APPENDIX E
OIL AND GAS LEASING PROCEDURES

PROCESSING OF LEASE APPLICATIONS

A lease application originates in the Montana State Office when a party applies for an oil and gas lease on a particular parcel of land. These are then either issued with the standard and controlled use stipulation (form MT-3109-1) directly from the Montana State Office or, in environmentally sensitive areas, are sent to the appropriate field office for review and special stipulations.

When the lease application is received by the resource area, it is reviewed by a wildlife biologist, recreation planner, soil scientist, and other specialists, as needed. As the lease is evaluated, it is assumed that the area will be developed and the impacts as described in the Butte District Oil and Gas EA will result from development.

Specialists reviewing a lease application will complete the Butte District Oil and Gas Leasing checklist and special stipulation form sheets, if necessary. After the checklist and resulting stipulations and rationale are completed, the lease application file is sent back to the Butte District Office for review. If the lease application involves Montana state lands or federal lands administered by other agencies, a copy may be sent to the appropriate agency for a 30-day review.

When the lease application has been completely reviewed, the Butte District's recommendation and all supporting documents are sent to the Montana State Office, where the lease is issued.

A copy of the Butte District Oil and Gas Leasing checklist, standard stipulation form MT-3109-1, and special stipulation forms MT-3109-2, MT-3109-3, MT-3109-4, and MT-3109-6 follow this section.

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
222 North 32nd Street
P.O. Box 36800
Billings, Montana 59107

_____
(Serial Number)

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 SMA.

EROSION CONTROL—Surface disturbing activities may be prohibited during muddy and/or wet soil periods. This limitation does not apply to operation and maintenance of producing wells using authorized roads.

CONTROLLED OR LIMITED SURFACE USE STIPULATION—This stipulation may be modified by special stipulations which are hereto attached or when specifically approved in writing by the Bureau of Land Management 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 Bureau of Land Management and/or the surface management agency 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.

_____ _____
(Date) (Signature)

See Notice On Back

NOTICE

CULTURAL AND PALEONTOLOGICAL RESOURCES—The Federal Surface Management Agency (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 lessee or 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.

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management

_____
(Serial Number)

SPECIAL OIL AND GAS LEASE STIPULATIONS

The following special stipulations may be modified when specifically approved in writing by the District Engineer, Minerals Management Service with concurrence of the Federal surface management agency.

(Only stipulations checked apply to this lease.)		(Approximate % of lease affected by stipulation.)
( )	No occupancy or other activity on the surface of the following-described land is allowed under this lease: Reasons for this restriction are:	( )
( )	No occupancy or other surface disturbance will be allowed within _____ feet of the _____	( )
( )	No drilling or storage facilities will be allowed within _____ feet of _____ located in _____	( )
( )	No occupancy or other surface disturbance will be allowed on slopes in excess of _____ percent.	( )
( )	In order to _____ exploration, drilling, and other development activity will be allowed only during the period from _____ to _____. This limitation does not apply to maintenance and operation of producing wells and facilities. Lands within the leased area to which this stipulation applies are described as follows:	( )
( )	The _____ will not be used as an access road for activities on this lease except as follows:	( )

_____ Date

_____ Lessee's Signature

MT-3109-2 (April 1982)
Formerly MSO 3100-45

APPENDIX

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management

Serial No. _____

Oil & Gas Lease Stipulations

The following stipulations may be modified when specifically approved in writing by the District Engineer, U.S. Geological Survey with the concurrence of the authorized officer of the surface management agency.

No Surface Occupancy Stipulation

% of Lease

( ) No occupancy or other activity on the surface of the following described lands is allowed under this lease: ( )

(a)

(b)

Reasons for this restriction are:
(a)
(b)

Surface Occupancy Restriction Stipulation (by location)

% of Lease

( ) No _____ will be allowed within: ( )

_____ feet of _____ located within:

_____ feet of _____ located within:

_____ feet of _____ located within

_____ feet of _____ located within:

This area contains approximately _____ total acres

Surface Occupancy Restriction Stipulation (timing)

% of Lease

( ) (a) In order to (minimize) (protect) _____ ( )

_____ will be allowed only during: _____

(b) In order to (minimize) (protect) _____

_____ will be allowed only during: _____

This does not apply to maintenance and operation of producing wells and facilities. Lands within the leased area to which this stipulation applies are described as follows:
(a)

(b)

Road Use Stipulation

% of Lease

( ) The _____ ( )
will not be used as an access road for activities on this lease except as follows:

_____ Date

_____ Signature

MT-3109-3 (December 1981)
Formerly MSO 3100-55

United States Department of the Interior
Bureau of Land Management
Montana State Office

WILDERNESS PROTECTION STIPULATION _____
(Serial Number)

By accepting this lease, the lessee acknowledges that the lands contained in this lease are being inventoried or evaluated for their wilderness potential by the Bureau of Land Management (BLM) under section 603 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2743 (43 USC Sec. 1782), and that exploration or production activities which are not in conformity with section 603 may never be permitted.

☐ All lands within the lease (% of lease affected)

☐ Part of the lands within the lease described as follows:

Expenditures in leases on which exploration drilling or production are not allowed will create no additional rights in the lease, and such leases will expire in accordance with law.

Activities will be permitted under the lease so long as BLM determines they will not impair wilderness suitability. This will be the case either until the BLM wilderness inventory process has resulted in a final wilderness inventory decision that an area lacks wilderness characteristics, or in the case of a wilderness study area until Congress has decided not to designate the lands included within this lease as wilderness. Activities will be considered nonimpairing if the BLM determines that they meet each of the following three criteria:

(a) It is temporary. This means that the use or activity may continue until the time when it must be terminated in order to meet the reclamation requirement of paragraphs (b) and (c) below. A temporary use that creates no new surface disturbance may continue unless Congress designates the area as wilderness, so long as it can easily and immediately be terminated at that time, if necessary to management of the area as wilderness.

(b) Any temporary impacts caused by the activity must, at a minimum, be capable of being reclaimed to a condition of being substantially unnoticeable in the wilderness study area (or inventory unit) as a whole by the time the Secretary of the Interior is scheduled to send his recommendations on that area to the President, and the operator will be required to reclaim the impacts to that standard by that date. If the wilderness study is postponed, the reclamation deadline will be extended accordingly. If the wilderness study is accelerated, the reclamation deadline will not be changed. A full schedule of wilderness studies will be developed by the Department upon completion of the intensive wilderness inventory. In the meantime, in areas not yet scheduled for wilderness study, the reclamation will be scheduled for completion within 4 years after approval of the activity. (Obviously, if and when the Interim Management Policy ceases to apply to an inventory unit dropped from wilderness review following a final wilderness inventory decision of the BLM State Director, the reclamation deadline previously specified will cease to apply.) The Secretary's schedule for transmitting his recommendations to the President will not be changed as a result of any unexpected inability to complete the reclamation by the specified date, and such inability will not constrain the Secretary's recommendation with respect to the area's suitability or nonsuitability for preservation as wilderness.

The reclamation will, to the extent practicable, be done while the activity is in progress. Reclamation will include the complete recontouring of all cuts and fills to blend with the natural topography, the replacement of topsoil, and the restoration of plant cover at least to the point where natural succession is occurring. Plant cover wil be restored by means of reseeding or replanting, using species previously occurring in the area. If necessary, irrigation will be required. The reclamation schedule will be based on conservative assumptions with regard to growing conditions, so as to ensure that the reclamation will be complete, and the impacts will be substantially unnoticeable in the area as a whole, by the time the Secretary is scheduled to send his recommendations to the President. ("Substantially unnoticeable" is defined in Appendix F of the **Interim Management Policy and Guidelines for Lands under Wilderness Review.**)

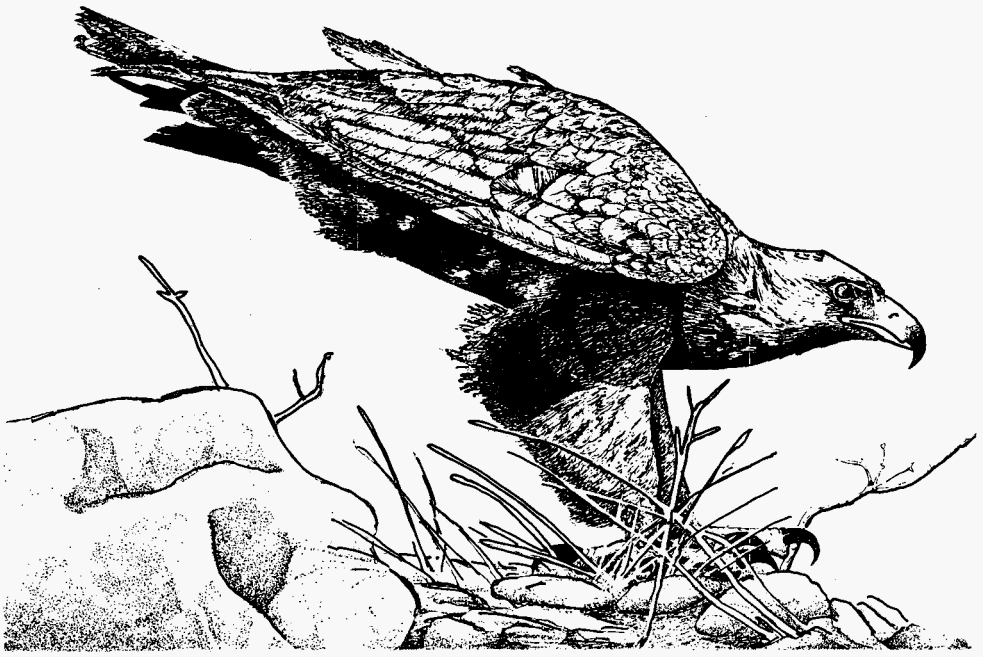
(c) When the activity is terminated, and after any needed reclamation is complete, the area's wilderness values must not have been degraded so far, compared with the area's values for other purposes, as to significantly constrain the Secretary's recommendation with respect to the area's suitability or nonsuitability for preservation as wilderness. The wilderness values to be considered are those mentioned in section 2(c) of the Wilderness Act, including naturalness, outstanding opportunities for solitude or for primitive and unconfined recreation, and ecological, geological or other features of scientific, educational, scenic, or historical value. If all or any part of the area included within the leasehold estate is formally designated by Congress as wilderness, exploration and development operations taking place or to take place on that part of the lease will remain subject to the requirements of this stipulation, except as modified by the Act of Congress designating the land as wilderness. If Congress does not specify in such act how existing leases like this one will be managed, then the provisions of the Wilderness Act of 1964 will apply, as implemented by rules and regulations promulgated by the Department of the Interior.

If it is found that the area does not have wilderness characteristics or is not suitable to be designated a part of the National Wilderness Preservation system, development and/or surface occupancy will be subject to the remaining lease terms and the special stipulations.

_____ Date

_____ Lessee's Signature

MT-3109-4 (December 1981)
Formerly MSO 3100-51



TEXT CHANGES TO APPENDIX E

The following form was left out of the draft RMP/EIS. It should occupy page 202.

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management

_____
(Serial No.)

LIMITED SURFACE USE STIPULATION

The lessee is given notice that all or portions of the lease area contain special values, are needed for special purposes, or require special attention to prevent damage to surface resources. Any surface use or occupancy within such areas will be strictly controlled. Use or occupancy will be authorized only when the lessee/operator demonstrates that the area is essential for operations and when the lessee/operator submits a surface use and operations plan, which is satisfactory to the Bureau of Land Management and the Surface Management Agency (SMA), for the protection of these special values and existing or planned uses. Appropriate modifications to the imposed restrictions will be made for the maintenance and operation of producing oil and gas wells. After the SMA has been advised of the proposed surface use or occupancy on those lands, and on request of the lessee/operator, the SMA will furnish further data on such areas, which now include but are not limited to:

Reason for Restriction:

(Continued on Reverse)

Duration of Restriction: (designate months)

Prior to acceptance of this stipulation, the prospective lessee is encouraged to contact the BLM/SMA for further information regarding the restrictive nature of this stipulation.

_____ Date

_____ Signature