

**NOTICE OF COMPETITIVE LEASE SALE  
OIL AND GAS**

**BUREAU OF LAND MANAGEMENT  
EASTERN STATES  
7450 BOSTON BOULEVARD  
SPRINGFIELD, VIRGINIA 22153  
[www.blm.gov/eso/](http://www.blm.gov/eso/)**

**POSTING DATE: FEBRUARY 2, 1999**

Notice is hereby given that on March 18, 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 commence at 10:00 a.m. Eastern Standard Time, March 18, 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 and will commence at 9:00 a.m. and will conclude at 10:00 a.m., March 18, 1999.

Parcels are identified as follows:

ES-01 - ES-04 Louisiana  
ES-05 - ES-19 Mississippi  
ES-20 - ES-20 Ohio

You may contact Sid Vogelpohl at our Jackson Field Office (601) 977-5402 or Chris Hanson at our Milwaukee Field Office (414) 297-4421 for maps of the parcel location.

**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 **April 1, 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 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 pursuant 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., March 19, 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 present immediately following the sale to accept over-the-counter (OTC) lease offers filed on unsold parcels in the accounting office at Eastern States on March 18, 1999, until 4:30 p.m.

All noncompetitive offers filed on March 18, 1999 will be considered simultaneously filed and have a filing date of March 19, 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.

June 24, 1999  
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 FEBRUARY 26, 1999. THE SALE SITE IS ACCESSIBLE TO EVERYONE.

# **HOTEL INFORMATION**

**Ramada Plaza Hotel**

**4641 Kenmore Avenue**

**Alexandria, Virginia**

**(703) 751-4510**

**Hotel shuttle to National Airport and Metro  
Subway**

**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**



# 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.



**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).**

**ES-01-03/99 LAES 50226 ACQ**

Louisiana, Winn Parish, BLM  
T12N, R4W, Louisiana Meridian  
Sec. 22, E2SE;  
Sec. 23, S2NWSW, SWSW.

**Minerals reserved to 9/5/2001 and so long thereafter as oil and gas is produced in paying quantities.**

99.310 Acres  
\$150.00 Rental  
Subject to BLM No Surface or Subsurface Stipulation

**ES-02-03/99 LAES 50227 PD**

Louisiana, Lafourche Parish, BLM  
T14S, R18E, Louisiana Meridian  
Sec. 19, S2SW.

75.480 Acres  
\$114.00 Rental  
Subject to BLM No Surface or Subsurface Stipulation

**ES-03-03/99 LAES 50228 PD \*50197**

Louisiana, St. Mary Parish, BLM  
T16S, R13E, Louisiana Meridian  
Sec. 23, Lots 7 (15.50 ac); and Lot 8 (4.38 ac).

19.880 Acres  
\$30.00 Rental  
Subject to BLM No Surface or Subsurface Stipulation

**ES-04-03/99 LAES 50229 PD**

Louisiana, Assumption Parish, BLM  
T16S, R14E, Louisiana Meridian  
Sec. 75, W2SW (Lot 5).

79.500 Acres  
\$120.00 Rental  
Subject to BLM No Surface or Subsurface 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.

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\*\*\*\*\*

LEASE NOTICE

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

**ES-05-03/99 MSES 50230 ACQ**

Mississippi, Smith County, Bienville N.F.

T4N, R6E, Choctaw Meridian

Sec. 26, S2;

Sec. 27, SESE.

359.550 Acres

\$540.00 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-06-03/99 MSES 50231 ACQ**

Mississippi, Smith County, Bienville N.F.

T4N, R6E, Choctaw Meridian

Sec. 35, N2, E2SW, SWSE;

Sec. 36, W2NE, E2NW, W2SW.

442.950 Acres

\$664.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-07-03/99 MSES 50232 ACQ**

Mississippi, Franklin County, Homochitto N.F.

T5N, R1E, Washington Meridian

Sec. 12, Lot 2, E1/3 Lot 6, lying North of road, and more particularly described as follows:

Commencing at the Northeasterly corner of Lot 6, Section 12, thence S. 10 deg. 50 minutes 30 seconds West along the East boundary line of said Lot 6 a distance of 20.75 chains to the most Easterly SE corner thereof, thence "West" along said lot boundary 12.25 chains to an angle point thereof, thence leaving said boundary N. 10 degrees 50 minutes 30 seconds W. parallel with the most Easterly line of said Lot 6 a distance 21.5 chains to the North line of said Lot 6, thence S. 86 degrees 30 minutes E. along Northerly line of said Lot 6 12.0 chains to point of beginning, containing 20.00 acres.

64.400 Acres

\$97.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-08-03/99 MSES 50233 ACQ**

Mississippi, Franklin County, Homochitto N.F.

T5N, R2E, Washington Meridian

Sec. 1, SWNE, NWNW, NESW.

114.900 Acres

\$172.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-09-03/99 MSES 50234 ACQ**

Mississippi, Franklin County, Homochitto N.F.

T5N, R2E, Washington Meridian

Sec. 17, NWSW.

40.930 Acres

\$61.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-10-03/99 MSES 50235 ACQ**

Mississippi, Franklin County, Homochitto N.F.

T5N, R4E, Washington Meridian

Sec. 4, E2SE.

78.380 Acres

\$118.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-11-03/99 MSES 50236 ACQ**

Mississippi, Adams County, Homochitto N.F.

T5N, R1W, Washington Meridian

Sec. 4, All (Tract H-20b).

142.800 Acres

\$214.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-12-03/99 MSES 50237 ACQ**

Mississippi, Adams County, Homochitto N.F.

T5N, R1W, Washington Meridian

Sec. 9, Pt. Tract H-20b E. of Sandy Creek less N. 160 acres.

113.800 Acres

\$171.00 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-13-03/99 MSES 50238 ACQ**

Mississippi, Adams County, Homochitto N.F.

T5N, R1W, Washington Meridian

Sec. 52, All (Tracts H-20b and H-84).

500.840 Acres

\$751.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-14-03/99 MSES 50239 ACQ**

Mississippi, Franklin County, Homochitto N.F.

T6N, R1E, Washington Meridian

Sec. 6, Lots 3\*, 4\*, 5\*, and 6\*.

(\*According to Survey of July 1847)

211.420 Acres

\$318.00 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-15-03/98 MSES 50240 ACQ**

Mississippi, Adams County, Homochitto N.F.

T6N, R1W, Washington Meridian

Sec. 71, All - Lots 1-13.

622.230 Acres

\$934.50 Rental

Subject to F.S. Lease Notices 3 and 4 and Timing Limitation Stipulation No. 1

**ES-16-03/99 MSES 50241 ACQ**

Mississippi, Chickasaw County, Tombigbee N.F.

T12S, R3E, Chickasaw Meridian

Sec. 1, NE, NENW, W2W2, E2SE and that part of Tract R-325 in  
W2SE, and SESW containing 86.13 acres.

545.660 Acres

\$819.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

**ES-17-03/99 MSES 50242 ACQ**

Mississippi, Chickasaw County, Tombigbee N.F.

T12S, R3E, Chickasaw Meridian

Sec. 11, S2.

320.000 Acres

\$480.00 Rental

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

**ES-18-03/99 MSES 50243 ACQ**

Mississippi, Chickasaw County, Tombigbee N.F.

T12S, R3E, Chickasaw Meridian

Sec. 12, Part of Tract R-271a in the SW and SE containing 206.49

acres; Part of Tract R-81h in the W2SW containing 10.30 acres, NENE, Part of Tract  
R-325 in the NWNWNWNE containing 4 acres, Tract R-347 in the NE containing  
107.61 acres.

372.650 Acres

\$559.50 Rental

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

**ES-19-03/99 MSES 50244 ACQ**

Mississippi, Chickasaw County, Tombigbee N.F.

T12S, R4E, Chickasaw Meridian

Sec. 6, N2.

319.960 Acres

\$480.00 Rental

Subject to F.S. Lease Notices 3 and 4

NATIONAL FORESTS IN MISSISSIPPI

TIMING LIMITATION STIPULATION 01

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

Site construction and drilling may be restricted during the wet season from 11/30 thru 3/31 depending on site specific conditions at the time the Application for Permit to Drill is filed.

On the lands described below:

Entire Lease

For the purpose of (reasons):

Prevent excessive soil erosion and rutting resulting from construction activities during the wet season. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.



## NO SURFACE OCCUPANCY STIPULATION 2

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

T12S, R3E, Chickasaw Meridian

Sec. 12, SE;

Sec. 13, N2NE, NW;

Sec. 14, SENE.

For the purpose of:

Protection of the Davis Lake Recreation Area. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

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

## NO SURFACE OCCUPANCY STIPULATION 2A

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

T12S, R3E, Chickasaw County

All that part of the S2 of Sec. 11 and the SW of Sec. 12, lying and being north of the northerly right of way line of a public road with Forest Road number 903 and being known as the Davis Lake Levee Road and containing 216 acres, more or less.

For the purpose of:

Protection of the Chuquatonchee Bluffs Research Natural Area. Land and Resource Management Plan, as amended, 9/85.

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.)

## 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 if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it thence 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 floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

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, MS 39269  
Telephone No.: 601-965-4391

who is the authorized representative of the Secretary of Agriculture.

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

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

**ES-20-03/99 OHES 50245 ACQ \*49343**

Ohio, Stark County, Berlin Lake COE

T19N, R6W, ORS Meridian

Tract R-232A 57.100 acres;

Tract R-240A 9.980 acres;

Tract B-67A 11.410 acres;

Tract R-242A 19.740 acres;

Tract R-243 15.450 acres.

113.680 Acres

\$171.00 Rental

Subject to the following COE No Surface Occupancy Stipulation No. 1, Stipulation Nos. 2 and 3 and Mandatory Stipulation No. 4

1. No surface occupancy is permitted due to the presence of wildlife management and recreational uses on the lease. This stipulation will not be waived, excepted or modified.
2. The successful bidder of this parcel may be required to pay administrative expenses associated with this lease to The Army Corps of Engineers at the time of lease issuance.
3. It is required that the lessee comply with the mandatory lease stipulations for lands under the jurisdiction of the Department of the Army, Corps of Engineers.

**MANDATORY STIPULATION 4 FOR LANDS UNDER JURISDICTION OF  
DEPARTMENT OF THE ARMY, CORPS OF ENGINEERS.**

1. All rights under this lease are subordinate to the rights of the United States to flood and submerge the lands, permanently or intermittently, in connection with the operation and maintenance of Berlin Lake project.
2. The United States shall not be responsible for damages to property or injuries to persons that may arise from or be incident to the use and occupation of the said premises, or for damages to the property of the lessee, or for injuries to the person of the lessee (if an individual), or for damages to the property or injuries to the person of the lessee's officers, agents, servants, or employees, or others who may be on said premises at their invitation or the invitation of any one of them arising from or incident to any other governmental activities; and the lessee shall hold the United States harmless from any such claims.
3. The work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Corps of Engineers, in direct charge of the project, and subject to such conditions and regulations as may be prescribed by him, and the plans and location for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval, in advance, of commencement of any work on said lands. The District Engineer shall have the right to enter on the premises, at any time, to inspect both the installation

and operational activities of the lessee.

4. No structure or appurtenance thereto shall be of a material or construction determined to create floatable debris.
5. The construction and operation of said structures and appurtenances thereto shall be of such a nature as not to cause pollution of the soils and the waters of the project.
6. The United States reserves the right to use the land jointly with the lessee in connection with the construction, operation, and maintenance of the Government project and to place improvements thereon or to remove materials therefrom, including sand and gravel and other construction material; as may be necessary in connection with such work, and the lessee shall not interfere, in any manner, with such work or do any act which may increase the cost of performing such work. If the cost of the work performed by the Government at and in connection with the project, including work performed on lands outside the property included in the lease, is made more expensive due to improvements constructed on the leased property by the lessee, the lessee shall pay to the United States money in an amount, as estimated by the Chief of Engineers, sufficient to compensate for the additional expense involved.
7. The Secretary of the Army or his designee reserves the right to require cessation of operations in a national emergency or if the Army needs the premises for a use incompatible with lease operations. On approval by higher authority, the District Commander will notify the lessee in writing or, if time permits, request the Bureau of Land Management to notify the lessee. The lessee understands that rights granted by this lease do not include the period of any such cessation, and the United States has no obligation to compensate the lessee for damages or contractual losses resulting from exercise of this stipulation. The lessee shall include this stipulation in contracts with third parties to supply oil and gas. This stipulation shall not affect the lessee's right to seek suspension of the lease term from the Bureau of Land Management.
8. If the District Commander or the District Commander's authorized representative finds an imminent danger to safety, security or significant environmental values for which there is no time to consult the Bureau of Land Management, that person may order an immediate stop of such activities. The State Director of the Bureau of Land Management will be notified immediately to determine the need for further remedial action.
9. The lessee or its operator will immediately stop work if contamination is found in the operating area, and request that the District Commander or the District Commander's authorized representative provide assistance in dealing with the contamination.
10. Lessee liability for damage to improvements shall include improvements of the Department of Defense.
11. Prior to commencement of drilling operations, the lessee must consult with any third parties authorized to use real estate within the leased area, and to consider the programs for which the

third party grantee has contractual responsibility.