 40.000 Acres
T.0270N, R.0200W, 17 PM, OK
Sec. 015 SWSW;
Harper County
Tulsa FO
OKNM 89207
Stipulations:
ORA-2 Wetland/Riparian (CSU)
ORA-5 Lesser Prairie Chicken

NM-200610-073 137.330 Acres
T.0100N, R.0250W, 17 PM, OK
Sec. 031 LOT 10 (3.15 AC);
031 LOT 11 (21.50 AC);
031 Accretion & Riparian acreage
031 to Lots 10 and 11;
032 LOT 2 (23.66 AC);
032 LOT 3 (1.80 AC);
032 LOT 4 (23.05 AC);
032 Accretion & Riparian acreage
032 to Lots 3 and 4;
032 See Exhibit B for metes & bounds
032 w/map;
Beckham County
Tulsa FO
OKNM 96181
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
WO-ESA-7 Endangered Species Act

NM-200610-074 160.000 Acres
T.0100N, R.0250W, 17 PM, OK
Sec. 032 NE;
Beckham County
Tulsa FO
OKNM 96181
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
WO-ESA-7 Endangered Species Act

OKLAHOMA ACQUIRED - NE

NM-200610-075 140.000 Acres
T.0080N, R.0250E, 17 PM, OK
Sec. 015 SENE,SENW,E2SWNE;
015 N2NESW,N2NWSE;
Le Flore County
Tulsa FO
OKNM 66727
U.S. owns 50% Mineral Interest
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
WO-ESA-7 Endangered Species Act

TEXAS ACQUIRED

NM-200610-076 124.130 Acres
TX TR F-536-A;
TR F-538;
TR F-540;
Denton County
Tulsa FO
Corps of Engineers
Lewisville Lake
Elm Fork Project
U.S. Owns 50% Mineral Interest –Tract F-536-A
TR F-538 – This tract has a 1/16th non-participating
Royalty interest (NPRI). This is a separate royalty
payment, in addition to the royalty paid to the
United States under the terms of any BLM Lease
issued, and is paid by the lessee directly to the
NPRI owner.
Stipulations:
COE-NSO-Lewisville Lake
COE- Stmt of Availability

NM-200610-077 688.760 Acres
TX
TR F-544, F-550 less Tract F-589E (0.04 ac);
TR F-551, F-552 less Tract F-590E (9.05 ac);
TR F-553 less Tract F-591E (1.96 ac);
TR F-554, F-555, F-556, F-557;
TR F-558 less flow easement (3.69 ac);
TR F-559, F-565;
Denton County
Tulsa FO
CORPS OF ENGINEERS
LEWISVILLE LAKE - ELM FORK PROJECT
Stipulations:
COE-NSO - Lewisville Lake

NM-200610-078 2135.080 Acres
TX TR J-1-II PARCEL #1;
SEE EXHIBIT C W/MAP;
Montgomery and Walker Counties
Tulsa FO
SAM HOUSTON NATIONAL FOREST
Walker County- 1954.75 Acres
Montgomery County - 180.33 Acres
TXNM 60908
Stipulations:
FS-1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
Quad No. 30953312

NM-200610-079 1417.940 Acres
TX TR J-1-II PARCEL #3;
SEE EXHIBIT D W/MAP;
Montgomery County – 502.00 Acres
Walker County – 915.94 Acres
Tulsa FO
SAM HOUSTON NATIONAL FOREST
TXNM 60908
Stipulations:
FS-1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3095312

NM-200610-080 196.200 Acres
TX TR J-1-II PARCEL #4;
SEE EXHIBIT E W/MAP;
Tulsa FO
SAM HOUSTON NATIONAL FOREST
Montgomery County -118.20 Acres
Walker County - 78.00 Acres
TXNM 60908
U.S. Owns 50% Mineral Interest
Stipulations:
FS-1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
Quad No. 3095312

NM-200610-081 2315.890 Acres
TX TR J-1-II PARCEL #5;
SEE EXHIBIT F W/MAP;
Montgomery and Walker Counties
Tulsa FO
SAM HOUSTON NATIONAL FOREST
Montgomery County -2263.97 Acres
Walker County - 51.92 Acres
TXNM 60908
Stipulations:
FS-1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
Quad No. 3095321

NM-200610-082 1777.190 Acres
TX TR J-1-II PARCEL #6;
SEE EXHIBIT G W/MAP;
Montgomery County - 1606.80 Acres
Walker County - 170.39 Acres
Tulsa FO
SAM HOUSTON NATIONAL FOREST
TXNM 60908
Stipulations:
FS-1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3095312

NM-200610-083 249.500 Acres
TX TR J-1-V;
SEE EXHIBIT H W/MAP;
Walker County
Tulsa FO
SAM HOUSTON NATIONAL FOREST
TXNM 58644
Stipulations:
FS-1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3095312

NM-200610-084 261.000 Acres
TX TR J-72;
SEE EXHIBIT I W/MAP;
Walker County
Tulsa FO
SAM HOUSTON NATIONAL FOREST
TXNM 96131
Stipulations:
FS-1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NOS. 3095312, 3095321

NM-200610-085 17.017 Acres
TX TR 648 PARCEL #1;
SEE EXHIBIT J W/MAP;
Wise County
Tulsa FO
LBJ NATIONAL GRASSLANDS
TXNM 96132
Stipulations:
The successful bidder will be required to
join the Alvord South Caddo Conglomerate
East Unit No. TXNM 75234X prior to
Lease issuance.
Operator: Devon Energy Prod Co LP
20 N Broadway #1500
Oklahoma City, OK 73102
FS-1
FS8(TX)CSU1F
FS8(TX)CSU1H
FS8(TX)TLSC
QUAD NO. 3397241

NM-200610-086 115.126 Acres
TX TR 689;
SEE EXHIBIT K W/MAP;
Wise County
Tulsa FO
LBJ NATIONAL GRASSLANDS
TXNM 96133
Stipulations:
FS-1
FS8(TX)CSU1F
FS8(TX)CSU1H
QUAD NOS. 3397242, 3397241

NM-200610-087 177.292 Acres
TX TR 751;
SEE EXHIBIT L W/MAP;
Wise County
Tulsa FO
LBJ NATIONAL GRASSLANDS
TXNM 96134
Stipulations:
FS-1
FS8(TX)CSU1E
FS8(TX)CSU1F
FS8(TX)CSU1H
FS8(TX)NSO2F
QUAD NOS. 3097243, 3397234

Number of Parcels - 87

Total Acreage – 69,875.88

Total number of Parcels with Presale Offers - 1

Parcel Number of Parcels with Presale Offers - 60

Total Acreage With Presale Offers - 640.00

**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 Accretion and Riparian Acreage
To Lot 4, Section 24, T 23 N- R 15 W,
Located along the Cimarron River,
Woods County, Oklahoma**

BEGINNING at the ancient meander corner on the ancient left bank between Section 19, T 23 N – R 14 W and Section 24, T 23 N – R 15 W, said point being South $00^{\circ} 01' 03''$ West a distance of 1788.75 feet from an Iron Rod with cap at the East Quarter corner of Section 24, T 23 N – R 15 W, Woods County, Oklahoma;

THENCE South $32^{\circ} 58' 30''$ East a distance of 1925.64 feet to a proportional point on the 2005 left bank;

THENCE North $63^{\circ} 33' 18''$ East a distance of 168.85 feet to a point on the 2005 medial line;

THENCE along the 2005 medial line the following courses and distances:

South $26^{\circ} 26' 41''$ East a distance of 477.04 feet;
South $13^{\circ} 12' 45''$ East a distance of 369.20 feet;
South $20^{\circ} 44' 38''$ West a distance of 362.54 feet;
South $31^{\circ} 46' 59''$ West a distance of 415.55 feet;
South $61^{\circ} 40' 27''$ West a distance of 66.14 feet;
South $40^{\circ} 45' 34''$ West a distance of 181.03 feet;
South $76^{\circ} 58' 02''$ West a distance of 522.54 feet;
South $81^{\circ} 05' 01''$ West a distance of 223.01 feet;
North $77^{\circ} 50' 41''$ West a distance of 100.45 feet;
North $81^{\circ} 06' 23''$ West a distance of 133.06 feet;
North $84^{\circ} 48' 32''$ West a distance of 137.61 feet;
North $55^{\circ} 17' 42''$ West a distance of 121.76 feet;
North $65^{\circ} 34' 40''$ West a distance of 132.79 feet;
North $57^{\circ} 01' 58''$ West a distance of 496.75 feet to a point;

THENCE North $32^{\circ} 58' 01''$ East a distance of 280.65 feet to a proportional point on the 2005 left bank;

THENCE North $17^{\circ} 33' 26''$ West a distance of 2353.95 feet to the Southwest corner of said Lot 4;

THENCE along the adjusted ancient left bank the following courses and distances:

North 75° 32' 55" East a distance of 952.77 feet;
North 66° 18' 35" East a distance of 432.47 feet to
the POINT OF BEGINNING, and containing 132.67
acres of land more or less.

**METES AND BOUNDS DESCRIPTION
OF LOT 10 (3.15 ACRES) AND THE ACCRETION AND RIPARIAN ACREAGE
TO LOT 10, SECTION 31, T10N-R25W,
LOCATED ALONG THE NORTH FORK OF THE RED RIVER,
BECKHAM COUNTY, OKLAHOMA**

BEGINNING at the Northeast corner of Lot 10, said point being the ancient meander corner on the ancient right bank between Sections 31 and 32, said point also being North 00°10'24" East a distance of 2023.61 feet from an Iron Rod at the Southeast corner of Section 31, T10N-R25W, Beckham County, Oklahoma;

THENCE along the adjusted ancient right bank, South 26°18'51" West a distance of 806.18 feet to the Southwest corner of said Lot 10;

THENCE North 61°45'48" West a distance of 332.63 feet to a proportional point on the 2005 right bank;

THEN CE North 87°04'28" West a distance of 99.23 feet to a point on the 2005 medial line;

THENCE along the 2005 medial line the following courses and distances:

North 02°55'32" East a distance of 79.28 feet;
North 04°32'56" West a distance of 130.22 feet;
North 09°16'12" West a distance of 173.78 feet;
North 04°32'07" West a distance of 29.55 feet;
North 44°09'57" West a distance of 18.98 feet;
North 10°57'21" West a distance of 51.09 feet;
North 09°43'52" West a distance of 26.24 feet;
North 19°51'21" East a distance of 226.69 feet;
North 55°43'54" East a distance of 100.49 feet;
North 47°21'10" East a distance of 122.47 feet to a point;

THENCE South 52°05'18" East a distance of 45.69 feet to a proportional point on the 2005 right bank;

THENCE South 63°23'54" East a distance of 589.75 feet to the POINT OF BEGINNING, and containing 11.65 acres of land more or less.

Total in Lot 10 of Section 31 is 14.80 acres of land more or less.

**METES AND BOUNDS DESCRIPTION
OF LOT 11 (21.50 ACRES) AND THE ACCRETION AND RIPARIAN
ACREAGE TO LOT 11, SECTION 31, T10N-R25W,
LOCATED ALONG THE NORTH FORK OF THE RED RIVER,
BECKHAM COUNTY, OKLAHOMA**

BEGINNING at the Southwest corner of Lot 11, said point being the ancient meander corner on the ancient right bank between Sections 6, T9N-R25W and 31, T10N-R25W, said point also being South 89°10'47" West a distance of 1127.44 feet from an Iron Rod at the Southeast corner of Section 31, T10N-R25W, Beckham County, Oklahoma;

THENCE North 48°56'53" West a distance of 1487.74 feet to a proportional point on the 2005 right bank;

THENCE North 16°36'37" West a distance of 65.48 feet to a point on the 2005 medial line;

THENCE along the 2005 medial line the following courses and distances:

North 73°23'20" East a distance of 29.47 feet;
North 88°00'57" East a distance of 103.33 feet;
North 79°03'59" East a distance of 33.26 feet;
North 71°03'00" East a distance of 59.66 feet;
North 76°23'06" East a distance of 146.14 feet;
North 83°11'02" East a distance of 66.07 feet;
South 69°29'45" East a distance of 72.70 feet;
South 83°34'30" East a distance of 33.82 feet;
South 88°04'10" East a distance of 59.87 feet;
North 77°01'20" East a distance of 75.15 feet;
South 74°45'29" East a distance of 18.85 feet;
North 62°55'17" East a distance of 68.46 feet;
North 85°37'52" East a distance of 51.06 feet;
South 76°21'30" East a distance of 78.89 feet;
North 83°43'05" East a distance of 118.28 feet;
North 81°50'55" East a distance of 94.83 feet;
North 66°45'03" East a distance of 78.57 feet;
North 80°33'26" East a distance of 78.87 feet;
North 80°19'13" East a distance of 47.55 feet;
North 55°05'59" East a distance of 143.29 feet;
North 57°58'36" East a distance of 58.14 feet;

North 31°09'18" East a distance of 149.67 feet;
North 02°55'32" East a distance of 43.50 feet to
a point;

THENCE South 87°04'28" East a distance of 99.23 feet to a proportional point on
the 2005 right bank;

THENCE South 61°45'48" East a distance of 332.63 feet to the Northwest corner
of said Lot 11;

THENCE along the adjusted ancient right bank the following courses and
distances:

South 26°18'51" West a distance of 1016.17 feet;
South 38°42'45" West a distance of 520.57 feet
to the POINT OF BEGINNING, and containing 29.24 acres
of land more or less.

Total in Lot 11 of Section 31 is 50.74 acres of land more or less.

**METES AND BOUNDS DESCRIPTION
OF THAT PORTION OF THE REMAINDER
OF LOT 2, SECTION 32, T10N-R25W,
LOCATED ALONG THE NORTH FORK OF THE RED RIVER,
BECKHAM COUNTY, OKLAHOMA**

BEGINNING at the Northeast corner of Lot 2, said point being an Iron Rod with cap at the North Quarter corner of Section 32, T10N-R25W, Beckham County, Oklahoma;

THENCE along the East line of said Lot 2, South 00°07'07" West at distance of 1310.23 feet to Southeast corner of said Lot 2;

THENCE along the South line of said Lot 2, South 89°55'50" West a distance of 1318.49 feet to the Southwest corner of said Lot 2;

THENCE along the West line of said Lot 2, North 00°08'45" East a distance of 267.29 feet to a point on the 2005 medial line;

THENCE along the 2005 medial line the following course and distances:

North 57°52'45" East a distance of 56.51 feet;
North 70°39'19" East a distance of 143.45 feet;
North 64°41'28" East a distance of 178.43 feet;
North 58°09'09" East a distance of 134.16 feet;
North 58°44'43" East a distance of 141.90 feet;
North 46°18'44" East a distance of 160.85 feet;
North 30°49'52" East a distance of 93.58 feet;
North 34°10'54" East a distance of 123.36 feet;
North 40°41'58" East a distance of 40.15 feet;
North 29°56'21" East a distance of 48.46 feet;
North 07°08'20" East a distance of 82.55 feet;
North 09°36'55" East a distance of 131.10 feet;
North 07°31'16" West a distance of 21.05 feet;
North 00°21'55" East a distance of 124.84 feet;
North 26°08'48" West a distance of 24.54 feet to a point at the intersection of the 2005 medial line and the North line of said Section 32;

THENCE along the North line of said Section 32, North 89°48'42" East a distance of 437.37 feet to the POINT OF BEGINNING, and containing 23.66 acres of land more or less.

**METES AND BOUNDS DESCRIPTION
OF THAT PORTION OF THE REMAINDER
OF LOT 3, SECTION 32, T10N-R25W,
LOCATED ALONG THE NORTH FORK OF THE RED RIVER,
BECKHAM COUNTY, OKLAHOMA**

BEGINNING at the Southeast corner of Lot 3, said point being South 00°07'07" West a distance of 1310.23 feet and South 89°55'50" West a distance of 1318.49 feet from an Iron Rod with cap at the North Quarter corner of Section 32, T10N-R25W, Beckham County, Oklahoma;

THENCE along the South line of said Lot 3, South 89°55'50" West a distance of 440.14 feet to Southwest corner of said Lot 3;

THENCE along the adjusted ancient right bank, North 28°46'50" East a distance of 144.79 feet to the intersection of the adjusted ancient right bank and the 2005 medial line;

THENCE along the 2005 medial line the following courses and distances:

North 67°20'11" East a distance of 105.07 feet;
North 52°28'31" East a distance of 44.36 feet;
North 77°18'07" East a distance of 111.30 feet;
North 75°47'49" East a distance of 90.58 feet;
North 57°52'44" East a distance of 50.28 feet to a point at the intersection of the 2005 medial line and the East line of said Lot 3;

THENCE along the East line of said Lot 3, South 00°08'45" West a distance of 267.29 feet to the POINT OF BEGINNING, and containing 1.80 acres of land more or less.

**METES AND BOUNDS DESCRIPTION
OF LOT 4 (23.05 ACRES) AND THE ACCRETION AND RIPARIAN ACREAGE
TO LOT 4, SECTION 32, T10N-R25W,
LOCATED ALONG THE NORTH FORK OF THE RED RIVER,
BECKHAM COUNTY, OKLAHOMA**

BEGINNING at the Northwest corner of Lot 4, said point being South 00°07'07" West a distance of 1310.23 feet and South 89°55'50" West a distance of 1758.63 feet from an Iron Rod with cap at the North Quarter corner of Section 32, T10N-R25W, Beckham County, Oklahoma;

THENCE along the adjusted ancient right bank the following courses and distances:

South 28°46'50" West a distance of 184.68 feet;
South 24°41'20" West a distance of 1259.28 feet to the
Southwest corner of said Lot 4;

THENCE North 63°37'56" West a distance of 925.23 feet to a proportional point on the 2005 right bank;

THENCE North 89°05'47" West a distance of 102.67 feet to a point on the 2005 medial line;

THENCE along the 2005 medial line the following courses and distances:

North 00°54'13" East a distance of 30.26 feet;
North 20°29'54" East a distance of 100.45 feet;
North 42°06'50" East a distance of 206.78 feet;
North 51°18'37" East a distance of 134.03 feet;
North 57°11'11" East a distance of 64.80 feet;
North 45°21'24" East a distance of 241.10 feet;
North 55°53'08" East a distance of 48.85 feet;
North 62°11'14" East a distance of 94.06 feet;
North 50°40'59" East a distance of 50.28 feet;
North 73°35'41" East a distance of 130.34 feet;
North 60°43'22" East a distance of 110.19 feet;
North 80°55'21" East a distance of 86.00 feet;
North 67°09'55" East a distance of 150.96 feet;
North 68°40'45" East a distance of 113.29 feet;
North 71°54'07" East a distance of 182.45 feet;
North 68°58'31" East a distance of 89.72 feet to a point;

THENCE South 21°01'28" East a distance of 34.62 feet to a proportional point on the 2005 right bank;

THENCE South 58°15'55" East a distance of 69.02 feet to the POINT OF BEGINNING, and containing 23.11 acres of land more or less.

Total in Lot 4 of Section 32 is 46.16 acres of land more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT J-1-II PARCEL #1
SAM HOUSTON NATIONAL FOREST
WALKER AND MONTGOMERY COUNTIES, TEXAS
2,135.08 ACRES**

All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: George W. Stramler, A-528, dated December 30, 1844; Charles Black, A-W-78, dated March 4, 1848; Lemuel Smith, A-W-500, A-M-493, dated November 13, 1851; Wm. S. Mays A-394, dated May 4, 1861; James Shannon, A-523, dated May 15, 1861, William C. Gill, A-211, dated July 30, 1881; T. A. Milikien, A-721, dated August 18, 1909, and being a portion of Tract J-1-II identified as Parcel #1 for mineral leasing purposes only, containing approximately 2,135.08 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #1 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #1 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at corner 17 of Forest Service Tract J-1-II, the fourth corner of the Masimo Charvis Survey, A-W-124, the second corner of the Hezekiah Fares Survey, A-207, the fifth corner of the T. A. Milikien Survey, A-721, and the beginning corner of the William C. Gill Survey, A-211.

THENCE N 00° 30' W, common to the Hezekiah Fares and T. A. Milikien Surveys, 17.90 chains to corner 18 of Tract J-1-II, the fourth corner of the T. A. Milikien Survey and the second corner of the Jacob Shannon Survey, A-495, a stake witnessed by scribed bearing trees;

THENCE East, common to the T. A. Milikien and Jacob Shannon Surveys, 7.50 chains to corner 19 of Tract J-1-II, the third corner of the T. A. Milikien Survey and the fifth corner of the William S. Mays Survey, A-393, a stake witnessed by scribed bearing trees;

THENCE S 00° 30' E, common to the T. A. Milikien and the William S. Mays A-393 Surveys, 14.70 chains to corner 20 of Tract J-1-II, the second corner of the T. A. Milikien Survey and the fourth corner of the William S. Mays Survey, a stake witnessed by old marked bearing trees;

THENCE North $89^{\circ} 45'$ E, common in part to the William S. Mays A-393 Survey, the Alonzo Marsh Survey, A-368, and in part to the T. A. Milikien and James Shannon Surveys and the William S. Mays Survey, A-394, dated May 4, 1861. At 69.50 chains the beginning corner of the James Shannon Survey and the fourth corner of the William S. Mays Survey, A-394, a Forest Service standard concrete post marked J-94. At 102.30 chains corner 21 of Tract J-1-II, the beginning corner of the William S. Mays Survey, A-394, and the second corner of the Alonzo Marsh Survey, a stake witnessed by scribed bearing trees;

THENCE South $00^{\circ} 30'$ E, common to the William S. Mays A-394 Survey, and the George W. Stramler Survey, A-528, 5.00 chains to corner 22 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE two lines within the George W. Stramler Survey:

East, 17.60 chains to corner 23 of Tract J-1-II, a stake witnessed by scribed bearing trees;

North $01^{\circ} 00'$ W, 11.60 chains to corner 24 of Tract J-1-II, a stake witnessed by an old marked bearing tree and a scribed bearing tree;

THENCE North $89^{\circ} 30'$ E, within the George W. Stramler Survey, 30.50 chains to corner 25 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE South, within the George W. Stramler Survey, 11.90 chains to corner 26 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE four lines within the George W. Stramler Survey:

West, 15.80 chains to corner 27 of Tract J-1-II, a stake witnessed by scribed bearing trees;

South $00^{\circ} 30'$ W, 31.60 chains to corner 28 of Tract J-1-II, a stake witnessed by an old marked bearing tree and a scribed bearing tree;

North $89^{\circ} 15'$ E, 25.20 chains to corner 29 of Tract J-1-II, a stake witnessed by an old marked bearing tree and a scribed bearing tree;

North $00^{\circ} 15'$ W, 21.10 chains to corner 30 of Tract J-1-II, a point on the left bank of West Sandy Creek;

THENCE northwesterly, up and with the meanders of the left bank of West Sandy Creek, within the George W. Stramler Survey, 14.00 chains to corner 31 of Tract J-1-II, on the left bank of West Sandy Creek, a stake witnessed by scribed bearing trees and having the following bearings and distances: N 00° 47' 25" E, 30.00 feet; N 57° 54' 51" W, 292.20 feet; N 55° 23' 40" E, 77.16 feet; N 54° 09' 45" E, 63.90 feet; N 61° 40' 20" W, 83.45 feet; N 67° 09' 15" W, 116.87 feet; N 04° 23' 33" W, 60.21 feet; N 48° 10' 56" W, 132.89 feet; N 18° 04' 25" W, 137.86 feet; N 10° 44' 12" E, 56.06 feet; N 88° 53' 20" E, 25.00 feet;

THENCE three lines within the George W. Stramler Survey:

North 89° 45' E, 14.30 chains to corner 32 of Tract J-1-II, a stake witnessed by old marked bearing trees;

North 00° 30' W, 12.30 chains to corner 33 of Tract J-1-II, a stake witnessed by scribed bearing trees;

South 89° 30' E, 18.10 chains to corner 34 of Tract J-1-II;

THENCE South 01° 30' W, 32.50 chains to corner 35 of Tract J-1-II, a stake witnessed by an old marked bearing tree;

THENCE North 89° 30' E, common to the Susan Vince Survey, A-50, 1.10 chains to corner 36 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THECNE South 14° 59' 30" W, across Tract J-1-II within the George W. Stramler Survey and common with the northwest line of issued BLM lease NM-110864 (J-1-II Parcel #2), 83.40 chains to a point for corner for Tract J-1-II Parcel #1, said point being the most southerly northeast corner of the Charles Black Survey, A-W-78 and a westerly northwest corner of the Lemuel Smith Survey, A-W-500, A-M-493;

THENCE South, across Tract J-1-II and with the most southerly east line of the Charles Black Survey and common with the west line of issued BLM lease NM-110864 (J-1-II Parcel #2), 47.56 chains to a point for corner of Tract J-1-II Parcel #1, said point being the southeast corner of the Charles Black Survey;

THENCE South 04° 57' 40" E, across Tract J-1-II and within the Lemuel Smith Survey, 41.60 chains to a point for corner of Tract J-1-II Parcel #1 on line between corners 43 and 44 of Tract J-1-II, said point being the beginning (northwest) corner of the Thomas S. Foster Survey, A-720 (Walker) and A-738 (Montgomery), and also the fifth (most southerly NE) corner of the Washington County R.R. Co. Survey No. 15, A-644- Montgomery;

THENCE South $89^{\circ} 30' W$, common to the Lemuel Smith Survey and the Washington County R.R. Co. Survey No. 15, 75.70 chains to corner 44 of Tract J-1-II, the original ninth corner of the Lemuel Smith Survey and the sixth corner of the Washington County R.R. Co. Survey No. 15;

THENCE North, common to the Washington County R.R. Co. Survey No. 15 and the Lemuel Smith Survey, 42.10 chains to corner 45 of Tract J-1-II, the eighth corner of the Lemuel Smith Survey and the seventh corner of the Washington County R.R. Co. Survey No. 15, a F.S. standard concrete post marked J-43;

THENCE South $89^{\circ} 45' W$, common in part to the Charles Black Survey and the Washington County R.R. Co. Survey No. 15, a calculated distance of approximately 8.00 chains to a point for corner of Tract J-1-II Parcel #1, said point being common to the southeast corner of the Matthew Dial Survey, A-M-175 and the southeast corner of Tract J-1-II Parcel #6 lease offer;

THENCE North, common to the Charles Black Survey and in part to the Matthew Dial Survey and the Samuel Wilson Survey, A-W-598, a calculated distance of approximately 63.25 chains to a point for corner of Tract J-1-II Parcel #1, said point also being identical to Corner 1 of Exception No. 1 to Tract J-1-II and identical with corner 1 of Forest Service Tract J-1-V, the beginning corner of the Samuel S. Wilson Survey and the I. & G.N.R. R. Co. Survey, A-689. Said line is also common to the east line of BLM lease offer Tract J-1-II Parcel #6;

THENCE continuing North, common to the Charles Black Survey and I. & G.N.R. R. Co. Survey and the east line of Exception No. 1 of Tract J-1-II (aka J-1-V), 28.10 chains to a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 10 of Exception No. 1 to Tract J-1-II, identical with corner 10 of Forest Service Tract J-1-V, the eighth corner of the Charles Black Survey and the tenth corner of the I. & G.N.R. R. Co. Survey. Said line is also common to the east line of BLM lease offer Tract J-1-V;

THENCE West, common to the Charles Black Survey and in part to the I. & G.N.R. R. Co. Survey, and common in part to the north line of BLM lease offer J-1-V, 23.00 chains to a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 9 of Exception No. 1, the seventh corner of the Charles Black Survey and the ninth corner of the I. & G.N.R. R. Co. Survey;

THENCE North $00^{\circ} 30' W$, common in part to the Charles Black Survey and to the I. & G.N.R. R. Co. Survey and also being common to the east line of Forest Service Tracts J-1-V and J-1q, at 1.20 chains corner 8 of F.S. Tract J-1-V, common to corner 1 of F.S. Tract J-1q. At 7.20 chains a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 8 of Exception No. 1, the third corner of the William C. Gill Survey, A-211;

THENCE North $89^{\circ} 15' W$, with the north line of Tract J-1q and common to the William C. Gill and the I. & G.N.R. R. Co Surveys, 66.90 chains to a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 7 of Exception No. 1 to Tract J-1-II and corner 3 of F. S. Tract J-1q, the second corner of the William C. Gill Survey, a stake;

THENCE a calculated chord bearing of $N 01^{\circ} 24' 08'' W$, common to the William C. Gill Survey, and the Masimo Charvis Survey, A-W-124, a calculated chord distance of 50.18 chains to the PLACE OF BEGINNING, containing **2,135.08** acres of land, more or less, for Tract J-1-II Parcel #1 with approximately 1,954.75 acres lying within Walker County and approximately 180.33 acres lying within Montgomery County.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT J-1-II PARCEL #3
SAM HOUSTON NATIONAL FOREST
WALKER AND MONTGOMERY COUNTIES, TEXAS
1,417.94 ACRES**

All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: Masimo Charvis, A-W-124, A-M-142, dated March 22, 1848; Hezekiah Fares, A-207, dated December 5, 1844; Augustus Steel, A-W-508, A-M-506, dated July 31, 1845; William G. Martin, A-M-374, dated December 20, 1847, and being a portion of Tract J-1-II identified as Parcel #3 for mineral leasing purposes only, containing approximately 1,417.94 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #3 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #3 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at corner 4 of Forest Service Tract J-1-II, within the Augustus Steel Survey, a stake witnessed by old marked bearing trees;

THENCE North 11° 00' E, within the Augustus Steel Survey, at 9.30 chains the Walker and Montgomery County line. At 17.60 chains corner 5 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE five lines within the Augustus Steel Survey:

East, 24.10 chains to corner 6 of Tract J-1-II, a stake witnessed by old marked bearing trees;

North 11° 00' W, 3.30 chains to corner 7 of Tract J-1-II, a stake witnessed by scribed bearing trees;

East, 9.30 chains to corner 8 of Tract J-1-II, a stake witnessed by old marked bearing trees;

North 11° 00' W, 18.70 chains to corner 9 of Tract J-1-II, a stake witnessed by scribed bearing trees;

North $11^{\circ} 15'$ E, 6.30 chains to corner 10 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE East, partly within the Augustus Steel Survey and the common to the William C. Gill Survey, A-209, 23.60 chains to corner 11 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE South, common to the Augustus Steel Survey and the Hezekiah Fares Survey, A-207, 1.20 chains to corner 12 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North $89^{\circ} 30'$ E, within the Hezekiah Fares Survey, 7.60 chains to corner 13 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North, within the Hezekiah Fares Survey, 7.60 chains to corner 14 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North $89^{\circ} 00'$ E, within the Hezekiah Fares Survey, 41.60 chains to corner 15 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE South $00^{\circ} 30'$ E, within the Hezekiah Fares Survey, 40.00 chains to corner 16 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE North $88^{\circ} 45'$ E, common to the Hezekiah Fares Survey and the Masimo Charvis Survey, A-M-142, 31.90 chains to corner 17 of Tract J-1-II, the fourth corner of the Masimo Charvis Survey, the second corner of the Hezekiah Fares Survey, the fifth corner of the T. A. Milikien Survey, A-721, and the beginning corner of the William C. Gill Survey, A-211;

THENCE a calculated chord bearing of $S 01^{\circ} 24' 08''$ E, across Tract J-1-II and common to the William C. Gill A-211 Survey, and the Masimo Charvis Survey, a calculated chord distance of 50.18 chains to a point for corner of Tract J-1-II Parcel #3, said point being identical to Corner 7 of Exception No. 1 to Tract J-1-II and corner 3 of F. S. Tract J-1q, the second corner of the William C. Gill Survey. Said line is also common to the west line of BLM lease offer Tract J-1-II Parcel #1;

THENCE South $00^{\circ} 15'$ E, in part with the west line of Tract J-1q and Tract J-1-V, common to the Masimo Charvis Survey and in part to the I. & G.N.R. R. Co Survey, A-689, at 7.00 chains corner 2 of F.S. Tract J-1q. At 29.60 chains a point for corner of Tract J-1-II Parcel #3, said point being identical to Corner 6 of Exception No. 1 to Tract J-1-II, the third corner of the Masimo Charvis Survey

and the sixth corner of the I. & G.N.R. R. Co Survey. Said line is also common in part to the west line of BLM lease NM-60907 (Tract J-1q) and BLM lease offer Tract J-1-V;

THENCE a calculated chord bearing of S 89° 12' 01" W, across Tract J-1-II and common to the Masimo Charvis Survey and the Abraham Helm Survey, A-M-266, and in part within the William G. Martin Survey, A-M-374, a calculated chord distance of approximately 144.82 chains to a point for corner of Tract J-1-II Parcel #3, said point being on the easterly line of BLM lease offer Tract J-1-II Parcel #5;

THENCE a calculated chord bearing of N 03° 50' 36" E, across Tract J-1-II with the easterly line of Tract J-1-II Parcel #5, partly within the William G. Martin and Augustus Steel Surveys, a calculated chord distance of approximately 69.00 chains to the PLACE OF BEGINNING, containing **1,417.94** acres of land, more or less, for Tract J-1-II Parcel #3, with approximately 915.94 acres lying within Walker County and approximately 502.00 acres lying within Montgomery County.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT J-1-II PARCEL #4
SAM HOUSTON NATIONAL FOREST
WALKER AND MONTGOMERY COUNTIES, TEXAS
196.20 ACRES AT 50% UNDIVIDED U.S. INTEREST**

All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, being all of the Heirs of R. G. Hamlet Survey, A-243 (Walker) and A-261 (Montgomery), dated June 17, 1884 and being a portion of Tract J-1-II identified as Parcel #4 for mineral leasing purposes only, containing approximately 196.20 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #4 is available for lease subject to an undivided 50% mineral interest as reserved in deed dated 8/3/1911 from Overton Heflin, et ux to Thomas S. Foster, recorded in Volume 67, Page 78, Deed Records, Montgomery County, Texas and is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #4 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at the southwest corner of the Samuel S. Wilson Survey, A-W-598, and being on the north line of the Matthew Dial Survey, A-M-175; north line;

THENCE North, common with the Heirs of R. G. Hamlet and Samuel S. Wilson Surveys, pass the northwest corner of the Samuel S. Wilson Survey, identical to corner 2 of Exception No. 1 of Tract J-1-II, at 41.48 chains a point for corner of Tract J-1-II Parcel #4, identical with corner 3 of Exception No. 1 to Tract J-1-II, common to the second corner of the Heirs of R. G. Hamlet Survey and the third corner of the I. & G.N.R.R. Co. Survey;

THENCE West, common to the Heirs of R. G. Hamlet and I. & G.N.R.R. Co. Surveys, 47.30 chains to a point for corner of Tract J-1-II Parcel #4, identical with corner 4 of Exception No. 1 to Tract J-1-II, common to the third corner of the Heirs of R. G. Hamlet Survey and the fourth corner of the I. & G.N.R.R. Co. Survey;

THENCE South, common to the Heirs of R. G. Hamlet Survey and the Abraham Helm Survey, A-M-266, 41.48 chains to a point for corner of Tract J-1-II Parcel #4, said point being the southwest corner of the Heirs of R. G. Hamlet Survey and common to the northwest corner of the Matthew Dial Survey, A-M-175;

THENCE East, common to the Heirs of R. G. Hamlet and in part to the Matthew Dial Survey, 47.30 chains to the PLACE OF BEGINNING, containing approximately **196.20** acres, more or less, for Tract J-1-II Parcel #4.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT J-1-II PARCEL #5
SAM HOUSTON NATIONAL FOREST
WALKER AND MONTGOMERY COUNTIES, TEXAS
2,315.89 ACRES**

All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: William Gill, A-M-236, dated July 30, 1881; John Leigh, A-328, dated June 24, 1854; Augustus Steel, A-W-508, A-M-506, dated July 31, 1845; William G. Martin, A-M-374, dated December 20, 1847; George Leigh, A-329, dated June 23, 1854; Benjamin Johnson, A-297, dated September 11, 1848; William J. C. Pearce, A-431, dated July 3, 1847, and being a portion of Tract J-1-II identified as Parcel #5 for mineral leasing purposes only, containing approximately 2,315.89 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #5 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #5 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at corner 1 of Forest Service Tract J-1-II, identical with the fourth corner of the William J. C. Pearce Survey, A-431, the fourth corner of the Wilson Lang Survey, A-W-324, and on the easterly line of the Joseph Hobbs Survey, A-274, a Forest Service standard concrete post marked J-76;

THENCE East, common in part to the Wilson Lang Survey and the William C. Gill Survey, A-209, and in part to the William J. C. Pearce Survey, William C. Gill A-236 Survey, and Augustus Steel Survey, A-W-508. At 108.00 chains the Walker and Montgomery County line. At 151.60 chains, corner 2 of Tract J-1-II, a Forest Service standard concrete post marked J-75;

THENCE South 10° 30' W, within the Augustus Steel Survey, at 24.10 chains the Walker and Montgomery County line. At 45.70 chains corner 3 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE East, within the Augustus Steel Survey, 22.40 chains to corner 4 of Tract J-1-II, a stake witnessed by old marked bearing trees, said point also being common to Tract J-1-II Parcel #3;

THENCE a calculated chord bearing of S 03° 50' 36" W, across Tract J-1-II with the west line of Tract J-1-II Parcel #3, partly within the Augustus Steel and William G. Martin A-374 Surveys, a calculated chord distance of approximately 88.39 chains to a point for corner of Tract J-1-II Parcel #5, identical with corner 59 of Tract J-1-II, the third corner of the Ezekiel Foster Survey, A-218, and the fourth corner of the William G. Martin Survey;

THECNE South 88° 30' W, common to the Ezekiel Foster Survey and in part to the William G. Martin Survey and George Leigh Survey, A-329, 58.00 chains to corner 60 of Tract J-1-II, the fourth corner of the Ezekiel Foster Survey and the third corner of the George Leigh Survey, a stake witnessed by old marked bearing trees;

THENCE South 00° 45' E, common to the Ezekiel Foster Survey and George Leigh Surveys, 30.10 chains to corner 61 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE West, within the George Leigh Survey, 26.90 chains to corner 62 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North, common to the George Leigh Survey and the Nancy Lynch Survey, A-309, 6.30 chains to corner 63 of Tract J-1-II, the sixth corner of the George Leigh Survey and the third corner of the Nancy Lynch Survey, a stake witnessed by scribed bearing trees;

THENCE South 89° 30' W, common to the Nancy Lynch Survey and in part to the George Leigh Survey and Benjamin Johnson Survey, A-297, 19.90 chains to corner 64 of Tract J-1-II, a F. S. standard concrete post marked J-17;

THENCE North 01° 00' W, within the Benjamin Johnson Survey, 32.30 chains to corner 65 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE South 89° 30' W, within the Benjamin Johnson Survey, 64.00 chains to corner 66 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North, common in part to the Benjamin Johnson Survey and the William J. C. Pearce Survey, A-431, and in part to the Matthew Harris Survey, A-247, and the James S. Ridgeway Survey, A-452, 124.50 chains to corner 67 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE two lines common to the William J. C. Pearce Survey and the Joseph Hobbs Survey, A-274:

North 89° 30' E, 9.20 chains to corner 68 of Tract J-1-II;

North, 2.30 chains to the PLACE OF BEGINNING, containing **2,315.89** acres of land, more or less, for Tract J-1-II Parcel #5, with approximately 51.92 acres lying within Walker County and approximately 2,263.97 acres lying within Montgomery County.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT J-1-II PARCEL #6
SAM HOUSTON NATIONAL FOREST
WALKER AND MONTGOMERY COUNTIES, TEXAS
1,777.19 ACRES**

All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: William G. Martin, A-M-374, dated December 20, 1847; Henry Read, A-447, dated July 3, 1847; Abraham Helm, A-M-266, dated October 2, 1866; William Farris, A-210, dated August 12, 1845; Matthew Dial, A-M-175, dated September 24, 1866; Samuel S. Wilson, A-W-598, dated April 27, 1860 and being a portion of Tract J-1-II identified as Parcel #6 for mineral leasing purposes only, containing approximately 1,777.19 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #6 is further described as being all of Tract J-1-II, containing 9,491.80 acres, less and except 292.80 acres within Exception No. 1 to Tract J-1-II (also known as Tracts J-1-V and J-1q) and less and except 7,421.81 acres within Parcels #1 (2,135.08 acres), #2 (NM-110864, 1,356.70 acres), #3 (1,417.94 acres), #4 (196.20 acres), and #5 (2,315.89 acres), each described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #6 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

TRACT J-1-II PARCEL #1, 2,135.08 ACRES: All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: George W. Stramler, A-528, dated December 30, 1844; Charles Black, A-W-78, dated March 4, 1848; Lemuel Smith, A-W-500, A-M-493, dated November 13, 1851; Wm. S. Mays A-394, dated May 4, 1861; James Shannon, A-523, dated May 15, 1861, William C. Gill, A-211, dated July 30, 1881; T. A. Milikien, A-721, dated August 18, 1909, and being a portion of Tract J-1-II identified as Parcel #1 for mineral leasing purposes only, containing approximately 2,135.08 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #1 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #1 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at corner 17 of Forest Service Tract J-1-II, the fourth corner of the Masimo Charvis Survey, A-W-124, the second corner of the Hezekiah Fares Survey, A-207, the fifth corner of the T. A. Milikien Survey, A-721, and the beginning corner of the William C. Gill Survey, A-211.

THENCE North $00^{\circ} 30' W$, common to the Hezekiah Fares and T. A. Milikien Surveys, 17.90 chains to corner 18 of Tract J-1-II, the fourth corner of the T. A. Milikien Survey and the second corner of the Jacob Shannon Survey, A-495, a stake witnessed by scribed bearing trees;

THENCE East, common to the T. A. Milikien and Jacob Shannon Surveys, 7.50 chains to corner 19 of Tract J-1-II, the third corner of the T. A. Milikien Survey and the fifth corner of the William S. Mays Survey, A-393, a stake witnessed by scribed bearing trees;

THENCE South $00^{\circ} 30' E$, common to the T. A. Milikien and the William S. Mays A-393 Surveys, 14.70 chains to corner 20 of Tract J-1-II, the second corner of the T. A. Milikien Survey and the fourth corner of the William S. Mays Survey, a stake witnessed by old marked bearing trees;

THENCE North $89^{\circ} 45' E$, common in part to the William S. Mays A-393 Survey, the Alonzo Marsh Survey, A-368, and in part to the T. A. Milikien and James Shannon Surveys and the William S. Mays Survey, A-394, dated May 4, 1861. At 69.50 chains the beginning corner of the James Shannon Survey and the fourth corner of the William S. Mays Survey, A-394, a Forest Service standard concrete post marked J-94. At 102.30 chains corner 21 of Tract J-1-II, the beginning corner of the William S. Mays Survey, A-394, and the second corner of the Alonzo Marsh Survey, a stake witnessed by scribed bearing trees;

THENCE South $00^{\circ} 30' E$, common to the William S. Mays A-394 Survey, and the George W. Stramler Survey, A-528, 5.00 chains to corner 22 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE two lines within the George W. Stramler Survey:

East, 17.60 chains to corner 23 of Tract J-1-II, a stake witnessed by scribed bearing trees;

North $01^{\circ} 00' W$, 11.60 chains to corner 24 of Tract J-1-II, a Stake witnessed by an old marked bearing tree and a scribed bearing tree;

THENCE North 89° 30' E, within the George W. Stramler Survey, 30.50 chains to corner 25 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE South, within the George W. Stramler Survey, 11.90 chains to corner 26 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE four lines within the George W. Stramler Survey:

West, 15.80 chains to corner 27 of Tract J-1-II, a stake witnessed by scribed bearing trees;

South 00° 30' W, 31.60 chains to corner 28 of Tract J-1-II, a stake witnessed by an old marked bearing tree and a scribed bearing tree;

North 89° 15' E, 25.20 chains to corner 29 of Tract J-1-II, a stake witnessed by an old marked bearing tree and a scribed bearing tree;

North 00° 15' W, 21.10 chains to corner 30 of Tract J-1-II, a point on the left bank of West Sandy Creek;

THENCE northwesterly, up and with the meanders of the left bank of West Sandy Creek, within the George W. Stramler Survey, 14.00 chains to corner 31 of Tract J-1-II, on the left bank of West Sandy Creek, a stake witnessed by scribed bearing trees and having the following bearings and distances:

North 00° 47' 25" E, 30.00 feet;
North 57° 54' 51" W, 292.20 feet;
North 55° 23' 40" E, 77.16 feet;
North 54° 09' 45" E, 63.90 feet;
North 61° 40' 20" W, 83.45 feet;
North 67° 09' 15" W, 116.87 feet;
North 04° 23' 33" W, 60.21 feet;
North 48° 10' 56" W, 132.89 feet;
North 18° 04' 25" W, 137.86 feet;
North 10° 44' 12" E, 56.06 feet;
North 88° 53' 20" E, 25.00 feet;

THENCE three lines within the George W. Stramler Survey:

North 89° 45' E, 14.30 chains to corner 32 of Tract J-1-II,
a stake witnessed by old marked bearing trees;

North 00° 30' W, 12.30 chains to corner 33 of Tract J-1-II,
a stake witnessed by scribed bearing trees;

South 89° 30' E, 18.10 chains to corner 34 of Tract J-1-II;

THENCE South 01° 30' W, 32.50 chains to corner 35 of Tract J-1-II, a stake
witnessed by an old marked bearing tree;

THENCE North 89° 30' E, common to the Susan Vince Survey, A-50, 1.10 chains
to corner 36 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE South 14° 59' 30" W, across Tract J-1-II within the George W. Stramler
Survey and common with the northwest line of issued BLM lease NM-110864
(J-1-II Parcel #2), 83.40 chains to a point for corner for Tract J-1-II Parcel #1,
said point being the most southerly northeast corner of the Charles Black Survey,
A-W-78 and a westerly northwest corner of the Lemuel Smith Survey, A-W-500,
A-M-493;

THENCE South, across Tract J-1-II and with the most southerly east line of the
Charles Black Survey and common with the west line of issued BLM lease
NM-110864 (J-1-II Parcel #2), 47.56 chains to a point for corner of Tract J-1-II
Parcel #1, said point being the southeast corner of the Charles Black Survey;

THENCE South 04° 57' 40" E, across Tract J-1-II and within the Lemuel Smith
Survey, 41.60 chains to a point for corner of Tract J-1-II Parcel #1 on line
between corners 43 and 44 of Tract J-1-II, said point being the beginning
(northwest) corner of the Thomas S. Foster Survey, A-720 (Walker) and A-738
(Montgomery), and also the fifth (most southerly NE) corner of the Washington
County R.R. Co. Survey No. 15, A-644- Montgomery;

THENCE South 89° 30' W, common to the Lemuel Smith Survey and the
Washington County R.R. Co. Survey No. 15, 75.70 chains to corner 44 of Tract
J-1-II, the original ninth corner of the Lemuel Smith Survey and the sixth corner
of the Washington County R.R. Co. Survey No. 15;

THENCE North, common to the Washington County R.R. Co. Survey No. 15 and the Lemuel Smith Survey, 42.10 chains to corner 45 of Tract J-1-II, the eighth corner of the Lemuel Smith Survey and the seventh corner of the Washington County R.R. Co. Survey No. 15, a F.S. standard concrete post marked J-43;

THENCE South $89^{\circ} 45' W$, common in part to the Charles Black Survey and the Washington County R.R. Co. Survey No. 15, a calculated distance of approximately 8.00 chains to a point for corner of Tract J-1-II Parcel #1, said point being common to the southeast corner of the Matthew Dial Survey, A-M-175 and the southeast corner of Tract J-1-II Parcel #6 lease offer;

THENCE North, common to the Charles Black Survey and in part to the Matthew Dial Survey and the Samuel Wilson Survey, A-W-598, a calculated distance of approximately 63.25 chains to a point for corner of Tract J-1-II Parcel #1, said point also being identical to Corner 1 of Exception No. 1 to Tract J-1-II and identical with corner 1 of Forest Service Tract J-1-V, the beginning corner of the Samuel S. Wilson Survey and the I. & G.N.R. R. Co. Survey, A-689. Said line is also common to the east line of BLM lease offer Tract J-1-II Parcel #6;

THENCE continuing North, common to the Charles Black Survey and I. & G.N.R. R. Co. Survey and the east line of Exception No. 1 of Tract J-1-II (aka J-1-V), 28.10 chains to a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 10 of Exception No. 1 to Tract J-1-II, identical with corner 10 of Forest Service Tract J-1-V, the eighth corner of the Charles Black Survey and the tenth corner of the I. & G.N.R. R. Co. Survey. Said line is also common to the east line of BLM lease offer Tract J-1-V;

THENCE West, common to the Charles Black Survey and in part to the I. & G.N.R. R. Co. Survey, and common in part to the north line of BLM lease offer J-1-V, 23.00 chains to a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 9 of Exception No. 1, the seventh corner of the Charles Black Survey and the ninth corner of the I. & G.N.R. R. Co. Survey;

THENCE North $00^{\circ} 30' W$, common in part to the Charles Black Survey and to the I. & G.N.R. R. Co. Survey and also being common to the east line of Forest Service Tracts J-1-V and J-1q, at 1.20 chains corner 8 of F.S. Tract J-1-V, common to corner 1 of F.S. Tract J-1q. At 7.20 chains a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 8 of Exception No. 1, the third corner of the William C. Gill Survey, A-211;

THENCE North $89^{\circ} 15' W$, with the north line of Tract J-1q and common to the William C. Gill and the I. & G.N.R. R. Co Surveys, 66.90 chains to a point for corner of Tract J-1-II Parcel #1, said point being identical to Corner 7 of

Exception No. 1 to Tract J-1-II and corner 3 of F. S. Tract J-1q, the second corner of the William C. Gill Survey, a stake;

THENCE a calculated chord bearing of N 01° 24' 08" W, common to the William C. Gill Survey, and the Masimo Charvis Survey, A-W-124, a calculated chord distance of 50.18 chains to the PLACE OF BEGINNING, containing **2,135.08** acres of land, more or less, for Tract J-1-II Parcel #1 with approximately 1,954.75 acres lying within Walker County and approximately 180.33 acres lying within Montgomery County.

TRACT J-1-II PARCEL #2, 1,356.70 ACRES: All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: George W. Stramler, A-528, dated December 30, 1844; John F. Winters, A-602, dated January 3, 1845; and Lemuel Smith, A-500, dated November 13, 1851, and being a portion of Tract J-1-II identified as Parcel #2 for mineral leasing purposes only, containing 1,356.70 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #2 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #3 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases

BEGINNING at corner 36 of Forest Service Tract J-1-II, common to the intersection of the George Stramler Survey, A-528 east boundary line and the Susan Vince Survey, A-50 south boundary line;

THENCE South 00° 30' E, with the lands of USFS Tract J-2000a and common to the George W. Stramler Survey, 56.50 chains to corner 37 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE two (2) lines, continuing with the lands of USFS Tract J-2000a and common to the Lemuel Smith Survey,

East, 39.90 chains to corner 38 of Tract J-1-II, a stake witnessed by scribed bearing trees;

N 00° 30' W, 5.20 chains to corner 39 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE two (2) lines, continuing with the lands of USFS Tract J-2000a and common to the John F. Winters Survey:

South 89° 30' W, 37.60 chains to corner 40 of Tract J-1-II, a stake witnessed by scribed bearing trees;

North 00° 30' W, at 39.70 chains the right bank of West Sandy Creek. At 51.70 chains corner 41 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North 89° 30' E, 62.50 chains to corner 42 of Tract J-1-II, a F.S. standard concrete post marked J-60, the northeast corner of the Lemuel Smith Survey;

THENCE South 00° 45' E, continuing with the boundary of Tract J-1-II, common to the Thomas Cresup, A-111 and Lemuel Smith Surveys, 169.50 chains to corner 43 of Tract J-1-II, the southeast corner of the Lemuel Smith Survey, a F.S. concrete post marked J-85;

THENCE South 89° 30' W, with the boundary of Tract J-1-II, and the Lemuel Smith Survey, at 84.80 chains the Walker and Montgomery County line, at 85.00 chains a point for corner, same being the beginning (northwest) corner of the Thomas S. Foster Survey, A-720 (Walker) and A-738 (Montgomery), and also the fifth (most southerly NE) corner of the Washington County R.R. Co. Survey No. 15, A-644- Montgomery;

THENCE North 04° 57' 40" W, 41.60 chains to a point for corner, same being the most southerly southeast corner of the Charles Black Survey, A-78 Walker;

THENCE with the most southerly east line of the said Charles Black Survey, North, 47.56 chains to a point for corner, same being the most southerly corner of said Black Survey;

THENCE North 14° 59' 30" E, 83.40 chains to corner 36 of Tract J-1-II, the PLACE OF BEGINNING, containing **1,356.70** acres of land, more or less, with 1,356.00 acres laying within Walker County and 0.70 acres laying within Montgomery County.

TRACT J-1-II PARCEL #3, 1,417.94 ACRES: All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: Masimo Charvis, A-W-124, A-M-142, dated March 22, 1848; Hezekiah Fares, A-207, dated December 5, 1844; Augustus Steel, A-W-508, A-M-506, dated July 31, 1845; William G. Martin, A-M-

374, dated December 20, 1847, and being a portion of Tract J-1-II identified as Parcel #3 for mineral leasing purposes only, containing approximately 1,417.94 acres, more or less. Parent Tract J-1 -II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1 -II Parcel #3 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #3 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at corner 4 of Forest Service Tract J-1-II, within the Augustus Steel Survey, a stake witnessed by old marked bearing trees;

THENCE North 11° 00' E, within the Augustus Steel Survey, at 9.30 chains the Walker and Montgomery County line. At 17.60 chains corner 5 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE five lines within the Augustus Steel Survey:

East, 24.10 chains to corner 6 of Tract J-1-II, a stake witnessed by old marked bearing trees;

North 11° 00' W, 3.30 chains to corner 7 of Tract J-1-II, a stake witnessed by scribed bearing trees;

East, 9.30 chains to corner 8 of Tract J-1-II, a stake witnessed by old marked bearing trees;

North 11° 00' W, 18.70 chains to corner 9 of Tract J-1 -II, a stake witnessed by scribed bearing trees;

North 11° 15' E, 6.30 chains to corner 10 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE East, partly within the Augustus Steel Survey and the common to the William C. Gill Survey, A-209, 23.60 chains to corner 11 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE South, common to the Augustus Steel Survey and the Hezekiah Fares Survey, A-207, 1.20 chains to corner 12 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North $89^{\circ} 30'$ E, within the Hezekiah Fares Survey, 7.60 chains to corner 13 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North, within the Hezekiah Fares Survey, 7.60 chains to corner 14 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North $89^{\circ} 00'$ E, within the Hezekiah Fares Survey, 41.60 chains to corner 15 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE South $00^{\circ} 30'$ E, within the Hezekiah Fares Survey, 40.00 chains to corner 16 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE North $88^{\circ} 45'$ E, common to the Hezekiah Fares Survey and the Masimo Charvis Survey, A-M-142, 31.90 chains to corner 17 of Tract J-1-II, the fourth corner of the Masimo Charvis Survey, the second corner of the Hezekiah Fares Survey, the fifth corner of the T. A. Milikien Survey, A-721, and the beginning corner of the William C. Gill Survey, A-211;

THENCE a calculated chord bearing of $S 01^{\circ} 24' 08''$ E, across Tract J-1-II and common to the William C. Gill A-211 Survey, and the Masimo Charvis Survey, a calculated chord distance of 50.18 chains to a point for corner of Tract J-1-II Parcel #3, said point being identical to Corner 7 of Exception No. 1 to Tract J-1-II and corner 3 of F. S. Tract J-1q, the second corner of the William C. Gill Survey. Said line is also common to the west line of BLM lease offer Tract J-1-II Parcel #1;

THENCE South $00^{\circ} 15'$ E, in part with the west line of Tract J-1q and Tract J-1-V, common to the Masimo Charvis Survey and in part to the I. & G.N.R. R. Co Survey, A-689, at 7.00 chains corner 2 of F.S. Tract J-1q. At 29.60 chains a point for corner of Tract J-1-II Parcel #3, said point being identical to Corner 6 of Exception No. 1 to Tract J-1-II, the third corner of the Masimo Charvis Survey and the sixth corner of the I. & G.N.R. R. Co Survey. Said line is also common in part to the west line of BLM lease NM-60907 (Tract J-1q) and BLM lease offer Tract J-1-V;

THENCE a calculated chord bearing of $S 89^{\circ} 12' 01''$ W, across Tract J-1-II and common to the Masimo Charvis Survey and the Abraham Helm Survey, A-M-266, and in part within the William G. Martin Survey, A-M-374, a calculated chord distance of approximately 144.82 chains to a point for corner of Tract J-1-II Parcel #3, said point being on the easterly line of BLM lease offer Tract J-1-II Parcel #5;

THENCE a calculated chord bearing of N 03° 50' 36" E, across Tract J-1-II with the easterly line of Tract J-1-II Parcel #5, partly within the William G. Martin and Augustus Steel Surveys, a calculated chord distance of approximately 69.00 chains to the PLACE OF BEGINNING, containing **1,417.94** acres of land, more or less, for Tract J-1-II Parcel #3, with approximately 915.94 acres lying within Walker County and approximately 502.00 acres lying within Montgomery County.

TRACT J-1-II PARCEL #4, 196.20 ACRES AT 50% UNDIVIDED U.S.

INTEREST: All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, being all of the Heirs of R. G. Hamlet Survey, A-243 (Walker) and A-261 (Montgomery), dated June 17, 1884 and being a portion of Tract J-1-II identified as Parcel #4 for mineral leasing purposes only, containing approximately 196.20 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #4 is available subject to an undivided 50% mineral interest as reserved in deed dated 8/3/1911 from Overton Heflin, et ux to Thomas S. Foster, recorded in Volume 67, Page 78, Deed Records, Montgomery County, Texas and is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #4 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at the southwest corner of the Samuel S. Wilson Survey, A-W-598, and being on the north line of the Matthew Dial Survey, A-M-175; north line;

THENCE North, common with the Heirs of R. G. Hamlet and Samuel S. Wilson Surveys, pass the northwest corner of the Samuel S. Wilson Survey, identical to corner 2 of Exception No. 1 of Tract J-1-II, 41.48 chains to a point for corner of Tract J-1-II Parcel #4, identical with corner 3 of Exception No. 1 to Tract J-1-II, common to the second corner of the Heirs of R. G. Hamlet Survey and the third corner of the I. & G.N.R.R. Co. Survey;

THENCE West, common to the Heirs of R. G. Hamlet and I. & G.N.R.R. Co. Surveys, 47.30 chains to a point for corner of Tract J-1-II Parcel #4, identical with corner 4 of Exception No. 1 to Tract J-1-II, common to the third corner of the Heirs of R. G. Hamlet Survey and the fourth corner of the I. & G.N.R.R. Co. Survey;

THENCE South, common to the Heirs of R. G. Hamlet Survey and the Abraham Helm Survey, A-M-266, 41.48 chains to a point for corner of Tract J-1-II Parcel #4, said point being the southwest corner of the Heirs of R. G. Hamlet Survey and common to the northwest corner of the Matthew Dial Survey, A-M-175;

THENCE East, common to the Heirs of R. G. Hamlet and in part to the Matthew Dial Survey, 47.30 chains to the place of beginning, containing approximately 196.20 acres, more or less, for Tract J-1-II Parcel #4.

TRACT J-1-II PARCEL #5, 2,315.89 ACRES: All that certain tract or parcel of land lying and being in Walker and Montgomery Counties, Texas, embracing in whole or in part the following patented surveys: William Gill, A-M-236, dated July 30, 1881; John Leigh, A-328, dated June 24, 1854; Augustus Steel, A-W-508, A-M-506, dated July 31, 1845; William G. Martin, A-M-374, dated December 20, 1847; George Leigh, A-329, dated June 23, 1854; Benjamin Johnson, A-297, dated September 11, 1848; William J. C. Pearce, A-431, dated July 3, 1847, and being a portion of Tract J-1-II identified as Parcel #5 for mineral leasing purposes only, containing approximately 2,315.89 acres, more or less. Parent Tract J-1-II was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records, and Volume 183, Page 509 et seq, Montgomery County Deed Records. Tract J-1-II Parcel #5 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract J-1-II Parcel #5 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at corner 1 of Forest Service Tract J-1-II, identical with the fourth corner of the William J. C. Pearce Survey, A-431, the fourth corner of the Wilson Lang Survey, A-W-324, and on the easterly line of the Joseph Hobbs Survey, A-274, a Forest Service standard concrete post marked J-76;

THENCE East, common in part to the Wilson Lang Survey and the William C. Gill Survey, A-209, and in part to the William J. C. Pearce Survey, William C. Gill A-236 Survey, and Augustus Steel Survey, A-W-508. At 108.00 chains the Walker and Montgomery County line. At 151.60 chains, corner 2 of Tract J-1-II, a Forest Service standard concrete post marked J-75;

THENCE South 10° 30' W, within the Augustus Steel Survey, at 24.10 chains the Walker and Montgomery County line. At 45.70 chains corner 3 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE East, within the Augustus Steel Survey, 22.40 chains to corner 4 of Tract J-1-II, a stake witnessed by old marked bearing trees, said point also being common to Tract J-1-II Parcel #3;

THENCE a calculated chord bearing of S 03° 50' 36" W, across Tract J-1-II with the west line of Tract J-1-II Parcel #3, partly within the Augustus Steel and William G. Martin A-374 Surveys, a calculated chord distance of approximately

88.39 chains to a point for corner of Tract J-1-II Parcel #5, identical with corner 59 of Tract J-1-II, the third corner of the Ezekiel Foster Survey, A-218, and the fourth corner of the William G. Martin Survey;

THENCE South $88^{\circ} 30' W$, common to the Ezekiel Foster Survey and in part to the William G. Martin Survey and George Leigh Survey, A-329, 58.00 chains to corner 60 of Tract J-1-II, the fourth corner of the Ezekiel Foster Survey and the third corner of the George Leigh Survey, a stake witnessed by old marked bearing trees;

THENCE South $00^{\circ} 45' E$, common to the Ezekiel Foster Survey and George Leigh Surveys, 30.10 chains to corner 61 of Tract J-1-II, a stake witnessed by old marked bearing trees;

THENCE West, within the George Leigh Survey, 26.90 chains to corner 62 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North, common to the George Leigh Survey and the Nancy Lynch Survey, A-309, 6.30 chains to corner 63 of Tract J-1-II, the sixth corner of the George Leigh Survey and the third corner of the Nancy Lynch Survey, a stake witnessed by scribed bearing trees;

THENCE South $89^{\circ} 30' W$, common to the Nancy Lynch Survey and in part to the George Leigh Survey and Benjamin Johnson Survey, A-297, 19.90 chains to corner 64 of Tract J-1-II, a F. S. standard concrete post marked J-17;

THENCE North $01^{\circ} 00' W$, within the Benjamin Johnson Survey, 32.30 chains to corner 65 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE South $89^{\circ} 30' W$, within the Benjamin Johnson Survey, 64.00 chains to corner 66 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE North, common in part to the Benjamin Johnson Survey and the William J. C. Pearce Survey, A-431, and in part to the Matthew Harris Survey, A-247, and the James S. Ridgeway Survey, A-452, 124.50 chains to corner 67 of Tract J-1-II, a stake witnessed by scribed bearing trees;

THENCE two lines common to the William J. C. Pearce Survey and the Joseph Hobbs Survey, A-274: N $89^{\circ} 30' E$, 9.20 chains to corner 68 of Tract J-1-II; North, 2.30 chains to the PLACE OF BEGINNING, containing **2,315.89** acres of land, more or less, for Tract J-1-II Parcel #5, with approximately 51.92 acres lying within Walker County and approximately 2,263.97 acres lying within Montgomery County.

Exception No. 1 to Tract J-1-II, 292.80 acres (also known as Forest Service Tracts J-1-V and J-1q): BEGINNING at corner 1, common to Tract J-1-V, identical with the beginning corner of the Samuel S. Wilson Survey, A-W-598, and the I. & G.N.R.R. Co. Survey, A-689.

THENCE West, with Tract J-1-V, common to the Samuel S. Wilson and I. & G.N.R.R. Co. Surveys, 40.10 chains to corner 2 of Exception No. 1 of Tract J-1-II, common to the second corner of the Samuel S. Wilson and the I. & G.N.R.R. Co. Surveys;

THENCE two (2) lines, continuing with the lands of USFS Tract J-1-V, common to the Heirs of R. G. Hamlet Survey, A-W-243, and the I. & G.N.R.R. Co. Survey:

North, 2.00 chains to corner 3 of Exception No. 1 of Tract J-1-II, common to the second corner of the Heirs of R. G. Hamlet Survey and the third corner of the I. & G.N.R.R. Co. Survey;

West, 47.30 chains to corner 4 of Exception No. 1 of Tract J-1-II, common to the third corner of the Heirs of R. G. Hamlet Survey and the fourth corner of the I. & G.N.R.R. Co. Survey;

THENCE two (2) lines, continuing with the lands of USFS Tract J-1-V, common to the I. & G.N.R.R. Co. Survey and Abraham Helm Survey, A-M-266:

North, 4.60 chains to corner 5 of Exception No. 1 of Tract J-1-II, common to the fifth corner of the Abraham Helm and the I. & G.N.R.R. Co. Surveys;

West, 2.50 chains to corner 6 of Exception No. 1 of Tract J-1-II, common to the third corner of the Masimo Charvis Survey, A-W-154, and the sixth corner of the I. & G.N.R.R. Co. Survey;

THENCE North $00^{\circ} 15' W$, in part with Tract J-1-V and Tract J-1q, common to the Masimo Charvis Survey and in part to the I. & G.N.R.R. Co. Survey, 29.60 chains to corner 7 of Exception No. 1 of Tract J-1-II, common to the second corner of the William C. Gill Survey, A-211;

THENCE South $89^{\circ} 15' E$, with Tract J-1q and common to the William C. Gill Survey, A-211, 66.90 chains to corner 8 of Tract J-1-II, common to the third corner of the William C. Gill Survey, A-211;

THENCE South 00° 30' E, in part with Tract J-1q and J-1-V, common to the Charles Black Survey, A-W-78, and in part to the I. & G.N.R.R. Co. Survey, 7.20 chains to corner 9 of Tract J-1-II, common to the seventh corner of the Charles Black Survey and the ninth corner of the I. & G.N.R.R. Co. Survey;

THENCE two (2) lines, continuing with the lands of USFS Tract J-1-V, common to the Charles Black and I. & G.N.R.R. Co. Surveys:

East, 23.00 chains to corner 10 of Tract J-1-II, common to the eighth corner of the Charles Black Survey and the tenth corner of the I. & G.N.R.R. Co. Survey;

South, 28.10 chains to the place of beginning, containing 292.80 acres, be the same more or less.

LEAVING A NET ACREAGE OF APROXIMATELY 1,777.19 ACRES, MORE OR LESS, FOR TRACT J-1-II PARCEL #6, WITH APPROXIMATELY 1,606.80 ACRES LYING IN MONTGOMERY COUNTY AND 170.39 ACRES LYING IN WALKER COUNTY, TEX

**DESCRIPTION FOR MINERAL LEASING OF
TRACT J-1-V
SAM HOUSTON NATIONAL FOREST
WALKER COUNTY, TEXAS
249.50 ACRES**

All that certain tract or parcel of land lying and being in Walker County, Texas, embracing all of the I. & G.N.R.R. Co. patented Survey, A-689, dated April 13, 1878, described herein for mineral leasing purposes only, containing **249.50** acres, more or less. Tract J-1-V was acquired from Delta Land & Timber Company by deed dated December 27, 1935 and recorded in Volume 82, Page 176-215, Walker County Deed Records.

BEGINNING at corner 1 of Tract J-1-V, common to Corner 1 of Exception No. 1 of Tract J-1-II, identical with the beginning corner of the I. & G.N.R.R. Co. Survey A-689-Walker County, and the Samuel S. Wilson Survey, A-598-W;

THENCE West, with Tract J-1-II and common to the Samuel S. Wilson Survey, 40.10 chains to corner 2 of Tract J-1-V, common to the second corner of the Samuel S. Wilson and I. & G.N.R.R. Co. Surveys;

THENCE two lines, continuing with Tract J-1-II, common to the Heirs of R. G. Hamlet Survey, A-243-W and A-261-Montgomery County:

North 2.00 chains to corner 3 of Tract J-1-V, the second corner of the Heirs of R. G. Hamlet Survey and the third corner of the I. & G.N.R.R. Co. Survey, a stake;

West, 47.30 chains to corner 4 of Tract J-1-V, the third corner of the Heirs of R. G. Hamlet Survey and the fourth corner of the I. & G.N.R.R. Co. Survey, a stake;

THENCE two lines continuing with Tract J-1-II and common to the Abraham Helm Survey, A-266-M:

North, 4.50 chains to corner 5 of Tract J-1-V, the fifth corner of the Abraham Helm and I. & G.N.R.R. Co. Surveys, a stake;

West, 2.50 chains to corner 6 of Tract J-1-V, the sixth corner of the I. & G.N.R.R. Co. Survey and the third corner of the Masimo Charvis Survey, A-124-W, an old stake;

THENCE N 00° 15' W, common to the Masimo Charvis Survey, 22.60 chains to corner 7 of Tract J-1-V, common to the southwest corner of Forest Service Tract J-1q;

THENCE East, with Tract J-1q, 66.90 chains to corner 8 of Tract J-1-V, on the westerly line of the Charles Black Survey, A-78-W, a stake;

THENCE S 00° 30' E, with Tract J-1-II and common to the Charles Black Survey, 1.20 chains to Corner 9 of Tract J-1-V, the seventh corner of the Charles Black Survey and the ninth corner of the I. & G.N.R.R. Co. Survey, a stake;

THENCE two lines, continuing with Tract J-1-II and common to the Charles Black Survey:

East, 23.00 chains to corner 10 of Tract J-1-V, the eighth corner of the Charles Black Survey and the tenth corner of the I. & G.N.R.R. Co. Survey, a stake;

South, 28.10 chains to the PLACE OF BEGINNING, containing **249.50** acres, be the same more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT J-72
SAM HOUSTON NATIONAL FOREST
WALKER COUNTY, TEXAS
261.00 ACRES**

All that certain tract or parcel of land lying and being in Walker County, Texas, embracing in part the William G. Gill Survey, A-209, dated July 30, 1881, described herein for mineral leasing purposes only, containing 261.00 acres, more or less. Tract J-72 was acquired from T. E. Sims by deed dated January 17, 1936 and recorded in Volume 82, Page 497, Walker County Deed Records.

BEGINNING at corner 1, common to U.S. Forest Service Tract J-1-II, identical with the fourth corner of the William C. Gill Survey, A-209, and the beginning corner of the Wilson Lang Survey, A-324-W, on the northerly line of the William C. Gill Survey, A-236-M;

THENCE North $00^{\circ} 30'$ E, common to the William C. Gill Survey, A-209, and the Wilson Lang Survey, 55.90 chains to corner 2 of Tract J-72;

THENCE two lines within the William C. Gill Survey, A-209:

North $89^{\circ} 45'$ E, 46.30 chains to corner 3 of Tract J-72, a stake witnessed by old marked bearing tree and scribed bearing trees;

South $00^{\circ} 15'$ E, 56.10 chains to corner 4 of Tract J-72, on the northerly line of the Augustus Steel Survey, A-508-W, a stake witnessed by scribed bearing trees;

THENCE West, common to the William C. Gill Survey, A-209-W and to the Augustus Steel Survey and the William C. Gill Survey, A-236-M. At 3.20 chains corner 2 of F.S. Tract J-1-II, a F.S. standard concrete post marked J-75. At 47.00 chains the PLACE OF BEGINNING, containing **261.00** acres, be the same, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT 648 PARCEL #1
17.017 ACRES
LBJ NATIONAL GRASSLANDS
WISE COUNTY, TEXAS**

All that certain tract or parcel of land lying in Wise County, Texas, within the J. W. Bailey Survey, Abstract No. 58, and being the south portion of Tract 648 identified as Parcel #1 for mineral leasing purposes only and containing approximately **17.017** acres, more or less. Parent Tract 648 was acquired from the Alvord National Bank by deed dated March 27, 1941 and recorded in Volume 147, Page 397, Deed Records, Wise County, Texas. Tract 648 Parcel #1 is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract 648 Parcel #1 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at a point in the east boundary line of the J. W. Bailey Survey and the west boundary line of the G. Y. Ray Survey, A-732, identical with corner 8 of Forest Service Tract 648, said point being S 01° 22' W 560.51 feet from the northwest corner of the G. Y. Ray Survey;

THENCE North 57° 45' W, 1,129.66 feet to a point for corner for Tract 648 Parcel #1, said point being inside the J. W. Bailey Survey;

THENCE North 88° 08' 20" W, 742.244 feet to a point for corner for Tract 648 Parcel #1, said point being on the west boundary line of the J. W. Bailey Survey;

THENCE South 00° 25' W, along the west boundary line of the J. W. Bailey Survey, 356.019 feet to a point for corner for Tract 648 Parcel #1, identical with corner 5 of Tract 648, said point being at the southeast corner of the T. D. Robertson Survey;

THENCE continuing with the west boundary line of the J. W. Bailey Survey, S 02° 35' E, 232.74 feet to a point for corner for Tract 648 Parcel #1, identical with corner 6 of Tract 648;

THENCE South 31° 52' E, 42.44 feet to a point for corner for Tract 648 Parcel #1, identical with corner 7 of Tract 648, said point being in the north boundary of private lands;

THENCE with the boundary of said private lands, S 89° 55' E, 1,666.93 feet to the PLACE OF BEGINNING, containing approximately **17.017** acres, be the same more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT 689
115.126 ACRES
LBJ NATIONAL GRASSLANDS
WISE COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Wise County, Texas, and being a part of Blocks No. 1 and No. 30 of the Dallas County School Land Survey, A-237, and a part of the R. Sparks Survey, A-792, herein described for mineral leasing purposes only and containing approximately **115.126** acres, more or less . Tract 689 was acquired from C. B. Neal, Jr. and wife, Flora Neal, by Judgment dated March 27, 1942, Civil Cause No. 324 of the United States District Court for the Northern District of Texas, Fort Worth Division, recorded in Volume 207, Page 312, Deed Records, Wise County, Texas. It is not the intent of this description of Tract 689 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at a stake in the west boundary of the R. Sparks Survey, common to the east boundary of the Dallas County School Land Survey, 14,082.72 feet N 28° 55' W from the Cowen U.S.C. & G. Triangulation Station;

THENCE North 00° 14' W, common to the Dallas County School Land Survey and the R. Sparks Survey, 826.37 feet to a stake, identified as corner 2 of Tract 689;

THENCE two lines within the R. Sparks Survey:

South 89° 19' E, 1578.54 feet to a stake, identified as corner 3 of Tract 689;

North 05° 17' E, 1330.15 feet to a stake in the north boundary of the R. Sparks Survey, identified as corner 4 of Tract 689;

THENCE North 89° 09' W, with the boundary of said Sparks Survey, 1667.77 feet to a stake on the recognized boundary between the R. Sparks Survey and the Dallas County School Land Survey, identified as corner 5 of Tract 689;

THENCE South 00° 05' W, common to the R. Sparks and Dallas County School Land Surveys, 143.69 feet to a stake, identified as corner 6 of Tract 689;

THENCE three lines within the Dallas County School Land Survey:

South $89^{\circ} 58'$ W, 1423.24 feet to a stake, identified as corner 7 of Tract 689;

South $00^{\circ} 02'$ E, 2020.07 feet to a stake, identified as corner 8 of Tract 689;

THENCE North $89^{\circ} 46'$ E, 1409.52 feet to the PLACE OF BEGINNING, containing **115.126** acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT 751
177.292 ACRES
LBJ NATIONAL GRASSLANDS
WISE COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Wise County, Texas, and being all of the W. T. Jackson Survey, Abstract No. 1373 and all of the M. T. Parrish Survey, A-1206, herein described for mineral leasing purposes only and containing approximately **177.292** acres, more or less. Tract 751 was acquired from E. W. Frye and Ella Mae Frye, by deed dated November 30, 1940 and recorded in Volume 146, Page 472, Deed Records, Wise County, Texas. It is not the intent of this description of Tract 751 to include any lands within any adjacent Bureau of Land Management (BLM) lease offers or issued leases.

BEGINNING at a stake at the most northern northeast corner of the W. T. Jackson Survey, same being the most eastern corner of the M. T. Parrish Survey, in the west boundary of the W. W. Killey Survey, 51867.03 feet N 55°20' W from the Cowen U.S.C. & G. Triangulation Station.

THENCE two lines with the boundary of said Killey Survey:

North 47°51' W, 3100.93 feet to a stake, identified as corner 2 of Tract 751;

West, 180.00 feet to a stake at the northeast corner of the H. M. A. Cassidy Survey, identified as corner 3 of Tract 751;

THENCE with the boundary of said Cassidy Survey, S 00°20' W, 4066.78 feet to a stake in the north boundary of the R. Gilliam Survey, identified as corner 4 of Tract 751;

THENCE two lines with the boundary of said Gilliam Survey:

South 89°38' E, 1360.03 feet to a stake, identified as corner 5 of Tract 751;

South 89°08' E, 1097.76 feet to a stake at a southwest corner of the said Killey Survey, identified as corner 6 of Tract 751;

Exhibit L
Page 2 of 2

THENCE with the west boundary of said Killey Survey, N 01°18' E, 2007.68 feet to the PLACE OF BEGINNING, being the same land described in a Deed of Trust dated January 13, 1934, from E. W. Frye and wife to A. C. Williams, Trustee for the Land Bank Commissioner, Houston, Texas, said deed recorded in Volume 55, Page 437, Deed of Trust Records of Wise County, Texas.

Kansas City District
Corps of Engineers
No Surface Occupancy

1. There will be no surface disturbance of any type on federally owned fee or easement land within the project area. All drilling will be directional from adjacent private lands.
2. All areas within 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 encroach 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. 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.
3. Report the results of any research and testing to this office:

Department of the Army
Kansas City District, Corps of Engineers
700 Federal Building
600 East 12th Street
Kansas City, Missouri 64106-2896

Revised: June 2, 2004/CENWK-RE-C, R.M. Jewell

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

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

All matters related to this stipulation are to be addressed

**to: District Ranger,
at: Cimarron National Grasslands
242 Hwy, 56 East
PO Box 300
Elkhart, Kansas 67950
Telephone: (620) 697-4621**

who is the authorized representative of the Secretary of Agriculture.

NOTICE

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

1. Contact the FS to determine if a site specific cultural resource inventory is required.
If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to

conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.

3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U.S. Government as appropriate.

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

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

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

CONTROLLED SURFACE USE STIPULATION
Visual

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

When necessary to meet VQOs, site clearings, collection facilities, structures, utilities and pipelines will be relocated more than 200 meters. At the time of APD, a visual site analysis will be completed to determine if vegetation, topography, and on-site controls are sufficient to mitigate visual impacts. If so, the site will be accepted, and relocation will not be required.

On the following described lands:

On portions (or all, which ever is applicable) of the lands as shown on the attached map.

For the purpose of:

- 1. Protecting the natural, cultural and historical scenic values of these areas.**
- 2. Preventing the placement of collection facilities, well sites or exploration activity within these areas that do not meet Visual Resource Management guidelines.**
- 3. Providing Forest and Grassland Visitors with quality experiences.**

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

NO SURFACE OCCUPANCY STIPULATION
CULTURAL

**No surface occupancy or use is allowed on the lands described below:
(Refer to attached parcel map for affected areas within lease parcel.)**

The Santa Fe National Historic Trail, to include ruts or rut zones or swales or vegetation changes designated as the major routes of the Trail and a 300 foot buffer area on each side of the Trail. The Trail (single or multiple ruts or swales) varies in width from approximately 50 feet to over 300 feet. Thus the total NSO zone may be 450 feet or more in width for some portions of the Trail.

On the lands described below:

The locations of major routes of the Santa Fe National Historic Trail are available through the Cultural Resources Management records section maintained at the Forest Supervisor's Office in Pueblo. They include the major routes and branches of the Cimarron Cutoff on the Cimarron National Grassland. The major routes and branch of the Mountain Branch, and the

For the purpose of: Protecting the physical manifestations and immediate environment of the Trail, including inherent interpretive, educational and recreational values for the segment potentially impacted.

The following exceptions are noted:

- 1. Temporary ground disturbances (less than six weeks duration) for the purpose of constructing underground utility lines, collection systems, underground salt water pipelines, and other underground support facilities are permissible. Upon completion of installation, the ground and vegetation should be restored to its previous condition.**

2. Locate roads outside the designated trail routes and buffer unless:

(a) The trail has been destroyed by post-trail era use or erosion and is not visible as ruts, rut zones, or swales; and

(b) alternative routes have been reviewed and rejected as being more environmentally damaging.

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 2920, FS Oil and Gas Regulations, 36 CFR, Sec. 228.104.)

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.

Bureau of Land Management
New Mexico State Office

NM-11-LN
February 9, 2004

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.

LEASE NOTICE
PROTECTION OF ENDANGERED OR THREATENED
OR SENSITIVE SPECIES

The following species have been identified as occurring on or in the vicinity of the lease areas. The lease areas may contain essential habitat for the continued existence of these species: Kuenzler hedgehog cactus (*Echinocereus fendleri* var. *Kuenzleri*).

The Federal surface management agency is responsible for assuring that the leased lands are examined prior to undertaking any surface disturbing activities on lands covered by these leases, to determine effects on any plant or animal species listed or proposed for listing as endangered or threatened or their habitats.

In accordance with Section 6 of the lease terms and in order to comply with the Endangered Species Act of 1972, the lessee may be required to conduct an examination on the lands (including access routes to the lease areas) to be affected by the proposed action to determine if threatened or endangered species are present or may be affected by the proposed action. This survey would be done by a resource specialist approved by the surface management agency. An acceptable report is to be submitted for approval to the surface management agency identifying the anticipated effects of the proposed action on endangered or threatened species and their habitat. If the examination determines that the action may detrimentally affect a species listed or proposed for listing as an endangered or threatened species, restriction to the lessee's proposal or even denial of any beneficial use of the lease may result. The lessee will take such measures as may be required by the authorized officer to protect such species.

**NO SURFACE OCCUPANCY STIPULATION
THREATENED PLANT SPECIES**

No surface occupancy or use is allowed on the land(s) described below:

For the purpose of: Protecting the Federally listed threatened and endangered gypsum wild-buckwheat species (*Eriogonum gypsophilum*) and designated Critical habitat (Federal Register Notice dated January 19, 1981), and as discussed in the Carlsbad RMP.

If circumstances or relative resource values change or if the lessee demonstrates that operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted, or modified by the authorized officer if such action is consistent with the provisions of the applicable Land Use Plan, or if not consistent, through a planning amendment. If the authorized officer determines that the waiver, exception, or modification is substantial, the waiver, exception, or modification will be subject to a 30-day public review period.

**Bureau of Land Management
Carlsbad Field Office**

**SENM-S-5
Revised January 1989**

PECOS RIVER/CANYON COMPLEX
NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the land(s) described below:

For the purpose of: Protecting a combination of significant resource values including scenic landscape, prime wildlife and threatened and endangered species habitat, and large and culturally complex archaeological sites within the Pecos River/Canyons Complex ACEC (CRA SMA No. 18) as discussed in the Carlsbad Resource Management Plan.

If circumstances or relative resource values change or if the lessee demonstrates that operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted, or modified by the authorized officer if such action is consistent with the provisions of the applicable Land Use Plan, or if not consistent, through a planning amendment. If the authorized officer determines that the waiver, exception, or modification is substantial, the waiver, exception, or modification will be subject to a 30-day public review period.

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

**Bureau of Land Management
Roswell/Carlsbad Field Office**

**SENM-S-15
December 1997**

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

**Bureau of Land Management
Roswell/Carlsbad Field Office**

**SENM-S-17
December 1997**

SLOPES OR FRAGILE SOILS WITHIN
ROSWELL FIELD OFFICE AREA

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

Surface disturbance will not be allowed on slopes over 20 percent. Exceptions will be considered for authorized mineral material extraction sites and designated OHV areas, for the installment of projects designed to enhance or protect renewable resources, or if the BLM Authorized Officer has approved a plan of operations and development providing for mitigation of impacts. Occupancy or use of areas with fragile soils will be considered on a case-by-case basis.

On the lands described below:

For the purpose of: Protecting fragile soils and preventing damage on steep slopes.

**Bureau of Land Management
Roswell Field Office**

**SENM-S-17R
July 2003**

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:

**Bureau of Land Management
Roswell/Carlsbad Field Offices**

**SENM-S-18
December 1997**

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

**Bureau of Land Management
Roswell/Carlsbad Field Offices**

**SENM-S-19
December 1997**

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

**Bureau of Land Management
Roswell/Carlsbad Field Offices**

**SENM-S-22
December 1997**

SAND DUNE LIZARD

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

Surface disturbance will not be allowed in documented occupied habitat areas, or within up to 100 meters of suitable habitat associated with occupied habitat areas identified through field review. An exception to this restriction will be considered when an on-site evaluation of habitat extent, available species occurrence data, the proposed surface use, and proposed mitigations indicate the proposal will not adversely affect the local population.

For the purpose of: Protecting Sand Dune Lizards

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

**Bureau of Land Management
Roswell/Carlsbad Field Office**

**SENM-S-25
December 1997**

**NORTHERN APLOMADO FALCON SUITABLE HABITAT
CONTROLLED SURFACE USE STIPULATION**

The Bureau of Land Management has determined that oil and gas development will be managed at three different levels throughout the Hope, New Mexico study area and adjacent outlying areas based on the following criteria:

- Whether suitable Aplomado Falcon habitat exists within lease boundaries based on habitat suitability model findings and/or grassland mapping;
- If grasslands occur within lease, whether the quality of the grassland is adequate for falcon occupancy (i.e. shrub density approaching threshold, nesting structure availability, etc.). This will be determined by BLM using a habitat suitability rating process.
- Whether oil and gas disturbances currently exist within the lands to be leased, and/or existing adjacent leases.

Level I Development

Are those areas that exhibit oil and gas development at significant levels (full field development), and those areas not possessing habitat suitable for the falcon.

Measures to be applied: Standard lease terms and conditions

Level III Development

Are areas within Eagle Draw portion of the Hope study area that are highly suitable based on the suitability ranking criteria used by the model, and/or are considered high suitability for the falcon based on the grassland mapping initiative.

Measures Applied: Defer from leasing until the lands are addressed through the Resource Management Plan (RMP) process.

This oil and gas lease, as described below, meets the criteria for Level II Development. Surface occupancy or use is subject to the following special operating constraints:

Level II Development

Are those areas that possess habitat identified as suitable for the falcon based on the model and/or the grassland mapping initiative, and those areas where there is minimal existing development (less than full field development)

Measures to be applied:

? A plan of development (POD) for the entire lease must be submitted to the BLM authorized officer for approval prior to initiation of any development;
? The following well pad construction and reclamation measures must be implemented to provide for minimal long-term disturbance:

- remove all caliche from well pads and roads associated with wells that are abandoned, and are not capable of producing in paying quantities.
- well pad size within grasslands will not exceed 300ft x 390ft (unless multiple wells are drilled from the same well pad), and all unused portions of well pads/pit area associated with producing wells will be reclaimed using the seed mixture below;
- within grasslands determined suitable for the Aplomado Falcon, utilize a seed mixture that consists of the following:

Tobosa (<i>Hilaria mutica</i>) -----	4 lbs/acre
Black grama (<i>Bouteloua eriopoda</i>) -----	1 lb/acre
Silver bluestem (<i>Bothriochloa saccharoides</i>) -----	5 lbs/acre
Sideoats grama (<i>Bouteloua curtipendula</i>) -----	5 lbs/acre
Plains bristlegrass (<i>Setaria macrostachya</i>) -----	6 lbs/acre

? Utilize existing well pads to locate new wells when location is within a grassland;
? Earthen pits for drilling and disposal are not allowed unless this restriction is waived by the BLM authorized officer. Steel tank circulation system must be used. Earthen pits will not be allowed unless they can be effectively netted;
? All yuccas and/or other nesting structure greater than 5 feet in height must be avoided;
? All development activities will avoid inactive raptor/raven nests by a minimum of 200 meters, and active raptor/raven nests by a minimum of 400 meters. Operations that cannot meet this offset may be delayed for up to 120 days.

On the lands described below:

For the purpose of: Managing habitat suitable for the Northern Aplomado Falcon within the designated Hope study area, and areas adjacent to the study area that meet the habitat characteristics of occupied falcon habitat.

Waiver: Operations within the Level II Development Area will be strictly controlled. Where allowed, conditions for waiver of the above restrictions are listed above in the measures to be applied. Other restrictions may be waived or modified by the BLM authorized officer on a case by case basis.

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 Supervisor
Lincoln National Forest
At : Federal Building
1101 New York Avenue
: Alamogordo, NM 88310
Telephone No. : (505) 434-7200

Who is the authorized representative of the Secretary of Agriculture.

CONTROLLED SURFACE USE STIPULATION
(Soil Erosion/Riparian Areas)

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

The lessee is given notice that all or portions of the lease area may contain special values; area needed for special purposes, or required special attention.

1. All ground disturbing activity such as road construction, pipelines, or facility development will be limited to areas of less than 40% slopes.
2. All facilities or drill sites will be located at least 300 feet away from all watercourses (i.e. perennial, intermittent, and ephemeral) and any other riparian areas.

On the lands described below:

For the purpose of: Prevention of soil erosion and to protect riparian areas.

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

CONTROLLED SURFACE USE STIPULATION
(Protection of Kuenzler's Cactus)

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

The lessee is given notice that all or portions of the lease area may contain special values, are needed for special purposes, or require special attention.

1. Prior to granting approval for any off-road travel, oil and gas exploration, seismic activities, and/or drilling, a complete survey of any areas to be disturbed must be conducted for Kuenzler's cactus, Echinocereus fendleri var. kuenzleri. All plant locations and suitable habitat will be identified. The survey must be conducted during the blooming period, May 15th through June 15th.
2. No surface occupation and/or surface disturbing activities will be allowed to take place within occupied or suitable habitat.
3. Kuenzler's cactus habitat will be isolated from all activities and structures which could result in leaks or spills.
4. Any activities which may affect Kuenzler's cactus will require consultation with the U. S. Fish and Wildlife Service which may take from 90 to 130 days.

On the lands described below:

For the purpose of: Protection of Kuenzler's cactus in occupied habitat, and of habitat suitable for species recovery

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

CONTROLLED SURFACE USE STIPULATION
(Guadalupe Mescal Bean)

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

The lessee is given notice that all or portions of the lease area may contain special values, are needed for special purposes, or require special attention.

1. Prior to granting approval for any off-road travel, oil and gas exploration, seismic activities, and/or drilling, a complete survey of any areas to be disturbed must be conducted for Guadalupe mescal bean, Sophora gypsophila var. guadalupensis. All plant locations will be identified. The survey must be conducted from March 10th through June 15th.
2. No surface occupation and/or surface disturbing activities will be allowed to take place within occupied habitat.
3. Occupied Guadalupe mescal bean habitat will be isolated from all activities and structures which could result in leaks or spills.

On the lands described below:

For the purpose of: Protection of Guadalupe mescal bean in occupied habitat.

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

CONTROLLED SURFACE USE STIPULATION
(Waterfall's Milkvetch)

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

The lessee is given notice that all or portions of the lease area may contain special values, area needed for special purposes, or require special attention.

1. Prior to granting approval for any off-road travel, oil and gas exploration, seismic activities, and/or drilling, a complete survey of any areas to be disturbed must be conducted for *Astragalus waterfallii*- Waterfall's Milkvetch. All plant locations must be identified. The survey must be conducted during the fruiting period from May through July.
2. No surface occupation and/or surface disturbing activities will be allowed to take place within habitat.
3. Occupied Waterfall's milkvetch habitat will be isolated from all activities and structures which could result in leaks or spills.

On the lands described below:

For the purpose of: Protection of *Astragalus waterfallii* – Waterfall's Milkvetch – in occupied habitat.

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

CONTROLLED SURFACE USE STIPULATION
(Guadalupe Rabbitbrush)

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

The lessee is given notice that all or portions of the lease area may contain special values, area needed for special purposes, or require special attention.

1. Prior to granting approval for any off-road travel, oil and gas exploration, seismic activities, and/or drilling, a complete survey must be conducted for *Chrysolthamnus nauseosus ssp. texensis* – Guadalupe rabbitbrush. All plant locations must be identified. The survey must be conducted during the flowering period from September through November.
2. No surface occupation and/or surface disturbing activities will be allowed to take place within habitat.
3. Occupied Guadalupe rabbitbrush habitat will be isolated from all activities and structures which could result in leaks or spills.

On the lands described below:

For the purpose of: Protection of *Chrysothamnus nauseosus ssp. texensis* – Guadalupe rabbitbrush – in occupied habitat.

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

CONTROLLED SURFACE USE STIPULATION
(Shining Coralroot Orchid)

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

The lessee is given notice that all or portions of the lease area may contain special values, are needed for special purposes, or require special attention.

1. Prior to granting approval for any off-road travel, oil and gas Exploration, seismic activities, and/or drilling, a complete survey of any areas to be disturbed must be conducted for *Hexalectris nitida* – shining coralroot orchid. All plant locations must be identified. The survey must be conducted in potential habitat to be disturbed during the rainy period preceding initiation of ground disturbance.
2. No surface occupation and/or surface disturbing activities will be allowed to take place within habitat.
3. Occupied Waterfall's milkvetch habitat will be isolated from all activities and structures which could result in leaks or spills.

On the lands described below:

For the purpose of: Protection of *Hexalectris nitida* – Shining coral root orchid – in occupied habitat.

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

CONTROLLED SURFACE USE STIPULATION
(Guadalupe Penstemon)

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

The lessee is given notice that all or portions of the lease area may contain special values, area need for special purposes, or require special attention.

1. Prior to granting approval for any off-road travel, oil and gas exploration, seismic activities, and/or drilling, a complete survey of any areas to be disturbed must be conducted for *Penstemon cardinalis ssp. Regalis* – Guadalupe penstemon. All plant locations must be identified. The survey must be conducted during the flowering period from May through June.

2. No surface occupation and/or surface disturbing activities will be allowed to take place within habitat

3. Occupied Guadalupe penstemon habitat will be isolated from all activities and structures which could result in leaks or spills.

On the lands described below:

For the purpose of: Protection of *Penstemon cardinalis ssp. Regalis* – Guadalupe penstemon – in occupied habitat.

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

CONTROLLED SURFACE USE STIPULATION
(Guadalupe Jewelflower)

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

The lessee is given notice that all or portions of the lease area may contain special values, are needed for special purposes, or require special attention.

1. Prior to granting approval for any off-road travel, oil and gas exploration, seismic activities, and/or drilling, a complete survey of any areas to be disturbed must be conducted for *Streptanthus sparsiflorus* – Guadalupe jewelflower. All plant locations must be identified. The survey must be conducted during the fruiting period from late May through June.
2. No surface occupation and/or surface disturbing activities will be allowed to take place within occupied habitat.
3. Occupied Guadalupe jewelflower habitat will be isolated from all activities and structures that could result in leaks or spills.

On the lands described below:

For the purpose of: The protection of *Streptanthus spariflorus* – Guadalupe jewelflower – in occupied habitat.

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

LEASE NOTICE

A. POTENTIAL CAVE OR KARST LAND FORM OCCURRENCE AREA

The lands described in this document are located in a potential cave occurrence area. Within this area, caves or karst land form 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 caves or karst land form system of the area, special protective measures may be developed during environmental analyses and be required as part of approvals for drilling operations on leases. These measures could include: change in drilling operations; special casing and cementing programs; modifications in surface activities; or other reasonable measures to mitigate impacts to cave or karst land form values. This disclosure of information is in accordance with 43 CFR 3101.1-2; Onshore Oil and Gas Order No. 1, section III, G.5.

The permittee, contractor, or lessee shall immediately notify the Forest Service and BLM Project Administrators if they encounter loss of circulation due to drilling into a void, cave or karst feature and immediately halt work in the area until resolved in consultation with a Forest Service Cave Resource Specialist and the BLM and authorization to proceed is received.

B. R-3 CULTURAL RESOURCE MANAGEMENT

No surface-disturbing work can be approved until a Cultural Resource survey and report is completed.

The permittee, contractor, or lessee shall be responsible for the protection from damage of all identified cultural resources within the area which may be affected by their actions. In addition, the permittee, contractor or lessee shall be liable for all damage or injury to the identified cultural resources caused by their actions.

The permittee, contractor, or lessee shall immediately notify the agency Project Administrator if any damage occurs to any cultural resource and immediately halt work in the area in which damage has occurred until authorized by the Project Administrator, after consultation with the Forest Archeologist, to proceed. All provisions of the Region 3 Cultural Resources Damage Assessment Handbook (FSH 2309.24, Chapter 40) are incorporated by reference herein.

C. THREATENED, ENDANGERED AND SENSITIVE SPECIES HABITAT

The lessee is advised that the lease areas may contain populations of or habitat for threatened, endangered, proposed or sensitive species. The leased lands will be examined prior to undertaking any surface disturbing activities (including seismic explorations) to determine effects upon any plant or animal species and prescribe necessary mitigations. These examinations will be initiated upon receipt of an Application for Permit to Drill, seismic testing request, or when any ground disturbing activity is proposed. Field surveys for some species may however require delays until appropriate field conditions can be met. Should proposed activities involve possible effects to a federally listed species, consultation with USFWS may be required. Delays for consultation could take 30 to 135 days.

NO SURFACE OCCUPANCY STIPULATION
SPECIAL CULTURAL VALUES

No surface occupancy or use is allowed on the lands described below:

(the lease operator may use existing access roads on this tract)

For the purpose of: Protects cultural resource values.

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted, or modified by the BLM Authorized Officer, if such action is consistent with the provisions of the Farmington Resource Management Plan, or if not consistent, through a land use plan amendment and associated National Environmental Policy Act analysis document. If the BLM Authorized Officer determines that the waiver, exception, or modification shall be subject to a 30-day public review period.

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

**Bureau of Land Management
Farmington Field Office**

**F-19-NSO
September 2003**

NO SURFACE OCCUPANCY STIPULATION
RIVER TRACTS SPECIAL MANAGEMENT AREA

No surface occupancy or use is allowed on the lands described below:

For the purpose of: Protection of riparian habitat, Southwest will flycatcher potential habitat, bald eagle use areas, and other important values. There will be no surface occupancy stipulation on all new oil and gas leases

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted, or modified by the BLM Authorized Officer, if such action is consistent with the provisions of the Farmington Resource Management Plan, or if not consistent, through a land use plan amendment and associated National Environmental Policy Act analysis document. If the BLM Authorized Officer determines that the waiver, exception, or modification shall be subject to a 30-day public review period.

No exceptions are allowed within the active floodplain. Exceptions within threatened or endangered species habitat would only be allowed if the U. S. Fish and Wildlife concurs that there would be no adverse effect on listed species or their habitat.

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

No Surface Occupancy
Ephemeral Wash Riparian Areas

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

Ephemeral Wash Riparian Areas

No surface occupancy is allowed on active floodplains. Mitigation will be required to stabilize any channel in order to prevent migration of channels on to a well site within the 100 year floodplain.

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted or modified by the BLM authorized officer if such action is consistent with the provisions of the Farmington Resource Management Plan, or, if not consistent, through a land use plan amendment and associated environmental analysis. Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such change.

For the purpose of:

Protecting riparian systems and facilitating attainment and maintenance of proper functioning condition.

BUREAU OF RECLAMATION
SPECIAL STIPULATIONS
NO SURFACE OCCUPANCY STIPULATION

No surface occupancy and no subsurface well bores penetrating the lands described below. These lands are being included in the lease to be developed by pro-rationing.

For the purpose of:

Protecting the proposed Southern Ute Dam Site, Animas-La Plata Project, from uses and disposition inconsistent with the purpose for which the lands were withdrawn. Protection is provided by not allowing location of oil and gas development surface infrastructure at the proposed dam site and not allowing penetration of the proposed dam foundation by well bores.

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.

Lesser Prairie Chicken Stipulation

These leased federal minerals occur in an area known to contain populations of lesser prairie chickens (LPC). The exact locations of habitats utilized by this special status species are not known.

No pad or access road construction, drilling, completion, and/or stimulation (fracturing) activities associated with this federal lease will be allowed in LPC habitat between the dates of March 1 and May 31 (of every year). During that period (March 1 through May 31 of each year) other activities which produce noise or involve human activity, such as the maintenance of O&G facilities, or construction activities associated with pipelines, access roads and/or well pads, will be allowed except between the hours of 3:00 A.M. and 9:00 A.M., every day within that period. The 3:00 A.M. to 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. Normal vehicle use on existing roads will not be restricted. Noise from pump jack engines must be muffled or otherwise controlled to no more than 75 db measured at 30 ft from the source of the noise and/or timers must be placed on the pump jacks so as to eliminate pump noise during the hours of 3:00 A.M. to 9:00 A.M.

The following best management practices (BMPs) will be required:

a. A 2,640 foot (one-half mile) buffer zone will be maintained between any known active LPC leks and the construction, drilling and/or completion activities conducted on this lease.

b. The operator will be expected to drill multiple wells, planned for this lease, from each approved pad. Strategically located larger pads will be considered drilling islands from which the lease operator will directionally drill as many wells as possible. The lease operator(s) must consider using fewer but larger pads to drill multiple wells from one pad location, rather than many, scattered small pads with one well per pad. The reduction in access roads, flow/pipelines and utility corridors will reduce habitat fragmentation for the LPC.

c. Well pad sites will be selected so as to avoid clumps or motts of previous seasons' grasses (those grasses at 3-10ft height). Every effort must be made to minimize disturbance to, or removal of, such grasses that may exist along the perimeter of the well pad areas. These measures will help to provide nesting sites for LPC hens.

d. Well pad sites will be selected so as to avoid the removal of scrub oaks. Every effort must be made to minimize disturbance to, or removal of, any and all species of oaks (*Quercus sp.*) that may exist in association with any proposed well pad site.

e. The height of all vertical structures, relative to the horizons, must be reduced . This will be accomplished by an actual reduction in size or by using natural occurring geographic features, such as hills and bluffs, as a background for the vertical structures. Vertical structures include, but are not limited to, tank batteries, pump jacks, utility poles and livestock fences (fences around drilling and/or production facilities). Utility/power lines will be installed underground (buried by trenching or boring).

— Please Note: Current biological information will need to be obtained in order to waive all, or portions, of the LPC requirements listed above. This updated information may/can be in the form of breeding season lek surveys, or habitat suitability evaluations.

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.

NO SURFACE OCCUPANCY
OPTIMA RESERVOIR

A portion of the offered lease is within the normal flood pool of Optima Reservoir.

All drilling sites must be located above mean sea level elevation 2,764 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 any high water line of the lake. It is intended that these restricted lands be developed by directional drilling or by prorationing.

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.

Waiver:

An exception, waiver or modification to this stipulation may be approved based upon the written consent of the U.S. Army Corps of Engineers, Tulsa, Oklahoma.

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.

CORPS OF ENGINEERS
SURFACE MANAGEMENT AGENCY STIPULATIONS
LEWISVILLE LAKE

1. NSO/ND - The stipulation “No Surface Occupancy and No Drilling,” applies to all Corps of Engineers (COE) fee ownership within 3000 horizontal feet of prime facilities critical to the operation of Lewisville Lake. These facilities include the dam, spillway, outlet structure, levees and related structures. This stipulation allows the identified area to be included in a lease for the purpose of becoming a part of a drilling unit so that the United States will share in the royalty.

Tracts F-536-A, F-538, and F-540 contain acreage available for inclusion in a leasehold only. No Surface Occupancy (NSO), No Drilling (ND).

2. NSO/DD - The stipulation "No Surface Occupancy, Open for Directional Drilling" applies to all designated parks, recreation areas, public use areas, wildlife management areas, archeological and historical sites, trails and roads, and the lake surface at the conservation pool elevation of 522 feet National Geodetic Vertical Datum (N.G.V.D) Directional drilling is permitted from outside the identified areas where occupancy is allowed.

3. NSO/ELEV - The stipulation “No Surface Occupancy Based on Elevation,” prohibits surface occupancy on all lands lying at or below the elevation of the spillway crest or tainter gate sill where alternative surface ownership is available within the same drilling unit. At Lewisville Lake, the spillway crest is at elevation 532 feet N.G.V.D. If no alternative surface ownership is available, in no case will surface occupancy be permitted below the 25-year frequency pool (as calculated by COE hydraulics engineering staff) or within 1000 horizontal feet from the lake surface at the conservation pool elevation of 522 feet N.G.V.D. The purpose of this stipulation is to protect the integrity of Lewisville Lake land and water resources.

Note: The surface acreage affected by the above stipulations is provided as follows:

Lake surface at conservation pool.....	29,592.00
Designated Parks/Recreation Areas.....	9,359.00
Wildlife Management Areas.....	7,034.00
Lake Operations.....	1,170.00
Areas Below 25-year frequency pool.....	To be Determined
Archeological/Historical Sites.....	To be Determined

Environmentally Sensitive Areas, Trails and Roads, and the Lake Surface at the conservation pool elevation of 522.0' feet National Geodetic Vertical Datum (N.G.V.D.). Directional drilling is permitted from outside the identified areas where occupancy is allowed. These include all of the submitted Tracts. All of the Tracts identified with this request have the possibility of falling within stipulation NSO/ELEV., but will have to be determined by *surveying* of the Tracts by the successful lessee.

STATEMENT OF AVAILABILITY
PROPOSED OIL AND GAS LEASING
LEWISVILLE LAKE, TEXAS

1. It is the policy of Department of Defense to make lands available to the maximum extent possible for mineral exploration and extraction, consistent with military operations, national defense activities, and Army civil works activities. The lands requested are not situated within incorporated cities, towns, or villages. There are no known legal policy or military considerations that adversely affect the proposed oil and gas leasing.
2. A lease application for the lands requested was submitted to the Bureau of Land Management (BLM) under competitive terms. BLM is the lead agency for mineral leasing actions.
3. The lands requested are safe for nonmilitary purposes.
4. The area requested includes **124.13** acres of project lands. There are no improvements included in the proposed lease.
5. The land is not being made available for a public road.
6. There are no buildings or other improvements included in the proposed lease.
7. The land requested for oil and gas leasing is necessary for project purposes and cannot be reported excess. The multiple-use contemplated by the proposed oil and gas leasing will not adversely affect use of project lands for project purposes.
8. In accordance with AR 405-30 (para 7.g.) BLM will prepare the necessary environmental and cultural documents before deciding to lease the proposed area.
9. A subsurface estate is being requested. The requested areas are not included in the National Register or Historic Places. Surface occupancy requests will include an evaluation of the proposed area considering the requirements of Executive Order 11593 and the National Historic Preservation Act of 1966.
10. Portions of the area may be subject to flooding. Surface occupancy pursuant to exploration activity will include evaluations and appropriate action regarding potential flooding. The use of any existing structures is not included in the proposed oil and gas lease.

- 11. The proposed leasing activity will not require or include destruction, relocation or replacement of Government structures.**
- 12. The proposed oil and gas leasing or revocation of such should not prove embarrassing to the Department of the Army.**
- 13. Surface use activities pursuant to the proposed oil and gas lease will be conducted in conformity with authorized project purposes and in accordance with lease terms and conditions and surface use conditions included in the BLM Application of Permit to Drill, at such time as it is approved or later modified.**
- 14. The requested area is available for the primary term of the lease and any subsequent extension resulting from production in paying quantities.**
- 15. An estimate of fair market value is not considered applicable since the rental amount is set by law and regulation.**
- 16. The property is not to be used for vehicle speed contests.**
- 17. The proposed leasing does not jeopardize the known habitat of any endangered or threatened species. Any surface use pursuant to exploration and production on the leased area will be considered in light of the potential to adversely effect such habitat.**
- 18. The proposed leasing activity does not affect any approved State Coastal Zone Management Plan.**
- 19. A waiver of competition is recommended. The proposed lease was offered competitively according to the Mineral Leasing Act for Acquired Lands, 30 USC 351 et. seq.**
- 20. There are no other conditions of significance known at this time.**

STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM
UNDER JURISDICTION OF
DEPARTMENT OF AGRICULTURE

The licensee/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 Supervisor
National Forests in Texas
At : 701 North First Street
Lufkin, TX 75901
Telephone No : (936) 639-8501

Who is the authorized representative of the Secretary of Agriculture.

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS
(Protect streamside management zones)

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

Portions of this lease contain streamside management zones (floodplains, wetlands). As a minimum, these areas are established within the 100 year flood plain of all intermittent streams and perennial streams, and 100 feet from the normal pool level contour of lakes. Site-specific proposals for surface-disturbing activities (such as pipelines and seismic surveys) within these areas will be analyzed and will normally result in establishment of protective requirements or limitations for the affected site. Surface occupancy for oil and gas wells will not be allowed within the streamside management zone. (MA-4-63)

On the lands described below:

For the purpose of:

To meet visual quality objectives and protect streamside management zones in accordance with the National Forest and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS
(Unique Plants or Plant Communities)

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

Portions of this lease may contain large (greater than 40 acres) Areas identified under the Texas Natural Heritage Program's Sensitive Plant and Natural Community Inventory. These areas May contain bogs and seeps or sensitive plants and plant Communities. Site-specific proposals for surface-disturbing activities within these areas will be analyzed. Such analysis could result in establishment of protective requirements, limitations for the affected site, or possibly require relocation of the activities.

On the lands described below:

For the purpose of:

To meet requirements of the National Forest Management Act of 1976 and regulation, 36 CFR 219.26. Also to protect and promote sustainable populations of unique plants or plant communities as per the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS
(Soil erosion, water quality or flood prevention)

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

Extensive areas within this lease are considered critical areas for flood prevention and/or erosion control. Control structures and erosion damage rehabilitation work either exist now or may be added during the period of the lease. Surface occupancy may be restricted or limited in order to assure minimum conflict with erosion control or flood prevention goals. Restrictions or limitations will be identified by a site-specific analysis of a proposal for lease activities. (MA-3)

On the lands described below:

For the purpose of:

To meet soil erosion, water quality, or flood prevention goals in accordance with the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

CONTROLLED SURFACE USE STIPULATION
NATIONAL GRASSLANDS IN TEXAS
(Protect Streamside Management Zone Areas)

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

Portions of this lease contain segments of either perennial or intermittent streams as defined by the Forest Service. Areas within 100' of perennial streams or 66' of intermittent streams will be subject to special requirements or limitations for surface use or occupancy. Specific requirements or limitations will be determined as Surface Use Plans of Operations (SUPOs) are submitted and will normally result in establishment of protective requirements or limitations for the affected site.

On the lands described below:

For the purpose of:

To meet visual quality objectives and protect streamside management zone areas in accordance with the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS
(Protect Red-Cockaded Woodpecker Clusters)

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

Portions of the land in this lease are, or may be, occupied by clusters of the endangered red-cockaded woodpecker. Exploration and development proposals may be modified and/or limited, including no surface occupancy, within $\frac{1}{4}$ mile of an active red-cockaded woodpecker cluster. In addition, if foraging habitat is limited, no surface occupancy may occur within $\frac{1}{2}$ mile of an active red-cockaded woodpecker cluster. Upon receipt of a site-specific proposal, the Forest Service will provide current inventory records of cluster locations and may require that localized surveys be performed to assure no uninventoried clusters are present.
(MA-2-80-4.6)

On the lands described below:

For the purpose of:

To protect red-cockaded woodpecker clusters foraging and habitat areas in accordance with the National Forest and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

NO SURFACE OCCUPANCE STIPULATION
NATIONAL FORESTS IN TEXAS
(Protect Watershed and Recreation Values)
(Windmill Lake)

No surface occupancy or use is allowed on the lands described below:

Windmill Lake, of which 43 acres lie within this parcel/tract, except hand-laying of electronic gear or apparatus could be further considered. Vehicle traffic may be restricted in this area. Seismic work requiring use of explosives will not be allowed. MA-3 (Grasslands Ecosystems); MA-9b-72 (Minimally Developed Rec Area)

For the purpose of:

To meet visual quality objectives and to protect watershed and recreation values in accordance with MA-3, Page 135 and MA-9b-72, Page 270 of the National Forests and Grasslands in Texas Final Land Resource Management Plan, dated March 28, 1996.

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

TIMING LIMITATION STIPULATION
NATIONAL FORESTS AND GRASSLANDS IN TEXAS
(To avoid disturbance of actual or probable turkey nesting locations)

Surface use may be deferred during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

Site-specific proposals for activities within these areas will be analyzed. Such analysis could result in establishment of protective requirements or limitations for the affected site.

February 15 through May 15

On the lands described below:

For the purpose of:

To avoid disturbance of actual or probable turkey nesting locations in accordance with the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

TIMING LIMITATION STIPULATION
NATIONAL FORESTS AND GRASSLANDS IN TEXAS
(To avoid disturbance of actual or potential Black Capped Vireo habitat)

Surface use may be deferred during the following time period(s). Site-specific proposals for activities within these areas will be analyzed. Such analysis could result in establishment of protective requirements or limitations for the affected site, including no surface occupancy.

March 1 through July 1

On the lands described below:

For the purpose of (reasons):

To avoid disturbance of actual or potential Black Capped Vireo habitat locations in accordance with the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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