



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

EASTERN STATES
7450 Boston Boulevard
Springfield, Virginia 22153
www.blm.gov/es/



NOTICE OF COMPETITIVE LEASE SALE OIL AND GAS

Notice is hereby given that on **June 24, 1999**, the U.S. Department of the Interior, Bureau of Land Management, Eastern States will offer for competitive sale, pursuant to 43 CFR Part 3120 and procedures herein, certain Federal lands for oil and gas leasing.

LOCATION: The sale will be held in the **Conference Room** at Eastern States, 7450 Boston Boulevard, Springfield, Virginia 22153. You must be present to bid. A list of local hotels and directions to Eastern States is included in this package.

TIME: **The competitive oral auction will begin at 11:30 a.m. Eastern Time, June 24, 1999.** The sale room will be open to the public one hour prior to the time indicated above, to allow time to obtain a bidding number from authorized Bureau personnel.

REGISTRATION AND BIDDING NUMBERS: Bidders will be required to obtain a bidding number prior to making any bid. Registration of bidders is required. Registration will begin at 10:30 a.m. and will conclude at 11:30 a.m., June 24, 1999.

Parcels are identified as follows:

ES-001 - ES-001 Alabama
ES-002 - ES-116 Arkansas
ES-117 - ES-125 Mississippi
ES-126 - ES-129 Virginia

Note: The BLM Eastern States is facilitating a focus group meeting on the oil and gas program to develop a strategy to address custom feedback. The meeting will begin at 9:00 a.m. and end at 11:00 a.m. Registration of bidders will begin at 10:30 a.m. and end at 11:30

a.m. to accommodate meeting participants.

PRESALE LEASE OFFERS: Please note that any parcels marked with an asterisk (*) will be issued to the applicant who has offered to lease the lands noncompetitively if no competitive bid is received. ***Priority of presale offers received shall be determined as of the time and date the offer is filed in the proper BLM State Office.*** Additional noncompetitive offers may be filed on such lands following the oral auction, such offers will not have priority over those filed prior to the posting of this Notice of Competitive Lease Sale.

TERMS OF LEASE: Leases awarded as a result of this oral auction will be for a primary term of 10 years, and so long thereafter as there is production in paying quantities. The royalty will be at a flat rate of 12½ percent of the value or the amount of production removed or sold from the lease. Other terms of the lease are specified on the standard lease (Form 3100-11, October 1992 edition).

OTHER CONDITIONS: Specific surface use stipulations, where applicable, are specified for each parcel in this Notice of Competitive Lease Sale. Such stipulations shall become part of the lease and shall supersede any inconsistent provisions of the lease form. General surface use requirements are contained in law and regulation. The applicable stipulation(s) is indicated in the description of the parcel. All Forest Service parcels may be subject to Lease Notice 3 and/or 4.

MINIMUM BID: The minimum acceptable bonus bid will be the lump sum equivalent of \$2 per acre or fraction thereof.

METHOD OF BIDDING: All bids shall be made orally and be based on a per-acre basis for the entire acreage in the parcel and not on the total bid amount. The bid must be rounded up to the next whole acre if fractional acreage is involved, e.g., a parcel of 644.38 acres will require a minimum bid of at least \$1,290 (\$2 X 645 acres) to open the bidding process.

FRACTIONAL INTERESTS: For some of the parcels, as indicated in the list, the United States holds less than 100% of the oil and gas rights. Any lease issued will be only for the percentages or fractions indicated. However, bonus bids and rentals for such parcels shall be based on the gross acreage in the parcel, not the net U.S. interest. Acreage chargeability and production royalty are, in contrast, calculated on the net U.S. interest.

ORDER OF SALE: Parcels will be offered for oral bid in the order indicated in this Notice.

RIGHT TO WITHDRAW PARCELS FROM SALE: The Bureau of Land Management (BLM) reserves the right to withdraw any or all of the parcels from sale prior to or at the oral auction. In the event of cancellation of the sale, every effort will be made to give appropriate notice to all interested parties. If and when any individual parcels are withdrawn, notice thereof will be posted in the public room at 7450 Boston Boulevard, Springfield, Virginia 22153. You may also obtain the numbers of withdrawn parcels by telephoning (703) 440-1601 or (703) 440-1602 from 8:00 a.m. to 4:30 p.m., Monday through Friday, except Federal Holidays.

DETERMINATION OF WINNING BID: A winning bid will be the highest oral bid, equal to or exceeding the national minimum acceptable bid specified above. The decision of the auctioneer shall be final.

PAYMENT OF BONUS BID, RENTAL AND ADMINISTRATIVE FEE: Winning bidders shall be required to make payment for the parcel on the day of the oral auction for a total amount consisting of: (1) a bonus bid deposit of at least \$2 per acre or fraction thereof; (2) the total amount of the first year's annual rental, at a rate of \$1.50 per acre or fraction thereof; and (3) an administrative fee of \$75 per parcel. This amount must be tendered at the auction after the close of the oral auction. The entire amount due may be paid at this time. Any unpaid balance of the bonus bid must be received at the Eastern States Office by the tenth working day following the close of the oral auction, which is **July 8, 1999** or all monies held by BLM and the right to issuance of the lease shall be forfeited. Any entity who forfeits the right of issuance of a lease (failure to submit the remaining monies due) on three occasions is prohibited from bidding at any future sale under the jurisdiction of Eastern States. Any parcel so forfeited may be reoffered by BLM competitively at a later oral auction. Successful bidders for the future interest parcels are subject to these same conditions except (2) above in that no rental or royalty shall be due to the United States prior to the vesting of the oil and gas rights in the United States.

FORM OF PAYMENT: Payment shall be made by personal check, certified check, money order (SUCH FORMS OF PAYMENT MUST BE MADE PAYABLE TO THE DEPARTMENT OF THE INTERIOR-BLM) or by CREDIT CARD (VISA OR MASTERCARD ACCEPTED ONLY). Payment by cash will NOT be accepted.

BID FORM REQUIRED; AVAILABILITY: Pursuant to 43 CFR 3120.5, successful high bidders will be required to submit, along with the required payments for each parcel on the day of the oral auction of such parcel a properly signed current competitive lease bid form (Form 3000-2, May 1994 edition), which is a legally binding offer by the prospective lessee to accept a lease to the terms and conditions specified herein for the parcel and on the standard lease form (Form 3100-11, October 1992 edition). Form 3000-2 may be obtained and executed by the prospective lessee or an authorized representative PRIOR to the oral auction. If the bid form is fully completed before the oral auction, it cannot be modified; portions of the form may be left blank to be completed by the bidder at the auction. If the bid form is not executed prior to the oral auction, the prospective lessee shall be required to complete and sign the bid form at the auction when the payment is tendered. Form 3000-2, when completed, certifies compliance with lessee qualifications (See 43 CFR 3102.5-2) and also certifies compliance with 18 U.S.C. 1860, which prohibits unlawful combination or intimidation of bidders and certifies that the bid was arrived at independently without unlawful collusion.

AWARD/ISSUANCE OF LEASES: Prospective lessees are advised that leases may be issued, upon signature by the authorized officer, without further action on their part, once all remaining bonus bid monies are timely received. The effective date of the lease shall be the first day of the month following the execution of the lease form by the authorized officer, except that leases may, upon written request from the lessee received prior to signature on the lease by the authorized officer, be effective the first day of the month in which issued.

UNSOLD PARCELS: Parcels contained in this Notice of Competitive Lease Sale for which no bids are received at the oral auction and which have not been withdrawn from the sale by BLM will be available for regular noncompetitive lease offer in accordance with 43 CFR Subpart 3110 for a two-year period commencing at 8:00 a.m., June 25, 1999. All noncompetitive offers received on that first business day following the auction will be considered simultaneously filed. Offers received thereafter shall receive priority as of the date and time of filing, as specified in 43 CFR 1821.2-3(a). If any lands in the parcel are subject to a proper offer such offers shall have priority for issuance of a lease on the affected lands over any offers filed subsequent to the oral auction. Noncompetitive offers filed on the first business day following the close of the oral auction or during the remainder of that month must describe the lands, as set forth at 43 CFR 3110.5-1, solely by the single parcel number appearing in this Notice of Competitive Lease Sale. Any such offer constitutes consent by the offeror to the terms and conditions, including stipulations, set out for the parcel in this Notice of Competitive Lease Sale. Offerors submitting a lease form not currently in use are deemed to consent to the terms and conditions, including but not limited to rentals and royalties, of the current lease form. Leases may be issued to an offeror without further notice. All noncompetitive offers must be accompanied by the total of (1) the \$75 nonrefundable filing fee and (2) the first-year advance rental of \$1.50 per acre or fraction thereof as indicated in the list herein. All filing fees are nonrefundable, whether or not a lease is ultimately issued to the offeror or any other party.

BLM personnel will be accepting noncompetitive offers on unsold parcels in the accounting office at Eastern States on June 24, 1999, until 4:30 p.m.

All noncompetitive offers filed on June 24, 1999 will be considered simultaneously filed and have a filing date of June 25, 1999.

PUBLIC NOTICE

Generally, for lands to be considered for inclusion in a sale, the expression of interest or presale offer must be received 6 months to one year prior to a sale date. We may not be able to parcel blanket requests for inclusion in one sale. Please, prioritize large requests so we can better meet your needs. The following is a tentative date for the next sale scheduled for this calendar year.

September 23, 1999

December 16, 1999

Bidders are reminded that a bid shall not be withdrawn and shall constitute a legally binding commitment to execute the lease bid form and accept a lease, including the obligation to pay the bonus bid, first year's rental, and administrative fee. There have been cases in past oral auctions where the minimum deposit due from the high bidder on the day of the auction was not paid, or was paid by a check drawn on an account with insufficient funds. The Bureau of Land Management will be closely monitoring situations of this nature to determine whether further measures should be initiated to protect the integrity of the system.

NOTE: SHOULD ASSISTANCE BE NEEDED FOR THE HEARING OR VISUALLY IMPAIRED, PLEASE CONTACT EASTERN STATES AT (703) 440-1546 BY MAY 24, 1999 THE SALE SITE IS ACCESSIBLE TO EVERYONE.



**United States
Department of the Interior**

BUREAU OF LAND MANAGEMENT

EASTERN STATES
7450 Boston Boulevard
Springfield, Virginia 22153



NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other mineral lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A), or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee, sublessee, or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor, sublessor, or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

HOTEL INFORMATION

Springfield Hilton
6550 Loisdale Court
Springfield, Virginia
(703) 971-8900

Holiday Inn
6401 Brandon Avenue
Springfield, Virginia
(703) 644-5555

Best Western
6550 Loisdale Court
Springfield, Virginia
(703) 922-9000

Days Inn
6721 Commerce Street
Springfield, Virginia
(703) 922-6100

Ramada Plaza Hotel
4641 Kenmore Avenue

Alexandria, Virginia
(703) 751-4510

Hotel shuttle to National Airport and Metro Subway

***PLEASE COMPLETE ONE FORM FOR EACH COMPANY AND/OR
INDIVIDUAL YOU ARE REPRESENTING AND BRING TO THE SALE
LOCATION TO SPEED PROCESSING OF REGISTRATION***

REGISTRATION FORM

BIDDER NO. _____
(Leave Blank)

NAME: _____

BUSINESS PHONE: _____

BUSINESS ADDRESS: _____

CITY: _____

STATE: _____ ZIP CODE: _____

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

SIGNATURE

DATE

**A COPY OF THE LEASE AND ALL BILLING NOTICES WILL BE SENT TO THE
NAME AND ADDRESS OF THE LESSEE AS SHOWN ON FORM 3000-2 (BID FORM).**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OFFER TO LEASE AND LEASE FOR OIL AND GAS

SERIAL NO.

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

1. Name
Street
City, State, Zip Code

2. This application/offer/lease is for: (Check only One) PUBLIC DOMAIN ACQUIRED LANDS (Percent U.S. Interest _____)
Surface managing agency if other than BLM: _____ Unit/Project _____
Legal description of land requested: _____ *Parcel No.: _____ *Sale Date (m/d/y): ____/____/____

***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**

T. R. Meridian State County

Amount remitted: Filing fee \$ _____ Rental fee \$ _____ Total acres applied for _____
Total \$ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

Total acres in lease _____
Rental retained \$ _____

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

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

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

(Continued on reverse)

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

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

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

Duly executed this _____ day of _____, 19_____.
(Signature of Lessee or Attorney-in-fact)

LEASE TERMS

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

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

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

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

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

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

- (a) Noncompetitive lease, 12 ½%;
- (b) Competitive lease, 12 ½%;
- (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 _____

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 impact to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or resources.

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 apprized 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 helium from gas production in a manner specified and by means provided by lessor at no expense or loss to lessee or owner of the gas. Lessee shall include in any contract of sale of gas the provisions of this section.

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

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

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

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

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

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0074
Expires: April 30, 1994

**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

State

Date of Sale

PARCEL NUMBER

AMOUNT OF BID (See Instructions Below)

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 - 43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases - 43 CFR 3132; and (3) for Geothermal resources leases - 43 CFR 3220. (See details concerning lease qualifications on reverse.)

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

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

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

Print or Type Name of Lessee

Signature of Lessee or Bidder

Address of Lessee

City State Zip Code

INSTRUCTIONS

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

INSTRUCTIONS FOR GEOTHERMAL OR
NPR-A OIL AND GAS BID

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

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

Title 18 U.S.C. Section 1001, 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 presentations as to any matter within its jurisdiction.

(Continued on reverse)

From 3000-2(July 1991)

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 256,080 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 3000,000 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 herein.

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

NOTICE

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

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

PRINCIPLE 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 1980 (44 U.S.C. 3501 et seq.) Requires us to inform you that:

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220
This information will be used to determine the bidder submitting the highest bid.
Response to this request is required to obtain a benefit.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Paperwork Reduction Project (1004-0074), Washington, D.C. 20503.

ES-001-06/99 ALES 50273 ACQ

Alabama, Conecuh County, BLM

T6N, R9E, St. Stephens Meridian

Sec. 33, NWNW* less 2 acres in the NE corner (50% U.S. Mineral Interest), 15 acres in the North part of the SWNW being 3 acres deep at the West end and 2 acres deep at the East end.

53.000 Acres

\$79.50 Rental

(*50% U.S. Mineral Interest)

Subject to the following BLM Controlled Surface Use Stipulation and BLM Lease Notice

CONTROLLED SURFACE USE STIPULATION

Legal Description: NW1/4NW1/4 less 2 acres of Section 33, T. 6 N., R. 9 E., St. Stephens Meridian, Conecuh County, Alabama

1. In order to protect unknown cultural resources, a cultural resources survey, conducted by professional archaeologists, may be required before any ground disturbance occurs which is associated with development of this lease. In addition, a report, which meets professional and Alabama standards for reports, of the survey will be submitted to and approved by the Bureau of Land Management and the Alabama State Historic Preservation Officer before ground disturbance can be approved and/or conducted. In addition, consultation with the Alabama Council on Historic Preservation and appropriate tribe/group of Indian People, if necessary, may also occur.

Modification: None

Waiver: This stipulation may be waived by the Field Manager, Bureau of Land Management if it documented that a cultural resources survey which meets professional standards has been conducted and significant sites will not be impacted by development of this lease, or if it is documented that a cultural resources survey is not otherwise required. Consultation with the Alabama State Historic Preservation Officer is not waived.

Exemptions: None

2. Consultation with the appropriate Native American tribe/group will occur at the time of any proposed development of this lease, if necessary. If currently unknown sites used for Native American religious activities and/or prehistoric sites and/or burials are discovered during activities associated with this action, consultation with appropriate tribe/group of Native Americans will take place.

Modification: None

Waiver: None

Exemptions: None

LEASE NOTICE

1. Should the oil or gas be developed at this site, all open vent stack equipment, such as heater-treaters, separators, and dehydrator units, will be designed and constructed to prevent birds and bats from entering or nesting in or on such units, and to the extent practical, to discourage birds from perching on the stacks. Installing con-shaped mesh covers on all open vents is one suggested method. Flat mesh covers are not expected to discourage perching and will not be acceptable.
2. To protect the intermittent stream channel found in the east half of the lease tract, a stream buffer will be applied if required. The width of the buffer shall be a minimum of 100 feet and may be wider depending on the steepness of the terrain between well site location and the intermittent stream channel.

ES-002-06/99 ARES 50274 PD

Arkansas, Johnson and Madison Counties, Ozark N.F.

T13N, R25W., 5th Principal Meridian

Sec. 32, NENW.

40.000 Acres

\$60.00 Rental

ES-003-06/99 ARES 50275 ACQ (Future Fractional Interest)

Arkansas, Johnson and Madison Counties, Ozark N.F.

T13N, R25W., 5th Principal Meridian

Sec. 29, SENE*, SWNE, E2NW, SW, W2SE, E2SE*, that part of the SWNW
lying West of the county road (9.73 acres).

489.730 Acres

\$735.00 Rental

(*50% U.S. Mineral Interest)

ES-004-06/99 ARES 50276 ACQ

Arkansas, Johnson and Madison Counties, Ozark N.F.

T13N, R25W, 5th Principal Meridian

Sec. 32, S2NE*, NENE*, NWNE, W2NW, SENW, S2.

600.000 Acres

\$900.00 Rental

(50% U.S. Mineral Interest; remaining 50% reverts to U.S. April 13, 2027. Future fractional interest lands contained in this parcel shall have the same anniversary/expiration date as present fractional interest lands.)

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

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

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

Forest Supervisor, Ozark National Forest
605 West Main
Box 1008
Russellville, Arkansas 72801
Telephone (501) 968-2354

who is the authorized representative of the Secretary of Agriculture.

BLM District Office
Bureau of Land Management
Jackson District Office
411 Briarwood Drive, Suite 404
Jackson, Mississippi 39206

Surface Management Agency
USDA Forest Service - Region 8
Room 792S, Lands & Minerals
1720 Peachtree Road, N.W.
Atlanta, Georgia 30367

ES-005-06/99 ARES 50277 PD

Arkansas, Montgomery County, Ouachita N.F.

T2S, R25W, 5th Principal Meridian

Sec. 20, NWNWNW, N2SWNWNW, S2SE;

Sec. 21, SWSW;

Sec. 28, NWNW;

Sec. 29, N2NE;

Sec. 33, Tract A-227s lying in SESE;

Sec. 35, SESE;

Sec. 36, S2NE, NESW, S2SW, SE.

693.000 Acres

\$1,039.50 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2B and Lease Notice No. 4

ES-006-06/99 ARES 50278 PD

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 14, S2N2.

160.000 Acres

\$240.00 Rental

Subject to F.S. Lease Notice No. 4

ES-007-06/99 ARES 50279 PD

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 19, SESW, S2SE.

120.000 Acres

\$180.00 Rental

Subject to F.S. Lease Notice No. 4

ES-008-06/99 ARES 50280 PD

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 31, S2SE, SESW;

Sec. 32, SESE.

160.000 Acres

\$240.00 Rental

Subject to F.S. Lease Notice No. 4

ES-009-06/99 ARES 50281 PD

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 33, N2SW, SWSW, that part of Tr. A-227s lying in the SESW containing 2.82 acres.

122.820 Acres

\$184.50 Rental

Subject to F.S. Lease Notice No. 4

ES-010-6/99 ARES 50282 PD

T2S, R27W, 5th Principal Meridian
Arkansas, Montgomery County, Ouachita N.F.
Sec. 27, SWNW, NWSW, E2SE*.
160.000 Acres
\$240.00 Rental
(*50% U.S. Mineral Interest.)
Subject to F.S. Lease Notice No. 4

ES-011-06/99 ARES 50283 PD

Arkansas, Montgomery County, Ouachita N.F.
T2S, R27W, 5th Principal Meridian
Sec. 32, SESW, SWSE.
80.000 Acres
\$120.00 Rental
Subject to F.S. Lease Notice No. 4

ES-012 06/99 ARES 50284 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 1, N2SE, SWSW;
Sec. 2, SWSW, S2SE.
240.000 Acres
\$360.00 Rental
Subject to F.S. Lease Notice No. 4

ES-013 06/99 ARES 50285 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 5, SESW, S2SE;
Sec. 6, E2, N2SW, W2NW, SENW, S2NENW.
754.160 Acres
\$1,132.50 Rental
Subject to F.S. Lease Notice No. 4

ES-014 06/99 ARES 50286 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 7, S2S2, NENE.
215.520 Acres
\$324.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-015-06/99 ARES 50287 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 8, E2, S2SW, NWSW, SWNW.

480.000 Acres

\$720.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1b and Lease Notice No. 4

ES-016-06/99 ARES 50288 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 9, W2, N2NE, N2SE.

480.000 Acres

\$720.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-017-06/99 ARES 50289 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 10, SE, N2SW, NWNW, N2NE.

360.000 Acres

\$540.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-018-06/99 ARES 50290 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 11, NW, NWNE, N2S2, SWSW.

400.000 Acres

\$600.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-019-06/99 ARES 50291 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 12, SW, N2SE, S2NE, SENW;

Sec. 13, SENE, S2NW, NWNW.

520.000 Acres

\$780.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-020-06/99 ARES 50292 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 14, NE, E2NW, NWSE, NWSW;

Sec. 15, S2, S2NW.

720.000 Acres

\$1,080.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-021-06/99 ARES 50293 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 17, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-022-06/99 ARES 50294 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 18, N3/4.

521.900 Acres

\$783.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-023-06/99 ARES 50295 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 19, NE, S2NW, N2S2.

428.040 Acres

\$643.50 Rental

Subject to F.S. Lease Notice No. 4

ES-024-06/99 ARES 50296 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 20, N2NE, SWNE, NW less 20.21 acres, N2S2 less 81.67 acres.

338.120 Acres

\$508.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-025-06/99 ARES 50297 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian
Sec. 21, N2, W2SW less 101.00 acres, NESW, NWSE, NESW, NWSE.
379.000 Acres
\$568.50 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-026-6/99 ARES 50298 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 1, NE, N2NW, SENW, NENESE, N2NWNESE;
Sec. 2, NENE;
Sec. 3, That part of Tract A-227s lying in the NWNW.
390.790 Acres
\$586.50 Rental
Subject to F.S. Lease Notice No. 4

ES-027-6/99 ARES 50299 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 10, SE;
Sec. 11, S2, S2S2NE, S2SEW, SWNW.
580.000 Acres
\$870.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-028-6/99 ARES 50300 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 12, S2, S2NE, S2NWNE, E2NW, S2SWNW.
520.000 Acres
\$780.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-029-6/99 ARES 50301 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 13, All.
640.000 Acres
\$960.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use
Stipulation No. 1a and Lease Notice No. 4

ES-030-6/99 ARES 50302 PD

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 14, All.
640.000 Acres

\$960.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-031-06/99 ARES 50303 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 15, N2NE.

80.000 Acres

\$120.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-032-6/99 ARES 50304 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 22, NESW;

Sec. 23, NENW, N2NE, SENE.

200.000 Acres

\$300.00 Rental

Subject to F.S. Controlled Surface Use Stipulation 1a and Lease Notice No. 4

ES-033-06/99 ARES 50305 PD

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 24, N2, SE;

Sec. 25, NWNW.

520.000 Acres

\$780.00 Rental

Subject to F.S. Lease Notice No. 4

ES-034-06/99 ARES 50306 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R25W, 5th Principal Meridian

Sec. 14, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1C and Lease Notice No. 4

ES-035-06/99 ARES 50307 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R25W, 5th Principal Meridian

Sec. 15, SWSWNW, N2SW, SE less Tract A-5587 (3.600 acres) located in
the E2SE, S2NE, N2N2 less quitclaimed Tracts A-5629 (0.210 acres) and

A-5627 (0.770 acres) which comprise a strip on the S side of the N2NW.
490.000 Acres
\$735.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1C and Lease Notice No. 4

ES-036-06/99 ARES 50308 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 16, All.
640.000 Acres
\$960.00 Rental
Subject to F.S. Lease Notice No. 4

ES-037-06/99 ARES 50309 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 17, N2, N2S2, S2SW.
560.000 Acres
\$840.00 Rental
Subject to F.S. Lease Notice No. 4

ES-038-06/99 ARES 50310 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 18, All.
643.430 Acres
\$966.00 Rental
Subject to F.S. Lease Notice No. 4

ES-039-06/99 ARES 50311 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 19, That part of Tract A-219e lying in the N2N2 (149.48e acres), frl. SW, W2SE, SESE;
Sec. 20, That part of Tract A-219e lying in the S2 (155.120 acres).
587.200 Acres
\$882.00 Rental
Subject to F.S. No Surface Occupancy Stipulation No. 2A and Lease Notice No. 4

ES-040-06/99 ARES 50312 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 21, SESW, S2SE;

Sec. 22, S2SW;
Sec. 25, S2SW, S2N2SW;
Sec. 26, SE, N2NESW, SENESW, E2SESW, That part of Tract A-219L in
SWNESW (5.910 acres).
535.910 Acres
\$804.00 Rental
Subject to F.S. Lease Notice No. 4

ES-041-06/99 ARES 50313 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 27, S2NE, W2, W2SE less 1-acre square in SE corner of SWSE.
479.000 Acres
\$718.50 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1C and Lease Notice No. 4

ES-042-06/99 ARES 50314 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 28, E2, E2NW, SWNW, SW.
600.000 Acres
\$900.00 Rental
Subject to F.S. Lease Notice No. 4

ES-043-06/99 ARES 50315 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 29, W2NW, S2SW, NESW, SE, S2NE*, E2NW*.
*50% U.S. Mineral Interest
520.000 Acres
\$780.00 Rental
Subject to F.S. No Surface Occupancy Stipulation No. 2A and Lease Notice No. 4

ES-044-06/99 ARES 50316 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R25W, 5th Principal Meridian
Sec. 30, NENE, W2E2, Frl. W2, SESE.
563.140 Acres
\$846.00 Rental
Subject to F.S. No Surface Occupancy Stipulation No. 2A and Lease Notice No. 4

ES-045-06/99 ARES 50317 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R25W, 5th Principal Meridian

Sec. 31, Frl. NWNW, SESW, E2.

399.640 Acres

\$600.00 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2A and Lease Notice No. 4

ES-046-06/99 ARES 50318 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R25W, 5th Principal Meridian

Sec. 32, NW, N2NE, SWNE, S2SE, that Part of Tract A-153Aa lying in the NESE
(23.180 acres), that Part of Tract A-153Af lying in the SENE (33.670 acres).

416.850 Acres

\$625.50 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2A and Lease Notice No. 4

ES-047-06/99 ARES 50319 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R25W, 5th Principal Meridian

Sec. 33, That part of Tract A-153Af lying in the SWNW (15.190 acres), That part of
tract A-153Aa lying in the S2 (218.82 acres);

Sec. 34, NW, W2NE less a 1-acre square in the NE corner, S2SENE, NESENE, E2SE,
S2SW, W7/8NESW, S2NWSW, NENWSW.

728.010 Acres

\$1,093.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1C and Lease Notice No. 4

ES-048-06/99 ARES 50320 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R25W, 5th Principal Meridian

Sec. 35, S2N2, SW, W2SE, NESE, that part of Tract A-153Aa lying in N2N2 (40.000 acres);

Sec. 36, S2NW, NWSW, that part of Tract A-153Aa lying in the NWNW (22.700) acres.

622.700 Acres

\$934.50 Rental

Subject to F.S. Lease Notice No. 4

ES-049-06/99 ARES 50321 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 13, N2, N2S2, S2SE; frl. SWSW (NW of hwy 37).

572.570 Acres

\$859.50 Rental

Subject to F.S. Lease Notice No. 4

ES-050-06/99 ARES 50322 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 14, N2N2, SE less 3.14 acres in SESESE.

476.860 Acres

\$715.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1A and Lease Notice No. 4

ES-051-06/99 ARES 50323 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 15, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1A and Lease Notice No. 4

ES-052-06/99 ARES 50324 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 16, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1A and Lease Notice No. 4

ES-053-06/99 ARES 50325 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 17, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Lease Notice No. 4

ES-054-06/99 ARES 50326 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 18, Frl. All.

678.080 Acres

\$1,018.50 Rental

Subject to F.S. Lease Notice No. 4

ES-055-06/99 ARES 50327 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 19, NE, N2SE, NESW, frl. W2SW, NW.

559.060 Acres

\$840.00 Rental

Subject to F.S. Lease Notice No. 4

ES-056-06/99 ARES 50328 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 20, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Lease Notice No. 4

5

ES-057-06/99 ARES 50329 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 21, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Lease Notice No. 4

ES-058-06/99 ARES 50330 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 22, W2, W2E2, W2NENE, SESE, that part of Tract A-219f in the NESE
containing 11.20 acres.

471.200 Acres

\$708.00 Rental

Subject to F.S. Lease Notice No. 4

ES-059-06/99 ARES 50331 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 23, W2NE, SE, E2SW, SWSW, that part of Tract A-219h lying in the
NWSW and NENE containing 18.98 acres.

378.980 Acres

\$568.50 Rental

Subject to F.S. Lease Notice No. 4

ES-060-06/99 ARES 50332 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 24, NENE, S2.

360.000 Acres

\$540.00 Rental

Subject to F.S. Lease Notice No. 4

ES-061-06/99 ARES 50333 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian
Sec. 25, N2, N2SW, SESW SE.
600.000 Acres
\$900.00 Rental
Subject to F.S. Lease Notice No. 4

ES-062-06/99 ARES 50334 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 26, NENE, W2, NWSE, S2SE.
480.000 Acres
\$720.00 Rental
Subject to F.S. Lease Notice No. 4

ES-063-06/99 ARES 50335 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 27, NWNE, N2NW, SESW, E2SW, that part of Tract A-219L in the W2SE
containing 66.80 acres.
306.800 Acres
\$460.50 Rental
Subject to F.S. Lease Notice No. 4

ES-064-06/99 ARES 50336 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 28, NENE, that part of Tr. A-4639 lying in the NWNE, N2NW being 25% U.S. mineral
interest and containing 116.10 acres, N2SE less 2.98 acres in a square in SE corner,
SWNE, SENW, NESW less 4.76 acres quitclaimed to T.A. Black on 9/17/80.
308.360 Acres
\$460.50 Rental

ES-065-06/99 ARES 50337 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 29, That part of Tract A-4639 lying in the NENE being 25% U.S. Mineral interest
and containing 34.37 acres. (Remaining 75% interest is outstanding in perp.)
34.370 Acres
\$57.00 Rental
Subject to F.S. Lease Notice No. 4

ES-066-06/99 ARES 50338 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 30, All.
674.600 Acres
\$1,012.50 Rental
Subject to F.S. Lease Notice No. 4

ES-067-06/99 ARES 50339 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 31, NE, N2SE, NESW, frl. NW, frl. W2SW, frl. NESW.
567.280 Acres
\$852.00 Rental
Subject to F.S. Lease Notice No. 4

ES-068-06/99 ARES 50340 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 32, N2, SW, N2SE, SWSE.
600.000 Acres
\$900.00 Rental
Subject to F.S. Lease Notice No. 4

ES-069-06/99 ARES 50341 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 33, NENE, W2NE, E2NW, SE, that part of Tract A-4507 lying in
lying in the SESW containing 37.18 acres.
472.150 Acres
\$670.50 Rental
Subject to F.S. Lease Notice No. 4

ES-070-06/99 ARES 50342 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T2S, R26W, 5th Principal Meridian
Sec. 34, N2, SENW, S2SW, SE, that part of Tract A-219h lying in the
SENE containing 18.33 acres.
618.330 Acres
\$928.50 Rental

Subject to F.S. Lease Notice No. 4

ES-071-06/99 ARES 50343 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian

Sec. 35, N2N2, S2NW, S2NE.

480.000 Acres

\$720.00 Rental

Subject to F.S. Lease Notice No. 4

ES-072-06/99 ARES 50344 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 23, N2, N2S2, SESE;

520.000 Acres

\$780.00 Rental

Subject to F.S. Lease Notice No. 4

ES-073-06/99 ARES 50345 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 24, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Lease Notice No. 4

ES-074-06/99 ARES 50346 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 25, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Lease Notice No. 4

ES-075-06/99 ARES 50347 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 26, S2, S2N2, NENE.

520.000 Acres

\$780.00 Rental

Subject to F.S. Lease Notice No. 4

ES-076-06/99 ARES 50348 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 27, NE, N2NENW, NWNW, W2SE, E2SW, SWSW, that part of

Tr. 219f lying in the SENW (15.00 acres).

435.000 Acres

\$652.50 Rental

Subject to F.S. Lease Notice No. 4

ES-077-06/99 ARES 50349 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 28, N2NWNW, SWNWNW, E2NW, NE, N2SE, NESW;

Sec. 29, N2NE, that part of Tract A-219L that lies in the N2NW (53.40 acres).

523.400 Acres

\$784.50 Rental

Subject to F.S. Lease Notice No. 4

ES-078-06/99 ARES 50350 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 30, Fr. NW, W2NE, that part of Tract A-219L that lies in NENE (39.52 acres);

Sec. 31, NE, E2SE, N2SE, SESE, that part of Tract A-2491 that lies in SENW (29.02 acres).

670.910 Acres

\$1,006.50 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2 and Lease Notice No. 4

ES-079-06/99 ARES 50351 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian

Sec. 32, NWNE, SWNENE, SENE, SENENE, SWNE less 2.14 acres in SW corner,

SWSW, E2SE, frl. NWSE (1.50 acres).

259.360 Acres

\$388.50 Rental

Subject to F.S. Lease Notice No. 4

ES-080-06/99 ARES 50352 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R27W, 5th Principal Meridian
Sec. 33, NENW, S2N2, S2.
520.000 Acres
\$780.00 Rental
Subject to F.S. Lease Notice No. 4

ES-081-06/99 ARES 50353 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T2S, R27W, 5th Principal Meridian
Sec. 34, All.
640.000 Acres
\$960.00 Rental
Subject to F.S. Lease Notice No. 4

ES-082-06/99 ARES 50354 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T2S, R27W, 5th Principal Meridian
Sec. 35, N3/4, SWSW, S2SE.
600.000 Acres
\$900.00 Rental
Subject to F.S. Lease Notice No. 4

ES-083-06/99 ARES 50355 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T2S, R27W, 5th Principal Meridian
Sec. 36, All.
640.000 Acres
\$960.00 Rental
Subject to F.S. Lease Notice No. 4

ES-084-06/99 ARES 50356 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 1, N2, N2SW, SESW, S2SE.
521.190 Acres
\$783.00 Rental
Subject to F.S. Lease Notice No. 4

ES-085 06/99 ARES 50357 ACQ
Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 2, NENE, S2NE, N2SE, NWSW;
Sec. 3, NENW, S2SW, SWSE.
400.690 Acres
\$601.50 Rental
Subject to F.S. Lease Notice No. 4

ES-086-06/99 ARES 50358 ACQ

Arkansas, Montgomery County, Ouachita N.F.
Sec. 4, W2NE, E2NW, NWNW, E2SWNW, S2.
554.110 Acres
\$832.50 Rental
Subject to F.S. Lease Notice No. 4

ES-087-06/99 ARES 50359 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 5, NW, S2;
Sec. 6, N2NENW, S2SW.
491.920 Acres
\$738.00 Rental
Subject to F.S. Lease Notice No. 4

ES-088-06/99 ARES 50360 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 7, NW, W2NE, SENE, N2S2;
Sec. 8, N2NW, SENW, NESW.
645.260 Acres
\$969.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-089-06/99 ARES 50361 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 9, S2NE, S2SE;
Sec. 10, NENW, S2N2, S2SW.
440.000 Acres
\$660.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-090-06/99 ARES 50362 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R24W, 5th Principal Meridian
Sec. 11, E2NE, SWNE, SESW, S2SE;
Sec. 12, N2N2, SWNW, S2SE.

520.000 Acres

\$780.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-091-06/99 ARES 50363 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 13, N2NE, NENW, SWNE, S2.

480.000 Acres

\$720.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-092-06/99 ARES 50364 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 14, W2NW, SWSW, E2SW, SWSE, E2SE;

Sec. 15, N2NW, NE.

560.000 Acres

\$840.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-093-06/99 ARES 50365 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 16, All.

640.000 Acres

\$960.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-094-06/99 ARES 50366 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R24W, 5th Principal Meridian

Sec. 18, S2S2 (50% U.S. Mineral Interest);

Sec. 19, N2NW (50% U.S. Mineral Interest);

Sec. 20, S2SE.

348.170 Acres

\$523.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1, Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-095-06/99 ARES 50367 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T2S, R26W, 5th Principal Meridian
Sec. 36, N2N2, S2NW, N2SW, SWSW, that part of Tr. A-153j lying
in the SESE containing 37.00 acres.

397.000 Acres

\$595.50 Rental

Subject to F.S. Lease Notice No. 4

ES-096-6/99 ARES 50368 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 2, N2NWNW (20.69 acres), NENW, NWNE;

Sec. 3, N2NENE (21.36 acres), W3/4SWSE;

Sec. 4, Tract 2223a that lies in the N2NW (77.01 acres), NWNE, SWSW.

318.750 Acres

\$478.50 Rental

Subject to F.S. Lease Notice No. 4

ES-097-6/99 ARES 50369 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 5, Frl. SWNW, frl. E2NW, frl. NE, S2.

593.570 Acres

\$891.00 Rental

Subject to F.S. Lease Notice No. 4

ES-098-6/99 ARES 50370 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 6, All.
642.910 Acres
\$964.50 Rental
Subject to F.S. Lease Notice No. 4

ES-099-6/99 ARES 50371 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 7, W2, W2E2, E2NE.
577.750 Acres
\$867.00 Rental
Subject to F.S. Lease Notice No. 4

ES-100-6/99 ARES 50372 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 8, N2, N2SE.
400.000 Acres
\$600.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-101-6/99 ARES 50373 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 9, N2, SE, E2SW, Tract A-143 lying in NWSW being 17.75 acres.
577.750 Acres
\$867.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-102-6/99 ARES 50374 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 10, W2, W2NE.
400.000 Acres
\$600.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-103-6/99 ARES 50375 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R25W, 5th Principal Meridian
Sec. 11, N2N2, N2SEW, N2S2NE.
220.000 Acres
\$330.00 Rental
Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-104-6/99 ARES 50376 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 12, NWNW, N2SWNW.

60.000 Acres

\$90.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-105-6/99 ARES 50377 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 15, N2SE, SESW.

120.000 Acres

\$180.00 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1 and Lease Notice No. 4

ES-106-6/99 ARES 50378 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 22, NENW, SESW, SWSE, Tract A-9 that lies in the S2SENW being

1.04 acres;

Sec. 23, SENW, SWNE, NESW, NWSE, E2SE.

361.000 Acres

\$541.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1a and Lease Notice No. 4

ES-107 -6/99 ARES 50379 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R25W, 5th Principal Meridian

Sec. 24, W2SW;

Sec. 25, S2NW, SWNE, W2SE, E2SW, NWSW, N2SWSW, N2S2SWSW.

430.000 Acres

\$645.00 Rental

Subject to F.S. Lease Notice No. 4

ES-108-06/99 ARES 50380 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R26W, 5th Principal Meridian

Sec. 1, Fr1. N2, SE.

449.540 Acres

\$675.00 Rental

Subject to F.S. Lease Notice No. 4

ES-109-06/99 ARES 50381 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R26W, 5th Principal Meridian
Sec. 2, Frl. NE, frl. W2NW.
206.550 Acres
\$310.50 Rental
Subject to F.S. Lease Notice No. 4

ES-110-06/99 ARES 50382 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R26W, 5th Principal Meridian
Sec. 3, Frl. NENE (28.63 acres), that part of Tract 219h lying in SENE (36.28 acres),
frl. W2NE (68.23 acres), frl. NW, W2SW.
351.180 Acres
\$528.00 Rental
Subject to F.S. Lease Notice No. 4

ES-111-06/99 ARES 50383 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R26W, 5th Principal Meridian
Sec. 4, Frl. N2, E2SE, NWSE, N2SW.
477.510 Acres
\$717.00 Rental
Subject to F.S. Lease Notice No. 4

ES-112-06/99 ARES 50384 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R26W, 5th Principal Meridian
Sec. 5, Frl. N2N2 and frl. SENE less 4.05 acres in SW corner
(said 4.05 acres is 140 yards square).
140.320 Acres
\$211.50 Rental
Subject to F.S. Lease Notice No. 4

ES-113-06/99 ARES 50385 ACQ

Arkansas, Montgomery County, Ouachita N.F.
T3S, R26W, 5th Principal Meridian
Sec. 6, SW, S2NE, N2SE.
274.160 Acres
\$412.50 Rental
Subject to F.S. Lease Notice No. 4

ES-114-06/99 ARES 50386 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R26W, 5th Principal Meridian

Sec. 10, N2NW, SENW, E2NE, E2SE less 5.00 acres designated as

W2E2SENESEW and E2S2SENESEW, W2SE less 2.0 acres in

NW corner, NWSE, NESE.

393.000 Acres

\$589.50 Rental

Subject to F.S. Lease Notice No. 4

ES-115-06/99 ARES 50387 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R26W, 5th Principal Meridian

Sec. 11, N2S2, SESE.

200.000 Acres

\$300.00 Rental

Subject to F.S. Lease Notice No. 4

ES-116-06/99 ARES 50388 ACQ

Arkansas, Montgomery County, Ouachita N.F.

T3S, R26W, 5th Principal Meridian

Sec. 12, SENW, SW, NE, N2SE, SWSE.

480.000 Acres

\$720.00 Rental

Subject to F.S. Lease Notice No. 4

CONTROLLED SURFACE USE STIPULATION No. 1A

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

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

On the lands described below:

T2S, R25W

Acquired

Section 6: W2NE

For the purpose of:

To meet visual quality objective and to protect semiprimitive recreation values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

The Ouachita River runs through the above sections and is designated under Management Area 18 in the Land and Resource Management Plan dated 4/86, as amended.

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

CONTROLLED SURFACE USE STIPULATION No. 1B

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

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

On the lands described below:

T2S, R25W

Acquired

Section: 5: E2NE

Section: 6: W2NE, N2SE

Section 7: S2N2, NENE, N2SW

For the purpose of:

To meet visual quality objective and to protect semiprimitive recreation values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

Ouachita National Recreation Trail is located in the above sections.

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

CONTROLLED SURFACE USE STIPULATION No. 1C

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

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

On the lands described below:

T2S, R25W

Acquired

Section 3: SW
Section 4: E2
Section 10: NW, W2SW, W2SESW
Section 14: SW
Section 25: S2SW, S2N2SW

U.S. Highway 270 runs through the above sections.

Section 26: SE, N2NESW, SENESW, E2SESW, that part of Tract A219L in SWNESW containing 5.91 acres.

Section 27: SWSE less 1 acre square in the SE corner of SWSE

Section 33: N2SE, NESW

Section 34: NWNE less 1 acre square in the SE corner of NWNE, NW

State Highway 27 runs through the above sections.

For the purpose of:

To meet visual quality objective and to protect semiprimitive recreation values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

These are classified under Management Area 18 - Visually sensitive foreground areas.

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

NO SURFACE OCCUPANCY STIPULATION No. 2A

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

T2S, R25W

Acquired

- Section 20: That part of Tract A-219e lying in the SW
- Section 29: W2NW; SE; E2SW; SWSW
- Section 30: Fri, W2; W2E2, NENE; SESE
- Section 31: Frl. NWNW; SESW; SE
- Section 32: NW; N2NE; SWNE; S2SE; That part of Tract A-153Aa lying in the NESE
23.18 acres); That part of Tract A-153M lying in the SENE (33.67 acres).

For the purpose of:

Protection of water and riparian areas, The City of Mt. Ida Water Supply is located in the above sections. (Management Area 9 - Land and Resource Management Plan dated 4/86, as amended.)

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

NO SURFACE OCCUPANCY STIPULATION No. 2B

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

T2S, R25W

Public Domain

Section 20: S2SE

Section 29: N2NE

For the purpose of:

Protection of water and riparian areas, The City of Mt. Ida Water Supply is located in the above sections, (Management Area 9 - Land and Resource Management Plan dated 4/86 as amended.)

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

CONTROLLED SURFACE USE STIPULATION NO. 1a

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

Activities must be conducted in such a manner as to reasonable reduce visibility of the operation and meet visual quality objectives to the extent practical.

On the lands described below:

T2S, R26W

Acquired

Section 12: pt. S2
Section 14: pt. N2
Section 15: pt. N2, NWSW
Section 16: pt. S2

For the purpose of:

To meet visual quality objective and to protect a major trail; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

Portions of the above lands incorporate a trail under Management Area 18.

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

NO SURFACE OCCUPANCY STIPULATION NO. 2

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

T2S, R27W

Acquired

Section 30: NWNW

For the Purpose of:

To protect the lands within the 1/4 mile corridor of the Ouachita River (Management Area 20) and meet the Forest Management Direction of Chapter IV, pages 176-181 of the Ouachita National Forest's Land and Resources Management Plan which prohibits surface occupancy within this management area.

The lessee is authorized to employ directional drilling to exploit the mineral resources within the aforementioned areas providing such drilling will not disturb the surface.

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

CONTROLLED SURFACE USE STIPULATION NO. 1

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

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet other objectives set forth for management areas 17 on those portions of the lands described below which fall within the specified management area:

T3S, R24W

Public Domain

Section 7: S2S2
Section 8: S2SW, NWSW, SWNW
Section 9: W2, N2NE, N2SE
Section 10: SE, N2SW
Section 11: N2S2, SWSW
Section 12: SW, SENW
Section 13: SENE, S2NW, NWNW
Section 14: NE, E2NW, NWSE, NWSW
Section 15: S2, S2NW
Section 17: All
Section 18: N3/4
Section 20: N2NE, SWNE
Section 21: N2

Acquired

Section 7: NW, W2NE
Section 8: NESW
Section 9: S2NE, S2SE
Section 10: NENW, S2N2, S2SW
Section 11: SESW, S2SE
Section 12: S2SE
Section 13: N2NE, NENW, SWNE, S2
Section 14: W2NW, SWSW, E2SW, SWSE, E2SE
Section 15: N2NW, NE
Section 16: All
Section 18: S2S2

For the purpose of:

To meet visual quality and water quality objectives and to protect semi-primitive recreational values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

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

OUACHITA N.F. (AR)

CONTROLLED SURFACE USE STIPULATION NO. 1a

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

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet other objectives set forth for management area 18.

On those portions of the lands described below which fall within management area 18:

T3S, R24W

Public Domain

Section 7: S2S2
Section 8: S2SW, NWSW, SWNW
Section 9: W2, N2NE, N2SE
Section 10: NWNW, N2NE
Section 11: NW, NWNE
Section 17: All

Acquired

Section 9: S2NE, S2SE
Section 10: NENW, S2N2
Section 11: E2NE, SWNE
Section 18: S2S2

For the purpose of:

To meet visual quality and water quality objectives and to protect semi-primitive recreational values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

Portions of the above lands lie within visually sensitive foreground areas for roads and trails (Management Area 18 of the LRMP).

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

CONTROLLED SURFACE USE STIPULATION NO. 1b

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

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet other objectives set forth for management area 2.

On those portions of the lands described below which fall within management area 2:

T3S, R24W

Public Domain

Section 8: E2

For the purpose of:

To meet visual quality and water quality objectives and to protect semi-primitive recreational values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

Portions of the above lands lie within Scenic Areas Management Area. (Crystal Mountain Scenic Area, Management Area 2 of the LRMP).

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

CONTROLLED SURFACE USE STIPULATION NO. 1

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

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet other objectives set forth for management area 17.

On those portions of the lands described below which fall within management area 17:

T3S, R25W

Public Domain

Section 10: SE
Section 11: S2, S2S2NE, S2SENE, SWNW
Section 12: S2, S2NE, S2NENE, E2NW, S2SWNW
Section 13: All
Section 14: All
Section 15: N2NE

Acquired

Section 4: NENW, SWSW
Section 10: W2, W2NE
Section 11: N2N2, N2SENE, N2S2NE
Section 12: NWNW, N2SWNW
Section 15: N2SE, SESW

For the purpose of:

To meet visual quality and water quality objectives and to protect semi-primitive recreational values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

Portions of the above lands lie within the Semi-Primitive Motorized Areas Management area.

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

CONTROLLED SURFACE USE STIPULATION NO. 1a

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

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet other objectives set forth for management area 18.

On those portions of the lands described below which fall within management area 18:

T3S, R25W

Public Domain

Section 13: S2S2
Section 14: S2S2
Section 22: NESW

Acquired

Section 8: N2, N2SE
Section 9: N2
Section 22: NENW, S2SENW

For the purpose of:

To meet visual quality and water quality objectives and to protect semi-primitive recreational values; Land and Resource Management Plan dated 3/5/90, as amended and Final EIS.

Portions of the above lands lie within visually sensitive foreground areas for roads and trails (Management Area 18 of the LRMP).

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

LEASE NOTICE No. 4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a flood plain in accordance with Executive Order No. 11988, "Flood plain 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.

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

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

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

Forest Supervisor, Ouachita National Forest
P.O. Box 1270
The Federal Building
100 Reserve
Hot Springs, Arkansas 71902
Telephone (501) 321-5334

who is the authorized representative of the Secretary of Agriculture.

BLM District Office

Bureau of Land Management
Jackson District Office
411 Briarwood Drive, Suite 404
Jackson, Mississippi 39206

Surface Management Agency

USDA Forest Service - Region 8
Room 792S, Lands & Minerals
1720 Peachtree Road, N.W.
Atlanta, Georgia 30367

ES-117-06/99 MSES 50389 PD

Mississippi, Jackson County, BLM

T5S, R9W, St. Stephens Meridian

Sec. 12, Tract X-114 in NWSW (U.S. Mineral Interest Only).

5.000 Acres

\$7.50 Rental

Subject to BLM No Surface or Sub-surface Occupancy Stipulation

ES-118-06/99 MSES 50390 PD

Mississippi, Jackson County, BLM

T5S, R9W, St. Stephens Meridian

Sec. 32, Tract X-105 in the SWSW (U.S. Mineral Interest Only).

2.070 Acres

\$4.50 Rental

Subject to BLM No Surface or Sub-surface Occupancy Stipulation

ES-119-06/99 MSES 50391 PD

Mississippi, Harrison County, BLM

T6S, R9W, St. Stephens Meridian

Sec. 5, Tract X-105 in the N2N2 (25% U.S. Mineral Interest Only).

23.800 Acres

\$36.00 Rental

Subject to BLM No Surface or Sub-surface Occupancy Stipulation

ES-120-06/99 MSES 50392 PD

Mississippi, Jackson County, BLM

T6S, R9W, St. Stephens Meridian

Sec. 10, Tract X-17b in SWSW;

Sec. 15, Tract X-17B in the NWNW and NWSW, Tract X-17c in the NWSE

198.880 Acres

\$298.50 Rental

(U.S. Mineral Interest Only)

Subject to BLM No Surface or Sub-surface Occupancy Stipulation

ES-121-06/99 MSES 50393 PD

Mississippi, Jackson County, BLM

T6S, R9W, St. Stephens Meridian

Sec. 22, Tract X-17d in the E2NE and SWNE, Tract X-17e in the NESW;

Sec. 23, Tract X-17d in the NENW.

319.760 Acres

\$480.00 Rental

(U.S. Mineral Interest Only)

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-122-06/99 MSES 50394 ACQ

Mississippi, Greene County, DeSoto N.F.
T4N, R7W, St. Stephens Meridian
Sec. 3, N2, S2SE.
38.250 Acres
\$583.50 Rental
Subject to F.S. Lease Notice No. 3 and 4

ES-123-06/99 MSES 50395 ACQ

Mississippi, Jackson County, DeSoto N.F.
T5S, R9W, St. Stephens Meridian
Sec. 12, W2SW less Tr. X-114 (5.0 acres).
75.320 Acres
\$114.00 Rental
Subject to F.S. Lease Notice No. 3 and 4

ES-124-06/99 MSES 50396 ACQ

Mississippi, Harrison County, DeSoto N.F.
T5S, R9W, St. Stephens Meridian
Sec. 32, SWSW less Tr. X-105 (2.07 acres).
36.720 Acres
\$55.50 Rental
Subject to F.S. Lease Notice No. 3 and 4

ES-125-06/99 MSES 50397 ACQ

Mississippi, Harrison County, DeSoto N.F.
T6S, R9W, St. Stephens Meridian
Sec. 5, N2N2 less Tr. X-105 (23.80 acres).
297.200 Acres
\$447.00 Rental
Subject to F.S. Lease Notice No. 3 and 4

LEASE STIPULATION

NO SURFACE OR SUB-SURFACE OCCUPANCY

No Occupancy (surface or sub-surface) is allowed on the lands described below unless application by letter for a waiver (as defined below) is made that demonstrates that surface or sub-surface occupancy on the leasehold is necessary to produce the lease, consent is given by the Surface Management Agency, if applicable, and subsequent planning analysis/environmental assessment (PA/EA) shows that surface or sub-surface occupancy, as requested, would not result in unacceptable adverse impacts to the environment, as determined by the Authorized Officer.

Waiver: A waiver from this lease stipulation may be granted for all or portion of this lease. Prior to granting any waiver, a PA/EA documentation must be completed for the entire lease based on a Reasonably Foreseeable Development Scenario (RFDS). The analysis must consider past, present, and reasonable foreseeable impacts on the lease and adjacent areas. With the consent of the Surface Management Agency, if applicable, a waiver of the stipulation may be granted for those portions of the lease identified as not containing sensitive or important historic, cultural, and scenic values, fish or wildlife resources or their habitat or other important or sensitive natural systems, processes or human values.

Exception: None.

Modification: None.

LEASE NOTICE

This lease does not obviate the need to obtain other Federal, State, or local authorization required by law.

NATIONAL FORESTS IN MISSISSIPPI

LEASE NOTICE NO. 3

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 in 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 NO. 4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a flood plain in accordance with Executive Order No. 11988, "Flood plain 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.

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

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

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

Forest Supervisor, NFS in Mississippi
100 W. Capitol Street, Suite 1141
Jackson, Mississippi 39269
Telephone (601) 965-4391

who is the authorized representative of the Secretary of Agriculture.

BLM District Office

Bureau of Land Management
Jackson District Office
411 Briarwood Drive, Suite 404
Jackson, Mississippi 39206

Surface Management Agency

USDA Forest Service - Region 8
Room 792S, Lands & Minerals
1720 Peachtree Road, N.W.
Atlanta, Georgia 30367

ES-126-06/99 VAES 50398 ACQ

Virginia, Wise County, Jefferson N.F.

Tract PL 502;

Tract PL 503;

Tract PL 509;

Tract PL 511;

Tract PL 512;

Tract PL 513;

Tract PL 517;

Tract PL 518;

Tract PL 519;

Tract PL 521.

138.300 Acres

\$208.50 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2 and Lease Notices 3 and 4

ES-127-06/99 VAES 50399 ACQ

Virginia, Wise County, Jefferson N.F.

Tract J-312.

501.900 Acres

\$753.00 Rental

ES-128-06/99 VAES 50400 ACQ

Virginia, Wise County, Jefferson N.F.

Tract J-1078.

138.100 Acres

\$208.50 Rental

ES-129-06/99 VAES 50401 ACQ

Virginia, Wise County, Jefferson N.F.

Tract J-1078a.

91.555 Acres

\$138.00 Rental

NO SURFACE OCCUPANCY STIPULATION NO. 2

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

<u>Tract Numbers</u>	<u>Total Acres</u>
PL 502, 503, 509, 511, 512, 513, 517, 518, 519, 521	138.30

For the purpose of:

Protection of the Cane Patch Recreation Area, North Fork Pound reservoir shoreline area and surrounding areas which are used for recreation.

Based on the Land and Resource Management Plan for the Jefferson National Forest and the Final Environmental Impact Statement for the Land and Resource Management Plan for the Jefferson National Forest.

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

LEASE NOTICE NO. 3

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 in 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 NO. 4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands' or a flood plain in accordance with Executive Order No. 11988, "Flood plain 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.

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

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

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

Forest Supervisor, George Washington - Jefferson NFS
5162 Valleypointe Parkway
Roanoke, Virginia 24019
Telephone (540) 265-5100

who is the authorized representative of the Secretary of Agriculture.

BLM District Office

Bureau of Land Management
Jackson District Office
411 Briarwood Drive, Suite 404
Jackson, Mississippi 39206

Surface Management Agency

USDA Forest Service - Region 8
Room 792S, Lands & Minerals
1720 Peachtree Road, N.W.
Atlanta, Georgia 30367