



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

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BLM Information Bulletin **For** **Federal Oil and Gas Lease Sale Notice** **January 22, 2003**

The Competitive Federal Oil and Gas Lease Sale Notice for January 22, 2003, listed a number of parcels that contain one of several No Surface Occupancy (NSO) stipulations used on occasion by the Bureau of Land Management (BLM). The NSO stipulation applies to occupancy and use of the surface for operation of the lease. An NSO stipulation does not apply to surface operations conducted for or on other oil and gas leases, or to other uses. A lease stipulation merely restricts operations for the lease to which it is attached. In most cases, the language of the stipulation indicates whether the prohibition of surface occupancy applies to the entire parcel, or only to certain specific parts of the parcel.

For example, Stipulation SENM-S-9A provides that no surface occupancy or use is allowed within 200 meters of the outer edge of the 100-year floodplain of the Pecos River. Clearly, this means that those parts of the parcel (if any) outside of this limit are not restricted by this stipulation. Stipulation SENM-S-14, on the other hand, does not contain similar qualifiers to indicate whether the prohibition of surface occupancy applies to all or only parts of the parcel. A plain reading of Stipulation SENM-S-14 implies that the prohibition of surface occupancy applies to the entire lease regardless of the relative need to protect surface resources. It was the intent of BLM to offer these parcels so that they could be developed by directional drilling techniques or by pooling with existing adjacent leases.

Stipulation SENM-S-14 was used for the January Competitive Lease Sale Notice to prohibit surface occupancy within Brantley Lake State Park. However, the language referencing the State Park was not included in the stipulation, but was referenced on the parcel description in the Notice. This may have caused some confusion, because several of these parcels contained acreage that is not within t

The Park boundary. In two cases, this stipulation was mistakenly applied to parcels that had no lands within the Park. Because this error would drastically affect the value of the parcel at sale, the affected parcels will be deleted and re-advertised for the April competitive sale. The affected parcels are:

Parcel 200301079,
Parcel 200301080, and
Parcel 200301085

If you have any questions regarding the application of these lease stipulations, contact Gary Stephens (505-438-7451) in the BLM New Mexico State Office.

/s/ Carsten F. Goff

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Use, and Protection