



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office

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Salt Lake City, UT 84101-1434

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

**December 18, 2024**

## **Notice of Competitive Oil and Gas Internet 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), the Inflation Reduction Act 2022, and the BLM regulations at 43 CFR 3120, the Bureau of Land Management (BLM) is offering 2 parcel(s) containing 833.280 acres in Utah for internet-based competitive oil and gas leasing. This notice describes:

- The date, time, and place of the sale;
- How to participate in the bidding process;
- The sale process;
- The conditions of the sale; and
- How to file a protest

Attached is a list of lands we are offering by serial number, parcel number, and land description. 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% interest in the oil and gas mineral rights and less than 16.67% royalty interest.

For your convenience, additional sale documentation is located on <https://nflss.blm.gov/s/>.

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

**When:** The sale date is May 13, 2025. The open bidding period will begin at 9:00 a.m. Mountain Standard Time (MST) / 10:00 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 1 hour(s), 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 on 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 National Fluids Lease Sale System (NFLSS) website at <https://nflss.blm.gov/s/>.

**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, to submit bids for a parcel. The auction website will be active and available for use approximately 10 days after the date of this Notice of Competitive 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.

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 with 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 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 1 hour(s), from start to finish. Bids will only be accepted for each parcel during its open bidding period. Each parcel will close bidding sequentially so that each bidder 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 allows participants to submit maximum bids to enable 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 the bids are placed on your behalf to maintain your high bidder status up to the selected maximum bid amount. The BLM strongly encourages potential bidders to review the bidding tutorial, in the Frequently Asked Questions area 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 days after posting of this Notice on the NFLSS website. Participants are encouraged to register early, to familiarize themselves with the bidding instructions and ensure they have ample time to complete all required registration steps before the open bidding period commences.

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 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 be required to sign a statement to

confirming any bid you cast will represent a good-faith intention to acquire an oil and gas lease and you understand 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 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 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 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.

#### Provisions Pertaining to Certain Transactions by Foreign Persons Involving Real Estate in the United States

The Office of Investment Security, Department of the Treasury issued a final rule, **effective February 13, 2020**, establishing regulations to implement the provisions relating to real estate transactions in section 721 of the Defense Production Act of 1950, as amended by the Foreign Investment Risk Review Modernization Act of 2018. The final rule was published at 85 Fed. Reg. 3158 (Jan. 17, 2020), and codified at 31 C.F.R. part 802.

The new rule sets forth the process relating to the national security review by the Committee on Foreign Investment in the United States (CFIUS) of certain transactions, referred to in the rule as “covered real estate transactions,” that involve the purchase or lease (including an assignment or other transfer) by, or concession to, a foreign person of certain real estate in the United States. Covered real estate transactions could include some transactions involving the Federal mineral estate.

The CFIUS looks not only at the entities that are lessees, but also to any [legal] person with the ability to exercise control, as defined by the statute and its implementing regulations, over the lessee. CFIUS is authorized to review covered real estate transactions and to mitigate any risk to the national security of the United States that arises as a result of such transactions. This could result in the modification, suspension, or prohibition of a lease or interest therein.

Accordingly, BLM recommends that each potential bidder, lessee, or [other] interest holder review the final rule before bidding on or acquiring an interest in a Federal oil and gas lease.

For further information, please refer to the CFIUS page:

<https://home.treasury.gov/policy-issues/international/the-committee-on-foreign-investment-in-the-united-states-cfius>

### **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. 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 \$1,010 (\$10 x 101 acres).
- All bids start at the minimum acceptable bid of \$10 per acre, or fraction of an acre, thereof.
- 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.
- You cannot withdraw a bid once a bid is placed and the auction system determines you are the high bidder.
- **The decision of the BLM, as presented on the auction website's bid history at <https://www.energynet.com>, is final.**

### **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 1 hour(s), 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 or a sale is postponed, we will post a notice on the NFLSS website, on the auction website, and post information in the Utah State Office Information Access Center (Public Room) before the sale begins.
- **Fractional mineral interests:** 43 CFR 3120.1-2(c) We will indicate in the parcel listing if the United States owns less than 100 percent of the oil and gas mineral interest for the land(s) in a parcel. When we issue the lease, it will be for the percentage or fraction of interest the United States owns. However, the bonus bid and advance rental payment is calculated based 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 \$2,000 (\$10 x 200 acres) and the advance first year annual rental will be \$600 (\$3.00 x 200 acres) for the first 2 years and \$1,000 (\$5.00 x 200 acres) for lease years 3 thru 8 and \$3,000 (\$15.00 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.

- **Fractional royalty interests:** We will indicate as part of the parcel listing if the United States owns less than 16.67 percent of the oil and gas royalty interest for the land(s) in a parcel. When we issue the lease, it will be for the percentage or fraction of interest the United States owns.
- **Payment due:** You cannot withdraw a bid. Your bid is a legally binding contract. For each parcel you are the successful high bidder, on the day the parcel closes you must pay the minimum bonus bid of \$10 per acre or fraction of an acre; the first year's advance rental of \$3.00 per acre or fraction of an acre; and a non-refundable administrative fee of \$3,100.00. 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 to the BLM Utah State Office prior to 4 p.m. Mountain Standard Time, the day the auction closes, confirmation (via email or fax) that the payment for the parcel(s) has been initiated and the type of payment method.** Payment will be made directly to the BLM Utah 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 each parcel's bidding period, the winning bidder will be provided instructions by the online auction system on how to make the required payment to the BLM. You will be required to pay the buyer's premium to EnergyNet, 1.5% of any successful bid, in order to participate in the internet-based lease sale.

If your bonus bid was more than \$10 per acre or fraction of an acre and you do not pay the full amount on the day of the sale for the parcel, you must pay any balance due by the close of business on the 10th working day after the last day of the internet-based auction closes. **Remaining balance will be due in the Utah State Office by 4:00 p.m. Mountain Standard Time, May 28, 2025. If you do not pay in full by this date, you lose the right to the lease and all money paid the day of the sale.** If you forfeit a parcel, we may offer it again 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 continue to pursue collection by issuing a bill for the monies owed and your offer will be rejected. 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 assess civil penalties on past-due amounts. "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; and 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 winning bidders. You may pay by:

- Personal check, certified check, money order (expedited mailing methods);
- Electronic Funds Transfer (EFT);
- Automated Clearing House (ACH); and/or
- Credit card (Discover, Visa, American Express, or MasterCard only).
- We cannot accept cash.

To meet the payment requirement, you must provide BLM contacts with confirmation that the transaction has been initiated on the day the parcel closes before 4:00 p.m. An email or fax containing confirmation must include but is not limited to the following appropriate documents: overnight shipping tracking document, a copy of the payment instrument, and/or a bank provided electronic confirmation of EFT or ACH. **Do not email or fax privacy information.**

***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 to bypass this requirement.*** An amount owed that exceeds the maximum dollar amount for a credit card payment transaction may not be split into two or more payment transactions in the same day by using one or more credit cards. 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 plan to make your payment using a credit card, you should contact your bank prior to the sale to let them know that you will be making a substantial charge against your account. If the credit card 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 provide confirmation of payment to the BLM contacts.**

If you pay by check, 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.

• **Bid form:** On the day of the sale, if you are a successful winning high bidder, you must submit (email or fax) to the 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 bidder with a fillable pdf of this bid form and instructions on how to submit the form to the Utah 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).**

The bid form will be provided as a part of the bidder registration process and you will be required to certify that you will complete and execute the form should you be the winning high bidder at the close of the auction. This notice also includes a copy of the bid form.

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 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.

**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 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 additional time under 43 CFR 3101.2-4, to divest excess acreage acquired through merger or acquisition.

- **Lease Issuance:** After we receive the signed bid form, all monies 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. **Rental at \$3.00 per acre for the first 2 years, \$5.00 per acre for years 3 thru 8, and \$15.00 per acre thereafter is due on or before the anniversary date with the first year's rental paid to the BLM and subsequent payments paid to the Office of Natural Resources Revenue (ONRR) each year until production begins.** If subsequent rental payments are not received by ONRR **on or before** the lease anniversary date (also known as lease effective date), the lease will automatically terminate by operation of law. It is strongly recommended to make rental payments at least 7 to

10 days prior to the lease anniversary date. Any lease rental payments misfiled to the BLM will not be forwarded to ONNR and a misfiled payment does not constitute an excuse for not making the payment **on or before** the lease anniversary date.

The royalty rate that applies to the lands offered in this lease sale is a fixed 16.67 percent. Once a lease is producing, you must pay a royalty of 16.67 percent (or as the lease is amended) of the value or the amount of production removed or sold from the lease. This royalty rate supersedes the royalty rate stated in the BLM's standard lease form (Form 3100-11). You will find other lease terms on the standard lease form.

- **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/programs/energy-and-minerals/oil-and-gas/leasing/split-estate>. 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 terms including requirements under the Endangered Species Act, as amended, 16 U.S.C. 1531 *et seq.* In accordance with Washington Office (WO) Instruction Memorandum (IM) No. 2002-174, each parcel included in this lease sale will be subject to the Endangered Species Act Section 7 Consultation Stipulation. In accordance with WO IM No. 2005-003, Cultural Resources and Tribal Consultation, for Fluid Minerals Leasing, each parcel in this sale will be subject to the Cultural Resource Protection Stipulation.

- **Unit and Communitization Agreements:** Parcels offered in this Notice may fall within an authorized Unit or Communitization Agreement. If the parcel falls within an authorized Unit or Communitization Agreement, the successful bidder may be required to join the agreement. Any lands included in this Notice that are determined to be in a unit prior to lease issuance are subject to regulation 43 CFR 3101.3-1.

### **How do I file an oil and gas presale or post sale noncompetitive offer?**

As of August 16, 2022, the Inflation Reduction Act (IRA), eliminated the oil and gas noncompetitive leasing process; therefore, no presale or post-sale noncompetitive oil and gas lease offers will be accepted. Any submitted noncompetitive oil and gas lease offers will be automatically rejected.

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

An Expression of Interest (EOI) application is an informal nomination requesting certain lands be included in an oil and gas competitive lease sale. Regulations pertaining to competitive oil and gas



leasing can be found in 43 CFR 3120. This request must be submitted via the National Fluids Lease Sale System (NFLSS) at <https://nflss.blm.gov/s/>.

- A nonrefundable filing fee of \$5.00 per acre, or fraction thereof, (rounded up to the nearest whole acre) is required to be paid to the appropriate BLM State Office prior to the EOI application being processed.
- The EOI application must contain a complete legal land description (including metes and bounds description, if applicable).
- Provide proof of Federal mineral ownership (e.g. Deed(s), Patent(s), or other form of mineral interest conveyance to the United States), if applicable.
- Provide the name and address of all current surface owner(s), if applicable.

If you are submitting an EOI application 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 application. 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. An EOI application that does not provide the name and address of the private surface owner(s) will not be processed by the BLM.

All EOI applications, including the name of the nominator, will be made available for public review and inspection in their entirety.

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

We have tentatively scheduled our next competitive sale for September 9, 2025. 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 BLM NFLSS website at <https://nflss.blm.gov/s/> and on the EnergyNet auction website at [www.energynet.com](http://www.energynet.com). Paper copies are available for viewing or purchase at the BLM Utah State Office Information Access Center. Please be advised the name of the successful high bidder (lessee) of the lease shall be made publicly available.

### **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:

- We must receive a protest within 30 calendar days of the posting date of this Notice. All protests must be received no later than **4:00 pm Mountain Standard Time on February 6, 2025**. If our office is not open on the 30th day after the posting, a protest received on the next day our office is open to the public will be considered timely filed. **We will dismiss a late-filed protest.**
- The protest must include a statement of reasons to support the protest. We will dismiss a protest filed without a statement of reasons.

- To the extent you submit exhibits or attachments to any submitted protest, you must provide a summary of the attached documents, and explain why they are important for us to consider. If the submittal fails to include the requested summary, BLM may not consider any information in the exhibits or attachments during its decision-making process.
- A protest must state the interest of the protesting party in the matter, including the name the name and address of the protesting party, **and reference the specific serial number that is being protested.**
- You may file a protest either by hand delivery, by fax, or mailed in hardcopy form. You may not file a protest by electronic mail. A protest filed by fax must be sent to (801) 539-4237. **We will dismiss a protest sent to a fax number other than the fax number identified or a protest filed by electronic mail.**
- 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 association authorizes an individual member of its group to act on their behalf, the individual cannot make a protest in the group's name.
- The protest document must be signed. **Unsigned protest documents will be dismissed.**
- Please be advised that all protest information and correspondence shall be made publicly available.

Any protests, including names and street addresses, you submit will be made available for public review on the BLM NFLSS website at <https://nflss.blm.gov/s/>. 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 (FOIA), 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 of any protests on the BLM NFLSS website and the auction website prior to the start of the online auction. We will also announce on the websites 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 NFLSS website at <https://nflss.blm.gov/s/>.

**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, but no later than 60 days after the sale. We will not issue a lease for a protested parcel until the protest is either upheld or denied.

**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 the 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 the 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. An appeal from the State Director's decision must meet the requirements of 43 CFR 4.411 and Part 1840.

You may file a notice of appeal by paper hardcopy only. The BLM will not accept a notice of appeal transmitted electronically (e.g., by email, fax, or social media means). Also, the BLM will not accept a petition for stay that is transmitted electronically (e.g., by email, fax, or social media means). Even if the BLM has previously corresponded with you by email, fax, or social media means, the BLM will not accept a notice of appeal transmitted electronically. Both the notice of appeal and any petition for stay must be received on paper at the office address above.

**May I appeal the BLM's decision to deny my protest?**

Yes. An appeal from the State Director's decision must meet the requirements of 43 CFR 4.411 and Part 1840.

You may file a notice of appeal by paper hardcopy only. The BLM will not accept a notice of appeal transmitted electronically (e.g., by email, fax, or social media means). Also, the BLM will not accept a petition for stay that is transmitted electronically (e.g., by email, fax, or social media means). Even if the BLM has previously corresponded with you by email, fax, or social media means, the BLM will not accept a notice of appeal transmitted electronically. Both the notice of appeal and any petition for stay must be received on paper at the office address above.

**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, administrative fees, and EnergyNet's buyer premium, 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, administrative fee, and EnergyNet's buyer premium.

**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., please contact that agency.

For general information about the competitive oil and gas lease sale process, or this Notice of Competitive Lease Sale, you may e-mail or call: Owen Grimes, Lead Land Law Examiner at [ogrimes@blm.gov](mailto:ogrimes@blm.gov) or (801) 539-4041.

Christina Price,  
Deputy State Director  
Division of Lands and Minerals

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.)  
Mineral Leasing 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)

Geographic State

Date of Sale

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

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

I CERTIFY THAT (1) I have read and am in compliance with; and not in violation of the lessee qualification requirements under the applicable regulations for this bid; (2) this bid is not in violation of 18 U.S.C. 1860, which prohibits unlawful combination or intimidation of bidders; and (3) 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   | (Name of President of Company for Lessee)                         |
| (City)                      (State)                      (Zip Code) | (Name of Vice President of Company for Lessee)                    |
|   | <input type="checkbox"/> See Attachment for additional principals |

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

1. Separate bid form for each lease/parcel or block 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 (oil and gas: \$10.00 per acre; geothermal: twenty percent of the total bid), the first year's rental (oil and gas: \$3.00 per acre; geothermal: \$2.00 per acre), and the administrative fee (see 43 CFR 3000.12). 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 calendar days for geothermal, after the last day of the competitive auction. **Failure to submit the remainder of the bonus bid within the statutory (or regulatory) timeframe 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 competitive auction. If signed before the competitive auction, this form cannot be modified without being executed again. In view of this requirement, the bidder may wish to leave the AMOUNT OF TOTAL BID section blank so that final bid amount may be either completed by the bidder or the BLM at the close of the competitive auction.
5. See 2 CFR 180.995 for the definition of principals.

**INSTRUCTIONS FOR OIL AND GAS:**

**NATIONAL PETROLEUM RESERVE--ALASKA (NPR-A)  
SEALED BID**

1. Separate bid form for each tract is required.
2. AMOUNT OF TOTAL BID must be in whole dollar figure. 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 for a NPR-A lease bid.
3. Mark the envelope "Sealed Bid for NPR-A Oil and Gas Lease Sale". Be sure correct tract number on which the bid is submitted and date of bid opening are noted plainly on envelope. Use standard size envelopes not to exceed 4-1/2" x 10-1/2". 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 to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
5. There is no limit to the number of joint bidders that may participate. If joint bidders is marked above, attach on a separate sheet the name and address of the additional bidders, percent of interest of each bidder (total of all bidders must equal 100%), and signature for each joint bidder.
6. See 2 CFR 180.995 for the definition of principals.

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 all leases that may be issued:** The bidder/lessee shall comply with the Departments of the Interior's nonprocurement debarment and suspension regulations as required by 2 CFR 1400 subpart B and shall communicate the requirement to comply with these regulations to persons with whom it does business related to this lease by including this term in its contracts and transactions.

**For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the 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 (Title 30 U.S.C. Section 201(a)2(A)); (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act (Title 30 U.S.C. Section 226(g)); (5) Not be in violation of sec. 41 of the Act (Title 30 U.S.C. Section 195)); and (6) Certify that all parties in this bid are in compliance with 43 CFR parts 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 part 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

This form is exempt from the Paperwork Reduction Act of 1995 (P.L. 104-13) under 5 CFR 1320.3(h)(1).

The Privacy Act of 1974 and the regulations in 43 CFR 2.48(d) provide that you be furnished with 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 resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when consent 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Serial Number

**LEASE FOR OIL AND GAS**

The undersigned (page 2) 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), or

\_\_\_\_\_ (other).

**READ INSTRUCTIONS BEFORE COMPLETING**

1. Name

Street

City, State, Zip Code

2. This lease is for: *(Check only One)*  PUBLIC DOMAIN LANDS  ACQUIRED LANDS (percent U.S. interest \_\_\_\_\_)

Surface managing agency if other than Bureau of Land Management (BLM): \_\_\_\_\_ Unit/Project \_\_\_\_\_

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 2 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 hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

**For a competitive lease, this lease is issued to the high bidder pursuant to the highest bidder's duly executed bid form submitted under 43 CFR 3120 and is subject to the provisions of that bid and those specified on this form.**

Type and primary term of lease:

THE UNITED STATES OF AMERICA

by \_\_\_\_\_  
(BLM)

Competitive lease (ten years)

\_\_\_\_\_  
(Title) (Date)

Other \_\_\_\_\_ EFFECTIVE DATE OF LEASE \_\_\_\_\_

3. (a) Undersigned certifies that lessee shall comply with the Department of the Interior's nonprocurement debarment and suspension regulations as required by 2 CFR 1400 subpart B and shall communicate the requirement to comply with these regulations to persons with whom it does business related to this lease by including this term in its contracts and transactions.

(b) For leases that may be issued as a result of the Mineral Leasing Act (MLA) of 1920, the undersigned certifies that: (1) the lessee is 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) all parties holding an interest in the lease are in compliance with 43 CFR parts 3000 and 3100 and the leasing authorities cited herein; (3) they are in compliance with the acreage limitation requirements wherein the bidder's/lessee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options, or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options); (4) the lessee is not considered a minor under the laws of the State in which the lands covered by this lease are located; (5) the lessee is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)2(A) of the MLA (Title 30 U.S.C. Section 201(a)(2)(A)); (6) the lessee is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the MLA (Title 30 U.S.C. Section 226(g)); and (7) the lessee is not in violation of sec. 41 of the MLA (Title 30 U.S.C. Section 195).

(c) For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the undersigned must: (1) be a citizen or national of the United States; a citizen of another country 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 (including partnerships and trusts) of such citizens, nationals, resident citizens of another country or private, public or municipal corporations; and (2) certify that all parties in interest are in compliance with 43 CFR part 3130 and the leasing authority cited herein.

(d) Undersigned agrees that signature to this lease constitutes acceptance of this lease, including all terms, conditions, and stipulations of which the lessee has been given notice, and any amendment or separate lease that may include any land described in this lease open to leasing at the time this lease was filed but omitted for any reason from this lease.

Duly executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
(Signature and Title of Lessee or Attorney-in-fact)

\_\_\_\_\_  
(Name of President of Company) (Name of Vice President of Company)  See Attachment for additional principals

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.

LEASE TERMS

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

- (a) Competitive lease, \$3.00 for the first 2 years; \$5.00 for years 3 through 8; thereafter \$15.00;
- (b) Other, see attachment; or as specified in regulations at the time this lease is issued.

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

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) must 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 must be paid to proper office of

lessor. Royalties must be computed in accordance with regulations on production removed or sold. Royalty rates are:

- (a) Competitive lease, 16.67%;
- (b) Other, see attachment; or as specified in regulations at the time this lease is issued.

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

Minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year must



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

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

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

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

accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations - Lessee must 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 must take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-way. Such uses must be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

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

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

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

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

Sec. 10. Protection of diverse interests and equal opportunity - Lessee must 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 must comply with section 28 of the Mineral Leasing Act of 1920.

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

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

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

Sec. 13. Proceedings in case of default - If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease will be subject to cancellation unless or

until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. This provision will 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 will not prevent later cancellation for the same default occurring at any other time. Lessee will be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

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

A. General:

1. The BLM will complete page 1 of the form.
2. For competitive leases, a bidder must submit a completed bid form (3000-002). For all other leases, the lessee must sign item 3. If additional principals need to be listed, please include those on a separate sheet. See 2 CFR 180.995 for the definition of principals.

## NOTICES

This form is exempt from the Paperwork Reduction Act of 1995 (P.L. 104-13) under 5 CFR 1320.3(h)(1).

The Privacy Act of 1974 and the regulations in 43 CFR 2.48(d) provide that you be furnished with the following information in connection with information required by this oil and gas lease.

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

PRINCIPAL PURPOSE: The information is to be used to process oil and gas leases.

ROUTINE USES: (1) The adjudication of the lessee's rights to the land or resources. (2) Documentation for public information in support of notations made on land status records for the management, disposal, and use of public lands and resources. (3) Transfer to appropriate Federal agencies when consent 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, the lease may be rejected. See regulations at 43 CFR 3100.

## Parcels

### Utah

**UT-2025-05-7688**

**UTUT106698557**

UT, Vernal Field Office, BLM, PD

T. 8 S., R. 21 E., Salt Lake

Sec. 1 LOTS 1 thru 4;

Sec. 1 SW1/4NW1/4.

Uintah County

201.2 Acres

Rental \$606.00

16.67% Royalty Rate

Stipulations:

**UT-S-01** BLM Stipulation for Air Quality (2008 RMPs - Outside Moab MLP)

**UT-S-316** BLM Stipulation for Material Site Rights-of-Way

**UT-S-VFO-99** BLM Stipulation CSU for Fragile Soils/Slopes

**UT-S-VFO-100** BLM Stipulation CSU for Fragile Soils/Slopes 21-40 Percent

**HQ-CR-1** BLM Lease Notice LN for Cultural Resource Protection

**HQ-MLA-1** BLM Lease Notice LN for Notice to Lessee Concerning Mineral Leasing Act  
Section 2(a)(2)(A)

**HQ-TES-1** BLM Lease Notice LN for Threatened and Endangered Species Act

**T&E-03** BLM Lease Notice LN for Endangered Fish of the Upper Colorado River Drainage  
Basin (PFO, VFO)

**T&E-05** BLM Lease Notice LN for Listed Plant Species

**T&E-12** BLM Lease Notice LN for Pariette Cactus (*sclerocactus brevispinus*) and Uinta Basin  
Hookless Cactus [*sclerocactus glaucus* (*brevispinus* and *welandicus*)]

**UT-LN-13** BLM Lease Notice LN for Pronghorn Winter Habitat

**UT-LN-14** BLM Lease Notice LN for Pronghorn Fawning Habitat (Outside Moab MLP and  
areas defined in VFO, RFO, MbFO & MtFO stips)

**UT-LN-25** BLM Lease Notice LN for White-Tailed and Gunnison Prairie Dog (MbFO, MtFO,  
VFO, PFO - Outside Moab MLP)

**UT-LN-44** BLM Lease Notice LN for Raptors

**UT-LN-45** BLM Lease Notice LN for Migratory Bird

**UT-LN-49** BLM Lease Notice LN for Utah Sensitive Species

**UT-LN-51** BLM Lease Notice LN for Special Status Plants: Not Federally Listed

**UT-LN-52** BLM Lease Notice LN for Noxious Weeds

**UT-LN-53** BLM Lease Notice LN for Riparian Areas

**UT-LN-72** BLM Lease Notice LN for High Potential Paleontological Resources

**UT-LN-96** BLM Lease Notice LN for Air Quality Mitigation Measures

**UT-LN-99** BLM Lease Notice LN for Regional Ozone Formation Controls

**UT-LN-102** BLM Lease Notice LN for Air Quality Analysis

**UT-LN-128** BLM Lease Notice LN for Floodplain Management

**UT-LN-156** BLM Lease Notice LN for Pollinators and Pollinator Habitat (Sept 2018 Price-  
Richfield Lease Sale EA)

**UT-S-VFO-96** BLM Stipulation NSO for Fragile Soils/Slopes Greater than 40 Percent

**UT-S-VFO-123** BLM Stipulation NSO for Riparian, Floodplains, and Public Water Reserves

**UT-S-VFO-157** BLM Stipulation NSO for Visual Resources  
**UT-S-VFO-261** BLM Stipulation TL for Raptor Buffers  
EOI #UT00019071

**UT-2025-05-1551**  
**UTUT106698558**

UT, Vernal Field Office, BLM, PD

T. 7 S., R. 22 E., Salt Lake

Sec. 4 LOTS 1 thru 8;

Sec. 4 S1/2NE1/4, S1/2NW1/4.

T. 7 S., R. 22 E., Salt Lake

Sec. 3 SW1/4NW1/4, NW1/4SW1/4, S1/2SW1/4, S1/2SE1/4.

Uintah County

632.08 Acres

Rental \$1,899.00

16.67% Royalty Rate

Stipulations:

**UT-S-01** BLM Stipulation for Air Quality (2008 RMPs - Outside Moab MLP)

**UT-S-316** BLM Stipulation for Material Site Rights-of-Way

**UT-S-VFO-99** BLM Stipulation CSU for Fragile Soils/Slopes

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**UT-LN-52** BLM Lease Notice LN for Noxious Weeds

**UT-LN-53** BLM Lease Notice LN for Riparian Areas

**UT-LN-72** BLM Lease Notice LN for High Potential Paleontological Resources

**UT-LN-89** BLM Lease Notice LN for Horseshoe Milkvetch (*astragalus equisolensis*) (VFO)

**UT-LN-96** BLM Lease Notice LN for Air Quality Mitigation Measures

**UT-LN-99** BLM Lease Notice LN for Regional Ozone Formation Controls

**UT-LN-102** BLM Lease Notice LN for Air Quality Analysis

**UT-LN-128** BLM Lease Notice LN for Floodplain Management

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**UT-S-VFO-157** BLM Stipulation NSO for Visual Resources  
**UT-S-VFO-261** BLM Stipulation TL for Raptor Buffers  
EOI #UT00019033, UT00018008

## Stipulations

### BLM Stipulations

#### *UT-S-01-Air Quality (2008 RMPs - Outside Moab MLP)*

All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower shall not emit more than 2 grams of NOx per horsepower-hour.

Exception: This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.

Modification: None

Waiver: None

AND

All new and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gram of NOx per horsepower-hour.

Exception: None

Modification: None

Waiver: None

#### *UT-S-316-Material Site Rights-of-Way*

Lessee shall conduct operations in conformity with the following requirements:

1. The Utah State Department of Highways will have unrestricted rights of ingress of the property.
2. The lease will not conflict with the right of the Utah State Department of Highways to remove any road-building materials from the property.
3. The Utah State Department of Highways reserves the right to set up, operate, and maintain such facilities as are reasonable to expedite the removal, production, and use of the materials; and the lessee shall not interfere with the Highway Department's use of the property for such purposes.

#### *UT-S-VFO-99-Fragile Soils/Slopes*

The surface operating standards for oil and gas exploration and development (Gold Book) shall be used as a guide for surface-disturbing proposals on steep slopes/hillsides.

Exception: None

Modification: None

Waiver: None

**UT-S-VFO-96-Fragile Soils/Slopes Greater than 40 Percent**

No surface occupancy for slopes greater than 40 percent.

Exception: If after an environment analysis the authorized officer determines that it would cause undue or unnecessary degradation to pursue other placement alternatives; surface occupancy in the NSO area may be authorized. Additionally a plan shall be submitted by the operator and approved by BLM prior to construction and maintenance and include:

- An erosion control strategy;
- GIS modeling;
- Proper survey and design by a certified engineer.

Modification: Modifications also may be granted if a more detailed analysis, i.e. Order I, soil survey conducted by a qualified soil scientist finds that surface disturbance activities could occur on slopes greater than 40% while adequately protecting the area from accelerated erosion.

Waiver: None

**UT-S-VFO-100-Fragile Soils/Slopes 21-40 Percent**

If surface-disturbing activities cannot be avoided on slopes from 21-40% a plan will be required. The plan will approved by BLM prior to construction and maintenance and include:

- An erosion control strategy;
- GIS modeling;
- Proper survey and design by a certified engineer.

Exception: None

Modification: None

Waiver: None

**UT-S-VFO-123-Riparian, Floodplains, and Public Water Reserves**

No new surface-disturbing activities are allowed within active flood plains, wetlands, public water reserves, or 100 meters of riparian areas. Keep construction of new stream crossings to a minimum.

Exception: An exception could be authorized if: (a) there are no practical alternatives (b) impacts could be fully mitigated, or (c) the action is designed to enhance the riparian resources.

Modification: None

Waiver: None

### **UT-S-VFO-157-Visual Resources**

Visual resource management activities will comply with BLM Handbook 8410-1.

Within VRM Class I areas, very limited management activity will be allowed, with the objective of preserving the existing character of the landscape, allowing for natural ecological changes. The level of change to the landscape should be very low and shall not attract attention.

Within VRM Class II areas, surface-disturbing activities will retain the existing character of the landscape. The level of change to the landscape should be low. Management activities may be seen, but should not attract the attention of the casual observer. Any change to the landscape shall repeat the basic elements of form, line, color and texture found in the predominant natural features of the characteristic landscape.

Within VRM Class III areas, surface disturbing activities will partially retain the existing character of the landscape. The allowable level of change will be moderate, may attract attention, but should not dominate the view of the casual observer. Landscape changes should repeat the basic elements of form, line, color and texture found in the predominant natural features of the characteristic landscape.

Within VRM Class IV areas, surface disturbing activities are allowed to dominate the view and the major focus of viewer attention. Major modifications to the existing character of the landscape are allowed. But every attempt should be made to minimize and mitigate the impacts.

Exception: Exempted are recognized utility corridors.

Modification: None

Waiver: None

### **UT-S-VFO-261-Raptor Buffers**

Raptor management will be guided by the use of "Best Management Practices for Raptors and Their Associated Habitats in Utah" (Utah BLM, 2006, Appendix A), utilizing seasonal and spatial buffers, as well as mitigation, to maintain and enhance raptor nesting and foraging habitat, while allowing other resource uses.

Exception: None

Modification: Criteria that would need to be met, prior to implementing modifications to the spatial and seasonal buffers in the "Raptor BMPs", would include the following:

1. Completion of a site-specific assessment by a wildlife biologist or other qualified individual. See example (Attachment 1 of the Raptor BMPs in Appendix A)
2. Written documentation by the BLM Field Office Wildlife Biologist, identifying the proposed modification and affirming that implementation of the proposed modification(s) would not affect nest success or the suitability of the site for



future nesting. Modification of the “BMPs” would not be recommended if it is determined that adverse impacts to

nesting raptors would occur or that the suitability of the site for future nesting would be compromised.

3. Development of a monitoring and mitigation strategy by a BLM biologist, or other raptor biologist. Impacts of authorized

activities would be documented to determine if the modifications were implemented as described in the environmental

documentation or Conditions of Approval, and were adequate to protect the nest site. Should adverse impacts be

identified during monitoring of an activity, BLM would follow an appropriate course of action, which may include

cessation or modification of activities that would avoid, minimize or mitigate the impact, or, with the approval of UDWR

and the USFWS, BLM could allow the activity to continue while requiring monitoring to determine the full impact of the

activity on the affected raptor nest. A monitoring report would be completed and forwarded to UDWR for incorporation

into the Natural Heritage Program (NHP) raptor database.

Waiver: None

## **BLM Lease Notices**

### ***HQ-CR-1-Cultural Resource Protection***

This lease may be found to contain historic properties and/or resources protected under 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.

### ***HQ-MLA-1-Notice to Lessee Concerning Mineral Leasing Act Section 2(a)(2)(A)***

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal Coal Lease for 10 years beginning on or after August 4, 1976, and that is not producing coal in commercial quantities from each such lease cannot qualify for the issuance of any other lease granted under the MLA. 43 CFR 3472 explains coal lessee compliance with Section 2(a)(2)(A).

In accordance with the terms of this oil and gas lease with respect to compliance by the initial

lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit; (2) the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A); or (3) the assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

The lease case file, as well as in other Bureau of Land Management (BLM) records available through the State Office issuing this lease, contains information regarding assignor or transferor compliance with Section 2(a)(2)(A).

### **HQ-TES-1-Threatened and Endangered Species Act**

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. The BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that would contribute to a need to list such a species or their habitat. The 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. The BLM will not approve any ground-disturbing activity 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.

### **T&E-03-Endangered Fish of the Upper Colorado River Drainage Basin (PFO, VFO)**

The Lessee/Operator is given notice that the lands in this parcel contain Critical Habitat for the Colorado River fish (bonytail, humpback chub, Colorado pike minnow, and razorback sucker) listed as endangered under the Endangered Species Act, or these parcels have watersheds that are tributary to designated habitat. Critical habitat was designated for the four endangered Colorado River fishes on March 21, 1994(59 FR 13374-13400). Designated critical habitat for all the endangered fishes includes those portions of the 100-year floodplain that contain primary constituent elements necessary for survival of the species. Avoidance or use restrictions may be placed on portions of the lease. The following avoidance and minimization measures have been designed to ensure activities carried out on the lease are in compliance with the Endangered Species Act. Integration of and adherence to these measures will facilitate review and analysis of any submitted permits under the authority of this lease. Following these measures could reduce the scope of Endangered Species Act, Section 7 consultation at the permit stage. Current avoidance and minimization measures include the following:

1. Surveys will be required prior to operations unless species occupancy and distribution information is complete and available. All surveys must be conducted by qualified individual(s).
2. Lease activities will require monitoring throughout the duration of the project. To ensure desired results are being achieved, minimization measures will be evaluated and, if necessary, Section 7 consultation reinitiated.

3. Water production will be managed to ensure maintenance or enhancement of riparian habitat.
4. Avoid loss or disturbance of riparian habitats.
5. Where technically and economically feasible, use directional drilling or multiple wells from the same pad to reduce surface disturbance and eliminate drilling in suitable riparian habitat. Ensure that such directional drilling does not intercept or degrade alluvial aquifers.
6. Conduct watershed analysis for leases in designated critical habitat and overlapping major tributaries in order to determine toxicity risk from permanent facilities.
7. Implement Appendix B (Hydrologic Considerations for Pipeline Crossing Stream Channels, Technical Note 423).
8. Drilling will not occur within 100 year floodplains of rivers or tributaries to rivers that contain listed fish species or critical habitat.
9. In areas adjacent to 100-year flood plains, particularly in systems prone to flash floods, analyze the risk for flash floods to impact facilities, and use closed loop drilling, and pipeline burial or suspension according to Appendix B (Hydrologic Considerations for Pipeline Crossing Stream Channels, Technical Note 423, to minimize the potential for equipment damage and resulting leaks or spills.

Water depletion from any portion of the Upper Colorado River drainage basin above Lake Powell are considered to adversely affect or adversely modify the critical habitat of the four resident endangered fish species, and must be evaluated with regard to the criteria described in the Upper Colorado River Endangered Fish Recovery Program. Formal consultation with USFWS is required for all depletion. All depletion amounts must be reported to BLM.

Additional measures to avoid or minimize effects to the species may be developed and implemented in consultation with the U.S. Fish and Wildlife Service between the lease sale stage and lease development stage to ensure continued compliance with the ESA.

#### **T&E-05-Listed Plant Species**

The Lessee/Operator is given notice that the lands in this parcel contain suitable habitat for federally listed plant species under the Endangered Species Act. The following avoidance and minimization measures have been developed to facilitate review and analysis of any submitted permits under the authority of this lease

1. Site inventories:
  - a. Must be conducted to determine habitat suitability,
  - b. Are required in known or potential habitat for all areas proposed for surface disturbance prior to initiation of project activities, at a time when the plant can be detected, and during appropriate flowering periods,
  - c. Documentation should include, but not be limited to individual plant locations and suitable

habitat distributions, and

d. All surveys must be conducted by qualified individuals.

2. Lease activities will require monitoring throughout the duration of the project. To ensure desired results are being achieved, minimization measures will be evaluated and, if necessary, Section 7 consultation reinitiated.

3. Project activities must be designed to avoid direct disturbance to populations and to individual plants:

a. Designs will avoid concentrating water flows or sediments into plant occupied habitat.

b. Construction will occur down slope of plants and populations where feasible; if well pads and roads must be sited upslope, buffers of 300 feet minimum between surface disturbances and plants and populations will be incorporated.

c. Where populations occur within 300 ft. of well pads, establish a buffer or fence the individuals or groups of individuals during and post-construction.

d. Areas for avoidance will be visually identifiable in the field, e.g., flagging, temporary fencing, rebar, etc.

e. For surface pipelines, use a 10 foot buffer from any plant locations:

f. If on a slope, use stabilizing construction techniques to ensure the pipelines don't move towards the population.

4. For riparian/wetland-associated species, e.g. Ute ladies-tresses, avoid loss or disturbance of riparian habitats.

5. Ensure that water extraction or disposal practices do not result in change of hydrologic regime.

6. Limit disturbances to and within suitable habitat by staying on designated routes.

7. Limit new access routes created by the project.

8. Place signing to limit ATV travel in sensitive areas.

9. Implement dust abatement practices near occupied plant habitat.

10. All disturbed areas will be re-vegetated with native species comprised of species indigenous to the area.

11. Post construction monitoring for invasive species will be required.

12. Where technically and economically feasible, use directional drilling or multiple wells from the same pad to reduce surface disturbance and eliminate drilling in plant habitat. Ensure that such directional drilling does not intercept or degrade alluvial aquifers.

13. Lease activities will require monitoring throughout the duration of the project. To ensure desired results are being achieved, minimization measures will be evaluated and, if necessary, Section 7 consultation reinitiated.

Additional measures to avoid or minimize effects to the species may be developed and implemented in consultation with the U.S. Fish and Wildlife Service between the lease sale stage and lease development stage to ensure continued compliance with the Endangered Species Act.

**T&E-12-Pariette Cactus (*sclerocactus brevispinus*) and Uinta Basin Hookless Cactus  
[*sclerocactus glaucus (brevispinus and welandicus)*]**

The Lessee/Operator is given notice that the lands in this parcel contain suitable habitat for the Pariette cactus and Uinta Basin hookless cactus, under the Endangered Species Act (ESA). The following avoidance and minimization measures have been developed to facilitate review and analysis of any submitted permits under the authority of this lease.

In order to minimize effects to the federally threatened Pariette cactus and Uinta Basin hookless cactus, the BLM in coordination with the USFWS, developed the following avoidance and minimization measures. Integration of and adherence to these measures will help ensure the activities carried out during oil and gas development (including but not limited to drilling, production, and maintenance) are in compliance with the ESA. For the purposes of this document, the following terms are so defined: Potential habitat is defined as areas which satisfy the broad criteria of the species habitat description; usually determined by preliminary, in-house assessment. Suitable habitat is defined as areas which contain or exhibit the specific components or constituents necessary for plant persistence; determined by field inspection and/or surveys; may or may not contain Uinta Basin hookless cactus. Habitat descriptions can be found in the U.S. Fish and Wildlife Service's 1990 Recovery Plan and Federal Register Notices for the Uinta Basin hookless cactus (<http://www.fws.gov/endangered/wildlife.html>). Occupied habitat is defined as areas currently or historically known to support Uinta Basin hookless cactus; synonymous with "known habitat." The following avoidance and minimization measures should be included in the Plan of Development:

1. Pre-project habitat assessments will be completed across 100% of the project disturbance area within potential habitat prior to any ground disturbing activities to determine if suitable Pariette cactus and Uinta Basin hookless cactus habitat is present.
2. Within suitable habitat, site inventories will be conducted to determine occupancy. Inventories:
  - a. Must be conducted by qualified individual(s) and according to BLM and Service accepted survey protocols,
  - b. Will be conducted in suitable and occupied habitat for all areas proposed for surface disturbance prior to initiation of project activities and within the same growing season, at a time when the plant can be detected, and during appropriate flowering periods:
    - i. *Sclerocactus brevispinus* surveys should be conducted March 15th to June 30th, unless extended by the BLM

ii. *Sclerocactus wetlandicus* surveys can be done any time of the year, provided there is no snow cover,

c. Will occur within 300' from the edge of the proposed right-of-way for surface pipelines or roads; and within 300' from the perimeter of disturbance for the proposed well pad including the well pad,

d. Will include, but not be limited to, plant species lists and habitat characteristics, and

e. Will be valid until March 15th the following year for *Sclerocactus brevispinus* and one year from the survey date for *Sclerocactus wetlandicus*.

3. Design project infrastructure to minimize impacts within suitable habitat<sup>2</sup>:

a. Reduce well pad size to the minimum needed, without compromising safety,

b. Limit new access routes created by the project,

c. Roads and utilities should share common right-of-ways where possible,

d. Reduce width of right-of-ways and minimize the depth of excavation needed for the road bed; where feasible, use the natural ground surface for the road within habitat,

e. Place signing to limit off-road travel in sensitive areas,

f. Stay on designated routes and other cleared/approved areas, and

g. All disturbed areas will be re-vegetated with native species comprised of species indigenous to the area and non-native species that are not likely to invade other areas.

4. Within occupied habitat<sup>3</sup>, project infrastructure will be designed to avoid direct disturbance and minimize indirect impacts to populations and to individual plants:

a. Follow the above (3.) recommendations for project design within suitable habitats,

b. Buffers of 300 feet minimum between the edge of the right of way (roads and surface pipelines) or surface disturbance (well pads) and plants and populations will be incorporated,

c. Surface pipelines will be laid such that a 300 foot buffer exists between the edge of the right of way and the plants, use stabilizing and anchoring techniques when the pipeline crosses the habitat to ensure the pipelines don't move towards the population,

d. Before and during construction, areas for avoidance should be visually identifiable in the field (e.g., flagging, temporary fencing, rebar, etc.),

e. Where technically and economically feasible, use directional drilling or multiple wells from the same pad,

f. Designs will avoid concentrating water flows or sediments into occupied habitat,

g. Place produced oil, water, or condensate tanks in centralized locations, away from occupied habitat, and

h. Minimize the disturbed area of producing well locations through interim and final reclamation. Reclaim well pads following drilling to the smallest area possible.

5. Occupied Pariette cactus and Uinta Basin hookless cactus habitats within 300' of the edge of the surface pipelines' right-of-ways, 300' of the edge of the roads' right-of-ways, and 100' from the edge of the well pad shall be monitored for a period of three years after ground disturbing activities. Monitoring will include annual plant surveys to determine plant and habitat impacts relative to project facilities. Annual reports shall be provided to the BLM and the USFWS. To ensure desired results are being achieved, minimization measures will be evaluated and may be changed after a thorough review of the monitoring results and annual reports during annual meetings between the BLM and the USFWS.

6. Re-initiation of Section 7 consultation with the USFWS will be sought immediately if any loss of plants or occupied habitat for the Pariette cactus and Uinta Basin hookless cactus is anticipated as a result of project activities.

7. The lessee will observe the management and conservation measures developed for the Level 1 and 2 Core Conservation Areas that have been identified by the USFWS. These conservation measures include disturbance caps (no further disturbance in Core 1 Areas and a 5% disturbance cap in Core 2 Areas).

Additional site-specific measures may also be employed to avoid or minimize effects to the species. These additional measures will be developed and implemented in consultation with the USFWS to ensure continued compliance with the ESA.

**UT-LN-13-Pronghorn Winter Habitat**

The lessee/operator is given notice that lands in this lease have been identified as containing crucial pronghorn winter habitat. Surface use or otherwise disruptive activity may be restricted for up to 60 days during pronghorn fawning season, as determined by BLM, including exploration, drilling and other development activities. Modifications may be required in the Surface Use Plan of Operations including seasonal timing restrictions to protect the species and its habitat.

**UT-LN-14-Pronghorn Fawning Habitat (Outside Moab MLP and areas defined in VFO, RFO, MbFO & MtFO stips)**

The lessee/operator is given notice that this lease has been identified as containing crucial pronghorn fawning habitat. Surface use or otherwise disruptive activity may be restricted for up to 60 days during pronghorn fawning season, as determined by BLM within identified crucial/important pronghorn fawning habitat from disruptive activity. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.

**UT-LN-25-White-Tailed and Gunnison Prairie Dog (MbFO, MtFO, VFO, PFO - Outside Moab MLP)**

The lessee/operator is given notice that this lease parcel has been identified as containing white-tailed or Gunnison prairie dog habitat. Modifications to the Surface Use Plan of Operations may be required in order to protect white-tailed or Gunnison prairie dog from surface disturbing activities in accordance with the Endangered Species Act and 43CFR3101.1-2.

#### **UT-LN-44-Raptors**

Appropriate seasonal and spatial buffers shall be placed on all known raptor nests in accordance with Utah Field Office Guidelines for Raptor Protection from Human and Land use Disturbances (USFWS 2002) and Best Management Practices for Raptors and their Associated Habitats in Utah (BLM 2006). All construction related activities will not occur within these buffers if pre-construction monitoring indicates the nests are active, unless a site-specific evaluation for active nests is completed prior to construction and if a BLM wildlife biologist, in consultation with USFWS and UDWR, recommends that activities may be permitted within the buffer. The BLM will coordinate with the USFWS and UDWR and have a recommendation within 3-5 days of notification. Any construction activities authorized within a protective (spatial and seasonal) buffer for raptors will require an on-site monitor. Any indication that activities are adversely affecting the raptor and/or its' young the on-site monitor will suspend activities and contact the BLM Authorized Officer immediately. Construction may occur within the buffers of inactive nests. Construction activities may commence once monitoring of the active nest site determines that fledglings have left the nest and are no longer dependent on the nest site. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.

#### **UT-LN-45-Migratory Bird**

The lessee/operator is given notice that surveys for nesting migratory birds may be required during migratory bird breeding season whenever surface disturbances and/or occupancy is proposed in association with fluid mineral exploration and development within priority habitats. Surveys should focus on identified priority bird species in Utah. Field surveys will be conducted as determined by the authorized officer of the Bureau of Land Management. Based on the result of the field survey, the authorized officer will determine appropriate buffers and timing limitations.

#### **UT-LN-49-Utah Sensitive Species**

The lessee/operator is given notice that no surface use or otherwise disruptive activity would be allowed that would result in direct disturbance to populations or individual special status plant and animal species, including those listed on the BLM sensitive species list and the Utah sensitive species list. The lessee/operator is also given notice that lands in this parcel have been identified as containing potential habitat for species on the Utah Sensitive Species List. Modifications to the Surface Use Plan of Operations may be required in order to protect these resources from surface disturbing activities in accordance with Section 6 of the lease terms, Endangered Species Act, Migratory Bird Treaty Act and 43CFR3101.1-2.

#### **UT-LN-51-Special Status Plants: Not Federally Listed**

The lessee/operator is given notice that lands in this lease have been identified as containing special status plants, not federally listed, and their habitats. Modifications to the Surface Use Plan of Operations may be required in order to protect the special status plants and/or habitat from surface disturbing activities in accordance with Section 6 of the lease terms, Endangered Species Act, and 43CFR3101.1-2.



#### **UT-LN-52-Noxious Weeds**

The lessee/operator is given notice that lands in this lease have been identified as containing or is near areas containing noxious weeds. Best management practices to prevent or control noxious weeds may be required for operations on the lease. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms, Endangered Species Act, and 43 CFR 3101.1-2.

#### **UT-LN-53-Riparian Areas**

The lessee/operator is given notice that this lease has been identified as containing riparian areas. No surface use or otherwise disruptive activity allowed within 100 meters of riparian areas unless it can be shown that (1) there is no practicable alternative; (2) that all long-term impacts are fully mitigated; or (3) that the construction is an enhancement to the riparian areas. Modifications to the Surface Use Plan of Operations may be required in accordance with section 6 of the lease terms and 43CFR3101.1-2.

#### **UT-LN-72-High Potential Paleontological Resources**

The lessee/operator is given notice that lands in this lease have been identified as having high potential for paleontological resources. Surveys will be required and modifications to the Surface Use Plan of Operations may be required in order to protect paleontological resources from surface disturbing activities in accordance with Section 6 of the lease terms and 43CFR3101.1-2. In addition, monitoring may be required during surface disturbing activities.

#### **UT-LN-89-Horseshoe Milkvetch (*astragalus equisolensis*) (VFO)**

In order to minimize effects to the federal candidate horseshoe milkvetch, the Bureau of Land Management (BLM) in coordination with the U.S. Fish and Wildlife Service (Service) developed the following avoidance and minimization measures. Integration of and adherence to these measures will help ensure the activities carried out during oil and gas development (including but not limited to drilling, production, and maintenance) will not result in a trend toward federal listing of the species. For the purposes of this document, the following terms are so defined: Potential habitat is defined as areas which satisfy the broad criteria of the species habitat description; usually determined by preliminary, in-house assessment. Suitable habitat is defined as areas which contain or exhibit the specific components or constituents necessary for plant persistence; determined by field inspection and/or surveys; may or may not contain horseshoe milkvetch; characteristics include sagebrush, shadscale, horsebrush, and other mixed desert shrub communities in Duchesne River Formation soils at 4,790 to 5,185 feet. Occupied habitat is defined as areas currently or historically known to support horseshoe milkvetch; synonymous with "known habitat." The following avoidance and minimization measures should be included in the Plan of Development:

1. Pre-project habitat assessments will be completed across 100% of the project disturbance area within potential habitat prior to any ground disturbing activities to determine if suitable horseshoe milkvetch habitat is present.
2. Within suitable habitat, site inventories will be conducted to determine occupancy. Inventories:

- a. Must be conducted by qualified individual(s) and according to BLM and Service accepted survey protocols,
  - b. Will be conducted in suitable and occupied habitat for all areas proposed for surface disturbance prior to initiation of project activities and within the same growing season, at a time when the plant can be detected (usually May 1st to June 5th in the Uintah Basin; however, surveyors should verify that the plant is flowering by contacting a BLM or FWS botanist or demonstrating that the nearest known population is in flower),
  - c. Will occur within 300' from the centerline of the proposed right-of-way for surface pipelines or roads; and within 300' from the perimeter of disturbance for the proposed well pad including the well pad,
  - d. Will include, but not be limited to, plant species lists and habitat characteristics, and
  - e. Will be valid until May 1st the following year.
3. Design project infrastructure to minimize impacts within suitable habitat<sup>2</sup>:
- a. Reduce well pad size to the minimum needed, without compromising safety,
  - b. Limit new access routes created by the project,
  - c. Roads and utilities should share common right-of-ways where possible,
  - d. Reduce the width of right-of-ways and minimize the depth of excavation needed for the road bed; where feasible, use the natural ground surface for the road within habitat,
  - e. Place signing to limit off-road travel in sensitive areas, and
  - f. Stay on designated routes and other cleared/approved areas.
4. Within occupied habitat, project infrastructure will be designed to avoid direct disturbance and minimize indirect impacts to populations and to individual plants:
- a. Follow the above (3.) recommendations for project design within suitable habitats,
  - b. Construction of roads will occur such that the edge of the right of way is at least 300' from any plant,
  - c. Roads will be graveled within occupied habitat; the operator is encouraged to apply water for dust abatement to such areas from May 1st to June 5th (flowering period); dust abatement applications will be comprised of water only,
  - d. The edge of the well pad should be located at least 300' away from plants,
  - e. Surface pipelines will be laid such that a 300 foot buffer exists between the edge of the right of way and the plants, use stabilizing and anchoring techniques when the pipeline crosses suitable

habitat to ensure pipelines don't move towards the population,

- f. Construction activities will not occur from May 1st through June 5th within occupied habitat,
- g. Before and during construction, areas for avoidance should be visually identifiable in the field, e.g., flagging, temporary fencing, rebar, etc.,
- h. Where technically and economically feasible, use directional drilling or multiple wells from the same pad,
- i. Designs will avoid concentrating water flows or sediments into occupied habitat,
- j. Place produced oil, water, or condensate tanks in centralized locations, away from occupied habitat, and
- k. Minimize the disturbed area of producing well locations through interim and final reclamation. Reclaim well pads following drilling to the smallest area possible.

5. Occupied horseshoe milkvetch habitats within 300' of the edge of the surface pipelines' right of ways, 300' of the edge of the roads' right of ways, and 300' from the edge of the well pad shall be monitored for a period of three years after ground disturbing activities. Monitoring will include annual plant surveys to determine plant and habitat impacts relative to project facilities. Annual reports shall be provided to the BLM and the Service. To ensure desired results are being achieved, minimization measures will be evaluated and may be changed after a thorough review of the monitoring results and annual reports during annual meetings between the BLM and the Service.

Additional site-specific measures may also be employed to avoid or minimize effects to the species. These additional measures will be developed and implemented in coordination with the U.S. Fish and Wildlife Service.

#### **UT-LN-96-Air Quality Mitigation Measures**

The lessee is given notice that the Bureau of Land Management (BLM) in coordination with the U.S. Environmental Protection Agency and the Utah Department of Air Quality, among others, has developed the following air quality mitigation measures that may be applied to any development proposed on this lease. Integration of and adherence to these measures may help minimize adverse local or regional air quality impacts from oil and gas development (including but not limited to construction, drilling, and production) on regional ozone formation.

- All internal combustion equipment would be kept in good working order.
- Water or other approved dust suppressants would be used at construction sites and along roads, as determined appropriate by the Authorized Officer.
- Open burning of garbage or refuse would not occur at well sites or other facilities.
- Drill rigs would be equipped with Tier II or better diesel engines.

- Vent emissions from stock tanks and natural gas TEG dehydrators would be controlled by routing the emissions to a flare or similar control device which would reduce emissions by 95% or greater.
- Low bleed or no bleed pneumatics would be installed on separator dump valves and other controllers.
- During completion, flaring would be limited as much as possible. Production equipment and gathering lines would be installed as soon as possible.
- Well site telemetry would be utilized as feasible for production operations.
- Stationary internal combustion engine would comply with the following standards: 2g NOx/bhp-hr for engines <300HP; and 1g NOx/bhp-hr for engines >300HP.

Additional site-specific measures may also be employed to avoid or minimize effects to local or regional air quality. These additional measures will be developed and implemented in coordination with the U.S. Environmental Protection Agency, the Utah Department of Air Quality, and other agencies with expertise or jurisdiction as appropriate based on the size of the project and magnitude of emissions.

#### **UT-LN-99-Regional Ozone Formation Controls**

To mitigate any potential impact oil and gas development emissions may have on regional ozone formation, the following Best Management Practices (BMPs) would be required for any development projects:

- Tier II or better drilling rig engines
- Stationary internal combustion engine standard of 2g NOx/bhp-hr for engines <300HP and 1g NOx/bhp-hr for engines >300HP
- Low bleed or no bleed pneumatic pump valves
- Dehydrator VOC emission controls to +95% efficiency
- Tank VOC emission controls to +95% efficiency

#### **UT-LN-102-Air Quality Analysis**

The lessee/operator is given notice that prior to project-specific approval, additional air quality analyses may be required to comply with the National Environmental Policy Act, Federal Land Policy Management Act, and/or other applicable laws and regulations. Analyses may include dispersion modeling and/or photo-chemical modeling for deposition and visibility impacts analysis, control equipment determinations, and/or emission inventory development. These analyses may result in the imposition of additional project-specific air quality control measures.

### **UT-LN-128-Floodplain Management**

The lessee/operator is given notice that, in accordance with Executive Order 11988, to avoid adverse impact to floodplains 1) facilities should be located outside the 100 year floodplain, or 2) would be minimized or mitigated by modification of surface use plans within floodplains present within the lease.

### **UT-LN-156-Pollinators and Pollinator Habitat (Sept 2018 Price-Richfield Lease Sale EA)**

In order to protect pollinators and pollinator habitat, in accordance with BLM policy outlined in Instruction Memorandum No. 2016-013, Managing for Pollinators on Public Lands, and Pollinator-Friendly Best Management Practices for Federal Lands (2015), the following avoidance, minimization, and mitigation measures would apply to this parcel:

1. Give a preference for placing well pads in previously disturbed areas, dry areas that do not support forbs, or areas dominated by nonnative grasses.
2. Utilize existing well pads where feasible.
3. Avoid disturbance to native milkweed patches within Monarch migration routes to protect Monarch butterfly habitat.
4. Avoid disturbance of riparian and meadow sites, as well as small depressed areas that may function as water catchments and host nectar-producing species, to protect Monarch butterfly habitat and nectaring sites.
5. Minimize the use of pesticides that negatively impact pollinators.
6. During revegetation treatments:
  - a. Use minimum till drills where feasible.
  - b. Include pollinator-friendly site-appropriate native plant seeds or seedlings in seed mixes.
  - c. Where possible, increase the cover and diversity of essential habitat components for native pollinators by:
    - d. Using site-appropriate milkweed seeds or seedlings within Monarch migration routes through priority sage-grouse habitat.
    - e. Using seed mixes with annual and short-lived perennial native forbs that will bloom the first year and provide forage for pollinators.
    - f. Using seed mixes with a variety of native forb species to ensure different colored and shaped flowers to provide nectar and pollen throughout the growing season for a variety of pollinators.
    - g. Seeding forbs in separate rows from grasses to avoid competition during establishment.
    - h. Avoiding seeding non-native forbs and grasses that establish early and out compete slower-growing natives.