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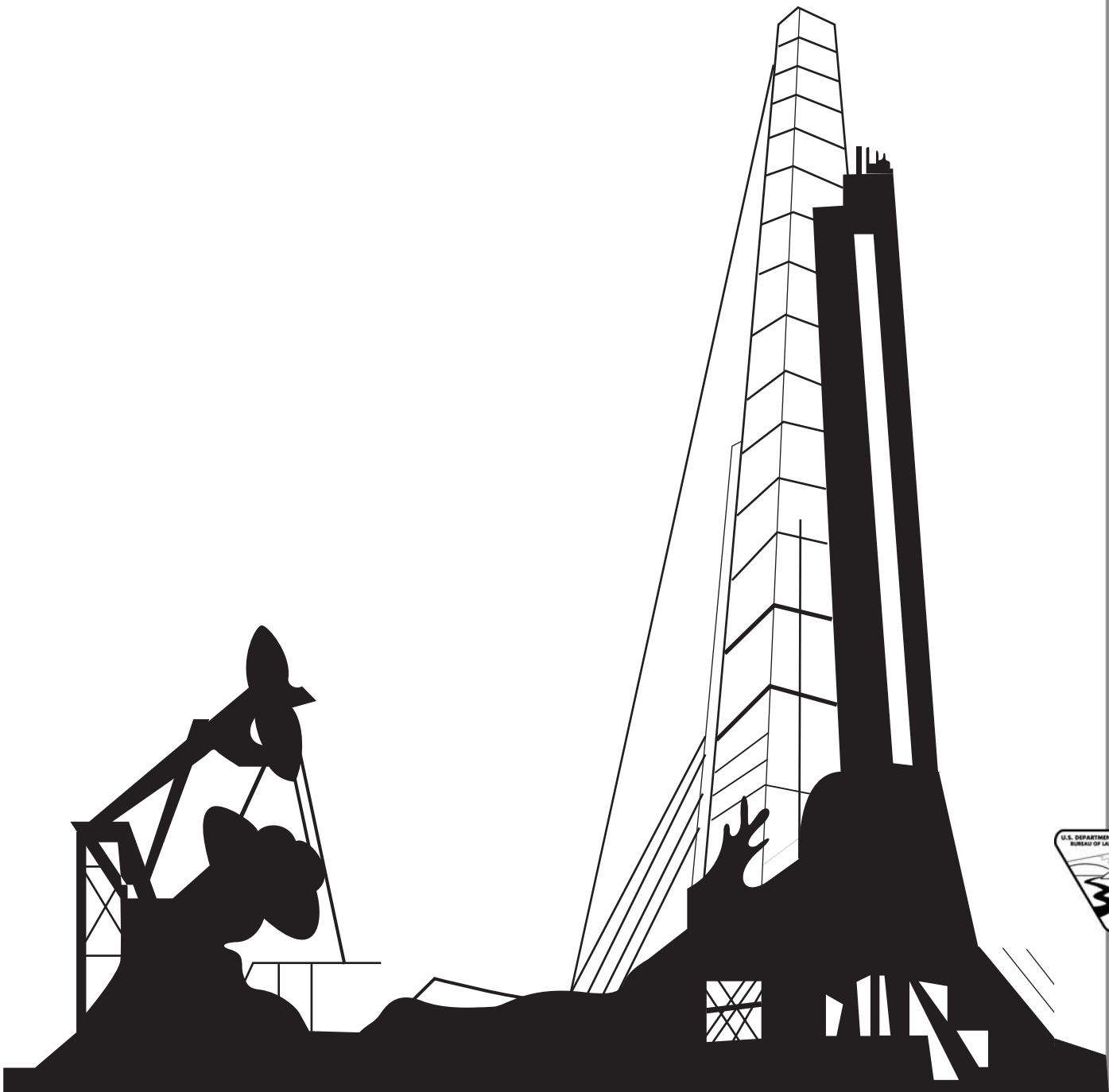
New Mexico
Oklahoma
Texas & Kansas

Competitive Oil and Gas Lease Sale

January 17, 2007

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

BLM





United States Department of the Interior Bureau of Land Management

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

IN REPLY REFER TO:
3120 (92100-bco)

December 1, 2006

NOTICE OF COMPETITIVE LEASE SALE Oil and Gas

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

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

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

When and where will the sale take place?

When: The competitive sale will begin at **9:00 a.m.** on **Wednesday, January 17, 2007**. The Accounts Office at the Bureau of Land Management, New Mexico State Office at 1474 Rodeo Road, Santa Fe, NM will be used to register all bidders. Registration will start at 8:00 a.m. through 9:00 a.m. so you can obtain your bidding number.

Where : We will hold the sale at the Bureau of Land Management, New Mexico State Office, 1474 Rodeo Road, Santa Fe, New Mexico 87505, in the second floor conference room.

Access: The sale room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or material in an alternate format, contact the New Mexico State Office, Marcella Montoya at (505) 438-7537 by **January 8, 2007**.

How will the sale be conducted?

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

How do I participate in the bidding process?

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

What is the sale process?

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

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

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

How long will the sale last?

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

What conditions apply to the lease sale?

-Parcel withdrawal or sale cancellation: We reserve the right to withdraw any or all parcels before the sale begins. If we withdraw a parcel(s), we will post a notice in the New Mexico State Office Information Access Center (Public Room) before the day of the sale. We will announce withdrawn parcels before beginning the sale. If we cancel the sale, we will notify you as soon as possible.

-Fractional interests: If the United States owns less than 100 percent of the oil and gas mineral interest for the land in a parcel, we will show that information with the parcel. When we issue the lease, it will be for the percentage or fraction of interest the United States owns. However, you must calculate your bonus bid and advance rental payment on the gross acreage in the parcel, not the United States net interest. For example, if a parcel contains 200 acres and the

United States owns 50 percent of the oil and gas mineral interest, the minimum bonus bid will be \$400 (\$2x200 acres) and the advance annual rental will be \$300 (\$1.50X200 acres) for the first 5-years and \$400 (\$2X200 acres) for the remainder of the lease term. Royalty on production will be calculated on the United States net oil and gas mineral interest.

Payment due on the day of the sale: For each parcel you are the successful high bidder, you must pay the minimum bonus bid of \$2 per acre or fraction of an acre; the first years' advance annual rental of \$1.50 per acre or fraction of an acre; and a non-refundable administrative fee of **\$130**. You must make this payment in our Accounts Section at the BLM office either during, or immediately following the sale.

-Remaining payments: If your bonus bid was more than \$2.00 per acre or fraction of an acre and you didn't pay the full amount on the day of the sale, you must pay the balance of your bonus bid by **4:00 p.m. on January 31, 2007**, which is the 10th working day following the sale. **If you do not pay in full by this date, you lose the right to the lease and you will forfeit the money you paid on the day of the sale.** If you forfeit a parcel, we may offer it at a later sale.

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

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

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

- (1) You and the prospective lessee are qualified to hold an oil and gas lease under our regulations at 43 CFR 3102.5-2; and
- (2) Both of you have complied with 18 U.S. C. 1860, a law that prohibits unlawful combinations, intimidation of and collusion among bidders.

-Federal acreage limitations: Qualified individuals, associations, or corporations may only participate in a competitive lease sale and purchase Federal oil and gas leases from this office if such purchase will not result in exceeding the State limit of 246,80 acres of public domain lands and 246,080 acres of acquired lands (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations, you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. Lease acreage

committed to a unit agreement or development contract that you hold, own or control is excluded from chargeability for acreage limitation purposes.

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

-Lease terms: A lease issued as a result of this sale will have a primary term of 10 years. It will continue beyond its primary term as long as oil or gas is produced in paying quantities on or for the benefit of the lease. Advance rental at \$1.50 per acre or fraction of an acre for the first 5 years (\$2.00 per acre after that) is due on or before the anniversary date each year until production begins. Once a lease is producing, you must pay a royalty of 12.5 percent of the value or the amount of production removed or sold from the lease. You will find other lease terms on our standard lease form (Form 3100-11, June 1988 or later edition, copy included).

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

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

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

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

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

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

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

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

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

NONCOMPETITIVE OFFERS TO LEASE

What parcels are available for noncompetitive offers to lease?

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

How do I file a noncompetitive offer after the sale?

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

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

-Your payment for the total of the **\$335** filing fee and the first year's advance rental computed at (\$1.50 per acre or fraction of an acre). Remember to round up any fractional acreage when you calculate the rental amount.

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

How do I file a noncompetitive presale offer?

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

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

Your noncompetitive presale offer to lease must be filed prior to the official posting of this sale notice. If your presale offer was timely filed, was complete and we do not receive a bid for the parcel that contains the lands in your offer, it has priority over any other noncompetitive offer to lease for that parcel filed after the sale. Your presale offer to lease is your consent to the terms

and conditions of the lease, including any additional stipulations. If you want to file a presale offer, follow the guidance listed above for filing a noncompetitive offer after the sale and the regulations at 43 CFR 3110.1(a).

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

We have tentatively scheduled our next competitive sale for April 18, 2007. Please send nominations for that sale by December 8, 2006.

How can I find out the results of this sale?

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

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

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

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

- We must receive a protest no later than close of business on the 15th calendar day prior to the date of the sale. If our office is not open on the 15th day prior to the date of the sale, a protest received on the next day our office is open to the public will be considered timely filed. The protest must also include any statement of reasons to support the protest. We will dismiss a late-filed protest or a protest filed without a statement of reasons.
- A protest must state the interest of the protesting party in the matter.
- You may file a protest either by mail in hardcopy form or by telefax. You may not file a protest by electronic mail. A protest filed by fax must be sent to (505)438-7684. A protest sent to a fax number other than the fax number identified or a protest filed by electronic mail will be dismissed.
- If the party signing the protest is doing so on behalf on an association, partnership or corporation, the signing party must reveal the relationship between them. For example, unless an environmental group authorizes an individual member of its group to act for it, the individual cannot make a protest in the group's name.

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

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

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

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

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

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

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

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

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

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

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

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

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

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 for information or question about the sale, contact: Becky Olivas at (505) 438-7609.

/s/Becky Olivas

*Becky Olivas
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: _____

ADDRESS: _____

CITY: _____

STATE: _____ **ZIP CODE:** _____

E-MAIL ADDRESS: _____

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

SIGNATURE

DATE

BUREAU OF LAND MANAGEMENT
NEW MEXICO STATE OFFICE
January 17, 2007, 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	61	61	0.00	47,834.70	47,834.70
KS	0	5	5	0.00	360.00	360.00
OK	0	21	21	0.00	25,952.63	25,952.63
TX	2	22	24	3,114.91	8,824.85	11,939.76
TOTALS	2	109	111	3,114.91	82,972.18	86,087.09

KANSAS PUBLIC DOMAIN - SW

NM-200701-001 **40.000 Acres**
T.0330S, R.0150W, 06 PM, KS
Sec. 008 SESE;
Barber County
Tulsa FO
Formerly Lease No.
Stipulations:
ORA-2 Wetland/Riparian (CSU)
ORA-4 No Surface Occupancy
ORA-5 Lesser Prairie Chicken

NM-200701-002 **40.000 Acres**
T.0340S, R.0170W, 06 PM, KS
Sec. 011 SESE;
Comanche County
Tulsa FO
KSNM 103552
Formerly Lease No.
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
WO-ESA-7 Endangered Species Act

NM-200701-003 **80.000 Acres**
T.0150S, R.0270W, 06 PM, KS
Sec. 034 W2SW;
Gove County
Tulsa FO
KSNM 67819
Formerly Lease No.
Stipulations:
ORA-2 Wetland/Riparian (CSU)
ORA-5 Lesser Prairie Chicken

NM-200701-004 **40.000 Acres**
T.0350S, R.0290W, 06 PM, KS
Sec. 007 NESE;
Meade County
Tulsa FO
KSW 26642-A
Formerly Lease No.
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
ORA-5 Lesser Prairie Chicken
WO-ESA-7 Endangered Species Act

KANSAS PUBLIC ACQUIRED - SW

NM-200701-005 **160.000 Acres**
T.0340S, R.0430W, 06 PM, KS
Sec. 027 SW;
Morton County
Tulsa FO
KSNM 69301
CIMARRON NATIONAL GRASSLANDS
Stipulations:
R2-FS-2820-13

NEW MEXICO PUBLIC DOMAIN - SE

NM-200701-006 **40.000 Acres**
T.0180S, R.0210E, 23 PM, NM
Sec. 029 NESW;
Eddy County
Carlsbad FO
NMNM 88230
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-31 Northern Aplomado Falcon

NM-200701-007 **40.000 Acres**
T.0190S, R.0210E, 23 PM, NM
Sec. 020 NENE;
Eddy County
Carlsbad FO
NMNM 69676
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon

NM-200701-008 **640.000 Acres**
T.0220S, R.0220E, 23 PM, NM
Sec. 028 ALL;
Eddy County
Carlsbad FO
NMNM 88086
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-25 Visual Resource Management

NM-200701-009 **80.000 Acres**
T.0170S, R.0230E, 23 PM, NM
Sec. 008 N2SW;
Eddy County
Carlsbad FO
NMNM 90496
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-31 Northern Aplomado Falcon

NM-200701-010 **1743.040 Acres**
T.0230S, R.0240E, 23 PM, NM
Sec. 020 ALL;
 029 N2NE,W2,S2SE;
 031 LOTS 1-4;
 031 E2,E2W2;
Eddy County
Carlsbad FO
NMNM 112711
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence
Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200701-011 **40.000 Acres**
T.0190S, R.0250E, 23 PM, NM
Sec. 025 NWSW;
Eddy County
Carlsbad FO
NMNM 96819
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-31 Northern Aplomado Falcon

NM-200701-012 **600.320 Acres**
T.0200S, R.0250E, 23 PM, NM
Sec. 030 LOTS 1-4;
 030 W2NE,SENE,E2W2,SE;
Eddy County
Carlsbad FO
NMNM 669
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-21 Caves and Karst
SENM-S-31 Northern Aplomado Falcon

NM-200701-013 **160.000 Acres**
T.0210S, R.0250E, 23 PM, NM
Sec. 017 SE;
Eddy County
Carlsbad FO
NMNM 94835
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200701-014 **700.000 Acres**
T.0150S, R.0260E, 23 PM, NM
Sec. 024 E2SE,E2SWSE;
 025 NE,SENW,SW,N2SE,SWSE;
 026 SESW,S2SE;
Chaves County
Roswell FO
NMNM 46066, NMNM 88113
Formerly Lease No.
Stipulations:
SENM-LN-1 Cave - Karst Occurrence
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200701-015 **160.000 Acres**
T.0220S, R.0260E, 23 PM, NM
Sec. 009 NE;
Eddy County
Carlsbad FO
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200701-016 **23.380 Acres**
T.0260S, R.0270E, 23 PM, NM
Sec. 031 LOTS 5;
Eddy County
Carlsbad FO
NMNM 63724
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-20 Springs, Seeps and Tanks

NM-200701-017 **480.000 Acres**
T.0160S, R.0280E, 23 PM, NM
Sec. 015 N2NE,SENE,NENW,S2;
Eddy County
Carlsbad FO
NMNM 71766
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-LN-1 Cave - Karst Occurrence
SENM-S-18 Streams, Rivers, and
Floodplains
SENM-S-19 Playas and Alkali Lakes

NM-200701-018 **40.000 Acres**
T.0240S, R.0290E, 23 PM, NM
Sec. 006 SESE;
Eddy County
Carlsbad FO
NMNM 93476
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-19 Playas and Alkali Lakes

NM-200701-019 **80.000 Acres**
T.0150S, R.0300E, 23 PM, NM
Sec. 003 SENW,NWSE;
Chaves County
Roswell FO
NMNM 96225
Stipulations:
SENM-LN-1 Cave - Karst Occurrence
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-35 NSO-Sand Dune Lizard
Habitat Sec.3:SENW
WO-ESA-7 Endangered Species Act

NM-200701-020 80.000 Acres

T.0160S, R.0300E, 23 PM, NM
Sec. 028 S2SE;
Eddy County
Carlsbad FO
NMNM 14900
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens

NM-200701-021 158.920 Acres

T.0170S, R.0300E, 23 PM, NM
Sec. 005 LOTS 1,2;
 005 S2NE;
Eddy County
Carlsbad FO
NMNM 78261
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-22 Prairie Chickens

NM-200701-022 120.000 Acres

T.0170S, R.0300E, 23 PM, NM
Sec. 006 E2SE,SWSE;
Eddy County
Carlsbad FO
NMNM 7750
The successful bidder will be required to join the Square Lake 12 Unit No. NMNM 71043X, Unit prior to lease issuance.
Operator: Lothian Oil TX 1 Inc
 405 N Marienfeld #3000
 Midland, TX 79701
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-22 Prairie Chickens
SENM-S-34 Zone 3 - POD

NM-200701-023 40.000 Acres

T.0130S, R.0310E, 23 PM, NM
Sec. 033 NWSW;
Chaves County
Roswell FO
NMNM 83600
Formerly Lease No.
Stipulations:
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200701-024 240.000 Acres

T.0180S, R.0340E, 23 PM, NM
Sec. 027 NENE,S2NE,N2NW,SENW;
Lea County
Carlsbad FO
NMNM 94106
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-19 Playas and Alkali Lakes

NM-200701-025 1280.000 Acres

T.0230S, R.0350E, 23 PM, NM
Sec. 020 ALL;
 029 ALL;
Lea County
Carlsbad FO
NMNM 75811, NMNM 93220, NMNM 94124
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens

NEW MEXICO PUBLIC DOMAIN - NW

NM-200701-026 1760.000 Acres

T.0160N, R.0050W, 23 PM, NM
Sec. 002 NW;
 003 NE;
 004 ALL;
 009 ALL;
 016 NW;

McKinley County
Farmington FO
NMNM 82971, NMNM 82972
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-027 1120.000 Acres

T.0160N, R.0050W, 23 PM, NM
Sec. 002 E2,SW;
 011 E2;
 013 SW;
 014 NE;

McKinley County
Farmington FO
NMNM 43431, NMNM 71510
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-028 960.000 Acres

T.0160N, R.0050W, 23 PM, NM
Sec. 003 W2,SE;
 016 E2,SW;

McKinley County
Farmington FO
NMNM 71510, NMNM 70107
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-029 1760.000 Acres

T.0160N, R.0050W, 23 PM, NM
Sec. 010 NW,S2;
 011 W2;
 012 N2,SE;
 013 N2,SE;

McKinley County
Farmington FO
NMNM 43431, NMNM 70107
NMNM 80477, NMNM 82971
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-030 960.100 Acres

T.0170N, R.0050W, 23 PM, NM
Sec. 004 LOTS 3,4;
 004 S2NW,SW;
 010 ALL;

McKinley County
Farmington FO
NMNM 94825
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-031 640.000 Acres

T.0180N, R.0050W, 23 PM, NM
Sec. 033 ALL;

McKinley County
Farmington FO
NMNM 100270
Stipulations:
F-1-TLS Seasonal Wildlife Habitat-
Raptor
NM-11-LN Special Cultural Resource

NM-200701-032 320.000 Acres

T.0190N, R.0060W, 23 PM, NM
Sec. 020 W2;

McKinley County
Farmington FO
NMNM 27018, NMNM 61911
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-033 2240.000 Acres

T.0220N, R.0060W, 23 PM, NM
Sec. 010 E2,SW;
 013 ALL;
 014 ALL;
 015 N2,SW;

Sandoval County
Albuquerque FO
NMNM 109388
Stipulations:
F-39 NSO Sec.10: SWNWSW, NWSWSW
Sec. 15: NENWSW, NWNESW
NM-11-LN Special Cultural Resource

NM-200701-034 1120.000 Acres

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

NM-200701-035 1323.520 Acres

T.0230N, R.0060W, 23 PM, NM
Sec. 020 SENE;
027 ALL;
030 LOTS 1-4;
030 E2,E2W2;
Sandoval County
Farmington FO
NMNM 54364, NMNM 83499
NMNM 81841, NMNM 90841
Stipulations:
F-39 NSO Sec. 27: NENENW,
SESWNWSE, SWSENWSE
NM-11-LN Special Cultural Resource

NM-200701-036 640.000 Acres

T.0180N, R.0070W, 23 PM, NM
Sec. 014 N2,SW;
024 NW;
McKinley County
Farmington FO
NMNM 17010, NMNM 56658
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-037 641.140 Acres

T.0240N, R.0070W, 23 PM, NM
Sec. 006 SE;
007 LOTS 1-2;
007 NE,E2NW;
014 NW;
Rio Arriba County
Farmington FO
NMNM 76840, NMNM 82813
Stipulations:
F-4-TLS Seasonal Big Game Habitat
NM-11-LN Special Cultural Resource

NM-200701-038 1722.450 Acres

T.0240N, R.0070W, 23 PM, NM
Sec. 015 ALL;
019 LOTS 4;
019 SESW,E2SE,SWSE;
022 N2NW;
023 W2NW;
026 S2SW;
030 LOTS 1-2;
030 E2,E2NW;
033 SE;
Rio Arriba County
Farmington FO
NMNM 14012B, NMNM 14964A, NMNM 33038
NMNM 33039, NMNM 54978, NMNM 58879
NMSF 080107A
Stipulations:
F-4-TLS Seasonal Big Game Habitat
F-19-NSO Special Cultural Values:
Sec.15: NWNW,W2NENW
Sec.23: W2NW
NM-11-LN Special Cultural Resource

NM-200701-039 319.000 Acres

T.0210N, R.0080W, 23 PM, NM
Sec. 018 LOTS 1-4;
 018 E2W2;

San Juan County

Farmington FO

NMNM 87293

Stipulations:

NM-11-LN Special Cultural Resource

NM-200701-042 78.790 Acres

T.0170N, R.0090W, 23 PM, NM
Sec. 002 LOTS 3,4;

McKinley County

Farmington FO

NMNM 63572

Stipulations:

NM-11-LN Special Cultural Resource

NM-200701-040 925.680 Acres

T.0220N, R.0080W, 23 PM, NM
Sec. 006 LOTS 3-5;
 006 SENW;
 009 N2N2,SW;
 017 SWNW,N2SE;
 031 LOTS 3-8;
 031 E2SW;

San Juan County

Farmington FO

NMNM 86079, NMNM 90470, NMNM 90473

Stipulations:

NM-11-LN Special Cultural Resource

NM-200701-043 799.560 Acres

T.0180N, R.0090W, 23 PM, NM
Sec. 002 SW;
 004 LOTS 1-4;
 004 S2N2,S2;

McKinley County

Farmington FO

NMNM 69115, NMNM 81763

Stipulations:

NM-11-LN Special Cultural Resource

NM-200701-041 2216.330 Acres

T.0250N, R.0080W, 23 PM, NM
Sec. 012 SE;
 022 SE;
 025 LOTS 1-8;
 025 S2;
 026 ALL;
 035 ALL;

San Juan County

Farmington FO

NMNM 13751, NMSF 080375

NMNM 80483, NMNM 84508

Stipulations:

F-4-TLS Seasonal Big Game Habitat

F-19-NSO Special Cultural Values

Sec. 22: SWSE

F-25-NSO River Tracts

Sec. 25 & 26

NM-11-LN Special Cultural Resource

NM-200701-044 1280.000 Acres

T.0180N, R.0090W, 23 PM, NM
Sec. 028 E2NE,W2NW,S2;
 032 W2;
 034 W2;SE;

McKinley County

Farmington FO

NMNM 69115, NMNM 90941

Stipulations:

NM-11-LN Special Cultural Resource

NM-200701-045 320.000 Acres

T.0180N, R.0090W, 23 PM, NM
Sec. 032 E2;

McKinley County

Farmington FO

NMNM 33384

Stipulations:

NM-11-LN Special Cultural Resource

NM-200701-046 640.000 Acres

T.0190N, R.0090W, 23 PM, NM
Sec. 012 ALL;
McKinley County
Farmington FO
NMNM 66130
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-047 960.000 Acres

T.0190N, R.0090W, 23 PM, NM
Sec. 014 E2,NW;
 024 W2,SE;
McKinley County
Farmington FO
NMNM 56664, NMNM 66130
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-048 1279.750 Acres

T.0230N, R.0090W, 23 PM, NM
Sec. 019 LOTS 1-4;
 019 E2,E2W2;
 030 LOTS 1-4;
 030 E2,E2W2;
San Juan County
Farmington FO
NMNM 56665, NMNM 70124, NMNM 76848
Stipulations:
F-19-NSO Special Cultural Values
Sec.19: Lot 2
NM-11-LN Special Cultural Resource

NM-200701-049 1719.610 Acres

T.0140N, R.0100W, 23 PM, NM
Sec. 004 LOTS 1,4;
 004 SENE,SWNW;
 006 LOTS 1-7;
 006 S2NE,SENW,E2SW,SE;
 010 NENE,W2E2,W2SENE;
 010 SW,SESE;
 012 N2,SE;
McKinley County
Farmington FO
NMNM 65524, NMNM 81764
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-050 1372.430 Acres

T.0150N, R.0100W, 23 PM, NM
Sec. 020 NE,W2NW,S2;
 028 S2N2,S2;
 030 LOTS 1,2;
 030 NE,E2NW;
McKinley County
Farmington FO
NMNM 30018, NMNM 89792
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-051 438.380 Acres

T.0180N, R.0100W, 23 PM, NM
Sec. 004 LOTS 3,4;
 004 S2NW,SW;
 022 N2NW,SWNW;
McKinley County
Farmington FO
NMNM 70126, NMNM 86866
Stipulations:
F-33-LN Mountain Plover
NM-11-LN Special Cultural Resource

NM-200701-052 320.000 Acres

T.0230N, R.0110W, 23 PM, NM
Sec. 021 S2;
San Juan County
Farmington FO
NMNM 97109
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-053 641.660 Acres

T.0190N, R.0130W, 23 PM, NM
Sec. 002 LOTS 1-4;
 002 S2N2,S2;
McKinley County
Farmington FO
NMNM 97839
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-054 1626.690 Acres

T.0190N, R.0130W, 23 PM, NM
Sec. 018 LOTS 9-12;
020 ALL;
029 ALL;
032 NWNW,SW;

McKinley County
Farmington FO
NMNM 80923
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-055 628.170 Acres

T.0190N, R.0130W, 23 PM, NM
Sec. 018 LOTS 5-8;
018 NE;
032 NE,E2NW,N2SE;

McKinley County
Farmington FO
NMNM 28818, NMNM 35575, NMNM 64853
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-056 480.000 Acres

T.0190N, R.0130W, 23 PM, NM
Sec. 034 N2,SW;

McKinley County
Farmington FO
NMNM 69123, NMNM 70826
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-057 2475.760 Acres

T.0240N, R.0130W, 23 PM, NM
Sec. 003 LOTS 1-4;
003 S2N2,S2;
004 LOTS 1-4;
004 S2N2,S2;
009 ALL;
010 ALL;

San Juan County
Farmington FO
NMNM 30588, NMNM 32826, NMNM 65533
NMNM 71715, NMNM 87296, NMNM 89202
Stipulations:
NM-11-LN Special Cultural Resource
Any proposed development in the S2,
Sec.9 will require consultation with
the Navajo Nation Historic
Preservation Department

NM-200701-058 15.000 Acres

T.0290N, R.0130W, 23 PM, NM
Sec. 007 NWNWNE,W2SWNWNNE;

San Juan County
Farmington FO
NMNM 58894
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-059 24.030 Acres

T.0290N, R.0130W, 23 PM, NM
Sec. 007 LOTS 5,7,8,11,12;

San Juan County
Farmington FO
Stipulations:
NM-11-LN Special Cultural Resource
WO-ESA-7 Endangered Species Act

NM-200701-060 720.000 Acres

T.0300N, R.0150W, 23 PM, NM
Sec. 005 NE,SW,SESE;
008 E2SW,SWSE;
009 W2SW;
017 N2NE,SENE,NESE;

San Juan County
Farmington FO
NMNM 78069, NMNM 85832
NMNM 87238, NMNM 93256
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-061 1078.900 Acres

T.0300N, R.0150W, 23 PM, NM
Sec. 020 W2SE;
021 NWNW,E2W2;
026 S2NE;
028 NE,E2NW,SW;
033 LOTS 1;
033 S2NE,SENE,N2S2;

San Juan County
Farmington FO
NMNM 64856, NMNM 78069
NMNM 81641, NMNM 89027
Stipulations:
NM-11-LN Special Cultural Resource

NEW MEXICO PUBLIC DOMAIN - SW

NM-200701-062 1597.940 Acres

T.0310S, R.0170W, 23 PM, NM
Sec. 003 LOTS 1,2,3,4;
 003 S2N2,S2;
 027 S2;
 033 W2;
 034 S2;

Hidalgo County
Las Cruces FO
NMNM 30364, NMNM 46033
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
LC-19 Visual Resource Management
SEC. 3 & 33.

NM-200701-063 1820.510 Acres

T.0320S, R.0170W, 23 PM, NM
Sec. 004 LOTS 1-2;
 004 S2NE,N2SE,SESE;
 010 S2;
 011 S2;
 014 N2NE,NW;
 015 ALL;

Hidalgo County
Las Cruces FO
NMNM 29789, NMNM 29790
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource

NM-200701-064 1983.430 Acres

T.0320S, R.0170W, 23 PM, NM
Sec. 013 LOTS 1;
 013 NWNE,W2;
 022 ALL;
 023 ALL;
 024 LOTS 2,3;
 024 NESW,NWSE;
 027 N2N2;

Hidalgo County
Las Cruces FO
NMNM 30364, NMNM 46033
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource

NEW MEXICO ACQUIRED - SE

NM-200701-065 40.000 Acres

T.0170S, R.0230E, 23 PM, NM
Sec. 009 SWSW;

Eddy County
Carlsbad FO
NMNM 63778
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-31 Northern Aplomado Falcon

NM-200701-066 80.210 Acres

T.0180S, R.0230E, 23 PM, NM
Sec. 004 LOTS 1;
 004 SENE;

Eddy County
Carlsbad FO
NMNM 3302
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource
SENM-S-31 Northern Aplomado Falcon

OKLAHOMA PUBLIC DOMAIN - NE

NM-200701-067 40.000 Acres

T.0040N, R.0040E, 11 PM, OK
Sec. 019 NWNE;
Cimarron County
Tulsa FO
Formerly Lease No.
Stipulations:
ORA-2 Wetland/Riparian (CSU)

NM-200701-071 40.000 Acres

T.0260N, R.0220W, 17 PM, OK
Sec. 031 NESE;
Harper County
Tulsa FO
OKNM 97269
Formerly Lease No.
Stipulations:
ORA-5 Lesser Prairie Chicken

OKLAHOMA PUBLIC DOMAIN - NW

NM-200701-068 10.000 Acres

T.0240N, R.0120W, 17 PM, OK
Sec. 004 Eagle Chief Townsite
 004 Blocks 1,3,7,14;
Alfalfa County
Tulsa FO
Formerly Lease No.
Stipulations:
None

OKLAHOMA ACQUIRED - NE

NM-200701-072 1200.000 Acres

T.0040N, R.0240E, 17 PM, OK
Sec. 001 W2SW,SESW;
 002 S2NE,S2;
 011 N2SW,SESW;
 012 N2,NESW,SWSW,SE;
Le Flore County
Tulsa FO
OKNM 96091, OKNM 96171
OUACHITA NATIONAL FOREST
US OWNS 25% MINERAL INTEREST-SEC.11
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)LN#3
FS8(OK)LN#4
FS8(OK)CSU#1B - Sec.11:S2SESW

NM-200701-069 80.000 Acres

T.0270N, R.0190W, 17 PM, OK
Sec. 032 E2SE;
Woodward County
Tulsa FO
OKNM 97246
Formerly Lease No.
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
WO-ESA-7 Endangered Species Act

NM-200701-073 922.760 Acres

T.0040N, R.0240E, 17 PM, OK
Sec. 003 S2;
 004 LOTS 1-4;
 004 S2N2,E2SW,SWSW,SE;
Le Flore County
Tulsa FO
OKNM 96091, OKNM 96092
OUACHITA NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-070 40.000 Acres

T.0030N, R.0220W, 17 PM, OK
Sec. 018 NENE;
Greer County
Tulsa FO
OKNM 70911
Formerly Lease No.
Stipulations:
None

NM-200701-074 **2183.300 Acres**

T.0040N, R.0240E, 17 PM, OK
Sec. 005 LOTS 1-4;
 005 S2N2,E2SW,
 005 N2NWSW,SENWSW;
 005 SWSW,SE;
 006 LOTS 1,PT OF L3
 (LESS 17.25AC);
 006 LOTS 6,7;
 006 SENW,E2SW,SWSE,SWSESE;
 007 LOTS 1-4;
 007 E2,E2W2;
 008 ALL;

Le Flore County
Tulsa FO
OKNM 96092, OKNM 96093, OKNM 96169
OUACHITA NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A - Sec.7:S2SE,S2SESW;
Sec.8:S2SW
FS8(OK)CSU#1B - Sec.7:S2SE,S2SESW;
Sec.8:E2SW,SWSW,SE
FS8(OK)CSU#1C - Sec.6,7,
Sec.8: W2,W2SE
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-075 **1920.000 Acres**

T.0040N, R.0240E, 17 PM, OK
Sec. 013 NE,S2;
 014 ALL;
 023 N2N2,S2NE,SWNW,NESE;
 024 W2,SE;

Le Flore County
Tulsa FO
OKNM 96095, OKNM 96097
OUACHITA NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A - Sec.13:NWSW, S2SW
Sec.14: S2N2S2, S2S2
Sec.23 & 24
FS8(OK)CSU#1B - Sec.13: N2SW
Sec.14: N2,SW
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-076 **1800.000 Acres**

T.0040N, R.0240E, 17 PM, OK
Sec. 015 N2,N2S2,S2SW,SESE;
 016 SENE,S2;
 021 ALL;
 022 E2NW,SWNW,W2SW;

Le Flore County
Tulsa FO
OKNM 96095, OKNM 96096, OKNM 96097
OUACHITA NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A - Sec.15:
N2NE,S2N2,SW,SESE
Sec.16,21,22
FS8(OK)CSU#1B - Sec.15:N2,W2SW,N2SE
Sec.16,Sec.21: NE,NESW
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-077 **1714.520 Acres**

T.0040N, R.0240E, 17 PM, OK
Sec. 017 E2,NENW,W2NW;
 017 N2SENW,SESENW,SW;
 018 LOTS 1,2;
 018 E2,E2NW,SESW;
 019 E2NWSE;
 020 N2,N2S2,S2SW;

Le Flore County
Tulsa FO
OKNM 96096, OKNM 96172
OUACHITA NATIONAL FOREST
US MINERAL INTEREST 50%-
SEC.20: S2NW, NWSW;
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A
FS8(OK)CSU#1B - Sec.17,
Sec.18: N2NE,NW
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-078 2440.000 Acres

T.0040N, R.0240E, 17 PM, OK
Sec. 025 ALL;
 026 N2,NESE,S2S2;
 035 ALL;
 036 ALL;

Le Flore County
Tulsa FO
OKNM 96097, OKNM 96098, OKNM 96100
OUACHITA NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A - Sec.25,
Sec.26:W2NE,NW,NESE,S2S2
Sec. 35 & 36
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-079 2350.000 Acres

T.0040N, R.0240E, 17 PM, OK
Sec. 027 ALL;
 028 N2,NESW,N2NWSW,SWNWSW;
 028 E2SE,SWSE;
 033 E2,S2NW,SW;
 034 ALL;

Le Flore County
Tulsa FO
OKNM 96098, OKNM 96099, OKNM 96100
OUACHITA NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A - Sec.27,
Sec.28:N2,N2N2SW,W2NWSW,
S2NESW,SWSE,E2SE
Sec. 33 & 34
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-080 2356.000 Acres

T.0040N, R.0240E, 17 PM, OK
Sec. 029 NENE,W2E2,W2,E2SE;
 030 LOTS 1-4;
 030 NENE,S2NE,SE,SENW,
 030 E2SW,SE;
 031 LOTS 1-4;
 031 E2,E2W2;
 032 NENE,W2E2,W2,E2SE;

Le Flore County
Tulsa FO
OKNM 96099, OKNM 96174, OKNM 96175
OUACHITA NATIONAL FOREST
US MINERAL INTEREST 50% - SEC.29:NWNW
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-081 1185.070 Acres

T.0040N, R.0250E, 17 PM, OK
Sec. 007 LOTS 2,3,4;
 007 S2NE,SENW,E2SW,N2SE;
 008 S2S2NESE;
 017 N2NW,E2SW,NESE,W2SE;
 018 LOTS 1,2,3;
 018

W2NE,SENE,E2W2,N2SE,SWSE;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 37298, OKNM 37302
OKNM 80661, OKNM 78312
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-082 920.000 Acres

T.0040N, R.0250E, 17 PM, OK
Sec. 009 S2SW;
 014 W2SW;
 015 W2SW,SESE;
 016 ALL;

Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 40052, OKNM 78312
OKNM 80661, OKNM 83130
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-083 1420.000 Acres

T.0040N, R.0250E, 17 PM, OK
Sec. 020 NENE,W2NE,SWSW,S2SESW;
 020 SE;
 021 ALL;
 022 NW,W2SW,SESW,SE;

Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 78312, OKNM 80661
OKNM 83130
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-084 2050.000 Acres

T.0040N, R.0250E, 17 PM, OK
Sec. 027 NENE,W2NE,W2,N2NWSE;
 027 SWNWSE,N2S2SE;
 028 N2,W2SW,SE;
 033 N2NE,E2SENE,E2NENW;
 033 W2NWNW,S2NW,N2S2;
 033 SESW,SESE;
 034 SENE,N2NW,S2;
 036 W2SW;

Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 37299, OKNM37310, OKNM 37337
OKNM 50546, OKNM 83130
US MINERAL INTEREST 50% - SEC. 34:
N2NW
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A - Sec.28:W2SW
Sec.33 & 34
FS8(OK)CSU#1D
FS8(OK)NSO#2
Sec.33:W2NWNW,S2NW,N2SW
FS8(OK)LN#3
FS8(OK)LN#4

NM-200701-085 2455.980 Acres

T.0040N, R.0250E, 17 PM, OK
Sec. 029 ALL;
 030 LOTS 1,2,3,4;
 030 NENE,W2NE,E2W2,SE;
 031 LOTS 1,2,3,4;
 031 W2NE,SENE,E2W2,SE;
 032 ALL;

Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 37301, OKNM 37310
OKNM 43676, OKNM 50546
OKNM 66945, OKNM 80661
OKNM 83130
Formerly Lease No.
Stipulations:
FS-1
FS8(OK)CSU#1A
FS8(OK)NSO#2 - Sec.32:E2
FS8(OK)LN#3
FS8(OK)LN#4

OKLAHOMA ACQUIRED - NW

NM-200701-086 250.000 Acres

T.0240N, R.0220W, 17 PM, OK
Sec. 027 NE,N2NW;
 027 N2N2SWNW;
Woodward County
Tulsa FO
OKNM 53279, OKNM 89761
CORPS OF ENGINEERS
FORT SUPPLY LAKE
Formerly Lease No.
Stipulations:
COE SS-1A

NM-200701-087 575.000 Acres

T.0240N, R.0220W, 17 PM, OK
Sec. 028 NENE,W2E2,W2;
 028 N2SENE,SWSENE;
 028 N2SESENE,W2NESE;
Woodward County
Tulsa FO
CORPS OF ENGINEERS
FORT SUPPLY LAKE
OKNM 53279
Formerly Lease No.
Stipulations:
COE SS-1A

TEXAS ACQUIRED

NM-200701-088 98.000 Acres

TX
TR K-2X;
SEE EXH **A** FOR M&B W/MAP;
Houston County
Tulsa FO
TXNM 58205
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NOS. 3195141, 3195142

NM-200701-089 80.000 Acres

TX
TR K-2AK;
SEE EXH **B** FOR M&B W/MAP;
Houston County
Tulsa FO
TXNM 58205
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)LN6-B
FS8(TX)TLS1A
QUAD NO. 3195142

NM-200701-090 95.000 Acres

TX
TR K-2Y;
SEE EXH **C** FOR M&B W/MAP;
Houston County
Tulsa FO
TXNM 58205
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NOS. 3195141, 3195142

NM-200701-091 499.000 Acres

TX
TR K-2V;
SEE EXH **D** FOR M&B W/MAP;
Trinity and Houston Counties
Tulsa FO
TXNM 58205
TRINITY COUNTY -243.00 ACRES
HOUSTON COUNTY -256.00 ACRES
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3195141

NM-200701-092 **2185.230 Acres**
TX
TR S-2-K-II PARCEL #3;
TR S-2-K-II PARCEL #4;
TR S-2-K-II PARCEL #8;
TR S-2K-XI;
SEE EXH **E** FOR M&B W/MAPS;
Sabine County
Tulsa FO
TXNM 89744, TXNM 93507
TXNM 93508, TXNM 93510
SABINE NATIONAL FOREST
US MINERAL INTEREST 90% - TR S-2K-XI
PENDING PRESALE OFFER NO. TXNM 115117
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1I
FS8(TX)CSU#1B-4
FS8(TX)CSU#1C
FS8(TX)LN#4
FS8(TX)TLS#1B
QUAD NOS. 3193231, 3193242

NM-200701-093 **698.670 Acres**
TX
TR S-2K-II PARCEL #10;
TR S-2K-II PARCEL #14;
TR S-2K-II PARCEL A;
SEE EXH **F** FOR M&B W/MAP;
Sabine County
Tulsa FO
SABINE NATIONAL FOREST
TXNM 67129, TXNM 89082, TXNM 92121
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1C
FS8(TX)CSU#1I
FS8(TX)LN#4
FS8(TX)TLS#1B
FS8(TX)NSO#2-J - Tr.S-2K-II Parcel#10
QUAD NOS. 3193213, 3193242

NM-200701-094 **192.060 Acres**
TX
TR S-2K-VI PARCEL #1;
TR S-2K-VI PARCEL #2;
TR S-56;
SEE EXH **G** FOR M&B W/MAP;
Sabine County
Tulsa FO
SABINE NATIONAL FOREST
US MINERAL INTEREST 50% -
TR S-2K-VI PARCEL #2, TR S-56
TXNM 45174, TXNM 96126, TXNM 96127
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1C
FS8(TX)CSU#1I
FS8(TX)LN#4
FS8(TX)TLS#1B
FS8(TX)NSO#2-J - TR S-56
QUAD NO. 3193242

NM-200701-095 **15.620 Acres**
TX
TR S-2K-X;
TR S-51, S-51A;
SEE EXH **H** FOR M&B W/MAP;
Sabine County
Tulsa FO
SABINE NATIONAL FOREST
US MINERAL INTEREST 50% - TR S-2K-X
TXNM 93509, TXNM 96129
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1I
FS8(TX)TLS#1B
QUAD NOS. 3193232, 3193242

NM-200701-096 79.000 Acres

TX
TR S-55;
SEE EXH **I** FOR M&B W/MAP;
Sabine County
Tulsa FO
SABINE NATIONAL FOREST
TXNM 66307
THE SUCCESSFUL BIDDER WILL BE
REQUIRED TO JOIN THE SANDY CREEK
UNIT NO. TXNM 75303X PRIOR TO
LEASE ISSUANCE.
OPERATOR:
Anadarko Exploration and Prod Co
1201 Lake Robbins Drive
The Woodlands, TX 77380
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1I
QUAD NO. 3193224

NM-200701-098 40.770 Acres

TX
TR S-17, S-48;
TR S-2K-IX;
SEE EXH **K** FOR M&B W/MAP;
Sabine County
Tulsa FO
SABINE NATIONAL FOREST
US MINERAL INTEREST 25% - TR S-2K-IX
US MINERAL INTEREST 50% - TRS S-17,
S-48
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1B-4
FS8(TX)CSU#1I
FS8(TX)TLS#1B
FS8(TX)NSO#2-J - TRS S-17,S-48
QUAD NOS. 3193231, 3193242

NM-200701-097 914.140 Acres

TX
TR S-14B;
TR S-20A;
TR S-20B;
SEE EXH **J** FOR M&B W/MAP;
Sabine County
Tulsa FO
SABINE NATIONAL FOREST
THE SUCCESSFUL BIDDER WILL BE
REQUIRED TO JOIN THE SANDY CREEK
UNIT NO. TXNM 75303X PRIOR TO
LEASE ISSUANCE.
OPERATOR:
Anadarko Exploration and Prod Co
1201 Lake Robbins Drive
The Woodlands, TX 77380
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1I
FS8(TX)CSU#1C - TR S-20B
FS8(TX)LN#4 - TR S-20B
QUAD NO. 3193224

NM-200701-099 325.270 Acres

TX
TR S-1B-I PARCEL #2;
SEE EXH **L** FOR M&B W/MAP;
Shelby County
Tulsa FO
TXNM 94570
SABINE NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU#1A
FS8(TX)CSU#1I
QUAD NO. 3194444

NM-200701-100 428.000 Acres

TX
TR K-2F;
SEE EXH **M** FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58199
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3195111

NM-200701-103 68.220 Acres

TX
TR K-2B-I;
SEE EXH **P** FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58210
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3195113

NM-200701-101 476.010 Acres

TX
TR K-2D;
SEE EXH **N** FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58199
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3195111

NM-200701-104 2164.090 Acres

TX
TR K-2C PARCEL #1;
SEE EXH **Q** FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58199
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3195111

NM-200701-102 30.000 Acres

TX
TR K-2AJ;
SEE EXH **O** FOR M&B W/MAP;
Trinity and Houston Counties
Tulsa FO
TXNM 58205
TRINITY COUNTY - 26.50 ACRES
HOUSTON COUNTY - 3.50 ACRES
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
QUAD NO. 3195113

NM-200701-105 **1780.910 Acres**
TX
TR K-2C PARCEL #2;
TR SEE EXH **R** FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 58199
US Mineral Interest 100%-1749.96ac
US Mineral Interest 66.67%- 30.95ac
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
FS8(TX)NSO2C
QUAD NO. 3195111

NM-200701-106 **191.700 Acres**
TX
TR K-2AG,K-2AH,K-2AR;
TR K-2AS,K-2AS-I;
SEE EXH **S** FOR M&B W/MAP;
Trinity County
Tulsa FO
TXNM 103344
DAVY CROCKETT NATIONAL FOREST
Formerly Lease No.
Stipulations:
FS1
FS8(TX)CSU1A
FS8(TX)CSU1I
FS8(TX)TLS1A
FS8(TX)NSO1
QUAD NO. 3195111

NM-200701-107 **229.020 Acres**
TX
TR NR-35-2;
TR NR-59M;
TR NR-61M;
McMullen County
Tulsa FO
BUREAU OF RECLAMATION
NUECES RIVER PROJECT
This parcel may have a non-participating royalty interest (NPRI) reserved. This is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM Lease issued and is paid by the lessee directly to the NPRI owner.
Formerly Lease No.
Stipulations:
GP-135 SPECIAL STIPULATIONS
QUAD NO. 2898134

NM-200701-108 **242.840 Acres**
TX
TR NR-95;
McMullen County
Tulsa FO
BUREAU OF RECLAMATION
NUECES RIVER PROJECT
This parcel may have a non-participating royalty interest (NPRI) reserved. This is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM Lease issued and is paid by the lessee directly to the NPRI owner.
Formerly Lease No.
Stipulations:
GP-135 SPECIAL STIPULATIONS
QUAD NO. 2898133

NM-200701-109 **98.210 Acres**
TX
TR NR-60-1,60-2;
McMullen County
Tulsa FO
BUREAU OF RECLAMATION
NUECES RIVER PROJECT
This parcel may have a non-participating royalty interest (NPRI) reserved. This is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM Lease issued and is paid by the lessee directly to the NPRI owner.
Formerly Lease No.
Stipulations:
GP-135 SPECIAL STIPULATIONS
QUAD NO. 2898134

NM-200701-110 **78.320 Acres**
TX
TR NR-47-1,47-2;
McMullen County
Tulsa FO
BUREAU OF RECLAMATION
NUECES RIVER PROJECT
This parcel may have a non-participating royalty interest (NPRI) reserved. This is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM Lease issued and is paid by the lessee directly to the NPRI owner.
Formerly Lease No.
Stipulations:
GP-135 SPECIAL STIPULATIONS
QUAD NO. 2898134

NM-200701-111 **929.680 Acres**
TX
TR NR-68A,NR-68B;
McMullen County
Tulsa FO
BUREAU OF RECLAMATION
NUECES RIVER PROJECT
US MINERAL INTEREST 78.125% -
TR NR-68A
This parcel may have a non-participating royalty interest (NPRI) reserved. This is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM Lease issued and is paid by the lessee directly to the NPRI owner.
PENDING PRESALE OFFER NO. TXNM 116902
Formerly Lease No.
Stipulations:
GP-135 SPECIAL STIPULATIONS
TR NR-68B
BOR-GS (Nueces River) TR NR-68A
QUAD NOS. 2898133, 2898134

Number of Parcels - 111

Total Acreage - 86,087.09

Total number of Parcels with Presale Offers - 2

Parcel Number of Parcels with Presale Offers - 92,111

Total Acreage With Presale Offers - 3114.91

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-2x
98.00 ACRES
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Houston County, Texas, embracing in part the Stephen English patented Survey, A-383, dated May 5, 1862 and being identified for mineral leasing purposes as Tract K-2x. Tract K-2x contains 98.00 acres and is described as follows for mineral leasing purposes only. Tract K-2x was acquired from Trinity County Lumber Company by deed dated November 8, 1935 and recorded in Volume 173 Page 31, Deed Records Houston County, Texas. It is not the intent of this description of Tract K-2x to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2x, common to corner 71 of Forest Service Tract K-1a-VI, identical with the third corner of the Stephen English Survey and the ninth corner of the I. & G.N.R.R. Co. Survey No. 35, A-603, a Forest Service standard concrete post marked K-303;

THENCE N 89° 00' W, with Tract K-1a-VI, common to the Stephen English and I. & G.N.R.R. Co. No. 35 Surveys. At 15.50 chains a road. At 41.30 chains corner 2 of Tract K-2x, common to corner 70 of Tract K-1a-VI, the fourth corner of the Stephen English Survey and the eighth corner of the I. & G.N.R.R. Co. Survey No. 35;

THENCE N 01° 00' E, continuing with Tract K-1a-VI, common to the Stephen English and in part to the I. & G.N.R.R. Co. Survey No. 34, A-580, 24.20 chains to corner 3 of Tract K-2x;

THENCE East, within the Stephen English Survey, 14.80 chains to corner 4 of Tract K-2x;

THENCE four lines within the Stephen English Survey:

South, 3.20 chains to corner 5 of Tract K-2x;
East, 9.50 chains to corner 6 of Tract K-2x;
North, 3.20 chains to corner 7 of Tract K-2x;
East, 17.30 chains to corner 8 of Tract K-2x;

THENCE South, with Tract K-1a-VI, common to the Stephen English and I. & G.N.R.R. Co. No. 35 Surveys, 24.60 chains to the PLACE OF BEGINNING, containing 98.00 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2Ak
80.00 ACRES
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Houston County, Texas, embracing in part the G. W. Keel patented Survey, A-669, dated November 11, 1873 and being identified for mineral leasing purposes as Tract K-2Ak. Tract K-2Ak contains 80.00 acres and is described as follows for mineral leasing purposes only. Tract K-2Ak was acquired from Trinity County Lumber Company by Judgment dated March 5, 1937 and recorded in Volume 187 Page 86, Deed Records Houston County, Texas. It is not the intent of this description of Tract K-2Ak to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2Ak, common to corner 5 of Forest Service Tract K-1a-VI, identical with the third corner of the G. W. Keel Survey, A-669, and the fourth corner of the I. & G.N.R.R. Co. Survey No. 35 Survey, A-603, a Forest Service standard concrete post marked K-338;

THENCE S 00° 15' E, with Tract K-1a-VI, common to the G. W. Keel and I. & G.N.R.R. Co. No. 35 Surveys, 41.30 chains to corner 2 of Tract K-2Ak;

THENCE West, within the G. W. Keel Survey, 19.80 chains to corner 3 of Tract K-2Ak, a F. S. standard concrete post marked K-304;

THENCE North, within the G. W. Keel Survey, 41.20 chains to corner 4 of Tract K-2Ak, on the south line of the I. & G.N.R.R. Co. No. 34 Survey, A-580;

THENCE N 89° 00' E, with Tract K-1a-VI, common to the G. W. Keel and I. & G.N.R.R. Co. No. 34 Surveys, 19.50 chains to the **PLACE OF BEGINNING**, containing 80.00 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2y
95.00 ACRES
DAVY CROCKETT NATIONAL FOREST
HOUSTON COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Houston County, Texas, embracing in part the George English patented Survey, A-391, dated November 8, 1861 and the J. A. Platt patented Survey, A-1355, dated October 16, 1908 and being identified for mineral leasing purposes as Tract K-2y. Tract K-2y contains 95.00 acres and is described as follows for mineral leasing purposes only. Tract K-2y was acquired from Trinity County Lumber Company by deed dated November 8, 1935 and recorded in Volume 173 Page 31, Deed Records Houston County, Texas. It is not the intent of this description of Tract K-2y to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2y, common to corner 22 of Forest Service Tract K-1a-VI, identical with the eleventh corner of the I. & G.N.R.R. Co. Survey No. 34, A-580, and the fifth corner of the George English Survey, a Forest Service standard concrete post marked K-268;

THENCE N 79° 30' W, with Tract K-1a-VI, common to the George English, A-391 and I. & G.N.R.R. Co. No. 34 Surveys, 27.00 chains to corner 2 of Tract K-2y;

THENCE N 10° 00' E, within the George English Survey, A-391, 32.40 chains to corner 3 of Tract K-2y;

THENCE S 80° 00' E, within the George English Survey, A-391, and the J. A. Platt Survey, A-1355. At 27.10 chains the division line between the George English Survey, A-391, and the J. A. Platt Survey. At 31.10 chains corner 4 of Tract K-2y;

THENCE S 11° 00' W, with Tract K-1a-VI, common to J. A. Platt Survey and the George English Survey, A-392, dated 11/6/1861, 20.00 chains to corner 5 of Tract K-2y, common to corner 24 of Tract K-1a-VI, the beginning corner of the J. A. Platt Survey and the second corner of the George English Survey, A-392;

THENCE N 82° 00' W, continuing with Tract K-1a-VI, common to J. A. Platt Survey and the John B. Odell Survey, A-802, 3.90 chains to corner 6 of Tract K-2y, common to corner 23 of Tract K-1a-VI, the fourth corner of the J. A. Platt Survey and the third corner of the John B. Odell Survey and the twelfth corner of the I. & G.N.R.R. Co. Survey No. 34;

THENCE S 10° 30' W, continuing with Tract K-1a-VI, common to George English Survey, A-391 and the I. & G.N.R.R. Co. No. 34 Survey, 12.20 chains to the PLACE OF BEGINNING, containing 95.00 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2v
499.00 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, embracing in whole or in part the G. W. Smitherman patented Survey, A-1292 dated September 21, 1906, the W. P. English patented Survey, A-812-Trinity and A-1324-Houston, dated October 19, 1904, and the W. F. Pool patented Survey, A-514, dated August 9, 1875 and being identified for mineral leasing purposes as Tract K-2v. Tract K-2v contains 499.00 acres and is described as follows for mineral leasing purposes only. Tract K-2v was acquired from Trinity County Lumber Company by deed dated November 8, 1935 and recorded in Volume 83, Page 358 et seq., Deed Records, Trinity County, Texas and Volume 173 Page 31, Deed Records Houston County, Texas. It is not the intent of this description of Tract K-2v to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2v, identical with the sixth corner of the W. P. English Survey and the fifth corner of the Sam F. Kenley Survey, A-882, a Forest Service standard concrete post marked K-264;

THENCE N 00° 45' E, common to the W. P. English and Sam F. Kenley Surveys, 27.50 chains to corner 2 of Tract K-2v, on the Houston-Trinity County line;

THENCE N 51° 30' E, with F. S. Tract K-1a-VI, along the Houston-Trinity County line, common to the W. P. English Survey and the I. & G.N.R.R. Co. Survey No. 35, A-603, 17.90 chains to corner 3 of Tract K-2v, common to corner 74 of Forest Service Tract K-1a-VI, on the Houston-Trinity County line, the fourth corner of the W. P. English Survey and the twelfth corner of the I. & G.N.R.R. Co. Survey No. 35;

THENCE N 00° 30' E, continuing with Tract K-1a-VI, common to the I. & G.N.R.R. Co. Survey No. 35 and in part to the W. P. English and G. W. Smitherman Surveys, 41.80 chains to corner 4 of Tract K-2v, common to corner 73 of Tract K-1a-VI, the fifth corner of the G. W. Smitherman Survey and the eleventh corner of the I. & G.N.R.R. Co. Survey No. 35;

THENCE S 89° 00' W, continuing with Tract K-1a-VI, common to the G. W. Smitherman and I. & G.N.R.R. Co. No. 35 Surveys, 31.30 chains to corner 5 of Tract K-2v, common to corner 72 of Tract K-1a-VI, the sixth corner of the G. W. Smitherman Survey and the tenth corner of the I. & G.N.R.R. Co. Survey No. 35;

THENCE N 01° 30' E, common to the G. W. Smitherman Survey and the Stephen English Survey, A-383, 16.20 chains to corner 6 of Tract K-2v, common to corner 62 of Tract K-1a-VI, the seventh corner of the G. W. Smitherman Survey and the sixth corner of the John B. Odell Survey, A-802;

THENCE two lines with Tract K-1a-VI, common to the G. W. Smitherman and John B. Odell Survey:

N 89° 45' E, 33.50 chains to corner 7 of Tract K-2v, common to corner 61 of Tract K-1a-VI, the eighth corner of the G. W. Smitherman Survey and the fifth corner of the John B. Odell Survey;

N 00° 30' W, 26.90 chains to corner 8 of Tract K-2v, common to corner 60 of Tract K-1a-VI, the ninth corner of the G. W. Smitherman Survey, a F.S. standard concrete post marked K-275;

THENCE S 59° 15' E, in part with Tract K-1a-VI, common to the G. W. Smitherman Survey and the I. & G.N.R.R. Co. No. 19 Survey, A-590. At 1.30 chains the tenth corner of the I. & G.N.R.R. Co. No. 19 Survey. At 39.30 chains a road. At 59.20 chains corner 9 of Tract K-2v, common to corner 56 of Tract K-1a-VI and the beginning corner of the G. W. Smitherman Survey;

THENCE West, common to the G. W. Smitherman Survey and the Heirs of Jas. English Survey, A-393-Houston and A-199-Trinity, 22.10 chains to corner 10 of Tract K-2v, the second corner of the G. W. Smitherman Survey and the third corner of the Heirs of Jas. English Survey;

THENCE South, common to the G. W. Smitherman and the Heirs of Jas. English Surveys, 17.50 chains to corner 11 of Tract K-2v, the third corner of the G. W. Smitherman Survey and the second corner of the W. P. English Survey;

THENCE S 02° 30' E, common to the Heirs of Jas. English and the W. P. English Surveys. At 11.00 chains the Houston-Trinity County line. At 21.00 chains a road. At 24.10 chains corner 12 of Tract K-2v, the beginning corner of the W. P. English Survey and the fourth corner of the Heirs of Jas. English Survey;

THENCE West, within the W. P. English Survey. At 17.60 chains the Houston-Trinity County line. At 29.10 chains corner 13 of Tract K-2v;

THENCE South, within the W. P. English Survey. At 8.50 chains the Houston-Trinity County line. At 19.50 chains corner 14 of Tract K-2v;

THENCE South, within the W. P. English Survey. At 8.50 chains the Houston-Trinity County line. At 19.50 chains corner 14 of Tract K-2v;

THENCE S 89° 30' E, within the W. P. English Survey. At 3.50 chains a road. At 40.20 chains corner 15 of Tract K-2v;

THENCE South, within the W. P. English Survey, 15.90 chains to corner 16 of Tract K-2v;

THENCE two lines common to the W. P. English Survey and the J. F. Kilgore Survey, A-382:

S 89° 00' W, 15.30 chains to corner 17 of Tract K-2v, the tenth corner of the W. P. English Survey and the beginning corner of the J. F. Kilgore Survey;

South, 28.50 chains to corner 18 of Tract K-2v, the ninth corner of the W. P. English Survey and the second corner of the J. F. Kilgore Survey;

THENCE West, common to the W. P. English Survey and the George Rose Survey, A-524, 11.60 chains to corner 19 of Tract K-2v, the eighth corner of the W. P. English Survey and the second corner of the George Rose Survey;

THENCE N 00° 30' E, common to the W. P. English Survey and the W. F. Pool Survey, A-514, 2.20 chains to corner 20 of Tract K-2v;

THENCE West, within the W. F. Pool Survey, 48.80 chains to corner 21 of Tract K-2v;

THENCE two lines common to the W. F. Pool Survey and the Sam F. Kenley Survey, A-882:

North, 10.90 chains to corner 22 of Tract K-2v, the second corner of the W. F. Pool Survey and the fourth corner of the Sam F. Kenley Survey;

East, 16.60 chains to the PLACE OF BEGINNING, containing 499.00 acres, more or less, with 256 acres being in Houston County and 243 acres being in Trinity County.

**DESCRIPTION OF
TRACT S-2k-II PARCEL #3
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
715.05 ACRES**

All that certain parcel of land lying and being in Sabine County, Texas, embracing in whole the Eli Lowe Survey, A-149, dated November 9, 1852 and in part the J. F. Clark Survey, A-380, dated February 15, 1909 and being identified for mineral leasing purposes as Tract S-2k-II Parcel #3. Parent Tract S-2k-II was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas. Tract S-2k-II Parcel #3 contains approximately 715.05 acres, more or less, and is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2k-II Parcel #3 to include any lands within adjacent issued Bureau of Land Management (BLM) leases.

BEGINNING at Corner 35 of Tract S-2k-II, being the eighth corner of said Clark Survey and the fourth corner of the Hugh Milligan Survey, A-161, a F.S. standard concrete post marked S-410;

THENCE N 00° 50' E, common to the J. F. Clark and Hugh Milligan Surveys, 19.78 chains to Corner 36 of Tract S-2k-II, the seventh corner of the J. F. Clark Survey and the third corner of the Hugh Milligan Survey;

THENCE N 08° 00' W, common to the Eli Lowe Survey, A-149, and the Hugh Milligan Survey, 36.55 chains to Corner 37 of Tract S-2k-II;

THENCE North, common to the J. F. Clark and Hugh Milligan Surveys, 27.00 chains to Corner 38 of Tract S-2k-II, a Forest Service standard concrete post marked S-397;

THENCE N 89° 45' E, common to the J. F. Clark Survey and the Henry Nichols Survey, A-46, 47.91 chains to Corner 39 of Tract S-2k-II;

THENCE eleven lines within the J. F. Clark Survey:

South, 12.80 chains to Corner 40 of Tract S-2k-II;
S 04° 00' E, 5.58 chains to Corner 41 of Tract S-2k-II;
S 12° 00' E, 7.07 chains to Corner 42 of Tract S-2k-II;
S 10° 00' E, 2.66 chains to Corner 43 of Tract S-2k-II;
S 03° 00' E, 2.36 chains to Corner 44 of Tract S-2k-II;
S 09° 25' E, 27.69 chains to Corner 45 of Tract S-2k-II;
S 72° 25' E, 9.62 chains to Corner 46 of Tract S-2k-II;
N 81° 20' E, 9.37 chains to Corner 47 of Tract S-2k-II;
N 08° 00' W, 31.94 chains to Corner 48 of Tract S-2k-II;
N 79° 00' W, 2.97 chains to Corner 49 of Tract S-2k-II;

**N 00° 20' E, 26.69 chains to Corner 50 of Tract S-2k-II,
a F.S. standard concrete post marked S-451;**

**THENCE N 89° 45' E, in part with the J. F. Clark and Henry Nichols Surveys, a
calculated distance of 23.00 chains to a point for corner of Tract S-2k-II Parcel #3,
said point being the northeast corner of the J.F. Clark Survey, and the northwest
corner of the H. E. & W.T.R.R. No. 1 Survey, A-269;**

**THENCE a calculated bearing and distance of S 19° 47' 55" E, across Tract
S-2k-II and common to the east line of said Clark Survey and west line of the H.E.
& W.T.R.R. No. 1 Survey, A-269, 87.79 chains to a point for corner of Tract
S-2k-II Parcel #3, said point being the southeast corner of said Clark Survey,
common to the southwest corner of said H.E. & W.T.R.R. No. 1 Survey;**

**THENCE a calculated bearing and distance of S 89° 45' W, across Tract S-2k-II and
common to the south line of the J. F. Clark Survey and the north line of the W. M.
Arledge Survey, A-259, 114.05 chains to the POINT OF BEGINNING, containing
735.05 acres, more or less, SAVE AND EXCEPT 20.00 acres within Exception No. 5
of Tract S-2k-II described as follows, leaving a net acreage of 715.05 acres, more
or less, for Tract S-2k-II Parcel #3.**

Exception No. 5 to Tract S-2k-II, containing 20 acres:

**BEGINNING at corner 1, a F.S. standard concrete post marked S236, witnessed by
scribed bearing trees.**

THENCE four lines within the J. F. Clark Survey:

**South, 20.00 chains to corner 2 of Exception No. 5 to Tract S-2k-II;
West, 9.72 chains to corner 3 of Exception No. 5 to Tract S-2k-II;
North, 20.14 chains to corner 4 of Exception No. 5 to Tract S-2k-II.
distant; East, 9.86 chains to the PLACE OF BEGINNING, containing
20 acres, be the same more or less, for Tract S-2k-II Exception No. 5.**

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-II PARCEL #4
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
617.33 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in whole the H.E. & W.T.R.R. Survey No. 1, A-269, dated July 20, 1882, and being identified for mineral leasing purposes as Tract S-2k-II Parcel #4 and described as follows for mineral leasing purposes only. Parent Tract S-2k-II was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas. Tract S-2k-II Parcel #4 contains approximately 656.36 acres, more or less, LESS AND EXCEPT approximately 39.03 acres of private surface ownership (primarily under water) conveyed by the United States to the Sabine River Authority (SRA) on April 2, 1985 within six tracts, leaving a net area of 617.33 acres for Tract S-2k-II Parcel #4. It is not the intent of this description of Tract S-2k-II Parcel #4 to include any lands within adjacent issued Bureau of Land Management (BLM) leases or any surface exchanged to the Sabine River Authority.

BEGINNING at Corner 52 of Tract S-2k-II, the seventh corner of the William M. Arledge Survey, A-259, and the fifth corner of the Jesse Lowe Survey, A-147;

THENCE N 19° 45' W, 70.05 chains to Corner 51 of Tract S-2k-II, common to corner 88 of Forest Service Tract S-2k-III, the beginning corner of the H. E. & W.T.R.R. Survey No. 1, A-269, and the second corner of the Henry Nichols Survey, A-46, a Forest Service standard concrete post marked S-346;

THENCE S 89° 45' W, common to the H. E. & W.T.R.R. No. 1 Survey and the Henry Nichols Survey, a calculated distance of 79.37 chains to a point for corner of Tract S-2k-II Parcel #4, said point being the northwest corner of the H.E. & W.T.R.R. Survey No. 1, A-269;

THENCE a calculated bearing of S 19° 47' 55" E, common to the west line of the H.E. & W.T.R.R. No. 1 Survey and the east line of the J. F. Clark Survey, A-380, a calculated distance of 87.79 chains to a point for corner of Tract S-2k-II Parcel #4, said point being the southwest corner of said H.E. & W.T.R.R. No. 1 Survey;

THENCE a calculated bearing of N 89° 45' E along the south line of said H.E. & W.T.R.R. No. 1 Survey, common with the north line of the W. M. Arledge Survey, A-259, a calculated distance of 79.37 chains to a point within Tract S-2k-II for corner of Tract S-2k-II Parcel #4, said point being the southeast corner of the H.E. & W.T.R.R. No. 1 Survey;

THENCE a calculated bearing of N 19° 59' 26" W, common to the H.E. & W.T.R.R. No. 1 Survey and W. M. Arledge Survey, a calculated distance of 17.74 chains to

the place of beginning, containing 656.36 acres, more or less, LESS AND EXCEPT 39.03 acres within 6 portions of private surface ownership identified as Sabine River Authority Tracts

No. 541-26, 541-27, 541-28, 541-29, 541-30, and 541-31 (primarily under water) conveyed to the Sabine River Authority (SRA) in Exchange Deed dated April 2, 1985 and described as follows, leaving a net acreage available for lease of 617.33, more or less, for Tract S-2k-II Parcel #4.

39.03 surface acres exchanged to Sabine River Authority (SRA) within six parcels:

SRA Tract No. 541-26: BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being a concrete monument on line 51-52 of Tract S-2k-II, common to the H. E. & W.T.R.R. No. 1 and the Jesse Lowe Surveys. From this point, corner 52 of Tract S-2k-II bears S 19° 12' 34" E, 2067.00 feet;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 1 Survey as follows:

S 65° 29' 47" W, 65.00 feet to point 114;
S 24° 12' 43" W, 85.00 feet to point 115;
N 49° 44' 20" W, 124.00 feet to point 116;
N 33° 51' 24" W, 121.00 feet to point 117;
N 76° 04' 29" W, 137.00 feet to point 118;
S 64° 01' 26" W, 105.00 feet to point 119;
N 57° 53' 37" W, 176.00 feet to point 120;
N 86° 46' 18" E, 133.00 feet to point 121;
N 66° 08' 13" E, 105.00 feet to point 122;
N 89° 01' 09" E, 172.00 feet to point 123;
S 50° 53' 54" E, 105.00 feet to point 124;
N 69° 05' 01" E, 86.00 feet to a point on
said line 51-52 of Tract S-2k-II;

THENCE with said line, S 19° 12' 34" E, 187.00 feet to the point of beginning, containing 1.80 acres, more or less, save and except therefrom that strip of land between the herein described taking line traverse of the Toledo Bend Reservoir shoreline survey and the 172' mean sea level contour and being along the taking line traverse between points 77-134 of SRA Tract 541, a portion of which is within Tract S-2k-II Parcel #4.

SRA Tract No. 541-27: BEGINNING at corner 51 of said Tract S-2k-II, common to corner 88 of F.S. Tract S-2k-III, also the beginning corner of the H. E. & W.T.R.R. No. 1 Survey and the second corner of the Henry Nichols Survey, a F.S. standard concrete monument marked S-346;

THENCE with line 51-52 of Tract S-2k-II, common to the H. E. & W.T.R.R. No. 1 and the Jesse Lowe Surveys, S 19° 12' 34" E, 1012.00 feet to a point on the taking line:

traverse of the Toledo Bend Reservoir shoreline survey;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 1 Survey as follows:

S 74° 54' 05" W, 180.00 feet to point 138;
S 45° 47' 01" W, 121.00 feet to point 139;
S 75° 25' 57" W, 110.00 feet to point 140;
S 67° 37' 52" W, 180.00 feet to point 141;
S 48° 11' 48" W, 178.00 feet to point 142;
N 08° 09' 15" W, 114.00 feet to point 143;
N 09° 54' 19" W, 193.00 feet to point 144;
N 69° 11' 24" W, 147.00 feet to point 145;
S 83° 44' 31" W, 169.00 feet to point 146;
N 40° 10' 27" E, 137.00 feet to point 147;
N 82° 57' 22" E, 110.00 feet to point 148;
N 56° 44' 18" E, 93.00 feet to a point 149
N 01° 26' 45" W, 223.00 feet to point 150;
N 23° 32' 49" W, 116.00 feet to point 151;
N 48° 32' 54" W, 211.00 feet to a point 152
N 55° 58' 58" W, 210.00 feet to point 153;
N 06° 16' 02" W, 200.00 feet to point 154
on line 50-51 of Tract S-2k-II, common in
part to the H.E. & W.T.R.R. No. 1 and the
Henry Nichols Survey and the lands of F.S. Tract S-2k-III;

THENCE with said line, N 89° 53' 22" E, 787.00 feet to the POINT OF BEGINNING, containing 18.50 acres, more or less, for SRA Tract 541-27;

SRA Tract No. 541-28: BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being on line 50-51 of Tract S-2k-II, common in part to the H. E. & W.T.R.R. No. 1 and Henry Nichols Surveys and the lands of F.S. Tract S-2k-III; from this point, corner 51 of Tract S-2k-II, common to corner 88 of F.S. Tract S-2k-III, bears N 89° 53' 22" E, 977.00 feet;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 1 Survey as follows:

S 03° 00' 44" W, 165.00 feet to point 157;
N 44° 21' 19" W, 230.00 feet to point on said
line 50-51 of F.S. Tract S-2k-II;

THENCE with said line, N 89° 53' 22" E, 160.00 feet to the POINT OF BEGINNING, containing 0.33 acres, more or less, for SRA Tract 541-28;

SRA Tract No. 541-29: BEGINNING at a point on the taking line traverse of the

Toledo Bend Reservoir shoreline survey, said point being on line 50-51 of Tract S-2k-II, common in part to the H. E. & W.T.R.R. No. 1 and Henry Nichols Surveys and the lands of F.S. Tract S-2k-III; from this point, corner 51 of Tract S-2k-II, common to corner 88 of F.S. Tract S-2k-III, bears N 89° 53' 22" E, 1282.00 feet;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 1 Survey as follows:

S 73° 15' 36" W, 108.00 feet to point 159;
S 49° 35' 31" W, 214.00 feet to point 160;
S 09° 12' 27" W, 271.00 feet to point 161;
S 05° 37' 36" E, 263.00 feet to point 162;
S 11° 19' 40" E, 144.00 feet to point 163;
N 68° 26' 45" W, 103.00 feet to point 164;
S 07° 48' 10" W, 178.00 feet to point 165;
S 24° 18' 06" W, 195.00 feet to point 166;
S 00° 37' 01" W, 188.00 feet to point 167;
S 60° 38' 57" W, 105.00 feet to point 168;
N 11° 03' 53" E, 158.00 feet to point 169;
N 31° 26' 10" W, 115.00 feet to a point 170;
N 22° 42' 44" E, 277.00 feet to point 171;
N 18° 45' 19" W, 130.00 feet to point 172;
S 70° 17' 36" W, 164.00 feet to a point 173;
N 17° 39' 32" E, 186.00 feet to point 174;
N 85° 09' 27" E, 74.00 feet to a point 175;
N 20° 28' 23" E, 149.00 feet to point 176;
N 11° 35' 40" W, 117.00 feet to point 177;
N 02° 20' 44" W, 258.00 feet to a point 178;
N 14° 37' 10" E, 117.00 feet to point 179;
N 63° 31' 53" W, 59.00 feet to a point on said
line 50-51 of Tract S-2k-II;

THENCE with said line, N 89° 53' 22" E, 545.00 feet to the POINT OF BEGINNING, containing 7.20 acres, more or less, for SRA Tract 541-29;

SRA Tract No. 541-30: BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being on line 50-51 of Tract S-2k-II, common in part to the H. E. & W.T.R.R. No. 1 and Henry Nichols Surveys and the lands of F.S. Tract S-2k-III; from this point, corner 51 of Tract S-2k-II, common to corner 88 of F.S. Tract S-2k-III, bears N 89° 53' 22" E, 1927.00 feet;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 1 Survey as follows:

S 67° 15' 02" W, 157.00 feet to point 181;
S 56° 27' 58" W, 196.00 feet to point 182;

S 26° 00' 53" W, 60.00 feet to point 183;
S 85° 23' 49" W, 109.00 feet to point 184;
S 68° 34' 45" W, 96.00 feet to point 185;
N 22° 38' 19" W, 120.00 feet to a point 186;
N 84° 14' 36" E, 189.00 feet to point 187;
N 40° 08' 32" E, 197.00 feet to a point on said
line 50-51 of Tract S-2k-II;

THENCE with said line, N 89° 53' 22" E, 280.00 feet to the POINT OF BEGINNING,
containing 1.20 acres, more or less, for SRA Tract 541-30;

SRA Tract No. 541-31: BEGINNING at a point on the taking line traverse of the
Toledo Bend Reservoir shoreline survey, said point being on line 50-51 of Tract S-
2k-II, common in part to the H. E. & W.T.R.R. No. 1 and Henry Nichols Surveys;
from this point, corner 89 of Tract S-2k-III, bears N 89° 53' 22" E, 160.07 feet;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 1 Survey as
follows:

S 25° 02' 48" E, 33.00 feet to point 235;
S 62° 50' 52" E, 204.00 feet to point 236;
S 49° 54' 03" W, 127.00 feet to point 237;
S 27° 03' 59" W, 90.00 feet to point 238;
S 02° 34' 54" W, 386.00 feet to point 239;
S 64° 31' 09" E, 107.00 feet to point 240;
S 36° 06' 13" E, 145.00 feet to point 241;
S 75° 22' 17" E, 91.00 feet to point 242;
S 26° 17' 22" E, 62.00 feet to point 243;
S 35° 54' 33" W, 107.00 feet to point 244;
S 04° 04' 29" W, 215.00 feet to point 245;
N 60° 04' 34" W, 81.00 feet to a point 246;
N 05° 18' 39" W, 232.00 feet to point 247;
N 71° 18' 43" W, 169.00 feet to point 248;
S 52° 33' 12" W, 116.00 feet to point 249;
S 12° 46' 08" W, 235.00 feet to point 250;
S 44° 44' 03" W, 251.00 feet to point 251;
S 50° 41' 59" W, 141.00 feet to point 252;
S 88° 14' 55" W, 145.00 feet to point 253;
N 21° 16' 51" E, 71.00 feet to a point 254;
N 51° 36' 46" E, 280.00 feet to point 255;
N 44° 09' 42" E, 163.00 feet to point 256;
N 11° 22' 38" E, 108.00 feet to a point 257;
N 17° 07' 26" W, 91.00 feet to point 258;
N 17° 54' 29" E, 136.00 feet to point 259;
N 12° 53' 34" W, 288.00 feet to a point 260;
N 27° 52' 21" E, 182.00 feet to point 261;

N 74° 33' 43" W, 66.00 feet to point 262;
S 79° 14' 12" W, 104.00 feet to point 263;
N 27° 21' 08" E, 113.00 feet to a point 264;
N 02° 42' 55" W, 123.00 feet to point 265;
N 18° 45' 25" W, 103.00 feet to point 266;
N 62° 46' 04" W, 157.00 feet to a point on said
line 50-51 of Tract S-2k-II;

THENCE with said line, N 89° 53' 22" E, 446.70 feet to the POINT OF BEGINNING,
containing 10.00 acres, more or less, for SRA Tract 541-31;

LEAVING A NET AREA OF 617.33 ACRES FOR TRACT S-2K-II PARCEL #4.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-II PARCEL #8
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
256.85 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the Jesse Lowe Survey, A-147, dated November 20, 1849 and being identified for mineral leasing purposes as Tract S-2k-II Parcel #8. Parent Tract S-2k-II was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas. Tract

S-2k-II Parcel #8 contains approximately 697.65 acres, more or less, LESS AND EXCEPT approximately 440.80 acres of private surface ownership (primarily under water) conveyed by the United States to the Sabine River Authority (SRA) on April 2, 1985 as SRA Tract 541-25, leaving a net area of 256.85 acres, more or less, for Tract

S-2k-II Parcel #8 and is described as follows for mineral leasing purposes only. The U.S. retained all subsurface mineral ownership. It is not the intent of this description of Tract S-2k-II Parcel #8 to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings or any surface exchanged to the Sabine River Authority.

BEGINNING at Corner 53 of Tract S-2k-II, a Forest Service standard concrete post marked S-385;

THENCE N 01° 00' W, within the Jesse Lowe Survey, A-147, 102.90 chains to Corner 54 of Tract S-2k-II, the seventh corner of the J. F. Clark Survey and the third corner of the Hugh Milligan Survey;

THENCE S 89° 45' E, within the Jesse Lowe Survey and common in part to Forest Service Tract S-2k-III, at 43.51 chains corner 83 of FS Tract S-2k-III. At 58.31 chains corner 55 of F.S. Tract S-2k-II, a F.S. standard concrete post marked S-353;

THENCE S 00° 50' W, within the Jesse Lowe Survey, 18.92 chains to corner 56 of Tract S-2k-II, a point in the center of Housen Bayou;

THENCE in a general easterly direction, down and with the meanders of Housen Bayou, 33.00 chains to corner 57 of Tract S-2k-II, a point in the center of Housen Bayou and having the following calculated chord bearings and distances for closure: S 73° 00' E, 9.00 chains; N 15° 00' E, 9.00 chains; East, 4.00 chains; S 25° 00' E, 6.50 chains; East, 5.75 chains.

THENCE South, within the Jesse Lowe Survey, 64.84 chains to corner 58 of Tract S-2k-II, a F.S. standard concrete post marked S-425. From this corner, the second corner of the Eli Lowe Survey, A-34 bears West, 13.31 chains distant;

THENCE West, common to the J. A. Watson Survey, A-477, and the Jesse Lowe Survey, 13.31 chains to a point for corner of Tract S-2k-II Parcel #8, said point also being the second corner of the Eli Lowe Survey;

THENCE a calculated bearing and distance across Tract S-2k-II within the Jesse Lowe Survey, S 73° 59' 20" W, 69.04 chains to the place of beginning, containing 697.65 acres, more or less, for Tract S-2k-II Parcel #8, less and except 440.80 surface acres within SRA Tract 541-25, leaving a net area of 256.85 acres for Tract S-2k-II Parcel #8. SRA Tract 541-25 is described as follows:

Sabine River Authority Tract 541-25, 440.80 acres: BEGINNING at corner 57 of Tract S-2k-II, a point in the center of Housen Bayou witnessed by scribed bearing trees, within the Jesse Lowe Survey, A-147;

THENCE S 01° 54' 33" E, 3056.00 feet to a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey;

THENCE with said taking line traverse within the Jesse Lowe Survey as follows:

S 87° 38' 31" W, 104.70 feet to point 1138;
S 80° 57' 21" W, 281.00 feet to point 1139;
S 60° 57' 12" W, 111.00 feet to point 1140;
S 09° 11' 03" W, 108.00 feet to point 1141;
S 76° 07' 54" W, 83.00 feet to point 1142;
S 35° 05' 44" W, 151.00 feet to point 1143;
S 18° 34' 35" W, 270.00 feet to point 1144;
S 49° 45' 26" W, 85.00 feet to point 1145;
S 22° 55' 17" W, 138.00 feet to point 1146;
N 16° 44' 52" W, 147.00 feet to point 1147;
N 42° 08' 01" W, 79.00 feet to point 1148;
N 73° 57' 49" E, 74.00 feet to point 1149;
N 33° 27' 40" E, 190.00 feet to point 1150;
N 02° 44' 30" E, 95.00 feet to point 1151;
N 21° 50' 21" E, 130.00 feet to point 1152;
N 52° 56' 47" W, 107.00 feet to point 1153;
N 71° 59' 02" E, 86.00 feet to point 1154;
N 01° 03' 06" W, 235.00 feet to point 1155;
N 06° 46' 15" W, 156.00 feet to point 1156;
N 18° 40' 35" E, 97.00 feet to point 1157;
N 50° 11' 34" W, 94.00 feet to point 1158;
N 68° 08' 43" W, 96.00 feet to point 1159;
N 84° 35' 52" W, 69.00 feet to point 1160;
N 72° 36' 01" W, 92.00 feet to point 1161;
N 89° 16' 11" W, 126.00 feet to point 1162;
S 79° 58' 39" W, 129.00 feet to point 1163;
S 63° 00' 30" W, 132.00 feet to point 1164;

S 02° 11' 21" W, 205.00 feet to point 1165;
S 12° 00' 48" E, 172.00 feet to point 1166;
N 45° 29' 57" W, 114.00 feet to point 1167;
N 24° 06' 06" W, 168.00 feet to point 1168;
N 49° 18' 16" W, 212.00 feet to point 1169;
S 87° 56' 34" W, 153.00 feet to point 1170;
S 46° 48' 25" W, 101.00 feet to point 1171;
N 51° 46' 43" W, 101.00 feet to point 1172;
S 72° 31' 06" W, 71.00 feet to point 1173;
S 09° 16' 57" W, 219.00 feet to point 1174;
S 53° 54' 48" W, 159.00 feet to point 1175;
N 09° 10' 39" E, 241.00 feet to point 1176;
N 45° 38' 29" E, 213.20 feet to point TH12;
S 57° 04' 48" W, 77.00 feet to point 1;
N 04° 09' 14" W, 76.00 feet to point 2;
S 75° 26' 41" W, 165.00 feet to point 3;
S 68° 01' 36" W, 240.00 feet to point 4;
S 38° 42' 32" W, 131.00 feet to point 5;
S 04° 04' 31" E, 104.00 feet to point 6;
S 42° 55' 24" W, 133.00 feet to point 7;
N 02° 48' 19" E, 125.00 feet to point 8;
N 55° 37' 44" W, 158.00 feet to point 9;
N 13° 57' 11" E, 132.00 feet to point 10;
N 28° 22' 52" W, 127.00 feet to point 11;
N 60° 50' 57" W, 97.00 feet to point 12;
N 80° 45' 01" W, 93.00 feet to point 13;
N 65° 32' 05" W, 105.00 feet to point 14;
S 75° 33' 50" W, 210.00 feet to point 15;
N 68° 02' 14" W, 217.00 feet to point 16;
N 80° 09' 18" W, 43.00 feet to point 17;
N 32° 29' 22" W, 242.00 feet to point 18;
S 77° 24' 33" W, 78.00 feet to point 19;
S 60° 37' 28" W, 220.00 feet to point 20;
N 81° 27' 35" W, 216.00 feet to point 21;
S 06° 09' 39" E, 149.00 feet to point 22;
S 51° 31' 43" E, 126.00 feet to point 23;
S 36° 32' 11" W, 100.00 feet to point 24;
N 40° 06' 52" W, 79.00 feet to point 25;
N 44° 57' 56" W, 459.00 feet to point 26;
S 54° 55' 59" W, 180.00 feet to point 27;
S 40° 29' 54" W, 117.00 feet to point 28;
S 47° 22' 50" W, 254.00 feet to point 29;
S 22° 24' 46" W, 157.00 feet to point 30;
S 01° 01' 18" E, 201.00 feet to point 31;
S 24° 21' 22" E, 183.00 feet to point 32;
S 61° 11' 26" E, 364.00 feet to point 33;
S 79° 02' 29" W, 75.00 feet to point 34;
N 71° 41' 35" W, 100.00 feet to point 35;

S 82° 14' 20" W, 116.00 feet to point 36;
S 38° 28' 16" W, 98.00 feet to point 37;
S 05° 03' 47" E, 165.00 feet to point 38;
S 12° 06' 52" E, 175.00 feet to point 39;
S 52° 15' 56" E, 160.00 feet to point 40;
S 60° 32' 00" E, 163.00 feet to point 41;
S 61° 54' 55" W, 61.00 feet to point 42;
N 61° 22' 09" W, 143.00 feet to point 43;
S 62° 41' 46" W, 67.00 feet to point 44;
S 34° 15' 42" W, 145.00 feet to point 45;
S 18° 54' 38" W, 205.00 feet to point 46;
N 17° 47' 26" W, 136.00 feet to point 47;
N 20° 12' 29" E, 153.00 feet to point 48;
N 17° 28' 34" W, 91.00 feet to point 49;
N 24° 11' 39" W, 142.00 feet to point 50;
N 60° 57' 43" W, 108.00 feet to point 51;
N 28° 04' 12" E, 102.00 feet to point 52;
N 26° 45' 51" W, 172.00 feet to point 53;
N 01° 37' 03" E, 75.00 feet to point 54;
N 39° 19' 00" W, 178.00 feet to point 55;
S 73° 07' 55" W, 105.00 feet to point 56;
N 77° 35' 08" W, 26.00 feet to a point on
line 53-54 of F.S. Tract S-2k-II;

THENCE with said line, N 01° 24' 08" W, 4361.40 feet to corner 54 of Tract S-K-II
within the Jesse Lowe Survey;

THENCE N 89° 35' 17" E, common to F.S. Tract S-2k-III, 3848.46 feet to corner 55 of
Tract S-2k-II, a F.S. standard concrete post marked S-353;

THENCE S 00° 10' 17" W, 1248.72 feet to corner 56 of Tract S-2k-II, a point in the
center of Housen Bayou;

THENCE in a general easterly direction, down and with the meanders of House
Bayou, 2178.00 feet to the point of beginning, containing 440.80 acres, more or
less, save and except that strip of land between the herein described taking line
traverse of the Toledo Bend Reservoir shoreline survey and the 172' mean sea
level contour and being along the taking line traverse between points 2-62 of SRA
Tract 541, a portion of which is within Tract S-2k-II Parcel #8.

LEAVING A NET AREA OF 256.85 ACRES FOR F.S. TRACT S-2K-II PARCEL #8.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-XI
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
596.00 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in whole the Hugh Milligan patented Survey, A-161, dated January 5, 1904 and being identified for mineral leasing purposes as Tract S-2k-XI. Tract S-2k-XI was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas, and contains 596.00 acres, more or less, and is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2k-XI to include any lands within adjacent issued Bureau of Land Management (BLM) leases. This tract is also subject to an undivided 1/10th outstanding mineral interest as reserved in deed dated July 2, 1935 from Alice M. Detlor to Temple Lumber Co., recorded in Volume 39, Page 46, Deed Records, Sabine County, Texas.

BEGINNING at corner 1, common to corner 16 of Forest Service Tract S-2k-I, identical with the seventh corner of the Hugh Milligan Survey, A-161, and the second corner of the F. M. Davis Survey, A-383, a Forest Service standard concrete post marked S-308;

THENCE N 89° 50' E, common to the Hugh Milligan Survey and to the John Haley Survey, A-20, and the Henry Nichols Survey, A-46, 74.00 chains to corner 2 of Tract S-2k-XI, common to corner 38 of Forest Service Tract S-2k-II, the beginning corner of the Hugh Milligan Survey and the second corner of the J. F. Clark Survey, A-380, a F.S. standard concrete post marked S-397;

THENCE South, with a boundary of S-2k-II, common to the Hugh Milligan and J. F. Clark Surveys, 27.00 chains to corner 3 of Tract S-2k-XI, common to corner 37 of F.S. Tract S-2k-II, the beginning corner of the Eli Lowe Survey, A-149, and the third corner of the J. F. Clark Survey, and the second corner of the Hugh Milligan Survey;

THENCE S 08° 00' E, continuing with the boundary of S-2k-II, common to the Hugh Milligan and Eli Lowe Surveys, 36.55 chains to corner 4 of Tract S-2k-XI, common to corner 36 of Forest Service Tract S-2k-II, the seventh corner of the J. F. Clark Survey and the third corner of the Hugh Milligan Survey;

THENCE S 00° 50' W, continuing with the boundary of S-2k-II, common to the Hugh Milligan and J. F. Clark Surveys, 19.78 chains to corner 5 of Tract S-2k-XI, common to corner 35 of F. S. Tract S-2k-II, the eighth corner of the J. F. Clark Survey and the fourth corner of the Hugh Milligan Survey, a F.S. standard concrete post marked S-410;

THENCE S 89° 00' W, continuing with the boundaries of S-2k-II and F. S. Tract S-2k-I,

common to the Hugh Milligan Survey and to the W. M. Arledge Survey, A-259, and the J. W. Cadwell Survey, A-296, 45.00 chains to corner 6 of Tract S-2k-XI, common to corner 18 of Forest Service Tract S-2k-I, the twelfth corner of the J. W Cadwell Survey and the fifth corner of the Hugh Milligan Survey;

THENCE N 58° 40' W, continuing with the boundary of S-2k-I, common to the Hugh Milligan Survey and the Anthony W. Walters Survey, A-223, 38.90 chains to corner 7 of Tract

S-2k-XI, common to corner 17 of F. S. Tract S-2k-I, the beginning corner of the F. M. Davis Survey and the sixth corner of the Hugh Milligan Survey, a stake witnessed by scribed bearing trees;

THENCE N 00° 55' W, with the boundary of S-2k-I, common to the Hugh Milligan and F. M. Davis Surveys, 63.21 chains to the PLACE OF BEGINNING, containing 596.00 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-II PARCEL #10
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
172.24 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in whole the Thomas Mazy Survey, A-168, dated August 22, 1845 and being identified for mineral leasing purposes as Tract S-2k-II Parcel #10. Tract S-2k-II was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas. Tract

S-2k-II Parcel #10 contains approximately 172.24 acres, more or less, and is described as follows for mineral leasing purposes only. This parcel contains over 80% private surface ownership (primarily under water) conveyed to the Sabine River Authority (SRA) on April 2, 1985. The U.S. retained all subsurface mineral ownership. It is not the intent of this description of Tract S-2k-II Parcel #10 to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at a point for corner of Tract S-2k-II Parcel #10 in the south boundary line of the Eli Lowe Survey, A-34, dated June 9, 1835, same being the northwest corner of the Daniel L. Richardson Survey, A-180, dated February 8, 1841, and the northeast corner of Tract S-2k-II Parcel #10;

THENCE S 65° 30' W, common to the Thomas Mazy and Eli Lowe Surveys, 43.14 chains to a point for the northwest corner of Tract S-2k-II Parcel #10, said point also common to the most northern northeast corner of the Wm. D. Bates Survey, A-482;

THENCE S 27° 30' E, common to the Thomas Mazy and the William D. Bates Surveys, 39.98 chains to a point for the southwest corner of Tract S-2k-II Parcel #10, common to an interior corner of the Wm. D. Bates Survey;

THENCE N 65° 30' E, common to the Thomas Mazy and the William D. Bates Surveys, 43.14 chains to a point for the southeast corner of Tract S-2k-II Parcel #10, said point being on the west boundary line of the Daniel L. Richardson Survey, A-180;

THENCE N 27° 30' W, common to the Thomas Mazy and Daniel L. Richardson Surveys, 39.98 chains to the **PLACE OF BEGINNING**, containing 172.24 acres, be the same, more or less, for Tract S-2k-II Parcel #10.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-II PARCEL #14
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
440.00 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing all of the H. E. & W.T.R.R. No. 3 Survey, A-272, dated August 19, 1882 and being identified for mineral leasing purposes as Tract S-2k-II Parcel #14. Tract S-2k-II was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas. Tract S-2k-II Parcel #14 contains approximately 451.00 acres, more or less, less and except approximately 11.00 acres of private surface ownership (primarily under water) conveyed to the Sabine River Authority (SRA) on April 2, 1985 as Tracts 541-8, 541-9 and a portion of Tract 541-32, leaving a net area of 440.00 acres, more or less. Tract S-2k-II Parcel #14 is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2k-II Parcel #14 to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings or any surface exchanged to the Sabine River Authority.

BEGINNING at a point for most southerly southwest corner of Tract S-2k-II Parcel #14 on the north boundary line of the Wm. F. Clark Survey, A-9, same being the southeast corner of the H. E. & W.T.R.R. No. 1 Survey, A-270. From this corner, corner 1 of F.S. Tract S-2k-II bears S 64° 30' W, 51.35 chains distant;

THENCE N 64° 00' E, common to the north line of the Wm. F. Clark Survey, 1040 varas to a point for corner of Tract S-2k-II Parcel #14, said point also common to the southeast corner of the H. E. & W.T.R.R. No. 3 Survey and the southwest corner of the Wm. D. Bates Survey, A-482;

THENCE N 25° 00' W, common to the Wm. D. Bates Survey, 2140 varas to a point for corner of Tract S-2k-II Parcel #14 on the south boundary line of the Eli Lowe Survey, A-34, said point also common to the northeast corner of the H. E. & W.T.R.R. No. 3 Survey and the northwest corner of the Wm. D. Bates Survey;

THENCE S 64° 00' W, common in part to the Eli Lowe Survey, 1530 varas to a point for corner of Tract S-2k-II Parcel #14, said point also common to the northwest corner of the H. E. & W.T.R.R. No. 3 Survey and the northeast corner of the Maude T. Burson Survey, A-484;

THENCE S 25° 00' E, common to the Maude T. Burson Survey, 660 varas to a point for corner of Tract S-2k-II Parcel #14 on the north boundary line of the H. E. & W.T.R.R. No. 1 Survey, said point also common to the most northerly southwest corner of the H. E. & W.T.R.R. No. 3 Survey;

THENCE N 64° 00' E, common in part to the H. E. & W.T.R.R. No. 1 Survey, 490 varas to a point for an interior corner of Tract S-2k-II Parcel #14, said point also being the northeast corner of the H. E. & W.T.R.R. No. 1 Survey;

THENCE S 25° 00' E, common to the H. E. & W.T.R.R. No. 1 Survey, 1480 varas to the place of beginning, containing 451.00 acres, more or less, LESS AND EXCEPT those 11.00 acres of land inundated by Toledo Bend Reservoir and exchanged to the Sabine River Authority as Tracts 541-8, 541-9 and a portion of Tract 541-32, leaving a net area of 440.00 acres, more or less, for Tract S-2k-II Parcel #14. Tracts 541-8, 541-9 and a portion of Tract 541-32 are described as follows:

Sabine River Authority Tract No. 541, Eighth Tract: BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being on line 15-16 of F.S. Tract S-2k-II within the Eli Lowe Survey and the H. E. & W.T.R.R. No. 3 Survey. From this point, corner 15 of F.S. Tract S-2k-II, a stake witnessed by scribed bearing trees, bears S 59° 43' 06" W, 318.20 feet;

THENCE with said line, N 59° 43' 06" E, 270.80 feet to a point, also being on the taking line traverse;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 3 Survey as follows:

**S 20° 58' 13" W, 87.80 feet to point 785 of SRA Tract No. 541-8;
S 24° 26' 26" W, 99.00 feet to point 786 of SRA Tract No. 541-8;
S 45° 04' 26" W, 285.00 feet to point 787 of SRA Tract No. 541-8;
S 36° 29' 32" W, 101.00 feet to point 788 of SRA Tract No. 541-8;
S 21° 50' 39" W, 206.00 feet to point 789 of SRA Tract No. 541-8;
N 32° 24' 14" W, 83.00 feet to point 790 of SRA Tract No. 541-8;
N 06° 12' 52" E, 276.00 feet to point 791 of SRA Tract No. 541-8;
N 14° 17' 58" E, 138.05 feet to the point of beginning, containing 2.20 acres more or less.**

Sabine River Authority Tract No. 541, Ninth Tract: BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being on line 15-16 of F.S. Tract S-2k-II within the Eli Lowe

Survey and the H. E. & W.T.R.R. No. 3 Survey. From this point, corner 15 of F.S. Tract S-2k-II, a stake witnessed by scribed bearing trees, bears S 59° 43' 06" W, 620.70 feet;

THENCE with said line, N 59° 43' 06" E, 517.30 feet to a point, also being on the taking line traverse;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 3 Survey as follows:

S 70° 31' 08" W, 166.00 feet to point 775 of SRA Tract No. 541-8;
S 37° 48' 14" W, 97.00 feet to point 776 of SRA Tract No. 541-8;
S 15° 27' 38" E, 196.00 feet to point 777 of SRA Tract No. 541-8;
S 42° 47' 32" E, 112.00 feet to point 778 of SRA Tract No. 541-8;
S 17° 15' 25" E, 192.00 feet to point 779 of SRA Tract No. 541-8;
N 51° 50' 19" W, 160.00 feet to point 780 of SRA Tract No. 541-8;
N 77° 41' 12" W, 102.00 feet to point 781 of SRA Tract No. 541-8;
N 29° 41' 06" W, 197.00 feet to point 782 of SRA Tract No. 541-8;
N 45° 18' 59" W, 107.00 feet to point 783 of SRA Tract No. 541-8;
S 89° 42' 07" W, 43.60 feet to the point of beginning, containing 2.00 acres, more or less.

Sabine River Authority Tract No. 541, Portion of Thirty-Second Tract:
BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being on line 15-16 of F.S. Tract S-2k-II common to the Eli Lowe Survey and the H. E. & W.T.R.R. No. 3 Survey. From this point, corner 16 of F.S. Tract S-2k-II, a stake witnessed by scribed bearing trees, bears N 59° 43' 06" E, 1794.22 feet;

THENCE with said taking line traverse within the H. E. & W.T.R.R. No. 3 Survey as follows:

N 75° 08' 01" E, 152.80 feet to point 773 of SRA Tract No. 541-32;
N 82° 12' 55" E, 217.00 feet to point 772 of SRA Tract No. 541-32;
N 45° 44' 48" E, 185.00 feet to point 771 of SRA Tract No. 541-32;
S 32° 25' 17" E, 74.00 feet to point 770 of SRA Tract No. 541-32;
S 03° 36' 24" E, 150.00 feet to point 769 of SRA Tract No. 541-32;
S 06° 24' 29" W, 115.00 feet to point 768 of SRA Tract No. 541-32;
S 35° 20' 37" E, 143.00 feet to point 767 of SRA Tract No. 541-32;
S 02° 39' 43" E, 238.00 feet to point 766 of SRA Tract No. 541-32;
S 36° 01' 50" E, 262.00 feet to point 765 of SRA Tract No. 541-32;
N 40° 37' 03" E, 114.00 feet to point 764 of SRA Tract No. 541-32;

**S 69° 05' 03" E, 137.00 feet to point 763 of SRA Tract No. 541-32;
N 33° 57' 09" W, 186.00 feet to point 762 of SRA Tract No. 541-32;
N 06° 18' 16" W, 184.00 feet to point 761 of SRA Tract No. 541-32;
N 21° 22' 37" E, 154.00 feet to point 760 of SRA Tract No. 541-32;
S 69° 49' 29" E, 106.00 feet to point 759 of SRA Tract No. 541-32;**

THENCE a calculated bearing and distance of N 36° 13' 00" W, 698.86 feet a point for corner of this portion of SRA Tract 541-32;

THENCE S 59° 43' 06" W, a calculated distance of 695.00 feet to the POINT OF BEGINNING, containing approximately 6.80 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-II PARCEL A
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
86.43 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, on the waters of Six Mile Creek and Housen Bayou, tributaries of Sabine River, embracing in part the William F. Clark Survey, A-9, dated June 21, 1835, identified as Tract S-2k-II Parcel A for mineral leasing purposes. Tract S-2k-II was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Page 293, et seq., Deed Records, Sabine County, Texas. Tract S-2k-II Parcel A contains 169.63 acres, more or less, SAVE AND EXCEPT approximately 83.20 acres of private surface ownership (primarily under water) conveyed to the Sabine River Authority (SRA) on April 2, 1985 as SRA Tract 541-5, leaving a net area of 86.43 acres, more or less, described as follows for mineral leasing purposes only. It is not the intent of this description to overlap any adjacent issued Bureau of Land Management mineral lease or lease offerings or any surface area exchanged to the Sabine River Authority.

BEGINNING at corner 116 of US Forest Service Tract S-2k-II, on line common to the Wm. F. Clark Survey, A-9, and the Wm. D. Bates Survey, A-482, a stake witnessed by scribed bearing trees;

THENCE S 26° 45' E, within the Wm. F. Clark Survey, 41.09 chains to corner 117 of Tract S-2k-II, a point in the center of Big Sandy Creek, witnessed by scribed bearing trees;

THENCE in a general southwesterly direction, up and with the meanders of the center of Big Sandy Creek, 74.00 chains to corner 118, a point in the center of Big Sandy Creek, having the following courses and distances:

S 56° 11' 10" W, 3.27 chains to a point for corner,
also known as point S-2 of SRA Tract No. 541;
S 84° 30' 58" W, 4.07 chains to a point for corner,
also known as point S-3 of SRA Tract No. 541;
N 55° 48' 07" W, 3.15 chains to a point for corner,
also known as point S-4 of SRA Tract No. 541;
S 52° 10' 15" W, 3.02 chains to a point for corner,
also known as point S-5 of SRA Tract No. 541;
S 67° 28' 25" E, 3.39 chains to a point for corner,
also known as point S-6 of SRA Tract No. 541;
S 52° 12' 38" W, 1.28 chains to a point for corner,
also known as point S-7 of SRA Tract No. 541;
S 86° 49' 41" W, 1.87 chains to a point for corner,
also known as point S-8 of SRA Tract No. 541;
S 66° 52' 10" W, 2.64 chains to a point for corner,
also known as point S-9 of SRA Tract No. 541;
S 70° 10' 04" W, 1.93 chains to a point for corner,
also known as point S-10 of SRA Tract No. 541;
S 08° 03' 10" W, 2.01 chains to a point for corner,
also known as point S-11 of SRA Tract No. 541;

S 74° 20' 48" W, 2.48 chains to a point for corner, also known as point S-12 of SRA Tract No. 541;
S 52° 23' 12" W, 2.34 chains to a point for corner, also known as point S-13 of SRA Tract No. 541;
S 30° 01' 23" W, 4.78 chains to a point for corner, also known as point S-14 of SRA Tract No. 541;
N 03° 58' 14" W, 2.98 chains to a point for corner, also known as point S-15 of SRA Tract No. 541;
N 42° 28' 24" W, 1.72 chains to a point for corner, also known as point S-16 of SRA Tract No. 541;
S 51° 03' 34" W, 4.70 chains to a point for corner, also known as point S-17 of SRA Tract No. 541;
N 53° 50' 37" W, 3.35 chains to a point for corner, also known as point S-18 of SRA Tract No. 541;
N 81° 16' 57" W, 4.12 chains to a point for corner, also known as point S-19 of SRA Tract No. 541;
S 24° 33' 41" W, 1.16 chains to a point for corner, also known as point S-20 of SRA Tract No. 541;
S 39° 01' 15" E, 2.52 chains to a point for corner, also known as point S-21 of SRA Tract No. 541;
S 11° 04' 45" E, 3.62 chains to a point for corner, also known as point S-22 of SRA Tract No. 541;
S 36° 14' 04" W, 3.43 chains to a point for corner, also known as point S-23 of SRA Tract No. 541;
S 73° 15' 14" W, 2.05 chains to a point for corner, also known as point S-24 of SRA Tract No. 541;
being corner 118 of Tract S-2-k-II, a point in the center of Big Sandy Creek, witnessed by scribed bearing trees;

THENCE N 27° 15' W, within the Wm. F. Clark Survey, 43.05 chains to corner 119 of Tract S-2k-II, a stake witnessed by scribed bearing trees;

THENCE a calculated bearing and distance of N 63° 32' 24" E, common to the Wm. F. Clark and the Wm. D. Bates Surveys, 42.30 chains to the place of beginning, containing 169.63 acres, more or less, LESS AND EXCEPT approximately 83.20 acres inundated by Toledo Bend Reservoir and exchanged from the United States within Sabine River Authority Tract No. 541-5, leaving a net area of 86.43 acres, more or less, for Tract S-2k-II Parcel A. SRA Tract No. 541-5 is described as follows:

Sabine River Authority Tract No. 541, Fifth Tract: Beginning at corner 117 of F.S. Tract S-2k-II, a point in the center of Big Sandy Creek witnessed by scribed bearing trees, within the Wm. F. Clark Survey, A-9, dated June 21, 1835;

THENCE up and with the meanders of Big Sandy Creek as follows:

S 56° 11' 10" W, 216.10 feet to point S-2 of SRA Tract No. 541;
S 84° 30' 58" W, 268.70 feet to point S-3 of SRA Tract No. 541;
N 55° 48' 07" W, 208.21 feet to point S-4 of SRA Tract No. 541;
S 52° 10' 15" W, 199.43 feet to point S-5 of SRA Tract No. 541;
S 67° 28' 25" E, 223.47 feet to point S-6 of SRA Tract No. 541;
S 52° 12' 38" W, 84.24 feet to point S-7 of SRA Tract No. 541;
S 86° 49' 41" W, 123.32 feet to point S-8 of SRA Tract No. 541;
S 66° 52' 10" W, 174.11 feet to point S-9 of SRA Tract No. 541;
S 70° 10' 04" W, 127.32 feet to point S-10 of SRA Tract No. 541;
S 08° 03' 10" W, 132.72 feet to point S-11 of SRA Tract No. 541;
S 74° 20' 48" W, 163.83 feet to point S-12 of SRA Tract No. 541;
S 52° 23' 12" W, 154.64 feet to point S-13 of SRA Tract No. 541;
S 30° 01' 23" W, 315.59 feet to point S-14 of SRA Tract No. 541;
N 03° 58' 14" W, 196.74 feet to point S-15 of SRA Tract No. 541;
N 42° 28' 24" W, 113.52 feet to point S-16 of SRA Tract No. 541;
S 51° 03' 34" W, 310.38 feet to point S-17 of SRA Tract No. 541;
N 53° 50' 37" W, 221.15 feet to point S-18 of SRA Tract No. 541;
N 81° 16' 57" W, 272.06 feet to point S-19 of SRA Tract No. 541;
S 24° 33' 41" W, 76.68 feet to point S-20 of SRA Tract No. 541;
S 39° 01' 15" E, 166.52 feet to point S-21 of SRA Tract No. 541;
S 11° 04' 45" E, 239.12 feet to point S-22 of SRA Tract No. 541;
S 36° 14' 04" W, 226.49 feet to point S-23 of SRA Tract No. 541;
S 73° 15' 14" W, 135.61 feet to point S-24 of SRA Tract No. 541,
being corner 118 of Tract S-2k-II, a point in the center of Big Sandy
Creek, witnessed by scribed bearing trees;

THENCE N 29° 11' 27" W, within the Wm. F. Clark Survey, at 30.00 feet a concrete monument, and at 2,031.30 feet a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey;

THENCE with said taking line traverse within the Wm. F. Clark Survey as follows:

N 76° 50' 52" E, 145.00 feet to point 549;
N 49° 54' 08" E, 154.00 feet to point 550;
N 34° 09' 59" W, 301.00 feet to point 551;
S 64° 04' 55" E, 95.00 feet to point 552;
S 63° 55' 40" E, 166.00 feet to point 553;
S 58° 16' 53" E, 118.00 feet to point 554;
S 17° 42' 47" E, 153.00 feet to point 555;
N 86° 56' 14" E, 208.00 feet to point 556;
N 78° 30' 11" E, 176.00 feet to point 557;
N 06° 30' 17" E, 336.00 feet to point 558;
N 07° 56' 28" W, 222.00 feet to point 559;
N 07° 12' 51" W, 198.00 feet to point 560;
N 21° 19' 34" E, 119.00 feet to point 561;
S 10° 33' 28" E, 242.00 feet to point 562;
S 15° 40' 02" E, 185.00 feet to point 563;
S 33° 03' 46" E, 145.00 feet to point 564;
S 28° 34' 16" E, 123.00 feet to point 565;

N 87° 56' 22" E, 386.00 feet to point 566;
S 52° 09' 23" E, 250.00 feet to point 567;
S 29° 26' 33" E, 252.00 feet to point 568;
S 06° 13' 17" E, 88.00 feet to point 569;
S 30° 34' 00" E, 107.00 feet to point 570;
S 89° 28' 36" E, 79.00 feet to point 571;
S 36° 16' 05" E, 152.00 feet to point 572;
N 37° 18' 31" E, 193.00 feet to point 573;
N 26° 35' 17" E, 231.00 feet to point 574;
N 19° 46' 54" E, 251.00 feet to point 575;
N 10° 27' 04" W, 138.00 feet to point 576;
N 31° 24' 07" E, 96.00 feet to point 577;
N 21° 48' 07" E, 190.00 feet to point 578;
N 26° 19' 30" E, 157.00 feet to point 579;
N 81° 42' 34" E, 234.00 feet to point 580;
N 22° 27' 04" W, 218.00 feet to point 581;
N 37° 26' 25" E, 112.69 feet to a point on line
116-117 of Tract S-2k-II, within the Wm. F. Clark Survey;

THENCE with said line, S 26° 53' 17" E, at 1328.00 feet a concrete monument, at 1358.00 feet
the POINT OF BEGINNING containing 83.20 acres.

NET AREA FOR TRACT S-2K-II PARCEL #A: 86.43 ACRES

**DESCRIPTION FOR MINERAL LEASING
OF TRACT S-2k-VI PARCEL #1
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
112.64 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing all of the W. E. Campbell Survey, Abstract No. 362, dated July 15, 1895, identified as Tract S-2k-VI Parcel #1 for mineral leasing purposes. Tract S-2k-VI was acquired from Temple Lumber Company by deed dated December 29, 1936 and recorded in Volume 41, Page 283, et seq., Deed Records, Sabine County, Texas. Tract S-2k-II Parcel #1 contains 160.00 acres, more or less, LESS AND EXCEPT approximately 47.36 acres of private surface ownership (primarily under water) conveyed to the Sabine River Authority (SRA) on April 2, 1985 as a part of SRA Tract 1330-1 and all of SRA Tract 1330-3, leaving a net area of 112.64 acres, more or less, described as follows for mineral leasing purposes only. It is not the intent of this description to overlap any adjacent issued Bureau of Land Management mineral lease or lease offerings or any surface areas exchanged to the Sabine River Authority.

BEGINNING at corner 5 of Tract S-2k-VI located on the east line of the William Parmer Survey, A-200, same being the most northerly northwest corner of said Campbell Survey;

THENCE N 69° E, common to said Campbell Survey and the David Blackman Survey, A-70, a calculated distance of 53.52 chains to a point for the northeast corner of Tract S-2k-VI Parcel #1;

THENCE a calculated bearing and distance of S 21° E, common to said Campbell Survey and the G. E. Montgomery Survey, A-367, and in part with the J. T. Warren Survey, A-436, 44.81 chains to a point for the southeast corner of S-2k-VI Parcel #1, said point also being on the north line of the G. L. Bourland Survey, A-2;

THENCE a calculated bearing and distance of S 69° W, common to the north line of the Bourland Survey, 25.24 chains to a point for the southwest corner of Tract S-2k-VI Parcel #1, said point also being the southeast corner of the D. P. Edgar Survey, A-284;

THENCE a calculated bearing and distance of N 21° W, common to the W. E. Campbell and D. P. Edgar Surveys, 28.27 chains to a point for an interior corner of Tract S-2k-VI Parcel #1, said point also being the northeast corner of said Edgar Survey;

THENCE a calculated bearing and distance of S 69° W, common to the Campbell and Edgar Surveys, 28.27 chains to a point for corner of Tract S-2k-VI Parcel #1 on the east line of the William Parmer Survey, A-200, said point also being the northwest corner of the Edgar Survey;

THENCE N 21° W, common to the east line of the Parmer Survey, a calculated distance of 16.53 chains to corner 5 of U.S. Forest Service Tract S-2k-VI, being the place of beginning and containing 160.00 acres of land, more or less, LESS AND EXCEPT approximately 47.36 acres inundated by Toledo Bend Reservoir and exchanged from the United States to the Sabine River Authority within a portion of SRA Tract No. 1330-1 and all of SRA Tract 1330-3, leaving a net area of 112.64 acres, more or less, for Tract S-2k-VI Parcel #1. SRA Tract No. 1330-1 and 1330-3 are described as follows:

Sabine River Authority Tract 1330 First Tract, 34.49 acres out of 94.49 acres :
The northwestern 34.49 acres of the W. E. Campbell Survey, A-362, within the First Tract of SRA Tract 1330. The First Tract is a 94-49 acre tract of land lying entirely within the W. E. Campbell Survey, A-362, and the D. P. Edgar Survey, A-284, and described by metes and bounds as follows:

BEGINNING at corner 4 of F.S. Tract S-2k-VI, common to corner 75 of F.S. Tract S-2k-III, a stake with witnesses in the north line of the Gabriel Bourland Survey, A-2;

THENCE with the lands of said D. P. Edgar and W. E. Campbell Surveys, common to said Tract S-2k-III, N 20° 45' 09" W, 2960.24 feet to corner 5 of F.S. Tract S-2k-VI, an iron pipe in the east line of the Wm. Palmer Survey, A-200, common to the northwest corner of the W. E. Campbell Survey;

THENCE with the W. E. Campbell Survey, common to the David Blackman Survey, A-70, N 68° 47' 20" E, 668.30 feet to a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey;

THENCE with said taking line traverse as follows:

S 21° 53' 56" W, 308.89 feet to point 774 of SRA Tract No. 1330;
S 27° 37' 20" E, 100.01 feet to point 775 of SRA Tract No. 1330;
S 09° 47' 54" W, 93.01 feet to point 776 of SRA Tract No. 1330;
S 72° 30' 57" E, 139.00 feet to point 777 of SRA Tract No. 1330;
N 07° 20' 31" E, 270.98 feet to point 778 of SRA Tract No. 1330;
N 52° 03' 52" E, 127.99 feet to point 779 of SRA Tract No. 1330;
S 26° 27' 44" E, 153.02 feet to point 780 of SRA Tract No. 1330;
N 68° 46' 43" E, 143.00 feet to point 781 of SRA Tract No. 1330;
S 39° 36' 16" E, 139.01 feet to point 782 of SRA Tract No. 1330;
N 70° 06' 06" E, 85.00 feet to point 783 of SRA Tract No. 1330;
N 72° 31' 33" E, 112.99 feet to point 784 of SRA Tract No. 1330;

S 61° 37' 48" E, 168.00 feet to point 785 of SRA Tract No. 1330;
N 64° 40' 56" E, 101.98 feet to point 786 of SRA Tract No. 1330;
N 26° 01' 19" E, 268.98 feet to point 787 of SRA Tract No. 1330;
N 04° 41' 07" W, 174.97 feet to point 788 of SRA Tract No. 1330;
N 78° 54' 08" E, 115.00 feet to point 789 of SRA Tract No. 1330;
S 15° 42' 30" E, 199.01 feet to point 790 of SRA Tract No. 1330;
S 86° 10' 01" E, 75.99 feet to point 791 of SRA Tract No. 1330;
S 04° 25' 53" E, 91.01 feet to point 792 of SRA Tract No. 1330;
S 70° 31' 21" W, 72.01 feet to point 793 of SRA Tract No. 1330;
S 47° 44' 46" E, 207.02 feet to point 794 of SRA Tract No. 1330;
S 66° 23' 25" E, 148.01 feet to point 795 of SRA Tract No. 1330;
N 82° 23' 37" E, 173.99 feet to point 796 of SRA Tract No. 1330;
N 38° 44' 57" E, 77.99 feet to point 797 of SRA Tract No. 1330;
S 44° 20' 54" E, 95.01 feet to point 798 of SRA Tract No. 1330;
S 10° 00' 23" W, 136.02 feet to point 799 of SRA Tract No. 1330;
S 85° 31' 12" W, 168.00 feet to point 800 of SRA Tract No. 1330;
S 31° 21' 15" W, 105.02 feet to point 801 of SRA Tract No. 1330;
S 15° 55' 38" E, 195.02 feet to point 802 of SRA Tract No. 1330;
S 17° 47' 54" E, 126.02 feet to point 803 of SRA Tract No. 1330;
S 04° 59' 32" E, 127.01 feet to point 804 of SRA Tract No. 1330;
S 22° 08' 59" W, 244.02 feet to point 805 of SRA Tract No. 1330;
S 57° 41' 54" W, 134.02 feet to point 806 of SRA Tract No. 1330;
S 23° 58' 41" W, 183.02 feet to point 807 of SRA Tract No. 1330;
S 10° 52' 10" W, 187.01 feet to point 808 of SRA Tract No. 1330;
S 57° 22' 56" W, 156.01 feet to point 809 of SRA Tract No. 1330;
S 59° 28' 54" E, 159.00 feet to point 810 of SRA Tract No. 1330;
S 25° 42' 12" E, 98.01 feet to point 811 of SRA Tract No. 1330;
S 67° 49' 05" W, 159.01 feet to point 812 of SRA Tract No. 1330;
S 13° 13' 23" W, 233.02 feet to point 813 of SRA Tract No. 1330;
N 57° 23' 49" E, 116.99 feet to point 814 of SRA Tract No. 1330;
N 32° 40' 57" E, 103.98 feet to point 815 of SRA Tract No. 1330;
N 52° 44' 27" E, 184.99 feet to point 816 of SRA Tract No. 1330;
S 35° 22' 17" E, 97.02 feet to point 817 of SRA Tract No. 1330;
S 25° 55' 33" W, 239.02 feet to point 818 of SRA Tract No. 1330;
S 59° 25' 04" W, 124.00 feet to point 819 of SRA Tract No. 1330;
S 40° 58' 48" E, 169.00 feet to point 820 of SRA Tract No. 1330;
S 16° 04' 05" W, 197.20 feet to a point on the south line of the
D. P. Edgar Survey;

THENCE S 69° 02' 39" W, common to the Gabriel Bourland Survey and F.S. Tract S-2k-II, 996.30 feet to the place of beginning, containing 94.49 acres, more or less, save and except therefrom that strip of land between the herein described taking line traverse of the Toledo Bend Reservoir shoreline survey and the 172' mean sea level contour, a portion of which is within Tract S-2k-VI Parcel #1.

Sabine River Authority Tract 1330 Third Tract, 12.87 acres: A tract of land lying entirely within the W. E. Campbell Survey, A-362 and described by metes and bounds as follows:

BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being on the south line of the Campbell Survey and the north line of the Gabriel Bourland Survey and being S 69° 02' 39" W, 120.00 feet, more or less, from the southeast corner of the Campbell Survey;

THENCE continuing S 69° 02' 39" W, 379.08 feet to a point on the taking line traverse;

THENCE with said taking line traverse as follows:

**N 25° 24' 10" W, 71.81 feet to point 979 of SRA Tract No. 1330;
N 73° 22' 00" W, 162.00 feet to point 980 of SRA Tract No. 1330;
N 15° 05' 28" W, 127.98 feet to point 981 of SRA Tract No. 1330;
N 44° 54' 55" W, 106.99 feet to point 982 of SRA Tract No. 1330;
N 61° 01' 48" W, 165.99 feet to point 983 of SRA Tract No. 1330;
N 31° 21' 55" W, 189.99 feet to point 984 of SRA Tract No. 1330;
S 74° 58' 31" W, 97.00 feet to point 985 of SRA Tract No. 1330;
N 08° 29' 54" W, 95.00 feet to point 986 of SRA Tract No. 1330;
N 33° 11' 39" E, 117.98 feet to point 987 of SRA Tract No. 1330;
N 29° 41' 59" W, 106.99 feet to point 988 of SRA Tract No. 1330;
N 15° 09' 34" W, 133.98 feet to point 989 of SRA Tract No. 1330;
N 31° 12' 31" W, 139.99 feet to point 990 of SRA Tract No. 1330;
N 27° 29' 44" E, 101.99 feet to point 991 of SRA Tract No. 1330;
N 26° 17' 29" W, 100.99 feet to point 992 of SRA Tract No. 1330;
N 32° 31' 38" E, 77.98 feet to point 993 of SRA Tract No. 1330;
N 24° 37' 57" W, 78.97 feet to point 994 of SRA Tract No. 1330;
N 24° 02' 45" W, 66.98 feet to point 995 of SRA Tract No. 1330;
N 23° 21' 17" E, 147.00 feet to point 996 of SRA Tract No. 1330;
N 18° 23' 31" E, 132.97 feet to point 997 of SRA Tract No. 1330;
S 64° 30' 48" E, 112.00 feet to point 998 of SRA Tract No. 1330;
S 02° 10' 31" E, 208.02 feet to point 999 of SRA Tract No. 1330;**

S 03° 43' 31" E, 142.01 feet to point 1000 of SRA Tract No. 1330;
S 58° 17' 35" E, 161.01 feet to point 1001 of SRA Tract No. 1330;
S 17° 52' 35" W, 161.01 feet to point 1002 of SRA Tract No. 1330;
S 40° 57' 35" E, 139.00 feet to point 1003 of SRA Tract No. 1330;
S 04° 02' 08" E, 205.02 feet to point 1004 of SRA Tract No. 1330;
S 32° 14' 05" E, 184.02 feet to point 1005 of SRA Tract No. 1330;
N 73° 57' 16" E, 145.99 feet to point 1006 of SRA Tract No. 1330;
N 85° 18' 32" E, 146.00 feet to point 1007 of SRA Tract No. 1330;
S 08° 40' 26" W, 213.02 feet to point 1008 of SRA Tract No. 1330;
S 28° 14' 18" E, 85.01 feet to point 1009 of SRA Tract No. 1330;
N 49° 28' 47" E, 86.00 feet to point 1010 of SRA Tract No. 1330;
S 29° 22' 55" E, 122.02 feet to point 1011 of SRA Tract No. 1330;
S 55° 20' 13" E, 135.00 feet to point 1012 of SRA Tract No. 1330;
S 34° 15' 19" E, 129.26 feet to the point of beginning, containing 12.87
acres, more or less, save and except therefrom that strip of land between
the herein described taking line traverse of the Toledo Bend Reservoir
shoreline survey and the 172' mean sea level contour, a portion of which
is within Tract S-2k-VI Parcel #1.

LEAVING A NET AREA OF 112.64 ACRES FOR TRACT S-2K-VI PARCEL #1.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT S-2k-VI PARCEL #2
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
18.42 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing all of the D. P. Edgar Survey, Abstract No. 284, dated December 10, 1883, identified as Tract S-2k-VI Parcel #2 for mineral leasing purposes. Tract S-2k-VI was acquired from Temple Lumber Company by deed dated December 29, 1936 and recorded in Volume 41, Page 283, et seq., Deed Records, Sabine County, Texas. Tract S-2k-VI Parcel #2 contains 80.00 acres, more or less, LESS AND EXCEPT approximately 61.58 acres of private surface ownership (primarily under water) conveyed to the Sabine River Authority (SRA) on April 2, 1985 within a part of SRA Tract 1330-1 and all of 1330-2, leaving a net area of 18.42 acres, more or less, described as follows for mineral leasing purposes only. These 18.42 acres are subject to an undivided 50% mineral interest as reserved in mineral deed from T. W. Low et ux. to Temple Lumber Company dated May 18, 1933, recorded in Volume 37, Page 9, Deed Records, Sabine County, Texas and an undivided 1/32 royalty interest as reserved in a judgment dated October 26, 1936 in Ruff vs Temple Lumber Company, recorded in Volume 41, Page 421, Deed Records, Sabine County, Texas. It is not the intent of this description to include any adjacent issued Bureau of Land Management mineral lease or lease offerings or surface area exchanged to the Sabine River Authority.

BEGINNING at corner 4 of Tract S-2k-VI, being the southwest corner of said Edgar Survey;

THENCE N 21° W, common to the west line of the Edgar Survey, a calculated distance of 28.29 chains to a point for corner of Tract S-2k-VI Parcel #2, identical with the northwest corner of said Edgar Survey;

THENCE a calculated bearing and distance of N 69° E, common to the north line of the Edgar Survey, 28.29 chains to a point for corner of Tract S-2k-VI Parcel #2, identical with the northeast corner of the Edgar Survey;

THENCE a calculated bearing and distance of S 21° E, common to east line of the Edgar Survey, 28.29 chains to a point for corner of Tract S-2k-VI Parcel #2, identical with the southeast corner of the Edgar Survey;

THENCE a calculated bearing and distance of S 69° W, common to the south line of the Edgar Survey, 28.29 chains to the point of beginning, containing 80.00 acres, more or less, LESS AND EXCEPT approximately 61.58 acres inundated by Toledo Bend Reservoir and exchanged from the United States to the Sabine River Authority within a portion of SRA Tract No. 1330-1 and all of SRA Tract 1330-2, leaving a net area of 18.42 acres, more or less, for Tract S-2k-VI Parcel #2. SRA Tract No. 1330-1 and 1330-2 are described as follows:

Sabine River Authority Tract 1330 First Tract, 60.00 acres out of 94.49 acres:

The southwestern 60.00 acres of the D. P. Edgar Survey, A-284, within the First Tract of SRA Tract 1330. The First Tract is a 94.49 acre tract of land lying entirely within the

D. P. Edgar Survey, A-284, and the W. E. Campbell Survey, A-362, and described by metes and bounds as follows:

BEGINNING at corner 4 of F.S. Tract S-2k-VI, common to corner 75 of F.S. Tract S-2k-III, a stake with witnesses in the north line of the Gabriel Bourland Survey, A-2;

THENCE with the lands of said D. P. Edgar and W. E. Campbell Surveys, common to said Tract S-2k-III, N 20° 45' 09" W, 2960.24 feet to corner 5 of F.S. Tract S-2k-VI, an iron pipe in the east line of the Wm. Palmer Survey, A-200, common to the northwest corner of the W. E. Campbell Survey;

THENCE with the W. E. Campbell Survey, common to the David Blackman Survey, A-70, N 68° 47' 20" E, 668.30 feet to a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey;

THENCE with said taking line traverse as follows:

S 21° 53' 56" W, 308.89 feet to point 774 of SRA Tract No. 1330;
S 27° 37' 20" E, 100.01 feet to point 775 of SRA Tract No. 1330;
S 09° 47' 54" W, 93.01 feet to point 776 of SRA Tract No. 1330;
S 72° 30' 57" E, 139.00 feet to point 777 of SRA Tract No. 1330;
N 07° 20' 31" E, 270.98 feet to point 778 of SRA Tract No. 1330;
N 52° 03' 52" E, 127.99 feet to point 779 of SRA Tract No. 1330;
S 26° 27' 44" E, 153.02 feet to point 780 of SRA Tract No. 1330;
N 68° 46' 43" E, 143.00 feet to point 781 of SRA Tract No. 1330;
S 39° 36' 16" E, 139.01 feet to point 782 of SRA Tract No. 1330;
N 70° 06' 06" E, 85.00 feet to point 783 of SRA Tract No. 1330;
N 72° 31' 33" E, 112.99 feet to point 784 of SRA Tract No. 1330;

S 61° 37' 48" E, 168.00 feet to point 785 of SRA Tract No. 1330;
N 64° 40' 56" E, 101.98 feet to point 786 of SRA Tract No. 1330;
N 26° 01' 19" E, 268.98 feet to point 787 of SRA Tract No. 1330;
N 04° 41' 07" W, 174.97 feet to point 788 of SRA Tract No. 1330;
N 78° 54' 08" E, 115.00 feet to point 789 of SRA Tract No. 1330;
S 15° 42' 30" E, 199.01 feet to point 790 of SRA Tract No. 1330;
S 86° 10' 01" E, 75.99 feet to point 791 of SRA Tract No. 1330;
S 04° 25' 53" E, 91.01 feet to point 792 of SRA Tract No. 1330;
S 70° 31' 21" W, 72.01 feet to point 793 of SRA Tract No. 1330;
S 47° 44' 46" E, 207.02 feet to point 794 of SRA Tract No. 1330;
S 66° 23' 25" E, 148.01 feet to point 795 of SRA Tract No. 1330;
N 82° 23' 37" E, 173.99 feet to point 796 of SRA Tract No. 1330;
N 38° 44' 57" E, 77.99 feet to point 797 of SRA Tract No. 1330;
S 44° 20' 54" E, 95.01 feet to point 798 of SRA Tract No. 1330;
S 10° 00' 23" W, 136.02 feet to point 799 of SRA Tract No. 1330;
S 85° 31' 12" W, 168.00 feet to point 800 of SRA Tract No. 1330;
S 31° 21' 15" W, 105.02 feet to point 801 of SRA Tract No. 1330;
S 15° 55' 38" E, 195.02 feet to point 802 of SRA Tract No. 1330;
S 17° 47' 54" E, 126.02 feet to point 803 of SRA Tract No. 1330;
S 04° 59' 32" E, 127.01 feet to point 804 of SRA Tract No. 1330;
S 22° 08' 59" W, 244.02 feet to point 805 of SRA Tract No. 1330;
S 57° 41' 54" W, 134.02 feet to point 806 of SRA Tract No. 1330;
S 23° 58' 41" W, 183.02 feet to point 807 of SRA Tract No. 1330;
S 10° 52' 10" W, 187.01 feet to point 808 of SRA Tract No. 1330;
S 57° 22' 56" W, 156.01 feet to point 809 of SRA Tract No. 1330;
S 59° 28' 54" E, 159.00 feet to point 810 of SRA Tract No. 1330;
S 25° 42' 12" E, 98.01 feet to point 811 of SRA Tract No. 1330;
S 67° 49' 05" W, 159.01 feet to point 812 of SRA Tract No. 1330;
S 13° 13' 23" W, 233.02 feet to point 813 of SRA Tract No. 1330;
N 57° 23' 49" E, 116.99 feet to point 814 of SRA Tract No. 1330;
N 32° 40' 57" E, 103.98 feet to point 815 of SRA Tract No. 1330;
N 52° 44' 27" E, 184.99 feet to point 816 of SRA Tract No. 1330;
S 35° 22' 17" E, 97.02 feet to point 817 of SRA Tract No. 1330;
S 25° 55' 33" W, 239.02 feet to point 818 of SRA Tract No. 1330;
S 59° 25' 04" W, 124.00 feet to point 819 of SRA Tract No. 1330;
S 40° 58' 48" E, 169.00 feet to point 820 of SRA Tract No. 1330;
S 16° 04' 05" W, 197.20 feet to a point on the south line of the
D. P. Edgar Survey;

THENCE S 69° 02' 39" W, common to the Gabriel Bourland Survey and F.S. Tract S-2k-II, 996.30 feet to the place of beginning, containing 94.49 acres, more or less, save and except therefrom that strip of land between the herein described taking line traverse of the Toledo Bend Reservoir shoreline survey and the 172' mean sea level contour, a portion of which is within Tract S-2k-VI Parcel #2.

Sabine River Authority Tract 1330 Second Tract, 1.58 acres: A tract of land lying entirely within the D. P. Edgar Survey, A-284 and described by metes and bounds as follows:

BEGINNING at a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey, said point being on the south line of the Edgar Survey, common to the Gabriel Bourland Survey and F.S. Tract S-2k-II. From this point, corner 4 of F.S. Tract S-2k-VI bears S 69° 02' 39" W, 1177.71 feet;

THENCE with said taking line traverse as follows:

N 34° 43' 23" E, 58.28 feet to point 823 of SRA Tract No. 1330;
N 75° 31' 27" E, 110.99 feet to point 824 of SRA Tract No. 1330;
N 29° 03' 33" E, 235.99 feet to point 825 of SRA Tract No. 1330;
N 41° 16' 27" E, 224.98 feet to point 826 of SRA Tract No. 1330;
S 52° 48' 38" E, 95.00 feet to point 827 of SRA Tract No. 1330;
S 19° 39' 27" E, 93.01 feet to point 828 of SRA Tract No. 1330;
S 36° 50' 37" W, 181.02 feet to point 829 of SRA Tract No. 1330;
S 46° 21' 16" W, 17.26 feet to a point on said south line of the D. P. Edgar Survey;

THENCE with said line, S 69° 02' 39" W, 417.23 feet to the POINT OF BEGINNING, containing 1.58 acres, more or less, save and except therefrom that strip of land between the herein described taking line traverse of the Toledo Bend Reservoir shoreline survey and the 172' mean sea level contour, a portion of which is within Tract S-2k-VI Parcel #2.

LEAVING A NET AREA OF 18.42 ACRES FOR TRACT S-2K-VI PARCEL #2.

DESCRIPTION FOR MINERAL LEASING OF
TRACT S-56
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
61.00 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the John Moore patented Survey, Abstract No. 40, dated September 30, 1835, and identified herein as Tract S-56 for mineral leasing purposes. Tract S-56 was acquired from L. L. Wood, et ux, and P. M. Coussons, et ux by deed dated December 23, 1936 and recorded in Volume 41, Page 244, Deed Records, Sabine County, Texas. Tract S-56 contains approximately 61.00 acquisition acres, more or less, described as follows for mineral leasing purposes only. This tract also contains approximately 42.00 acres of private surface ownership (primarily under water) conveyed to the Sabine River Authority (SRA) on April 2, 1985 as a part of SRA Tract No. 1700-1. It is not the intent of this description of Tract S-56 to include any lands within adjacent issued Bureau of Land Management (BLM) leases. This tract is also subject to an undivided 50% reserved mineral interest as reserved in instrument dated March 9, 1929, from J. A. McFarland to T. B. Hamilton, recorded in Volume 31, Page 544, deed records of Sabine County, Texas.

BEGINNING at corner 1 of Tract S-56, common to corner 3 of Forest Service Tract S-2k-VI, identical with the beginning corner of the Harman Frazier Survey, A-99, and the third corner of the John Moore Survey, A-40, a Forest Service standard concrete post marked S-421;

THENCE N 21° 30' W, with F.S. Tract S-2k-VI and common to the Harman Frazier and John Moore Surveys, 19.00 chains to corner 2 of Tract S-56;

THENCE six lines within the John Moore Survey:

N 57° 00' E, 7.12 chains to corner 3 of Tract S-56;
N 21° 00' W, 7.12 chains to corner 4 of Tract S-56;
N 57° 00' E, 11.91 chains to corner 5 of Tract S-56;
S 62° 20' E, 12.57 chains to corner 6 of Tract S-56;
S 17° 40' E, 13.76 chains to corner 7 of Tract S-56;
S 50° 30' W, 21.85 chains to corner 8 of Tract S-56,
a point on the northwesterly line of the
Gabriel L. Bourland Survey, A-2;

THENCE S 69° 30' W, with F.S. Tract S-2k-II, common to the John Moore and Gabriel L. Bourland Surveys, 5.70 chains to the PLACE OF BEGINNING, containing 61.00 acres, more or less, subject to approximately 42.00 acres of private surface ownership inundated by Toledo Bend Reservoir and exchanged from the United States to the Sabine River Authority as a portion of a 1,247.11 acre SRA tract known as Tract No. 1700-1.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-X
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
15.00 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the J. R. Peddy patented Survey, A-344, dated April 16, 1901, and being identified for mineral leasing purposes as Tract S-2k-X. Tract S-2k-X was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas, and contains 15.00 acres, more or less, and is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2k-X to include any lands within adjacent issued Bureau of Land Management (BLM) leases. This tract is also subject to an undivided 50% outstanding mineral interest as reserved in deed dated November 15, 1935 from Houston Oil Co. of Texas, Southwestern Settlement and Development Corp. to Temple Lumber Co., recorded in Volume 39, Page 284, Deed Records, Sabine County, Texas.

BEGINNING at corner 1, common to Forest Service Tract S-2k-II and to corner 76 of Forest Service Tract S-2k-III, identical with the sixth corner of the J. R. Peddy Survey and the beginning corner of the William Parmer Survey, A-200, a F.S. standard concrete post marked S-371, witnessed by scribed bearing trees;

THENCE S 69° 30' W, with Tract S-2k-II, common to the J. R. Peddy Survey and the Gabriel L. Bourland Survey, A-2, 9.63 chains to corner 2 of Tract S-2k-X, common to corner 81 of F.S. Tracts S-2k-II and S-2k-III, the beginning corner of the J. R. Peddy Survey and the second corner of the Gabriel L. Bourland Survey;

THENCE N 28° 00' W, with Tract S-2k-III, common to the J. R. Peddy Survey and the Jesse Lowe Survey, A-147, 14.31 chains to corner 3 of Tract S-2k-X, a stake witnessed by scribed bearing trees;

THENCE N 69° 00' E, within the J. R. Peddy Survey, 11.36 chains to corner 4 of Tract S-2k-X, on the southwesterly line of the William Parmer Survey;

THENCE S 22° 20' E, with Tract S-2k-III, common to the J. R. Peddy and William Parmer Surveys, 14.31 chains to the PLACE OF BEGINNING, containing 15.00 acres, be the same more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-51 and S-51a
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
0.27 AND 0.35 ACRES, RESPECTIVELY**

All those certain tracts or parcels of land lying and being in Sabine County, Texas, embracing a part of the Gabriel L. Bourland Survey, A-2, dated July 17, 1835, and identified herein as Tract S-51, containing 0.27 acre, and Tract S-51a, containing 0.35 acre, for mineral leasing purposes. These tracts were acquired from L. C. Hammock by deed dated November 17, 1972 and recorded in Volume 158, Page 453, Deed Records, Sabine County, Texas, and described as follows for mineral leasing purposes only. It is not the intent of this description of these tracts to include any lands within adjacent issued Bureau of Land Management (BLM) leases.

Tract S-51: BEGINNING at corner 1 of Tract S-51, an iron pipe with aluminum cap stamped W.C. 63a Tract S-2k-II, on the taking line traverse of Toledo Bend Reservoir;

THENCE S 71° 30' W, common to USA Tract S-2k-II, 246.90 feet to corner 2 of Tract S-51, an iron pipe with aluminum cap stamped W.C. 62b Tract S-2k-II;

THENCE with the taking line traverse of Toledo Bend Reservoir, the following courses and distances:

N 30° 21' E, 93.10 feet to corner 3 of Tract S-51;
N 60° 16' E, 93.35 feet to corner 4 of Tract S-51;
S 65° 30' E, 116.47 feet to the place of beginning,
containing 0.27 acres of land, more or less.

Tract S-51a: BEGINNING at corner 1 of Tract S-51a, an iron pipe with aluminum cap stamped W.C. 62a Tract S-2k-II, on the taking line traverse of Toledo Bend Reservoir;

THENCE S 26° 00' E, common to USA Tract S-2k-II, 344.42 feet to corner 2 of Tract S-51a, an iron pipe with aluminum cap stamped W.C. 61b Tract S-2k-II, on the taking line traverse of Toledo Bend Reservoir;

THENCE with the taking line traverse of Toledo Bend Reservoir, the following courses and distances:

N 32° 04' W, 56.58 feet to corner 3 of Tract S-51;
N 53° 57' W, 201.85 feet to corner 4 of Tract S-51;
N 16° 29' E, 149.00 feet to the place of beginning,
containing 0.35 acres of land, more or less.

Containing an aggregate total of 0.62 acres all located in Sabine County Texas on the waters of Toledo Bend Reservoir.

DESCRIPTION FOR MINERAL LEASING OF
TRACT S-55
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
79.00 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, lying entirely within and embracing in part Ephraim Tally patented Survey, Abstract No. 56, dated October 16, 1835, and identified herein as Tract S-55 for mineral leasing purposes. Tract S-55 was acquired from W. E. Coussons by Judgment from the District Court of the United States for the Eastern District of Texas, Beaumont Division dated January 29, 1940 and recorded in Volume 45, Page 577, Deed Records, Sabine County, Texas, containing 79.50 acres, more or less, save and except 0.50 acres within Exception No. 1 to Tract S-55, leaving a net area of 79.00 acres for Tract S-55, described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-55 to include any lands within adjacent issued Bureau of Land Management (BLM) leases.

BEGINNING at corner 1 of Tract S-55. From this corner, the beginning corner of the Ephraim Tally Survey bears S 88° 10' W, 29.80 chains distant;

THENCE N 64° 00' E, within the Ephraim Tally Survey, at 45.28 chains a stake on the left bank of Richland Creek. At 45.48 chains corner 2 of Tract S-55, a point in the center of Richland Creek;

THENCE in a general southeasterly direction within the Ephraim Tally Survey, up and with the meanders of Richland Creek, common to the west boundary of Forest Service Tract S-2Aa, 21.28 chains to corner 3 of Tract S-55, common to corner 3 of F.S. Tract S-2Aa and corner 52 of F.S. Tract S-20, a point in the center of Richland Creek;

THENCE S 63° 40' W, within the Ephraim Tally Survey and common to F.S. Tract S-20, at 0.20 chain a stake on the left bank of Richland Creek. At 43.07 chains, corner 4 of Tract S-55;

THENCE N 25° 20' W, within the Ephraim Tally Survey, 17.95 chains to the place of beginning, containing 79.50 acres, be the same more or less, subject to Exception No. 1, a cemetery lot of 0.50 acre, leaving a net acreage of 79.00 acres, more or less for Tract S-55.

Exception No. 1 of Tract S-55, 0.50 acre Clark Cemetery Lot: **BEGINNING** at corner 1 of Exception No. 1 to Tract S-55. From this corner, corner 4 of Tract S-55 bears S 04° 10' W, 5.70 chains distant.

THENCE N 32° 00' W, 2.24 chains to corner 2 of Exception No. 1 to Tract S-55;
THENCE N 58° 00' E, 2.24 chains to corner 3 of Exception No. 1 to Tract S-55;

**THENCE S 32° 00' E, 2.24 chains to corner 4 of Exception No. 1 to Tract S-55;
THENCE S 58° 00' W, 2.24 chains to the PLACE OF BEGINNING, containing 0.5 acre,
be the same more or less.**

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-14b
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
39.00 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the John Gallion patented Survey, Abstract No. 17, dated June 19, 1835, and identified herein as Tract S-14b for mineral leasing purposes. Tract S-14b was acquired from James D. Fuller, et ux, by Deed dated December 19, 1936 and recorded in Volume 41, Page 210, Deed Records, Sabine County, Texas, containing 39.00 acres, more or less, described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-14b to include any lands within adjacent issued Bureau of Land Management (BLM) leases.

BEGINNING at corner 1 of Tract S-14b, common to Forest Service Tract S-20, within the John Gallion Survey, a Forest Service standard concrete post marked S-244. From this corner, corner 4 of F.S. Tract S-20a, the fourth corner of the T. & N. O. R.R. No. 45 Survey, Abstract No. 234, and the third corner of the John H. Kirby Survey, A-418, bears N 40° 45' E, 34.75 chains distant;

THENCE twelve lines with F.S. Tract S-20, within the John Gallion Survey:

N 74° 30' E, 4.21 chains to corner 2 of Tract S-14b;
East, 13.88 chains to corner 3 of Tract S-14b;
S 64° 00' E, 4.85 chains to corner 4 of Tract S-14b;
S 17° 00' E, 3.54 chains to corner 5 of Tract S-14b,
on the north bank of a slough;
S 24° 30' E, 7.66 chains to corner 6 of Tract S-14b;
S 58° 00' W, 7.95 chains to corner 7 of Tract S-14b;
S 85° 00' W, 2.81 chains to corner 8 of Tract S-14b;
S 73° 00' W, 6.90 chains to corner 9 of Tract S-14b;
N 87° 00' W, 3.74 chains to corner 10 of Tract S-14b;
N 42° 00' W, 9.94 chains to corner 11 of Tract S-14b;
N 27° 00' W, 5.81 chains to corner 12 of Tract S-14b;
N 31° 30' E, 6.02 chains to the PLACE OF BEGINNING,
containing 39.00 acres, be the same, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-20a
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
696.00 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing the entire T. & N.O.R.R. No. 45 patented Survey, Abstract No. 234, dated January 16, 1878 and identified herein as Tract S-20a for mineral leasing purposes. Tract S-20a was acquired from Gilmer Lumber Company by Deed dated June 8, 1936 and recorded in Volume 40, Page 523, Deed Records, Sabine County, Texas, containing 696.00 acres, more or less, described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-20a to include any lands within adjacent issued Bureau of Land Management (BLM) leases.

BEGINNING at corner 1 of Tract S-20a, common to Forest Service Tract S-2k-l, identical with the beginning corner of the T. & N. O. R.R. No. 45 Survey and the second corner of the John H. Kirby Survey, A-418;

THENCE N 62° 55' E, with F.S. Tract S-2k-l, common to the T. & N. O. R.R. No. 45 Survey and the Walter Hughes Survey, A-24, 71.90 chains to corner 2 of Tract S-20a, the second corner of the T. & N. O. R.R. No. 45 Survey and the beginning corner of the T. & N. O. R.R. No. 46 Survey (not patented);

THENCE S 26° 00' E, common to the T. & N. O. R.R. Surveys No. 45 and No. 46, 96.50 chains to corner 3 of Tract S-20a, the third corner of the T. & N. O. R.R. No. 45 Survey and the sixth corner of the T. & N. O. R.R. No. 46 Survey;

THENCE S 62° 55' W, common to the T. & N. O. R.R. No. 45 Survey and the John Gallion Survey, A-17, 71.00 chains to corner 4 of Tract S-20a, the fourth corner of the T. & N. O. R.R. No. 45 Survey and the third corner of the John H. Kirby Survey, A-418. From this corner a Forest Service standard concrete post marked S-271 bears S 62° 55' W, 11.96 chains distant;

THENCE N 26° 30' W, common to the T. & N. O. R.R. No. 45 and John H. Kirby Surveys, 96.10 chains to the PLACE OF BEGINNING, containing 696.00 acres, be the same more or less.

DESCRIPTION FOR MINERAL LEASING OF
TRACT S-20b
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
179.14 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the John Gallion patented Survey, Abstract No. 17, dated June 19, 1835 and identified herein as Tract S-20b for mineral leasing purposes. Tract S-20b was acquired from Gilmer Lumber Company by deed dated June 8, 1936 and recorded in Volume 40, Page 523, Deed Records, Sabine County, Texas. Tract S-20b contains approximately 180.00 acquisition acres, more or less, LESS AND EXCEPT approximately 0.86 acres of private surface ownership (primarily under water) conveyed to the Sabine River Authority (SRA) on April 2, 1985 as SRA Tract No. 713, leaving a net area of 179.14 acres for Tract S-20b. It is not the intent of this description of Tract S-20b to include any lands within adjacent issued Bureau of Land Management (BLM) leases or any lands exchanged to Sabine River Authority.

BEGINNING at corner 1 of Tract S-20b, common to corner 3 of Forest Service Tract

S-20a, identical with the third corner of the T. & N. O. R. R. No. 45 Survey, A-234, and the sixth corner of the T. & N. O. R. R. No. 46 Survey (not patented);

THENCE N 62° 55' E, common to the John Gallion Survey, A-17, and the T. & N. O. R. R. No. 46 Survey, 22.85 chains to corner 2 of Tract S-20b. From this corner, the beginning corner of the John Gallion Survey and the beginning corner of the Wm. F. Clark Survey, dated June 21, 1835, a F.S. standard concrete post marked S-469, bears N 62° 55' E, 28.40 chains distant.

THENCE S 26° 30' E, within the John Gallion Survey, 13.34 chains to corner 3 of Tract S-20b;

THENCE seven lines within the John Gallion Survey:

S 80° 00' W, 5.70 chains to corner 4 of Tract S-20b;

S 18° 40' E, 6.30 chains to corner 5 of Tract S-20b;

S 29° 35' E, at 5.30 chains a stake on the left bank of

Ash Branch. At 5.40 chains corner 6 of Tract S-20b,

a point in the center of Ash Branch; In a general southeasterly

direction, down and with the meanders of Ash Branch, 12.70

chains to corner 7 of Tract S-20b, a point in the center of Ash Branch.

From this point, a stake on the left bank of Ash Branch, bears

N 26°30' W, 0.20 chains distant;

S 26° 30' E, at 7.60 chains a stake on the left bank of Sandy Branch.

At 7.80 chains corner 8 of Tract S-20b, a point in the center of Sandy

Branch; In a general southeasterly direction, down and with the meanders

of Sandy Branch, 29.00 chains to corner 9 of Tract S-20b, a point in the center of Sandy Branch;

S 26° 30' E, continuing practically with Sandy Branch, 3.32 chains to corner 10 of Tract S-20b, a point in the center of Big Sandy Creek at its junction with Sandy Branch;

THENCE in a general southwesterly direction, up and with the meanders of Big Sandy Creek, with F.S. Tract S-2z within the John Gallion Survey. At 24.00 chains corner 2 of F.S. Tract S-2z. At 32.85 chains corner 11 of Tract S-20b, a point in the center of Big Sandy Creek;

THENCE N 27° 10' W, within the John Gallion Survey, 51.66 chains to corner 12 of Tract S-20b;

THENCE N 64° 00' E, within the John Gallion Survey, 9.90 chains to corner 13 of Tract S-20b;

THENCE N 30° 00' W, within the John Gallion Survey, 5.58 chains to the PLACE OF BEGINNING, containing 180.00 acres, be the same, more or less, LESS AND EXCEPT approximately 0.86 acres inundated by Toledo Bend

Reservoir and exchanged from the United States to the Sabine River Authority as SRA Tract No. 713, leaving a net area of 179.14 acres, more or less, for Tract S-20b. SRA Tract No. 713 is described as follows:

Sabine River Authority Tract 713, 0.86 acre: An 0.86 acre portion of a tract of land known as F.S. Tract S-20b, containing 180 acres, lying entirely within the John Gallion Survey, A-17, Sabine County Texas, said portion or parcel of land being described by metes and bounds as follows:

BEGINNING at corner 10 of F.S. Tract S-20b, a point in the center of Big Sandy Creek at its junction with Sandy Branch;

THENCE in a general southwesterly direction up and with the meanders of Big Sandy Creek with F.S. Tract S-22, 2200.00 feet, more or less, to a point on the taking line traverse of the Toledo Bend Reservoir shoreline survey;

THENCE with said taking line traverse as follows:

N 47° 00' 09" W, 64.00 feet to point 255 of SRA Tract No. 713;
N 40° 37' 23" E, 128.00 feet to point 256 of SRA Tract No. 713;
S 82° 18' 01" E, 228.00 feet to point 257 of SRA Tract No. 713;
N 41° 33' 35" E, 79.00 feet to point 258 of SRA Tract No. 713;
N 84° 47' 56" E, 223.00 feet to point 259 of SRA Tract No. 713;
S 29° 44' 52" E, 100.00 feet to point 260 of SRA Tract No. 713;
S 54° 49' 45" E, 86.00 feet to point 261 of SRA Tract No. 713;

N 01° 52' 21" W, 159.00 feet to point 262 of SRA Tract No. 713;
N 06° 37' 51" W, 210.00 feet to point 263 of SRA Tract No. 713;
N 48° 01' 19" E, 191.00 feet to point 264 of SRA Tract No. 713;
S 63° 23' 33" E, 195.00 feet to point 265 of SRA Tract No. 713;
S 69° 17' 30" E, 143.00 feet to point 266 of SRA Tract No. 713;
S 89° 53' 43" E, 113.00 feet to point 267 of SRA Tract No. 713;
N 58° 40' 40" E, 94.00 feet to point 268 of SRA Tract No. 713;
N 15° 18' 01" E, 102.00 feet to point 269 of SRA Tract No. 713;
N 32° 57' 47" E, 72.00 feet to point 270 of SRA Tract No. 713;
N 02° 47' 48" W, 103.00 feet to point 271 of SRA Tract No. 713;
N 60° 41' 45" W, 120.00 feet to point 272 of SRA Tract No. 713;
N 40° 30' 21" E, 225.00 feet to point 273 of SRA Tract No. 713;
S 37° 58' 52" E, 43.50 feet to point on the east line of Tract S-20b;

THENCE with said line, S 14° 42' 23" W, 102.12 feet to a point on said Sandy Branch;

THENCE with said Branch, S 19° 33' 02" E, 120.88 feet to the POINT OF BEGINNING,
containing 2.40 acres.

SAVE AND EXCEPT THEREFROM, that strip of land between the herein described
taking line traverse of the Toledo Bend Reservoir shoreline survey and the 172' msl
(mean sea level) contour containing 1.54 acres of land, more or less, leaving a net of
0.86 acres for Tract No. 713.

LEAVING A NET AREA OF 179.14 ACRES, MORE OR LESS, FOR TRACT S-20b;

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-17
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
3.00 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the Eli Lowe patented Survey, Abstract No. 34, dated June 9, 1835, and identified herein as Tract S-17 for mineral leasing purposes. Tract S-17 was acquired from O. G. Powledge and J. Leonard Welch, Sr. by deed dated October 3, 1969 and recorded in Volume 138, Page 415, Deed Records, Sabine County, Texas, containing 3.00 acres, more or less, described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-17 to include any lands within adjacent issued Bureau of Land Management (BLM) leases. This tract is also subject to an undivided 50% outstanding mineral interest as reserved in instrument dated May 24, 1926 from R. S. McDaniel et ux to V. E. Howze, recorded in Volume 27, Page 408, and Affidavit dated 7/7/1935 and recorded in Volume 38, Page 619, both in Deed Records, Sabine County, Texas.

BEGINNING at the north or northeast corner of said tract, same being corner 22 of Forest Service Tract S-2k-II, a stake for corner;

THENCES 64° 04' W, 196.70 feet with the northwest line of said tract to a stake for corner of Tract S-17;

THENCE S 26° 01' E, 543.80 feet to a stake for corner of Tract S-17 in the Toledo Bend Reservoir taking line traverse;

THENCE with the taking line traverse as follows:

S 53° 26' E, 125.50 feet to Traverse Point No. 1094;
S 77° 14' E, 79.00 feet to Traverse Point No. 1095;
N 85° 02' E, 79.00 feet to a stake for corner of Tract S-17
in the northeast line of said tract, same being a southwest
line of F.S. Tract No. S-2k-II;

THENCE N 25° 43' W, with the northeast line of said tract and a southwest line of F.S. Tract S-2k-II, 732.40 feet to the **PLACE OF BEGINNING**, containing 3.00 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-48
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
0.77 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, and being a part of the Henry Nichols Survey, A-46, dated July 7, 1835, and being a part or portion of that certain 50.03 acre tract of land described in a deed from National Motor Club of Texas, Inc. to James A. Jeansonne dated July 20, 1987 and lying adjacent to USA Tract S-2k-III and S-2k-II and identified herein as Tract S-48 for mineral leasing purposes. Tract S-48 was acquired from James A. Jeansonne by deed dated October 18, 1989 and recorded in Volume 272, Page 443, Deed Records, Sabine County, Texas, containing 0.77 acre, more or less, described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-48 to include any lands within adjacent issued Bureau of Land Management (BLM) leases. This tract is also subject to an undivided 50% outstanding mineral interest as reserved in instrument dated September 25, 1937 from R. Lee Kempner to W. C. Conner, recorded in Volume 42, Page 367, Deed Records, Sabine County, Texas.

BEGINNING at corner 1 of Tract S-48, common to corner 89 of F.S. Tract S-2k-III and being on line between corners 50 and 51 of F.S. Tract S-2k-II, same being on the south boundary line of said Henry Nichols Survey, A-46 and the north boundary line of the H. E. & W.T.R.R. Survey, A-269;

THENCE S 87° 22' 27" W, in part with the north boundary line of Tract S-2k-II at 160.01 feet an iron pipe set for corner 2 of Tract S-48 on the fee take line of Toledo Bend Reservoir;

THENCE three lines with the fee take line of Toledo Bend Reservoir as follows:

N 27° 33' 41" W, at 111.00 feet an iron pipe set for corner 3 of Tract S-48;
N 26° 22' 23" E, at 217.00 feet an iron pipe set for corner 4 of Tract S-48;
S 62° 04' 35" E, at 7.54 feet intersect the west boundary line of F.S. Tract S-2k-III, an iron pipe set for corner 5 of Tract S-48;

THENCE S 21° 00' 00" E, with the west boundary line of Tract S-2k-III at 40.57 feet pass on line an iron pipe marked for a witness corner, at 302.01 feet the **POINT AND PLACE OF BEGINNING**, containing 0.77 acres of land, more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-2k-IX
SABINE NATIONAL FOREST
SABINE COUNTY, TEXAS
37.00 ACRES**

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the Eli Lowe patented Survey, A-34, dated June 9, 1835 and being identified for mineral leasing purposes as Tract S-2k-IX. Tract S-2k-IX was acquired from Temple Lumber Company by deed dated December 27, 1935 and recorded in Volume 39, Pages 293-387, Deed Records, Sabine County, Texas, and contains 37.00 acres, more or less, and is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2k-IX to include any lands within adjacent issued Bureau of Land Management (BLM) leases. This tract is also subject to an undivided 3/4ths outstanding mineral interest as reserved in deed dated June 24, 1935 from Houston Oil Co. to Temple Lumber Co., recorded in Volume 39, Page 70, Deed Records, Sabine County, Texas.

BEGINNING at corner 1, common to corner 3 of Exception No. 3 to Forest Service Tract S-2k-II on the division line between the Eli Lowe Survey and the W. M. Arledge Survey, A-259, a stake witnessed by scribed bearing trees. From this corner, the second corner of the Eli Lowe Survey, the beginning corner of the Jesse Lowe Survey, dated November 20, 1849, and the beginning corner of the J. A. Watson Survey, dated January 15, 1917, bears N 63° 25' E, 83.00 chains distant.

THENCE S 26° 40' E, with Tract S-2k-II, within the Eli Lowe Survey, 11.08 chains to corner 2 of Tract S-2k-IX;

THENCE S 63° 40' W, within the Eli Lowe Survey, 33.75 chains to corner 3 of Tract S-2k-IX, a stake witnessed by scribed bearing trees. From this corner, the corner 1 of Exception No. 3 to Forest Service Tract S-2k-II, a F.S. standard concrete post marked S-461, bears S 27° 00' E, 32.12 chains distant.

THENCE N 27° 00' W, with Tract S-2k-II, within the Eli Lowe Survey, 11.08 chains to corner 3 of Tract S-2k-IX, common to corner 2 of Exception No. 3 to Forest Service Tract S-2k-II;

THENCE N 63° 25' E, with Tract S-2k-II, common to the Eli Lowe and W. M. Arledge Surveys, 33.82 chains to PLACE OF BEGINNING, containing 37.00 acres, be the same more or less.

**DESCRIPTION FOR MINERAL LEASING OF
TRACT S-1b-I PARCEL #2
SABINE NATIONAL FOREST
SHELBY COUNTY, TEXAS
325.27 ACRES**

All that certain parcel of land lying and being in Shelby County, Texas, lying within the northeast part of the Stephen English Survey, Abstract No. 180, dated February 19, 1850 and being identified for mineral leasing purposes as Tract S-1b-I Parcel #2. Parent Tract S-1b-I was acquired from Pickering Lumber Company by deed dated December 28, 1935 and recorded in Volume 176, Page 410-483, Deed Records, Shelby County, Texas. Tract S-1b-I Parcel #2 contains approximately 325.27 acres, more or less, and is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-1b-I Parcel #2 to include any lands within adjacent issued Bureau of Land Management (BLM) leases.

BEGINNING at corner 12 of Tract S-1b-I, a corner of the Caswell Samford Survey, A-1103;

THENCE N 22° 15' W, common to the Caswell Samford Survey and the Stephen English Survey, A-180, a calculated distance of 9.49 chains a point for the northeast corner of Tract S-1b-I Parcel No. 2, common to a corner of an issued BLM lease;

THENCE a calculated bearing of S 66° 50' W, common to the north boundary of the Stephen English Survey and in part to the Caswell Samford Survey, the P. J. Loggins Survey, A-444, and the Joanna Talbot Survey, A-729, a calculated distance of 63.50 chains to a point for the northwest corner of Tract S-1b-I Parcel #2, identical with corner 15 of Tract S-1b-I and said line being common to the southern line of an issued BLM lease,

THENCE a calculated bearing of S 22° 50' 53" E, within the Stephen English Survey, a calculated distance of 51.26 chains to a point for the southwest corner of Tract S-1b-I Parcel #2, said point common to the northwest corner of an issued BLM lease;

THENCE a calculated bearing of N 67° 10' E, within the Stephen English Survey and along the northern boundary line of an issued BLM lease, a calculated distance of 62.96 chains to a point for the southeast corner of Tract S-2b-I Parcel #2, said point on line between Corners 12 and 13 of said Tract S-1b-I;

THENCE N 22° 15' W, common to the Stephen English Survey and in part to the Lewis Odom Survey, A-541, a calculated distance of 42.14 chains to the POINT OF BEGINNING, containing approximately 325.27 acres, more or less, for Tract S-1b-I Parcel #2.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2f
428.00 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the Solomon Adams patented Survey, A-64, dated September 2, 1862 and being identified for mineral leasing purposes as Tract K-2f. Tract K-2f contains 428.00 acres described as follows for mineral leasing purposes only. Tract K-2f was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas. It is not the intent of this description of Tract K-2f to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2f, on the easterly line of the Groveton-Trevat road;

THENCE East, within the Solomon Adams Survey, 27.40 chains to corner 2 of Tract K-2f;

THENCE South, common to the Solomon Adams Survey and the Richard Gregory Survey, A-233, 77.90 chains to corner 3 of Tract K-2f, the fifth corner of the Solomon Adams Survey and the sixth corner of the Richard Gregory Survey, a Forest Service standard concrete post marked K-311;

THENCE East, common to the Solomon Adams and Richard Gregory Surveys, 29.70 chains to corner 4 of Tract K-2f, the sixth corner of the Solomon Adams Survey and the second corner of the J. T. Evans Survey, A-195;

THENCE S 00° 30' W, common to the Solomon Adams and J. T. Evans Surveys, 20.20 chains to corner 5 of Tract K-2f, the seventh corner of the Solomon Adams Survey and the sixth corner of the Benj. Ellis Sr. Survey, A-192;

THENCE West, common to the Solomon Adams Survey and in part to the Benj. Ellis Sr. Survey and the B. A. Platt Survey, A-908, 38.30 chains to corner 6 of Tract K-2f, the eighth corner of the Solomon Adams Survey and the beginning corner of the B. A. Platt Survey;

THENCE N 30° 00' E, common to the Solomon Adams Survey and the Ignacio de los Santos Coy Survey, A-13, 15.60 chains to corner 7 of Tract K-2f, common to the beginning corner of the Solomon Adams Survey and the second corner of the Ignacio de los Santos Coy Survey;

THENCE six lines within the Solomon Adams Survey:

**N 13° 00' W, 1.30 chains to corner 8 of Tract K-2f;
N 28° 30' W, 5.50 chains to corner 9 of Tract K-2f;
N 57° 00' W, 1.70 chains to corner 10 of Tract K-2f;
N 84° 00' W, 1.70 chains to corner 11 of Tract K-2f;
S 73° 45' W, 3.00 chains to corner 12 of Tract K-2f;
S 89° 45' W, 2.30 chains to corner 13 of Tract K-2f;**

THENCE N 60° 30' W, common to the Solomon Adams and Ignacio de los Santos Coy Surveys, 68.20 chains to corner 14 of Tract K-2f, the second corner of the Solomon Adams Survey, on the easterly line of the Groveton-Trevat road, a F.S. standard concrete post marked K-295;

THENCE N 44° 30' E, common to the Solomon Adams Survey and the Juan Jose Villa Survey, A-46, 63.10 chains to the PLACE OF BEGINNING, containing 428.00 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2d
476.01 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the Maria Guadalupe de Castro, A-9, dated October 23, 1835 and the Juan Jose Villa, A-46, dated August 4, 1835 and being identified for mineral leasing purposes as Tract K-2d. Tract K-2d contains 481.00 acres, less and except 4.99 acres of private surface ownership identified as Tract K-30, leaving a net area of 476.01 acres. Tract K-2d is described as follows for mineral leasing purposes only. It was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas. It is not the intent of this description of Tract K-2d to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2d, on the southerly line of the I. & G.N.R.R. Co. Survey No. 21, A-355, a F.S. standard concrete post marked K-272;

THENCE S 27° 30' W, in part with F.S. Tract K-2c, within the Maria Guadalupe de Castro and Juan Jose Villa Surveys. At 18.90 chains to corner 42 of Tract K-2c. At 19.50 chains corner 41 of Tract K-2c. At 83.60 chains corner 2 of Tract K-2d, a F.S. standard concrete conveyed by the United States post marked K-308. From this corner the second corner of the Juan Jose Villa Survey bears **N 46° 00' W**, 18.00 chains distant;

THENCE S 42° 30' W, within the Juan Jose Villa and Maria Guadalupe de Castro Surveys, 12.40 chains to corner 3 of Tract K-2d;

THENCE seventeen lines within the Maria Guadalupe de Castro Survey:

S 31° 45' W, 11.10 chains to corner 4 of Tract K-2d, on the westerly side of the Groveton-Apple Springs old road;

N 80° 00' W, 36.60 chains to corner 5 of Tract K-2d, on the easterly right-of-way line of State Highway No. 94;

N 01° 30' E, along the easterly right-of-way line of State Highway No. 94, 1.60 chains to corner 6 of Tract K-2d, on the north side of a lane;

S 60° 00' E, 9.60 chains to corner 7 of Tract K-2d;

N 30° 00' E, 22.60 chains to corner 8 of Tract K-2d, in the southerly line of a lane;

N 60° 00' W, 22.00 chains to corner 9 of Tract K-2d;

N 01° 30' E, along the easterly right-of-way line of State Highway No. 94, 1.00 chains to corner 10 of Tract K-2d;

S 60° 00' E, 22.50 chains to corner 11 of Tract K-2d;

N 30° 00' E, 20.00 chains to corner 12 of Tract K-2d;

N 60° 00' W, 32.10 chains to corner 13 of Tract K-2d, in the center of the right-of-way of an old road, a F.S. standard concrete post marked K-170;

N 04° 30' E, along the easterly right-of-way line of an old road, 5.80 chains to corner 14 of Tract K-2d;

N 08° 30' W, 6.90 chains to corner 15 of Tract K-2d;

N 02° 30' E, along the easterly right-of-way line of State Highway No. 94, 12.20 chains to corner 16 of Tract K-2d;

S 60° 15' E, 23.70 chains to corner 17 of Tract K-2d;

N 30° 00' E, 40.10 chains to corner 18 of Tract K-2d, in the southerly line of a lane;

N 60° 00' W, 19.00 chains to corner 19 of Tract K-2d, on the easterly right-of-way line of abandoned railroad;

N 51° 00' E, along the easterly right-of-way line of said railroad, 0.80 chain to corner 20 of Tract K-2d, in the north side of a lane;

THENCE S 60° 00' E, common to the Maria Guadalupe de Castro Survey and the I. & G.N.R.R. Co. Survey No. 21, 67.00 chains to the place of beginning, containing 481.00 acres, more or less, LESS AND EXCEPT that 4.99 acres conveyed by the United States to Kerry Hogg as Tract K-30 in Deed Without Warranty dated 2/25/2002 and recorded in Volume 687, Page 206, Trinity County Deed Records, leaving a net area of 476.01 acres, more or less.

TRACT K-30, 4.99 acres: Being all that certain tract or parcel of land lying and being in Trinity County, Texas, within the Maria Guadalupe de Castro Survey, A-9, dated October 23, 1835, and being out of and a part of that certain 481 acre tract which was conveyed as Tract K-2d from Trinity County Lumber Company to the United States of America by deed dated December 20, 1935 and recorded in Volume 83, Page 516 of the Deed Records of Trinity County, Texas, to which reference is hereby made for any and all purposes, and being more particularly described by metes and bounds as follows:

BEGINNING at a northwest corner (corner 16) of U.S. Tract K-2d, located in the existing east right-of-way line of State Highway No. 94 (40 feet from center) and located S 60° 27' 50" E 18.65 feet from a found standard USFS corner for reference corner and being located in the south boundary line of that certain 95.60 acre tract which was described in Partition Deed between Jap C. Lott and Raymond Lott dated August 27, 1992 and recorded in Volume 525, Page 131, Deed Records of Trinity County, Texas, set an iron pipe for Corner 1 of Tract K-30, from which a concrete right-of-way monument bears N 07° 33' 17" W, 259.54 feet;

THENCE S 60° 27' 50" E, same being the north boundary line of Tract K-2d, 422.45 feet to corner 2 of Tract K-30. From this corner, corner 17 of Tract K-2d bears S 60° 27' 50" E, 1125.62 feet distance;

THENCE S 04° 02' 04" W, 432.78 feet to corner 3 of Tract K-30;

THENCE S 79° 58' 28" W, 378.34 feet to corner 4 of Tract K-30, said point intersects the east right-of-way line of State Highway No. 94, same being the west boundary line of Tract K-2d;

THENCE N 01° 23' 55" E, with the east right-of-way line of State Highway No. 94, same being the west boundary line of Tract K-2d, 381.72 feet to corner 5 of Tract K-30;

THENCE in a northerly direction with the east right-of-way line of State Highway No. 94, same being the west boundary line of Tract K-2d, in a curve to the right which has a central angle of 06° 36' 03", a radius of 2824.93 feet, and a long chord which bears N 04° 36' 38" E, 325.27 feet, for a distance of 325.45 feet to the **PLACE OF BEGINNING**, containing 4.99 acres, more or less.

LEAVING A NET AREA OF 476.01 ACRES FOR TRACT K-2d

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2Aj
30.00 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, embracing in whole the D. W. Pennington patented Survey, A-921, dated January 13, 1909, and being identified for mineral leasing purposes as Tract K-2Aj. Tract K-2Aj contains 30.00 acres and is described as follows for mineral leasing purposes only. Tract K-2Aj was acquired from Trinity County Lumber Company by deed dated November 8, 1935 and recorded in Volume 83, Page 358 et seq., Deed Records, Trinity County, Texas and Volume 173 Page 31, Deed Records Houston County, Texas. It is not the intent of this description of Tract K-2Aj to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2Aj, common to corner 26 of Forest Service Tract K-1-V, identical with the second corner of the D. W. Pennington Survey and the second corner of the I. & G.N.R.R. Co. Survey No. 58, A-1136-H and A-704-T, a F.S. standard concrete post marked K-197;

THENCE N 89° 30' E, with Tract K-1-V, common to the D. W. Pennington Survey and the Wm. D. Redd Survey, A-872-H, at 10.40 chains the Houston-Trinity County line. At 32.60 chains corner 2 of Tract K-2Aj, common to corner 25 of Tract K-1-V, the third corner of the Wm. D. Redd Survey and the third corner of the D. W. Pennington Survey;

THENCE South, common to the D. W. Pennington Survey and the Isabella English Survey, A-200, 9.20 chains to corner 3 of Tract K-2Aj, common to corner 28 of Tract K-1-V, the fourth corner of the D. W. Pennington Survey and the third corner of the S. J. Westerman Survey, A-685;

THENCE S 89° 30' W, with Tract K-1-V, common to the D. W. Pennington Survey and the S. J. Westerman Surveys, 32.60 chains to corner 4 of Tract K-2Aj, common to corner 27 of Tract K-1-V, the beginning corner of the D. W. Pennington Survey and the second corner of the S. J. Westerman Survey;

THENCE N 00° 45' W, continuing with Tract K-1-V, common to the D. W. Pennington and the I. & G.N.R.R. Co. No. 58 Surveys at 1.10 chains the Houston-Trinity County line. At 9.20 chains the **PLACE OF BEGINNING**, containing 30.00 acres, more or less, with 3.50 acres being in Houston County and 26.50 acres being in Trinity County, Texas.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2b-I
68.22 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the Trinity County School Land Survey, A-588, dated July 5, 1872 and being identified for mineral leasing purposes as Tract K-2b-I. Tract K-2b-I contains 68.22 acres and is described as follows for mineral leasing purposes only. Tract K-2b-I was acquired from Trinity County Lumber Company by Warranty Deed dated December 20, 1935, and recorded in Volume 83, Pages 516-571, Deed Records, Trinity County, Texas, containing 118.00 acres, more or less, subject to an exception of the Hiram Norsworthy Lap, known as Exception No. 1, containing 23.00 acres, leaving a net acreage of 95.00 acres. Of this 95.00 acres, another 26.78 acres of surface ownership were exchanged to Champion International Corporation as Tract K-50a by Exchange Deed dated June 25, 1992. It is not the intent of this description of Tract K-2b-I to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2b-I, identical with the twenty-eighth corner of the Trinity County School Land Survey, A-588, and the third corner of the Wm. W. Smith Survey, A-545;

THENCE South, common in part to the easterly line of Exception No. 1 to Tract K-2b-I, common to the Trinity County School Land and Wm. W. Smith Surveys. At 23.20 chains, corner 1 of Exception No. 1 of Tract K-2b-I. At 47.80 chains corner 2 of Exception No. 1 of Tract K-2b-I. At 76.50 chains corner 2 of Tract K-2b-I, common to corner 119 of Forest Service Tract K-2-III, a Forest Service standard concrete post marked K-434;

THENCE N 89° 30' W, with Tract K-2-III, within the Trinity County School Land Survey, 9.30 chains to corner 3 of Tract K-2b-I;

THENCE North, common in part to Exception No. 1 to Tract K-2b-I, within the Trinity County School Land Survey. At 28.50 chains, corner 3 of Exception No. 1 of Tract K-2b-I. At 53.10 chains corner 4 of Exception No. 1 of Tract K-2b-I. At 79.30 chains corner 4 of Tract K-2b-I;

THENCE two lines within the Trinity County School Land Survey;

**East, 10.80 chains to corner 5 of Tract K-2b-I;
N 01° 15' W, 40.00 chains to corner 6 of Tract K-2b-I;**

THENCE two lines with F.S. Tract K-2b, within the Trinity County School Land Survey;

N 89° 30' E, 10.60 chains to corner 7 of Tract K-2b-I, common to corner 46 of Tract K-2b, a F.S. standard concrete post marked K-418;

S 00° 30' W, 42.90 chains to corner 8 of Tract K-2b-I, common to corner 45 of Tract K-2b;

THENCE West, within the Trinity County School Land Survey, 11.10 chains to the place of beginning, containing 118 acres, more or less, LESS AND EXCEPT Exception No. 1 of Tract K-2b-I containing 23.00 acres, and exchange tract K-50a, containing 26.78 acres, leaving a net area of 68.22 acres, more or less.

EXCEPTION NO. 1, 23.00 acres: BEGINNING at corner 1 of Exception No. 1 in the Trinity County School Land Survey, A-588. From this corner, corner 1 of Tract K-2b-I, identical with the twenty-eighth corner of the Trinity County School Land Survey and the third corner of the Wm. W. Smith Survey, A-545, bears North, 23.20 chains distant;

THENCE South, common to the Trinity County School Land Survey and the Wm. W. Smith Survey, 24.60 chains to corner 2 of Exception No. 1 to Tract K-2b-I;

THENCE West, with Tract K-2b-I and within the Trinity County School Land Survey, 9.30 chains to corner 3 of Exception No. 1 to Tract K-2b-I;

THENCE North, within the Trinity County School Land Survey, 24.60 chains to corner 4 of Exception No. 1 to Tract K-2b-I;

THENCE East, with Tract K-2b-I and within the Trinity County School Land Survey, 9.30 chains to the PLACE OF BEGINNING, containing 23 acres, more or less.

TRACT K-50a, 26.78 acres: Being 26.78 acres of land lying and being in Trinity County, Texas and situated in the Trinity County School Land Survey, A-588, and being part of that called 118 acres of land less an exception tract of 23 acres, and this tract being out of the net 95 acre tract.

BEGINNING at corner 1 of Tract K-50a, being the third corner of the Wm. W. Smith Survey, A-545;

THENCE S 00° 46' 11" W, common to the Wm. W. Smith and Trinity County School Land Surveys, 1,637.53 feet to corner 2 of Tract K-50a, same being the northeast corner of Exception No. 1 of Tract K-2b-l;

THENCE S 89° 57' 56" W, within the Trinity County School Land Survey, 618.82 feet to corner 3 of Tract K-50a, same being corner 4 of Exception No. 1 of Tract K-2b-l;

THENCE North, within the Trinity County School Land Survey, 1,827.64 feet to corner 4 of Tract K-50a, same being corner 4 of Exception No. 1 to Tract K-2b-l;

THENCE S 89° 43' 29" E, within the Trinity County School Land Survey, 715.49 feet to corner 5 of Tract K-50a;

THENCE S 02° 14' 05" E, within the Trinity County School Land Survey, 187.88 feet to corner 6 of Tract K-50a;

THENCE N 89° 06' 12" W, common to the Wm. W. Smith and Trinity County School Land Surveys, 82.00 feet to the **PLACE OF BEGINNING**, containing 26.78 acres.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2c PARCEL #1
2,164.09 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the Juan Jose Villa patented Survey, A-46, dated August 4, 1835 and the Maria Guadalupe de Castro patented Survey, A-9, dated October 23, 1835 and being identified for mineral leasing purposes as Tract K-2c Parcel #1. Tract K-2c Parcel #1 contains 2,164.09 acres described as follows for mineral leasing purposes only. Parent Tract K-2c was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas. It is not the intent of this description of Tract K-2c Parcel #1 to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2c, common to the beginning corner of Forest Service Tract K-2-II, identical with the second corner of the John George Survey, A-20, the second corner of the Juan L. Boden Survey, A-4, the beginning corner of the Juan Jose Villa Survey, and the beginning corner of the J. Robb Survey, A-721, a Forest Service standard concrete post marked K-290;

THENCE S 47° 00' E, common to the Juan Jose Villa and Juan L. Boden Surveys, 159.10 chains to corner 2 of Tract K-2c Parcel #1, a Forest Service standard concrete post marked K-286;

THENCE S 43° 30' W, within the Juan Jose Villa Survey, a calculated distance of approximately 176.00 chains to a point for corner of Tract K-2c Parcel #1, same being an eastern corner of BLM lease offer Tract K-2c Parcel #2;

THENCE a calculated bearing and distance of N 45° 00' W, within the Juan Jose Villa Survey and common to the northeastern boundary of Tract K-2c Parcel #2, 39.00 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 4 of Exception No. 2 to Tract K-2c,

THENCE N 45° 00' E, within the Juan Jose Villa Survey and common to the boundary of Exception No. 2, 34.20 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 3 of Exception No. 2 to Tract K-2c, a F.S. standard concrete post marked K-217;

THENCE N 45° 00' W, within the Juan Jose Villa Survey and common to the boundary of Exception No. 2, 33.30 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 2 of Exception No. 2 to Tract K-2c;

THENCE S 45° 15' W, within the Juan Jose Villa Survey and common to the boundary of Exception No. 2, 34.30 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 1 of Exception No. 2 to Tract K-2c and being on the northeastern line of Tract K-2c Parcel #2. From this corner, corner 4 of Exception No. 1 to Tract K-2c bears N 22° 30' W, 20.50 chains distant;

THENCE a calculated bearing and distance of N 37° 19' 49" W, within the Juan Jose Villa Survey and common to the northeastern boundary of Tract K-2c Parcel #2, 43.67 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 38 of Tract K-2c, a stake in the southerly line of a lane;

THENCE two lines within the Juan Jose Villa Survey:

**N 47° 00' W, 3.00 chains to corner 39 of Tract K-2c;
N 43° 30' E, 21.00 chains to corner 40 of Tract K-2c,
a F.S. standard concrete post marked K-313;**

THENCE N 60° 00' W, in part within the Juan Jose Villa Survey and Maria Guadalupe de Castro Survey, A-9, 48.80 chains to corner 41 Tract K-2c;

THENCE N 27° 30' E, along the easterly line of a graded road with F.S. Tract K-2d and within the Maria Guadalupe de Castro Survey, 0.60 chains to corner 42 Tract K-2c;

THENCE S 60° 00' E, within the Maria Guadalupe de Castro and Juan Jose Villa Surveys, 26.70 chains to corner 43 Tract K-2c, a stake in the north side of a lane;

THENCE three lines within the Juan Jose Villa Survey:

**N 30° 30' E, 14.60 chains to corner 44 of Tract K-2c;
N 44° 00' E, 84.20 chains to corner 45 of Tract K-2c,
a F.S. standard concrete post marked K-282;
N 46° 30' W, 18.80 chains to corner 46 of Tract K-2c;**

THENCE N 46° 15' E, common to the Juan Jose Villa and J. Robb Surveys, 51.10 chains to the PLACE OF BEGINNING, containing 2,385.09 acres, more or less, LESS AND EXCEPT 221 acres within Exception No. 1 to Tract K-2c, described as follows, leaving a net area of 2,164.09 acres, more or less, for Tract K-2c Parcel #1.

EXCEPTION NO. 1 to TRACT K-2c, 221 acres: BEGINNING at corner 1 of Exception No. 1 to Tract K-2c, a stake in the northerly line of a lane. From this corner, corner 39 of Tract K-2c bears West, 1.00 chain distant;

THENCE four lines within the Juan Jose Villa Survey:

**N 43° 30' E, 81.30 chains to corner 2 of Tract K-2c Exception No. 1;
S 46° 15' E, 27.30 chains to corner 3 of Tract K-2c Exception No. 1,
a F.S. standard concrete post marked K-312;
S 44° 00' W, 81.40 chains to corner 4 of Tract K-2c Exception No. 1;
N 46° 15' W, 27.00 chains to the PLACE OF BEGINNING, containing
221 acres, more or less.**

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2c PARCEL #2
1,780.91 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the Juan Jose Villa patented Survey, A-46, dated August 4, 1835, the Maria Guadalupe de Castro patented Survey, A-9, dated October 23, 1835 and the Ignacio de los Santos Coy Survey, A-13, dated October 15, 1835 being identified for mineral leasing purposes as Tract K-2c Parcel #2. Tract K-2c Parcel #2 contains 1,780.91 acres described as follows for mineral leasing purposes only. Parent Tract K-2c was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas. Tract K-2c Parcel #1 contains 30.95 acres that are subject to an undivided 1/3rd outstanding mineral interest as reserved in deed from Reed Hughes Dominy to Trinity County Lumber Company dated February 29, 1936, recorded in Volume 87, Page 96, Trinity County Texas Deed Records. It is not the intent of this description of Tract K-2c Parcel #2 to include any lands within adjacent issued Bureau of Land Management (BLM) leases, lease offerings, or private minerals.

Being all of Tract K-2c as acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas, containing 4,300.00 acres, LESS AND EXCEPT the following parcels of land, each of which is described herein: Tract K-2c Parcel #1 containing 2,164.09 acres after a 221.00 Exception No. 1; Exception No. 2 containing 114.00 acres; Exception No. 3 containing 2.00 acres; Exception No. 4 containing 9.00 acres; Exception No. 5, the right-of-way of State Highway No. 106 now known as State Highway 287, containing 7.00 acres; Exception No. 6, the right-of-way of State Highway No. 106 now known as State Highway 287, 2.00 acres, leaving a net acreage of 1,780.91 acres, more or less, SUBJECT TO an undivided 1/3 interest in 30.95 acres as reserved in deed from Reed Hughes Dominy to Trinity County Lumber Company dated February 29, 1936, recorded in Volume 87, Page 96, Trinity County Texas Deed Records.

TRACT K-2c PARCEL #1, 2,164.09 acres: BEGINNING at corner 1 of Forest Service Tract K-2c, common to the beginning corner of Forest Service Tract K-2-II, identical with the second corner of the John George Survey, A-20, the second corner of the Juan L. Boden Survey, A-4, the beginning corner of the Juan Jose Villa Survey, and the beginning corner of the J. Robb Survey, A-721, a Forest Service standard concrete post marked K-290;

THENCE S 47° 00' E, common to the Juan Jose Villa and Juan L. Boden Surveys, 159.10 chains to corner 2 of Tract K-2c Parcel #1, a Forest Service standard concrete post marked K-286;

THENCE S 43° 30' W, within the Juan Jose Villa Survey, a calculated distance of approximately 176.00 chains to a point for corner of Tract K-2c Parcel #1, same being an eastern corner of BLM lease offer Tract K-2c Parcel #2;

THENCE a calculated bearing and distance of N 45° 00' W, within the Juan Jose Villa Survey and common to the northeastern boundary of Tract K-2c Parcel #2, 39.00 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 4 of Exception No. 2 to Tract K-2c,

THENCE N 45° 00' E, within the Juan Jose Villa Survey and common to the boundary of Exception No. 2, 34.20 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 3 of Exception No. 2 to Tract K-2c, a F.S. standard concrete post marked K-217;

THENCE N 45° 00' W, within the Juan Jose Villa Survey and common to the boundary of Exception No. 2, 33.30 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 2 of Exception No. 2 to Tract K-2c;

THENCE S 45° 15' W, within the Juan Jose Villa Survey and common to the boundary of Exception No. 2, 34.30 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 1 of Exception No. 2 to Tract K-2c and being on the northeastern line of Tract K-2c Parcel #2. From this corner, corner 4 of Exception No. 1 to Tract K-2c bears N 22° 30' W, 20.50 chains distant;

THENCE a calculated bearing and distance of N 37° 19' 49" W, within the Juan Jose Villa Survey and common to the northeastern boundary of Tract K-2c Parcel #2, 43.67 chains to a point for corner of Tract K-2c Parcel #1, identical with corner 38 of Tract K-2c, a stake in the southerly line of a lane;

THENCE two lines within the Juan Jose Villa Survey:

**N 47° 00' W, 3.00 chains to corner 39 of Tract K-2c;
N 43° 30' E, 21.00 chains to corner 40 of Tract K-2c,
a F.S. standard concrete post marked K-313;**

THENCE N 60° 00' W, in part within the Juan Jose Villa Survey and Maria Guadalupe de Castro Survey, A-9, 48.80 chains to corner 41 Tract K-2c;

THENCE N 27° 30' E, along the easterly line of a graded road with F.S. Tract K-2d and within the Maria Guadalupe de Castro Survey, 0.60 chains to corner 42 Tract K-2c;

THENCE S 60° 00' E, within the Maria Guadalupe de Castro and Juan Jose Villa Surveys, 26.70 chains to corner 43 Tract K-2c, a stake in the north side of a lane;

THENCE three lines within the Juan Jose Villa Survey:

**N 30° 30' E, 14.60 chains to corner 44 of Tract K-2c;
N 44° 00' E, 84.20 chains to corner 45 of Tract K-2c,
a F.S. standard concrete post marked K-282;
N 46° 30' W, 18.80 chains to corner 46 of Tract K-2c;**

THENCE N 46° 15' E, common to the Juan Jose Villa and J. Robb Surveys, 51.10 chains to the PLACE OF BEGINNING, containing 2,385.09 acres, more or less, LESS AND EXCEPT 221 acres within Exception No. 1 to Tract K-2c, described as follows, leaving a net area of 2,164.09 acres, more or less, for Tract K-2c Parcel #1.

EXCEPTION NO. 1, 221 acres: BEGINNING at corner 1 of Exception No. 1 to Tract K-2c, a stake in the northerly line of a lane, within the Juan Jose Villa Survey, A-46. From this corner, corner 39 of Tract K-2c bears West, 1.00 chain distant;

THENCE four lines within the Juan Jose Villa Survey:

**N 43° 30' E, 81.30 chains to corner 2 of Tract K-2c Exception No. 1;
S 46° 15' E, 27.30 chains to corner 3 of Tract K-2c Exception No. 1,
a F.S. standard concrete post marked K-312;
S 44° 00' W, 81.40 chains to corner 4 of Tract K-2c Exception No. 1;
N 46° 15' W, 27.00 chains to the PLACE OF BEGINNING, containing
221 acres, more or less.**

EXCEPTION NO. 2, 114 acres: BEGINNING at corner 1 of Exception No. 2 to Tract K-2c, the west corner of Exception No. 2, within the Juan Jose Villa Survey, A-46. From this corner, corner 4 of Exception No. 1 bears N 22° 30' W, 20.50 chains distant;

THENCE four lines within the Juan Jose Villa Survey:

**N 45° 15' E, 34.30 chains to corner 2 of Tract K-2c Exception No. 2;
S 45° 00' E, 33.30 chains to corner 3 of Tract K-2c Exception No. 2,
a F.S. standard concrete post marked K-217;
S 45° 00' W, 34.20 chains to corner 4 of Tract K-2c Exception No. 2;
N 45° 00' W, 33.10 chains to the PLACE OF BEGINNING, containing
114 acres, more or less.**

**EXCEPTION NO. 3, 2.00 acres: BEGINNING at corner 1 of Exception No. 3 to
Tract K-2c, the south corner of Exception No. 3, within the Ignacio de los Santos
Coy Survey, A-13;**

THENCE four lines within the Ignacio de los Santos Coy Survey:

**N 61° 00' W, 3.20 chains to corner 2 of Tract K-2c Exception No. 3;
N 30° 30' E, 6.40 chains to corner 3 of Tract K-2c Exception No. 3;
S 60° 00' E, 3.20 chains to corner 4 of Tract K-2c Exception No. 3;
S 30° 00' W, 6.40 chains to the PLACE OF BEGINNING, containing
2.0 acres, more or less.**

**EXCEPTION NO. 4, 9.00 acres: BEGINNING at corner 1 of Exception No. 4 to
Tract K-2c, the east corner of Exception No. 4, within the Ignacio de los Santos
Coy Survey, A-13;**

Thence four lines within the Ignacio de los Santos Coy Survey:

**S 30° 30' W, at 8.51 chains a high tension electric line. At 8.60
chains corner 2 of Tract K-2c Exception No. 4 in the northerly
line of States Highway No. 106, now known as State Highway 287;**

**N 67° 30' W, along the northerly right-of-way line of said State
Highway, 10.10 chains to corner 3 of Tract K-2c Exception No. 4;**

**N 30° 30' E, at 0.09 chain a high tension electric line. At 9.90
chains corner 4 of Tract K-2c Exception No. 4;**

**S 59° 00' E, 10.00 chains to the PLACE OF BEGINNING, containing
9.0 acres, more or less.**

EXCEPTION NO. 5, 7.00 acres: All that area of land lying within the right-of-way lines of States Highway No. 106, now known as State Highway No. 287, within the Ignacio de los Santos Coy Survey, A-13, being more particularly described as a strip of land, 1.21 chains in width, beginning on a southeasterly line of Tract K-2c, between corners 12 and 13 thereof, and running thence N 67° 30' W, to a line of Tract K-2c, between corners 14 and 15 thereof, containing 7.0 acres, more or less.

EXCEPTION NO. 6, 2.00 acres: All that area of land lying within the right-of-way lines of States Highway No. 106, now known as State Highway No. 287, within the Maria Guadalupe de Castro Survey, A-9, being more particularly described as a strip of land, 1.21 chains in width, beginning on a southeasterly line of Tract K-2c, between corners 27 and 28 thereof, and running thence N 67° 30' W, to a line of Tract K-2c, between corners 33 and 34 thereof, containing 2.0 acres, more or less.

30.95 acres tract subject to 1/3 outstanding mineral interest: Being that 30.95 acres within the Maria Guadalupe de Castro Survey, A-9, Trinity County, Texas as described in deed from Reed Hughes Dominy to Trinity County Lumber Company dated February 29, 1936, and recorded in Volume 87, Page 96, Trinity County Texas Deed Records, and being described as follows:

BEGINNING at the southeast corner of another survey of 40 acres heretofore made out of said Castro league for R. H. Dominy;

THENCE S 55° 00' E, 343.30 varas to a stake for corner on the east boundary line of said Castro league;

THENCE N 30° 00' E, with said East boundary line, 526.00 varas to a stake for corner;

THENCE N 60° 00' W, 342.00 varas to the northeast corner of the aforesaid Dominy 40 acre survey;

THENCE S 30° 00' W, with the East boundary line of said 40 acre survey, 496.00 varas to the PLACE OF BEGINNING, containing 30.95 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2Ag
57.00 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the Marcus P. Mead patented Survey, A-418, dated August 9, 1860, and the Celia Reese patented Survey, A-543, dated December 14, 1880, and being identified for mineral leasing purposes as Tract K-2Ag. Tract K-2Ag contains 57.00 acres and is described as follows for mineral leasing purposes only. Tract K-2Ag was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records Trinity County, Texas. It is not the intent of this description of Tract K-2Ag to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2Ag, identical with the beginning corner of the Celia Reese Survey and the third corner of the Marcus P. Mead Survey;

THENCE N 89° 30' W, common to the Marcus P. Mead and Celia Reese Surveys, 30.00 chains to corner 2 of Tract K-2Ag, in the easterly right-of-way line of an abandoned railroad;

THENCE S 45° 45' W, along the easterly right-of-way line of an abandoned railroad, within the Celia Reese Survey, 14.80 chains to corner 3 of Tract K-2Ag. From this corner, the beginning corner of Forest Service Tract K-2Ah, identical with the third corner of the George Ball Survey, A-82, a F.S. standard concrete post marked K-425, bears S 47° 30' E, 0.50 chain distant;

THENCE N 47° 30' W, common to the George Ball Survey and within the Marcus P. Mead Survey, 5.00 chains to corner 4 of Tract K-2Ag, the second corner of the James Moore Survey, A-429;

THENCE North, common to the Marcus P. Mead and James Moore Surveys, 7.30 chains to corner 5 of Tract K-2Ag;

THENCE East, within the Marcus P. Mead Survey, 4.10 chains to corner 6 of Tract K-2Ag, the fourth corner of the Marcus P. Mead Survey and the fourth corner of the Celia Reese Survey;

THENCE South, common to the Marcus P. Mead and Celia Reese Surveys, 8.20 chains to corner 7 of Tract K-2Ag, in the westerly right-of-way line of an abandoned railroad;

THENCE N 45° 45' E, along the westerly right-of-way line of an abandoned railroad, within the Celia Reese and Marcus P. Mead Surveys, 47.50 chains to corner 8 of Tract K-2Ag;

THENCE North, within the Marcus P. Mead Survey, 4.50 chains to corner 9 of Tract K-2Ag;

THENCE East, common to the Marcus P. Mead Survey and the Amos Lacy Survey, A-795, 7.00 chains to corner 10 of Tract K-2Ag, the second corner of the Marcus P. Mead Survey and the fourth corner of the Amos Lacy Survey. From this corner, corner 5 of Forest Service Tract K-2-II bears N 51° 30' E, 4.50 chains distant;

THENCE S 01° 00' W, common to the Marcus P. Mead Survey and in part to the Amos Lacy Survey and the J. Robb Survey, A-721. At 18.80 chains the fifth corner of the Amos Lacy Survey and the fifth corner of the J. Robb Survey. At 30.00 chains the place of beginning, containing 57.80 acres, more or less, **SUBJECT TO Exception No. 1 to Tract K-2Ag, containing 0.80 acre, leaving a net area of 57.00 acres, more or less, for Tract K-2Ag.**

EXCEPTION NO. 1 to TRACT K-2Ag, 0.80 acre: BEGINNING at corner 1 of Exception No. 1, within the Marcus P. Mead Survey, a stake in the easterly right-of-way line of an abandoned railroad. From this corner, corner 8 of F.S. Tract K-2Ag bears North, 2.00 chains distant. Also, from this corner, the second corner of the Marcus P. Mead Survey and the fourth corner of the Amos Lacy Survey bears N 45° 45' E, 9.30 chains distant;

THENCE three lines within the Marcus P. Mead Survey:

South, 4.00 chains to corner 2 of Exception No. 1 of Tract K-2Ag;

West, 4.10 chains to corner 3 of Exception No. 1 of Tract K-2Ag, a stake in the easterly right-of-way line of an abandoned railroad;

N 45° 45' E, along the easterly right-of-way line of an abandoned railroad, 5.80 chains to the PLACE OF BEGINNING, containing 0.80 acres, be the same, more or less.

LEAVING A NET AREA OF 57.00 ACRES FOR K-2Ag

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2Ah
111.70 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the Marcus P. Mead patented Survey, A-418, dated August 9, 1860, and the Celia Reese, A-543, dated December 14, 1880, and being identified for mineral leasing purposes as Tract K-2Ah. Tract K-2Ah contains 111.70 acres and is described as follows for mineral leasing purposes only. Tract K-2Ah was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas. It is not the intent of this description of Tract K-2Ah to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2Ah, identical with the third corner of the George Ball Survey, A-82, a Forest Service standard concrete post marked K-425. From this corner, corner 3 of Forest Service Tract K-2Ag bears N 47° 30' W, 0.50 chain distant.

THENCE South, common to the Celia Reese and Marcus P. Mead Surveys, 10.20 chains to corner 2 of Tract K-2Ah;

THENCE two lines within the Celia Reese Survey:

East, 19.70 chains to corner 3 of Tract K-2Ah;
S 00° 30' E, 20.00 chains to corner 4 of Tract K-2Ah;

THENCE West, common to the Celia Reese Survey and the W. H. Johnston Survey, A-766, 3.50 chains to corner 5 of Tract K-2Ah, common to the beginning corner of F.S. Tract K-2Ah-I;

THENCE six lines with F.S. Tract K-2Ah-I within the Celia Reese Survey:

N 68° 30' W, 1.50 chains to corner 6 of Tract K-2Ah,
common to corner 8 of F.S. Tract K-2Ah-I;
N 53° 30' W, 1.50 chains to corner 7 of Tract K-2Ah,
common to corner 7 of F.S. Tract K-2Ah-I;
N 86° 30' W, 1.70 chains to corner 8 of Tract K-2Ah,
common to corner 6 of F.S. Tract K-2Ah-I;

N 51° 30' W, 1.90 chains to corner 9 of Tract K-2Ah,
common to corner 5 of F.S. Tract K-2Ah-I;
N 78° 00' W, 2.00 chains to corner 10 of Tract K-2Ah,
common to corner 4 of F.S. Tract K-2Ah-I;
N 89° 00' W, 8.60 chains to corner 11 of Tract K-2Ah,
common to corner 3 of F.S. Tract K-2Ah-I;

THENCE N 00° 30' E, common to the Celia Reese and Marcus P. Mead Surveys,
4.00 chains to corner 12 of Tract K-2Ah;

THENCE two lines within the Marcus P. Mead Survey:

West, 19.00 chains to corner 13 of Tract K-2Ah;
S 00° 30' E, 31.40 chains to corner 14 of Tract K-2Ah;

THENCE West, common to Marcus P. Mead Survey and the I. & G.N.R.R. Co.
Survey No. 21, A-355, 26.00 chains to corner 15 of Tract K-2Ah, the sixth corner of
the Marcus P. Mead Survey and the fourth corner of the I. & G.N.R.R. Co. Survey
No. 21;

THENCE North, common to Marcus P. Mead and I. & G.N.R.R. Co. No. 21 Surveys,
13.40 chains to corner 16 of Tract K-2Ah, on the easterly right-of-way line of an
abandoned railroad;

THENCE N 51° 00' E, within the Marcus P. Mead Survey, 1.30 chains to corner 17
of Tract K-2Ah;

THENCE S 45° 00' E, common to the George Ball Survey and within the
Marcus P. Mead Survey, 3.20 chains to corner 18 of Tract K-2Ah, the fourth corner
of the George Ball Survey;

THENCE N 45° 00' E, common to the George Ball Survey and within the
Marcus P. Mead Survey, 40.00 chains to corner 19 of Tract K-2Ah;

THENCE two lines common to the Marcus P. Mead Survey:

East, 9.40 chains to corner 20 of Tract K-2Ah, the eighth
corner of the Marcus P. Mead Survey;
North, 10.00 chains to corner 21 of Tract K-2Ah;

THENCE N 45° 00' E, common to the George Ball Survey and within the
Marcus P. Mead Survey, 5.30 chains to the PLACE OF BEGINNING, containing
111.70 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2Ar
0.80 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, lying within the right-of-way lines of the abandoned Groveton, Lufkin & Northern Railroad as now located, embracing in part the Amos Lacy patented Survey, A-795, dated April 25, 1896, and being identified for mineral leasing purposes as Tract K-2Ar. Tract K-2Ar contains 0.80 acre and is described as follows for mineral leasing purposes only. Tract K-2Ar was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas. It is not the intent of this description of Tract K-2Ar to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2Ar, common to corner 10 of Forest Service Tract K-2Ag, the second corner of the Marcus P. Mead Survey, A-418, and the fourth corner of the Amos Lacy Survey;

THENCE West, with F.S. Tract K-2Ag, common to the Amos Lacy and Marcus P. Mead Surveys, 2.00 chains to corner 2 of Tract K-2Ar, a point;

THENCE N 45° 45' E, within the Amos Lacy Survey, 1.68 chains to the point of a curve;

THENCE Northeasterly, on a curve to the right, within the Amos Lacy Survey, 4.20 chains to corner 3 of Tract K-2Ar, a point on the division line between the Amos Lacy Survey and the John George Survey, A-20;

THENCE S 46° 45' E, with F.S. Tract K-2-II, common to the Amos Lacy and John George Surveys, 1.54 chains to corner 4 of Tract K-2Ar, common to corner 5 of F.S. Tract K-2-II;

THENCE Southwesterly, on a curve to the left, within the Amos Lacy Survey, 4.50 chains to the PLACE OF BEGINNING, containing 0.80 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2As
18.40 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, lying within the right-of-way lines of the abandoned Groveton, Lufkin & Northern Railroad as now located, embracing in part the Maria Guadalupe de Castro, A-9, dated October 23, 1835; the I. & G.N.R.R. Co. Survey No. 21, A-355, dated August 29, 1894; the George Ball Survey, A-82, dated January 2, 1851; and the Marcus P. Mead patented Survey, A-418, dated August 9, 1860, and being identified for mineral leasing purposes as Tract K-2As. Tract K-2As contains 18.40 acres and is described as follows for mineral leasing purposes only. Tract K-2As was acquired from Trinity County Lumber Company by deed dated December 20, 1935 and recorded in Volume 83 Page 516, Deed Records, Trinity County, Texas. It is not the intent of this description of Tract K-2As to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2As, common to corner 44 of Forest Service Tract K-2-III on the westerly right-of-way line of State Highway No. 94;

THENCE N 13° 30' E, with Tract K-2-III, within the Maria Guadalupe de Castro Survey, 2.50 chains to corner 2 of Tract K-2As, common to corner 43 of Tract K-2-III;

THENCE N 51° 00' E, across the right-of-way of State Highway No. 94 within the Maria Guadalupe de Castro, the I. & G.N.R.R. Co. No. 21, the Marcus P. Mead and the George Ball Surveys, 81.00 chains to the point of a curve;

THENCE Northeasterly, on a curve to the left within the Marcus P. Mead and George Ball Surveys, 7.50 chains to the point of tangency;

THENCE N 46° 15' E, within the Marcus P. Mead and George Ball Surveys, 31.50 chains to corner 3 of Tract K-2As, on the northeasterly line of the George Ball Survey within the Marcus P. Mead Survey;

THENCE S 47° 30' E, with F.S. Tract K-2Ag, 1.52 chains to corner 4 of Tract K-2As, common to corner 3 of Tract K-2Ag. From this corner, corner 1 of F.S. Tract K-2Ah, identical with the third corner of the George Ball Survey, a F.S. standard

concrete post marked K-425 bears S 47° 30' E, 0.50 chain distant;

THENCE S 46° 15' W, within the George Ball and Marcus P. Mead Surveys, 31.50 chains to the point of a curve;

THENCE Southwesterly, on a curve to the right, within the George Ball and Marcus P. Mead Surveys, 7.70 chains to the point of tangency;

THENCE S 51° 00' W, with F.S. Tracts K-2Ah and K-2d and across the right-of-way of State Highway No. 94, within the George Ball, Marcus P. Mead, I. & G.N.R.R. Co. No. 21, and Maria Guadalupe de Castro Surveys, 83.00 chains to the PLACE OF BEGINNING, containing 18.40 acres, more or less.

**DESCRIPTION FOR MINERAL LEASING
OF TRACT K-2As-I
3.80 ACRES
DAVY CROCKETT NATIONAL FOREST
TRINITY COUNTY, TEXAS**

All that certain tract or parcel of land lying and being in Trinity County, Texas, embracing in part the George Ball Survey, A-82, dated January 2, 1851 and the Marcus P. Mead patented Survey, A-418, dated August 9, 1860, and being identified for mineral leasing purposes as Tract K-2As-I. Tract K-2As-I contains 3.80 acres and is described as follows for mineral leasing purposes only. Tract K-2As-I was acquired from Trinity County Lumber Company by deed dated March 24, 1936 and recorded in Volume 87 Page 173, Deed Records, Trinity County, Texas. It is not the intent of this description of Tract K-2As-I to include any lands within adjacent issued Bureau of Land Management (BLM) leases or lease offerings.

BEGINNING at corner 1 of Forest Service Tract K-2As-I, common to corner 1 of Forest Service Tract K-2Ah, identical with the third corner of the George Ball Survey, on an easterly line of the Marcus P. Mead Survey and the westerly line of the Celia Reese Survey, A-543, a F.S. standard concrete post marked K-425;

THENCE S 45° 00' W, with Tract K-2Ah, common to the George Ball Survey and partly within the Marcus P. Mead Survey. At 5.30 chains corner 21 of Tract K-2Ah, on a westerly line of the Marcus P. Mead Survey. At 18.80 chains corner 19 of Tract K-2Ah, on a northerly line of the Marcus P. Mead Survey. At 37.00 chains corner 2 of Tract K-2As-I;

THENCE N 44° 00' W, within the Marcus P. Mead and George Ball Surveys, 1.60 chains to corner 3 of Tract K-2As-I, a stake in the southeasterly right-of-way line of the abandoned Groveton, Lufkin & Northern Railroad;

THENCE Northeasterly, along said right-of-way, on a curve to the left, with F.S. Tract K-2As, within the George Ball and Marcus P. Mead Surveys, 5.70 chains to the point of tangency;

THENCE N 46° 15' E, continuing along said right-of-way, with Tract K-2As, within the George Ball and Marcus P. Mead Surveys. At 31.50 chains corner 4 of Tract K-2As-I, common to corner 4 of Tract K-2As and corner 3 of Tract K-2Ag, on the northeasterly line of the George Ball Survey;

THENCE N 45° 45' E, continuing along said right-of-way, with Tract K-2Ag, within the Marcus P. Mead Survey, 0.50 chain to corner 5 of Tract K-2As-I, on the westerly line of the Celia Reese Survey;

THENCE South, common to the Marcus P. Mead and Celia Reese Surveys, 0.70 chain to the PLACE OF BEGINNING, containing 3.80 acres, more or less.

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

The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of Interior in the permit. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/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 a permit/exploration plan approved by the Secretary of the Interior.

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

District Ranger, Cimarron Ranger District
Cimarron National Grassland
242 Hwy. 56 East
P.O. Box 300
Elkhart, Kansas 67950
(620) 697-4621

who is the authorized representative of the Secretary of Agriculture.

NOTICE

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

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other

considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.

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

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

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

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

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.

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.

Bureau of Land Management
Roswell/Carlsbad Field Office

SENM-LN-1
February 1991

SLOPES OR FRAGILE SOILS

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

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

On the lands described below:

For the purpose of: Protecting Slopes or Fragile Soils

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

**SENM-S-17
December 1997**

STREAMS, RIVERS, AND FLOODPLAINS

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

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

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

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

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

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

For the purpose of: Protecting Streams, Rivers and Floodplains

On the lands described below:

PLAYAS AND ALKALI LAKES

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

Surface disturbance will not be allowed within up to 200 meters of PLAYAS of Alkali Lakes. Waiver of this requirement will be considered on a case-by-case basis for projects designed to enhance or protect renewable natural resources. An exception for oil and gas development will be considered if Playa lake loss was mitigated by the protection and development of another playa exhibiting the potential for improvement.

Mitigation could include:

installing fencing; developing a supplemental water supply; planting trees and shrubs for shelter belts; conducting playas basin excavation; constructing erosion control structures or cross dikes; or by improving the habitat in another area.

On the lands described below:

For the purpose of: Protecting Playas and Alkali Lakes

SPRINGS, SEEPS AND TANKS

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

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

For the purpose of: Protecting Springs, Seeps and Tanks

CAVES AND KARST

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

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

For the purpose of: Protecting Caves and Karst Features

PRAIRIE CHICKENS

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

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

For the purpose of: **Protecting Prairie Chickens**

VISUAL RESOURCE MANAGEMENT

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

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

For the purpose of: Protecting Visual Resources Management

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

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

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

Level I Development

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

Measures to be applied: Standard lease terms and conditions

Level III Development

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

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

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

Level II Development

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

Measures to be applied:

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

-remove all caliche from well pads and roads associated with wells that are abandoned, and are not capable of producing in paying quantities.

-well pad size within grasslands will not exceed 300ft x 390ft (unless multiple wells are drilled from the same well pad), and all unused portions of well pads/pit area associated with producing wells will be reclaimed using the seed mixture below;

-within grasslands determined suitable for the Aplomado Falcon, utilize a seed mixture that consists of the following:

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

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

On the lands described below:

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

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

SHINNERY OAK SAND DUNE HABITAT COMPLEX
ZONE 3 PLAN OF DEVELOPMENT

A plan of development (POD) for the entire lease must be submitted for review and approval, including NEPA analysis, by the BLM PRIOR to approval of development actions (APD, Sundry Notices). The POD must indicate planned access to well facilities (roads, pipelines, power lines), and the approximate location of well sites. Should it become necessary to amend the POD, the amendment must be approved prior to approval of subsequent development actions. Deviations from a current POD are not authorized until an amended POD has been approved by BLM.

For the purpose of:

Managing habitat suitable for the lesser prairie chicken (LPC) and sand dune lizard (SDL). The lease contains isolated blocks of unfragmented habitat suitable for LPC or SDL. Habitat parameters within this area are needed for the life cycle of the species (e.g., edge) or, with habitat manipulation, the area could become suitable habitat. To the extent possible, buffer zones around active LPC leks will be utilized to provide resource protection.

NO SURFACE OCCUPANCY
SAND DUNE LIZARD HABITAT AREAS

All or a portion of the lease is within habitat suitable for Sand Dune Lizard (SDL), special status species of concern. In accordance with the BLM "INTERIM MANAGEMENT FOR THE SHINNERY OAK SAND DUNE HABITAT COMPLEX," dated August 2004, regardless of the Zone BLM will restrict new leases on Federal minerals for all Management Zones that have occupied and/or suitable lizard habitat. Restriction of new leases would result in the protection of key (SDL) habitat until further analysis can be made through the plan amendment process. This lease is issued with the intention that it be developed by directional drilling from or prorationing within the lease boundaries or from an existing lease on the periphery of the designated NSO portion of the lease. Plans of development may be requested by the BLM in these habitats. This stipulation may not be waived unless or until decisions on management of the habitat complex allow such waivers. These decisions will be made by the Bureau of Land Management in a Resource Management Plan (RMP) Amendment to the Roswell and Carlsbad RMPs.

No Surface Occupancy on the lands described below:

TIMING LIMITATION STIPULATION
IMPORTANT SEASONAL WILDLIFE HABITAT-RAPTOR

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

From March 1 to June 30.

On the lands described below:

For the purpose of: Protection of important seasonal wildlife habitat (bird of prey nests)

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

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

TIMING LIMITATION STIPULATION
IMPORTANT SEASONAL WILDLIFE HABITAT

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

December 1 through March 31.

On the lands described below:

For the purpose of: Protection of important wildlife habitat (big game winter range).

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

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

NO SURFACE OCCUPANCY STIPULATION
SPECIAL CULTURAL VALUES

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

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

For the purpose of: Protects cultural resource values.

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

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

NO SURFACE OCCUPANCY STIPULATION
RIVER TRACTS SPECIAL MANAGEMENT AREA

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

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

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

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

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

LEASE NOTICE
MOUNTAIN PLOVER

All development activities proposed under the authority of this lease are subject to compliance with mitigation measures described in the Biological Assessment prepared as part of the Endangered Species Act Section 7 consultation for the Farmington RMP. Specifically, the lease is within potential habitat for mountain plover. Surface disturbance activities proposed for the breeding season (April 1 through July 31) will require surveys for mountain plover. If the species is detected in the project area, construction will be restricted to the period of August 1 through March 31. Permanent facilities such as compressor stations may require site-specific mitigation such as noise remediation or maintenance construction timing restrictions. The BLM may require modifications to or disapprove proposed activities that would adversely affect nesting mountain plovers or their habitat. 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.

NO SURFACE OCCUPANCY
Special Cultural Values and/or Traditional Cultural Properties

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

For the purpose of: Protection of known cultural resource values and/or traditional cultural properties in areas not already within ACECs.

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

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

VISUAL RESOURCE MANAGEMENT CLASS III
LEASE NOTICE

Surface activities on the lease are subject to Visual Resource Management Class III restrictions. This may require the lease holder to take additional mitigation measures such as low profile tanks, special paint requirements, movement of locations, roads, and pipelines, or other measures to minimize visual impacts. or other measures. The need for additional mitigation measures will be determined on a case-by-case basis for each proposed action.

For the purpose of: Preserving important visual resources.

FLOODPLAIN PROTECTION STIPULATION
CONTROLLED SURFACE USE

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

For the following described land(s):

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

WETLAND/RIPARIAN STIPULATION
CONTROLLED SURFACE USE

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

For the following described land(s):

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

NO SURFACE OCCUPANCY STIPULATION

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

(the lands may be drilled directionally from an off-site location where occupancy is allowed).

For the purpose of: Protection of a resource or use not compatible with oil and gas development.

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

Lesser Prairie Chicken Stipulation

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

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

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

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

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

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

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

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

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

ENDANGERED SPECIES ACT
SECTION 7 CONSULTATION STIPULATION

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

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

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

All matters related to this stipulation are to be addressed

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

Who is the authorized representative of the Secretary of Agriculture.

CONTROLLED SURFACE USE STIPULATION
**(Winding Stair Mountain Recreation Area
and Associated Non-Wilderness Designations)**

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

Management Area 19 – Winding Stair Mountain Recreation Area and Associated Non-Wilderness Designations: Indian Nations Scenic and Wildlife Area (Management Area 19g).

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality and other Management Area objectives to the extent practical. Forest Plan Standard 19.04: Reclamation must be completed within 90 days from commencement on oil and gas wells that are non-producing or uneconomical. For producing wells, reclamation of areas no longer needed must be consistent with standard 19.05 and must be completed within 90 days from commencement. Forest Plan Standard 19.05: Mining related operations can have no more than One-half acre of surface impact unreclaimed during the course of the operation.

On the lands described below:

For the purpose of: To meet Management Area 19 Forest Plan objectives; Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS. RFP Design Criteria RS003.

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

Revised - October 30, 2006

CONTROLLED SURFACE USE STIPULATION
(Semi Primitive Area)

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

Management Area 17: Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality and other Management Area objectives to the extent practical.

On the lands described below:

For the purpose of: To meet Management Area 17 Forest Plan Objectives; Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS. RFP Design Criteria RS003.

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

CONTROLLED SURFACE USE STIPULATION
(Old Growth Restoration)

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

Management Area 21: Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality and other Management Area objectives to the extent practical.

On the lands described below:

For the purpose of: To meet Management Area 21 Forest Plan objectives; Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS. RFP Design Criteria RS003.

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

CONTROLLED SURFACE USE STIPULATION
(Highway 270 and Highway 1005)

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

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality objectives to the extent practical. Operations cannot adversely impact the road and must meet Forest Scenic Integrity Objectives (SIO). SIO buffers may be from 50 feet to ¼ mile.

On the lands described below:

For the purpose of: To meet visual quality objectives and to protect semi-primitive recreation values; Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS. RFP Design Criteria RS003.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS, and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS manual 1950 and 2820).

LEASE NOTICE

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

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

LEASE NOTICE

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

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

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

NO SURFACE AND OCCUPANCY STIPULATION
(Cedar Lake Recreation Area)

No use or occupancy of the surface will be permitted within the following area:

For the purpose of: Protecting the resources and curtailing any operations that are not compatible with the purpose of the management area. The lessee is authorized to employ directional drilling to exploit the mineral resources within the aforementioned area(s) providing such drilling will not disturb the surface.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Plan 9/23/2005, as amended and Final EIS, and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 for FS manual 1950 and 2820).

U. S. ARMY COE
SPECIAL STIPULATIONS 1-A
Fort Supply Lake

- 1. This is a no surface occupancy lease.**
- 2. All oil and gas drilling and production operations shall be under the supervision of the District Manager, Bureau of Land Management (BLM), in accordance with 43 Code of Federal Regulations 3160.**
- 3. The Secretary of the Army or designee reserves the right to require cessation of operations if a national emergency arises or if the Army needs the leased property for a mission incompatible with lease operations. On approval from higher authority, the District Engineer will give notice of the required suspension. The lessee agrees to this condition and waives compensation for its exercise.**
- 4. If the District Engineer or his authorized representative discovers an imminent danger to safety or security which allows no time to consult the BLM, that person may order such activities stopped immediately. The District Manager, BLM, will be notified immediately, will review the order, and will determine the need for further remedial action.**
- 5. Lessee liability for damage to improvements shall include improvements of the Department of Defense. Lessee shall be liable for pollution and other damages, as a result of their operations, to Government-owned land and property and to the property of the Government's authorized surface user.**
- 6. Before beginning to drill, the lessee must consult with third parties authorized to use real estate in the lease area and must consider programs for which third parties have contractual responsibility.**
- 7. A license to conduct geophysical test on the leased area must be obtained separately from the District Engineer.**
- 8. That all rights under this lease are subordinate to the rights of the United States to flood and submerge the lands, permanently or intermittently, in connection with the operation and maintenance of the above-named project.**
- 9. That the United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the use and occupation of the said premises, or for damages to the property of the lessee, or for injuries to the person of the lessee's officers, agents, servants, or employees, or others who may be on said premises at their invitation or the invitation of any one of them arising from or incident to the flooding of the said premises by the Government or flooding from any other cause, or arising from or incident to any other Governmental activities; and the lessee shall hold the United States harmless from any and all such claims.**

10. That the work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Corps of Engineers in direct charge of the project and subject to such conditions and regulations as may be prescribed by him, and the plans and locations for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval in advance of commencement of any work on said lands. The District Engineer shall have the right to enter on the premises, at any time, to inspect both the installation and operational activities of the lessee.
11. That no structure or appurtenance thereto shall be of a material or construction determined to create floatable debris.
12. That the construction and operation of said structures and appurtenances thereto shall be of such a nature as not to cause pollution of the soils and the waters of the project.
13. That the United States reserves the right to use the land jointly with the lessee in connection with the construction, operation, and maintenance of the Government project and to place improvements thereon or to remove materials therefrom, including sand and gravel and other construction material, as may be necessary in connection with such work, and the lessee shall not interfere in any manner with such work or do any act which may increase the cost of performing such work. If the cost of the work performed on land outside the property included in the lease is made more expensive by reason of improvements constructed on the leased property by the lessee, the lessee shall pay to the United States money in the amount, as estimated by the Chief of Engineers, sufficient to compensate for the additional expense involved.
14. All areas with 2,000 feet of any major structure, including but not limited to the dam, spillway, or embankment, are restricted areas. The lessee, his operators, agents, or employees shall not utilize the surface of restricted areas for any purpose. Drilling operations in, on, or under the restricted areas, including drilling outside of the restricted areas which would cause a bore hole to be under the restricted area, will not be permitted. The restricted areas are included in the lease for the sole purpose of becoming part of a drilling unit so that the United States will share in the royalty of the unit.
15. All existing or proposed public use areas, recreation areas, wildlife and waterfowl refuges, historical sites, and hiking and horseback trail areas may be leased for the sole purpose of becoming a part of a drilling unit. The lessee, his operators, agents, or employees will not use or enter upon the surface for any purpose. Directional drilling from non-public areas is permitted if not otherwise restricted.
16. All storage tanks and slush pits will be protected by dikes of sufficient capacity to protect the reservoir from pollution to flood pool elevation 2,028 feet for Fort Supply Lake, National Geodetic Vertical Datum.

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

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

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

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

All matters related to this stipulation are to be addressed

To : Forest Service
National Forests in Texas
At : 701 North First Street
Lufkin, TX 75901
Telephone No : (936) 639-8501

Who is the authorized representative of the Secretary of Agriculture.

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

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

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

On the lands described below:

All lands in lease

For the purpose of:

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

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

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS
(Trail Between the Lakes Hiking Trail)

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

Trail Between the Lakes Hiking Trail. Proposals for drilling sites located 150 feet or less from the trail may be subject to special requirements or limitations, 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 25 feet from the trail's edge to meet public safety requirements. If necessary, the shot holes may be required to be located farther than 25 feet from the trail. (FW-158)

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 Marcy 28, 1996.

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

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS
(Protect Lakeshores – Toledo Bend Reservoir)

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

Proposals for a structure, facility, or motorized uses on Toledo Bend Reservoir lands between the 172' and 175' MSL contours, or on a strip of land extending inland 200 meters from the 175' contour, may be subject to special requirements or limitations, such to be determined on a case-by-case basis.

On the lands described below:

For the purpose of:

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

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

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

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

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

On the lands described below:

All lands in lease

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.)

LEASE NOTICE
NATIONAL FORESTS IN TEXAS
(Proposals for surface occupancy
Below the 172' MSL contour)

Proposals for surface occupancy, other than foot travel, below the 172' MSL contour will require concurrence of the United States Corps of Engineers prior to issuance of a Forest Service decision on that proposal. In addition, the Sabine River Authority of Texas will be requested to comment on such proposals.

FS8(TX)LN6-B

LEASE NOTICE
NATIONAL FORESTS IN TEXAS
(Radio Repeater Station)

A radio repeater station lies within Tract K-2Ak. Activity near this area may be restricted.

NO SURFACE OCCUPANCY STIPULATION
NATIONAL FORESTS IN TEXAS

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

**Tracts _____ where minimal surface
Area is available and resources would be impacted by
drilling facilities.**

**For the purpose of: To meet visual quality objectives and to protect 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.)**

NO SURFACE OCCUPANCY STIPULATION
NATIONAL FORESTS IN TEXAS
(Protect Recreational Values)
(Kickapoo Picnic Area)

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

The areas listed above, 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.

Kickapoo Picnic Area which lies within Tract K-2c Parcel #2

For the purpose of:

To meet visual quality objectives and to protect recreational 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.)

NO SURFACE OCCUPANCY STIPULATION
NATIONAL FORESTS IN TEXAS
(Protect Lakeshore Areas)

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

Areas along lakeshores of Tracts _____
where visual resources would be severely impacted by drilling
facilities.

For the purpose of:

To meet visual quality objectives and to protect lakeshore 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.)

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

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

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

February 15 through May 15

On the lands described below:

All lands in lease

For the purpose of:

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

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

TIMING LIMITATION STIPULATION
NATIONAL FORESTS AND GRASSLANDS IN TEXAS

(To avoid disturbance of actual or probable bald eagle nesting locations)

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

Part or all of this lease is within one (1) mile of a bald eagle nesting site. During nesting periods, seismic exploration, new clearing of vegetation, and exploratory drilling or any other 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 and activities may be restricted if, in the opinion of the responsible agency biologist, restrictions are necessary to assure nesting success. (FW-221)

Approximately October 1 through May 15 per year

On the lands described below:

For the purpose of:

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

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

GENERAL PROJECT STIPULATIONS

**UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION**

NUECES RIVER PROJECT, TEXAS

1. All rights under this lease are subordinate to the right of the United States to flood and submerge the lands, permanently or intermittently, in connection with the construction and operation, and maintenance of the Choke Canyon Dam and Reservoir, Nueces River Project, Texas

2. All surface work performed by the lessee on the lands shall be under the general supervision of the Area Manager, Bureau of Reclamation (Reclamation) in direct charge of the project, and shall be subject to such conditions and regulations as may be prescribed. Detailed plans and location for all structures, appurtenances thereto, and surface disturbance work on the leased lands shall be submitted to the said Area Manager for approval in advance of commencement of any surface work on the said leased lands. At least 60 days or more lead time is preferred. All oil or gas drilling and producing operations shall be under the supervision of the District Manager, Bureau of Land Management (BLM), in accordance with 43 CFR 3160. The authorized representatives of Reclamation and BLM shall have the right to enter on the leased premises at any time to inspect both the installation and operational activities of the lessee.

A. Pre-drilling Conditions:

1. No exploratory drilling, pit construction, or site clearing will occur until approval is granted by the appropriate Reclamation representatives in consultation with the local managing agency.

2. No well shall be drilled for oil or gas below the surface elevation of 220.5 feet mean sea level (msl) (top of conservation pool). This elevation restriction does not apply to areas downstream of the dam. No drilling will be allowed within 400 feet of any developed recreation area.

3. All storage tanks shall be constructed outside the flood plain above elevation 222.5 feet msl. This elevation restriction does not apply to areas downstream of the dam. Berms shall be constructed around storage batteries, tanks, and separators to contain their entire volume should an accidental spill or rupture occur.

4. Drilling a well for oil or gas is prohibited within 1,000 feet of any dam, dike, or other major structure, unless otherwise approved by the Area Manager in consultation with the local managing agency.

5. No well shall be drilled within 1/8 mile (660 feet) of a river, channel, permanent stream, tributary, or marsh site unless otherwise approved by the Area Manager in consultation with the local managing agency(s). To protect watersheds, slopes in excess of 40 percent (2.5:1) should be avoided where possible.

6. All drilling operations shall be conducted in accordance with the applicable State laws relative to municipal water supplies.

7. No surface disturbance shall occur until completion of an environmental analysis of the proposed drilling activity by Reclamation and all coordination matters are completed. This analysis will involve review of federally listed threatened and endangered plant and animal species, protection of wetlands, cultural resources, and water quality associated concerns. Certain data needs may be requested from the applicant proposing a surface disturbance action.

8. Where surface operations and facilities could reasonably be expected to discharge petroleum products into navigable waters and should oil or petroleum products be stored on site and facilities have an aggregate storage of 1,320 gallons or more or single containers with capacity of 660 gallons or more, a "Spill Prevention Control and Counter Measure Plan" shall be prepared and must be maintained and kept available for inspection on site (if manned) or at the nearest field office, if unmanned. In the event of a spill or leakage, the lessee assumes all responsibility for cleanup and damages.

9. At lessee's expense, a cultural resource survey of lands that may be disturbed must be completed prior to any surface disturbance. If during operations the lessee, or any person working in his behalf discovers any historic or prehistoric ruin, monument or site, or any object of antiquity subject to the Archeological Resource Protection Act of 1979, or the National Historic Preservation Act of 1966, as amended, and 43 CFR 422, then work shall be suspended and the discovery promptly reported to Reclamation. When directed by Reclamation's authorized representative, the lessee shall obtain, at his expense, a qualified archeologist to examine and, if necessary, excavate or gather such ruins or objects.

10. No "mud pits" shall be constructed below elevation 222.5 feet msl. This elevation restriction does not apply to areas downstream of the dam. Pits shall be well constructed in such a manner to prevent leaching of chemicals into the water table and under no circumstances shall they be allowed to leak or be cut to drain. Lining mud pits with plastic may be required. They shall not be located on natural drainages. In some situations, such as drilling in a flood plain, a closed mud system may be required with containerization of drill cuttings. Waste or discharge of any kind shall not be allowed to enter any drainage. Any plastic material used to line pits and/or sumps shall be cut off below ground level, as far down as possible, and disposed of before the pits are covered. All unattended pits containing liquids shall be fenced, and the liquid portion shall be allowed to evaporate before the pits are broken.

11. The derrick shall not be located closer than one and one-half times its height from any electrical power transmission line unless prior approval is obtained from the owner of the power company. Signs shall be posted warning the public to prevent entry to the job site. Also, adequate blowout preventers shall be properly maintained.

12. All aboveground structures, not subject to applicable safety requirements, shall be painted to blend with the natural surroundings. The paint used shall be lusterless, nonreflective, flat, or semigloss color that blends with the area.

B. Roads:

1. The lessee shall observe the following restrictions during exploration:

a. Wherever possible, existing roads and trails are to be used as access to the drilling site. New road construction will be kept to a minimum, and new construction will not begin until the location is approved by the local managing agency.

b. Each existing fence to be crossed by the lessee shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be protected as necessary during construction and well operation to prevent the escape of livestock. Upon completion of construction, the fence shall be repaired to the original standard of the existing fence.

c. Cleared trees and shrubs will be removed and/or piled as brush piles for wildlife shelter as designated by the local managing agency. Available topsoil will be removed from the road right-of-way and stored in a topsoil stockpile.

d. New access roads shall normally be a maximum of 30 feet wide including drainage ditches and culverts. Road surface shall be graveled to a thickness identified as suitable for existing ground. Access roads shall be constructed to widths suitable for the safe operation of the vehicles and equipment at speeds proposed. The road shall be posted with curve signs and maximum speed limits. Speeds shall be limited on curves and posted to speeds that will permit a vehicle to be stopped within one-half the minimum sight distance. The road shall be maintained in safe condition.

e. At the request of the local managing agency, on new access roads the lessee shall construct cattle guards or install gates with locks which will be maintained by the lessee during drilling operations and all such times thereafter as production continues. Fencing of roads may be required.

f. Roads shall be maintained in suitable condition for vehicle passage during the duration of drilling activities with special consideration given to erosion control during wet and muddy periods.

g. Existing roads shall be returned to original or equivalent condition after drilling equipment has been removed.

h. All roads shall be adequately drained to control runoff and soil erosion. Drainage facilities may include ditches, water bars, culverts, and/or any other measures deemed necessary by Reclamation representatives. The following is a general guide for the spacing of water bars:

Present Slope

less than 2 percent	200 feet
2 to 4 percent	100 feet
4 to 5 percent	75 feet
more than 5 percent	50 feet

i. In the event of a “dry hole”, any new road construction sites will be revegetated by the drilling company, with native and/or adapted grasses, forbs, and shrubs as requested by Reclamation, unless the local managing agency indicates in writing that the road is to remain. Revegetation is to be accomplished by seeding and fertilizing the area within 1 year of completion at recommended seeding rates and dates.

2. The lessee shall observe the following stipulations should oil or gas be found and production activities occur:

a. Production company shall maintain road in suitable condition for vehicle passage. Public will be permitted to use road where existing road was originally open to such use. New road construction, if needed, can be exempt from public use.

b. Should the local managing agency deem it necessary to control vehicle traffic into the area during any season of the year, the production company will provide a metal gate and lock.

C. Drilling Pad and Reserve Pit:

1. Area cleared for the drilling pad site and reserve pit shall be the absolute minimum required for operations.

2. All trees and shrubs removed from the pad site shall be piled near the site at places designated by the local managing agency for use as wildlife shelters.

3. Available topsoil shall be removed from the drilling pad and pit site and stored in a topsoil stockpile.

4. Diesel fuel tanks and other potential pollution sources will be surrounded by an earthen berm of sufficient height to contain their entire volume in the event of an accidental leak or rupture.

5. The area will be kept well policed and free of trash and litter at all times, including access roads used solely by the lessee. Litter blown out of the work area must be picked up. All waste associated with the drilling operations shall be removed and deposited in an approved sanitary landfill within 1 month after removal of the drilling rig. The lessee shall comply with all State laws and regulations pertaining to the disposal of human waste.

6. For the protection of livestock and wildlife, all pits containing toxic liquids shall be fenced and covered with a fine mesh netting (i.e., hardware cloth) with openings being of one-half inch or less.

7. The lessee will remove fluids and trash from all pits. The sludge pit will be pumped after drilling activities are completed and, following adequate drying, reshaped to original contours and covered with topsoil. This restoration must be accomplished within 90 days of completion of drilling. The area must then be revegetated as requested by Reclamation.

D. Actions with a Producing Well:

1. A minimum service area will be developed around the well head. No permanent material storage will be allowed on the lease. The remainder of the drilling pad will be covered with topsoil from the stockpile and restored to vegetation by tilling, fertilizing, and seeding. Specific seed types will be determined on a case-by-case basis by Reclamation in consultation with the local managing agency.

2. The lessee may be required to utilize electric or submersible pumps, where feasible, rather than fuel-powered pumps or other machinery. All electric lines must be buried to a depth of 15-18 inches.

3. All transfer lines from well site to tank battery, saltwater disposal well, or the like, must be buried 3 feet below the surface and a minimum depth of 4 feet at stream, creek, and river channel crossings.

4. When possible, a common point of collection shall be established to minimize the number of tank batteries.

E. Actions with a Non-producing Well:

1. All disturbed areas will be recontoured, covered with topsoil, and revegetated. All trash will be removed from the lease site.

2. Gates and cattle guards shall be removed where requested by the local managing agency. Any openings in fences will be restored to original condition.

F. General:

1. The lessee shall limit access to well and storage locations on the leased property to authorized personnel.

2. The lessee agrees to cease all operations and make all necessary corrections to the satisfaction of the representatives of Reclamation in consultation with the local managing agency before resuming any operations should any violations of the terms of this lease occur.

3. The lessee shall not permit any nuisance to be maintained on the premises and shall not use said premises for any purposes other than those authorized in the lease. Before abandoning any well, the lessee shall securely plug the same so as to effectually shut off water from the oil-bearing stratum.

4. The lessee shall carry on the development and/or operation of the leased premises in a workmanlike manner and shall not commit or suffer to be committed waste upon the lands in occupancy and use. In drilling operations, the lessee shall only use so much of the land as is necessary; shall safeguard the lakes and streams from any pollution; and shall not permit oil, saltwater, drilling mud, or other deleterious substances to escape onto the land, but the same shall be retained in proper tanks, receptacles, or in pits prepared for such purpose; and after the termination of drilling operations, any such pits shall be filled and land properly restored to its original condition, and only so much thereof shall be used in the production of the leased premises as is reasonably necessary to operate any well or wells thereon.

5. Lessee shall provide all subcontractors and assigns, especially the dirt contractor, with a copy of the above stipulations prior to construction of the road, pad, or associated developments.

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 entryman, 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 entryman 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.

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