



# United States Department of the Interior



## Bureau of Land Management

Eastern States  
7450 Boston Boulevard  
Springfield, Virginia 22153  
<http://www.es.blm.gov>

IN REPLY REFER TO:

August 5, 2004

### Notice of Competitive Lease Sale Oil and Gas

The Bureau of Land Management, Eastern States, is pleased to announce that we will offer for competitive sale certain Federal lands in Alabama (ES-001), Arkansas (ES-002 thru ES-069), Louisiana (ES-070 and ES-071), Mississippi (ES-072 thru ES-090), and Michigan (ES-091) for oil and gas leasing.

This notice describes—

1. the time and place of the auction,
2. how to register for and participate in the bidding process,
3. the conditions of the auction,
4. how to file a pre-sale noncompetitive offer, and
5. how to file a noncompetitive offer after the auction.

#### When and where will the auction take place?

- When:** The competitive oral auction will begin at **10:00 a.m. on September 23, 2004**. The sale room will open one hour earlier to allow you to register and get your bidding number.
- Where:** We will hold the auction at the BLM, Eastern States, 7450 Boston Boulevard, Springfield, Virginia 22153. Parking will be available at the sale site.
- Access:** The auction room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the auction, such as a sign language interpreter or materials in an alternate format, please contact Bill Forbes at (703) 440-1536 by September 7, 2004.

#### How do I register as a bidder?

You have to register and get a bidding number to participate in the sale. A Bidder Registration Form is included in this package. We will have copies available at the auction site. We will begin registering bidders at 9:00 a.m. on the day of the sale.



WILD HORSES & BURROS • CADASTRAL SURVEY • GENERAL LAND OFFICE RECORDS • MINERALS • RENEWABLE RESOURCES



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

The auctioneer will offer the parcels on the list attached to this notice in number order. Only registered bidders may make oral bids. All bids are on a per-acre basis for the entire acreage in the parcel. The winning bid will be the highest oral bid equal to or exceeding the minimum acceptable bid. The decision of the auctioneer is final.

The minimum acceptable bid is \$2 per acre or fraction thereof. If the parcel has fractional acreage, round it up to the next whole acre. For example, a parcel of 100.5 acres requires a minimum bid of \$202 (\$2 x 101 acres). After the auctioneer has offered all parcels, you may request that any unsold parcel be re-offered.

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

6. **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. 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, June 1998 or later editions).

7. **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 supercede any inconsistent provisions in the lease form.

### **What are the terms of the sale?**

8. **Withdrawal:** We reserve the right to withdraw any or all parcels from the sale before the auction begins. If we withdraw any parcels, we will post a notice in the Public Room at the Eastern States Office. You may also get the numbers of withdrawn parcels by contacting Bill Forbes at (703) 440-1536. If we cancel the sale, we will try to notify all interested parties in advance.

9. **Payment:** You cannot withdraw your bid; it is a legally binding commitment to sign the lease bid form; accept the lease; and pay on the day of the auction the bonus bid, the first year's rent, and an administrative fee. The bonus bid is a deposit of at least \$2.00 per acre or fraction thereof. The first year's rent is \$1.50 per acre or fraction thereof. The administrative fee is \$75 per parcel.

You must pay minimum bonus, first year's rental and administrative fee by 4:30 p.m., at the Eastern States accounting office. You may pay the entire amount of your bid on the day of the auction, but if you don't, **you must pay the balance by October 7, 2004**, which is the 10<sup>th</sup> working day following the auction. If you don't pay in full by this date, you forfeit the right to the lease and all money you have paid us. If you forfeit a parcel, we may offer it for sale at a later auction.

10. **Form of payment:** You can pay by personal check, certified check, money order, or credit card (VISA, MASTERCARD, AMERICAN EXPRESS, or DISCOVER). Make a check payable to: **Department of the Interior-BLM**. We don't accept cash. If a check you have sent us in the past has bounced (been returned for insufficient funds), we will require that you give us a guaranteed payment, such as a certified check.

11. **Bid form:** Successful bidders must submit a signed competitive lease bid form (Form 3000-2, April 2004) 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.

12. **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 pre-sale offer?**

Under our regulations at 43 CFR 3110.1(a), you can file a noncompetitive pre-sale offer for lands that –

13. are available,
14. have not been under lease during the previous one-year period; or
15. 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 --:

16. A standard lease form (Form 3100-11, June 1988 or later edition), which is properly filled out, as required by the regulations under 43 CFR 3110. (Note: You must copy both sides of the form on one page. If you copy the form on 2 pages, we will reject your offer. We will also reject offers on obsolete lease forms.);
17. the first year's advance rent in the amount of \$1.50 per acre or fraction thereof; and
18. a nonrefundable administrative fee in the amount of \$75.

**NOTE:** You cannot file a pre-sale offer for any lands included in the parcel list attached to this notice.

### **How do I file a noncompetitive offer after the auction?**

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

19. we did not withdraw it from the sale;
20. it did not receive a bid; and
21. 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 an unsold parcel immediately after the sale or on the next business day, give us the items listed above under pre-sale offers in a sealed envelope marked "Noncompetitive Offer." We will provide drop boxes at the Eastern States accounting office. 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 to determine who will get the lease.

**Where can I get copies of BLM forms?**

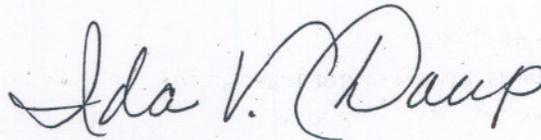
Click here for BLM forms: <http://www.nc.blm.gov/blmforms/>.

**When is the next sale scheduled?**

The next sale is tentatively scheduled for December 16, 2004.

**Who should I contact if I have a question?**

For more information, contact Bill Forbes at (703) 440-1536.



Ida V. Doup  
Chief, Branch of Use Authorization  
Division of Natural Resources

**PLEASE COMPLETE ONE FORM FOR EACH COMPANY AND/OR  
INDIVIDUAL YOU ARE REPRESENTING AND BRING TO THE SALE  
LOCATION TO SPEED PROCESSING OF REGISTRATION**

## **REGISTRATION FORM**

**BIDDER NO.** \_\_\_\_\_  
(Leave Blank)

**NAME:** \_\_\_\_\_

**BUSINESS PHONE:** \_\_\_\_\_

**BUSINESS ADDRESS:**

**CITY:** \_\_\_\_\_

**STATE:** \_\_\_\_\_ **ZIP CODE:** \_\_\_\_\_

**THE LESSEE MUST BE QUALIFIED TO HOLD  
A FEDERAL OIL AND GAS LEASE.**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**DATE**

**A COPY OF THE LEASE AND ALL BILLING NOTICES WILL BE SENT TO THE  
NAME AND ADDRESS OF THE LESSEE AS SHOWN ON FORM 3000-2 (BID FORM).**

## **HOTEL INFORMATION**

Springfield Hilton  
6550 Loisdale Court  
Springfield, Virginia  
(703) 971-8900

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

Best Western  
6560 Loisdale Court  
Springfield, Virginia  
(703) 922-9000

Days Inn  
6721 Commerce Street  
Springfield, Virginia  
(703) 922-6100

Ramada Plaza Hotel  
4641 Kenmore Avenue  
Alexandria, Virginia  
(703) 751-4510

Hotel shuttle to National Airport and Metro Subway

**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 .3 miles on the right.**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0145  
Expires: 11/30/2005

Serial Number \_\_\_\_\_

**OFFER TO LEASE AND LEASE FOR OIL AND GAS**

The undersigned (*reverse*) offers to lease all or any of the lands in Item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181-188), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

**READ INSTRUCTIONS BEFORE COMPLETING**

1. Name.  
Street  
City, State, Zip Code

2. This application/offer/lease is for: (Check only One)  PUBLIC DOMAIN LANDS  ACQUIRED LANDS (percent U.S. interest \_\_\_\_\_)  
Surface managing agency if other than BLM: \_\_\_\_\_ Unit/Project \_\_\_\_\_  
Legal description of land requested: \_\_\_\_\_ \*Parcel No.: \_\_\_\_\_ \*Sale Date (m/d/y): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
**\*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**  
T. \_\_\_\_\_ R. \_\_\_\_\_ Meridian \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_

Amount remitted: Filing fee \$ \_\_\_\_\_ Rental fee \$ \_\_\_\_\_ Total acres applied for \_\_\_\_\_  
Total \$ \_\_\_\_\_

**DO NOT WRITE BELOW THIS LINE**

3. Land included in lease:  
T. \_\_\_\_\_ R. \_\_\_\_\_ Meridian \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_

Total acres in lease \_\_\_\_\_  
Rental retained \$ \_\_\_\_\_

This lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (*except helium*) in the lands described in Item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

- Noncompetitive lease (ten years)
- Competitive lease (ten years)
- Other \_\_\_\_\_

THE UNITED STATES OF AMERICA

by \_\_\_\_\_  
(Signing Officer)

\_\_\_\_\_  
(Title) (Date)

EFFECTIVE DATE OF LEASE \_\_\_\_\_

4. (a) Undersigned certifies that (1) offeror is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) all parties holding an interest in the offer are in compliance with 43 CFR 3100 and the leasing authorities; (3) offeror's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(b) Undersigned agrees that signature to this offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment or separate lease that may include any land described in this offer open to leasing at the time this offer was filed but omitted for any reason from this lease. The offeror further agrees that this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the proper BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed on behalf of the United States.

This offer will be rejected and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required payments. 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Duly executed this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

(Signature of Lessee or Attorney-in-fact)

## LEASE TERMS

Sec. 1. Rentals—Rentals shall be paid to proper office of lessor in advance of each lease year. Annual rental rates per acre or fraction thereof are:

- (a) Noncompetitive lease, \$1.50 for the first 5 years; thereafter \$2.00;
- (b) Competitive lease, \$1.50; for the first 5 years; thereafter \$2.00;
- (c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan contains a provision for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), or (c) for those lands not within a participating area.

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) shall automatically terminate this lease by operation of law. Rentals may be waived, reduced, or suspended by the Secretary upon a sufficient showing by lessee.

Sec. 2. Royalties—Royalties shall be paid to proper office of lessor. Royalties shall be computed in accordance with regulations on production removed or sold. Royalty rates are:

- (a) Noncompetitive lease, 12 1/4 %;
- (b) Competitive lease, 12 1/2 %;
- (c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

Lessor reserves the right to specify whether royalty is to be paid in value or in kind, and the right to establish reasonable minimum values on products after giving lessee notice and an opportunity to be heard. When paid in value, royalties shall be due and payable on the last day of the month following the month in which production occurred. When paid in kind, production shall be delivered, unless otherwise agreed to by lessor, in merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessee be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

Minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced, for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (30 U.S.C. 1701). Lessee shall be liable for royalty payments on oil and gas lost or wasted from a lease site when such loss or waste is due to negligence on the part of the operator, or due to the failure to comply with any rule, regulation, order, or citation issued under FOGRMA or the leasing authority.

Sec. 3. Bonds—A bond shall be filed and maintained for lease operations as required under regulations.

Sec. 4. Diligence, rate of development, unitization, and drainage—Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to, loss of, or waste of leased resources. Lessor reserves right to specify rates of development and production in the public interest and to require lessee to subscribe to a cooperative or unit plan, within 30 days of notice, if deemed necessary for proper development and operation of area, field, or pool embracing these leased lands. Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessor.

Sec. 5. Documents, evidence, and inspection—Lessee shall file with proper office of lessor, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing amounts and quality of all products removed and sold, proceeds therefrom, and amount used for production purposes or unavoidably lost. Lessee may be required to provide plats and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by lessor, lessee shall keep a daily drilling record, a log, information on well surveys and tests, and a record of subsurface investigations and furnish copies to lessor when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessor, the leased premises and all wells, improvements, machinery, and fixtures thereon, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or in the leased lands. Lessee shall maintain copies of all contracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that supports

costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

During existence of this lease, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations—Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-way. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary. Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

Sec. 7. Mining operations—To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessor reserves the right to deny approval of such operations.

Sec. 8. Extraction of helium—Lessor reserves the option of extracting or having extracted from gas production in a manner specified and by means provided by lessor at no cost to lessee or owner of the gas. Lessee shall include in any contract of sale of gas the provisions of this section.

Sec. 9. Damages to property—Lessee shall pay lessor for damage to lessor's improvements, and shall save and hold lessor harmless from all claims for damage or harm to persons or property as a result of lease operations.

Sec. 10. Protection of diverse interests and equal opportunity—Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; and take measures necessary to protect the health and safety of the public.

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with section 28 of the Mineral Leasing Act of 1920.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessor nor lessee's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease—As required by regulations, lessee shall file with lessor any assignment or other transfer of an interest in this lease. Lessee may relinquish this lease or any legal subdivision by filing in the proper office a written relinquishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surety to pay all accrued rentals and royalties.

Sec. 12. Delivery of premises—At such time as all or portions of this lease are returned to lessor, lessee shall place affected wells in condition for suspension or abandonment, reclaim the land as specified by lessor and, within a reasonable period of time, remove equipment and improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of default—If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at a later time. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

Sec. 14. Heirs and successors-in-interest—Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, beneficiaries, or assignees of the respective parties hereto.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR  
GEOTHERMAL RESOURCES LEASE BID  
30 U.S.C. 181 et seq.; 30 U.S.C. 351-359;  
30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED  
OMB NO. 1004-0074  
Expires: September 30, 2006

State		Date of sale
PARCEL NUMBER	AMOUNT OF BID (See Instructions below)	
	TOTAL BID	PAYMENT SUBMITTED WITH BID
THE BID IS FOR (Check one):		
<input type="checkbox"/> Oil and Gas Parcel Number _____		
<input type="checkbox"/> Geothermal Parcel Number _____		
Name of Known Geothermal Resource Area (KGRA) _____		

The appropriate regulations applicable to this bid are: (1) for oil and gas leases--43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases--43 CFR 3132; and (3) for Geothermal resources leases--43 CFR 3220. (See details concerning lease qualifications on reverse.)

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

**IMPORTANT NOTICE:** Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Print or Type Name of Lessee	Signature of Lessee or Bidder
Address of Lessee	
City	State
Zip Code	

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID  
(Except NPR-A)

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale*.
2. Bid **must** be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance **must** be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, **must** be submitted to the proper BLM office within 10 working days after the last day of the oral auction. **Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.**
3. If bidder is **not** the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed (*signed*) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave, AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

INSTRUCTIONS FOR GEOTHERMAL OR  
NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid **must** be accompanied by one-fifth of the total amount of bid. The remittance **must** be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in (*Name of KGRA*) or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
5. If bidder is **not** the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

## QUALIFICATIONS

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920; as amended, the oral bidder must: (1) Be a citizen of the United States; an association (including partnerships and trusts) of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 246,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 300,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be a Citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority cited herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such Citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

## NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this bid for a Competitive Oil and Gas or Geothermal Resources Lease.

**AUTHORITY:** 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

**PRINCIPAL PURPOSE:** The information is to be used to process your bid.

**ROUTINE USES:** (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or concurrence is required prior to granting a right in public lands or resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

**EFFECT OF NOT PROVIDING INFORMATION:** Disclosure of the information is voluntary. If all the information is not provided, your bid may be rejected.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220.

This information will be used to determine the bidder submitting the highest bid.

Response to this request is required to obtain a benefit.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (1004-0074), Bureau Clearance Officer (WO-630), 1620 L Street, Mail Stop 401LS, Washington, D.C. 20036

**ES-001-09/04 ALES 52334 PD**

Alabama, Tuscaloosa County, BLM

T18S, R10W, Huntsville Meridian,

Sec. 26, N2SE.

80.31 Acres

\$121.50 Rental

Subject to BLM Controlled Surface Use Stipulation

T.18S, R.10W, Huntsville Meridian,  
Sec. 26, N2SE.

### **BLM CONTROLLED SURFACE USE STIPULATION**

1. Consultation with the appropriate Native American tribe/group will occur at the time of any proposed development of this lease, if it is found that currently used religious sites may be impacted by any development of this lease. If currently unknown burials are discovered during development activities associated with this lease, Alabama state law on unknown burials will be followed. If necessary, consultation with the appropriate tribe/group of federally recognized Native Americans will take place.

Modification: None

Waiver: None

Exemptions: None

2. In order to protect unknown cultural resources, a cultural resources survey (36 CFR 800.4); National Historic Preservation Act, as amended, Section 112 and Section 48 FR 44716), conducted by professional archaeologists (36 CFR 61.1(e) and Appendix A), will be required before any ground disturbance occurs which is associated with development of this lease. In addition, a report, which meets professional and Alabama standards for survey reports (36 CFR 61.1(e)), of the survey will be submitted to and approved by the Bureau of Land Management and the Alabama State Historic Preservation Officer before ground disturbance can be approved and/or conducted (36 CFR 800.3 (c)). In addition, consultation with the Alabama State Historic Preservation Officer (36 CFR 800.1(c)(1)(ii)) will occur, and if necessary, consultation the Advisory Council on Historic Preservation (36 CFR 800.1(c)(1)(iii)) and appropriate tribe/group of federally recognized Native Americans 36 CFR 800.1(c)(2)(iii) , if necessary, may also occur.

Modification: None

Waiver: This stipulation may be waived by the Field Manager, Bureau of Land Management if it is documented that a cultural resources survey which meets professional standards has been conducted and significant sites will not be impacted by development of this lease, or if it is documented that a cultural resources survey is not otherwise required. Consultation with the Alabama State Historic Preservation Officer is not waived.

Exemptions: None

3. To discourage the spread of invasive, non-native plants, the operator will be encouraged to use native and/or noninvasive cover plants in seeding mixtures to stabilize disturbed areas and during restoration activities. Final seed mixtures will be formulated in consultation with the private land owner.

Modification: None

Waiver: None

Exemptions: None

4. Road and well site proposed construction will be review for slops around the well pad and along the road of 2 to 1 for aprons and shoulders, and maximum road grade of 7 percent.

Modification: None

Waiver: None

Exemptions: None

5. Prior to surface disturbing activities, all suitable habitat areas potentially impacted by the construction will be surveyed for special status species. If special status species are found and a may affect situation exists, BLM will initiate consultation with the appropriate state agency and/or the U.S. Fish and Wildlife Service. All oil and gas development will comply with the protection measures developed as a result of those consultations.

To minimize soil erosion potential and soil disturbance, no well site construction on slopes greater than eight percent will be permitted. This measure will not apply to road construction for access to a proposed well site.

Modification: None

Waiver: None

Exemptions: None

6. Should the oil or gas be developed at this site, all open vent stack equipment, such as heater treaters, separators, and dehydrator 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.

Modification: None

Waiver: None

Exemptions: None

7. To prevent erosion and protect watershed and wildlife values, no drill pad construction will be permitted on slopes over 8%.

Modification: None

Waiver: None

Exemptions: None

**ES-002-09/04 ARES 52335 PD**

Arkansas, Scott County, Ouachita NF

T1S, R 28W, 5<sup>th</sup> Principal Meridian

Sec. 1, S2;

Sec. 2, S2;

Sec. 3, All;

Sec. 4, All.

1,503.07 Acres

\$2,254.60 Rental

Subject to Lease Notices No. 3 & 4

Subject to Controlled Surface Use Stipulation #1a

**ES-003-09/04 ARES 52336 PD**

Arkansas, Scott County, Ouachita NF

T1S, R28W, 5<sup>th</sup> Principal Meridian

Sec. 5, All;

Sec. 6, All.

802.82 Acres

\$1,204.50 Rental

Subject to Controlled Surface Use Stipulation #1a & 1b

Subject to Lease Notices No. 3 & 4

**ES-004-09/04 ARES 52337 PD**

Arkansas, Polk County, Ouachita NF

T1S, R28W, 5<sup>th</sup> Principal Meridian

Sec. 7, All;

Sec. 8, All.

1,264.47 Acres

\$1,897.50 Rental

Subject to Lease Notices No. 3 & 4

Subject to Controlled Surface Use Stipulation #1a

Subject to Controlled Surface Use Stipulation #1b

**ES-005-09/04 ARES 52338 PD**

Arkansas, Polk County, Ouachita NF

T1S, R28W, 5<sup>th</sup> Principal Meridian

Sec. 9, All;

Sec. 10, All.

1,280.00 Acres

\$1,920.00 Rental

Subject to Lease Notices No. 3 & 4

Subject to Controlled Surface Use Stipulation #1a

Subject to Controlled Surface Use Stipulation #1b

**ES-006-9/04 ARES 52339 PD**

Arkansas, Scott County, Ouachita NF

T1S, R28W, 5<sup>th</sup> Principal Meridian

Sec. 11, All;

Sec. 12, All.

1,280.00 Acres

\$1,920.00 Rental

Subject to Controlled Surface Use Stipulation #1a

Subject to Controlled Surface Use Stipulation #1b

Subject to Lease Notices No. 3 & 4

**ES-007-09/04 ARES 52340 PD**

Arkansas, Scott County, Ouachita NF

T1S, R28W, 5<sup>th</sup> Principal Meridian

Sec. 13, All;

Sec. 14, All.

1280 Acres

\$1,920.00 Rental

Subject to Controlled Surface Use Stipulation #1a

Subject to Controlled Surface Use Stipulation #1b

Subject to Lease Notices No. 3 & 4

**ES-008-09/04 ARES 52341 PD**

Arkansas, Scott County, Ouachita NF

T1S, R28W, 5<sup>th</sup> Principal Meridian

Sec. 15, All.

640.00 Acres

\$960.00 Rental

Subject to Controlled Surface Use Stipulation #1a

Subject to Lease Notices No. 3 & 4

**ES-009-09/04 ARES 52342 PD**

Arkansas, Scott County, Ouachita NF

T1S, R28W, 5<sup>th</sup> Principal Meridian

Sec. 17, N2NENW, NWNW, N2NE, SENE, SESE, SESW;

Sec. 18, NENE.

Subject to Controlled Surface Use Stipulation #1a

Subject to Lease Notices No. 3 & 4

300.00 Acres

\$450.00 Rental

**ES-010-09/04 ARES 52343 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R28W, 5<sup>th</sup> Principal Meridian  
Sec. 19, S2 SENE;  
Sec. 20, S2, S2N2, NENW, N2NE.  
390.00 Acres  
\$585.00 Rental  
Subject to Controlled Surface Use Stipulation #1a  
Subject to Lease Notices No. 3 & 4

**ES-011-09/04 ARES 52344 PD**

Arkansas, Scott County, Ouachita NF  
T.1S., R.28W, 5<sup>th</sup> Principal Meridian  
Sec. 21, All.  
640.00 Acres  
\$960.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulation #1a

**ES-012-09/04 ARES 52345 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R28W, 5<sup>th</sup> Principal Meridian  
Sec. 22, All;  
Sec. 23, All.  
1,280.00 Acres  
\$1,920.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulation #1a

**ES-013-09/04 ARES 52346 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R28W, 5<sup>th</sup> Principal Meridian  
Sec. 24, NE, NW, N2SW, SWSW, W2W2SESW;  
NENWSESW, N2NESESW, N2SE, NWNWSWSE;  
E2W2SWSE, E2SWSE, SESE.  
605.00 Acres  
\$907.50 Rental  
Subject to Lease Notices No. 3 & 4

**ES-014-09/04 ARES 52347 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R.28W, 5<sup>th</sup> Principal Meridian  
Sec. 25, NE, NESE, S2SE;  
Sec. 27, N2N2, SWNW;  
Sec. 28, N2, N2N2, S2SE, SWSW.  
1,080.00 Acres  
\$1,620.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulation #1a

**ES-015-09/04 ARES 52348 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R28W, 5<sup>th</sup> Principal Meridian  
Sec. 29, All;  
Sec. 30, All.  
1,250.33 Acres  
\$1,876.50 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulation #1a

**ES-016-09/04 ARES 52349 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R28W, 5<sup>th</sup> Principal Meridian  
Sec. 31, NESE, SENE;  
Sec. 32, S2NW, N2SW, W2SE.  
320.00 Acres  
\$480.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulation #1a

**ES-017-09/04 ARES 52350 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R28W, 5<sup>th</sup> Principal Meridian  
Sec. 36, N2NE, SENE.  
120.00 Acres  
\$180.00 Rental  
Subject to Lease Notices No. 3 & 4

**ES-018-09/04 ARES 52351 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 1, All;

Sec. 2, All;

Sec. 3, All;

Sec. 4, All.

1,550.34 Acres

\$2,325.00 Rental

Subject to Lease Notices No. 3 & 4

Subject to Controlled Surface Use Stipulation #1a & Stipulation #1b

**ES-019-09/04 ARES 52352 PD**

Arkansas, Scott County, Ouachita NF  
T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 5, All;

Sec. 6, All.

802.82 Acres

\$1,204.50 Rental

Subject to Lease Notices No. 3 & 4

Subject to Controlled Surface Use Stipulation #1a & #1b

**ES-020-09/04 ARES 52353 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 7, N2, NESW, W2SE, NESE;

Sec. 8, N2, S2S2, N2SE, NESW;

Sec. 9, W2, E2E2, SWSE.

1,539.70 Acres

\$2,310.00 Rental

Subject to Lease Notices No. 3 & 4

Subject to Controlled Surface Use Stipulation #1b

**ES-021-09/04 ARES 52354 PD**

Arkansas, Polk County, Ouachita NF

T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 10, N2, N2N2, SESE;

Sec. 11, All;

Sec. 12, S2SE;

Sec. 13, NENW.

1,280.00 Acres

\$1,920.00 Rental

Subject to Lease Notices No. 3 & 4

Subject to Controlled Surface Use Stipulation #1b

**ES-022-09/04 ARES 52355 ACQ**

Arkansas, Polk County, Ouachita NF

T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 12, N2, N2S2, S2SW;

Sec. 13, SWNE, NENE, N2NWNE, NWNW;

Sec. 14, N2NE, E2NW, NWSW, W2E2SW, NENESW.

950.00 Acres

\$1,425.00 Rental

Subject to Lease Notices No. 3 & 4

**ES-023-09/04 ARES 52356 ACQ**

Arkansas, Polk County, Ouachita NF

T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 15, E2NE, SWNE, SENW, NESW, NWSE, S2SW;

Sec. 16, All.

960.00 Acres

\$1,440.00 Rental

Subject to Lease Notices No. 3 & 4

**ES-024-09/04 ARES 52357 ACQ**

Arkansas, Polk County, Ouachita NF

T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 17, W2, N2NE, SE;

Sec. 18, N2N2, SWNW, W2SW;

Sec. 19, SENW, SW, N2SWSE.

1,044.96 Acres

\$1,567.50 Rental

Subject to Controlled Surface Use Stipulation #1c

Subject to Lease Notices No. 3 & 4

**ES-025-09/04 ARES 52358 ACQ**

Arkansas, Polk County, Ouachita NF

T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 20, W2NW, SWSW, NESW, NWSE;

Sec. 21, N2S2, SWNE, S2SENE, S2SENW,

Irregular N2SENW;

Sec 22, SWNW, SENE, S2SW, NESW, NWSE.

690.00 Acres

\$1,035.00 Rental

Subject to Controlled Surface Use Stipulation #1c

Subject to Lease Notices No. 3 & 4

**ES-026-09/04 ARES 52359 ACQ**

Arkansas, Polk County, Ouachita NF

T1S, R29W, 5<sup>th</sup> Principal Meridian

Sec. 27, SESE;

Sec. 29, W2NW;

Sec. 30, NENE, NENW, S2NWNE, S2N2NWNE.

230.00 Acres

\$345.00 Rental

Subject to Lease Notices No. 3 & 4

**ES-027-09/04 ARES 52360 ACQ**

Arkansas, Polk County, Ouachita NF  
T1S, R29W, 5<sup>th</sup> Principal Meridian  
Sec. 35, S2NE, W2SE, E2E2, NWNE;  
Sec. 36, NW, NESW, N2NE, SENE, E2SE.  
760.00 Acres  
\$1,140.00 Rental  
Subject to Controlled Surface Use Stipulation #1b  
Subject to Lease Notices No. 3 & 4

**ES-028-09/04 ARES 52361 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R30W, 5<sup>th</sup> Principal Meridian  
Sec. 1, All;  
Sec. 2, All;  
Sec. 3, All;  
Sec. 4, All.  
1,471.03 Acres  
\$2,206.50 Rental  
Subject to Controlled Surface Use Stipulation #1a, #1b, #1c  
Subject to Lease Notices No. 3 & 4

**ES-029-09/04 ARES 52362 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R30W, 5<sup>th</sup> Principal Meridian  
Sec. 5, All;  
Sec. 6, All.  
665.69 Acres  
\$999.00 Rental  
Subject to Controlled Surface Use Stipulation #1a  
*Subject to Controlled Surface Stipulation #1b*  
Subject to Lease Notices No. 3 & 4

**ES-030-09/04 ARES 52363 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R30W, 5<sup>th</sup> Principal Meridian  
Sec. 7, All;  
Sec. 8, All.  
1,273.87 Acres  
\$1,911.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulation #1a & #1b

**ES-031-09/04 ARES 52364 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R30W, 5<sup>th</sup> Principal Meridian  
Sec. 9, All;  
Sec. 10, W2, W2E2, SESE, NENE.  
1,200.00 Acres  
\$1,800.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulations #1a, #1b, #1c

**ES-032-09/04 ARES 52365 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R30W, 5<sup>th</sup> Principal Meridian  
Sec. 11, N2N2, S2S2, SENE, NESE;  
Sec. 12, N2;  
Sec. 14, W2NW.  
800.00 Acres  
\$1,200.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulations #1a, #1b & 1c

**ES-033-09/04 ARES 52366 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R30W, 5<sup>th</sup> Principal Meridian  
Sec. 15, N2, N2SW, NWSE;  
Sec. 17, N2NW, SENW, NE;  
Sec. 18, N2N2, SWNW, SWNE.  
961.96 Acres  
\$1,443.00 Rental  
Subject to Lease Notices No. 3 & 4  
Subject to Controlled Surface Use Stipulations #1b & 1c

**ES-034-09/04 ARES 52367 PD**

Arkansas, Polk County, Ouachita NF  
T1S, R30W, 5<sup>th</sup> Principal Meridian  
Sec. 30, S2NW, N2SW, SESW.  
241.96 Acres  
\$363.00 Rental  
Subject to Lease Notices No. 3 & 4