

Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215



Competitive Geothermal and Oil & Gas Lease Sale

November 10, 2010
Bureau of Land Management



**Competitive Geothermal and Oil & Gas Lease Sale
November 10, 2010**

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September 10, 2010

NOTICE OF COMPETITIVE LEASE SALE
GEOHERMAL

The Colorado State Office is offering competitively 1 parcel containing 799.2 of Federal lands in the State of Colorado for **geothermal leasing**. This notice provides:

- the time and place of the sale,
- how to participate in the bidding process,
- the sale process,
- the conditions of the sale, and
- how to file a noncompetitive offer after the sale.

The sale will be held in accordance with the Energy Policy Act of 2005, and the Final rules issued May 2, 2007, (43 CFR Parts 3000, 3200 and 3280, Fed. Reg. Vol. 72, No. 84).

Attached to this notice is a list of the lands we are offering by parcel number and legal land description. We have included any special conditions or restrictions that will be made a part of the lease below the legal description. The bid form (Form 3000-2, dated August 2007) can be found at:

<https://www.blm.gov/FormsCentral/show-home.do>

When and where will the sale take place?

When: The competitive oral sale will begin at 9 a.m. on November 10, 2010. The sale room will open one hour earlier to allow you to register and obtain your bid number. Registration begins at 8 a.m.

Where: The sale is held at the Bureau of Land Management, Colorado State Office, 2850 Youngfield Street, Lakewood, Colorado 80215. Parking is available.

Access: The sale room is accessible to persons with disabilities. If assistance is needed for the hearing or visually impaired, contact Karen Zurek at (303) 239-3795.

How will the sale be conducted?

The sale will be conducted by oral auction. You must make your bids verbally. The winning bid is the highest verbal bid equal to or exceeding the national minimum acceptable bid.

How do I participate in the bidding process?

To participate in the Bureau of Land Management (BLM) bidding process, you must register and obtain a bidder number. If you are bidding for more than one party, you must register and obtain a separate bidder number for each company or individual you represent. The BLM will begin registering bidders at 8 a.m. on the day of the sale.

When you register to bid, you will be asked to sign a statement that your bid is a good faith intention to acquire a geothermal lease and that you understand any winning bid will constitute a legally binding commitment to accept the lease and pay monies owed, whether or not a lease is subsequently issued. Further, you will acknowledge that you understand it is a crime under 18 U.S.C. 1001 and 43 U.S.C. 1212 to knowingly and willfully make any false, fictitious, or fraudulent statements or representations regarding your qualifications, bidder registration and intent to bid, acceptance of a lease, and payment of monies owed.

If you, or the party you represent, owe the United States any monies that were due the day of a previous geothermal lease auction conducted by any BLM office (the minimum monies owed the day of sale), you will not be allowed to register to bid at this lease sale. The Mineral Leasing Act requires that leases be issued to a "responsible qualified bidder" (30 U.S.C. 226(b)(1)(A)). Any bidder, or party represented by a bidding agent, that does not pay the minimum monies owed the day of the sale is not a "responsible qualified bidder" and will be barred from participating in any oil and gas lease auction nationwide until that debt to the United States is settled. In addition, if you or the party you represent defaults at any three sales conducted by any BLM office, you or the party you represent will be barred permanently from participating in any other BLM oil and gas lease sale auction.

What is the sale process?

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

- the auctioneer will offer the parcel shown in the attached Lease Sale Notice;
- all bids are on a per-acre basis, rounded up to whole acres, for the entire acreage in the parcel;
- the winning bid is the highest oral bid equal to or exceeding the minimum acceptable bid; and
- the decision of the auctioneer is final.

The minimum acceptable bid is \$2 per acre. If a parcel contains fractional acreage, round it up to the next whole acre. For example, a parcel of 100.401 acres requires a minimum bid of \$202 (\$2 x 101 acres).

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 a parcel, we will post a notice in the State Office Information Access Center (Public Room). If we cancel the sale, we will try to notify all interested parties early enough to stop them from traveling to the sale site.
- **Payment due on the day of the sale:** You cannot withdraw a bid. Your bid is a legally binding contract. The money **due the day of the sale** is twenty percent of the bonus bid, the first year's rental of \$2 per acre or fraction of an acre, and a non-refundable administrative fee of \$145. You must pay this money on the day of the sale at the sale site or by 4 p.m. at the Colorado State Office. You must pay any remaining balance due by the fifteenth calendar day following the sale. This date falls on a holiday; therefore the balance due date is one day later at **4 p.m. on November 26, 2010. If you do not pay the balance due by this date, you forfeit the right to the lease and all money paid the day of the sale.** If you forfeit a parcel, we may offer it at a future sale.

The minimum monies owed on the day of the sale for a winning bid are monies owed to the United States (43 CFR 3120.5-2(b) and 43 CFR 312035-3(a)). If payment of the minimum monies owed the day of the sale is not received by the date and time above, the BLM will issue a bill for the monies owed. If payment then is not received by the bill due date, a demand letter will be sent to you that will include additional fees. If payment is not received as requested by the demand letter, the U.S. will immediately pursue collection by all appropriate methods, and when appropriate, collect late fees, interest, administrative charges, and on past-due amounts assess civil penalties. "All appropriate methods" include, but are not limited to, referral to collection agencies and credit reporting bureaus, salary or administrative offset, offset of Federal and state payments, including goods or services, Federal and state tax refund offset, and retirement payment offset. Debts may be sent to the Internal Revenue Service and charged as income to you on Form 1099C, Cancellation of Debt (Federal Claims Collection Act of 1966, as amended; The Debt Collection Improvement Act of 1996, 31 CFR 285, Debt Collection Authorities Under the Debt Collection Act of 1966).

Forms of payment: You may pay by personal check, certified check, money order, or credit card (Visa, MasterCard, American Express, and Discover cards only).

Effective February 1, 2005, BLM will not accept credit or debit card payments to the Bureau for an amount equal to or greater than \$100,000. We also will not accept aggregated smaller amounts to bypass this requirement. **Colorado BLM will no longer accept payments by Automated Clearing House (ACH) or Fed Wire Transfers.**

We cannot accept cash. Make checks payable to: **Department of the Interior-BLM**. If a check you have sent to us in the past has been returned for insufficient funds, we may require that you give us a guaranteed payment, such as a certified check. If you pay by credit card and the transaction is refused, we will try to notify you early enough so that you can make other payment arrangements. (If you plan on submitting your payment on the day of the sale using a credit card please be sure that you call and notify your bank.) However, we cannot grant you any extension of time to pay the money that is due the day of the sale.

- **Bid form:** On the day of the sale, if you are the successful bidder, you must give us a properly completed and signed competitive bid form (Form 3000-2 dated August 2007) with the required payment. This form is a legally binding offer by the prospective lessee to accept a lease and all its terms and conditions. Once the form is signed, you cannot change it. *We will not accept any bid form that has information crossed out or otherwise altered.*

We recommend you get a copy of the bid form and complete all but the parcel number and money part before the sale. You can fill out the money part at the sale. Your completed bid form certifies that:

- (1) You and/or the prospective lessee are qualified to hold a geothermal lease under our regulations at 43 CFR 3202; and
 - (2) Both of you have complied with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of and collusion among bidders.
- **Lease Issuance:** After we receive the bid form and all the money due, we can issue the lease. A lease is effective the first day of the month following the month in which we sign it. If you want your lease to be effective the first day of the month in which we sign it, you must ask us in writing to do this. We have to receive your request before we sign the lease.
 - **Lease terms:** A lease issued as a result of this sale has a primary term of 10 years. It will continue beyond its primary term as long as geothermal in paying quantities is produced on or for the benefit of the lease. The annual rental will be \$2 per acre for the first year and \$3 per acre for years 2 through 10. Beginning with the eleventh lease year, the rental rate for all leases increases to \$5 per acre. Rentals are due on or before the anniversary date each year until production begins. Once a lease is producing, you must pay a royalty at 1.75 percent for the first 10 years, and 3.5 percent thereafter.
 - **Stipulations:** Stipulations are part of the lease and supersede any inconsistent provisions of the lease form. All Federal geothermal lease rights are granted subject to applicable laws under Section 6 of the lease terms, and lessees must meet certain requirements under the Endangered Species Act, as amended, 16 U.S.C. 1531 et. Seq. In accordance with Washington Office Instruction Memorandum No. 2002-174 the one parcel included in this geothermal lease sale will be subject to the attached Endangered Species Act Section 7 Consultation Stipulation.

In accordance with WO Instruction Memorandum No. 2005-003, Cultural Resources and Tribal Consultation, for Fluid Minerals Leasing, the one parcel offered in this geothermal lease sale will be subject to the attached Cultural Resource Protection Stipulation.

Legal Land Descriptions: We prepared the Notice with land status information from our Legacy Rehost 2000 (LR2000) case recordation system. We are providing you with the following information to assist you in understanding the legal descriptions:

The township and range contains additional zeros. For example, T. 9 S., R. 92 W., is shown as, T. 0090S., R. 0920W. (additional zeros underlined).

Lands are described separately by lots, tracts, minor aliquot parts, aliquot parts, and exceptions to survey for each section.

- **Cellular Phone Usage:** Cellular phones are not allowed to be used in the sale room. Please remember to silence your phones before the sale begins.
- **Other Conditions of the Sale:** At the time the sale begins, we will make any rules regarding sale procedures that we feel are necessary for the proper conduct of the sale.
- **Mailings and Deliveries:** All mailings and deliveries to the Bureau of Land Management must have return addresses or we won't be able to accept delivery of them.

How do I file a noncompetitive day-after-sale offer after the sale?

If the one parcel offered for geothermal leasing does not receive a bid, it will be available for noncompetitive leasing for a two-year period beginning the first business day following the sale. If you want to file a noncompetitive offer on an unsold parcel, you must file in this office:

- An Offer to Lease and Lease for Geothermal Resources, Form 3200-24a (September 2008), properly completed and signed. An original and two copies of this offer must be prepared and filed. We will accept only exact copies of the form on one 2-sided page. Describe the lands in your offer as specified in our regulations at 43 CFR 3204.11(a) (1).

For 30 days after the competitive geothermal lease sale, noncompetitive applications will be accepted only for the parcel as configured in the Notice of Competitive Geothermal Lease Sale. Subsequent to the 30-day period, you may file a noncompetitive application for any available lands covered by the competitive lease sale, not to exceed 5,120 acres per lease.

- Your payment for the total of the \$375 filing fee and the advanced first year's rental of \$1 per acre. Remember to round up any fractional acreage when you calculate the amount of rental.

Put the above items in a sealed envelope marked "Noncompetitive Offer" and place the envelope in the drop box in the Colorado State Office Information Access Center (Public Room). We consider all offers filed the day of a sale and the first business day after it, for any unsold parcel, filed at the same time. If a parcel receives more than one offer, we will hold a drawing to pick the winner. You may submit only one application per parcel. An application will not be available for public inspection the day it is filed.

Subsequent to the first business day following the competitive lease sale, the first qualified applicant to submit an application will be offered the lease. If BLM receives simultaneous applications as to date and time for overlapping lands, BLM will randomly select one to receive a lease offer (43 CFR 3204.11(b)(2)).

May I withdraw my application for a noncompetitive lease:

During the 30-day period after the competitive lease sale, BLM will only accept a withdrawal of the entire application. Following that 30-day period, you may withdraw your noncompetitive lease application in whole or in part at any time before BLM issues the lease. If a partial withdrawal causes your lease application to contain less than the minimum acreage required (640 acres, or all lands available for leasing in the section, whichever is less), BLM will reject the application.

How can I find out the results of this sale?

We will post the sale results in the State Office Information Access Center (Public Room) and on our public Internet site when we have compiled them. You can buy a printed copy of the results list for \$5 from the Information Access Center. The list will also be available on our public Internet site under oil and gas leasing:

http://www.blm.gov/co/st/en/BLM_Programs/oilandgas/leasing.html

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

We will consider all comments received after our sale posting date of September 10, 2010, to 4:00 p.m. on October 26, 2010. All letters may be sent to the State Director, Colorado State Office, 2850 Youngfield Street, Lakewood, Colorado 80215. A letter may be sent by telefax to the Colorado State Office at 303-239-3799. All letters must reference the specific COC 5-digit serial number. A signature and a statement of interest are required for each comment letter. If the party signing the comment letter 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 in its behalf, the individual cannot send a letter in the groups' name.

Who should I contact if I have questions?

If you have questions on BLM stipulations, lease notices, etc., please contact the appropriate BLM Field Office for assistance.

For general information about the competitive geothermal lease sale process, or this Lease Sale Notice, you may e-mail or call:

Mr. Kristen Lee: Email Kristian_lee@co.blm.gov. Telephone number (303) 239-3786
Ms. Nancy McCarty: Email nancy_mccarty@co.blm.gov. Telephone number (303) 239-3780
Mr. Justice Rhodes: Email justice_rhodes@co.blm.gov. Telephone number (303) 239-3928

Karen Zurek
Chief, Fluid Minerals Adjudication

SURFACE MANAGEMENT AGENCY DESCRIPTION

The list of parcels offered for competitive sale includes a description of the surface management agency(ies) involved. Where the surface is administered by a federal agency other the BLM, the coordinating BLM District And Resource Area Offices are depicted immediately below. The following abbreviations are used:

	Surface Management Agencies
BLM	Bureau of Land Management
PVT	Private surface
FS	Forest Service surface
BOR	Bureau of Reclamation surface
DOE	Department of Energy surface
NF	National Forest
NG	National Grassland
STCO	State of Colorado
	BLM District Offices
CDO	Craig District Office
CCDO	Canon City District Office
MDO	Montrose District Office
GJDO	Grand Junction District Office
	BLM Resource Area Offices
KRA	Kremmling Resource Area (CDO)
LSRA	Little Snake Resource Area (CDO)
WRRRA	White River Resource Area (CDO)
GJRA	Grand Junction Resource Area (GJDO)
GSRA	Glenwood Springs Resource Area (GJDO)
UBRA	Uncompahgre Basin Resource Area (MDO)
GBRA	Gunnison Basin Resource Area (MDO)
SJRA	San Juan Resource Area (MDO)
*NERA	Northeast Resource Area (CCDO)
SLRA	San Luis Resource Area (CCDO)
RGRA	Royal Gorge Resource Area (CCDO)

*The Northeast Resource Area (NERA) has been merged into the Royal Gorge Resource Area (RGRA)

Sample Number 1: PVT; BLM; CCDO: NERA (This entry shows the parcel contains both private and BLM surface located in the Canon City District Office in the Northeast Resource Area.)

Sample Number 2: FS; Routt NF; CDO: LSRA (This entry shows the parcel is Forest Service land in the Routt National Forest. The coordinating BLM office is in the Little Snake Resource Area in the Craig District.)

THE FOLLOWING PUBLIC DOMAIN LANDS ARE SUBJECT TO FILINGS IN THE MANNER SPECIFIED IN THE APPLICABLE PORTIONS OF THE REGULATIONS IN 43 CFR, SUBPART 3200.

SERIAL #: COC73714

T. 0150S., R 0780W., 6TH PM
Sec. 19: Lot 3,4;
Sec. 19: E2SW;
Sec. 19: W2SE,SESE;

T. 0150S., R 0790W., 6TH PM
Sec. 13: N2SW,SWSW,SE;
Sec. 24: W2W2,E2SE;

Chaffee County
Colorado 799.200 Acres

All lands are subject to Exhibit CO-05 NSO within ¼ mile radius of a cliff nesting complex for peregrine falcons.

All lands are subject to Exhibit CO-09 to protect big game winter habitat.

All lands are subject to Exhibit CO-24 no activities are allowed between March 16 and July 31 within ½ mile of a peregrine falcon cliff nesting complex to prevent abandonment and desertion of established territories.

All lands are subject to Exhibit CO-28 to protect riparian/wetland vegetation. See also Geothermal PEIS ROD section 2.3.3 at page 2-6.

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal. See also Geothermal PEIS ROD section 2.3.4 at page 2-8.

All lands are subject to Exhibit CO-39 to protect cultural resources. See also Geothermal PEIS ROD section 2.3.4 at page 2-8

Migratory Bird Treaty Act compliance Executive Order 13186: 1) No habitat disturbance (removal of vegetation such as timber, brush or grass) will be allowed from May 15 – July 15. If vegetation removal can be planned and accomplished prior to May 15, then development of the site can proceed. 2) All permit approvals will be considered on a case by case basis. During the application review procedure, if the operations requested include removal of vegetation, a “Condition of Approval” will be included on any permits which will limit vegetation removal to periods of time outside May 15 – July 15.

All lands are subject to Exhibit CO-26 to protect fragile soils. See also Geothermal PEIS ROD section 2.3.2 at page 2-5.

All lands within NWSW, SWSW, NESE, and SESE of section 24, T. 0150S., R. 0790W., 6TH PM and all other lands within lease parcel are subject to Exhibit RG-21 No Surface Occupancy to protect infrastructure at the urban interface (Attachment D). See also Geothermal PEIS ROD section 2.3.3 at page 2-7.

All lands within SWSW, NWSW, and SWNW of section 24 T. 0150S., R 0790W., 6TH PM are subject to Exhibit RG-22 No Surface Occupancy for protection from hazards of the 100-year floodplain (Attachment D). See also Geothermal PEIS ROD section 2.3.2 at page 2-5.

All lands within NWSW, SWSW and S2SWSE and S2SESE of section 13 and NWNW, SWNW, of section 24 T. 0150S., R 0790W., 6TH PM are subject to Exhibit RG-16 No Surface Occupancy to protect steep slopes, soil stability, and visual resources (Attachment D). See also Geothermal PEIS ROD section 2.3.2 at page 2-5.

All lands are subject to Exhibit CO-52 to prevent potential material injury to senior water or geothermal rights under Colorado state law, and to ensure that existing geothermal features are protected under the terms of BLM's Royal Gorge Resource Management Plan, as amended by the Record of Decision and Resource Management Plan Amendments for Geothermal Leasing in the Western United States, 2008; this lease is restricted as follows:

Monitoring by the lessee during exploration, development and production activities may be required as directed by the BLM, in consultation with the Colorado State Engineer's Office, and the burden of proof shall be on the lessee, to ensure compliance with federal and state statutes, rules, and regulation.

All lands are subject to Exhibit CO-53, notice to lessee:

The lessee is hereby notified that prior to development of a geothermal resource, the lessee will have to comply with applicable provisions of the Colorado Geothermal Resources Act, Statute 37-90.5-101-108, C.R.S., as amended by Colorado Senate Bill 10-174, other state and local statues, and rules and regulations, now in existence or as may be modified in the future, consistent with lease rights.

PVT/BLM; CCDO: RGRA

EXHIBIT CO-05

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

To protect peregrine falcon nesting within a one-quarter mile radius from the complex.

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.)

EXHIBIT CO-09

Lease Number:

TIMING LIMITATION STIPULATION

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

December 1 through April 30

On the lands described below:

For the purpose of (reasons):

To protect big game (mule deer, elk, pronghorn antelope, and bighorn sheep) winter range, including crucial winter habitat and other definable winter range as mapped by the Colorado Division of Wildlife. This may apply to sundry notice that require an environmental analysis.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

An exception may be granted under mild winter conditions for the last 60 days of the closure.

EXHIBIT CO-24

Lease Number:

TIMING LIMITATION STIPULATION

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

March 16 through July 31

On the lands described below:

For the purpose of (reasons):

To protect peregrine falcon cliff nesting complex within one-half mile of the site to prevent abandonment and desertion of established territories.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

Exceptions may be granted only after formal consultation with the U.S. Fish and Wildlife Service in accordance with Section 7 of the Endangered Species Act of 1973, and during years when the nest site is unoccupied, when occupancy ends by or after May 15, or once the young have fledged and dispersed from the nest.

EXHIBIT CO-26

Lease Number:

CONTROLLED SURFACE USE STIPULATION

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

On the lands described below:

<ALL LANDS>

For the purpose of:

Protecting fragile soils. Prior to surface disturbance of fragile soils, it must be demonstrated to the Authorized Officer through a plan of development that the following performance objectives will be met.

Performance Objectives:

- I. Maintain the soil productivity of the site.
- II. Protect off-site areas by preventing accelerated soil erosion (such as land-sliding, gullyng, drilling, piping, etc.) from occurring.
- III. Protect water quality and quantity of adjacent surface and groundwater sources.
- IV. Select the best possible site for development in order to prevent impacts to the soil and water resources.

Fragile soil areas, in which the performance objective will be enforced, are defined as follows:

- a. Areas rated as highly or severely erodible by wind or water, as described by the Soil Conservation Service in the Area Soil Survey Report or as described by on-site inspection.
- b. Areas with slopes greater than or equal to 35 percent, if they also have one of the following soil characteristics:
 - (1) a surface texture that is sand, loamy sand, very fine sandy loam, fine sandy loam, silty clay or clay;
 - (2) a depth to bedrock that is less than 20 inches;
 - (3) an erosion condition that is rated as poor; or
 - (4) a K factor of greater than 0.32.

EXHIBIT CO-26 (continued)

Performance Standards:

- I. All sediments generated from the surface-disturbing activity will be retained on site.
- II. Vehicle use would be limited to existing roads and trails.
- III. All new permanent roads would be built to meet primary road standards (BLM standards) and their location approved by the Authorized Officer. For oil and gas purposes, permanent roads are those used for production.
- IV. All geophysical and geochemical exploration would be conducted by helicopter, horseback, on foot, or from existing roads.
- V. Any sediment control structures, reserve pits, or disposal pits would be designed to contain a 100-year, 6-hour storm event. Storage volumes within these structures would have a design life of 25 years.
- VI. Before reserve pits and production pits would be reclaimed, all residue would be removed and trucked off-site to an approved disposal site.
- VII. Reclamation of disturbed surfaces would be initiated before November 1 each year.
- VIII. All reclamation plans would be approved by the Authorized Officer in advance and might require an increase in the bond.

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.)

EXHIBIT CO-28

Lease Number:

CONTROLLED SURFACE USE STIPULATION

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

On the lands described below:

For the purpose of:

To protect perennial water impoundments and streams, and/or riparian/wetland vegetation by moving geothermal exploration and development beyond the riparian vegetation zone. See also Geothermal PEIS ROD section 2.3.3 at page 2-6.

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.)

Exception Criteria:

Exceptions may be granted only if an on-site impact analysis shows no degradation of the resource values.

EXHIBIT CO-34

Lease Number:

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.

On the lands described below:

EXHIBIT CO-39

Lease Number:

CONTROLLED SURFACE USE

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.

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:

EXHIBIT CO-52

Lease Number:

EXTRACTION STIPULATION

To mitigate potential hydrologic impacts to the Mt. Princeton hot springs resort; the total extraction rate from this lease will be restricted as follows:

At no time shall the total production rate, in gallons per day, exceed the previous calendar year's average annual production rate from the hot springs resort, also in gallons per day. Production from the hot springs resort will include measured well production and estimated natural flow that is utilized by the resort.

The BLM may waive or modify this restriction if the lessee/operator is able to demonstrate to the BLM's satisfaction, through direct physical evidence such as well testing and monitoring, that an increased production rate is not likely to significantly impact water flow or temperature at the resort. The BLM may also waive or modify this restriction if BLM determines that the hot springs resort is unable or unwilling to provide verifiable annual flow data.

On the lands described below:

EXHIBIT CO-53

Lease Number:

LEASE STIPULATIONS

The lessee is hereby notified that prior to development of a geothermal resource, the lessee will have to comply with applicable provisions of the Colorado Geothermal Resources Act, § 37-90.5-101-108, C.R.S., as amended by Colorado Senate Bill 10-174, other state and local statutes, and rules and regulations, now in existence or as may be modified in the future, consistent with lease rights.

On the lands described below:

<ALL LANDS>

EXHIBIT RG-16

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

<ALL LANDS>

For the purpose of:

To protect steep slopes, soil stability, and visual resources.

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.)

EXHIBIT RG-21

Lease Number:

CONTROLLED SURFACE USE STIPULATION

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

On the lands described below:

<ALL LANDS>

For the purpose of:

To protect infrastructure at the urban interface. At the time of initial drilling of any well, the wellhead shall be located a distance of five hundred (500) feet or one and one-half (1-1/2) times the height of the derrick, whichever is greater, or as necessary from any building unit.

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 stipulate, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

Exceptions may be granted only with a Letter of Map Amendment from FEMA.

EXHIBIT RG-22

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

On the lands described below:

<ALL LANDS>

For the purpose of:

For protection of the 100-year floodplain. No Surface Occupancy in the 100-year floodplain. Under executive order 119988: Floodplain Management; the BLM is required to restore and preserve the natural and beneficial values served by floodplains for actions related to federal activities and programs affecting land use.

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 stipulate, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

Exceptions may be granted only with a Letter of Map Amendment from FEMA.

September 10th, 2010

NOTICE OF COMPETITIVE LEASE SALE
OIL AND GAS

The Colorado State Office is offering competitively 5 parcels containing 10364.6 acres of Federal lands in the State of Colorado for oil and gas leasing. This notice provides:

- the time and place of the sale,
- how to participate in the bidding process,
- the sale process,
- the conditions of the sale,
- how to file a noncompetitive offer after the sale, and
- how to file a presale noncompetitive offer.

Attached to this notice is a list of the lands being offered by parcel number and legal land description. We have included stipulations that apply to each parcel.

When and where will the sale take place?

When: The competitive oral sale will begin at 9 a.m. on November 10, 2010. The sale room will open one hour earlier to allow you to register and obtain your bid number. Registration begins at 8 a.m.

Where: The sale is held at the Bureau of Land Management, Colorado State Office, 2850 Youngfield Street, Lakewood, Colorado 80215. Parking is available.

Access: The sale room is accessible to persons with disabilities. If assistance is needed for the hearing or visually impaired, contact Karen Zurek at (303) 239-3795.

How will the sale be conducted?

The sale will be conducted by oral auction. You must make your bids verbally. The winning bid is the highest verbal bid equal to or exceeding the national minimum acceptable bid.

How do I participate in the bidding process?

To participate in the Bureau of Land Management (BLM) bidding process, you must register and obtain a bidder number. If you are bidding for more than one party, you must register and obtain a separate bidder number for each company or individual you represent. The BLM will begin registering bidders at 8 a.m. on the day of the sale.

When you register to bid, you will be required to show a valid government-issued photo identification (ID) to verify your identity. If you do not provide a valid photo ID, you will not be allowed to register as a bidder and participate in the auction.

You will be asked to sign a statement to confirm that any bid you cast will represent a good-faith intention to acquire an oil and gas lease and that you understand that any winning bid will constitute a legally binding commitment to accept the lease and pay monies owed. Further, you will acknowledge that you understand it is a crime under 18 U.S.C. 1001 and 43 U.S.C. 1212 to knowingly and willfully make any false, fictitious or fraudulent statements or representations regarding your qualifications, bidder registration and intent to bid, acceptance of a lease, or payment of monies owed; and that any such offense may result in a fine or imprisonment for not more than 5 years or both. You will also acknowledge that you understand that it is a crime under 30 U.S.C. 195 (a) and (b) to organize or participate in any scheme to defeat provisions of the mineral leasing regulations. Any person who knowingly violates this provision will be punished by a fine of not more than \$500,000, imprisonment for not more than 5 years, or both.

If you, or the party you represent, owe the United States any monies that were due the day of a previous oil and gas lease auction conducted by any BLM office (the minimum monies owed the day of sale), you will not be allowed to register to bid at this lease sale. The Mineral Leasing Act requires that leases be issued to a "responsible qualified bidder" (30 U.S.C. 226(b)(1)(A)). Any bidder, or party represented by a bidding agent, that does not pay the minimum monies owed the day of the sale is not a "responsible qualified bidder" and will be barred from participating in any oil and gas lease auction nationwide until that debt to the United States is settled. In addition, if you or the party you represent defaults at any three sales conducted by any BLM office, you or the party you represent will be barred permanently from participating in any other BLM oil and gas lease sale auction.

What is the sale process?

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

- the auctioneer will offer the parcels in the order they are shown in the attached Lease Sale Notice;
- all bids are on a per-acre basis, rounded up to whole acres, for the entire acreage in the parcel;
- the winning bid is the highest oral bid equal to or exceeding the minimum acceptable bid; and
- the decision of the auctioneer is final.

The minimum acceptable bid is \$2 per acre. If a parcel contains fractional acreage, the acreage is round up to the next whole acre. For example, a parcel of 100.401 acres requires a minimum bid of \$202 (\$2 x 101 acres).

How long will the sale last?

We begin the sale at 9 a.m.; and it continues until all of the parcels in this Lease Sale Notice have been offered. The length of the sale depends on the number of parcels we are offering and the pace of the bidding. Normally, the sale is completed by noon.

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 a parcel, we will post a notice in the State Office Information Access Center (Public Room). If we cancel the sale, we will try to notify all interested parties early enough to stop them from traveling to the sale site.
- **Fractional interests:** 43 CFR 3120.1-2(c) If the United States owns less than 100 percent of the oil and gas mineral interest for the land in a parcel we will show that information with the parcel. When we issue the lease, it will be for the percentage or fraction of interest the United States owns. However, you must calculate your bonus bid and advance rental payment on the gross acreage in the parcel, not the United States net interest. For example, if a parcel contains 200 acres and the United States owns 50 percent of the oil and gas mineral interest, the minimum bonus bid will be \$400 (\$2 x 200 acres) and the advance annual rental will be \$300 (\$1.50 x 200 acres) for the first 5 years and \$400 (\$2 x 200 acres) for the remainder of the lease term. Conversely, your chargeable acreage and royalty on production will be calculated on the United States net.
- **Payment is due on the day of the sale:** You cannot withdraw a bid. Your bid is a legally binding contract. For each parcel you win, you must pay the minimum bonus bid of \$2 per acre or fraction of an acre, the first year's advance rental of \$1.50 per acre or fraction of an acre, and a non-refundable administrative fee of \$145. You must pay these monies at the sale site or by 4 p.m. at the Colorado State Office. You must pay any remaining balance due by **4 p.m., November 26, 2010**, which is the tenth working day following the sale. **If you do not pay the balance due by this date, you forfeit the right to the lease and all money paid the day of the sale.** If you forfeit a parcel, we may offer it at a future sale.

The minimum monies owed on the day of the sale for a winning bid are monies owed to the United States (43 CFR 3120.5-2(b) and 43 CFR 312035-3(a)). If payment of the minimum monies owed the day of the sale is not received by the date and time above, the BLM will issue a bill for the monies owed. If payment then is not received by the bill due date, a demand letter will be sent to you that will include additional fees. If payment is not received as requested by the demand letter, the U.S. will immediately pursue collection by all appropriate methods, and when appropriate, collect late fees, interest, administrative charges, and on past-due amounts assess civil penalties. "All appropriate methods" include, but are not limited to, referral to collection agencies and credit reporting bureaus, salary or administrative offset, offset of Federal and state payments, including goods or services, Federal and state tax refund offset, and retirement payment offset. Debts may be sent to the Internal Revenue Service and charged as income to you on Form 1099C, Cancellation of Debt (Federal Claims Collection Act of 1966, as amended; The Debt Collection Improvement Act of 1996, 31 CFR 285, Debt Collection Authorities Under the Debt Collection Act of 1966).

- **Form of payment:** You can pay by:

personal check, certified check, money order, or credit card (Visa, MasterCard, American Express, and Discover cards only).

Effective February 1, 2005, BLM will not accept credit or debit card payments to the Bureau for an amount equal to or greater than \$100,000. We also will not accept aggregated smaller amounts to bypass this requirement. **Colorado BLM will no longer accept payments by Automated Clearing House (ACH) or Fed Wire Transfers.**

We cannot accept cash. Make checks payable to: **Department of the Interior-BLM.** If a check you have sent to us in the past has been returned for insufficient funds, we may require that you give us a guaranteed payment, such as a certified check. If you pay by credit card and the transaction is refused, we will try to notify you early enough so that you can make other payment arrangements (If you plan on submitting your payment on the day of the sale using a credit card please make sure that you call and notify your bank). *However, we cannot grant you any extension of time to pay the money that is due the day of the sale.*

- **Bid form:** On the day of the sale, if you are the successful bidder, you must give us a properly completed and signed competitive bid form (Form 3000-2 dated August 2007 or later) with the required payment on the day of the sale. This form constitutes a legally binding offer by the prospective lessee to accept a lease and all its terms and conditions. Once the form is signed, you cannot change it. *We will not accept any bid form that has information crossed out or is otherwise altered.*

We recommend you get a copy of the bid form and complete all but the parcel number and money part before the sale. You can fill out the money part at the sale. Your completed bid form certifies:

- (1) that you and/or the prospective lessee are qualified to hold an oil and gas lease under our regulations at 43 CFR 3102.5-2; and
 - (2) that both of you have complied with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of and collusion among bidders.
- **Federal acreage limitations:** 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. Lease acreage committed to a unit agreement or development contract that you hold, own, or control is excluded from chargeability for acreage limitation purposes.

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.

- **Lease terms:** A lease issued as a result of this sale has a primary term of 10 years. It will continue beyond its primary term as long as oil or gas in paying quantities is produced on or for the benefit of the lease. Rental at \$1.50 per acre for the first 5 years (\$2 per acre after that) is due on or before the lease anniversary date each year until production begins. Once a lease becomes producing, royalty of 12.5 percent must be paid. You will find other lease terms on our standard lease form (Form 3100-11, October 2008). (**Note:** You may copy the lease form, but if you copy an obsolete lease form, your offer will be rejected. The copy you make must be legible.)
- **Split Estate:** Information regarding leasing of Federal minerals overlain with private surface, referred to as "Split Estate," is available at the Washington Office website provided below. A Split Estate brochure is available at this site. The brochure outlines the rights, responsibilities, and opportunities if private surface owners and oil and gas operators are in the planning, lease sale, permitting/development, and operations/production phases of the oil and gas program.

www.blm.gov/bmp/Split_Estate.htm

- **Stipulations:** Stipulations are part of the lease and supersede any inconsistent provisions of the lease form.

Stipulations and consent to lease for parcels located within Forest Service boundaries can be viewed at:

http://www.fs.fed.us/r2/resources/mgr/minerals/lease_sales/lease_sale_by_state/colorado/co.shtml

- **Lease issuance:** After we have received the bid form and all monies due, the lease can be issued. The lease effective date is the first day of the month following the month in which we sign it. If you want your lease to be effective the first day of the month in which we sign it, you must ask us in writing to do this. We have to receive your request before we sign the lease.

Legal Land Descriptions: We prepared the Notice with land status information from our Legacy Rehost 2000 (LR2000) case recordation system. We are providing you with the following information to assist you in understanding the legal descriptions given for each parcel:

The township and range contains additional zeros. For example, T. 9 S., R. 92 W., is shown as, T. 0090S., R. 0920W. (additional zeros underlined).

Lands are described separately by lots, tracts, minor aliquot parts, aliquot parts, and exceptions to survey for each section.

Cellular Phone Usage: Cellular phones are not allowed to be used in the sale room. Please remember to silence your phones before the sale begins.

Other Conditions of the Sale: At the time the sale begins, we will make any rules regarding sale procedures that we feel are necessary for the proper conduct of the sale.

Mailings and Deliveries: All mailings and deliveries to the Bureau of Land Management must have return addresses or we won't be able to accept delivery of them.

NONCOMPETITIVE OFFERS TO LEASE

How do I file a noncompetitive day-after-sale offer after the sale?

Parcels that do not receive a bid are available on a first-come, first-served basis for a two-year period beginning the day after the sale. If you want to file a noncompetitive offer on an unsold parcel, you must file in this office:

- an offer to lease form (Form 3100-11, dated July 2006) properly filled out and signed. The lands in your offer must be described as specified in our regulations at 43 CFR 3110.5; and
- your remittance for the total of the \$375 filing fee and the advanced first year's rental (\$1.50 per acre). Remember to round up any fractional acreage when you calculate the amount of rental.

We will have a drop box in the payment room. All offers, filed the day of a sale and the first business day after it are considered filed simultaneously. When a parcel receives more than one filing by 4 p.m. on the day after the sale, a drawing is held to determine the winner. A presale offer has priority over any offer filed after the sale. After the day-after-sale drawing, any parcels remaining are available for a period of two years. Offers receive priority as of the date and time of filing in this office.

How do I file a noncompetitive presale offer?

Under our regulations at 43 CFR 3110.1(a), you may file a noncompetitive presale offer for lands that:

- are available,
- have not been under lease during the previous one-year period, or
- have not been included in a competitive lease sale within the previous two-year period.

If we do not get a bid for the parcel that contains the lands in your presale offer, it has priority over any offer for that parcel filed after the sale. Your presale offer is your consent to the terms and conditions of the lease, including any additional stipulations.

If you want to file a presale offer you must file in this office:

- an offer to lease form properly filled out and signed. The lands in your offer must be described as specified in our regulations at 43 CFR 3110.5; and
- your remittance for the total of the \$375 filing fee and the advanced first year's rental (\$1.50 per acre). Remember to round up any fractional acreage when you calculate the amount of rental.

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

We have tentatively scheduled our next competitive sale for **MARCH 24, 2011**. Expressions of Interest (EOI's) cutoff for the **MARCH 24, 2011** Sale is **AUGUST 10, 2010**. Expressions of Interest cutoff for the **MAY 12, 2011** Sale is **SEPTEMBER 29, 2010**. We can make no guarantee as to when a given parcel will be offered for competitive sale. We will try to put EOI's on the earliest possible sale.

How do I file an Expression of Interest (EOI)?

An Expression of Interest (EOI) is an informal nomination to request that certain lands be included in an oil and gas competitive lease sale. This request must be made in writing or can be E-mailed to:

co_leasing_info@blm.gov

No filing fee or rental is required with an EOI. We are required (43 CFR 3120.4-2) to post the Notice of Competitive Sale 60 days prior to the sale. The oil and gas plats also must be notated with the parcels 60 days prior to the sale. This is a very complicated and lengthy process. Please keep this in mind when making future plans regarding a federal oil and gas lease.

As of August 8, 1995, all BLM offices must hold as confidential the names of all parties that file an informal EOI until 2 days following the last day of the competitive sale, or in other words, until the next day following the conclusion of the noncompetitive day-after-the sale filings. Make sure your EOI contains the minimum following information:

- Your name or company name with mailing address and telephone number
- Complete legal land description

Effective immediately, if you are submitting an informal Expression of Interest (EOI) which includes split estate lands (private surface/Federal minerals), you must provide, with the EOI, the name and address of current private surface owners(s) along with your EOI. The Bureau of Land Management (BLM) will send a courtesy letter to the surface owners(s) providing notice of the scheduled auction as well as information about the BLM's regulations and procedures for Federal oil and gas leasing and development on split estate lands.

In the future, an EOI which includes split estate lands that does not provide the name and address of the surface owner(s) will not be processed by the BLM. In addition, any EOI which is currently pending in a BLM State Office will not be placed in the Notice of Competitive Lease Sale until the required information is provided.

How can I find out the results of this sale?

We will post the sale results in the State Office Information Access Center (Public Room) and on our public Internet site when we have compiled them. You can buy a printed copy of the results list for \$5 from the Information Access Center. The list will also be available on our public Internet site:

http://www.blm.gov/co/st/en/BLM_Programs/oilandgas/leasing.html

PROTEST INFORMATION

Protests for the November 10, 2010 Competitive Oil & Gas Sale must be received by

4:00 P.M. on October 26, 2010

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 lease sale notice. All protests must meet the following requirements:

- The BLM Colorado State Office must receive a protest no later than close of business on the 15th calendar day prior to the date of the lease sale. No protests should be received by BLM District or Resource Area Offices. All protests must be received by the Colorado State Office, located at 2850 Youngfield St., Lakewood, CO 80215. If the State Office is not open on the 15th day prior to the date of the sale, a protest received on the next day our office is open to the public will be considered timely filed. Close of business for the Colorado State office is **4:00 pm** which is when the Information Center (Public Room) closes. The protest must also include a statement of reasons to support the protest. **We will dismiss a late-filed protest, a protest filed without a statement of reasons, or a protest listing the internal 4-digit parcel ID number.**
- A protest must state the interest of the protesting party, their mailing address, **and reference the specific COC 5-digit serial number being protested.**

- You may file a protest by mail in hardcopy form or by telefax directly to the BLM Colorado State Office. You may not file a protest by electronic mail. A protest filed by fax must be sent to **303-239-3799**. A protest sent to a fax number other than the fax number identified or a protest filed by electronic mail will be dismissed.
- 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 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 BLM issue my lease?

We will issue no lease for a protested parcel until the State Director makes a decision on the protest. 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's 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 we will refund your first year's rental, bonus bid and administrative fee.

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

Yes, you may. **NOTE:** 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, you may. **NOTE:** 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.

FOREST SERVICE PARCELS: All bidders are hereby notified that stipulations for parcels located within the administrative boundaries of some Forest Service units are described in terms of the appropriate Forest Plan. No description of those parts of the parcels affected by any given stipulations is available other than as depicted on Forest Maps, which are generally taken from the USGS quadrangles. Copies of the original maps and stipulations may be reviewed in the appropriate District Ranger's Office, the Forest Supervisor's Office, or the Rocky Mountain Regional Forester's Office at 740 Simms St., Lakewood, Colorado (303) 275-5090.

NOTE: The posting of this notice serves to withdraw the lands listed herein from filings under 43 CFR 3110.1(a)(1)(ii).

Who should I contact if I have questions?

If you have questions on BLM stipulations, lease notices, etc., please contact the appropriate BLM Field Office for assistance. If you have questions on another surface management agency's stipulations or restrictions, etc., for parcels under their surface management jurisdiction, please contact that agency.

For general information about the competitive oil and gas lease sale process, or this Lease Sale Notice, you may e-mail or call:

Mr. Kristian Lee: e-mail kristian_lee@co.blm.gov. Telephone number (303) 239-3786

Ms. Nancy McCarty: e-mail nancy_mccarty@co.blm.gov. Telephone number (303) 239-3780

Mr. Justice Rhodes: e-mail justice_rhodes@co.blm.gov. Telephone number (303) 239-3928

Karen Zurek
Chief, Fluid Minerals Adjudication

SURFACE MANAGEMENT AGENCY DESCRIPTION

The list of parcels offered for competitive sale includes a description of the surface management agency(ies) involved. Where the surface is administered by a federal agency other the BLM, the coordinating BLM District And Resource Area Offices are depicted immediately below. The following abbreviations are used:

	Surface Management Agencies
BLM	Bureau of Land Management
PVT	Private surface
FS	Forest Service surface
BOR	Bureau of Reclamation surface
DOE	Department of Energy surface
NF	National Forest
NG	National Grassland
STCO	State of Colorado
	BLM District Offices
CDO	Craig District Office
CCDO	Canon City District Office
MDO	Montrose District Office
GJDO	Grand Junction District Office
	BLM Resource Area Offices
KRA	Kremmling Resource Area (CDO)
LSRA	Little Snake Resource Area (CDO)
WRRRA	White River Resource Area (CDO)
GJRA	Grand Junction Resource Area (GJDO)
GSRA	Glenwood Springs Resource Area (GJDO)
UBRA	Uncompahgre Basin Resource Area (MDO)
GBRA	Gunnison Basin Resource Area (MDO)
SJRA	San Juan Resource Area (MDO)
*NERA	Northeast Resource Area (CCDO)
SLRA	San Luis Resource Area (CCDO)
RGRA	Royal Gorge Resource Area (CCDO)

*The Northeast Resource Area (NERA) has been merged into the Royal Gorge Resource Area (RGRA)

Sample Number 1: PVT; BLM; CCDO: NERA (This entry shows the parcel contains both private and BLM surface located in the Canon City District Office in the Northeast Resource Area.)

Sample Number 2: FS; Routt NF; CDO: LSRA (This entry shows the parcel is Forest Service land in the Routt National Forest. The coordinating BLM office is in the Little Snake Resource Area in the Craig District.)

THE FOLLOWING PUBLIC DOMAIN LANDS ARE SUBJECT TO FILINGS IN THE MANNER SPECIFIED IN THE APPLICABLE PORTIONS OF THE REGULATIONS IN 43 CFR, SUBPART 3120.

SERIAL #: COC74620

T. 0070S., R 0930W., 6TH PM
Sec. 19: Lot 5,6,9-12,17,18;
Sec. 20: N2,W2SW,N2SE,SWSE;
Sec. 29: Lot 4,9,12;
Sec. 30: Lot 5,6,12;
Sec. 30: S2NE,N2SE,SWSE;

Garfield County
Colorado 1241.330 Acres

All lands are subject to Exhibit FS-01, Notice for Lands of the National Forest System Under Jurisdiction of the Department of Agriculture.

All lands are subject to Exhibit FS-07, No Surface Occupancy Stipulation - Roadless Areas.

The following lands are subject to Exhibit FS-08, No Surface Occupancy Stipulation - Slopes Greater Than or Equal to 60%:

T. 0070S., R 0930W., 6TH PM
Sec. 19: Lot 17,18;
Sec. 20: SWNW,W2SW;

The following lands are subject to Exhibit FS-10, Timing Limitation Stipulation - Big Game Winter Range:

T. 0070S., R 0930W., 6TH PM
Sec. 19: Lot 5,6,9-12,17,18;
Sec. 20: N2,W2SW,N2SE,SWSE;
Sec. 29: Lot 4,9,12;
Sec. 30: Lot 5,6,12;
Sec. 30: S2NE,N2SE,SWSE;

The following lands are subject to Exhibit FS-11, Timing Limitation Stipulation - Elk Production Areas:

T. 0070S., R 0930W., 6TH PM
Sec. 19: Lot 11,12,17,18;
Sec. 20: W2SW;
Sec. 29: Lot 4,9,12;
Sec. 30: Lot 5,6,12;
Sec. 30: S2NE,N2SE,SWSE;

All lands are subject to Exhibit FS-17, Lease Notice - Canada Lynx Habitat or Linkage Areas.

FS: White River NF; GJDO: GSRA

SERIAL #: COC74621

T. 0100N., R 0880W., 6TH PM

Sec. 7: Lot 10,11;
Sec. 7: E2SW,W2SE;
Sec. 8: E2SW,SE;
Sec. 9: NE,E2NW,S2;
Sec. 16: ALL;
Sec. 17: NE,E2NW,N2SE,SESE;

Routt County

Colorado 2038.460 Acres

All lands are subject to Exhibit FS-01, Notice for Lands of the National Forest System Under Jurisdiction of the Department of Agriculture.

All lands are subject to Exhibit FS-06, No Surface Occupancy Stipulation - Roadless Areas Capable of Wilderness Designation.

The following lands are subject to Exhibit FS-09, Timing Limitation Stipulation - Greater Sandhill Cranes Nesting Areas:

T. 0100N., R 0880W., 6TH PM

Sec. 9: NE;

The following lands are subject to Exhibit FS-12, Controlled Surface Use Stipulation - Slopes of 40-60%:

T. 0100N., R 0880W., 6TH PM

Sec. 7: W2SE;
Sec. 8: E2SW,W2SE;
Sec. 9: S2SW,SWSE;
Sec. 16: S2SE;
Sec. 17: NWNE;

The following lands are subject to Exhibit FS-13, Controlled Surface Use Stipulation - Moderate Erosion, Geologic Hazards, or Hydric Soils:

T. 0100N., R 0880W., 6TH PM

Sec. 7: Lot 10,11;
Sec. 7: E2SW,W2SE;
Sec. 8: NESW,SESW,W2SE;
Sec. 9: NESW,S2SW,SE;
Sec. 16: N2NE,SENE,NENW,S2NW;
Sec. 16: SW,S2SE;
Sec. 17: NWNE;

The following lands are subject to Exhibit FS-14, Controlled Surface Use Stipulation - Sensitive Watersheds:

T. 0100N., R 0880W., 6TH PM

Sec. 17: SWNE,SENE,N2SE,SESE;

The following lands are subject to Exhibit FS-15, Controlled Surface Use Stipulation - Visually Sensitive Lands:

T. 0100N., R 0880W., 6TH PM

Sec. 7: W2SE;
Sec. 8: E2SW,W2SE;

Sec. 17: W2NE,E2NW,N2SE,SESE;

FS: Routt NF; CDO: LSRA

SERIAL #: COC74622

T. 0100N., R 0880W., 6TH PM

Sec. 18: Lot 5-8;
Sec. 18: E2,E2W2;
Sec. 19: Lot 5-8;
Sec. 19: E2,E2W2;
Sec. 20: E2E2,W2NW,NWSW;
Sec. 21: ALL;

Routt County

Colorado 2179.600 Acres

All lands are subject to Exhibit FS-01, Notice for Lands of the National Forest System Under Jurisdiction of the Department of Agriculture.

All lands are subject to Exhibit FS-06, No Surface Occupancy Stipulation - Roadless Areas Capable of Wilderness Designation.

The following lands are subject to Exhibit FS-13, Controlled Surface Use Stipulation - Moderate Erosion, Geologic Hazards, or Hydric Soils:

T. 0100N., R 0880W., 6TH PM

Sec. 18: Lot 5-8;
Sec. 18: W2NE,E2W2;
Sec. 19: Lot 5-8;
Sec. 19: E2W2,W2SE,SESE;
Sec. 20: SESE;
Sec. 21: E2NE,N2NW,NESE,S2SE;

The following lands are subject to Exhibit FS-14, Controlled Surface Use Stipulation - Sensitive Watersheds:

T. 0100N., R 0880W., 6TH PM

Sec. 18: SENE,SESW,SE;
Sec. 19: Lot 6-8;
Sec. 19: NE,NENW,SWNW;
Sec. 19: E2SW,SE;
Sec. 20: E2E2,W2NW,NWSW;
Sec. 21: S2NW,SW,S2SE;

The following lands are subject to Exhibit FS-15, Controlled Surface Use Stipulation - Visually Sensitive Lands:

T. 0100N., R 0880W., 6TH PM

Sec. 18: E2,E2NW;
Sec. 19: E2NE,SESW,SE;
Sec. 20: E2E2,W2NW,NWSW;

FS: Routt NF; CDO: LSRA

SERIAL #: COC74623

T. 0100N., R 0890W., 6TH PM
Sec. 3: ALL;
Sec. 4: ALL;
Sec. 9: ALL;
Sec. 10: ALL;

Moffat County
Colorado 2560.000 Acres

All lands are subject to Exhibit FS-01, Notice for Lands of the National Forest System Under Jurisdiction of the Department of Agriculture.

All lands are subject to Exhibit FS-06, No Surface Occupancy Stipulation - Roadless Areas Capable of Wilderness Designation.

The following lands are subject to Exhibit FS-08, No Surface Occupancy Stipulation - Slopes Greater Than or Equal to 60%:

T. 0100N., R 0890W., 6TH PM
Sec. 4: SESW;
Sec. 9: SW;

The following lands are subject to Exhibit FS-12, Controlled Surface Use Stipulation - Slopes of 40-60%:

T. 0100N., R 0890W., 6TH PM
Sec. 4: SWNE,N2NW,SENE,S2SW;
Sec. 9: N2SE,SWSE;
Sec. 9: W2NE,SENE,W2;
Sec. 10: W2SW,SESW;
Sec. 10: W2E2,SENE,S2NW;

The following lands are subject to Exhibit FS-13, Controlled Surface Use Stipulation - Moderate Erosion, Geologic Hazards, or Hydric Soils:

T. 0100N., R 0890W., 6TH PM
Sec. 3: ALL;
Sec. 4: W2NE,SENE,NW;
Sec. 4: N2SW,SE;
Sec. 9: N2,N2S2,SWSW;
Sec. 10: NENE,S2NE,N2NW;
Sec. 10: NESW,S2SW,SE;

All lands are subject to Exhibit FS-18, Controlled Surface Use Stipulation - Shorty/Cataract Unique Natural Area.

FS: Routt NF; CDO: LSRA

SERIAL #: COC74624

T. 0100N., R 0890W., 6TH PM
Sec. 1: Lot 5,9-12,14;
Sec. 1: W2E2,E2W2,SWSW;
Sec. 2: Lot 7,9,13,15;
Sec. 2: W2,S2SE;
Sec. 11: ALL;
Sec. 12: Lot 1-4;
Sec. 12: W2E2,W2;

Moffat County
Colorado 2345.210 Acres

All lands are subject to Exhibit FS-01, Notice for Lands of the National Forest System Under Jurisdiction of the Department of Agriculture.

All lands are subject to Exhibit FS-06, No Surface Occupancy Stipulation - Roadless Areas Capable of Wilderness Designation.

The following lands are subject to Exhibit FS-13, Controlled Surface Use Stipulation - Moderate Erosion, Geologic Hazards, or Hydric Soils:

T. 0100N., R 0890W., 6TH PM
Sec. 1: Lot 12;
Sec. 1: SWSW;
Sec. 2: Lot 5,9,13,15;
Sec. 2: S2NW,SW,S2SE;
Sec. 11: ALL;
Sec. 12: Lot 1-4;
Sec. 12: W2E2,W2NW,SWNW,SW;

The following lands are subject to Exhibit FS-18, Controlled Surface Use Stipulation - Shorty/Cataract Unique Natural Area:

T. 0100N., R 0890W., 6TH PM
Sec. 1: Lot 12;
Sec. 2: Lot 7,9,13,15;
Sec. 2: W2,S2SE;
Sec. 11: N2,SW,N2SE,SWSE;

FS: Routt NF; CDO: LSRA

EXHIBIT FS-01

R2-FS-2820-13 (92)

Report No.:

Lease Number:

NOTICE FOR LANDS OF THE NATIONAL FOREST SYSTEM

The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 26, 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 a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as forest development roads, within and outside the area 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: White River National Forest for COC74620; or Routt National Forest for COC74621,74622,74623,74624

at Telephone: 970.945.2521 (White River NF); 307.745.2307 (Routt NF)

who is the authorized representative of the Secretary of Agriculture.

NOTICE

CULTURAL AND PALEONTOLOGICAL 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. 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.

The lessee or operator shall immediately bring to the attention of the FS and BLM any cultural or paleontological 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.

ENDANGERED OR THREATENED SPECIES – The FS 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 FS 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 resource specialist approved by the FS. An acceptable report must be provided to the FS identifying the anticipated effects of a proposed action on endangered or threatened species or their habitats.

EXHIBIT FS-06

R2-FS-2820-14 (92)

Report No.:

Lease Number:

NO SURFACE OCCUPANCY STIPULATION
Roadless Areas Capable for Wilderness Designation

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

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

Preserving the Roadless character of these areas identified as capable for Wilderness designation.

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.)

EXHIBIT FS-07

R2-FS-2820-14 (92)

Lease Number:

NO SURFACE OCCUPANCY STIPULATION
Roadless Areas

No surface occupancy or use is allowed on the lands described below in the Battlement Mesa, Assignment Ridge, White River, and Pagoda Peak Roadless areas. The NSO stipulation applied to the Pagoda Peak Roadless area will remain until the Routt National Forest analyzes the entire area in its Forest Plan Revision.

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

Protecting the Roadless character of 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, FS Oil & Gas Regulations, 36 CFR, Sec. 228.104.)

Exception Criteria:

An exception may be granted depending on current usage, or on the geographical relationship to topographic barriers and vegetation screening.

EXHIBIT FS-08

R2-FS-2820-14 (92)

Lease Number:

NO SURFACE OCCUPANCY STIPULATION
Slopes > 60%

No surface occupancy or use is allowed on the lands described below to protect slopes steeper than 60 percent:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

1. Preventing mass movements of earth such as landslides.
2. Maintaining or improving water quality to meet Federal and State standards.
3. Preventing significant or permanent impairment to the soil productivity.

Exception Criteria:

Modification of this stipulation may occur as long as resource values are protected.

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, FS Oil & Gas Regulations, 36 CFR, Sec. 228.104.)

EXHIBIT FS-09

R2-FS-2820-15 (92)

Report No.:

Lease Number:

TIMING LIMITATION STIPULATION
Greater Sandhill Cranes Nesting Areas

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

Exploration, drilling and development activity will not be allowed during the period from May 1 through July 1 of any year.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of (reasons):

Protecting the breeding potential and nesting areas of these species. Disturbances during critical times may place unnecessary stress on the particular species being protected and cause an increase in mortality.

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.

EXHIBIT FS-10

R2-FS-2820-15 (92)
Report No.:

Lease Number:

TIMING LIMITATION STIPULATION
Big Game Winter Range

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

1. Exploration, drilling and development activity will not be allowed during the period from December 1 to April 30.
2. New oil and gas roads on public lands will be closed yearlong to the public.

On the lands described below:

Elk and mule deer winter range –

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of (reasons):

These areas have been identified in coordination with the Colorado Division of Wildlife. These areas support and sustain a large percentage of the total winter populations. These areas are important for animal survival during winters of harsh winter conditions. Disturbances and habitat losses may place unnecessary stress on the wintering big game herds and cause an increase in mortality.

Condition under which this stipulation would be waived:

Winter conditions which would not concentrate big game on the winter ranges.

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.

EXHIBIT FS-11

R2-FS-2820-15 (92)

Report No.:

Lease Number:

TIMING LIMITATION STIPULATION
Elk Production Areas

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

1. Exploration, drilling and development activity will not be allowed during the period from May 1 through June 30.
2. New oil and gas roads on public lands will be closed yearlong to the public.

On the lands described below:

Elk production areas – On portions of the lands as shown on the attached map, Exhibit A:

For the purpose of (reasons):

These areas have been identified in coordination with the Colorado Division of Wildlife. Disturbance during the reproductive season may reduce heard productivity.

Condition under which this stipulation would be waived:

Conditions which would not concentrate elk on the production areas.

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.)

EXHIBIT FS-12

R2-FS-2820-16 (92)

Report No.:

Lease Number:

CONTROLLED SURFACE USE STIPULATION
Slopes of 40-60%

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Strict environmental controls are necessary to prevent adverse environmental consequences. Surface occupancy will be allowed, but the manner in which development activities will be permitted will be more restrictive.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

Protecting areas that have 40-60 percent slopes.

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.)

EXHIBIT FS-13

R2-FS-2820-16 (92)

Report No.:

Lease Number:

CONTROLLED SURFACE USE STIPULATION
Moderate Erosion, Geologic Hazards, or Hydric Soils

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Strict environmental controls are necessary to prevent adverse environmental consequences. Surface occupancy will be allowed, but the manner in which development activities will be permitted will be more restrictive than standard lease terms would permit.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

Protecting areas with moderate erosion or geologic hazard, or hydric soils.

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.)

EXHIBIT FS-14

R2-FS-2820-16 (92)

Report No.:

Lease Number:

CONTROLLED SURFACE USE STIPULATION
Sensitive Watersheds

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Use Best Management Practice of no ground-disturbing activities within 300 feet of a stream, wetland, lake, or pond in sensitive watersheds unless a watershed specialist

- has determined and approved a different distance from the potentially affected resource will minimize degradation from increased water and sediment yield to acceptable levels, or
- has identified and approved other equally effective means to minimize degradation, or
- has attested that operations as designed will minimize degradation from increased water and sediment yield to acceptable levels.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

To protect sensitive watersheds by minimizing degradation from increased water and sediment yield.

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.)

EXHIBIT FS-15

R2-FS-2820-16 (92)

Report No.:

Lease Number:

CONTROLLED SURFACE USE STIPULATION
Visually Sensitive Lands

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL OPERATING CONSTRAINTS.

Areas in the Forest with high scenic and recreational values may require screening, buffering, or site relocation beyond that which is allowed under the standard lease terms. This stipulation is applied to areas allocated to Management Area prescriptions 4.2 (Scenery and Major Transportation Corridors) or 4.3 (Dispersed Recreation) or other areas of retention and/or partial retention or to maintain the recreational values, it may be necessary to modify the siting or design of the proposed development activities. This stipulation gives the Forest Service the authority to relocate the site or modify the timing more than is permitted in the standard lease terms to meet the retention objective.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

Protecting areas with high scenic and recreational values.

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.)

EXHIBIT FS-17

R2-FS-2820-17 (92)

Report No.:

Lease Number:

USDA – FOREST SERVICE

LEASE NOTICE

CANADA LYNX HABITAT OR LINKAGE AREAS

Lands in this lease contain mapped Canada lynx habitat and/or linkage areas. The Lessee is encouraged to contact the local Forest Service Ranger District office for maps of Canada lynx habitat or linkage areas, and potential site-specific requirements for conservation of Canada lynx habitat or linkage areas prior to proposing operations on the lease. The Forest Service will assess any proposed operations to determine effects on Canada lynx. Results of this assessment may result in some restrictions on proposed operations, or disallow use and occupancy if they would be in violation of the Endangered Species Act of 1973.

EXHIBIT FS-18

R2-FS-2820-16 (92)
Report No.:

Lease Number:

CONTROLLED SURFACE USE STIPULATION
Shorty/Cataract Unique Natural Area

SURFACE OCCUPANCY OR USE IS SUBJECT TO THE FOLLOWING SPECIAL
OPERATING CONSTRAINTS.

The use of nontraditional site design, access design, or site location practices is needed in order to protect the unique ecosystem. Activities will be managed to prevent destruction of this ecosystem and its components and may include such things as restricting road development to areas that have already been impacted by past road construction, restricting roads to locations less than 40% slopes, not approving road construction on hydric soils or where soils are susceptible to mass movement, etc.

On the lands described below:

On portions (or all, whichever is applicable) of the lands as shown on the attached map, Exhibit A.

For the purpose of:

Protecting the unique ecosystem found in the Shorty/Cataract Unique Natural 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, FS Oil & Gas Regulations, 36 CFR, Sec. 228.104.)