

“STIPULATIONS”

CORPS OF ENGINEERS
FORT WORTH DISTRICT
STIPULATION

1. NSO/ND - No Surface Occupancy and No Drilling

This stipulation applies to all Corps of Engineers (COE) fee ownership within 3,000 horizontal feet of prime facilities critical to the operation of Whitney Lake. These facilities include the dam, spillway, outlet structure, levees and related structures. This stipulation allows the identified area to be included in a lease for the purpose of becoming a part of a drilling unit so that the United States will share in the royalty.

2. NSO/DD - No Surface Occupancy, Open for Directional Drilling

This stipulation applies to all designated parks, recreation areas, public use areas, wildlife management areas, archeological and historical sites, trails and roads, and the lake surface at the conservation pool elevation as determined by the District Engineer. Directional drilling is permitted from outside the identified areas where occupancy is allowed.

Tract W-K 1023 – The area requested for lease falls within the stipulation NSO/DD due to the proximity of lands identified in the Whitney Lake Master Plan as Designated Parks, Recreation Areas, Public Use Areas, Fish and Wildlife and/or Environmentally Sensitive Areas, Trails and Roads. Directional Drilling is permitted from areas outside the requested lease area when surface occupancy is not allowed.

3. NSO/ELEV - No Surface Occupancy Based on Elevation

This stipulation “No Surface Occupancy Based on Elevation,” prohibits surface occupancy on all lands lying at or below the elevation of the spillway crest or tainted gate sill where alternative surface ownership is available within the same drilling unit. At Whitney Lake, the spillway crest is at elevation 571.0’ N.G.V.D. If no alternative surface ownership is available, in no case will surface occupancy be permitted below the 25-year frequency pool (as calculated by COE hydraulics engineering staff) or within 1,000 horizontal feet from the lake surface at the conservation pool elevation of 533.0’ N.G.V.D. The purpose of this stipulation is to protect the integrity of Whitney Lake land and water resources.

4. No surface or beneath Surface Injection/Disposal of material.

No injection or disposal of any material is permitted on the surface or beneath the surface of Tract W-K 1023.

LEASE NOTICE
COAL PROTECTION

Federal coal resources exist on this lease. Operations authorized by this lease may be altered or modified by the authorized officer (at the address shown below) in order to conserve and protect the mineral resources and provide for simultaneous operations.

Address:

**Tulsa Field Office
7906 E. 33Rd Street, Suite 101
Tulsa, OK 74145
(918) 621-4100**

SPECIAL CULTURAL RESOURCE
LEASE NOTICE

All development activities proposed under the authority of this lease are subject to compliance with Section 106 of the NHPA and Executive Order 13007. The lease area may contain historic properties, traditional cultural properties (TCP's), and/or sacred sites currently unknown to the BLM that were not identified in the Resource Management Plan or during the lease parcel review process. Depending on the nature of the lease developments being proposed and the cultural resources potentially affected, compliance with Section 106 of the National Historic Preservation Act and Executive Order 13007 could require intensive cultural resource inventories, Native American consultation, and mitigation measures to avoid adverse effects—the costs for which will be borne by the lessee. The BLM may require modifications to or disapprove proposed activities that are likely to adversely affect TCP's or sacred sites for which no mitigation measures are possible. This could result in extended time frames for processing authorizations for development activities, as well as changes in the ways in which developments are implemented.

Bureau of Land Management
New Mexico State Office

NM-11-LN
February 9, 2004

STIPULATION 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 the 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 : Forest Service
National Forests in Texas
At : 415 South First Street, Suite 110
Lufkin, TX 75901
Telephone No : (936) 639-8501

Who is the authorized representative of the Secretary of Agriculture.

CONTROLLED SURFACE USE STIPULATION
NATIONAL GRASSLANDS IN TEXAS
(Protect Streamside Management Zone Areas)

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

Portions of this lease contain segments of either perennial or intermittent streams as defined by the Forest Service. Areas within 100' of perennial streams or 66' of intermittent streams will be subject to special requirements or limitations for surface use or occupancy. Specific requirements or limitations will be determined as Surface Use Plans of Operations (SUPOs) are submitted and will normally result in establishment of protective requirements or limitations for the affected site.

On the lands described below:

For the purpose of:

To meet visual quality objectives and protect streamside management zone areas in accordance with the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

Any change to this stipulation will be made in accordance with the Land Use Plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CONTROLLED SURFACE USE STIPULATION
NATIONAL FORESTS IN TEXAS
(Soil erosion, water quality or flood prevention)

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

Extensive areas within this lease are considered critical areas for flood prevention and/or erosion control. Control structures and erosion damage rehabilitation work either exist now or may be added during the period of the lease. Surface occupancy may be restricted or limited in order to assure minimum conflict with erosion control or flood prevention goals. Restrictions or limitations will be identified by a site-specific analysis of a proposal for lease activities. (MA-3)

On the lands described below:

For the purpose of:

To meet soil erosion, water quality, or flood prevention goals in accordance with the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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

CONTROLLED SURFACE USE
FLOODPLAIN PROTECTION STIPULATION

All or portions of the lands under this lease lie in and/or adjacent to a major watercourse and are subject to periodic flooding. Surface occupancy of these areas will not be allowed without specific approval, in writing, of the Bureau of Land Management.

For the following described land(s):

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

CONTROLLED SURFACE USE
WETLAND/RIPARIAN STIPULATION

All or portions of the lands under this lease contain wetland and/or riparian areas. Surface occupancy of these areas will not be allowed without the specific approval, in writing, of the Bureau of Land Management. Impacts or disturbance to wetlands and riparian habitats which occur on this lease must be avoided, or mitigated. The mitigation shall be developed during the application for permit to drill process.

For the following described land(s)

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

Bureau of Land Management
Oklahoma Field Office

ORA-2 CSU
November 1991

LEASE NOTICE
POTENTIAL CAVE OR KARST OCCURRENCE AREA

All or a portion of the lease is located in a potential cave or karst occurrence area. Within this area, caves or karst features such as sinkholes, passages, and large rooms may be encountered from the surface to a depth of as much as 2,000 feet, within surface areas ranging from a few acres to hundreds of acres. Due to the sensitive nature of the cave or karst systems of this area, special protective measures may be developed during environmental analyses and be required as part of approvals for drilling or other operations on this lease. These measures could include: changes in drilling operations; special casing and cementing programs; modifications in surface activities; or other reasonable measures to mitigate impacts to cave or karst values. These measures may be imposed in accordance with 43 CFR 3101.1-2; 43 CFR 3162.5-1; Onshore Oil and Gas Order No. 1; and Section 6 of the lease terms.

LEASE NOTICE
HACKBERRY LAKE OHV AREA

All or a portion of the lease is located in the Hackberry Lake Off-Highway Vehicle (OHV) area. This OHV-use area consists of 55,800 acres of stabilized dune lands and cliffs. This area features intensively used OHV trails and campgrounds. The area is used annually for competitive enduro events and other OHV use. The area is also heavily developed for oil and gas related activities. Special protective measures would be developed to protect existing OHV trails and camping areas. These would be required as part of the environmental analysis, approval for drilling or any other operation on this lease. These measures could include modifications or relocation of proposed well locations; burial of linear facilities such as pipelines at lease road and OHV trail intersections; additional sign placement; modifications in surface activities; or other reasonable measures to mitigate impacts to recreational activities. These measures may be imposed in accordance with 43 CFR 3101.1-2; 43 CFR 3162.5-1; Onshore Oil and Gas Order No. 1; and Form 3100-11 (Offer to Lease and Lease for Oil and Gas) section 6 of page 3.

POTASH STIPULATION

Stipulations to be made part of any oil and gas lease involving lands described in Secretarial Order, 51 Federal Register 39425 (October 28, 1986).

The lessee further agrees that:

- (1) Drilling for oil and gas shall be permitted only in the event that the lessee establishes to the satisfaction of the Authorized Officer, Bureau of Land Management, that such drilling will not interfere with the mining and recovery of potash deposits, or the interest of the United States will best be served by permitting such drilling.
- (2) No wells shall be drilled for oil or gas at a location which, in the opinion of the Authorized Officer, would result in undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.
- (3) When it is determined by the Authorized Officer, that unitization is necessary for orderly oil and gas development and proper protection of potash deposits, no well shall be drilled for oil or gas except pursuant to a unit plan approved by the Authorized Officer.
- (4) The drilling or the abandonment of any well on said lease shall be done in accordance with applicable oil and gas operating regulations (43 CFR 3160), including such requirements as the Authorized Officer may prescribe as necessary to prevent the infiltration of oil, gas or water into formations containing potash deposits or into mines or workings being utilized in the extraction of such deposits.

On the land(s) described below:

Bureau of Land Management
Carlsbad Field Office

SENM-S-1
Revised December 1996

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below:

For the purpose of: The lease or portion of a lease for the area described above is issued for the sole purpose of assisting in the orderly development of the Federal mineral estate. This lease absolutely does not grant surface occupancy or use, and that requirement cannot be waived unless changes are made in a land use plan or plan amendment.

CONTROLLED SURFACE USE
RAPTOR NESTS AND HERONRIES

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

Surface disturbance will not be allowed within up to 200 meters of active heronries or by delaying activity for up to 120 days, or a combination of both. Raptor nests on special, natural habitat features, such as trees, large brush, cliff faces and escarpments, will be protected by not allowing surface disturbance within up to 200 meters of nests or by delaying activity for up to 90 days, or a combination of both. Exceptions to this requirement for raptor nests will be considered if the nests expected to be disturbed are inactive, the proposed activity is of short duration (e.g. habitat enhancement projects, fences, pipelines), and will not result in continuing activity in proximity to the nest.

For the purpose of: **Protecting Raptor Nests and Heronries.**

CONTROLLED SURFACE USE
SLOPES OR FRAGILE SOILS

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

Surface disturbance will not be allowed on slopes over 30 percent. Exceptions will be considered for authorized mineral material extraction sites and designated OHV areas, for the installation of projects designed to enhance or protect renewable natural resources, or if a plan of operating and development which provides for adequate mitigation of impacts was approved by the Authorized Officer. Occupancy or use of fragile soils will be considered on a case-by-case basis.

On the lands described below:

For the purpose of: Protecting Slopes or Fragile Soils

Bureau of Land Management
Roswell/Carlsbad Field Office

SENM-S-17
December 1997

CONTROLLED SURFACE USE
STREAMS, RIVERS, AND FLOODPLAINS

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

Surface disturbance will not be allowed within up to 200 meters of the outer edge of 100-year floodplains, to protect the integrity of those floodplains. On a case-by-case basis, an exception to this requirement may be considered based on one or more of the criteria listed below. The first three criteria would not be applied in areas of identified critical or occupied habitat for federally listed threatened or endangered species.

--Additional development in areas with existing developments that have shown no adverse impacts to the riparian areas as determined by the Authorized Officer, following a case-by-case review at the time of permitting.

--Suitable off-site mitigation if habitat loss has been identified.

--An approved plan of operations ensures the protection of water or soil resources, or both.

--Installation of habitat, rangeland or recreation projects designed to enhance or protect renewable natural resources.

For the purpose of: Protecting Streams, Rivers and Floodplains

On the lands described below:

CONTROLLED SURFACE USE
PLAYAS AND ALKALI LAKES

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

Surface disturbance will not be allowed within up to 200 meters of playas or alkali lakes. Waiver of this requirement will be considered on a case-by-case basis for projects designed to enhance or protect renewable natural resources. An exception for oil and gas development will be considered if playa or lake loss was mitigated by the protection and development of another playa exhibiting the potential for improvement.

Mitigation could include:

installing fencing; developing a supplemental water supply; planting trees and shrubs for shelter belts; conducting playa basin excavation; constructing erosion control structures or cross dikes; or by improving the habitat in another area.

On the lands described below:

For the purpose of: Protecting playas and alkali lakes

CONTROLLED SURFACE USE
SPRINGS, SEEPS AND TANKS

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

Surface disturbance will not be allowed within up to 200 meters of the source of a spring or seep, or within downstream riparian areas created by flows from the source or resulting from riparian area management. Surface disturbance will not be allowed within up to 200 meters of earthen tanks or the adjacent riparian areas created as a result of the presence of the tanks. Exceptions to this requirement will be considered for the installation of habitat or rangeland projects designed to enhance the spring or seep, or downstream flows.

For the purpose of: Protecting Springs, Seeps and Tanks

CONTROLLED SURFACE USE
CAVES AND KARST

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

Surface disturbance will not be allowed within up to 200 meters of known cave entrances, passages or aspects of significant caves, or significant karst features. Waiver of this requirement will be considered for projects that enhance or protect renewable natural resource values, or when an approved plan of operations ensures the protection of cave and karst resources.

For the purpose of: Protecting Caves and Karst Features

CONTROLLED SURFACE USE
LESSER PRAIRIE-CHICKENS

No surface use is allowed during the following time periods; unless otherwise specified, this stipulation does not apply to the operation and maintenance of production facilities.

Drilling for oil and gas, and 3-D geophysical exploration operations will not be allowed in lesser prairie-chicken habitat during the period of March 1 through June 15, each year. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 a.m. and 9:00 a.m. The 3:00 a.m. and 9:00 a.m. restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during the period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise. Exceptions to these requirements will be considered for areas of no or low lesser prairie-chicken booming activity, or unoccupied habitat, including leks, as determined at the time of permitting, or in emergency situations.

For the purpose of: Protecting Lesser Prairie-Chickens

VISUAL RESOURCE MANAGEMENT

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

Painting of oil field equipment and structures to minimize visual impacts is to be conducted according to the requirements of Notice to Lessees (NTL) 87-1, New Mexico. Low profile facilities also may be required, when needed to reduce the contrast of a project with the dominant color, line, texture, and form of the surrounding landscape. Other surface facilities or equipment approved by the BLM, such as large-scale range improvements or pipelines, will be painted, when needed, to conform to the requirements of visual resource management to minimize visual impacts. Paint colors will be selected from the environmental color chart approved by the Rocky Mountain Coordinating Committee. The selected paint color will match as closely as possible the predominant soil or vegetation color of the area. Upon completion of the well and installation of the production facilities (if the well is a producer) the pad will be reclaimed back to a size necessary for production operations only. The edges will be re-contoured and the extra caliche and pad material (excluding top soil) will be hauled off-site. The BLM may require additional reclamation depending upon vegetation recovery. The reclaimed area will be re-contoured and reseeded according to vegetation and soil type.

For the purpose of: Protecting Visual Resources Management

NO SURFACE OCCUPANCY
HAYSTACK BUTTE ARCHEOLOGICAL DISTRICT

No surface occupancy or use is allowed on the lands described below:

For the purpose of: Protecting significant cultural resource values within the Haystack Butte Archaeological District area as discussed in the Roswell Resource Management Plan (RMP).

RECLAMATION

The subject properties contain facilities (well, pad, road, powerline, pipeline, etc.) that were not plugged, removed and/or reclaimed to current standards. Unless the facilities are put to a beneficial and direct use under the new lease, the lessee shall plug, remediate and reclaim the facilities within two years of lease issuance. If an extension is requested, the lessee must submit a detailed plan (including dates) prior to the two year deadline. All plugging, remediation and reclamation shall be performed in accordance with Bureau of Land Management requirements and be approved in advance by the Authorized Officer.

The well(s) to be plugged and reclaimed are as follows:

The facilities to be reclaimed are as follows:

TIMING LIMITATION STIPULATION
MOUNTAIN PLOVER

All or portion of this lease has been identified as potential breeding/nesting habitat for mountain plover (*Charadrius montanus*), a BLM sensitive species. Any ground disturbing activities proposed under the authority of this lease to occur during the breeding season of April 1 through July 31 will require the operator to conduct a biological survey for mountain plover within the project area. The survey will follow established United States Fish & Wildlife Service (USFWS) protocol (USFWS 2002, Mountain Plover Survey Guidelines, as amended). Based upon the results collected during the survey, the BLM may require modifications to or deny proposed activities that would adversely affect breeding/nesting habitat for the mountain plover. This could result in extended time frames for processing authorizations for development activities, as well as changes in the way in which development is implemented. In addition, permanent facilities such as compressor stations may require site-specific mitigation such as noise remediation or maintenance construction timing restrictions.

On the lands described below:

For the purpose of: Protection of potential mountain plover breeding and nesting habitat.

Sabine River Authority
Lease Notice

Other than any requirements of the Texas Railroad Commission, the Texas Commission on Environmental Quality, and the U.S. Corps of Engineers, the Sabine River Authority of Texas, as surface owner and co-owner of the Toledo Bend Reservoir, would request to be advised of any exploration and/or drilling on any tract referenced prior to actual exploration and/or drilling. If any actual drilling, surface use, production, or right-of-way are necessary on SRA lands, then a “Surface Use Agreement” and/or a “Right-of-Way” Easement may be required.

United States Fish & Wildlife
San Bernard National Wildlife Refuge
Special Stipulations

Permit Stipulations for Oil and Gas leasing of San Bernard National Wildlife Refuge, Tract 72.

- 1. No surface occupancy or use of the lands described in lease. Open for directional drilling from an offsite location where occupancy is allowed.**
- 2. Lease holder shall submit drawings of the proposed location of gathering-pipelines to the Refuge Manager for approval should a producing well be developed.**
- 3. So far as practicable, such operations must be conducted without interference or disturbance to the wildlife thereon. Construction activities will be conducted outside the normal nesting season for migratory birds (March thru August). If work cannot be avoided during the nesting season then proponents will need to conduct migratory bird surveys in the project area immediately prior to start of the project. If no migratory birds are found nesting, then work may proceed. If migratory birds are present and nesting in the project area, contact the nearest Fish and Wildlife Service Ecological Services Field Office for guidance as to the next steps to take to minimize impacts to migratory birds.**
- 4. Oil field waste and contaminating substances must be kept in the smallest practicable area, must be confined so as to prevent escape as a result of rains and high water or otherwise, and must be removed from the area as quickly as practicable in such a manner so as to prevent contamination, pollution, damage, or injury to the lands, water, facilities, or vegetation of the refuge or to wildlife.**
- 5. Upon the cessation of operations the area shall be restored as nearly as possible to its condition prior to the commencement of operations.**

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.

We're On-Line!!

**BLM, New Mexico
Oklahoma
Kansas
Texas**

blm.gov/nm

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



Oil & Gas Information includes:

- Sale Notice
- Sale Results
- Sale Schedule
- Forms
- FAQs
- Contacts
- Leasing Instructions & Guidelines
- NTLs, Onshore Orders

Email links are provided at the site
for your comments and suggestions