

Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215



Competitive Oil & Gas Lease Sale

September 7, 2017
Bureau of Land Management



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

Colorado State Office
2850 Youngfield Street
Lakewood, CO 80215-7093
<http://www.blm.gov>

June 9, 2017

Notice of Competitive Oil and Gas Internet-Based Lease Sale

In accordance with the *Mineral Leasing Act*, as amended by the *National Defense Authorization Act for Fiscal year 2015* (Pub. L. 113-291; 128 Stat. 3762) (Dec. 19, 2014), and the BLM regulations at 43 CFR 3120, the Bureau of Land Management (BLM) is offering 10 parcels for internet-based competitive sale of Federal lands containing 1227.468 acres in the State of Colorado for oil and gas leasing. This notice describes:

- The date, time and location of the sale
- How to participate in the bidding process
- The sale process
- The conditions of the sale
- How to file a noncompetitive offer after the sale
- How to file a presale noncompetitive offer
- How to file a protest

When: The sale date is September 7, 2017, the open bidding period will begin at **9 a.m. Mountain Standard Time (MST)/10 a.m. Central Standard Time (CST)**. Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for **2 hours**, from start to finish, and bids will *only* be accepted during a parcel's open bidding period.

Where: The sale is held online at <https://www.energynet.com/>. Click the Government Lease Sales icon to view this online lease sale. Parcels may be viewed online at the EnergyNet website approximately 10 business days after the posting of this Notice of Competitive Oil and Gas Internet-Based Lease Sale on the BLM website.

Access: The auction website is open to the public. The internet-based lease sale can be observed in real-time. However, you must register as a bidder on the website, in advance, in order to submit bids for a parcel. The auction website will be active and available for use approximately 10 business days after the date of this Notice of Competitive Oil and Gas Internet-Based Lease Sale and will remain available for viewing until the completion of the auction. The available parcels listed in this Notice will be detailed on the website. Interested parties may visit the website at any time. Potential bidders may register for the online auction as soon as the auction website is active. Bidders must be registered for the online lease sale before the bidding begins. Further, potential bidders are encouraged to visit the website prior to the start of the open bidding period to become

familiar with the site and review the bidding tutorial. Supporting documentation is available on the website to familiarize new users to the process and answer frequently asked questions.

How will the sale be conducted?

The sale will be conducted *by online bidding only*. The online auction design will be a sequential ascending clock, fixed period, English auction. Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for two hours from start to finish. Bids will only be accepted for each parcel during its open bid period. Each parcel will close bidding sequentially so bidders will know if they are the highest winning bid before subsequent parcels close. The website will display each current high bid, and the high bid bidder's number. The winning bid is the highest bid per acre received, equal to or exceeding the minimum acceptable bid, which is on record in the online auction system by the close of the auction period. The online system provides for two types of bids: a flat bid per acre, or a maximum bid, also per acre. The system allows participants to submit either type of bid, or both. Maximum bids allow a bidder to participate in the online auction without having to be logged into the website at the time the auction period closes. The auction website provides a full explanation of placing maximum bids, as well as an explanation of how they work to place bids on your behalf to maintain your high bidder status up to the chosen maximum bid amount. The BLM strongly encourages potential bidders to review the bidding tutorial on the auction website in advance of the online lease sale.

How do I participate in the bidding process?

To participate in the BLM bidding process, you must register and obtain a bidder number. A participant can register to bid at the auction website <https://www.energynet.com/> approximately 10 business days after the posting of the Sale Notice on the BLM website. Participants are encouraged to register early, to ensure they have ample time to complete all the required registration. Participants are also encouraged to visit the auction website in advance of the sale to familiarize themselves with the bidding instructions.

If an entity is bidding for more than one party, they must register separate credentials, satisfy all registration requirements and obtain a separate bidder number for each company or individual they wish to represent.

You do not have to be “present” in the auction in order to participate as a bidder. The online auction provides a “maximum bid” bidding option. By using this “maximum bid” option, you are asking the system to bid automatically on your behalf, up to an amount you specify.

When registering as a bidder on the auction website, you will also be asked to sign a statement to confirm that any bid you cast will represent a good faith intention to acquire an oil and gas lease and that you understand that any winning bid will constitute a legally binding commitment to accept the terms of the lease and pay monies owed. Further, you will acknowledge, through self-certification of the enhanced bidder form, that you understand that it is a crime under 18 U.S.C. 1001 and 43 U.S.C. 1212 to knowingly and willfully make any false, fictitious, or fraudulent statements or representations regarding your qualifications; bidder registration and intent to bid; acceptance of a lease; or payment of monies owed; and that any such offense may result in a fine or imprisonment for not more than 5 years or both. You will also acknowledge that you understand

that it is a crime under 30 U.S.C. 195 (a) and (b) to organize or participate in any scheme to defeat provisions of the mineral leasing regulations. Any person who knowingly violates this provision will be punished by a fine of not more than \$500,000, imprisonment for not more than 5 years, or both.

If you, or the party you represent, owe the United States any monies that were due the day of a previous oil and gas lease auction conducted by any BLM office (the minimum monies owed the day of sale), or any monies owed EnergyNet for a previous oil and gas lease auction conducted by EnergyNet for any BLM office, you will not be allowed to register to bid at this lease sale. The Mineral Leasing Act requires that leases be issued to a “responsible qualified bidder” (30 U.S.C. 226(b)(1)(A)). Any bidder, or party represented by a bidding agent, that does not pay the minimum monies owed the day of the sale is not a “responsible qualified bidder” and will be barred from participating in any oil and gas lease auction nationwide until the bidder settles that debt to the United States. In addition, if you or the party you represent defaults at any three sales conducted by any BLM office, you or the party you represent will be barred permanently from participating in any other BLM oil and gas lease sale auction.

What is the sale process?

Starting at the posted opening date and time for each parcel:

- All bids are on the gross (total) per-acre basis, rounded up to whole acres, for the entire acreage in the parcel;
- All bids are made in minimum increments of \$1.00 per acre, or fraction of an acre thereof;
- The winning bid is the highest received bid, equal to or exceeding the minimum acceptable bid, which is on record in the online auction system at the close of the auction period; and
- **The decision of the BLM, as presented on the auction website’s bid history at www.energynet.com, is final.**

The minimum acceptable bid is \$2 per acre. If a parcel contains fractional acreage, round it up to the next whole acre. For example, a parcel of 100.51 acres requires a minimum bid of \$202 (\$2 x 101 acres).

You cannot withdraw a bid once a bid is placed and the auction system determines that you are the high bidder, whether the bid was a flat bid or a maximum bid.

How long will the sale last?

Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for 2 hours, from start to finish. The length of the sale depends on the number of parcels we are offering.

What conditions apply to the lease sale?

- **Parcel withdrawal or sale postponement:** We reserve the right to withdraw any or all parcels before the sale begins. If we withdraw a parcel, we will post a notice in the Colorado State Office Information Access Center (Public Room) before the sale begins. Additionally, the auction website will clearly indicate that a parcel is withdrawn. If we postpone the sale, a clear notice will be posted in the State Office Information Access Center, the State Office Website, and on the auction website.
- **Fractional interests:** 43 CFR 3120.1-2(c) 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 as part of the parcel listing. 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 (total) acreage in the parcel, not the United States net interest. For example, if a parcel contains 199.31 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. Conversely, your chargeable acreage and royalty on production will be calculated on the United States net acreage.
- **Payment due:** You cannot withdraw a bid. Your bid is a legally binding contract. 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 year's advance rental of \$1.50 per acre or fraction of an acre; and a non-refundable administrative fee of \$160. These are monies you owe the United States, whether or not a lease is issued. You must provide notification of the payment process of these monies by 4:00 p.m. MST, the day after the auction closes. Payment will be made directly to the BLM Colorado State Office, or as otherwise directed by the BLM. **Payments to the BLM will not be made through the auction website.** At the conclusion of the sale, the winning bidder will be provided instructions by the online auction system on how to make the required payment to BLM. Also, you will be required to pay the buyer's premium to EnergyNet of 1.5% of any successful bid, in order to participate in the internet-based lease sale. If your bonus bid was more than \$2 per acre and you do not pay the full amount on the day of the sale, you must pay any remaining balance due by **4 p.m. September 21, 2017**, which is the tenth working day following the sale. **If you do not pay the balance due by this date, you forfeit the right to the lease and all money paid the day of the sale.** If you forfeit a parcel, we may offer it at a future sale.

The minimum monies owed on the day of the sale for a winning bid are monies owed to the United States [43 CFR 3120.5-2(b) and 43 CFR 3120.5-3(a)]. If we do not receive notification of the payment process of the minimum monies owed the day of the sale by the date and time above, the BLM will issue a bill for the monies owed. If we do not receive payment by the bill due date, we will send a demand letter to you that will include additional fees. If we do not receive payment as requested by the demand letter, the U.S. will immediately pursue collection by all appropriate methods, and when

appropriate, collect late fees, interest, administrative charges, and on past-due amounts assess civil penalties. “All appropriate methods” include, but are not limited to, referral to collection agencies and credit reporting bureaus; salary or administrative offset; offset of Federal and state payments, including goods or services; Federal and state tax refund offset; and retirement payment offset. We may send debts to the Internal Revenue Service (IRS) and the IRS may charge them as income to you on Form 1099C, Cancellation of Debt (Federal Claims Collection Act of 1966, as amended; The Debt Collection Improvement Act of 1996; 31 CFR Part 285).

- **Forms of payment:** Specific payment instructions will be provided by the online auction system to high winning bidders. You may pay by personal check, certified check, or money order in person at the BLM Colorado State Office. We encourage you to pay by Electronic Funds Transfer (EFT), Automated Clearing House (ACH), or credit card (Discover, Visa, American Express, or MasterCard only). We cannot accept cash. If you plan to make your payment using a credit card, you should contact your bank prior to the sale and let them know you will be making a substantial charge against your account. ***Please note, in accordance with the Department of Treasury Financial Manual, Announcement No. A-2014-04, the BLM cannot accept credit card payments for an amount equal to or greater than \$24,999.99. The BLM cannot accept aggregated smaller amounts or multiple credit cards to bypass this requirement.*** The BLM does not have Personal Identification Number (PIN) equipment for the purpose of processing PIN authorized debit cards. All debit card transactions will be processed as credit cards and the dollar value limits will apply. If you pay by check in person at the Colorado State Office, please make your check payable to: **Department of the Interior-BLM**. If a check you have sent to us in the past has been returned for insufficient funds, we may ask that you give us a guaranteed payment, such as a certified check. If you pay by credit card and the transaction is refused, we will try to notify you early enough so that you can make other payment arrangements. *However, we cannot grant you any extension of time to pay.*
- **Bid form:** On the day of the sale, if you are the successful winning high bidder, you must submit (email or fax) to BLM a properly completed and signed competitive bid form (Form 3000-2) with the required payment. This form is a legally binding offer by the prospective lessee to accept a lease and all its terms and conditions. Once you sign the form, you cannot change it. The online auction system will provide the successful winning high bidder with a fillable PDF of this bid form and instructions on how to submit the form to the Colorado State Office after the auction. We will not accept any bid form that has information crossed out or is otherwise altered. **We will not issue a lease until we receive a signed copy of the bid form in accordance with 43 CFR 3102.4(a).** You will be shown the bid form as part of the bidder registration process, and asked to certify that you will complete and execute it should you be the successful winning high bidder. We ask that you complete the form at that time to ensure that you can meet this condition.

Your completed bid form certifies that:

- (1) You and/or the prospective lessee are qualified to hold an oil and gas lease under our regulations at 43 CFR 3102.5-2; and
- (2) Both of you have complied with 18 U.S.C. 1860, a law that prohibits unlawful combinations, intimidation of, or collusion among bidders.

This notice includes a copy of the bid form, and again, you will be provided a copy during the bidder registration process and asked to assert that you agree that you will be able and willing to comply and sign it if you are the winning bidder at the close of the auction.

- **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 246,080 acres of public domain land and 246,080 acres of acquired land (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, Communitization agreement or development contract that you hold, own or control and acreage in leases for which royalty (including compensatory royalty or royalty-in-kind) was paid in the preceding calendar year 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 Issuance:** After we receive the bid form, all the money due and protests have been resolved, 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 request in writing to do this. The request must be received before the lease is signed.
- **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 in paying quantities is produced on or for the benefit of the lease. **Advance rental at \$1.50 per acre for the first 5 years (\$2 per acre after that) is due on or before the anniversary date each year until production begins.** Once a lease is producing, you must pay a royalty of 12.5 percent of the value or the amount of production removed or sold from the lease. You will find other lease terms on our standard lease form (Form 3100-11).
- **Split Estate:** Information regarding leasing of Federal minerals under private surface, referred to as "Split Estate," is available at the following Washington Office website: <https://www.blm.gov/documents/national-office/public-room-blm-library/brochure/split-estate-rights-responsibilities-and> A Split Estate brochure is available at this site. The

brochure outlines the rights, responsibilities, and opportunities of private surface owners and oil and gas operators in the planning, lease sale, permitting/development, and operations/production phases of the oil and gas program.

- **Stipulations:** Stipulations are part of the lease and supersede any inconsistent provisions of the lease form. They are requirements or restrictions on how you conduct operations. These stipulations are included in the parcel descriptions on the attached list.

All Federal oil and gas lease rights are granted subject to applicable laws under Section 6 of the lease including Endangered Species Act, as amended, 16 U.S.C. 1531 *et seq.* Each parcel included in this lease sale will be subject to the attached Endangered Species Act Section 7 Consultation Stipulation and Cultural Resource Protection Stipulation.

- **Unit and Communitization Agreements:** Parcels offered in this sale notice may fall within an authorized Unit or Communitization Agreement. If the parcel falls within an authorized Unit or Communitization Agreement, the successful bidder will be required to join the agreement.

Legal Land Descriptions: We prepared the 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. 9 S., R. 92 W., is shown as, T. 0090S., R. 0920W. (additional zeros underlined).

Lands are described separately by lots, tracts, minor aliquot parts, aliquot parts, and exceptions to survey for each section.

How do I file a noncompetitive offer after the sale?

Lands that do not receive a bid are available on a first-come, first-served basis for a 2-year period, beginning the day after the sale. The noncompetitive offers are handled directly by the BLM and not through the internet-based leasing website. If you want to file a noncompetitive offer 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. Describe the lands in your offer as specified in our regulations at 43 CFR 3110.5; and
- Your payment for the total of the \$415 non-refundable filing fee and the advanced first year's rental (\$1.50 per acre or fraction of an acre). Remember to round up any fractional acreage when you calculate the amount of rental.

Submit the aforementioned items to the BLM Colorado State Office Information Access Center (Public Room) in person or by mail. We consider all offers filed the day of a sale and the first business day after it, for any of the unsold parcels, filed at the same time. If a parcel receives more than one offer, we will hold a drawing to pick the winner (see 43 CFR 1822.17). In the list of

parcels, we have noted any parcels that have pending presale offers. A presale offer has priority over any offer 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 1-year period, or
- Have not been included in a competitive lease sale within the previous 2-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, your presale offer has priority over any offer for that parcel filed after the sale. Your presale offer is your consent to the terms and conditions of the lease, including any additional stipulations. If you want to file a presale offer you must file in the BLM Colorado State Office:

- An offer to lease form (Form 3100-11, dated October 2008) properly filled out and signed. The lands in your offer must be described as specified in our regulations at 43 CFR 3110.5; and
- Your remittance for the total of the \$415 non-refundable filing fee and the advanced first year's rental (\$1.50 per acre). Remember to round up any fractional acreage when you calculate the amount of rental.

How do I submit an Expression of Interest (EOI)?

An Expression of Interest (EOI) is an informal nomination requesting certain lands be included in an oil and gas competitive lease sale. This request may be made in writing to the BLM Colorado State Office, can be e-mailed to co_leasing_info@blm.gov, or submitted via the National Fluids Lease Sale System at <https://nflss.blm.gov/>.

The BLM no longer requires submitters of EOIs to provide their name or address. You may still provide this information for contact purposes; however, the BLM will make this information available to the public. If you consider your name and address to be confidential, do not include it in your EOI. The BLM will release all EOIs received after January 1, 2014, to the public. In an effort to improve transparency, each state office will make all new EOI submissions received on or after January 1, 2014, available to the public on each state's public website.

If you are submitting an EOI which includes split estate lands (private surface/federal minerals), you must provide the name and address of the current private surface owner(s) along with your EOI. The BLM will send a courtesy letter to the surface owner(s) providing notice of the scheduled auction as well as information about the BLM's regulations and procedures for federal oil and gas leasing and development on split estate lands. In the future, an EOI which includes split estate lands that does not provide the name and address of the surface owner(s) will not be processed by the BLM. In addition, any EOI which is currently pending in a BLM State Office will not be placed in the Notice of Competitive Lease Sale until the required information is provided.

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

We have tentatively scheduled our next competitive sale for the week of December 7, 2017. The EOI cutoff for the September 2018 sale is September 1, 2017. We can make no guarantee as to when a given parcel will be offered for competitive sale. We will try to put EOIs in the earliest possible sale.

How can I find out the results of this sale?

The sale results will be posted on the www.energynet.com website and the BLM Colorado State website at:

<https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-lease-sales/colorado>

Paper copies are available for viewing or purchase at the BLM Colorado State Office Information Access Center (Public Room).

PROTEST INFORMATION

Protests for the September 7, 2017 Competitive Oil & Gas Sale must be received by

4:00 P.M. on July 10, 2017

May I protest the 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:

- The BLM Colorado State Office must receive a protest no later than close of business on the 30th calendar day after the posting of the notice of the lease sale. No protests should be received by BLM District or Field Offices. All protests must be received by the Colorado State Office, located at 2850 Youngfield St., Lakewood, CO 80215. If the State Office is not open on the 30th day after the posting of the sale notice, a protest received on the next day our office is open to the public will be considered timely filed. Close of business for the Colorado State office is **4 p.m.** which is when the Information Center (Public Room) closes. The protest must also include a statement of reasons to support the protest. **We will dismiss a late-filed protest or a protest filed without a statement of reasons.**
- You may file a protest in hardcopy form, by mail or by telefax directly to the BLM Colorado State Office. You may not file a protest by electronic mail. A protest filed by fax must be sent to **(303) 239-3799**. A protest sent to a fax number other than the fax number identified or a protest filed by electronic mail will be dismissed.
- A protest must state the interest of the protesting party, their mailing address, **and reference the specific COC 5-digit serial number being protested. We will dismiss a protest listing the internal 4-digit parcel ID number.**
- If the party signing the protest is doing so on behalf of 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.

Any protests, including names and street addresses, you submit will be made available for public review. Individual respondents may request confidentiality. If you wish to withhold your personal identifiable information from public review or from disclosure under the Freedom of Information Act, you must state this prominently at the beginning of your written comment. Such requests will be honored to the extent allowed by law. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public inspection in their entirety.

If the 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 and status of any protests on the auction website prior to the start of the online auction. We will also announce on the website a decision to either withdraw the parcel or proceed with the auction. If the protest is resolved prior to the sale, we will provide copies of our decision on the BLM Colorado website.

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

We will make every effort to decide the protest prior to the sale, or within 60 days after the sale. We will not issue a 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 the BLM upholds the protest, how does that affect my competitive bid?

If we uphold a protest and withdraw the parcel from leasing, we will reject your bid, and refund your first year's rental, bonus bid, and administrative fee. The buyer's premium will be handled between EnergyNet and the buyer. 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. If you do not accept the additional stipulations, we will reject your bid and refund your first year's rental, bonus bid, and administrative fee.

If the 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 appeal the BLM's decision to deny my protest?

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 an 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 a refund of the bonus bid, rentals, and administrative fees 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.

FOREST SERVICE PARCELS: All bidders are hereby notified that stipulations for parcels located within the administrative boundaries of some Forest Service units are described in terms of the appropriate Forest Plan. Copies of the original maps and stipulations may be reviewed in the appropriate District Ranger's Office, the Forest Supervisor's Office, or the Rocky Mountain Regional Forester's Office at 1617 Cole Boulevard, Lakewood, Colorado (303) 275-5350.

The posting of this notice serves to withdraw the lands listed herein from filings under 43 CFR 3110.1(a)(1)(ii). Noncompetitive offers may not be entered on the lands listed in this notice until the auction has been completed on day of sale.

Who should I contact if I have questions?

If you have questions on BLM stipulations, lease notices, etc., please contact the appropriate BLM Field Office for assistance. If you have questions on another surface management agency's stipulations or restrictions, etc., for parcels under their surface management jurisdiction, please contact that agency.

For general information about the competitive oil and gas lease sale process, or this Lease Sale Notice, you may e-mail or call:

Rebecca Baca: email rbaca@blm.gov. Telephone number (303) 239-3780
Rachel Vaughn: email rvaughn@blm.gov. Telephone number (303) 239-3625
Sean Hudak: email shudak@blm.gov. Telephone number (303) 239-3771



Peter Cowan,
Acting, Branch Chief of Fluid Minerals

SURFACE MANAGEMENT AGENCY DESCRIPTION

The list of parcels offered for competitive sale includes a description of the surface management agency(ies) involved. Where the surface is administered by a federal agency other than the BLM, the coordinating BLM District and Resource Area Offices are depicted immediately below. The following abbreviations are used:

| | Surface Management Agencies |
|-------|--|
| BLM | Bureau of Land Management |
| PVT | Private Surface |
| FS | Forest Service Surface |
| BOR | Bureau of Reclamation Surface |
| DOE | Department of Energy Surface |
| NF | National Forest |
| NG | National Grassland |
| STCO | State of Colorado |
| | BLM District Offices |
| CON | Northwest District Office |
| CORM | Rocky Mountain District Office |
| COS | Southwest District Office |
| | BLM Field Offices |
| KFO | Kremmling Field Office (CON) |
| LSFO | Little Snake Field Office (CON) |
| WRFO | White River Field Office (CON) |
| CRVFO | Colorado River Valley Field Office (CON) |
| GJFO | Grand Junction Field Office (COS) |
| UFO | Uncompahgre Basin Field Office (COS) |
| TRFO | Tres Rios Field Office (COS) |
| GFO | Gunnison Basin Field Office (CORM) |
| SLVFO | San Luis Valley Field Office (CORM) |
| RGFO | Royal Gorge Field Office (CORM) |

Sample Number 1: PVT; BLM; CORM: RGFO (This entry shows the parcel contains both private and BLM surface located in the Rocky Mountain District Office in the Royal Gorge Field Office.)

Sample Number 2: FS; Routt NF; CON: LSFO (This entry shows the parcel is Forest Service land in the Routt National Forest. The coordinating BLM office is in the Little Snake Field Office in the Northwest District Office.)

THE FOLLOWING ACQUIRED LANDS ARE SUBJECT TO FILINGS IN THE MANNER SPECIFIED IN THE APPLICABLE PORTIONS OF THE REGULATIONS IN 43 CFR, SUBPART 3120.

PARCEL ID: 7911 SERIAL #: COC78531

T.0120S., R.0440W., 6TH PM

Section 18: Lot 13,14,19,20;

U.S. Interest 50.00%

Cheyenne County

Colorado 162.630 Acres

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

PVT/BLM; CORM: RGFO

PARCEL ID: 7943 SERIAL #: COC78532

T.0330S., R.0460W., 6TH PM

Section 3: Lot 7,8;

U.S. Interest 100.00%

Section 3: S2NW;

U.S. Interest 100.00%

Section 3: EXCL. RAILROAD;

U.S. Interest 100.00%

Baca County

Colorado 154.000 Acres

All lands are subject to Exhibit CO-02 to protect grouse dancing grounds

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

All lands are subject to Exhibit RG-03 to protect lesser prairie chicken habitat

PVT/BLM; CORM: RGFO

THE FOLLOWING PUBLIC DOMAIN LANDS ARE SUBJECT TO FILINGS IN THE MANNER SPECIFIED IN THE APPLICABLE PORTIONS OF THE REGULATIONS IN 43 CFR, SUBPART 3120.

PARCEL ID: 7931 SERIAL #: COC78533

T.0160S., R.0460W., 6TH PM

Section 30: Lot 5,12;

Cheyenne County

Colorado 80.590 Acres

All lands are subject to Exhibit CO-02 to protect grouse dancing grounds

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

All lands are subject to Exhibit RG-03 to protect lesser prairie chicken habitat

PVT/BLM; CORM: RGFO

PARCEL ID: 7915 SERIAL #: COC78534

T.0200S., R.0480W., 6TH PM

Section 3: Lot 1,2;

Section 3: EXCL R/W C-0123376;

Kiowa County

Colorado 24.890 Acres

All lands are subject to Exhibit CO-02 to protect grouse dancing grounds

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-04 to protect bald eagle roosts or nests

All lands are subject to Exhibit CO-07 to protect waterfowl and shorebird habitat and rookeries

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-23 to protect bald eagle winter roost sites

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

All lands are subject to Exhibit RG-03 to protect lesser prairie chicken habitat

All lands are subject to Exhibit RG-06 to protect Least Tern and Piping Plover Habitat

All lands are subject to Exhibit RG-08 to protect deer and elk winter ranges

PVT/BLM; CORM: RGFO

PARCEL ID: 7916 SERIAL #: COC78535

T.0200S., R.0480W., 6TH PM

Section 10: SENW,NESW;

Section 10: EXCL R/W C-0123376;

Section 11: NW;

Section 14: S2NE,NESW,SWSW;

Section 14: EXCL R/W C-0123376;

Kiowa County

Colorado 216.630 Acres

All lands are subject to Exhibit CO-03 to protect raptor nests

The following lands are subject to Exhibit CO-04 to protect bald eagle roosts or nests:

T.0200S., R.0480W., 6TH PM

- Section 10: SENW,NESW;
- Section 10: EXCL RW C-0123376;
- Section 14: S2NE,NESW,SWSW;
- Section 14: EXCL RW C-0123376;

The following lands are subject to Exhibit CO-07 to protect waterfowl and shorebird habitat and rookeries:

T.0200S., R.0480W., 6TH PM

- Section 10: SENW,NESW;
- Section 10: EXCL RW C-0123376;
- Section 14: S2NE,NESW,SWSW;
- Section 14: EXCL RW C-0123376;

The following lands are subject to Exhibit CO-17 to protect white pelican nesting and feeding habitat:

T.0200S., R.0480W., 6TH PM

- Section 10: SENW,NESW;
- Section 10: EXCL RW C-0123376;
- Section 14: S2NE,NESW,SWSW;
- Section 14: EXCL RW C-0123376;

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-23 to protect bald eagle winter roost sites

All lands are subject to Exhibit CO-28 to protect perennial water impoundments and streams, and/or riparian/wetland vegetation

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

The following lands are subject to Exhibit RG-06 to protect Least Tern and Piping Plover Habitat:

T.0200S., R.0480W., 6TH PM

- Section 10: SENW,NESW;
- Section 10: EXCL RW C-0123376;
- Section 14: S2NE,NESW,SWSW;
- Section 14: EXCL RW C-0123376;

The following lands are subject to Exhibit RG-07 to protect Wild Turkey Winter Range:

T.0200S., R.0480W., 6TH PM

- Section 14: S2NE,NESW,SWSW;
- Section 14: EXCL RW C-0123376;

All lands are subject to Exhibit RG-08 to protect deer and elk winter ranges

PVT/BLM; CORM: RGFO

PARCEL ID: 7930 SERIAL #: COC78536

T.0050N., R.0450W., 6TH PM

- Section 14: SE;

Yuma County

Colorado 160.000 Acres

All lands are subject to Exhibit CO-02 to protect grouse dancing grounds

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-15 to protect grouse winter habitat

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis
PVT/BLM; CORM: RGFO

PARCEL ID: 7920 SERIAL #: COC78537

T.0030N., R.0580W., 6TH PM
Section 33: E2;

Morgan County
Colorado 320.000 Acres

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis
PVT/BLM; CORM: RGFO

PARCEL ID: 7914 SERIAL #: COC78538

T.0040N., R.0580W., 6TH PM
Section 21: SESW EXCL COC25595;

Morgan County
Colorado 24.920 Acres

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-04 to protect bald eagle roosts or nests

All lands are subject to Exhibit CO-07 to protect waterfowl and shorebird habitat and rookeries

All lands are subject to Exhibit CO-09 to protect big game (mule deer, elk, pronghorn antelope, and bighorn sheep) winter range

All lands are subject to Exhibit CO-17 to protect white pelican nesting and feeding habitat

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-23 to protect bald eagle winter roost sites

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

All lands are subject to Exhibit NE-02 to protect riparian and wildlife values and resources near reservoirs and rivers

PVT/BLM; CORM: RGFO

PARCEL ID: 7608 SERIAL #: COC78539

T.0090N., R.0590W., 6TH PM

Section 31: SENE,NESE;

Weld County

Colorado 80.000 Acres

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

All lands are subject to Exhibit FS-11 NSO to protect surface resources and ecological integrity

All lands are subject to WO-20061005 Notice for Lands of the National Forest System Under Jurisdiction of the Department of Agriculture

FS: Pawnee NG; CORM: RGFO

PARCEL ID: 7912 SERIAL #: COC78540

T.0030N., R.0610W., 6TH PM

Section 2: LOT 2 EXCL COD013729;

Weld County

Colorado 3.808 Acres

All lands are subject to Exhibit CO-03 to protect raptor nests

All lands are subject to Exhibit CO-04 to protect bald eagle roosts or nests

All lands are subject to Exhibit CO-07 to protect waterfowl and shorebird habitat and rookeries

All lands are subject to Exhibit CO-09 to protect big game (mule deer, elk, pronghorn antelope, and bighorn sheep) winter range,

All lands are subject to Exhibit CO-17 to protect white pelican nesting and feeding habitat

All lands are subject to Exhibit CO-18 to protect raptor nesting and fledgling habitat

All lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat

All lands are subject to Exhibit CO-23 to protect bald eagle winter roost sites

All lands are subject to Exhibit CO-34 to alert lessee of potential habitat for a threatened, endangered, candidate, or other special status plant or animal

All lands are subject to Exhibit CO-39 to protect cultural resources

All lands are subject to Exhibit CO-56 to alert lessee of potential supplementary air analysis

All lands are subject to Exhibit NE-02 to protect riparian and wildlife values and resources near reservoirs and rivers

BLM; CORM: RGFO

EXHIBIT CO-02/GGNCA-1

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

To protect grouse dancing grounds (including sage and mountain sharp-tailed grouse and lesser and greater prairie chickens) within a one-quarter mile radius from the site.

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.)

Exception Criteria:

An exception may be granted depending on current usage of the site or on the geographical relationship to topographic barriers and vegetation screening.

EXHIBIT CO-03

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

To protect raptor nests within a one-eighth mile radius from the site.

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.)

Exception Criteria:

An exception may be granted depending on current usage, or on the geographical relationship to topographic barriers and vegetation screening.

EXHIBIT CO-04

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

To protect bald eagle roosts and nests within a one-quarter mile radius from the site.

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.)

Exception Criteria:

An exception may be granted to this stipulation depending on the current usage of the site, or the geographical relationship to the topographic barriers and vegetation screening.

EXHIBIT CO-07

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

To protect waterfowl and shorebird habitat and rookeries within significant production areas.

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.)

EXHIBIT CO-09

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

December 1 through April 30

On the lands described below:

For the purpose of (reasons):

To protect big game (mule deer, elk, pronghorn antelope, and bighorn sheep) winter range, including crucial winter habitat and other definable winter range as mapped by the Colorado Division of Wildlife. This may apply to sundry notice that require an environmental analysis.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

An exception may be granted under mild winter conditions for the last 60 days of the closure.

EXHIBIT CO-15

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

December 16 through March 15

On the lands described below:

For the purpose of (reasons):

To protect grouse (including sage and mountain sharp-tailed grouse, and lesser and greater prairie chickens) crucial winter habitat

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT CO-17

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

March 16 through September 30

On the lands described below:

For the purpose of (reasons):

To protect white pelican nesting and feeding habitat during usage

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT CO-18

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

February 1 through August 15

On the lands described below:

For the purpose of (reasons):

To protect raptor (this includes golden eagles, all accipiters, falcons [except the kestrels], all butteos, and owls) nesting and fledgling habitat during usage for one-quarter mile around the nest site.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

Exceptions may be granted during years when the nest site is unoccupied, when occupancy ends by or after May 15, or once the young have fledged and dispersed from the nest.

EXHIBIT CO-19

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

February 1 through August 15

On the lands described below:

For the purpose of (reasons):

To protect ferruginous hawk nesting and fledgling habitat during usage for a one-quarter mile buffer around the nest.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

Exceptions may be granted during years when a nest site is unoccupied, when occupancy ends by or after May 15, or once the young have fledged and dispersed from the nest.

EXHIBIT CO-23

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

November 16 through April 15

On the lands described below:

For the purpose of (reasons):

To protect bald eagle winter roost sites within a one-half mile buffer around the site

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

Exceptions may be granted for partial or complete visual screening of the oil and gas activity from the primary zone (that is, one-quarter mile around the roost site).

EXHIBIT CO-28

Lease Number:

CONTROLLED SURFACE USE STIPULATION

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

On the lands described below:

For the purpose of:

To protect perennial water impoundments and streams, and/or riparian/wetland vegetation by moving oil and gas exploration and development beyond the riparian vegetation zone.

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. See also Geothermal PEIS ROD section 2.3.3 at page 2-6.)

Exception Criteria:

Exceptions may be granted only if an on-site impact analysis shows no degradation of the resource values.

EXHIBIT CO-34

Lease Number:

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.

On the lands described below:

EXHIBIT CO-39

Lease Number:

CONTROLLED SURFACE USE

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

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.)

On the lands described below:

EXHIBIT CO-56

Lease Number:

LEASE NOTICE

Due to potential air quality concerns, supplementary air quality analysis may be required for any proposed development of this lease. This may include preparing a comprehensive emissions inventory, performing air quality modeling, and initiating interagency consultation with affected land managers and air quality regulators to determine potential mitigation options for any predicted significant impacts from the proposed development. Potential mitigation may include limiting the time, place, and pace of any proposed development, as well as providing for the best air quality control technology and/or management practices necessary to achieve area-wide air resource protection objectives. Mitigation measures would be analyzed through the appropriate level of NEPA analysis to determine effectiveness, and will be required or implemented as a permit condition of approval (COA). At a minimum, all projects and permitted uses implemented under this lease will comply with all applicable National Ambient Air Quality Standards and ensure Air Quality Related Values are protected in nearby Class I or Sensitive Class II areas that are afforded additional air quality protection under the Clean Air Act (CAA).

On the lands described below:

<LEGAL_DESCRIPTION>

EXHIBIT NE-02

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

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

For the purpose of:

To protecting riparian and wildlife values and resources near reservoirs and rivers (including South Platte and South Republican Rivers and Prewitt, Julesburg, Prospect, Horsecreek, Milton, Lower Latham Rivershed, Empire, Bijou, and Ft. Collins reservoir

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.)

EXHIBIT RG-03

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

March 1 through July 31

On the lands described below:

For the purpose of (reasons):

To protect lesser prairie chicken habitat.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT RG-06

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

April 1 through July 31

On the lands described below:

For the purpose of (reasons):

Least Tern and Piping Plover Nesting habitat.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT RG-07

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

Winter Range: December 1 – April 1

On the lands described below:

For the purpose of (reasons):

To protect wild turkey during the critical winter periods.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT RG-08

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

December 1 through March 31

On the lands described below:

For the purpose of (reasons):

To protect deer and elk winter ranges.

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 the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Lease Number:

NO SURFACE OCCUPANCY STIPULATION
Surface Resource Protection and Ecological Integrity

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

On the lands described below:

For the purpose of:

Maintaining the ecological integrity of terrestrial and aquatic ecosystems and watersheds on the Pawnee National Grassland. Maintaining the integrity of other surface resources on the Pawnee National Grassland; including, aesthetic values, cultural and heritage resources, fish and wildlife species, grazing and rangelands, recreation settings and opportunities, riparian areas, scenery, soil, surface and subsurface water quality, and view sheds.

Exceptions: Exceptions will be considered in accordance with the direction provided in the Forest plan, 36 CFR 228.104, and other applicable regulations and policies.

Modifications: Modifications will be considered in accordance with the direction provided in the Forest plan, 36 CFR 228.104, and other applicable regulations and policies.

Waiver: Waivers will be considered in accordance with the direction provided in the Forest plan, 36 CFR 228.104, and other applicable regulations and policies.

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).

Lease Number:

**NOTICE FOR LANDS OF THE NATIONAL FOREST SYSTEM
UNDER JURISDICTION OF
DEPARTMENT OF AGRICULTURE**

In conducting operations associated with this lease, the lessee/operator 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, occupancy, and management of National Forest System (NFS) lands when not inconsistent with existing lease rights granted by the Secretary of Interior.

All matters related to this notice are to be addressed to:

District Ranger, Pawnee National Grassland
660 "O" Street
Greeley, CO 80631
(970) 346-5000

who is the authorized representative of the Secretary of Agriculture.

CULTURAL RESOURCES (National Historic Preservation Act of 1966 (NHPA), P.L. 89-665 as amended by P.L. 94-422, P.L. 94-458, and P.L. 96-515):

The Forest Service authorized officer is responsible for ensuring that the leased lands are examined prior to the undertaking of any ground-disturbing activities to determine whether or not cultural resources are present, and to specify mitigation measures for effects on cultural resources that are found to be present.

The lessee or operator shall contact the Forest Service to determine if a site-specific cultural resource inventory is required prior to undertaking any surface-disturbing activities on Forest Service lands covered by this lease.

The lessee or operator may engage the services of a cultural resource specialist acceptable to the Forest Service to conduct any necessary cultural resource inventory of the area of proposed surface disturbance. In consultation with the Forest Service authorized officer, the lessee or operator may elect to conduct an inventory of a larger area to allow for alternative or additional areas of disturbance that may be needed to accommodate other resource needs or operations.

The lessee or operator shall implement mitigation measures required by the Forest Service to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures.

During the course of actual surface operations on Forest Service lands associated with this lease, the lessee or operator shall immediately bring to the attention of the Forest Service the discovery of any cultural or paleontological resources. The lessee or operator shall leave such discoveries intact until directed to proceed

by Forest Service.

THREATENED OR ENDANGERED SPECIES (The Endangered Species Act. (ESA), P.L. 93-205 (1973), P.L. 94-359 (1974), P.L. 95-212 (1977), P.L. 95-632 (1978), P.L. 96-159 (1979), P.L. 97-304 (1982), P.L. 100-653 (1988)).

The Forest Service authorized officer is responsible for compliance with the Endangered Species Act. This includes meeting ESA Section 7 consultation requirements with the U.S. Fish and Wildlife Service prior to any surface disturbing activities associated with this lease with potential effects to species and/or habitats protected by the ESA. The results of consultation may indicate a need for modification of or restrictions on proposed surface disturbing activities.

The lessee or operator may choose to conduct the examination at their cost. Results of the examination will be used in any necessary ESA consultation procedures. This examination and any associated reports, including Biological Assessments, must be done by or under the supervision of a qualified resource specialist approved by the Forest Service. Any reports must also be formally approved by the USDA Forest Service biologist or responsible official.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
**COMPETITIVE OIL AND GAS OR
GEOTHERMAL RESOURCES LEASE BID**

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

State

Date of Sale

| PARCEL NUMBER | AMOUNT OF BID <i>(see instructions below)</i> | |
|---|---|----------------------------|
| | TOTAL BID | PAYMENT SUBMITTED WITH BID |
| THE BID IS FOR (check one): <input type="checkbox"/> Oil and Gas Serial/Parcel No. _____ <input type="checkbox"/> Geothermal Serial/Parcel No. _____ | | |

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 3203.17. *(See details concerning lease qualifications on next page.)*

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 will result in rejection of the bid and forfeiture of all monies submitted.

Print or Type Name of Lessee

Signature of Lessee or Bidder

Address of Lessee

(City) (State) (Zip Code)

INSTRUCTIONS

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

1. Separate bid form for each lease/parcel is required. Identify by the serial/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: (1) for oil and gas leases in 43 CFR 3103.1-1; and (2) for geothermal resources leases in 43 CFR 3203.17. The remainder of the bonus bid, if any, must be submitted to the proper Bureau of Land Management (BLM) office within 10 working days for oil and gas, and 15 working days for geothermal, after the last day of the oral auction.
Failure to submit the remainder of the bonus bond within the statutory timeframe (or regulatory) will result in rejection or revocation, as appropriate, of the bid offer and forfeiture of all monies paid.
3. If the 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 BLM.
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), the bidder may wish to leave the AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the BLM at the oral auction.

INSTRUCTIONS FOR NPR-A OIL AND GAS BID

1. Separate bid form for each parcel is required. Identify the parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the amount of the bid. The remittance must be in the form specified in 43 CFR 3132.2 for a NPR-A lease bid.
3. Mark the envelope "Bid for NPR-A Lease". Be sure correct parcel number of tract on which the 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 the 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 BLM.

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.

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 the 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 this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authority 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 who is at least 18 years of age; an association of such citizens; a municipality; a corporation organized under the laws of the United States or of any State or Territory thereof; or a domestic governmental unit; and (2) Be in compliance with the acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres, and (3) Certify that all parties 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 authority cited herein.

NOTICES

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 Resource Lease.

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

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

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

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