

OKLAHOMA FIELD OFFICE LEASE STIPULATION SUMMARY
TEXAS, OKLAHOMA & KANSAS

<u>Stipulation</u>	<u>Description/Purpose</u>
FS 1 TX, OK, KS	STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM UNDER JURISDICTION OF DEPARTMENT OF AGRICULTURE The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the permit. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of an exploration plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area permitted by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by an exploration plan approved by the Secretary of the Interior.
FS 3 OK CSU-1	CONTROLLED SURFACE USE STIPULATION – NATIONAL FORESTS IN OK - SOIL EROSION AND RIPARIAN PROTECTION Facilities will be located at least 300 feet away from all riparian corridors. Activities associated with drilling and production will be limited or special actions may be required in areas with high potential for wind or water erosion. New road access will be limited to areas of less than 30% slopes. New road access in or near drainage (watercourses) will be limited to essential crossings with the least environmental impact.
FS 3 OK CSU-2	CONTROLLED SURFACE USE STIPULATION – NATIONAL FORESTS IN OK – CLOSED CIRCULATION SYSTEM No open pits will be allowed. A closed circulation system will be used for all oil and gas drilling in order to avoid potential ground and surface water contamination and surface disturbance associated with open pits.
FS 3 OK NSO-1	NO SURFACE OCCUPANCY – NATIONAL FORESTS IN OK – DEVELOPED & DISPERSED RECREATION SITES No Surface occupancy or use is allowed on developed and dispersed recreation sites in CNFMP Management Area 4 for the purpose of preserving the character of the area and therefore maintaining opportunities for developed and dispersed recreation experiences.
FS 8 TX CSU-1A	CONTROLLED SURFACE USE - NATIONAL FORESTS IN TEXAS - STREAMSIDE MANAGEMENT Portions of this lease contain streamside management zones (floodplains, wetlands). Site- specific proposals for surface-disturbing activities within these areas will be analyzed and will normally result in establishment of protective requirements or limitations for the affected site. Surface occupancy for oil and gas wells will not be allowed within the streamside management zone.
FS 8 TX CSU-1G	CONTROLLED SURFACE USE – NATIONAL FORESTS IN TEXAS – PROTECT RIVERS AND ASSOCIATED BOTTOM LAND AREAS Areas within the bottom land associated with the Neches River may be subject to special requirements or limitations, such to be determined on a case by case basis. Drilling and production facilities will be located at least 100 feet from the river.

FS 8 TX CSU-11	<p>CONTROLLED SURFACE USE – NATIONAL FORESTS IN TEXAS – RED-COCKADED WOODPECKER</p> <p>Portions of the land in this lease are, or may be, occupied by clusters of the endangered red-cockaded woodpecker. Exploration and development proposals may be modified and/or limited, including no surface occupancy, within ¼ mile of an active red-cockaded woodpecker cluster. In addition, if foraging habitat is limited, no surface occupancy may occur within ½ mile of an active red-cockaded woodpecker cluster. Upon receipts of a site-specific proposal, the Forest Service will provide current inventory records of cluster locations and may require that localized surveys be performed to assure no uninventoried clusters are present.</p>
FS 8 TX CSU-11-2	<p>CONTROLLED SURFACE USE - NATIONAL FORESTS IN TEXAS – RED-COCKADED WOODPECKER</p> <p>Portions of the land in this lease are, or may be, occupied by clusters of the endangered red-cockaded woodpeckers (RCWs). Exploration and development proposals may be modified and/or limited, in accordance with the <i>Recovery Plan for the Red-cockaded Woodpecker</i>, second revision approved January 27, 2003.</p>
COE – LEWISVILLE LAKE FLOWAGE EASEMENT	<p>CORP OF ENGINEERS – LEWISVILLE LAKE FLOWAGE EASEMENT</p> <p>Planned activities, including construction and placement of buildings, roads, tank batteries, as well as other oil & gas production supporting items in the flowage easement must be submitted to the Lewisville Lake office for evaluation and permitting prior to construction.</p>
COE - NSO/DD TX,OK, KS	<p>NO SURFACE USE OCCUPANCY, OPEN FOR DIRECTIONAL DRILLING</p> <p>This stipulation is used by SMAs to protect surface resource values and uses from drilling activities. This stipulation is applied to public use areas, recreation areas, state wildlife and waterfowl refuges, historical sites, trails, roads and military training areas. Directional drilling is permitted from outside the identified areas where occupancy is allowed.</p>
ORA-1 TX, OK, KS,	<p>FLOODPLAIN PROTECTION</p> <p>A result of EO 11988 Floodplain Management of May 24, 1977. All or portions of the lands under this lease lie in and or adjacent to a major watercourse and are subject to periodic flooding. Surface occupancy of these areas will not be allowed without the specific approval, in writing, of the Bureau of Land Management.</p>
ORA-2 TX, OK, KS,	<p>WETLAND/RIPARIAN</p> <p>Mandated by EO 11990 Protection of Wetlands of May 24, 1977. All or portions of the lands under this lease contain wetland and/or riparian areas. Surface occupancy of these areas will not be allowed without the specific approval, in writing, of the Bureau of Land Management. Impacts or disturbance to wetlands and riparian habitats which occur on this lease, must be avoided or mitigated. The mitigation shall be developed during the application for permit to drill.</p>
WO-ESA-7 TX,OK, KS,	<p>CONSULTATION STIPULATION</p> <p>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-</p>

	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 <u>et seq.</u> , including completion of any required procedure for conference or consultation.
NM-10	<p>DRAINAGE STIPULATION FOR FEDERAL LANDS</p> <p>All or part of the lands contained in this lease are subject to drainage by well(s) located adjacent to this lease. The lessee shall be required within 6 months of lease issuance to submit to the AO plans for protecting the lease from drainage. Compensatory royalty will be assessed effective the expiration of this 6-month period if no plan is submitted.</p>