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

Competitive Oil & Gas
Lease Sale

July 20, 2005
www.nm.blm.gov
Bureau of Land Management
1474 Rodeo Road
Santa Fe, NM 87504
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 and Oklahoma for oil and gas leasing. This notice describes:

- The time and place of the sale;
- How the sale will be conducted;
- How to participate in the bidding process;
- The sale process;
- How long the sale will last;
- The conditions of the sale;
- How to file a noncompetitive offer after the sale; and
- How to file a pre-sale noncompetitive offer;
- How to file a protest to our offering the lands in 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. They are listed in Range and Township order by state and land type and will be offered in that sequence. Below each parcel we have included any stipulations, lease notices, special conditions, or restrictions that will be made a part of the lease at the time we issue it. 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, lease notices, etc. 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, July 20, 2005. The Lobby Area at the National Park Service, Paisano Building will be used to register all bidders. Registration will start at 8:00 a.m. through 9:00 a.m. so you can obtain your bidding number.

Where: We will hold the sale at the NATIONAL PARK SERVICE, in the second floor conference room, (Cactus Room No., 2080), 2968 Rodeo Park Drive West, Paisano Building, Santa Fe, New Mexico, 87505 (see attached map).

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
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 Lobby Area at the National Park Service. 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. However, if you believe the auctioneer has made an error or not acknowledged your bid, you must immediately make your concerns known to the auctioneer. Once the auctioneer has opened the bidding on the next parcel available for an oil and gas lease, the decisions made on the previous parcels offered are final.

The minimum bid BLM can accept is $2.00 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 x 101 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(s), 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. 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 $2.00 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 **August 3, 2005**, which is the 10th 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, money order, or credit card (Visa, MasterCard, American Express or Discover Card only). 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 money order. **Note for customers planning to pay with Credit Card, effective February 1, 2005, BLM will not accept credit or debit card payments to the Bureau for any amount equal to or greater than $100,000. Payments of $100,000 or more should be made by Automated Clearing House (ACH) or Federal Wire Transfer. We suggest that no one plan to make a payment of $100,000 or more by credit card.** 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, copy included) 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.

**Federal acreage limitations:** Qualified individuals, associations, or corporations may only participate in a competitive lease sale and purchase Federal oil and gas leases from this office if such purchase will not result in exceeding the State limit of 246,80 acres of public domain lands and 246,080 acres of acquired lands (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations, you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. Lease acreage committed to a unit agreement or development contract that you hold, own or control is excluded from chargeability for acreage limitation purposes.

The acreage limitations and certification requirements apply for competitive oil and gas lease sales, noncompetitive lease offers, transfer of interest by assignment of record title or operating rights, and options to acquire interest in leases regardless of whether an individual, association, or corporation has received, under 43 CFR 3101.2-4, additional time to divest excess acreage acquired through merger or acquisition.

**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 ($2.00 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:

- The township and range contain additional zeros. For example, T. 28 N., R. 32 E., is shown as T 0280N, R 0320E (additional zeros Underlined).

- The section numbers contain additional leading zeros. For example, section 4 is shown as sec. 004.
-Lands are described separately by lots, aliquot parts, tracts, and exceptions to survey for each section.

-LR2000 will code a ½ township as a 2 in the database. This 2 will appear as the last digit in the number. For example, T 14 ½ N, 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 saleroom 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 computed at ($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.

Your noncompetitive presale offer to lease must be filed prior to the official posting of this sale notice. 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 October 19, 2005. Please send nominations for that sale by June 10, 2005.

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 during our regular business hours of 8:00 a.m. to 4:00 p.m. local time, Monday through Friday, excluding Federal holidays, prior to the day of the sale. If you file your protest by means of a facsimile machine (fax), the fax must be received by the State Director prior to the day of the sale. Subsequent to our fax transmission, you must submit a hard copy of your protest to the State Director. Regardless of the method you use to submit your protest (United Stated Postal Service, courier, hand delivery, fax, etc.), it must be received by the State Director during our regular business hours of 8:00 a.m. to 4:00 p.m. local time, Monday through Friday, excluding Federal Holidays, prior to the day of the sale. Please note, you may not submit your protest electronically via email. 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.

**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**
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
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR
GEOTHERMAL RESOURCES LEASE BID

STATE DATE OF SALE

AMOUNT OF BID (See Instructions below)

TOTAL BID PAYMENT SUBMITTED WITH BID

PARCEL NUMBER

THE BID IS FOR (Check one):

☐ Oil and Gas Parcel Number

☐ 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 lease 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 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 by 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)
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.

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.


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

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

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) 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.

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. 20203 and the Office of Management and Budget. Desk Officer for the Interior Department, Office of Regulatory Affairs (1004-0074), Washington, D.C. 20036.
United States
Department of the Interior
Bureau of Land Management

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 $ ___________________________ Total acres applied for ___________
   Rental fee $ ___________________________ Total $ ___________________________

   Do not write below this line

3. Land included in lease:

   T. R. Meridian State County

   Total acres in lease ___________
   Rental retained $ ___________

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

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

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☐ Competitive lease (ten years)

☐ Other ___________________________ EFFECTIVE DATE OF LEASE ___________

(Continued on reverse)
LEASE TERMS

Sec. 1. Rental—Rental shall be paid to the proper office of lessor in advance of each lease year. Annual rental payment for each lease year shall be:

(a) Noncompetitive lease, $1.50 for the first 5 years; thereafter $2.00.
(b) Competitive lease, $1.50 for the first 5 years; thereafter $2.00.
(c) Other, see attachment, or as specified in regulations at the time this lease is issued.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan does not contain 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 years not within a participating and/or royalty-bearing area.

Failure to pay annual rentals, 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 provisions of production, or production after production has been sold. Royalty rates are:

(a) Noncompetitive lease, 12½%.
(b) Competitive lease, 12½%.
(c) Other, see attachment; or as specified in regulations at the time this lease is issued.

Lessee 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 measured by the normal practices and procedures authorized by the Secretary as to the mining and/or processing of identical or similar resources of identical or similar quality, and as to the quality, standard, grade, and specification of the royalty-bearing resource. Royalties shall be due and payable on the royalty-bearing resource or the equivalent amount of other resources. Royalties may be required to complete minor inventories or special term studies when required by the Secretary for the purpose of making a determination of the value of the royalty-bearing resource. Royalties shall be payable to the proper office of the Secretary upon presentation of an invoice issued under the terms of the lease.

Minimum royalty in lieu of rental of not less than the rental which would otherwise 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 lessee's resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Oil and Gas Royalty Management Act of 1982 (POGORMA) (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 POGORMA 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. Lessee reserves right to specify rates of development and production in the public interest and to require lease to subscribe to a cooperative or unit plan, within 30 days of notice, in accordance with regulations established for proper development of the lease and the efficient utilization of the productive capacity of the lands embraced by 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 lessee.

Sec. 5. Documents, evidence, and inspection—Lessee shall file with the proper office of lessee, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. As such times and in such form as the lessee 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 by the Secretary to provide in its books or records Liberian data which the Secretary may prescribe, including but not limited to data concerning development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by the lessee, lessee shall keep a daily drilling record, a log, information concerning the location of such tests, and a record of subsurface investigations and furnishing copies to lessee when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessee, 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 study by lessee. Lessee shall retain 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 lessee.

During existence of this lease, information obtained under this section shall be closed to 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, water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessee 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. Lessee reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the right of easement of access in a common way. Such uses shall be conditioned so as to prevent unreasonable or unnecessary interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to apprise of procedures to be followed and modifications or reclamation measures that may be necessary. Areas disturbed shall be reclaimed and restored in a manner consistent with the lease, and provisions of impact analysis, mitigation, and reclamation measures, and as to other resources. Lessee may be required to complete minor inventories or special term studies when required by the Secretary for the purpose of making a determination of the value of the royalty-bearing resource.

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, lessee reserves the right to deny approval of such operations.

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

Sec. 9. Damages to property—Lessee shall pay lessee for damage to lessee's improvements, and shall save and hold lessee 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.

Lessee 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 company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with section 2 of the Antitrust Act (15 U.S.C. 2).

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 lessee 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 relinquishment declaration, which shall be effective as of the date of filing, subject to the continued obligations of the lessee and the Secretary which are in effect at the time of such relinquishment.

Sec. 12. Delivery of premises—At such time as all or portions of this lease are returned to lessor, lessee shall proceed to remove all improvements, equipment, property, and buildings. All materials and equipment will be removed from the premises of lessee to other lands in a net worth condition equal to the fair market value at the time of installation.
## Lease Sale Statistics by State

Parcels with and without Pre-sale Noncompetitive Priority Offers

<table>
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<tr>
<th>STATE</th>
<th>PARCELS WITH PRESALE OFFER</th>
<th>PARCELS WITHOUT PRESALE OFFER</th>
<th>TOTAL PARCELS</th>
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NEW MEXICO PUBLIC DOMAIN

NM-200507-001       1600.000 Acres
T.0260S, R.0120E, 23 PM, NM
Sec. 015  N2,E2SW,SE;
022  E2,E2NW;
023  ALL;
Otero County
Las Cruces FO
THE SUCCESSFUL BIDDER IS REQUIRED TO
JOIN EXPLORATORY UNIT NMNM 94469-X.
NMNM 66213
Stipulations:
LC-37A Desert Grassland Habitat
LC-38  Designated Historic Trails
LC-40  Special Status Species Habitats
LC-47  Authorized Surface Disturbance
LC-48  Traditional Cultural Properties
WO-ESA-7 Endangered Species Act

NM-200507-002       2560.000 Acres
T.0040S, R.0210E, 23 PM, NM
Sec. 026  ALL;
027  ALL;
034  ALL;
035  ALL;
Chaves County
Roswell FO
PENDING PRESALE OFFER NO. NMNM 113608
NMNM 32331, NMNM 86959
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-003       1120.440 Acres
T.0050S, R.0210E, 23 PM, NM
Sec. 001  LOTS 1-4;
002  S2N2,SW;
003  LOTS 1-4;
003  S2N2,S2;
Chaves County
Roswell FO
NMNM 36185, NMNM 78339
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-004       1921.070 Acres
T.0050S, R.0210E, 23 PM, NM
Sec. 004  LOTS 1-4;
004  S2N2,S2;
009  ALL;
010  ALL;
Chaves County
Roswell FO
PENDING PRESALE OFFER NO. NMNM 113608
NMNM 78339, NMNM 78340, NMNM 82828
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-005       2545.910 Acres
T.0050S, R.0210E, 23 PM, NM
Sec. 005  LOTS 1-4;
005  S2N2,S2;
006  LOTS 1-7;
006  S2NE,SENM,E2SW,SE;
007  LOTS 1-4;
007  E2,E2W2;
008  ALL;
Chaves County
Roswell FO
PENDING PRESALE OFFER NO. NMNM 113608
NMNM 36186, NMNM 78339, NMNM 82828
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-006       1280.000 Acres
T.0050S, R.0210E, 23 PM, NM
Sec. 015  ALL;
022  ALL;
Chaves County
Roswell FO
PENDING PRESALE OFFER NO. NMNM 113608
NMNM 78341
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
NM-200507-007  1793.740 Acres
T.0050S, R.0210E, 23 PM, NM
Sec. 017  ALL;
  018  LOTS 1-4;
  018  E2,E2W2;
  019  LOTS 1;
  019  N2NE,NENW;
  020  W2NE,NW;
  021  NENE,S2SW;
Chaves County
Roswell FO
PENDING PRESALE OFFER NO. NMNM 113608
NMNM 36186, NMNM 82828
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
(SEc. 21)
SENM-S-20 Spring, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-008  320.000 Acres
T.0050S, R.0210E, 23 PM, NM
Sec. 023  E2;
Chaves County
Roswell FO
NMNM 36188
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-20 Spring, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-009  2556.360 Acres
T.0040S, R.0220E, 23 PM, NM
Sec. 017  ALL;
  018  LOTS 1-4;
  019  E2,E2W2;
  020  N2NW,SWNW,W2SW,SESW;
  021  NESE,S2SE;
  028  W2;
Chaves County
Roswell FO
NMNM 32333, NMNM 32333-A, NMNM 32334
NMNM 32336, NMNM 32316
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Spring, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-010  640.000 Acres
T.0040S, R.0220E, 23 PM, NM
Sec. 033  ALL;
Chaves County
Roswell FO
NMNM 32336
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-011  1520.000 Acres
T.0050S, R.0220E, 23 PM, NM
Sec. 008  N2S2,S2SW;
  009  NE,N2SW,E2SE;
  017  S2NE,E2NW,NESW,SE;
  020  N2,SW,E2SW,SESE;
Chaves County
Roswell FO
PENDING PRESALE OFFER NO. NMNM 113607
NMNM 36700, NMNM 36703, NMNM 86879
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-012  1520.000 Acres
T.0050S, R.0220E, 23 PM, NM
Sec. 010  ALL;
  015  NW,N2S2;
  021  W2;
  029  NE,E2NW;
Chaves County
Roswell FO
PENDING PRESALE OFFER NO. NMNM 113607
NMNM 36703, NMNM 81875, NMNM 86880
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
NM-200507-013        2542.610 Acres
T.0070S, R.0220E, 23 PM, NM
Sec. 004  LOTS 1-4;
  004  S2N2,W2SW,SESW,SE;
  005  LOTS 1-4;
  005  S2N2,02;
  006  LOTS 1-7;
  006  S2NE,SENW,E2SW,SE;
  007  LOTS 1-4;
  007  E2,E2W2;
Chaves County
Roswell FO
NMNM 37612, NMNM 36713
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-014        680.500 Acres
T.0130N, R.0250E, 23 PM, NM
Sec. 007  LOTS 3,4;
  007  NENE,E2SW;
  008  SENE,NWNW;
  010  LOTS 2,3,4;
  010  NESW;
  015  LOTS 1;
  015  NWNE;
  017  SESE;
  018  LOTS 1,4;
  018  NESW;
San Miguel County
Taos FO
NMNM 43893
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-NSO (Conchas Lake)

NM-200507-015        160.000 Acres
T.0130N, R.0250E, 23 PM, NM
Sec. 015  NW;
San Miguel County
Taos FO
NMNM 43893
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains

NM-200507-016        80.000 Acres
T.0150S, R.0250E, 23 PM, NM
Sec. 030  W2SE;
Chaves County
Roswell FO
NMNM 68073
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-017        120.000 Acres
T.0200S, R.0250E, 23 PM, NM
Sec. 025  SENE,E2SE;
Eddy County
Carlsbad FO
NMNM 94073
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-018        160.000 Acres
T.0200S, R.0250E, 23 PM, NM
Sec. 026  SW;
Eddy County
Carlsbad FO
NMNM 94074
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-019        1278.800 Acres
T.0100S, R.0260E, 23 PM, NM
Sec. 018  LOTS 1-4;
  018  E2,E2W2;
  019  ALL;
Chaves County
Roswell FO
NMNM 28868, NMNM 69360
NMNM 69361, NMNM 71748
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-020        335.480 Acres
T.0120S, R.0260E, 23 PM, NM
Sec. 004  LOTS 1-3;
  004  SENE,SE;
Chaves County
Roswell FO
NMNM 69156
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-38 NSO-Overflow Wetlands w/map
NM-200507-021 200.000 Acres
T.0120S, R.0260E, 23 PM, NM
Sec. 009 N2N2,SENE;
Chaves County
Roswell FO
NMNM 70879
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-38 NSO-Overflow Wetlands w/map

NM-200507-022 155.430 Acres
T.0130S, R.0270E, 23 PM, NM
Sec. 019 LOTS 1,2;
019 E2NW;
Chaves County
Roswell FO
NMNM 94592
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-21 Caves and Karst

NM-200507-023 1960.000 Acres
T.0130S, R.0270E, 23 PM, NM
Sec. 025 NWNE,E2W2,SE;
025 ALL;
027 N2,SE;
035 N2,SW;
Chaves County
Roswell FO
NMNM 60043, NMNM 62186
NMNM 68646, NMNM 90516
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-024 360.000 Acres
T.0140S, R.0270E, 23 PM, NM
Sec. 002 W2SW;
006 S2NE,SENW;
007 NE;
Chaves County
Roswell FO
NMNM 43540, NMNM 62186, NMNM 62187
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-025 1600.000 Acres
T.0140S, R.0270E, 23 PM, NM
Sec. 022 NENE,S2NE,NNW,W2SW,SE;
028 W2NE,W2SE;
029 ALL;
Chaves County
Roswell FO
NMNM 16094, NMNM 57516, NMNM 58030
NMNM 60763, NMNM 85868, NMNM 90517
Stipulations:
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management

NM-200507-026 280.000 Acres
T.0160S, R.0270E, 23 PM, NM
Sec. 026 NW,N2SE,SWSE;
Eddy County
Carlsbad FO
NMNM 062623-B
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains

NM-200507-027 640.000 Acres
T.0250S, R.0270E, 23 PM, NM
Sec. 029 ALL;
Eddy County
Carlsbad FO
NMNM 38345, NMNM 53222
NMNM 82872, NMNM 85873
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains

NM-200507-028 638.400 Acres
T.0250S, R.0270E, 23 PM, NM
Sec. 031 LOTS 1-4;
031 E2,E2W2;
Eddy County
Carlsbad FO
NMNM 88119
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-17 Slopes or Fragile Soils
Gypsum Soils
NM-200507-029  
**1200.000 Acres**  
T.0260S, R.0270E, 23 PM, NM  
Sec. 028  NENE, W2E2, W2, SESE;  
029  ALL;  
Eddy County  
Carlsbad FO  
NMNM 39138, NMNM 62906, NMNM 66919  
NMNM 81727, NMNM 85878  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-17 Slopes or Fragile Soils  
Gypsum Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
Floodplains  
SENM-S-20 Springs, Seeps, and Tanks

NM-200507-030  
**622.770 Acres**  
T.0130S, R.0280E, 23 PM, NM  
Sec. 019  LOTS 3, 4;  
019  E2SW, SE;  
031  LOTS 1-4;  
031  E2NW, NESW;  
Chaves County  
Roswell FO  
NMNM 60046, NMNM 63726, NMNM 90888  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-17 Slopes or Fragile Soils  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

NM-200507-031  
**2560.000 Acres**  
T.0130S, R.0280E, 23 PM, NM  
Sec. 023  S2;  
024  S2;  
025  ALL;  
026  ALL;  
035  ALL;  
Chaves County  
Roswell FO  
NMNM 54280, NMNM 56727, NMNM 64960,  
NMNM 76996, NMNM 90887  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

NM-200507-032  
**440.110 Acres**  
T.0140S, R.0280E, 23 PM, NM  
Sec. 023  S2;  
024  S2;  
025  ALL;  
026  ALL;  
035  ALL;  
Chaves County  
Roswell FO  
NMNM 17218, NMNM 57250  
Stipulations:  
SENM-LN-1 Cave - Karst Occurrence Area  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-21 Caves and Karst  
SENM-S-25 Visual Resource Management

NM-200507-033  
**599.680 Acres**  
T.0200S, R.0300E, 23 PM, NM  
Sec. 005  LOTS 1-4;  
005  S2N2, N2SW, SESE;  
Eddy County  
Carlsbad FO  
NMNM 84720  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-1 Potash Stipulation  
SENM-S-17 Slopes or Fragile Soils  
Gypsum Soils  
SENM-S-18 Streams, Rivers, and Floodplains  
Floodplains  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-30A - NSO Potash Area  
(Sec. 5: Lot 1, SENE, NWSW, SESE)

NM-200507-034  
**640.000 Acres**  
T.0230S, R.0300E, 23 PM, NM  
Sec. 017  ALL;  
Eddy County  
Carlsbad FO  
NMNM 92179  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-1 Potash Stipulation  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-30 NSO - Potash Area  
(Sec. 17: SWNW, NNSW, E2SW, W2SE, SESE)

NM-200507-035  
**640.000 Acres**  
T.0230S, R.0300E, 23 PM, NM  
Sec. 024  ALL;  
Eddy County  
Carlsbad FO  
NMNM 21007, NMNM 0532516, NMNM 0532341  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-1 Potash Stipulation  
SENM-S-15 Wildlife Habitat Projects  
SENM-S-30 NSO - Potash Area  
(Sec. 24: NE, N2NW, SENW, E2SW, SESE)

NM-200507-036  
**1039.890 Acres**  
T.0230S, R.0330E, 23 PM, NM  
Sec. 005  LOTS 3, 4;  
005  S2NW, W2SE;  
011  ALL;  
014  SW;  
Lea County  
Carlsbad FO  
NMNM 92194, NMNM 92778, NMNM 93216  
Stipulations:  
NM-11-LN Special Cultural Resource Lease  
Notice  
SENM-S-19 Playas and Alkali Lakes  
SENM-S-22 Prairie Chickens  
(SEC. 05)  
SENM-S-36 NSO-LPC/SDL Habitat
NM-200507-037  40.850 Acres
T.0250S, R.0360E, 23 PM, NM
Sec. 006  LOTS 6;
Lea County
Carlsbad FO
NMNM 94133
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-038  1920.000 Acres
T.0250S, R.0360E, 23 PM, NM
Sec. 015  ALL;
022  E2;
027  ALL;
033  N2;
Lea County
Carlsbad FO
NMNM 94133
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-19 Playas and Alkali Lakes

NM-200507-039  240.000 Acres
T.0250S, R.0360E, 23 PM, NM
Sec. 030  S2SE;
031  NE;
Lea County
Carlsbad FO
NMNM 94133
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-19 Playas and Alkali Lakes
SENM-S-37 NSO-Lesser Prairie Chicken Habitat

NM-200507-040  240.070 Acres
T.0250S, R.0360E, 23 PM, NM
Sec. 031  SENW,E2SW,SWSE;
Lea County
Carlsbad FO
NMNM 94133
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-37 NSO-Lesser Prairie Chicken Habitat

NM-200507-041  240.000 Acres
T.0230S, R.0380E, 23 PM, NM
Sec. 007  N2NE,SWNE,SWNW,E2SW;
Lea County
Carlsbad FO
NMNM 93241, NMNM 94638
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-19 Playas and Alkali Lakes

NM-200507-042  1160.000 Acres
T.0230S, R.0380E, 23 PM, NM
Sec. 017  SWNE,W2,SE;
018  ALL;
Lea County
Carlsbad FO
NMNM 81751, NMNM 92211
NMNM 93502, NMNM 94638
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens

NM-200507-043  447.030 Acres
T.0230S, R.0380E, 23 PM, NM
Sec. 030  SESW,SE;
033  LOTS 4;
033  NW,N2SW;
Lea County
Carlsbad FO
NMNM 94638
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens

NM-200507-044  1921.720 Acres
T.0170N, R.0030W, 23 PM, NM
Sec. 003  LOTS 1-4;
003  S2N2,S2;
004  LOTS 1-4;
004  S2N2,S2;
005  LOTS 1-4;
005  S2N2,S2;
Sandoval County
Farmington FO
NMNM 38277, NMNM 38574, NMNM 57440
NMNM 71507, NMNM 80470,NMMN 84811
NMNM 92119
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-045  1200.000 Acres
T.0180N, R.0030W, 23 PM, NM
Sec. 021  W2SW;
027  N2NE,SENE,E2NW,S2;
028  N2,SW;
029  N2SE,SWSE;
Sandoval County
Farmington FO
NMNM 84668, NMNM 84669, NMNM 84816
NMNM 87224, NMNM 89121, NMNM 92734
NMNM 97832
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
NM-200507-046  1120.000 Acres
T.0180N, R.0030W, 23 PM, NM
Sec. 032  ALL;
034  E2,SW;
Sandoval County
Farmington FO
NMNM 57440, NMNM 62748, NMNM 63557
NMNM 89778, NMNM 89779, NMNM 92735
NMNM 94572
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-047  62.960 Acres
T.0200N, R.0030W, 23 PM, NM
Sec. 005  LOTS 3,4;
Sandoval County
Farmington FO
NMNM 46961
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-048  640.000 Acres
T.0210N, R.0030W, 23 PM, NM
Sec. 032  ALL;
Sandoval County
Farmington FO
NMNM 24445
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-049  319.640 Acres
T.0170N, R.0040W, 23 PM, NM
Sec. 006  LOTS 1,2;
006  S2NE,SE;
Sandoval County
Farmington FO
NMNM 93444
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-050  301.140 Acres
T.0190N, R.0040W, 23 PM, NM
Sec. 004  LOTS 3,4;
004  S2NW,SE;
Sandoval County
Farmington FO
NMNM 89782
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-051  1000.670 Acres
T.0200N, R.0040W, 23 PM, NM
Sec. 003  LOTS 1-4;
003  S2N2,S2;
010  N2NE;
011  SENW;
017  N2;
Sandoval County
Farmington FO
NMNM 20903, NMNM 56302, NMNM 82809
NMNM 93245, NMNM 99145
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
RP-11-CSU Torrejon Fossil ACEC

NM-200507-052  2560.000 Acres
T.0210N, R.0040W, 23 PM, NM
Sec. 015  ALL;
020  ALL;
021  ALL;
022  ALL;
Sandoval County
Farmington FO
NMNM 63560, NMNM 78050
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-053  1283.720 Acres
T.0210N, R.0040W, 23 PM, NM
Sec. 019  LOTS 1-4;
019  E2,E2W2;
030  LOTS 1-4;
030  E2,E2W2;
Sandoval County
Farmington FO
NMNM 23230, NMNM 25612, NMNM 35612
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
RP-11-CSU Torrejon Fossil ACEC

NM-200507-054  2000.000 Acres
T.0210N, R.0040W, 23 PM, NM
Sec. 027  W2,N2SE;
028  ALL;
029  ALL;
031  E2;
Sandoval County
Farmington FO
NMNM 23230, NMNM 78050
NMNM 81608, NMNM 93246
Stipulations:
NM-11-LN Special Cultural Resource Lease
Notice
RP-11-CSU Torrejon Fossil ACEC
NM-200507-055  320.000 Acres  
T.0310N, R.0040W, 23 PM, NM  
Sec. 035  N2;  
Rio Arriba County  
Farmington FO  
NMNM 89783  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-056  1040.000 Acres  
T.0210N, R.0070W, 23 PM, NM  
Sec. 021  E2SW;  
028  NE;  
029  NE,S2;  
033  W2;  
Sandoval County  
Farmington FO  
NMNM 93251  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-057  320.000 Acres  
T.0240N, R.0100W, 23 PM, NM  
Sec. 011  SE;  
023  SW;  
San Juan County  
Farmington FO  
NMNM 16763  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-058  320.000 Acres  
T.0250N, R.0100W, 23 PM, NM  
Sec. 034  NW;  
035  SE;  
San Juan County  
Farmington FO  
NMNM 28757, NMNM 62979  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-059  320.000 Acres  
T.0240N, R.0110W, 23 PM, NM  
Sec. 026  N2;  
San Juan County  
Farmington FO  
NMNM 19160  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-060  1279.080 Acres  
T.0250N, R.0130W, 23 PM, NM  
Sec. 005  LOTS 1-3,5-9;  
005  S2N2,S2;  
008  ALL;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111540  
NMNM 29768  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-061  2136.170 Acres  
T.0250N, R.0130W, 23 PM, NM  
Sec. 006  LOTS 1-14;  
006  S2NE,SE;  
007  LOTS 1-12;  
007  E2;  
018  LOTS 1-12;  
018  E2;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111540  
NMNM 27928, NMNM 29768, NMNM 42742  
NMNM 61274, NMNM 61941, NMNM 87298  
NMNM 88076  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-062  1457.170 Acres  
T.0250N, R.0130W, 23 PM, NM  
Sec. 009  ALL;  
017  ALL;  
T.0260N, R.0130W, 23 PM, NM  
Sec. 031  LOTS 10;  
031  N2NE,S2SE;  
San Juan County  
Farmington FO  
PENDING PRESALE OFFER NO. NMNM 111540  
NMNM 37565, NMNM 63586, NMNM 65534  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease Notice

NM-200507-063  320.000 Acres  
T.0250N, R.0110W, 23 PM, NM  
Sec. 026  N2;  
San Juan County  
Farmington FO  
NMNM 19160  
Stipulations:  
BIA-1  
BIA-3  
BIA-4  
NM-11-LN Special Cultural Resource Lease Notice
NM-200507-063  1996.880 Acres
T.0250N, R.0130W, 23 PM, NM
Sec. 019 LOTS 1-12;
019 SE;
030 LOTS 1-12;
030 E2;
031 LOTS 1-12;
031 E2;
San Juan County
Farmington FO
PENDING PRESALE OFFER NO. NMNM 111541
NMNM 27928, NMNM 42742, NMNM 56671,
NMNM 57453, NMNM 70137, NMNM 87299,
NMNM 87307, NMNM 87308
Stipulations:
BIA-1
BIA-3
BIA-4
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-064  1120.000 Acres
T.0250N, R.0130W, 23 PM, NM
Sec. 020 E2,SW;
San Juan County
Farmington FO
PENDING PRESALE OFFER NO. NMNM 111541
NMNM 87300, NMNM 87301
Stipulations:
BIA-1
BIA-3
BIA-4
NM-11-LN Special Cultural Resource Lease
Notice

NEW MEXICO ACQUIRED - NW

NM-200507-065  480.000 Acres
T.0250N, R.0130W, 23 PM, NM
Sec. 028 W2,SE;
San Juan County
Farmington FO
PENDING PRESALE OFFER NO. NMNM 111541
NMNM 57453, NMNM 87304, NMNM 87305
Stipulations:
BIA-1
BIA-3
BIA-4
NM-11-LN Special Cultural Resource Lease
Notice

NM-200507-067  160.000 Acres
T.0260N, R.0130W, 23 PM, NM
Sec. 032 NE;
San Juan County
Farmington FO
NMNM 65382
Stipulations:
BIA-1
NM-11-LN Special Cultural Resource Lease
Notice
**This parcel contains an unplugged well. The successful bidder will be
required to submit a $10,000 bond to assume liability for the existing fruitland
coal well, unless adequate Statewide or Nationwide bond coverage is already being
maintained.

OKLAHOMA PUBLIC DOMAIN

NM-200507-069  9.750 Acres
T.0170N, R.0020E, 17 IM, OK
Sec. 008 LOTS 9;
008 REMAINDER OF LOT 8;
008 ACC & RIP TO LOTS 8 & 9;
008 SEE EXH A FOR M&B W/MAP;
Payne County
Tulsa FO
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
ORA-3 Season of Use Stipulation
ORA (LN-1) Threatened & Endangered Species

NM-200507-070  150.000 Acres
T.0010S, R.0100E, 17 IM, OK
Sec. 008 LOTS 9;
008 REMAINDER OF LOT 8;
008 ACC & RIP TO LOTS 8 & 9;
008 SEE EXH A FOR M&B W/MAP;
Coal County
Tulsa FO
PENDING PRESALE OFFER NO. OKNM 113599
Stipulations:
NM-8 Coal Reserves (Lease Notice)
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
NM-200507-071 39.710 Acres
T.0230N, R.0160W, 17 IM, OK
Sec. 030  LOT 3;
Major County
Tulsa FO
OKNM 60804
Stipulations:
None

NM-200507-072 40.000 Acres
T.0020N, R.0240W, 17 IM, OK
Sec. 007  NESW;
Harmon County
Tulsa FO
OKNM 55998
Stipulations:
None

NM-200507-073 80.000 Acres
T.0030N, R.0250W, 17 IM, OK
Sec. 025  S2SE;
Harmon County
Tulsa FO
OKNM 62951
Stipulations:
None

OKLAHOMA ACQUIRED

NM-200507-074 447.200 Acres
T.0280N, R.0030E, 17 IM, OK
Sec. 025  TR 1504 (PART OF);
025  NESW PART OF TR 1507;
025  ACC & RIP TO LOTS 2-4;
026  TR 1508;
026  TR 1504 (PART OF);
026  ACC & RIP TO LOTS 8-13;
026  SEE EXHIBIT B FOR M&B'S;
Kay County
Tulsa FO
CORPS OF ENGINEERS
KAW LAKE PROJECT
OKNM 44671, OKNM 58634
Stipulations:
COE SS-1-A (KAW LAKE)

NM-200507-075 320.000 Acres
T.0270N, R.0040E, 17 IM, OK
Sec. 008  TR 1421;
Kay County
Tulsa FO
CORPS OF ENGINEERS
KAW LAKE PROJECT
OKNM 66285
Stipulations:
COE SS-1-A (KAW LAKE)

NM-200507-076 27.810 Acres
T.0080N, R.0170E, 17 IM, OK
Sec. 018  TR J-1011;
Pittsburg County
Tulsa FO
CORPS OF ENGINEERS
EUFAULA LAKE PROJECT
OKNM 51256
Stipulations:
COE SS-1-A (EUFAULA LAKE)

NM-200507-077 560.830 Acres
T.0030N, R.0240E, 17 IM, OK
Sec. 001  LOTS 1,2;
001  S2NE,SE;
002  LOTS 1-4;
002  S2NE;
Le Flore County
Tulsa FO
CORPS OF ENGINEERS
EUFAULA LAKE PROJECT
OKNM 66285
Stipulations:
FS1
FS8(OK)CSU-1A
FS8(OK)CSU-1B
(Sec. 01)
FS8(OK)LN-3
FS8(OK)LN-4

NM-200507-078 1423.020 Acres
T.0030N, R.0240E, 17 IM, OK
Sec. 003  LOTS 1-4;
003  S2N2,SE;
004  LOTS 1-4;
004  S2N2;
005  SE;
006  LOTS 1-5;
006  S2NE,SENW;
007  LOTS 3,4;
007  E2SW;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 105173
Stipulations:
FS1
FS8(OK)CSU-1A
(Secs. 3, 4, 5 & 6)
FS8(OK)CSU-1B
(Secs. 5, 6 & 7)
FS8(OK)CSU-1C
(Sec. 7)
FS8(OK)LN-3
FS8(OK)LN-4
NM-200507-079        960.000 Acres
T.0030N, R.0240E, 17 IM, OK
Sec.  020   S2;
        021   E2;
        023   SW;
        024   NW;
Le Flore County
Tulsa FO
OKNM 69194, OKNM 70917, OKNM 71586
Stipulations:
FS1
FS8(OK)CSU-1A
  (Sec. 24)
FS8(OK)CSU-1C
  (Sec. 23)
FS8(OK)LN-3
FS8(OK)LN-4

NM-200507-080        1760.000 Acres
T.0030N, R.0240E, 17 IM, OK
Sec.  025   W2;
        026   W2;
        027   ALL;
        028   N2,SE;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 69194, OKNM 71586
Stipulations:
FS1
FS8(OK)CSU-1C
  (Sec. 26:  W2)
  (Sec. 27:  E2NE)
  (Sec. 28:  S2SE)
FS8(OK)LN-3
FS8(OK)LN-4

Number of Parcels - 80
Total Acreage - 73976.61
Total number of Parcels with Presale Offers - 15
Parcel Number of Parcels with Presale Offers - 002,
004, 005, 006, 007, 011, 012, 060, 061, 062, 063,
064, 065, 066, 070
Total Acreage With Presale Offers - 23680.02
Any portion of the listed lands may be deleted upon
determination that such lands are not available for leasing.
METES AND BOUNDS DESCRIPTION
OF THE REMAINDER OF LOT 8
AND THE FORMER RIPARIAN ACREAGE TO ORIGINAL LOT 8,
T. 17 N., R. 02 E., IM
LOCATED ALONG THE CIMARRON RIVER,
PAYNE COUNTY, OKLAHOMA
(Bearings and Distances are Geodetic)

Commencing at a point being the Southeast corner of Section 8, said point being South 89° 58’ 00” West a distance of 5323.56 feet from a BLM Monument at the Southeast corner of Section 9 and North 00° 33’ East a distance of 2616.24 feet from a ½” Iron Rod at the East Quarter corner of Section 17, T. 17 N., R. 02 E., Payne County, Oklahoma;

Thence along the South line of said Section 8, South 89° 59’ 00” West a distance of 20.46 feet to a point on the 1987 right bank, said point being the Southeast corner of said Lot 9 per the BLM Survey of July 21, 1989;

Thence along the 1987 right bank the following courses and distances:
North 75° 04’ 00” West a distance of 269.02 feet;
North 61° 25’ 00” West a distance of 145.66 feet to the intersection of the 1987 right bank and the ancient right bank;

Thence along the ancient right bank, South 63° 44’ 00” West a distance of 314.54 feet to the Southwest corner of said Lot 9, said point also being the ancient meander corner on the ancient right bank between Sections 8 and 17;

Thence North 12° 52’ 00” West a distance of 461.28 feet to a point on the ancient medial line;

Thence along the ancient medial line, North 71° 06’ 11” East a distance of 726.72 feet to a point;

Thence South 18° 54’ 28” East a distance of 358.53 feet to the ancient meander corner on the ancient right bank between Section 8 and 9;

Thence along the East line of said Section 8, South 01° 46’ 00” West a distance of 345.84 feet to the POINT OF BEGINNING, and containing 8.79 acres of land more or less.

The total of Lot 9 in Section 8 is 0.96 acres of land more or less.

Aggregating a total of 9.75 acres of land more or less.
TRACT NO. 1504

INDIAN MERIDIAN
T. 28 N., R. 3 E.

SECTIONS 25 and 26, All that part of Lots 2, 3, and 4 of Section 25 and Lots 8 and 9 of Section 26 and accretions and riparian rights thereto lying North of the center of the present Arkansas River containing in all 150.00 acres, more or less, of which 35.00 acres, more or less, is in the present river bed, said accretions and riparian rights being a portion of the original river bed and platted land described as part of Lots 2, 3, and 4 of Section 25 and part of Lots 8 and 9 of Section 26, Township 28 North, Range 3 East. ALSO, the Southwest Diagonal Half of the NW¼SE¼, N½SW¼ of said Section 25.

The area described aggregates 250.00 acres, more or less, situate in Kay County, Oklahoma.

PART OF TRACT NO. 1507

INDIAN MERIDIAN
T. 28 N., R. 3 E.

SECTION 25, the NE¼SW¼NW¼ being a part of TRACT 1507.

The area described is 10.00 acres, more or less, situated in Kay County, Oklahoma.

TRACT NO. 1508

INDIAN MERIDIAN
T. 28 N., R. 3 E.

SECTION 26, N½SE¼, ALL THAT PART OF Lots 10, 11, 12, and 13 and accretions and riparian rights thereto lying East of the center of the present Arkansas River, containing in all 187.20 acres, more or less, of which 52.00 acres, more or less, is in the present river bed, said accretions and riparian rights being a portion of the original river bed and platted land described as part of Lots 10, 11, 12, and 13, Section 26, Township 28 North, Range 3 East.

The area described aggregates 187.20 acres, more or less, situate in Kay County, Oklahoma.
NAVajo AREA, BUREAU OF INDIAN AFFAIRS
SURFACE MANAGEMENT AGENCY LEASE STIPULATIONS
FOR FEDERAL OIL AND GAS LEASE OFFERING

1. Lessee shall carry on all operations in a good and workmanlike manner in accordance with approved methods and practices.

2. Lessees shall abide by and conform to appropriate provisions of Titles 25, 36, and 43, Code of Federal Regulations, and any and all other applicable regulations and manuals of the Secretary now or hereafter in force relative to surface leasing rights-of-way and as amended, and National Area Environmental Protection guidelines; the National Historic Preservation Act of 1966, as amended, Archaeological Resources Protection Act, and American Indian Religious Freedom Act and other applicable laws, 30 BIA, 36 CFR 800 and 43 CFR 7.

   a. Prior to issuing any cultural clearances, the Lessee shall provide the necessary cultural clearances to the Bureau of Land Management after consultation with the Navajo Nation Historic Preservation Department, P. O. Box 2898, Window Rock, AZ 86515, and provide copies of all historic preservation related documents associated with an undertaking. The Navajo Nation contracted under Public Law 93-638 the Navajo Area Archaeology Office.

   b. Prior to entry upon the land or the disturbance of the surface thereof for drilling or other purposes, Lessee shall submit a development plan for surface use to the Area Manager, Farmington Resource Area, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. An Environmental Analysis will be made by the Bureau of Land Management in consultation with the BIA Navajo Area Office for the purpose of ensuring proper protection of the surface, the natural resources, the environment and existing improvements and for assuring timely reclamation of disturbed lands. Upon completion of said environmental analysis, the Oil and Gas Field Manager shall notify Lessee of the conditions to which the proposed surface disturbing operations will be subject. (Note: Prior to operations beginning; Lessee shall furnish a copy of its development plan and Bureau of Land Management conditions to the BIA. The BIA reserves the right to require site specific archaeological surveys and environmental reviews on tracts selected for development prior to giving concurrence to proposed actions(s). The BIA will consult with the Navajo Nation prior to concurring in such actions.)

3. The Lessee shall not use or permit to be used any part of said leased land for any unlawful conduct or purpose whatsoever. Lessee will not use or permit to be used any part of said leased land for the manufacture, sale, gift, transportation, or storage of intoxicating liquors, beverages or drugs. In the event any representative of Lessee or its contractor or subcontractor, employed in connection with the operations on the lease premises shall be responsible for any of the unlawful acts described in this clause,
Bureau of Land Management shall give Lessee information as to such violation(s) with a copy of the notice to BIA and Navajo Nation. Lessee shall immediately take steps to cure the violations, including the termination or transfer of such employee. (25 CFR 162.5(g)(3); 18 U.S.C. Sections 1151, 1154, and 1156, as amended.)

4. Except as otherwise stated herein, copies of correspondence and notices shall be mailed to the Bureau of Indian Affairs in care of the Area Director, Navajo Area Office, Attention: Branch of Real Property Management, Bureau of Indian Affairs, P. O. Box 1060, Gallup, NM 87305-1060; and to the Navajo Nation in care of the President, Navajo Nation, Attention: Navajo Tribal Minerals Department, P. O. Box 146, Window Rock, AZ 86515.

THE NAVAJO NATION STIPULATIONS

1. The surface ownership of lands contained in this lease may be all or partly managed by the Navajo Tribe. Site specific rights-of-way clearances and/or inventories may be required prior to entry upon the surface for operation of the lease holdings. Prior contact with the Navajo Nation will be required prior to operations beginning. All applicable laws of the Navajo Nation (including tax laws, water codes, requirements of Environmental Protection Administration, etc.) shall be complied with by the Lessee.

2. The Navajo Nation requires a copy of complete exploration and development data (drilling logs, seismic data, etc.) obtained by the Lessee on the subject lands will be provided to the Navajo Nation at no cost. All materials data will be held confidential as described in 43 CFR 3162.8.

3. Navajo grazing rights to the surface of the lands so leased shall be protected, and the Nation's rights respecting the use of water shall be unimpaired.

4. Lessee shall not obtain water for use in drilling from Indian-owned wells, tanks, springs, or stockwater reservoirs without prior written permission from the Navajo Nation. Lessee shall not drill any water wells for its use without prior written consent of the Navajo Nation and the Area Director.

5. Lessee shall compensate the Navajo Nation and its grazing permittees (if any), for all surface use(s) as well as damages to crops, buildings, and other improvements of surface landowner, including loss of grazing lands, occasioned by the Lessee's operations except the Lessee's control. Compensation for surface use shall be negotiated by Lessee and the Navajo Nation and will be based upon the duration of activity on the land.

6. Lessee shall not drill any well within 500 feet of any house, structure, or reservoir of water without the Navajo Nation's written consent.
7. Lessee shall bury all pipelines crossing tillable lands below plow depth unless other arrangements are made with the Navajo Nation.

8. Upon the request of the Navajo Nation or if so required by the Area Director or his authorized representative, and under the direction of the Field Manager, Bureau of Land Management, the Lessee shall condition any well drilled which does not produce oil or gas in paying quantities, but which is capable of producing water satisfactorily for domestic, agricultural, or livestock use by the Navajo Nation. Otherwise, after the expiration or termination of the lease, the Lessee shall remove all pumping equipment installed by Lessee at any well.

Bureau of Indian Affairs

March 23, 1990
The pipeline will be so installed that it will not interfere with the construction and/or development of the area for agricultural purposes and/or operation of same in connection with the Navajo Indian Irrigation Project. Any changes or relocations found to be necessary during said construction and/or development will be accomplished at the Company's expense.

In addition, the pipeline will be buried to a depth of 48 inches and any permanent metering and production equipment installed at the actual site will conform to "no well and/or production equipment within irrigable fields of the Navajo Indian Irrigation Project will exceed two feet above natural surface elevation and be adequately barricaded for safety." Further, if crops are planted prior to accomplishment of the pipeline work, surface damages must be negotiated with Navajo Agricultural Products Industry.
LEASE NOTICE

A. The lessee is advised that the lease area may contain essential habitat for threatened and endangered species. Surveys will be required to be conducted during the appropriate season for species of concern as determined by the Navajo Nation Fish and Wildlife Department.

B. The lessee is advised that all settling and evaporation pits used for production purposes will be lined and covered.

BIA-4
April 8, 1993
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 the BLM, that person may order such activities stopped immediately. The District Manager, BLM, will be notified immediately, will review the 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, agents, 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. That the work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Corps of Engineers, in direct charge of the project, and subject to such conditions and regulations as may be prescribed by him, and the plans and locations for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval in advance of commencement of any work on said lands. The District Engineer shall have the right to enter on the premises, at any time, to inspect both the installation and operational activities of the lessee

11. That no structure or appurtenance thereto shall be of a material or construction determined to create floatable debris.

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

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

14. All areas with 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.
15. 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. Directional drilling from non-public areas is permitted if not otherwise restricted.

16. All storage tanks and slush pits will be protected by dikes of sufficient capacity to protect the reservoir from pollution to flood pool elevation 597.00 feet for Eufaula Lake, National Geodetic Vertical Datum.

17. It is the responsibility of the lessee to identify and be aware of areas where entry is prohibited. There will be no surface or subsurface entry within 2,000 feet of the dam structure. A portion of the lease includes the Public Use Area, therefore, stipulation is applicable. Stipulation also applies to portions of the lease area.

18. The operator will immediately stop work and advise the District Engineer or his authorized representative if contamination is found in the operating 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 the BLM, that person may order such activities stopped immediately. The District Manager, BLM, will be notified immediately, will review the 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, agents, 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. That the work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Corps of Engineers, in direct charge of the project, and subject to such conditions and regulations as may be prescribed by him, and the plans and locations for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval in advance of commencement of any work on said lands. The District Engineer shall have the right to enter on the premises, at any time, to inspect both the installation and operational activities of the lessee.

11. That no structure or appurtenance thereto shall be of a material or construction determined to create floatable debris.

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

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

14. All areas with 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.
15. 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. Directional drilling from non-public areas is permitted if not otherwise restricted.

16. All storage tanks and slush pits will be protected by dikes of sufficient capacity to protect the reservoir from pollution to flood pool elevation 597.00 feet for Eufaula Lake, National Geodetic Vertical Datum.

17. It is the responsibility of the lessee to identify and be aware of areas where entry is prohibited. There will be no surface or subsurface entry within 2,000 feet of the dam structure. A portion of the lease includes the Public Use Area, therefore, stipulation is applicable. Stipulation also applies to portions of the lease area.

18. The operator will immediately stop work and advise the District Engineer or his authorized representative if contamination is found in the operating area.
STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM
UNDER JURISDICTION OF
DEPARTMENT OF AGRICULTURE

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

All matters related to this stipulation are to be addressed

To : Forest Service
    Ouachita National Forest
At : P.O. Box 1270 - 100 Broadway Federal Bldg.
     Hot Springs, AR  71902
Telephone No : (501) 321-5202

Who is the authorized representative of the Secretary of Agriculture.
CONTROLLED SURFACE USE STIPULATION

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

Activities must be conducted in such a manner compatible with the purpose for this management area. Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality objectives to the extent practical.

On the lands described below:

For the purpose of: To meet visual quality objective and to protect Semi-Primitive recreation values; Land and Resource Management Plan dated March 5, 1990, as amended and Final EIS. The above lands lie within Winding Stair Mountain National Recreation Area (Management Area 19a) of the Amended Land and Resource Management Plan.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, 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:

Activities must be conducted in such a manner compatible with the purpose for this management area. Activities must be conducted in such a manner as to reasonably reduce visibility of the operation and meet visual quality objectives to the extent practical.

On the lands described below:

For the purpose of:

To meet visual quality objective and to protect semi-primitive recreation values; Land and Resource Management Plan dated March 5, 1990, as amended and Final EIS.


Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, 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:

Activities must be conducted in such a manner as to reasonably reduce visibility of the operation in a corridor up to 200' on either side of the Ouachita National Recreation Trail.

On the Lands Described below:

For the purpose of:

To meet visual quality objectives for Sensitivity Level I trail in Management Area #18, Land and Resource Management Plan dated March 5, 1990, as amended and Final EIS.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, or the regulatory provisions for such changes.
LEASE NOTICE

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the current Regional Forester’s List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.
LEASE NOTICE

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.27(e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest Officer.
DESERT GRASSLAND HABITAT  
CONTROLLED SURFACE USE STIPULATION

Surface – disturbing activities will not be authorized on the leasehold until the lessee has formed (or joined an existing) exploratory unit. The combined un-reclaimed and un-re-vegetated surface disturbance from exploration, drilling, production and other activities associated with lease operations cannot exceed five percent (5%) of the leasehold at any one time. Surface disturbance is considered to be any surface altering activity that the operator proposes to conduct, from the time that a lease is issued, through the time that the lease expires. This limitation applies to all maintenance and operation of producing wells on this lease and any subsequent sublease or other assignments of any type.

On the lands described below:

All lands in lease.

(Otero Mesa Desert Grassland Area – Ts 23 - 26 S – Rs 10 - 14 E, NMPM)
(Nutt Desert Grassland Area – T 19 S – Rs 05 & 06 W, NMPM)

Reason for restriction: To protect the desert grasslands on Otero Mesa and Nutt and the associated threatened or endangered wildlife species.

Waiver: None

Exception: None

Modification: May be modified only in the case of temporary surface disturbances that will be substantially unnoticeable within one year of initial disturbance or in the case of demonstrated need for health or safety.

Justification: The Otero Mesa and Nutt areas contain large blocks of generally undisturbed Chihuahuan desert Grassland habitat that are important to the maintenance of numerous desert grassland species that inhabit them. A stipulation of controlled surface use is necessary to manage the amount of disturbance within these remaining areas.

Prior to acceptance of these stipulations the prospective lessee is encouraged to contact the Bureau of Land Management for further information regarding the restrictive nature of this stipulation.
DESIGNATED HISTORIC TRAILS
CONTROLLED SURFACE USE STIPULATION

New disturbance will be minimized as follows:

No surface disturbing activities within ¾ mile from each side of the trails (entire length)

Existing disturbance points could be used to cross the trails

On the lands described below:

All lands in lease.

Objective: To provide protection for existing cultural and scenic values associated with these trails. (Butterfield Trail)

Waiver: None

Exception: Granted if it is demonstrated in a surface use plan of operations that no surface-disturbing activities will be visible from the trails and that existing disturbed points/areas would be used to cross the trail.

Modification: None

Justification: Stipulating controlled surface use is deemed necessary to minimize impacts on Cultural resources. Closing the trails and a ¼ mile buffer on either side of the trails to leasing or stipulating no surface occupancy is not considered necessary since impacts can be mitigated by requiring controlled surface use.
SPECIAL STATUS SPECIES HABITATS

( Including those not protected by the Endangered Special Act; species proposed for Federal listing, Federal candidates, BLM sensitive Species and State-listed Species)

Operations will be designed to avoid known populations of special status species. Each exploration and development project will be scrutinized carefully for potential effect on known populations of special status species. In known population areas, surface-disturbing activities may be relocated beyond 0.125 miles but not more than 0.25 miles from occupied habitat, depending on the species requirements. Seasonal restrictions may apply, depending on the need of the identified species. There will be a 0.25 (1/4) mile buffer between surface disturbance activities and black-tailed prairie dog colonies. This stipulation applies solely to Sierra and Otero Counties because unlike other black-tailed prairie dog habitat in other western states, suitable habitat within the planning area is limited to small grassy swales where the soil depth is adequate for prairie dogs to establish their burrows. The upland grass areas adjacent to these swales occur over a shallow layer of limestone and do not provide the suitable habitat characteristics for the black-tailed prairie dogs.

Location: Species-specific. Stipulation applies to all known and later discovered locations of special status species throughout the lease. This will apply to habitats for the following known species:

Plants: Desert night-blooming cereus; Guadalupe rabbit brush; Grama grass cactus; Guadalupe Mountains mescal bean; Sheer’s cory cactus.

Animals: Arizona black-tailed prairie dog; Mountain plover; Western Burrowing owl.

Objective: To avoid adverse impacts on individual species and their associated habitats.

Waiver: None

Modification: None

Justification: Stipulating controlled surface use is deemed necessary to minimize adverse impacts on special status species and their habitats, as required by BLM guidance. Closing these areas to leasing or stipulating no surface occupancy is deemed overly restrictive since BLM allows other surface-disturbing activities within the area. Under standard lease terms and conditions, the requirements described above would be the same; however, the stipulation for controlled surface use informs the lessee of the resource concern at the time the lease is acquired.
Land use allocations decisions made by the Bureau of Land Management (BLM) are documented in Resource Management Plans (RMP) authorized under the Federal Land Policy and Management Act of 1976. Such land use plans indicate which BLM-managed lands are open for oil and gas leasing, and under what conditions those leases may be issued. This lease is issued in conformance with a land use plan specific to Federal oil and gas development in Otero and Sierra Counties, New Mexico.

The two-county area is considered a frontier area for oil and gas resources and the level of development is expected to be small. Commensurately, the land use plan for Sierra and Otero Counties is based on a limited amount of development. However, unexpected exploration successes could produce a situation where the potential for development exceeds that analyzed in the governing land use plan. If oil and gas development activities appear to exceed that which was analyzed in the current RMP, additional environmental analysis may be required before further surface disturbing activities are authorized.

The total combined surface disturbance from exploration, drilling, production and other activities associated with lease operations cannot exceed 1,589 acres in Sierra and Otero Counties. Surface disturbance is considered to be any surface altering activity that the operator proposes to conduct from the time that a lease is issued through the time that a lease expires. Approval of future requests for lease related activities may be delayed or denied as BLM conducts required National Environmental Policy Act reviews. This limitation applies to all maintenance and operation of producing wells on this lease and any subsequent sublease or other assignments of any type.

For the purpose of:

Managing the orderly development of oil and gas resources.
Preservation and protection of the environmental qualities of Sierra and Otero Counties.
TRADITIONAL CULTURAL PROPERTIES (TCP)
STIPULATION

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

Waiver: None

Exceptions: None

Modification: None


New Mexico State Office
Las Cruces Field Office

LC-48
May 2005
LEASE NOTICE
COAL PROTECTION

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

Address:

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

Bureau of Land Management
New Mexico State Office

NM-8-LN
April 2, 1991
SPECIAL CULTURAL RESOURCE LEASE NOTICE

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

Bureau of Land Management
Oklahoma Field Office

ORA-2
November 1991
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

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.

Bureau of Land Management
Oklahoma Field Office

ORA (LN-1)

November 1991
CONTROLLED SURFACE USE STIPULATION
TORREJON FOSSIL ACEC

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

A pedestrian survey must be conducted for paleontological material, using a qualified paleontologist, prior to any surface disturbing activity. (Qualification identified in BLM Handbook 8270). The survey will be used to determine appropriate level of mitigation during construction activities and production stages of the lease. A report on the results of the paleontological survey must be submitted to BLM as part of the permit application for the proposed lease activity.

For the purpose of: Protection of paleontology values in 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. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

Bureau of Land Management
Albuquerque Field Office

RP-11-CSU
October 2004
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.

Bureau of Land Management
Roswell/Carlsbad Field Office

SENM-LN-1
February 1991
NO SURFACE OCCUPANCY
CONCHAS LAKE

A portion of the offered lease is within the reservoir flood pool of Conchas Lake. All drilling sites must be located above mean sea level elevation 4,218 feet. No surface occupancy is allowed on lands at or below that elevation. All drilling sites and any production facilities must be located a minimum of 200 meters from the high water line of the lake. It is intended that these restricted lands be developed by directional drilling.

Before surface disturbing operations are commenced, the lessee or lease operator must prepare, and submit a copy to the authorized officer of the Bureau of Land Management, a Spill Prevention Control and Countermeasure Plan as described in Title 40 CFR.

For the purpose of: Preservation and protection of fresh water resources.
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

Revised December 1996
WILDLIFE HABITAT PROJECTS

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

Surface disturbance will not be allowed within up to 200 meters of existing or planned wildlife habitat improvement projects. Large-scale vegetation manipulation projects such as prescribed burns will be excepted. This requirement will be considered for waiver with appropriate off-site mitigation, as determined by the Authorized Officer.

For the purpose of: Protecting Wildlife Habitat Projects
SLOPES OR FRAGILE SOILS

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

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

On the lands described below:

For the purpose of: Protecting Slopes or Fragile Soils

Bureau of Land Management
Roswell/Carlsbad Field Office
December 1997
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 playas 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
SPRINGS, SEEPS AND TANKS

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

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

For the purpose of: Protecting Springs, Seeps and Tanks
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

Bureau of Land Management
Roswell/Carlsbad Field Offices

SENM-S-22
December 1997
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 shall 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 contract 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
All or portion of the lease is over known potash deposits. The drilling of oil and gas wells which would penetrate these deposits is prohibited. For this purpose, and in addition to the conditions imposed by Stipulation SENM-S-1, no surface occupancy (NSO) will be allowed on the lands described below. These NSO lands are leased with the requirement that they are to be explored and/or developed by wells directionally drilled from surface locations on adjacent lands. The well bore of any directionally drilled well shall be drilled vertically until it penetrates USGS Marker Bed 126 or, if not present, its stratigraphic position, both as determined by the BLM authorized officer.

No surface occupancy is allowed on the lands described below:

For the purpose of: To prevent the drilling of wells for oil or gas which would result in an undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.
NO SURFACE OCCUPANCY
POTASH AREA

All or portion of the lease is over known potash deposits. The drilling of oil and gas wells which would penetrate these deposits is prohibited. For this purpose, and in addition to the conditions imposed by Stipulation SENM-S-1, no surface occupancy (NSO) will be allowed on the lands described below. These NSO lands are leased with the requirement that they are to be explored and/or developed by wells directionally drilled from surface locations on adjacent lands. The well bore of any directionally drilled well shall be drilled vertically until it penetrates USGS Marker Bed 126 or, if not present, its stratigraphic position, both as determined by the BLM authorized officer.

No surface occupancy is allowed on the lands described below:

T 20 S – R 30 E, NMPM
Sec. 05: Lot 1, SENE, NWSW, SESW, SWSE

Additional restrictions:

Due to the proximity of open mine workings, locations for wells deeper than the base of the Delaware Mountain Group are restricted to and are available only in Lots 3 and 4 and the SENW, Section 5. Bottom hole locations elsewhere on the lease, for wells deeper than the Delaware Mountain Group, may be reached by directional drilling from these locations.

For the purpose of: To prevent the drilling of wells for oil or gas which would result in an undue waste of potash deposits or constitute a hazard to or unduly interfere with mining operations being conducted for the extraction of potash deposits.

Bureau of Land Management
Carlsbad Field Office

SENM-S-30-A
May 2005
All or a portion of the lease is within habitat suitable for the Lesser Prairie Chicken and/or the Sand Dune Lizard, special status species of concern. In accordance with the BLM “INTERIM MANAGEMENT FOR THE SHINNERY OAK SAND DUNE HABITAT COMPLEX,” dated August 2004, surface occupancy is allowed in Zone 3 habitat, however; NSO may be applied to part of the lease in sand dunes and/or shinnery oak to protect key habitat areas within Zone 3. This lease is issued with the intention that it be developed by directional drilling from or pro-rationing within the lease boundaries or from an existing lease on the periphery of the designated NSO portion of the lease. Plans of development may be requested by the BLM in these Zone 3 habitats. This stipulation may not be waived unless or until decisions on management of the habitat complex allow such waivers. These decisions will be made by the Bureau of Land Management in a Resource Management Plan (RMP) Amendment to the Roswell and Carlsbad RMP’s.

No Surface Occupancy on the lands described below:
NO SURFACE OCCUPANCY
LESser Prairie Chicken
KEY HABITAT AREAS WITHIN ZONE 4

All or a portion of the lease is within habitat suitable for the Lesser Prairie Chicken, a special status species of concern. In accordance with the BLM “INTERIM MANAGEMENT FOR THE SHINNERY OAK SAND DUNE HABITAT COMPLEX,” dated August 2004, surface occupancy is allowed in Zone 4 habitat, however; NSO may be applied to portions of a lease in sand dunes and/ or shinnery oak to protect key habitat areas within Zone 4 or until surveys deem habitat unsuitable for LPC. Plans of development may be requested by the BLM in Zone 4 habitat. This lease is issued with the intention that it be developed by directional drilling from or prorating within the lease boundaries or from an existing lease on the periphery of the subject lease. This stipulation may not be waived unless or until decisions on management of the habitat complex allow such waivers. These decisions will be made by the Bureau of Land Management in a Resource Management Plan (RMP) Amendment to the Roswell and Carlsbad RMPs.

No Surface Occupancy on the lands described below:
NO SURFACE OCCUPANCY
OVERFLOW WETLANDS ACEC

All or a portion of the lease is within the boundary of the Overflow Wetlands Area of Critical Environmental Concern (ACEC). A portion of this ACEC is designated as no surface occupancy for oil and gas operations. The restricted areas are illustrated on the map included with this stipulation. Access for oil and gas lease development is prohibited within these designated areas or as described below. The portion of the lease within the no surface occupancy zones may be developed by pro-rationing or directional drilling from outside the restricted area.

For the purpose of protecting resource values within the Overflow Wetlands Area of Critical Environmental Concern.

(Note: With Attached Map)
No Surface Occupancy (NSO) - Oil and Gas

Closed to  - Solid Leasable Minerals
- Salable Minerals
- Locatable Minerals

MAP A12-2
OVERFLOW WETLANDS
Roswell Resource Area
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.
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- Sale Schedule
- FAQS
- Leasing Instructions & Guidelines
- NTLs, Onshore Orders
- Sale Results
- Forms
- Contacts

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