



United States Department of the Interior
Bureau of Land Management
Eastern States
7450 Boston Boulevard
Springfield, Virginia 22153
<http://www.es.blm.gov>



August 2, 2010

NOTICE OF COMPETITIVE LEASE SALE OIL AND GAS

In accordance with Federal Regulations 43 CFR Part 3120, the Eastern States Office is offering competitively 29 parcels, containing a total of 6,980.64 acres of Federal minerals in Alabama, Arkansas, Louisiana, Michigan and Mississippi for oil and gas leasing.

This notice provides:

- the time and place of the sale;
- how to register and 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; and
- how to file a protest to our offering the lands in this Notice.

Beginning on page 10, is a list of the lands we are offering. The lands are listed by state and described by parcel number and legal land description. Below each parcel 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 those that have pending pre-sale noncompetitive offers to lease which will not be available for noncompetitive offers to lease if they receive no bid at the sale.

When and where will the sale take place?

When: The competitive oral auction will begin at **10:00 a.m. on September 16, 2010**. The sale room will open at 9:00 a.m. to allow you to register and obtain your bid number.

Where: The sale will be held at the Bureau of Land Management, Eastern States Office, 7450 Boston Boulevard, Springfield, VA 22153. Parking is available.

Access: The sale room is accessible to persons with disabilities. If assistance is needed for the hearing or visually impaired, contact the Minerals Adjudication Team on (703) 440-1600, or at the mailing address on the letterhead of this notice by September 2, 2010.

Information regarding leasing of Federal minerals overlain with private surface, referred to as “Split Estate”, is available at the following Washington Office website. 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: http://www.blm.gov/bmp/Split_Estate.htm.

What is the sale process?

Starting at 10:00 a.m. on the day of the sale:

- the auctioneer will offer the parcels in the order they are shown in the 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.

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 9:00 a.m. on the day of the sale.

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

You will 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 lease and pay monies owed. Further, you will acknowledge 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), 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 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 Eastern States’ Public Room and on our website at http://www.blm.gov/es/st/en/prog/minerals/current_sales_and.html . You may also get the number(s) of withdrawn parcels by contacting the Minerals Adjudication Team on (703) 440-1600. If there’s a need to cancel the sale, we will try to notify all interested parties in advance.
- **Payment due on the day of the sale:** Payment is due on the day of the sale. You cannot withdraw a bid. For each parcel you win, you must pay the minimum bonus bid of \$2 per acre or fraction of an acre, the first year’s advance rental of \$1.50 per acre or fraction of an acre, and a non-refundable administrative fee of \$145. You must pay these monies by 4:30 p.m. **September 16, 2010** at the sale site or by 4:30 p.m., **September 30, 2010** at BLM-ES’ Accounts Department.

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 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 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 part 285).

- **Forms of payment:** You can pay by personal check, certified check, money order, or credit card (Visa, MasterCard, American Express, and Discover cards only). Cash is unacceptable. If you plan to make your payment using a credit card, you should contact your bank prior to the sale and let them know you will be making a substantial charge against your account. If you pay by check, please 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 will require that you give us a guaranteed payment, such as a certified check.

Effective February 1, 2005, BLM will not accept credit card or debit card payments to the Bureau for any amount equal to or greater than \$100,000 for any purpose. We also will not accept aggregate smaller amounts to bypass this requirement. We encourage you to make any payments of \$100,000 or more by Automated Clearing House (ACH).

What are the terms and conditions of a lease issued as a result of this sale?

- **Term of the lease:** A lease is issued for a primary term of 10 years. It continues beyond that if it has production in paying quantities. Advance rental at \$1.50 per acre or fraction of an acre for the first 5 years (\$2.00 per acre after that) is due on or before the anniversary date each year until production begins. We charge a royalty of 12.5 percent of the value of oil or gas removed or sold from a lease. You will find other lease terms on our standard lease form (Form 3100-11, October 2008).
- **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. They become part of the lease and supersede any inconsistent provisions in the lease form.
- **Bid Form:** Successful bidders must submit a signed competitive lease bid form (Form 3000-2, August 2007) with their payment on the day of the auction. This form is a legally binding offer by a prospective lessee to accept a lease and all applicable terms and conditions. We recommend you get the form and complete part of it before the auction, leaving part to be filled out at the auction. Your completed bid form certifies that you are qualified to be a lessee under our regulations at 43 CFR Part 12 and Subpart 3102.5-2. It also certifies that you comply with 18 U.S.C. 1860, a law prohibiting unlawful combinations, intimidation of or collusion among bidders. Bid forms are available online at: http://www.blm.gov/es/st/en/prog/minerals/frequently_used_oil.html
- **Issuance of a lease:** We (the BLM) will issue your lease within 60 days of the sale date by signing the lease form provided you have paid your fees and rent. The effective date of a lease is the first day of the month following the month in which we sign the lease. We can make it effective the first day of the month in which we sign it, if we receive your written request before we sign the lease.

How do I file a noncompetitive over-the-counter offer after the auction?

You may be able to get a noncompetitive lease for a parcel we offered if –

- we did not withdraw it from the sale;
- it did not receive a bid; and
- it does not have a noncompetitive pre-sale offer pending.

Parcels that meet all these criteria are available on a first-come, first-served basis for two years from the date of the auction. If you want to file a noncompetitive offer for unsold parcel immediately after the sale or on the next business day, give us the items listed below under presale offers in a sealed envelope marked “Noncompetitive Offer.” We consider all noncompetitive offers that we receive on the day of the sale and the first business day after the sale as filed at the same time (simultaneously). Where an unsold parcel receives more than one simultaneous filing, we will hold a public drawing in our Public Room to determine first priority.

How do I file a noncompetitive “pre-sale” offer?

Per Federal Regulations 43 CFR 3110.1(a), you can file a noncompetitive pre-sale 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 no bid is received on them, your pre-sale offer gives you priority over any offer filed after the auction. In the list of parcels attached to this notice, we have used an asterisk to mark any parcel that has a pending pre-sale offer. By filing a pre-sale offer, you are consenting to all terms and conditions of the lease, including any stipulations for listed on the attachment to this notice.

To file a —pre-sale offer, you must send us --:

- A standard lease form (Form 3100-11, October 2008), which is properly filled out, as required by the regulations under 43 CFR 3110;
- the first year’s advance rent in the amount of Rental \$1.50 per acre or fraction thereof; and
- a non-refundable administrative fee in the amount of \$375.00.

NOTE: You cannot file a “pre-sale” offer for any of the lands included in this Notice.

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

Yes. Under Federal Regulations 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:

- We must receive a protest no later than close of business on the 15th calendar day prior to the date of the sale. If our office is not open on the 15th day prior to the date of the sale, a protest received on the next day our office is open to the public will be considered timely filed. The protest must also include any statement of reasons to support the protest. We 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 fax. You may not file a protest by electronic mail. A protest filed by fax must be sent to (703) 440-1551. A protest sent to a fax number other than the fax number identified or a protest filed by electronic mail will be dismissed;
- If the party signing the protest is doing so on behalf of an association, partnership or corporation, the signing party must reveal the relationship between them. For example, unless an environmental group authorizes an individual member of its group to act for it, the individual cannot make a protest in the group's name.

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

We will announce receipt of any protests at the beginning of the sale. We will also announce a decision to either withdraw the parcel or proceed with offering it at the sale.

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

We will make every effort to decide the protest within 60 days after the sale. 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 Federal 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. An appeal from the State Director’s decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

Can I appeal BLM’s decision to deny my protest?

Yes. An appeal from the State Director’s decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

Can 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 refunds of the bonus bid, rental 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.

Where can I get copies of the BLM forms mentioned in the Notice?

Form 3100-11 (October 2008), Offer to Lease and Lease for Oil and Gas, and Form 3000-2 (August 2007), Competitive Oil and Gas or Geothermal Resources Lease Bid may be downloaded from the following Forms Central web address: <http://www.blm.gov/blmforms/>.

When is BLM-ES’ next competitive sale date?

The next sale is *tentatively* scheduled for December 9, 2010. We will notify the public in advance should this date change.

Who should I contact if I have questions regarding this lease sale?

For more information, please contact Eastern States’ Information Access Center on (703) 440-1600 or x1603.

/s/ Kemba K. Anderson-Artis

Kemba K. Anderson-Artis
Acting Supervisory Land Law Examiner
Division of Natural Resources

Enhanced Bidder Registration Form
Bidder Registration Form
Competitive Oil and Gas Lease Sale

By completing this form, I certify that the undersigned, or the principal party whom the undersigned is acting on behalf of, is in compliance with the applicable regulations and leasing authorities governing a bid and subsequent lease. I certify that any bid submitted by the undersigned or on behalf of the principal party is a good faith statement of intention by the undersigned or the principal party to acquire an oil and gas lease on the offered lands. Further, I acknowledge that if a bid is declared the high bid, it will constitute a legally binding commitment to execute the Bureau of Land Management's Form 3000-2, Competitive Oil and Gas or Geothermal Resources Lease Bid, and to accept the lease.

In addition, if a bid is declared the high bid, the undersigned or the principal party will pay to the Bureau of Land Management (BLM) by the close of official business hours on the day of the auction, or such other time as may be specified by the authorized officer, an amount at least equal to the minimum monies owed the day of sale for that bid, as set out in applicable regulations. The undersigned and the principal party acknowledge that these monies are due to the Bureau of Land Management as a result of winning the auction. Further, the undersigned and the principal party understand that if payment is not received by the due date, the BLM will issue a bill for monies owed, and if payment is not received, the United States will pursue collection by all appropriate methods, and as appropriate, will assess late fees, civil penalties, interest, administrative charges, and penalties on past due amounts (Federal Claims Collection Act of 1966, as amended; The Debt Collection Improvement Act of 1996; 31 CFR part 285).

I certify that neither I nor the principal party whom I represent owes the United States any monies that were due the day of sale from any oil and gas lease auction conducted by any Bureau of Land Management office.

It is a crime under 18 U.S.C. 1001 and 43 U.S.C. 1212 for any person to knowingly and willfully make any false, fictitious, or fraudulent statements or representations as to any matter within the jurisdiction of the government. Any such offense may result in a fine or imprisonment for not more than 5 years, or both.

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 or for any person to obtain money or property by means of false statements regarding a person's ability to obtain a lease. Any person who knowingly violates this provision shall be punished by a fine of not more than \$500,000, imprisonment for not more than 5 years, or both.

A separate registration is required for each company or individual you are representing.

Please fill in the company/individual name and address as it would appear on any issued lease. We will send a copy of the lease and billing notices to the name and address as shown below. (NOTE: Please use the same lessee name and address information on BLM Form 3000-2.)

Bidder Number (leave blank)

Lessee Name: _____

Mailing Address: _____

City: _____

State: _____ Zip Code: _____

Bidder Name: _____ Phone number: _____
(including area code)

Relationship to lessee: _____
(Self, Agent, Attorney-in-fact, President, etc.)

Signature

Date

For BLM Use Only: Type of identification: _____

HOTEL INFORMATION

Comfort Inn
6560 Loisdale Court
Springfield, Virginia
(703) 942-0140

Holiday Inn
6401 Brandon Avenue
Springfield, Virginia
(703) 644-5555

Hampton Inn
6550 Loisdale Court
Springfield, Virginia
(703) 922-9000

Ramada Plaza Hotoel
4641 Kenmore Avenue
Alexandria, Virginia
(703) 922-9000

Hotel shuttle to National Airport and Metro Subway

Directions to Bureau of Land Management – Eastern States:

From Washington, DC: take I-395 South through the Springfield Interchange to where I-395 becomes I-95. Continue on I-95 to Backlick/Fullerton Road Exit 167. At the light turn right onto Fullerton Road. At the third light, turn left onto Boston Boulevard (COSTCO to the left). Eastern States is approximately 0.3 miles on the right.

From Maryland: Take I-95/I-495, Capital Beltway's Inner Loop, across the Wilson Bridge to Alexandria, VA. Continue on I-95/I-495 to the I-395 Interchange; FOLLOW I-95, SOUTH, towards Richmond, VA. Take Exit 167, Backlick Road/Fullerton Road - the second exit south of the Beltway. At the FIRST Stoplight, Turn RIGHT onto Fullerton Road. At the THIRD Stoplight, Turn LEFT onto Boston Boulevard. Eastern States office (7450 Boston Boulevard) is about 0.3 miles on your right. Take either the sixth or seventh driveway to the right. Public parking is behind the building.

Traveling North I-95 in Virginia: Take I-95 NORTH, to Exit 166-B, Backlick Road/Fullerton Road, just past the fuel tank farm. Take Exit 167, to Fullerton Road - the second exit. At the FIRST Stoplight, Turn LEFT onto Fullerton Road. At the SECOND Stoplight, Turn LEFT onto Boston Boulevard. Eastern States office (7450 Boston Boulevard) is about 0.3 miles on your right. Take either the sixth or seventh driveway to the right. Public parking is behind the building.

PRIVATE SURFACE/FEDERALLY- OWNED MINERALS

ALABAMA

ES-001-09/10 ALES 56449 PD *ALES 53448

Alabama, Greene/Pickens Counties, BLM

T24N, R1E, St. Stephens Meridian

Sec. 9, NWSE;

Sec. 19, W2SW.

120.00 Acres

\$180.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices (EOI 1008)

ES-002-09/10 ALES 56450 PD *ALES 53449

Alabama, Tuscaloosa County, BLM

T18S, R11W, Huntsville Meridian

Sec. 21, NESE;

T21S, R12W,

Sec. 32, SENW;

T20S, R10W,

Sec. 12, SWNE.

120.02 Acres

\$181.50 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices (EOI 1009)

ES-003-09/10 ALES 56451 PD *ALES 53450

Alabama, Pickens County, BLM

T19S, R16W, Huntsville Meridian

Sec. 35, NWNW.

40.00 Acres

\$60.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices (EOI #1010)

ES-004-09/10 ALES 56452 PD *ALES 52474

Alabama, Fayette County, BLM
T17S, R13W, Huntsville Meridian
Sec. 23, NENE.

40.00 Acres

Subject to BLM's Privately-Owned Surface Tracts Stipulations and Lease Notices/Best Management Practices

(EOI #1011)

ES-005-09/10 ALES 56453 PD *ALES 53452

Alabama, Pickens County, BLM
T20S, R14W, Huntsville Meridian

Sec. 10, NESE;

Sec. 20, S2NW.

T20S, R15W;

Sec. 2, NWNW.

160.16 Acres

\$241.50 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices

(EOI #1012)

ES-006-09/10 ALES 56454 PD *ALES 53475

Alabama, Fayette County, BLM
T17S, R11W, Huntsville Meridian

Sec. 33, NWSW.

39.97 Acres

\$60.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations and Lease Notices/Best Management Practices

(EOI #1013)

ES-007-09/10 ALES 56455 PD *ALES 53477

Alabama, Greene County, BLM
T S, R W, St. Stephens Meridian

Sec. 36, SWNE.

39.875 Acres

\$60.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices

(EOI #1014)

ARKANSAS

ES-008-09/10 ARES 56456 PD

Arkansas, Conway County, BLM
T9N, R15 W, Fifth Principal Meridian

Sec. 10, NWSW;

Sec. 20, SWNE.

80.00 Acres

\$120.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat stipulation and Lease Notices/Best Management Practices

(EOI #661)

(*EOI #732, Secs. 10&20 described above*)

(*EOI #1024, Sec. 10, NWSW; Sec. 20, SWNE*)

ES-009-09/10 ARES 56457 PD

Arkansas, Conway County, BLM
T8N, R17 W, Fifth Principal Meridian

Sec. 20, SWNW;

Sec. 36, NWSW.

80.00 Acres

\$120.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations and Lease Notices/Best Management Practices

(EOI #1022)

ES-010-09/10 ARES 56458 PD

Arkansas, Conway County, BLM
T9N, R15 W, Fifth Principal Meridian

Sec. 20, N2NW, SWSE.

120.00 Acres

\$180.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations and Lease Notices/Best Management Practices

(EOI #1024)

ES-011-09/10 ARES 56459 ACQ

Arkansas, Conway County, FFMC
T9N, R16 W, Fifth Principal Meridian

Sec. 30, NESW, W2SE, South 13 1/3 acres of even width off the south side of the SESE.

50% U.S. Minerals Interest

133.33 Acres
\$201.00 Rental
Subject to BLM's Privately-Owned Surface Tracts Stipulations and Lease Notices/Best Management Practices
(EOI #1025)

ES-012-09/10 ARES 56460 ACQ

Arkansas, Pope County, FFMC
T9N, R18 W, Fifth Principal Meridian
Sec. 4, SESW, SWSE;
Sec. 9, E2NW, SWSW.
50% U.S. Mineral Interest
200.00 Acres
\$300.00 Rental
Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices
(EOI #1027)

LOUISIANA

ES-013-09/10 LAES 56461 PD

Louisiana, Bossier Parish, BLM
T16N, R10W, Louisiana Meridian
Sec. 18, S2SW.
80.00 Acres
\$120.00 Rental
Subject to BLM's Privately-Owned Surface Tracts Stipulations and Lease Notices/Best Management Practices
(EOI #841)

ES-014-09/10 LAES 56462 PD

Louisiana, Bossier Parish, BLM
T15N, R11W, Louisiana Meridian
Sec. 2, Lots 6 and 8.
79.48 Acres
\$120.00 Rental
Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices
(EOI #817)

ES-015-09/10 LAES 56463 PD

Louisiana, Bossier Parish, BLM
T17N, R12W, Louisiana Meridian
Sec. 29, Part of NE.
11.59 Acres
\$18.00 Rental

Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat Stipulation and Lease Notices/Best Management Practices (EOI #856)

KISATCHIE NATIONAL FOREST, LOUISIANA

ES-016-09/10 LAES 56464 ACQ

Louisiana, Winn Parish, Kisatchie N.F..
T13N, R4W, Louisiana Meridian
Sec. 6, W2SW, SE;
Sec. 18, SESW;
Sec. 19, NWNW.
319.30 Acres
\$480.00 Rental
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notice No. 3
(close proximity to EOI #255)

ES-017-09/10 LAES 56465 ACQ

Louisiana, Claiborne Parish, Kisatchie N.F..
T22N, R4W, Louisiana Meridian
Sec. 6, Tract Y-47 in NENE.
12.00 Acres
\$18.00 Rental
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Lease Notice #3
(EOI #802)

ES-018-09/10 LAES 56466 ACQ *LAES 48636

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T12N, R5W, Louisiana Meridian
Sec. 18, SESW, SWSE;
Sec. 19, NWNE, S2NE, E2W2, N2SE;
Sec. 30, NW, NWSW, SESW, SWSE;
Sec. 31, NWNE;
Sec. 32, NE;
Sec. 33, Tract C-107a west of Saline Bayou (containing 235.64 in Winn)
1146.64 Acres
\$1,720.50 Rental
Subject to F.S. No Surface Use Stipulation (Sec. 32, N2; Sec. 33, W2)
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notices No. 3 and No. 4
(EOI #184)

ES-019-09/10 LAES 56467 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 10, E2SWNW, E2W2SWNW, N2SW, SWSW, SE;
Sec. 11, N2NE, N2SWNE, SENE, NENW, SWNW, N2SENW, SESE.
585.15 Acres
\$879.00 Rental
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notices No. 3 and No. 4
(EOI #156)

ES-020-09/10 LAES 56468 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 12, W2NE, NW NESW, SWSW, N2SE, SWSE.
433.13 Acres
\$651.00 Rental
Subject to F.S. No Surface Occupancy Stipulation #1 (Sec. 12, E2; 113.4 acres)
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notices No. 3 and No. 4
(EOI #156)

ES-021-09/10 LAES 56469 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 13, E2, NWSW, S2SW.
432.59 Acres
\$649.50 Rental
Subject to F.S. No Surface Occupancy Stipulation #1 (Sec. 13, E2E2; 45.9 acres)
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notices No. 3 and No. 4
(EOI #156)

ES-022-09/10 LAES 56470 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 14, S2S2, NESE;
Sec. 15, N2NWNW;
Sec. 23, NWNE, NESE, S2SE.
378.49 Acres
\$568.50 Rental
Subject to F.S. Controlled Surface Use Stipulation #1

Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notice No. 3
Subject to F.S. Lease Notice No. 4 (Sec. 23)
(EOI #156)

ES-023-09/10 LAES 56471 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 24, All.
627.00 Acres
\$940.50 Rental
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notices No. 3 and No. 4
(EOI #156)

ES-024-09/10 LAES 56472 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 25, All.
632.29 Acres
\$949.50 Rental
Subject to F.S. No Surface Occupancy Stipulation #2 (Sec. 25, NESE; 4.2 Acres)
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notices No. 3 and No. 4
(EOI #156)

ES-025-09/10 LAES 56473 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 26, E2, SENW, SW;
517.58 Acres
\$777.00 Rental
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Lease Notice No. 3
(EOI #156)

ES-026-09/10 LAES 56474 ACQ

Louisiana, Natchitoches & Winn Parishes, Kisatchie N.F..
T13N, R6W, Louisiana Meridian
Sec. 27, SENE, S2.
360.00 Acres
\$540.00 Rental
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2

Subject to F.S. Lease Notice No. 3
Subject to F.S. Lease Notice No. 4 (Sec. 27, SENE)
(EOI #156)

ES-027-09/10 LAES 56475 ACQ

Louisiana, Claiborne Parish, Kisatchie N.F..
T22N, R6W, Louisiana Meridian
Sec. 22, NWNW (Tract Y-31a); S2N2S2NWSW (Tract Y-70);
SWSW (Tract Y-58a); Pt. NWSE (Tract Y-58).

105.50 Acres
\$159.00 Rental
Subject to F.S. Controlled Surface Use Stipulation #1
Subject to F.S. Controlled Surface Use Stipulation #2
Subject to F.S. Lease Notice No. 3
(EOI #1043)

PRIVATE SURFACE/FEDERALLY- OWNED MINERALS

MISSISSIPPI

ES-028-09/10 MSES 56476 ACQ

Mississippi, Covington County, FFMC
T7N, R15W, St. Stephens Meridian
Sec. 15, Part NENW.

50% U.S. Minerals Interest

0.50 Acres
\$1.50 Rental
Subject to BLM's Privately-Owned Surface Tracts Stipulations, Freshwater Aquatic Habitat
Stipulation and Lease Notices/Best Management Practices
(EOI #497)

MICHIGAN

ES-029-09/10 MIES 56477 ACQ

Michigan, Oceana County, Clay Banks Township
T13N, R18W, Michigan Meridian
Sec. 4, the south 20 rods of the west 40 rods, and the north
10 rods of the west 16 rods of the NWSE;
Sec. 9, S2NW.

50% U.S. Minerals Interest

86.00 Acres
\$129.00 Rental

(EOI #280)
Subject to State of Michigan's Lease Stipulations

Bureau of Land Management's (BLM)

Privately-Owned Surface Tracts Stipulations

The following stipulations apply to Parcel Nos. ES -001-09/10 through ES-015-09/10 and ES-028-09/10 (EOIs: AL - #1008, #1009, #1010, #1011, #1012, #1013, #1014, LA –# 817, #841, #856, AR – #661, #1022, #1024, #1025, #1027 and MS – #497)

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

Controlled Surface Use 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 USFWS and in coordination with State agencies.

Modification: The stipulation may be modified if it is determined that a portion of the lease area 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.

Bureau of Land Management's (BLM)

The following stipulation regarding Freshwater Aquatic Habitat applies to the following parcels: ES-001-09/10 thru ES-003-09/10; ES-005-09/10; ES-007-09/10, ES-008-09/10; ES-012-09/10 and ES-014-09/10 (EOIs: AL - #1008, 1009, 1010, 1012, 1014, AR – 661 and 1027, and LA -817)

Freshwater Aquatic Habitat:

No Surface Occupancy (NSO) Stipulation: 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 or 3) 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

Bureau of Land Management's (BLM)

The following Lease Notices/Best Management Practices apply Parcel Nos. ES-001-09/10 through ES-015-09/10 and ES-028-09/10 (all Private Surface/Federally-owned Minerals EOI's except MI's parcel):

Lease Notices/Best Management Practices

Disposal of Produced Water

Objective: To protect aquatic habitats for and to avoid potential impacts to special status fish, mussels, turtles, snails, plants, and migratory birds.

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) where the aquifer is not hydrologically connected to caves, wetlands, or surface water. In Alabama, the injection of produced water is regulated by the Alabama State Oil and Gas Board. In Mississippi, the injection of produced water is regulated by the Mississippi Department of Environmental Quality (MDEQ) and the Mississippi Oil and Gas Board.

If reinjection is not practicable, closed-containment treatment systems should be used to contain and treat produced water for those contaminants and sediments exceeding State standards or EPA criteria. Salt content of any surface ponds for produced water, pigging pits, or other fluids must be less than 7,500 microsiemens per centimeter ($\mu\text{S}/\text{cm}$). If surface pond salt content is greater than 7,500 $\mu\text{S}/\text{cm}$, if other bird toxicity is present, or if the surface exhibits sheen, then the ponds must be netted or covered with floating balls, or other methods must be used to exclude migratory birds.

Produced waters may be released into an impounded reservoir if there is documentation that the discharge site and affected waters do not support special status species, are not designated critical habitat, and State and Federal water quality standards/criteria are met.

Produced waters may be released into a stream/river if the discharge site and affected waters have been recently surveyed and lack special status species, or if the applicant conducts approved surveys documenting the absence of special status species, State and Federal water quality standards/criteria are met, and a National Pollution Discharge Elimination System (NPDES) permit is obtained. The applicant should be aware that some species can be surveyed only during certain times of the year.

Produced waters may be released into a stream/river if the applicant can document that the produced waters would not adversely affect special status species. Water quality tests would be conducted on stream segment(s) or other locations proposed as discharge points, volumes to be released, and any settling ponds or other treatments proposed to improve wastewater quality. The water quality test data, any monitoring proposed, and other available information about general coalbed methane effluent

characteristics (from published or unpublished literature) shall be reviewed by USFWS. Information about timing of the releases in relation to low water and other planned BMPs would also be required. Testing would include analysis of the discharge site and affected waters for chemical oxygen demand (COD), conductivity, total suspended solids (TSS), As, Hg, Se, and polycyclic aromatic hydrocarbons (PAH). Dissolved oxygen and ammonia standards/criteria must be met in bottom waters if they support listed benthic or epibenthic species. If a special status species has been documented to be more sensitive than State/Federal standards/criteria, site-specific standards for that species may be imposed. Calculations would be based on State standards (or Federal CCC criteria for protection of freshwater aquatic life when the State has not determined a standard for these parameters).

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.

Maximum design speed on all operator-constructed and maintained (non-public) roads shall not exceed 25 miles per hour to minimize the chance of a collision with migratory birds or other listed wildlife species.

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 and 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 or formal consultation with USFWS. No aerial application of herbicides or pesticides will be permitted.

KISATCHIE NATIONAL FOREST

CONTROLLED SURFACE USE STIPULATION (CSU 1)

Surface occupancy or use is subject to the following constraints:

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

T13 R4W– Louisiana Meridian

Section	Legal Description	Estimated Acres
6	W/2SW; SE	32.7
18	W/2SESW	5.0
19	NENENW; NESENW; SWNWSW	5.2

For the purpose of:

Protection of Streamside Habitat Protection Zones (SHPZS)

(Revised Land and Resource Management Plan, Forestwide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25)

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

KISATCHIE NATIONAL FOREST

CONTROLLED SURFACE USE STIPULATION (CSU 2)

Surface occupancy or use is subject to the following operating constraints:

Roads and clearing of right-of-way vegetation may occur if a site-specific environmental analysis determines that the mitigated environment effects would not be significant.

T13N, R4W, Louisiana Meridian

Section	Legal Description	Estimated Acres
6	S/2SWSW; SE	95.71

For the purpose of:

Protection of Riparian Zones

(Revised Land and Resource Management Plan, Forestwide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25)

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

KISATCHIE NATIONAL FOREST (LA)

CONTROLLED SURFACE USE STIPULATION #1

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

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

T22N R4W, Louisiana Meridian

SECTION	LEGAL DESCRIPTION	APPROX. ACRES
1	E/2; NW	117.61
2	E/NENE	9.42
3	W/2; PT OF E/2	345.39
4	SE; pt of N/2; pt of SW	224.46
5	N/2	41.21
6	NENENE	3.19
9	NENENE	3.49
10	Pt of ALL	324.22
11	S/2NW; pt of SW; pt of SE	102.12
12	Pt of E/2	40.90
13	Pt of All	437.05
14	W/2NENW; N/2SWNE	8.28
24	NE; NENW; pt of E/2SE	229.53

For the purpose of:

Protection of Streamside Habitat Protection Zones (SHPZS)

(Revised Land and Resource Management Plan, Forestwide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25)

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

KISATCHIE NATIONAL FOREST

NO SURFACE USE STIPULATION (NSO)

No surface occupancy or use is allowed on that portion of the lands described below which fall within the named special management areas.

T12N R5W, Louisiana Meridian

Section	Legal Description	Estimated Acres
5	E/2	98.2
8	E/2	143.95
9	W/2	63.31
16	W/2	93.97
27	NWSW	5.9
28	NENE	.5
29	SW; S2NW	128.0
30	SESE	11.8
31	NENE	1.25
32	N/2	129.7
33	W/2	160.7
35	S2; E2NW	5.67

For the purpose of:

Protection of Saline Bayou, Jurisdictional Wetlands, Water Bodies

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

KISATCHIE NATIONAL FOREST (LA)

CONTROLLED SURFACE USE STIPULATION (CSU 1)

Surface occupancy or use is subject to the following constraints:

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

T12 R5W– Louisiana Meridian

Section	Legal Description	Estimated Acres
5	NW;N/2SW	55.58
6	ALL	126.8
8	E/2	14.2
9	ALL	96.84
16	W/2	8.69
18	SESW; SWSE	25.13
19	NE; E/2W/2; N/2SE; E/2SWSW	39.15
22	NE of FS Tr. C151G	.22
27	NWSW	4.58
28	NESE	6.29
29	NW;S/2SW	25.87
30	NE, N2SE	66.16
31	N/2; SESE	97.14
32	SWSW	9.63
35	NWNE, S2NE, S2, E2NW	127.0
36	ALL	156.9

For the purpose of:

Protection of Streamside Habitat Protection Zones (SHPZS)

(Revised Land and Resource Management Plan, Forestwide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25)

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

KISATCHIE NATIONAL FOREST

CONTROLLED SURFACE USE STIPULATION (CSU 2)

Surface occupancy or use is subject to the following operating constraints:

Roads and clearing of right-of-way vegetation may occur if a site-specific environmental analysis determines that the mitigated environment effects would not be significant.

T12N, R5W, Louisiana Meridian

Section	Legal Description	Estimated Acres
5	E/2E/2;NW;N/2SW	104.52
6	NENE; S/2	103.57
9	ALL	190.02
8	E/2	82.98
16	W/2	14.35
18	SESW; SWSE	45.61
19	NESWSW	48.77
27	NWSW	4.95
28	NESE	20.93
29	SW, NW; E/2NE	158.99
30	N/2; SE, NWSW;SESW	121.03
31	N/2	74.3
32	N/2	47.63
33	W/2	61.9
35	NWNE, S2, E2NW	46.3
36	E/2W/2	5.84

For the purpose of:

Protection of Riparian Zones

(Revised Land and Resource Management Plan, Forestwide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25)

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

Kisatchie National Forest (LA)

LEASE NOTICE #3

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.

LEASE NOTICE # 4

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." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.72 (e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest Officer.

KISATCHIE NATIONAL FOREST

NO SURFACE OCCUPANCY STIPULATION #1

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

T13N R6W, Louisiana Meridian

SECTION	LEGAL DESCRIPTION	APPROX. ACRES
1	W/2NE;NW;SW	123.38
12	E/2	113.4
13	E/2E/2	45.9

For the purpose of:

Protection of Saline Bayou National Scenic River

Any changes in this stipulation will be made in accordance with land use plan and/or the regulatory provision for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

KISATCHIE NATIONAL FOREST (LA)

CONTROLLED SURFACE USE STIPULATION #1

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

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

T13N R6W, Louisiana Meridian

SECTION	LEGAL DESCRIPTION	APPROX. ACRES
1	ALL	50.6
2	N/2; N/2S/2	64.27
4	SW	51.17
5	S/2NENE; SENE; W/2NESE; S/2SE	37.4
8	E/2NE	16.92
9	NWNW	15.31
10	N/2SW; SWSW; SE; E/2SWNW; E/2W/2SWNW	102.14
11	N/2NE; N/2SWNE; SENE; NENW; SWNW; N/2SENW; SESE	53.56
12	W/2NE; NW; NESW; SWSW; N/2SE; SWSE	24.57
13	NE; SW	32.92
14	S/2S/2; NESE	41.13
15	N/2NWNW	10.05
23	NWNE; NESE; S/2SE	49.96
24	ALL	98.2
25	ALL	146.8
26	E/2; SENW; SW	121.74

27	ALL	155.95
28	N/2NE; S/2NW; SW; NWSE	66.47
32	N/2; N/2SE	95.07
33	N/2NE; W/2	107.07
34	N/2; N/2SW; SE	185.22
35	ALL	164.92
36	NWNE; S/2NE; W/2; SE	182.96

For the purpose of:

Protection of Streamside Habitat Protection Zones (SHPZS)

(Revised Land and Resource Management Plan, Forestwide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25)

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

KISATCHIE NATIONAL FOREST (LA)

CONTROLLED SURFACE USE STIPULATION #2

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

Roads and clearing of right-of-way vegetation may occur if a site-specific environmental analysis determines that the mitigated environment effects would not be significant.

T13N R6W, Louisiana Meridian

SECTION	LEGAL DESCRIPTION	APPROX. ACRES
1	W/2	56.0
2	N/2; N/2S/2	64.27
4	SW	14.8
9	NWNW	1.29
10	N/2SW; SWSW; SE; E/2SWNW; E/2W/2SWNW	81.27
11	N/2NE; N/2SWNE; SENE; NENW; SWNW; N/2SENW; SESE	80.1
12	W/2NE; NW; NESW; SWSW; N/2SE; SWSE	118.39
13	E/2	151.13
15	NWNWNW	1.33
23	NWNE; NESE; S/2SE	30.02
24	N/2; N/2SE	250.17

27	ALL	115.37
28	N/2NE; S/2NW; SW; NWSE	52.98
32	N/2	24.12
34	SE	5.84
35	N/2; SW	44.69
36	N/2	20.62

For the purpose of:

Protection of Riparian Zones

(Revised Land and Resource Management Plan, Forestwide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25)

LEASE NOTICE #3

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.

All available land in **T13N R6W**, Louisiana Meridian

TO BE USED IF WETLANDS ARE OUTSIDE STREAMBED OR RIPARIAN ZONE

LEASE NOTICE NO. 4

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." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.72 (e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest Officer.

Lands in **TN RW**, Louisiana Meridian

**KISATCHIE NATIONAL FOREST
TOWNSHIP 22 NORTH, RANGE 6 WEST**

CONTROLLED SURFACE USE STIPULATION (CSU 1)

Surface occupancy or use is subject to the following constraints:

Placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation are prohibited.

T22N, R6W – Louisiana Meridian

Section	Approx. Location	Approx. Acres
1	N/2; SE	115.3
3	NE; E/2NW; E/2W/2NW; SW; W/2SE	135.1
9	SESW; S/2SE	37.0
10	N/2N/2; SENW; SW; W/2SE	88.5
11	SESE	6.7
12	E2NE; E/2W/2NE; E/2W/2W/2NE; W/2W/2SWNE; SENW; E/2SWNW; S/2SW; SE	120.1
13	E/2; E/2W/2; SWSW	138.1
14	N/2N/2, SWNE; SW; SWSE	105.3
15	NENE; SWNE; W/2; NWSE	74.8
16	ALL	159.0
17	E/2; E/2NW; NWNW; NESW	104.3
20	E/2; E/2W/2; W/2SW	109.1

21	ALL	170.9
22	W/2SWNE; W/2; NWSE	95.4
23	N/2NE	2.0
24	N/2NW	19.5
27	NW; N/2SW	43.3
28	ALL	148.3
29	ALL	113.1
30	S/2N/2SENE; S/2SENE; NESE; S/2S/2NWSE; S/2SE	22.2

For the purpose of:

Protection of Streamside Zones

(In accordance with the Revised Land and Resource Management Plan, Forest-wide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25.

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

**KISATCHIE NATIONAL FOREST
TOWNSHIP 22 NORTH, RANGE 6 WEST**

CONTROLLED SURFACE USE STIPULATION (CSU 2)

Surface occupancy or use is subject to the following operating constraints:

Roads and clearing of right-of-way vegetation may occur if a site-specific environmental analysis determines that the mitigated environment effects would not be significant.

T22N, R6W, Louisiana Meridian

Section	Approx. Location	Approx. Acres
1	SE	8.9
3	NE; SW; W/2SE	128.8
9	SESW; S/2SE	20.9
10	N/2N/2; SENW; SW	173.4
11	SESE	18.2
12	E2NE; E/2W/2NE; E/2W/2W/2NE; W/2W/2SWNE; SENW; E/2SWNW; S/2SW; SE	190.8
13	NE; NENW	40.1
14	N/2N/2; SWNE; N/2SW	31.2
15	S/2SW; NWSE	16.6
16	NE; SENW; SW	91.6
17	NWNW; NESW; SE	62.5

20	N/2; W/2SW; NESW	38.4
21	NE; S/2	16.0
22	NW; NWSW	52.6
27	N/2N/2	5.5

For the purpose of:

Protection of Riparian Zones

(In accordance with the Revised Land and Resource Management Plan, Forest-wide Standards and Guidelines, Chapter 2, paragraph FW-225, page 2-25.

Any changes to this stipulation will be made in accordance with the land use plan and/or 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).

LEASE NOTICE #3

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.

All available land in **T22N R6W**, Louisiana Meridian

ES-029-09/10 MIES 56468 ACQ
Michigan, Oceana County
T13N, R18W

LEASE STIPULATIONS

Clay Banks Township, Oceana County, Michigan: T.13N., R.18W., Section 4: the south 20 rods of the west 40 rods, and the north 10 rods of the west 16 rods of the NW1/4SE1/4; Section 9: S1/2NW1/4, (86 acres).

Prior to any surface disturbing activities:

1. The operator must complete an archaeological survey, and its results evaluated by the State of Michigan, unless the State of Michigan determines an archaeological survey is not required.
2. Because there is potential for the Indiana Bat to be present the operator must complete a survey to determine the presence of the Indiana Bat. If the bat is present tree cutting will be restricted to between September 15 and April 15, when roosting bats are not present.
3. The operator must complete a survey to determine whether wild blue lupine (*Lupinus perennis*), the sole host for the Karner blue butterfly, is present. Development in and near areas that may host the Karner blue butterfly will be subject to approval by the U.S. Fish and Wildlife Service per the requirements of the Endangered Species Act.
4. Distance from the occupied structures, to a proposed well and/or surface facilities, must be in conformance with Michigan Oil and Gas Regulations.

Appendix A: Map 1, Proposed Leasing Area, EOI 280

