



In Reply To:

MTM 97698

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Montana State Office
5001 Southgate Drive
Billings, Montana 59101-4669
<http://www.blm.gov/mt>



Notice of Competitive Oil and Gas Lease Sale MONTANA AND NORTH DAKOTA

JANUARY 29, 2008

The Montana State Office is holding a competitive oral sale of Federal lands in the States of Montana, and North Dakota for oil and gas leasing. We are attaching a map of the general areas of nomination, a list of the parcel numbers, legal land descriptions and corresponding stipulations. The list is available on the Internet at: http://www.blm.gov/mt/st/en/prog/energy/oil_and_gas/leasing.html. Oil and gas forms are available on the Internet at www.blm.gov/blmforms

The following is a link to a State of Montana website that you can use to determine the surface ownership for any parcels advertised on this list in Montana: <http://gis.mt.gov/>

Internet site www.ndrin.com has available, for a fee, real estate records for the majority of the counties in North Dakota. Go to "Land Records," and in the second paragraph, select "click here" to see the list of participating counties.

The following is a website that has information available for lands in South Dakota—
www.beacon.schneidercorp.com

Information regarding leasing of Federal minerals overlain with private surface, referred to as "Split Estate," is available at the following Washington Office website. A Split Estate brochure is available at this site. The brochure outlines the rights, responsibilities, and opportunities of private surface owners and oil and gas operators in the planning, lease sale, permitting/development, and operations/production phases of the oil and gas program:
www.blm.gov/bmp/Split_Estate.htm

When and where will the sale take place?

When: The competitive sale begins at 9:00 a.m. on Tuesday, January 29, 2008. The sale room opens at 8:00 a.m. for registration and assignment of bidder numbers.

Where: We will hold the sale at the Bureau of Land Management, Montana State Office, 5001 Southgate Drive, Billings, Montana. Parking is available.

Access: The sale room is accessible to persons with disabilities. If you need a sign language interpreter or materials in an alternate format, please tell us no later than one week before the

sale. You may contact Elaine Kaufman at 406-896-5108, Trish Cook at 406-896-5110, or Mary Mack at 406-896-5090.

How do I register as a bidder?

Before the sale starts, you must complete a bidder registration form to obtain a bidding number. The forms are available at the registration desk.

May I participate in a competitive oil and gas lease sale if my acreage holdings exceed the acreage limitations provided under 43 CFR 3101.2?

No. Qualified individuals, associations, or corporations may only participate in a competitive lease sale and purchase Federal oil and gas leases from this office if such purchase will not result in exceeding the state limit of 246,080 acres of public domain lands and 246,080 acres of acquired lands (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations, you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. The Energy Policy Act of 2005, effective August 8, 2005, provides that acreage holdings in the following leases are not chargeable: leases committed to a federally-approved unit agreement, cooperative plan, or communitization agreement, or for which royalty (including compensatory royalty or royalty-in-kind) was paid in the preceding calendar year. The acreage limitations and certification requirements apply for competitive oil and gas lease sales, noncompetitive lease offers, transfer of interest by assignment of record title or operating rights, and options to acquire interest in leases regardless of whether an individual, association, or corporation has received, under 43 CFR 3101.2-4, additional time to divest excess acreage acquired through merger or acquisition.

What is the sale process?

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

- the auctioneer offers the parcels in the order shown on the attached list;
- registered bidders make oral bids on a per-acre basis for all acres in a parcel;
- the winning bid is the highest oral bid equal to or exceeding the minimum \$2.00 bid;
- the decision of the auctioneer is final; and
- names of high bidders (lessees) remain confidential until the results list is available.

How do I calculate my bonus bid for parcels where the U. S. only owns a fractional mineral interest?

If the United States owns less than 100 percent of the oil and gas rights in a parcel, the parcel will reflect the percentage of interest the United States owns.. You must calculate your bonus bid and advance rental payment on the **gross acreage in the parcel**. For example, if the U.S. owns 50 percent of the oil and gas in a 100.48 acre parcel, the minimum bid is \$202 (101 acres x \$2) and the advance rental due is \$151.50 (101 acres x \$1.50).

What conditions apply to the lease sale?

- **Parcel withdrawal or sale cancellation:** We reserve the right to withdraw any or all parcels before the sale begins. If we withdraw parcels or cancel a sale, we will post a notice in the Public Records and Information Center and announce the withdrawn parcels at the time of the sale.

- **Lease terms:** Leases issue for a primary term of 10 years. They continue beyond the primary term as long as the lease is producing in paying quantities or receiving production from another source. Rental is \$1.50 per acre for the first 5 years (\$2 per acre after that) until production begins. Once a lease is producing, we charge a royalty rate of 12.5 percent on the production removed or sold from the lease. There are other lease terms on the standard lease form (Form 3100-011, June 1988 or later edition).
- **Stipulations:** Some parcels are subject to surface use restrictions or other conditions affecting how you conduct operations on the lands. The stipulations become part of the lease and replace any inconsistent provisions of the lease form.
- **Bid form:** On the day of the sale, successful bidders must submit a properly completed lease bid form (Form 3000-2, October 1989 or later edition) along with payment. The bid form is a legally binding offer to accept a lease and all its terms and conditions. When the prospective lessee or an authorized representative signs the bid form, it certifies that the lessee meets the conditions of 43 CFR 3102.5-2 and complies with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of bidders, and collusion among bidders. Successful bidders cannot withdraw their bids.
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- **Payment:**
- **minimum due by 4:00 p.m. on day of sale:**
 - Bonus bid deposit of \$2.00 per acre or fraction thereof;
 - First year rent of \$1.50 per acre or fraction thereof except for future interest parcels;
 - and
 - \$140 non-refundable administrative fee.
- **remaining balance due by 4:00 p.m. February 12, 2008**

If you don't pay in full by this date, you lose the right to the lease and all the money you paid on the day of the sale. We may offer the parcel in a future sale.
- **Method of payment:**
 - personal check;
 - cashier's check;
 - money order; or
 - credit card (VISA, MasterCard, American Express, or Discover).

Effective February 1, 2005, the BLM will not accept credit card or debit card payments to the BLM for an amount equal to or greater than \$100,000. We also will not accept aggregated smaller amounts to bypass this requirement. We encourage you to make any payments of \$100,000 or more by automated Clearing House (ACH) or Fed Wire transfer.

Make checks payable to: **Department of the Interior-BLM.** We do not accept cash. If we returned a previous check to you for insufficient funds, we will require a guaranteed payment, such as a cashier's check.

- **Lease issuance:** After we receive the bid forms and all monies due, we can issue the lease. The lease effective date is the first day of the month following the month we sign it. We can issue the lease effective the first day of the month in which we sign it, if you ask us in writing before we sign the lease.

How can I find out the results of this sale?

We post the sale results in our Public Records and Information Center and on the Internet at: http://www.blm.gov/mt/st/en/prog/energy/oil_and_gas/leasing/historic_sale_results.html . You can buy a \$5/\$10 printed copy of the results list from the Public Records and Information Center.

How do I file a noncompetitive offer after the sale?

Lands that do not receive a bid and are not subject to a pre-sale offer are available for a 2-year period beginning the day after the sale. To file a noncompetitive offer, you must submit:

- three copies of standard lease form (Form 3100-11, June 1988 or later edition) with lands described as specified in our regulations at 43 CFR 3110.5;
- \$360 nonrefundable administrative fee; and
- first year advance rental (\$1.50 per acre or fraction thereof).

Place offers filed on the day of the sale and the first business day after the sale in the drop box in the Public Records and Information Center. We consider these offers simultaneously filed. When a parcel receives more than one filing by 4:00 p.m. on the day after the sale, we will hold a drawing to determine the winner. Offers filed after this time period receive priority according to the date and time of filing in this office. *The Noncompetitive drawing will be held on Thursday, January 31, 2008, at 1:00 p.m. at the MTSO Access Information Center.*

How do I file a noncompetitive presale offer?

Under regulations at 43 CFR 3110.1(a), you may file a noncompetitive pre-sale offer for lands that:

- are available; and
- have not been under lease during the previous 1-year period; or
- have not been in a competitive lease sale within the previous 2-year period.

Once we post a competitive sale notice you cannot file a pre-sale offer for lands shown on the notice.

To file a pre-sale offer, you must submit:

- three copies of standard lease form (Form 3100-11, June 1988 or later edition) with lands described as specified in our regulations at 43 CFR 3110.5;
- \$360 nonrefundable administrative fee; and
- first year advance rental (\$1.50 per acre or fraction thereof).

If we don't receive a bid at the sale for the parcel(s) contained in your presale offer, we will issue the lease. You may withdraw your offer prior to the date we sign your lease. The pre-sale offer is your consent to the terms and conditions of the lease, including any additional stipulations advertised in the Competitive Sale Notice.

Where can I obtain information pertaining to the individual Forest Service Stipulations?

The applicable Forest Service (FS) Environmental Impact Studies (EIS) describe stipulations for parcels located within the administrative boundary of the Forest Service units. The Geographic Information System (GIS) maps of the stipulations may be viewed at the following FS offices:

- The individual District Ranger Office identified in the stipulation listing included with this sale notice, or
- The individual Forest Supervisor Office identified in the stipulation listing included with this sale notice, or
- Forest Service, Region One Office, 200 East Broadway, Missoula, Montana.

Where can I obtain information pertaining to the stipulations identified for BLM surface managed parcels?

Contact the appropriate BLM FO if you need additional information regarding the identified stipulations, including the specific portion of a legal subdivision affected by a stipulation.

May I protest BLM's decision to offer the lands in this Notice for lease?

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

- We must receive a protest no later than close of business on the 15th calendar day prior to the date of the sale. If our office is not open on the 15th day prior to the date of the sale, we will consider a protest received on the next day our office is open to the public timely filed. The protest must also include any statement of reasons to support the protest. We will dismiss a late-filed protest or a protest filed without a statement of reasons.
- A protest must state the interest of the protesting party in the matter.
- You may file a protest either by mail, in hardcopy form or by telefax to 406-896-5292. You may not file a protest by electronic mail. We will dismiss a protest sent to a fax number other than the fax number identified or a protest filed by electronic mail.
- If the party signing the protest is doing so on behalf of an association, partnership or corporation, the signing party must reveal the relationship between them. For example, unless an environmental group authorizes an individual member of its group to act for it, the individual cannot make a protest in the group's name.

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

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

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

We will make every effort to decide the protest within 60 days after the sale. We won't issue a lease for a protested parcel until the State Director makes a decision on the protested parcel. If the State Director denies the protest, we will issue your lease concurrently with that decision.

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

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

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

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

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

Yes. An appeal from the State Director's decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

May I appeal BLM's decision to deny my protest?

Yes. An appeal from the State Director's decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

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

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

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

How do I nominate lands for future sales?

- file a letter with this office describing the lands nominated for sale;
- file a pre-sale offer.

Who should I contact if I have a question?

For more information, contact Trish Cook at 406-896-5110.

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

We are tentatively holding our next competitive sale on April 8, 2008.

Karen L. Johnson, Chief
Fluids Adjudication Section

OFFICIAL POSTING DATE MUST BE ON OR BEFORE DECEMBER 14, 2007.

The official posting date will be noted on the copy posted in the Information Access Center of the Bureau of Land Management, Billings, Montana.

PUBLIC NOTICE

Any noncompetitive offers received for lands that are listed on the Notice from the time the list is officially posted in the Montana State Office Public Room until the first business day following the completion of the sale will be rejected as unavailable for filing, per 43 CFR 3110.1(a)(ii).

SURFACE OWNERSHIP FOR PARCELS IN THE STATES OF MONTANA, NORTH DAKOTA AND SOUTH DAKOTA

The Montana State Office Competitive Sale Notices and stipulations are available at the following website:

http://www.blm.gov/mt/st/en/prog/energy/oil_and_gas/leasing.html

Sale Notices now include the following link to a State of Montana website. Surface ownership for parcels located in Montana that are advertised on our Competitive Sale Notices can be determined from this website:

<http://gis.mt.gov/>

At the above website, select **Property Map**. Then click on the County **4** times to get to the screen that identifies the township and range (eg. T005NR051E). Then click on the township and range **2** times to reach the screen that displays the sections and subdivisions. At top of the screen, select the symbol for “**Identify**”. Then click on the legal description you wish to query. An ownership screen will be displayed. Select **View Detailed CAMA Records** for additional data regarding the ownership, for example., the owner’s name, taxable value, acreage type classification, and so on.

The following website has available, for a fee, real estate records for the majority of the counties in North Dakota-- www.ndrin.com . Go to “**Land Records**” and in the second paragraph, select “**click here**” to see the list of participating counties.

The following is the website that has information available for lands in South Dakota--
<http://beacon.schneidercorp.com/>

THE FOLLOWING NOTICE WILL BE ATTACHED TO ALL ISSUED LEASES

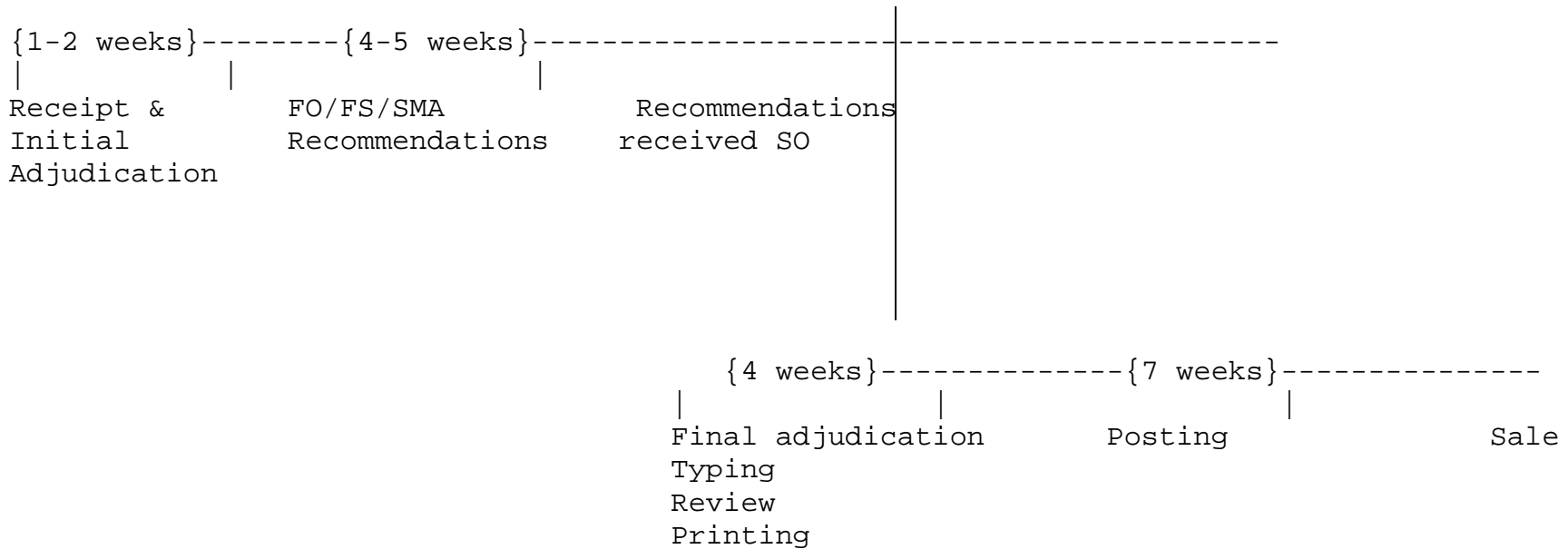
NOTICE TO LESSEE

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 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 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 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.

**TIMELINE TO PROCESS EXPRESSIONS OF INTEREST (EOI)
OR OFFERS**



**Total time required to process EOI/Offer
4-5 months (16-18 weeks)**

SMA-Surface Management Agency
 e.g., Forest Service, Bureau of Reclamation
 FO-BLM Field Office FS-BLM Field Office
 SO-Montana State Office

ALL LANDS ARE LISTED IN TOWNSHIP AND RANGE ORDER

MONTANA

01-08-01 PD
MTM 97703
 T. 3 S, R. 22 E, PMM, MT
 sec. 10 SWNE;
 11 NWNW;
 13 LOTS 3,4;
 14 NESW;
 T. 3 S, R. 23 E, PMM, MT
 sec. 22 S2NW;
 Carbon 273.56 AC
 Stipulations: Cultural Resources,
 Lease Notice-2, TES, Timing-1

01-08-02 PD
MTM 97704
 T. 9 S, R. 22 E, PMM, MT
 sec. 27 SWSW;
 Carbon 40.00 AC
 Stipulations: CSU-1, Cultural
 Resources, Lease Notice-2, TES,
 Timing-1

01-08-03 PD
MTM 97705
 T. 10 S, R. 22 E, PMM, MT
 sec. 1 LOTS 1,2,3,4;
 2 LOTS 1,2,3,4;
 3 LOTS 1,2,3,4;
 4 LOTS 1,2,3,4;
 5 LOT 1;
 Carbon 179.01 AC
 Stipulations: Cultural Resources,
 Lease Notice-2, TES, Timing-1,3

01-08-04 PD
MTM 97706
 T. 3 S, R. 25 E, PMM, MT
 sec. 18 E2NE,SE;
 19 E2NE;
 Yellowstone 320.00 AC
 Stipulations: CSU-1, Cultural
 Resources, Lease Notice-2, TES

NORTH DAKOTA

01-08-05 PD
NDM 97707
 T. 152 N, R. 86 W, 5th PM, ND
 sec. 5 LOT 5;
 5 LAKEBED RIPAR TO LOT 5
 DESC BY M&B; 1/
 6 LOTS 1,2;
 6 LAKEBED RIPAR TO LOTS
 1,2 DESC BY M&B; 1/
 Ward 52.499 AC
 Stipulations: CSU-17, Cultural
 Resources, NSO-33, Standard, TES,
 Timing-15

01-08-06 ACQ
NDM 97708
 T. 156 N, R. 86 W, 5th PM, ND
 sec. 6 SE;
 7 NE;
 29 SW;
 30 LOTS 3,4;
 30 E2,E2SW;
 31 LOTS 2,3;
 31 SENW,NESW;
 Ward 1102.52 AC
50% U.S. MINERAL INTEREST 2/
 Stipulations: CSU-17, Cultural
 Resources, NSO-33, Standard, TES,
 Timing-15

01-08-07 ACQ
NDM 97709
 T. 157 N, R. 86 W, 5th PM, ND
 sec. 31 NE;
 Ward 160.00 AC
50% U.S. MINERAL INTEREST 2/
 Stipulations: CSU-17, Cultural
 Resources, Standard, TES

01-08-08 ACQ
NDM 97710
T. 153 N, R. 87 W, 5TH PM, ND
sec. 20 SW EXCL 2.0 AC FOR
SCHOOL;
Ward 158.00 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: Cultural Resources,
Standard, TES

01-08-09 ACQ
NDM 97711
T. 152 N, R. 88 W, 5th PM, ND
sec. 33 SE;
Mountrail 160.00 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: CSU-17, Cultural
Resources, NSO-33, Standard, TES,
Timing-15

01-08-10 ACQ
NDM 97712
T. 154 N, R. 88 W, 5TH PM, ND
sec. 4 S2;
Mountrail 320.00 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: CSU-17, Cultural
Resources, NSO-33, Standard, TES,
Timing-15

01-08-11 ACQ
NDM 97713
T. 155 N, R. 88 W, 5TH PM, ND
sec. 19 LOT 4;
19 E2SW,SWSE;
Mountrail 156.63 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: CSU-17, Cultural
Resources, NSO-33, Standard, TES,
Timing-15

01-08-12 ACQ
NDM 97714
T. 157 N, R. 89 W, 5TH PM, ND
sec. 35 SW;
Mountrail 160.00 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: CSU-17, Cultural
Resources, NSO-33, Standard, TES,
Timing-15

01-08-13 PD
NDM 97715
T. 142 N, R. 90 W, 5TH PM, ND
sec. 4 NESW;
Mercer 40.00 AC
Stipulations: CSU-5, Cultural
Resources, Standard, TES

01-08-14 PD
NDM 97716
T. 154 N, R. 91 W, 5TH PM, ND
sec. 4 LOT 4;
4 SWNE,NWSW;
Mountrail 120.05 AC
Stipulations: Cultural Resources,
Standard, TES

01-08-15 ACQ
NDM 97717
T. 152 N, R. 92 W, 5TH PM, ND
sec. 30 LOTS 3,4;
30 E2SW;
Mountrail 149.36 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: Cultural Resources,
Standard, TES

01-08-16 ACQ
NDM 97718
T. 146 N, R. 95 W, 5th PM, ND
sec. 31 E2E2;
Dunn 160.00 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: CSU-5, Cultural
Resources, Standard, TES

01-08-17 ACQ
NDM 97719
T. 140 N, R. 96 W, 5th PM, ND
sec. 25 POR OF E2 DESC BY
M&B; 1/
Stark 2.73 AC
Stipulations: Cultural Resources,
Standard, TES

01-08-18 PD
NDM 97720
T. 148 N, R. 96 W, 5th PM, ND
sec. 26 LOT 9;
Dunn 47.50 AC
Stipulations: CSU-5, Cultural
Resources, Standard, TES

01-08-19 ACQ
NDM 97721
T. 155 N, R. 97 W, 5th PM, ND
sec. 5 LOTS 3,4;
5 SWNW;
10 NWNE,S2NE,SE;
34 E2NE,SWNE,NW,N2SE;
Williams 761.16 AC
50% U.S. MINERAL INTEREST 2/
Stipulations: CSU-5, Cultural
Resources, Standard, TES

01-08-20 PD
NDM 97722
T. 148 N, R. 98 W, 5th PM, ND
sec. 11 E2,SENW,NESW;
McKenzie 400.00 AC
Stipulations: R1-FS-2820-13d
(McKenzie RD), 14-1, 16-1, 18a

01-08-21 ACQ
NDM 97723
T. 144 N, R. 99 W, 5th PM, ND
sec. 2 LOTS 3,4;
2 S2NW,SW;
Billings 342.52 AC
Stipulations: R1-FS-2820-13d
(Medora RD), 16-1, 18a

01-08-22 ACQ
NDM 97724
T. 148 N, R. 99 W, 5th PM, ND
sec. 5 SWNW,N2SE,SWSE;
McKenzie 160.00 AC
Stipulations: R1-FS-2820-13d
(McKenzie RD), 14-1, 15-1, 16-1, 18a

01-08-23 PD
NDM 97725
T. 148 N, R. 99 W, 5th PM, ND
sec. 17 NENE;
McKenzie 40.00 AC
Stipulations: R1-FS-2820-13d
(McKenzie RD), 14-1, 15-1, 16-2, 18a

01-08-24 PD
NDM 97726
T. 152 N, R. 99 W, 5th PM, ND
sec. 5 LOTS 9,10;
5 E2SW;
McKenzie 160.00 AC
Stipulations: CSU-5, Cultural
Resources, Standard, TES

01-08-25 ACQ
NDM 97727
T. 141 N, R. 100 W, 5th PM, ND
sec. 18 LOTS 2,3,4;
18 S2NE,SENW,E2SW,SE;
Billings 482.28 AC
Stipulations: R1-FS-2820-13d
(Medora RD), 14-1,3, 15-1, 16-1,3,
18a

01-08-26 PD
NDM 97728
T. 146 N, R. 101 W, 5TH PM, ND
sec. 14 NE,N2NW,SENW,S2;
McKenzie 600.00 AC
Stipulations: R1-FS-2820-13d
(McKenzie RD), 14-1, 15-1,2, 16-1,4,
18a

01-08-27 PD
NDM 97729
T. 140 N, R. 102 W, 5TH PM, ND
sec. 30 LOTS 1,2,4;
30 E2NW,SESW,S2SE;
Billings 321.15 AC
Stipulations: R1-FS-2820-13d
(Medora RD), 14-1,3, 15-1, 16-1,3,
18a

01-08-28 ACQ
NDM 97730
T. 140 N, R. 102 W, 5TH PM, ND
sec. 30 LOT 3;
30 NE,NESW,N2SE;
Billings 320.37 AC
Stipulations: R1-FS-2820-13d
(Medora RD), 14-1,2, 15-1, 16-1,3,
18a

01-08-29 ACQ
NDM 97731
T. 148 N, R. 102 W, 5TH PM, ND
sec. 34 S2;
McKenzie 320.00 AC
Stipulations: R1-FS-2820-13d
(McKenzie RD), 14-1,3, 15-1, 18a

01-08-30 PD
NDM 97732
T. 131 N, R. 103 W, 5TH PM, ND
sec. 35 SENE;
Bowman 40.00 AC
Stipulations: CSU-5, Cultural
Resources, Standard, TES

01-08-31 ACQ
NDM 97733
T. 139 N, R. 103 W, 5TH PM, ND
sec. 1 LOTS 1,2,3,4;
1 S2N2,S2;
Golden Valley 638.40 AC
Stipulations: R1-FS-2820-13d
(Medora RD), 14-1,3,4,5, 15-1,3,
16-1,3, 18a, 23-1

01-08-32 ACQ
NDM 97734
T. 139 N, R. 103 W, 5TH PM, ND
sec. 12 NE,E2NW,S2;
Golden Valley 560.00 AC
Stipulations: R1-FS-2820-13d
(Medora RD), 14-1,5, 15-1,3, 16-1,
18a, 23-1

01-08-33 PD
NDM 97735
T. 129 N, R. 104 W, 5TH PM, ND
sec. 35 SWSE;
Bowman 40.00 AC
Stipulations: Cultural Resources,
Standard, TES

01-08-34 PD
NDM 97736
T. 149 N, R. 104 W, 5TH PM, ND
sec. 10 NESW;
15 NW,NWSW,S2S2;
McKenzie 400.00 AC
Stipulations: R1-FS-2820-13d
(McKenzie RD), 14-1, 15-1, 16-1, 18a

01-08-35 ACQ
NDM 97737
T. 149 N, R. 104 W, 5TH PM, ND
sec. 10 NWSW,S2SW,SE;
15 NE,NESW;
McKenzie 480.00 AC
Stipulations: R1-FS-2820-13d
(McKenzie RD), 14-1, 15-1, 16-1, 18a

01-08-36

ACQ

NDM 97738

T. 152 N, R. 104 W, 5th PM, ND

sec. 9 THAT POR LYING WITHIN
THE BURLINGTON NORTHERN
RR ROW THROUGH THE E2SW
DESC BY M&B; 1/

9 THAT POR LYING WITHIN
THE BURLINGTON NORTHERN
RR ROW THROUGH THE NWSE
DESC BY M&B; 1/

Williams 9.12 AC

Stipulations: Cultural Resources,
Standard, TES

STATISTICS

Total Parcels:	36
Total Acreage:	9676.859
No. of Parcels with Presale Offers	0

FOOTNOTES

1/ The exact metes and bounds description will be made a part of any lease issued for these lands.

2/ The United States has a fractional interest. Rentals and the bonus bid are payable on total gross acres. Royalties are payable on the net acres.

CONTROLLED SURFACE USE STIPULATION

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

Prior to surface disturbance on slopes over 30 percent, an engineering/reclamation plan must be approved by the authorized officer. Such plan must demonstrate how the following will be accomplished:

- Site productivity will be restored.
- Surface runoff will be adequately controlled.
- Off-site areas will be protected from accelerated erosion, such as rilling, gullying, piping, and mass wasting.
- Water quality and quantity will be in conformance with state and federal water quality laws.
- Surface-disturbing activities will not be conducted during extended wet periods.
- Construction will not be allowed when soils are frozen.

To maintain soil productivity, provide necessary protection to prevent excessive soil erosion on steep slopes, and to avoid areas subject to slope failure, mass wasting, piping, or having excessive reclamation problems.

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-02	T. 9 S, R. 22 E, PMM, MT sec. 27 SWSW;
01-08-04	T. 3 S, R. 25 E, PMM, MT sec. 18 E2NE, SE; 19 E2NE;

CONTROLLED SURFACE USE STIPULATION

Serial No.

Surface occupancy or use will be subject to the following special operating constraint: No disturbance of riparian areas of wetlands, intermittent, ephemeral, or perennial streams and rivers would be allowed except for essential road and utility crossings.

For protection of riparian habitat (NDRMP - p. 20).

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-13	T. 142 N, R. 90 W, 5 TH PM, ND sec. 4 NESW;
01-08-16	T. 146 N, R. 95 W, 5 th PM, ND sec. 31 NENE;
01-08-18	T. 148 N, R. 96 W, 5 TH PM, ND sec. 26 LOT 9;
01-08-19	T. 155 N, R. 97 W, 5 TH PM, ND sec. 5 LOTS 3,4; 5 SWNW; 10 NWNE,S2NE,SE; 34 E2NE,SWNE,NW,N2SE;
01-08-24	T. 152 N, R. 99 W, 5 TH PM, ND sec. 5 LOTS 9,10; 5 E2SW;
01-08-30	T. 131 N, R. 103 W, 5 TH PM, ND sec. 35 SENE;

CSU 12-5

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use would be subject to the following special operating constraint: No disturbance of riparian areas of wetlands, intermittent, ephemeral, or perennial streams and rivers would be allowed except for essential road and utility crossings.

Protection of riparian habitat (NDRMP - p. 20).

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-05	T. 152 N, R. 86 W, 5 th PM, ND sec. 5 LOT 5; 5 LAKEBED RIPAR TO LOT 5 DESC BY M&B; 6 LOTS 1,2; 6 LAKEBED RIPAR TO LOTS 1,2 DESC BY M&B;
01-08-06	T. 156 N, R. 86 W, 5 th PM, ND sec. 6 SE; 7 NE; 29 SW; 30 LOTS 3,4; 30 E2,E2SW; 31 LOTS 2,3; 31 SENW,NESW;
01-08-07	T. 157 N, R. 86 W, 5 TH PM, ND sec. 31 NE;
01-08-09	T. 152 N, R. 88 W, 5 th PM, ND sec. 33 SE;
01-08-10	T. 154 N, R. 88 W, 5 TH PM, ND sec. 4 S2;
01-08-11	T. 155 N, R. 88 W, 5 TH PM, ND sec. 19 NESW;
01-08-12	T. 157 N, R. 89 W, 5 TH PM, ND sec. 35 SW;

CSU 12-17

CULTURAL RESOURCES LEASE STIPULATION

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

This stipulation applies to all BLM parcels.

CULTURAL RESOURCES

**LEASE NOTICE
CULTURAL RESOURCES**

The Surface Management Agency is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures. Guidance for application of this requirement can be found in NTL-MSO-85-1

This notice would be consistent with the present Montana guidance for cultural resource protection related to oil and gas operations (NTL-MSO-85-1)

PARCEL NO.

01-08-01, 01-08-02, 01-08-03, 01-08-04,

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy (NSO) or use would be allowed within 200 feet of wetlands, lakes, and ponds.

Protection of wetlands (NDRMP - p. 20).

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-05	T. 152 N, R. 86 W, 5 th PM, ND sec. 5 LOT 5; 5 LAKEBED RIPAR TO LOT 5 DESC BY M&B; 6 LOTS 1,2; 6 LAKEBED RIPAR TO LOTS 1,2 DESC BY M&B;
01-08-06	T. 156 N, R. 86 W, 5 TH PM, ND sec. 6 SE; 29 SW; 30 LOTS 3,4; 31 LOTS 2,3; 31 SENW,NESW;
01-08-09	T. 152 N, R. 88 W, 5 th PM, ND sec. 33 SE;
01-08-10	T. 154 N, R. 88 W, 5 TH PM, ND sec. 4 S2;
01-08-11	T. 155 N, R. 88 W, 5 TH PM, ND sec. 19 NESW;
01-08-12	T. 157 N, R. 89 W, 5 TH PM, ND sec. 35 SW;

NSO 11-33

OIL AND GAS LEASE STIPULATIONS

ESTHETICS--To maintain esthetic values, all surface-disturbing activities, semipermanent and permanent facilities may require special design including location, painting and camouflage to blend with the natural surroundings and meet the intent of the visual quality objectives of the Federal Surface Managing Agency (SMA).

EROSION CONTROL--Surface-disturbing activities may be prohibited during muddy and/or wet soil periods.

CONTROLLED OR LIMITED SURFACE USE STIPULATION --This stipulation may be modified, consistent with land use documents, when specifically approved in writing by the Bureau of Land Management (BLM) with concurrence of the SMA. Distances and/or time periods may be made less restrictive depending on the actual onground conditions. The prospective lessee should contact the SMA for more specific locations and information regarding the restrictive nature of this stipulation.

The lessee/operator is given notice that the lands within this lease may include special areas and that such areas may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled, or **if absolutely necessary**, excluded. Use or occupancy will be restricted only when the BLM and/or the SMA demonstrates the restriction necessary for the protection of such special areas and existing or planned uses. Appropriate modifications to imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

After the SMA has been advised of specific proposed surface use or occupancy on the leased lands, and on request of the lessee/operator, the Agency will furnish further data on any special areas which may include:

100 feet from the edge of the rights-of-way from highways, designated county roads and appropriate federally-owned or controlled roads and recreation trails.

500 feet, or when necessary, within the 25-year flood plain from reservoirs, lakes, and ponds and intermittent, ephemeral or small perennial streams: 1,000 feet, or when necessary, within the 100-year flood plain from larger perennial streams, rivers, and domestic water supplies.

500 feet from grouse strutting grounds. Special care to avoid nesting areas associated with strutting grounds will be necessary during the period from March 1, to June 30. One-fourth mile from identified essential habitat of state and federal sensitive species. Crucial wildlife winter ranges during the period from December 1 to May 15, and in elk calving areas during the period from May 1 to June 30.

300 feet from occupied buildings, developed recreational areas, undeveloped recreational areas receiving concentrated public use and sites eligible for or designated as National Register sites.

Seasonal road closures, roads for special uses, specified roads during heavy traffic periods and on areas having restrictive off-road vehicle designations.

On slopes over 30 percent or 20 percent on extremely erodable or slumping soils.

STANDARD

See Notice on Back

PARCEL NO.

01-08-05, 01-08-06, 01-08-07, 01-08-08, 01-08-09, 01-08-10, 01-08-11, 01-08-12, 01-08-13,
01-08-14, 01-08-15, 01-08-16, 01-08-17, 01-08-18, 01-08-19, 01-08-24, 01-08-30, 01-08-33,
01-08-36

NOTICE

APPLICATIONS FOR PERMIT TO DRILL (APDs)--The appropriate BLM field offices are responsible for the receipt, processing, and approval of APDs. The APDs are to be submitted by oil and gas operators pursuant to the requirements found in Onshore Oil and Gas Order No. 1 -- Approval of Operations on Onshore Federal and Indian Oil and Gas Leases (Circular No. 2538). Additional requirements for the conduct of oil and gas operations can be found in the Code of Federal Regulations Title 43, Part 3160. Copies of Onshore Oil and Gas Order No. 1, and pertinent regulations, can be obtained from the BLM field offices in which the operations are proposed. Early coordination with these offices on proposals is encouraged.

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

1. Contact the appropriate SMA to determine if a site-specific cultural resource inventory is required. If an inventory is required, then:
2. Engage the services of a cultural resource specialist acceptable to the SMA to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the SMA for review and approval no later than that time when an otherwise complete application for approval of drilling or subsequent surface-disturbing operation is submitted.
3. Implement mitigation measures required by the SMA. Mitigation may include the relocation of proposed lease-related activities or other protective measures such as testing salvage and recordation. Where impacts to cultural resources cannot be mitigated to the satisfaction of the SMA, surface occupancy on that area must be prohibited.

The operator shall immediately bring to the attention of the SMA any cultural or paleontological resources discovered as a result of approved operations under this lease, and not disturb such discoveries until directed to proceed by the SMA.

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

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

Endangered Species Act Section 7 Consultation Stipulation

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

This stipulation applies to all BLM parcels.

TES (BLM)

TIMING LIMITATION STIPULATION

Surface use is prohibited from December 1 to March 31 within crucial winter range for wildlife. This stipulation does not apply to the operation and maintenance of production facilities.

To protect crucial white-tailed deer, mule deer, elk, antelope, moose, bighorn sheep, and sage grouse winter range from disturbance during the winter use season, and to facilitate long-term maintenance of wildlife populations.

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-01	T. 3 S, R. 22 E, PMM, MT sec. 10 SWNE; 11 NWNW; 14 NESW;
01-08-02	T. 9 S, R. 22 E, PMM, MT sec. 27 SWSW;
01-08-03	T. 10 S, R. 22 E, PMM, MT sec. 1 LOTS 1,2,3,4; 2 LOTS 1,2,3,4; 3 LOTS 1,2,3,4; 4 LOTS 1,2,3,4; 5 LOT 1;

TIMING 13-1

TIMING LIMITATION STIPULATION

Surface use is prohibited from March 1 to June 15 in grouse nesting habitat within 2 miles of a lek. This stipulation does not apply to the operation and maintenance of production facilities.

To protect sharp-tail and sage grouse nesting habitat from disturbance during spring and early summer in order to maximize annual production of young and to protect nesting activities adjacent to nesting sites for the long-term maintenance of grouse populations in the area.

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.)

PARCEL NO.

LEGAL DESCRIPTION

01-08-03

T. 10 S, R. 22 E, PMM, MT
sec. 1 LOTS 1,2,3,4;
2 LOTS 1,2,3,4;
3 LOTS 1,2,3,4;
4 LOT 1;

TIMING LIMITATION STIPULATION

Surface occupancy or use would be subject to the following special operating constraint: No seismic exploration would be allowed within 500 feet of waterfowl nesting habitat during the following time period(s): March 1 through July 1. This stipulation does not apply to operation and maintenance of production facilities.

Protection of nesting waterfowl (NDRMP - p. 20).

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-05	T. 152 N, R. 86 W, 5 th PM, ND sec. 5 LOT 5; 5 LAKEBED RIPAR TO LOT 5 DESC BY M&B; 6 LOTS 1,2; 6 LAKEBED RIPAR TO LOTS 1,2 DESC BY M&B;
01-08-06	T. 156 N, R. 86 W, 5 TH PM, ND sec. 6 SE; 29 SW; 30 LOTS 3,4; 31 LOTS 2,3; 31 SENW,NESW;
01-08-09	T. 152 N, R. 88 W, 5 th PM, ND sec. 33 SE;
01-08-10	T. 154 N, R. 88 W, 5 TH PM, ND sec. 4 S2;
01-08-11	T. 155 N, R. 88 W, 5 TH PM, ND sec. 19 NESW;
01-08-12	T. 157 N, R. 89 W, 5 TH PM, ND sec. 35 SW;

TIMING 13-15

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

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

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

District Ranger, McKenzie Ranger District
Dakota Prairie Grasslands
1901 South Main Street
Watford City, ND 58854

who is the authorized representative of the Secretary of Agriculture.

CULTURAL RESOURCES - The FS is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures, in accordance with the Archaeological Resources Protection Act of 1979, the National Historic Preservation Act of 1966 (as amended), and the American Indian Religious Freedom Act of 1996. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the FS, shall:

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.
3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U.S. Government as appropriate.

PARCEL NO.

01-08-20, 01-08-22, 01-08-23, 01-08-26, 01-08-29, 01-08-34, 01-08-35

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

Vertebrate Paleontology Notice - The FS is responsible for assuring that the leased lands are examined to determine if paleontological resources are present and to specify mitigation measures, in accordance with Organic Act, and the National Forest Management Act of 1976

Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the Forest Service, shall:

1. Contact the Forest Service to determine if a site-specific vertebrate paleontologic inventory is required. The Forest Service will conduct inventories and surveys as part of the field review for the proposed activity on the lease. The operator may voluntarily engage the services of a qualified paleontologist to conduct the inventory.
2. Implement mitigation measures required by the Forest Service and Bureau of land management to preserve or avoid destruction of vertebrate paleontologic resources. Mitigation may include relocation of proposed facilities or other protective measures.
3. The lessee or operator shall immediately bring to the attention of the Forest Service any vertebrate paleontologic resources discovered as a result of surface operation under this lease, and shall leave such discoveries intact until directed to proceed by the Forest Service.

FLOODPLAIN AND WETLANDS - The lessee is hereby notified that this lease may contain land within a riparian ecosystem. All activities within this area may be highly restricted in order to comply with Executive Order 11988 - *Floodplain Management* and Executive Order 11990 - *Protection of Wetlands*, in order to preserve and restore or enhance the natural and beneficial values served by floodplains and wetlands.

Riparian ecosystems will be managed by the Forest Service to protect from conflicting uses in order to provide healthy, self-perpetuating plant and water communities that will have optimum diversity and density of understory and overstory vegetation. Occupancy and use of lands within riparian ecosystems proposed in a proposed Surface Use Plan of Operations will be considered in an environmental analysis done to identify the mitigation measures necessary to protect the riparian area. Special measures such as road design, well pad size and location or directional drilling, may be made part of the permit authorizing the activity.

USDA Forest Service

McKenzie Ranger District
R1-FS-2820-13d

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

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

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

District Ranger, Medora Ranger District
Dakota Prairie Grasslands
161 21st Street West
Dickinson, ND 58601-3135

who is the authorized representative of the Secretary of Agriculture.

CULTURAL RESOURCES - The FS is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures, in accordance with the Archaeological Resources Protection Act of 1979, the National Historic Preservation Act of 1966 (as amended), and the American Indian Religious Freedom Act of 1996. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the FS, shall:

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.
3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U.S. Government as appropriate.

PARCEL NO.

01-08-21, 01-08-25, 01-08-27, 01-08-28, 01-08-31, 01-08-32,

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

Vertebrate Paleontology Notice - The FS is responsible for assuring that the leased lands are examined to determine if paleontological resources are present and to specify mitigation measures, in accordance with Organic Act, and the National Forest Management Act of 1976

Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the Forest Service, shall:

1. Contact the Forest Service to determine if a site-specific vertebrate paleontologic inventory is required. The Forest Service will conduct inventories and surveys as part of the field review for the proposed activity on the lease. The operator may voluntarily engage the services of a qualified paleontologist to conduct the inventory.
2. Implement mitigation measures required by the Forest Service and Bureau of land management to preserve or avoid destruction of vertebrate paleontologic resources. Mitigation may include relocation of proposed facilities or other protective measures.
3. The lessee or operator shall immediately bring to the attention of the Forest Service any vertebrate paleontologic resources discovered as a result of surface operation under this lease, and shall leave such discoveries intact until directed to proceed by the Forest Service.

FLOODPLAIN AND WETLANDS - The lessee is hereby notified that this lease may contain land within a riparian ecosystem. All activities within this area may be highly restricted in order to comply with Executive Order 11988 - *Floodplain Management* and Executive Order 11990 - *Protection of Wetlands*, in order to preserve and restore or enhance the natural and beneficial values served by floodplains and wetlands.

Riparian ecosystems will be managed by the Forest Service to protect from conflicting uses in order to provide healthy, self-perpetuating plant and water communities that will have optimum diversity and density of understory and overstory vegetation. Occupancy and use of lands within riparian ecosystems proposed in a proposed Surface Use Plan of Operations will be considered in an environmental analysis done to identify the mitigation measures necessary to protect the riparian area. Special measures such as road design, well pad size and location or directional drilling, may be made part of the permit authorizing the activity.

NO SURFACE OCCUPANCY STIPULATION

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

Surface occupancy and use is prohibited on slopes greater than 40 percent to protect soil resources from loss of productivity, prevent erosion on steep slopes, soil mass movement, and resultant sedimentation. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Soils, number 6, and Appendix D-3.

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-20	T. 148 N, R. 98 W, 5 TH PM, ND sec. 11 portions of E2, SENW, NESW;
01-08-22	T. 148 N, R. 99 W, 5 TH PM, ND sec. 5 portions of SWNW, W2SE;
01-08-23	T. 148 N, R. 99 W, 5 TH PM, ND sec. 17 portions of NENE;
01-08-25	T. 141 N, R. 100 W, 5 TH PM, ND sec. 18 portions of LOTS 3,4, SESW;
01-08-26	T. 146 N, R. 101 W, 5 TH PM, ND sec. 14 portions of NE, N2NW, SENW, S2;
01-08-27	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 portions of S2SE;
01-08-28	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 portions of NWNE, NESE;
01-08-29	T. 148 N, R. 102 W, 5 TH PM, ND sec. 34 portions of S2;
01-08-31	T. 139 N, R. 103 W, 5 th PM, ND sec. 1 portions of LOTS 1,3,4, S2NW, N2SW, SESE;
01-08-32	T. 139 N, R. 103 W, 5 th PM, ND sec. 12 portions of N2NE, SWSW, N2SE, SWSE;
01-08-34	T. 149 N, R. 104 W, 5 th PM, ND sec. 10 portion of NESW; 15 portions of NW, NWSW, S2S2;
01-08-35	T. 149 N, R. 104 W, 5 th PM, ND sec. 10 portions of NWSW, S2SW, SE; 15 portions of NE, NESW;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No face occupancy or use is allowed within 0.25 mile (line of sight) of prairie falcon and burrowing owl nests to prevent reduced reproductive success and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 55, and Appendix D-13.

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.)

PARCEL NO.

LEGAL DESCRIPTION

01-08-28

T. 140 N, R. 102 W, 5th PM, ND
sec. 30 portions of SENE,NESE;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No surface occupancy or use is allowed within 0.25 mile (line of sight) of a sharp-tailed grouse and sage grouse display ground to prevent abandonment of display grounds, reduced reproductive success, and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 13, and Appendix D-14.

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-25	T. 141 N, R. 100 W, 5 TH PM, ND sec. 18 LOT 2, portions of LOT 3, SENW, NESW;
01-08-27	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 portions of LOT 4, SESW;
01-08-29	T. 148 N, R. 102 W, 5 th PM, ND sec. 34 portions of SESW, S2SE;
01-08-31	T. 139 N, R. 103 W, 5 th PM, ND sec. 1 SENE, portion of LOT 1, SWNE, N2SE;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No surface occupancy or use is allowed within 0.5 mile (line of sight) of golden eagle, merlin, and ferruginous hawk nests; to prevent reduced reproductive success and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 55, and Appendix D-11.

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.)

PARCEL NO.

LEGAL DESCRIPTION

01-08-31

T. 139 N, R. 103 W, 5th PM, ND
sec. 1 portions of LOT 1;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No surface occupancy and use is allowed within bighorn sheep habitat MA 3.51 to achieve optimum habitat suitability for bighorn sheep. Refer to the Land and Resource Management Plan, Management Area Direction MA 3.51 Bighorn Sheep Habitat, Standards and Guidelines, Minerals and Energy Resources number 1, Appendix D-23.

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-31	T. 139 N, R. 103 W, 5 th PM, ND sec. 1 portions of S2NE,E2SW,SE;
01-08-32	T. 139 N, R. 103 W, 5 th PM, ND sec. 12 NE,NESE,portions of NWSE,S2SE;

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation applies to drilling, testing, new construction projects, and does not apply operation and maintenance of production facilities.

March 1 - June 15

Within 1 mile (line of sight) of active sharp-tailed grouse display grounds on the lands described below:

For the purpose of:

To prevent abandonment of display grounds and reduced reproductive success. Refer to the Land and Resource Management Plan Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 15 and Appendix D-5.

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.)

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-22	T. 148 N, R. 99 W, 5 TH PM, ND sec. 5 SWSE, portions of N2SE;
01-08-23	T. 148 N, R. 99 W, 5 TH PM, ND sec. 17 NENE;
01-08-25	T. 141 N, R. 100 W, 5 TH PM, ND sec. 18 LOT 4, S2NE, SESW, SE, portions of LOT 3, SENW;
01-08-26	T. 146 N, R. 101 W, 5 TH PM, ND sec. 14 portions of NENE;
01-08-27	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 LOT 2, SENW, S2SE, portions of LOTS 1, 4, NENW, SESW;
01-08-28	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 LOT 3, SWNE, NESW, N2SE, portions of N2NE, SENE;
01-08-29	T. 148 N, R. 102 W, 5 TH PM, ND sec. 34 N2S2, SWSW, portions of SESW, S2SE;
01-08-31	T. 139 N, R. 103 W, 5 th PM, ND sec. 1 LOTS 2, 3, 4, S2NW, SW, S2SE, portions of LOT 1, S2NE, N2SE;
01-08-32	T. 139 N, R. 103 W, 5 th PM, ND sec. 12 N2NE, E2NW, portions of S2NE, W2SE;

01-08-34

T. 149 N, R. 104 W, 5th PM, ND
sec. 10 NESW;
15 portion of NENW;

01-08-35

T. 149 N, R. 104 W, 5th PM, ND
sec. 10 NWSW,SESW,SE,portions of SWSW;
15 portions of N2NE;

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s).

October 16 - June 14

This stipulation applies to drilling and testing of wells and new construction projects, and does not apply to operation and maintenance of production facilities. Limit on-lease activities (operation and maintenance of facilities) to the period from 10 am to 4 pm except in emergency situations.

For the purpose of:

To provide quality forage, cover, escape terrain and solitude for bighorn sheep. Refer to the Land and Resource Management Plan MA 3.51B, Bighorn Sheep Habitat with nonfederal ownership, Standards and Guidelines, Minerals and Energy Resources, number 1 and Appendix D-22 and Addendum, p. 51.

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.)

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-26	T. 146 N, R. 101 W, 5 th PM, ND sec. 14 NE,N2NW,SEnw,S2;

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation applies to drilling and testing and new construction projects, and does not apply to operation or maintenance of production facilities.

April 1 through June 15

Within 1 mile (line-of-sight) of lambing areas on the lands described below:

For the purpose of:

To safeguard lamb survival and prevent bighorn sheep displacement from lambing areas. Refer to the Land and Resource Management Plan Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 12 and Appendix D-7.

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.)

PARCEL NO.

LEGAL DESCRIPTION

01-08-31

T. 139 N, R. 103 W, 5th PM, ND
sec. 1 S2N2,S2,portions of LOTS 1,2,3,4;

01-08-32

T. 139 N, R. 103 W, 5th PM, ND
sec. 12 NE,E2NW,S2;

CONTROLLED SURFACE USE STIPULATION

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

Try to locate activities and facilities away from the water's edge and outside the riparian areas, woody draws, wetlands, and floodplains. If necessary to locate facilities in these areas, then:

- Deposit no waste material (silt, sand, gravel, soil, slash, debris, chemical or other material) below high water lines, in riparian areas, in the areas immediately adjacent to riparian areas or in natural drainage ways (draws, land surface depressions or other areas where overland flow concentrates and flows directly into streams or lakes).
- Deposit no soil material in natural drainage ways.
- Locate the lower edge of disturbed or deposited soil banks outside the active floodplain.
- Stockpile no topsoil or any other disturbed soil in the active floodplain.
- Locate drilling mud pits outside riparian areas, wetlands and floodplains. If location is unavoidable in these areas, seal and dike all pits to prevent leakage or use containerized mud systems.

For the purpose of:

To protect the biological and hydrologic features of riparian areas, woody draws, wetlands, and floodplains. Refer to the Land and Resource Management Plan Grassland-wide Direction, Water, number 6 and Appendix D-2

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.)

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-20	T. 148 N, R. 98 W, 5 TH PM, ND sec. 11 portions of NWNE, SENW, NESW, SE;
01-08-21	T. 144 N, R. 99 W, 5 TH PM, ND sec. 2 portions of W2SW;
01-08-22	T. 148 N, R. 99 W, 5 TH PM, ND sec. 5 portions of SWNW, N2SE, SWSE;
01-08-25	T. 141 N, R. 100 W, 5 TH PM, ND sec. 18 portions of SESE;
01-08-26	T. 146 N, R. 101 W, 5 th PM, ND sec. 14 portions of NE, N2NW, SENW, S2;
01-08-27	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 portions of LOT 4, SESW, SWSE;

01-08-28 T. 140 N, R. 102 W, 5th PM, ND
sec. 30 portions of LOT 3,SENE,NESW,NESE;

01-08-31 T. 139 N, R. 103 W, 5th PM, ND
sec. 1 portions of LOTS 1,2,3,4,S2N2,S2;

01-08-32 T. 139 N, R. 103 W, 5th PM, ND
sec. 12 portions of NE,E2NW,S2;

01-08-34 T. 149 N, R. 104 W, 5th PM, ND
sec. 15 portions of NWNW,S2NW,NWSW,SESW,S2SE;

01-08-35 T. 149 N, R. 104 W, 5th PM, ND
sec. 10 portions of SWSW,NESE;
15 portions of SWNE;

CONTROLLED SURFACE USE STIPULATION

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

Surface occupancy and use is subject to operational constraints to maintain a landscape character intact. Deviations may be present but must repeat the form, line, color, texture, and pattern common to the landscape character so completely and to such scale that they are not evident.

Operational constraints may include utilizing topographic/vegetative screening, matching color tones of facilities with surrounding topographic features, orienting the well pad/facilities, redesigning production facilities to such scale that they may not be evident, or placing facilities outside the high SIO area.

For the purpose of:

To maintain the Scenic Integrity Objective (SIO) for areas identified as high. Refer to the Land and Resource Management Plan Grassland-wide Direction, Scenery Management, number 1, and Appendix D-15 and D-28.

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.)

On the lands described below:

PARCEL NO.

LEGAL DESCRIPTION

01-08-23

T. 148 N, R. 99 W, 5TH PM, ND
sec. 17 portions of NENE;

CONTROLLED SURFACE USE STIPULATION

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

Surface occupancy and use is subject to operational constraints to maintain a landscape character that is no more than slightly altered. Noticeable deviations must remain visually subordinate to the landscape character being viewed.

Operational constraints may include utilizing topographic/vegetative screening, matching color tones of facilities with surrounding topographic features, orienting the well pad/facilities, redesigning production facilities to such scale that they are visually subordinate to the landscape, or placing facilities outside the moderate SIO area.

For the purpose of:

To maintain the Scenic Integrity Objective (SIO) for areas identified as moderate. Refer to the Land and Resource Management Plan Grassland-wide Direction, Scenery Management, number 1, and Appendix D-15 and D-28.

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.)

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-25	T. 141 N, R. 100 W, 5 TH PM, ND sec. 18 LOTS 2,3,4,S2NE,SENW,E2SW,SE;
01-08-27	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 LOTS 1,2,4,E2NW,SESW,S2SE;
01-08-28	T. 140 N, R. 102 W, 5 th PM, ND sec. 30 LOT 3,NE,NESW,N2SE;
01-08-31	T. 139 N, R. 103 W, 5 th PM, ND sec. 1 LOTS 1,2,3,4,S2N2,N2SE, portions of N2SW,SESW,S2SE;

CONTROLLED SURFACE USE STIPULATION

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

New developments, including new facilities, roads, and concentrations of humans, within 1 mile of bighorn sheep lambing areas may be moved or modified to be out of view of the lambing areas.

This stipulation applies to drilling and testing and new construction projects, not to operation or maintenance of production.

For the purpose of:

To safeguard lamb survival and prevent displacement of bighorn sheep from lambing areas (MA 3.51B) by moving facilities. Refer to Land and Resource Management Plan Grassland-wide direction, Fish, Wildlife and Rare Plants, number 12.

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.)

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-26	T. 146 N, R. 101 W, 5 th PM, ND sec. 14 NE, N2NW, SENW, S2;

**USDA - FOREST SERVICE
THREATENED, ENDANGERED, AND SENSITIVE
PLANT OR ANIMAL SPECIES LEASE NOTICE**

The lease area may contain threatened and endangered species or habitat necessary for the continued existence of threatened, proposed, candidate or endangered species which are protected by the 1973 Endangered Species Act, as amended (16 USC 1531 et seq.) and implementing regulations (50 CFR 402 et seq.). The lease area may also contain habitat or species, which may require protective measures to prevent them from being listed as threatened or endangered; or result in a loss of viability or biological diversity (36 CFR 219.19 or 219.26). A biological evaluation of the leased lands may be required prior to surface disturbance to determine if endangered, threatened, proposed, candidate or sensitive plant or animal species or their habitat are present and to identify needed mitigation measures. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator shall:

1. Contact the Forest Service to determine if a biological evaluation is required. The Forest Service is responsible for ensuring that the leased land is examined through a biological evaluation, prior to undertaking any surface-disturbing activities, to determine effects upon any plant or animal species listed or proposed for listing as threatened, endangered, or a sensitive species-
2. The lessee or operator may choose to conduct the evaluation on the leased lands at their discretion and cost. This biological evaluation must be done by or under the supervision of a qualified biologist/botanist approved by the Forest Service. An acceptable report must be provided to the Forest Service identifying the anticipated effects of a proposed action on endangered, threatened, proposed, candidate or sensitive species. An acceptable biological evaluation is to be submitted to the Forest Service for review and approval no later than that time when an otherwise complete application for permit to drill or subsequent surface-disturbing operation is submitted.
3. Implement mitigation measures required by the Forest Service. Mitigation may include the relocation of proposed lease-related activities or other protective measures. The findings of the biological evaluation, analysis and consultation may result in restrictions to the operator's plans or even disallow use and occupancy to comply with the 1973 Endangered Species Act (as amended), threatened and endangered species regulations and Forest Service statutes and regulations.

If endangered, threatened, proposed, candidate or sensitive plant or animal species are discovered in the area after any required biological evaluation has concluded, an evaluation will be conducted to assess the effect of ongoing and proposed activities. Based on the conclusion drawn in the evaluation, additional restrictions or prohibitions may be imposed to protect the species or their habitats.

PARCEL NO.

01-08-20, 01-08-21, 01-08-22, 01-08-23, 01-08-25, 01-08-26, 01-08-27, 01-08-28,
01-08-29, 01-08-31, 01-08-32, 01-08-34, 01-08-35

USDA Forest Service

R1-FS-2820-18a

LEASE NOTICE

The following lands contained in this lease are located in the Little Missouri Badlands Military complex.

The lessees are hereby notified that each proposed well will be evaluated individually and allowed if they can be mitigated to the level of no adverse effect. It is agreed that within the Little Missouri Badlands Military Complex applying a mix of the following mitigation measures would result in a no adverse affect determination by the Forest Service:

- Screen using topography, berms, and vegetation to the extent possible
- Paint facilities to match surrounding topographic features
- Orient well pad/facilities to minimize size and movement
- Design roads to the lay- of- the -land
- Reclaim and seed all disturbed areas with native species
- Flare gas or pipe offsite rather than letting it escape into the atmosphere
- Require mufflers on all internal combustion engines
- Install submersible pumps where feasible
- Restrict facility lighting at night
- Change road surfacing from scoria to gravel in highly visible areas
- Pipe product off site to central tank batteries
- Horizontally drill from a location outside the view shed
- Use standard cultural survey and mitigation procedures outside the two critical areas, and then proceed with oil and gas development
- Buried underground facilities such as pipelines, flowlines, and utility lines are not subject to mitigation measures, with the exception of meeting reclamation standards and above ground visual such as pig launchers, valves, risers, etc.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-08-31	T. 139 N, R. 103 W, 5 th PM, ND sec. 1 LOTS 1,2,3,4,S2N2,S2;
01-08-32	T. 139 N, R. 103 W, 5 th PM, ND sec. 12 NE,E2NW,S2;