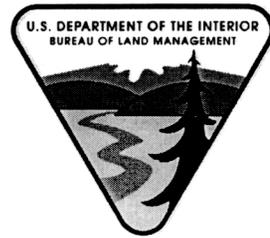
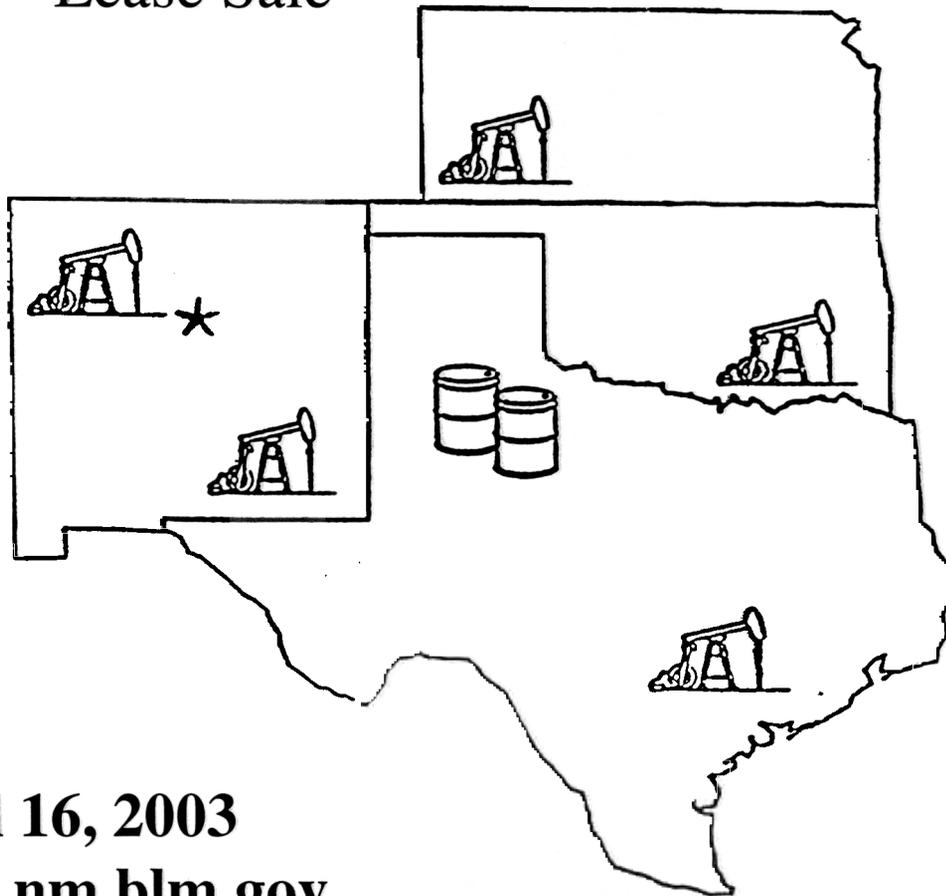


**New Mexico State Office  
P.O. Box 27115  
Santa Fe, NM 87502-0115**



**Competitive Oil & Gas  
Lease Sale**



**April 16, 2003**

**[www.nm.blm.gov](http://www.nm.blm.gov)**

**Bureau of Land Management**

**1474 Rodeo Road**

**Santa Fe, NM 87504**



# United States Department of the Interior

## Bureau of Land Management

New Mexico State Office

1474 Rodeo Road

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

[www.nm.blm.gov](http://www.nm.blm.gov)

IN REPLY REFER TO:

3120 (93200-btm)

February 26, 2003

## NOTICE OF COMPETITIVE LEASE SALE Oil and Gas

We are pleased to announce that we will offer for competitive sale certain Federal lands in the States of New Mexico, Kansas, Oklahoma, and Texas for oil and gas leasing. This notice describes-

- TThe time and place of the sale;
- THow the sale will be conducted;
- THow to participate in the bidding process;
- TThe sale process;
- THow long the sale will last;
- TThe conditions of the sale;
- THow to file a noncompetitive offer after the sale; and
- T How to file a pre-sale noncompetitive offer;
- THow to file a protest to our offering the lands in this Notice.

Attached to this notice, beginning on page 1, is a list of the lands we are offering. The lands are described by parcel number and legal land description. Next to each parcel we have listed any stipulations that will be made a part of the lease at the time of issuance. We have also identified those parcels where the United States owns less than 100 percent interest in the oil and gas mineral rights, have pending pre-sale noncompetitive offers to lease, and are not available for noncompetitive offers to lease if they receive no bid at this sale. For your convenience, we are also including copies of the stipulations, affecting the parcels in this sale notice.

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

- When:** The competitive sale will begin at 9:00 a.m. on Wednesday, April 16, 2003. The sale room will open one hour earlier so you can register and get your bidding number.
- Where:** We will hold the sale at the Bureau of Land Management, New Mexico State Office, 1474 Rodeo Road, Santa Fe, New Mexico 87504. The sale will be held in the second floor conference room.
- Access:** The sale room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or material in an alternate format, contact the New Mexico State Office, Marcella Montoya at (505) 438-7537 by April 7, 2003.

## **How will the sale be conducted?**

The sale will be conducted by oral auction. You must make your bids verbally. The winning bid is the highest verbal bid equal to or exceeding the National minimum acceptable bid.

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

To participate in the bidding process, you must fill out a Bidder Registration form identifying the lessee's name and address that will be shown on the lease form and get a bidding number. We will begin registering bidders at 8:00 a.m. on the day of the sale in the Accounts Section. If you plan to bid, you must be registered before the sale begins. You must display your bid number to the auctioneer when you make a bid.

## **What is the sale process?**

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

- ¶ The auctioneer will offer the parcels in the order they are shown in this Notice.
- ¶ All bids are on a per-acre basis for the entire acreage in the parcel;
- ¶ The winning bid is the highest oral bid
- ¶ The decision of the auctioneer is final.

The minimum bid BLM can accept is \$2 per acre. If a parcel contains fractional acreage, round it up to the next whole acre. For example, a parcel of 100.51 acres requires a minimum bid of \$202 (\$2 x101 acres).

## **How long will the sale last?**

We begin the sale at 9:00 a.m. and it continues until all of the parcels in this Notice have been offered. The length of the sale depends on the number of parcels we are offering and the pace of the bidding. Normally, the sale is done before noon.

## **What conditions apply to the lease sale?**

**¶ Parcel withdrawal or sale cancellation:** We reserve the right to withdraw any or all parcels before the sale begins. If we withdraw a parcel, we will post a notice in the New Mexico State Office Information Access Center (Public Room) before the day of the sale. We will announce withdrawn parcels before beginning the sale. If we cancel the sale, we will notify you as soon as possible.

**¶ Fractional interests:** If the United States owns less than 100 percent of the oil and gas mineral interest for the land in a parcel we will show that information with the parcel. When we issue the lease, it will be for the percentage or fraction of interest the United States owns. Conversely, your chargeable acreage and However, you must calculate your bonus bid and advance rental payment on the gross acreage in the parcel, not the United States net interest. For example, if a parcel contains 200 acres and the United States owns 50 percent of the oil and gas mineral interest, the minimum bonus bid will be \$400 (\$2x200 acres) and the advance annual rental will be \$300(\$1.50X200 acres) for the first 5-years and \$400(\$2X200 acres) for the remainder of the lease term. Royalty on production will be calculated on the United States net oil and gas mineral interest.

**Payment due on the day of the sale:** For each parcel you are the successful high bidder, you must pay the minimum bonus bid of \$2 per acre or fraction of an acre; the first years= advance annual rental of \$1.50 per acre or fraction of an acre; and a non-refundable administrative fee of \$75. You must make this payment in our Accounts Section at the BLM office either during, or immediately following the sale.

**Remaining payments:** If your bonus bid was more than \$2 per acre or fraction of an acre and you didn't pay the full amount on the day of the sale, you must pay the balance of your bonus bid by **4:00 p.m. on April 30, 2003**, which is the 10<sup>th</sup> working day following the sale. If you do not pay in full by this date, you lose the right to the lease and you will forfeit the money you paid on the day of the sale. If you forfeit a parcel, we may offer it at a later sale.

**Forms of payment:** You may pay by personal check, certified check, money order, or credit card. Make checks payable to : **Department of the Interior- BLM.** We cannot accept cash. If a check you have sent to us in the past has been returned for insufficient funds, we may ask that you give us a guaranteed payment, such as a certified check. If you pay by credit card and the transaction is refused, we will try to notify you early enough so that you can make other payment arrangements. However, we cannot grant you any extension of time to pay the money that is due the day of the sale.

**Bid form:** On the day of the sale, if you are a successful bidder you must give us a properly completed and signed competitive bid form (Form 3000-2, October 1989 ,or later edition) with your payment. This form is a legally binding offer by the prospective lessee to accept a lease and all its terms and conditions. Once the form is signed, you cannot change it. *We will not accept any bid form that has information crossed out or is otherwise altered.*

We recommend you get a copy of the bid form and complete all but the money part before the sale. You can fill out the money part at the sale. Your completed bid form certifies that :

(1)You and the prospective lessee are qualified to hold an oil and gas lease under our regulations at 43 CFR 3102.5-2; and

(2)Both of you have complied with 18 U.S. C. 1860, a law that prohibits unlawful combinations, intimidation of and collusion among bidders.

A copy of the bid form is included with this notice.

**Lease terms:** A lease issued as a result of this sale will have a primary term of 10 years. It will continue beyond its primary term as long as oil or gas is produced in paying quantities on or for the benefit of the lease. Advance rental at \$1.50 per acre or fraction of an acre for the first 5 years (\$2 per acre after that ) is due on or before the anniversary date each year until production begins. Once a lease is producing, you must pay a royalty of 12.5 percent of the value or the amount of production removed or sold from the lease. You will find other lease terms on our standard lease form (Form 3100-11, June 1988 or later edition, copy included).

**Stipulations:** Some parcels have special requirements or restrictions which are called stipulations. These are noted with each of the parcels. Stipulations are part of the lease and supercede any inconsistent provisions of the lease form.

**Lease Issuance:** After we receive the bid form and all the money due, and, if appropriate, your unit joinder information, we can issue the lease. Usually, a lease is effective the first day of the month following the month in which we sign it. If you want your lease to be effective the first day of the month in which we sign it, you must ask us in writing to do this. We have to receive your request before we sign the lease.

**Legal Land Descriptions:** We prepared this Notice with land status information from our Legacy Rehost 2000 (LR2000) case recordation system. We are providing you with the following information to assist you in understanding the legal descriptions given for each parcel:

- Numbers shown after the Section are a listing of the lots in the parcel.
- Lands are described separately by lots, aliquot parts, tracts, and exceptions to survey for each section.
- LR2000 will code a **2** township as a 2 in the database. This 2 will appear as the last digit in the number. For example, T. 14 1/2N., will appear as T. 0142N.

**Cellular Phone Usage:** You are restricted from using cellular phones in the sale room during the oral auction. You must confine your cellular phone usage to the hallway or area outside the sale room when the auction is taking place.

**Other Conditions of the Sale:** At the time the sale begins, we will make any rules regarding sale procedures that we feel are necessary for the proper conduct of the sale.

## **NONCOMPETITIVE OFFERS TO LEASE**

### **What parcels are available for noncompetitive offers to lease?**

Unless stated in this notice, parcels that do not receive a bid at the competitive sale are available for noncompetitive offers to lease beginning the first business day following the day of the sale. If not withdrawn, or shown with a noncompetitive Pre-sale offer pending, these parcels are available for noncompetitive offers to lease for a period of two years following the day of the sale.

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

If you want to file a noncompetitive offer to lease on an unsold parcel, you must give us-

Three copies of form 3100-11, Offer to Lease and Lease for Oil and Gas properly completed and signed. (**Note: We will accept copies of the official form, including computer generated forms, that are legible and have no additions, omissions, other changes, or advertising. If you copy this form you must copy both sides on one page. If you copy the form on 2 pages or use an obsolete lease form, we will reject your offer**). You must describe the lands in your offer as specified in our regulations at 43 CFR 3110.5; and

Your payment for the total of the \$75 filing fee and the first year's advance rental (\$1.50 per acre or fraction of an acre). Remember to round up any fractional acreage when you calculate the rental amount.

For your convenience, you may leave your noncompetitive offers for any parcel which has received no bid with the Accounts Staff. We consider all offers filed the day of the sale and the first business day after it, for any of the unsold parcels, to be filed as of 9:00 a.m. the first business day following the day of the sale. If a parcel receives more than one offer, we will hold a drawing to select the winner (see 43 CFR 1822.17). We have identified those parcels that have pending presale offers. A noncompetitive presale offer to lease has priority over any other noncompetitive offer to lease filed after the sale.

### **How do I file a noncompetitive presale offer?**

Under our regulations at 43 CFR 3110.1(a), you may file a noncompetitive presale offer for lands that-

- Are available, and;
- Have not been under lease during the previous one-year period, or;
- Have not been included in a competitive lease sale within the previous two-year period.

If your presale offer was timely filed, was complete and we do not receive a bid for the parcel that contains the lands in your offer, it has priority over any other noncompetitive offer to lease for that parcel filed after the sale. Your presale offer to lease is your consent to the terms and conditions of the lease, including any additional stipulations. If you want to file a presale offer, follow the guidance listed above for filing a noncompetitive offer after the sale and the regulations at 43 CFR 3110.1(a).

### **When is the next competitive oil and gas lease sale scheduled?**

We have tentatively scheduled our next competitive sale for July 16, 2003. Please send nominations for that sale by March 14, 2003.

### **How can I find out the results of this sale?**

We will post the sale results in the New Mexico State Office Information Access Center (Public Room). You can buy (\$5) a printed copy of the results by contacting our Accounts Staff, at (505) 438-7462. The list is also available on our public internet website: <http://www.nm.blm.gov>

### **May I protest BLM's Decision to offer the lands in this notice for lease?**

If you are adversely affected by our decision to offer the lands in this Notice for lease, you may protest the decision to the State Director under regulations 43 CFR 3120.1-3. You must submit your protest in writing to the State Director prior to the day of the sale. Generally, if we are unable to decide the protest before the sale, we will hold the sale while we consider the merits of your protest.

You may review the decision to offer the lands for lease and the supporting National Environmental Policy Act documents at our New Mexico State Office Business Information Access Center. Our office hours are from 8:00 a.m. to 4:00 p.m. Monday through Friday, except on National Holidays.

## **Inclement Weather Conditions**

On occasion the Santa Fe area will have an abundance of snow or other weather conditions that prohibit the staff to make it to work safely at regular scheduled business hours. In the event of hazardous weather, please tune in to local television or radio stations. The Bureau of Land Management (BLM), New Mexico State Office follows the direction given to the Santa Fe, State of New Mexico Employees. If a 2-hour delay is broadcast for State Employees, BLM will also have a 2-hour delay.

The procedure for future Oil and Gas Lease Sales scheduled on a business day with a 2-hour delay or the Office is Closed for Business the BLM will proceed as follows:

1. In the event of a 2-hour delay - the doors to the BLM, NMSO will remain locked until 9:30 a.m.. The Oil and Gas Lease Sale will begin at 11:00 a.m. with registration starting at 10:00 a.m., please call in the recorded information on delays at (505) 438-7400.
2. In the event that the BLM office is Closed for Business on the day of an Oil and Gas Lease Sale, the sale will be cancelled and rescheduled at a later date. Please call in for recorded information on closures at (505) 438-7400.

Every effort will be made to post the information on delays of Closed for Business on the main entrance exterior doors of the building.

Your safety and the safety of our BLM employees is our major concern.

## **Power Outages**

In the event of a power outage, the office will be CLOSED.

## **Whom should I contact if I have a question?**

For general information, please contact our Information Access Center at (505) 438-7565 or 438-7530.

*/s/Bernadine T. Martinez*

***Bernadine T. Martinez  
Land Law Examiner  
Fluids Adjudication Team***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

FORM APPROVED  
OMB NO. 1004-0074  
Expires: May 31, 2000

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

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

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

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

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

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

INSTRUCTIONS

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

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

INSTRUCTIONS FOR GEOTHERMAL OR  
NPR-A OIL AND GAS BID

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

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

(Continued on reverse)

OFFICIAL USE COPY

Form 3000-2 (July 1997)

## QUALIFICATIONS

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

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

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

## NOTICE

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

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

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

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

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

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

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

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

Response to this request is required to obtain a benefit..

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

## BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (WO-630), 1620 L Street, Washington, D.C. 20036 and the Office of Management and Budget, Desk Officer for the Interior Department, Office of Regulatory Affairs (1004-0074), Washington, D.C. 20503.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Serial No.

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

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

**READ INSTRUCTIONS BEFORE COMPLETING**

Name  
Street  
City, State, Zip Code

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

Amount remitted: Filing fee \$ \_\_\_\_\_

Rental fee \$ \_\_\_\_\_

Total acres applied for \_\_\_\_\_  
Total \$ \_\_\_\_\_

**DO NOT WRITE BELOW THIS LINE**

3. Land included in lease:

T. \_\_\_\_\_ R. \_\_\_\_\_ Meridian \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_

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

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

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

Type and primary term of lease: \_\_\_\_\_ THE UNITED STATES OF AMERICA  
 Noncompetitive lease (ten years) by \_\_\_\_\_  
(Signing Officer)  
 Competitive lease (ten years) \_\_\_\_\_  
(Title) \_\_\_\_\_ (Date) \_\_\_\_\_  
 Other \_\_\_\_\_ EFFECTIVE DATE OF LEASE \_\_\_\_\_

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

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

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

Duly executed this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

(Signature of Lessee or Attorney-in-fact)

## LEASE TERMS

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

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

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

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

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

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

- Noncompetitive lease, 12½ %;
- Competitive lease, 12½ %;
- Other, see attachment; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**PLEASE FILL IN THE NAME AND ADDRESS AS IT SHOULD  
APPEAR ON THE ISSUED LEASE**

**NEW BIDDER REGISTRATION FORM**

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

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

**TELEPHONE:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

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

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

**E-MAIL ADDRESS:** \_\_\_\_\_

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

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

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

**BUREAU OF LAND MANAGEMENT  
NEW MEXICO STATE OFFICE  
APRIL 16, 2003, Lease Sale Statistics by State  
Parcels with and without Pre-sale Noncompetitive Priority Offers**

<b>STATE</b>	<b>PARCELS WITH PRESALE OFFER</b>	<b>PARCELS WITHOUT PRESALE OFFER</b>	<b>TOTAL PARCELS</b>	<b>ACRES WITH PRESALE OFFER</b>	<b>ACRES WITHOUT PRESALE OFFER</b>	<b>TOTAL ACRES</b>
<b>NM</b>	<b>0</b>	<b>44</b>	<b>44</b>	<b>0.00</b>	<b>30,359.14</b>	<b>30,359.14</b>
<b>KS</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>480.00</b>	<b>0.00</b>	<b>480.00</b>
<b>OK</b>	<b>0</b>	<b>26</b>	<b>26</b>	<b>0.00</b>	<b>3,224.36</b>	<b>3,224.36</b>
<b>TX</b>	<b>0</b>	<b>38</b>	<b>38</b>	<b>0.00</b>	<b>19,534.69</b>	<b>19,534.69</b>
<b>TOTALS</b>	<b>1</b>	<b>108</b>	<b>109</b>	<b>480.00</b>	<b>53,118.19</b>	<b>53,598.19</b>

**U. S. DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NEW MEXICO STATE OFFICE  
APRIL 16, 2003, OIL AND GAS LEASE SALE**

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304001 KS GOVE/LANE 6TH 100.00%	15S	28W	31 32	NWNE,SWSE; NENW,SESW;	480.000  ORA-2	P	N
	16S	28W	27	W2NE,NW;	KSNM 66786 KSNM 77163 KSW 85302 KSNM 100257		
	16S	29W	03 10	SESE; NENE;			
<b><u>PENDING PRESALE OFFER NO. KSNM 10937</u></b>							
2 COUNTIES: GOVE COUNTY - 160.00 ACRES LANE COUNTY - 320.00 ACRES							
200304002 NM SAN MIGUEL NMPM 100.00%	13N	23E	13 24	NESE; E2E2;	200.000  NMNM 43891	P	N
200304003 NM SAN MIGUEL NMPM 100.00%	13N	23E	25 26 35	S2N2; NWNE,E2SW; SE;	440.000  NMNM 43891	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304004 NM GUADALUPE NMPM 100.00%	11N	24E	33	NE,N2SE;	240.000  NMNM 25974	P	N
200304005 NM SAN MIGUEL NMPM 100.00%	12N	24E	13 14 20 21 23 24 25 26 27 28 30 30 33 34 35	SESE; SESW,W2SE; S2NW; E2NE,N2NW,SENW; NWNW,NW; NENW; E2NE,NESW,W2SE; SESW; SWNW; SENE; 4; E2NE,SESW,SWSE; SW,S2SE; NE,S2; W2;	2,239.390  NMNM 25968 NMNM 31230	P	N
200304006 NM SAN MIGUEL NMPM 100.00%	13N	24E	17 18 19 19	N2NW; NENW; 2,3,4; S2NE;	320.510  NMNM 43892	P	N
200304007 NM SAN MIGUEL NMPM 100.00%	13N	24E	20 21 29	N2SW,SESE; NWNW,NENW; N2,SW;	680.000  NMNM 43892	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304008 NM HARDING NMPM 100.00%	16N	29E	01	1,2,4,5,7,8,9,10;	2,250.810	P	N
			01	E2SW,SE;			
	16N	30E	05	1,2,3,4;			
			05	S2N2,SW,W2SE;			
			06	1,5,6,7;	NMNM 57432		
			06	SENE,SENW,E2SW,E2SE;	NMNM 57433		
		17	S2NW,S2;				
		18	S2NE,SENW,E2SW,SE;				
200304009 NM HARDING NMPM 100.00%	16N	29E	02	1,8,9;	2,243.420	P	N
			04	4,5,9,12,13,14;			
			04	SWSE,E2SE;			
			05	1;			
			12	N2,SE;			
			13	W2,SE;			
			14	ALL;			
			15	1,2,3;			
15	NE;	NMNM 52596					
					NMNM 57432		
200304010 NM HARDING NMPM 100.00%	15N	31E	04	3,4;	280.250	P	N
			04	S2NW,N2SW,SWSW;			
							NMNM 69687

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
---	--------------	-------	------	--	---	------------------------------------	--

200304011	23N	08W	24	ALL;	640.000	P	N
NM							
SAN JUAN					F9		
NMPM							
100.00%							
					NMNM 40025		

THIS PARCEL CONTAINS AN UNPLUGGED WELL. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO SUBMIT A \$10,000.00 or ADEQUATE BONDING TO ASSUME LIABILITY FOR THE WELL, UNLESS ADEQUATE STATEWIDE OR NATIONWIDE BOND COVERAGE IS BEING MAINTAINED.

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO PERFORM A MECHANICAL INTEGRITY TEST (MIT) AND PRODUCTION TESTS WITHIN 6 MONTHS OF THE EFFECTIVE DATE OF THE LEASE AND EITHER PLUG OR PRODUCE THE WELL ACCORDINGLY TO A PLAN APPROVED BY THE BLM FARMINGTON FIELD OFFICE, ON EXISTING FEDERAL 21 NO. 24 WELL IN THE GALLUP FORMATION.

200304012	18S	20E	24	1,2,3,4;	2,154.490	P	N
NM			24	W2E2,W2;			
CHAVES			25	1,2;			
NMPM			25	W2E2,W2;			
100.00%			26	E2;			
			35	ALL;			
					NMNM 37590		
					NMNM 69551		
					NMNM 78158		
					NMNM 78160		

200304013	19S	20E	11	ALL;	1,760.000	P	N
NM			14	ALL;			
CHAVES			23	S2N2,S2;			
NMPM							
100.00%							

PRIOR LEASE NOS:  
 NMNM 29586  
 NMNM 30496  
 NMNM 37591  
 NMNM 42774  
 NMNM 76901  
 NMNM 76903  
 NMNM 83152

200304014	05S	21E	11	E2;	960.000	P	N
NM			13	N2;			
CHAVES			14	E2;	SENM-LN-1		
NMPM							
100.00%							
					NMNM 36187		

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304015 NM EDDY NMPM 100.00%	18S	21E	30 30	1,2; E2NW;	159.500  SENM-S-18 SENM-S-25 WO-ESA 7 NMNM 88230	P	N
200304016 NM CHAVES NMPM 100.00%	04S	22E	07 07 18 18	1,2,3,4; E2,E2W2; 1,2; NE,E2NW;	951.250  SENM-LN-1  NMNM 32332 NMNM 32333	P	N
200304017 NM EDDY NMPM 100.00%	202S	22E	33 33 34 34 35 35	1,2,3,4; S2SW,SWSE; 1,2,3,4; S2S2; 1,2,3,4; S2S2;	890.800  SENM-LN-1 SENM-S-17 SENM-S-18  NMNM 43505 NMNM 83535 NMNM 83536 NMNM 83537 NMNM 84835	P	N
200304018 NM EDDY NMPM 100.00%	21S	22E	01 01	1,2,3,4; S2N2,S2;	640.400  SENM-LN-1 SENM-S-17 SENM-S-18 (LOT 1) NMNM 76915	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304019 NM EDDY NMPM 100.00%	21S	22E	11 12	ALL; ALL;	1,280.000  SENM-S-17 SENM-S-18  NMNM 76915 NMNM 84836 NMNM 89137	P	N
200304020 NM EDDY NMPM 100.00%	21S	22E	13 14	ALL; E2;	960.000  SENM-LN-1 SENM-S-18  NMNM 9531 NMNM 76918 NMNM 84836	P	N
200304021 NM EDDY NMPM 100.00%	20S	23E	33	ALL;	640.000  SENM-LN-1 SENM-S-17 SENM-S-18 NMNM 85840	P	N
200304022 NM EDDY NMPM 100.00%	17S	24E	28	S2SW;	80.000  WO-ESA 7	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304023 NM EDDY NMPM 100.00%	22S	24E	29	W2,SE;	480.000  SENM-LN-1 SENM-S-18* SENM-S-21 SENM-S-25 NMNM 78216	P	N
*SENM-S-18 APPLIES TO: SEC. 29: NENESE							
200304024 NM EDDY NMPM 100.00%	17S	25E	03 03	3,4; S2NW,SW;	320.540  SENM-S-18* WO-ESA 7  NMNM 62167 NMNM 69573	P	N
*SENM-S-18 APPLIES TO: SEC. 03: S2S2S2NW							
200304025 NM EDDY NMPM 100.00%	21S	25E	08	NW;	160.000  SENM-LN-1 SENM-S-21 SENM-S-25 NMNM 89804	P	N
200304026 NM EDDY NMPM 100.00%	22S	25E	13	1,4;	85.660  SENM-LN-1 SENM-S-17 SENM-S-25 NMNM 89806	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304027	10S	26E	28	W2W2;	1,121.520	P	N
NM			29	N2,W2SW,E2SE;			
CHAVES			30	1,2,3,4;			
NMPM			30	E2W2,SE;			
100.00%							
					NMNM 29624		
					NMNM 66913		
					NMNM 67494		
					NMNM 69362		
					NMNM 71748		
					NMNM 76966		

200304028	10S	26E	31	3,4;	800.380	P	N
NM			31	E2SW,SE;			
CHAVES			33	S2;			
NMPM			34	E2SE;			
100.00%			35	W2SW;			
					NMNM 57235		
					NMNM 81719		

200304029	20S	26E	02	SW;	640.000	P	N
NM			11	E2,SENW,SWSW,E2SW;			
EDDY					BOR(LN)		
NMPM					BOR(MLS)		
100.00%					SENM-LN-1, SENM-S-9A		
					SENM-S-18*, SENM-S-25		
					SENM-S-27, SENM-S-28**		
					NMNM 61335		
					NMNM 63333		
					NMNM 04219		

\*SENM-S-18 APPLIES TO:  
SEC. 02: N2SW,SWSW,SESESW  
SEC. 11: N2N2NE,W2SENW

\*\*SENM-S-28 APPLIES TO:  
SEC. 11: W2NE,SENE,SENW,SWSW,E2SW,SE

SUBJECT TO EXISTING STIPULATIONS. ADDITIONAL RESTRICTIONS WILL BE ESTABLISHED TO PROTECT NATIONAL HISTORIC REGISTRY SITES LOCATED IN THE PARCEL IF PRODUCTION FACILITIES ARE PROPOSED.

FOR THE PURPOSE OF PROTECTING RECLAMATION PROJECT RESOURCES:  
THE LEASE OR PORTION OF A LEASE FOR AREA DESCRIBED IS ISSUED  
FOR THE SOLE PURPOSE OF ASSISTING IN THE ORDERLY DEVELOPMENT OF THE FEDERAL MINERAL ESTATE. THE  
LEASE MAY BE USED TO MAINTAIN STATE WELL-SPACING REQUIREMENTS ON THE LANDS DESCRIBED ABOVE.  
THIS LEASE ABSOLUTELY DOES NOT GRANT SURFACE OCCUPANCY OR USE, AND THAT REQUIREMENT CANNOT BE  
WAIVED UNLESS CHANGES HAVE BEEN MADE IN A LAND USE PLAN OR AMENDMENT.

BUREAU OF RECLAMATION  
BRANTLY STATE PARK

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304030 NM EDDY NMPM 100.00%	20S	26E	12	SENE,NW;	200.000  BOR(LN) BOR(MLS) SENM-LN-1, SENM-S-9A SENM-S-18* SENM-S-21 SENM-S-27 SENM-S-28** NMNM 054219 NMNM 05110E	P	N
<p>*SENM-S-18 APPLIES TO: SEC. 12: N2N2NW</p> <p>**SENM-S-28 APPLIES TO: SEC. 12: W2NW,SENW</p> <p>BUREAU OF RECLAMATION CARLSBAD PROJECT</p>							
200304031 NM CHAVES NMPM 100.00%	06S	27E	21	N2;	320.000  SENM-S-29 (N2NE)  NMNM 70319	P	N
200304032 NM CHAVES NMPM 100.00%	11S	27E	29 30 30 31 31	ALL; 4; NENE,SWNE,E2NW,NESW; NESE,SWSE; 1,2,3,4; NENE,SWNE,SE;	1,349.390  SENM-LN-1  NMNM 62183 NMNM 89039 NMNM 89807	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304033 NM EDDY NMPM 100.00%	18S	27E	30 31 31 32	SENE,E2SE,SWSE; 1; NENE,SEW; E2,E2W2;	760.030  BOR(LN), BOR(MLS) SENM-S-9A SENM-S-17* SENM-S-18** SENM-S-25 SENM-S-27	P	N
<p>*SENM-S-17 APPLIES TO: SEC. 32: E2,E2E2NW</p> <p>**SENM-S-18 APPLIES TO: SECS. 30 &amp; 31 SEC. 32: SWNWSE,SWSE,W2E2NW,E2SW</p> <p>BUREAU OF RECLAMATION BRANTLY STATE PARK</p> <p>PRIOR LEASE NOS.: NMNM 28498 NMNM 63340 NMNM 63341 NMNM 65392 NMNM 65393 NMNM 83060 NMNM 86107</p>							
200304034 NM EDDY NMPM 100.00%	19S	27E	10	NWNW;	40.000  SENM-LN-1 SENM-S-17 SENM-S-18 SENM-S-21 NMNM 89808	P	N
200304035 NM EDDY NMPM 100.00%	25S	27E	06 06	3,4,5,6,7; SEW,E2SW;	310.910    NMNM 86897	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304036 NM CHAVES NMPM 100.00%	15S	29E	03 09 10	S2SE; N2NE,SESE; N2NE;	280.000   NMNM 89813	P	N
200304037 NM EDDY NMPM 100.00%	20S	29E	13	E2E2;	160.000  SENM-LN-1 SENM-S-1 SENM-S-21 NMNM 82885	P	N
200304038 NM EDDY NMPM 100.00%	20S	29E	36	ALL;	640.000  SENM-LN-1 SENM-S-1 SENM-S-21 SENM-S-22 (S2) NMNM 82885	P	N
200304039 NM EDDY NMPM 100.00%	25S	29E	34	E2;	320.000  SENM-S-18 (NE,N2SE)  NMNM 89814	P	N
200304040 NM LEA NMPM 100.00%	25S	34E	09 23	SWSW; N2;	360.000   NMNM 89825 NMNM 89826	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304041 NM LEA NMPM 100.00%	14S	35E	04	3;	39.890  NMNM 81742	P	N
200304042 NM LEA NMPM 100.00%	14S	35E	12 13	N2; W2NE,NW;	560.000  NMNM 57288 NMNM 71575 NMNM 86171	P	N
200304043 NM LEA NMPM 100.00%	14S	35E	21 22 29	E2; W2SW; N2;	720.000  NMNM 62235 NMNM 86171	P	N
200304044 NM LEA NMPM 100.00%	14S	35E	26 28	E2; E2;	640.000  SENM-S-19*  NMNM 62235 NMNM 84904	P	N

\*SENM-S-19 APPLIES TO:  
SEC. 28: NENENE

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304045 NM LEA NMPM 100.00%	25S	37E	09	SENW;	40.000  NMNM 14213	P	N
200304046 OK CANADIAN IM 100.00%	11N	10W	18	SEE EXHIBIT A FOR M&B;	11.630  ORA-1 ORA-2 ORA-LN-1	P	N
200304047 OK COMANCHE IM 100.00%	04N	13W	03	SWNE;	40.000  ORA-2  OKNM 53262	P	N
200304048 OK GREER IM 100.00%	06N	23W	04	SENE,NESE;	80.000  OKNM 83185	P	N
200304049 OK GREER IM 100.00%	07N	23W	08	SWNW;	40.000	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304050 OK GREER IM 100.00%	07N	23W	09	SENE,E2SE;	120.000	P	N
200304051 OK GREER IM 100.00%	07N	23W	15	W2,N2SE;	400.000  OKNM 58836 OKNM 77975	P	N
200304052 OK GREER IM 25.00%	07N	23W	28	SE;	160.000  OKNM 44786	A	N
200304053 OK BECKHAM IM 100.00%	08N	23W	19	4;	37.210  ORA-3  OKNM 54334	P	N
200304054 OK BECKHAM IM 100.00%	08N	23W	29	NENE,W2SW;	120.000  ORA-3  OKNM 54334	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304055 OK BECKHAM IM 100.00%	08N	23W	30 30	3,4; NWNE,E2SW,SESE;	234.720  ORA-3  OKNM 54334	P	N
200304056 OK BECKHAM IM 100.00%	08N	23W	32	W2NW,SENW;	120.000  ORA-3	P	N
200304057 OK BECKHAM IM 100.00%	09N	23W	03	1;	20.750  ORA-1 ORA-2 ORA-3 OKNM 24615	P	N
200304058 OK BECKHAM IM 100.00%	09N	23W	05	12;	14.500  ORA-1 ORA-2 ORA-3 OKNM 24615	P	N
200304059 OK BECKHAM IM 100.00%	09N	23W	07	1,2;	25.700  ORA-1 ORA-2 ORA-3 OKNM 24615	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304060 OK BECKHAM IM 100.00%	09N	23W	31	3;	39.850  ORA-3  OKNM 55997	P	N
200304061 OK GREER IM 100.00%	07N	24W	07	NESE;	40.000  OKNM 63781	P	N
200304062 OK GREER IM 100.00%	07N	24W	12	SWNE,E2SW;	120.000  OKNM 27733	P	N
200304063 OK GREER IM 100.00%	07N	24W	26	NENE,SESE;	80.000  OKNM 56575	P	N
200304064 OK GREER IM 100.00%	07N	24W	29	SENW,SW;	200.000  OKNM 68671	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304065 OK GREER IM 100.00%	07N	24W	31	W2NE;	80.000  ORA-3  OKNM 61379	P	N
200304066 OK BECKHAM IM 100.00%	08N	24W	20	N2SW;	80.000  ORA-3  OKBLM 14501	P	N
200304067 OK BECKHAM IM 100.00%	08N	24W	21	E2SE,SWSE;	120.000  ORA-3  OKBLM 14501	P	N
200304068 OK BECKHAM IM 100.00%	08N	24W	25	E2NE,SW,S2SE;	320.000  ORA-3  OKNM 66724	P	N
200304069 OK BECKHAM IM 100.00%	08N	24W	27	E2,NW;	480.000  ORA-3  OKNM 27736	P	N

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304070 OK MARSHALL IM 100.00%	08S	04E	11	W2NE,N2SE;	160.000  (COE)SS-1A (LAKE TEXOMA)  OKNM 08037	A	N
CORPS OF ENGINEERS LAKE TEXOMA							
200304071 OK TEXAS CM 100.00%	02N	11E	20	SWNE,NESW;	80.000  OKNM 100889	P	N
200304072 TX JASPER  100.00%	241		TR TR	S-2k-IV PARCEL #2; SEE EXHIBIT B FOR M&B;	64.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 93414	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223							
200304073 TX SABINE  100.00%	403		TR TR	S-1AL; SEE EXHIBIT C FOR M&B;	237.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 88187	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304074 TX SABINE  100.00%	403		TR TR	S-1As; SEE EXHIBIT D FOR M&B;	362.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1F FS8(TX)CSU#1J FS8(TX)LN#3B TXNM 66308	A	N
SABINE NATIONAL FOREST QUAD NO. 3193234							
200304075 TX SABINE  50.00%	403		TR TR	S-1Aw; SEE EXHIBIT E FOR M&B;	93.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 70923	A	N
SABINE NATIONAL FOREST QUAD NO. 3193322							
200304076 TX SABINE  100.00%	403		TR TR	S-2k-XII; SEE EXHIBIT F FOR M&B;	224.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 89085	A	N
SABINE NATIONAL FOREST QUAD NO. 3193224							
200304077 TX SABINE  100.00%	403		TR TR	S-2Ae; SEE EXHIBIT G FOR M&B;	122.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 90574	A	N
SABINE NATIONAL FOREST QUAD NO. 3193224							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304078 TX SABINE  100.00%	403		TR TR	S-2Af; SEE EXHIBIT H FOR M&B;	77.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 86222	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223							
200304079 TX SABINE  50.00%	403		TR TR	S-2Ai; SEE EXHIBIT I FOR M&B;	251.180  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 60893	A	N
SABINE NATIONAL FOREST QUAD NOS. 3193322 & 3193233							
200304080 TX SABINE  100.00%	403		TR TR	S-2Aj; SEE EXHIBIT J FOR M&B;	101.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 60893	A	N
SABINE NATIONAL FOREST QUAD NO. 3193322							
200304081 TX SABINE  0.00%	403		TR TR	S-2Ak; SEE EXHIBIT K FOR M&B;	151.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 60893	A	N
SABINE NATIONAL FOREST QUAD NO. 3193322  MINERAL INTEREST BREAKDOWN: 100% MINERAL INTEREST ON 38.00 ACRES 50% MINERAL INTEREST ON 113.00 ACRES							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304082 TX SABINE  0.00%	403		TR TR	S-2k-I PARCEL A; SEE EXHIBIT L FOR M&B;	2,434.230  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 61087	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223  MINERAL INTEREST BREAKDOWN: 100% MINERAL INTEREST ON 2384.23 ACRES, 50% MINERAL INTEREST ON 50.00 ACRES.							
200304083 TX SABINE  100.00%	403		TR TR	S-2k-I PARCEL B; SEE EXHIBIT M FOR M&B;	1,556.180  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 61087	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223							
200304084 TX SABINE  100.00%	403		TR TR	S-2k-I PARCEL C; SEE EXHIBIT N FOR M&B;	2,453.780  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1B3 FS8(TX)CSU#1J TXNM 85985	A	N
SABINE NATIONAL FOREST QUAD NO. 3193232							
200304085 TX SABINE  100.00%	403		TR TR	S-2k-I PARCEL D; SEE EXHIBIT O FOR M&B;	1,601.210  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1B3 FS8(TX)CSU#1J TXNM 85986	A	N
SABINE NATIONAL FOREST QUAD NO. 3193232							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304086 TX SABINE  100.00%	403		TR TR	S-2k-I PARCEL E; SEE EXHIBIT P FOR M&B;	1,720.530  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 88189	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							
200304087 TX SABINE  100.00%	403		TR TR	S-2k-I PARCEL F; SEE EXHIBIT Q FOR M&B;	1,186.980  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1B3 FS8(TX)CSU#1J TXNM 88190	A	N
SABINE NATIONAL FOREST QUAD NOS. 3193231 & 3193232							
200304088 TX SABINE  100.00%	403		TR TR	S-2k-I PARCEL G; SEE EXHIBIT R FOR M&B;	1,016.210  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 89079	A	N
SABINE NATIONAL FOREST QUAD NOS. 3193231 & 3193232							
200304089 TX SABINE  100.00%	403		TR TR	S-2k-I PARCEL H; SEE EXHIBIT S FOR M&B;	1,182.230  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1B3 FS8(TX)CSU#1J TXNM 88191	A	N
SABINE NATIONAL FOREST QUAD NOS. 3193231 & 3193224							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304090 TX SABINE  100.00%	403		TR TR	S-2k-VIII; SEE EXHIBIT U FOR M&B;	547.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 90574	A	N
SABINE NATIONAL FOREST QUAD NO. 3193224							
200304091 TX SABINE  100.00%	403		TR TR	S-2n; SEE EXHIBIT V FOR M&B;	142.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 88195	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							
200304092 TX SABINE  100.00%	403		TR TR	S-2o; SEE EXHIBIT W FOR M&B;	110.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 88196	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							
200304093 TX SABINE  50.00%	403		TR TR	S-2q-I PARCEL #3; SEE EXHIBIT X FOR M&B;	220.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 93511	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304094 TX SABINE  100.00%	403		TR TR	S-13b; SEE EXHIBIT Y FOR M&B;	147.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1C FS8(TX)CSU#1J FS8(TX)LN#3C FS8(TX)LN#4A FS8(TX)LN#5 TXNM 85981	A	N
SABINE NATIONAL FOREST QUAD NO. 3193242							
200304095 TX SABINE  100.00%	403		TR TR	S-13g; SEE EXHIBIT Z FOR M&B;	35.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 86603	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							
200304096 TX SABINE  100.00%	403		TR TR	S-14a; SEE EXHIBIT AA FOR M&B;	305.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 88194	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							
200304097 TX SABINE  100.00%	403		TR TR	S-14c-I; SEE EXHIBIT BB FOR M&B;	102.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 96149	A	N
SABINE NATIONAL FOREST QUAD NO. 3193224							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304098 TX SABINE  100.00%	403		TR TR	S-20c; SEE EXHIBIT CC FOR M&B;	565.610  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1D FS8(TX)CSU#1J FS8(TX)LN#4A TXNM 93415	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223							
200304099 TX SABINE  100.00%	403		TR TR	S-20g; SEE EXHIBIT DD FOR M&B;	42.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 27352	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223							
200304100 TX SABINE  100.00%	403		TR TR	S-20j; SEE EXHIBIT EE FOR M&B;	159.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 93415	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223							
200304101 TX SABINE  100.00%	403		TR TR	S-26; SEE EXHIBIT FF FOR M&B;	55.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J FS8(TX)LN#3C TXNM 60892	A	N
SABINE NATIONAL FOREST QUAD NO. 3193321							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304102 TX SABINE  66.00%	403		TR TR	S-39; SEE EXHIBIT GG FOR M&B;	83.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1D FS8(TX)CSU#1J FS8(TX)LN#4A TXNM 45175	A	N
SABINE NATIONAL FOREST QUAD NO. 3193223							
200304103 TX SAN AUGUSTINE  100.00%	405		TR TR	S-40; SEE EXHIBIT HH FOR M&B;	481.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 86953	A	N
SABINE NATIONAL FOREST QUAD NO. 3194411							
200304104 TX SAN AUGUSTINE/*  100.00%	405		TR TR	S-1Be; SEE EXHIBIT II FOR M&B;	190.400  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 88207	A	N
SABINE NATIONAL FOREST QUAD NO. 3194411  *SAN AUGUSTINE COUNTY - 150.10 ACRES SHELBY COUNTY - 40.30 ACRES							
200304105 TX SHELBY  100.00%	419		TR TR	S-1Ad; SEE EXHIBIT JJ FOR M&B;	1,243.900  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J FS8(TX)LN#3B TXNM 89753	A	N
SABINE NATIONAL FOREST QUAD NO. 3194411							

PARCEL STATE COUNTY MERIDIAN U.S.INTEREST	TOWN SHIP	RANGE	SEC.	SUBDIVISION (A NUMERIC W/O A PREFIX IS A LOT)	ACRES STIPULATIONS NAME OLD SERIAL NO.	ACQUIRED OR PUBLIC DOMAIN	FUTURE INTEREST (YES/NO) REV DATE
200304106 TX SHELBY  100.00%	419		TR TR	S-1BL; SEE EXHIBIT KK FOR M&B;	135.500  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 96152	A	N
SABINE NATIONAL FOREST QUAD NO. 3194414							
200304107 TX SHELBY  0.00%	419		TR TR	S-5c; SEE EXHIBIT LL FOR M&B;	16.750  FS1 FS8(TX)NSO#2B  TXNM 13935	A	N
SABINE NATIONAL FOREST QUAD NO. 3193321  MINERAL INTEREST BREAKDOWN: 100% MINERAL INTEREST ON 13.75 ACRES, 50% MINERAL INTEREST ON 3.00 ACRES.  THIS PARCEL HAS A 1/2 OF 1/8TH NON-PARTICIPATING ROYALTY INTEREST (NPRI) RESERVED UNTIL JANUARY 1, 2017. THIS IS A SEPARATE ROYALTY PAYMENT, IN ADDITION TO THE ROYALTY PAID TO THE UNITED STATES UNDER THE TERMS OF ANY BLM LEASE ISSUED, AND IS PAID BY THE LESSEE DIRECTLY TO THE NPRI OWNER.							
200304108 TX SHELBY  100.00%	419		TR TR	S-8; SEE EXHIBIT MM FOR M&B;	89.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 88206	A	N
SABINE NATIONAL FOREST QUAD NO. 3194414							
200304109 TX SABINE  100.00%	403		TR TR	S-13e; SEE EXHIBIT NN FOR M&B;	32.000  FS1 FS8(TX)CSU#1A FS8(TX)CSU#1J TXNM 86602	A	N
SABINE NATIONAL FOREST QUAD NO. 3193231							

LEASE NOTICEBUREAU OF RECLAMATION  
PARCELS ALONG THE PECOS RIVER

The lands encompassed by this parcel are within or adjacent to habitat for the Pecos Bluntnose Shiner, a threatened species. In consultation with the Bureau of Reclamation (BOR), it was determined to use the BLM standards for leasing, identified in the BLM Carlsbad Resource Management Plan Amendment of 1997 (RMPA). Section 7 consultation, required by the Endangered Species Act (ISA), was completed with the U. S. Fish and Wildlife Service (FWS), and the requirement from that consultation will be applied to oil and gas leasing and development.

Lease operations will be guided by Surface Use and Occupancy Requirements (SUOR) and general Conditions of Approval (COA), (more specifically #109-118, Floodplains) as contained within the BLM RMPA (RMPA, 1997). As determined by that planning document and the above mentioned ESA Section 7 consultations, the lease operator should be aware that:

- A “plan of development” (POD) for the entire lease must be submitted for review and approval, including NEPA analysis, by the BLM, with concurrence from BOR, New Mexico Game and Fish Department, FWS and New Mexico State Parks, as appropriate, PRIOR to approval of development (APD, ROW, Sundry) actions.
- The guidelines contained within the Conservation Recommendations section of the Section 7 Consultation completed for the 1997 BLM RMPA (Consultation #2-22-96-F-128) will be rigidly applied. NO exceptions will be granted to the stipulations, including case-by-case exceptions, within 200 meters of the 100-year floodplain, including the floodplain.
- The lease instrument contains other stipulations intended to protect and preserve habitat for the Bluntnose Shiner. These stipulations may include sitting, timing and construction limitations that could affect lease operations.

Bureau of Reclamation  
Mineral Leasing Stipulations for  
Carlsbad and Tukumcari Projects

The United States Bureau of Reclamation (Reclamation) is the surface managing agency for approximately 59,800 acres of acquired and withdrawn lands in the Roswell Area Office's Bureau of Land Management mineral jurisdiction. The subject lands are located within and adjacent to three reservoirs of the Carlsbad Project and two reservoirs of the Tukumcari Project, being listed as follows:

1. Carlsbad Project - Brantley Reservoir.....43,500 acres
2. Carlsbad Project - Avalon Reservoir.....4,000 acres
3. Carlsbad Project - Sumner Reservoir.....11,500 acres
4. Tukumcari Project - Hudson Lake.....160 acres
5. Tukumcari Project - Dry Lake.....640 acres

With regard to the leasing of the mineral estate(s) within the 59,800 acres, Reclamation will provide specific leasing stipulations for each prospective lease. The general leasing stipulations and requirements for the subject Reclamation managed lands are as follows:

BRANTLEY RESERVOIR

No surface occupancy will be allowed within one half mile of the Brantley Dam site, drilling between one half mile and one mile of the Brantley Dam site shall be reviewed on a case by case basis. No surface occupancy within the Brantley Lake State Park. No storage facilities will be allowed below contour elevation 3286.

Surface occupancy below natural contour elevation 3271 will be reviewed on a case by case basis.

AVALON RESERVOIR

No surface occupancy will be allowed within one half mile of the Avalon Dam site. No surface occupancy below contour elevation 3190. No storage facilities below contour elevation 3200.

SUMNER RESERVOIR

No surface occupancy will be allowed within one half mile of the Sumner Dam site. No surface occupancy within Sumner Lake State Park. No surface occupancy below contour elevation 4279. No storage facilities below contour elevation 4300.

HUDSON LAKE

No surface occupancy within the boundaries of Hudson Lake.

DRY LAKE

No surface occupancy below contour elevation 4085.

In addition to those restrictions above, Reclamation proposes that the first paragraph of page 3 of "Management Common to all Alternatives" be omitted. The subject paragraph states that if lands presently managed by Reclamation revert to BLM, they would be leased and managed under appropriate Roswell Field Office stipulations or conditions of approval (e.g., stipulations for flood plains). Once production of all wells permitted are terminated, the permittee shall immediately plug the well hole and reclaim the surface disturbed by the operation.

Prior to commencing operations on leasehold, contact the Bureau of Reclamation, Albuquerque Area Office, Attn: Rik Arndt, Lead Realty Specialist, 505 Marquette NW, Suite 1313, Albuquerque, NM 87102-2162, (505) 248-5311.

Bureau of Reclamation  
January 2002

CORPS OF ENGINEERS  
SPECIAL STIPULATIONS 1-A  
LAKE TEXOMA, TEXAS  
HAGERMAN NATIONAL WILDLIFE REFUGE AREA

1. This is a no surface occupancy lease.
2. All oil and gas drilling and production operations shall be under the supervision of the District Manager, Bureau of Land Management (BLM), in accordance with 43 Code of Federal Regulations 3160.
3. 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 District Engineer will give notice of the required suspension. The lessee agrees to this condition and waives compensation for its exercise.
4. If the District Engineer or his 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 District Manager, BLM, will be notified immediately, will review that order, and will determine the need for further remedial action.
5. Lessee liability for damage to improvements shall include improvements of the Department of Defense. Lessee shall be liable for pollution and other damages, as a result of their operations, to Government-owned land and property and to the property of the Government's authorized surface user.
6. Before beginning to drill, the lessee must consult with third parties authorized to use real estate in the lease area and must consider programs for which third parties have contractual responsibility.
7. A license to conduct geophysical test on the leased area must be obtained separately from the District Engineer.
8. 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.

9. 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's officers, agent, servants, or employees, or others who may be on said premises at their invitation or the invitation of any one 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.

10. All areas within 2,000 feet of any major structure, including but not limited to the dam, spillway, or embankment, are restricted areas. The lessee, his operators, agents, or employees shall not utilize the surface of restricted areas for any purpose. Drilling operations in, on, or under the restricted areas, including drilling outside of the restricted areas which would cause a bore hole to be under the restricted area, will not be permitted. The restricted areas are included in the lease for the sole purpose of becoming part of a drilling unit so that the United States will share in the royalty of the unit.

11. All existing or proposed public use areas, recreation areas, wildlife and waterfowl refuges, historical sites, and hiking and horseback trail areas may be leased for the sole purpose of becoming a part of a drilling unit. The lessee, his operators, agents or employees will not use or enter upon the surface for any purpose.

12. It is the responsibility of the lessee to identify the areas where entry is prohibited. The lease is in the Hagerman National Wildlife Refuge and use of the surface within the lease area is prohibited.

13. The operator will immediately stop work and advise the District Engineer or his authorized representative if contamination is found in the operating area.

FLOODPLAIN PROTECTION STIPULATION  
CONTROLLED SURFACE USE

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.

Bureau of Land Management  
Oklahoma Field Office

ORA-1  
November 1991

WETLAND/RIPARIAN STIPULATION  
CONTROLLED SURFACE USE

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.

SEASON OF USE STIPULATION

Surface occupancy of this lease will not be allowed from February 15 to May 15, as well as all applicable hunting seasons without the specific approval, in writing, from the authorized officer of the Bureau of Land Management. This stipulation does not apply to operation and maintenance of production facilities.

One the land(s) described below:

For the Purpose of: Wildlife seasonal use requirements or recreation use conflicts with drilling activities.

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-3  
November 1991

LEASE NOTICE  
THREATENED AND ENDANGERED SPECIES

According to preliminary information all or portions of this lease area could contain Federal and/or State-listed threatened or endangered species and/or their habitats. Any proposed surface disturbing activity may require an inventory and consultation with the U.S. Fish and Wildlife Service and/or the State Wildlife agency. The consultation could take up to 180 days to complete. Surface occupancy could be restricted or not allowed as a result of the consultation. Appropriate modifications of the imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

LEASE NOTICE  
POTENTIAL CAVE OR KARST OCCURRENCE AREA

All or portion of the lease are 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.

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:

(No surface disturbance within 200 meters of the outer edge of the 100-year floodplain of the Pecos River)

For the purpose of:

Protecting occupied habitat for the Federally listed threatened Bluntnose Shiner species. This stipulation is a result of Section 7 consultation of the Endangered Species Act with the US Fish and Wildlife Service. Per the consultation, this stipulation cannot be waived on the lands described above.

GUADALUPE ESCARPMENT HABITAT MANAGEMENT AREA  
CONTROLLED SURFACE USE STIPULATION

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

Unless otherwise authorized, surface use or occupancy within the leased lands will be strictly controlled, or if absolutely necessary, excluded.

On the lands described below:

For the purpose of: Protecting the following special areas, values, purposes, and sensitive resource conditions:

1. Surface lands within four hundred (400) meters of:
  - o Existing and potential wildlife watering sites;
  - o Riparian areas, wetlands, springs, water wells, and ephemeral, intermittent, or perennial streams;
  - o Raptor nest sites which have been active for the past two years;
2. On slopes over 30 percent, or over 20 percent on extremely erodible or slumping soils.
3. Within identified flood hazard zones.

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

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:

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 of 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 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 plays 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

Bureau of Land Management  
Roswell/Carlsbad Field Offices

SENM-S-19  
December 1997

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

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 15 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 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 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 will 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 with the requirements of visual resource management to minimize visual impacts. Paint colors will be selected from the ten standard environmental colors 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.

For the purpose of: Protecting Visual Resources Management

PLAN OF DEVELOPMENT (POD) STIPULATION

A "plan of development" (POD) for the entire lease must be submitted for review and approval, including NEPA analysis, by the BLM, with concurrence from BOR, New Mexico Game and Fish Department, FWS, and New Mexico State Parks, as appropriate, PRIOR to approval of development (APD, Sundry Notices) actions. The POD must indicate planned access to well facilities (roads, pipelines, power lines), and the approximate location of well sites. Should it become necessary to amend the POD, the amendment must be approved prior to approval of subsequent development actions. Deviations from a current POD are not authorized until an amended POD has been approved by BLM.

This stipulation is a result of Section 7 consultation of the Endangered Species Act with the US Fish and Wildlife Service. Per the consultation this stipulation cannot be waived on the lands described above.

Bureau of Land Management  
Carlsbad Field Office

SENM-S-27  
November 14, 2002

NO SURFACE OCCUPANCY  
BRANTLEY LAKE STATE PARK

All or a portion of the lease is within the boundary of Brantley Lake State Park. Oil and gas lease development is prohibited within the State Park. The lease operator must consult with the State Parks, the Bureau of Reclamation, or the Bureau of Land Management Carlsbad Field Office to determine the exact location of the State Park boundary. The portion of the lease within the State Park may be developed by directional drilling techniques.

NO SURFACE OCCUPANCY  
HAYSTACK BUTTE ARCHEOLOGICAL DISTRICT

All or a portion of the lease is within the boundary of the Haystack Butte Archeological District (HBAD). A description of the restricted area is given below. Access for oil and gas lease development is prohibited within the HBAD. The portion of the lease within the HBAD may be developed by directional drilling from the outside the restricted area.

On the lands described below:

CONTROLLED SURFACE USE STIPULATION  
PALEONTOLOGY

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

- Restrict vehicles to existing roads and trails.
- Require a paleontological clearance on surface disturbing activities.

On the lands described below:

For the purpose of: To protect the area for scientific study.

- Bettonie Tsosie
- Kutz Canyon Paleontological Area
- Torrejon Fossil Fauna ACEC

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

Bureau of Land Management  
Farmington District Office

F-9  
May 1993

STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM  
UNDER JURISDICTION OF  
DEPARTMENT OF AGRICULTURE

The licensee/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 Supervisor  
National Forests in Texas  
At : 701 North First Street  
Lufkin, TX 75901  
Telephone No : (936) 639-8501

Who is the authorized representative of the Secretary of Agriculture.

CONTROLLED SURFACE USE STIPULATION  
NATIONAL FORESTS IN TEXAS

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

Portions of this lease contain stream side management zones (flood plains, wetlands). As a minimum, these areas are established within the 100 year flood plain of all intermittent streams and perennial streams, and 100 feet from the normal pool level contour of lakes. Site-specific proposals for surface-disturbing activities (such as pipelines and seismic surveys) within these areas will be analyzed and will normally result in establishment of protective requirements or limitations for the affected site. Surface occupancy for oil and gas wells will not be allowed within the stream side management zone. (MA-4-63)

On the lands described below:

For the purpose of: To meet visual quality objectives and protect stream side management zones 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

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

Trail between the Lakes. Proposals for drilling sites located 150 feet or less from the trail may be subject to special requirements or limitations, such to be determined on a case-by-case basis.

Trail may be crossed by vehicles but may not be used as a travel way. Vehicles may not parallel the trail closer than 25 feet. When crossing the trail with vehicles any brush pushed into the trail must be totally removed from the trail. Shot holes will be placed no closer than 25 feet from the trail's edge to meet public safety requirements. If necessary, the shot holes may be required to be located farther than 25 feet from the trail (FW-158).

On the lands described below:

For the purpose of: To protect the trail and meet visual quality objectives as per 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

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

Proposals for a structure, facility, or motorized uses on Toledo Bend Reservoir lands between the 172' and 175' MSL contours, or on a strip of land extending inland 200 meters from the 175' contour, may be subject to special requirements or limitations, such to be determined on a case-by-case basis.

On the lands described below:

For the purpose of: To meet visual quality objectives and protect lakeshores 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

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

Proposals for a structure, facility, or motorized uses on Sam Rayburn Reservoir lands above the 164' MSL contour and extending inland at least 200 meters or to the 179' MSL contour, whichever is greater, may be subject to special requirements or limitations, such to be determined on a case-by-case basis.

On the lands described below:

For the purpose of: To meet visual quality objectives and protect lakeshores 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

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

Portions of this lease may contain large (greater than 40 acres) areas identified under the Texas Natural Heritage Program's Sensitive Plant and Natural Community Inventory. These areas may contain bogs and seeps or sensitive plants and plant communities. Site-specific proposals for surface-disturbing activities within these areas will be analyzed. Such analysis could result in establishment of protective requirements, limitations for the affected site, or possibly require relocation of the activities.

On the lands described below:

For the purpose of:

To meet requirements of the National Forest Management Act of 1976 and regulation, 36 CFR 219.26. Also to protect and promote sustainable populations of unique plants or plant communities as per 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

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

Portions of the land in this lease are, or may be, occupied by clusters of the endangered red-cockaded woodpecker. Exploration and development proposals may be modified and/or limited, including no surface occupancy, within 1/4 mile of an active red-cockaded woodpecker cluster. In addition, if foraging habitat is limited, no surface occupancy may occur within 1/2 mile of an active red-cockaded woodpecker cluster. Upon receipt of a site-specific proposal, the Forest Service will provide current inventory records of cluster locations and may require that localized surveys be performed to assure no uninventoried clusters are present. (MA-2-80-4.6)

On the lands described below:

For the purpose of:

To protect red-cockaded woodpecker clusters foraging and habitat areas in accordance with the National Forest 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.)

NO SURFACE OCCUPANCY STIPULATION  
NATIONAL FORESTS IN TEXAS

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

Areas along lakeshore of Tracts S-5c where visual resources would be severely impacted by drilling facilities.

For the purpose of:

To meet visual quality objectives and to protect lakeshore 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.)

LEASE NOTICE  
NATIONAL FORESTS IN TEXAS

East Liberty Cemetery lies within Tract S-1Ad.

Gellatly Cemetery lies within Tract S-1As.

Jones Cemetery lies within Tract S-2k-I Parcel I.

LEASE NOTICE  
NATIONAL FORESTS IN TEXAS

Bald Eagles. Part or all of this lease is within one (1) mile of a bald eagle nesting site. During nesting periods, from approximately October 1 through May 15 per year, seismic exploration, new clearing of vegetation, and exploratory drilling may be restricted if, in the opinion of the responsible agency biologist, restrictions are necessary to assure nesting success.

LEASE NOTICE  
NATIONAL FORESTS IN TEXAS

Proposals for surface occupancy, other than foot travel, below the 172' MSL contour will require concurrence of the United States Corps of Engineers prior to issuance of a Forest Service decision on that proposal. In addition, the Sabine River Authority of Texas will be requested to comment on such proposals.

LEASE NOTICE #5  
NATIONAL FORESTS IN TEXAS

This lease does not, nor is it intended to, include any lands within Indian Mounds Wilderness. Additional information concerning the identification of the boundary of this Special Management Area can be obtained from the:

Forest Supervisor  
701 North First Street,  
Lufkin, TX 75901

LEASE NOTICE #5B  
NATIONAL FORESTS IN TEXAS

Lands contained within this lease are subject to the Forest Service Interim Rule, "Administration of the Forest Development Transportation System: Temporary Suspension of Road Construction and Reconstruction in Unroaded Areas; Federal Register/Vol. 64, No. 29/ Friday, February 12, 1999, pages 7290 through 7305. These lands will also be subject to the final road management policy.

No road construction will be allowed within the unroaded area until the Forest Service adopts its revised road management policy or 18 months from the effective date of this final interim rule, whichever is sooner.

On the lands described below:

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

[www.nm.blm.gov](http://www.nm.blm.gov)



## 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