



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Montana State Office
5001 Southgate Drive
Billings, Montana 59101-4669
<http://www.blm.gov/mt>



In Reply To:

January 27, 2009 Sale Notice

Notice of Competitive Oil and Gas Lease Sale

JANUARY 27, 2009

The Montana State Office is holding a competitive oral sale of Federal lands in the States of Montana and North Dakota for oil and gas leasing. We are attaching a map of the general areas of nomination, a list of the parcel numbers, legal land descriptions and corresponding stipulations. The list is available on the Internet at: http://www.blm.gov/mt/st/en/prog/energy/oil_and_gas/leasing.html.

Oil and gas forms are available on the Internet at www.blm.gov/blmforms

The following is a link to a State of Montana website that you can use to determine the surface ownership for any parcels advertised on this list in Montana: <http://gis.mt.gov/>

Internet site www.ndrin.com has available, for a fee, real estate records for the majority of the counties in North Dakota. Go to "Land Records," and in the second paragraph, select "click here" to see the list of participating counties.

The following is a website that has information available for lands in South Dakota—
www.beacon.schneidercorp.com

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:
www.blm.gov/bmp/Split_Estate.htm

When and where will the sale take place?

- When:** The competitive sale begins at 9:00 a.m. on Tuesday, January 27, 2009. The sale room opens at 8:00 a.m. for registration and assignment of bidder numbers.
- Where:** We will hold the sale at the Bureau of Land Management, Montana State Office, 5001 Southgate Drive, Billings, Montana. Parking is available.
- Access:** The sale room is accessible to persons with disabilities. If you need a sign language interpreter or materials in an alternate format, please tell us no later than one week before the sale. You may contact Elaine Kaufman at 406-896-5108, Trish Cook at 406-896-5110, or Mary Mack at 406-896-5090.

How do I register as a bidder?

Before the sale starts, you must complete a bidder registration form to obtain a bidding number. The forms are available at the registration desk.

May I participate in a competitive oil and gas lease sale if my acreage holdings exceed the acreage limitations provided under 43 CFR 3101.2?

No. Qualified individuals, associations, or corporations may only participate in a competitive lease sale and purchase Federal oil and gas leases from this office if such purchase will not result in exceeding the state limit of 246,080 acres of public domain lands and 246,080 acres of acquired lands (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations, you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. The Energy Policy Act of 2005, effective August 8, 2005, provides that acreage holdings in the following leases are not chargeable: leases committed to a federally-approved unit agreement, cooperative plan, or communitization agreement, or for which royalty (including compensatory royalty or royalty-in-kind) was paid in the preceding calendar year. The acreage limitations and certification requirements apply for competitive oil and gas lease sales, noncompetitive lease offers, transfer of interest by assignment of record title or operating rights, and options to acquire interest in leases regardless of whether an individual, association, or corporation has received, under 43 CFR 3101.2-4, additional time to divest excess acreage acquired through merger or acquisition.

What is the sale process?

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

- the auctioneer offers the parcels in the order shown on the attached list;
- registered bidders make oral bids on a per-acre basis for all acres in a parcel;
- the winning bid is the highest oral bid equal to or exceeding the minimum \$2.00 bid;
- the decision of the auctioneer is final; and
- names of high bidders (lessees) remain confidential until the results list is available.

How do I calculate my bonus bid for parcels where the U. S. only owns a fractional mineral interest?

If the United States owns less than 100 percent of the oil and gas rights in a parcel, the parcel will reflect the percentage of interest the United States owns. You must calculate your bonus bid and advance rental payment on the **gross acreage in the parcel**. For example, if the U.S. owns 50 percent of the oil and gas in a 100.48 acre parcel, the minimum bid is \$202 (101 acres x \$2) and the advance rental due is \$151.50 (101 acres x \$1.50).

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 parcels or cancel a sale, we will post a notice in the Public Records and Information Center and announce the withdrawn parcels at the time of the sale.
- **Lease terms:** Leases issue for a primary term of 10 years. They continue beyond the primary term as long as the lease is producing in paying quantities or receiving production from another source. Rental is \$1.50 per acre for the first 5 years (\$2 per acre after that) until production begins. Once a lease is producing, we charge a royalty rate of

12.5 percent on the production removed or sold from the lease. There are other lease terms on the standard lease form (Form 3100-011, June 1988 or later edition).

- **Stipulations:** Some parcels are subject to surface use restrictions or other conditions affecting how you conduct operations on the lands. The stipulations become part of the lease and replace any inconsistent provisions of the lease form.
- **Bid form:** On the day of the sale, successful bidders must submit a properly completed lease bid form (Form 3000-2, October 1989 or later edition) along with payment. **If you are using a machine duplicated copy of the electronic version, you must include both sides of the form.** The bid form is a legally binding offer to accept a lease and all its terms and conditions. When the prospective lessee or an authorized representative signs the bid form, it certifies that the lessee meets the conditions of 43 CFR 3102.5-2 and complies with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of bidders, and collusion among bidders. Successful bidders cannot withdraw their bids.

Payments due following the sale:

- **minimum due by 4:00 p.m. on day of sale:**
 - Bonus bid deposit of \$2.00 per acre or fraction thereof;
 - First year rent of \$1.50 per acre or fraction thereof except for future interest parcels;
 - and
 - \$140 non-refundable administrative fee.
- **remaining balance due by 4:00 p.m. February 10, 2009**
 - If you don't pay in full by this date, you lose the right to the lease and all the money you paid on the day of the sale. We may offer the parcel in a future sale.

Method of payment:

- personal check;
 - Make checks payable to: **Department of the Interior-BLM.** We do not accept cash. If we returned a previous check to you for insufficient funds, we will require a guaranteed payment, such as a cashier's check.
- cashier's check;
- money order; or
- credit card (VISA, MasterCard, American Express, or Discover).
Effective February 1, 2005, the BLM will not accept credit card or debit card payments to the BLM for an amount equal to or greater than \$100,000. We also will not accept aggregated smaller amounts to bypass this requirement. We encourage you to make any payments of \$100,000 or more by automated Clearing House (ACH) or Fed Wire transfer.

Lease issuance: After we receive the bid forms and all monies due, we can issue the lease. The lease effective date is the first day of the month following the month we sign it. We can issue the lease effective the first day of the month in which we sign it, if you ask us in writing before we sign the lease.

How can I find out the results of this sale?

We post the sale results in our Public Records and Information Center and on the Internet at: <http://www.mt.blm.gov/oilgas> . You can buy a \$5/\$10 printed copy of the results list from the Public Records and Information Center.

How do I file a noncompetitive offer after the sale?

Lands that do not receive a bid and are not subject to a pre-sale offer are available for a 2-year period beginning the day after the sale. To file a noncompetitive offer, you must submit:

- three copies of current lease form (Form 3100-11, July 2006 edition) with lands described as specified in our regulations at 43 CFR 3110.5. The lease form must contain the exact wording found on the current official form including the lease terms on pages two and three of the new form. It is not necessary for the offeror to attach page four of the new form which contains the General Instructions and Notices.
- \$365 nonrefundable administrative fee; and
- first year advance rental (\$1.50 per acre or fraction thereof).

Place offers filed on the day of the sale and the first business day after the sale in the drop box in the Public Records and Information Center. We consider these offers simultaneously filed. When a parcel receives more than one filing by 4:00 p.m. on the day after the sale, we will hold a drawing to determine the winner. Offers filed after this time period receive priority according to the date and time of filing in this office. If we receive multiple offers on a single parcel, *the drawing will be held on Thursday, January 29, 2009, at 1:00 p.m. at the MTSO Information Access Center.*

How do I file a noncompetitive presale offer?

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

- are available; and
- have not been under lease during the previous 1-year period; or
- have not been in a competitive lease sale within the previous 2-year period.

Once we post a competitive sale notice you cannot file a pre-sale offer for lands shown on the notice.

To file a pre-sale offer, you must submit:

- three copies of current lease form (Form 3100-11, July 2006) with lands described as specified in our regulations at 43 CFR 3110.5. The lease form must contain the exact wording found on the current official form including the lease terms on pages two and three of the new form. It is not necessary for the offeror to attach page four of the new form which contains the General Instructions and Notices.;
- \$365 nonrefundable administrative fee; and
- first year advance rental (\$1.50 per acre or fraction thereof).

If we don't receive a bid at the sale for the parcel(s) contained in your presale offer, we will issue the lease. You may withdraw your offer prior to the date we sign your lease. The pre-sale offer is your consent to the terms and conditions of the lease, including any additional stipulations advertised in the Competitive Sale Notice.

Where can I obtain information pertaining to the individual Forest Service Stipulations?

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

- The individual District Ranger Office identified in the stipulation listing included with this sale notice, or
- The individual Forest Supervisor Office identified in the stipulation listing included with this sale notice, or
- Forest Service, Region One Office, 200 East Broadway, Missoula, Montana.

Where can I obtain information pertaining to the stipulations identified for BLM surface managed parcels?

Contact the appropriate BLM FO if you need additional information regarding the identified stipulations, including the specific portion of a legal subdivision affected by a stipulation.

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

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

- We must receive a protest no later than close of business on January 12, 2009. Protests must be filed 15 calendar days prior to the date of the sale. If our office is closed on the 15th day prior to the date of the sale, we will consider protests received on the next day our office is open to the public 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 telefax to 406-896-5292. You may not file a protest by electronic mail. We will dismiss a protest sent to a fax number other than the fax number identified or a protest filed by electronic mail.
- 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 the BLM receives a timely protest of a parcel advertised on this Sale Notice, how does it affect bidding on the parcel?

We will announce receipt of any protests 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 the BLM issue my lease?

We will make every effort to decide the protest within 60 days after the sale. We won't issue a lease for a protested parcel until the State Director makes a decision on the protested parcel. If the State Director denies the protest, we will issue your lease concurrently with that decision.

If I am the successful bidder of a protested parcel, may I withdraw my bid and receive a refund of my first year's rental and bonus bid?

No. In accordance with BLM regulations (43 CFR 3120.5-3), you may not withdraw your bid.

If BLM upholds the protest, how does that affect my competitive bid?

If we uphold a protest and withdraw the parcel from leasing, we will refund your first year 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 refund your first year 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.

May 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.

May I withdraw my bid if the protestor files an appeal?

No. If the protestor appeals our decision to deny the protest, you may not withdraw your bid. We will issue your lease concurrently with the decision to deny the protest. If resolution of the appeal results in lease cancellation, we will authorize refund of the bonus bid, rentals and administrative fee if –

- there is no evidence that the lessee(s) derived any benefit from possession of the lease during the time they held it, and;
- there is no indication of bad faith or other reasons not to refund the rental, bonus bid and administrative fee.

How do I nominate lands for future sales?

- file a letter with this office describing the lands nominated for sale;
- file a pre-sale offer.

Who should I contact if I have a question?

For more information, contact Lane Carano at 406-896-5092.

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

We are tentatively holding our next competitive sale on April 14, 2009.

Karen L. Johnson, Chief
Fluids Adjudication Section

- OFFICIAL POSTING DATE MUST BE ON OR BEFORE December 12, 2008 -

The official posting date will be noted on the copy posted in the Information Access Center of the Bureau of Land Management, Billings, Montana.

PUBLIC NOTICE

Any noncompetitive offers received for lands that are listed on the Notice from the time the list is officially posted in the Montana State Office Public Room until the first business day following the completion of the sale will be rejected as unavailable for filing, per 43 CFR 3110.1(a)(ii).

SURFACE OWNERSHIP FOR PARCELS IN THE STATES OF MONTANA, NORTH DAKOTA AND SOUTH DAKOTA

The Montana State Office Competitive Sale Notices and stipulations are available at the following website:

http://www.blm.gov/mt/st/en/prog/energy/oil_and_gas/leasing.html

Sale Notices now include the following link to a State of Montana website. Surface ownership for parcels located in Montana that are advertised on our Competitive Sale Notices can be determined from this website:

<http://gis.mt.gov/>

At the above website, select **Property Map**. Then click on the County **4** times to get to the screen that identifies the township and range (eg. T005NR051E). Then click on the township and range **2** times to reach the screen that displays the sections and subdivisions. At top of the screen, select the symbol for “**Identify**”. Then click on the legal description you wish to query. An ownership screen will be displayed. Select **View Detailed CAMA Records** for additional data regarding the ownership, for example., the owner’s name, taxable value, acreage type classification, and so on.

The following website has available, for a fee, real estate records for the majority of the counties in North Dakota-- www.ndrin.com . Go to “**Land Records**” and in the second paragraph, select “**click here**” to see the list of participating counties.

The following is the website that has information available for lands in South Dakota--
<http://beacon.schneidercorp.com/>

THE FOLLOWING NOTICE WILL BE ATTACHED TO ALL ISSUED LEASES

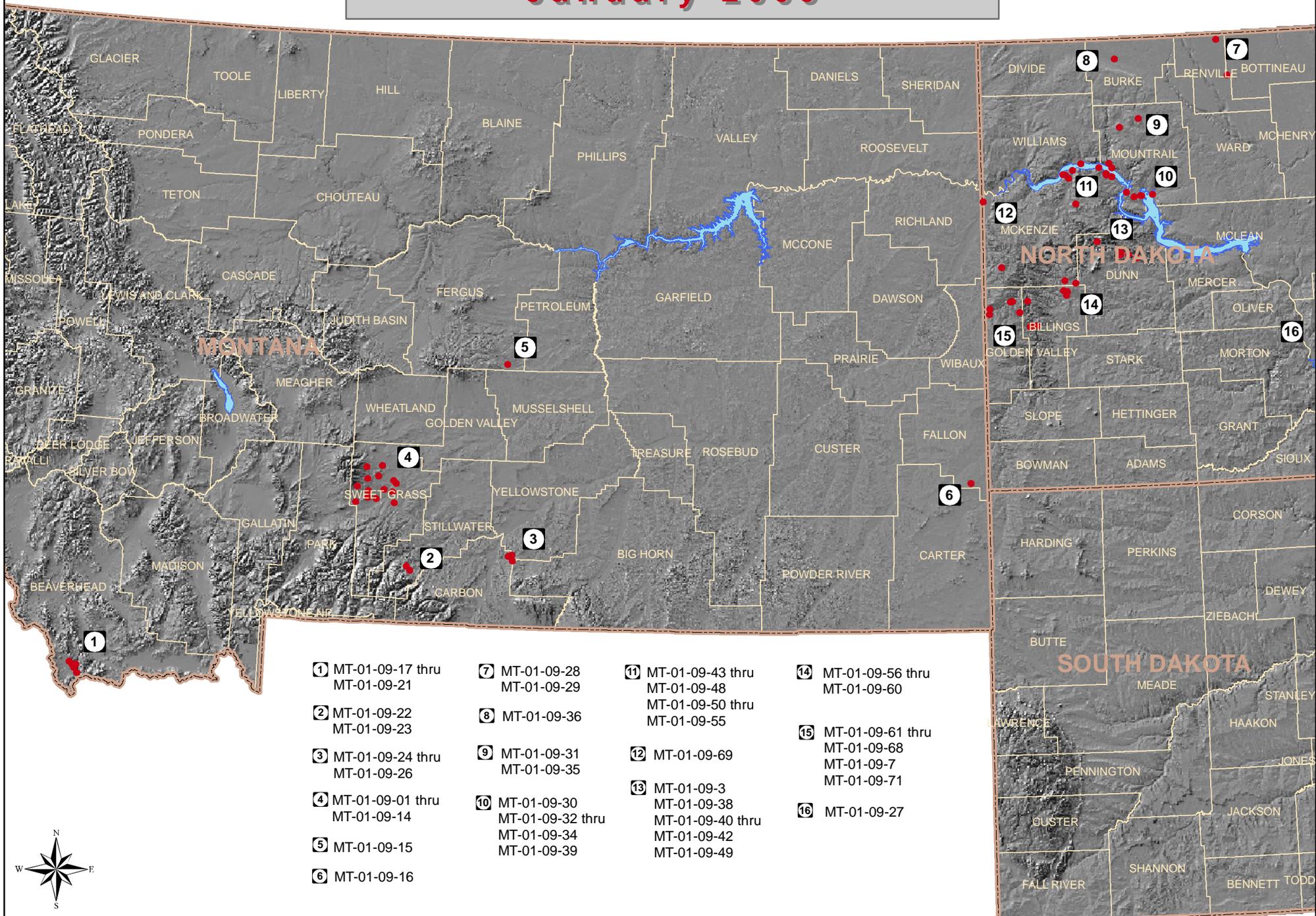
NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

BLM Oil and Gas Lease Sale January 2009



ALL LANDS ARE LISTED IN TOWNSHIP AND RANGE ORDER

MONTANA

01-09-01 PD
MTM 98728
 T. 1 N, R. 12 E, PMM, MT
 sec. 14 E2E2;
 18 E2NE;
 20 N2NW, SENW;
 22 S2S2;
 26 SENW, N2SE, SESE;
 30 LOTS 3, 4;
 30 NENE, SESE;
 32 N2NE, SWSW;
 34 N2NE;
 Sweet Grass 1039.24 AC
 Stipulations: Cultural Resources
 16-1, Lease Notice 14-2, 14-9, TES
 16-2, TL 13-1

01-09-02 PD
MTM 98729
 T. 2 N, R. 12 E, PMM, MT
 sec. 2 N2, SW;
 20 E2E2, W2W2;
 24 LOT 1;
 28 E2E2;
 32 SENE, NESE;
 34 LOT 1;
 Sweet Grass 1122.42 AC
 Stipulations: CSU 12-1, Cultural
 Resources 16-1, Lease Notice 14-2,
 TES 16-2, TL 13-1

01-09-03 PD
MTM 98730
 T. 1 N, R. 13 E, PMM, MT
 sec. 2 LOT 1;
 2 SWNW, SE;
 4 LOTS 1, 2, 3;
 4 S2NE, SENW, E2SE;
 8 SENE, S2SE;
 10 NE, N2NW, SENW;
 18 LOTS 1, 2, 3, 4;
 18 E2, E2W2;
 22 N2NE, SENE, SWNW;
 25 LOTS 5, 9;
 35 LOTS 4, 5;
 Sweet Grass 1817.06 AC
 Stipulations: CSU 12-1, Cultural
 Resources 16-1, Lease Notice 14-1,
 14-2, NSO 11-2, 11-6, TES 16-2,
 TL 13-1, FERC 19-1

01-09-04 PD
MTM 98731
 T. 2 N, R. 13 E, PMM, MT
 sec. 18 LOT 4;
 18 NENW, SESW, SWSE;
 20 NWNE, SENE, NENW, SWNW,
 SW, S2SE;
 22 SWNE, NENW, NESE;
 26 NWNE, S2NE, SWNW, NESE;
 28 S2NE, SWNW, NWSW, S2SW,
 N2SE, SESE;
 32 NE, NENW, NESE, S2SE;
 34 NWNE, S2NE, NW, SWSW,
 NESE, S2SE;
 Sweet Grass 2000.41 AC
 Stipulations: CSU 12-1, Cultural
 Resources 16-1, Lease Notice 14-2,
 NSO 11-2, TES 16-2, TL 13-1

01-09-05 PD
MTM 98732
T. 3 N, R. 13 E, PMM, MT
sec. 6 LOT 2;
26 W2NW, SW;
28 SESW, E2SE;
30 LOTS 1, 2, 3, 4;
30 E2W2, W2SE;
32 W2NW, SW, SWSE;
34 E2NE, N2SE;
Sweet Grass 1244.42 AC
Stipulations: CSU 12-1, Cultural
Resources 16-1, Lease Notice 14-2,
NSO 11-2, TES 16-2, TL 13-1, 13-2

01-09-06 PD
MTM 98733
T. 4 N, R. 13 E, PMM, MT
sec. 32 SWNW;
Sweet Grass 40.00 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2,
TL 13-1

01-09-07 PD
MTM 98734
T. 1 N, R. 14 E, PMM, MT
sec. 6 LOTS 1, 2, 7;
18 LOTS 1, 2, 3, 4;
18 E2W2;
19 LOTS 10, 11;
23 LOT 6;
30 LOT 5;
Sweet Grass 506.48 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-1, 14-2, NSO
11-2, 11-6, TES 16-2, TL 13-1,
FERC 19-1

01-09-08 PD
MTM 98735
T. 2 N, R. 14 E, PMM, MT
sec. 12 N2;
14 SWNE, NWNW, S2NW, S2;
20 SWNE, SENW;
22 E2SE;
24 W2;
26 NW, S2;
32 N2NE, NW, N2SW, SWSW, S2SE;
Sweet Grass 2200.00 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2,
TL 13-1, 13-4

01-09-09 PD
MTM 98736
T. 3 N, R. 14 E, PMM, MT
sec. 4 SWSW;
8 E2E2;
20 LOT 5;
20 N2NW, SWNW;
30 LOTS 1, 2, 3, 4;
30 N2NE, E2W2;
Sweet Grass 746.15 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2,
TL 13-1, 13-3

01-09-10 PD
MTM 98737
T. 4 N, R. 14 E, PMM, MT
sec. 20 NENE, NWNW, S2SE;
34 NWNE, NENW, S2SW;
Sweet Grass 320.00 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2,
TL 13-1

01-09-11 PD
MTM 98738
T. 1 N, R. 15 E, PMM, MT
sec. 21 LOT 4;
22 LOT 5;
Sweet Grass 6.36 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, NSO 11-2,
TES 16-2, TL 13-1

01-09-12 PD
MTM 98739
T. 2 N, R. 15 E, PMM, MT
sec. 2 LOTS 1,2,3,4;
2 S2N2,S2;
4 LOTS 1,2,3,4;
4 S2N2,S2;
Sweet Grass 1284.56 AC
Stipulations: CSU 12-1, Cultural
Resources 16-1, Lease Notice 14-2,
TES 16-2, TL 13-1

01-09-13 PD
MTM 98740
T. 2 N, R. 15 E, PMM, MT
sec. 18 LOT 1;
18 NENW,SESE;
20 SENE,NWNW,E2SW,SE;
28 ALL;
32 ALL;
Sweet Grass 1719.38 AC
Stipulations: CSU 12-1, Cultural
Resources 16-1, Lease Notice 14-1,
14-2,14-9, TES 16-2, TL 13-1,13-3

01-09-14 PD
MTM 98741
T. 3 N, R. 15 E, PMM, MT
sec. 2 NESW EXCL 37.37 AC IN
RSVR ROW M193;
30 E2SW,W2SE;
34 NWNE,NW,W2SW;
Sweet Grass 442.63 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, NSO 11-2,
11-5, TES 16-2, TL 13-1,13-3

01-09-15 PD
MTM 98742
T. 12 N, R. 23 E, PMM, MT
sec. 15 NWNW;
24 SWSW;
Fergus 80.00 AC
Stipulations: Cultural Resources
16-1, Standard 16-3, TES 16-2

01-09-16 PD
MTM 98743
T. 3 N, R. 60 E, PMM, MT
sec. 11 SWSE;
13 N2NE;
23 NWNW,W2SW;
24 S2NE,SE;
25 NE,SESE;
26 NWSW;
35 SWSW;
Fallon 760.00 AC
Stipulations: Cultural Resources
16-1, NSO 11-2, TES 16-2, TL 13-1,
13-3

01-09-17 PD
MTM 98744
T. 14 S, R. 10 W, PMM, MT
sec. 27 W2,W2SE;
33 ALL;
Beaverhead 1040.00 AC
Stipulations: CSU 12-1,12-10,12-11,
Cultural Resources 16-1, Lease
Notice 14-5, NSO 11-2,11-20,11-23,
11-24, TES 16-2, TL 13-7

01-09-18 PD
MTM 98745
T. 14 S, R. 10 W, PMM, MT
sec. 31 LOTS 1,2;
31 NE,E2NW,NESW,N2SE;
32 N2,N2S2;
Beaverhead 916.26 AC
Stipulations: CSU 12-1,12-10,12-11,
Cultural Resources 16-1, Lease
Notice 14-5, NSO 11-2,11-23,11-24,
TES 16-2, TL 13-6,13-7

01-09-19 PD
MTM 98746
T. 15 S, R. 10 W, PMM, MT
sec. 2 S2NE;
5 LOTS 2,3,4;
5 S2N2,S2;
6 LOTS 1,2;
6 S2NE,SE;
8 N2N2;
9 NENE,S2NE,NW,E2SW,SE;
Beaverhead 1680.85 AC
Stipulations: CSU 12-1,12-10,12-11,
12-13, Cultural Resources 16-1,
Lease Notice 14-5, NSO 11-2,11-18,
11-20,11-23,11-24, TES 16-2,
TL 13-6,13-7,13-14

01-09-20 PD
MTM 98747
T. 15 S, R. 10 W, PMM, MT
sec. 15 E2,W2W2;
22 N2,N2SW,SES,SE;
Beaverhead 1080.00 AC
Stipulations: CSU 12-1,12-10,12-11,
12-13, Cultural Resources 16-1,
Lease Notice 14-5, NSO 11-2,11-20,
11-24, TES 16-2, TL 13-7,13-14

01-09-21 PD
MTM 98748
T. 14 S, R. 11 W, PMM, MT
sec. 25 NE,N2NW;
Beaverhead 240.00 AC
Stipulations: CSU 12-10,12-11,
Cultural Resources 16-1, Lease
Notice 14-5, NSO 11-2,11-24, TES
16-2, TL 13-6,13-7

01-09-22 PD
MTM 98749
T. 5 S, R. 16 E, PMM, MT
sec. 14 NESW,S2SW,W2SE;
24 NENE,NENW,SESE;
Stillwater 320.00 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2,
TL 13-1,13-2

01-09-23 PD
MTM 98750
T. 5 S, R. 17 E, PMM, MT
sec. 30 SESW,SWSE;
Stillwater 80.00 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2,
TL 13-1

01-09-24 PD
MTM 98751
T. 4 S, R. 24 E, PMM, MT
sec. 11 SWSE;
23 NENW;
Carbon 80.00 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2,
TL 13-3

01-09-25 PD
MTM 98752
T. 4 S, R. 25 E, PMM, MT
sec. 7 LOTS 1,3-16 INCL;
7 NWNE,SWSE;
18 LOTS 3,4,5,6,11,12,13,14;
18 SESE;
Yellowstone 840.15 AC
Stipulations: CSU 12-1, Cultural
Resources 16-1, Lease Notice 14-2,
TES 16-2

01-09-26 PD
MTM 98753
T. 4 S, R. 25 E, PMM, MT
sec. 30 LOTS 4,14;
30 NWNE,SWSE;
Carbon 129.65 AC
Stipulations: Cultural Resources
16-1, Lease Notice 14-2, TES 16-2

NORTH DAKOTA

01-09-27 ACQ
NDM 98754
T. 138 N, R. 68 W, 5th PM, ND
sec. 1 SE;
10 NENE;
Stutsman 200.00 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-33,
Standard 16-3, TES 16-2, TL 13-15

01-09-28 ACQ
NDM 98755
T. 160 N, R. 84 W, 5th PM, ND
sec. 2 LOTS 3,4;
2 S2NW;
Renville 164.80 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-33,
Standard 16-3, TES 16-2, TL 13-15

01-09-29 ACQ
NDM 98756
T. 163 N, R. 84 W, 5th PM, ND
sec. 5 SE;
9 SW;
Renville 320.00 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, Standard 16-3,
TES 16-2

01-09-30 ACQ
NDM 98757
T. 151 N, R. 91 W, 5th PM, ND
sec. 1 SWNWSWNW;
1 POR OF NESWNW;
2 POR OF LOT 2, POR OF
LOT 3, POR OF NESENW;
3 LOTS 1,2,3,4;
3 S2N2,S2;
4 LOTS 1,2,3,4;
4 S2N2;
10 N2NE;
10 POR OF SESE (2.00 AC
IN COE TR 1210)
11 N2NWNWNW;
Mountrail 1069.32 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

01-09-31 ACQ
NDM 98758
T. 157 N, R. 91 W, 5th PM, ND
sec. 3 SW;
Mountrail 160.00 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, Standard 16-3,
TES 16-2

01-09-32 ACQ
NDM 98759
T. 151 N, R. 92 W, 5th PM, ND
sec. 2 LOTS 1,2,3,4;
2 S2N2,S2;
3 LOTS 1,2;
3 S2NE,E2SW;
11 N2 EXCL 2.00 AC IN
COE TR 1293;
11 SW;
Mountrail 1357.60 AC
Stipulations: Cultural Resources
16-1, NSO 11-39, Standard 16-3,
TES 16-2, COE 18-1,18-2,18-7

01-09-33 ACQ
NDM 98760
T. 151 N, R. 92 W, 5TH PM, ND
sec. 3 SE;
Mountrail 160.00 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: Cultural Resources
16-1, NSO 11-39, Standard 16-3,
TES 16-2, COE 18-1,18-2,18-7

01-09-34 ACQ
NDM 98761
T. 151 N, R. 92 W, 5TH PM, ND
sec. 7 NE;
Mountrail 160.00 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, Standard 16-3,
TES 16-2

01-09-35 ACQ
NDM 98762
T. 157 N, R. 92 W, 5th PM, ND
sec. 30 LOTS 1,2,3,4;
30 E2W2;
Mountrail 319.36 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-33,
Standard 16-3, TES 16-2,
TL 13-15

01-09-36 PD
NDM 98763
T. 162 N, R. 92 W, 5th PM, ND
sec. 8 LOT 2;
8 BED OF BEAVER LAKE
RIPAR TO LOT 2 DESC BY
M&B (30.23 AC); 2/
17 SWSE;
Burke 95.63 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-33,
Standard 16-3, TES 16-2,
TL 13-15

01-09-37 ACQ
NDM 98764
T. 146 N, R. 93 W, 5TH PM, ND
sec. 2 LOT 4;
3 LOT 1;
Dunn 79.23 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

The land in this parcel is within
Communitization Agreement (CA)
NDM 98626 which covers Lot 1 of
Section 3 and communitizes the
Bakken Pool Formation. The CA was
effective March 16, 2008. As of
October 2008, there was \$80,127.28
in an escrow account set up for the
unleased lands. These lands are
committed to the CA, joinder is not
required. The CA operator may
require the successful bidder to
pay certain administrative and
operating costs.

01-09-38 ACQ
NDM 98765
T. 147 N, R. 93 W, 5TH PM, ND
sec. 30 LOTS 1,2,5;
30 E2E2 OF LOT 3,E2E2 OF
LOT 4,N2 OF LOT 6,
SW OF LOT 6;
30 N2SWNE, SESWNE,N2SENW,
SWSENW,NWNESW,N2NESE,
NENWSE;

Dunn 245.24 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

01-09-39 ACQ
NDM 98766
T. 152 N, R. 93 W, 5TH PM, ND
sec. 27 NWNESW,SWSW;
Mountrail 50.00 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

01-09-40 ACQ
NDM 98767
T. 147 N, R. 94 W, 5th PM, ND
sec. 17 LOTS 1,2,3,4;
17 N2NW;
20 LOTS 1,2,3,5;
20 SWSW;
21 LOT 1;
23 LOTS 1,2,3,4;
23 SESW,NESE,S2SE;
Dunn 682.01 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-38,11-39,
Standard 16-3, TES 16-2,
TL 13-21, COE 18-1,18-2,18-7

01-09-41 PD
NDM 98768
T. 147 N, R. 94 W, 5th PM, ND
sec. 20 LOT 4;
20 BED LTL MO RVR RIPAR
TO LOT 4 DESC BY M&B
(13.847 AC); 2/
24 BED LTL MO RVR RIPAR
TO LOT 2 DESC BY M&B
(6.506 AC); 2/
28 LOT 1;
28 BED LTL MO RVR RIPAR
TO LOT 1 DESC BY M&B
(3.042 AC); 2/
Dunn 76.595 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-38,
Standard 16-3, TES 16-2,
TL 13-24, COE 18-1,18-2,18-7

01-09-42 ACQ
NDM 98769
T. 147 N, R. 94 W, 5th PM, ND
sec. 28 LOTS 2,3,4;
28 S2NE,NWSW;
Dunn 200.40 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-38,11-39,
Standard 16-3, TES 16-2,
TL 13-24, COE 18-1,18-2,18-7

01-09-43 ACQ
NDM 98770
T. 153 N, R. 94 W, 5th PM, ND
sec. 8 E2;
9 S2NE,W2,N2SE,SWSE;
10 ACCRETION TO LOTS 4,5,
6,7;
10 LOTS 4,5,6,7;
10 NWSW,S2S2;
17 SE;
McKenzie 1320.97 AC
Stipulations: R1-FS-13d
(McKenzie RD), R1-FS-NSO 14-1,
14-7, R1-FS-TL 15-1, R1-FS-CSU
16-2, R1-FS-TES 18a, COE 18-1,
18-2,18-7

01-09-44 PD
NDM 98771
T. 153 N, R. 94 W, 5th PM, ND
sec. 11 LOT 5;
14 S2NW;
15 SENE,S2SE;
17 NE,NENW,S2NW,NWSW;
23 SESE;
McKenzie 580.00 AC
Stipulations: R1-FS-13d
(McKenzie RD), R1-FS-NSO 14-1,
14-7, R1-FS-TL 15-1, R1-FS-CSU
16-2, R1-FS-TES 18a, COE 18-1,
18-2,18-7

01-09-45 ACQ
NDM 98772
T. 153 N, R. 94 W, 5TH PM, ND
sec. 13 SENW, SW EXCL 4.62
AC IN RR ROW;
14 NWNW, SWSW, N2SE, SESE;
23 N2, SW, N2SE, SWSE;
24 POR OF N2NE EXCL 2.20
AC IN RR ROW DESC
BY M&B (26.41 AC); 2/
24 S2NE, NW, S2;
25 N2N2, S2SW;
26 N2NE, S2SE;
McKenzie 1981.79 AC
Stipulations: R1-FS-13d
(McKenzie RD), R1-FS-NSO 14-1,
14-7, R1-FS-TL 15-1, R1-FS-CSU
16-2, R1-FS-TEs 18a, COE 18-1,
18-2, 18-7

01-09-46 PD
NDM 98773
T. 154 N, R. 94 W, 5TH PM, ND
sec. 10 NESW;
20 NWNW;
23 E2NE, NESE;
24 NWSW;
Mountrail 240.00 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1, 18-2, 18-7

01-09-47 ACQ
NDM 98774
T. 154 N, R. 94 W, 5TH PM, ND
sec. 36 NW, S2S2SE;
Mountrail 200.00 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1, 18-2, 18-7

01-09-48 PD
NDM 98775
T. 154 N, R. 95 W, 5TH PM, ND
sec. 25 ACCRETION TO LOTS 5, 6
DESC BY
M&B (81.80 AC); 2/
25 LOTS 5, 6;
McKenzie 106.84 AC
Stipulations: Cultural Resources
16-1, NSO 11-39, Standard 16-3,
TES 16-2, COE 18-1, 18-2, 18-7

01-09-49 PD
NDM 98776
T. 148 N, R. 96 W, 5TH PM, ND
sec. 6 BED OF LTL MO RIV RIPAR
TO LOTS 6, 7, 8 DESC BY
M&B (22.68 AC); 2/
15 BED OF LTL MO RIV RIPAR
TO LOTS 1, 2 DESC BY
M&B (7.58 AC); 2/
16 POR OF BED OF LTL
MO RIV RIPAR TO LOTS
1, 2 CONTAINING 2.49
AC AS ACCOUNTED FOR
IN THE STATE OF
NORTH DAKOTA'S IN
LIEU SELECTION;
20 BED OF LTL MO RIV
RIPAR TO LOT 1 DESC BY
M&B (2.29 AC); 2/
36 BED OF LTL MO RIV
RIPAR TO LOTS 1-8
INCL DESC BY M&B
(51.19 AC); 2/

Dunn 86.23 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, Standard 16-3,
TES 16-2

01-09-50 ACQ
NDM 98777
T. 154 N, R. 96 W, 5TH PM, ND
sec. 16 SE;
Williams 160.00 AC
Stipulations: Cultural Resources
16-1, NSO 11-39, Standard 16-3,
TES 16-2, COE 18-1, 18-2, 18-7

01-09-51 PD
NDM 98778
T. 151 N, R. 97 W, 5th PM, ND
sec. 21 SENE;
McKenzie 40.00 AC
Stipulations: R1-FS-13d
(McKenzie RD), R1-FS-NSO 14-1,
R1-FS-TES 18a

01-09-52 ACQ
NDM 98779
T. 153 N, R. 97 W, 5th PM, ND
sec. 2 LOT 1;
28 NW;
McKenzie 199.88 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

01-09-53 PD
NDM 98780
T. 153 N, R. 97 W, 5th PM, ND
sec. 3 E2SE;
7 E2SW,W2SE;
18 LOT 3;
18 NWNE,NENW;
30 NENE;
McKenzie 399.14 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

01-09-54 PD
NDM 98781
T. 153 N, R. 97 W, 5th PM, ND
sec. 7 LOT 3;
McKenzie 38.81 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

01-09-55 ACQ
NDM 98782
T. 154 N, R. 97 W, 5th PM, ND
sec. 35 SESW,S2SE;
McKenzie 120.00 AC
50% U.S. MINERAL INTEREST 1/
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-39,
Standard 16-3, TES 16-2, COE
18-1,18-2,18-7

01-09-56 ACQ
NDM 98783
T. 145 N, R. 98 W, 5th PM, ND
sec. 25 W2;
35 N2;
McKenzie 640.00 AC
Stipulations: R1-FS-13d
(McKenzie RD), R1-FS-NSO 14-1,
R1-FS-CSU 16-2, R1-FS-TES 18a

01-09-57 ACQ
NDM 98784
T. 144 N, R. 99 W, 5th PM, ND
sec. 6 LOTS 1,2;
6 S2NE,SE;
12 NE,S2;
18 LOTS 1,2,3,4;
18 E2,E2W2;
30 LOTS 1,2,3,4;
30 E2W2
Billings 1783.65 AC
Stipulations: BLM Cultural
Resources 16-1, BLM TES 16-2,
BLM-R1-FS-CSU 16-1,
R1-FS-13d(Medora RD), R1-FS-NSO
14-1,14-5, R1-FS-CSU 16-2,
R1-FS-TES 18a

01-09-58 ACQ
NDM 98785

T. 144 N, R. 99 W, 5th PM, ND
sec. 10 NE;
14 SW;
22 N2;

Billings 640.00 AC
Stipulations: BLM Cultural
Resources 16-1, BLM TES 16-2,
BLM-R1-FS-CSU 16-1,
R1-FS-13d(Medora RD),
R1-FS-CSU 16-2, R1-FS-TES 18a

01-09-59 ACQ
NDM 98786

T. 144 N, R. 99 W, 5th PM, ND
sec. 22 S2;
26 NW,N2S2;
28 SENE EXCL 2.00 AC
DESC BY M&B; 2/
28 N2NE,SWNE,NW,S2;
34 NW;

Billings 1438.00 AC
Stipulations: BLM Cultural
Resources 16-1, BLM TES 16-2,
BLM-R1-FS-CSU 16-1,
R1-FS-13d(Medora RD),
R1-FS-NSO 14-1, R1-FS-CSU 16-2,
R1-FS-TES 18a

01-09-60 ACQ
NDM 98787

T. 145 N, R. 99 W, 5th PM, ND
sec. 24 E2;
McKenzie 320.00 AC
Stipulations: R1-FS-13d
(McKenzie RD), R1-FS-NSO 14-1,
14-7, R1-FS-TL 15-1, R1-FS-CSU
16-2,16-7, R1-FS-TES 18a

01-09-61 PD
NDM 98788

T. 141 N, R. 101 W, 5th PM, ND
sec. 6 BED OF LTL MO RIV
RIPAR TO LOTS 7,8
DESC BY M&B
(9.21 AC); 2/
6 LOTS 1,2,3,7,8;

Billings 231.42 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, Standard 16-3,
TES 16-2, TL 13-18,13-19

01-09-62 PD
NDM 98789

T. 141 N, R. 102 W, 5th PM, ND
sec. 2 LOTS 1,2,3,4;
2 S2N2;

Billings 320.16 AC
Stipulations: R1-FS-13d
(Medora RD), R1-FS-NSO 14-1,
R1-FS-TL 15-8, R1-FS-CSU 16-2,
16-7,16-8, R1-FS-TES 18a

01-09-63 ACQ
NDM 98790

T. 141 N, R. 102 W, 5th PM, ND
sec. 3 LOTS 1,2,3,4;
3 S2N2,S2;

Billings 640.48 AC
Stipulations: R1-FS-13d
(Medora RD), R1-FS-NSO 14-1,
14-13, R1-FS-TL 15-6,15-8,
R1-FS-CSU 16-2,16-7,16-8,
R1-FS-TES 18a

01-09-64 PD
NDM 98791

T. 143 N, R. 102 W, 5th PM, ND
sec. 4 LOTS 1,2,10;
4 S2NE,E2SE;

Billings 277.33 AC
Stipulations: BLM Cultural
Resources 16-1, BLM TES 16-2,
BLM-R1-FS-CSU 16-1,R1-FS-13d
(Medora RD), R1-FS-NSO 14-1,
14-5,14-15, R1-FS-TL 15-8,
R1-FS-CSU 16-2,16-6,16-8,
R1-FS-TES 18a

01-09-65 ACQ
NDM 98792
T. 143 N, R. 103 W, 5TH PM, ND
sec. 5 LOTS 1,2,3,4;
5 S2N2,S2;
Golden Valley 634.88 AC
Stipulations: BLM Cultural
Resources 16-1, BLM TES 16-2,
BLM-R1-FS-CSU 16-1,
R1-FS-NSO 14-1

01-09-66 PD
NDM 98793
T. 143 N, R. 103 W, 5TH PM, ND
sec. 6 LOTS 6,7;
6 E2SW,SE;
Golden Valley 300.72 AC
Stipulations: BLM Cultural
Resources 16-1, BLM TES 16-2,
BLM-R1-FS-CSU 16-1,
R1-FS-NSO 14-1

01-09-67 ACQ
NDM 98794
T. 143 N, R. 103 W, 5TH PM, ND
sec. 35 SE;
Golden Valley 160.00 AC
Stipulations: R1-FS-13d
(Medora RD), R1-FS-CSU 16-2,
R1-FS-TES 18a

01-09-68 PD
NDM 98795
T. 146 N, R. 103 W, 5TH PM, ND
sec. 18 LOT 3;
McKenzie 27.87 AC
Stipulations: R1-FS-13d
(McKenzie RD), R1-FS-NSO 14-1,
R1-FS-TL 15-1, R1-FS-TES 18a

01-09-69 PD
NDM 98796
T. 151 N, R. 104 W, 5TH PM, ND
sec. 5 LOT 8;
5 SESW,SWSE;
6 LOTS 3,4,5;
7 LOTS 1,2,3;
8 NWNE,E2NW,W2SE;
18 LOTS 5,6,7,8;
McKenzie 525.31 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, Standard 16-3,
TES 16-2, BOR 17-1,17-2

01-09-70 PD
NDM 98797
T. 142 N, R. 105 W, 5TH PM, ND
sec. 4 LOTS 2,3;
4 SWNE,SENW;
Golden Valley 160.24 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, Standard 16-3,
TES 16-2

01-09-71 PD
NDM 98798
T. 143 N, R. 105 W, 5th PM, ND
sec. 18 SESE;
20 E2NE;
22 W2;
28 SW;
Golden Valley 600.00 AC
Stipulations: CSU 12-5, Cultural
Resources 16-1, NSO 11-33,
Standard 16-3, TES 16-2, TL 13-15

STATISTICS

Total Parcels:	71
Total Acreage:	41,249.925
No. of Parcels with Presale Offers	0

FOOTNOTES

1/ The United States has a fractional mineral interest. Rentals and the bonus bid are payable on the total gross acres. Royalties are payable on the net acres.

2/ The exact metes and bounds description will be made a part of any lease issued for these lands.

CONTROLLED SURFACE USE STIPULATION

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

Prior to surface disturbance on slopes over 30 percent, an engineering/reclamation plan must be approved by the authorized officer. Such plan must demonstrate how the following will be accomplished:

- Site productivity will be restored.
- Surface runoff will be adequately controlled.
- Off-site areas will be protected from accelerated erosion, such as rilling, gullyng, piping, and mass wasting.
- Water quality and quantity will be in conformance with state and federal water quality laws.
- Surface-disturbing activities will not be conducted during extended wet periods.
- Construction will not be allowed when soils are frozen.

On the lands described below:

For the purpose of:

To maintain soil productivity, provide necessary protection to prevent excessive soil erosion on steep slopes, and to avoid areas subject to slope failure, mass wasting, piping, or having excessive reclamation problems.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-02	T. 2 N, R. 12 E, PMM, MT sec. 2 SENE, SWNW, N2SW, SWSW; 20 NENE; 32 SENE, NESE;
01-09-03	T. 1 N, R. 13 E, PMM, MT sec. 18 SESE;
01-09-04	T. 2 N, R. 13 E, PMM, MT sec. 20 NWNE, SWNW, SWSW, SWSE; 32 N2NE, NENW, E2SE; 34 NESE;
01-09-05	T. 3 N, R. 13 E, PMM, MT sec. 26 SWNW, SWSW; 30 SENW, SESW, SWSE; 32 W2W2, SESW, SWSE;

01-09-12 T. 2 N, R. 15 E, PMM, MT
sec. 2 SESW,NWSE;
4 E2SW,NESE;

01-09-13 T. 2 N, R. 15 E, PMM, MT
sec. 18 NENW;
28 NWNW,NWSW,SESE;

01-09-17 T. 14 S, R. 10 W, PMM, MT
sec. 27 W2,W2SE;
33 N2NE,SENE,W2,SESE;

01-09-18 T. 14 S, R. 10 W, PMM, MT
sec. 31 NE,N2SE;
32 N2,N2S2;

01-09-19 T. 15 S, R. 10 W, PMM, MT
sec. 2 S2NE;
5 LOTS 2,3,4;
5 S2NE,SE;
6 LOT 1;
8 NENE;
9 E2E2,NW;

01-09-20 T. 15 S, R. 10 W, PMM, MT
sec. 15 NE,W2W2,SWSE,E2SE;
22 NE,N2NW,SENW,E2SW,N2SE;

01-09-25 T. 4 S, R. 25 E, PMM, MT
sec. 7 LOTS 1,8,9,16;

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use will be subject to the following special operating constraint: No disturbance of riparian areas of wetlands, intermittent, ephemeral, or perennial streams and rivers would be allowed except for essential road and utility crossings.

On the lands described below:

For the purpose of:
Protection of riparian habitat. (NDRMP - p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-27	T. 138 N, R. 68 W, 5 th PM, ND sec. 1 SE; 10 NENE;
01-09-28	T. 160 N, R. 84 W, 5 th PM, ND sec. 2 LOTS 3,4; 2 S2NW;
01-09-29	T. 163 N, R. 84 W, 5 th PM, ND sec. 9 SW;
01-09-30	T. 151 N, R. 91 W, 5 th PM, ND sec. 1 SWNWSWNW; 1 POR OF NESWNW; 2 POR OF LOT 2, POR OF LOT 3, POR OF NESENW; 3 LOTS 1,2,3,4; 3 S2N2, S2; 4 LOTS 1,2,3,4; 4 S2N2; 10 N2NE; 10 POR OF SESE (2.00 AC IN COE TR 1210); 11 N2NWNWNW;
01-09-31	T. 157 N, R. 91 W, 5 TH PM, ND sec. 3 SW;
01-09-34	T. 151 N, R. 92 W, 5 TH PM, ND sec. 7 NE;

01-09-35 T. 157 N, R. 92 W, 5th PM, ND
sec. 30 LOTS 1,2,3,4;
30 E2W2;

01-09-36 T. 162 N, R. 92 W, 5th PM, ND
sec. 8 LOT 2;
8 BED OF BEAVER LAKE RIPAR
TO LOT 2 DESC BY M&B
(30.23 AC);
17 SWSE;

01-09-37 T. 146 N, R. 93 W, 5TH PM, ND
sec. 2 LOT 4;
3 LOT 1;

01-09-38 T. 147 N, R. 93 W, 5TH PM, ND
sec. 30 LOTS 1,2,5;
30 E2E2 OF LOT 3, E2E2
OF LOT 4, N2 OF LOT 6,
SW OF LOT 6;
30 N2SWNE, SESWNE, N2SENW,
SWSENW, NWNESW, N2NESE,
NENWSE;

01-09-39 T. 152 N, R. 93 W, 5TH PM, ND
sec. 27 NWNESW, SWSW;

01-09-40 T. 147 N, R. 94 W, 5th PM, ND
sec. 17 LOTS 1,2,3,4;
17 N2NW;
20 LOTS 1,2,3,5;
20 SWSW;
21 LOT 1;
23 LOTS 1,2,3,4;
23 SESW, NESE, S2SE;

01-09-41 T. 147 N, R. 94 W, 5th PM, ND
sec. 20 LOT 4;
20 BED LTL MO RVR RIPAR
TO LOT 4 DESC BY M&B
(13.847 AC);
24 BED LTL MO RVR RIPAR
TO LOT 2 DESC BY M&B
(6.506 AC);
28 LOT 1;
28 BED LTL MO RVR RIPAR
TO LOT 1 DESC BY M&B
(3.042 AC);

01-09-42 T. 147 N, R. 94 W, 5th PM, ND
sec. 28 LOTS 2,3,4;
28 S2NE,NWSW;

01-09-46 T. 154 N, R. 94 W, 5TH PM, ND
sec. 10 NESW;
20 NWNW;
23 E2NE,NESE;
24 NWSW;

01-09-47 T. 154 N, R. 94 W, 5TH PM, ND
sec. 36 NW;

01-09-49 T. 148 N, R. 96 W, 5TH PM, ND
sec. 6 BED OF LTL MO RIV
RIPAR TO LOTS 6,7,8
DESC BY M&B (22.68 AC);
15 BED OF LTL MO RIV
RIPAR TO LOTS 1,2
DESC BY M&B (7.58 AC);
16 POR OF BED OF LTL
MO RIV RIPAR TO LOTS
1,2 CONTAINING 2.49
AC AS ACCOUNTED FOR
IN THE STATE OF
NORTH DAKOTA'S IN
LIEU SELECTION;
20 BED OF LTL MO RIV
RIPAR TO LOT 1
DESC BY M&B (2.29 AC);
36 BED OF LTL MO RIV
RIPAR TO LOTS 1-8
INCL DESC BY M&B (51.19 AC);

01-09-52 T. 153 N, R. 97 W, 5TH PM, ND
sec. 28 NW;

01-09-53 T. 153 N, R. 97 W, 5TH PM, ND
sec. 3 E2SE;
7 E2SW,W2SE;
18 LOT 3;
18 NWNE,NENW;
30 NENE;

01-09-54 T. 153 N, R. 97 W, 5TH PM, ND
sec. 7 LOT 3;

01-09-55 T. 154 N, R. 97 W, 5TH PM, ND
sec. 35 SESW,S2SE;

01-09-61 T. 141 N, R. 101 W, 5TH PM, ND
sec. 6 BED OF LTL MO RIV
RIPAR TO LOTS 7,8
DESC BY M&B (9.21 AC);
6 LOTS 1,2,3,7,8;

01-09-69 T. 151 N, R. 104 W, 5TH PM, ND
sec. 5 LOT 8;
5 SESW, SWSE;
6 LOTS 3,4,5;
7 LOT 3;
8 NWNE, E2NW, SWSE;
18 LOTS 5,6,7,8;

01-09-70 T. 142 N, R. 105 W, 5TH PM, ND
sec. 4 LOTS 2,3;
4 SWNE, SENW;

01-09-71 T. 143 N, R. 105 W, 5th PM, ND
sec. 18 SESE;
20 E2NE;
22 W2;
28 SW;

CONTROLLED SURFACE USE STIPULATION

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

All surface disturbing activities and construction of semi-permanent and permanent facilities in VRM Class II, III, and IV areas may require special design including location, painting, and camouflage to blend with the natural surroundings and meet the visual quality objectives for each respective class.

On the lands described below:

For the purpose of:

Control the visual impacts of activities and facilities within acceptable levels.

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-17	T. 14 S, R. 10 W, PMM, MT sec. 27 W2,W2SE; 33 ALL;
01-09-18	T. 14 S, R. 10 W, PMM, MT sec. 31 LOTS 1,2; 31 NE,E2NW,NESW,N2SE; 32 N2,N2S2;
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 2 S2NE; 5 LOTS 2,3,4; 5 S2N2,S2; 6 LOTS 1,2; 6 S2NE,SE; 8 N2N2; 9 NENE,S2NE,NW,E2SW,SE;
01-09-20	T. 15 S, R. 10 W, PMM, MT sec. 15 E2,W2W2; 22 N2,N2SW,SESW,SE;
01-09-21	T. 14 S, R. 11 W, PMM, MT sec. 25 NE,N2NW;

CONTROLLED SURFACE USE STIPULATION

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

A field inspection will be conducted for special status plant species by the lessee prior to any surface disturbance. A list of special status plant species and any known populations or suitable habitat will be provided after the issuance of the lease. Plant species on the list are subject to change over time as new information becomes available. Plant inventories must be conducted at the time of year when the target species are actively growing and flowering. An acceptable report must be provided to the BLM documenting the presence or absence of special status plants in the area proposed for surface disturbing activities. The findings of this report may result in restrictions to the operator's plans or may preclude use and occupancy.

On the lands described below:

For the purpose of:

Protect and conserve rare plants, associated plant communities and the habitat that supports them.

Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-17	T. 14 S, R. 10 W, PMM, MT sec. 27 W2,W2SE; 33 ALL;
01-09-18	T. 14 S, R. 10 W, PMM, MT sec. 31 LOTS 1,2; 31 NE,E2NW,NESW,N2SE; 32 N2,N2S2;
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 2 S2NE; 5 LOTS 2,3,4; 5 S2N2,S2; 6 LOTS 1,2; 6 S2NE,SE; 8 N2N2; 9 NENE,S2NE,NW,E2SW,SE;
01-09-20	T. 15 S, R. 10 W, PMM, MT sec. 15 E2,W2W2; 22 N2,N2SW,SESW,SE;
01-09-21	T. 14 S, R. 11 W, PMM, MT sec. 25 NE,N2NW;

CONTROLLED SURFACE USE STIPULATION

Activities within one-half mile of streams containing 90% up to 99% genetically pure Westslope Cutthroat Trout may be relocated, require special design, or require on and off site mitigation measures to prevent impacts to sensitive trout populations.

On the lands described below:

For the purpose of:
Prevent sensitive aquatic habitat and trout populations from being impacted.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 6 SWSE; 8 NWNE, N2NW; 9 SESE;
01-09-20	T. 15 S, R. 10 W, PMM, MT sec. 15 E2, W2W2; 22 N2, N2SW, SESW, SE;

Cultural Resources Lease 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. 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.

PARCEL NO.

ALL BLM PARCELS

AND

01-09-57
01-09-58
01-09-59
01-09-64
01-09-65
01-09-66

LEASE NOTICE

Land Use Authorizations incorporate specific surface land uses allowed on Bureau of Land Management (BLM) administered lands by authorized officers and those surface uses acquired by BLM on lands administered by other entities. These BLM authorizations include rights-of-way, leases, permits, conservation easements, and Recreation and Public Purpose leases and patents.

The rights acquired, reserved, or withdrawn by BLM for specified purposes include non-oil and gas leases, conservation easements, archeological easements, road easements, fence easements, and administrative site withdrawals. The existence of such land use authorizations shall not preclude the leasing of the oil and gas. The locations of land use authorizations are noted on the oil and gas plats and in LR2000. The plats are a visual source noting location; LR2000 provides location by legal description through the Geographic Cross Reference program.

The specifically authorized acreage for land use should be avoided by oil and gas exploration and development activities. All authorized surface land uses are valid claims to prior existing rights unless the authorization states otherwise.

The right of the Secretary to issue future land use authorizations on an oil and gas lease is reserved by provision of Section 29 of the Mineral Leasing Act, 30 U.S.C.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-03	T. 1 N, R. 13 E, PMM, MT sec. 25 LOTS 5,9;
01-09-07	T. 1 N, R. 14 E, PMM, MT sec. 30 LOT 5;
01-09-13	T. 2 N, R. 15 E, PMM, MT sec. 18 NENW; 28 ALL;

LEASE NOTICE

CULTURAL RESOURCES

The Surface Management Agency is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures.

This notice would be consistent with the present Montana guidance for cultural resource protection related to oil and gas operations (NTL-MSO-85-1).

PARCEL NO.

01-09-01, 01-09-02, 01-09-03, 01-09-04, 01-09-05, 01-09-06, 01-09-07,
01-09-08, 01-09-09, 01-09-10, 01-09-11, 01-09-12, 01-09-13, 01-09-14,
01-09-22, 01-09-23, 01-09-24, 01-09-25, 01-09-26

LEASE NOTICE

CULTURAL RESOURCES

An inventory of the lease lands may be required prior to surface disturbance to determine if cultural resources are present and to identify needed mitigation measures. Prior to undertaking any surface disturbing activities on the lands covered by this lease, the lessee or operator shall:

1. Contact the Surface Management Agency (SMA) to determine if a cultural resource inventory is required. If an inventory is required, then;
2. The SMA will complete the required inventory; or the lessee or operator, at their option, may engage the services of a cultural resource consultant acceptable to the SMA to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the standard ten-acre minimum to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the SMA for review and approval no later than that time when an otherwise complete application for approval of drilling or subsequent surface disturbing operation is submitted.
3. Implement mitigation measures required by the SMA. Mitigation may include the relocation of proposed lease related activities or other protective measure such as data recovery and extensive recordation. The lessee or operator shall immediately bring to the attention of the SMA any cultural resources or any other objects of scientific interest discovered as a result of approved operations under this lease, and shall leave such discoveries intact and undisturbed until directed to proceed by the SMA.

Authorities: Compliance with Section 106 of the National Historic Preservation Act is required for all actions which may affect cultural properties eligible to the National Register of Historic Places. Section 6 of the Oil and Gas Lease Terms (Form 3100-11) requires that operations be conducted in a manner that minimizes adverse impacts to cultural and other resources.

PALEONTOLOGICAL RESOURCES

The lessee or operator shall immediately bring to the attention of the SMA any paleontological resources or any other objects of scientific interest discovered as a result of approved operations under this lease, and shall leave such discoveries intact and undisturbed until directed to proceed by the SMA.

PARCEL NO.

01-09-17, 01-09-18, 01-09-19, 01-09-20, 01-09-21

Lease Notice 14-5

LEASE NOTICE

CULTURAL RESOURCES

Lease is located adjacent to known sacred sites and historic properties, and contains high potential for National Register eligible historic and cultural properties. Lessees are notified that archaeological resource inventory and mitigation costs may be high within this area. A cultural plan of operations will be developed in consultation with the Billings Field Office and must be approved before field development takes place. All surface use plans will be presented to the Billings Field Office archaeologist for approval.

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-01	T. 1 N, R. 12 E, PMM, MT sec. 32 NWNE;
01-09-13	T. 2 N, R. 15 E, PMM, MT sec. 18 NENW;

NO SURFACE OCCUPANCY STIPULATION

Surface occupancy and use is prohibited within riparian areas, 100-year flood plains of major rivers, and on water bodies and streams.

On the lands described below:

For the purpose of:

To protect the unique biological and hydrological features associated with riparian areas, 100-year flood plains of major rivers, and water bodies and streams, and to maintain riparian/wetlands function and water quality.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-03	T. 1 N, R. 13 E, PMM, MT sec. 25 LOTS 5,9; 35 LOTS 4,5;
01-09-04	T. 2 N, R. 13 E, PMM, MT sec. 18 SESW,SWSE; 20 SWNW,NESW,S2SE; 28 SWNW,NWSE;
01-09-05	T. 3 N, R. 13 E, PMM, MT sec. 26 N2SW;
01-09-07	T. 1 N, R. 14 E, PMM, MT sec. 19 LOTS 10,11; 23 LOT 6; 30 LOT 5;
01-09-11	T. 1 N, R. 15 E, PMM, MT sec. 21 LOT 4; 22 LOT 5;
01-09-14	T. 3 N, R. 15 E, PMM, MT sec. 2 NESW EXCL 37.37 AC IN RSVR ROW M193;
01-09-16	T. 3 N, R. 60 E, PMM, MT sec. 25 SESE; 26 NWSW;

01-09-17 T. 14 S, R. 10 W, PMM, MT
sec. 27 NESW, W2SE;

01-09-18 T. 14 S, R. 10 W, PMM, MT
sec. 31 LOT 2;

01-09-19 T. 15 S, R. 10 W, PMM, MT
sec. 6 LOTS 1, 2;
8 N2N2;
9 E2NE, SWNE, NW, E2SW, NWSE;

01-09-20 T. 15 S, R. 10 W, PMM, MT
sec. 15 NWNE, SWNW, W2SW, SE;
22 N2N2, SWNE, S2NW, NWSW, E2SW, W2SE, SESE;

01-09-21 T. 14 S, R. 11 W, PMM, MT
sec. 25 N2NW;

NO SURFACE OCCUPANCY STIPULATION

Surface occupancy and use is prohibited within 1/4 mile of designated reservoirs with fisheries.

On the lands described below:

For the purpose of:
Protect the fisheries and recreational values of reservoirs.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-14

T. 3 N, R. 15 E, PMM, MT
sec. 2 NESW EXCL 37.37 AC IN
RSVR ROWM193;

NO SURFACE OCCUPANCY STIPULATION

Surface occupancy and use is prohibited within one-half mile of known bald eagle nest sites which have been active within the past 7 years and within bald eagle nesting habitat in riparian areas.

On the lands described below:

For the purpose of:

To protect bald eagle nesting sites and/or nesting habitat in accordance with the Endangered Species Act (ESA) and the Montana Bald Eagle Management Plan.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-03	T. 1 N, R. 13 E, PMM, MT sec. 25 LOTS 5,9;
01-09-07	T. 1 N, R. 14 E, PMM, MT sec. 19 LOTS 10,11; 30 LOT 5;

NO SURFACE OCCUPANCY STIPULATION

Surface occupancy and use is prohibited within one-half mile from centerline of streams containing known populations of 99% - 100% genetically pure Westslope Cutthroat Trout.

On the lands described below:

For the purpose of:

To ensure healthy aquatic habitat exists in drainages important to the viability of upper Missouri River Basin Westslope Cutthroat Trout.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-19

T. 15 S, R. 10 W, PMM, MT
sec. 6 SWSE;
8 NWNE, N2NW;

NO SURFACE OCCUPANCY STIPULATION

Surface occupancy and use is prohibited within one-half mile from the centerline of Class 1 fishery streams (Blue Ribbon Trout streams).

On the lands described below:

For the purpose of:

To ensure healthy aquatic habitat are maintained along Class 1 fisheries.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-17	T. 14 S, R. 10 W, PMM, MT sec. 27 NW, E2SW, W2SE;
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 8 NENE; 9 NENE, S2NE, NW, E2SW, SE;
01-09-20	T. 15 S, R. 10 W, PMM, MT sec. 15 N2NE, NWNW;

NO SURFACE OCCUPANCY STIPULATION

Surface occupancy and use is prohibited within one-half mile of the boundaries of cultural properties determined to be of particular importance to Native American groups, determined to be traditional cultural properties, and/or designated for traditional use. Such properties include (but are not limited to) burial locations, plant gathering locations, and areas considered sacred or used for religious purposes.

On the lands described below:

For the purpose of:

To avoid disturbance and to protect archaeological properties of know significance to Native American groups, as well as traditional cultural properties, and the setting in which they occur.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-17	T. 14 S, R. 10 W, PMM, MT sec. 33 SW,W2SE;
01-09-18	T. 14 S, R. 10 W, PMM, MT sec. 31 SENE,N2SE; 32 S2NW,N2SW,N2SE;
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 5 LOTS 2,3,4; 5 S2N2,NESE; 6 LOTS 1,2; 6 SENE;

NO SURFACE OCCUPANCY STIPULATION

Surface occupancy and use is prohibited within one-quarter mile of special status plants or populations.

On the lands described below:

For the purpose of:

To protect and conserve rare plants, associated plant communities and the habitat that supports them.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-17	T. 14 S, R. 10 W, PMM, MT sec. 27 SWSW; 33 NENE, W2E2, W2;
01-09-18	T. 14 S, R. 10 W, PMM, MT sec. 31 LOTS 1, 2; 31 S2NE, SENW, NESW, N2SE; 32 NE, E2NW, SWNW, NWSW, NESE;
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 5 LOTS 3, 4; 5 S2NW; 6 LOTS 1, 2; 6 S2NE; 8 N2NE, NENW; 9 NENE, S2NE, NW, E2SW, N2SE, SWSE;
01-09-20	T. 15 S, R. 10 W, PMM, MT sec. 22 S2NW, N2SW, SESW, W2SE;
01-09-21	T. 14 S, R. 11 W, PMM, MT sec. 25 N2NW;

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy (NSO) or use would be allowed within 200 feet of wetlands, lakes, and ponds.

On the lands described below:

For the purpose of:
Protect wetlands (NDRMP - p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-27	T. 138 N, R. 68 W, 5 th PM, ND sec. 1 SE; 10 NENE;
01-09-28	T. 160 N, R. 84 W, 5 th PM, ND sec. 2 LOTS 3,4; 2 S2NW;
01-09-35	T. 157 N, R. 92 W, 5 th PM, ND sec. 30 LOTS 1,2,3,4; 30 E2W2;
01-09-36	T. 162 N, R. 92 W, 5 th PM, ND sec. 8 LOT 2; 8 BED OF BEAVER LAKE RIPAR TO LOT 2 DESC BY M&B (30.23 AC); 17 SWSE;
01-09-71	T. 143 N, R. 105 W, 5 th PM, ND sec. 18 SESE; 22 S2NW;

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy (NSO) or use would be allowed within one-half mile of Golden Eagle nests known to have been occupied at least once within the seven previous years.

On the lands described below:

For the purpose of:
Protect Golden Eagle nesting(NDRMP - p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-40	T. 147 N, R. 94 W, 5 th PM, ND sec. 23 SESW, NESE, S2SE;
01-09-41	T. 147 N, R. 94 W, 5 th PM, ND sec. 28 LOT 1; 28 BED LTL MO RVR RIPAR TO LOT 1 DESC BY M&B (3.042 AC);
01-09-42	T. 147 N, R. 94 W, 5 th PM, ND sec. 28 LOTS 2, 3, 4; 28 S2NE, NWSW;

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy (NSO) of those lands within the floodplain of the Missouri River.

On the lands described below:

For the purpose of:
Protect floodplain from possible pollution (NDRMP - p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-30	T. 151 N, R. 91 W, 5 th PM, ND sec. 1 SWNWSWNW; 1 POR OF NESWNW; 2 POR OF LOT 2, POR OF LOT 3, POR OF NESENW; 3 LOTS 1, 2, 3, 4; 3 S2N2, S2; 4 LOTS 1, 2, 3, 4; 4 S2N2; 10 N2NE; 10 POR OF SESE (2.00 AC IN COE TR 1210); 11 N2NWNWNW;
01-09-32	T. 151 N, R. 92 W, 5 TH PM, ND sec. 2 LOTS 1, 2, 3, 4; 2 S2N2, S2; 3 LOTS 1, 2; 3 S2NE, E2SW; 11 N2 EXCL 2.00 AC IN; COE TR 1293; 11 SW;
01-09-33	T. 151 N, R. 92 W, 5 TH PM, ND sec. 3 SE;
01-09-37	T. 146 N, R. 93 W, 5 TH PM, ND sec. 2 LOT 4; 3 LOT 1;

01-09-38 T. 147 N, R. 93 W, 5TH PM, ND
sec. 30 LOTS 1,2,5;
30 E2E2 OF LOT 3, E2E2
OF LOT 4, N2 OF LOT 6,
SW OF LOT 6;
30 N2SWNE, SESWNE, N2SENW,
SWSENW, NWNESW, N2NESE,
NENWSE;

01-08-39 T. 152 N, R. 93 W, 5TH PM, ND
sec. 27 NWNESW, SWSW;

01-09-40 T. 147 N, R. 94 W, 5th PM, ND
sec. 17 LOTS 1,2,3,4;
17 N2NW;
20 LOTS 1,2,3,5;
20 SWSW;
21 LOT 1;
23 LOTS 1,2,3,4;
23 SESW, NESE, S2SE;

01-09-42 T. 147 N, R. 94 W, 5th PM, ND
sec. 28 LOTS 2,3,4;
28 S2NE, NWSW;

01-09-46 T. 154 N, R. 94 W, 5TH PM, ND
sec. 23 NESE;

01-09-47 T. 154 N, R. 94 W, 5TH PM, ND
sec. 36 NW, S2S2SE;

01-09-48 T. 154 N, R. 95 W, 5TH PM, ND
sec. 25 ACCRETION TO LOTS 5,6
DESC BY M&B (81.80 AC);
25 LOTS 5,6;

01-09-50 T. 154 N, R. 96 W, 5TH PM, ND
sec. 16 SE;

01-09-52 T. 153 N, R. 97 W, 5TH PM, ND
sec. 2 LOT 1;

01-09-53 T. 153 N, R. 97 W, 5TH PM, ND
sec. 7 E2SW;

01-09-54 T. 153 N, R. 97 W, 5TH PM, ND
sec. 7 LOT 3;

01-09-55 T. 154 N, R. 97 W, 5TH PM, ND
sec. 35 SESW, S2SE;

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
5001 Southgate Drive
Billings, Montana 59101-4669

OIL AND GAS LEASE STIPULATIONS

ESTHETICS--To maintain esthetic values, all surface-disturbing activities, semipermanent and permanent facilities may require special design including location, painting and camouflage to blend with the natural surroundings and meet the intent of the visual quality objectives of the Federal Surface Managing Agency (SMA).

EROSION CONTROL--Surface-disturbing activities may be prohibited during muddy and/or wet soil periods.

CONTROLLED OR LIMITED SURFACE USE STIPULATION --This stipulation may be modified, consistent with land use documents, when specifically approved in writing by the Bureau of Land Management (BLM) with concurrence of the SMA. Distances and/or time periods may be made less restrictive depending on the actual onground conditions. The prospective lessee should contact the SMA for more specific locations and information regarding the restrictive nature of this stipulation.

The lessee/operator is given notice that the lands within this lease may include special areas and that such areas may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled, or **if absolutely necessary**, excluded. Use or occupancy will be restricted only when the BLM and/or the SMA demonstrates the restriction necessary for the protection of such special areas and existing or planned uses. Appropriate modifications to imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

After the SMA has been advised of specific proposed surface use or occupancy on the leased lands, and on request of the lessee/operator, the Agency will furnish further data on any special areas which may include:

100 feet from the edge of the rights-of-way from highways, designated county roads and appropriate federally-owned or controlled roads and recreation trails.

500 feet, or when necessary, within the 25-year flood plain from reservoirs, lakes, and ponds and intermittent, ephemeral or small perennial streams: 1,000 feet, or when necessary, within the 100-year flood plain from larger perennial streams, rivers, and domestic water supplies.

500 feet from grouse strutting grounds. Special care to avoid nesting areas associated with strutting grounds will be necessary during the period from March 1, to June 30. One-fourth mile from identified essential habitat of state and federal sensitive species. Crucial wildlife winter ranges during the period from December 1 to May 15, and in elk calving areas during the period from May 1 to June 30.

300 feet from occupied buildings, developed recreational areas, undeveloped recreational areas receiving concentrated public use and sites eligible for or designated as National Register sites.

Seasonal road closures, roads for special uses, specified roads during heavy traffic periods and on areas having restrictive off-road vehicle designations.

On slopes over 30 percent or 20 percent on extremely erodable or slumping soils.

See Notice on Back

NOTICE

APPLICATIONS FOR PERMIT TO DRILL (APDs)--The appropriate BLM field offices are responsible for the receipt, processing, and approval of APDs. The APDs are to be submitted by oil and gas operators pursuant to the requirements found in Onshore Oil and Gas Order No. 1 -- Approval of Operations on Onshore Federal and Indian Oil and Gas Leases (Circular No. 2538). Additional requirements for the conduct of oil and gas operations can be found in the Code of Federal Regulations Title 43, Part 3160. Copies of Onshore Oil and Gas Order No. 1, and pertinent regulations, can be obtained from the BLM field offices in which the operations are proposed. Early coordination with these offices on proposals is encouraged.

CULTURAL AND PALEONTOLOGICAL RESOURCES--The SMA is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the SMA, shall:

1. Contact the appropriate SMA to determine if a site-specific cultural resource inventory is required. If an inventory is required, then:
2. Engage the services of a cultural resource specialist acceptable to the SMA to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the SMA for review and approval no later than that time when an otherwise complete application for approval of drilling or subsequent surface-disturbing operation is submitted.
3. Implement mitigation measures required by the SMA. Mitigation may include the relocation of proposed lease-related activities or other protective measures such as testing salvage and recordation. Where impacts to cultural resources cannot be mitigated to the satisfaction of the SMA, surface occupancy on that area must be prohibited.

The operator shall immediately bring to the attention of the SMA any cultural or paleontological resources discovered as a result of approved operations under this lease, and not disturb such discoveries until directed to proceed by the SMA.

ENDANGERED OR THREATENED SPECIES--The SMA is responsible for assuring that the leased land is examined prior to undertaking any surface-disturbing activities to determine effects upon any plant or animal species, listed or proposed for listing as endangered or threatened, or their habitats. The findings of this examination may result in some restrictions to the operator's plans or even disallow use and occupancy that would be in violation of the Endangered Species Act of 1973 by detrimentally affecting endangered or threatened species or their habitats.

The lessee/operator may, unless notified by the authorized officer of the SMA that the examination is not necessary, conduct the examination on the leased lands at his discretion and cost. This examination must be done by or under the supervision of a qualified resources specialist approved by the SMA. An acceptable report must be provided to the SMA identifying the anticipated effects of a proposed action on endangered or threatened species or their habitats.

PARCEL NO.

01-09-15, 01-09-27, 01-09-28, 01-09-29, 01-09-30, 01-09-31, 01-09-32,
01-09-33, 01-09-34, 01-09-35, 01-09-36, 01-09-37, 01-09-38, 01-09-39,
01-09-40, 01-09-41, 01-09-42, 01-09-46, 01-09-47, 01-09-48, 01-09-49,
01-09-50, 01-09-52, 01-09-53, 01-09-54, 01-09-55, 01-09-61, 01-09-69,
01-09-70, 01-09-71

Standard 16-3

Endangered Species Act Section 7 Consultation Stipulation

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act as amended, 16 U.S.C. § 1531 et seq., including completion of any required procedure for conference or consultation.

PARCEL NO.

ALL BLM PARCELS

AND

01-09-57

01-09-58

01-09-59

01-09-64

01-09-65

01-09-66

TIMING LIMITATION STIPULATION

Surface use is prohibited within crucial winter range for wildlife for the following time period:

December 1 to March 31

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect crucial White-Tailed Deer, Mule Deer, Elk, Antelope, Moose, Bighorn Sheep, and Sage Grouse winter range from disturbance during the winter use season, and to facilitate long-term maintenance of wildlife populations.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-01	T. 1 N, R. 12 E, PMM, MT sec. 14 E2E2; 18 E2NE; 22 S2S2; 26 SENW, N2SE, SESE; 32 N2NE; 34 N2NE;
01-09-02	T. 2 N, R. 12 E, PMM, MT sec. 2 N2, SW; 20 E2E2, W2W2; 24 LOT 1; 28 E2E2; 32 SENE, NESE; 34 LOT 1;
01-09-03	T. 1 N, R. 13 E, PMM, MT sec. 2 LOT 1; 2 SWNW, SE; 4 LOTS 1, 2, 3; 4 S2NE, SENW, E2SE; 8 SENE, S2SE; 10 NE, N2NW, SENW; 18 LOTS 1, 2, 3, 4; 18 E2, E2W2; 22 N2NE, SENE; 25 LOTS 5, 9; 35 LOTS 4, 5;

TL 13-1
Page 1 of 3

01-09-04 T. 2 N, R. 13 E, PMM, MT
sec. 18 LOT 4;
18 NENW, SESW, SWSE;
20 NWNE, SENE, NENW, SWNW,
SW, S2SE;
22 SWNE, NENW, NESE;
26 NWNE, S2NE, NESE;
28 S2NE, SWNW, NWSW, S2SW,
N2SE, SESE;
32 NE, NENW, NESE, S2SE;
34 NWNE, S2NE, NW, SWSW,
NESE, S2SE;

01-09-05 T. 3 N, R. 13 E, PMM, MT
sec. 6 LOT 2;
26 W2NW, SW;
28 SESW, E2SE;
30 LOTS 1, 2, 3, 4;
30 E2W2, W2SE;
32 W2NW, SW, SWSE;
34 E2NE, N2SE;

01-09-06 T. 4 N, R. 13 E, PMM, MT
sec. 32 SWNW;

01-09-07 T. 1 N, R. 14 E, PMM, MT
sec. 6 LOTS 1, 2, 7;
18 LOTS 1, 2, 3, 4;
18 E2W2;
19 LOTS 10, 11;
23 LOT 6;
30 LOT 5;

01-09-08 T. 2 N, R. 14 E, PMM, MT
sec. 12 N2;
14 SWNE, NWNW, S2NW, S2;
20 SWNE, SENW;
22 E2SE;
24 W2;
26 NW, S2;
32 N2NE, NW, N2SW, SWSW, S2SE;

01-09-09 T. 3 N, R. 14 E, PMM, MT
sec. 4 SWSW;
8 E2E2;
20 LOT 5;
20 N2NW, SWNW;
30 LOTS 3, 4;
30 NENE, E2SW;

01-09-10 T. 4 N, R. 14 E, PMM, MT
sec. 20 NENE, NWNW, S2SE;
34 NWNE, NENW, S2SW;

01-09-11 T. 1 N, R. 15 E, PMM, MT
sec. 21 LOT 4;
22 LOT 5;

01-09-12 T. 2 N, R. 15 E, PMM, MT
sec. 2 LOTS 1, 2, 3, 4;
2 S2N2, S2;
4 LOTS 1, 2, 3, 4;
4 S2N2, S2;

01-09-13 T. 2 N, R. 15 E, PMM, MT
sec. 18 LOT 1;
18 NENW, SESE;
20 SENE, NWNW, E2SW, SE;
28 ALL;
32 ALL;

01-09-14 T. 3 N, R. 15 E, PMM, MT
sec. 30 E2SW, W2SE;
34 NWNE, NW, W2SW;

01-09-16 T. 3 N, R. 60 E, PMM, MT
sec. 24 E2SE;
25 SESE;
26 NWSW;
35 SWSW;

01-09-22 T. 5 S, R. 16 E, PMM, MT
sec. 14 NESW, S2SW, W2SE;
24 NENW, SESE;

01-09-23 T. 5 S, R. 17 E, PMM, MT
sec. 30 SESW, SWSE;

TIMING LIMITATION STIPULATION

Surface use is prohibited within established spring calving range for Elk for the following time period:

April 1 to June 15

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Elk spring calving range from disturbance during the spring use season, and to facilitate long-term maintenance of wildlife populations.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-05	T. 3 N, R. 13 E, PMM, MT sec. 30 LOTS 1,2,3,4; 30 E2W2,W2SE; 32 W2NW, SW, SWSE;
01-09-22	T. 5 S, R. 16 E, PMM, MT sec. 24 NENE, NENW, SESE;

TIMING LIMITATION STIPULATION

Surface use is prohibited in grouse nesting habitat within 2 miles of a lek during the following time period:

March 1 to June 15

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Sharp-tail and Sage Grouse nesting habitat from disturbance during spring and early summer in order to maximize annual production of young and to protect nesting activities adjacent to nesting sites for the long-term maintenance of grouse populations in the area.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-09	T. 3 N, R. 14 E, PMM, MT sec. 20 LOT 5; 20 N2NW, SWNW; 30 LOTS 3, 4; 30 NENE, E2SW:
01-09-13	T. 2 N, R. 15 E, PMM, MT sec. 28 N2, N2SW, SESW, SE;
01-09-14	T. 3 N, R. 15 E, PMM, MT sec. 2 NESW EXCL 37.37 AC IN RSVR ROW M193; 30 E2SW, W2SE;
01-09-16	T. 3 N, R. 60 E, PMM, MT sec. 35 SWSW;
01-09-24	T. 4 S, R. 24 E, PMM, MT sec. 11 SWSE; 23 NENW;

TIMING LIMITATION STIPULATION

Surface use is prohibited within one-half mile of Raptor nest sites which have been active within the past 2 years during the following time period:

March 1 - August 1

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect nest sites of Raptors which have been identified as species of special concern.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-08

T. 2 N, R. 14 E, PMM, MT
sec. 22 E2SE;

TIMING LIMITATION STIPULATION

Surface use is prohibited in nesting and early brood-rearing habitat (defined as within three miles of leks).

March 1 through June 30

The stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Sage Grouse leks and breeding habitat necessary for long-term maintenance of regional Sage Grouse populations.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-18	T. 14 S, R. 10 W, PMM, MT sec. 31 LOTS 1,2; 31 NE,E2NW,NESW,N2SE; 32 NW,N2SW,NWSE;
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 5 LOTS 2,3,4; 5 SWNE,S2NW,SW,W2SE; 6 LOTS 1,2; 6 S2NE,SE; 8 NWNE,N2NW;
01-09-21	T. 14 S, R. 11 W, PMM, MT sec. 25 NE,N2NW;

TIMING LIMITATION STIPULATION

Surface use is prohibited within big game winter/spring range for wildlife.

December 1 through May 15

The stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Mule Deer, Elk, Antelope, and Moose winter range from disturbance during the winter/spring season, and to facilitate long-term maintenance of wildlife populations.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-17	T. 14 S, R. 10 W, PMM, MT sec. 27 W2,W2SE; 33 ALL;
01-09-18	T. 14 S, R. 10 W, PMM, MT sec. 31 LOTS 1,2; 31 NE,E2NW,NESW,N2SE; 32 N2,N2S2;
01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 2 S2NE; 5 LOTS 2,3,4; 5 S2N2,S2; 6 LOTS 1,2; 6 S2NE,SE; 8 N2N2; 9 NENE,S2NE,NW,E2SW,SE;
01-09-20	T. 15 S, R. 10 W, PMM, MT sec. 15 E2,W2W2; 22 N2,N2SW,SESW,SE;
01-09-21	T. 14 S, R. 11 W, PMM, MT sec. 25 NE,N2NW;

TL 13-7

TIMING LIMITATION STIPULATION

Surface use is prohibited within winter and spring range for sage grouse during the following time period:

December 1 through May 15

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect sage grouse winter range from disturbance during the winter/spring season, and to facilitate long-term maintenance of wildlife populations.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-19	T. 15 S, R. 10 W, PMM, MT sec. 5 S2; 6 SE; 8 N2N2; 9 NENE, S2NE, NW, E2SW, SE;
01-09-20	T. 15 S, R. 10 W, PMM, MT sec. 15 W2NW;

TIMING LIMITATION STIPULATION

No seismic exploration would be allowed within 500 feet of waterfowl nesting habitat during the following time period:

March 1 through July 1

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect nesting waterfowl (NDRMP p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-27	T. 138 N, R. 68 W, 5 th PM, ND sec. 1 SE; 10 NENE;
01-09-28	T. 160 N, R. 84 W, 5 th PM, ND sec. 2 LOTS 3,4; 2 S2NW;
01-09-35	T. 157 N, R. 92 W, 5 th PM, ND sec. 30 LOTS 1,2,3,4; 30 E2W2;
01-09-36	T. 162 N, R. 92 W, 5 th PM, ND sec. 8 LOT 2; 8 BED OF BEAVER LAKE RIPAR TO LOT 2 DESC BY M&B (30.23 AC); 17 SWSE;
01-09-71	T. 143 N, R. 105 W, 5 th PM, ND sec. 18 SESE; 22 S2NW;

TIMING LIMITATION STIPULATION

No surface use would be allowed on Bighorn Sheep lambing range during the following time period:

April 1 to June 15

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Bighorn Sheep lambing activities (NDRMP p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-61

T. 141 N, R. 101 W, 5TH PM, ND
sec. 6 BED OF LTL MO RIV
RIPAR TO LOTS 7,8
DESC BY M&B (9.21 AC);
6 LOTS 1,2,3,7,8;

TIMING LIMITATION STIPULATION

No surface use would be allowed on Bighorn Sheep winter range during the following time period:

December 1 to April 1

This stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Bighorn Sheep winter range activities (NDRMP p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-61

T. 141 N, R. 101 W, 5TH PM, ND
sec. 6 BED OF LTL MO RIV
RIPAR TO LOTS 7,8
DESC BY M&B (9.21 AC);
6 LOTS 1,2,3,7,8;

TIMING LIMITATION STIPULATION

No surface use would be allowed within one-half mile of occupied Golden Eagle nests during the following time period:

February 15 to July 15

This stipulation does not apply to operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Golden Eagle nesting (NDRMP - p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-40

T. 147 N, R. 94 W, 5th PM, ND
sec. 23 SESW, NESE, S2SE;

TIMING LIMITATION STIPULATION

Surface use is prohibited within one-half mile of occupied Golden Eagle nests known to be occupied at least once within the seven previous years during the following time period:

February 15 to July 15

The stipulation does not apply to the operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Protect Golden Eagle nesting (NDRMP-p. 20)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-41

T. 147 N, R. 94 W, 5th PM, ND
sec. 28 LOT 1;
28 BED LTL MO RVR RIPAR
TO LOT 1 DESC BY M&B
(3.042 AC);

01-09-42

T. 147 N, R. 94 W, 5th PM, ND
sec. 28 LOTS 2,3,4;
28 S2NE,NWSW;

LEASE STIPULATIONS
BUREAU OF RECLAMATION

The lessee agrees to maintain, if required by the lessor during the period of this lease, including any extension thereof, an additional bond with qualified sureties in such sum as the lessor, if it considers that the bond required under Section 2(a) is insufficient, may at any time require:

(a) to pay for damages sustained by any reclamation homestead entryman to his crops or improvements caused by drilling or other operations of the lessee, such damages to include the reimbursement of the entryman by the lessee, when he uses or occupies the land of any homestead entryman, for all construction and operation and maintenance charges becoming due during such use or occupation upon any portion of the land so used and occupied;

(b) to pay any damage caused to any reclamation project or water supply thereof by the lessee's failure to comply fully with the requirements of this lease; and

(c) to recompense any nonmineral applicant, entryman, purchaser under the Act of May 16, 1930 (46 Stat. 367), or patentee for all damages to crops or to tangible improvements caused by drilling or other prospecting operation, where any of the lands covered by this lease are embraced in any nonmineral application, entry, or patent under rights initiated prior to the date of this lease, with a reservation of the oil deposits, to the United States pursuant to the Act of July 17, 1914 (38 Stat. 509).

As to any lands covered by this lease within the area of any Government reclamation project, or in proximity thereto, the lessee shall take such precautions as required by the irrigation under such project or to the water supply thereof; *provided* that drilling is prohibited on any constructed works or right-of-way of the Bureau of Reclamation, and *provided, further*, that there is reserved to the lessor, its successors and assigns, the superior and prior right at all times to construct, operate, and maintain dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, appurtenant irrigation structures, and reclamation works, in which construction, operation, and maintenance, the lessor, its successors and assigns, shall have the right to use any or all of the lands herein described without making compensation therefor, and shall not be responsible for any damage from the presence of water thereon or on account of ordinary, extraordinary, unexpected, or unprecedented floods. That nothing shall be done under this lease to increase the cost of, or interfere in any manner with, the construction, operation, and maintenance of such works. It is agreed by the lessee that, if the construction of any or all of said dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone or telegraph lines, electric transmission lines, roadways, appurtenant irrigation structures or reclamation works across, over, or upon said lands should be made more expensive by reason of the existence of the improvements and workings of the lessee thereon, said additional expense is to be estimated by the Secretary of the Interior, whose estimate is to be final and

(continued on reverse)

binding upon the parties hereto, and that within thirty (30) days

after demand is made upon the lessee for payment of any such sums, the lessee will make payment thereof to the United States, or its successors, constructing such dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, appurtenant irrigation structures, or reclamation works, across, over, or upon said lands; *provided, however*, that subject to advance written approval by the United States, the location and course of any improvements or works and appurtenances may be changed by the lessee; *provided, further*, that the reservations, agreements, and conditions contained in the within lease shall be and remain applicable notwithstanding any change in the location or course of said improvements or works of lessee. The lessee further agrees that the United States, its officers, agents, and employees, and its successors and assigns shall not be held liable for any damage to the improvements or workings of the lessee resulting from the construction, operation, and maintenance of any of the works hereinabove enumerated. Nothing in this paragraph shall be construed as in any manner limiting other reservations in favor of the United States contained in this lease.

THE LESSEE FURTHER AGREES That there is reserved to the lessor, its successors and assigns, the prior right to use any of the lands herein leased, to construct, operate, and maintain dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, or appurtenant irrigation structures, and also the right to remove construction materials therefrom, without any payment made by the lessor or its successors for such right, with the agreement on the part of the lessee that if the construction of any or all of such dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, or appurtenant irrigation structures across, over, or upon said lands or the removal of construction materials therefrom, should be made more expensive by reason of the existence of improvements or workings of the lessee thereon, such additional expense is to be estimated by the Secretary of the Interior, whose estimate is to be final and binding upon the parties hereto, and that within thirty (30) days after demand is made upon the lessee for payment of any such sums, the lessee will make payment thereof to the United States or its successors constructing such dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, or appurtenant irrigation structures across, over, or upon said lands or removing construction materials therefrom. The lessee further agrees that the lessor, its officers, agents, and employees and its successors and assigns shall not be held liable for any damage to the improvements or workings of the lessee resulting from the construction, operation, and maintenance of any of the works herein above enumerated. Nothing contained in this paragraph shall be construed as in any manner limiting other reservations in favor of the lessor contained in this lease.

To insure against the contamination of the waters of the _____ Reservoir,
_____ Project, State of _____, the lessee agrees that
the following further conditions shall apply to all drilling and operations on lands covered by this lease,
which lie within the flowage or drainage area of the _____ Reservoir, as such area is defined by
the Bureau of Reclamation:

1. The drilling sites for any and all wells shall be approved by the
Superintendent, Bureau of Reclamation, _____ Project,
before drilling begins. Sites for the construction of pipe-line rights-of-way or other authorized
facilities shall also be approved by the Superintendent before construction begins.

2. All drilling or operation methods or equipment shall, before their
employment, be inspected and approved by the Superintendent of the
Project, _____, and by the supervisor of the U.S. Geological Survey having
jurisdiction over the area.

GPO 854-703

PARCEL NO.

01-09-69

SPECIAL STIPULATION - BUREAU OF RECLAMATION

To avoid interference with recreation development and/or impacts to fish and wildlife habitat and to assist in preventing damage to any Bureau of Reclamation dams, reservoirs, canals, ditches, laterals, tunnels, and related facilities, and contamination of the water supply therein, the lessee agrees that the following conditions shall apply to all exploration and developmental activities and other operation of the works thereafter on lands covered by this lease:

1. Prior to commencement of any surface-disturbing work including drilling, access road work, and well location construction, a surface use and operations plan will be filed with the appropriate officials. A copy of this plan will be furnished to the Regional Director, Great Plains Region, Bureau of Reclamation, P.O. Box 36900, Billings, MT 59107-6900, for review and consent prior to approval of the plan. Such approval will be conditioned on reasonable requirements needed to prevent soil erosion, water pollution, and unnecessary damages to the surface vegetation and other resources, including cultural resources, of the United States, its lessees, permittees, or licensees, and to provide for the restoration of the land surface and vegetation. The plan shall contain provisions as the Bureau of Reclamation may deem necessary to maintain proper management of the water, recreation, lands structures, and resources, including cultural resources, within the prospecting, drilling, or construction area.

Drilling sites for all wells and associated investigations such as seismograph work shall be included in the above-mentioned surface use and operation plan.

If later explorations require departure from or additions to the approved plan, these revisions or amendments, together with a justification statement for proposed revisions, will be submitted for approval to the Regional Director, Great Plains Region, Bureau of Reclamation, or his authorized representative.

Any operations conducted in advance of approval of an original, revised, or amended prospecting plan, or which are not in accordance with an approved plan constitute a violation of the terms of this lease. The Bureau of Reclamation reserves the right to close down operations until such corrective action, as is deemed necessary, is taken by the lessee.

2. No occupancy of the surface of the following excluded areas is authorized by this lease. It is understood and agreed that the use of these areas for Bureau of Reclamation purposes is superior to any other use. The following restrictions apply only to mineral tracts located within the boundary of a Bureau of Reclamation project where the United States owns 100 percent of the fee mineral interest.

- a. Within 500 feet on either side of the centerline of any and all roads or highways within the leased area.
- b. Within 200 feet on either side of the centerline of any and all trails within the leased area.
- c. Within 500 feet of the normal high-water line of any and all live streams in the leased area.
- d. Within 400 feet of any and all recreation developments within the leased area.
- e. Within 400 feet of any improvements either owned, permitted, leased, or otherwise authorized by the Bureau of Reclamation within the leased area.
- f. Within 200 feet of established crop fields, food plots, and tree/shrub plantings within the leased area.
- g. Within 200 feet of slopes steeper than a 2:1 gradient within the leased area.
- h. Within established rights-of-way of canals, laterals, and drainage ditches within the leased area.
- i. Within a minimum of 500 feet horizontal from the centerline of the facility or 50 feet from the outside toe of the canal, lateral, or drain embankment, whichever distance is greater, for irrigation facilities without clearly marked rights-of-way within the leased area.
- j. Providing that appropriate environmental compliance measures can be ensured, and providing further that Reclamation project works and other public interests can be protected, Reclamation may consider, on a case-by-case basis, waiving the requirement specified in Section 2 hereof. **HOWEVER, LESSEES ARE ADVISED THAT OBTAINING SUCH A WAIVER CAN BE A DIFFICULT, TIME CONSUMING, AND COSTLY PROCESS WITH NO GUARANTEE THAT RECLAMATION WILL GRANT THE REQUESTED WAIVER.**

3. No occupancy of the surface or surface drilling will be allowed in the following areas. In addition, no directional drilling will be allowed that would intersect the subsurface zones delineated by a vertical plane in these areas. The following restrictions apply only to mineral tracts located within the boundary of a Bureau of Reclamation project, where the United States owns 100 percent of the fee mineral interest in said tract, or tracts.

a. Within 1,000 feet of the maximum water surface, as defined in the Standard Operating Procedures (SOP), of any reservoirs and related facilities located within the leased area.

b. Within 2,000 feet of dam embankments and appurtenance structures such as spillway structures, outlet works, etc.

c. Within one-half (1/2) mile horizontal from the centerline of any tunnel within the leased area.

d. Providing that appropriate environmental compliance measures can be ensured, and providing further that Reclamation project works and other public interests can be protected. Reclamation may consider, on a case-by-case basis, waiving the requirements specifies in Section 3 hereof. **HOWEVER, LESSEES ARE ADVISED THAT OBTAINING SUCH A WAIVER CAN BE A DIFFICULT, TIME CONSUMING, AND COSTLY PROCESS WITH NO GUARANTEE THAT RECLAMATION WILL GRANT THE REQUESTED WAIVER.**

4. The distances stated in items 2 and 3 above are intended to be general indicators only. The Bureau of Reclamation reserves the right to revise these distances as needed to protect Bureau of Reclamation facilities.

5. The use of explosives in any manner shall be so controlled that the works and facilities of the United States, its successors and assigns, will in no way be endangered or damaged. In this connection, an explosives use plan shall be submitted to and approved by the Regional Director, Great Plains Region, Bureau of Reclamation, or his/her authorized representative.

6. The lessee shall be liable for all damage to the property of the United States, its successors or assigns, resulting from the exploration, development, or operation of the works contemplated by this lease, and shall further hold the United States, its successors or assigns, and its officers, agents, and employees, harmless from all claims of third parties for injury or damage sustained or in any way resulting from the exercise of the rights and privileges conferred by the lease.

7. The lessee shall be liable for all damages to crops or improvements of any entryman, nonmineral applicant, or patentee, their successors or assigns, caused by or resulting from the drilling or other operations of the lessee, including reimbursement of any entryman or patentee, their successors or assigns, for all construction, operation, and maintenance charges becoming due on any portion of their said lands damaged as a result of the drilling or other operation of the lessee.

8. In addition to any other bond required under the provisions of this lease, the lessee shall provide such bond as the United States may at any time require for damages which may arise under the liability provisions of Section six (6) and seven (7) above.

PARCEL NO.

01-09-69

**STIPULATION FOR LANDS UNDER JURISDICTION
OF DEPARTMENT OF THE ARMY,
CORPS OF ENGINEERS**

The lands embraced in this lease issued under the Mineral Leasing Act of February 25, 1920 (41 Stat. 437; 30 U.S.C. 181 *et seq.*), as amended, or the Mineral Leasing Act for Acquired Lands of August 7, 1947 (61 Stat. 913; 30 U.S.C. 351 *et seq.*) being under the jurisdiction of the Department of the Army, Corps of Engineers, the lessee hereby agrees:

(1) That *all* rights under this lease are subordinate to the rights of the United States to flood and submerge the lands, permanently or intermittently, in connection with the operation and maintenance of the above-named project.

(2) That the United States shall *not* be responsible for damages to property or injuries to persons which may arise from or be incident to the use and occupation of the said premises, or for damages to the property of the lessee, or for injuries to the person of the lessee (if an individual), or for damages to the property or injuries to the person of the lessee's officers, agents, servants, or employees, or others who may be on said premises at their invitation or the invitation of anyone of them arising from or incident to the flooding of the said premises by the Government or flooding from any other cause, or arising from or incident to any other governmental activities; and the lessee shall hold the United States harmless from any and all such claims.

(3) That the work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Corps of Engineers, in direct charge of the project, and subject to such conditions and regulations as may be prescribed by him, and the plans and location for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval, in advance, of

commencement of any work on said lands. The District Engineer shall have the right to enter on the premises, at any time, to inspect both the installation and operational activities of the lessee. (4) That no structure or appurtenance thereto shall be of a material or construction determined to create floatable debris.

(5) That the construction and operation of said structures and appurtenances thereto shall be of such a nature as not to cause pollution of the soils and the waters of the project.

(6) That the United States reserves the right to use the land jointly with the lessee in connection with the construction, operation, and maintenance of the Government project and to place improvements thereon or to remove materials therefrom, including sand and gravel and other construction material, as may be necessary in connection with such work, and the lessee shall not interfere, in any manner, with such work or do any act which may increase the cost of performing such work. If the cost of the work performed by the Government at and in connection with the project, including work performed on lands outside the property included in the lease, is made more expensive by reason of improvements constructed on the leased property by the lessee, the lessee shall pay to the United States money in an amount, as estimated by the Chief of Engineers, sufficient to compensate for the additional expense involved.

PARCEL NO.

01-09-30, 01-09-32, 01-09-33, 01-09-37,
01-09-38, 01-09-39, 01-09-40, 01-09-41,
01-09-42, 01-09-43, 01-09-44, 01-09-45,
01-09-46, 01-09-47, 01-09-48, 01-09-50,
01-09-52, 01-09-53, 01-09-54, 01-09-55

CORPS OF ENGINEERS STIPULATION

1. The Secretary of the Army or designee reserves the right to require cessation of operations if a national emergency arises or if the Army needs the leased property for a mission incompatible with lease operations. On approval from higher authority, the commander will give the lessee written notice or, if time permits, request BLM to give notice of the required suspension. The lessee agrees to this condition and waives compensation for its exercise.
2. If the commander or the commander's authorized representative discovers an imminent danger to safety or security which allows no time to consult BLM, that person may order such activities stopped immediately. The state BLM Director will be notified immediately, will review the order, and will determine the need for further remedial action.
3. If contamination is found in the operating area, the operator will immediately stop work and ask the commander or commander's representative for help.
4. Lessee liability for damage to improvements shall include improvements of the Department of Defense.
5. Before beginning to drill, the lessee must consult with third parties authorized to use real estate in the leased area and must consider programs for which third parties have contractual responsibility.
6. A license to conduct geophysical test on the leased area must be obtained separately from the installation commander or the District Commander.
7. Civil works only: conditions in BLM Form 3109-2, Stipulation for Lands Under Jurisdiction of Department of the Army Corps of Engineers, or successor form.

PARCEL NO.

01-09-30
01-09-32
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01-09-55

**CORPS OF ENGINEERS
INFORMATION NOTICE**

- No surface occupancy shall be allowed on those lands below elevation 1855 feet msl (mean sea level) or within 300 feet horizontally from said elevation.
- All mineral exploration and production infrastructure shall have a minimum setback of twelve-hundred (1,200) feet from any Tribal, Federal, State, County, or private infrastructure. This includes but is not limited to: levees, dams, intakes and buildings.
- No surface occupancy shall be allowed on islands located within the flood control pool for Lake Sakakawea, regardless of their elevation.
- There are numerous archaeological (cultural and historical) sites on project lands. No surface occupancy will be allowed within a minimum of one-hundred (100) feet of any identified cultural resource site. However, case by case review shall be coordinated through the Riverdale Office Staff Archaeologist located at the Corps of Engineers Project Office in Riverdale, North Dakota, to determine adequate protection.
- All lease areas shall be cleared for Threatened and Endangered Species Usage. If any such usage has been documented in the immediate area, mineral exploration activities shall be conditioned in coordination with the Missouri River Recovery Program coordinator located at the Corps of Engineers Project Office in Riverdale, North Dakota.
- On those lands, which consist of highly erodible soils, any surface disturbances shall be kept to a minimum. The use of proper engineering practices shall be used to minimize potential soil erosion.
- Road construction in association with mineral exploration will be conducted in a manner as primitive as possible, and will be constructed using best engineering practices to minimize surface disturbance.
- All fill material required for the exploration or production phase shall be clear of all invasive or noxious weed seeds. Obtaining fill materials from project lands is prohibited.
- Any current interior or boundary fence that is located within the lease area shall be maintained, or possibly replaced, to prevent livestock and/or general public from entering the site for their safety.
- No surface occupancy will be allowed within twelve-hundred (1,200) feet of any leased or Corps managed recreation or zoned limited development area.
- Exploration activities that extend beneath the flood control pool of Lake Sakakawea (1854 feet msl) will require Regulatory review in accordance with Section 10/404 authorities (Rivers and Harbors Act and Clean Waters Act respectively).

PARCEL NO.

01-09-30, 01-09-32, 01-09-33, 01-09-37, 01-09-38, 01-09-39, 01-09-40, 01-09-41, 01-09-42,
01-09-43, 01-09-44, 01-09-45, 01-09-46, 01-09-47, 01-09-48, 01-09-50, 01-09-52, 01-09-53,
01-09-54, 01-09-55

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

POWERSITE STIPULATION

The lessee or permittee hereby agrees:

(a) If any of the land covered by this lease or permit was, on the date the lease or permit application or offer was filed, within a powersite classification, powersite reserve, waterpower designation, or project on which an application for a license or preliminary permit is pending before the Federal Energy Regulatory Commission or on which an effective license or preliminary permit had been issued by the Federal Energy Regulatory Commission under the Federal Power Act, or on which an authorized power project (other than one owned or operated by the Federal Government) had been constructed, the United States, its permittees or licensees shall have the prior right to use such land for purposes of power development so applied for, licensed, permitted, or authorized and no compensation shall accrue to the mineral lessee or permittee for loss of prospective profits or for damages to improvements or workings, or for any additional expense caused the mineral lessee as a result of the taking of said land for power development purposes. It is agreed, however, that where the mineral lessee or permittee can make adjustments of his improvements to avoid undue interference with power development, he will be permitted to do so at his own expense. Furthermore, occupancy and use of the land by the mineral lessee or permittee shall be subject to such reasonable conditions with respect to the use of the land as may be prescribed by the Federal Energy Regulatory Commission for the protection of any improvements and workings constructed thereon for power development.

(b) If any of the land covered by this lease or permit is on the date of the lease or permit within a powersite classification, powersite reserve, or waterpower designation which is not governed by the preceding paragraph, the lease or permit is subject to the express condition that operations under it shall be so conducted as not to interfere with the administration and use of the land for powersite purposes to a greater extent than may be determined by the Secretary of the Interior to be necessary for the most beneficial use of the land. In any case, it is agreed that where the mineral lessee or permittee can make adjustments to avoid undue interference with power development, he will be permitted to do so at his own expense.

PARCEL NO.

01-09-03, 01-09-07

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

The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of Interior in the permit. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of an exploration plan by the Secretary of the Interior, (2) uses of all existing improvements, such as forest development roads, within and outside the area permitted by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by an exploration plan approved by the Secretary of the Interior.

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

District Ranger, McKenzie Ranger District
Dakota Prairie Grasslands
1901 South Main Street
Watford City, ND 58854

who is the authorized representative of the Secretary of Agriculture.

CULTURAL RESOURCES - The FS is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures, in accordance with the Archaeological Resources Protection Act of 1979, the National Historic Preservation Act of 1966 (as amended), and the American Indian Religious Freedom Act of 1996. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the FS, shall:

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.
3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U.S. Government as appropriate.

The lessee or operator shall immediately bring to the attention of the FS and BLM any cultural or resources or any other objects of scientific interest discovered as a result of surface operations under this lease, and shall leave such discoveries intact until directed to proceed by FS and BLM.

Vertebrate Paleontology Notice - The FS is responsible for assuring that the leased lands are examined to determine if paleontological resources are present and to specify mitigation measures, in accordance with Organic Act, and the National Forest Management Act of 1976

Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the Forest Service, shall:

1. Contact the Forest Service to determine if a site-specific vertebrate paleontologic inventory is required. The Forest Service will conduct inventories and surveys as part of the field review for the proposed activity on the lease. The operator may voluntarily engage the services of a qualified paleontologist to conduct the inventory.
2. Implement mitigation measures required by the Forest Service and Bureau of land management to preserve or avoid destruction of vertebrate paleontologic resources. Mitigation may include relocation of proposed facilities or other protective measures.
3. The lessee or operator shall immediately bring to the attention of the Forest Service any vertebrate paleontologic resources discovered as a result of surface operation under this lease, and shall leave such discoveries intact until directed to proceed by the Forest Service.

FLOODPLAIN AND WETLANDS - The lessee is hereby notified that this lease may contain land within a riparian ecosystem. All activities within this area may be highly restricted in order to comply with Executive Order 11988 - *Floodplain Management* and Executive Order 11990 - *Protection of Wetlands*, in order to preserve and restore or enhance the natural and beneficial values served by floodplains and wetlands.

Riparian ecosystems will be managed by the Forest Service to protect from conflicting uses in order to provide healthy, self-perpetuating plant and water communities that will have optimum diversity and density of understory and overstory vegetation. Occupancy and use of lands within riparian ecosystems proposed in a proposed Surface Use Plan of Operations will be considered in an environmental analysis done to identify the mitigation measures necessary to protect the riparian area. Special measures such as road design, well pad size and location or directional drilling, may be made part of the permit authorizing the activity.

PARCEL NO.

01-09-43, 01-09-44, 01-09-45, 01-09-51, 01-09-56, 01-09-60, 01-09-68

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

The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of Interior in the permit. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of an exploration plan by the Secretary of the Interior, (2) uses of all existing improvements, such as forest development roads, within and outside the area permitted by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by an exploration plan approved by the Secretary of the Interior.

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

District Ranger, Medora Ranger District
Dakota Prairie Grasslands
161 21st Street West
Dickinson, ND 58601-3135

who is the authorized representative of the Secretary of Agriculture.

CULTURAL RESOURCES - The FS is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures, in accordance with the Archaeological Resources Protection Act of 1979, the National Historic Preservation Act of 1966 (as amended), and the American Indian Religious Freedom Act of 1996. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the FS, shall:

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.
3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U.S. Government as appropriate.

The lessee or operator shall immediately bring to the attention of the FS and BLM any cultural or resources or any other objects of scientific interest discovered as a result of surface operations under this lease, and shall leave such discoveries intact until directed to proceed by FS and BLM.

Vertebrate Paleontology Notice - The FS is responsible for assuring that the leased lands are examined to determine if paleontological resources are present and to specify mitigation measures, in accordance with Organic Act, and the National Forest Management Act of 1976

Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the Forest Service, shall:

1. Contact the Forest Service to determine if a site-specific vertebrate paleontologic inventory is required. The Forest Service will conduct inventories and surveys as part of the field review for the proposed activity on the lease. The operator may voluntarily engage the services of a qualified paleontologist to conduct the inventory.
2. Implement mitigation measures required by the Forest Service and Bureau of land management to preserve or avoid destruction of vertebrate paleontologic resources. Mitigation may include relocation of proposed facilities or other protective measures.
3. The lessee or operator shall immediately bring to the attention of the Forest Service any vertebrate paleontologic resources discovered as a result of surface operation under this lease, and shall leave such discoveries intact until directed to proceed by the Forest Service.

FLOODPLAIN AND WETLANDS - The lessee is hereby notified that this lease may contain land within a riparian ecosystem. All activities within this area may be highly restricted in order to comply with Executive Order 11988 - *Floodplain Management* and Executive Order 11990 - *Protection of Wetlands*, in order to preserve and restore or enhance the natural and beneficial values served by floodplains and wetlands.

Riparian ecosystems will be managed by the Forest Service to protect from conflicting uses in order to provide healthy, self-perpetuating plant and water communities that will have optimum diversity and density of understory and overstory vegetation. Occupancy and use of lands within riparian ecosystems proposed in a proposed Surface Use Plan of Operations will be considered in an environmental analysis done to identify the mitigation measures necessary to protect the riparian area. Special measures such as road design, well pad size and location or directional drilling, may be made part of the permit authorizing the activity.

PARCEL NO.

01-09-57, 01-09-58, 01-09-59, 01-09-62, 01-09-63, 01-09-64, 01-09-67

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

1. Surface occupancy and use is prohibited on slopes greater than 40 percent to protect soil resources from loss of productivity, prevent erosion on steep slopes, soil mass movement, and resultant sedimentation. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Soils, number 6, and Appendix D-3.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-43	T. 153 N, R. 94 W, 5 th PM, ND sec. 8 PORTIONS OF E2; 9 PORTION OF W2NW, SW, W2SE, W2NESE; 10 PORTION OF S2SW, SWSE; 17 PORTION OF N2SE, SESE;
01-09-44	T. 153 N, R. 94 W, 5 th PM, ND sec. 14 PORTION OF S2NW; 15 PORTION OF SENE, SESE; 17 PORTION OF NE, NENW, S2NW, NWSW; 23 PORTION OF SESE;
01-09-45	T. 153 N, R. 94 W, 5 th PM, ND sec. 14 PORTIONS OF NWNW, SWSW, SESE; 23 PORTIONS OF N2, N2SW, SESW, N2SE, SWSE; 24 PORTIONS OF W2, W2SE, SESE; 25 PORTION OF N2N2; 26 PORTIONS OF N2NE, SESE;
01-09-51	T. 151 N, R. 97 W, 5 th PM, ND sec. 21 PORTIONS OF SENE;
01-09-56	T. 145 N, R. 98 W, 5 th PM, ND sec. 25 PORTIONS OF NW; 35 PORTIONS OF NENW;
01-09-57	T. 144 N, R. 99 W, 5 th PM, ND sec. 18 PORTIONS OF LOTS 2, 3, SWNE; 30 PORTIONS OF LOTS 3, 4, E2SW;
01-09-59	T. 144 N, R. 99 W, 5 th PM, ND sec. 26 PORTIONS OF SWNW, NWSE;

01-09-60 T. 145 N, R. 99 W, 5th PM, ND
sec. 24 PORTIONS OF NENE, W2E2, SESE;

01-09-62 T. 141 N, R. 102 W, 5th PM, ND
sec. 2 PORTIONS OF LOTS 2, 3, 4,
SWNE, SWNW;

01-09-63 T. 141 N, R. 102 W, 5th PM, ND
sec. 3 PORTIONS OF LOTS 1, 2, 3, 4,
S2N2, S2;

01-09-64 T. 143 N, R. 102 W, 5th PM, ND
sec. 4 PORTIONS OF LOTS 1, 2, 10,
S2NE, E2SE;

01-09-65 T. 143 N, R. 103 W, 5th PM, ND
sec. 5 PORTIONS OF LOTS 1, 3, 4,
S2N2, N2SW, SWSW, SE;

01-09-66 T. 143 N, R. 103 W, 5th PM, ND
sec. 6 PORTIONS OF LOTS 6, 7, E2SW;

01-09-68 T. 146 N, R. 103 W, 5th PM, ND
sec. 18 PORTIONS OF LOT 3;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No surface occupancy or use is allowed within 0.5 mile (line of sight) of golden eagle, merlin, and ferruginous hawk nests; to prevent reduced reproductive success and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 55, and Appendix D-11.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-57	T. 144 N, R. 99 W, 5 th PM, ND sec. 30 PORTIONS OF LOT 4;
01-09-64	T. 143 N, R. 102 W, 5 th PM, ND sec. 4 PORTIONS OF LOT 1;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No surface occupancy or use is allowed within 0.25 mile (line of sight) of a sharp-tailed grouse and sage grouse display ground to prevent abandonment of display grounds, reduced reproductive success, and adverse habitat loss. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 13, and Appendix D-14.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-43	T. 153 N, R. 94 W, 5 th PM, ND sec. 8 SWSE; PORTIONS OF N2SE, SESE;
01-09-44	T. 153 N, R. 94 W, 5 th PM, ND sec. 15 SWSE; PORTION OF SESE; 17 PORTION OF N2NE, NENW;
01-09-45	T. 153 N, R. 94 W, 5 th PM, ND sec. 24 PORTIONS OF S2SW; 25 PORTIONS OF N2NW;
01-09-60	T. 145 N, R. 99 W, 5 th PM, ND sec. 24 PORTIONS OF SESE;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No surface occupancy or use is allowed within developed recreation sites to maintain the recreation opportunities and settings within developed recreation sites. Refer to the Land and Resource Management Plan, Grassland-wide Direction, Recreation, Developed Recreation Sites, number 11, and Appendix D-4.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-63

T. 141 N, R. 102 W, 5th PM, ND
sec. 3 PORTIONS OF S2SE;

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

No surface occupancy or use is allowed within $\frac{1}{4}$ mile each side of the Little Missouri River, to maintain the recreation opportunities and settings within the river corridor. Refer to the Land and Resource Management Plan, Management Area Direction MA 4.22, River and Travel Corridors, Standards and Guidelines, Minerals and Energy Resources, number 2, and Appendix D-25.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-64

T. 143 N, R. 102 W, 5th PM, ND
sec. 4 LOT 10;
PORTIONS OF SWNE, E2SE;

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation applies to drilling, testing, new construction projects, and does not apply operation and maintenance of production facilities.

March 1 - June 15

Within 1 mile (line of sight) of active sharp-tailed grouse display grounds on the lands described below:

For the purpose of:

To prevent abandonment of display grounds and reduced reproductive success. Refer to the Land and Resource Management Plan Grassland-wide Direction, Fish, Wildlife, and Rare Plants, number 15 and Appendix D-5.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-43	T. 153 N, R. 94 W, 5 th PM, ND sec. 8 NE; PORTION OF N2SE, SESE; 9 SWNW, SW; PORTIONS OF NWNW, W2SE; 10 PORTION OF SESW, S2SE; 17 SE;
01-09-44	T. 153 N, R. 94 W, 5 th PM, ND sec. 14 SWNW; PORTIONS OF SENW; 15 SENE; PORTIONS OF SESE; 17 S2N2; PORTIONS OF N2NE, NENW, NWSW; 23 SESE;
01-09-45	T. 153 N, R. 94 W, 5 th PM, ND sec. 14 SWSW; PORTIONS OF NWNW; 23 SENE, N2NW, SWNW, N2SE, SWSE; PORTIONS OF N2NE, SWNE, SENE, SW; 24 SWNE, S2NW, N2SW, W2SE, SESE; PORTIONS OF N2NW, S2SW; 25 N2NE, S2SW; PORTIONS OF N2NW; 26 N2NE, SESE; PORTIONS OF SWSE;
01-09-60	T. 145 N, R. 99 W, 5 th PM, ND sec. 24 SENE, N2SE, SWSE; PORTIONS OF NENE, SWNE, SESE;
01-09-68	T. 146 N, R. 103 W, 5 th PM, ND sec. 18 PORTIONS OF LOT 3;

TIMING LIMITATION STIPULATION

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

May 1 through December 1

Surface use is prohibited within 0.25 miles of the established boundaries of Burning Coal Vein, Buffalo Gap, Sather Lake, CCC, Campgrounds and Summit, Whitetail Picnic Areas, and the 6 Maa Daa Hey Trail overnight camps; Wannagan, Roosevelt, Elkhorn, Magpie, Beicegel, and Bennett.

On the lands described below:

For the purpose of:

To maintain the recreation opportunities and settings within the area surrounding campgrounds, picnic areas, and recreation trail overnights. Refer to the Land and Resource Management Plan Grassland-wide Direction, Minerals and Energy Resources number 13 and Appendix D-4.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

PARCEL NO.

LEGAL DESCRIPTION

01-09-63

T. 141 N, R. 102 W, 5th PM, ND
sec. 3 PORTIONS OF E2SW, SE;

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s).

October 16 - June 14

This stipulation applies to drilling and testing of wells and new construction projects, and does not apply to operation and maintenance of production facilities. Limit on-lease activities (operation and maintenance of facilities) to the period from 10 am to 4 pm except in emergency situations.

For the purpose of:

To provide quality forage, cover, escape terrain and solitude for bighorn sheep. Refer to the Land and Resource Management Plan MA 3.51B, Bighorn Sheep Habitat with nonfederal ownership, Standards and Guidelines, Minerals and Energy Resources, number 1 and Appendix D-22 and Addendum, p. 51.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-62	T. 141 N, R. 102 W, 5 th PM, ND sec. 2 LOTS 1,2,3,4,S2N2;
01-09-63	T. 141 N, R. 102 W, 5 th PM, ND sec. 3 LOTS 1,2,3,4, S2N2,N2SW,SESW,SE; PORTIONS OF SWSW;
01-09-64	T. 143 N, R. 102 W, 5 th PM, ND sec. 4 SESE; PORTIONS OF LOT 10,NESE;

CONTROLLED SURFACE USE STIPULATION

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

Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified by the contrary by the BLM, shall:

1. Contact the BLM to determine if a site-specific vertebrate paleontological inventory is required. If it is required, the operator must engage the services of a qualified paleontologist, acceptable to the BLM, to conduct the inventory. An acceptable inventory report is to be submitted to the BLM for review and approval at the time a surface-disturbing plan of operation is submitted.
2. Implement mitigation measures required by the BLM to preserve, avoid, or recover vertebrate paleontological resources. Mitigation may include relocation of proposed facilities or other protective measures. All costs associated with the inventory and mitigation will be borne by the lessee or operator.
3. The lessee or operator shall immediately bring to the attention of the BLM any vertebrate paleontological resources discovered as a result of surface operations under this lease, and shall leave such discoveries intact until directed to proceed by the BLM.

On the lands described below:

For the purpose of:

Protect key paleontological resources from disturbance, or mitigate the effects of disturbance to conserve scientific and interpretive values, and the interests of the surface owner.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-57	T. 144 N, R. 99 W, 5 th PM, ND sec. 18 LOTS 1,2,E2NW;
01-09-58	T. 144 N, R. 99 W, 5 th PM, ND sec. 14 PORTION OF SW; 22 N2;
01-09-59	T. 144 N, R. 99 W, 5 th PM, ND sec. 22 S2; 26 NW,N2S2;

01-09-64 T. 143 N, R. 102 W, 5th PM, ND
sec. 4 LOTS 1,2,S2NE,NESE;

01-09-65 T. 143 N, R. 103 W, 5th PM, ND
sec. 5 PORTIONS OF LOTS 1,2,3,4,S2N2,S2;

01-09-66 T. 143 N, R. 103 W, 5th PM, ND
sec. 6 LOTS 6,7,E2SW,SE;

CONTROLLED SURFACE USE STIPULATION

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

Try to locate activities and facilities away from the water’s edge and outside the riparian areas, woody draws, wetlands, and floodplains. If necessary to locate facilities in these areas, then:

- Deposit no waste material (silt, sand, gravel, soil, slash, debris, chemical or other material) below high water lines, in riparian areas, in the areas immediately adjacent to riparian areas or in natural drainage ways (draws, land surface depressions or other areas where overland flow concentrates and flows directly into streams or lakes).
- Deposit no soil material in natural drainage ways.
- Locate the lower edge of disturbed or deposited soil banks outside the active floodplain.
- Stockpile no topsoil or any other disturbed soil in the active floodplain.
- Locate drilling mud pits outside riparian areas, wetlands and floodplains. If location is unavoidable in these areas, seal and dike all pits to prevent leakage or use containerized mud systems.

For the purpose of:

To protect the biological and hydrologic features of riparian areas, woody draws, wetlands, and floodplains. Refer to the Land and Resource Management Plan Grassland-wide Direction, Water, number 6 and Appendix D-2

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-43	T. 153 N, R. 94 W, 5 th PM, ND sec. 8 PORTIONS OF E2; 9 PORTION OF W2NW, SW, W2SE, W2NESE; 10 PORTIONS OF SESW, S2SE; 17 PORTIONS OF NESE, S2SE;
01-09-44	T. 153 N, R. 94 W, 5 th PM, ND sec. 14 PORTIONS OF S2NW; 15 PORTION OF SENE, S2SE; 17 PORTION OF NE, NENW, SWNW, NWSW; 23 PORTION OF SESE;
01-09-45	T. 153 N, R. 94 W, 5 th PM, ND sec. 14 PORTIONS OF NWNW, SWSW, SESE; 23 PORTIONS OF N2, NWSW, N2SE, SWSE; 24 PORTIONS OF SWNE, W2, W2SE, SESE; 25 PORTIONS OF N2N2; 26 PORTIONS OF N2NE;

01-09-56 T. 145 N, R. 98 W, 5th PM, ND
sec. 25 PORTIONS OF NW;
35 PORTIONS OF SENE;

01-09-57 T. 144 N, R. 99 W, 5th PM, ND
sec. 6 PORTIONS OF LOT 2, S2NE, SE;
12 PORTIONS OF NENE, S2NE, SESE;
18 PORTIONS OF LOTS 2, 3, 4,
NE, SESW, NWSE;
30 PORTIONS OF LOTS 1, 2, 3, 4, SENW, E2SW;

01-09-58 T. 144 N, R. 99 W, 5th PM, ND
sec. 10 PORTIONS OF NE;
22 PORTIONS OF NENE, S2NE;

01-09-59 T. 144 N, R. 99 W, 5th PM, ND
sec. 22 PORTIONS OF NESW, N2SE, SESE;
26 PORTIONS OF W2NW, SENW, NESW, NWSE;
34 PORTIONS OF NENW, SENW;

01-09-60 T. 145 N, R. 99 W, 5th PM, ND
sec. 24 PORTIONS OF NWNE, S2NE, NWSE;

01-09-62 T. 141 N, R. 102 W, 5th PM, ND
sec. 2 PORTIONS OF LOTS 1, 2, 3, 4, S2N2;

01-09-63 T. 141 N, R. 102 W, 5th PM, ND
sec. 3 PORTIONS OF LOTS 1, 2, 3, 4, S2N2,
SW, N2SE, SWSE;

01-09-64 T. 143 N, R. 102 W, 5th PM, ND
sec. 4 LOT 10;
PORTIONS OF LOTS 1, 2, S2NE, E2SE;

01-09-67 T. 143 N, R. 103 W, 5th PM, ND
sec. 35 PORTIONS OF SE;

CONTROLLED SURFACE USE STIPULATION

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

Surface occupancy and use is subject to operational constraints to maintain a landscape character intact. Deviations may be present but must repeat the form, line, color, texture, and pattern common to the landscape character so completely and to such scale that they are not evident.

Operational constraints may include utilizing topographic/vegetative screening, matching color tones of facilities with surrounding topographic features, orienting the well pad/facilities, redesigning production facilities to such scale that they may not be evident, or placing facilities outside the high SIO area.

For the purpose of:
To maintain the Scenic Integrity Objective (SIO) for areas identified as high. Refer to the Land and Resource Management Plan Grassland-wide Direction, Scenery Management, number 1, and Appendix D-15 and D-28.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-64	T. 143 N, R. 102 W, 5 th PM, ND sec. 4 LOTS 1,2,10,S2NE,E2SE;

CONTROLLED SURFACE USE STIPULATION

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

Surface occupancy and use is subject to operational constraints to maintain a landscape character that is no more than slightly altered. Noticeable deviations must remain visually subordinate to the landscape character being viewed.

Operational constraints may include utilizing topographic/vegetative screening, matching color tones of facilities with surrounding topographic features, orienting the well pad/facilities, redesigning production facilities to such scale that they are visually subordinate to the landscape, or placing facilities outside the moderate SIO area.

For the purpose of:

To maintain the Scenic Integrity Objective (SIO) for areas identified as moderate. Refer to the Land and Resource Management Plan Grassland-wide Direction, Scenery Management, number 1, and Appendix D-15 and D-28.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-60	T. 145 N, R. 99 W, 5 th PM, ND sec. 24 W2E2; PORTIONS OF E2E2;
01-09-62	T. 141 N, R. 102 W, 5 th PM, ND sec. 2 LOTS 1,2,3,4,S2N2;
01-09-63	T. 141 N, R. 102 W, 5 th PM, ND sec. 3 LOTS 1,2,3,4, S2N2,N2SW,SESW,SE; PORTIONS OF SWSW;

CONTROLLED SURFACE USE STIPULATION

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

New developments, including new facilities, roads, and concentrations of humans, within 1 mile of bighorn sheep lambing areas may be moved or modified to be out of view of the lambing areas.

This stipulation applies to drilling and testing and new construction projects, not to operation or maintenance of production.

For the purpose of:

To safeguard lamb survival and prevent displacement of bighorn sheep from lambing areas (MA 3.51B) by moving facilities. Refer to Land and Resource Management Plan Grassland-wide direction, Fish, Wildlife and Rare Plants, number 12.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

On the lands described below:

<u>PARCEL NO.</u>	<u>LEGAL DESCRIPTION</u>
01-09-62	T. 141 N, R. 102 W, 5 th PM, ND sec. 2 LOTS 1,2,3,4,S2N2;
01-09-63	T. 141 N, R. 102 W, 5 th PM, ND sec. 3 LOTS 1,2,3,4, S2N2,N2SW,SESW,SE; PORTIONS OF SWSW;
01-09-64	T. 143 N, R. 102 W, 5 th PM, ND sec. 4 LOT 10,SESE; PORTIONS OF NESE;

**USDA - FOREST SERVICE
THREATENED, ENDANGERED, AND SENSITIVE
PLANT OR ANIMAL SPECIES LEASE NOTICE**

The lease area may contain threatened and endangered species or habitat necessary for the continued existence of threatened, proposed, candidate or endangered species which are protected by the 1973 Endangered Species Act, as amended (16 USC 1531 et seq.) and implementing regulations (50 CFR 402 et seq.). The lease area may also contain habitat or species, which may require protective measures to prevent them from being listed as threatened or endangered; or result in a loss of viability or biological diversity (36 CFR 219.19 or 219.26). A biological evaluation of the leased lands may be required prior to surface disturbance to determine if endangered, threatened, proposed, candidate or sensitive plant or animal species or their habitat are present and to identify needed mitigation measures. Prior to under taking any surface-disturbing activities on the lands covered by this lease, the lessee or operator shall:

1. Contact the Forest Service to determine if a biological evaluation is required. The Forest Service is responsible for ensuring that the leased land is examined through a biological evaluation, prior to undertaking any surface-disturbing activities, to determine effects upon any plant or animal species listed or proposed for listing as threatened, endangered, or a sensitive species-
2. The lessee or operator may choose to conduct the evaluation on the leased lands at their discretion and cost. This biological evaluation must be done by or under the supervision of a qualified biologist/botanist approved by the Forest Service. An acceptable report must be provided to the Forest Service identifying the anticipated effects of a proposed action on endangered, threatened, proposed, candidate or sensitive species. An acceptable biological evaluation is to be submitted to the Forest Service for review and approval no later than that time when an otherwise complete application for permit to drill or subsequent surface-disturbing operation is submitted.
3. Implement mitigation measures required by the Forest Service. Mitigation may include the relocation of proposed lease-related activities or other protective measures. The findings of the biological evaluation, analysis and consultation may result in restrictions to the operator's plans or even disallow use and occupancy to comply with the 1973 Endangered Species Act (as amended), threatened and endangered species regulations and Forest Service statutes and regulations.

If endangered, threatened, proposed, candidate or sensitive plant or animal species are discovered in the area after any required biological evaluation has concluded, an evaluation will be conducted to assess the effect of ongoing and proposed activities. Based on the conclusion drawn in the evaluation, additional restrictions or prohibitions may be imposed to protect the species or their habitats.

PARCEL NO.

01-09-43, 01-09-44, 01-09-45, 01-09-51, 01-09-56, 01-09-57, 01-09-58,
01-09-59, 01-09-60, 01-09-62, 01-09-63, 01-09-64, 01-09-67, 01-09-68