# BLM Eastern States

## Notice of Competitive Oil and Gas Internet-Based Lease Sale

# December 13, 2016

**https://www.energynet.com/gov_listing.pl**

*Office Address*:
**20 M Street SE, Suite 950**
**Washington, D.C. 20003**
**Telephone: 202.912.7700**

*Sale Location*:
**https://www.energynet.com/gov_listing.pl**

BLM Eastern States

**United States Department of the Interior**
Bureau of Land Management
Eastern States
20 M Street SE, Suite 950
Washington, DC 20003
http://www.es.blm.gov

**October 14, 2016**

# Notice of Competitive Oil and Gas Internet-Based Lease Sale

In accordance with the *Mineral Leasing Act*, 30 U.S.C. 226(b)(1), as amended by the *National Defense Authorization Act for Fiscal Year 2015* (Pub. L. 113-291, 128 Stat. 3762) (Dec. 19, 2014), and the BLM regulations at 43 CFR 3120, the Bureau of Land Management (BLM) is offering ***35*** parcels at an internet-based onshore oil and gas competitive lease sale. The ***35*** parcels (totaling ***1,676.29*** acres), include Federal land in the States of Arkansas (***1*** parcel for ***35.57*** acres), Mississippi (***1*** parcel for ***40.03*** acres), and Ohio (***33*** parcels for ***1,600.69*** acres). This notice describes:

- The date, 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
- How to file a protest

Attached is a list of the lands we are offering by serial number, parcel number, and land description. We have included any stipulations, lease notices, special conditions, or restrictions that will be made a part of the lease at the time we issue it. We have also identified those parcels where the United States owns less than ***100*** percent interest in the oil and gas mineral rights, and have pending presale noncompetitive offers to lease which are available for noncompetitive offers to lease if they receive no bid at this sale.

For your convenience, a map showing the sale parcels, the list of lands, and the Shapefiles are also available at our public Internet site: http://www.blm.gov/es as well as www.energynet.com.

**When and where will the sale take place?**

**When**: The sale date is ***Tuesday, December 13, 2016***. The open bidding period will begin at ***8:00 am EST (7:00 am CST)***. Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for **three hours**, from start to finish and bids will be accepted **only** during a parcel's open bidding period.

**Where:** The sale will be held online at https://www.energynet.com/. Click the Government Lease Sales icon to view the sale site. Parcels may be viewed online at the EnergyNet website approximately 10 business days after posting of this sale notice on the BLM website.

**Access:** The auction website is open to the public. The internet-based lease sale can be observed in real-time. However, you must register as a bidder on the website, in advance, in order to submit bids for a parcel. The auction website will be active and available for use approximately 10 days after the date of this Notice of Competitive Oil and Gas Internet-Based Lease Sale and will remain available for viewing until the completion of the auction. The available parcels listed below will be detailed on the website, and the information displayed on the website during the offering period represents the authoritative record. Interested parties may visit the website at any time. Potential bidders may register for the online auction as soon as the auction website is active and are encouraged to do so early. Bidders must be registered for the online lease sale before the bidding commences. Further, potential bidders are encouraged to visit the website prior to the start of the open bidding period to become familiar with the site and review the bidding tutorial. Supporting documentation is available on the website to familiarize new users to the process and answer frequently asked questions.

**How will the sale be conducted?**

The sale will be conducted ***by online bidding only***. The online auction design will be a sequential ascending clock, fixed period, English auction. Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for **3 hours**, from start to finish. Bids will only be accepted for each parcel during its open bidding period and each parcel will close bidding sequentially so that each bidder will know if they are the highest winning bidder on a parcel before subsequent parcels close for bidding. The website will display each current high bid, and the high bid bidder's number. The winning bid is the highest bid per acre received, equal to or exceeding the minimum acceptable bid, which is on record in the online auction system by the close of the auction period. The online system provides for two types of bids: a flat bid per acre, or a maximum bid, also per acre. The system allows participants to submit either type of bid, or both. Maximum bids allow a bidder to participate in the online auction without having to be logged into the website at the time the auction period closes. The auction website provides a full explanation of placing maximum bids, as well as an explanation of how they work to place bids on your behalf to maintain your high bidder status up to the chosen maximum bid amount. The BLM strongly encourages potential bidders to review the bidding tutorial on the auction website in advance of the online lease sale.

**How do I participate in the bidding process?**

To participate in the BLM bidding process, one must register and obtain a bidder number before the start of the auction. Approximately 10 days after posting of this notice on the BLM website,

a potential bidder can register to bid at the auction website address above. Bidders are encouraged to register early, to familiarize themselves with the bidding instructions and ensure they have ample time to complete all the required bidder registration steps before the open bidding period commences.

If an entity is bidding for more than one party, they must register separate credentials, satisfy all registration requirements and obtain a separate bidder number for each company or individual they wish to represent.

When registering as a bidder on the auction website, you will also 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 terms of the lease and pay monies owed. Further, you will acknowledge, through self-certification of the enhanced bidder form, that you understand that 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), or any monies owed EnergyNet for a previous oil and gas lease auction conducted by EnergyNet for any BLM office, 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 the bidder settles that debt to the United States. 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.

You do not have to be "present" in the auction in order to participate as a bidder. The online auction provides a "maximum bid" bidding option. By using this "maximum bid" option, you are asking the system to bid automatically on your behalf, up to an amount you specify.

**What is the sale process?**

Starting at the posted opening date and time for each parcel:

- All bids are on the gross (total) per-acre basis, rounded up to whole acres, for the entire acreage in the parcel;

- All bids are made in minimum increments of $1.00 per acre, or fraction of an acre thereof;
- The winning bid is the highest received bid, equal to or exceeding the minimum acceptable bid, which is on record in the online auction system at the close of the auction period; and
- **The decision of the Bureau of Land Management, as presented on the auction website's bid history at www.energynet.com, 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 100.51 acres requires a minimum bid of $202 ($2 x 101 acres).

You cannot withdraw a bid once a bid is placed and the system determines that you are the high bidder, whether the bid was a flat bid or a maximum bid.

**How long will the sale last?**

Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for **three *hours***, from start to finish. The length of the sale depends on the number of parcels we are offering.

**What conditions apply to the lease sale?**

- **Parcel withdrawal or sale postponement:** 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 Eastern States State Office Information Access Center (Public Room) before the sale begins. Additionally, the auction website will clearly indicate that a parcel is withdrawn. If we postpone the sale, a clear notice will be posted in the State Office Information Access Center and on the auction website.

- **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 as part of the parcel listing. 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 199.31 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 acreage.

- **Payment due:** You cannot withdraw a bid. Your bid is a legally binding contract. For **each parcel** for which you are the successful high bidder, 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**. These are monies you owe the United States, whether or not a lease is issued. You must provide notification of the payment process of these monies by 4:30 pm EST the day the auction closes. Payment will be made directly to the BLM Eastern States Office, or as otherwise directed by the BLM. Payments to the BLM will not be made through the auction website. At the conclusion of each parcel's bidding period, the winning bidder will be provided instructions by the online auction system about how to make the required payment to BLM. You will be required to pay the buyer's premium to EnergyNet, 1.5% of any successful bid, in order to participate in the internet-based lease sale.

If your bonus bid was more than $2 per acre or fraction of an acre and you do not pay the full amount on the day of the sale, you must pay any balance due by the close of business on the tenth working day after the date the auction closes. If you do not pay in full by this date, you lose the right to the lease and all money due on the day of the sale. If you forfeit a parcel, we may offer it again 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 3120.5-3(a)]. If we do not receive notification of the payment process of the minimum monies owed the day of the sale by the date and time described above, the BLM will issue a bill for the monies owed. If we do not receive payment by the bill due date, we will send a demand letter to you that will include additional fees. If we do not receive payment as requested by the demand letter, the United States 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; and Federal and state tax refund offset; and retirement payment offset. We may send debts to the Internal Revenue Service (IRS) and the IRS may charge them 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 Part 285).

- **Forms of payment:** Specific payment instructions will be provided by the online auction system to high winning bidders. You can pay by personal check, certified check, and money order in person at the BLM Eastern States Office in Washington D.C. We encourage you to pay by Electronic Funds Transfer (EFT), Automated Clearing House (ACH), or credit card (Discover, Visa, American Express, or MasterCard only). We cannot accept cash. ***Please note, in accordance with the Department of Treasury Financial Manual, Announcement No. A-2014-04, the BLM cannot accept credit or debit card payments for an amount equal to or greater than $24,999.99. The BLM cannot accept aggregated smaller amounts on a credit card or multiple credit cards, to bypass this requirement.*** The BLM does not have Personal Identification Number (PIN) equipment for the purpose of processing PIN

authorized debit cards. All debit card transactions will be processed as credit cards and the dollar value limits will apply. If you pay by check in person at the BLM Eastern States office, or as otherwise directed by the BLM, please make your check 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 ask 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. ***However, we cannot grant you any extension of time to pay.***

- **Bid form:** On the day of the sale, if you are a successful winning bidder, you must submit (email or fax) to BLM a properly completed and signed competitive bid form (Form 3000-2) 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 you sign the form, you cannot change it. The online auction system will provide the successful winning bidder with a pdf-fillable copy of this bid form and instructions on how to submit the form to the BLM Eastern States Office after the auction. We will not accept any bid form that has information crossed out or is otherwise altered. **We will not issue a lease until we receive a signed copy of the bid form in accordance with 43 CFR 3102.4(2).** You will be shown the bid form as part of the sale registration process, and asked to certify that you will complete and execute it should you be the successful winning bidder. We ask that you complete the form at that time to ensure that you can meet this condition.

  Your completed bid form will certify that:
  (1) 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) Both of you have complied with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of, or collusion among bidders.

  This notice includes a copy of the bid form, and again, you will be provided a copy during the sale registration process and asked to assert that you agree that you will be able and willing to comply and sign it if you are the winning bidder at the close of the auction.

- **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 land and 246,080 acres of acquired land (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, communitization agreement or development contract that you hold, own or control and acreage in leases for which royalty (including compensatory royalty or royalty-in-kind) was paid in the preceding calendar year 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 Issuance:** After we receive the bid form, all the money due and protests have been resolved, we can issue the lease. Usually, 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 will have 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. **Advance rental at $1.50 per acre for the first 5 years ($2 per acre after that) is due on or before the anniversary date each year until production begins.** Once a lease is producing, you must pay a royalty of 12.5 percent of the value or the amount of production removed or sold from the lease. You will find other lease terms on our standard lease form (Form 3100-11).

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

- **Stipulations:** Some parcels are subject to surface use stipulations. They are requirements or restrictions on how you conduct operations. These stipulations are included in the parcel descriptions on the attached list. Stipulations are part of the lease and supersede any inconsistent provisions of the lease form.

  All Federal oil and gas lease rights are granted subject to applicable laws under Section 6 of the lease including Endangered Species Act, as amended, 16 U.S.C. 1531 *et seq*.

  Each parcel included in this lease sale will be subject to the attached Endangered Species Act Section 7 Consultation Stipulation and Cultural Resource Protection Stipulation.

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

- The individual District Office identified in the stipulation listing included with this sale notice, or
- The individual Forest Supervisor Office identified in the stipulation listing included with this sale notice, or
- USDA Forest Service - Region 8, Room 792 South, Lands & Minerals, 1720 Peachtree Road, N.W., Atlanta, Georgia 30367 or
- USDA Forest Service - Region 9, Gas Light Building, Suite 600, 626 E. Wisconsin Avenue, Milwaukee, WI 53202

- **Unit and Communitization Agreements:** Parcels offered in this sale notice may fall within an authorized Unit or Communitization Agreement. If the parcel falls within an authorized Unit or Communitization Agreement, the successful bidder will be required to join the agreement.

**How do I file a noncompetitive offer after the sale?**

Lands that do not receive a bid are available on a first-come, first-served basis for a 2-year period, beginning the day after the sale. The noncompetitive offers are handled directly by the BLM and not through the internet leasing website. If you want to file a noncompetitive offer on an unsold parcel, you must provide to the BLM Eastern States Office:

- Three copies of form 3100-11, *Offer to Lease and Lease for Oil and Gas* properly completed and signed. Describe the lands in your offer as specified in our regulations at 43 CFR 3110.5; and
- Your payment of $415 for the filing fee plus the advanced first year's rental ($1.50 per acre or fraction of an acre). Remember to round up any fractional acreage when you calculate the amount of rental.

Submit the aforementioned items to the BLM Eastern States Office in person or by mail. All offers filed the day of a sale will be considered as filed the first business day after the sale. If a parcel receives more than one offer, we will hold a drawing to pick the winner (see 43 CFR 1822.17). In the list of parcels, we have noted any parcels that have pending presale offers. A presale offer has priority over any offer filed after the sale.

**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; and
- Have not been under lease during the previous 1-year period, or
- Have not been included in a competitive lease sale within the previous 2-year period.

Your noncompetitive presale offer to lease must be filed prior to the official posting of this sale Notice. If your presale offer was timely filed, was complete and we do not receive a bid for the parcel that contains the lands in your offer, your presale offer 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, follow the directions listed for filing a noncompetitive offer after the sale.

**How do I submit an Expression of Interest (EOI)?**

EOIs must be submitted with a complete legal land description. If your EOI contains lands not within a 6-mile square area, please configure the lands into the parcels as you would like to see them on a sale notice. Parcels will not exceed 2,560.00 acres on the sale notice, so if your EOI contains more than 2,560.00 acres and you have not configured or prioritized your parcels, the BLM will parcel the lands, which may not agree with the parcel configuration you prefer.

**Please follow the following instructions for what to include in an EOI or nomination package, so that we may efficiently process your request. Incomplete nomination packages or improperly packaged EOIs can cause delays in processing.**

- Exact locality information including state, county, meridian, township, range, section, and aliquot part or other appropriate specific land description such as lot number, tract number, or metes and bounds description.
- County plat map showing surface ownership and acreage with nominated parcel outlined on map and nominator must also provide proof of Federal mineral ownership (e.g. Deed(s), Patent(s) or other form of minerals interest conveyance to the United States).
- A shapefile(s) of the nominated area, if available.
- Parcels that include split estate lands **must** provide the name, address and telephone number of the current private surface owner(s).
- Do not include lands with Federal surface ownership and lands with private surface and/or State owned surface ownership in the same EOI.
- Do not include parcels in different counties, townships, or ranges in the same EOI (unless the parcels are within 6 miles of one another).
- EOIs for public domain minerals must not be made for more than 640 acres unless it is one contiguous piece of property with one surface owner or under the jurisdiction of one SMA. A nomination for public domain or acquired lands may not include more than 10,240 acres.
- The BLM no longer requires submitters of EOIs to provide their name and 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.

**Submit your EOI via e-mail to:** ES_EOI_Nominations@blm.gov

**Mail your EOI to:** Bureau of Land Management-Eastern States
Attn: Minerals Adjudication Team (ES-934) 20 M Street, SE, Suite 950
Washington, DC 20003
Fax: (202) 912-7186

****Note: 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.*******

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

Following the December 13, 2016 sale, we have tentatively scheduled our next competitive sale for ***March 16, 2017***. We can make no guarantee as to when a given parcel will be offered for competitive sale.

**How can I find out the results of this sale?**

The sale results will be posted on the www.energynet.com website and the BLM Eastern States website at www.blm.gov/es. Paper copies are available for viewing or purchase at the BLM Eastern States Office in Washington D.C.

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

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

- The BLM Eastern States must receive a protest within 30 calendar days of the posting of this notice**, November 14, 2016**. If our office is not open on the 30th day, a protest received on the next business day that the office is open to the public, will be considered timely filed. The protest must include a statement of reasons to support the protest. The BLM will dismiss a late-filed protest or a protest filed without a statement of reasons.
- A protest must state the interest of the protesting party in the matter.
- You may file a protest either by mail in hardcopy form or by telefax. You may not file a protest by electronic mail.
- Protests submitted by mail shall be addressed to the State Director to the address listed in the letterhead of this notice.
- Protests submitted by telefax must be sent to **(202) 912-7798**. Protests sent to a different fax number or submitted 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 on their behalf, the individual cannot make a protest in the group's name.
- A protest must include the name and address of the protesting party **and reference the specific serial number or parcel number that is being protested.**

Any protests, including names and street addresses, you submit will be made available for public review. Individual respondents may request confidentiality. If you wish to withhold your personal identifiable information from public review or from disclosure under the Freedom of Information Act, you must state this prominently at the beginning of your written comment. Such

requests will be honored to the extent allowed by law. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public inspection in their entirety.

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

We will announce receipt of any protests on the auction website prior to the start of the online auctions. We will also announce on the website a decision to either withdraw the parcel or proceed with the auction. If the protest is resolved prior to the sale, we will provide copies of our decision on the BLM website.

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

We will make every effort to decide the protest prior to the sale, but no later than 60 days after the sale. We will not issue a 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 the BLM upholds the protest, how does that affect my competitive bid?**

If we uphold a protest and withdraw the parcel from leasing, we will reject your bid, and 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. If you do not accept the additional stipulations, we will reject your bid and refund your first year's rental, bonus bid, and administrative fee.

**If the 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 43 CFR 4.411 and Part 1840.

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

Yes, you may. Note: An appeal from the State Director's decision must meet the requirements of 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 any decision by the Interior Board of Land Appeals to deny the protest. If resolution of the appeal results in lease cancellation, we will authorize a refund of the bonus bid, rentals, and administrative fees 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.

For more information, please contact Ms. Kimberly Reed at (202) 912-7736.

Karen E. Mouritsen
State Director
Eastern States

## Arkansas

### *State Owned Surface, Public Domain Minerals*

### *Arkansas Game and Fish, Arkansas*

**ES-001-12/2016 ARES 058183 PD**
Arkansas, White County, Arkansas Game and Fish Commission
T9N, R7W, 5th Principal Meridian
Sec. 26, Frl. W2SE West of River.
39.57 Acres
$60.00 Rental
Subject to: BLM Stipulations for Cultural Resources and Tribal Consultation, Endangered Species, and Sensitive Plant Species, Freshwater Aquatic Habitat, Bald Eagle, and Bats: Indiana bat, Ozark big-eared bat, Virginia big-eared bat, northern long-eared bat, or gray bat

BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application
***EOI #961***

The lands included in this parcel are fully committed to Communization Agreement (CA) **ARES 057193**, approved effective January 01, 2011. The successful bidder is required to file evidence of having entered into an agreement with the CA operator for the development and operation of the subject lands under the terms and provisions of the approved communization agreement.

The successful bidder should immediately contact the CA Operator SWN Production (Arkansas), LLC, 10000 Energy Drive, Spring, Texas 77389. In order to join the CA, the operator will give instructions about executing copies of the joinder agreement. Five duplicate originally signed copies of the joinder agreement must be furnished to the BLM, Jackson Field Office, 411 Briarwood Drive, Suite 404, Jackson, MS 39206.

When the evidence is filed with the above office, a copy of the transmittal letter must be filed in the State Office in Washington, DC, mail to: Bureau of Land Management-Eastern States Office, Attention: Division of Natural Resources (ES-934), 20 M Street, SE, Suite 950, Washington, DC 20003.

## Mississippi

### *Forest Service Surface, Acquired Minerals*

### *Bienville National Forest*

**ES-002-12/2016 MSES 058184 ACQ**
Mississippi, Scott County, Bienville NF
T5N, R9E, Choctaw Meridian
Sec. 33, SESW.
40.03 Acres
$61.50 Rental
Subject to: Forest Service Notice to Lessee 3, 4 and 5 and Timing Limitation Stipulation 1, Standard Forest Service Stipulation for Mississippi
***EOI #1536b***

## Ohio

### *Wayne National Forest*

**ES-003-12/2016 OHES 058185 ACQ**
Ohio, Lee Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 8, SENW, S2SWNE.
60.00 Acres
$90.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-004-12/2016 OHES 058186 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 14, NESE, Pt. SESE.
47.00 Acres
$70.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55% , #15 Controlled Surface Use-Riparian areas , #17 Controlled Surface Use-Slopes Between 35% and 55%.
***EOI #1635***

**ES-005-12/2016 OHES 058187 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 19, W2SE.
79.15 Acres
$120.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, NSO #3 Special Areas, #15 Controlled Surface Use- Riparian areas, #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-006-12/2016 OHES 058188 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 20, S3/4 NESW.
30.03 Acres
$46.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-007-12/2016 OHES 058189 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 25, Pt. W2SE; (64.72 acs.), Pt. E2SESW; (8.00 acs.), Pt. E2NESW; (12.00 acs.), Pt. SESENW; (2.00 acs.), Pt. NESW. (8.00 acs.).
94.72 Acres
$142.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-008-12/2016 OHES 058190 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 26, NESW, Pt. NWSW.
78.25 Acres
$118.50 Rental

Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-009-12/2016 OHES 058191 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 27, SENW.
40.00 Acres
$60.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-010-12/2016 OHES 058192 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 31, NESE.
38.96 Acres
$60.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
**EOI 1635**

**ES-011-12/2016 OHES 058193 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 31, SESE.
38.96 Acres
$60.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-012-12/2016 OHES 058194 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 32, Pt. W2SW.
64.30 Acres
$97.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.

**ES-013-12/2016 OHES 058195 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 33, NESW.
40.13 Acres
$61.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.

**ES-014-12/2016 OHES 058196 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 34, Pt. SENE.
15.12 Acres
$24.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-015-12/2016 OHES 058197 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 34, Pt. NENW.
30.23 Acres
$46.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-016-12/2016 OHES 058198 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 34, Pt. NWNW.
22.14 Acres
$34.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-017-12/2016 OHES 058199 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 35, Pt. SWSW.
30.64 Acres
$46.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations: #15 Controlled Surface Use- Riparian areas, #17 Controlled Surface Use -Slopes Between 35% and 55%.
**EOI #1635**

**ES-018-12/2016 OHES 058200 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 35, Pt. W2SWSW.
0.86 Acres
$1.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations #15 Controlled Surface Use- Riparian areas
***EOI #1635***

**ES-019-12/2016 OHES 058201 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 13, Pt. SW, Pt. NW.
73.25 Acres
$111.00 Rental

***50% - U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-020-12/2016 OHES 058202 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 15, Pt. SWNE.
2.53 Acres
$4.50 Rental
***50% - U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-021-12/2016 OHES 058203 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 20, NENE.
40.08 Acres
$61.50 Rental
***50% - U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-022-12/2016 OHES 058204 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 20, NENW.
40.00 Acres
$60.00 Rental
***75%- U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease

Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%.
***EOI #1635***

**ES-023-12/2016 OHES 058205 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Township
Sec. 20, NWNE.
40.00 Acres
$60.00 Rental
***50%-U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI #1635***

**ES-024-12/2016 OHES 058206 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 21, S2SE, E2SW.
157.44 Acres
$237.00 Rental
***50%-U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI #1635***

**ES-025-12/2016 OHES 058207 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T2N, R4W, Ohio River Survey Meridian
Sec. 34, NESESE.
10.16 Acres
$16.50 Rental
***15/16$^{th}$-U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI #1635***

**ES-026-12/2016 OHES 058208 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T1N, R4W, Ohio River Survey Meridian
Sec. 30, SESE.
39.98 Acres
$60.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI # 1637***

**ES-027-12/2016 OHES 058209 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T1N, R4W, Ohio River Survey Meridian
Sec. 30, Pt. N2SE.
64.72 Acres
$97.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI # 1637***

**ES-028-12/2016 OHES 058210 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T1N, R4W, Ohio River Survey Meridian
Sec. 34, SESW less 5.35 of SE corner, Pt. W2SW. (5.00 acs).
39.65 Acres
$60.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI # 1637***

**ES-029-12/2016 OHES 058211 ACQ**
Ohio, Jackson Township, Monroe County, Wayne NF
T1N, R4W, Ohio River Survey Meridian
Sec. 36, NENE.
40.22 Acres
$61.50 Rental

Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5 , Lease Stipulations: NSO #8 Slopes in excess of 55%, Lease Stipulations #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI # 1637***

**ES-030-12/2016 OHES 058212 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T3N, R5W, Ohio River Survey Meridian
Sec. 3, Pt. N2SE.
28.00 Acres
$42.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, NSO #3 Special Area, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI #1638***

**ES-031-12/2016 OHES 058213 ACQ**
Ohio, Perry Township, Monroe County, Wayne NF
T3N, R5W, Ohio River Survey Meridian
Sec. 6, Pt. NE.
56.00 Acres
$84.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, NSO #3 Special Area, #15 Controlled Surface Use- Riparian areas , #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI #1638***

**ES-032-12/2016 OHES 058214 ACQ**
Ohio, Green Township, Monroe County, Wayne NF
T4N, R5W, Ohio River Survey Meridian
Sec. 1, SWSW;
Sec. 7, N2SE, SESE.
158.62 Acres
$238.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas, #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI #1639***

**ES-033-12/2016 OHES 058215 ACQ**
Ohio, Washington Township, Monroe County, Wayne NF
T4N, R6W, Ohio River Survey Meridian
Sec. 18, Pt. W2NE, Pt. NW.
58.14 Acres
$88.50 Rental
***50%-U.S. Mineral Interest***
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #17 Controlled Surface Use-Slopes between 35% and 55%
***EOI #1794***

**ES-034-12/2016 OHES 058216 ACQ**
Ohio, Wayne Township, Monroe County, Wayne NF
T5N, R6W, Ohio River Survey Meridian
Sec. 3, NWNW.
40.24 Acres
$61.50 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #15 Controlled Surface Use- Riparian areas, #17 Controlled Surface Use -Slopes Between 35% and 55%
***EOI #1823***

**ES-035-12/2016 OHES 058217 ACQ**
Ohio, Liberty Township, Washington County, Wayne NF
T4N, R7W, Ohio River Survey Meridian
Sec. 29, Pt. S2SESE.
1.17 Acres
$3.00 Rental
Subject to: Forest Service Standard Lease Stipulations, Lease Special Notification: #1, Lease Notification: #1, #2, #3, #4, #5, Lease Stipulations: NSO #8 Slopes in excess of 55%, #17 Controlled Surface Use-Slopes between 35% and 55%
***EOI # 2174***

# *Stipulations*

## *BLM Stipulations for Federal Minerals Located in Arkansas*

**Cultural Resources and Tribal Consultation**

**Stipulation:** This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. These obligations may include a requirement that you provide a cultural resources survey conducted by a professional archaeologist approved by the State Historic Preservation Office (SHPO). If currently unknown burial sites are discovered during development activities associated with this lease, these activities must cease immediately, applicable law on unknown burials will be followed and, if necessary, consultation with the appropriate tribe/group of federally recognized Native Americans will take place. 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.

**Endangered Species**

**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.

**Exception:** None

**Modification:** None

**Waiver:** None

**Sensitive Plant**

**Species**

**Stipulation (CSU):** All suitable special status plant species habitat will be identified during environmental review of any proposed surface use activity. If field examination indicates that habitat of one or more of these species is present, the BLM will require a survey by a qualified botanist for special status plants during periods appropriate to each species. Operations will not be allowed in areas where sensitive plants would be affected.

**Objective:** To protect threatened, endangered, candidate, proposed, and BLM sensitive plant species.

**Exception:** An exception may be granted if the operator agrees to implement measures developed in consultation with the USFWS and in coordination with State agencies.

**Modification:** The stipulation make be modified if it is determined that a portion of the lease does not contain sensitive plant species habitat.

**Waiver:** The stipulation may be waived if, based on field surveys, it is determined that the lease area does not contain sensitive plant species habitat.

**Freshwater Aquatic Habitat**

**Stipulation (NSO):** No surface occupancy or disturbance, including discharges, are permitted within 250 feet of a river, stream, wetland spring, headwater, wet meadow, wet pine savanna, pond, tributary, lake, coastal slough, sand bar, vernal pools, calcareous seepage marsh, or small, marshy calcareous stream. If the slope exceeds 10 percent, the buffer may be extended to 600 feet to provide adequate protection for aquatic habitats and associated species.

**Objective:** To protect the water quality of watersheds and natural stream substrate and morphology and to avoid potential impacts to aquatic species and their habitat.

**Exception:** An exception may be granted if the operator agrees to 1) span creeks, rivers, wetlands, and floodplains by attaching pipelines to bridges; 2) directionally drill wells and pipelines from upland sites under creeks, rivers, other waters, and wetlands or3) implement other measures developed in consultation with USFWS and in coordination with State agencies.

**Modification:** The buffer may be reduced if the adjacent waterway has been surveyed for 100 yards upstream and 300 yards downstream of the site, and the results document the lack of suitable/occupied/critical habitat for listed species which may be affected by the project, as determined by the BLM and USFWS.

**Waiver:** None

## *BLM Lease Notices for Federal Minerals Located in Arkansas*

**Migratory Birds and Federally Listed Wildlife**

**Objective:** To protect perch and roosting sites and terrestrial habitats for and to avoid potential impacts to migratory birds and federally listed wildlife.

Any reserve pit that is not closed within 10 days after a well is completed and that contains water must be netted or covered with floating balls, or another method must be used to exclude migratory birds.

All powerlines must be built to protect raptors and other migratory birds, including bald eagles, from accidental electrocution, using methods detailed by the Avian Power Line Interaction Committee (APLIC 2006)

**Perching and Nesting Birds and Bats**

**Objective:** To prevent birds and bats from entering or nesting in or on open vent stack equipment.

Open vent stack equipment, such as heater-treaters, separators, and dehydrator units, will be designed and constructed to prevent birds and bats from entering or nesting in or on such units and, to the extent practical, to discourage birds from perching on the stacks. Installing cone• shaped mesh covers on all open vents is one suggested method. Flat mesh covers are not expected to discourage perching and will not be acceptable.

**Invasive and Non-Native Species**

**Objective:** To discourage the spread of invasive, non-native plants.

Use of native or non-invasive plants in seeding mixtures will be encouraged to stabilize disturbed areas and during restoration activities. Construction sites will be surveyed for invasive species prior to ground disturbance. If invasive species are found, the proper control measures will be used to either eradicate the species from the area or minimize its spread to other areas. If cogongrass is found on site, equipment will be washed before exiting the site to prevent the spread of this highly invasive species to other locations. Post-construction monitoring for cogongrass and other invasive plant species should be conducted to ensure early detection control. In the case of split-estate lands, final seed mixtures will be formulated in consultation with the private landowner.

## Pesticide Application

**Objective:** To protect the water quality of watersheds and natural stream substrate and morphology supporting special status species and their host species.

Any ground application of herbicides or other pesticides, sterilants, or adjuvants within 150 feet of listed species or habitat will require site-specific control measures developed in coordination with or in formal consultation with USFWS. No aerial application of herbicides or pesticides will be permitted.

## Produced Water Disposal

**Objective:** To protect water quality, aquatic habitats, and status species.

The preferred method for disposal of produced water will be through reinjection to a permeable formation with total dissolved solids (TDS) content higher than 10,000 milligrams per liter (mg/L), and that is not hydrologically connected to caves, wetlands, or surface water. Injection of produced water is regulated by the Underground Injection Control (UIC) program administered by state agencies.

## NATIONAL FORESTS IN MISSISSIPPI

### NOTICE TO LESSEE 03

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the current Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

### NOTICE TO LESSEE 04

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

### NOTICE TO LESSEE 05

The proposed land to be leased has areas, less than a 40-acre legal subdivision, with slopes greater than 15% in which ground disturbing activities (such as roads and well pads) will not be authorized. Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

**NATIONAL FORESTS IN MISSISSIPPI**
TIMING LIMITATION STIPULATION 01

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

Ground disturbing activities, including road, pipeline, and well pad construction, may be restricted during the wet season from 11/30 thru 3/31 depending on site specific conditions at the time the Application for Permit to Drill is filed, unless the Operator can furnish construction measures to mitigate damages to surface resources.

On the lands described below:

Entire lease

For the purpose of (reasons):

Prevent excessive soil erosion and rutting resulting from construction activities during the wet season. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

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.)

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

The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. 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 licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

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

Forest Supervisor, NFs in Mississippi
200 South Lamar Street, Suite 500 North
Jackson, MS 39201
Telephone No.: 601-965-1600

who is the authorized representative of the Secretary of Agriculture.

BLM District Office
Bureau of Land Management
Southeastern District Office
273 Market Street
Flowood, Mississippi 39232

Management Agency
USDA Forest Service - Region 8
Room 792 South, Lands & Minerals
1720 Peachtree Road, N.W.
Atlanta, Georgia 30367

## USDA – FOREST SERVICE STANDARD STIPULATIONS - LEASE
## Wayne National Forest

The lessee is notified and agrees:

All work and any operations authorized under this lease shall be done according to an approved operating plan on file with the **Forest Supervisor** at **USDA Forest Service, 13700 US Highway 33, Nelsonville, Ohio, 45764.** Plans generally require a minimum of 45 days for Forest Service review. Bureau of Land Management must also review and also approve.

Operating plan will contain information the Forest Officer determines reasonable for assessment of (1) public safety, (2) environmental damage, and (3) protection for surface resources. Content of such plans will vary according to location and type of activity and may contain:

1. Steps taken to provide public safety.
2. Location and extent of areas to be occupied during operations.
3. Operation methods including size and type of equipment.
4. Capacity, character, standards of construction and size of all structures and facilities to be built.
5. Location and size of areas where vegetation will be destroyed or soil lay bare.
6. Steps taken to prevent and control soil erosion.
7. Steps taken to prevent water pollution.
8. Character, amount, and time of use of explosives or fire, including safety precautions during their use.
9. Program proposed for rehabilitation and revegetation of disturbed land.

Copies of all permits obtained from State or Federal agencies pertaining to work might be required. Archeological studies, if required, will accompany plan.

The Forest Supervisor or his/her designated agent has authority to temporarily suspend or modify operations in whole or in part due to emergency forest conditions such as high fire danger or other unsafe situations.

The lessee must keep the **District Ranger** informed about progress of operations to the extent reasonably necessary for assuring public safety. This is especially important with geophysical inventory and testing activities because of their mobile nature. The lessee will alert the **District Ranger** to circumstances which may affect safe and efficient conduct of work activities.

Terms of this lease are considered violated if not done according to these stipulations.

See Special Stipulations & Notifications
## OIL AND GAS LEASE STIPULATIONS/NOTIFICATIONS
## Wayne National Forest, Ohio

## LEASE-SPECIFIC OIL AND GAS NOTIFICATIONS/STIPULATIONS

The notifications and stipulations that follow implement the Standards and Guidelines of the Wayne National Forest Land and Resource Management Plan, and, where appropriate, are in addition to the standard lease terms for oil and gas leases (BLM Form 3100-11). These notifications and stipulations are necessary to protect specific resource values on the lease area. If found to be in the public interest, they may be made less restrictive, or otherwise modified, when specifically approved in writing by an authorized officer of the Forest Service.

### Special Notification #1

Operations under this lease will be consistent with all the standards and guidelines found in the revised Wayne National Forest Land and Resources Management Plan (Forest Plan), and are hereby incorporated into this lease in their entirety. Forest Plan standards and guidelines include restrictions on location, timing and methodology of oil and gas lease operations, and requirements for special surveys that provide for protection of National Forest land and resources. A copy of the Wayne National Forest Land and Resource Management Plan is available for inspection from the following website http://www.fs.fed.us/r9/wayne/ or by writing to:

Forest Supervisor
Wayne National Forest
13700 US HWY 33
Nelsonville, OH 45764

### Notification #1

**Cultural Resources**

The Forest Service is responsible for assuring that the area to be disturbed is examined for cultural resources prior to allowing any surface disturbing activities on lands covered by this lease. Important cultural resource values may be present on portions of this lease. Surface disturbing activities must avoid these areas unless the authorized officer agrees to the mitigation measures.

The lessee/operators may, at their discretion and cost, conduct the examination on the lands to be disturbed. This examination must be done by or under the supervision of a qualified resource specialist approved by the Forest Service. An acceptable report must be provided to the Forest Service identifying the anticipated effects of the proposed action on cultural resource values.

If items of substantial archaeological or paleontological value are discovered during operations, or a known deposit of such items is disturbed, the lessee (or operator) will cease work in the area so affected. The lessee (or operator) will then notify the Forest Service and will not resume excavation until the Forest Supervisor gives written approval.

**Notification #2**

**Floodplains**

Any activities proposed in, or likely to affect, a floodplain will be subject to:

- Analysis and identification of alternate sites.
- Public notification and comment period.
- Provisions of any other Federal, State or local laws and regulations as required under presidential Executive Order 11988, Protection of Floodplains.

**Notification #3**

**Protection of Federal Endangered & Threatened and Regional Sensitive Species, and Their Habitat.**

The Forest Service is responsible for assuring that the area to be disturbed is examined prior to allowing any surface disturbing activities on lands covered by this lease. The examination is to determine effects upon any plant or animal species listed, or proposed for listing, as federal endangered or threatened, regional sensitive, and their habitats. If the findings of this examination determine that the operation(s) may have a detrimental effect on a species covered by the Federal Endangered Species Act as amended, the operator's plans may be denied or restrictions added. The presence of regional sensitive species may also require some restrictions of the operation(s).

The Forest Service has the responsibility to conduct the required examination. In cases where the Forest Service time frames cannot meet the needs of the lessee/operator, the lessee/operator may, at his discretion and cost, conduct the examination on the lands to be disturbed. This examination must be done by or under the supervision of a qualified resource specialist approved by the Forest Service. An acceptable report must be provided to the Forest Service identifying the anticipated effects of the proposed action on federal endangered or threatened species, regional sensitive species, or their habitats.

**Notification #4**

**Compliance with public laws and federal regulations**

Operators are required to comply with all public laws and Federal regulations that apply to National Forest System lands and the Wayne Land and Resource Management Plan.

**Notification #5**

**Steep slopes and/or unstable soils**

The area of this lease contains a considerable amount of land with steep slopes and/or unstable soils. Accordingly, the opportunity to locate access roads, drilling sites, pipelines, storage tanks and other improvements may be extremely limited.

## Management areas requiring special stipulations

### *Very Restrictive Stipulations*

**Stipulation #1**

**No Surface Occupancy – Future Old Forest**
No surface occupancy on the entire lease or on designated areas of the lease (see map) for the protection of Future Old Forest.

On National Forest System lands in Future Old Forest Management Areas, the USDA Forest Service will only issue Federal oil and gas leases that have a No Surface Occupancy (NSO) stipulation. In the case of Federal leases issued pursuant to the Comprehensive National Energy Policy Act of 1992, the Forest Service will recommend to BLM that operations be allowed to continue provided that all activities comply with Forest guidance. When the existing well (or wells) is depleted, all facilities must be removed and the site rehabilitated to Forest Service standards. No new wells will be allowed, nor will existing wells be allowed to be drilled to deeper formations. The NSO stipulation does not apply to reserved or outstanding mineral rights.

**Stipulation #2**

**No Surface Occupancy - Research Natural Areas**
No surface occupancy within designated areas of the lease (see map) for the protection of natural processes or research, historical or educational values.

On National Forest System lands in Research Natural Management Areas, the USDA Forest Service will only issue Federal oil and gas leases that have a No Surface Occupancy (NSO) stipulation. In the case of Federal leases issued pursuant to the Comprehensive National Energy Policy Act of 1992, the Forest Service will recommend to BLM that operations be allowed to continue provided that all activities comply with Forest guidance. When the existing well (or wells) is depleted, all facilities must be removed and the site rehabilitated to Forest Service standards. No new wells will be allowed, nor will existing wells be allowed to be drilled to deeper formations. The NSO stipulation does not apply to reserved or outstanding mineral rights.

**Stipulation #3**

**No Surface Occupancy - Special Interest Areas**
No surface occupancy within designated areas of the lease (see map) for the protection of natural processes or research, historical or educational values.

On National Forest System lands in Special Interest Management Areas, the USDA Forest Service will only issue Federal oil and gas leases that have a No Surface Occupancy (NSO) stipulation. In the case of Federal leases issued pursuant to the Comprehensive National Energy

Policy Act of 1992, the Forest Service will recommend to BLM that operations be allowed to continue provided that all activities comply with Forest guidance. When the existing well (or wells) is depleted, all facilities must be removed and the site rehabilitated to Forest Service standards. No new wells will be allowed, nor will existing wells be allowed to be drilled to deeper formations. The NSO stipulation does not apply to reserved or outstanding mineral rights.

**Stipulation #4**

**No Surface Occupancy - Candidate Research Natural Areas and Special Interest Areas**
No surface occupancy within designated areas of the lease (see map) for the protection of natural processes or research, historical or educational values.

On National Forest System lands in Candidate Research Natural Management Areas, the USDA Forest Service will only issue Federal oil and gas leases that have a No Surface Occupancy (NSO) stipulation. In the case of Federal leases issued pursuant to the Comprehensive National Energy Policy Act of 1992, the Forest Service will recommend to BLM that operations be allowed to continue provided that all activities comply with Forest guidance. When the existing well (or wells) is depleted, all facilities must be removed and the site rehabilitated to Forest Service standards. No new wells will be allowed, nor will existing wells be allowed to be drilled to deeper formations. The NSO stipulation does not apply to reserved or outstanding mineral rights.

**Stipulation #5**

**No Surface Occupancy - Administrative sites, and developed recreation areas, trails and associated trailheads**
No surface occupancy within designated areas of the lease (see map) for the protection of special management units such as developed recreation areas, trails and associated trailheads, water supply facilities, administrative site, etc.

On National Forest System lands within administrative sites, developed recreation areas, trails and associated trailheads, the USDA Forest Service will only issue Federal oil and gas leases that have a No Surface Occupancy (NSO) stipulation. The NSO designation will include a buffer zone, which will be determined in accordance with the Implementation Guide for Scenery Management. In the case of Federal leases issued pursuant to the Comprehensive National Energy Policy Act of 1992, the Forest Service will recommend to BLM that operations be allowed to continue provided that all activities comply with Forest guidance. When the existing well (or wells) is depleted, all facilities must be removed and the site rehabilitated to Forest Service standards. No new wells will be allowed, nor will existing wells be allowed to be drilled to deeper formations. The NSO stipulation does not apply to reserved or outstanding mineral rights.

**Stipulation #6**

**No Surface Occupancy – Timbre Ridge Lake**
No surface occupancy within designated areas of the lease (see map) for the protection of the Timbre Ridge Lake Management Area.

On National Forest System lands in the Timbre Ridge Lake Management Area, the USDA Forest Service will only issue Federal oil and gas leases that have a No Surface Occupancy (NSO) stipulation. In the case of Federal leases issued pursuant to the Comprehensive National Energy Policy Act of 1992, the Forest Service will recommend to BLM that operations be allowed to continue provided that all activities comply with Forest guidance. When the existing well (or wells) is depleted, all facilities must be removed and the site rehabilitated to Forest Service standards. No new wells will be allowed, nor will existing wells be allowed to be drilled to deeper formations. The NSO stipulation does not apply to reserved or outstanding mineral rights.

**Resources requiring special stipulations**

***Very Restrictive Stipulations***

**Stipulation #7**

**No Surface Occupancy - Cultural resource area of known significance**
No Surface occupancy within archaeological or historical sites of known significance (see map). At the time of any new proposed lease developments, the responsible line officer shall determine the need for any setbacks or restrictions for the protection of objects of historic or scientific interest.

**Stipulation #8**

**No Surface Occupancy - Slopes in excess of 55**

**percent**
No surface occupancy on slopes in excess of 55% (see map) to protect soil and water from erosion and mass failure hazards because of steep slopes.

**Stipulation #9**

**No Surface Occupancy – Areas of mass soil**

**instability**
No surface occupancy is allowed for the exploration and development of energy minerals on areas with mass soil instability, as defined by the USDA County Soil Surveys.

**Stipulation #10**

**No Surface Occupancy – Hibernacula**
No surface occupancy within ¼ mile of all known Indiana bat hibernacula.

***Moderately to Very Restrictive Stipulations***

**Stipulation #11**

**Controlled Surface Use - Areas of land with a Scenic Integrity Objective of 'High' or 'Moderate'**
At the time of any new proposed lease developments, the responsible line officer shall determine the need for any visual quality mitigation. Some examples of mitigation may include special design and reclamation measures, transplanting trees and shrubs, fertilization, mulching, special erosion control structures, irrigation, site recontouring to match the original land contour, low profile equipment and painting to minimize contrast. Surface occupancy may also be limited or denied in sensitive areas, such as unique geologic features and rock formations, visually prominent areas such as designated trails and developed recreation sites.

**Stipulation #12**

**Controlled Surface Use - Known locations of federally listed species.**
No cutting of snags (trees with less than 10% live canopy), shagbark or shellbark hickories, or trees that are hollow and/or have major splits or broken tops, except during the bat hibernation season (September 15 to April 15). If such trees are a safety hazard, they may be cut anytime they pose an imminent threat to human safety, but if cut in the nonhibernation season the Forest Service biologist must be notified in advance. This stipulation applies only to trees over six inches in diameter.

Protect all supercanopy trees or other identified congregation roost trees for bald eagles along major river corridors and lakes. Protect known nests and roosts as described in the Bald Eagle Recovery Plan, or as directed by the US Fish and Wildlife Service.

A Forest Service biologist, prior to any surface disturbing activities, will conduct an assessment for potential American burying beetle habitat and occurrence. Occupancy restrictions will be determined at the time of the evaluation.

**Stipulation #13**

**Controlled Surface Use - Areas of known Regional Sensitive Species or uncommon, unique or important habitats.**
Controlled surface use may include setbacks or restrictions from portions of the lease to ensure protection of habitat for regional sensitive species. At the time of any new proposed lease developments, the responsible line officer shall determine the need for any setbacks or restrictions, or the need for timing-related stipulation in accordance with the aquatic and

terrestrial wildlife and botanical resources standard and guidelines.

The leaseholder and Forest Service inspector shall work together to identify locations for development and production facilities in order to protect the structural integrity of large old trees found on a portion of the tract.

**Stipulation #14**

**Controlled Surface Use - Managed wildlife openings**
At the time of any new proposed lease developments, the responsible line officer shall determine the extent of the surface use restrictions necessary to maintain habitat integrity for plant and animal species dependent on such habitats.

**Stipulation #15**

**Controlled Surface Use – Riparian areas**
At the time of any new proposed lease developments, the responsible line officer shall determine the appropriate surface use restrictions necessary to maintain the structural and ecological integrity of riparian areas, and aquatic and riparian-dependent species viability.

**Stipulation #16**

**Controlled Surface Use – Portions of floodplains outside riparian areas.**
Oil and gas activities may be allowed within that portion of a floodplain outside riparian areas. Mineral activities will be evaluated on a case-by-case basis, and appropriate mitigation measures will be applied. The leaseholder and Forest Service inspector shall work together to identify locations for roads, pipelines, well pads and production facilities.

**Stipulation #17**

**Controlled Surface Use - Slopes between 35 and 55 percent**
Oil and gas activities will be allowed on slopes between 35%-55% on a case-by-case basis, with appropriate mitigation. New road construction and maintenance shall be planned so that the least amount of ground disturbance is involved. The leaseholder and Forest Service inspector shall work together to identify locations for roads, pipelines, well pads and production facilities.

**Stipulation #18**

**Controlled Surface Use – Cemetery**
There is a reservation for use of ¼ acre for a cemetery. No surface disturbance on the cemetary.