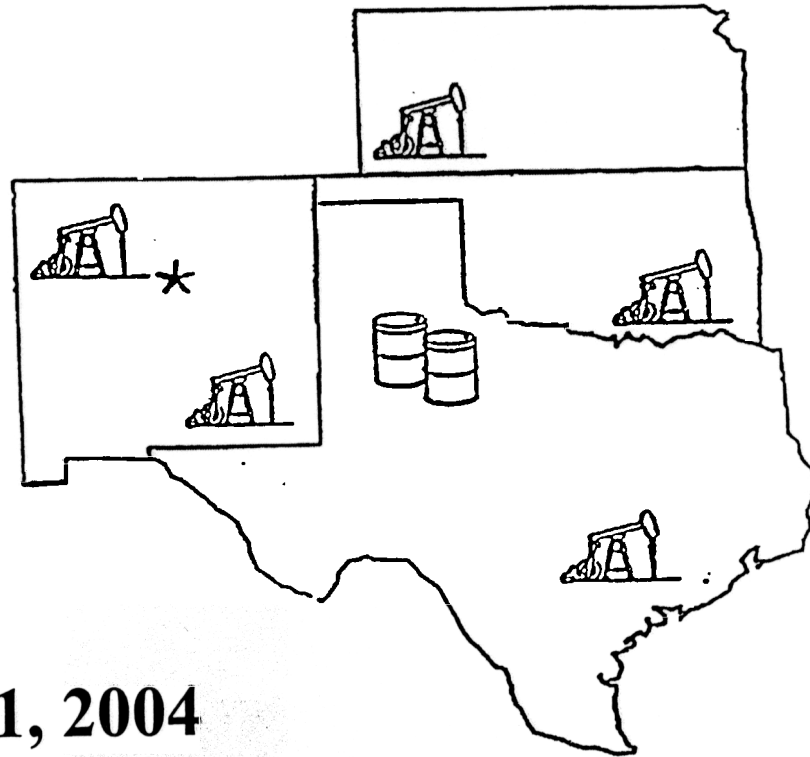




**New Mexico State Office
P.O. Box 27115
Santa Fe, NM 87502-0115**



Competitive Oil & Gas Lease Sale



July 21, 2004

www.nm.blm.gov

Bureau of Land Management

1474 Rodeo Road

Santa Fe, NM 87504



United States Department of the Interior

Bureau of Land Management

New Mexico State Office

1474 Rodeo Road

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

www.nm.blm.gov

IN REPLY REFER TO:
3120 (NM921-gsb)

May 27, 2004

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.

Attached to 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. Next to each parcel we have listed any stipulations that will be made a part of the lease at the time of issuance. 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, affecting the parcels in this sale notice.

When and where will the sale take place?

When: The competitive sale will begin at **9:00 a.m.** on **Wednesday, July 21, 2004.** The Lobby Area at the National Park Service, Paisano Building will be used to register all bidders. Registration will start at 8:00 a.m. through 9:30 a.m. so you can obtain your bidding number.

Where : We will hold the sale at the **NATIONAL PARK SERVICE, in the second floor conference room, (Cactus Room No. 2080), 2968 Rodeo Park Drive West, Paisano Building, Santa Fe, New Mexico, 87505 (see attached map).**

Access: The sale room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or material in an alternate format, contact the New Mexico State Office, Marcella Montoya at (505) 438-7537 by July 7, 2004.

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 Section. 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.

The minimum bid BLM can accept is \$2 per acre. If a parcel contains fractional acreage, round the acreage 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, 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 (\$2 X 200 acres) and the advance annual rental will be \$300 (\$1.50 X 200 acres) for the first 5-years and \$400 (\$2 X 200 acres) for the remainder of the lease term. Conversely, your chargeable acreage and royalty on production will be calculated on the United States net oil and gas mineral interest.

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

-Remaining payments: If your bonus bid was more than \$2 per acre or fraction of an acre and you didn't pay the full amount on the day of the sale, you must pay the balance of your bonus bid by **4:00 p.m. on August 4, 2004**, 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, certified check, money order, or credit card. 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 certified check. 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) 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.

A copy of the bid form is included with this notice.

-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:

-Numbers shown after the Section are a listing of the lots in the parcel.

-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 saleroom 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 (3) copies of form 3100-11, Offer to Lease and Lease for Oil and Gas properly completed and signed. **(Note: We will accept copies of the official form, including computer generated forms, that are legible and have no additions, omissions, other changes, or advertising. If you copy this form you must copy both sides on one page. If you copy the form on 2 pages or use an obsolete lease form, we will reject your offer).** You must describe the lands in your offer as specified in our regulations at 43 CFR 3110.5; and

-Your payment for the total of the \$75 filing fee and the first year's advance rental (\$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. The Non-Competitive Drawing will be held on Monday, April 26, 2004, at 3:00 p.m. at the NMSO Public Room.

How do I file a noncompetitive presale offer?

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

- Are available, and;
- Have not been under lease during the previous one-year period, or;
- Have not been included in a competitive lease sale within the previous two-year period.
- Your noncompetitive presale offer to lease must be filed prior to the official posting of this sale notice.

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

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

We have tentatively scheduled our next competitive sale for October 20, 2004. Please send nominations for that sale by June 11, 2004.

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 (\$5.00) a printed copy of the results by contacting our Accounts Staff, at (505) 438-7462. The results list is also available on our public internet website:

<http://www.nm.blm.gov>

May I protest BLM's Decision to offer the lands in this notice for lease?

-If you are adversely affected by our decision to offer the lands in this Notice for lease, you may protest the decision to the State Director under regulations 43 CFR 3120.1-3. You must submit your protest in writing to the State Director prior to the day of the sale. Generally, if we are unable to decide the protest before the sale, we will hold the sale while we consider the merits of your protest.

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

Inclement Weather Conditions

On occasion the Santa Fe area will have an abundance of snow or other weather conditions that prohibit the staff to make it to work safely at regular scheduled business hours. In the event of hazardous weather, please tune in to local television or radio stations. The Bureau of Land Management (BLM), New Mexico State Office follows the direction given to the Santa Fe, State of New Mexico Employees. If a 2-hour delay is broadcast for State Employees, BLM will also have a 2-hour delay.

The procedure for future Oil and Gas Lease Sales scheduled on a business day with a 2-hour delay or the Office is closed for Business the BLM will proceed as follows:

1. In the event of a 2-hour delay - the doors to the BLM, NMSO will remain locked until 9:30 a.m. The Oil and Gas Lease Sale will begin at 11:00 a.m. with registration starting at 10:00 a.m., please call in the recorded information on delays at (505) 438-7400.
2. In the event that the BLM office is CLOSED for Business on the day of an Oil and Gas Lease Sale, the sale will be cancelled and rescheduled at a later date. Please call in for recorded information on closures at (505) 438-7400.

Every effort will be made to post the information on delays of Closed for Business on the main entrance exterior doors of the building.

Your safety and the safety of our BLM employees is our major concern.

Power Outages

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

Whom should I contact if I have a question?

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

/s/ 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 FILE COPY

Form 3000-2 (July 1997)

QUALIFICATIONS

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

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

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

NOTICE

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

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

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

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

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

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

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

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

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

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

BURDEN HOURS STATEMENT

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

**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: _____

STREET: _____

CITY: _____

STATE: _____ **ZIP CODE:** _____

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

SIGNATURE

DATE



United States Department of the Interior

Bureau of Land Management
New Mexico State Office
1474 Rodeo Road
P.O. Box 27115
Santa Fe, New Mexico 87502-0115

IN REPLY REFER TO:
3120 (NM921-gsb)

March 24, 2004

NOTICE

The Bureau of Land Management will hold four (4) Competitive Oil and Gas Lease Sales during Fiscal Year 2005. The tentative scheduled dates are shown below:

<u>Sale Date(s)</u>	<u>Team Lead For Sale</u>	<u>Expression of Interest (EOI) Closing Date(s)* And Presale Appls</u>	<u>Posted on Website/ Mailed to the Public</u>
10/20/2004	Bernadine	06/11/2004	08/27/2004
01/19/2005	Lou	09/10/2004	11/19/2004
04/20/2005	Gloria	12/10/2004	02/25/2005
07/20/2005	Bernadine	03/11/2005	05/20/2005

*Federal lands administered by an agency outside of the Department of the Interior require Surface Management Agency (SMA) consent. Meeting the closing dates does NOT guarantee your EOI will be on the scheduled sale date.

You may request to receive the Oil and Gas Lease Sale Notice to check whether the lands are being offered. Contact our Accounts Section at (505) 438-7462 to be placed on our mailing list by either opening a declining deposit account with a minimum amount of \$50.00 or you may purchase a single Sale Notice for \$5.00 each plus postage and handling.

Every effort will be made to offer your EOI in a timely manner.

/s/ Gloria S. Baca

Gloria S. Baca
Land Law Examiner
Fluids Adjudication Team



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:

NOTICE

NOTICE

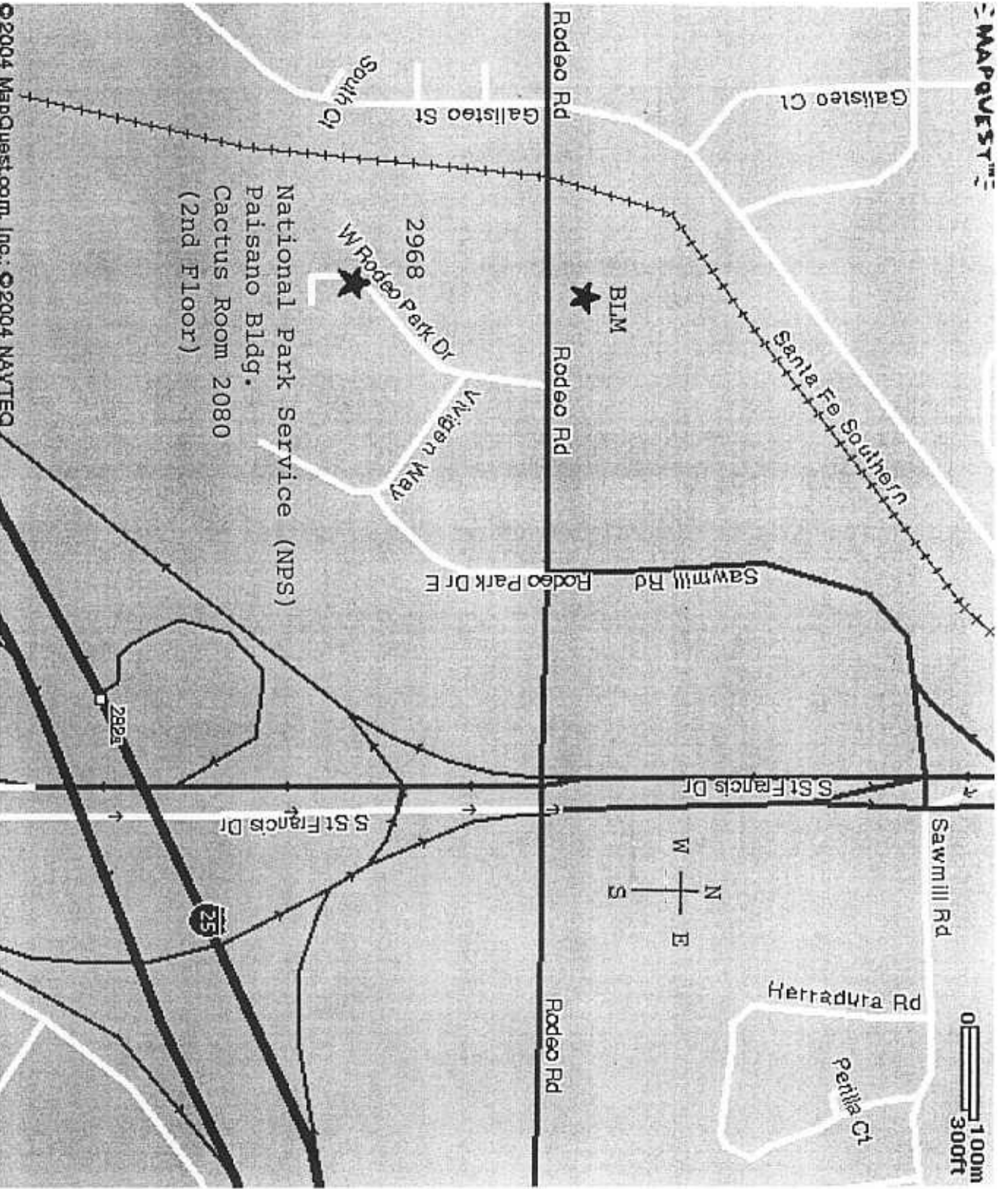
NOTICE

LOCATION of Oil and Gas Lease Sale to be held Wednesday, July 21, 2004:

Please take note the Competitive Oil and Gas Lease Sale will be held at The National Park Service, (NPS) Paisano Building, (Cactus Room #2080) 2nd Floor Conference Room, 2968 Rodeo Park Drive West, Santa Fe, New Mexico, 87505 (see attached map).

Registration of bidders will take place in the Lobby Area of the National Park Service, Paisano Building. Registration will start at 8:00 a.m. and be available through 9:30 a.m. The auction will commence promptly at 9:00 a.m.

Access: The conference room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or material in an alternate format, contact the New Mexico State Office, Marcella Montoya at (505) 438-7537 by July 7, 2004.



**BUREAU OF LAND MANAGEMENT
NEW MEXICO STATE OFFICE
July 21, 2004, 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	0	41	41	0.00	29,892.24	29,892.24
KS	0	1	1	0.00	560.00	560.00
OK	0	6	6	0.00	289.51	289.51
TX	0	17	17	0.00	17,198.31	17,198.31
TOTALS	0	65	65	0.00	47,940.06	47,940.06

KANSAS ACQUIRED

NM-200407-001 560.000 Acres

T.0150S, R.0220W, 06 PM, KS
Sec. 015 NW,N2SW;
016 E2;

Trego County
Tulsa FO
BUREAU OF RECLAMATION
Stipulations:
BOR(GP-135)
BOR-3109-1

NEW MEXICO PUBLIC DOMAIN

NM-200407-002 1242.640 Acres

T.0070S, R.0220E, 23 PM, NM
Sec. 003 LOTS 1,2,3,4;
003 S2N2,S2;
011 W2NE,SENE,W2,SE;

Chaves County
Roswell FO
NMNM 36713, NMNM 86091
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
Sec. 03: S2N2 & Sec.11
SENM-S-25 Visual Resource Management

NM-200407-003 479.280 Acres

T.0220S, R.0220E, 23 PM, NM
Sec. 004 LOTS 1,2,3,4;
004 S2N2,SW;

Eddy County
Carlsbad FO
NMNM 92143
Stipulations:
SENM-S-18 Streams, Rivers, and Floodplains
Sec.04: S2N2
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-004 120.000 Acres

T.0180S, R.0240E, 23 PM, NM
Sec. 035 N2NE,NENW;

Eddy County
Carlsbad FO
NMNM 89802
Stipulations:
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-005 639.880 Acres

T.0190S, R.0240E, 23 PM, NM
Sec. 004 LOTS 1,2,3,4;
004 S2N2,S2;

Eddy County
Carlsbad FO
NMNM 13396
Stipulations:
SENM-S-18 Streams, Rivers, and Floodplains
Sec.04: Lots 2,4,SENE,NESE
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-006 801.510 Acres

T.0110S, R.0250E, 23 PM, NM
Sec. 001 LOTS 1,2,3,4;
001 S2NE,SENE,E2SE;
002 LOTS 1,2,3;
002 NESW,NWSE;
003 LOTS 1;
011 SENE,NESW,NWSE;
012 E2NE;

Chaves County
Roswell FO
NMNM 43526, NMNM 53220, NMNM 58798,
NMNM 88096
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
Sec.01: Lots 3,4, S2NE,SENE,E2SE
Sec.02: NESW,NWSE, Secs. 03&12
SENM-S-18 Streams, Rivers, and Floodplains
Sec.11: NESW
SENM-S-25 Visual Resource Management

NM-200407-007 1200.000 Acres

T.0140S, R.0250E, 23 PM, NM
Sec. 026 NE,SW;
027 E2,S2NW,SW;
034 N2NE,NWSW;
035 N2N2,SESE;

Chaves County
Roswell FO
NMNM 70874,71559,80152
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
Sec.26: SW, Sec. 35: N2N2
SENM-S-25 Visual Resource Management

NM-200407-008 2435.410 Acres

T.0150S, R.0250E, 23 PM, NM
Sec. 004 LOTS 1,2;
004 S2NE,S2;
007 SE;
008 W2E2,N2NW,S2SW;
009 SW;
017 E2E2,W2W2;
018 LOTS 3,4;
018 NE,E2SW;
019 LOTS 1,2,4;
019 NWSE;
020 E2,NW;
031 NWNE;

Chaves County
Roswell FO
NMNM 46064,51072,54261,57228
NMNM 61329,71742,80153
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-009 680.000 Acres

T.0150S, R.0250E, 23 PM, NM
Sec. 014 N2N2,SWNE,S2NW;
022 W2NE,NWSE;
029 NE,E2NW,NWNW;

Chaves County
Roswell FO
NMNM 62166,NMNM 68073,NMNM 71742
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-010 480.000 Acres

T.0150S, R.0250E, 23 PM, NM
Sec. 021 NE,W2;
Chaves County
Roswell FO
NMNM 62166, NMNM 80153
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-011 1477.340 Acres

T.0220S, R.0250E, 23 PM, NM
Sec. 006 LOTS 1,2,6,7;
006 S2NE,E2SW,SE;
007 LOTS 1,2,3;
007 E2,E2NW,NESW;
008 NENE,W2NE,W2;
Eddy County
Carlsbad FO
NMNM 92749
Stipulations:
SENM-S-17 Slopes or Fragile Soils
Sec.06: E2SESW,W2SWSE
Sec.07: NENENW,S2SE
SENM-S-18 Streams, Rivers, and Floodplains
Sec.06
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-012 280.000 Acres

T.0220S, R.0250E, 23 PM, NM
Sec. 026 S2NE,SWSW,SE;
Eddy County
Carlsbad FO
NMNM 92750
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
Sec.26: SWSW
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-013 640.400 Acres

T.0250S, R.0250E, 23 PM, NM
Sec. 001 LOTS 1,2,3,4;
001 S2N2,S2;
Eddy County
Carlsbad FO
NMNM 71560
Stipulations:
SENM-S-18 Streams, Rivers, and Floodplains
Sec.01: N2SW,W2SE
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource
SENM-S-32 Guadalupe Escarpment Scenic

NM-200407-014 640.000 Acres

T.0260S, R.0250E, 23 PM, NM
Sec. 013 ALL;
Eddy County
Carlsbad FO
NMNM 53956, NMNM 64485, NMNM 64486,
NMNM 69152
Stipulations:
SENM-S-5 Threatened Plant Species
(Gypsum Wild-Buckwheat)
SENM-S-17 Slopes or Fragile Soils
Sec.13: N2N2
SENM-S-18 Streams, Rivers, and Floodplains
Sec.13: N2N2
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-015 85.700 Acres

T.0110S, R.0260E, 23 PM, NM
Sec. 001 LOTS 4;
001 W2SW;
Chaves County
Roswell FO
NMNM 64954, NMNM 71561
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-25 Visual Resource Management

NM-200407-016 731.440 Acres

T.0110S, R.0260E, 23 PM, NM
Sec. 003 LOTS 1,2,3,4;
003 N2SE,SW;
004 LOTS 2,3,4,5;
004 SE;
009 LOTS 1,2,3,4;
009 NENE,S2NE,SE;
Chaves County
Roswell FO
NMNM 14760B,NMNM 36972,NMNM 42791
NMNM 44520,NMNM 65947,NMNM 81720
NMNM 84704
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-017 120.000 Acres

T.0140S, R.0260E, 23 PM, NM
Sec. 034 S2SW,NWSE;
Chaves County
Roswell FO
NMNM 54265,86532
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-19 Playas and Alkali Lakes
Sec.34: S2SW
SENM-S-25 Visual Resource Management

NM-200407-018 **600.350 Acres**
T.0260S, R.0260E, 23 PM, NM
Sec. 018 LOTS 2,3,4;
 018 E2,E2W2;
Eddy County
Carlsbad FO
NMNM 57237, NMNM 64486, NMNM 69159
Stipulations:
SENM-S-5 Threatened Plant Species
(Gypsum Wild-Buckwheat)
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
Sec.18: SENE,NENW,NWSE
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-019 **160.000 Acres**
T.0070S, R.0270E, 23 PM, NM
Sec. 022 NW;
Chaves County
Roswell FO
NMNM 86833
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-020 **160.000 Acre**
T.0110S, R.0270E, 23 PM, NM
Sec. 017 NW;
Chaves County
Roswell FO
NMNM 87255
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-021 **80.000 Acres**
T.0110S, R.0270E, 23 PM, NM
Sec. 017 SESW;
 020 NENW;
Chaves County
Roswell FO
NMNM 87255
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-19 Playas and Alkali Lakes
Sec.17: SESW
SENM-S-25 Visual Resource Management

NM-200407-022 **2195.670 Acres**
T.0140S, R.0270E, 23 PM, NM
Sec. 006 LOTS 1,2,3,4;
 006 SE;
 007 E2SE;
 008 ALL;
 018 E2NE,SWSE;
 019 LOTS 1,2;
 019 W2NE,E2NW;
 020 NE,SW;
 021 NW,W2SE;
 030 NE,E2SE;
Chaves County
Roswell FO
NMNM 16094,57516,62186,62187
NMNM 88252,90517
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
Sec.19: E2NW
SENM-S-19 Playas and Alkali Lakes
Sec.20: NE Sec. 21: W2SE
SENM-S-25 Visual Resource Management

NM-200407-023 **40.000 Acres**
T.0150S, R.0270E, 23 PM, NM
Sec. 027 NWNE;
Chaves County
Roswell FO
NMNM 55906
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-024 **40.000 Acres**
T.0150S, R.0270E, 23 PM, NM
Sec. 027 SENW;
Chaves County
Roswell FO
NMNM 57517
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-025 **158.570 Acres**
T.0190S, R.0270E, 23 PM, NM
Sec. 003 LOTS 3,4;
 003 S2NW;
Eddy County
Carlsbad FO
NMNM 92165
Stipulations:
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-026 **158.510 Acres**
T.0190S, R.0270E, 23 PM, NM
Sec. 003 LOTS 1,2;
 003 S2NE;
Eddy County
Carlsbad FO
NMNM 92165
Stipulations:
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-027 2026.370 Acres

T.0240S, R.0270E, 23 PM, NM
Sec. 007 LOTS 1,2;
007 E2,E2NW,NESW;
008 S2NE,NW,N2SW,SWSW,SESE;
017 E2,E2NW,SW;
018 SESE;
019 LOTS 3,4;
019 NE,E2W2,N2SE,SWSE;

Eddy County
Carlsbad FO
NMNM 62905, NMNM 78237, NMNM 83062
Stipulations:
SENM-S-18 Streams, Rivers, and Floodplains
Sec.07: S2SENE,SENESE
Sec.17: NWNENW
Sec.19: Lot 3
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-028 2080.000 Acres

T.0240S, R.0270E, 23 PM, NM
Sec. 020 ALL;
021 W2;
028 N2,SW;
029 ALL;

Eddy County
Carlsbad FO
NMNM 78237, NMNM 82870, NMNM 89157
NMNM 89158
Stipulations:
SENM-S-17 Slopes or Fragile Soils
Sec.20: E2SW
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-029 1680.000 Acres

T.0250S, R.0270E, 23 PM, NM
Sec. 027 ALL;
033 SENE,NENW,W2W2,SE;
034 ALL;

Eddy County
Carlsbad FO
NMNM 57519, NMNM 76995, NMNM 82873,
NMNM 84856, NMNM 90884
Stipulations:
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
Sec.27: NE,N2SW,W2W2SW
Sec.33: N2NW,SESWSW
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-030 320.000 Acres

T.0260S, R.0270E, 23 PM, NM
Sec. 004 NW,SE;

Eddy County
Carlsbad FO
NMNM 55909, NMNM 83063
Stipulations:
SENM-S-15 Wildlife Habitat Projects
SENM-S-17 Slopes or Fragile Soils
Sec.04: NWSE
SENM-S-18 Streams, Rivers, and Floodplains
Sec.04: NW
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-031 1952.240 Acres

T.0020N, R.0300E, 23 PM, NM
Sec. 005 S2N2,S2;
006 LOTS 4-7;
006 S2NE,SENE,E2SW,SE;
007 LOTS 1;
007 N2NE,NENW;
008 ALL;
017 NE;

Roosevelt County
Roswell FO
NMNM 23831,26031, 26031A-E,G-M
NMNM 44450, 56639
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-19 Playas and Alkali Lakes
Sec.05: S2, Sec. 07: NENW
Sec.08: All, Sec.17: NE
SENM-S-25 Visual Resource Management

NM-200407-032 640.000 Acres

T.0020N, R.0300E, 23 PM, NM
Sec. 011 S2S2;
014 S2;
023 NE;

Roosevelt County
Roswell FO
NMNM 33230,34180,35874
NMNM 53912,54659,61877
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-19 Playas and Alkali Lakes
SENM-S-25 Visual Resource Management

NM-200407-033 637.920 Acres

T.0200S, R.0300E, 23 PM, NM
Sec. 007 LOTS 1,2,3,4;
007 E2,E2W2;

Eddy County
Carlsbad FO
NMNM 84722
Stipulations:
SENM-S-1 Potash Stipulation
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-30 NSO - Potash Area
Sec.07: Lot 1, E2,E2NW
SENM-S-31 Special Cultural Resource

NM-200407-034 40.000 Acres

T.0190S, R.0310E, 23 PM, NM
Sec. 023 NWNW;

Eddy County
Carlsbad FO
NMNM 67714
Stipulations:
SENM-S-22 Prairie Chickens
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-035 320.000 Acres

T.0200S, R.0320E, 23 PM, NM
Sec. 015 E2;
Lea County
Carlsbad FO
NMNM 38466
Stipulations:
SENM-S-1 Potash Stipulation
SENM-S-4 NSO-Laguna Plata
Sec.15: NE
SENM-S-19 Playas and Alkali Lakes
Sec.15: NENENE
SENM-S-25 Visual Resource Management
SENM-S-30 NSO - Potash Area
SENM-S-31 Special Cultural Resource

NM-200407-036 120.000 Acres

T.0050S, R.0330E, 23 PM, NM
Sec. 027 E2SW;
034 SWSW;
Roosevelt County
Roswell FO
NMNM 55955
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-25 Visual Resource Management

NM-200407-037 160.000 Acres

T.0060S, R.0330E, 23 PM, NM
Sec. 035 NE;
Roosevelt County
Roswell FO
NMNM 89175
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens
SENM-S-25 Visual Resource Management

NM-200407-038 280.000 Acres

T.0200S, R.0330E, 23 PM, NM
Sec. 017 NW,N2SW;
020 SWNE;
Lea County
Carlsbad FO
NMNM 67499,NMNM 83614
Stipulations:
SENM-S-1 Potash Stipulation
SENM-S-17 Slopes or Fragile Soils
Sec.17
SENM-S-19 Playas and Alkali Lakes
Sec.17: SWNW,NWSW
SENM-S-25 Visual Resource Management
SENM-S-30 NSO - Potash Area
SENM-S-31 Special Cultural Resource

NM-200407-039 559.600 Acres

T.0250S, R.0340E, 23 PM, NM
Sec. 030 LOTS 4;
030 SESW;
031 LOTS 1,2,3,4;
031 NE,E2W2;
Lea County
Carlsbad FO
NMNM 92785
Stipulations:
SENM-S-25 Visual Resource Management
SENM-S-31 Special Cultural Resource

NM-200407-040 230.710 Acres

T.0050N, R.0370E, 23 PM, NM
Sec. 017 LOTS 2,3,4;
017 SESW;
019 SWNW;
020 SWNW;
Curry County
Roswell FO
NMNM 36927, NMNM 54671
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
Sec.17: SESW
SENM-S-25 Visual Resource Management

NM-200407-041 1278.700 Acres

T.0210N, R.0050W, 23 PM, NM
Sec. 006 LOTS 3,4,5,6,7;
006 SENW,E2SW,SE;
008 S2;
009 E2,SW;
Sandoval County
Albuquerque FO
NMNM 89122, NMNM 90461, NMNM 90837
Stipulations:
RP-5 Designated Critical Area of Environmental Concern

NM-200407-042 1920.000 Acres

T.0210N, R.0050W, 23 PM, NM
Sec. 010 ALL;
011 ALL;
024 ALL;
Sandoval County
Albuquerque FO
NMNM 89122, NMNM 89123, NMNM 89787
Stipulations:
RP-5 Designated Critical Area of Environmental Concern

OKLAHOMA PUBLIC DOMAIN

NM-200407-043 29.510 Acres

T.0010S, R.0100E, 17 PM, OK
Sec. 011 Tract 36 (15.75 ac);
011 Tract 55 (13.76 ac);
Coal County
Tulsa FO
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
NM-8 Coal Reserves (Lease Notice)

NM-200407-044 100.000 Acres

T.0050N, R.0160E, 17 PM, OK
Sec. 012 S2S2NE,E2SWNW;
012 SENW;
Pittsburg County
Tulsa FO
OKNM 27653
Stipulations:
NM-8 Coal Reserves (Lease Notice)

NM-200407-045 40.000 Acres

T.0240N, R.0160W, 17 PM, OK
Sec. 009 SESE;
Woods County
Tulsa FO
OKNM 71581
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
ORA (LN-1) Threatened & Endangered Species

NM-200407-046 40.000 Acres

T.0240N, R.0170W, 17 PM, OK
Sec. 001 SESE;
Woodard County
Tulsa FO
OKNM 0254124A
Stipulations:
ORA-3 Season of Use Stipulation

NM-200407-047 40.000 Acres

T.0180N, R.0230W, 17 PM, OK
Sec. 027 NESW;
Ellis County
Tulsa FO
OKNM 88184
Stipulations:
ORA-3 Season of Use Stipulation

NM-200407-048 40.000 Acres

T.0170N, R.0240W, 17 PM, OK
Sec. 033 NWNW;
Ellis County
Tulsa FO
Stipulations:
ORA-3 Season of Use Stipulation

TEXAS ACQUIRED

NM-200407-049 217.190 Acres

T.225, R.000, TX PM, TX
Sec. 000 TR K-1-II PARCEL #1;
000 SEE EXB A FOR M&B W/MAP;
Houston County
Tulsa FO
TXNM 94148
QUAD NO. 3195131
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J

NM-200407-050 2266.190 Acres

T.225, R.000, TX PM, TX
Sec. 000 TR K-1-II PARCEL #2;
000 SEE EXB B FOR M&B W/MAP;
Houston County
Tulsa FO
TXNM 97167
QUAD NO. 3195131, 3195142
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1B-1
FS8 (TX) CSU#1J
FS8 (TX) TLS#1A

NM-200407-051 2464.070 Acres

T.225, R.000, TX PM, TX
Sec. 000 TR K1-V PARCEL #1;
000 SEE EXB C FOR M&B W/MAP;
Houston and Trinity Counties
Tulsa FO
TXNM 94149
QUAD NOS. 3195113, 3195142
DAVY CROCKETT NATIONAL FOREST
HOUSTON CO 1920.07 AC, TRINITY CO 534.00 AC
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1B-1
FS8 (TX) CSU#1J

NM-200407-052 555.000 Acres

T.225, R.000, TX PM, TX
Sec. 000 TR K-8F;
000 SEE EXB D FOR M&B W/MAP;
Houston and Trinity Counties
Tulsa FO
QUAD NO. 3195113
DAVY CROCKETT NATIONAL FOREST
HOUSTON CO 553.00 AC, TRINITY 2.00 AC;
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J

NM-200407-053 55.000 Acres

T.225, R.000, TX PM, TX
Sec. 000 TR K-39;
000 SEE EXB E FOR M&B W/MAP;
Houston County
Tulsa FO
QUAD NO. 3195144
DAVY CROCKETT NATIONAL FOREST
US OWNS 93.75% MINERAL INTEREST
Stipulations:
FS1
FS8 (TX) NSO#2A-3
FS8 (TX) NTL#5

NM-200407-054 677.000 Acres

T.225, R.000, TX PM, TX
Sec. 000 TR K-1B-VIII;
000 SEE EXHIBIT F FOR M&B;
Houston County
Tulsa FO
TXNM 96265
QUAD NO. 3195143
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1B-1
FS8 (TX) CSU#1J
FS8 (TX) TLS#1A

NM-200407-055 1471.460 Acres

T.225, R.000, TX PM, TX
Sec. 000 TR K-1B-IV PARCEL #1;
000 SEE EXHIBIT G FOR M&B;
Houston County
Tulsa FO
TXNM 97168
QUAD NO. 3195143
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J
FS8 (TX) TLS#1A

NM-200407-056 780.154 Acres

T.439, R.000, TX PM, TX
Sec. 000 A 780.154 ACRE TRACT OF;
000 LAND, DESCRIBED BY M&B'S;
000 SEE EXB H FOR M&B;
Tarrant County
Tulsa FO
EAGLE MOUNTAIN
TEXAS MILITARY FACILITIES COMMISSION
Stipulations:
ORA-2 Wetland/Riparian (CSU)
ORA (LN-1) Threatened & Endangered Species
TX(MFC)-1
TX(MFC)-LN1

NM-200407-057 430.020 Acres

T.439, R.000, TX PM, TX
Sec. 000 PART OF TRACTS 6 & 7;
000 SEE EXB I FOR M&B;
Tarrant County
Tulsa FO
EAGLE MOUNTAIN
TEXAS MILITARY FACILITIES COMMISSION
Stipulations:
ORA-2 Wetland/Riparian (CSU)
ORA (LN-1) Threatened & Endangered Species
TX(MFC)-1
TX(MFC)-LN1

NM-200407-058 2315.770 Acres

T.455, R.000, TX PM, TX
Sec. 000 TR K-2B PARCEL #1;
000 SEE EXB J FOR M&B W/MAP;
Houston and Trinity Counties
Tulsa FO
TXNM 58206
QUAD NO. 3195113, 3195114, 3195142
DAVY CROCKETT NATIONAL FOREST
TRINITY 2164.77 AC; HOUSTON 151.00 AC;
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J

NM-200407-059 1344.760 Acres

T.455, R.000, TX PM, TX
Sec. 000 TR K-2B PARCEL #2;
000 SEE EXB K FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58206
QUAD NO. 3195113, 3195114
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J

NM-200407-060 2410.380 Acres

T.455, R.000, TX PM, TX
Sec. 000 TR K-2B PARCEL #3;
000 SEE EXB L FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58206
QUAD NO. 3195113, 3195114
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J

NM-200407-061 1043.140 Acres

T.455, R.000, TX PM, TX
Sec. 000 TR K-2B PARCEL #4;
000 SEE EXB M FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58206
QUAD NO. 3195113
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J

NM-200407-062 528.110 Acres

T.455, R.000, TX PM, TX
Sec. 000 TR K-1A-I PARCEL #5;
000 SEE EXB N FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 91528
QUAD NO. 3195141
DAVY CROCKETT NATIONAL FOREST
Stipulations:
FS1
FS8 (TX) CSU#1A
FS8 (TX) CSU#1J
FS8 (TX) TLS#1A

NM-200407-063 138.980 Acres

T.497, R.000, TX PM, TX
Sec. 000 TR 572;
000 SEE EXB O FOR M&B W/MAP;
Wise County
Tulsa FO
TXNM 81003
QUAD NO. 3397241
LBJ NATIONAL GRASSLANDS
Stipulations:
FS1
FS8 (TX) CSU#1G
FS8 (TX) CSU#1I

NM-200407-064 318.050 Acres

T.497, R.000, TX PM, TX
Sec. 000 TR 357;
000 SEE EXB P FOR M&B W/MAP;
Wise County
Tulsa FO
TXNM 105897
QUAD NO. 3397243
LBJ NATIONAL GRASSLANDS
Stipulations:
FS1
FS8 (TX) CSU#1G
FS8 (TX) CSU#1I
FS8 (TX) LN#6
FS8 (TX) TLS#1C

NM-200407-065 **183.040 Acres**

T.497, R.000, TX PM, TX

Sec. 000 TR 244;

000 SEE EXB Q FOR M&B W/MAP;

Wise County

Tulsa FO

TXNM 81000

QUAD NO.3397243

LBJ NATIONAL GRASSLANDS

Stipulations:

FS1

FS8 (TX) CSU#1G

FS8 (TX) CSU#1I

FS8 (TX) LN#6

Number of Parcels - 65

Total Acreage - 47,940.064

Total number of Parcels with Presale Offers - 0

Parcel Number of Parcels with Presale Offers - 0

Total Acreage With Presale Offers - 0

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

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-1-II PARCEL #1
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS
217.19 ACRES**

All that certain tract or parcel of land lying and being in Houston County, Texas, on the waters of Piney Creek, a tributary of the Neches River, and White Rock Creek, a tributary of Trinity River, embracing in whole or in part the following patented Surveys: A. MacTavish Survey, A-1351, dated January 8, 1908 and Heirs of James Henley Survey, A-476, dated April 11, 1873, identified herein as Tract K-1-II Parcel #1. Tract K-1-II Parcel #1 contains **217.19** acres, more or less, and is described as follows for mineral leasing purposes. Tract K-1-II was acquired from Houston County Timber Company by deed dated July 1, 1935 and recorded in Volume 172, Page 1 et seq., Deed Records, Houston County, Texas.

BEGINNING at corner 21 of Tract K-1-II, within the Heirs of James Henley Survey, A-476;

THENCE, along a northeastern line of issued BLM lease NM-19739 within Tract K-1-II in the Heirs of James Henley Survey, a calculated bearing and distance of N 00° 45' W, of 7.75 chains to a point for corner of Tract K-1-II Parcel #1,;

THENCE, along the north line of issued BLM lease NM-19739 within said Henley Survey, a calculated bearing and distance of N 89° 45' W, 13.00 chains to a point for corner of Tract K-1-II Parcel #1, said point being on line between corners 26 and 27 of Tract K-1-II;

THENCE North, common to the A. MacTavish Survey, A-1351, and the John H. Rentfro Survey, A-895, a calculated distance of 31.25 chains to corner 27 of Tract K-1-II, the third corner of the John H. Rentfro Survey, the ninth corner of the A. MacTavish Survey, and the beginning corner of the Henry Rentfrow Survey, A-896:

THENCE two lines common to the A. MacTavish and Henry Rentfrow Surveys:

East, 5.00 chains to corner 28 of Tract K-1-II, the second corner of the Henry Rentfrow Survey and the tenth corner of the A. MacTavish Survey;

North, 40.40 chains to corner 29 of Tract K-1-II, the third corner of the Henry Rentfrow Survey, the eleventh corner of the A. MacTavish Survey, and the beginning corner of the F. M. Beckham Survey, A-225;

THENCE S 89° 00' E, across Tract K-1-II common to the north line of the A. MacTavish Survey and the south line of the F. M. Beckham Survey, 6.40 chains to a point for corner of Tract K-1-II Parcel #1, said point being common to corner 1 of Exception No. 1 of Tract K-1-II, now known as Forest Service Tract K-24d;

THENCE S 01° 30' E, common to the A. MacTavish Survey and the Heirs of Harry Lockey Survey, A-699, 36.80 chains to a point for corner of Tract K-1-II Parcel #1, said point being common to corner 5 of Exception No.1 of Tract K-1-II, now known as Tract K-24d, a Forest Service standard concrete post marked K-384 set beside an old stake;

THENCE N 88° 45' E, common to the Heirs of Harry Lockey and the A. MacTavish Surveys, 39.40 chains to a point for corner of Tract K-1-II Parcel #1, said point being common to corner 4 of Exception No. 1 of Tract K-1-II, now known as Tract K-24d;

THENCE a calculated bearing and distance of S 01° 02' 48" W, across Tract K-1-II in the Heirs of James Henley Survey, 34.72 chains to a point for corner of Tract K-1-II Parcel #1, said point also being on line common to issued BLM lease NM-86581;

THENCE, along the northerly line of issued BLM lease NM-86581 within the Heirs of James Henley Survey, a calculated bearing and distance of S 77° 06' 40" W, 39.00 chains to the point of beginning, containing **217.19** acres, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-1-II PARCEL #2
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS
2,266.19 ACRES**

All that certain tract or parcel of land lying and being in Houston County, Texas, on the waters of Piney Creek, a tributary of the Neches River, and White Rock Creek, a tributary of Trinity River, embracing in whole or in part the following patented Surveys: Calvin C. Robinett Survey, A-871, dated September 24, 1873; J. R. Hancock Survey, A-546, dated February 1, 1873; Caleb Letts & Levi Jordan Survey, A-695, dated June 22, 1866; Matilda Morris Survey, A-745, dated August 5, 1875; Heirs of Levi Speer Survey, A-925, dated June 5, 1854; George W. Prewitt Survey, A-829 dated February 10, 1871; and Jesse T. Prewitt Survey, A-830, dated November 19, 1868, identified herein as Tract K-1-II Parcel #2. Tract K-1-II Parcel #2 contains 2,389.19 acres, more or less, SAVE and EXCEPT 123.00 acres within Exception No. 2 to Tract K-1-II, leaving a net area of **2,266.19** acres, more or less, and is described as follows for mineral leasing purposes. Tract K-1-II was acquired from Houston County Timber Company by deed dated July 1, 1935 and recorded in Volume 172, Page 1 et seq., Deed Records, Houston County, Texas;

BEGINNING at corner 50 of Tract K-1-II, the fourth corner of the J. R. Hancock Survey, A-546, the second corner of the Cader B. Brent Survey, A-177, and the ninth corner of the Calvin C. Robinett Survey, A-871;

THENCE two lines with Tract K-1-II, common to the Cader B. Brent and the Calvin C. Robinett Surveys;

N 00° 15' W, 56.20 chains to corner 51 of Tract K-1-II, the third corner of the Cader B. Brent Survey and the tenth corner of said Robinett Survey;

S 89° 00' W, 21.50 chains to corner 52 of Tract K-1-II, the eleventh corner of the Calvin C. Robinett Survey and the sixth corner of the Heirs of Levi Speer, A-926 Survey, a Forest Service standard concrete post marked K-390;

THENCE N 02° 00' W, common to the Calvin C. Robinett and the Heirs of Levi Speer A-926 Surveys, 6.50 chains to corner 53 of Tract K-1-II, the twelfth corner of said Robinett Survey and the second corner of the Thomas Smith Survey, A-969;

THENCE N 70° 30' E, common to said Robinett Survey and in part to the Thomas Smith Survey, and the John McKey Survey, A-755, 63.70 chains to corner 54 of Tract K-1-II, on the westerly line of said Heirs of Levi Speer Survey, A-925;

THENCE six lines within the Heirs of Levi Speer Survey A-925:

N 70° 15' E, 28.10 chains to corner 55 of Tract K-1-II;
N 55° 15' E, 22.60 chains to corner 56 of Tract K-1-II, a F.S. standard concrete post marked K-398;
North, 2.60 chains to Corner 57 of Tract K-1-II;
N 65° 15' W, 6.10 chains to corner 58 of Tract K-1-II;
North, 14.40 chains to Corner 59 of Tract K-1-II;
N 26° 00' W, 11.50 chains to corner 60 of Tract K-1-II, on a line of the Jesse T. Prewitt Survey, A-830;

THENCE two lines common to the Heirs of Levi Speer Survey A-925 and said Jesse T. Prewitt Survey:

N 72° 30' E, 6.20 chains to corner 61 of Tract K-1-II, the second corner of the Heirs of Levi Speer Survey and the third corner of the Jesse T. Prewitt Survey;
S 21° 00' E, 26.00 chains to corner 62 of Tract K-1-II, the fourth corner of the Jesse T. Prewitt Survey and the sixteenth corner of the Calvin C. Robinett Survey;

THENCE N 89° 15' E, common to the Jesse T. Prewitt and Calvin C. Robinett Surveys, 0.90 chains to corner 63 of Tract K-1-II;

THENCE North, within the Jesse T. Prewitt Survey, 41.00 chains to corner 64 of Tract K-1-II in the south line of the Joseph N. Rodgers Survey, A-878;

THENCE S 89° 15' E, common to the Jesse T. Prewitt and Joseph N. Rodgers Survey, 12.60 chains to corner 65 of Tract K-1-II, common to corner 48 of U.S. Forest Service Tract K-1-III;

THENCE two lines with F.S. Tract K-1-III:

S 89° 45' E, common to the Joseph N. Rodgers Survey and in part to the Jesse T. Prewitt and George W. Prewitt, A-829 Surveys, 23.00 chains to corner 66 of Tract K-1-II, common to corner 47 of USFS Tract K-1-III;

N 85° 45' E, common to the Calvin C. Robinett Survey and the George W. Prewitt Survey, 12.90 chains to corner 67 of Tract K-1-II, common to corner 46 of USFS Tract K-1-III;

THENCE S 01° 00' W, within the George W. Prewitt Survey, 23.00 chains to corner 68 of Tract K-1-II;

THENCE N 89° 30' W, within the George W. Prewitt Survey, 23.50 chains to corner 69 of Tract K-1-II;

THENCE South, common to the George W. Prewitt and Jesse T. Prewitt Surveys, 4.40 chains to corner 70 of Tract K-1-II;

THENCE S 89° 45' E, within the George W. Prewitt Survey, 23.50 chains to corner 71 of Tract K-1-II;

THENCE East, within the George W. Prewitt Survey, 31.80 chains to corner 72 of Tract K-1-II, on a line of said Calvin C. Robinett Survey, a F.S. standard concrete post marked K-336;

THENCE N 02° 00' E, common to the George W. Prewitt and Calvin C. Robinett Surveys, 9.00 chains to corner 73 of Tract K-1-II;

THENCE N 87° 30' E, within the Calvin C. Robinett Survey, 9.20 chains to corner 74 of Tract K-1-II, common to corner 42 of USFS Tract K-1-III, on the west line of the Alonzo B. Follett Survey, A-407;

THENCE two lines with FS Tract K-1-III common to the Calvin C. Robinett and Alonzo B. Follett Surveys:

South, 28.40 chains to corner 75 of Tract K-1-II, common to corner 41 of Tract K-1-III;

N 89° 15' E, 2.90 chains to corner 76 of Tract K-1-II;

THENCE N 89° 15' E, continuing with FS Tract K-1-III, common to the Alonzo B. Follett Survey and Caleb Letts & Levi Jordan Survey, A-695, 24.60 chains to corner 77 of Tract K-1-II;

THENCE S 00° 30' E, in part within the Caleb Letts & Levi Jordan Survey, and in part common to the Caleb Letts & Levi Jordan Survey and the Solomon Allbright Survey, A-101, 63.60 chains to corner 78 of Tract K-1-II;

THENCE continuing S 00° 30' E, common to the Solomon Allbright Survey and in part to the Caleb Letts & Levi Jordan Survey and the Calvin C. Robinett Survey, A-871, a calculated distance of 45.60 chains to a point for corner for Tract K-1-II Parcel #2, on line common to the Solomon Allbright and Calvin C. Robinett;

THENCE a calculated bearing and distance of S 89° 59' 49" W, across Tract K-1-II within the Calvin C. Robinett and J. R. Hancock Surveys, 206.46 chains to the point of beginning, containing 2,389.19 acres, more or less, SAVE AND EXCEPT a called 123.00 acres within Exception No. 2 to Tract K-1-II described as follows, leaving a net acreage of **2,266.19**, be the same, more or less.

Exception No. 2: BEGINNING at corner 1 of Exception No. 2, on the north line of the Matilda Morris Survey, A-745. From this corner, corner 76 of USFS Tract K-1-II bears two lines as follows: N 88° 00' E, 25.00 chains and N 01° 25' W, 11.50 chains;

THENCE two lines within the Matilda Morris Survey:

S 00° 45' E, 34.50 chains to corner 2 of Exception No. 2;
S 89° 30' W, 35.60 chains to corner 3 of Exception No. 2,
a F.S. standard concrete post marked K-391;

THENCE two lines common to Matilda Morris and Calvin C. Robinett Surveys, A-871:

North, 34.60 chains to corner 4 of Exception No. 2;

East, 35.20 chains to the PLACE OF BEGINNING, containing 123 acres,
be the same, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-1-V PARCEL #1
2,464.07 ACRES
DAVY CROCKETT NATIONAL FOREST
HOUSTON AND TRINITY COUNTIES, TEXAS**

All that certain tract or parcel of land lying and being in Houston and Trinity Counties, Texas, on the waters of Piney Creek, a tributary of the Neches River, embracing in whole or in part the following patented Surveys: I. & G.N.R.R. Co. Survey No. 55, A-323 (Trinity County), dated January 15, 1879 and the I. & G.N.R.R. Co. Survey No. 58, A-1136 (Houston County) and A-704 (Trinity County), dated February 11, 1879, and S. J. Westerman Survey, A-685, dated May 4, 1877 and parts of the Isaac McMahan Survey, A-756 (Houston County) and A-439 (Trinity County), dated October 14, 1861, William D. Redd Survey, A-872, dated June 27, 1862, and James Henley Survey, A-530, dated July 2, 1869, identified herein as Tract K-1-V Parcel #1. Tract K-1-V Parcel #1 contains 2,550.07 acres, more or less, SAVE and EXCEPT 86.00 acres within Exception No. 1 to Tract K-1-V, now known as Forest Service Tract K-24, leaving a net area of **2,464.07** acres, more or less, and is described as follows for mineral leasing purposes. Tract K-1-V was acquired from Houston County Timber Company by deed dated July 1, 1935 and recorded in Volume 171, Page 61 et seq., Deed Records, Houston County, Texas and Volume 83, Pages 31-44, Deed Records, Trinity County, Texas.

BEGINNING at Corner 1 of Tract K-1-V, common to corner 80 of Forest Service Tract K-2b, identical with the fourth corner of the S. J. Westerman Survey, A-685, a corner of the Wm. Riddle Survey, A-718, the twenty-fourth corner of the Trinity County School Land Survey, A-588, and the beginning corner of the B.B.B. & C.R.R. Co. Survey, A-99, a Forest Service standard concrete post marked K-198, witnessed by scribed bearing trees;

THENCE N 89° 45' W, common in part to the S. J. Westerman Survey, the Isaac McMahan Survey, A-439, and the I. & G.N.R.R. No. 58 Survey, A-704, and to the B.B.B. & C.R.R. Co. Survey, 80.40 chains to corner 2 of Tract K-1-V;

THENCE S 00° 15' W, common in part to the I. & G.N.R.R. No. 58 Survey and the I. & G.N.R.R. No. 55 Survey A-323, and to the B.B.B. & C.R.R. Co. Survey, 29.50 chains to corner 3 of Tract K-1-V, common to corner 69 of FS Tract K-2b;

THENCE four lines with Tract K-2b, common to the I. & G.N.R.R. No. 55 Survey and the Richard Miller Survey, A-416:

West, 27.40 chains to corner 4 of Tract K-1-V, common to corner 68 of Tract K-2b, the seventh corner of the I. & G.N.R.R. Co. Survey No. 55 and the fourth corner of the Richard Miller Survey;

S 10° 00' W, 33.20 chains to corner 5 of Tract K-1-V, common to corner 67 of Tract K-2b, the eighth corner of the I. & G.N.R.R. Co. Survey No. 55 and the third corner of the Richard Miller Survey;

S 80° 00' E, 23.50 chains to corner 6 of Tract K-1-V, common to corner 66 of Tract K-2b, the ninth corner of the I. & G.N.R.R. Co. Survey No. 55 and the second corner of the Richard Miller Survey;

S 10° 15' W, 20.00 chains to corner 7 of Tract K-1-V, the tenth corner of the I. & G.N.R.R. Co. Survey No. 55 and the third corner of the Seaborn Dominy Survey, A-176;

THENCE N 80° 00' W, common to the I. & G.N.R.R. Co. Survey No. 55 and the Seaborn Dominy Survey, 39.90 chains to corner 8 of Tract K-1-V, the eleventh corner of the I. & G.N.R.R. Co. Survey No. 55 and the fourth corner of the Seaborn Dominy Survey, a F.S. standard concrete post marked K-199, witnessed by old marked bearing trees;

THENCE N 10° 15' E, common to the I. & G.N.R.R. Co. Survey No. 55 and the Ephraim Hutto Survey, 42.10 chains to corner 9 of Tract K-1-V, the twelfth corner of the I. & G.N.R.R. Co. Survey No. 55 and a corner of the Ephraim Hutto Survey;

THENCE N 79° 45' W, common to the I. & G.N.R.R. Co. Survey No. 55 and the Ephraim Hutto Survey. At approximately 15.90 chains the Houston-Trinity County line. At 29.70 chains corner 10 of Tract K-1-V, the beginning corner of the I. & G.N.R.R. Co. Survey No. 55 and a corner of the Ephraim Hutto Survey;

THENCE N 08° 30' E, common to the I. & G.N.R.R. Co. Survey No. 55 and the William Darnell Survey, A-1127, 9.10 chains to corner 11 of Tract K-1-V, the second corner of the I. & G.N.R.R. Co. Survey No. 55 and the fourth corner of the William Darnell Survey;

THENCE N 88° 00' E, common to the I. & G.N.R.R. Co. Survey No. 55 and the Mary Henderson Survey, A-496, 34.40 chains to corner 12 of Tract K-1-V, the third corner of the I. & G.N.R.R. Co. Survey No. 55 and the fifth corner of the Mary Henderson Survey, a FS standard concrete post marked K-193, witnessed by old marked bearing trees;

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Exhibit C
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THENCE N 01° 45' W, common to the I. & G.N.R.R. Co. Survey No. 55 and the No. 58 Survey, A-704/A-1136, and to the Mary Henderson Survey, 79.30 chains to corner 13 of Tract K-1-V, the beginning corner of the I. & G.N.R.R. Co. Survey No. 58 and the sixth corner of the Mary Henderson Survey, a FS standard concrete post marked K-194, witnessed by old marked bearing trees;

THENCE S 89° 00' W, common to the Wm. D. Redd Survey, A-872, and the Mary Henderson Survey, 68.80 chains to corner 14 of Tract K-1-V, common to corner 5 of FS Tract K-2Ab, the fourth corner of the Wm. D. Redd Survey and the beginning corner of the D. F. Dominy Survey, A-1349, a FS standard concrete post marked K-195, witnessed by old marked bearing trees

THENCE North, common to the Wm. D. Redd Survey and in part to the D. F. Dominy Survey, A-1349 and the John Rowan Survey, A-873, a calculated distance of 98.88 chains to a point for corner of Tract K-1-V Parcel #1, said point being on line between corners 14 and 15 of Tract K-1-V and common to a southwesterly corner of issued BLM lease NM-19769;

THENCE, along the southerly line of issued BLM lease NM-19769 across Tract K-1-V within the William Redd Survey and the James Henley Survey, A-530, a calculated bearing and distance of N 89° 47' 13" E, 108.96 chains to a point for corner of Tract K-1-V Parcel #1, said point being on line between Corners 22 and 23 of Tract K-1-V and on line common to the James Henley Survey and the I. S. Eaves Survey, A-403;

THENCE South, common in part to the James Henley and I. S. Eaves Surveys, a calculated distance of 33.14 chains to Corner 23 of Tract K-1-V, the twelfth corner of the James Henley Survey, the beginning corner of the Wm. D. Redd Survey, and a corner of the I. S. Eaves Survey, a F.S. standard concrete post marked K-397;

THENCE N 89° 45' E, common to the Wm. D. Redd Survey and in part to the I. S. Eaves Survey, the G. W. Starling Survey, A-1190, and the Simeon Hilton Survey, A-561, 81.00 chains to corner 24 of Tract K-1-V, common to corner 5 of FS Tract K-2b, the second corner of the Wm. D. Redd Survey and a corner of the Trinity Co. School Land Survey, A-588, a F. S. standard concrete post marked K-196, witnessed by old marked bearing trees;

THENCE S 00° 30' E, with Tract K-2b and common to the Wm. D. Redd Survey, and in part to the Trinity Co. School Land Survey, and the Isabella English Survey, A-200. At 42.10 chains corner 4 of FS Tract K-2b. At approximately 45.60 chains, the Houston-Trinity County line. At 62.90 chains corner 25 of Tract K-1-V, common to corner 2 of FS Tract K-2Aj, the third corner of the Wm. D. Redd Survey and the third corner of the D. W. Pennington Survey, A-921;

THENCE S 89° 30' W, with Tract K-2Aj and common to the Wm. D. Redd and D. W. Pennington Surveys, 32.60 chains to corner 26 of Tract K-1-V, common to corner 1 of FS Tract K-2Aj, the second corner of the I. & G.N.R.R. Co. Survey No. 58 and the second corner of the D. W. Pennington Survey, a F.S. standard concrete post marked K-197, witnessed by old marked bearing trees;

THENCE S 00° 45' E, common to the I. & G.N.R.R. Co. Survey No. 58 and the D. W. Pennington Survey, 9.20 chains to corner 27 of Tract K-1-V, common to corner 4 of FS Tract K-2Aj, the beginning corner of the D. W. Pennington Survey and the second corner of the S. J. Westerman Survey, A-685;

THENCE N 89° 30' E, common to the S. J. Westerman and D. W. Pennington Surveys, 32.60 chains to corner 28 of Tract K-1-V, common to corner 3 of FS Tract K-2Aj, the third corner of the S. J. Westerman Survey and the fourth corner of the D. W. Pennington Survey;

THENCE South, common to the S. J. Westerman Survey and in part to the Isabella English and William Riddle Surveys, 50.70 chains to the point of beginning, containing 2,550.07 acres, more or less, SAVE AND EXCEPT 86.00 acres within Exception No. 1, now known as Tract K-24, leaving a balance of **2,464.07** acres, more or less, available for lease as Tract K-1-V Parcel #1 with 534.00 acres being in Trinity County and 1,930.07 acres being in Houston County. Exception No. 1 is described as follows:

Exception No. 1, now known as Tract K-24, called 86.00 acres, more or less:

BEGINNING at corner 1 of Exception No. 1 of Tract K-1-V, a corner of the Isaac McMahon Survey, A-439-Tr, and the third corner of the I. & G.N.R.R. Co. Survey No. 58, A-704-Tr. From this corner, corner 27 of Tract K-1-V bears N 01° 00' W, 10.40 chains distant.

THENCE S 02° 30' E, common to the Isaac McMahon Survey and the S. J. Westerman Survey, A-685, 19.30 chains to corner 2 of Exception No. 1;

THENCE S 88° 00' W, within the Isaac McMahon Survey, 44.10 chains to corner 3 of Exception No. 1;

THENCE N 01° 15' E, common to the Isaac McMahon Survey and the I. & G.N.R.R. Survey No. 58, 20.20 chains to corner 4 of Exception No. 1, a corner of the Isaac McMahon Survey, and the fourth corner of the I. & G.N.R.R. Co. Survey No. 58;

Thence N 89° 15' E, common to the Isaac McMahon Survey and the I. & G.N.R.R. Survey No. 58, 42.90 chains to the place of beginning, containing 86 acres, be the same more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-8f
DAVY CROCKETT NATIONAL FOREST
HOUSTON AND TRINITY COUNTIES, TEXAS 555.00 ACRES**

All that certain tract or parcel of land lying and being in Houston and Trinity Counties, Texas, on the waters of Piney Creek, a tributary of Neches River, embracing in part the Mary Henderson Survey, A-496, dated February 21, 1876. Tract K-8f was acquired from Isadore Friedman by deed dated July 31, 1940 and recorded in Volume 197, Page 438, Deed Records of Houston County, Texas, and in Volume 93, Page 476, Deed Records of Trinity County, Texas, containing **555.00** acres, more or less, and is described as follows for mineral leasing purposes.

BEGINNING at corner 1, the beginning corner of the I. & G. N. R.R. Co. Survey No. 58, A-1136 (Houston), and the beginning corner of the Mary Henderson Survey, A-496, identical with corner 13 of Forest Service Tract K-1-V, common to the Wm. D. Redd Survey, A-872, a F.S. standard concrete post marked K-194, witnessed by old marked bearing trees.

THENCE S 89° 00' W, with said Tract K-1-V and common to the Wm. D. Redd Survey, 51.47 chains corner 2 of Tract K-8f, identical with corner 4 of the Forest Service Tract K-10i;

THENCE two lines with Tract K-10i and within the Mary Henderson Survey:
South, 32.10 chains to corner 3 of Tract K-8f, identical with corner 3 of the Forest Service Tract K-10i;
West, 28.73 chains to corner 4 of Tract K-8f, identical with corner 2 of the Forest Service Tract K-10i;

THENCE S 00° 48' E, common to the Mary Henderson Survey and the H. Harris Survey, A-1205, and the William Darnell Survey, A-1127, 47.95 chains to corner 5 of Tract K-8f;

THENCE N 89° 30' E, common to the William Darnell Survey, 48.00 chains to corner 6 of Tract K-8f, identical with corner 11 of Forest Service Tract K-1-V, an iron stake in west edge of road right-of-way;

THENCE N 88° 00' E, with said Tract K-1-V and common to the I. & G.N.R.R. Co. Survey No. 55, Abstract T-323, at approximately 21.50 chains the Houston-Trinity County line. At 34.40 chains corner 7 of Tract K-8f, identical with corner 12 of Tract K-1-V, a F.S. standard concrete post marked K-193, witnessed by old and scribed bearing trees;

THENCE N 01° 45' W, with said Tract K-1-V and common to the I. & G.N.R.R. Co. Survey No. 55, and the I. & G.N.R.R. Co. Survey No. 56, Abstract No. H-1136 and T-704, 79.30 chains to the PLACE OF BEGINNING, containing **555.00** acres, more or less, with 2.00 acres being in Trinity County and 553.00 acres being in Houston County.

DESCRIPTION FOR MINERAL LEASING OF
TRACT K-39
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS
55.00 ACRES

All that certain tract or parcel of land lying and being in Houston County, Texas, on the waters of the Neches River, and being known as S.F. 12332 R.S. Best Survey, A-1386, and being situated 23-1/2 miles N 66° 00' E from Crockett, Texas. Tract K-39 was acquired from Nina I. Mason by deed dated December 17, 1986 and recorded in Volume 848, Page 334, Deed Records of Houston County, Texas. Tract K-39 contains **55.00** acres, more or less, and is described as follows for mineral leasing purposes.

BEGINNING at the most northern corner of the James McDaniel ¼ league survey;

THENCE S 45° 00' E, with the said McDaniel Survey, 600 varas to an ell corner of said survey;

THENCE N 45° 00' E, 400 varas to another corner of said survey on south bank of the Neches River;

THENCE up said Neches River with its meanders as follows:

S 80° 00' W, 269 varas;

N 35° 00' W, 165 varas;

N 38° 00' E, 524 varas;

N 78° 00' E, 108 varas;

N 26° 00' E, 90 varas;

N 46° 00' W, 250 varas to the east corner of the Antonio Barrazo League;

THENCE S 45° 00' W, 900 varas to the PLACE OF BEGINNING, containing 55 acres, be the same, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-1b-VIII
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS
677.00 ACRES**

All that certain tract or parcel of land lying and being in Houston County, Texas, on the waters of Neches River, embracing in whole the I. & G. N. R.R. Company patented Survey No. 32, A-600, dated November 1, 1877. Tract K-1b-VIII was acquired from Houston County Timber Company by deed dated July 1, 1935 and recorded in Volume 172, Page 1 et seq., Deed Records of Houston County, Texas, containing **677.00** acres, more or less, and is described as follows for mineral leasing purposes.

BEGINNING at corner 1, common to a corner of U.S. Forest Service Tract K-1b-IV, and being the beginning corner of the I. & G. N. R.R. Co. Survey No. 32, the sixth corner of the John Dickerson Survey, A-334, and the ninth corner of the I. & G. N. R.R. Co. Survey No. 43, A-621.

THENCE three lines with FS Tract K-1b-IV;

N 80° 00' E, common to the I. & G. N. R.R. Co. Surveys No. 32 and 43.
At 20.70 chains a branch. At 48.20 chains corner 2 of Tract K-1b-VIII,
the second corner of the I. & G.N.R.R. Co. Survey No. 32 and the eighth corner of
the I. & G.N.R.R. Co. Survey No. 43;

S 66° 15' E, common to the I. & G.N.R.R. Co. Survey No. 32 and the
John D. Williams Survey, A-1098, 3.80 chains to corner 3 of Tract K-1b-VIII, the
third corner of the I. & G.N.R.R. Co. Survey No. 32 and the third corner
of the John D. Williams Survey;

N 23° 10' E, common to the I. & G.N.R.R. Co. Survey No. 32 and the John D.
Williams Survey. At 30.35 chains a branch. At 40.00 chains corner 4 of Tract K-
1b-VIII, the fourth corner of the I. & G.N.R.R. Co. Survey No. 32 and the second
corner of the John D. Williams Survey;

THENCE two lines common to the I. & G. N. R.R. Co. Survey No. 32 and the Pedro Elias
Bean Survey, A-6:

S 64° 30' E, 20.80 chains to corner 5 of Tract K-1b-VIII, the fifth corner of the I. & G.N.R.R. Co. Survey No. 32 and the third corner of the Pedro Elias Bean Survey;

N 21° 30' E, 48.90 chains to corner 6 of Tract K-1b-VIII, the sixth corner of the I. & G.N.R.R. Co. Survey No. 32, the point of intersection of the second call of the Pedro Elias Bean Survey and the second call of the Encarnacion Juarez Survey, A- 48, common to corner 15 of F.S. Tract K-1b-II;

THENCE S 43° 00' E, in part with F.S. Tract K-1b-II, common to the I. & G.N.R.R. Co. Survey No. 32 and Encarnacion Juarez Surveys. At 43.70 chains corner 14 of Tract K-1b-II. At 63.20 chains corner 7 of Tract K-1b-VIII, common to corner 1 of FS Tract K-1b-III and the fifth corner of the Maria J. Sanchez Survey, A-78, a F. S. standard concrete post marked K-153;

THENCE S 44° 50' W, with F.S. Tract K-1b-III and common to the Maria J. Sanchez Survey, 101.50 chains to corner 8 of Tract K-1b-VIII, common to corner 24 of Tract K-1b-III and the second corner of the Moses Speer Survey, A-912;

THENCE N 45° 18' W, common to the Moses Speer Survey and the I. & G.N.R.R. Co. No. 32 Survey, 56.30 chains to corner 9 of Tract K-1b-VIII, a F.S. standard concrete post marked K-103;

THENCE S 45° 10' W, common to the Moses Speer Survey and the I. & G.N.R.R. Co. No. 32 Survey. At 13.40 chains a branch. At 57.20 chains corner 10 of Tract K-1b-VIII, common to corner 22 of Tract K-1b-III, the tenth corner of the I. & G.N.R.R. Co. Survey No. 32 and the fourth corner of the Moses Speer Survey;

THENCE N 45° 00' W, with Tract K-1b-III, common to the I. & G.N.R.R. Co. No. 32 Survey and the John Jacobs Survey, A-635, 23.10 chains to corner 11 of Tract K-1b-VIII, common to corner 21 of Tract K-1b-III, the eleventh corner of the I. & G.N.R.R. Co. Survey No. 32 and the third corner of the John Jacobs Survey;

THENCE N 45° 10' E, common to the I. & G.N.R.R. Co. No. 32 Survey and the John Dickerson Survey, A-334, 31.60 chains to the place of beginning, containing 677.00 acres, be the same more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-1b-IV PARCEL #1
1,471.46 ACRES
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Houston County, Texas, on the waters of Hickory Creek, a tributary of the Neches River, embracing in whole or in part the following patented Surveys: I. & G.N.R.R. Co. No. 33 Survey, A-601, dated November 1, 1877, the I. & G.N.R.R. Co. No. 43 Survey, A-621, dated November 1, 1877, the Jacob Gregg Survey, A-471, dated October 18, 1876 and the John D. Williams Survey, A-1098, dated September 21, 1886, identified herein as Tract K-1b-IV Parcel #1. Tract K-1b-IV Parcel #1 contains 1471.46 acres, more or less, and is described as follows for mineral leasing purposes. Tract K-1b-IV was acquired from Houston County Timber Company by deed dated July 1, 1935 and recorded in Volume 172, Page 1 et seq., Deed Records, Houston County, Texas.

BEGINNING at corner 11 of Forest Service Tract K-1b-IV, the ninth corner of the I. & G.N.R.R. Co. Survey No. 42 and the beginning corner of the I. & G.N.R.R.Co. Survey No. 43;

THENCE S 66° 00' E, common to the Jacob Pruitt and I. & G.N.R.R. Co. No. 43 Surveys, 10.70 chains to corner 12 of Tract K-1b-IV, the third corner of the Jacob Pruitt Survey and the second corner of the I. & G.N.R.R. Co. Survey No. 43, a Forest Service standard concrete post marked K-104;

THENCE N 22° 40' E, 76.40 chains to corner 13 of Tract K-1b-IV, the third corner of the Leonard Williams Survey, A-94, and the third corner of the I. & G.N.R.R. Co. Survey No. 43;

THENCE S 66° 15' E, common to the I. & G.N.R.R. Co. Survey No. 43 and the Leonard Williams Survey, 101.40 chains to corner 14 of Tract K-1b-IV, the fourth corner of the Leonard Williams Survey and the fourth corner of the I. & G.N.R.R. Co. Survey No. 43;

THENCE two lines with Tract K-1b-IV and common to the divisional lines between the I. & G.N.R.R. Co. Survey No. 43 and the Pedro Elias Bean Survey, A-6;

S 23° 45' W, 16.50 chains to corner 15 of Tract K-1b-IV, a F.S. standard concrete post marked K-19 set beside old stake with old witnesses;

S 65° 30' E, 51.10 chains to corner 16 of Tract K-1b-IV, the sixth corner of the I. & G.N.R.R. Co. Survey No. 43 and the beginning corner of the John D. Williams Survey, A-1098;

THENCE S 24° 00' W, common to the I. & G.N.R.R. Co. Survey No. 43 and the John D. Williams Survey, 25.80 chains to corner 17 of Tract K-1b-IV;

THENCE two lines within said John D. Williams Survey:

S 66° 30' E, 19.70 chains to corner 18 of Tract K-1b-IV;
N 23° 40' E, 24.90 chains to corner 19 of Tract K-1b-IV;

THENCE S 64° 00' E, common to the John D. Williams and Pedro Elias Bean Surveys, 20.00 chains to corner 20 of Tract K-1b-IV, common to corner 4 of Forest Service Tract K-1b-VIII;

THENCE three lines with Tract K-1b-VIII:

S 23° 10' W, common to the John D. Williams Survey and the I. & G.N.R.R. Co. Survey No. 32, A-600, 40.00 chains to corner 21 of Tract K-1b-IV, common to corner 3 of Tract K-1b-VIII;

N 66° 15' W, 3.80 chains to corner 22 of Tract K-1b-IV, common to corner 2 of Tract K-1b-VIII, the eighth corner of the I. & G.N.R.R. Co. Survey No. 43, and the second corner of the I. & G.N.R.R. Co. Survey No. 32;

S 80° 00' W, 48.20 chains to corner 23 of Tract K-1b-IV, common to the beginning corner of Tract K-1b-VIII, the ninth corner of the I. & G.N.R.R. Co. Survey No. 43, the beginning corner of the I. & G.N.R.R. Co. Survey No. 32 and the sixth corner of the John Dickerson Survey, A-334;

THENCE N 45° 00' W, common to the I. & G. N.R.R. Co. No. 43 and the John Dickerson Surveys, 36.60 chains to corner 24 of Tract K-1b-IV, the fourth corner of the Alexander Menefee Survey, A-784, and the tenth corner of the I. & G. N.R.R. Co. No. 43;

THENCE N 43° 50' E, common to the I. & G. N.R.R. Co. No. 43 and the Alexander Menefee Surveys, 40.30 chains to corner 25 of Tract K-1b-IV;

THENCE N 45° 00' W, common to the I. & G. N.R.R. Co. No. 43 and the Alexander Menefee Surveys, 40.30 chains to corner 26 of Tract K-1b-IV, the fourth corner of the Alexander Menefee Survey and the second corner of the Jacob Gregg Survey, A-471;

THENCE N 44° 10' W, common to the I. & G. N.R.R. Co. No. 43 and the Jacob Gregg Survey, 22.70 chains to corner 27 of Tract K-1b-IV;

THENCE two lines within the Jacob Gregg Survey:

S 46° 20' W, 22.60 chains to corner 28 of Tract K-1b-IV;
S 43° 30' E, 23.30 chains to corner 29 of Tract K-1b-IV;

THENCE S 43° 30' W, common in part to the Jacob Gregg and I. & G.N.R.R. Co. No. 43 Surveys and in part to the Alexander Menefee and John Dickerson Surveys, 24.00 chains to corner 30 of Tract K-1b-IV;

THENCE N 45° 20' W, common to the I. & G.N.R.R. Co. No. 43 and John Dickerson Surveys, 8.40 chains to corner 31 of Tract K-1b-IV, the third corner of the John Dickerson Survey and the third corner of the I. & G.N.R.R. Co. No. 33 Survey, A-601;

THENCE two lines common to the I. & G.N.R.R. Co. No. 33, and John Dickerson Surveys:

S 44° 40' W, 51.00 chains to corner 32 of Tract K-1b-IV;
S 46° 50' E, 15.70 chains to corner 33 of Tract K-1b-IV;

THENCE two lines within the I. & G.N.R.R. Co. Survey No.33:

S 43° 20' W, 25.30 chains to corner 34 of Tract K-1b-IV;
S 45° 15' E, 53.40 chains to corner 35 of Tract K-1b-IV,
common to corner 19 of Forest Service Tract K-1b-III;

THENCE S 89° 00' W, with Tract K-1b-III and common to the I. & G.N.R.R. Co. Survey No. 33 and the R. S. Patton Survey, A-805, 34.80 chains to corner 36 of Tract K-1b-IV, common to corner 18 of Tract K-1b-III, the eighth corner of the I. & G.N.R.R. Co. Survey No. 33 and the fourth corner of the R. S. Patton Survey;

THENCE N 00° 10' E, common to the I. & G.N.R.R. Co. Survey No. 33 and the James Patton Survey, A-808, 11.10 chains to corner 37 of Tract K-1b-IV, the ninth corner of the I. & G.N.R.R. Co. Survey No. 33 and the second corner of the James Patton Survey, a F.S. standard concrete post marked K-100;

THENCE N 89° 30' W, common to the James Patton Survey and the I. & G. N.R.R. Survey No. 33, a calculated distance of 38.00 chains to a point for corner of Tract K-1b-IV Parcel #1, on line between corners 37 and 38 of Tract K-1b-IV, same being the southwest corner of the I. & G.N.R.R. Co. Survey No. 33;

THENCE, with the west line of the I. & G.N.R.R. Co. Survey No. 33 and in part with the I. & G. N. R.R. Survey No. 43, a calculated bearing and distance of N 00° 30' E, 108.45 chains to the place of beginning, containing 1,471.46 acres, be the same more or less.

Land Description
Eagle Mountain 780.154 acre Tract

Description of 780.154 acre tract of land out of a 1,209.868 acres of land situated entirely in the following Survey's: J. Wilcox survey A-1700, M.E.P.&P.RR survey A-1937, P.H. Pope Survey A-1231, T. Chubb Survey A-327, William G. King Survey, A-900, and P. Dykeman Survey, A-427 Tarrant County, Texas as recorded in Volume 3213, Page 365 in the Deed Records of Tarrant County, Texas, said 780.154 acre tract being more particularly described by metes and bounds as follows:

COMMENCING at a U.S.G.S. Monument with a Latitude of 32°59'16.7318" and a Longitude of 97°28'33.3444" said point being a called 4.08 acre tract conveyed from the State of Texas to the United State of America, being described as tract 3 as described in Volume 4756, Page 753 of the Deed Records of Tarrant county, Texas.

THENCE North 59°17'23" East a distance of 468.89 feet to a ¾" iron rod found said point being the POINT OF BEGINNING, said point having a Latitude of 32°59'19.0622" and a Longitude of 97°28'28.5838", said point also being on the South line of Morris Dido Newark Road;

THENCE North 88°43'43" East along and with the south line of said Morris Dido Newark Road a distance of 2,010.49 feet to a point for corner, said point being the beginning of a curve to the left having a radius of 616.07 feet;

THENCE along and with said curve to the left having a delta angle of 61°46'44" and a chord direction of North 57°50'21" East with a chord distance of 632.56 feet and having an arc distance of 664.27 feet to a point for corner;

THENCE North 27°08'43" East along and with the Southeast line of said Morris Dido Road a distance of 655.45 feet to a ¾" iron rod found, said point being the most Northern Point on this 780.154 acre tract, said point also being on the South line of the Rock Island and Pacific Railroad;

THENCE South 62°42'38" East along and with the South line of said Rock Island and Pacific Railroad a distance of 671.99 feet to a concrete monument found, said point being on the South line of Rock Island and Pacific Railroad;

THENCE South 00°01'13" West a distance of 6,666.63 feet to a point for corner, said point being the Southeast corner of this 780.154 acre tract, said point having a 1" iron rod found for reference at South 00°01'13" West a distance of 1,462.48 feet and a point for corner at a distance of 2,267.71 feet from the 1" iron rod on the same bearing, said point for corner being on the South line of the T. Chubb Survey A-327 and the North line of the J. Jayboy Survey A-174, said point also being the Southeast corner of said called 1,209.868 acre tract;

THENCE South $89^{\circ}32'16''$ West a distance of 6,164.72 feet to a point for corner, said point being on the East line of said Morris Dido Newark Road, said point also being the beginning of a curve to the right having a radius of 524.90 feet;

THENCE along and with said curve to the right having a delta angle of $14^{\circ}00'24''$ and a chord direction of North $63^{\circ}15'27''$ East with a chord distance of 128.00 feet and having an arc distance of 128.32 feet to a $5/8''$ iron rod found for corner;

THENCE North $70^{\circ}00'33''$ East along and with the Southeast line of said Morris Dido Road a distance of 930.77 feet to a point for corner, said point being on the Southeast line of said Morris Dido Newark Road, said point being the beginning of a curve to the left having a radius of 985.19 feet;

THENCE along and with said curve to the left having a delta angle of $52^{\circ}44'48''$ and a chord direction of North $43^{\circ}38'09''$ East with a chord distance of 875.28 feet and having an arc distance of 906.97 feet to a point for corner;

THENCE North $17^{\circ}21'43''$ East along and with the East line of said Morris Dido Road a distance of 602.35 feet to a point for corner, said point being on the East line of said Morris Dido Newark Road, said point being the beginning of a curve to the left having a radius of 470.54 feet;

THENCE along and with said curve to the left having a delta angle of $82^{\circ}44'02''$ and a chord direction of North $24^{\circ}00'18''$ West with a chord distance of 621.95 feet and having an arc distance of 679.46 feet to a point for corner, said point having a concrete monument found for reference to North $03^{\circ}28'44''$ West at a distance of 193.11 feet;

THENCE North $65^{\circ}22'17''$ West along and with the Northeast line of said Morris Dido Road a distance of 2,083.93 feet to a point for corner, said point being on the Northeast line of said Morris Dido Newark Road, said point being the beginning of a curve to the right having a radius of 351.54 feet;

THENCE along and with said curve to the right having a delta angle of $91^{\circ}45'50''$ and a chord direction of North $19^{\circ}29'22''$ West with a chord distance of 504.75 feet and having an arc distance of 563.02 feet to a $5/8''$ iron rod found for corner;

THENCE North $32^{\circ}29'08''$ East along and with the Southeast line of said Morris Dido Road a distance of 3,118.86 feet to a point for corner, said point being on the Southeast line of said Morris Dido Newark Road, said point also being the beginning of a curve to the right having a radius of 139.46 feet;

THENCE along and with said curve to the right having a delta angle of $63^{\circ}34'43''$ and a chord direction of North $64^{\circ}16'30''$ East with a chord distance of 146.94 feet and having an arc distance of 154.76 feet to a point for corner;

THENCE South $83^{\circ}24'48''$ East along and with the South line of said Morris Dido Road a distance of 923.28 feet to a point for corner, said point being on the South line of said Morris Dido Newark Road;

THENCE South $36^{\circ}02'43''$ West a distance of 271.95 feet to a $5/8''$ iron rod found for corner;

THENCE South $57^{\circ}43'20''$ East a distance of 426.13 feet to a $5/8''$ iron rod found for corner;

THENCE North $39^{\circ}07'21''$ East a distance of 544.00 feet back to the place of beginning and containing 780.154 acres of land.

**Part of Tracts 6 and 7
Eagle Mountain Lake
Tarrant County, Texas**

Parts of the WM. G. King Survey, Abstract No. 900 and the T. Chubb Survey, Abstract No. 327 situated in the northwest part of Tarrant County, Texas; embracing a part of Tract No. 6 and Tract No. 7 described in the deed to the United States of America. Recorded in volume 1548, page 452 of the Deed Records of Tarrant County, Texas and described by metes and bounds as follows:

BEGINNING at a concrete monument found for the southeast corner of said Tract No. 7 in the south line of said T. Chubb Survey, Abstract No. 327.

THENCE South $89^{\circ} 28' 17''$ West, along the South line of said Tract No. 7 and the South line of the said T. Chubb Survey to and along the South line of the said WM. G. King Survey, 4339.41 feet to a 1" pipe found for the Southeast corner of the Tract described in the deed to Tarrant County Water Control and Improvement District No. 1 recorded in volume 2837, page 181 of the said Deed Records.

THENCE Northwesterly, along the East line of said Tarrant County Water Control and Improvement District No. 1 Tract, the following:

North $00^{\circ} 08' 05''$ West, 2077.81 feet to a 5/8" capped iron set;
North $54^{\circ} 59' 36''$ West, 834.43 feet to 1" pipe found for the most northerly northeast corner of said Tarrant County Water Control and Improvements District No. 1 Tract.

THENCE North $89^{\circ} 47' 10''$ West, along the north line of said Tarrant County Water Control and Improvement District No. 1 Tract, 1386.96 feet to a 5/8" capped iron set in the East right-of-way of Morris Dido Newark Road.

THENCE North $00^{\circ} 26' 27''$ East, along the East line of said Morris Dido Newark Road, 703.85 feet to a 3/4" iron found at the beginning of a curve to the right having a radius of 542.96 feet.

THENCE Northeasterly, along said curve to the right an arc length of 532.58 feet to a 5/8" capped iron set, the long chord of said 530.58 feet of arc is North 28° 26' 25" East, 509.72 feet.

THENCE North 89° 28' 17" East, a distance of 6164.72 feet to a 5/8" capped iron set in the East line of said Tract No. 7.

THENCE South 00° 01' 45" East, along the East line of said Tract No. 7 a distance of, 3730.54 feet to the PLACE OF BEGINNING and containing 430.02 acres.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-2b PARCEL #1
DAVY CROCKETT NATIONAL FOREST
HOUSTON AND TRINITY COUNTIES, TEXAS
2,315.77 ACRES**

All that certain tract or parcel of land lying and being in Houston and Trinity Counties, Texas, on the waters of a tributary of the Neches River, embracing in whole or in part the Trinity County School Land Survey, A-588, dated July 5, 1872 and the Aaron Lowery Survey, A-399, dated May 3, 1865, identified herein as Tract K-2b Parcel #1. Tract K-2b Parcel #1 contains **2,315.77** acres, more or less, and is described as follows for mineral leasing purposes. Tract K-2b was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas.

BEGINNING at Corner 1 of Tract K-2b, identical with the beginning corner of the Aaron Lowery Survey and the third corner of the John E. English Survey, A-198, a Forest Service standard concrete post marked K-358, witnessed by old marked bearing trees;

THENCE S 89° 30' W, common to the Aaron Lowery and John E. English Surveys, 39.80 chains to corner 2 of Tract K-2b, the second corner of the Aaron Lowery Survey, the second corner of the John E. English Survey, the beginning corner of the Isabella English Survey, A-200, and a corner of the Wm. Riddle Survey, A-718;

THENCE N 00° 30' W, common to the Aaron Lowery and Isabella English Surveys, 40.20 chains to corner 3 of Tract K-2b, the third corner of the Aaron Lowery Survey and the fourth corner of the Isabella English Survey;

THENCE West, common to the Trinity County School Land Survey, A-588 and the Isabella English Survey. At approximately 26.50 chains a point in the center of a road, from which a Forest Service standard concrete post marked K-302 bears S 53° 30' E, 1.10 chains distant. At approximately 36.60 chains the Trinity-Houston County line. At 41.10 chains corner 4 of Tract K-2b, the twenty-first corner of the Trinity County School Land Survey and the third corner of the Isabella English Survey;

THENCE N 00° 30' W, common to the Trinity County School Land Survey and the W. D. Redd Survey, A-912, 42.10 chains to corner 5 of Tract K-2b, the second corner of the W. D. Redd Survey, on the southerly line of the Simon Hilton Survey, A-561, a F.S. standard concrete post marked K-196;

THENCE two lines common to the Simon Hilton Survey and within the Trinity County School Land Survey:

East, 6.30 chains to corner 6 of Tract K-2b, the second corner of the Simon Hilton Survey;
North, 3.90 chains to corner 7 of Tract K-2b, the beginning corner of the W. T. English Survey, A-397;

THENCE East, common to the Trinity County School Land Survey and in part to the W. T. English Survey and the W. J. Meacham Survey, A-452. At approximately 56.60 chains the Houston-Trinity County line. At 104.90 chains corner 8 of Tract K-2b;

THENCE three lines within the Trinity County School Land Survey:

South, 13.10 chains to corner 9 of Tract K-2b, a F.S. standard concrete post marked K-435;
East, 30.20 chains to corner 10 of Tract K-2b;
North, 13.20 chains to corner 11 of Tract K-2b, the beginning corner of the W. J. Meacham Survey and the ninth corner of the Sam F. Kenley Survey, A-882;

THENCE East, common to the Trinity County School Land and the Sam F. Kenley Surveys, 67.40 chains to corner 12 of Tract K-2b, a F. S. standard concrete post marked K-347;

THENCE nine lines within the Trinity County School Land Survey:

S 00° 15' E, 46.80 chains to corner 13 of Tract K-2b;
S 89° 15' W, 74.50 chains to corner 14 of Tract K-2b;
S 00° 30' E, 20.00 chains to corner 15 of Tract K-2b, a F. S. standard concrete post marked K-366;
N 89° 30' E, 30.00 chains to corner 16 of Tract K-2b;
S 01° 00' E, 14.20 chains to corner 17 of Tract K-2b;
N 88° 30' E, 48.50 chains to corner 18 of Tract K-2b;
N 01° 15' W, 34.10 chains to corner 19 of Tract K-2b;
N 88° 30' E, 29.20 chains to corner 20 of Tract K-2b, a F.S. standard concrete post marked K-377;
S 00° 15' E, 98.20 chains to corner 21 of Tract K-2b, a F.S. standard concrete post marked K-360;

THENCE N 86° 00' W, across Tract K-2b within the Trinity County School Land Survey, 20.00 chains to a point for corner of Tract K-2b Parcel #1, common to corner 1 of

Exception No. 1 to Tract K-2b and said line being common to a north line of Tract K-2b Parcel #2 lease offer:

THENCE S 88° 30' W, within the Trinity County School Land Survey, 31.10 chains to a point for corner of Tract K-2b Parcel #1, common to corner 4 of Exception No. 1 to Tract K-2b;

THENCE across Tract K-2b within the Trinity County School Land Survey, a calculated bearing and distance of N 81° 04' 44" W, 110.62 chains to corner 85 of Tract K-2b, the fourth corner of the John E. English Survey, and said line being common to a north line of Tract K-2b Parcel #3 lease offer;

THENCE N 00° 30' W, common to the Trinity County School Land and John E. English Surveys, 40.10 chains to the place of beginning, containing **2,315.77** acres, be the same, more or less, with 151.00 acres being in Houston County and 2,164.77 acres being in Trinity County.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-2b PARCEL #2
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS
1,344.76 ACRES**

All that certain tract or parcel of land lying and being in Trinity County, Texas, on the waters of a tributary of the Neches River, embracing in whole or in part the Trinity County School Land Survey, A-588, dated July 5, 1872 and the Heirs of Tyler Wortham Survey, A-687, dated October 23, 1875, identified herein as Tract K-2b Parcel #2. Tract K-2b Parcel #2 contains **1,344.76** acres, more or less, and is described as follows for mineral leasing purposes. Tract K-2b was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas.

BEGINNING at Corner 21 of Tract K-2b, within the Trinity County School Land Survey, a F. S. standard concrete post marked K-360, witnessed by old marked bearing trees;

THENCE N 89° 30' E, within the Trinity County School Land Survey, 27.60 chains to corner 22 of Tract K-2b;

THENCE N 00° 30' W, within the Trinity County School Land Survey, 33.50 chains to corner 23 of Tract K-2b, the sixteenth corner of the Trinity County School Land Survey and the second corner of the George W. Wilson Survey, A-632;

THENCE N 89° 00' E, common to the Trinity County School Land and the George W. Wilson Surveys, 30.10 chains to corner 24 of Tract K-2b, the sixteenth corner of the Trinity County School Land Survey;

THENCE S 01° 15' E, within the Trinity County School Land, 50.60 chains to corner 25 of Tract K-2b, a stake witnessed by a scribed bearing tree;

THENCE East, within the Trinity County School Land Survey, 11.80 chains to corner 26 of Tract K-2b, the southwest corner of the P. P. Ainsworth Survey, A-70, and the second corner of the Enoch S. Rains Survey, A-542, a stake witnessed by old scribed bearing trees;

THENCE S 01° 30' W, common to the Trinity County School Land Survey and in part to the Enoch S. Rains Survey and the L. C. Lee Survey, A-840, 47.00 chains to corner 27 of Tract K-2b, a F.S. standard concrete post marked K-376;

Parcel 200407-059
Exhibit K
Page 2 of 3

THENCE S 45° 30' W, with the southeast line of the Trinity County School Land Survey common to the northwest line of the John W. Moore Survey, A-422, 51.97 chains to corner 28 of Tract K-2b, identical with the northeast corner of the 3.95 acres tract quit claimed to the Heirs of W. D. Ashworth by deed dated April 28, 1982 and recorded in Volume 302, Page 590, Deed Records, Trinity, County, Texas;

THENCE S 89° 48' 46" W, within the Trinity County School Land Survey, 14.97 chains to corner 29 of Tract K-2b, identical with the northwest corner of the 3.95 acres tract quit claimed to the Heirs of W. D. Ashworth;

THENCE S 00° 48' 39" E, within the Trinity County School Land Survey and in part common to the Trinity County School Land Survey and the J. T. Wortham Survey, A-675, at 2.87 chains an ell corner of the Trinity County School Land Survey and the northwest corner of the J. T. Wortham Survey and being the southwest corner of the 3.95 acres tract quit claimed to the Heirs of W. D. Ashworth. At 50.07 chains, corner 30 of Tract K-2b, the southwest corner of the J. T. Wortham Survey;

THENCE West, common to the Trinity County School Land Survey and the Ephram Hutto Survey, A-297, 15.10 chains to corner 31 of Tract K-2b, the second corner of the Trinity County School Land Survey and the second corner of the Ephram Hutto Survey;

THENCE S 01° 00' E, common to the Trinity County School Land Survey and Ephram Hutto Surveys, 8.00 chains to corner 32 of Tract K-2b, a F.S. standard concrete post marked K-353;

THENCE nine lines within the Trinity County School Land Survey:

- West, 12.40 chains to corner 33 of Tract K-2b;
- North, 28.90 chains to corner 34 of Tract K-2b;
- East, 11.90 chains to corner 35 of Tract K-2b;
- N 01° 00' W, 29.30 chains to corner 36 of Tract K-2b;
- N 89° 30' W, 33.70 chains to corner 37 of Tract K-2b;
- S 01° 00' E, 30.50 chains to corner 38 of Tract K-2b, a F.S. standard concrete post marked K-370, witnessed by scribed bearing trees;
- West, 17.20 chains to corner 39 of Tract K-2b;
- N 00° 30' W, 20.50 chains to corner 40 of Tract K-2b;
- S 87° 30' W, 40.50 chains to corner 41 of Tract K-2b, a F.S. standard concrete post marked K-410, witnessed by old marked bearing trees;

THENCE across Tract K-2b within the Trinity County School Land Survey, a calculated bearing and distance of N 32° 11' 11" E, 74.11 chains to corner 3 of Exception No. 1 to Tract K-2b, a F.S. standard concrete post marked K-379, witnessed by old marked bearing trees, and said line being common to Tract K-2b Parcel #3 lease offering;

THENCE two lines within the Trinity County School Land Survey and with Tract K-2b Exception No. 1:

N 88° 30' E, 31.10 chains to corner 2 of Tract K-2b Exception No. 1,
a stake witnessed by scribed bearing trees;

N 01° 30' W, 49.00 chains to corner 1 of Tract K-2b Exception No. 1,
the northeast corner of Exception No. 1;

THENCE S 86° 00' E, within the Trinity County School Land Survey and common line to Tract K-2b Parcel #1 lease offer, 20.00 chains to the PLACE OF BEGINNING, containing **1,3744.76** acres, be the same, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-2b PARCEL #3
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS
2,410.38 ACRES**

All that certain tract or parcel of land lying and being in Trinity County, Texas, on the waters of a tributary of the Neches River, lying wholly within Trinity County School Land Survey, A-588, dated July 5, 1872, identified herein as Tract K-2b Parcel #3. Tract K-2b Parcel #3 contains all of Tract K-2b less and except those lands lying within Tract K-2b Parcels #1, #2, and #4 lease offers containing a combined acreage of 4,703.67 acres and Tract K-2b Exception No. 2 containing 81.00 acres, leaving a net area of **2,410.38** acres, more or less, for Parcel #3 and is described as follows for mineral leasing purposes. Tract K-2b was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas.

Tract K-2b Parcel #1 - 2,315.77 acres:

All that certain tract or parcel of land lying and being in Houston and Trinity Counties, Texas, on the waters of a tributary of the Neches River, embracing in whole or in part the Trinity County School Land Survey, A-588, dated July 5, 1872 and the Aaron Lowery Survey, A-399, dated May 3, 1865, identified herein as Tract K-2b Parcel #1. Tract K-2b Parcel #1 contains 2,315.77 acres, more or less, and is described as follows for mineral leasing purposes. Tract K-2b was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas.

BEGINNING at Corner 1 of Tract K-2b, identical with the beginning corner of the Aaron Lowery Survey and the third corner of the John E. English Survey, A-198, a Forest Service standard concrete post marked K-358, witnessed by old marked bearing trees;

THENCE S 89° 30' W, common to the Aaron Lowery and John E. English Surveys, 39.80 chains to corner 2 of Tract K-2b, the second corner of the Aaron Lowery Survey, the second corner of the John E. English Survey, the beginning corner of the Isabella English Survey, A-200, and a corner of the Wm. Riddle Survey, A-718;

THENCE N 00° 30' W, common to the Aaron Lowery and Isabella English Surveys, 40.20 chains to corner 3 of Tract K-2b, the third corner of the Aaron Lowery Survey and the fourth corner of the Isabella English Survey;

THENCE West, common to the Trinity County School Land Survey, A-588 and the Isabella English Survey. At approximately 26.50 chains a point in the center of a road, from which a Forest Service standard concrete post marked K-302 bears S 53° 30' E, 1.10 chains distant. At approximately 36.60 chains the Trinity-Houston County line. At 41.10 chains corner 4 of Tract K-2b, the twenty-first corner of the Trinity County School Land Survey and the third corner of the Isabella English Survey;

THENCE N 00° 30' W, common to the Trinity County School Land Survey and the W. D. Redd Survey, A-912, 42.10 chains to corner 5 of Tract K-2b, the second corner of the W. D. Redd Survey, on the southerly line of the Simon Hilton Survey, A-561, a F.S. standard concrete post marked K-196;

THENCE two lines common to the Simon Hilton Survey and within the Trinity County School Land Survey:

East, 6.30 chains to corner 6 of Tract K-2b, the second corner of the Simon Hilton Survey;

North, 3.90 chains to corner 7 of Tract K-2b, the beginning corner of the W. T. English Survey, A-397;

THENCE East, common to the Trinity County School Land Survey and in part to the W. T. English Survey and the W. J. Meacham Survey, A-452. At approximately 56.60 chains the Houston-Trinity County line. At 104.90 chains corner 8 of Tract K-2b;

THENCE three lines within the Trinity County School Land Survey:

South, 13.10 chains to corner 9 of Tract K-2b, a F.S. standard concrete post marked K-435;

East, 30.20 chains to corner 10 of Tract K-2b;

North, 13.20 chains to corner 11 of Tract K-2b, the beginning corner of the W. J. Meacham Survey and the ninth corner of the Sam F. Kenley Survey, A-882;

THENCE East, common to the Trinity County School Land and the Sam F. Kenley Surveys, 67.40 chains to corner 12 of Tract K-2b, a F. S. standard concrete post marked K-347;

THENCE nine lines within the Trinity County School Land Survey:

S 00° 15' E, 46.80 chains to corner 13 of Tract K-2b;

S 89° 15' W, 74.50 chains to corner 14 of Tract K-2b;

S 00° 30' E, 20.00 chains to corner 15 of Tract K-2b, a F. S. standard concrete post marked K-366;

N 89° 30' E, 30.00 chains to corner 16 of Tract K-2b;

S 01° 00' E, 14.20 chains to corner 17 of Tract K-2b;

N 88° 30' E, 48.50 chains to corner 18 of Tract K-2b;

N 01° 15' W, 34.10 chains to corner 19 of Tract K-2b;

N 88° 30' E, 29.20 chains to corner 20 of Tract K-2b, a F.S. standard concrete post marked K-377;

S 00° 15' E, 98.20 chains to corner 21 of Tract K-2b, a F.S. standard concrete post marked K-360;

THENCE N 86° 00' W, across Tract K-2b within the Trinity County School Land Survey, 20.00 chains to a point for corner of Tract K-2b Parcel #1, common to corner 1 of Exception No. 1 to Tract K-2b and said line being common to a north line of Tract K-2b Parcel #2 lease offer;

THENCE S 88° 30' W, within the Trinity County School Land Survey, 31.10 chains to a point for corner of Tract K-2b Parcel #1, common to corner 4 of Exception No. 1 to Tract K-2b;

THENCE across Tract K-2b within the Trinity County School Land Survey, a calculated bearing and distance of N 81° 04' 44" W, 110.62 chains to corner 85 of Tract K-2b, the fourth corner of the John E. English Survey, and said line being common to a north line of Tract K-2b Parcel #3 lease offer;

THENCE N 00° 30' W, common to the Trinity County School Land and John E. English Surveys, 40.10 chains to the place of beginning, containing 2,315.77 acres, be the same, more or less, for Tract K-2b Parcel #1, with 151.00 acres being in Houston County and 2,164.77 acres being in Trinity County.

Tract K-2b Parcel #2 – 1,344.76 acres

All that certain tract or parcel of land lying and being in Trinity County, Texas, on the waters of a tributary of the Neches River, embracing in whole or in part the Trinity County School Land Survey, A-588, dated July 5, 1872 and the Heirs of Tyler Wortham Survey, A-687, dated October 23, 1875, identified herein as Tract K-2b Parcel #2. Tract K-2b Parcel #2 contains 1,344.76 acres, more or less, and is described as follows for mineral leasing purposes. Tract K-2b was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas.

BEGINNING at Corner 21 of Tract K-2b, within the Trinity County School Land Survey, a F. S. standard concrete post marked K-360, witnessed by old marked bearing trees;

THENCE N 89° 30' E, within the Trinity County School Land Survey, 27.60 chains to corner 22 of Tract K-2b;

THENCE N 00° 30' W, within the Trinity County School Land Survey, 33.50 chains to corner 23 of Tract K-2b, the sixteenth corner of the Trinity County School Land Survey and the second corner of the George W. Wilson Survey, A-632;

THENCE N 89° 00' E, common to the Trinity County School Land and the George W. Wilson Surveys, 30.10 chains to corner 24 of Tract K-2b, the sixteenth corner of the Trinity County School Land Survey;

THENCE S 01° 15' E, within the Trinity County School Land, 50.60 chains to corner 25 of Tract K-2b, a stake witnessed by a scribed bearing tree;

THENCE East, within the Trinity County School Land Survey, 11.80 chains to corner 26 of Tract K-2b, the southwest corner of the P. P. Ainsworth Survey, A-70, and the second corner of the Enoch S. Rains Survey, A-542, a stake witnessed by old scribed bearing trees;

THENCE S 01° 30' W, common to the Trinity County School Land Survey and in part to the Enoch S. Rains Survey and the L. C. Lee Survey, A-840, 47.00 chains to corner 27 of Tract K-2b, a F.S. standard concrete post marked K-376;

THENCE S 45° 30' W, with the southeast line of the Trinity County School Land Survey common to the northwest line of the John W. Moore Survey, A-422, 51.97 chains to corner 28 of Tract K-2b, identical with the northeast corner of the 3.95 acres tract quit claimed to the Heirs of W. D. Ashworth by deed dated April 28, 1982 and recorded in Volume 302, Page 590, Deed Records, Trinity, County, Texas;

THENCE S 89° 48' 46" W, within the Trinity County School Land Survey, 14.97 chains to corner 29 of Tract K-2b, identical with the northwest corner of the 3.95 acres tract quit claimed to the Heirs of W. D. Ashworth;

THENCE S 00° 48' 39" E, within the Trinity County School Land Survey and in part common to the Trinity County School Land Survey and the J. T. Wortham Survey, A-675, at 2.87 chains an ell corner of the Trinity County School Land Survey and the northwest corner of the J. T. Wortham Survey and being the southwest corner of the 3.95 acres tract quit claimed to the Heirs of W. D. Ashworth. At 50.07 chains, corner 30 of Tract K-2b, the southwest corner of the J. T. Wortham Survey;

THENCE West, common to the Trinity County School Land Survey and the Ephram Hutto Survey, A-297, 15.10 chains to corner 31 of Tract K-2b, the second corner of the Trinity County School Land Survey and the second corner of the Ephram Hutto Survey;

THENCE S 01° 00' E, common to the Trinity County School Land Survey and Ephram Hutto Surveys, 8.00 chains to corner 32 of Tract K-2b, a F.S. standard concrete post marked K-353;

THENCE nine lines within the Trinity County School Land Survey:

- West, 12.40 chains to corner 33 of Tract K-2b;
- North, 28.90 chains to corner 34 of Tract K-2b;
- East, 11.90 chains to corner 35 of Tract K-2b;
- N 01° 00' W, 29.30 chains to corner 36 of Tract K-2b;
- N 89° 30' W, 33.70 chains to corner 37 of Tract K-2b;

S 01° 00' E, 30.50 chains to corner 38 of Tract K-2b, a F.S. standard concrete post marked K-370, witnessed by scribed bearing trees;
West, 17.20 chains to corner 39 of Tract K-2b;
N 00° 30' W, 20.50 chains to corner 40 of Tract K-2b;
S 87° 30' W, 40.50 chains to corner 41 of Tract K-2b, a F.S. standard concrete post marked K-410, witnessed by old marked bearing trees;

THENCE across Tract K-2b within the Trinity County School Land Survey, a calculated bearing and distance of N 32° 11' 11" E, 74.11 chains to corner 3 of Exception No. 1 to Tract K-2b, a F.S. standard concrete post marked K-379, witnessed by old marked bearing trees, and said line being common to Tract K-2b Parcel #3 lease offering;

THENCE two lines within the Trinity County School Land Survey and with Tract K-2b Exception No. 1:

N 88° 30' E, 31.10 chains to corner 2 of Tract K-2b Exception No. 1, a stake witnessed by scribed bearing trees;
N 01° 30' W, 49.00 chains to corner 1 of Tract K-2b Exception No. 1, the northeast corner of Exception No. 1;

THENCE S 86° 00' E, within the Trinity County School Land Survey and common line to Tract K-2b Parcel #1 lease offer, 20.00 chains to the place of beginning, containing 1,3744.76 acres, be the same, more or less, for Tract K-2b Parcel #2.

Tract K-2b Parcel #4 – 1,043.14 acres

All that certain tract or parcel of land lying and being in Trinity County, Texas, on the waters of a tributary of the Neches River, embracing in whole or in part the Trinity County School Land Survey, A-588, dated July 5, 1872 and the Richard Miller Survey, A-416, dated December 18, 1875, identified herein as Tract K-2b Parcel #4. Tract K-2b Parcel #4 contains 1,043.14 acres, more or less, and is described as follows for mineral leasing purposes. Tract K-2b was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas.

BEGINNING at Corner 54 of Tract K-2b, within the Trinity County School Land Survey and being a common corner to Tract K-2b Parcel #3 lease offer;

THENCE S 88° 30' W, within the Trinity County School Land Survey, 28.50 chains to corner 55 of Tract K-2b, a Forest Service standard concrete post marked K-413;

THENCE S 00° 01' E, common to the Trinity County School Land Survey and the Richard Miller Survey, A-416, 33.90 chains to corner 56 of Tract K-2b, a stake witnessed by old marked bearing trees;

THENCE four lines within the Richard Miller Survey;

N 80° 30' W, 35.90 chains to corner 57 of Tract K-2b, a stake witnessed by a scribed bearing tree;
S 01° 00' E, 20.90 chains to corner 58 of Tract K-2b, a stake witnessed by a scribed bearing tree;
N 80° 00' W, 23.70 chains to corner 59 of Tract K-2b, a stake witnessed by a scribed bearing tree;
S 10° 00' W, 9.10 chains to corner 60 of Tract K-2b, a stake witnessed by a scribed bearing tree;

THENCE N 82° 30' W, common to the Richard Miller Survey and the Martin H. Shull Survey, A-551, 27.20 chains to corner 61 of Tract K-2b;

THENCE N 10° 00' E, common to the Richard Miller and Martin H. Shull Surveys, 1.70 chains to corner 62 of Tract K-2b, a stake witnessed by scribed bearing trees;

THENCE S 83° 00' E, common to the Richard Miller Survey and the W. J. Ward Survey, A-676, 22.00 chains to corner 63 of Tract K-2b, the fifteen corner of the Richard Miller Survey and the third corner of the W. J. Ward Survey;

THENCE N 10° 30' E, common to the Richard Miller and W. J. Ward Surveys, 41.20 chains to corner 64 of Tract K-2b, the sixteenth corner of the Richard Miller Survey and the second corner of the W. J. Ward Survey, a F. S. standard concrete post marked K-279, witnessed by scribed bearing trees;

THENCE N 80° 00' W, common to the Richard Miller and W. J. Ward Surveys, 44.80 chains to corner 65 of Tract K-2b, the beginning corner of the Richard Miller Survey, the beginning corner of the W. J. Ward Survey, the beginning corner of the I. & G.N.R.R. Co. Survey, A-694, and the second corner of the Seaborn Dominy Survey, A-176;

THENCE N 10° 15' E, common to the Richard Miller and in part to the Seaborn Dominy Survey and the I. & G.N.R.R. Co. Survey No. 55, A-323, 60.00 chains to corner 66 of Tract K-2b, the second corner of the Richard Miller Survey and the ninth corner of the I. & G.N.R.R. Co. Survey No. 55;

THENCE three lines common to the Richard Miller and I. & G.N.R.R. Co. No. 55 Surveys;

N 80° 00' W, at 6.40 chains a stake in a road from which a F.S. standard concrete post marked K-301 bears S 12° 00' E, 0.39 chain distant. At 23.50 chains, corner 67 of Tract K-2b, the third corner of the Richard Miller Survey and the eighth corner of the I. & G.N.R.R. Co. Survey No. 55;

N 10° 00' E, 33.20 chains to corner 68 of Tract K-2b, the fourth corner of the Richard Miller Survey and the seventh corner of the I. & G.N.R.R. Co. Survey No. 55;

East, 27.40 chains to corner 69 of Tract K-2b, the fifth corner of the Richard Miller Survey and the sixth corner of the I. & G.N.R.R. Co. Survey No. 55;

THENCE S 00° 30' E, in part common to the Richard Miller Survey and B.B.B. & C.R.R. Co. Survey, A-99, and in part within the Richard Miller Survey, 22.80 chains to corner 70 of Tract K-2b, a stake witnessed by a scribed bearing tree;

THENCE two lines within the Richard Miller Survey;

East, 20.00 chains to corner 71 of Tract K-2b, a stake witnessed by an old marked bearing tree;

North, 11.20 chains to corner 72 of Tract K-2b, a point in the center of a road;

THENCE East, common to the Richard Miller and B.B.B. & C.R.R. Co. Surveys, 20.20 chains to corner 73 of Tract K-2b, a stake in the easterly line of a road;

THENCE S 00° 30' E, common to the Richard Miller and B.B.B. & C.R.R. Co. Surveys, 39.10 chains to corner 74 of Tract K-2b, a F.S. standard concrete post marked K-281;

THENCE East, common to the Richard Miller and B.B.B. & C.R.R. Co. Surveys, 39.10 chains to corner 75 of Tract K-2b, a stake witnessed by old marked bearing trees;

THENCE South, common to the Richard Miller and Trinity County School Land Surveys, 9.20 chains to corner 76 of Tract K-2b, a stake witnessed by old marked bearing trees;

THENCE N 89° 30' E, within the Trinity County School Land Survey, 42.40 chains to corner 77 of Tract K-2b, a F.S. standard concrete post marked K-361;

THENCE across Tract K-2b within the Trinity County School Land Survey and common to a westerly line of Tract K2b Parcel #3 lease offer, a calculated bearing and distance of S 22° 38' 47" W, 35.39 chains to the place of beginning, containing 1,043.14 acres, be the same, more or less, for Tract K-2b Parcel #4.

Exception No. 2 to Tract K-2b, called 81.00 acres, more or less:

BEGINNING at corner 1 of Exception No. 2 to Tract K-2b, within the Trinity County School Land Survey, A-588, a stake. From this corner, corner 41 of Tract K-2b bears S 59° 00' E, 26.80 chains distant.

THENCE four lines within the Trinity County School Land Survey,

S 01° 00' E, 31.80 chains to corner 2 of Exception No. 2, a Forest Service standard concrete post marked K-409, witnessed by old marked bearing trees;

West, 25.50 chains to corner 3 of Exception No. 2, a stake witnessed by a scribed bearing tree;

N 01° 00' W, 31.70 chains to corner 4 of Exception No. 2, a Forest Service standard concrete post marked K-409, a stake witnessed by a scribed bearing tree;

N 89° 00' E, 25.40 chains to the PLACE OF BEGINNING, containing 816 acres, be the same more or less.

LEAVING A NET AREA FOR TRACT K-2b PARCEL #3 OF: 2,410.38 ACRES, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT K-2b PARCEL #4
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS
1,043.14 ACRES**

All that certain tract or parcel of land lying and being in Trinity County, Texas, on the waters of a tributary of the Neches River, embracing in whole or in part the Trinity County School Land Survey, A-588, dated July 5, 1872 and the Richard Miller Survey, A-416, dated December 18, 1875, identified herein as Tract K-2b Parcel #4. Tract K-2b Parcel #4 contains **1,043.14** acres, more or less, and is described as follows for mineral leasing purposes. Tract K-2b was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas.

BEGINNING at Corner 54 of Tract K-2b, within the Trinity County School Land Survey and being a common corner to Tract K-2b Parcel #3 lease offer;

THENCE S 88° 30' W, within the Trinity County School Land Survey, 28.50 chains to corner 55 of Tract K-2b, a Forest Service standard concrete post marked K-413;

THENCE S 00° 01' E, common to the Trinity County School Land Survey and the Richard Miller Survey, A-416, 33.90 chains to corner 56 of Tract K-2b, a stake witnessed by old marked bearing trees;

THENCE four lines within the Richard Miller Survey;

N 80° 30' W, 35.90 chains to corner 57 of Tract K-2b, a stake witnessed by a scribed bearing tree;

S 01° 00' E, 20.90 chains to corner 58 of Tract K-2b, a stake witnessed by a scribed bearing tree;

N 80° 00' W, 23.70 chains to corner 59 of Tract K-2b, a stake witnessed by a scribed bearing tree;

S 10° 00' W, 9.10 chains to corner 60 of Tract K-2b, a stake witnessed by a scribed bearing tree;

THENCE N 82° 30' W, common to the Richard Miller Survey and the Martin H. Shull Survey, A-551, 27.20 chains to corner 61 of Tract K-2b;

THENCE N 10° 00' E, common to the Richard Miller and Martin H. Shull Surveys, 1.70 chains to corner 62 of Tract K-2b, a stake witnessed by scribed bearing trees;

THENCE S 83° 00' E, common to the Richard Miller Survey and the W. J. Ward Survey, A-676, 22.00 chains to corner 63 of Tract K-2b, the fifteen corner of the Richard Miller Survey and the third corner of the W. J. Ward Survey;

THENCE N 10° 30' E, common to the Richard Miller and W. J. Ward Surveys, 41.20 chains to corner 64 of Tract K-2b, the sixteenth corner of the Richard Miller Survey and the second corner of the W. J. Ward Survey, a F. S. standard concrete post marked K-279, witnessed by scribed bearing trees;

THENCE N 80° 00' W, common to the Richard Miller and W. J. Ward Surveys, 44.80 chains to corner 65 of Tract K-2b, the beginning corner of the Richard Miller Survey, the beginning corner of the W. J. Ward Survey, the beginning corner of the I. & G.N.R.R. Co. Survey, A-694, and the second corner of the Seaborn Dominy Survey, A-176;

THENCE N 10° 15' E, common to the Richard Miller and in part to the Seaborn Dominy Survey and the I. & G.N.R.R. Co. Survey No. 55, A-323, 60.00 chains to corner 66 of Tract K-2b, the second corner of the Richard Miller Survey and the ninth corner of the I. & G.N.R.R. Co. Survey No. 55;

THENCE three lines common to the Richard Miller and I. & G.N.R.R. Co. No. 55 Surveys;

N 80° 00' W, at 6.40 chains a stake in a road from which a F.S. standard concrete post marked K-301 bears S 12° 00' E, 0.39 chain distant. At 23.50 chains, corner 67 of Tract K-2b, the third corner of the Richard Miller Survey and the eighth corner of the I. & G.N.R.R. Co. Survey No. 55;

N 10° 00' E, 33.20 chains to corner 68 of Tract K-2b, the fourth corner of the Richard Miller Survey and the seventh corner of the I. & G.N.R.R. Co. Survey No. 55;

East, 27.40 chains to corner 69 of Tract K-2b, the fifth corner of the Richard Miller Survey and the sixth corner of the I. & G.N.R.R. Co. Survey No. 55;

THENCE S 00° 30' E, in part common to the Richard Miller Survey and B.B.B. & C.R.R. Co. Survey, A-99, and in part within the Richard Miller Survey, 22.80 chains to corner 70 of Tract K-2b, a stake witnessed by a scribed bearing tree;

THENCE two lines within the Richard Miller Survey;

East, 20.00 chains to corner 71 of Tract K-2b, a stake
witnessed by an old marked bearing tree;

North, 11.20 chains to corner 72 of Tract K-2b, a point
in the center of a road;

THENCE East, common to the Richard Miller and B.B.B. & C.R.R. Co. Surveys, 20.20
chains to corner 73 of Tract K-2b, a stake in the easterly line of a road;

THENCE S 00° 30' E, common to the Richard Miller and B.B.B. & C.R.R. Co. Surveys,
39.10 chains to corner 74 of Tract K-2b, a F.S. standard concrete post marked K-281;

THENCE East, common to the Richard Miller and B.B.B. & C.R.R. Co. Surveys, 39.10
chains to corner 75 of Tract K-2b, a stake witnessed by old marked bearing trees;

THENCE South, common to the Richard Miller and Trinity County School Land Surveys,
9.20 chains to corner 76 of Tract K-2b, a stake witnessed by old marked bearing trees;

THENCE N 89° 30' E, within the Trinity County School Land Survey, 42.40 chains to
corner 77 of Tract K-2b, a F.S. standard concrete post marked K-361;

THENCE across Tract K-2b within the Trinity County School Land Survey and common to
a westerly line of Tract K2b Parcel #3 lease offer, a calculated bearing and distance of
S 22° 38' 47" W, 35.39 chains to the PLACE OF BEGINNING, containing **1,043.14** acres,
be the same, more or less.

DESCRIPTION FOR MINERAL LEASING OF
TRACT K-1a-I PARCEL #5
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS
528.11 ACRES

All that certain tract or parcel of land lying and being in Trinity County, Texas, on the waters of Cochino Bayou, a tributary of the Neches River, embracing in part the John Appleman Survey, A-816, dated July 3, 1847, identified herein as Tract K-1a-I Parcel #5. Tract K-1a-I Parcel #5 contains **528.11** acres, more or less, and is described as follows for mineral leasing purposes. Tract K-1a-I was acquired from Houston County Timber Company by deed dated July 1, 1935 and recorded in Volume 83, Pages 31-44, Deed Records, Trinity County, Texas.

BEGINNING at Corner 6 of Tract K-1a-I, the second corner of the John Appleman Survey, a Forest Service standard concrete post marked K-71, witnessed by old marked bearing trees;

THENCE S 80° 15' 12" E, common to the J. A. Sepulveda Survey, A-40, dated March 16, 1826, a calculated distance of 4074.06 feet to a point for corner of Tract K-1a-I Parcel #5, said point being a common corner of issued BLM Lease NM-106957;

THENCE N 09° 30' E, common to the John Appleman Survey and the Alexander Henry Survey, A-822, a calculated distance of 6127.40 feet to a point for corner of Parcel #5, said point also being a common corner of BLM Lease NM-106957;

THENCE S 86° 17' 08" W, across the John Appleman Survey, a calculated distance of 4195.00 feet to a point for corner of Parcel #5, said point being on line between corners 6 and 7 of Tract K-1a-I;

THENCE S 09° 23' 24" W, common in part to the J. R. Hancock Survey, A-537, the E. L. Gresham Survey, A-249, and the John Rice Survey, A-541, a calculated distance of 5150.91 feet to the place of beginning, containing **528.11** acres, be the same, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT 572
138.98 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, 2, 9 and 10 in the Hunt County School Land Survey, League No. 3. Tract 572 was acquired from Daniel Rabinowitz and wife, Annie Rabinowitz, by deed dated February 8, 1941 and recorded in Volume 147, Page 104, Deed Records, Wise County, Texas, containing 138.98 acres, more or less, described as follows for mineral leasing purposes:

BEGINNING at a stake, the southeast boundary of the D. B. Hillen land, 28,129.78 feet N 47° 21' E from the Cowen U.S.C. & G. Triangulation Station;

THENCE S 47° 18' W, 1587.33 feet to a stake on the boundary line between Blocks No. 1 and 2 of said Hunt County School Land Survey;

THENCE S 41° 16' E, 24.48 feet to a stake;

THENCE S 47° 27' W, 1263.99 feet to a stake;

THENCE S 45° 01' E, 2404.00 feet to a stake;

THENCE N 46° 03' E, 1050.13 feet to a stake;

THENCE N 45° 13' W, 316.94 feet to a stake;

THENCE N 45° 33' E, 1647.90 feet to a stake;

THENCE N 45° 06' W, 1032.42 feet to a stake;

THENCE N 45° 48' E, 160.79 feet to a stake;

THENCE N 45° 13' W, 999.47 feet to the PLACE OF BEGINNING, containing 318.05 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT 357
318.05 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 the James S. Ball Survey, A-81, all of the G. W. Ball Survey, a part of the Moses Maier Survey, A-635 and all of the Richard Salmon Survey, A-962. Tract 357 was acquired from G. E. Leslie Estate, by deed dated December 30, 1940 and recorded in Volume 146, Page 593, Deed Records, Wise County, Texas, containing 318.05 acres, more or less, described as follows for mineral leasing purposes:

BEGINNING at a stake, the recognized southeast corner of the James S. Ball Survey, at an inside corner of the Hub Earp Survey, 22,816.46 feet N 20° 47' W from the Cowen U.S.C. & G. Triangulation Station;

THENCE with the recognized east boundary of said James S. Ball Survey and the west boundary of the said Earp Survey, N 03° 15' W, 1643.22 feet to a stake at the recognized southwest corner of the G. W. Ball Survey, same being the northwest corner of the said Earp Survey;

THENCE with the south boundary of said G. W. Ball Survey and the north boundary of said Earp Survey, N 89° 22' E, 1653.30 feet to a stake at the east corner of the G. W. Ball Survey in the southwest boundary of said Maier Survey;

THENCE with the boundary of said Maier Survey, S 35° 15' E, 591.18 feet to a stake;

THENCE N 45° 39' E, 780.14 feet to a stake at the west corner of said Salmon Survey, same being the north corner of the F. N. Raymond Survey;

THENCE with the recognized boundary of said Salmon and Raymond Surveys, S 43° 54' E, 1563.32 feet to a stake at the south corner of said Salmon Survey in the northwest boundary of the P. W. Walker Survey;

THENCE with the recognized boundary of said Salmon and Walker Surveys, N 46° 17' E, 2390.61 feet to a stake at the recognized east boundary of said Salmon Survey in the southwest boundary of the D. D. Shirrey Survey;

THENCE with the recognized boundary of said Shirrey Survey, N 43° 59' W, 2057.93 feet to a stake at the recognized east corner of the J. W. White land;

THENCE S 46° 20' W, 851.52 feet to a stake;

THENCE N 44° 14' W, 1866.07 feet to a stake in the northwest boundary of said Maier Survey, same being the southeast boundary of the C. C. Nelms Survey;

THENCE with the recognized boundary of said Nelms Survey, S 44° 06' W, 318.99 feet to a stake;

THENCE S 45° 46' W, 836.62 feet to a stake;

THENCE S 34° 16' W, 404.18 feet to a stake;

THENCE S 51° 45' W, 1049.83 feet to a stake at the recognized south corner of said Nelms Survey, same being the recognized northwest corner of said G. W. Ball Survey and the northeast corner of said James S. Ball Survey;

THENCE with the recognized boundary of said James S. Ball Survey, N 89° 35' W, 240.22 feet to a stake; N 89° 13' W, 1078.21 feet to a stake;

THENCE S 00° 46' W, 2198.02 feet to a stake at the north corner of the Ball Cemetery;

THENCE with the recognized boundary of said Ball Cemetery, S 02° 12' W, 448.80 feet to a stake at the recognized southeast corner of said cemetery in the recognized south boundary of said James S. Ball Survey;

THENCE with the recognized south boundary of said James S. Ball Survey, S 88° 07' E, 1317.78 feet to the PLACE OF BEGINNING, containing 318.05 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT 244
183.04 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 the Bell County School Land Survey, designated as a part of Block No. 24. Tract 244 was acquired from I. L. Rhoads, et seq. by deed dated June 11, 1940 and recorded in Volume 144, Page 146, Deed Records, Wise County, Texas, containing 183.04 acres, more or less, described as follows for mineral leasing purposes:

BEGINNING at a stake in a ravine at the south corner of the Paxton and Richards tract of land in the northwest boundary of the J. G. Thompson land, 29,117.28 feet N 30° 01' W from the Cowen U.S.C. & G. Triangulation Station;

THENCE with the boundary of said Paxton and Richards land, N 45° 13' W, 1378.49 feet to a stake at the south corner of the W. Rhoads land;

THENCE with the boundary of said Rhoads land, N 44° 57' W, 1952.07 feet to a stone;

THENCE S 45° 32' W, 2129.41 feet to a stake

THENCE S 46° 08' W, 261.36 feet to a stake;

THENCE S 44° 50' E, 3335.01 feet to a stake;

THENCE N 45° 30' E, 2402.48 feet to the PLACE OF BEGINNING, containing 183.04 acres, more or less.

SPECIAL STIPULATION
BUREAU OF RECLAMATION

To avoid interference with recreation development and/or impacts to fish and wildlife habitat and to assist in preventing damage to any Bureau of Reclamation dams, reservoirs, canals, ditches, laterals, tunnels, and related facilities, and contamination of the water supply therein, the lessee agrees that the following conditions shall apply to all exploration and developmental activities and other operation of the works thereafter on lands covered by this lease:

1. Prior to commencement of any surface-disturbing work including drilling, access road work, and well location construction, a surface use and operations plan will be filed with the appropriate officials. A copy of this plan will be furnished to the Area Manager Oklahoma-Texas Area Office, Great Plains Region, Bureau of Reclamation, 4149 Highline Blvd., Suite 200, Oklahoma City, Oklahoma 73108, for review and consent prior to approval of the plan. Such approval will be conditioned on reasonable requirements needed to prevent soil erosion, water pollution, and unnecessary damages to the surface vegetation and other resources, including cultural resources, of the United States, its lessees, permittees, or licensees, and to provide for the restoration of the land surface use and vegetation. The plan shall contain provisions as the Bureau of Reclamation may deem necessary to maintain proper management of the water, recreation, lands, structures, and resources, including cultural resources, within the prospecting, drilling, or construction area.

Drilling sites for all wells and associated investigations such as seismograph work shall be included in the above-mentioned surface use and operation plan.

If later explorations require departure from, or additions to the approved plan, these revisions or amendments, together with a justification statement for proposed revisions, will be submitted for approval to the Area Manager, Oklahoma-Texas Area Office, Bureau of Reclamation, or his authorized representative.

Any operations conducted in advance of approval of an original, revised, or amended prospecting plan, or which are not in accordance with an approved plan, constitute a violation of the terms of this lease. The Bureau of Reclamation reserves the right to close down operations until such corrective action, as is deemed necessary, is taken by the lessee.

2. No occupancy of the surface of the following excluded areas is authorized by this lease. It is understood and agreed that the use of these areas for Bureau of Reclamation purposes is superior to any other use. The following restrictions apply only to mineral tracts located within the boundary of a Bureau of Reclamation project where the United States owns 100 percent of the fee mineral interest.

- a. Within 500 feet on either side of the centerline of any and all roads or highways within the leased area.
- b. Within 200 feet on either side of the centerline of any and all trails within the leased area.
- c. Within 500 feet of the normal high-water line of any and all live streams in the leased area.
- d. Within 400 feet of any and all recreation developments within the leased area.

- e. Within 400 feet of any improvements either owned, permitted, leased, or otherwise authorized by the Bureau of Reclamation within the leased area.
- f. Within 200 feet of established crop fields, food plots, and tree/shrub plantings within the leased area.
- g. Within 200 feet of slopes steeper than a 2:1 gradient within the leased area.
- h. Within established rights-of-way of canals, laterals, and drainage ditches within the leased area.
- i. Within a minimum of 500 feet horizontal from the centerline of the facility or 50 feet from the outside toe of the canal, lateral, or drain embankment, whichever distance is greater, for irrigation facilities without clearly marked rights-of-way within the leased area.
- j. Providing that appropriate environmental compliance measures can be ensured, and providing further that Reclamation project works and other public interests can be protected, Reclamation may consider, on a case-by-case basis, waiving the requirements specified in Section 2 hereof.

HOWEVER, LESSEES ARE ADVISED THAT OBTAINING SUCH A WAIVER CAN BE A DIFFICULT, TIME CONSUMING, AND COSTLY PROCESS WITH NO GUARANTEE THAT RECLAMATION WILL GRANT THE REQUESTED WAIVER.

3. No occupancy of the surface or surface drilling will be allowed in the following areas. In addition, no directional drilling will be allowed that would intersect the subsurface zones delineated by a vertical plane in these areas. The following restrictions apply only to mineral tracts located within the boundary of a Bureau of Reclamation project where the United States owns 100% of the fee mineral interest.

- a. Within 1,000 feet of the maximum water surface, as defined in the Standard Operating Procedures (SOP), of any reservoirs and related facilities located within the leased area.
- b. Within 2,000 feet of dam embankments and appurtenance structures such as spillway structures, outlet works, etc.
- c. Within one-half(1/2) mile horizontal from the centerline of any tunnel within the leased area.
- d. Providing that appropriate environmental compliance measures can be ensured, and providing further that Reclamation project works and other public interests can be protected, Reclamation may consider, on a case-by-case basis, waiving the requirements specified in Section 3 hereof.

HOWEVER, LESSEES ARE ADVISED THE OBTAINING SUCH A WAIVER CAN BE A DIFFICULT, TIME CONSUMING, AND COSTLY PROCESS WITH NO GUARANTEE THAT RECLAMATION WILL GRANT THE REQUESTED WAIVER.

4. The distances stated in items 2 and 3 above are intended to be general indicators only. The Bureau of Reclamation reserves the right to revise these distances as needed to protect Bureau of Reclamation facilities.

5. The use of explosives in any manner shall be so controlled that the works and facilities of the United States, its successors and assigns, will in no way be endangered or damaged. In this connection, an explosives use plan shall be submitted to and approved by the Area Manager, Oklahoma-Texas Office, Bureau of Reclamation, or his authorized representative.

6. The lessee shall be liable for all damage to the property of the United States, its successors and assigns, resulting from the exploration, development, or operation of the works contemplated by this lease, and shall further hold the United States, its successors and assigns, and its officers, agents, and employees, harmless from all claims of third parties for injury or damage sustained, or in any way resulting from, the exercise of the rights and privileges conferred by this lease.

7. The lessee shall be liable for all damage to crops or improvements of any entry man, non-mineral applicant, or patentee, their successors and assigns, caused by or resulting from, the drilling or other operations of the lessee, including reimbursement of any entry man or patentee, their successors and assigns, for all construction, operation, and maintenance charges becoming due on any portion of their said lands damaged as a result of the drilling or other operations of the lessee.

8. In addition to any other bond required under the provisions of this lease, the lessee shall provide such bond as the United States may at any time require for damages which may arise under the liability provisions of sections six(6) and seven (7) above.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

LEASE STIPULATIONS
BUREAU OF RECLAMATION

The lessee agrees to maintain, if required by the lessor during the period of this lease, including any extension thereof, an additional bond with qualified sureties in such sum as the lessor, if it considers that the bond required under Section 2(a) is insufficient, may at any time require:

(a) to pay for damages sustained by any reclamation homestead entryman to his crops or improvements caused by drilling or other operations of the lessee, such damages to include the reimbursement of the entryman by the lessee, when he uses or occupies the land of any homestead entryman, for all construction and operation and maintenance charges becoming due during such use or occupation upon any portion of the land so used and occupied;

(b) to pay any damage caused to any reclamation project or water supply thereof by the lessee's failure to comply fully with the requirements of this lease; and

(c) to recompense any non-mineral applicant, entryman, purchaser under the Act of May 16, 1930 (46 Stat. 367), or patentee for all damages to crops or to tangible improvements caused by drilling or other prospecting operations, where any of the lands covered by this lease are embraced in any non-mineral application, entry, or patent under rights initiated prior to the date of this lease, with a reservation of the oil deposits, to the United States pursuant to the Act of July 17, 1914 (38 Stat. 509).

As to any lands covered by this lease within the area of any Government reclamation project, or in proximity thereto, the lessee shall take such precautions as required by the Secretary to prevent any injury to the lands susceptible to irrigation under such project or to the water supply thereof; provided that drilling is prohibited on any constructed works or right-of-way of the Bureau of Reclamation, and provided, further, that there is reserved to the lessor, its successors and assigns, the superior and prior right at all times to construct, operate, and maintain dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, appurtenant irrigation structures, and reclamation works, in which construction, operation, and maintenance, the lessor, its successors and assigns shall have the right to use any or all of the lands herein described without making compensation therefore, and shall not be responsible for any damage from the presence of water thereon or on account of ordinary, extraordinary, unexpected, or unprecedented floods. That nothing shall be done under this lease to increase the cost of, or interfere in any manner with, the construction, operation, and maintenance of such works.

It is agreed by the lessee that, if the construction of any or all of said dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone or telegraph lines, electric transmission lines, roadways, appurtenant irrigation structures or reclamation works across, over, or upon said lands should be made more expensive by reason of the existence of the improvements and workings of the lessee thereon, said additional expenses is to be estimated by the Secretary of the Interior, whose estimate is to be final and binding upon the parties hereto, and that within thirty (30) days after demand is made upon the lessee for payment of any such sums, the lessee will make payment thereof to the United States, or its successors, constructing such dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, appurtenant irrigation structures, or reclamation works, across, over, or upon said lands; provided, however, that subject to advance written approval by the United States, the location and course of any improvements or works and appurtenances may be changed by the lessee; provided, further, that the reservations, agreements, and conditions contained in the within lease shall be and remain applicable notwithstanding any change in the location or course of said improvements or works of lessee. The lessee further agrees that the United States, its officers, agents, and employees, and its successors and assigns shall not be held liable for any damage to the improvements or workings of the lessee resulting from the construction, operation, and maintenance of any of the works hereinabove enumerated. Nothing in this paragraph shall be construed as in any manner limiting other reservations in favor of the United States contained in this lease.

THE LESSEE FURTHER AGREES That there is reserved to the lessor; its successors and assigns, the prior right to use any of the lands herein leases, to construct, operate, and maintain dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, or appurtenant irrigation structures, and also the right to remove construction materials therefrom, without any payment made by the lessor or its successors for such right, with the agreement on the part of the lessee that if the construction of any or all of such dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, or appurtenant irrigation structures across, over, or upon said lands or the removal of construction materials therefrom, should be made more expensive by reason of the existence of improvements or workings of the lessee thereon, such additional expenses is to be estimated by the Secretary of the Interior, whose estimate is to be final and binding upon the parties hereto, and that within thirty (30) days after demand is made upon the lessee of payment of any such sums, the lessee will make payment thereof to the United States or its successors constructing such dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines electric transmission lines, roadways, or appurtenant irrigation structures across, over, or upon said lands or removing construction materials therefrom. The lessee further agrees that the lessor its officers, agents, and employees and its successors and assigns shall not be held liable for any damage to the improvements or workings of the lessee resulting from the construction, operation, and maintenance of any of the works herein above enumerated. Nothing contained in this paragraph shall be construed as in any manner limiting other reservations in favor of the lessor contained in this lease.

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.

POTASH STIPULATION

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

The lessee further agrees that:

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

On the land(s) described below:

Bureau of Land Management
Carlsbad Field Office

SENM-S-1
Revised December 1996

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of: Protecting significant cultural resource values within Laguna Plata Archaeological District (CRA SMA No. 10) 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.

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

WILDLIFE HABITAT PROJECTS

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

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

For the purpose of: Protecting Wildlife Habitat Projects

SLOPES OR FRAGILE SOILS

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

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

On the lands described below:

For the purpose of: Protecting Slopes or Fragile Soils

STREAMS, RIVERS, AND FLOODPLAINS

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

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

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

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

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

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

For the purpose of: Protecting Streams, Rivers and Floodplains

On the lands described below:

PLAYAS AND ALKALI LAKES

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

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

CAVES AND KARST

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

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

For the purpose of: Protecting Caves and Karst Features

PRAIRIE CHICKENS

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

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

For the purpose of: Protecting Prairie Chickens

VISUAL RESOURCE MANAGEMENT

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

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

For the purpose of: Protecting Visual Resources Management

NO SURFACE OCCUPANCY
POTASH AREA

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

No surface occupancy is allowed on the lands described below:

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

Bureau of Land Management
Carlsbad Field Office

SENM-S-30
August 2003

SENM-S-31

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
Carlsbad Field Office

SENM-S-31
February 2004

Guadalupe Escarpment Scenic Area
Visual Resource Management Class III Objectives
Special Stipulations

Proposed projects may be located within the Guadalupe Escarpment Scenic Area. The project will be built in a manner to minimize visibility from National Parks Highway (US 62/180).

Special Operating Constraints:

The following stipulations will apply to minimize impacts during construction, drilling and production.

1. The proposed pad size must be reduced to the minimum necessary for safe drilling operations. Final well pad dimensions will be determined during the permit approval process. Vehicle travel outside approved surface disturbance areas is prohibited and not authorized.
2. All above ground facilities, structures, appurtenances, and pipelines must be low profile (less than 7 feet in height), unless this requirement is waived or modified by the BLM authorized officer.
3. All above ground facilities, structures, appurtenances, and pipelines will be painted with a site-specific non-reflective (Flat) paint color in accordance with Notices to Lessees and Operators 87-1 (New Mexico).
4. Upon completion of the well and installation of the production facilities (if the well is a producer) the pad will be reclaimed back to a size necessary for production operations only. The edges will be recontoured and the extra caliche and pad material will be hauled off-site.
5. Reclaimed areas will be grid rolled and reseeded.

STIPULATION
DESIGNATED CRITICAL AREA OF
ENVIRONMENTAL CONCERN

The lessee is given notice that all or portions of the lease area contain special values, are needed for special purposes, or require special attention to prevent damage to surface resources. Any surface use or occupancy within such areas will be strictly controlled. Use or occupancy will be authorized only when the lessee/operator demonstrates that the area is essential for operations and when the lessee/operator submits a surface use and operations plan which is satisfactory to the Bureau of Land Management for the protection of these special values and existing or planned uses. Appropriate modifications to the imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

After the Bureau of Land Management has been advised of the proposed surface use or occupancy on these lands, and on request of the lessee/operator, the Bureau of Land Management will furnish further data on such areas.

Reason for Restriction: Designated Area of Critical Environmental Concern.

Duration of Restriction: Year-round

Before surface disturbing activities can commence a paleontological survey must be completed and any impacts on the paleontological resources must be mitigated. Lessee is encouraged to contact the Bureau of Land Management for further information regarding the restrictive nature of this stipulation.

LEASE NOTICE
COAL PROTECTION

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

Address:

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

Bureau of Land Management
New Mexico State Office

NM-8
April 2, 1991

ORA-1

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.

Bureau of Land Management
Oklahoma Field Office

ORA-1
November 1991

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.

ORA (LN-1)

LEASE NOTICE
THREATENED AND ENDANGERED SPECIES

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

Bureau of Land Management
Oklahoma Field Office

ORA (LN-1)
November 1991

TX(MFC)-1

Texas Military Facilities Commission Land Stipulation

Access to the lease is prohibited without written consent from the Texas Military Facilities Commission (TMFC). Prior to filing permits to conduct operations, surface use and access must be negotiated with TMFC. Evidence of consent by TMFC for surface use and access must be included with all applications submitted to the Bureau of Land Management (BLM) for permit to drill, or to conduct other surface disturbing operations on the lease. Approval of these permits must be obtained from BLM before operations are commenced in accordance with the operating regulations in Title 34 CFR Part 3162.

TX(MFC) LN-1

Lease Notice:

Access to Texas Military Facilities Commission Eagle Mountain Facility

Portions of the lands within this lease contain wetlands and/or riparian values. Impacts or disturbance to wetland and riparian habitats that occur on this lease must be avoided, or mitigated. Any mitigation would be developed during the application for permit to drill process. Further, surface use activities conducted by the Texas Military Facilities Commission (TMFC) or their surface lessees and assigns must be considered prior to lease entry. The oil and gas lease operator may be required to locate well facilities so as to avoid these surface operations and/or improvements. Because military activities may occur on the surface, lessee's access may be denied from time to time in the interest of the safety of lessee's employees, agents, or contractors.

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

the authorized representative of the Secretary of Agriculture.

CONTROLLED SURFACE USE STIPULATION

NATIONAL FORESTS IN TEXAS

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.)

FS8(TX)(CSU#1B-1)

CONTROLLED SURFACE USE STIPULATION
NATIONAL FOREST IN TEXAS

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

4-C Hiking Trail/Piney Creek Horse Trail: Proposals for drilling sites and other related mineral activity will be located at least 150 feet from either side of the trail and may be subject to special requirements or limitations, including no surface occupancy, such to be determined on a case-by-case basis.

Trail may be crossed by vehicles but may not be used as a travelway. Vehicles may not parallel the trail closer than 25 feet. When crossing the trail with vehicles any brush pushed into the trail must be totally removed from the trail. Shot holes will be placed no closer than 150 feet from the trail's edge to meet public safety requirements. If necessary, the shot holes may be required to be located farther than 150 feet from the trail.

On the lands described below:

For the purpose of: To protect the trail and meet visual quality objectives as per National Forests and Grasslands in Texas Final Land and Resource Management Plan dated March 28, 1996.

FS8(TX)CSU#1G

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS

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.)

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

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

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 ¼ mile of an active red-cockaded woodpecker cluster. In addition, if foraging habitat is limited, no surface occupancy may occur within ½ 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.)

FS8(TX)LN#6

LEASE NOTICE #6
NATIONAL FORESTS IN TEXAS

Bald Knob Cemetery lies adjacent to the southwestern portion of Tract 357.

Old unnamed cemetery lies in the southern portion of Tract 244, containing 0.11 acre.

FS8(TX)NSO#2A-3

NO SURFACE OCCUPANCY STIPULATION
NATIONAL FORESTS IN TEXAS

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

Tract K-39, 55.00 acres between Big Slough Wilderness Area and the Neches, 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.

For the purpose of: To meet visual quality objectives and to protect surface and Wilderness values 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.)

NOTICE TO LESSEE
NATIONAL FORESTS IN TEXAS

This lease does not, nor is it intended to, include any lands within Big Slough Wilderness. Additional information concerning the identification of the boundary of this Special Management Area can be obtained from the:

Forest Supervisor
701 North First Street
Lufkin, Texas 75901

TIMING LIMITATION STIPULATION #1A
NATIONAL FORESTS AND GRASSLANDS IN TEXAS

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:

TIMING LIMITATION STIPULATION #1C
NATIONAL FORESTS AND GRASSLANDS IN TEXAS

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.

We're On-Line!!

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Oklahoma
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Texas

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- Sale Notice
- Sale Schedule
- FAQs
- Leasing Instructions & Guidelines
- NTLs, Onshore Orders
- Sale Results
- Forms
- Contacts

Email links are provided at the site
for your comments and suggestions