New Mexico Oklanoma Texas & Kansas

Competitive Oil and Gas Lease Sale

April 16, 2008

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





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.blm.gov/nm



February 28, 2008

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, 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, April 16, 2008,

The Accounts Office at the Bureau of Land Management, New Mexico State Office Building, will be used to register all bidders. Registration will start at 8:00 a.m. through 9:00 a.m. so you can obtain your bidding number.

Where: We will hold the sale at the 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 April 1, 2008.

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 (\$2 X 200 acres) and the advance annual rental will be \$300 (\$1.50 X 200 acres) for the first 5-years and \$400 (\$2 X 200 acres) for the remainder of the lease term. 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 \$140. You must make this payment in our Accounts Office 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 April 30, 2008, which is the 10th working day following the sale. Send the remaining balance payment to: Attn: Accounts Staff Bureau of Land Management, New Mexico State Office, 1474 Rodeo Road, Santa Fe, New Mexico 87505, 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.
- -Method of payment: You can pay by personal check, cashier's 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, November 2001, or earlier 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 Title 43 CFR 3102.5-2; and
- (2) Both of you have complied with 18 U.S. C. 1860, a law that prohibits unlawful combinations, intimidation of and collusion among bidders.
- **-Federal acreage limitations:** Qualified individuals, associations, or corporations may only participate in a competitive lease sale and purchase Federal oil and gas leases from this office if such purchase will not result in exceeding the State limit of 246,080 acres of public domain lands and 246,080 acres of acquired lands (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations, you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. Lease acreage committed to a unit agreement or development contract that you hold, own or control is excluded from chargeability for acreage limitation purposes.

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

- **-Lease terms:** A lease issued as a result of this sale will have a primary term of 10 years. It will continue beyond its primary term as long as oil or gas is produced in paying quantities on or for the benefit of the lease. Advance rental at \$1.50 per acre or fraction of an acre for the first 5 years (\$2.00 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, February 2003 or later edition, copy included).
- **-Stipulations:** Some parcels have special requirements or restrictions which are called stipulations. These are noted with each of the parcels. Stipulations are part of the lease and supercede any inconsistent provisions of the lease form.
- **-Lease Issuance:** After we receive the bid form and all the money due, and, if appropriate, your unit joinder information, we can issue the lease. Usually, a lease is effective the first day of the month following the month in which we sign it. If you want your lease to be effective the first day of the month in which we sign it, you must ask us in writing to do this. We have to receive your request before we sign the lease.
- **-Legal Land Descriptions:** We prepared this Notice with land status information from our Legacy Rehost 2000 (LR2000) case recordation system. We are providing you with the following information to assist you in understanding the legal descriptions given for each parcel:
 - The township and range contains additional zeros. For example, T. 28 N., R. 32 E., is shown as T $\underline{0}28\underline{0}$ N, R $\underline{0}32\underline{0}$ E (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 $\frac{1}{2}$ township as a 2 in the database. This 2 will appear as the last digit in the number. For example, T 14 $\frac{1}{2}$ N, will appear as T 0142 N.
- **-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.) 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 \$360 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 July 18, 2008. Please send nominations for that sale by March 7, 2008.

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 results list is also available on our public internet website: http://www.blm.gov/nm/ (click on Programs, then click on Energy).

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) 438-7458. 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.

Whom should I contact if I have a question?

For general information, please contact our Information Access Center at (505) 438-7471 or for information or questions about the sale, contact: Lourdes B. Ortiz at (505) 438-7586.

Lourdes B. Ortiz Land Law Examiner Fluids Adjudication Team Form 3000-2 (January 2007)

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: December 31, 2009
State
Date of Sale

	AMOUNT OF BID (see instructions below)		
PARCEL NUMBER	TOTAL BID	PAYMENT SUBMITTED WITH BID	
THE BID IS FOR (check one):			
Oil and Gas Parcel Number			
Geothermal Parcel Number			
Name of Known Geothermal Resource Area (KGRA)			
The appropriate regulations applicable to this bid are: (1) for oil and gas lease leases43 CFR 3132; and (3) for Geothermal resources leases43 CFR 3220. (
I CERTIFY THAT I have read and am in compliance with; and not in viregulations for this bid.	olation of the lessee qualification	requirements under the applicable	
I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibit this bid was arrived at independently and is tendered without collusion with any			
IMPORTANT NOTICE: Execution of this form where the offer is the high bi conditions. Failure to comply with the applicable laws and regulations under whall monies submitted.			
Print or Type Name of Lessee	Signature of Lesso	ee or Bidder	
Address of Lessee			

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

- 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 Bureau of Land Management (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 the 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 BLM.
- 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), the bidder may wish to leave the AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the BLM at the oral auction.

INSTRUCTIONS

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INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID

- 1. Separate bid for each parcel is required. Identify the parcel by the number assigned to a tract.
- Bid must be accompanied by one-fifth of the total amount of the 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 the 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 the 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.
- If the 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 BLM.

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.

City

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.

NOTICES

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.

The BLM collects this information to determine the bidder submitting the highest bid.

Response to this request is required to obtain a benefit.

The 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 10 minutes 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 (1004-0074), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Stop 401 LS, Washington, D.C. 20240.		
	, j	(Form 3000-2, page 2)
	ix(a)	

Form 3100-11 (October 1992)

(Continued on reverse)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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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)			ACQUIRED LANDS (percent	
	Surface managing agency if other than BLM:		Unit/Project		
	Legal description of land requested:	*Parcel No.:		*Sale Date (r	m/d/y)://
	*SEE ITEM 2 IN INSTRUCTIONS BELOW PRI				
	T. R.	Meridian	State	County	
					acres applied for
	Amount remitted: Filing fee \$	Rental fee \$		Total	\$
		DO NOT WRITE B	ELOW THIS LINE		
_					
3.	. Land included in lease:				
	T. R.	Meridian	State	County	
				_	
					otal acres in lease
				Re	ental retained \$
-					
an ap	his lease is issued granting the exclusive right to drill for maintain necessary improvements thereupon for the oplicable laws, the terms, conditions, and attached stipurders hereafter promulgated when not inconsistent with	term indicated below, subject to renewal ations of this lease, the Secretary of the l	l or extension in accordance wi interior's regulations and formal	th the appropriate leasing au	thority. Rights granted are subject t
	OTE: This lease is issued to the high bidder pursusmination and those specified on this form.	ant to his/her duly executed bid or not	nination form submitted unde	er 43 CFR 3120 and is subj	ect to the provisions of that bid o
Ţ	ype and primary term of lease:		THE UNITED STATES O	F AMERICA	
	Noncompetitive lease (ten years)		by	(Signing Officer)	
	Competitive lease (ten years)				
	Other		(Tit	de) EASE	(Date)
TOTAL ST		vii	A CONTRACTOR OF THE STATE OF TH		
"	Continued on reverse)	Y 1 1			

- 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 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
				(Signature of Lessee or Attorney-in-fac

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, 12 1/2 %;
- (b) Competitive lease, 121/2%;
- (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.

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

NEW BIDDER REGISTRATION FORM

	BIDDER NO	
	(Leave I	3lank
NAME:		
TELEPHONE:		
ADDRESS:		
CITY:		
STATE:	ZIP CODE:	
E-MAIL ADDRESS:		
_	UALIFIED TO HOLD A FEDERAL O	IL
AND GAS LEASE.		
SIGNATURE	DATE	



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

New Mexico State Office 1474 Rodeo Road, P.O. Box 27115





February 26, 2008

NOTICE

The Bureau of Land Management will hold four (4) Competitive Oil and Gas Lease Sales during Fiscal Year 2009. The <u>tentative</u> scheduled dates are shown below:

Sale Date	Team Lead <u>for Sale</u>	Expressions of Interest (EOI) Closing Date and Presale Applications	Posted on Website/ Mailed to the Public
Oct 22, 2008	Gloria	June 6, 2008	September 5, 2008
Jan 21, 2009	Becky	September 5, 2008	December 5, 2008
April 22, 2009	Lou	December 5, 2008	March 6, 2009
July 22, 2009	Berna	March 6, 2009	June 5, 2009

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

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

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

/s/ Gloria S. Baca

Gloria S. Baca Land Law Examiner Fluids Adjudication Team

BUREAU OF LAND MANAGEMENT NEW MEXICO STATE OFFICE

April 16, 2008, Lease Sale Statistics by State Parcels With and Without Pre-sale Noncompetitive Priority Offers

STATE	PARCELS WITH PRESALE OFFERS	PARCELS WITHOUT PRESALE OFFERS	TOTAL PARCELS	ACRES WITH PRESALE OFFERS	ACRES WITHOUT PRESALE OFFERS	TOTAL ACRES
NM	0	83	83	0.00	102,712.10	102,712.10
KS	0	0	0	0.00	0.00	0.00
OK	0	12	12	0.00	8,131.88	8,131.88
TX	0	6	6	0.00	1,350.78	1,350.78
TOTAL	0	101	101	0.00	112,194.76	112,194.76

NEW MEXICO PUBLIC DOMAIN-SE

NM-200804-001 640.000 Acres

T.0220S, R.0230E, NM PM, NM

Sec. 029 ALL;

Eddy County

Carlsbad FO

NMNM 0553710

Stipulations:

NM-11-LN Special Cultural Resource

SENM-LN-1 Cave - Karst Occurrence Area

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

NM-200804-002 636.120 Acres

T.0230S, R.0240E, NM PM, NM

Sec. 004 LOTS 1-4;

004 S2N2,S2;

Eddy County

Carlsbad FO

NMNM 54839, NMNM 76945

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-200804-003 120.000 Acres

T.0240S, R.0250E, NM PM, NM

Sec. 034 NENE,S2NE;

Eddy County

Carlsbad FO

NMNM 88246

Stipulations:

NM-9 Unit Participation/Pooling Stipulation (NSO)

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

SENM-S-32 VRM-Class III Guadalupe Escarpment

SENM-S-42 Southern Guadalupe Escarpment

NEW MEXICO PUBLIC DOMAIN-NE

NM-200804-004 480.000 Acres

T.0100N, R.0260E, NM PM, NM

Sec. 014 SWSE;

023 W2E2,S2NW,SW,SESE;

Guadalupe County

Roswell FO

NMNM 96183

Stipulations:

SENM-S-17 Slopes or Fragile Soils

Sec.14: SWSE

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-19 Playas and Alkali Lakes

Sec.23: S2SWSE

<u>NEW MEXICO PUBLIC DOMAIN – SE</u>

NM-200804-005 560.000 Acres

T.0120S, R.0260E, NM PM, NM

Sec. 010 E2,E2W2,W2SW;

Chaves County

Roswell FO

NMNM 69156, NMNM 70879

Stipulations:

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-19 Playas and Alkali Lakes

Sec.10: W2SE,W2NESW

SENM-S-38 NSO-Overflow Wetlands ACEC

w/Map Attached

NM-200804-006 840.000 Acres

T.0070S, R.0270E, NM PM, NM

Sec. 012 SWSE;

013 NE;

022 SW;

023 SE;

024 NW:

026 NE:

Chaves County

Roswell FO

NMNM 11956, NMNM 27639

NMNM 62181, NMNM 86833

Stipulations:

SENM-S-19 Playas and Alkali Lakes

Sec.22: S2NESW,N2SESW

Sec.24: N2NW

SENM-S-20 Springs, Seeps and Tanks

Sec. 24: N2NW

NM-200804-007 1520.000 Acres	NM-200804-010 1309.960 Acres
T.0120S, R.0270E, NM PM, NM	T.0070S, R.0280E, NM PM, NM
Sec. 025 N2NE,NW,S2;	Sec. 001 LOTS 4;
026 N2,SW,N2SE;	001 SWNW,W2SW;
035 S2NE,NW,SE;	002 LOTS 3,4;
Chaves County	002 S2NW;
Roswell FO	003 SW;
NMNM 92753	006 LOTS 1,2;
Stipulations:	006 S2NE,SE;
SENM-S-17 Slopes or Fragile Soils	007 NENE;
Sec. 35	008 NW;
SENM-S-18 Streams, Rivers, and Floodplains	018 LOTS 1,2;
Sec. 26 & 35	029 W2NE,NESW,NWSE;
SENM-S-19 Playas and Alkali Lakes	T.0080S, R.0280E, NM PM, NM
Sec.25: S2NWNE,S2SW	Sec. 005 LOTS 4;
Sec.26: S2NENE	007 LOTS 1;
SENM-S-20 Springs, Seeps and Tanks	Chaves County
Sec.25: S2SESW	Roswell FO
	NMNM 54279, NMNM 56725, NMNM 68076
	NMNM 69167, NMNM 81731, NMNM 88121
NTM 200004 000 000 A	NMNM 96839
NM-200804-008 800.000 Acres	Stipulations:
T.0160S, R.0270E, NM PM, NM	SENM-S-18 Streams, Rivers, and Floodplains
Sec. 024 N2,SW;	T. 7 S., R. 28 E., Sec. 06
026 NE,SW;	SENM-S-19 Playas and Alkali Lakes
Eddy County	T. 7 S., R. 28 E.,
Carlsbad FO	Sec.6: S2SE
NMNM 98806	Sec.7: NENE Sec.8: W2NW
Stipulations:	
NM-11-LN Special Cultural Resource SENM-LN-1 Cave - Karst Occurrence Area	T. 8 S., R. 28 E., Sec.5: W2 Lot 4 Sec.7: W2 Lot 1
SENM-S-17 Slopes or Fragile Soils	SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst	T. 8 S., R. 28 E., Sec. 5: W2 Lot 4
	11 0 01, 14 20 21, 500. 51 11 2 200 1
	NM-200804-011 1918.060 Acres
NM-200804-009 1560.000 Acres	T.0070S, R.0290E, NM PM, NM
T.0260S, R.0270E, NM PM, NM	Sec. 005 LOTS 4;
Sec. 001 W2;	005 S2NW,S2;
012 E2NE,NW;	006 LOTS 1-4;
013 SENE,S2;	006 S2NE;
026 ALL;	008 N2NE,NW;
Eddy County	013 W2SW,NESE;
Carlsbad FO	022 NWSW;
NMNM 94598, NMNM 98160, NMNM 98161	023 E2SW,SE;
NMNM 98162, NMNM 98812	024 W2NE,SENE,NW,S2;
Stipulations:	Chaves County
NM-11-LN Special Cultural Resource	Roswell FO
SENM-LN-1 Cave - Karst Occurrence Area	NMNM 54283, NMNM 55921, NMNM 60048
SENM-S-17 Slopes or Fragile Soils	NMNM 61346, NMNM 66708, NMNM 70325
SENM-S-18 Streams, Rivers, and Floodplains	NMNM 78244
Floodplain – not in parcel, but within 200 meters	Stipulations:
	SENM-S-19 Playas and Alkali Lakes
	SOO SERVING SOO LEEDNIESE

NM-200804-012 80.000 Acres

T.0240S, R.0290E, NM PM, NM Sec. 031 NWNE, NENW;

Eddy County Carlsbad FO

NMNM 99035

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

NM-200804-013 565.040 Acres

T.0070S, R.0300E, NM PM, NM

Sec. 019 LOTS 2-4;

019 E2, SENW, E2SW;

Chaves County

Roswell FO

NMNM 55932, NMNM 84870

Stipulations:

None

NM-200804-014 160.000 Acres

T.0130S, R.0310E, NM PM, NM

Sec. 034 SE;

Chaves County

Roswell FO

NMLC 062476

Stipulations:

SENM-S-19 Playas and Alkali Lakes

Sec. 34: E2SESE

This parcel contains 4 inactive

Wells. The Federal V Wells #1-#4

These wells are not in compliance

With Federal regulations.

The successful bidder will be required

to submit a \$10,000.00 or adequate bonding to assume liability for these

boliding to assume flatility for these

wells, unless adequate Statewide or

Nationwide bond coverage is being

Maintained.

The successful bidder will be required

To join the Dricky Queen Sand Unit

NMNM 70935X prior to lease issuance

Operator: Celero Energy II LP

400 W Illinois #1601

Midland, TX 79701

(432) 686-1883

NM-200804-015 80.000 Acres

T.0140S, R.0310E, NM PM, NM

Sec. 008 W2NE;

Chaves County

Roswell FO

NMNM 85920

Stipulations:

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-34 Zone 3 - POD

NM-200804-016 641.440 Acres

T.0150S, R.0310E, NM PM, NM

Sec. 001 LOTS 1-4;

001 S2N2,S2;

Chaves County

Roswell FO

NMNM 98185

Stipulations:

None

NM-200804-017 480.000 Acres

T.0120S, R.0320E, NM PM, NM

Sec. 021 NE;

022 W2;

Lea County

Carlsbad FO

NMNM 0292679, NMNM 0292680,

NMLC 068747, NMLC 069224

Stipulations:

NM-11-LN Special Cultural Resource

SENM-S-19 Playas and Alkali Lakes

2 Water Wells lie within this parcel.

NM-200804-018 160.000 Acres

T.0050S, R.0330E, NM PM, NM

Sec. 024 W2SW,E2SE;

Roosevelt County

Roswell FO

NMNM 55955

Stipulations:

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-19 Playas and Alkali Lakes

Sec. 24: E2SE

NEW MEXICO PUBLIC DOMAIN - NE

NM-200804-019 799.360 Acres

T.0080N, R.0330E, NM PM, NM

Sec. 007 NESE;

008 W2SW,SESW,NESE;

018 LOTS 2-3;

018 SENW, NESW, N2SE, SESE;

025 S2;

Quay County Roswell FO

NMNM 42716, NMNM 86432

Stipulations:

SENM-S-17 Slopes or Fragile Soils

Secs. 7, 8, 18

NM-200804-020 359.990 Acres

T.0090N, R.0330E, NM PM, NM

Sec. 018 LOTS 4;

018 NWSE, SESE;

019 LOTS 3;

019 SWNE;

020 SWNW,E2SE,SWSE;

Quay County

Roswell FO

NMNM 36083, NMNM 36083A

Stipulations:

SENM-S-18 Streams, Rivers, and Floodplains

NEW MEXICO PUBLIC DOMAIN-SE

NM-200804-021 320.000 Acres

T.0160S, R.0340E, NM PM, NM

Sec. 025 W2;

Lea County

Carlsbad FO

NMNM 95649

Stipulations:

NM-11-LN Special Cultural Resource

SENM-S-19 Playas and Alkali Lakes

SENM-S-22 Prairie Chickens

NM-200804-022 600.000 Acres

T.0240S, R.0340E, NM PM, NM

Sec. 033 W2NE, SENE, W2, SE;

Lea County

Carlsbad FO

NMNM 18640, NMNM 19861, NMNM 21511

Stipulations:

NM-11-LN Special Cultural Resource

SENM-S-20 Springs, Seeps and Tanks

Earthen Reservoir-not in parcel, but within 200 meters.

NEW MEXICO PUBLIC DOMAIN-NE

NM-200804-023 800.000 Acres

T.0090N, R.0350E, NM PM, NM

Sec. 009 E2SW;

024 SW;

025 SWNE, SENW, SW;

034 E2NE,E2NW;

035 SW;

Quay County

Roswell FO

NMNM 56645, NMNM 61895, NMNM 92213

Stipulations:

SENM-S-17 Slopes or Fragile Soils

Sec.25

SENM-S-18 Streams, Rivers, and Floodplains

Sections 24 and 25

NEW MEXICO PUBLIC DOMAIN-SE

NM-200804-024 640.000 Acres

T.0260S, R.0350E, NM PM, NM

Sec. 003 ALL;

Lea County

Carlsbad FO

NMNM 98832

Stipulations:

NM-200804-025 320.000 Acres

T.0100S, R.0360E, NM PM, NM

Sec. 020 W2;

Lea County

Carlsbad FO

NMNM 98209

Stipulations:

NM-11-LN Special Cultural Resource

SENM-S-19 Playas and Alkali Lakes

SENM-S-22 Prairie Chickens

NM-200804-026 50.680 Acres

T.0160S, R.0360E, NM PM, NM

Sec. 005 LOTS 1;

Lea County

Carlsbad FO

NMNM 99052

Stipulations:

NM-11-LN Special Cultural Resource

NEW MEXICO PUBLIC DOMAIN – SW

NM-200804-027 217.670 Acres

T.0140S, R.0020W, NM PM, NM

Sec. 005 LOTS 5-8:

006 LOTS 1-4;

Sierra County

Las Cruces FO

NMNM 51023

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-21 VRM II Visual Resource Mgmt Class II

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-200804-028 1402.800 Acres

T.0150S, R.0020W, NM PM, NM

Sec. 004 LOTS 1-4;

004 S2N2,S2;

005 LOTS 1-4;

005 S2N2.SE:

006 LOTS 1-5;

006 S2NE, SENW;

Sierra County

Las Cruces FO

NMNM 27843, NMNM 51024

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-21 VRM II Visual Resource Mgmt Class II

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-200804-029 2080.000 Acres

T.0150S, R.0020W, NM PM, NM

Sec. 008 E2;

009 ALL;

010 ALL;

011 W2E2,W2;

Sierra County

Las Cruces FO

NMNM 51024

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-21 VRM II Visual Resource Mgmt Class II

LC-38 CSU Designated Historic trails

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-200804-030 2360.000 Acres T.0150S, R.0020W, NM PM, NM Sec. 014 W2NE,SENE,NW,E2SW,SE; 015 N2,SW,W2SE; 022 ALL; 023 ALL; Sierra County Las Cruces FO NMNM 20852, NMNM 27440 NMNM 27843, NMNM 51024 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-21 VRM II Visual Resource Mgmt Class II LC-38 CSU Designated Historic Trails LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-032 1443.600 Acres T.0150S, R.0020W, NM PM, NM Sec. 030 LOTS 1-4; 030 E2,E2W2; 031 LOTS 1-4; 031 E2,E2W2; 032 S2N2; Sierra County Las Cruces FO NMNM 39917, NMNM 39917A NMNM 39918, NMNM 51024 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act
NM-200804-031 2044.250 Acres T.0150S, R.0020W, NM PM, NM Sec. 017 N2NE,SWNE,E2NW,SW,S2SE; 018 LOTS 3,4; 018 E2SW,SE; 019 LOTS 1-4; 019 E2,E2W2; 020 ALL; Sierra County Las Cruces FO NMNM 39918, NMNM 51024, NMNM 63610 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-033 2520.700 Acres T.0160S, R.0020W, NM PM, NM Sec. 005 LOTS 1-4; 005 S2N2,S2; 006 LOTS 1-7; 006 S2NE,SENW,E2SW,SE; 007 LOTS 1-4; 007 E2,E2W2; 008 ALL; Sierra County Las Cruces FO NMNM 26837, NMNM 29544A, NMNM 39545A Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-21 VRM II Visual Resource Mgmt Class II LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act

NM-200804-034 2527.420 Acres T.0160S, R.0020W, NM PM, NM Sec. 017 ALL; 018 LOTS 1-4; 018 E2,E2W2; 019 LOTS 1-4; 019 E2,E2W2; 020 ALL; Sierra County Las Cruces FO NMNM 39542, NMNM 39545 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-21VRM II Visual Resource Mgmt Class II LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold	NM-200804-036 950.470 Acres T.0160S, R.0020W, NM PM, NM Sec. 031 LOTS 1,3,4; 031 N2NE,SWNE,NENW,SESW; 033 ALL; Sierra County Las Cruces FO NMNM 39546 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-21VRM II Visual Resource Mgmt Class II LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act
NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	
NM-200804-035 1905.450 Acres T.0160S, R.0020W, NM PM, NM Sec. 028 ALL; 029 ALL; 030 LOTS 1-4; 030 E2,E2W2; Sierra County Las Cruces FO NMNM 39542, NMNM 39919A Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-21VRM II Visual Resource Mgmt Class II LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-037 1932.880 Acres T.0170S, R.0020W, NM PM, NM Sec. 004 LOTS 1-4; 004 S2N2,S2; 008 ALL; 009 ALL; Sierra County Las Cruces FO NMNM 20552, NMNM 42757A, NMNM 43465 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-21VRM II Visual Resource Mgmt Class II LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act

NM-200804-038 1915.070 Acres	NM-200804-040 2309.650 Acres
T.0170S, R.0020W, NM PM, NM	T.0170S, R.0020W, NM PM, NM
Sec. 005 LOTS 1-4;	Sec. 019 LOTS 1-4;
005 S2N2,S2;	019 E2,E2W2;
006 LOTS 1-7;	029 N2,SE;
006 S2NE,SENW,E2SW,SE;	030 LOTS 1-4;
007 LOTS 1-4;	030 NENE,W2E2,E2W2,SESE;
007 E2,E2W2;	031 LOTS 1-4;
Sierra County	031 E2,E2W2;
Las Cruces FO	Sierra County
NMNM 20552	Las Cruces FO
Stipulations:	NMNM 20553, NMNM 20554
LC-3 Off-Road Vehicular Use Restriction	Stipulations:
LC-21VRM II Visual Resource Mgmt Class II	LC-3 Off-Road Vehicular Use Restriction
LC-40 CSU Special Status Species Habitats	LC-21 VRM II Visual Resource Mgmt Class II
LC-47 Surface Disturbance Threshold	LC-40 CSU Special Status Species Habitats
NM-11-LN Special Cultural Resource	LC-47 Surface Disturbance Threshold
WO-ESA-7 Endangered Species Act	NM-11-LN Special Cultural Resource
	WO-ESA-7 Endangered Species Act
NM-200804-039 1913.810 Acres	
T.0170S, R.0020W, NM PM, NM	NM-200804-041 1920.000 Acres
Sec. 017 ALL;	T.0170S, R.0020W, NM PM, NM
018 LOTS 1-4;	Sec. 021 ALL;
018 E2,E2W2;	022 ALL;
020 ALL;	028 ALL;
Sierra County	Sierra County
Las Cruces FO	Las Cruces FO
NMNM 20553	NMNM 20554, NMNM 20838, NMNM 42757
Stipulations:	Stipulations:
LC-3 Off-Road Vehicular Use Restriction	LC-3 Off-Road Vehicular Use Restriction
LC-40 CSU Special Status Species Habitats	LC-21VRM II Visual Resource Mgmt Class II
LC-47 Surface Disturbance Threshold	LC-38 CSU Designated Historic Trails
NM-11-LN Special Cultural Resource	LC-40 CSU Special Status Species Habitats
WO-ESA-7 Endangered Species Act	LC-47 Surface Disturbance Threshold
	NM-11-LN Special Cultural Resource
	WO-ESA-7 Endangered Species Act

NM-200804-042 1455.620 Acres T.0140S, R.0030W, NM PM, NM Sec. 003 LOTS 5-8; 010 ALL; 015 ALL; Sierra County Las Cruces FO NMNM 21343 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-045 1600.000 Acres T.0140S, R.0030W, NM PM, NM Sec. 026 ALL; 034 S2N2,S2; 035 S2N2,S2; Sierra County Las Cruces FO Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act
NM-200804-043 2560.000 Acres T.0140S, R.0030W, NM PM, NM Sec. 014 ALL; 023 ALL; 024 ALL; 025 ALL; Sierra County Las Cruces FO Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-046 2399.520 Acres T.0150S, R.0030W, NM PM, NM Sec. 001 LOTS 3,4; 001 S2NW,S2; 011 ALL; 012 ALL; 013 ALL; Sierra County Las Cruces FO NMNM 46450 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act
NM-200804-044 2400.000 Acres T.0140S, R.0030W, NM PM, NM Sec. 022 ALL; 027 ALL; 028 ALL; 033 S2N2,S2; Sierra County Las Cruces FO NMNM 46971 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-047 2556.000 Acres T.0150S, R.0030W, NM PM, NM Sec. 003 LOTS 1-4; 003 S2N2,S2; 004 LOTS 1-4; 004 S2N2,S2; 009 ALL; 010 ALL; Sierra County Las Cruces FO NMNM 46450, NMNM 50341 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act

NM-200804-048 2560.000 Acres T.0150S, R.0030W, NM PM, NM Sec. 014 ALL; 015 ALL; 022 ALL; 023 ALL; Sierra County Las Cruces FO NMNM 46451 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-051 1920.000 Acres T.0150S, R.0030W, NM PM, NM Sec. 027 ALL; 034 ALL; 035 ALL; Sierra County Las Cruces FO NMNM 46450 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act
NM-200804-049 1920.000 Acres T.0150S, R.0030W, NM PM, NM Sec. 021 ALL; 028 ALL; 033 ALL; Sierra County Las Cruces FO Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200804-052 1920.320 Acres T.0160S, R.0030W, NM PM, NM Sec. 003 LOTS 1-4; 003 S2N2,S2; 004 LOTS 1-4; 004 S2N2,S2; 005 LOTS 1-4; 005 S2N2,S2; Sierra County Las Cruces FO NMNM 50589 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act
T.0150S, R.0030W, NM PM, NM Sec. 024 ALL; 025 ALL; 026 ALL; Sierra County Las Cruces FO NMNM 46451 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act	NM-200801-053 1760.000 Acres T.0160S, R.0030W, NM PM, NM Sec. 011 E2,SW; 012 ALL; 013 ALL; Sierra County Las Cruces FO NMNM 50589 Stipulations: LC-3 Off-Road Vehicular Use Restriction LC-40 CSU Special Status Species Habitats LC-47 Surface Disturbance Threshold NM-11-LN Special Cultural Resource WO-ESA-7 Endangered Species Act

NM-200804-054 1280.000 Acres

T.0160S, R.0030W, NM PM, NM

Sec. 014 ALL;

015 ALL;

Sierra County

Las Cruces FO

NMNM 50589

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-200804-055 2520,000 Acres

T.0160S, R.0030W, NM PM, NM

Sec. 022 ALL;

023 E2,N2NW,SENW,SW;

026 ALL;

035 ALL;

Sierra County

Las Cruces FO

NMNM 50588, NMNM 50589

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-200804-056 1120.000 Acres

T.0160S, R.0030W, NM PM, NM

Sec. 024 ALL;

025 N2,N2S2;

Sierra County

Las Cruces FO

NMNM 50588

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-200804-057 639.320 Acres

T.0170S, R.0030W, NM PM, NM

Sec. 001 LOTS 1-4;

001 S2N2.S2:

Sierra County

Las Cruces FO

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-21VRM II Visual Resource Mgmt Class II

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-200804-058 2480.000 Acres

T.0170S, R.0030W, NM PM, NM

Sec. 011 ALL;

012 ALL;

013 N2,S2SW,SE;

024 ALL;

Sierra County

Las Cruces FO

Stipulations:

LC-3 Off-Road Vehicular Use Restriction

LC-21 VRM II Visual Resource Mgmt Class II

LC-40 CSU Special Status Species Habitats

LC-47 Surface Disturbance Threshold

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NEW MEXICO PUBLIC DOMAIN - NW

NM-200804-059 640.000 Acres

T.0170N, R.0050W, NM PM, NM

Sec. 011 ALL;

McKinley County

Farmington FO

NMNM 96040

Stipulations:

BIA-1

NM-200804-060 480.000 Acres

T.0170N, R.0050W, NM PM, NM

Sec. 013 N2,SE;

McKinley County

Farmington FO

NMNM 42043, NMNM 83492

Stipulations:

BIA-1

NM-11-LN Special Cultural Resource

NM-200804-061 639.260 Acres

T.0200N, R.0070W, NM PM, NM

Sec. 001 LOTS 1-4;

001 S2N2,S2;

McKinley County

Farmington FO

NMNM 70117

Stipulations:

BIA-1

NM-11-LN Special Cultural Resource

NM-200804-062 1103.790 Acres

T.0200N, R.0080W, NM PM, NM

Sec. 013 TR 69:

015 TR 73,77,78;

McKinley County

Farmington FO

NMNM 70820, NMNM 83753

Stipulations:

BIA-1

F-40-CSU Cultural Values/Traditional Properties

Sec. 15

NM-11-LN Special Cultural Resource

NM-200804-063 1442.010 Acres

T.0200N, R.0080W, NM PM, NM

Sec. 022 TR 92;

023 TR 85;

025 TR 95,96;

McKinley County

Farmington FO

NMNM 29003, NMNM 36345

NMNM 67766, NMNM 70122

Stipulations:

BIA-1

NM-11-LN Special Cultural Resource

NM-200804-064 1914.210 Acres

T.0200N, R.0080W, NM PM, NM

Sec. 026 TR 97;

027 TR 98,102;

034 TR 105:

McKinley County

Farmington FO

NMNM 36345, NMNM 53929, NMNM 66123

NMNM 67766, NMNM 70122, NMNM 71707

Stipulations:

BIA-1

NM-11-LN Special Cultural Resource

NM-200804-065 483.440 Acres

T.0230N, R.0080W, NM PM, NM

Sec. 001 SW;

002 LOTS 1-4;

002 S2N2;

San Juan County

Farmington FO

NMNM 40027

Stipulations:

BIA-1

F-39-NSO Cultural Values/Traditional Properties

Sec. 01: N2SW,SWSW

F-40-CSU Cultural Values/Traditional Properties

Sec. 01: SESW

Sec. 02: E2NE

NM-11-LN Special Cultural Resource

NM-200804-066 320.000 Acres

T.0230N, R.0080W, NM PM, NM

Sec. 023 SW;

026 NW;

San Juan County

Farmington FO

NMNM 19566

Stipulations:

BIA-1

F-9-CSU Paleontology

NM-200804-067 480.000 Acres

T.0230N, R.0080W, NM PM, NM

Sec. 027 N2;

034 SW;

San Juan County

Farmington FO

Stipulations:

BIA-1

F-9-CSU Paleontology

NM-11-LN Special Cultural Resource

NM-200804-068 643.120 Acres

T.0230N, R.0080W, NM PM, NM

Sec. 030 LOTS 1-4;

030 NE,E2W2;

031 SE;

San Juan County

Farmington FO

Stipulations:

BIA-1

F-9-CSU Paleontology

F-40-CSU Cultural Values/Traditional Properties

Sec. 31

NM-11-LN Special Cultural Resource

NM-200804-069 480.000 Acres

T.0220N, R.0100W, NM PM, NM

Sec. 023 SE;

024 W2;

San Juan County

Farmington FO

NMNM 58824, NMNM 83511

Stipulations:

BIA-1

NM-11-LN Special Cultural Resource

NM-200804-070 960.000 Acres

T.0220N, R.0100W, NM PM, NM

Sec. 024 E2;

025 ALL;

San Juan County

Farmington FO

NMNM 58626, NMNM 83511

Stipulations:

NM-11-LN Special Cultural Resource

F-40-CSU Cultural Values/Traditional Properties

Sec.25: NENW, SE

NM-200804-071 320.000 Acres

T.0230N, R.0100W, NM PM, NM

Sec. 010 W2; San Juan County

Farmington FO

Stipulations:

BIA-1

NM-11-LN Special Cultural Resource

NM-200804-072 160.000 Acres

T.0230N, R.0100W, NM PM, NM

Sec. 027 NE;

San Juan County

Farmington FO

Stipulations:

BIA-1

NM-11-LN Special Cultural Resource

NM-200804-073 952.880 Acres

T.0270N, R.0120W, NM PM, NM

Sec. 017 ALL;

018 LOTS 3,4;

018 E2SW,SE;

San Juan County

Farmington FO

NMNM 33017, NMNM 86084

Stipulations:

BIA-1

F-40-CSU Cultural Values/Traditional Properties

Sec 17

NM-11-LN Special Cultural Resource

NM-200804-074 626.280 Acres

T.0270N, R.0120W, NM PM, NM

Sec. 019 LOTS 1-4;

019 E2, E2W2;

San Juan County

Farmington FO

NMNM 86084

Stipulations:

BIA-1

NM-200804-075 1240.000 Acres NM-200804-078 2453.260 Acres T.0270N, R.0120W, NM PM, NM T.0020S, R.0200W, NM PM, NM Sec. 021 N2,N2SW,SESW,SE; Sec. 013 LOTS 1-8; 022 ALL; 013 N2; San Juan County 014 LOTS 1-16; Farmington FO 023 ALL: NMNM 86085 024 ALL; Stipulations: **Catron County** BIA-1 Socorro FO F-28-CSU Navajo Indian Irrigation Project NMNM 100905 NM-11-LN Special Cultural Resource Stipulations: NM-11-LN Special Cultural Resource SFO-CSU 3 Raptor and Prairie Dog SFO-CSU 4 Cultural Resources NM-200804-076 **40.000** Acres T.0270N, R.0120W, NM PM, NM Sec. 025 NWNW; San Juan County NM-200804-079 1858.060 Acres Farmington FO T.0020S, R.0200W, NM PM, NM NMSF 079114C Sec. 015 LOTS 1-16; Stipulations: 021 LOTS 1-4; 021 E2,SW; BIA-1 F-28-CSU Navajo Indian Irrigation Project 022 ALL; NM-11-LN Special Cultural Resource **Catron County** Socorro FO NMNM 100810 Stipulations: **NEW MEXICO PUBLIC DOMAIN – SW** NM-11-LN Special Cultural Resource SFO-CSU 3 Raptor and Prairie Dog 1881.660 Acres NM-200804-077 SFO-CSU 4 Cultural Resources T.0020S, R.0200W, NM PM, NM Sec. 001 LOTS 1-12; 001 S2N2; NM-200804-080 1972.640 Acres 011 ALL: 012 LOTS 1-8; T.0020S, R.0200W, NM PM, NM Sec. 025 ALL; 012 S2: **Catron County** 026 LOTS 1-16; Socorro FO 035 ALL; NMNM 100904 Catron County Socorro FO Stipulations: NM-11-LN Special Cultural Resource NMNM 100906 SFO-CSU 3 Raptor and Prairie Dog Stipulations: SFO-CSU 4 Cultural Resources NM-11-LN Special Cultural Resource SFO-CSU 3 Raptor and Prairie Dog

SFO-CSU 4 Cultural Resources

NM-200804-081 1461.760 Acres

T.0020S, R.0200W, NM PM, NM

Sec. 027 LOTS 1-16;

028 LOTS 1-16;

Catron County

Socorro FO

NMNM 100812

Stipulations:

NM-11-LN Special Cultural Resource

SFO-CSU 3 Raptor and Prairie Dog

SFO-CSU 4 Cultural Resources

NM-200804-082 1984.530 Acres

T.0020S, R.0200W, NM PM, NM

Sec. 029 LOTS 1-16;

030 LOTS 1-4;

030 E2,E2W2;

031 LOTS 1,2,5-16;

031 E2NW;

Catron County

Socorro FO

NMNM 100813

Stipulations:

NM-11-LN Special Cultural Resource

SFO-CSU 3 Raptor and Prairie Dog

SFO-CSU 4 Cultural Resources

NM-200804-083 1280.000 Acres

T.0020S, R.0200W, NM PM, NM

Sec. 033 ALL;

034 ALL;

Catron County

Socorro FO

NMNM 100814

Stipulations:

NM-11-LN Special Cultural Resource

SFO-CSU 3 Raptor and Prairie Dog

SFO-CSU 4 Cultural Resources

OKLAHOMA - PUBLIC DOMAIN - SW

NM-200804-084 185.070 Acres

T.0040S, R.0140W, IM PM, OK

Sec. 034 LOTS 11;

035 LOTS 5;

T.0050S, R. 0140W, IM PM, OK

Sec. 002 LOTS 2;

003 LOTS 1,6,12,15,16;

Tillman County

Tulsa FO

OKBLM 035512

Stipulations:

ORA-COA

ORA-LS-1

ORA-NTL

ORA-1-CSU Floodplain Protection

ORA-2-CSU Wetland/Riparian

WO-ESA-7 Endangered Species Act

The successful bidder is required to submit evidence and maintain a bond in the amount of no less than \$200,000.00 prior

to lease issuance.

OKLAHOMA – PUBLIC DOMAIN – NW

NM-200804-085 332.170 Acres

T.0230N, R.0150W, IM PM, OK

Sec. 022 ACC&RIP TO LOTS 1-5;

027 LOTS 2;

027 ACCR & RIPR AC TO LOT 2;

027 SEE EXHIBIT A FOR M&B W/MAP;

Major and Woods Counties

Tulsa FO

MAJOR COUNTY - 147.67 ACRES

WOODS COUNTY - 184.50 ACRES

Stipulations:

ORA-1-CSU Floodplain Protection

ORA-2-CSU Wetland/Riparian

WO-ESA-7 Endangered Species Act

NM-200804-086 40.000 Acres NM-200804-089 1720.110 Acres T.0290N, R.0160W, IM PM, OK T.0030N, R.0260E, IM PM, OK Sec. 034 NWSW; Sec. 029 NE,W2,N2SE,SWSE; Woods County 030 LOTS 3,4; Tulsa FO 030 E2.E2SW: OKNM 101626 031 LOTS 1; Stipulations: 031 N2NE, NENW, E2SW, SE; None 032 NE,S2NW; Le Flore County Tulsa FO **OUACHITA NATIONAL FOREST** NM-200804-087 **51.880** Acres *US OWNS 50% MINERAL INTEREST: T.0170N, R.0220W, IM PM, OK SEC.29: SWNW,NESW,W2SW Sec. 012 ACCR & RIPR TO LOT 1; SEC.30: LOTS 3,4, E2, E2SW 012 ACCR & RIPR TO LOT 5; SEC.31: LOT 1, N2NE, NENW 012 SEE EXHIBIT B FOR M&B W/MAP; SEC.32: E2NE,E2NWNE Ellis and Roger Mills Counties OKNM 37939, OKNM 40053, OKNM 86006 Tulsa FO OKNM 86194, OKNM 86195 OKNM 0140971C Stipulations: ELLIS COUNTY - 14.32 ACRES FS1 **ROGER MILLS COUNTY - 37.56 ACRES** FS8(OK)CSU1A FS8(OK)NSO-1 Stipulations: **ORA-1-CSU Floodplain Protection** FS8(OK)LN3 WO-ESA-7 Endangered Species Act FS8(OK)LN4 OKLAHOMA - ACQUIRED - NE NM-200804-090 913.180 Acres T.0010N, R.0270E, IM PM, OK NM-200804-088 1230.000 Acres Sec. 004 LOTS 1,2; T.0030N, R.0260E, IM PM, OK 004 S2NE; Sec. 027 N2N2, NESWNE, SENE, S2NW; 005 LOTS 1,2; 027 W2SW, W2SESW, SESESW; 005 S2NE: 027 NWSE.S2SE 008 S2; 028 N2NE,NW,NESE,S2SE; 009 S2NE; 010 LOTS 1-4; 033 NE,NENW,W2NW; 034 E2NENW, SWNENW; Le Flore County 034 N2SWNW,S2SENW; Tulsa FO Le Flore County **OUACHITA NATIONAL FOREST** Tulsa FO Stipulations: **OUACHITA NATIONAL FOREST** FS1 *US OWNS 50% MINERAL INTEREST-FS8(OK)CSU1G -Sec. 4,5,8,9 SEC.27: NESWNE,S2NW,W2NWSW, FS8(OK)NSO3 - Sec. 5 SWSW, W2SESW, SESESW, S2SE FS8(OK)LN3 SEC.28: NENE FS8(OK)LN4 OKNM 57022, 60734, 64043, 64093 OKNM 86005, 86007, 86194, 86195 Stipulations: FS1 FS8(OK)CSU1A FS8(OK)NSO-1 FS8(OK)LN3

FS8(OK)LN4

OKLAHOMA - ACQUIRED - NW 1558.880 Acres NM-200804-091 T.0010N, R.0270E, IM PM, OK NM-200804-093 152.720 Acres Sec. 006 1,2,6,7; T.0090N, R.0120W, IM PM, OK 006 S2NE,E2SW,SE; Sec. 030 LOTS 3,4; 007 LOTS 1.2.4: 033 NWNWSW.S2NWSW: 007 E2,E2W2; 033 SWSW; 018 E2,E2W2; Caddo County Le Flore County Tulsa FO **BUREAU OF RECLAMATION** Tulsa FO **OUACHITA NATIONAL FOREST** WASHITA BASIN PROJECT OKNM 18199, OKNM 66948 U.S. OWNS 50% MINERAL INTEREST: US OWNS 50% MINERAL INTEREST: SEC. 30 SEC.6, AND SEC.7:L1,NE U.S. OWNS 66.67% MINERAL INTEREST: Stipulations: SEC. 33 FS1 OKNM 25025 FS8(OK)CSU1G - SEC.6 & 7 Stipulations: FS8(OK)NSO3 - SEC. 6 & 7 BOR-GP-135 FS8(OK)LN3 **BOR-SS FORT COBB** FS8(OK)LN4 **BOR-GS FORT COBB** NM-200804-092 1817.870 Acres NM-200804-094 90.000 Acres T.0090N, R.0130W, IM PM, OK T.0010N, R.0270E, IM PM, OK Sec. 013 E2SW, SESWSW; Sec. 016 NE,N2NW,SENW,SW,W2SE; 017 N2NE, SENE, NW; Caddo County 020 NENE, SW, NWSE; Tulsa FO 021 N2.E2SW.SWSW.SE: **BUREAU OF RECLAMATION** 022 LOTS 1-4; WASHITA BASIN PROJECT 027 LOTS 3; Stipulations: Le Flore County BOR-GP-135 Tulsa FO **OUACHITA NATIONAL FOREST** OKNM 85971, OKNM 50557 US OWNS 50% MINERAL INTEREST: NM-200804-095 **40.000 Acres** T.0090N, R.0250W, IM PM, OK SEC.21: NE, SEC.22: LOTS 1,2 Sec. 012 SESW; Stipulations: Beckham County FS1 Tulsa FO FS8(OK)LN3 U.S. OWNS 25% MINERAL INTEREST FS8(OK)LN4 OKNM 60809

Stipulations:

None

TEXAS – ACQUIRED

NM-200804-096 76.100 Acres

TX TR S-1AE:

SEE EXHIBIT C FOR M&B W/MAP;

Shelby County Tulsa FO

SABINE NATIONAL FOREST

TXNM 103305 Stipulations:

FS-1

FS8(TX)CSU1A FS8(TX)CSU1I OUAD NO. 3194414

NM-200804-097 122,000 Acres

TX TR S-2AE:

SEE EXHIBIT D FOR M&B W/MAP;

Sabine County Tulsa FO

SABINE NATIONAL FOREST

TXNM 90574 Stipulations:

FS1

FS8(TX)CSU1A FS8(TX)CSU1I QUAD NO. 3193224

NM-200804-098 142.000 Acres

TX TR S-2N;

SEE EXHIBIT E FOR M&B W/MAP;

Sabine County Tulsa FO

SABINE NATIONAL FOREST

TXNM 88195 Stipulations:

FS1

FS8(TX)CSU1A FS8(TX)CSU1I **OUAD NO. 3193231** NM-200804-099 547.000 Acres

TX TR S-2K-VIII;

SEE EXHIBIT F FOR M&B W/MAP;

Sabine County Tulsa FO

SABINE NATIONAL FOREST

TXNM 90574 Stipulations:

FS1

FS8(TX)CSU1A FS8(TX)CSU1I QUAD NO. 3193224

NM-200804-100 362.000 Acres

TX TR S-1AS;

SEE EXHIBIT G FOR M&B W/MAP;

Sabine County Tulsa FO

SABINE NATIONAL FOREST

TXNM 66308 Stipulations:

FS1

FS8(TX)CSU1A FS8(TX)CSU1-E FS8(TX)CSU1I FS8(TX)LN3-B QUAD NO. 3193234

NM-200804-101 101.680 Acres

TX TR S-2K-II PARCEL 16:

SEE EXHIBIT H FOR M&B W/MAP;

Sabine County Tulsa FO

SABINE NATIONAL FOREST

Stipulations:

FS1

FS8(TX)CSU1A FS8(TX)CSU1B-4 FS8(TX)CSU1I FS8(TX)TLS1-B **OUAD NO. 3193231** **Number of Parcels - 101**

Total Acreage - 112,194.76

Total number of Parcels with Presale Offers - 0

Parcel Number of Parcels with Presale Offers - 0

Total Acreage With Presale Offers - 0

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

METES AND BOUNDS DESCRIPTION
OF THE ACCRETION AND RIPARIAN ACREAGE
TO LOT 1, SECTION 22, T. 23 N., R. 15 W.
LOCATED ALONG THE CIMARRON RIVER,
WOODS COUNTY, OKLAHOMA
(Bearings and Distances are Geodetic)

BEGINNING at the ancient meander corner on the ancient left bank between Sections 15 and 22, said point being the Northwest corner of Lot 1 of Section 22, T. 23 N., R. 15 W., said point being South 89° 00' 00" East a distance of 656.68 feet from an Iron Rod with cap at the Northwest corner of Section 22, T. 23 N., R. 15 W., Woods County, Oklahoma;

THENCE along the adjusted ancient left bank, South 48° 51' 40" East a distance of 1174.88 feet to the Southeast corner of said Lot 1;

THENCE South 41° 58'47" West a distance of 1931.58 feet to a proportional point on the 2007 left bank;

THENCE South 00° 19' 22" West a distance of 258.00 feet to a point on the 2007 medial line;

THENCE along the 2007 medial line the following courses and distances:

North 89° 40' 38" West a distance of 12.89 feet; South 89° 32' 08" West a distance of 347.59 feet; South 87° 39' 45" West a distance of 412.46 feet; South 83° 25' 11" West a distance of 666.42 feet to a point;

THENCE North 06° 34' 52" West a distance of 244.73 feet to a proportional point on the 2007 left bank:

THENCE North 38° 53' 34" East a distance of 2980.24 feet to the POINT OF BEGINNING, and containing 70.42 acres of land more or less.

METES AND BOUNDS DESCRIPTION OF THE ACCRETION AND RIPARIAN ACREAGE TO LOT 2, SECTION 22, T. 23 N., R. 15 W., LOCATED ALONG THE CIMARRON RIVER, WOODS COUNTY, OKLAHOMA (Bearings and Distances are Geodetic)

BEGINNING at the Southeast corner of Lot 2 of Section 22, T. 23 N., R. 15 W., said point being South 00° 13' 20" West a distance of 1656.68 feet from an Iron Rod with cap at the North Quarter corner of Section 22, T. 23 N., R. 15 W., Woods County, Oklahoma:

THENCE South 49° 25' 00" West a distance of 880.56 feet to a proportional point on the 2007 left bank;

THENCE South 12° 10' 29" West a distance of 226.11 feet to a point on the 2007 medial line;

THENCE along the 2007 medial line the following courses and distances:

North 77° 49' 31" West a distance of 69.40 feet; North 86° 26' 38" West a distance of 454.28 feet; North 87° 48' 22" West a distance of 417.45 feet; South 88° 15' 43" West a distance of 474.62 feet; South 72° 20' 09" West a distance of 278.24 feet; North 89° 40' 38" West a distance of 219.84 feet to a point;

THENCE North 00° 19' 22" East a distance of 258.00 feet to a proportional point on the 2007 left bank;

THENCE North 41° 58' 47" East a distance of 1931.58 feet to the Southwest corner of said Lot 2;

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

South 48° 51' 40" East a distance of 83.07 feet; South 57° 20' 09" East a distance of 1494.48 feet to the POINT OF BEGINNING, and containing 55.62 acres of land more or less.

METES AND BOUNDS DESCRIPTION OF THE ACCRETION AND RIPARIAN ACREAGE TO LOT 3, SECTION 22, T. 23 N., R.15 W., LOCATED ALONG THE CIMARRON RIVER, WOODS COUNTY, OKLAHOMA (Bearings and Distances as Geodetic)

BEGINNING at the Southwest corner of Lot 3 of Section 22, T. 23 N., R. 15 W., said point being South 00° 13' 20" West a distance of 1656.68 feet from an Iron Rod with cap at the North Quarter corner of Section 22, T. 23 N., R. 15 W., Woods County, Oklahoma;

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

South 57° 20' 09" East a distance of 93.90 feet;

South 43° 52' 39" East a distance of 927.10 feet;

South 59° 34' 48" East a distance of 693.98 feet to the Southeast corner of said Lot 3;

THENCE South 29° 43' 28" West a distance of 433.21 feet to a proportional point on the 2007 left bank;

THENCE South 39° 45' 49" West a distance of 226.69 feet to a point on the 2007 medial line;

THENCE along the 2007 medial line the following courses and distances:

North 50° 14' 11" West a distance of 149.05 feet;

North 54° 13' 40" West a distance of 523.47 feet:

North 61° 48' 05" West a distance of 558.38 feet;

North 74° 27' 11" West a distance of 373.90 feet;

North 77° 49' 31" West a distance of 291.70 feet to a point:

THENCE North 12° 10' 29" East a distance of 226.11 feet to a proportional point on the 2007 left bank;

THENCE North 49° 25' 00" East a distance of 880.56 feet to the POINT OF BEGINNING, and containing 30.84 acres of land more or less.

Exhibit A Page 4 of 6

METES AND BOUNDS DESCRIPTION
OF THE ACCRETION AND RIPARIAN ACREAGE
TO LOT 4, SECTION 22, T. 23 N., R. 15 W.,
LOCATED ALONG THE CIMARRON RIVER,
WOODS COUNTY, OKLAHOMA
(Bearings and Distances are Geodetic)

BEGINNING at the Southeast corner of Lot 4 of Section 22, T. 23 N., R. 15 W., said point being the ancient meander corner on the ancient left bank between Sections 22 and 23, said point also being South 00° 10' 16" West a distance of 704.30 feet from an Iron Rod with cap at the East Quarter corner of Section 22, T. 23 N., R. 15 W., Woods County, Oklahoma:

THENCE South 29° 29' 54" West a distance of 881.07 feet to a proportional point on the 2007 left bank;

THENCE South 50° 25' 30" West a distance of 205.86 feet to a point on the 2007 medial line;

THENCE along the 2007 medial line the following courses and distances:

North 39° 34' 31" West a distance of 270.30 feet;

North 53° 06' 06" West a distance of 358.53 feet;

North 51° 50' 22" West a distance of 422.93 feet;

North 50° 14' 11" West a distance of 388.16 feet to a point:

THENCE North 39° 45' 49" East a distance of 226.69 feet to a proportional point on the 2007 left bank;

THENCE North 29° 43' 28" East a distance of 433.21 feet to the Southwest corner of said Lot 4;

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

South 59° 34' 48" East a distance of 364.82 feet; South 68° 18' 32" East a distance of 1084.74 feet to the POINT OF BEGINNING, and containing 27.62 acres of land more or less.

METES AND BOUNDS DESCRIPTION OF THE ACCRETION AND RIPARIAN ACREAGE TO LOT 5, SECTION 22, T. 23 N., R. 15 W., LOCATED ALONG THE CIMARRON RIVER, MAJOR COUNTY, OKLAHOMA (Bearings and Distances are Geodetic)

BEGINNING at the Southeast corner of Lot 5 of Section 22, T. 23 N., R. 15 W., said point being the ancient meander corner on the ancient right bank between Sections 22 and 27, said point also being North 89° 26' 54" East a distance of 53.02 feet from an Iron Rod with cap at the South Quarter corner of Section 22, T. 23 N., R. 15 W., Major County, Oklahoma:

THENCE along the adjusted ancient right bank, North 75° 41' 05" West a distance of 1421.16 feet to the Northwest corner of said Lot 5;

THENCE North 11° 55' 10" East a distance of 2313.73 feet to a proportional point on the 2007 right bank;

THENCE North 03° 33' 23" East a distance of 219.30 feet to a point on the 2007 medial line;

THENCE along the 2007 medial line the following courses and distances:

South 86° 26' 38" East a distance of 62.26 feet; South 77° 49' 31" East a distance of 361.11 feet; South 74° 27' 11" East a distance of 373.90 feet; South 61° 48' 05" East a distance of 558.38 feet; South 54° 13' 40" East a distance of 219.17 feet to a point;

THENCE South 35° 46' 20" West a distance of 228.04 feet to a proportional point on the 2007 right bank;

THENCE South 11° 36' 20" West a distance of 2120.25 feet to the POINT OF BEGINNING, and containing 81.76 acres of land more or less.

Exhibit A Page 6 of 6

METES AND BOUNDS DESCRIPTION OF LOT 2 (7.60 ACRES) AND THE ACCRETION AND RIPARIAN ACREAGE TO LOT 2, SECTION 27, T. 23 N., R. 15 W., LOCATED ALONG THE CIMARRON RIVER, MAJOR COUNTY, OKLAHOMA (Bearings and Distances are Geodetic)

BEGINNING at the Northeast corner of Lot 2 of Section 27, T. 23 N., R. 15 W., said point being the ancient meander corner on the ancient right bank between Sections 26 and 27, said point also being North 00° 11' 27" East a distance of 1361.71 feet from a GLO stone at the East Quarter corner of Section 27, T. 23 N., R. 15 W., Major County, Oklahoma;

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

North 71° 40' 16" West a distance of 1320.80 feet; North 57° 57' 07" West a distance of 82.06 feet to the Northwest corner of said Lot 2:

THENCE North 09° 26' 34" East a distance of 1907.19 feet to a proportional point on the 2007 right bank;

THENCE North 36° 53' 54" East a distance of 295.73 feet to a point on the 2007 medial line;

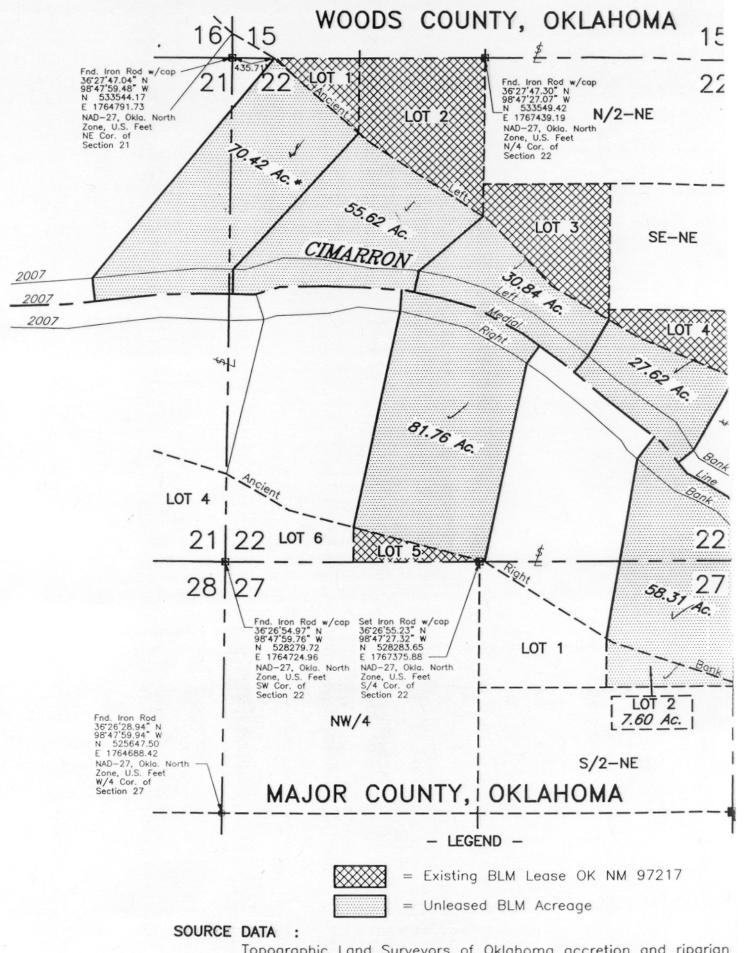
THENCE along the 2007 medial line the following courses and distances:

South 53° 06' 06" East a distance of 97.65 feet; South 39° 34' 31" East a distance of 414.72 feet; South 61° 54' 30" East a distance of 243.27 feet; South 59° 25' 06" East a distance of 239.52 feet; South 52° 18' 11" East a distance of 395.68 feet to a point;

THENCE South 37° 41' 49" West a distance of 254.04 feet to a proportional point on the 2007 right bank;

THENCE South 03° 19' 04" West a distance of 1521.63 feet to the POINT OF BEGINNING, and containing 58.31 acres of land more or less.

Total in Lot 2 of Section 27 is 65.91 acres of land more or less.



Topographic Land Surveyors of Oklahoma accretion and riparian Drawing Number 103085-R2-321-X, dated August 22, 2007.

Upland acreages shown on this plot are from the GLO Plot and do not necessarily represent the acreage calculated bas

METES AND BOUNDS DESCRIPTION
OF THE ACCRETION AND RIPARIAN ACREAGE
TO LOT 1, SECTION 12, T. 17N., R. 22 W.,
LYING WITHIN THE PREVIOUS BLM LEASE OKNM 0140971C
LOCATED ALONG THE CANADIAN RIVER,
ELLIS COUNTY, OKLAHOMA
(Bearings and Distances are Geodetic)

Beginning at the ancient meander corner on the ancient left bank between Sections 1 and 12, T. 17 N., R. 22 W., said point being North 89 degrees 58' 59" East a distance of 442.26 feet from an Iron Rod with cap at the Northwest corner of Section 12, T. 17 N., R. 22 W., Ellis County, Oklahoma;

Thence along the previous boundary of BLM Lease OKNM 0140971C the following courses and distances:

South 64 degrees 00' 00" East a distance of 858.00 feet; South 26 degrees 00' 00" West a distance of 620.09 feet to a point on the 2006 accretion line;

Thence North 70 degrees 53' 52" West a distance of 996.30 feet to the Southwest corner of said Lot 1;

Thence along the adjusted ancient left bank, North 36 degrees 02' 51" East a distance of 751.26 feet to the Point of Beginning, and containing 14.32 acres of land more or less.

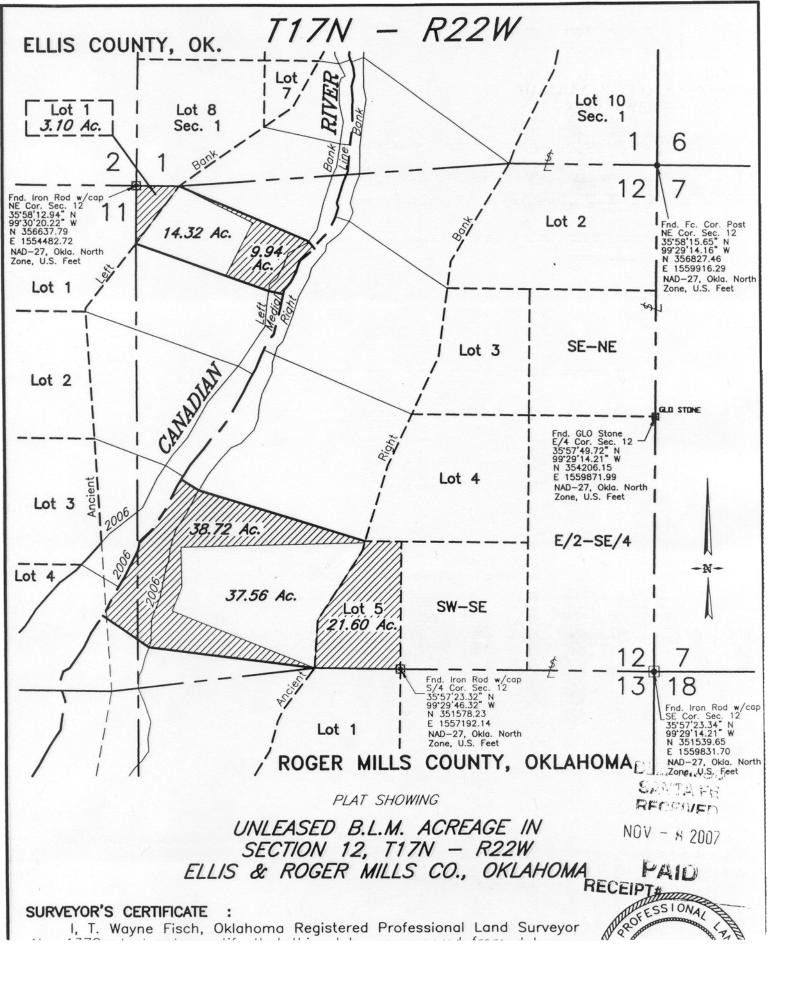
METES AND BOUNDS DESCRIPTION
OF THE ACCRETION AND RIPARIAN ACREAGE
TO LOT 5, SECTION 12, T. 17N., R. 22 W.,
LYING WITHIN THE PREVIOUS BLM LEASE OKNM 0140971C
LOCATED ALONG THE CANADIAN RIVER,
ROGER MILLS COUNTY, OKLAHOMA
(Bearings and Distances are Geodetic)

Beginning at the ancient meander corner on the ancient right bank between Sections 12 and 13, said point being North 89 degrees 59' 10" West a distance of 900.36 feet from an Iron Rod with cap at the South Quarter corner of Section 12, T. 17 N., R. 22 W., Roger Mills County, Oklahoma;

Thence along the previous boundary of BLM Lease OKNM 0140971C the following courses and distances:

North 03 degrees 15' 00" East a distance of 501.60 feet; North 32 degrees 09' 11" East a distance of 858.97 feet; North 16 degrees 00' 00" East a distance of 92.40 feet; South 88 degrees 00' 00" West a distance of 1907.40 feet; South 02 degrees 00' 00" East a distance of 415.80 feet; South 21 degrees 30' 00" West a distance of 270.60 feet;

South 68 degrees 30' 00" East a distance of 1590.60 feet to the Point of Beginning, and containing 37.56 acres of land more or less.



DESCRIPTION FOR MINERAL LEASING OF TRACT S-1Ae SABINE NATIONAL FOREST SHELBY COUNTY, TEXAS 76.10 ACRES

All that certain tract or parcel of land lying and being in Shelby County, Texas, on the waters of Patroon Bayou, a tributary of the Sabine River, lying entirely within the Harrison Davis patented Survey, A-152, dated July 12, 1852. Tract S-1Ae was acquired from Pickering Lumber Company by deed dated December 28, 1935 and recorded in Volume 176, Page 410-483 et seq, Deed Records, Shelby County, Texas and contains **76.10** acres, more or less. Tract S-1Ae is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-1Ae to include any lands within any adjacent issued Bureau of Land Management (BLM) leases, lease offers, private mineral ownerships, or private lands.

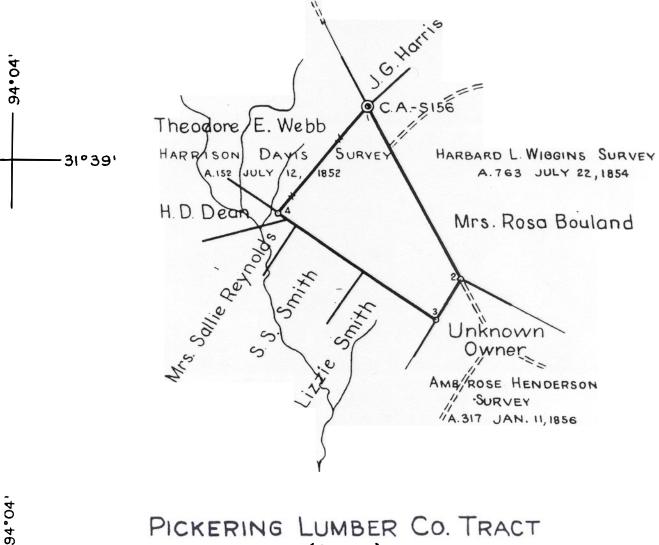
Beginning at corner 1 of US Forest Service Tract S-1Ae, a FS standard concrete post marked S-156;

Thence S 28° 10' E, common to the Harrison Davis Survey and the Harbard L. Wiggins Survey, A-763, 40.74 chains to corner 2 of Tract S-1Ae, the eighth corner of the Harrison Davis Survey, the sixth corner of the Hardard L. Wiggins Survey and the fourth corner of the Ambrose Henderson Survey, A-317;

Thence S 30° 30' W, common to the Harrison Davis and Ambrose Henderson Surveys, 10.00 chains to corner 3 of Tract S-1Ae;

Thence N 56° 00' W, within the Harrison Davis Survey, 39.50 chains to corner 4 of Tract S-1Ae;

Thence N 39° 35' E, within the Harrison Davis Survey, 29.30 chains to the place of beginning, containing **76.10** acres, more or less.



True North

31°38'

PICKERING LUMBER CO. TRACT
(S1Ae)
SHELBY COUNTY, TEXAS
76.1 ACRES
L.B.R.-SUR.
1934

SCALE: I" = 20 CHAINS

Exhibit D

DESCRIPTION FOR MINERAL LEASING OF TRACT S-2Ae SABINE NATIONAL FOREST SABINE COUNTY, TEXAS 122.00 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, on the waters of Six Mile Creek, a tributary of the Sabine River, lying entirely within the Cadwalder Davis patented Survey, A-13, dated May 13, 1835. Tract S-2Ae 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 and contains **122.00** acres, more or less. Tract S-2Ae is described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2Ae to include any lands within any adjacent issued Bureau of Land Management (BLM) leases, lease offers, private mineral ownerships, or private lands.

Beginning at corner 1 of US Forest Service Tract No. S-2Ae, a FS standard concrete post marked S-449, witnessed by scribed bearing trees. From this corner, corner 18 of FS Tract S-2k-VIII, identical with the sixth corner of the Cadwalder Davis Survey, the fourth corner of the Walter Hughes Survey, A-24, and a corner of the M. E. Griffin Survey, A-478, a FS standard concrete post marked S-351, bears S 54° 00' E, 74.90 chains distant;

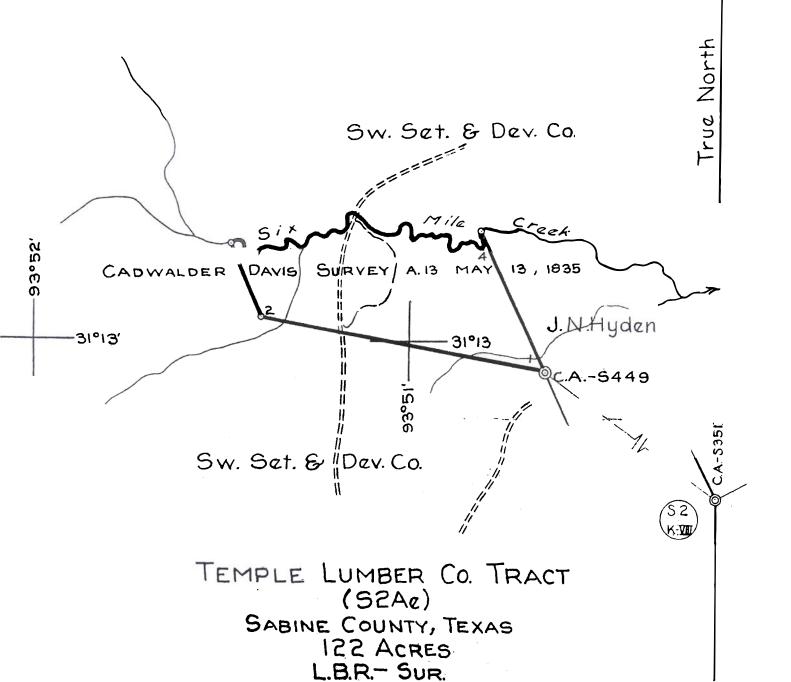
Thence N 79° 40' W, 61.16 chains to corner 2 of Tract S-2Ae;

Thence N 24° 00' W, 16.80 chains to corner 3 of Tract S-2Ae, a point in the center of Six Mile Creek;

Thence in a general easterly direction, down and with the meanders of Six Mile Creek, 80.00 chains to corner 4 of Tract S-2Ae;

Thence S 25° 00' E, 32.58 chains to the place of beginning, containing **122.00** acres, more or less.

For bearings and distances see description to which this map is attached and made a part of.



1935 Scale: 1"= 20 CHAINS

DESCRIPTION FOR MINERAL LEASING OF TRACT S-2n SABINE NATIONAL FOREST SABINE COUNTY, TEXAS 142.00 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, on the waters of Housen Bayou, a tributary of the Sabine River, lying entirely within the Hamp Bush patented Survey, A-307, dated January 17, 1885. Tract S-2n 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 and contains **142.00** acres, more or less. Tract S-2n is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2n to include any lands within any adjacent issued Bureau of Land Management (BLM) leases, lease offers, private mineral ownerships, or private lands.

Beginning at corner 1 of USFS Tract No. S-2n, identical with the beginning corner of the Hamp Bush Survey and the fourth corner of the Joseph Smith Survey, A-251, a Forest Service standard concrete post marked S-413;

Thence North, common to the Hamp Bush and Joseph Smith Surveys, 40.60 chains corner 2 of Tract S-2n, the second corner of the Hamp Bush Survey and the fifth corner of the W. A. Malin Survey, A-278;

Thence East, common to the Hamp Bush and W. A. Malin Surveys, 37.10 chains to corner 3 of Tract S-2n, the third corner of the Hamp Bush Survey and the fourth corner of the W. A. Malin Survey;

Thence South, common to the Hamp Bush and W. A. Malin Surveys, 38.10 chains to corner 4 of Tract S-2n, the fourth corner of the Hamp Bush Survey and the third corner of the W. A. Malin Survey;

Thence West, common to the Hamp Bush Survey and the Henry Nichols Survey, A-170, 21.40 chains to corner 5 of Tract S-2n;

Thence three lines within the Hamp Bush Survey:

N 01° 00' W, 6.65 chains to corner 6 of Tract S-2n;

West, 3.20 chains to corner 7 of Tract S-2n;

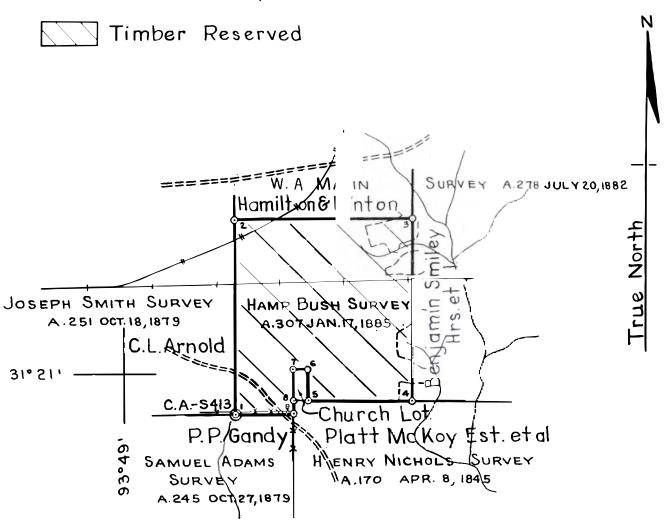
S 02° 00' E, 6.65 chains to corner 8 of Tract S-2n, the fifth corner of the Hamp Bush Survey and the third corner of the Henry Nichols Survey;

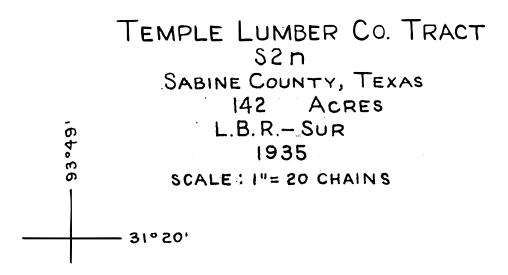
Thence South, common to the Hamp Bush and the Henry Nichols Surveys, 2.81 chains to corner 9 of Tract S-2n, the sixth corner of the Hamp Bush Survey and a corner of the Samuel Adams Survey, A-245;

Thence S 89° 00' W, common to the Hamp Bush and Samuel Adams Surveys, 12.21 chains to the place of beginning, containing **142.00** acres, more or less.

Note

For bearings and distances see description to which this map is attached and made a part of





DESCRIPTION FOR MINERAL LEASING OF TRACT S-2k-VIII SABINE NATIONAL FOREST SABINE COUNTY, TEXAS 547.00 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, on the waters of Six Mile Creek and Big Sandy Creek, tributaries of Sabine River, embracing in part the Cadwalder Davis Survey, A-13, dated May 13, 1835. Tract S-2k-VIII 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 and contains 1,090.00 acres, more or less, LESS AND EXCEPT a divided interest on the southern 543.00 acres with those minerals being an outstanding interest as described in deed dated 3/8/1907 from Creighton-McShane to Ragley William Lumber Company and recorded in Volume X, Page 393, Sabine County, leaving a total of **547.00** acres available for lease in Tract S-2k-VIII. The northern 547.00 acres are described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-2k-VIII to include any lands within any adjacent issued Bureau of Land Management (BLM) leases, lease offers, private mineral ownerships, or private lands.

Beginning at corner 8 of Tract S-2k-VIII, a Forest Service standard concrete post marked S-430, witnessed by scribed bearing trees;

Thence N 77° 00' W, common to the Cadwalder Davis Survey and the H. E. & W. T. R. R. No. 1 Survey, A-326, 27.10 chains to corner 9 of Tract S-2k-VIII;

Thence N 01° 00' W, within the Cadwalder Davis Survey, 43.00 chains to corner 10 of Tract S-2k-VIII, a FS standard concrete post marked S-441;

Thence S 77° 40' E, within the Cadwalder Davis Survey, 23.78 chains to corner 11 of Tract S-2k-VIII, a stake on the left bank of a small branch;

Thence four lines within the Cadwalder Davis Survey:

N 14° 00' E, 21.15 chains to corner 12 of Tract S-2k-VIII;

S 76° 20' E, 31.66 chains to corner 13 of Tract S-2k-VIII;

N 01° 00' E, 21.10 chains to corner 14 of Tract S-2k-VIII;

N 25° 20' W, 17.10 chains to corner 15 of Tract S-2k-VIII, a point in center of Brushy Creek;

Thence in a general northeasterly direction, down and with the meanders of Brushy Creek, within the Cadwalder Davis Survey, 18.00 chains to corner 16 of Tract S-2k-VIII, a point in center of Brushy Creek, with a calculated chord bearing and distance of N 35° 24' 34" E, 12.05 chains; Thence East, within the Cadwalder Davis Survey, 26.94 chains to corner 17 of Tract S-2k-VIII; Thence S 27° 00' E, common to the Cadwalder Davis Survey and the Walter Hughes Survey, A-24, 34.14 chains to corner 18 of Tract S-2k-VIII, the sixth corner of the Cadwalder Davis Survey, the fourth corner of the Walter Hughes Survey, and a corner of the M. E. Griffin Survey, A-321, a FS standard concrete post marked S-351;

Tract S-2k-VIII Description Page 2

Thence South, common to the Cadwalder Davis Survey and the M. E. Griffin Surveys, 73.86 chains to corner 19 of Tract S-2k-VIII;

Thence eight lines within the Cadwalder Davis Survey:

N 77° 30' W, 22.97 chains to corner 20 of Tract S-2k-VIII;

North, 47.75 chains to corner 21 of Tract S-2k-VIII;

N 77° 00' W, 16.78 chains to corner 22 of Tract S-2k-VIII;

South, 17.00 chains to corner 23 of Tract S-2k-VIII, a stake on the north side of a road;

N 76° 30' W, 33.86 chains to corner 24 of Tract S-2k-VIII;

South, 31.34 chains to corner 25 of Tract S-2k-VIII;

S 77° 35' E, 21.32 chains to corner 26 of Tract S-2k-VIII;

S 00° 35' W, 16.02 chains to corner 27 of Tract S-2k-VIII;

Thence N 77° 00' W, across Tract S-2k-VIII and common to the Cadwalder Davis and H.E. & W.T.R.R. No. 1 Surveys and the north line of an outstanding interest containing 543.00 acres, a calculated distance of 24.00 chains to the place of beginning, containing a called 558.0 acres, more or less, LESS AND EXCEPT an 11.0 acre tract of land known as Exception No. 1 to Tract S-2k-VIII, described as follows, leaving a total of **547.00** acres, more or less, within Tract S-2k-VIII available for lease.

Exception No. 1 to Tract S-2k-VIII, 11.00 acres: Beginning at corner 1 of Exception No. 1, a F.S. standard concrete post marked S-460, witnessed by scribed bearing tress;

Thence five lines within the Cadwalder Davis Survey:

S 47° 00' E, 13.48 chains to corner 2 of Exception No. 1, a stake on the north bank of a branch witnessed by scribed bearing trees. From this corner, corner 18 of Tract S-2k-VIII, a FS standard concrete post marked S-351 bears N 20° 00' E, 11.70 chains distant;

S 29° 30' W, 7.70 chains to corner 3 of Exception No. 1;

N 70° 00' W, 2.90 chains to corner 4 of Exception No. 1;

N 40° 00' W, 11.65 chains to corner 5 of Exception No. 1;

N 32° 00' E, 7.16 chains to the place of beginning containing 11.00 acres of land, more or less, for Exception No. 1 to Tract S-2k-VIII.

LEAVING A NET AREA OF 547.00 ACRES FOR TRACT S-2K-VIII.

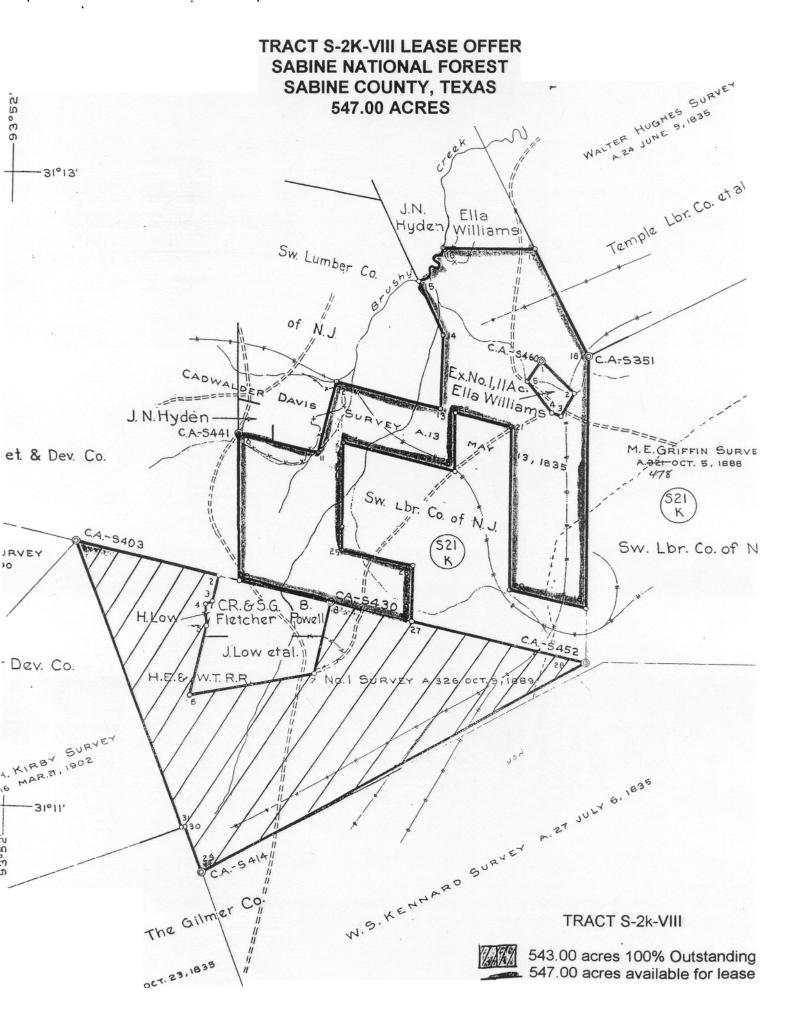


Exhibit G

DESCRIPTION FOR MINERAL LEASING OF TRACT S-1As SABINE NATIONAL FOREST SABINE COUNTY, TEXAS 362.00 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, on the waters of Boregas Creek, a tributary of Sabine River, embracing in whole or in part the following patented surveys: Francisco Jacinto Ballamora, A-69, dated July 22, 1856; Robert Gellatly, A-112, dated January 4, 1841; and Robert Gellatly, A-111, dated January 4, 1841. Tract S-1As was acquired from Pickering Lumber Company by deed dated December 28, 1935 and recorded in Volume 39, Page 387-411, Deed Records, Sabine County, Texas, and contains **362.00** acres, more or less. Tract S-1As is further described as follows for mineral leasing purposes only. It is not the intent of this description of Tract S-1As to include any lands within any adjacent issued Bureau of Land Management (BLM) leases, lease offers, private mineral ownerships, or private lands.

Beginning at corner 1, a Forest Service standard concrete post marked S-228;

Thence N 00° 40' E, common to the John W. Gibbons Survey, A-107, and in part to the Robert Gellatly Surveys, A-111 and A-112, 100.85 chains to corner 2 of Tract S-1As, the fourth corner of the Francisco Jacinto Ballamora Survey, A-69, and the fifth corner of the John W. Gibbons Survey, a F.S. standard concrete post marked S-212;

Thence East, common to the Francisco Jacinto Ballamora Survey and the John W. Gibbons Surveys, 8.07 chains to corner 3 of Tract S-1As, the third corner of the Francisco Jacinto Ballamora Survey and the fourth corner of the John W. Gibbons Survey;

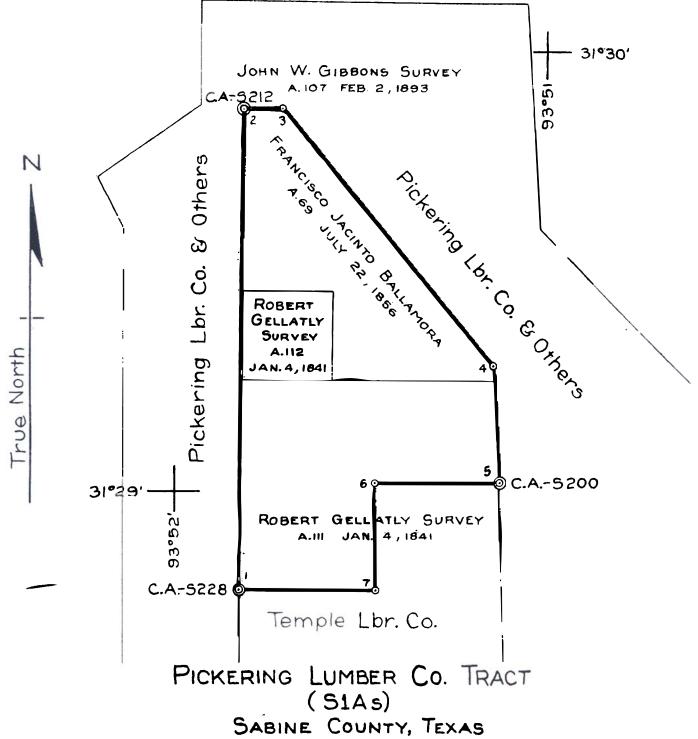
Thence S 39° 20' E, common to the Francisco Jacinto Ballamora and John W. Gibbons Surveys, 69.88 chains to corner 4 of Tract S-1As, the second corner of the Francisco Jacinto Ballamora and the third corner of the John W. Gibbons Survey;

Thence S 02° 40' E, common to the John W. Gibbons Survey and in part to the Francisco Jacinto Ballamora Survey and the Robert Gellatly Survey, A-111, 24.66 chains to corner 5 of Tract S-1As, a F.S. standard concrete post marked S-200;

Thence three lines within the Robert Gellatly Survey, A-111:

West, 26.21 chains to corner 6 of Tract S-1As; S 00° 50' W, 22.37 chains to corner 7 of Tract S-1As; West, 28.19 chains to the place of beginning, containing **362.00** acres, more or less. Note:

For bearings and distances, see description to which this map is attached and made a part of



362 ACRES

L.B.R. - Sur.

1935

SCALE : 1"= 20 CHAINS

DESCRIPTION FOR MINERAL LEASING OF TRACT S-2k-II PARCEL #16 SABINE NATIONAL FOREST SABINE COUNTY, TEXAS 101.68 ACRES

All that certain tract or parcel of land lying and being in Sabine County, Texas, embracing in part the William M. Arledge patented Survey, A-259, dated July 20, 1882, and being identified for mineral leasing purposes as Tract S-2k-II Parcel #16. This parcel is 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 #16 contains approximately 101.68 acres, more or less. It is not the intent of this description of Tract S-2k-II Parcel #16 to include any lands within adjacent issued Bureau of Land Management (BLM) leases, lease offers, private lands or private mineral ownerships.

Beginning at Corner 52 of Forest Service Tract S-2k-II, the seventh corner of the W. M. Arledge Survey and the fifth corner of the Jesse Lowe Survey, A-147, a stake witnessed by scribed bearing trees;

Thence N 88° 30′ E, common to the Jesse Lowe and W. M. Arledge Surveys, 28.00 chains to Corner 53 of Tract S-2k-II, a Forest Service standard concrete post marked S-385, witnessed by scribed bearing trees;

Thence continuing N 88° 30' E, common to the Jesse Lowe and W. M. Arledge Surveys, same being common to a line of lease offer Tract S-2k-II Parcel #17, approximately 32.00 chains to a point for corner for Tract S-2k-II Parcel #16, said point being the northeastern corner of the W. M. Arledge Survey, on the south line of the Jesse Lowe Survey and the north line Eli Lowe Survey, A-34;

Thence a calculated bearing and distance of S 62° 46′ 23" W, common to the W. M. Arledge and Eli Lowe Surveys and in part to lease offer Tract S-2k-II Parcel #17, approximately 43.04 chains to a point for corner of Tract S-2k-II Parcel #16, said point also being common to corner 1 of F.S. Tract S-2k-IX and corner 3 of Tract S-2k-II Exception No. 3;

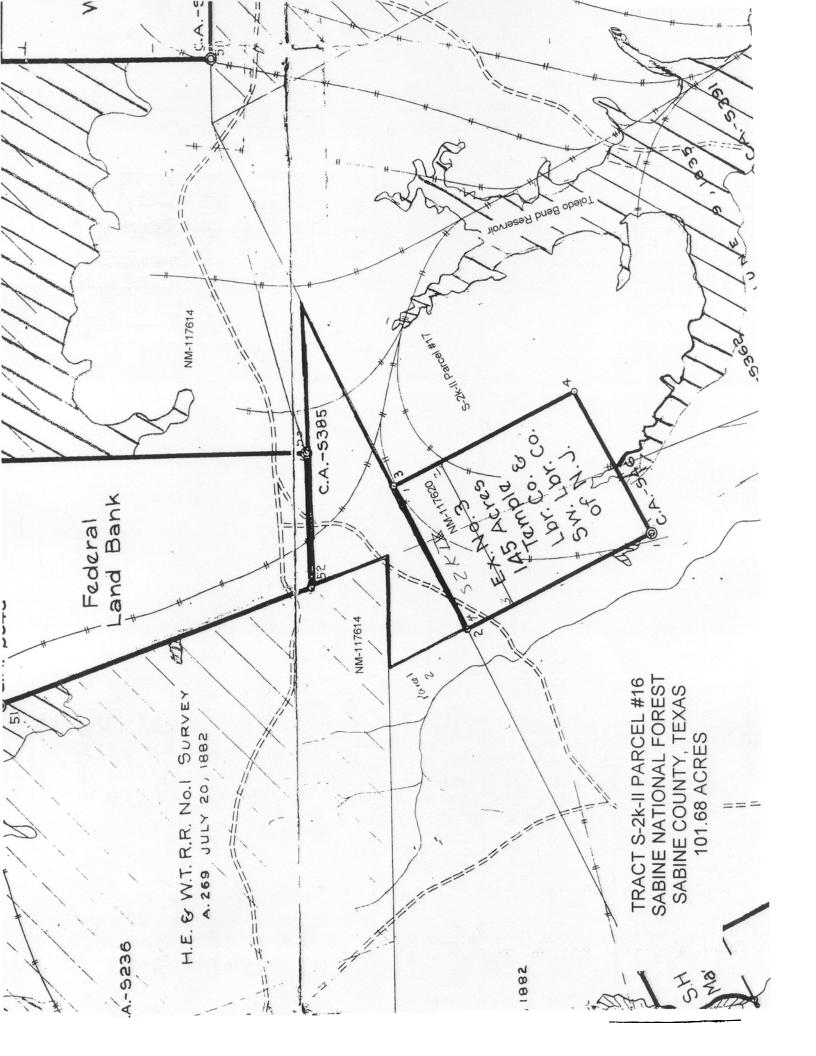
Thence S 63° 25' W, common to the W. M. Arledge and Eli Lowe Surveys and being the north line of Tract S-2k-IX, 33.82 chains to a point for corner of Tract S-2k-II Parcel #16, said point also being common to corner 4 of F.S. Tract S-2k-IX;

Thence a calculated bearing of N 27° 00' W, within W. M. Arledge Survey and common to lease offer Tract S-2k-II Parcel #2, approximately 18.50 chains to a point for corner of Tract S-2k-II Parcel #16, said point being on the south line of the H.E. & W. T. R. R. No. 1 Survey, A-269;

Thence two lines common to the W. M. Arledge and the H. E. & W. T. R. R. No. 1 Surveys and in part to lease offer Tract S-2k-II Parcel #4:

N 89° 45′ E, 23.00 chains to a point for corner of Tract S-2k-II Parcel #16, said point being the southeast corner of the H. E. & W.T.R.R. No. 1 Survey;

N 19° 59′ 26" W, 17.74 chains to the place of beginning, containing **101.68** acres, more or less.



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

- 1. Lessee shall carry on all operations in a good and workmanlike manner in accordance with approved methods and practices.
- 2. Lessees shall abide by and conform to appropriate provisions of Titles 25, 36, and 43, Code of Federal Regulations, and any and all other applicable regulations and manuals of the Secretary now or hereafter in force relative to surface leasing rights-of-way and as amended, and National Area Environmental Protection guidelines; the National Historic Preservation Act of 1966, as amended, Archaeological Resources Protection Act, and American Indian Religious Freedom Act and other applicable laws, 30 BIA, 36 CFR 800 and 43 CFR 7.
- a. Prior to issuing any cultural clearances, the Lessee shall provide the necessary cultural clearances to the Bureau of Land Management after consultation with the Navajo Nation Historic Preservation Department, P. O. Box 2898, Window Rock, AZ 86515, and provide copies of all historic preservation related documents associated with an undertaking. The Navajo Nation contracted under Public Law 93-638 the Navajo Area Archaeology Office.
- b. Prior to entry upon the land or the disturbance of the surface thereof for drilling or other purposes, Lessee shall submit a development plan for surface use to the Area Manager, Farmington Resource Area, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. An Environmental Analysis will be made by the Bureau of Land Management in consultation with the BIA Navajo Area Office for the purpose of ensuring proper protection of the surface, the natural resources, the environment and existing improvements and for assuring timely reclamation of disturbed lands. Upon completion of said environmental analysis, the Oil and Gas Field Manager shall notify Lessee of the conditions to which the proposed surface disturbing operations will be subject. (Note: Prior to operations beginning; Lessee shall furnish a copy of its development plan and Bureau of Land Management conditions to the BIA. The BIA reserves the right to require site specific archaeological surveys and environmental reviews on tracts selected for development prior to giving concurrence to proposed actions(s). The BIA will consult with the Navajo Nation prior to concurring in such actions.)

- 3. The Lessee shall not use or permit to be used any part of said leased land for any unlawful conduct or purpose whatsoever. Lessee will not use or permit to be used any part of said leased land for the manufacture, sale, gift, transportation, or storage of intoxicating liquors, beverages or drugs. In the event any representative of Lessee or its contractor or subcontractor, employed in connection with the operations on the lease premises shall be responsible for any of the unlawful acts described in this clause, Bureau of Land Management shall give Lessee information as to such violation(s) with a copy of the notice to BIA and Navajo Nation. Lessee shall immediately take steps to cure the violations, including the termination or transfer of such employee. (25 CFR 162.5(g) (3); 18 U.S.C. Sections 1151, 1154, and 1156, as amended.)
- 4. Except as otherwise stated herein, copies of correspondence and notices shall be mailed to the Bureau of Indian Affairs in care of the Area Director, Navajo Area Office, Attention: Branch of Real Property Management, Bureau of Indian Affairs, P. O. Box 1060, Gallup, NM 87305-1060; and to the Navajo Nation in care of the President, Navajo Nation, Attention: Navajo Tribal Minerals Department, P. O. Box 146, Window Rock, AZ 86515.

THE NAVAJO NATION STIPULATIONS

- 1. The surface ownership of lands contained in this lease may be all or partly managed by the Navajo Tribe. Site specific rights-of-way clearances and/or inventories may be required prior to entry upon the surface for operation of the lease holdings. Prior contact with the Navajo Nation will be required prior to operations beginning. All applicable laws of the Navajo Nation (including tax laws, water codes, requirements of Environmental Protection Administration, etc.) shall be complied with by the Lessee.
- 2. The Navajo Nation requires a copy of complete exploration and development data (drilling logs, seismic data, etc.) obtained by the Lessee on the subject lands will be provided to the Navajo Nation at no cost. All materials data will be held confidential as described in 43 CFR 3162.8.
- 3. Navajo grazing rights to the surface of the lands so leased shall be protected, and the Nation's rights respecting the use of water shall be unimpaired.
- 4. Lessee shall not obtain water for use in drilling from Indian-owned wells, tanks, springs, or stockwater reservoirs without prior written permission from the Navajo Nation. Lessee shall not drill any water wells for its use without prior written consent of the Navajo Nation and the Area Director.

- 5. Lessee shall compensate the Navajo Nation and its grazing permittees (if any), for all surface use(s) as well as damages to crops, buildings, and other improvements of surface landowner, including loss of grazing lands, occasioned by the Lessee's operations except the Lessee's control. Compensation for surface use shall be negotiated by Lessee and the Navajo Nation and will be based upon the duration of activity on the land.
- 6. Lessee shall not drill any well within 500 feet of any house, structure, or reservoir of water without the Navajo Nation's written consent.
- 7. Lessee shall bury all pipelines crossing tillable lands below plow depth unless other arrangements are made with the Navajo Nation.
- 8. Upon the request of the Navajo Nation or if so required by the Area Director or his authorized representative, and under the direction of the Field Manager, Bureau of Land Management, the Lessee shall condition any well drilled which does not produce oil or gas in paying quantities, but which is capable of producing water satisfactorily for domestic, agricultural, or livestock use by the Navajo Nation. Otherwise, after the expiration or termination of the lease, the Lessee shall remove all pumping equipment installed by Lessee at any well.

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, 5924 NW 2nd Street, Suite 200, Oklahoma City, Oklahoma 73127, 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 <u>may</u> 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 <u>may</u> 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.

GENERAL STIPULATIONS

UNITED STATES OF AMERICA DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION

FORT COBB DAM AND RESERVOIR FORT COBB DIVISION, WASHITA BASIN PROJECT, OKLAHOMA

- 1. All rights under this oil, gas, and mineral lease are subordinate to the right of the United States to flood and submerge the lands, permanently or intermittently, in connection with the construction, operation, and maintenance of the Foss Dam and Reservoir, Foss Division, Washita Basin Project, Oklahoma (Project lands).
- 2. All surface work performed by the Lessee and/or operator on the Foss Reservoir lands shall be under the general supervision of the Area Manager, Bureau of Reclamation (BOR) in direct charge of the project, and shall be subject to such conditions and regulations as he/she may prescribe. Detailed plans and location for all structures, appurtenances thereto, and surface disturbance work on project lands shall be submitted to the said Area Manager for approval in advance of commencement of any surface work on the said project lands. At least 60 days or more lead time is preferred. Authorized representatives of Reclamation shall have the right to enter on the leased premises at any time to inspect both the installation and operational activities of the Lessee and/or operator.

A. Pre-drilling Conditions:

- 1. No exploratory drilling, flow line trenching or site clearing will occur until approval is granted by the appropriate Reclamation representatives in consultation with the local managing agency(s).
- 2. No wellhead shall be below the top of flood control pool elevation of 1354.4 feet, mean sea level(MAXIMUM WATER SURFACE). 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.
- 3. All storage tanks shall be constructed elevation 1374.4 feet (maximum water surface). 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 and gas is prohibited within 2,000 feet of any dam, dike, or other major structure, unless otherwise approved by the Area Manager in consultation with the local managing agency(s).
- 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 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 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 construction, operation, and/or maintenance of any facility authorized by the Reclamation lease, Lessee, or any person working in his behalf discovers any historic or prehistoric grave, ruin, monument, or any object subject to the National Historic Preservation Act of 1966, the Archeological Resource Protection Act of 1979, or the Native American Graves Protection Act of 1992 and/or, Reclamation Instructions 376.11, work shall be suspended immediately and the discovery reported to Reclamation. When directed by Reclamation, the Lessee shall obtain, at his expense, a qualified archeologist to examine and evaluate, and if necessary, excavate the discovery.

- 10. No "mud pits" shall be constructed on Federally-owned land. A closed mud system is required with containerization of drill cuttings. Water or discharge of any kind shall not be allowed to enter any drainage. All unattended containers containing liquids shall be fenced.
- 11. The derrick shall not be located closer than one and one-half times its height from any electrical power transmission lines 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(s).
- 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(s). 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 the existing ground. Access roads shall be constructed to widths suitable for the safe operation of the vehicles and equipment at proposed speeds. The road speeds shall be

posted with signs and maximum speed limits signs. 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. If the local managing agency(s), requests Lessee shall construct cattle guards, or install gates with locks on new access roads 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(s) 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. 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, IF APPROVED BY RECLAMATION:

- 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(s) 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 containers containing toxic liquids shall be fenced and open containers shall be 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 the site. After drilling activities are completed the site shall be 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 required 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(s).

- 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 4 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(s). Any openings in fences will be restored to original condition.

F. General:

- 1. The Lessee shall limit access to well and storage locations on project lands to authorized personnel.
- 2. The Lessee agrees to cease all operations and make all necessary corrections to the satisfaction of the representative of Reclamation in consultation with the local managing agency(s) before resuming any operations should any violations of the terms of these stipulations 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 premises in a workmanlike manner and shall not commit or suffer to be

committed waste upon the lands in his occupancy and use. In drilling operations, the Lessee or operator 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 purposes; and after the termination of drilling operations, the land will be 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.

G. Hunting:

- Lessee/Licensee activities should not prevent hunters and other consumptive and nonconsumptive users of the wildlife resources from freely pursuing their activities in the wildlife management area. Lessee/licensee activities should be conducted to minimize conflict with public users of recreational areas.
- 2. Lessee/Licensee will not be permitted to carry firearms or other hunting or trapping equipment unless the equipment is appropriate to a season open on the designated areas at the time and the individual(s) area authorized to hunt.
- 3. During deer and turkey season, delivery and trucking to and from well sites in the wildlife management area will be avoided to the maximum extent possible for the 2-hour period immediately after sunrise and for the 2-hour period immediately before sunset. Additionally, no new exploration work or exploratory drilling may be initiated during the deer and turkey season unless special approval is obtained from Reclamation is consultation with the surface managing agency. Other timing restrictions may be established as needed to protect the project.

BUREAU OF RECLAMATION SPECIAL STIPULATIONS

- 1. The following stipulations apply to drilling within the Fort Cobb Wildlife Management Area, Fort Cobb Reservoir, Oklahoma:
 - 1. Leasing for pooling purposes only (i.e., no surface occupancy) will be allowed within the Federal boundaries of the Fort Cobb Reservoir in:
 - a. Township 9 North, Range 13 West, Sections 13,23, and 24-This is a critical swamp rabbit habitat and a future waterfowl management area. Also, much of this area contains riparian timber.
 - b. Township 9 North, Range 12 West, Section 32, and SESE of Section 30, This area is the most important crow wintering areas in the nation.
- 2. Now wells shall be drilled within 1/8 mile (660 feet) of intermittent streams to further project riparian timber.
- 3. All equipment must be powered with electric motors to minimize impacts on recreational use.
- II. The following stipulations apply to drilling within the Fort Cobb State Park, Fort Cobb Reservoir, Oklahoma:
- 1. Township 5 North, Range 20 West, Section 22 and the SW of Section 15 This is a highly developed recreation area.
- 2. Any producing well within 1,500 feet of any campsite or sleeping quarters must be powered with an electric motor.
- 3. A 5-foot cyclone fence with two strands of barbed wire on top must be constructed around any well in production.

CONTROLLED SURFACE USE STIPULATION PALEONTOLOGY

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

_	Restrict	vehicles	to	existing	roads	and trail	S.

For the purpose of: To protect the area for scientific study.

On the lands described below:		

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

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

Bureau of Land Management Farmington Field Office

F-9-CSU September 2003

CONTROLLED SURFACE USE STIPULATION NAVAJO INDIAN IRRIGATION PROJECT

Surface occupancy or use is subject to the following special operating constraints on the lands described below:

For the purpose of: No oil or gas facilities will be installed that will unduly interfere with the construction or development of the area for agriculture purposes in connection with the Navajo Indian Irrigation Project. The lessee must clear with the Navajo Indian Irrigation Project Manager prior to the installation of any oil and gas equipment so that modification or relocation at a later date might be avoided.

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

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

Bureau of Land Management Farmington Field Office

F-28-CSU September 2003

NO SURFACE OCCUPANCY Special Cultural Values and/or Traditional Cultural Properties

No surface occupancy or use is allowed on the lands describe	o below.
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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.

Bureau of Land Management Farmington District Office

F-39-NSO November 2006

CONTROLLED SURFACE USE SPECIAL CULTURAL VALUES and/or TRADITIONAL CULTURAL PROPERTIES

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(Controlled	i surtace us	e is allowe	ed on the	iands de	scriped 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.

Bureau of Land Management Farmington District Office

F-40-CSU January 2008

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) 321-5201

Who is the authorized representative of the Secretary of Agriculture.

CONTROLLED SURFACE USE STIPULATION

(Winding Stair National Recreation Area

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

Winding Stair National Recreation Area:
Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality objectives to the extent practical, and meet Design Criteria and Management Objectives set for in the Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS. Management Area 19 of the RFP.

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On the lands described below:
For the purpose of: to meet visual quality objective 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).

Revised - October 9, 2007

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 (Robert S. Kerr Arboretum Nature Center)

No use or occupancy of the surface will be permitted within the following area:

Robert S. Kerr Arboretum, Nature Center, Botanical Area. Management Area 19 of the Ouachita National Forest Revised Forest Plan 9/23/005, as amended and Final EIS.

On the lands described below:

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 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)

NO SURFACE AND OCCPUANCY STIPLATION (Beech Creek Botanical Area)

No use or occupancy of the surface will be permitted within the following areas:

Reech Creek Rotanical Area Management Area 19 of the Quachita

National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS.
On the lands described below:
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 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).

CONTROLLED SURFACE USE STIPULATION (BEECH CREEK SCENIC AREA)

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

Beech Creek Scenic Area: Activities must be conducted in such a Manner as to reasonably reduce visibility of the operation and meet visual quality objectives to the extent practical, and meet Design Criteria and Management Objectives set for in the Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and final EIS. Management Area 19 of the REP

On the lands described below:
For the purpose of: To meet visual quality objective and to protect semiprimitive recreation values. Ouachita National Forest Revised Forest Plan 9/23/2005, as amended and Final EIS. Management area 19 of the RFP.
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).

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 : 415 South First Street, Suite 110

Lufkin, TX 75901

Telephone No : (936) 639-8580

Who is the authorized representative of the Secretary of Agriculture.

(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) (MA-5-31)

	•	`	, ,	,
On the lands described below:				
On the lands accombed below.				

For the purpose of:

To meet visual quality objectives and protect streamside management zones in accordance with the <u>National Forest and Grasslands in Texas Final Land and Resource Management Plan</u>, 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.)

(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 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).

(Unique Plants or Plant Communities)

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

Portions of this lease may contain large (greater than 40 acres) areas identified under the Texas Natural Heritage Program's Sensitive Plant and Natural Community Inventory. These areas may contain bogs and seeps or sensitive

plants and plant communities. Site-specific proposals for surface-disturbing activities within these areas will be analyzed. Such analysis could result in establishment of protective requirements, limitations for the affected site, or possibly require relocation of the activities.
On the lands described below:
For the purpose of:
To meet requirements of the National Forest Management Act of 1976 and regulation, 36 CFR 219.26. Also to protect and promote sustainable populations of unique plants or plant communities as per the National Forests and Grasslands in

Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

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

require that localized surveys be performed to assure no uninventoried clusters a present. (MA-2-80-4.6)
On the lands described below:
For the purpose of:
To protect red-cockaded woodpecker clusters foraging and habitat areas in accordance with the National Forest and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.
Any change to this stipulation will be made in accordance with the Land Use Plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

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.)

LEASE NOTICE NATIONAL FORESTS IN TEXAS (Cemeteries and or Churches)

Gellatly Cemetery lies within Tract S-1As.

STIPULATION OFF-ROAD VEHICULAR USE RESTRICTION

Vehicular use on all or portions of the lands contained in this lease is limited to existing roads and trails in order to prevent damage to cultural resources (in accordance with the Federal Register Notice of July 31, 1980 - Rattlesnake Hill limited ORV Designation). Exceptions may be granted when the lessee/operator submits a surface use and operations plan which is satisfactory to the authorized officer of the Bureau of Land Management, for the protection of cultural resources.

Bureau of Land Management White Sands Resource Area

LC-3

VISUAL RESOURCE MANAGEMENT CLASS II LEASE NOTICE

Surface activities on the lease are subject to Visual Resource Management Class II 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, vegetation manipulation, screening techniques, use of native materials, minimizing the number of structures, reducing size of disturbance, additional earthwork such as terracing or rounding slopes, or other measures necessary to minimize visual impacts. The need for additional mitigation measures will be determined on a case-by-case basis for each proposed action.

For the purpose of: Preserving i	important	visual	resources.
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Bureau of Land Management Las Cruces Field Office

LC-21VRM II October 2006

Controlled Surface Use Stipulation Designated Historic Trails

New disturbance will be minimized as follows:

No surface disturbing activities within $\frac{1}{4}$ mile from each side of the trails (entire length)

Existing disturbance points could be used to cross the trails

On the lands described below:

Jornada del Muerto - Tps 13-20 S - Rs 01 & 02 W, NMPM

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

Waiver: None

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

Modification: None

Justification: Stipulating controlled surface use is deemed necessary to minimize impacts on Cultural resources. Closing the trails and a ¼ mile buffer on either side of the trails to leasing or stipulating no surface occupancy is not considered necessary since impacts can be mitigated by requiring controlled surface use.

Controlled Surface Use Stipulation Special Status Species Habitats

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

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

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

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

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

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

Waiver: None Modification: None

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

New Mexico State Office Las Cruces Field Office LC-40 CSU May 2005

<u>Authorized Surface Disturbance Threshold</u> Requirements for Additional Environmental Analysis

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

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

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

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

Waiver: None Exceptions: None Modifications: None

Justification: See page 6-2 of Record of Decision document dated January 24, 2005.

Bureau of Land Management Las Cruces Field Office

LC-47 January 2005

NO SURFACE OCCUPANCY POOLING PURPOSES ONLY

No surface occupancy or use is allowed on the lease. The purpose of this lease is solely for participation in a unit or for pooling purposes.

Bureau of Land Management New Mexico State Office NM-9 NSO May 15, 1991

Special Cultural Resource Lease Notice

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

Bureau of Land Management New Mexico State Office NM-11-LN February 9, 2004

Wildlife Resource Special Conditions of Approval (WRSCOAs)

The BLM and the FWS have cooperatively developed the following WRSCOAs. These WRSCOAs are the conservation measures (CMs) in BLM's (in-house) biological evaluations. These WRSCOAs can be incorporated into any approved permit issued by BLM for the project. They are designed to minimize impacts (cumulative and otherwise) to ground water, surface water, wetlands, riparian zones, migratory birds, threatened an/or endangered species and other significant biological resources. The goal of this closed system effort is to prevent fluids from the drilling process (produced or waste) from coming into contact with the parent soil or any other earthen layer and thus prevent their entry into the ground water.

Wildlife Resource Special Conditions of Approval (WRSCOAs)

The operator (&/or their assigns) will:

Bore under any encountered wetlands for the purpose of pipeline installation. Trenching will not be used to install any pipeline through a wetland or to cross any creek.

Bury any transmission lines* (electrical, telephone, etc.) needed during the drilling or production of this well. No above ground utility poles or wires are allowed in association with this permit to drill. Elevated electrical or telephone lines (and the poles such utilities are suspended from) pose a collision and/or electrocution hazard for migratory birds. *Temporary pipelines or other conduits needed to supply the drilling location with fresh water are not affected by this requirement and may remain on the surface and do not need to be buried*.

Dike & berm the tank battery that will receive fluids from this well. The dike/berm will be impervious and designed according to requirements of 40CFR 112. The EPA has a booklet (July 1992) available titled "Information on SPCC Plans – 40 CFR 112". Page 20 of this booklet describes, in detail, how tank battery dikes (berms) are to be constructed.

Establish vegetation on all areas of the location to be reclaimed. This phase of the reclamation process should be accomplished by using seed or sod. Current policy recommends that these areas be restored with native vegetation in regards to both species and structure (grass, shrubs or trees). In those areas where trees or shrubs are planted, grass should be planted in conjunction to provide stabilization until trees are mature. This recommended reclamation is contingent upon the wishes of the surface owner and/or the surface management agency.

Wildlife Resource Special Conditions of Approval (WRSCOAs)

Effectively install erosion control measures prior to beginning any construction activities. These erosion control measures will be installed (and maintained) outside of the entire area to be leveled and cleared (around all construction sites; pad, access road and pipeline) so as to effectively minimize the movement of materials from the BLM permit site to adjacent lands or drainages. These measures will be effectively maintained until the well is producing or has been declared a dry hole and plugged. These erosion control measures are for the duration of the construction, drilling and completion phases of this project and not for the life of the well.

Install an impervious liner under the drilling rig structure. Usually this will be the drilling rig substructure, operating equipment (diesel engines) and storage tanks (diesel fuel, lubricants, antifreeze, etc.); not the entire pad. This liner should extend into sumps and the cellar and into and along the ditches to prevent any fluids associated with the drilling process from coming into contact with earthen material. This liner will be washed off intolined ditches, lined sumps or into the lined cellar and then pumped to the lined sumps prior to being removed from the location. Metal catch pans may be used on isolated engines and/or storage tanks where the impervious liner may not be practical. The catch pans, if used, will need to be kept pumped and/or drained (not allowed to overflow). The contents of the metal catch pans may go to the lined sumps, lined cellar or pumped into tanks/trucks for disposal purposes.

Line all ditches associated with the drilling process. These lined ditches will effectively catch and direct the flow of fluids involved in rig operations. The liner used will be an impervious material. These lined ditches will effectively drain into the lined sumps/lined cellar and will be effectively maintained to prevent the migration of drilling fluids (produced or waste) into soils or ground water.

Line all sumps with impervious material (steel or concrete preferable) on all sides, and bottom. These sumps will, at all times, be below the level of the ditches so that the fluids in the ditches can flow into the sump without coming into contact with native soil or other earthen layer. These sumps must be emptied before overflowing. These sumps will be covered so as to prevent accidental entry by migratory birds.

Make the rat hole and mouse hole impervious by installing cylinders (conductors, culverts or tin-horns) with concrete bottoms. The cylinders shall be installed in such a manner so as to prevent fluids from the pad surface from running into the cylinders, or entering between the cylinders and the earthen wall of the rat and/or

mouse hole. The top of the cylinder should be above the pad surface. One option is to pour cement around the outside of the cylinders between the cylinders and the earthen hole. The cement could also be shaped/formed at an incline or raised (like a collar) above the ground level.

Line the drilling cellar (concrete, metal, etc) so as to make it as impervious as possible to prevent liquids discharged from the drill hole, or drained from the pad surface, from percolating into the soil. If needed, a pump will be installed to transfer fluids in the cellar to one of the lined sumps. The cellar will not be allowed to overflow.

Exercise caution and care when removing any of the impervious liners (geomembrane, concrete, steel, etc.). The liquids and solids which have collected on/in the impervious liners will not be allowed to come into contact with the pad surface, parent soil or any other earthen layers during the cleanup of the site. The liners will be properly cleaned prior to removal or removed in such a manner so as not to allow liquids/solids to escape. Preferably the liner will be washed off into lined ditches, lined sumps or into the lined cellar and then pumped to the lined sumps prior to being removed.

Please Note: In addition to the above conservation measures (wildlife resource special conditions of approval) the operator will also need to comply with BLM's "General Requirements" which are attached to the operator's approved APD.

PROPOSED LEASE STIPLATIONS FOR PARCEL NM 200804-085

Stipulations utilized within the ORA include both mandatory and optional stipulations. A mandatory stipulation is one which addresses protection of the resource which the BLM is required by law, regulation or policy to protect, and which the BLM feels STC would not offer sufficient protection.

The following special conditions of approval summarize all conditions of approval and mitigation measures developed to satisfy BLM's Surface Use Plan requirements and are herein made a part of the lease:

- 1. Lessee/Operator will post a \$200,000.00 individual lease bond. This bond will be renegotiated following the clean up and restoration of the lease.
- 2. Lessee must submit a statement that they agree to also serve as the operator of the lease.
- 3. Lessee/Operator will move all production facilities out of the 100-year floodplain of the Red River. An off lease measurement and storage agreement must be in place prior to commencement of production.
- 4. All wells will either be plugged and abandoned or returned to production. Some wells may be used as injection wells with proper permitting. In no case will any wellbore be left unplugged unless there is a specific authorization for its future use.
- 5. All well heads and pumping units will be engineered for flood conditions, including anchoring and blocking.
- 6. Lessee/Operator will build diversionary barriers upstream of all unplugged wells, all barriers installed will be constructed of heavy gauge piping and engineered to withstand pressures exerted in 100 year flood flows, and be capable of diverting flood debris around wellhead.
- 7. A Spill Prevention, Countermeasures and Containment Plan for each well and production facility must be completed and certified by a registered professional engineer as outlined in 40 CFR 300.
- 8. Lessee/Operator must obtain Class II Injection well permits for all injection wells on lease through the Environmental Protection Agency.
- 9. Lessee/Operator will receive clearance from the State Historical Preservation Officer and the State Archaeological officer, and provide a copy of these clearances to BLM.
- 10. Lessee/Operator will contact the U.S. Army Corps of Engineers to determine if this lease requires a Section 404 permit.
- 11. Lessee/Operator will, before any new surface disturbance; provide the BLM copies of letters for the well projects to proceed from the State Historic Preservation Officer and the Oklahoma State Archeologist. If buried Archaeological materials such as chipped stone tools, flint debris, pottery, bone, burned rock, historic ceramics, glass, metal items, building foundations, or other structures are exposed: the Lessee/Operator should stop work at that location immediately and contact the Bureau of Land Management and the State Historic Preservation Office at (405) 794-9624, 521-6249 and 325-7211.

ORA-LS-1 Page 2 of 2

- 12. Lessee/Operator shall submit a certified surveyor's plat showing that the elevation at floor elevation of the tank battery is al least 1011' Above Sea Level (ASL).
- 13. Lessee/Operator will paint all tanks, pump jacks and any other production equipment (other than flowlines and pipelines) associated with the operation of this lease an earth tone color to be specified by the BLM. Such painting must be completed within 12 months (365 days) after the date of the approval action (APD or Sundry).
- 14. Lessee/Operator will not be allowed to use heavy equipment or conduct other operations including human activity either in the active river channel or adjacent sparsely vegetated sandy areas during the months of May, June, July and August of each year without the written approval of the Authorized Officer of the BLM.
- 15. Lessee/Operator will encase all above ground pipelines in a conduit or culvert (as appropriate) that are within 100 feet of a wetland (semi-permanently or seasonally flooded) or within 10 feet of a lease road. All such flow lines (pipelines) must be so encased within 6 months (180 days) after the effective date of the approval action (APD or Sundry).
- 16. Lessee/Operator will immediately take measures to prevent the entrapment of any migratory birds or other wildlife in tanks or other areas where spills of crude oil or other pollutants occurred. In this regard, Lessee/Operator will submit to the Authorized Officer of the BLM and Emergency Netting and Oil Containment Plan within 90 days after the approval of the APD or Sundry Notice. Polypropylene type netting is the most effective means of preventing accidental kills of migratory birds during spill containment and prior to commencement of any clean up efforts. NOTE: The required plan above will include a listing of addresses and telephone numbers where the operator plans to obtain netting and other oil clean up/containment equipment on an emergency basis. Quantities, type of materials and response time should be addressed in the emergency response plan. Additional requirements as contained in Notice to Lessee-96-01 titled "Modification of Oil and Gas Facilities to Minimize Bird and Bat Mortality."
- 17. Lessee/Operator will be allowed use of surface power lines with precautions for protection of raptors and other species.
- 18. Lessee/Operator will not remove any trees with a diameter at breast height (DBH) greater than 6 inches without the written approval for the Authorized Officer of the BLM.
- 19. Lessee/Operator will maintain as a minimum, a 100 yard buffer zone around all occupied nesting areas of the interior least tern.
- 20. Lessee/Operator will, once the groundwater dynamics are defined (using the data from a piezometer study), install a groundwater monitoring system to adequately monitor the groundwater system on the lease.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Notice to Lessees and Operators (NTL) of Federal and Indian Oil and Gas Leases Operating Under Permits Issued by the Bureau of Land Management – within the Jurisdiction of the Tulsa District Office (i.e., Kansas, Oklahoma and Texas) (NTL 96-01-TDO)

MODIFICATION OF OIL AND GAS FACILITIES TO MINIMIZE BIRD AND BAT MORTALITY

I. Background:

The subject of bird and bat mortalities associated with oil and gas facilities has become a concern not only nationwide but worldwide and has prompted many oil and gas companies to modify existing and new production facilities to minimize accidental deaths of birds, bats, and other wildlife.

Open-vent exhaust stacks are used as perches by many species of birds, especially during migration. Death may result from carbon monoxide poisoning, incineration or becoming trapped in the units.

Open pits and tanks on production sites periodically contain salt water, oil or oil by-products. These pits and tanks present a hazard to birds because they appear to be fresh water. Birds, particularly waterfowl and shorebirds, are lured into the pits or tanks thinking they are places to feed, drink, or rest. This results in a loss of hundreds of thousands of birds nationwide.

The potential hazard to birds and bats from open-vent exhaust stacks and open pits and tanks warrants mitigative action by the Bureau of Land Management (BLM).

The Migratory Bird Treaty Act of 1918, as amended, authorizes the Secretary of Interior to adopt such measures necessary to protect and preserve migratory raptor and other avian species. Additionally, the BLM is responsible for implementing protective Management goals identified in the Nongame Migratory Bird Habitat Conservation Strategy plan. The Federal Land Policy and Management Act (FLPMA) declares that the policy of the United States is to manage the public lands in a manner that will protect the quality of scientific, ecological, and environmental values.

II. Purpose:

To minimize the likelihood of accidental death of birds and bats on oil and gas facilities under the jurisdiction of the BLM.

III. Authority:

Under the authority of Title 43 Code of Federal Regulations CFR), §31612, §3162.5-1 and §3164.2, lessees/operators on Federal and Indian oil and gas leases can be required to modify production equipment when needed to protect natural resources and environmental quality.

IV. Requirements:

A. All open-vent exhaust stacks on production vessels designed to heat the product using an open flame (as opposed to electrically heated) shall be constructed, modified and/or otherwise equipped and maintained to prevent birds and bats from entering and to discourage perching and nesting. Such production vessels include, but may not be limited to, heater-treators, separators, dehydrators, and in-line units. This requirement does not apply to compression type equipment.

- B. All open earthen pits will be effectively netted or otherwise covered, and maintained, until such time as the pits are filled and/or reclaimed.

 Minimizing the likelihood of accidental deaths or migratory birds is the goal. This netting or cover shall be installed no later than forty-five (45) days after the setting of the production casing string or completion of plugging as a dry hole. All pits, if not netted or covered, will be adequately equipped during the 45 day interim period with other bird deterrent devices. Such devices to be used during the interim period may include, but not be limited to, streamers, pinwheels and/or noise devices. Variances may be requested. The 45 day interim period for completion of covering or netting pits in no way limits the operator's responsibility should migratory birds be found dead in the pits within the interim period or during the actual drilling phase.
- C. All open topped (non-carbon) tanks will be effectively netted or otherwise covered and maintained so as to minimize the likelihood of accidental deaths of migratory birds. This netting or cover shall be installed no later than four (4) days after the setting of the production casing string or completion of plugging as a dry hole. All tanks installed for production purposes will be immediately netted or covered. All tanks shall remain netted or covered until such time as they are removed from the location. The granting of a four (4) day interim period for

completion of covering or netting tanks associated with the drilling process in no way limits the operator's responsibility should migratory birds be found dead in the tanks within the interim period or during the actual drilling phase.

V. <u>Time Frames:</u>

- 1. All open-vent exhaust stacks open pits and tanks existing as of the effective date of this NTL will be modified as required under Section IV. REQUIREMENTS, A., B. AND C. within a twelve (12) month period from the same effective date of this NTL.
- 2. All new oil and gas operations commenced after the time frames presented above (No. V.1.) will immediately incorporate requirement numbers IV.A., IV.B and IV.C. (above) as applicable.

VI. Compliance:

BLM compliance inspections will include examinations for the use and effectiveness of these measures. Should these measures prove to be ineffective the BLM shall seek alternate measures to minimize the likelihood of accidental deaths of birds and bats. Failure to implement the requirements listed in this NTL will be considered failure to comply with a written order and a "Notice of Incidents of Noncompliance" may be issued.

CONTROLLED SURFACE USE FLOODPLAIN PROTECTION STIPULATION

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.

Land Management.	
For the following described land(s):	
Any changes in this stipulation will be made in accordance with and/or the regulatory provisions for such changes.	the land use plan
Bureau of Land Management Oklahoma Field Office	ORA-1 CSU November 1991

CONTROLLED SURFACE USE WETLAND/RIPARIAN STIPULATION

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.

mitigation shall be developed during the application for perm	it to ariii process.
For the following described land(s):	
Any changes in this stipulation will be made in accordance w and/or the regulatory provisions for such changes.	ith the land use plan
Bureau of Land Management Oklahoma Field Office	ORA-2 CSU November 1991
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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 February 1991

CONTROLLED SURFACE USE 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.

basis.	case-by-case
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

CONTROLLED SURFACE USE STREAMS, RIVERS, AND FLOODPLAINS

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

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

- --Additional development in areas with existing developments that have shown no adverse impacts to the riparian areas as determined by the Authorized Officer, following a case-by-case review at the time of permitting.
- --Suitable off-site mitigation if habitat loss has been identified.
- --An approved plan of operations ensures the protection of water or soil resources, or both.
- --Installation of habitat, rangeland or recreation projects designed to enhance or protect renewable natural resources.

For the purpose of: Protecting Streams, Rivers and Floodplains

On the lands described below:

Bureau of Land Management Roswell/Carlsbad Field Offices SENM-S-18 December 1997

CONTROLLED SURFACE USE 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:

On the lands described below:

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.

For the purpose of:	Protecting Playas and	Alkali Lakes

Bureau of Land Management Roswell/Carlsbad Field Offices SENM-S-19 December 1997

CONTROLLED SURFACE USE 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

Bureau of Land Management Roswell/Carlsbad Field Offices SENM-S-20 December 1997

CONTROLLED SURFACE USE 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

CONTROLLED SURFACE USE 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-theclock operations, such as venting, flaring, or pumping, which do not require a human presence during the period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise. Exceptions to these requirements will be considered for areas of no or low prairie chicken booming activity, or unoccupied habitat, including leks, as determined at the time of permitting, or in emergency situations.

For the purpose of: Protecting Prairie Chickens

Bureau of Land Management Roswell/Carlsbad Field Offices SENM-S-22 December 1997

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 contract of a project with the dominant color, line, texture, and form of the surrounding landscape. Other surface facilities or equipment approved by the BLM, such as large-scale range improvements or pipelines, will be painted, when needed, to conform with the requirements of visual resource management to minimize visual impacts. Paint colors will be selected from the ten standard environmental colors approved by the Rocky Mountain Coordinating committee. The selected paint color will match as closely as possible the predominant soil or vegetation color of the area.

For the purpose of: Protecting Visual Resources Management

Bureau of Land Management Roswell/Carlsbad Field Office

SENM-S-25 December 1997

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

Proposed projects may be located within the Guadalupe Escarpment Scenic Area.

The project will be built in a manner to minimize visibility from National Parks Highway (US 62/180).

Special Operating Constraints:

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

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

Bureau of Land Management Carlsbad Field Office

SENM-S-32 May 2004

NO SURFACE OCCUPANCY OVERFLOW WETLANDS ACEC

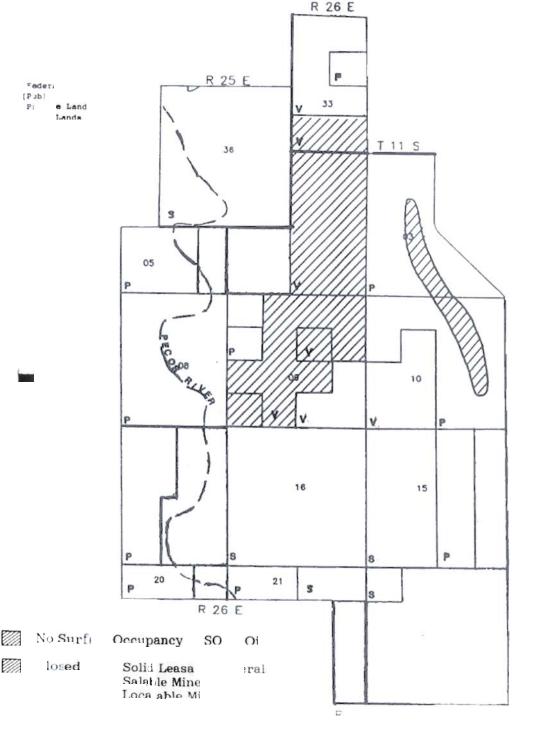
All or a portion of the lease is within the boundary of the Overflow Wetlands Area of Critical Environmental Concern (ACEC). A portion of this ACEC is designated as no surface occupancy for oil and gas operations. The restricted areas are illustrated on the map included with this stipulation. Access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

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

Note: with attached map.

Bureau of Land Management Pecos District Office

SENM-S-38 April 2005



MAP A12-2
OV :RFLOW WETLANDS
Roswell Resource

CONTROLLED SURFACE USE SOUTHERN GUADALUPE ESCARPMENT RESOURCES

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

- (1) Well sites will be located to avoid sensitive resources. Drilling fluid/mud systems must be contained in metal tanks, drill cuttings must be disposed off-site, surface tanks must have berms sufficient to contain the total volume of all tanks. The berm area must be lined sufficient to prevent any leakage and rip-stop padding must be used to prevent tears or punctures in liners.
- (2) The casing and cementing programs must be designed to allow for a karst protection string and all strings of casing must be cemented to the surface, upon abandonment of the well, the wellbore will be cemented from the base of the cave/karst zone to the surface.
- (3) Pads may be located adjacent to existing roads, projects may be routed in corridors, and cut and fill may be minimized at the discretion of the BLM authorized officer. Loamy soil in gyp/loamy areas must be stockpiled to use for reclamation.
- (4) Directional drilling from approved well pads may be required at the discretion of the BLM authorized officer to reduce the need for additional roads and production infrastructure.
- (5) To protect visual resources, use of low profile structures, selective paint colors, use of weathering substances to reduce the contrast of large boulders and cut areas, natural colored power poles, non-reflective (non-specular) wire, setting the drill site back from the edge of bluffs, and other techniques will be considered at the time a drilling is processed.
- (6) Interim reclamation of the drill site will be completed within six months of well completion. Interim reclamation plans including production equipment or facility site diagrams will be included in the surface use plan (SUP) at the time of the Application for Permit to Drill (APD). Additional consultation between the operator and the BLM authorized officer may be required to determine final drill site dimensions.
- (7) Initial reclamation of the site will occur within three months of well abandonment. All reclamation requirements will be completed within six months of well plugging. Reclaimed well sites will continue to be monitored until desirable vegetation (seeded and native) is established. Additional work may be required at the discretion of the BLM authorized officer to achieve results.

Appropriate seed mixes must be used; alkali sacaton, for-wing saltbush in gyp, sideoats grama, bristlegrass in shallow limestone are examples. Use of annual "nurse crop" to get initial cover and provide additional organic matter to soils may be required. Caliche removal, disking, mulching, irrigation, fertilizing, seeding rates, seeding application (drilling vs. broadcasting), time of year to seed, fencing and weed control may be required as deemed necessary by the BLM authorized officer.

For the purpose of protecting:

Karst Groundwater/Hydrology, Springs, Riparian Areas, Wildlife, Fragile Soils, Visual Resources, and to facilitate resource reclamation.

Bureau of Land Management Carlsbad Field Office

SENM-S-42 January 2006

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.

Bureau of Land Management Roswell District Office

SENM-S-34 November 2004

CONTROLLED SURFACE USE PROTECTION OF RAPTOR AND PRAIRIE DOG HABITAT

Prior to survey/flagging locations for pads, routes for roads, and any other preliminary activity, the project area will be surveyed for raptor nests. Surveys will be conducted by professional biologists approved by the Authorized Officer. All raptor nests, bald eagle wintering areas and prairie dog colonies, will be avoided by the distances and periods listed below.

Distance:

- Eagle 0.5 mile, February 1 July 15
- Prairie Falcon 0.5 mile, March 1 August 1
- Ferruginous Hawk 0.5 mile, February 1 July 15
- Aplomado Falcon 0.5 mile, January 1 July 31
- Gunnison Prairie Dog 0.25 mile, April 1 September 15
- Black Tailed Prairie Dog 0.25 mile, January 1 June 15
- All other raptor species 0.25 mile, during observed nest establishment through fledgling.

Long-term surface use activities will not be allowed within the species-specific spatial buffer zone of active nests or occupied prairie dog towns listed above. Short-term activities will be avoided within the species-specific spatial buffer zones during the dates listed above. All other raptor species nests will be avoided by the spatial buffer zone only during the period listed above, regardless of the duration of the activity. Before surface use activities may commence a raptor and prairie dog survey must be completed.

A short-term activity is defined as an activity, which would begin outside of a given breeding season and end prior to initiation of a given breeding season. A long-term activity is defined as an activity which would continue into or beyond a given nesting/breeding season. An activities nest is defined as any nest that has been occupied in the last seven years. A nest will be determined active or inactive by the Authorized Officer.

For the purpose of: Protection of raptor and prairie dog habitat.

Bureau of Land Management Socorro Field Office

SFO-CSU 3 April 2007

CONTROLLED SURFACE USE PROTECTION OF CULTURAL RESOURCES

Access to the lease will be limited to route designated in the approved permit for lease operations. Applications for surface disturbing aspects of lease development will be evaluated for potential proximity to sensitive nationally significant cultural resources (known and suspected0 and could require expanded pre-field records search, subsurface testing and/or metal detector survey in addition routine cultural resource surface inventory for compliance with Section 106 of the NHPA, the costs of which will be borne by the lessee. This would result in extended time frames for processing authorization for development activities.

All proposed surface-disturbing aspects of lease development will be located to avoid and/or protect the cultural resources present.

For the purpose of: Protection of highly significant and sensitive historic and prehistoric resources that might not be detected by means of standard Class III cultural resource surface inventory from direct and indirect effects of lease development.

Bureau of Land Management Socorro Field Office

SFO-CSU 4 April 2007

ENDANGERED SPECIES ACT SECTION 7 CONSULTATION STIPULATION

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

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BLM, New Mexico Oklahoma Kansas Texas

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 - Sale Schedule
 - FAQS

- Sale Results
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- NTLs, Onshore Orders

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