Competitive Oil and Gas Lease Sale

April 19, 2006
Bureau of Land Management
New Mexico State Office
1474 Rodeo Road
Santa Fe, New Mexico, 87505
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, Oklahoma, and Texas 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; and
- 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, April 19, 2006. The Accounts Office at the Bureau of Land Management, New Mexico State Office 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 BUREAU OF LAND MANAGEMENT, NEW MEXICO STATE OFFICE, 1474 RODEO ROAD, SANTA FE, NEW MEXICO 87505, in the second floor conference room.

Access: The sale room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or material in an alternate format, contact the New Mexico State Office, Marcella Montoya at (505) 438-7537 by April 5, 2006.
How will the sale be conducted?

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

How do I participate in the bidding process?

To participate in the bidding process, you must fill out a Bidder Registration form identifying the lessee’s name and address that will be shown on the lease form and get a bidding number. We will begin registering bidders at 8:00 a.m. on the day of the sale in the Accounts Office at the Bureau of Land Management. 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 ($2 X 200 acres) and the advance annual rental will be $300 ($1.50 X 200 acres) for the first 5-years and $400 ($2 X 200 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 $130. You must make this payment in our Accounts Office 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 May 3, 2006**, 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
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 contains additional zeros. For example, T. 28 N., R. 32 E., is shown as T028N, R032E (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 $335 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 July 19, 2006. Please send nominations for that sale by March 10, 2006.

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?

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

? We must receive a protest no later than close of business on the 15th calendar day prior to the date of the sale. If our office is not open on the 15th day prior to the date of the sale, a protest received on the next day our office is open to the public will be considered timely filed. The protest must also include any statement of reasons to support the protest. We will dismiss a late-filed protest or a protest filed without a statement of reasons.

? A protest must state the interest of the protesting party in the matter.

? You may file a protest either by mail in hardcopy form or by telefax. You may not file a protest by electronic mail. A protest filed by fax must be sent to (505) 438-7684. A protest sent to a fax number other than the fax number identified or a protest filed by electronic mail will be dismissed.
If the party signing the protest is doing so on behalf on an association, partnership or corporation, the signing party must reveal the relationship between them. For example, unless an environmental group authorizes an individual member of its group to act for it, the individual cannot make a protest in the group’s name.

If BLM receives a timely protest of a parcel advertised on this Sale Notice, how does it affect bidding on the parcel?

We will announce receipt of any protests at the beginning of the sale. We will also announce a decision to either withdraw the parcel or proceed with offering it at the sale.

If I am the high bidder at the sale for a protested parcel, when will BLM issue my lease?

We will make every effort to decide the protest within 60 days after the sale. We will issue no lease for a protested parcel until the State Director makes a decision on the protest. If the State Director denies the protest, we will issue your lease concurrently with that decision.

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

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

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

If we uphold a protest and withdraw the parcel from leasing, we will refund your first year’s rental, bonus bid and administrative fee. If the decision upholding the protest results in additional stipulations, we will offer you an opportunity to accept or reject the lease with the additional stipulations prior to lease issuance. If you do not accept the additional stipulations, we will reject your bid and we will refund your first year’s rental, bonus bid and administrative fee.

If BLM’s decision to uphold the protest results in additional stipulations, may I appeal that decision?

Yes, you may. Note, an appeal from the State Director’s decision must meet the requirements of Title 43 CFR §4.411 and Part 1840.

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

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

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

**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 for information or question about the sale, contact: Bernadine T. Martinez at (505) 438-7530.

/s/Bernadine T. Martinez

Bernadine T. Martinez  
Land Law Examiner  
Fluids Adjudication Team
LOCATION of the Oil and Gas Lease Sale to be held on Wednesday, April 19, 2006:

Please take note the Competitive Oil and Gas Lease Sale will be held at the Bureau of Land Management, New Mexico State Office, 1474 Rodeo Road, Santa Fe, New Mexico, 87505, in the second floor conference room.

Registration of bidders will take place at the Accounts Office at the Bureau of Land Management, New Mexico State Office Building. Registration will start at 8:00 a.m. and be available through 9:00 a.m. The auction will commence promptly at 9:00 a.m.

Access: The conference room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the sale, such as sign language interpreter or material in an alternate format, contact the New Mexico State Office, Marcella Montoya at (505) 438-7537 by April 5, 2006.
NOTICE

The Bureau of Land Management will hold four (4) Competitive Oil and Gas Lease Sales during Fiscal Year 2007. The tentative scheduled dates are shown below:

<table>
<thead>
<tr>
<th>Sale Date</th>
<th>Team Lead for Sale</th>
<th>Expressions of Interest (EOI)</th>
<th>Closing Date and Presale Applications</th>
<th>Posted on Website/Mailed to the Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 17, 2007</td>
<td>Becky</td>
<td>September 11, 2006</td>
<td>November 27, 2006</td>
<td></td>
</tr>
<tr>
<td>April 18, 2007</td>
<td>Berna</td>
<td>December 11, 2006</td>
<td>March 1, 2007</td>
<td></td>
</tr>
</tbody>
</table>

*Federal lands administered by an agency outside of the Department of the Interior require Surface Management Agency (SMA) consent. Meeting the closing dates does NOT guarantee your EOI will be on the scheduled sale date.

You may request to receive the Oil and Gas Lease Sale Notice to check whether the lands are being offered. Contact our Accounts Section at (505) 438-7462 to be placed on our mailing list by either opening a declining deposit account with a minimum amount of $50.00 or you may purchase a single Sale Notice for $5.00 each plus postage and handling.

Every effort will be made to offer your EOI in a timely manner.

/s/Gloria S. Baca

Gloria S. Baca  
Land Law Examiner  
Fluids Adjudication Team
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. Att'y, Gen. 41), or the

READ INSTRUCTIONS BEFORE COMPLETING

Name
Street
City, State, Zip Code

2. This application/offer/lease is for: (Check only One) □ PUBLIC DOMAIN LANDS □ ACQUIRED LANDS (percent U.S. interest

Surface managing agency if other than BLM. ________________________________ Unit/Project

Legal description of land requested: *Parcel No. ____________________________ *Sale Date (m/d/y): _____ / _____ / _____

*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. R. Meridian State County

Amount remitted: Filing fee $ __________ Rental fee $ __________

Total acres applied for ________

Total $ __________

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State County

Total acres in lease ________

Rental retained $ ________

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

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

Type and primary term of lease: THE UNITED STATES OF AMERICA

□ Noncompetitive lease (ten years)

by ________________________________ (Signing Officer)

□ Competitive lease (ten years)

(Titile) ________________________________ (Date)

□ Other ________________________________

EFFECTIVE DATE OF LEASE __________

(Continued on reverse)
LEASE TERMS

Sec. 1. Rental—Rental shall be paid to proper office of lessor in advance of each lease year. Annual rental rates for federal oil and gas leases are:

(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) See, other 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 provide for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), or (c) for those lands not within a contributing participating 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 regulations on production removed or 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 as otherwise agreed by the lessee, in a merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessor be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessor.

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

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (POGORM) (30 U.S.C. 1701). Leases 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 POGORM 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 lessee to subscribe to a cooperative or unit plan, within 30 days of notice, in order to prevent, control, or reduce production of royalty oil or for proper development of the area and royalties.

Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessee.

Lessee shall maintain records 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 office for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

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

Sec. 5. Conduct of operations—Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessee reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the right of approval of easements or rights of way. Such uses shall be conditioned as to not prevent unreasonable or unreasonable interference with rights of lessor.

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. Arrangements for, and management of, the reclamation of all operations of impact on the lands and any other uses or users, shall be made with the lessor as provided for by the lessee and the affected party, or parties, or other resource owners. Lessee may be required to complete minor inventories or special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

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

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

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

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

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with Section 7 of the Interstate Commerce Act.

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 lessor nor lessee’s subcontractors shall maintain segregated facilities.

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

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

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

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

COMPETITIVE OIL AND GAS OR
GEOTHERMAL RESOURCES LEASE BID

<table>
<thead>
<tr>
<th>State</th>
<th>Date of sale</th>
</tr>
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</table>

**AMOUNT OF BID (See Instructions below)**

<table>
<thead>
<tr>
<th>TOTAL BID</th>
<th>PAYMENT SUBMITTED WITH BID</th>
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</table>

**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 lessee qualification requirements under the applicable regulations for this bid.

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

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

<table>
<thead>
<tr>
<th>Print or Type Name of Lessee</th>
<th>Signature of Lessee or Bidder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address of Lessee</td>
<td></td>
</tr>
</tbody>
</table>

**INSTRUCTIONS**

**INSTRUCTIONS FOR OIL AND GAS BID**

(Except NPR-A)

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the Notice of Competitive Lease Sale.

2. Bid must be accompanied by the national minimum acceptable bid, the first year’s rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.

3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

4. This bid may be executed (signed) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.

5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

**INSTRUCTIONS FOR GEOTHERMAL OR NPR-A OIL AND GAS BID**

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.

2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.

3. Mark envelope Bid for Geothermal Resources Lease in (Name of KGRA) or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.

4. Mail or deliver bid to the proper BLM office or place indicated in the Notice of Competitive Lease Sale.

5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

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

(Continued on reverse)
QUALIFICATIONS

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

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

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

NOTICE

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


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

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

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

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

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220.
This information will be used to determine the bidder submitting the highest bid.
Response to this request is required to obtain a benefit.

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

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (WO-630), 1620 L Street, Washington, D.C. 20036 and the Office of Management and Budget, Desk Officer for the Interior Department, Office of Regulatory Affairs (1004-0074), Washington, D.C. 20503.
BUREAU OF LAND MANAGEMENT  
NEW MEXICO STATE OFFICE  
April 19, 2006, Lease Sale Statistics by State  
Parcels with and without Pre-sale Noncompetitive Priority Offers

<table>
<thead>
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<th>STATE</th>
<th>PARCELS WITH PRESALE OFFER</th>
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NEW MEXICO PUBLIC DOMAIN — NE

NM-200604-001  717.980 Acres
T.0240N, R.0010E, 23 PM, NM
Sec. 005  Lots 1,4;
005  SENE, SWNW, W2SW, SE;
008  E2;
Rio Arriba County
Farmington FO
NMNM 33036, NMNM 61817
Formerly Lease No.
Stipulations:
No Stipulations Attached

NM-200604-002  557.240 Acres
T.0240N, R.0010E, 23 PM, NM
Sec. 031  Lots 1-4;
031  N2NE, SWNE, E2W2, W2SE;
032  NWNW;
Rio Arriba County
Farmington FO
Taos FO
NMNM 36921, NMNM 76800, NMNM 78044
Formerly Lease No.
Stipulations:
No Stipulations Attached

New Mexico — SE

NM-200604-003  1760.000 Acres
T.0190S, R.0200E, 23 PM, NM
Sec. 026  E2, N2NW, SENW, N2SW;
034  N2NE, SWNE, W2, SE;
035  ALL;
Chaves County
Carlsbad FO
NMNM 14976, NMNM 36143, NMNM 39622
NMNM 45116, NMNM 54820, NMNM 70171
NMNM 76903
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-3 T&E or Sensitive Species
(Kuenzler Cactus)
SENM-S-17 Slopes or Fragile Soils
SENM-S-25 Visual Resource Management
NM-200604-004        2096.320 Acres
T.0200S, R.0200E, 23 PM, NM
Sec. 003    lots 1-8;
            003    S2N2,S2;
            004    lots 1-8;
            004    S2N2,S2;
            009    ALL;
Chaves County
Carlsbad FO
NMNM 51036, NMNM 62131
NMNM 71535, NMNM 78161
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-3 T&E or Sensitive Species
  (Kuenzler Cactus)
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-25 Visual Resource Management

NM-200604-005        2091.850 Acres
T.0200S, R.0200E, 23 PM, NM
Sec. 005    lots 1-8;
            005    S2N2,S2;
            006    lots 1-11;
            006    S2NE,SENW,E2SW,SE;
            008    ALL;
Chaves County
Carlsbad FO
NMNM 39623, NMNM 45117, NMNM 54240
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-3 T&E or Sensitive Species
  (Kuenzler Cactus)
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-25 Visual Resource Management
NM-200604-006        1917.600 Acres
T.0200S, R.0200E, 23 PM, NM
Sec. 007       LOTS 1-4;
  007       E2,E2W2;
  017       ALL;
  020       ALL;
Chaves County
Carlsbad FO
NMNM 39623, NMNM 46057, NMNM 71533
NMNM 71534, NMNM 78163
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-3 T&E or Sensitive Species
(Kuenzler Cactus)
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-25 Visual Resource Management

NM-200604-007        1224.310 Acres
T.0260S, R.0220E, 23 PM, NM
Sec. 001       E2SW,SE;
  012       LOTS 1,2;
  012       E2,E2NW;
  013       LOTS 1-9;
  013       E2SW,SESE;
Eddy County
Carlsbad FO
NMNM 33658, NMNM 82988
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-15 Wildlife Habitat Projects
(Sec. 13)
SENM-S-17 Slopes or Fragile Soils
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-41 NSO-Guadalupe Escarpment Scenic Area
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-008        1280.000 Acres
T.0260S, R.0220E, 23 PM, NM
    Sec. 024   ALL;
            025   ALL;
Eddy County
Carlsbad FO
NMNM 42126, NMNM 53943
Formerly Lease No.
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
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-41 NSO-Guadalupe Escarpment Scenic Area
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-009        1120.000 Acres
T.0250S, R.0230E, 23 PM, NM
    Sec. 034   E2,SW;
            035   ALL;
Eddy County
Carlsbad FO
NMNM 33259, NMNM 83033, NMNM 83178
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-15 Wildlife Habitat Projects
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
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-41 NSO-Guadalupe Escarpment Scenic Area
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-010        2012.370 Acres
T.0260S, R.0230E, 23 PM, NM
Sec. 001   LOTS 1-12;
          001   S2S2;
          011   LOTS 1-4;
          011   W2,SE;
          012   LOTS 1-4;
          012   N2,W2SW,NESW,NWSE;

Eddy County
Carlsbad FO
NMNM 44509, NMNM 55889, NMNM 63711
NMNM 69147, NMNM 88238
Formerly Lease No.
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
SENM-S-19 Playas and Alkali Lakes
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-011        1767.240 Acres
T.0260S, R.0230E, 23 PM, NM
Sec. 003   ALL;
          004   LOTS 1-16;
          010   S2;

Eddy County
Carlsbad FO
NMNM 42784, NMNM 66697, NMNM 68638
NMNM 81891, NMNM 89897
Formerly Lease No.
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
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
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-41 NSO-Guadalupe Escarpment Scenic Area
   (Secs. 3 & 4)
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-012  800.210 Acres
T.0260S, R.0230E, 23 PM, NM
Sec. 006  LOT 3,4;
          006  E2SW;
          007  LOT 1-4;
          007  E2,E2W2;
Eddy County
Carlsbad FO
NMNM 42784, NMNM 81891
NMNM 89897, NMNM 90498
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
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
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-41 NSO-Guadalupe Escarpment Scenic Area
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-013  1920.000 Acres
T.0260S, R.0230E, 23 PM, NM
Sec. 013  ALL;
          014  ALL;
          024  ALL;
Eddy County
Carlsbad FO
NMNM 53948, NMNM 55889, NMNM 57222
NMNM 81780, NMNM 87195
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-15 Wildlife Habitat Projects
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-014        1280.160 Acres
T.0260S, R.0230E, 23 PM, NM
    Sec. 018  LOTS 1-4;
           018  E2,E2W2;
           019  LOTS 1-4;
           019  E2,E2W2;
Eddy County
Carlsbad FO
NMNM 81779, NMNM 83034, NMNM 83547
Formerly Lease No.
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
SENM-S-19 Playas and Alkali Lakes
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-41 NSO-Guadalupe Escarpment Scenic Area
   (Sec. 18: All)
   (Sec. 19: Lots 1, 2, NE, E2NW)
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-015        1052.080 Acres
T.0260S, R.0230E, 23 PM, NM
    Sec. 026  N2,N2S2;
           027  NE,N2NW,SW,N2SE,SWSE;
           034  LOTS 5,6;
Eddy County
Carlsbad FO
NMNM 29819, NMNM 40253, NMNM 43516
NMNM 55889, NMNM 57222, NMNM 64952
NMNM 81780
Formerly Lease No.
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
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-016        1503.930 Acres
  T.0260S, R.0230E, 23 PM, NM
  Sec. 028  LOTS 1,2;
          028  N2NW,SWNW,SE;
          029  N2;
          030  LOTS 1-4;
          030  E2,E2W2;
          031  LOTS 6-9;
          033  N2N2NE;
Eddy County
Carlsbad FO
NMNM 44510, NMNM 53948, NMNM 81780
NMNM 83549, NMNM 89897
Formerly Lease No.
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
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-017        520.000 Acres
  T.0250S, R.0240E, 23 PM, NM
  Sec. 009   SE;
          014   E2;
          020   NWNW;
Eddy County
Carlsbad FO
NMNM 62890, NMNM 71556, NMNM 81896
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-018  1200.000 Acres
T.0250S, R.0240E, 23 PM, NM
Sec. 012  N2,W2SW,SES,E2SE,SWSE;
          013  ALL;
Eddy County
Carlsbad FO
NMNM 66910, NMNM 81709
Formerly Lease No.
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
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-019  720.200 Acres
T.0250S, R.0240E, 23 PM, NM
Sec. 025  NE,E2NW;
          031  LOTS 3,4;
          031  E2,E2SW;
Eddy County
Carlsbad FO
NMNM 63714, NMNM 81897
Formerly Lease No.
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
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-020    1465.050 Acres
T.0260S, R.0240E, 23 PM, NM
Sec. 006   LOTS 5-20;
007   LOTS 5-20;
Eddy County
Carlsbad FO
NMNM 60577, NMNM 70873, NMNM 93179
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
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
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-021    474.930 Acres
T.0260S, R.0240E, 23 PM, NM
Sec. 011   LOTS 1-4;
011   E2;
Eddy County
Carlsbad FO
NMNM 71740
Formerly Lease No.
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-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
(Note:  Within El Paso Washington Ranch Gas Storage Area.  See Exhibit "A" for additional information.)
NM-200604-022  1520.960 Acres
T.0260S, R.0240E, 23 PM, NM
Sec. 017  N2,NWSE;
018  Lots 1-4;
018  E2,E2W2;
019  Lots 1-4;
019  NE,E2NW,NESW,E2SE;
Eddy County
Carlsbad FO
NMNM 51069, NMNM 62162
NMNM 62163, NMNM 69571
Formerly Lease No.
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
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-023  94.640 Acres
T.0260S, R.0240E, 23 PM, NM
Sec. 031 Lots 6-9;
Eddy County
Carlsbad FO
NMNM 43523
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-024  160.000 Acres
T.0230S, R.0250E, 23 PM, NM
Sec. 010 NW;
Eddy County
Carlsbad FO
NMNM 62169
Formerly Lease No.
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
SENM-S-21 Caves and Karst

NM-200604-025  160.000 Acres
T.0240S, R.0250E, 23 PM, NM
Sec. 035 E2SW,W2SE;
Eddy County
Carlsbad FO
NMNM 96828
Formerly Lease No.
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
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-026  240.540 Acres
T.0250S, R.0250E, 23 PM, NM
Sec. 003 LOTS 2,3;
003 SE;
Eddy County
Carlsbad FO
NMNM 91506
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
NM-200604-027  392.560 Acres
T.0250S, R.0250E, 23 PM, NM
Sec. 019  LOTS 1-4;
  019  E2NW,NESW;
  030  LOTS 1,2;
  030  NENW;
Eddy County
Carlsbad FO
NMNM 81718, NMNM 90511, NMNM 103336
Formerly Lease No.
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
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-028  121.090 Acres
T.0260S, R.0250E, 23 PM, NM
Sec. 007  LOTS 1-3;
Eddy County
Carlsbad FO
NMNM 64575
Formerly Lease No.
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
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource
(Note: Within El Paso Washington Ranch Gas Storage Area. See Exhibit "A" for additional information.)
NM-200604-029    320.000 Acres
    T.0260S, R.0250E, 23 PM, NM
    Sec. 007    E2;
Eddy County
Carlsbad FO
NMNM 83049, NMNM 90512
Formerly Lease No.
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
SENM-S-32 VRM-Class III Guadalupe Escarpment
SENM-S-42 Southern Guadalupe Escarpment Resource

NM-200604-030    640.000 Acres
    T.0260S, R.0250E, 23 PM, NM
    Sec. 015    ALL;
Eddy County
Carlsbad FO
NMNM 53956, NMNM 54842, NMNM 82860
Formerly Lease No.
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
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-42 Southern Guadalupe Escarpment Resource

NEW MEXICO - NE
NM-200604-031    320.000 Acres
    T.0100N, R.0260E, 23 PM, NM
    Sec. 013    NWSE;
    025    SENE, E2SE;
    026    NW;
Guadalupe County
Roswell FO
NMNM 95594, NMNM 95595, NMNM 95596
Formerly Lease No.
Stipulations:
SENM-S-17 Slopes or Fragile Soils
SENM-S-20 Springs, Seeps and Tanks
NM-200604-032        1760.000 Acres
T.0220N, R.0260E, 23 PM, NM
   Sec. 013   N2,SW,N2SE;
   014      ALL;
   015      NE,N2NW,E2SE;
   024      W2NW;
   035      SW;
Harding County
Taos FO
NMNM 31740
Formerly Lease No.
Stipulations:
No Stipulations Attached

NEW MEXICO - SE
NM-200604-033        80.000 Acres
T.0240S, R.0260E, 23 PM, NM
   Sec. 024   NENW,SWNW;
Eddy County
Carlsbad FO
NMNM 94075
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
NM-12 NSO Occupied Structures & Dwellings
   (Sec. 24: SWNW)
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-20 Springs, Seeps and Tanks

NM-200604-034        1280.000 Acres
T.0030S, R.0270E, 23 PM, NM
   Sec. 008   N2;
   010       SE;
   011       SW;
   021       ALL;
Chaves County
Roswell FO
NMNM 53961, NMNM 66703, NMNM 84708
Formerly Lease No.
Stipulations:
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
NM-200604-035        1520.000 Acres
T.0040S, R.0270E, 23 PM, NM
Sec. 011   NENE,S2N2,NESE,S2SE;
           012   ALL;
           024   NENE,SW,NESE;
           035   E2;
Chaves County
Roswell FO
NMNM 61337, NMNM 62900, NMNM 102928
Formerly Lease No.
Stipulations:
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

NEW MEXICO - NE
NM-200604-036        74.870 Acres
T.0100N, R.0270E, 23 PM, NM
Sec. 019   LOTS 2;
           030   LOTS 3;
Quay County
Roswell FO
NMNM 95597, NMNM 95598
Formerly Lease No.
Stipulations:
SENM-S-18 Streams, Rivers, and Floodplains

NEW MEXICO - SE
NM-200604-037        624.800 Acres
T.0240S, R.0270E, 23 PM, NM
Sec. 030   LOTS 1-4;
           030   E2,E2W2;
Eddy County
Carlsbad FO
NMNM 93470
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-LN-3 T&E or Sensitive Species
  (Gypsum Buckwheat)
NM-200604-038  680.000 Acres
  T.0260S, R.0270E, 23 PM, NM
  Sec. 001  E2;
           012  W2NE, NESW, S2SW, SE;
Eddy County
Carlsbad FO
NMNM 93193, NMNM 0476685-B
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-LN-1 Cave - Karst Occurrence Area
SENM-S-16 Raptor Nests and Heronries
SENM-S-17 Slopes or Fragile Soils
SENM-S-19 Playas and Alkali Lakes

NM-200604-039  1600.000 Acres
  T.0030S, R.0280E, 23 PM, NM
  Sec. 012  ALL;
           013  N2;
           023  SE;
           025  SW;
           035  NW, SE;
Chaves County
Roswell FO
NMNM 69166, NMNM 83064, NMNM 89104
Formerly Lease No.
Stipulations:
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

NM-200604-040  320.000 Acres
  T.0030S, R.0280E, 23 PM, NM
  Sec. 033  S2;
Chaves County
Roswell FO
NMNM 69166
Formerly Lease No.
Stipulations:
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
NM-200604-041  1439.250 Acres
T.0040S, R.0280E, 23 PM, NM
Sec. 001  LOTS 2-4;
  001  S2N2,W2SE;
  011  NWNE,SENE,E2SE;
  012  W2NE,S2;
  013  N2;
  014  NE,SENW;
Chaves County
Roswell FO
NMNM 66920, NMNM 90518, NMNM 90519
Formerly Lease No.
Stipulations:
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

NM-200604-042  796.740 Acres
T.0040S, R.0280E, 23 PM, NM
Sec. 004  LOTS 1-4;
  004  S2NE,SWNW,NWSW,SE;
  005  LOTS 1-2;
  005  S2NE,SE;
Chaves County
Roswell FO
NMNM 70883
Formerly Lease No.
Stipulations:
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
NM-200604-043       2200.000 Acres
  T.0040S, R.0280E, 23 PM, NM
   Sec. 025   N2NE,SENE,SWNW,S2;
              026   S2;
              027   SENE,W2,E2SE;
              032   E2;
              035   ALL;
Chaves County
Roswell FO
NMNM 31105, NMNM 56362, NMNM 60044
NMNM 62188, NMNM 68650
Formerly Lease No.
Stipulations:
SENM-S-17 Slopes or Fragile Soils
   (Secs. 27 & 32)
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks

NM-200604-044       320.000 Acres
  T.0050S, R.0280E, 23 PM, NM
   Sec. 009   E2;
Chaves County
Roswell FO
NMNM 83569
Formerly Lease No.
Stipulations:
SENM-S-19 Playas and Alkali Lakes
SENM-S-20 Springs, Seeps and Tanks
SENM-S-22 Prairie Chickens
SENM-S-36 NSO - LFC & SDL

NM-200604-045       1560.000 Acres
  T.0040S, R.0290E, 23 PM, NM
   Sec. 004   SW;
              008   E2;
              009   SW;
              010   NE,SESW,NE,SE,S2SE;
              017   N2,N2SW,SW,SE;
Chaves County
Roswell FO
NMNM 55917, NMNM 66706, NMNM 81737
Formerly Lease No.
Stipulations:
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

19
NM-200604-046       1198.170 Acres  
T.0040S, R.0290E, 23 PM, NM  
Sec. 006   LOTS 3,5,6,7;  
006   SENW,E2SW,SE;  
007   LOTS 1,2;  
007   E2,E2NW,NESW;  
018   NE,E2SE;  
Chaves County  
Roswell FO  
NMNM 55917, NMNM 66706  
Formerly Lease No.  
Stipulations:  
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  

NM-200604-047       1200.000 Acres  
T.0040S, R.0290E, 23 PM, NM  
Sec. 015   NW,S2;  
022   W2NE,W2,SE;  
028   NW;  
Chaves County  
Roswell FO  
NMNM 63733, NMNM 66706, NMNM 81737  
Formerly Lease No.  
Stipulations:  
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
NM-200604-048  1721.200 Acres
  T.0040S, R.0290E, 23 PM, NM
  Sec. 019  Lots 1,2;
         019  E2W2,S2SE;
         020  NWNE,S2SW;
         029  N2;
         030  Lots 1-3;
         030  NE,E2NW,NESW,N2SE;
         031  Lots 1-4;
         031  E2W2,SE;

Chaves County
Roswell FO
NMNM 62910, NMNM 70889
Formerly Lease No.

Stipulations:
  SENM-S-17 Slopes or Fragile Soils
  SENM-S-18 Streams, Rivers, and Floodplains
  SENM-S-19 Playas and Alkali Lakes
      (Sec. 31)
  SENM-S-20 Springs, Seeps and Tanks
      (Sec. 31)

NM-200604-049  40.000 Acres
  T.0240S, R.0290E, 23 PM, NM
  Sec. 026  NWNW;

Eddy County
Carlsbad FO
NMNM 94082
Formerly Lease No.

Stipulations:
  NM-11-LN Special Cultural Resource Lease Notice
  SENM-S-18 Streams, Rivers, and Floodplains
  SENM-S-25 Visual Resource Management
New Mexico - NE

**NM-200604-050** 1440.000 Acres
T.0250N, R.0290E, 23 PM, NM
Sec. 013 NWSW;
  014 SWSW,N2SE,SWSE;
  015 SENE,W2SW;
  022 S2NW,S2;
  025 S2S2;
  026 S2S2;
  027 N2NW;
  034 N2NE,E2SE;
  035 N2NW,E2SW;

Union County
Taos FO
NMNM 38714, NMNM 59630
Formerly Lease No.
Stipulations:
  No Stipulations Attached

**NM-200604-051** 40.000 Acres
T.0260N, R.0290E, 23 PM, NM
Sec. 031 SENW;

Union County
Taos FO
NMNM 59631
Formerly Lease No.
Stipulations:
  No Stipulations Attached

**NM-200604-052** 1361.830 Acres
T.0250N, R.0300E, 23 PM, NM
Sec. 008 SENW;
  019 N2NE,SWNE,SE;
  020 S2NE,SENW,SW,NESE,W2SE;
  027 SWSW;
  029 N2NW,S2SE;
  030 LOTS 2-4;
  030 NENE;
  031 LOTS 1-4;
  031 NESE,SWSE;
  034 NNNW;

Union County
Taos FO
NMNM 59637
Formerly Lease No.
Stipulations:
  No Stipulations Attached
NM-200604-053        80.000 Acres
T.0260N, R.0300E, 23 PM, NM
Sec. 033   NWNE, SENE;
Union County
Taos FO
NMNM 59638
Formerly Lease No.
Stipulations:
No Stipulations Attached

New Mexico - SE
NM-200604-054        320.000 Acres
T.0240S, R.0310E, 23 PM, NM
Sec. 014   S2;
Eddy County
Carlsbad FO
NMNM 69180
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-1 Potash Stipulation
SENM-S-22 Prairie Chickens

NM-200604-055        640.000 Acres
T.0210S, R.0320E, 23 PM, NM
Sec. 022   ALL;
Lea County
Carlsbad FO
NMNM 90539
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-1 Potash Stipulation
SENM-S-33 NSO - LPC & SDL

NM-200604-056        40.000 Acres
T.0200S, R.0330E, 23 PM, NM
Sec. 028   SWNE;
Lea County
Carlsbad FO
NMNM 90907
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-1 Potash Stipulation
SENM-S-15 Wildlife Habitat Projects
SENM-S-22 Prairie Chickens
**NM-200604-057**  960.000 Acres

T.0220S, R.0340E, 23 PM, NM
Sec. 015  S2;
    028  ALL;

Lea County
Carlsbad FO
NMNM 55964, NMNM 77088, NMNM 82943,
NMNM 84903, NMNM 94623
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens

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**NM-200604-058**  640.000 Acres

T.0100S, R.0350E, 23 PM, NM
Sec. 020  S2SE;
    021  S2SW;
    028  NW;
    029  NE,SW;

Lea County
Carlsbad FO
NMNM 57540
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-19 Playas and Alkali Lakes
SENM-S-22 Prairie Chickens

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**NM-200604-059**  760.000 Acres

T.0230S, R.0350E, 23 PM, NM
Sec. 013  S2N2;
    025  NW, S2NE, W2, SE;

Lea County
Carlsbad FO
NMNM 92203, NMNM 94123, NMNM 94126
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-17 Slopes or Fragile Soils
SENM-S-33 NSO - LPC & SDL
(SEc. 13: S2NW)
SENM-S-34 Shinnery Oak Sand Dune Habitat
(SEc. 13: S2NE)
(SEc. 25)
NM-200604-060        1200.000 Acres
T.0230S, R.0350E, 23 PM, NM
Sec. 014   S2NE,NW;
          015   N2N2;
          022   NWNE,S2NE,SE;
          023   NESE;
          024   E2,SW;
Lea County
Carlsbad FO
NMNM 90916, NMNM 94123
NMNM 94125, NMNM 94126
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice
SENM-S-17 Slopes or Fragile Soils
SENM-S-33 NSO - LFC & SDL
    (Secs. 14 & 15)
    (Sec. 22: NWNE)
SENM-S-34 Shinnery Oak Sand Dune Habitat
    (Sec. 22: S2NE, SE)
    (Secs. 23 & 24)

New Mexico - NW

NM-200604-061        666.390 Acres
T.0220N, R.0010W, 23 PM, NM
Sec. 018   S2NE,N2SE;
          030   NENE;
          031   LOTS 2,3;
T.0230N, R.0010W, 23 PM, NM
Sec. 020   S2SW;
          030   LOTS 3,4;
          030   E2SW,SE;
Sandoval County
Farmington FO
NMNM 19147, NMNM 61898, NMNM 84658
NMNM 87219, NMNM 92138
Formerly Lease No.
Stipulations:
No Stipulations Attached

NM-200604-062        240.000 Acres
T.0240N, R.0010W, 23 PM, NM
Sec. 025   N2NE,SWNW,W2SW,SESE;
Rio Arriba County
Farmington FO
NMNM 37748, NMNM 53915
Formerly Lease No.
Stipulations:
No Stipulations Attached
NM-200604-063  320.240 Acres  
T.0170N, R.0040W, 23 PM, NM  
Sec. 007  LOTS 1-4;  
007  E2W2;  
Sandoval County  
Farmington FO  
NMNM 94824  
Formerly Lease No.  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice

NM-200604-064  1120.000 Acres  
T.0170N, R.0050W, 23 PM, NM  
Sec. 034  E2,NW;  
035  ALL;  
McKinley County  
Farmington FO  
NMNM 70110  
Formerly Lease No.  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice

NM-200604-065  160.000 Acres  
T.0260N, R.0070W, 23 PM, NM  
Sec. 024  SE;  
Rio Arriba County  
Farmington FO  
NMSF 079034  
Formerly Lease No.  
Stipulations:  
F-38-NSO Ephemeral Wash Riparian Areas  
(Sec. 24: NESE)  
NM-11-LN Special Cultural Resource Lease Notice

NM-200604-066  80.000 Acres  
T.0220N, R.0080W, 23 PM, NM  
Sec. 003  S2NW;  
San Juan County  
Farmington FO  
NMNM 91521  
Formerly Lease No.  
Stipulations:  
NM-11-LN Special Cultural Resource Lease Notice
NM-200604-067        80.000 Acres
    T.0220N, R.0080W, 23 PM, NM
    Sec. 003   S2SE;
San Juan County
Farmington FO
NMNM 90842
Formerly Lease No.
Stipulations:
NM-11-LN Special Cultural Resource Lease Notice

NEW MEXICO ACQUIRED - NW

NM-200604-068        240.000 Acres
    T.0210N, R.0010W, 23 PM, NM
    Sec. 019   NENE;
                020   NWNE,NW;
Sandoval County
Farmington FO
NMNM 45168
Formerly Lease No.
Stipulations:
F-38 (NSO) Ephemeral Wash Riparian Areas
NM-11-LN Special Cultural Resource Lease Notice

OKLAHOMA PUBLIC DOMAIN - NW

NM-200604-069        40.000 Acres
    T.0210N, R.0140W, 23 PM, OK
    Sec. 003   SWSE;
Major County
Tulsa FO
OKNM 94873
Formerly Lease No.
Stipulations:
No Stipulations Attached

NM-200604-070        237.280 Acres
    T.0250N, R.0160W, 23 PM, OK
    Sec. 019   LOTS 1-4;
                019   E2SW;
Woods County
Tulsa FO
OKNM 93517
Formerly Lease No.
Stipulations:
No Stipulations Attached
NM-200604-071        120.000 Acres
   T.0250N, R.0160W, IM PM, OK
   Sec. 019   W2SE,SESE;
Woods County
Tulsa FO
OKNM 93517
Formerly Lease No.
Stipulations:
No Stipulations Attached

NM-200604-072        80.000 Acres
   T.0080N, R.0240W, IM PM, OK
   Sec. 022   S2SE;
Beckham County
Tulsa FO
OKNM 63781
Formerly Lease No.
Stipulations:
No Stipulations Attached

NM-200604-073        67.100 Acres
   T.0160N, R.0260W, IM PM, OK
   Sec. 003   LOTS 4;
   003   ACCR & RIPR TO LOT 4;
   003   SEE EXHIBIT "B" FOR M&B;
Roger Mills County
Tulsa FO
OKNM 19633, OKNM 114402
Formerly Lease No.
Stipulations:
ORA-1 Floodplain Protection (CSU)
ORA-2 Wetland/Riparian (CSU)
ORA-3 Season of Use Stipulation
WO-ESA 7 Endangered Species Act
NM-200604-074  103.070 Acres
    T.0160N, R.0260W, IM PM, OK
    Sec. 004  LOTS 1;
            004  ACCR & RIPR AC TO LOT 1;
            004  SEE EXHIBIT "C" FOR M&B;
    Roger Mills County
    Tulsa FO
    OKNM 19633-A, OKNM 23556
    Formerly Lease No.
    Stipulations:
    ORA-1 Floodplain Protection (CSU)
    ORA-2 Wetland/Riparian (CSU)
    ORA-3 Season of Use Stipulation
    WO-ESA 7 Endangered Species Act

OKLAHOMA ACQUIRED – NE

NM-200604-075  1086.200 Acres
    T.0040N, R.0230E, IM PM, OK
    Sec. 001  LOTS 1,2;
            001  S2NE,NESW,S2SW,SE;
            012  ALL;
    Le Flore County
    Tulsa FO
    OUACHITA NATIONAL FOREST
    OKNM 95570
    Formerly Lease No.
    Stipulations:
    FS1
    FS8(OK)CSU#1B
    (Sec.12: SESW,S2SE)
    FS8(OK)LN#3
    FS8(OK)LN#4

NM-200604-076  720.000 Acres
    T.0040N, R.0230E, IM PM, OK
    Sec. 002  SW,S2SE;
            011  E2,SW;
    Le Flore County
    Tulsa FO
    OUACHITA NATIONAL FOREST
    OKNM 95571
    Formerly Lease No.
    Stipulations:
    FS1
    FS8(OK)LN#3
    FS8(OK)LN#4
NM-200604-077  484.160 Acres
T.0040N, R.0230E, IM PM, OK
Sec. 003  LOTS 3,4;
003  S2NW,S2;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95572
Formerly Lease No.
Stipulations:
FS1
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-078  484.330 Acres
T.0040N, R.0230E, IM PM, OK
Sec. 004  LOTS 1,2;
004  S2NE,S2;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95573
Formerly Lease No.
Stipulations:
FS1
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-079  646.200 Acres
T.0040N, R.0230E, IM PM, OK
Sec. 005  LOTS 1-4;
005  S2N2,S2;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
50% MINERAL INTEREST
OKNM 95574
Formerly Lease No.
Stipulations:
FS1
FS8(OK)LN#3
FS8(OK)LN#4
NM-200604-080  893.560 Acres
T.0040N, R.0230E, IM PM, OK
Sec. 006  LOTS 1-7;
  006  S2NE, SENW, E2SW, SE;
  007  LOTS 3;
  007  NE, NESW, SESE;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95575
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1B
(Sec. 07: NE)
FS8(OK)CSU#1D
(Sec. 06: W2, N2NE)
(Sec. 07: N2SW)
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-081  1260.000 Acres
T.0040N, R.0230E, IM PM, OK
Sec. 008  N2SESW, SESESW, NWSWSE;
  008  NW, N2SW, SWSW;
  009  ALL;
  010  E2NENE, NW, W2SW, SESE;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95572, OKNM 95573, OKNM 95575
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1B
(Sec. 08)
  (Sec. 09: SW, S2SE)
FS8(OK)LN#3
FS8(OK)LN#4
NM-200604-082  840.000 Acres
  T.0040N, R.0230E, IM PM, OK
  Sec. 013  N2,SW,W2SE,NESE;
  015  N2N2,S2SW;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95576
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1B
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-083  1120.000 Acres
  T.0040N, R.0230E, IM PM, OK
  Sec. 016  ALL;
  017  E2,SW;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95577
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1B
FS8(OK)LN#3
FS8(OK)LN#4
NM-200604-084  1011.470 Acres
T.0040N, R.0230E, IM PM, OK
  Sec. 018  LOTS 1-4;
  018  E2,E2W2;
  019  LOTS 3,4;
  019  E2;
  019  S2NESW;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95578, OKNM 95579
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1A
  (Sec. 19:  Lots 3, 4, S2NESW, SE)
FS8(OK)CSU#1B
  (Sec. 18)
  (Sec. 19:  NE, N2SE)
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-085  1120.000 Acres
T.0040N, R.0230E, IM PM, OK
  Sec. 020  N2,SE;
  021  ALL;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95580
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1A
  (Sec. 20:  S2)
  (Sec. 21:  W2SW)
FS8(OK)CSU#1B
  (Sec. 20:  N2, N2SE)
  (Sec. 21:  SWSW)
FS8 (OK) LN#3
FS8 (OK) LN#4
NM-200604-086        1200.000 Acres
T.0040N, R.0230E, IM PM, OK
   Sec. 025   ALL;
       026   N2NE,W2,SE;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95581
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1B
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-087        960.000 Acres
T.0040N, R.0230E, IM PM, OK
   Sec. 027   ALL;
       028   N2;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95582
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1A
   (Sec. 28:  NW)
FS8(OK)CSU#1B
   (Sec. 27:  All)
   (Sec. 28:  NE, E2NW)
FS8(OK)LN#3
FS8(OK)LN#4
NM-200604-088  819.400 Acres
T.0040N, R.0230E, IM PM, OK
Sec. 029  SWNE,S2;
  030  LOTS 1-4;
  030  E2W2,SE;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95583
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1A
FS8(OK)CSU#1B
  (Sec. 30: Lot 4, SESW)
FS8(OK)CSU#1C
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-089  1023.400 Acres
T.0040N, R.0230E, IM PM, OK
Sec. 031  LOTS 1-4;
  031  E2,E2W2;
  032  W2;
  033  E2NW;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95584
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1A
  (Sec. 33: E2NW)
FS8(OK)CSU#1B
  (Sec. 31: Lots 1, 2, NE, E2NW, E2SE)
  (Sec. 32: W2)
FS8(OK)CSU#1C
  (Sec. 31: Lots 1-4, E2W2, NWNE)
  (Sec. 32: E2NW, SW)
FS8(OK)LN#3
FS8(OK)LN#4
NM-200604-090  800.000 Acres
  T.0040N, R.0230E, IM PM, OK
  Sec. 034  S2;
  035  W2,SE;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95585
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1A
  (Sec. 34)
  (Sec. 35:  S2NW, S2)
FS8(OK)CSU#1B
  (Sec. 34)
  (Sec. 35:  N2NW, NESE)
FS8(OK)LN#3
FS8(OK)LN#4

NM-200604-091  640.000 Acres
  T.0040N, R.0230E, IM PM, OK
  Sec. 036  ALL;
Le Flore County
Tulsa FO
OUACHITA NATIONAL FOREST
OKNM 95586
Formerly Lease No.
Stipulations:
FS1
FS8(OK)CSU#1A
  (Sec. 36:  S2SW, W2SE)
FS8(OK)CSU#1B
  (Sec. 36:  N2, N2SW, SE)
FS8(OK)LN#3
FS8(OK)LN#4
OKLAHOMA - NW
NM-200604-092        40.130 Acres
   T.0140N, R.0230W, IM PM, OK
   Sec. 005   LOTS 2;
Roger Mills County
Tulsa FO
BLACK KETTLE NATIONAL GRASSLANDS
OKNM 89764
Formerly Lease No.
Stipulations:
FS1
FS3 (OK) CSU1
FS3 (OK) CSU2
FS3 (OK) LN1

TEXAS ACQUIRED

NM-200604-093        199.500 Acres
   T.000, R.000, TX PM, TX
   Sec. 000   TR J-38A PARCEL #1;
   000   SEE EXH "D" FOR M&B W/MAP;
San Jacinto County
Tulsa FO
SAM HOUSTON NATIONAL FOREST
87.50% U.S. MINERAL INTEREST
QUAD NO. 3095143
TXNM 94887
Formerly Lease No.
Stipulations:
FS1
FS8 (TX) CSU#1-A
FS8 (TX) CSU#1-J
FS8 (TX) NSO#2A

Number of Parcels - 93
Total Acreage - 76,250.55
Total number of Parcels with Presale Offers - 0
Parcel Number of Parcels with Presale Offers -
Total Acreage With Presale Offers - 0.00

Any portion of the listed lands may be deleted upon
determination that such lands are not available for
leasing.
WASHINGTON RANCH
GAS STORAGE AGREEMENT

This lease will be issued for all formations except for the Morrow Formation, which is defined as the producing interval which occurs in the Black River Corporation - Cities Federal No. 1 Well located 1650 feet from the North line and 1650 feet from the West line of Sec. 34, T. 25 S., R. 24 E., NMPM, Eddy County, New Mexico, from the subsurface depth of 6628 feet as identified by the borehole compensated Sonic-Gamma Ray Electric log for the well, together with the vertical sections extending 100 feet above and below the interval.
METES AND BOUNDS DESCRIPTION
THE ACCRETION AND RIPARIAN ACREAGE TO
LOT 4, SECTION 3, T. 16 N., R. 26 W., IM
LOCATED ALONG THE CANADIAN RIVER,
ROGER MILLS COUNTY, OKLAHOMA
(Bearings and Distances are Geodetic)

Beginning at the ancient meander corner on the ancient right bank between
Sections 3 and 4, T. 16 N., R. 26 W., Roger Mills County, Oklahoma;

Thence North 22° 49' 54” West a distance of 1263.77 feet to a proportional point
on the 2005 right bank;

Thence North 42° 59' 27” West a distance of 60.38 feet to a point on the 2005
medial line;

Thence along the 2005 medial line the following courses and distances:
   North 47° 00° 33” East a distance of 106.35 feet;
   North 61° 48’ 11” East a distance of 131.41 feet;
   North 60° 34’ 16” East a distance of 102.21 feet;
   North 27° 42’ 28” East a distance of 54.90 feet;
   North 70° 10’ 21” East a distance of 43.57 feet;
   North 79° 45’ 44” East a distance of 83.00 feet;
   North 67° 44’ 04” East a distance of 69.25 feet;
   North 86° 00’ 02” East a distance of 176.35 feet;
   South 65° 17’ 34” East a distance of 73.49 feet;
   South 75° 31’ 51” East a distance of 152.88 feet;
   South 63° 07’ 48” East a distance of 68.38 feet;
   South 69° 28’ 27” East a distance of 129.62 feet;
   South 47° 10’ 03” East a distance of 83.48 feet;
   South 69° 55’ 26” East a distance of 101.56 feet;
   South 59° 16’ 53” East a distance of 117.65 feet;
   South 43° 25’ 41” East a distance of 130.47 feet;
   South 51° 03’ 56” East a distance of 24.38 feet;
   South 52° 58’ 20” East a distance of 104.45 feet;
   South 23° 13’ 52” East a distance of 39.18 feet;
   South 56° 17’ 58” East a distance of 107.01 feet;
   South 74° 57’ 40” East a distance of 111.67 feet;
   South 59° 12’ 53” East a distance of 97.04 feet;
   North 88° 50’ 43” East a distance of 2.88 feet to a point;
Thence South 01° 09’ 17” East a distance of 89.94 feet to a proportional point on the 2005 right bank;

Thence South 31° 59’ 52” East a distance of 89.08 feet to the Northeast corner of said Lot 4;

Thence along the adjusted ancient right bank the following courses and distances:
   South 64° 54’ 06” West a distance of 510.73 feet;
   South 60° 55’ 50” West a distance of 996.97 feet to the POINT OF BEGINNING and containing 35.80 acres of land more or less.
METES AND BOUNDS DESCRIPTION
OF LOT 1 (8.15 ACRES)
AND THE ACCRETION AND RIPARIAN ACREAGE
TO LOT 1, SECTION 4, T. 16 N., R. 26 W.,
LOCATED ALONG THE CANADIAN RIVER,
ELLIS COUNTY, OKLAHOMA
(Bearings and Distances are Geodetic)

Beginning at the ancient meander corner on the ancient left bank between
Section 4, T. 16 N., R. 26 W., and Section 33, T. 17 N., R. 26 W., Ellis County,
Oklahoma;

Thence South 32° 43’ 58” East a distance of 3295.12 feet to a proportional point
on the 2005 left bank;

Thence South 84° 31’ 39” East a distance of 40.43 feet to a point on the 2005
medial line;

Thence along the 2005 medial line the following courses and distances:
South 05° 28’ 19” West a distance of 11.76 feet;
South 21° 11’ 28” West a distance of 136.13 feet;
South 61° 56’ 06” West a distance of 79.33 feet;
South 49° 55’ 13” West a distance of 147.87 feet;
South 60° 17’ 22” West a distance of 92.86 feet;
South 71° 51’ 31” West a distance of 120.79 feet;
South 79° 53’ 26” West a distance of 119.38 feet;
South 65° 13’ 04” West a distance of 51.43 feet;
South 86° 00’ 27” West a distance of 112.42 feet;
North 78° 10’ 51” West a distance of 132.33 feet;
North 59° 01’ 09” West a distance of 92.34 feet;
North 65° 54’ 05” West a distance of 103.35 feet;
North 70° 43’ 04” West a distance of 191.26 feet;
North 84° 34’ 13” West a distance of 74.21 feet;
South 31° 07’ 24” West a distance of 22.05 feet;
North 89° 16’ 34” West a distance of 99.16 feet to a point;

Thence North 00° 43’ 26” East a distance of 90.87 feet to a proportional point on
the 2005 left bank;

Thence North 34° 24’ 52” West a distance of 3044.23 feet to the Southwest corner
of said Lot 1;
Thence along the adjusted ancient left bank the following courses and distances:
North 84° 25’ 34” East a distance of 716.88 feet;
North 58° 38’ 00” East a distance of 652.36 feet to the POINT OF BEGINNING, and
containing 94.92 acres of land more or less.

Total in Lot 1 of Section 4 is 103.07 acres of land more or less.
DESCRIPTION FOR MINERAL LEASING OF
TRACT J-38a PARCEL #1
SAM HOUSTON NATIONAL FOREST
SAN JACINTO COUNTY, TEXAS
199.50 ACRES

All that certain tract or parcel of land lying and being in San Jacinto County, Texas, on the waters of Winters Creek, embracing in part the Kelley Holliday patented Survey, Abstract No. 157, dated May 20, 1852 containing 199.50 acre, more or less, and identified herein for mineral leasing purposes as Tract J-38a Parcel #1 and described as follows. Tract J-38a was acquired from Roy D. Golston and wife, Frances T. Golston, by deed dated December 31, 1935 and recorded in Volume 32, Page 395-400, Deed Records, San Jacinto County, Texas and contains a total of 383.00 acres, more or less.

Tract J-38a Parcel #1 contains all of Tract J-38a as acquired from Roy D. Golston by Deed Dated 12/31/1935, LESS AND EXCEPT that 183.50 acres contained in Tract J-38a Parcel #2 currently under BLM lease and described as follows, leaving a net area of 199.50 acres, more or less for Parcel #1. It is not the intent of this description of Parcel #1 to include any lands leased within Parcel #2.

Tract J-38a Parcel #2, 183.50 acres: All that certain tract or parcel of land lying and being in San Jacinto County, Texas embracing in part the Kelley Holliday patented Survey, containing 183.50 acres identified as Tract J-38a Parcel #2.

Beginning at Corner No. 4, Tract J-38a, common to the Kelley Holliday Survey, A-157 and Francis Reimer Survey, A-255 and following the boundaries of said tract;

Thence four lines within the Kelley Holliday Survey;

N 59° 15' E, 32.50 chains to corner 5 of Tract J-38a;
N 30° 30' W, 1.20 chains to corner 6 of Tract J-38a;
N 61° 15' E, 13.20 chains to corner 7 of Tract J-38a;
S 29° 45' E, 45.40 chains to corner 8 of Tract J-38a;

Thence across Tract J-38a, S 60° 00' W, a calculated distance of 5.93 chains to a point for corner of Tract J-38a Parcel #2, on a prolongation of Line 9-8 of Tract J-38a to an intersection with line 1-2 of Exception No. 1 of Tract J-38a, said line common to Tract J-38a Parcel #1;
Thence three lines following the boundaries of Exception No. 1, Tract J-38a, within the Kelley Holliday Survey;

N 30° 00' W, a calculated distance of 14.18 chains to corner 1 of Exception No. 1;
S 60° 00' W, 24.30 chains to corner 4 of Exception No. 1;
S 30° 00' E, 21.70 chains to corner 3 of Exception No. 1;

Thence across Tract J-38a, S 59° 30' W, a calculated distance of 16.39 chains to a point for corner of Tract J-38a Parcel #2, on a prolongation of line 2-3 of Exception No. 1, Tract J-38a, to an intersection with line 3-4, Tract J-38a, said line common to Tract J-38a Parcel #1;

Thence along line 3-4, Tract J-38a, N 28° 45' W, common to the Kelley Holliday and Francis Reimer Surveys, 51.72 chains to the place of beginning, containing 183.50 acres, more or less, for Tract J-38a Parcel #2.
Note  For bearings and distances see description to which this map is attached and made a part of.

ROY D. GOLSTON TRACTS
(J38a)
SAN JACINTO COUNTY, TEXAS
TRACT J-38a PARCEL #1
199.50 ACRES
1935
SCALE : 1" = 20 CHAINS
NO SURFACE OCCUPANCY
EPHEMERAL WASH RIPARIAN AREAS

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

Ephemeral Wash Riparian Area SDA

No surface occupancy is allowed on active floodplains. Mitigation will be required to stabilize any channel in order to prevent migration of channels on to a well site within the 100 year floodplain.

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted or modified by the BLM authorized officer if such action is consistent with the provisions of the Farmington Resource Management Plan, or, if not consistent, through a land use plan amendment and associated environmental analysis. Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such change.

For the purpose of:

Protecting riparian systems and facilitating attainment and maintenance of proper functioning condition.
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:

At:

Telephone No:

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:

Facilities will be located at least 300 feet away from all riparian corridors (i.e. 300 feet away from the edge of vegetation zones associated with riparian areas whether they are perennial, intermittent or ephemeral).

Activities associated with drilling and production will be limited or special actions may be required in areas with high potential for wind or water erosion.

New road access will be limited to areas of less than 30% slopes. New road access in or near drainage (watercourses) will be limited to essential crossings with the least environmental impact. All Soil and Water Conservation Practices described in FSH 2509.22 will be followed for each site-specific case of road construction.

On the lands described below:

For the purpose of:

Prevention of soil erosion and to protect riparian areas.

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

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

The lessee is given notice that a closed circulation system will be used for all oil and gas drilling. No open pits will be allowed.

On the lands described below:

All lands within the Black Kettle National Grasslands.

For the purpose of:

Avoid potential ground and surface water contamination and surface disturbance associated with open pits.

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

R-3 Cultural Resource Management

No surface-disturbing work can be approved until a Cultural Resource survey and report is completed.

The permittee, contractor, or lessee shall be responsible for the protection from damage of all identified cultural resources within the area which may be affected by their actions. In addition, the permittee, contractor or lessee shall be liable for all damage or injury to the identified cultural resources caused by their actions.

The permittee, contractor, or lessee shall immediately notify the agency Project Administrator if any damage occurs to any cultural resource and immediately halt work in the area in which damage has occurred until authorized by the Project Administrator, after consultation with the Forest Archeologist, to proceed. All provisions of the Region 3 Cultural Resources Damage Assessment Handbook (FSH 2309.24, Chapter 40) are incorporated by reference herein.

Threatened, Endangered and Sensitive Species Habitat

The lessee is advised that the lease areas may contain populations of or habitat for threatened, endangered, proposed or Sensitive species. The leased lands will be examined prior to undertaking any surface disturbing activities (including seismic explorations) to determine effects upon any plant or animal species and prescribe necessary mitigations. These examinations will be initiated upon receipt of an Application for Permit to Drill, IM, Seismic testing request, or when any ground disturbing activity is proposed. Field surveys for some species may however require delays until appropriate field conditions can be met. Should proposed activities involve possible effects to a Federally listed species, consultation with USFWS may be required. Delays for consultation could take 30 to 135 days.
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 simi-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 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

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 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 objectives 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 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 simi-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).
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.
Surface occupancy or use is subject to the following special operating constraints.

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

On the lands described below:

Tract J-38a Parcel #1

For the purpose of:

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

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

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

Portions of the land in this lease are, or may be, occupied by clusters of the endangered red-cockaded woodpecker. Exploration and development proposals may be modified and/or limited, including no surface occupancy, within ¼ mile of an active red-cockaded woodpecker cluster. In addition, if foraging habitat is limited, no surface occupancy may occur within ½ mile of an active red-cockaded woodpecker cluster. Upon receipt of a site-specific proposal, the Forest Service will provide current inventory records of cluster locations and may require that localized surveys be performed to assure no uninventoried clusters are present. (MA-2-80-4.6)

On the lands described below:

Tract J-38a Parcel #1

For the purpose of:

To protect red-cockaded woodpecker clusters foraging and habitat areas in accordance with the National Forest and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

Any change to this stipulation will be made in accordance with the Land Use Plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)
NO SURFACE OCCUPANCY STIPULATION
NATIONAL FORESTS IN TEXAS

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

Within Winters Bayou Scenic Area in Tract J-38a Parcel #1, except hand-laying of electronic gear or apparatus could be further considered. Vehicle traffic may be restricted in this area. Seismic work requiring Use of explosives will not be allowed.

For the purpose of:

To meet visual quality objectives and to protect recreational values in accordance with the National Forests and Grasslands in Texas Final Land and Resource Management Plan, dated March 28, 1996.

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.)
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.
NO SURFACE OCCUPANCY
OCCUPIED STRUCTURES AND DWELLINGS

All or a portion of the lease contains dwellings or structures occupied by one or more persons. No Surface Occupancy is allowed on the portion of the lease described below. These restricted lands may be developed by directional drilling from outside the restricted area.

No Surface Occupancy on the lands described below:

T. 24 S., R. 26 E., NMPM
Sec. 24: SWNW

Waiver:
This No Surface Occupancy restriction may be waived if written consent of such waiver is received from the owner/occupant of the structure or dwelling.

For the Purpose of:
Lessening the impacts caused by mineral resource development on a place of residence and the occupants within.

Bureau of Land Management          NM-12
New Mexico State Office       February 2006
FLOODPLAIN PROTECTION STIPULATION
CONTROLLED SURFACE USE

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

For the following described land(s):

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

Bureau of Land Management
Oklahoma Field Office

ORA-1

November 1991
WETLAND/RIPARIAN STIPULATION
CONTROLLED SURFACE USE

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

For the following described land(s):

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

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

One the land(s) described below:

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

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

Bureau of Land Management
Oklahoma Field Office

ORA-3
November 1991
LEASE NOTICE
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.
LEASE NOTICE
PROTECTION OF ENDANGERED OR THREATENED OR SENSITIVE SPECIES

The following species have been identified as occurring on or in the vicinity of the lease areas. The lease areas may contain essential habitat for the continued existence of these species: Kuenzler hedgehog cactus (Echinocercus fendleri var. Kuenzleri) and/or Gypsum Buckwheat.

The Federal surface management agency is responsible for assuring that the leased lands are examined prior to undertaking any surface disturbing activities on lands covered by these leases, to determine effects on any plant or animal species listed or proposed for listing as endangered or threatened or their habitats.

In accordance with Section 6 of the lease terms and in order to comply with the Endangered Species Act of 1972, the lessee may be required to conduct an examination on the lands (including access routes to the lease areas) to be affected by the proposed action to determine if threatened or endangered species are present or may be affected by the proposed action. This survey would be done by a resource specialist approved by the surface management agency. An acceptable report is to be submitted for approval to the surface management agency identifying the anticipated effects of the proposed action on endangered or threatened species and their habitat. If the examination determines that the action may detrimentally affect a species listed or proposed for listing as an endangered or threatened species, restriction to the lessee’s proposal or even denial of any beneficial use of the lease may result. The lessee will take such measures as may be required by the authorized officer to protect such species.

Bureau of Land Management
Roswell Field Office

SENMLN-3
February 1992

66
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

NM-S-1
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
RAPTOR NESTS AND HERONRIES

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

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

For the purpose of: Protecting Raptor Nests and Heronries.

Bureau of Land Management
Roswell/Carlsbad Field Office

December 1997
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:

Bureau of Land Management
Roswell/Carlsbad Field Offices

SENMS-18
December 1997
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

Bureau of Land Management
Roswell/Carlsbad Field Offices

December 1997
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
Guadalupe Escarpment Scenic Area  
Visual Resource Management Class III Objectives  
Special Stipulations

Proposed projects may be located within the Guadalupe Escarpment Scenic Area. The project will be built in a manner to minimize visibility from National Parks Highway (US 62/180).

Special Operating Constraints:

The following stipulations will apply to minimize impacts during construction, drilling and production.

1. The proposed pad size must be reduced to the minimum necessary for safe drilling operations. Final well pad dimensions will be determined during the permit approval process. Vehicle travel outside approved surface disturbance areas is prohibited and not authorized.

2. All above ground facilities, structures, appurtenances, and pipelines must be low profile (less than 7 feet in height), unless this requirement is waived or modified by the BLM authorized officer.

3. All above ground facilities, structures, appurtenances, and pipelines will be painted with a site-specific non-reflective (Flat) paint color in accordance with Notices to Lessees and Operators 87-1 (New Mexico).

4. Upon completion of the well and installation of the production facilities (if the well is a producer) the pad will be reclaimed back to a size necessary for production operations only. The edges will be recontoured and the extra caliche and pad material will be hauled off-site.

5. Reclaimed areas will be grid rolled and reseeded.

Bureau of Land Management  
Carlsbad Field Office  
May 2004
NO SURFACE OCCUPANCY
LESSER PRAIRIE CHICKEN - SAND DUNE LIZARD HABITAT CORE AREAS

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 not allowed within the Zone 2 habitats identified below. This lease is issued with the intention that it be developed by directional drilling from or prorationing with a pre-existing authorized well location on an adjacent tract or on another location acceptable to BLM. 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 Rowell and Carlsbad RMPs.

No Surface Occupancy on the lands described below:

For the purpose of: preserving habitat for the lesser prairie chicken and Sand Dune lizard.
SHINNERY OAK SAND DUNE HABITAT COMPLEX
ZONE 3 PLAN OF DEVELOPMENT

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

For the purpose of:

Managing habitat suitable for the lesser prairie chicken (LPC) and sand dune lizard (SDL). The lease contains isolated blocks of unfragmented habitat suitable for LPC or SDL. Habitat parameters within this area are needed for the life cycle of the species (e.g., edge) or, with habitat manipulation, the area could become suitable habitat. To the extent possible, buffer zones around active LPC leks will be utilized to provide resource protection.

Bureau of Land Management
Roswell District Office

SENM-S-34
November 2004
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 prorationing 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 RMPs.

No Surface Occupancy on the lands described below:
NO SURFACE OCCUPANCY STIPULATION
GUADALUPE ESCARPMENT SCENIC AREA ZONE 1

All or a portion of the lease lies within Zone 1 of the Guadalupe Escarpment Scenic Area as described in the Carlsbad Resource Management Plan.

No surface occupancy is allowed within Zone 1.

On the lands described below:

For the purpose of:

Protection of highly sensitive visual areas as seen in the immediate foreground from key observation points along U.S. Highway 62/180, from the designated National Park Service wilderness, and US Forest Service scenic areas.
SOUTHERN GUADALUPE ESCARPMENT RESOURCES

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

(1) Well sites will be located to avoid sensitive resources. Drilling fluid/mud systems must be contained in metal tanks, drill cuttings must be disposed off-site, surface tanks must have berms sufficient to contain the total volume of all tanks. The berm area must be lined sufficient to prevent any leakage and rip-stop padding must be used to prevent tears or punctures in liners.

(2) The casing and cementing programs must be designed to allow for a karst protection string and all strings of casing must be cemented to the surface, upon abandonment of the well, the wellbore will be cemented from the base of the cave/karst zone to the surface.

(3) Pads may be located adjacent to existing roads, projects may be routed in corridors, and cut and fill may be minimized at the discretion of the BLM authorized officer. Loamy soil in gyp/loamy areas must be stockpiled to use for reclamation.

(4) Directional drilling from approved well pads may be required at the discretion of the BLM authorized officer to reduce the need for additional roads and production infrastructure.

(5) To protect visual resources, use of low profile structures, selective paint colors, use of weathering substances to reduce the contrast of large boulders and cut areas, natural colored power poles, non-reflective (non-specular) wire, setting the drill site back from the edge of bluffs, and other techniques will be considered at the time a drilling is processed.

(6) Interim reclamation of the drill site will be completed within six months of well completion. Interim reclamation plans including production equipment or facility site diagrams will be included in the surface use plan (SUP) at the time of the Application for Permit to Drill (APD). Additional consultation between the operator and the BLM authorized officer may be required to determine final drill site dimensions.

(7) Initial reclamation of the site will occur within three months of well abandonment. All reclamation requirements will be completed within six months of well plugging. Reclaimed well sites will continue to be monitored until
desirable vegetation (seeded and native) is established. Additional work may be required at the discretion of the BLM authorized officer to achieve results.

Appropriate seed mixes must be used; alkali sacaton, for-wing saltbush in gyp, sideoats grama, bristlegrass in shallow limestone are examples. Use of annual “nurse crop” to get initial cover and provide additional organic matter to soils may be required. Caliche removal, diskng, mulching, irrigation, fertilizing, seeding rates, seeding application (drilling vs. broadcasting), time of year to seed, fencing and weed control may be required as deemed necessary by the BLM authorized officer.

For the purpose of protecting:

ENDANGERED SPECIES ACT
SECTION 7 CONSULTATION STIPULATION

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

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- FAQS
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- Sale Results
- Forms
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Email links are provided at the site for your comments and suggestions