

November 13, 2015

NOTICE OF COMPETITIVE LEASE SALE
OIL AND GAS

The Colorado State Office is offering competitively 5 parcels containing 4912.330 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;
- How to file a presale noncompetitive offer;
- Upcoming Sales;
- How to file a protest.

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 February 11, 2016. The sale room will open at 8 a.m. to allow you to register and obtain your bidder number.

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 Kathy Toth at (303) 239-3769.

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 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, it is rounded 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 \$160. 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. February 26, 2016**, 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 31203.5-3(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 June 1, 2015, BLM will not accept credit or debit card payments to the Bureau for an amount equal to or greater than \$24,999.99. We also will not accept aggregated smaller amounts to bypass this requirement. **Initial payment at the time of the sale must be paid with check, money order, or credit card.**

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 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 bid amount before the sale. You can fill out the bid amount 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)
- **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.
- **Lease issuance:** After we have received the bid form, monies due and protests have been resolved, 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.
- **Unit and Communitization Agreements:** The leases offered herein will be subject to any Unit or Communitization agreement, provisions of the agreement to govern lands subject thereto, where inconsistencies with the term of the leases occur.

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 October 2008) 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 \$410 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.

You may submit applications for noncompetitive day after sale in the public room immediately after the competitive sale. 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 (Form 3100-11, dated October 2008) 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 \$410 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.

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

The BLM no longer requires submitters of EOIs to provide their name or address. You may still provide this information for contact purposes; however, the BLM will make this information available to the public. If you consider your name and address to be confidential, do not include it in your EOI. The BLM will release all EOIs received after January 1, 2014, to the public. In an effort to improve transparency, each state office will make all new EOI submissions received on or after January 1, 2014, available to the public on each state's public website.

If you are submitting an informal EOI which includes split estate lands (private surface/Federal minerals), you must provide the name and address of the current private surface owner(s) along with your EOI. The BLM will send a courtesy letter to the surface owner(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.

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

We have tentatively scheduled our next competitive sale for **May 12, 2016**. Expressions of Interest (EOI's) cutoff for the **February 9, 2017** sale is **February 1, 2016**. 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 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 may buy a printed copy of the results list for \$5 plus \$5 for postage and handling 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/oil_and_gas_lease.html

PROTEST INFORMATION

Protests for the February 11, 2016 Competitive Oil & Gas Sale must be received by

4:00 P.M. on December 14, 2015

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 30th calendar day after the posting of the notice of the lease sale. No protests should be received by BLM District or Field 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 30th day after the posting of the sale notice, 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 p.m.** which is when the Information Access Center (Public Room) closes. The protest must also include a statement of reasons to support the protest. **We will dismiss a late-filed protest or a protest filed without a statement of reasons.**
- You may file a protest in hard copy form, by mail 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.
- A protest must state the interest of the protesting party, their mailing address, **and reference the specific COC 5-digit serial number being protested. We will dismiss a protest listing the internal 4-digit parcel ID number.**
- 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 in 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 of 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 of 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. 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) 275-5350.

The posting of this notice serves to withdraw the lands listed herein from filings under 43 CFR 3110.1(a)(1)(ii). Noncompetitive offers may not be entered on the lands listed in this notice until the auction has been completed on day of sale.

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:

Rebecca Baca: email rbaca@blm.gov. Telephone number (303) 239-3780
Rachel Wix: email rwix@blm.gov. Telephone number (303) 239-3625
Jessica Yanes: email jyanes@blm.gov. Telephone number (303) 239-3767

Kathleen L. Toth
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 | |
| CON | Northwest District Office |
| COF | Front Range District Office |
| COS | Southwest District Office |
| BLM Field Offices | |
| KFO | Kremmling Field Office (CON) |
| LSFO | Little Snake Field Office (CON) |
| WRFO | White River Field Office (CON) |
| GJFO | Grand Junction Field Office (CON) |
| CRVFO | Colorado River Valley Field Office (CON) |
| UFO | Uncompahgre Basin Field Office (COS) |
| GFO | Gunnison Basin Field Office (COS) |
| TRFO | Tres Rios Field Office (COS) |
| SLVFO | San Luis Valley Field Office (COF) |
| RGFO | Royal Gorge Field Office (COF) |

Sample Number 1: PVT; BLM; COF: RGFO (This entry shows the parcel contains both private and BLM surface located in the Front Range District Office in the Royal Gorge Field Office.)

Sample Number 2: FS; Routt NF; CON: LSFO (This entry shows the parcel is Forest Service land in the Routt National Forest. The coordinating BLM office is in the Little Snake Field Office in the Northwest District Office.)

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.

PARCEL ID: 6715 SERIAL #: COC77454

T.0400N., R.0130W., NMPM

Section 19: Lot 1,2;

Section 19: E2W2;

Dolores County

Colorado 196.440 Acres

All lands are subject to Exhibit 1.4.1 (NSO) to protect ephemeral streams.

All lands are subject to Exhibit 1.4.2 (CSU) to protect ephemeral streams.

All lands are subject to Exhibit 1.6.1 (CSU) to protect shallow groundwater resources.

All lands are subject to Exhibit 1.6.2 (CSU) to protect groundwater resources during hydraulic fracturing.

All lands are subject to Exhibit 1.8.1 (Lease Notice) to protect against radioactive materials.

All lands are subject to Exhibit 1.10.1 (CSU) to protect 25-35% slopes and shale soils.

All lands are subject to Exhibit 1.11.1 (NSO) to protect lands prone to mass movement.

All lands are subject to Exhibit 1.13.1 (CSU) to protect biological soil crusts.

All lands are subject to Exhibit 2.1.1 (NSO) to protect threatened, endangered, proposed and candidate plants.

All lands are subject to Exhibit 2.2.1 (CSU) to protect sensitive plants.

All lands are subject to Exhibit 3.2.1 (CSU) to protect lynx habitat.

All lands are subject to Exhibit 3.8.1 (Lease Notice) to protect migratory birds.

All lands are subject to Exhibit 3.9.1 (NSO) to protect raptors.

All lands are subject to Exhibit 3.9.2 (TL) to protect raptors.

All lands are subject to Exhibit 3.10.1 (TL) to protect big game parturition areas.

All lands are subject to Exhibit 3.10.2 (CSU) to protect big game winter range and production areas.

All lands are subject to Exhibit CO-29 to alert lessee of PFYC 4 and 5 paleontological area inventory requirement.

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

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

PVT/BLM; COS:TRFO

PARCEL ID: 7372 SERIAL #: COC77455

T.0410N., R.0130W., NMPM

Section 3: Lot 1-4;
Section 3: S2N2,S2;
Section 4: Lot 1-4;
Section 4: S2NE,NWSW,NESE,S2S2;
Section 5: Lot 1;
Section 5: SENE,S2;

Dolores County
Colorado 1519.900 Acres

The following lands are subject to Exhibit 1.3.1 (NSO) to protect perennial water bodies:

T.0410N., R.0130W., NMPM

Section 3: Lot 1-4;
Section 3: SWNW,SESW,S2SE;
Section 4: Lot 1,2,4;
Section 4: SENE,NWSW,NESE,S2S2;
Section 5: Lot 1
Section 5: SENE,W2SW,N2SE,SWSE;

The following lands are subject to Exhibit 1.3.2 (CSU) to protect perennial water bodies:

T.0410N., R.0130W., NMPM

Section 3: Lot 1-4;
Section 3: S2NW,SESW,S2SE;
Section 4: Lot 1-4;
Section 4: S2NE,NWSW,NESE,S2S2;
Section 5: Lot 1,
Section 5: SENE,W2SW,SESW,N2SE,SWSE;

All lands are subject to Exhibit 1.4.1 (NSO) to protect ephemeral streams.

All lands are subject to Exhibit 1.4.2 (CSU) to protect ephemeral streams.

All lands are subject to Exhibit 1.6.1 (CSU) to protect shallow groundwater resources.

All lands are subject to Exhibit 1.6.2 (CSU) to protect groundwater resources during hydraulic fracturing.

All lands are subject to Exhibit 1.8.1 (Lease Notice) to protect against radioactive materials.

The following lands are subject to Exhibit 1.9.1 (NSO) to protect greater than 35% slopes:

T.0410N., R.0130W., NMPM

Section 3: Lot 1-4;
Section 3: S2N2,S2;
Section 4: Lot 4;
Section 4: S2NE,NWSW,NESE,S2S2;
Section 5: SW,E2SE;

All lands are subject to Exhibit 1.10.1 (CSU) to protect 25-35% slopes and shale soils.

All lands are subject to Exhibit 1.11.1 (NSO) to protect lands prone to mass movement.

All lands are subject to Exhibit 1.13.1 (CSU) to protect biological soil crusts.

All lands are subject to Exhibit 2.1.1 (NSO) to protect threatened, endangered, proposed and candidate plants.

All lands are subject to Exhibit 2.2.1 (CSU) to protect sensitive plants.

All lands are subject to Exhibit 3.8.1 (Lease Notice) to protect migratory birds.

All lands are subject to Exhibit 3.9.1 (NSO) to protect raptors.

All lands are subject to Exhibit 3.9.2 (TL) to protect raptors.

All lands are subject to Exhibit 3.10.1 (TL) to protect big game parturition areas.

All lands are subject to Exhibit 3.10.2 (CSU) to protect big game winter range and production areas.

All lands are subject to Exhibit 3.13.1 (NSO) to protect State Wildlife Areas.

All lands are subject to Exhibit CO-29 to alert lessee of PFYC 4 and 5 paleontological area inventory requirement.

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

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

PVT/BLM; COS:TRFO

PARCEL ID: 7373 SERIAL #: COC77456

T.0410N., R.0130W., NMPM

Section 6: Lot 2-7;
Section 6: SWNE,SESW;
Section 6: NESW,N2SE,SESE;

Dolores County
Colorado 503.640 Acres

The following lands are subject to Exhibit 1.3.1 (NSO) to protect perennial water bodies:

T.0410N., R.0130W., NMPM

Section 6: Lot 3-5,7
Section 6: E2SE;

The following lands are subject to Exhibit 1.3.2 (CSU) to protect perennial water bodies:

T.0410N., R.0130W., NMPM

Section 6: Lot 3-5,7
Section 5: N2SE,SESE;

All lands are subject to Exhibit 1.4.1 (NSO) to protect ephemeral streams.

All lands are subject to Exhibit 1.4.2 (CSU) to protect ephemeral streams.

All lands are subject to Exhibit 1.6.1 (CSU) to protect shallow groundwater resources.

All lands are subject to Exhibit 1.6.2 (CSU) to protect groundwater resources during hydraulic fracturing.

The following lands are subject to Exhibit 1.7.1 (NSO) to protect reservoirs and lakes:

T.0410N., R.0130W., NMPM

Section 6: Lot 3-6

Section 6: SENW,NESW,N2SE,SESE;

All lands are subject to Exhibit 1.8.1 (Lease Notice) to protect against radioactive materials.

The following lands are subject to Exhibit 1.9.1 (NSO) to protect greater than 35% slopes:

T.0410N., R.0130W., NMPM

Section 6: Lot 2;

Section 6: SESE;

All lands are subject to Exhibit 1.10.1 (CSU) to protect 25-35% slopes and shale soils.

All lands are subject to Exhibit 1.11.1 (NSO) to protect lands prone to mass movement.

All lands are subject to Exhibit 1.13.1 (CSU) to protect biological soil crusts.

All lands are subject to Exhibit 2.1.1 (NSO) to protect threatened, endangered, proposed and candidate plants.

All lands are subject to Exhibit 2.2.1 (CSU) to protect sensitive plants.

All lands are subject to Exhibit 3.8.1 (Lease Notice) to protect migratory birds.

All lands are subject to Exhibit 3.9.1 (NSO) to protect raptors.

All lands are subject to Exhibit 3.9.2 (TL) to protect raptors.

All lands are subject to Exhibit 3.10.1 (TL) to protect big game parturition areas.

All lands are subject to Exhibit 3.10.2 (CSU) to protect big game winter range and production areas.

All lands are subject to Exhibit CO-29 to alert lessee of PFYC 4 and 5 paleontological area inventory requirement.

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

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

PVT/BLM; COS:TRFO

PARCEL ID: 7390 SERIAL #: COC77457

T.0420N., R.0130W., NMPM

Section 31: Lot 3,4;
Section 31: N2NE,SENE,NENW;
Section 31: E2SW,SWSE;
Section 32: N2,N2SW,SESW,SE;
Section 33: ALL;

Dolores County
Colorado 1612.350 Acres

The following lands are subject to Exhibit 1.3.1 (NSO) to protect perennial water bodies:

T.0420N., R.0130W., NMPM

Section 31: Lot 3, 4;
Section 31: NESW,SWSE;
Section 32: E2,S2NW,N2SW,SESW;
Section 33: NWNW,E2NW,SW,NWSE;

The following lands are subject to Exhibit 1.3.2 (CSU) to protect perennial water bodies:

T.0420N., R.0130W., NMPM

Section 31: Lot 3,4;
Section 31: N2NE,SENE,E2SW,SWSE;
Section 32: E2,S2NW,N2SW,SESW;
Section 33: E2NW,NWNW,SW,N2SE;

All lands are subject to Exhibit 1.4.1 (NSO) to protect ephemeral streams.

All lands are subject to Exhibit 1.4.2 (CSU) to protect ephemeral streams.

All lands are subject to Exhibit 1.6.1 (CSU) to protect shallow groundwater resources.

All lands are subject to Exhibit 1.6.2 (CSU) to protect groundwater resources during hydraulic fracturing.

The following lands are subject to Exhibit 1.7.1 (NSO) to protect Reservoirs and Lakes:

T.0420N., R.0130W., NMPM

Section 31: SENE,E2SW,SWSE;

Section 32: SWNW,NWSW;

All lands are subject to Exhibit 1.8.1 (Lease Notice) to protect against radioactive materials.

The following lands are subject to Exhibit 1.9.1 (NSO) to protect greater than 35% slopes:

T.0420N., R.0130W.,NMPM

Section 31: SWSE;

Section 32: W2NE,NENW,S2NW,SESW;

Section 33: N2NE;

All lands are subject to Exhibit 1.10.1 (CSU) to protect 25-35% slopes and shale soils.

All lands are subject to Exhibit 1.11.1 (NSO) to protect lands prone to mass movement.

All lands are subject to Exhibit 1.13.1 (CSU) to protect biological soil crusts.

All lands are subject to Exhibit 2.1.1 (NSO) to protect threatened, endangered, proposed and candidate plants.

All lands are subject to Exhibit 2.2.1 (CSU) to protect sensitive plants.

All lands are subject to Exhibit 3.8.1 (Lease Notice) to protect migratory birds.

All lands are subject to Exhibit 3.9.1 (NSO) to protect raptors.

All lands are subject to Exhibit 3.9.2 (TL) to protect raptors.

All lands are subject to Exhibit 3.10.1 (TL) to protect big game parturition areas.

All lands are subject to Exhibit 3.10.2 (CSU) to protect big game winter range and production areas.

All lands are subject to Exhibit 3.13.1 (NSO) to protect State Wildlife Areas.

All lands are subject to Exhibit CO-29 to alert lessee of PFYC 4 and 5 paleontological area inventory requirement.

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

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

PVT/BLM; COS:TRFO

PARCEL ID: 7371 SERIAL #: COC77458

T.0400N., R.0150W., NMPM

Section 27: E2E2,E2W2,SWNW,W2SW;

Section 34: ALL;

Dolores County

Colorado 1080.000 Acres

The following lands are subject to Exhibit 1.3.1 (NSO) to protect perennial water bodies:

T.0400N., R.0150W., NMPM

Section 27: E2E2,E2NW,SWNW,E2SW,SWSW;

Section 34: NE,E2NW,SW,N2SE,SESE;

The following lands are subject to Exhibit 1.3.2 (CSU) to protect perennial water bodies:

T.0400N., R.0150W., NMPM

Section 27: E2E2,E2NW,SWNW,E2SW,SWSW;

Section 34: SW,SESE;

All lands are subject to Exhibit 1.4.1 (NSO) to protect ephemeral streams.

All lands are subject to Exhibit 1.4.2 (CSU) to protect ephemeral streams.

All lands are subject to Exhibit 1.6.1 (CSU) to protect shallow groundwater resources.

All lands are subject to Exhibit 1.6.2 (CSU) to protect groundwater resources during hydraulic fracturing.

All lands are subject to Exhibit 1.8.1 (Lease Notice) to protect against radioactive materials.

The following lands are subject to Exhibit 1.9.1 (NSO) to protect greater than 35% slopes:

T.0400N., R.0150W., NMPPM

Section 27: SWNW,SW;

Section 34: SWNE,NW,N2SW,NWSE;

All lands are subject to Exhibit 1.10.1 (CSU) to protect 25-35% slopes and shale soils.

The following lands are subject to Exhibit 1.11.1 (NSO) to protect lands prone to mass movement:

T.0400N., R.0150W., NMPPM

Section 27: E2E2,NENW,SWNW,W2SW,SESW;

Section 34: ALL;

All lands are subject to Exhibit 1.13.1 (CSU) to protect biological soil crusts.

All lands are subject to Exhibit 2.1.1 (NSO) to protect threatened, endangered, proposed and candidate plants.

All lands are subject to Exhibit 2.2.1 (CSU) to protect sensitive plants.

All lands are subject to Exhibit 3.8.1 (Lease Notice) to protect migratory birds.

All lands are subject to Exhibit 3.9.1 (NSO) to protect raptors.

All lands are subject to Exhibit 3.9.2 (TL) to protect raptors.

The following lands are subject to Exhibit 3.11.1 (CSU) to protect Gunnison prairie dog:

T.0400N., R.0150W., NMPPM

Section 34: S2SW;

The following lands are subject to Exhibit 4.9.1 (NSO) to protect visual resources:

T.0400N., R.0150W., NMPPM

Section 27: E2NE,NESE;

Section 34: SWNE,NWSE;

All lands are subject to Exhibit CO-29 to alert lessee of PFYC 4 and 5 paleontological area inventory requirement.

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.

All lands are subject to Exhibit CO-39 to protect cultural resources.

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis.

PVT/BLM; COS:TRFO

EXHIBIT 1.3.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

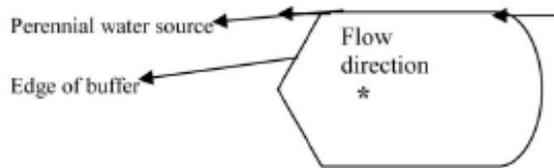
Perennial Streams, Water Bodies, Riparian Areas, and Fens

No surface occupancy or use is allowed on the lands described below: Prohibit surface occupancy and surface-disturbing activities within a minimum buffer distance of 325 horizontal feet for all perennial waters. For perennial streams, the buffer would be measured from the ordinary high water mark (bankfull stage), whereas for wetland features, the buffer would be measured from the edge of the mapped extent (Table H.1). For unmapped wetlands, the vegetative boundary (from which the buffer originates) would be determined in the field. Where the riparian zone extends beyond 325 feet, the NSO stipulation would be extended to include the entire riparian zone.

Table H.1: No Surface Occupancy Buffers for Perennial Waters

| Water Body Type | Buffer Width (feet) |
|--|--|
| Fens and wetlands | 325* |
| Perennial streams (with or without fish) | 325 (as measured from ordinary high water mark) |
| Lotic or lentic springs and seeps | 325 (as measured from wetland vegetation edge) |
| Riparian | 325 (or greater if riparian area is wider than 325 feet) |

*See Modification.



Wetland buffer dimensions may be averaged to accommodate variability in terrain or development plans. Up-gradient distances should be maintained (i.e., up- gradient buffer distances of 325 feet), while down-gradient buffers may be reduced to no less than 100 feet. The buffer averaging must, however, not adversely affect wetland functions and values, and a minimum buffer distance of 100 feet from the wetland edge is maintained. The buffer’s intent is to protect the water source area of the wetland, which is more important than the down-gradient portion of the wetland.

For the purpose of: Maintaining the proper functioning condition, including the vegetative, hydrologic and geomorphic functionality of the perennial water body. Protect water quality, fish habitat, aquatic habitat, and provide a clean, reliable source of water for downstream users. Buffers are expected to indirectly benefit migratory birds, wildlife habitat, amphibians, and other species.

Justification: Wetlands, floodplains, riparian areas, water influence zones, and fens represent important ecological components and functions, such as storing water, stabilizing valley floors,

EXHIBIT 1.3.1 (continued)

enhancing water quality, and providing recreation and aesthetic values, biological diversity, and wildlife species with habitat, water, food, cover, and travel routes. They are easily disturbed by ground-disturbing activities that can cause soil erosion, soil compaction, and adverse changes to the hydrologic function that is important to maintaining the hydrologic and ecological integrity of these lands.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.3.2

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

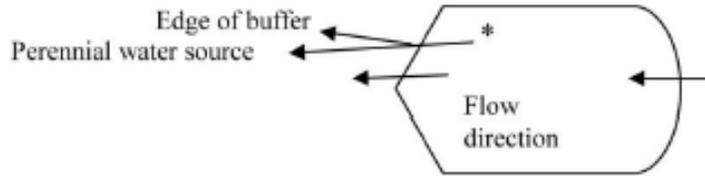
Perennial Streams, Water Bodies, Riparian Areas, and Fens

Surface occupancy or use is subject to the following special operating constraints: From 325 to 500 horizontal feet from the perennial water body, CSU restrictions would apply.

Surface-disturbing activities may require special engineering design, construction and implementation measures, including re-location of operations beyond 656 feet (200 meters) to protect water resources within the 325 foot NSO buffer. For perennial streams, the buffer would be measured from ordinary high water mark (bankfull stage), whereas for wetland features, the buffer would be measured from the edge of the mapped extent (Table H.2). For unmapped wetlands, the vegetative boundary (from which the buffer originates) would be determined in the field.

Table H.2: Controlled Surface Use buffers for perennial waters.

| Water Body Type | Buffer Width (feet) |
|--|---|
| Fens and wetlands | 325-500* |
| Perennial streams (with or without fish) | 325-500 (as measured from ordinary high water mark) |
| Lotic or lentic springs and seeps | 325-500 (as measured from wetland vegetation edge) |



For the purpose of: Maintaining the proper functioning condition, including the vegetative, hydrologic, and geomorphic functionality of the perennial water body, to protect water quality, fish habitat, and aquatic habitat and provide a clean, reliable source of water for downstream users. Buffers are expected to indirectly benefit migratory birds, wildlife habitat, amphibians, and other species.

Justification: Minimizing potential deterioration of water quality; maintaining natural hydrologic function and condition of stream channels, banks, floodplains, and riparian communities; and preserving wildlife habitat. The buffers are sized to accommodate the rivers' larger floodplains and wider riparian zones.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

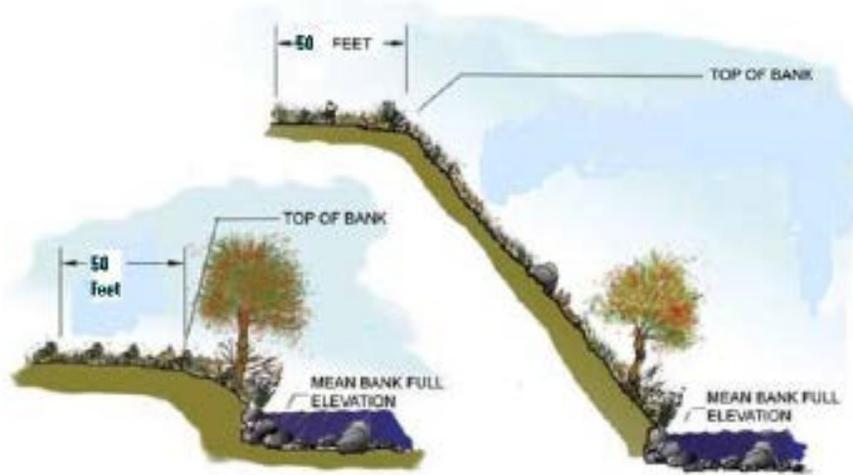
EXHIBIT 1.4.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

Intermittent and Ephemeral Streams

No surface occupancy or use is allowed in the lands described below: NSO of 50 horizontal feet as measured from the top of the stream bank for all intermittent or ephemeral streams (see diagram). If riparian vegetation extends beyond the top of the stream bank, the buffer would be measured from the extent of the riparian vegetation.



For the purpose of: Maintaining and protecting water quality, stream stability, aquatic health, seasonal use and downstream fisheries, and sediment processes downstream.

Justification: Minimizing potential deterioration of water quality and maintaining natural hydrologic function and condition of stream channels, banks, floodplains, and riparian communities.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.4.2

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Intermittent and Ephemeral Streams

Surface occupancy or use is subject to the following special operating constraints: CSU from the edge of the NSO buffer to 100 horizontal feet. Avoid locating roads, stream crossings, and facilities within this zone, because activities within this area can potentially affect streams and water quality. Adequate professional design and engineering of activities in this zone is necessary to prevent stormwater runoff and sedimentation. Measurement is from the top of the stream bank, although if wetland vegetation exists, then the measurement is from the vegetation's edge.

For the purpose of: Minimizing the risk of sedimentation, spills, and other contaminants reaching intermittent and/or ephemeral streams to protect water quality, stream function, and aquatic habitat.

Justification: CSU in this zone would minimize potential deterioration of water quality, maintain natural hydrologic function and condition of stream channels, banks, floodplains, and riparian communities.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.6.1

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Groundwater Resources (shallow)

Surface occupancy or use is subject to the following special operating constraints: Oil and gas surface operations over shallow (<2,000 feet) potentially usable groundwater (<10,000 total dissolved solids) shall use the following protection measures:

- Pitless, self-contained drilling systems.
- In the completion of an oil, gas, injection, disposal, or service well, where acidizing or fracture processes are used, no deleterious substances shall be permitted to pollute subsurface water.
- Flowback and stimulation fluids would be contained within tanks that are placed on a well pad or in a lined, bermed area.
- Fluids, additives, and other materials used for drilling and completion operations must be protective of public health and the environment in the areas where they are used.
- For well where a multi-stage high volume hydraulic fracturing is anticipated, the operators shall indicate the method used to handle, transport, and dispose of the recovered fluids.

For the purpose of: Minimizing the risk of spills and other contaminants reaching potentially usable groundwater with a water table up to 2,000 feet that is near the surface.

Justification: CSU would minimize the risk of water quality contamination and maintain the integrity of potentially usable groundwater resources for present and future uses.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.6.2

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Groundwater Resources

Surface occupancy or use is subject to the following special operating constraints: Oil and gas operations using multi-stage hydraulic fracturing shall use the following measures to protect potentially usable water bearing intervals:

- The placement of all stimulation fluids shall be confined to the objective formation to the extent practicable.
- In all directions a minimum of 2,500 feet of buffer distance (or greater if deemed necessary by BLM) between the well bore (production string) and the lower extent of shallow (<2,000 feet), potentially usable groundwater (<10,000 total dissolved solids) aquifer, shall be maintained so that fractures from the hydraulic fracturing process do not intersect shallow aquifers.
- A continuous column of cement shall extend from the surface casing shoe back to ground level. If cement is not circulated to surface, then a remedial cement job shall be performed to ensure complete cement coverage.
- A cement bond log shall be required in the surface string.
- Surface casing set depth shall be at least 50 feet below any potentially usable water bearing interval.
- Pitless, self-contained drilling systems.
- In the completion of an oil, gas, injection, disposal, or service well, where acidizing or fracture processes are used, no deleterious substances shall be permitted to pollute subsurface water.
- Fluids, additives, and other materials used for drilling and completion operations must be protective of public health and the environment in the areas where they are used.
- Operators shall indicate the method used to handle, transport, and dispose of the recovered fluids.
- Upon request of the BLM, operators shall provide reports that disclose the complete chemical makeup of all materials used in the proposed and actual drilling and stimulation fluids without regard to original source additive.

For the purpose of: Protecting potentially usable groundwater.

Justification: CSU would minimize the risk of groundwater contamination and maintain the integrity of potentially usable water bearing intervals for present and future uses.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.7.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

Reservoirs and Lakes

No surface occupancy or use is allowed on the lands described below: For reservoirs and lakes one acre or larger as measured by the high water mark, NSO is stipulated within 0.25 mile of the high water shoreline.

For the purpose of: Protecting water quality and the scenic, recreation, wetland, and wildlife values associated with the lake or reservoir and its shoreline.

Justification: Oil and gas development is incompatible with the emphasized use of these areas.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.8.1

Lease Number: <LEASE_NUMBER>

LEASE NOTICE

Technologically Enhanced Naturally Occurring Radioactive Materials

Oil and gas operations targeting shale formations have the potential to bring to the surface, and concentrate, naturally occurring radioactive materials. These operations can lead to the spread of radioactive contamination and potential human health risks. Wells targeting shale gas plays are subject to the following special sampling requirements:

- All exploratory wells targeting shale gas formations shall obtain a representative sample of cuttings from the targeted formation and complete analysis in accordance with General Provision 3.1.6 of the Colorado Department of Public Health and the Environment (CDPHE) Interim Policy and Guidance Pending Rulemaking for Control and Disposition of Technologically-Enhanced Naturally Occurring Radioactive Materials in Colorado, or the equivalent provisions of any future rulemaking decision. The results shall be provided to the SJNF and TRFO.
- During the first multi-stage hydraulic fracturing of a well targeting shale gas in any given section, representative samples of cuttings, flowback fluids, produced waters, and sludge shall be analyzed in accordance with General Provision 3.1.6 of the CDPHE Interim Policy and Guidance Pending Rulemaking for Control and Disposition of Technologically-Enhanced Naturally Occurring Radioactive Materials in Colorado, or the equivalent provisions of any future rulemaking decision. The results shall be provided to the SJNF and TRFO.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.9.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

Lands with Slopes Greater Than 35 Percent

No surface occupancy is allowed on the lands described below: Lands with slopes greater than 35 percent.

For the purpose of: Preventing mass movement and the associated loss of soil productivity, preventing damage to structures and equipment, and protecting riparian areas, wetlands, and aquatic ecosystems from sedimentation and for safety reasons.

Justification: Slopes greater than 35 percent have high to very high potential for mass movement and excessive sheet erosion especially when they are impacted by ground-disturbing management activities. These lands are also very difficult to reclaim following disturbance.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.10.1

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Lands with 25 to 35 Percent Slopes and Lands with Shale Soils

Surface occupancy or use is subject to the following special operating constraints: Management activities proposed on those lands would require the lessee to submit an operating plan to an authorized official, which may include special design, construction, and implementation measures (including the relocation of operations by more than 650 feet) that describes how soil erosion, soil compaction, and runoff would be prevented or minimized, and how disturbed sites would be reclaimed.

For the purpose of: Preventing soil erosion, soil compaction, and runoff and the associated loss of soil productivity, and protecting riparian areas, wetlands, and aquatic ecosystems from sedimentation.

Justification: Lands with slopes of 25% to 35% and lands with shale soils have moderate to high potential for soil erosion, soil compaction, and runoff particularly when they are impacted by ground-disturbing management activities.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.11.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

Lands Prone to Mass Movement

No surface occupancy is allowed on the lands described below: Lands prone to mass movement and lands within a 100-foot buffer around those lands. Lands prone to mass movement include canyon escarpments, hill/mountain dipslopes, lands with unstable geologic formations (including the Morrison, Mancos Shale, Lewis Shale, and Fruitland Formations on the SJNF and TRFO), lands that display evidence of past mass movement (including landslides, landflows, and landslumps), lands lacking vegetation (badlands and burned areas), lands with slopes greater than 35%, and lands associated with map units that have high or very high potential for mass movement (including soil survey map units 254, 386, 606, 720, 926, 20511D, 30506D, 34301D, 34306D, 34506D, 50803D, 50806D, 70806D, 70807D, 74803D, 80604D, 80803D, and 80804D).

For the purpose of: Preventing mass movement and the associated loss of soil productivity, as well as damage to structures and equipment, and for safety reasons.

Justification: The potential for mass movement and its adverse affects is high to very high for lands prone to mass movement especially when those lands are impacted by ground-disturbing activities. Mass movement could cause ruptured pipelines, water/oil/condensate spills, gas explosions, and damaged storage tanks, and could cause injury to people. Those lands are also very difficult to reclaim.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 1.13.1

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Lands with Biological Soil Crusts

Surface occupancy or use is subject to the following special operating constraints: On lands with biological soil crusts exhibiting a Level of Darkness class of 4 or above on the soil surface (see Belnap et al. 2008). Management activities proposed on those lands would require the lessee to submit an operating plan to an authorized BLM or USFS official, which may include special design, construction, and implementation measures (including the relocation of operations by more than 650 feet) that describes how impacts to biological soil crusts would be prevented or minimized, and how disturbed sites would be reclaimed.

For the purpose of: Protecting biological soil crusts and the important ecosystems in which they occur.

Justification: Biological soil crusts (also known as microbiotic or cryptogamic crusts) are unique components of biodiversity and important components of the semi-desert shrublands, semi-desert grasslands, sagebrush shrublands, and pinyon-juniper woodlands on the SJNF and TRFO. They play an important role in ecosystem restoration, they are very sensitive to disturbances, and they are very slow to recover from disturbances (Bowker 2007). Ground-disturbing activities could cause direct effects to biological soil crusts including mortality and could cause soil erosion and soil compaction to the associated soils, which could adversely affect the crusts habitat.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 2.1.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

Threatened or Endangered Plants, Plants Proposed for Federal Listing, or Candidate Plants for Federal Listing

No surface occupancy is allowed on the lands described below: Lands occupied by plant species that are federally listed (threatened or endangered), proposed for federal listing, or candidates for federal listing; lands designated as critical habitat for federally listed species; and lands within a 650 foot (i.e., 200 meter) buffer around all those lands.

For the purpose of: To protect rare plant species and their critical habitat from direct and indirect impacts associated with management actions that could adversely affect their viability and could lead to their extinction.

Justification: Management actions on the SJNF and TRFO could affect federally listed plant species (threatened or endangered), plant species proposed for federal listing, and plant species that are candidates for federal listing; and could affect the critical habitat for those species, which could adversely affect the viability of those species and could lead to their extinction.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 2.2.1

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Colorado Bureau of Land Management State Director's Sensitive Plants and Region 2 Regional Forester's Sensitive Plants

Controlled surface use is allowed on the lands described below: Lands occupied by Colorado BLM State Director's Sensitive Plant Species, Region 2 Regional Forester's Sensitive Plant Species, and on lands within a 325-foot buffer around lands occupied by those plant species. Management activities proposed on those lands would require the lessee to submit an operating plan to a BLM Authorized Official, which may include special design, construction, and implementation measures (including the relocation of operations by more than 650 feet) that describes how impacts to BLM State Director's Sensitive Plant Species and Region 2 Regional Forester's Sensitive Plant Species would be prevented or minimized and how disturbed sites would be reclaimed.

For the purpose of: Protecting rare plant species and their habitat from direct and indirect impacts associated with management actions that could adversely affect those rare plants.

Justification: Management actions on the SJNF and TRFO could affect Colorado BLM State Director's Sensitive Plant Species, Region 2 Regional Forester's Sensitive Plant Species, and their habitat, which could adversely affect the viability of those species and could lead to a trend to federal listing under the Endangered Species Act.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.2.1

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Lynx Habitat – Landscape Linkage, Denning and Winter Foraging Habitat

Surface occupancy or use is subject to the following special operating constraints: Limitations on surface use and/or operational activities may be required. TL (especially during winter and/or in lynx habitat) and restrictions on snow compaction activities may be applied in consultation with the USFWS as necessary to protect habitat and linkage area function and limit access by potential lynx competitors. Actions would be consistent with direction found in the Lynx Conservation Assessment and Strategy, best available science as determined by the managing agencies and the USFWS, and/or the Southern Rockies Lynx Amendment, each where applicable.

On the lands described below:

- Within identified current active denning locations
- Within identified landscape linkage areas
- Within identified lynx habitat in a Lynx Analysis Unit (LAU)

For the purpose of: Protection of lynx and lynx habitat in compliance with the Endangered Species Act. H-20 Appendix H - Oil and Gas Leasing Stipulations

Justification: The Canada lynx is a threatened species, with suitable habitat within portions of the SJNF and TRFO. CSU would apply in these habitat areas to protect the habitat and the species.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.8.1

Lease Number: <LEASE_NUMBER>

LEASE NOTICE

Migratory Birds

Avoid or minimize disruption of migratory bird nesting activity by siting or prioritizing vegetation clearing, facility construction, and concentrated operational activities (e.g., drilling, completion, utility installation) to avoid the involvement of higher value migratory bird habitats, particularly during the core migratory bird nesting season (April 1–July 15).

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.9.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

Eagles, All Accipiters, Falcons, Buteos, and Owls

No surface occupancy or use is allowed on the lands described below: Within specified distance from nest and communal winter roost sites, NSO would be allowed. Distances are listed in Table H.3.

For the purpose of: Provide adequate nesting and roost sites to support species populations.

Justification: These raptor species are known to have failed reproduction and abandon nests and communal winter roost sites when human activity occurs within the specified buffer distances from these sites. To increase the likelihood of successful reproduction and recruitment of these species, and to provide adequate roost sites for utilization of their habitat, NSO would be permitted within the specified buffer distances from nest and roost sites (see Table H.3).

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.9.1 (continued)

Table H.3: Raptor Conservation Measures

| Species | Impact/Risk | Time Frame | Buffer Distance Restrictions | Reference |
|------------------|---|--|---|---------------|
| Golden eagle | Disturbance | December 15– July 15 | Project-related activity should not occur within a 0.5 mile of nest during nesting season. (G) | CPW 2008 |
| Golden eagle | Structural improvements * | Year round | New structures must not occur within 0.5-mile radius of active nest. (S) | CPW 2008 |
| Bald eagle | Disturbance | November 15– July 15 | Project-related activity should not occur within 0.5 mile of nest during nesting season. (G) | SJNF and TRFO |
| Bald eagle | Structural improvements * | Year round | New structures must not occur within a 0.5-mile radius of active nest. (S) | SJNF and TRFO |
| Bald eagle | Disturbance | November 15– March 15 | Project-related activity should not occur within a 0.25-mile radius (indirect line of sight) or a 0.5-mile radius (direct line of sight) of communal winter roost site. Limit activity between 1000 and 1400 hours if encroachment would occur within buffer zones. (G) | CPW 2008 |
| Bald eagle | Structural improvements * | Year round | New structures must not occur within 0.5 mile of communal roost site (S) | SJNF and TRFO |
| Bald eagle | Disturbance and structural improvements * | Site specific, to be determined by the project biologist | For preferred diurnal hunting perch | CPW 2008 |
| Osprey | Disturbance ** | April 1–August 31 | Project-related activity should not occur within a 0.25-mile of nest during nesting season. | SJNF and TRFO |
| Osprey | Structural improvements * | Year-round | New structures should not occur within a 0.25-mile radius of active nest. (G) | CPW 2008 |
| Red-tailed hawk | Disturbance | March 1–July 15 | Project-related activity should not occur within 0.125 to 0.25 mile of nest during nesting season, as determined by the project biologist. (G) | SJNF and TRFO |
| Red-tailed hawk | Structural improvements * | Year-round | New structures should not occur within 0.25-mile radius of active nest. (G) | SJNF and TRFO |
| Peregrine falcon | Disturbance | March 15–July 31 | Project-related activity should not occur within 0.5 mile of nest during nesting season. | CPW 2008 |
| Peregrine falcon | Structural improvements * | Year-round | New structures must not occur within 0.5 mile radius of active cliff nest complex. (S) | CPW 2008 |
| Prairie falcon | Disturbance | March 15–July 15 | Project-related activity should not occur within 0.5 mile of nest during nesting season. (G) | CPW 2008 |
| Prairie falcon | Structural | Year-round | New structures must not occur | CPW 2008 |

EXHIBIT 3.9.1 (continued)

| Species | Impact/Risk | Time Frame | Buffer Distance Restrictions | Reference |
|---|---------------------------|---------------------|--|---------------------|
| | improvements * | | within a 0.5-mile radius of active nest. | |
| Northern goshawk | Disturbance | March 1– August 31 | Project-related activity should not occur within 0.5 mile of nest during nesting season. (G) | SJNF and TRFO |
| Northern goshawk | Structural improvements * | Year-round | New structures should not occur within a 0.5-mile radius of active nest. (G) | CPW 2008 |
| Burrowing owl | Disturbance | March 15– August 15 | Project-related activity should not occur within 0.25 mile of nest burrows when owls may be present during nesting season. (G) | SJNF and TRFO |
| Burrowing owl | Structural improvements * | Year-round | New structures should not occur within a 0.25-mile radius of active nests or within occupied habitat. (G) | Romin and Muck 2002 |
| All other accipiter, buteo, falcon, harrier, and owls | Disturbance ** | Varied by species | Determination of the application of these specific seasonal restrictions, TL, and/or buffer distances should be made by the project biologist, guided by agency requirements, along with professional knowledge and experience. They would be considered on a case by case basis, taking into consideration site-specific factors such as topography, vegetation, species of raptor, historic patterns of human activity and infrastructure, and observed behaviors of individual birds (G) | Romin and Muck 2002 |
| All other accipiter, buteo, falcon, harrier, and owls | Structural improvements * | Varied by species | Determination of the application of these specific seasonal restrictions, TL, and/or buffer distances should be made by the project biologist, guided by agency requirements, along with professional knowledge and experience. They would be considered on a case by case basis, taking into consideration site-specific factors such as topography, vegetation, species of raptor, historic patterns of human activity and infrastructure, and observed behaviors of individual birds. (G) | Romin and Muck 2002 |

* Structures include improvements such as roads, radio towers, oil wells, etc., proposed following nest establishment and is not intended to include structures that historically occurred in the area.

** This does not apply to historic levels and patterns of disturbance under which the nest was established and is intended to apply to additional levels and change in disturbance patterns.

Note: "S" indicates an LRMP standard and "G" indicates an LRMP guideline.

EXHIBIT 3.9.2

Lease Number: <LEASE_NUMBER>

TIMING LIMITATION

Eagles, All Accipiters, Falcons, Buteos, and Owls

No surface use is allowed during the following time period(s): A TL would be applied to lease activities, if surface occupancy is allowed. The TL would apply to all development activities (construction, drilling, workovers, operation, and maintenance). The duration of the timing limitation is species-dependent, and the timing limitation subject to this stipulation are shown in Table H.3.

For the Purpose of:

Justifications: These raptor species are known to have failed reproduction and abandon nests and communal winter roost sites when human activity occurs within the specified buffer distances from these sites. To increase the likelihood of successful reproduction and recruitment of these species, and to provide adequate roost sites for utilization of their habitat, NSO would be permitted within the specified buffer distances from nest and roost sites (see Table H.3).

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.9.2 (continued)

Table H.3: Raptor Conservation Measures

| Species | Impact/Risk | Time Frame | Buffer Distance Restrictions | Reference |
|------------------|---|--|---|---------------|
| Golden eagle | Disturbance | December 15– July 15 | Project-related activity should not occur within a 0.5 mile of nest during nesting season. (G) | CPW 2008 |
| Golden eagle | Structural improvements * | Year round | New structures must not occur within 0.5-mile radius of active nest. (S) | CPW 2008 |
| Bald eagle | Disturbance | November 15– July 15 | Project-related activity should not occur within 0.5 mile of nest during nesting season. (G) | SJNF and TRFO |
| Bald eagle | Structural improvements * | Year round | New structures must not occur within a 0.5-mile radius of active nest. (S) | SJNF and TRFO |
| Bald eagle | Disturbance | November 15– March 15 | Project-related activity should not occur within a 0.25-mile radius (indirect line of sight) or a 0.5-mile radius (direct line of sight) of communal winter roost site. Limit activity between 1000 and 1400 hours if encroachment would occur within buffer zones. (G) | CPW 2008 |
| Bald eagle | Structural improvements * | Year round | New structures must not occur within 0.5 mile of communal roost site (S) | SJNF and TRFO |
| Bald eagle | Disturbance and structural improvements * | Site specific, to be determined by the project biologist | For preferred diurnal hunting perch | CPW 2008 |
| Osprey | Disturbance ** | April 1–August 31 | Project-related activity should not occur within a 0.25-mile of nest during nesting season. | SJNF and TRFO |
| Osprey | Structural improvements * | Year-round | New structures should not occur within a 0.25-mile radius of active nest. (G) | CPW 2008 |
| Red-tailed hawk | Disturbance | March 1–July 15 | Project-related activity should not occur within 0.125 to 0.25 mile of nest during nesting season, as determined by the project biologist. (G) | SJNF and TRFO |
| Red-tailed hawk | Structural improvements * | Year-round | New structures should not occur within 0.25-mile radius of active nest. (G) | SJNF and TRFO |
| Peregrine falcon | Disturbance | March 15–July 31 | Project-related activity should not occur within 0.5 mile of nest during nesting season. | CPW 2008 |
| Peregrine falcon | Structural improvements * | Year-round | New structures must not occur within 0.5 mile radius of active cliff nest complex. (S) | CPW 2008 |
| Prairie falcon | Disturbance | March 15–July 15 | Project-related activity should not occur within 0.5 mile of nest during nesting season. (G) | CPW 2008 |
| Prairie falcon | Structural | Year-round | New structures must not occur | CPW 2008 |

EXHIBIT 3.9.2 (continued)

| Species | Impact/Risk | Time Frame | Buffer Distance Restrictions | Reference |
|---|---------------------------|---------------------|--|---------------------|
| | improvements * | | within a 0.5-mile radius of active nest. | |
| Northern goshawk | Disturbance | March 1– August 31 | Project-related activity should not occur within 0.5 mile of nest during nesting season. (G) | SJNF and TRFO |
| Northern goshawk | Structural improvements * | Year-round | New structures should not occur within a 0.5-mile radius of active nest. (G) | CPW 2008 |
| Burrowing owl | Disturbance | March 15– August 15 | Project-related activity should not occur within 0.25 mile of nest burrows when owls may be present during nesting season. (G) | SJNF and TRFO |
| Burrowing owl | Structural improvements * | Year-round | New structures should not occur within a 0.25-mile radius of active nests or within occupied habitat. (G) | Romin and Muck 2002 |
| All other accipiter, buteo, falcon, harrier, and owls | Disturbance ** | Varied by species | Determination of the application of these specific seasonal restrictions, TL, and/or buffer distances should be made by the project biologist, guided by agency requirements, along with professional knowledge and experience. They would be considered on a case by case basis, taking into consideration site-specific factors such as topography, vegetation, species of raptor, historic patterns of human activity and infrastructure, and observed behaviors of individual birds (G) | Romin and Muck 2002 |
| All other accipiter, buteo, falcon, harrier, and owls | Structural improvements * | Varied by species | Determination of the application of these specific seasonal restrictions, TL, and/or buffer distances should be made by the project biologist, guided by agency requirements, along with professional knowledge and experience. They would be considered on a case by case basis, taking into consideration site-specific factors such as topography, vegetation, species of raptor, historic patterns of human activity and infrastructure, and observed behaviors of individual birds. (G) | Romin and Muck 2002 |

* Structures include improvements such as roads, radio towers, oil wells, etc., proposed following nest establishment and is not intended to include structures that historically occurred in the area.

** This does not apply to historic levels and patterns of disturbance under which the nest was established and is intended to apply to additional levels and change in disturbance patterns.

Note: "S" indicates an LRMP standard and "G" indicates an LRMP guideline.

EXHIBIT 3.10.1

Lease Number: <LEASE_NUMBER>

TIMING LIMITATION

Big Game Parturition

No surface use is allowed during the following time period(s): In areas mapped as big game parturition areas for:

- Pronghorn antelope fawning areas (on SJNF and TRFO lands this includes the overall range for the species): May 1 through July 1
- Elk calving areas: May 15 through June 30
- Rocky Mountain bighorn sheep lambing: April 15 through June 30
- Desert bighorn sheep lambing: February 1 through May 1

For the purpose of: Parturition areas are critical habitat in maintaining herd sustainability. Disturbance during critical times can result in mortality and loss of reproductive recruitment into the population.

Justifications: In order to reduce behavioral disruption during parturition and early young rearing period.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.10.2

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Severe Winter Range, Winter Concentration and Mule Deer Critical Winter Range and Big Game Production Areas

Surface occupancy or use is subject to the following special operating constraints: In order to provide for healthy ungulate populations capable of meeting state population objectives, anthropomorphic activity and improvements should be designed to maintain and continue to provide effective habitat components that support critical life functions. This includes components of size and quality on the landscape providing connectivity to seasonal habitats (wildlife travel corridors), production areas, severe winter range, and winter concentration areas, along with other habitat components necessary to support herd viability.

For the purpose of: Protecting priority habitats such as winter concentration areas for big game in order to prevent abandonment of critical habitat, and to maintain reproductive success, recruitment, and survival.

Justification: There is a growing body of evidence that TL stipulations on oil and gas development activities are not adequate to protect critical winter habitat and migratory corridors for big game. Managing the concentration and development such as drilling, construction, and the density of surface facilities may be necessary to maintain big game populations in developing areas. Examples may include surface disturbance caps, collocation of facilities, and central gathering facilities, noise reduction, and efforts to minimize traffic and road densities. Routine production activities would be allowed, however workover activities should be handled on a case by case basis.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.11.1

Lease Number: <LEASE_NUMBER>

CONTROLLED SURFACE USE

Gunnison Prairie Dog

Surface occupancy or use is subject to the following special operating constraints: A survey of the lease area may be required to determine occupation of Gunnison prairie dog. Development of lease parcels that include prairie dog towns would require one or more of the following conservation measures prior to and during lease development:

- Develop a surface use plan of operations with the managing agencies that integrates and coordinates long-term lease development with measures necessary to minimize adverse impacts to prairie dog populations or their habitat.
- Abide by special daily and seasonal restrictions on construction, drilling, product transport, and service activities during the reproductive period (March 1–June 15).
- Incorporate special modifications to facility siting, design, construction, and operation, or NSO to minimize involvement of prairie dog burrow systems.

For the purpose of: Maintaining the integrity and extent of prairie dog complexes, and protecting high value wildlife habitat and recreation values associated with designated state wildlife areas.

Justification: Gunnison prairie dog is a designated sensitive species by the managing agencies and a keystone species for the ecosystem.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 3.13.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

State Wildlife Areas -

No surface occupancy is allowed on the lands described below: In state wildlife areas that have federal mineral estate underlying them. NSO and other mitigations would be determined by the managing Agencies in cooperation with CPW. For Perins Peak state wildlife area, this NSO includes the adjacent BLM lands that in combination comprise the Perins Peak Habitat Management Area.

For the purpose of: Protect high value wildlife habitat and recreation values associated with designated state wildlife areas.

Justification: The State of Colorado is a partner in natural resource management. Many state wildlife areas were purchased and established utilizing federal dollars to accomplish common management objectives complementing similar managements on the planning area.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT 4.9.1

Lease Number: <LEASE_NUMBER>

NO SURFACE OCCUPANCY

High Scenic Integrity Objective and Visual Resource Management Class II Areas -

No surface occupancy or use is allowed on the lands described below: Foreground areas with a high scenic integrity objective or Visual Resource Management (VRM) Class II. (Note: very high scenic integrity objective and VRM Class I are all within wilderness, recommended wilderness, and wilderness study areas and are therefore not available for lease.)

For the purpose of: Protecting the scenic values of these areas.

Justification: These are the areas where viewers have an expectation for high scenic integrity within the foreground viewshed, and where the landscape is to be managed for an overall high scenic integrity objective. Oil and gas exploration and production is typically incompatible with the maintenance of a high scenic integrity and generally inconsistent with protection of valued cultural viewsheds. Oil and gas development introduces industrial facilities and ground disturbance which contrast with natural features.

Exceptions, modifications, and waivers would be considered for BLM leases.

On the lands described below:

<LEGAL_DESCRIPTIONS>

EXHIBIT CO-29

Lease Number: <LEASE_NUMBER>

LEASE NOTICE

The lessee is hereby notified that prior to any surface disturbing activities, an inventory of paleontological resources (fossils) may be required. Mitigation may be required such as monitoring in any area of PFYC 4 or 5 and also upon the discovery of any vertebrate fossil or other scientifically important paleontological resource. Mitigation of scientifically important paleontological resources may include avoidance, monitoring, collection, excavation, or sampling. Mitigation of discovered scientifically important paleontological resources may require the relocation of the surface disturbance activity over 200 meters. Inventory and any subsequent mitigation shall be conducted by a BLM permitted paleontologist.

On the lands described below:

<LEGAL_DESCRIPTIONS>

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-56

Lease Number: <LEASE_NUMBER>

LEASE NOTICE

Due to potential air quality concerns, supplementary air quality analysis may be required for any proposed development of this lease. This may include preparing a comprehensive emissions inventory, performing air quality modeling, and initiating interagency consultation with affected land managers and air quality regulators to determine potential mitigation options for any predicted significant impacts from the proposed development. Potential mitigation may include limiting the time, place, and pace of any proposed development, as well as providing for the best air quality control technology and/or management practices necessary to achieve area-wide air resource protection objectives. Mitigation measures would be analyzed through the appropriate level of NEPA analysis to determine effectiveness, and will be required or implemented as a permit condition of approval (COA). At a minimum, all projects and permitted uses implemented under this lease will comply with all applicable National Ambient Air Quality Standards and ensure Air Quality Related Values are protected in nearby Class I or Sensitive Class II areas that are afforded additional air quality protection under the Clean Air Act (CAA).

On the lands described below:

<LEGAL_DESCRIPTION>