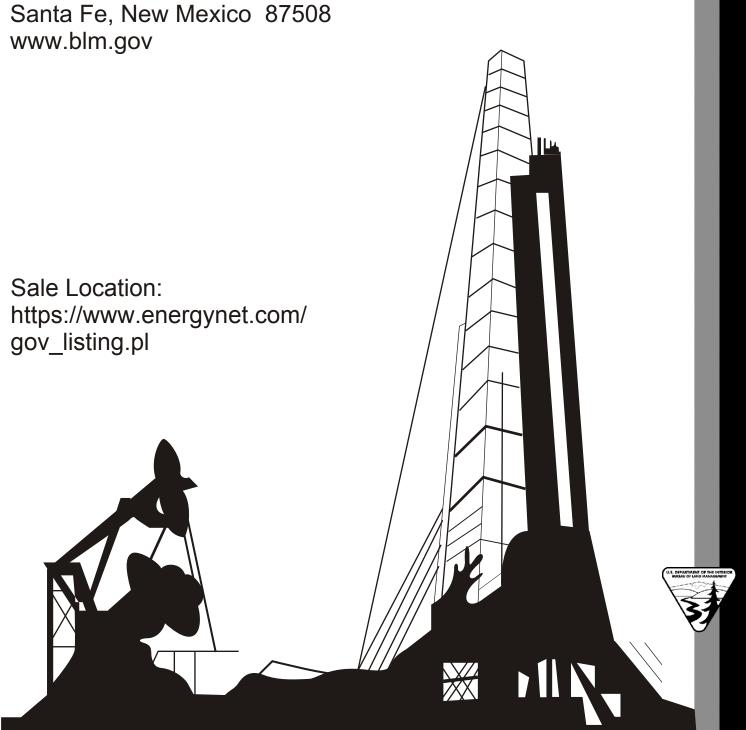
New Mexico Oklahoma Texas & Kansas

Competitive Oil and Gas Lease Sale

December 5-6, 2018

Bureau of Land Management New Mexico State Office 301 Dinosaur Trail





United States Department of the Interior



BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 www.blm.gov/new-mexico

IN REPLY REFER TO: 3120 (NM92200)

October 22, 2018

Notice of Competitive Oil and Gas Internet-Based Lease Sale

In accordance with the *Mineral Leasing Act*, as amended by the *National Defense Authorization Act for Fiscal year 2015* (Pub. L. 113-291; 128 Stat. 3762) (Dec. 19, 2014), and the BLM regulations at 43 CFR 3120, the Bureau of Land Management (BLM) is offering 114 parcels containing 89,161.87 acres in the States of New Mexico, Oklahoma, and Texas for internet-based competitive oil and gas leasing. This notice describes:

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

When: The Sale Parcels will open and close over two days, bidding starts on Wednesday, December 5, 2018, at 8:00 a.m. Mountain Time (MDT), 9:00 a.m. Central Daylight Time (CDT). All bidding will conclude on Thursday, December 6, 2018.

Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for 2 hours each day, from start to finish, and bids will *only* be accepted during a parcel's open bidding period.

The first 57 parcels (NM-201812-001 through NM-201812-057 will open and close at <u>one</u> <u>minute intervals with a total bidding time of two</u> hour(s) on Wednesday, December 5, 2018. The final 57 parcels (NM-201812-058 through NM-201812-114) will open and close at <u>one minute intervals with a total bidding time of two</u> hour(s) on Thursday, December 6, 2018, starting at 8:00 am Mountain Daylight Time (MDT) 9:00 am Central daylight Time (CDT).

Receipts for all successful bidders will be receipted the same day the parcel opens and closes. All payment requirements as stated in the Payment Due Section of this Notice will pertain to these parcels.

For payment requirements see Payment Due Section of this Notice.

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

Access: The auction website is open to the public. The internet-based lease sale can be observed in real-time. However, you must register as a bidder on the website, in order 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 to the process and answer frequently asked questions.

How will the sale be conducted?

The sale will be conducted by online bidding only. The online auction design will be a sequential ascending clock, fixed period, English auction. Each parcel will have its own unique open bidding period, with start and stop times clearly identified on the auction website. The open bidding period for each parcel will run for 2 hours, from start to finish. Bids will only be accepted for each parcel during its open bid period. Each parcel will close bidding sequentially so bidders will know if they are the highest winning bid before subsequent parcels close. The website will display each current high bid, and the high bid bidder's number. The winning bid is the highest bid per acre received, equal to or exceeding the minimum acceptable bid, which is on record in the online auction system by the close of the auction period. The online system provides for two types of bids: a flat bid per acre, or a maximum bid per acre. The system allows participants to submit either type of bid, or both. Maximum bids allow a bidder to participate in the online auction without having to be logged into the website at the time the auction period closes. The auction website provides a full explanation of placing maximum bids, as well as an explanation of how they work to place bids on your behalf to maintain your high bidder status up to the chosen maximum bid amount. The BLM strongly encourages potential bidders to review the bidding tutorial on the auction website in advance of the online lease sale.

How do I participate in the bidding process?

To participate in the BLM bidding process, you must register and obtain a bidder number. A participant can register to bid at the auction website https://www.energynet.com/ approximately 10 days after posting of this Notice on the BLM website. Participants are encouraged to register early, to familiarize themselves with the bidding instructions and ensure they have ample time to complete all the required registration 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 in order to participate as a bidder. The online auction provides a "maximum bid" bidding option. By using this "maximum bid" option, you are asking the system to bid automatically on your behalf, up to an amount you specify.

When registering as a bidder on the auction website, you will be asked to sign a statement to confirm that any bid you cast will represent a good-faith intention to acquire an oil and gas lease and that you understand that any winning bid will constitute a legally binding commitment to accept the terms of the lease and pay monies owed. Further, you will acknowledge, through self-certification of the enhanced bidder form, that you understand that it is a crime under 18 U.S.C. 1001 and 43 U.S.C. 1212 to knowingly and willfully make any false, fictitious, or fraudulent statements or representations regarding your qualifications; bidder registration and intent to bid; acceptance of a lease; or payment of monies owed; and that any such offense may result in a fine or imprisonment for not more than 5 years or both. You will also acknowledge that you understand that it is a crime under 30 U.S.C. 195 (a) and (b) to organize or participate in any scheme to defeat provisions of the mineral leasing regulations. Any person who knowingly violates this provision will be punished by a fine of not more than \$500,000, imprisonment for not more than 5 years, or both.

If you, or the party you represent, owe the United States any monies that were due the day of a previous oil and gas lease auction conducted by any BLM office (the minimum monies owed the day of sale), or any monies owed EnergyNet for a previous oil and gas lease auction conducted by EnergyNet for any BLM office, you will not be allowed to register to bid at this lease sale.

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

What is the sale process?

Starting at the post

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

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

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

How long will the sale last?

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

What conditions apply to the lease sale?

- Parcel withdrawal or sale postponement: We reserve the right to withdraw any or all parcels before the sale begins. If we withdraw a parcel, we will post a notice in the New Mexico State Office Information Access Center before the sale begins. Additionally, the auction website will clearly indicate that a parcel is withdrawn. If we postpone the sale, a clear notice will be posted in the State Office Information Access Center, the State Office website, and on the auction website.
- Fractional interest: 43 CFR 3120.1-2(c) If the United States owns less than 100 percent of the oil and gas mineral interest for the land in a parcel we will show that information as part of the parcel listing. When we issue the lease, it will be for the percentage or fraction of interest the United States owns. However, you must calculate your bonus bid and advance rental payment on the gross (total) acreage in the parcel, not the United States net interest. For example, if a parcel contains 199.31 acres and the United States owns 50 percent of the oil and gas mineral interest, the minimum bonus bid will be \$400 (\$2 X 200 acres) and the

- advance annual rental will be \$300 ($$1.50 \times 200$ acres) for the first 5 years and \$400 ($$2 \times 200$ acres) for the remainder of the lease term. Conversely, your chargeable acreage and royalty on production will be calculated on the United States net acreage.
- **Payment due:** You cannot withdraw a bid. Your bid is a legally binding contract. For each parcel you are the successful high bidder, on the day the parcel closes, you must pay the minimum bonus bid of \$2 per acre or fraction of an acre; the first year's advance rental of \$1.50 per acre or fraction of an acre; and a non-refundable administrative fee of \$165.00. These are monies you owe the United States, whether or not a lease is issued. You must provide notification of the payment process to the BLM New Mexico State Office prior to (4:00 pm MDT), the day the parcel(s) closes, i.e., 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 New Mexico 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 BLM. Also, you will be required to pay the buyer's premium to EnergyNet of 1.5% of any successful bid, in order to participate in the internet-based lease sale. If your bonus bid was more that \$2 per acre or fraction of an acre and you don't pay the full amount on the day of the sale for the parcel, you must pay any balance due by (4:00 pm), (December 19, or 20), depending the date your parcel was offered, which is the close of business on the 10th working day following the sale. **If you do not pay in full by this date, you** forfeit the right to the lease and all money paid the day of the sale. If you forfeit a parcel, we may offer it 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 issue a bill for the monies owed. If we do not receive payment by the bill due date, we will send a demand letter to you that will include additional fees. If we do not receive payment as requested by the demand letter, the U.S. will immediately pursue collection by all appropriate methods, and when appropriate, collect late fees, interest, administrative charges, and on past-due amounts assess civil penalties. "All appropriate methods" include, but are not limited to, referral to collection agencies and credit reporting bureaus; salary or administrative offset; offset of Federal and state payments, including goods or services; 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 high winning bidders. You may pay by:

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

In order 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 pm MDT. 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 or multiple credit cards to bypass this requirement. The BLM does not have Personal Identification Number (PIN) equipment for the purpose of processing PIN authorized debit cards. All debit card transactions will be processed as credit cards and the dollar value limits will apply. If you pay by check, please make your check payable to: **Department of the Interior-BLM.** If a check you have sent to us in the past has been returned for insufficient funds, we may ask that you give us a guaranteed payment, such as a certified check. If you pay by credit card and the transaction is refused, we will try to notify you early enough so that you can make other payment arrangements. However, we cannot grant you any extension of time to provide confirmation of payment to the BLM contacts.

• **Bid form:** On the day of the sale, if you are the successful winning high bidder, you must submit (email or fax) to BLM a properly completed and signed competitive bid form (Form 3000-2) with the required payment. This form is a legally binding offer by the prospective lessee to accept a lease and all its terms and conditions. Once you sign the form, you cannot change it. The online

auction system will provide the successful winning high bidder with a fillable pdf of this bid form and instructions on how to submit the form to the New Mexico State Office after the auction. We will not accept any bid form that has information crossed out or is otherwise altered. We will not issue a lease until we receive a signed copy of the bid form in accordance with 43 CFR 3102.4(a). You will be shown the bid form as part of the bidder registration process, and asked to certify that you will complete and execute it should you be the successful winning high bidder. We ask that you complete the form at that time to ensure that you can meet this condition.

Your completed bid form certifies that:

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

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

Federal acreage limitations: Qualified individuals, associations, or corporations may only participate in a competitive lease sale and purchase Federal oil and gas leases from this office if such purchase will not result in exceeding the state limit of 246,080 acres of public domain land and 246,080 acres of acquired land (30 U.S.C. 184(d)). For the purpose of chargeable acreage limitations you are charged with your proportionate share of the lease acreage holdings of partnerships or corporations in which you own an interest greater than 10 percent. Lease acreage committed to a unit agreement, communitization agreement or development contract that you hold, own or control and acreage in leases for which royalty (including compensatory royalty or royalty-in-kind) was paid in the preceding calendar year is excluded from chargeability for acreage limitation purposes. The acreage limitations and certification requirements apply for competitive oil and gas lease sales, noncompetitive lease offers, and transfer of interest by assignment of record title or operating rights 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 bid form, all the money due, and protests have been resolved, we can issue the lease. Usually, a lease is effective the first day of the month following the month in which we sign it. If you want your lease to be effective the first day of the month in which we sign it, you must request in writing to do this. The request must be received before the lease is signed.
- Lease terms: A lease issued as a result of this sale will have a primary term of 10 years. It will continue beyond its primary term as long as oil or gas in paying quantities is produced on or for the benefit of the lease. Advance rental at \$1.50 per acre for the first 5 years (\$2 per acre after that) is due on or before the anniversary date each year until production begins. Once a lease is producing, you must pay a royalty of 12.5 percent of the value or the amount of production removed or sold from the lease. You will find other lease terms on our standard lease form (Form 3100-11).
- **Split Estate:** Information regarding leasing of Federal minerals under private surface, referred to as "Split Estate" is available at the following Washington Office website: https://www.blm.gov/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 including Endangered Species Act, as amended, 16 U.S.C. 1531 *et seq*. Each parcel included in this lease sale will be subject to the attached Endangered Species Act Section 7 Consultation Stipulation and Cultural Resource Protection Stipulation.
- Unit and Communitization Agreements: Parcels offered in this 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.

Attached is a list of the 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 percent interest in the oil and gas mineral rights, and

have pending noncompetitive presale offers which will not be available for noncompetitive leasing after the sale if the parcel does not receive a bid. For your convenience, we are including a copy of the bid form. A map showing the sale parcels, the list of lands, and the Shapefiles are also available at our public Internet site: http://www.blm.gov/new-mexico.

How do I file a noncompetitive offer after the sale?

Lands that do not receive a bid are available on a first-come, first-served basis for a 2-year period, following the last day after the auction. The noncompetitive offers are handled directly by the BLM and not through the internet-based leasing website. Noncompetitive offers may not be filed on the lands listed in this Notice until the first business day following the last day of the auction. If you want to file a noncompetitive offer on an unsold parcel, you must file:

- Three copies of form 3100-11, *Offer to Lease and Lease for Oil and Gas* properly completed and signed. Describe the lands in your offer as specified in our regulations at 43 CFR 3110.5; and
- Your payment for the total of \$425.00 non-refundable filing fee and the advanced first year's rental (\$1.50 per acre or fraction of an acre). Remember to round up any fractional acreage when you calculate the amount of rental.

Submit the aforementioned items to the BLM New Mexico State Office. We consider all offers filed the day of a sale and the first business day following the last day of the auction, filed at the same time. If a parcel receives more than one offer, we will hold a drawing to pick the winner (see 43 CFR 1822.17). In the attached list of parcels, we have noted any parcels that have pending noncompetitive presale offers. A presale offer has priority over any offer filed after the sale.

How do I file a noncompetitive presale offer?

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

- Are available: and
- Have not been under lease during the previous 1-year period, or
- Have not been included in a competitive lease sale within the previous 2-year period.

Your noncompetitive presale offer to lease must be filed prior to the official posting of this Notice. The posting of this notice serves to withdraw the lands listed herein from filings under 43 CFR 3110.1(a)(1)(ii). If your presale offer was timely filed, was complete and we do not receive a bid for the parcel that contains the lands in your offer, your presale offer has priority over any offer for that parcel filed after the sale. Your presale offer is your consent to the terms and conditions of the lease, including any stipulations described in this Notice. If you want to file a presale offer, you must file:

- Three copies of form 3100-11, *Offer to Lease and Lease for Oil and Gas* properly completed and signed. Describe the lands in your offer as specified in our regulations at 43 CFR 3110.5; and
- Your payment for the total of the \$425.00 non-refundable filing fee and the advanced first year's rental (\$1.50 per acre or fraction of an acre). Remember to round up any fractional acreage when you calculate the amount of rental.

How do I submit an Expression of Interest?

An Expression of Interest (EOI) is an informal nomination requesting certain lands be included in an oil and gas competitive lease sale. This request may be submitted via the National Fluids Lease Sale System at https://nflss.blm.gov.

The BLM does not require nominators to provide their name and address. You may still provide this information for contact purposes; however, the BLM will make this information available to the public. If you consider your name and address to be confidential, do not include it in your EOI.

If you are submitting and EOI which includes split estate lands (private surface/federal minerals), you must provide the name and address of the current private surface owner(s) along with your EOI. The BLM will send a courtesy letter to the surface owner(s) providing notice of the scheduled auction as well as information about the BLM's regulations and procedures for Federal oil and gas leasing and development on split estate lands. An EOI that does not provide the name and address of the private surface owner(s) will not be processed by the BLM.

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

We have tentatively scheduled our next competitive sale for the week of March 4, 2019. We can make no guarantee as to when a given parcel will be offered for competitive sale. We will try to put EOIs in the earliest possible sale.

How can I find out the results of this sale?

The sale results will be posted on the www.energynet.com website and the BLM New Mexico State Office website at https://www.blm.gov/new-mexico. Paper copies are available for viewing or purchase at the BLM New Mexico State Office Information Access Center.

May I protest the BLM's decision to offer the lands in this Notice for lease?

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

• The BLM New Mexico State Office must receive a protest no later than close of business (4:00 PM Mountain Time) on October 31, 2018. Protest period is open from October 22, 2018 through October 31, 2018. If our office is not open on

that day, a protest received by close of business the next business day our office is open to the public will be considered timely filed.

- The protest must include a statement of reason to support the protest.
- A protest must state the interest of the protesting party in the matter.
- You must file a protest either by hand delivery, mailed in hardcopy form. You
 may not file a protest by electronic mail (email), telefax (fax), or social media.
 All protests <u>must</u> be sent to: BLM New Mexico State Office; Attention: State
 Director; 301 Dinosaur Trail; Santa Fe, New Mexico 87508. All protests sent any
 way other than by mail or hand-delivery will be summarily dismissed.
- If the party signing the protest is doing so on behalf of an association, partnership or corporation, the signing party must reveal the relationship between them. For example, unless an environmental group authorizes an individual member of its group to act on their behalf, the individual cannot make a protest in the group's name
- A protest must include the name and address of the protesting party.
- A protest must reference the specific parcel number(s) that is being protested.

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

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

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

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

We will make every effort to decide the protest prior to the sale, or within 60 days after the sale. We will not issue a lease for a protested parcel until the 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 your first year's rental, bonus bid, and administrative fee. The buyer's premium will be handled between EnergyNet and the buyer. If the decision upholding the protest results in additional stipulations, we will offer you an opportunity to accept or reject the lease with the additional stipulations. If you do not accept the additional stipulations, we will reject your bid and refund your first year's rental, bonus bid, and administrative fee.

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

Yes. An appeal from the State Director's decision must meet the requirements of Title 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, facsimile, or social media means). Also, the BLM will not accept a petition for stay that is transmitted electronically (e.g., by email, facsimile, or social media means). Even if the BLM has previously corresponded with you by email, facsimile, 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 Title 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, facsimile, or social media means). Also, the BLM will not accept a petition for stay that is transmitted electronically (e.g., by email, facsimile, or social media means). Even if the BLM has previously corresponded with you by email, facsimile, 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, and administration fees if:

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

Who should I contact if I have questions?

If you have any questions on BLM stipulations, lease notices, etc., please contact the appropriate BLM Field Office for assistance. If you have questions on another surface managements 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, please contact our Information Access Center (505) 954-2098 or for information or questions about the sale, contact Lourdes Ortiz at either (505) 954-2146 or email lortiz@blm.gov.

/s/JulieAnn Serrano

JulieAnn Serrano Supervisor Land Law Examiner Branch of Adjudication

COMPETITIVE OIL AND GAS OR GEOTHERMAL RESOURCES LEASE BID

FORM 3000-2 (JULY 2012)

 $https://www.blm.gov/sites/blm.gov/files/uploads/Services_National-Operations-Center_Eforms_Fluid-and-Solid-Minerals_3000-002.pdf$

OFFER TO LEASE AND LEASE FOR OIL AND GAS

FORM 3100-11 (OCTOBER 2008)

 $https://www.blm.gov/sites/blm.gov/files/uploads/Services_National-Operations-Center_Eforms_Fluid-and-Solid-Minerals_3100-011.pdf$

BUREAU OF LAND MANAGEMENT

NEW MEXICO STATE OFFICE

DECEMBER 5-6, 2018, LEASE SALE STATISTICS BY STATE

Parcels with and without Pre-Sale Noncompetitive Priority Offers

STATE	PARCELS	PARCELS	TOTAL	ACRES WITH	ACRES	TOTAL
	WITH	WITHOUT	PARCELS	PRESALE	WITHOUT	ACRES
	PRESALE	PRESALE		OFFERS	PRESALE	
	OFEERS	OFFERS			OFFERS	
NM	0	96	96	84,479.39	84,479.39	84,479.39
TX	0	10	10	4,241.89	4,241.89	4,241.89
OK	0	8	8	440.59	440.59	440.59
TOTALS	0	114	114	89,161.87	89,161.87	89,161.87

NEW MEXICO PUBLIC DOMAIN -SE

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930.800 Acres
NM-201812-001
  T.020½S, R.0220E, 23 PM, NM
    Sec. 033
             LOTS 1,2,3,4;
         033
               S2S2;
         034 LOTS 1,2,3,4;
         034
             S2S2;
         035
              LOTS 1,2,3,4;
         035
              S2S2;
Eddy County
Carlsbad FO
NMNM 110330
Formerly Lease No.
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-002
                    1280.320 Acres
  T.0210S, R.0220E, 23 PM, NM
    Sec. 004 LOTS 1,2,3,4;
         004
               S2N2,S2;
         009
               ALL;
Eddy County
Carlsbad FO
NMNM 88234, NMNM 112879
Formerly Lease No.
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-003
                     320.570 Acres
  T.0210S, R.0220E, 23 PM, NM
    Sec. 006
             LOTS 1,2;
         006
               S2NE, SE;
Eddy County
Carlsbad FO
NMNM 100526
Formerly Lease No.
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
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T.0210S, R.0220E, 23 PM, NM
    Sec. 008 N2NE, W2, SE;
         017 ALL;
Eddy County
Carlsbad FO
NMNM 94578, NMNM 98144
NMNM 104627, NMNM 104628
Formerly Lease No.
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-005
                    640.000 Acres
  T.0210S, R.0220E, 23 PM, NM
    Sec. 015 ALL;
Eddy County
Carlsbad FO
NMNM 43506, NMNM 112879
Formerly Lease No.
SENM-S-17 Slopes or Fragile Soils
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-21 Caves and Karst
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-006
                    1120.220 Acres
 T.0190S, R.0230E, 23 PM, NM
    Sec. 001 LOTS 1,2,3,4;
         001 S2N2,S2;
         002 LOTS 3,4;
         002
              S2NW,S2;
Eddy County
Carlsbad FO
NMNM 14747, NMNM 104843
Formerly Lease No.
SENM-S-18 Streams, Rivers, and Floodplains
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-31 Northern Aplomado Falcon Suitable Habitat
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
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1200.000 Acres

NM-201812-004

NM-201812-007 640.480 Acres

T.0190S, R.0230E, 23 PM, NM

Sec. 003 LOTS 1,2,3,4;

003 S2N2,S2;

Eddy County

Carlsbad FO

NMNM 106901

Formerly Lease No.

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-008 40.000 Acres

T.0190S, R.0230E, 23 PM, NM

Sec. 009 NENE;

Eddy County

Carlsbad FO

NMNM 108939

Formerly Lease No.

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-20 Springs, Seeps, and Tanks

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-009 160.000 Acres

T.0190S, R.0230E, 23 PM, NM

Sec. 027 E2NE;

026 W2NW;

Eddy County

Carlsbad FO

NMNM 102014

Formerly Lease No.

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

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T.0200S, R.0230E, 23 PM, NM
    Sec. 001 LOTS 1,2,3;
         001 S2NE, SENW, E2SW, SE;
         012 E2, E2W2, SWNW, W2SW;
Eddy County
Carlsbad FO
NMNM 109415, NMNM 94828
NMNM 108943, NMNM 108944
Formerly Lease No.
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon Suitable Habitat
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-011
                     1282.880 Acres
  T.0200S, R.0230E, 23 PM, NM
    Sec. 003 LOTS 1,2,3,4;
         003
              S2N2,S2;
         004
             LOTS 1,2,3,4;
         004 S2N2,S2;
Eddy County
Carlsbad FO
NMNM 114084, NMNM 108940
NMNM 103845, NMNM 114085
NMNM 109415
Formerly Lease No.
SENM-S-17 Slopes or Fragile Soils
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon Suitable Habitat
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
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1080.270 Acres

NM-201812-010

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T.0200S, R.0230E, 23 PM, NM
    Sec. 006 LOTS 1,2,3,4;
         006
             E2,E2W2;
         007 LOTS 1,2,3,4;
         007 NE, E2W2, N2SE;
Eddy County
Carlsbad FO
NMNM 92146, NMNM 93458
Formerly Lease No.
SENM-S-17 Slopes or Fragile Soils
SENM-S-19 Playas and Alkali Lakes
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon Suitable Habitat
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-013
                    1160.000 Acres
 T.0200S, R.0230E, 23 PM, NM
    Sec. 010 ALL;
         011
              SENE, W2, SE;
Eddy County
Carlsbad FO
NMNM 103845, NMNM 108942
NMNM 108941
Formerly Lease No.
SENM-S-18 Streams, Rivers and Floodplains
SENM-S-21 Caves and Karst
SENM-S-25 Visual Resource Management
SENM-S-31 Northern Aplomado Falcon Suitable Habitat
SENM-LN-1 Cave - Karst Occurrence Area
WO-ESA-7 Endangered Species Act
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WO-NHPA Cultural Resources and Tribal Consultation

1194.360 Acres

NM-201812-012

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NM-201812-014 1760.000 Acres
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T.0200S, R.0230E, 23 PM, NM

Sec. 013 NW,S2;

024 ALL;

025 ALL;

Eddy County

Carlsbad FO

NMNM 108945, NMNM 006023

NMNM 115396, NMNM 98795, NMNM 96814

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-25 Visual Resource Management

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-015 1280.000 Acres

T.0200S, R.0230E, 23 PM, NM

Sec. 014 ALL;

015 ALL;

Eddy County

Carlsbad FO

NMNM 108946, NMNM 108947

NMNM 115396

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-25 Visual Resource Management

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

NM-201812-016 1278.880 Acres

T.0200S, R.0230E, 23 PM, NM

Sec. 017 ALL;

018 LOTS 1,2,3,4;

018 E2, E2W2;

Eddy County

Carlsbad FO

NMNM 111986, NMNM 111985

NMNM 102891, NMNM 93459

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-21 Caves and Karst

SENM-S-25 Visual Resource Management

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-017 1200.000 Acres

T.0200S, R.0230E, 23 PM, NM

Sec. 020 ALL;

029 W2NE, W2, SE;

Eddy County

Carlsbad FO

NMNM 114082,M NMNM 102892

NMNM 103584

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-25 Visual Resource Management

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

NM-201812-018 1280.000 Acres

T.0200S, R.0230E, 23 PM, NM

Sec. 021 ALL;

022 ALL;

Eddy County

Carlsbad FO

NMNM 114083, NMNM 115396

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-25 Visual Resource Management

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-019 1280.000 Acres

T.0200S, R.0230E, 23 PM, NM

Sec. 023 ALL;

026 ALL;

Eddy County

Carlsbad FO

NMNM 115396

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-020 1280.000 Acres

T.0200S, R.0230E, 23 PM, NM

Sec. 028 ALL;

033 ALL;

Eddy County

Carlsbad FO

NMNM 102893, NMNM 110334

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

NM-201812-021 1280.000 Acres

T.0200S, R.0230E, 23 PM, NM

Sec. 034 ALL;

035 ALL;

Eddy County

Carlsbad FO

NMNM 100532, NMNM 111940

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-022 291.390 Acres

T.020½S, R.0230E, 23 PM, NM

Sec. 031 LOTS 1,2,3,4,5;

031 SESW, S2SE;

Eddy County

Carlsbad FO

NMNM 92147

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-20 Springs, Seeps and Tanks

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-023 341.640 Acres

T.020½S, R.0230E, 23 PM, NM

Sec. 033 LOTS 1,2,3,4;

033 S2S2;

Eddy County

Carlsbad FO

NMNM 92147, NMNM 102015

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

Surface disturbance within this lease may be limited to the southern half of the lease between the ephemeral drainages. The northern half of the lease is located within the 100-year Federal Emergency Management Agency FEMA) floodplain. Additionally, there are steep slopes, playas and known karst features within the lease. Other karst features may exist, both in the surface and subsurface, in the southern portion of this lease. If karst features were to be discovered at the time of the Application for Permit to

Drill, the features would be subject to the protective buffers outlined in the stipulations SENM-S-21 attached to the lease. The protective buffers outlined in stipulations SENM-S-17, SENM-S-18, SENM-S-19 and SENM-S-21 attached to the lease would apply.

NM-201812-024 481.600 Acres

T.0180S, R.0240E, 23 PM, NM Sec. 030 LOTS 1,2,3,4;

030 E2W2,SE;

Eddy County

Carlsbad FO

NMNM 100825

Formerly Lease No.

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

Surface disturbance of this lease may be limited. The lease appears to have numerous paleosinks which indicates that surface water flow is being directed into subsurface conduits and surface and subsurface karst features may exist. Surface access may be limited within this lease if karst features were to be discovered at the time of the Application for Permit to Drill. The protective buffers outlined in stipulations SENM-S-19 and SENM-S-21 attached to the lease would apply.

NM-201812-025 645.080 Acres

T.0180S, R.0240E, 23 PM, NM

Sec. 031 LOTS 1,2,3,4;

031 E2W2,E2;

Eddy County

Carlsbad FO

NMNM 112891, NMNM 103590, NMNM 100826

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

Surface disturbance within this lease may be limited. The southern boundary of the lease is located within the 100-year Federal Emergency Management Agency (FEMA) floodplain. Additionally, there are steep slopes in the northern portion of the lease. The protective buffers outlined in stipulations SENM-S-17, SENM-S-18, SENM-S-19 and SENM-S-21 attached to the lease would apply.

NM-201812-026 320.000 Acres

T.0180S, R.0240E, 23 PM, NM

Sec. 033 W2;

Eddy County

Carlsbad FO

NMNM 112892

Formerly Lease No.

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

Surface disturbance within this parcel may be limited to the northern half of this lease between the ephemeral drainages. The southern quarter of Section 33 is located within the 100-year Federal Emergency Management Agency floodplain and subject to the protective buffers outlined in SENM-S-18 attached to the lease. Additionally, there are known karst features within the lease. Other features may exist, both in the surface and subsurface, in the northern portion of this lease. If features were to be discovered at the time of the Application for Permit to Drill the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 attached to the lease.

NM-201812-027 39.910 Acres

T.0190S, R.0240E, 23 PM, NM

Sec. 004 LOT 2;

Eddy County

Carlsbad FO

NMNM 112246

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

The lease is entirely within the 100-year Federal Emergency Management Agency (FEMA) floodplain. Stipulation SENM-S-18, Controlled Surface Use for Streams, Rivers and Floodplains, would apply to the entire lease. Since the stipulation restricts surface disturbance (i.e., no surface disturbance will not be allowed within up to 200 meters of the outer edge of the 100-year floodplain), there may not be any suitable surface locations within the lease without additional NEPA analysis, public involvement and/or mitigation (See SENM-S-18 and Executive Order 13690, Floodplain Management, as amended). In addition, the protective buffers identified in SENM-S-17 Steep Slopes and Fragile Soils and SENM-S-21 Cave and Karst would apply to this lease.

NM-201812-028 80.140 Acres

T.0190S, R.0240E, 23 PM, NM

Sec. 004 LOTS 4; 004 SWNW;

Eddy County

Carlsbad FO

Calibbad FC

NMNM 112246 Formerly Lease No.

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-029 120.000 Acres

T.0190S, R.0240E, 23 PM, NM

Sec. 020 SENW, E2SW;

Eddy County

Carlsbad FO

NMNM 105866

Formerly Lease No.

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-030 160.000 Acres

T.0190S, R.0240E, 23 PM, NM

Sec. 028 SESW, S2SE, NESE;

Eddy County

Carlsbad FO

NMNM 0559774

Formerly Lease No.

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

NM-201812-031 80.000 Acres

T.0190S, R.0240E, 23 PM, NM

Sec. 028 N2NW;

Eddy County

Carlsbad FO

NMNM 0559774

Formerly Lease No.

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-31 Northern Aplomado Falcon Suitable Habitat

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-032 40.000 Acres

T.0200S, R.0250E, 23 PM, NM

Sec. 012 NWSE;

Eddy County

Carlsbad FO

NMNM 118697

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

Surface disturbance may be limited to the southern portion of the lease as all but the very southern portion of this lease is located within the 100-year Federal Emergency Management Agency(FEMA)floodplain and subject to the protective buffers outlined in SENM-S-18 attached to the lease. Surface development in the southern portion of the lease may be further restricted as there are known karst features located along the southern boundary of the lease. Unknown karst features may also exist, both in the surface and subsurface, along the southern portion of this lease. If karst features were to be discovered at the time of the Application for Permit to Drill, then planning stage the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 attached to the lease. In addition, the protective buffers identified in SENM-S-17 Steep Slopes and Fragile Soils would apply to this lease.

NM-201812-033 320.000 Acres

T.0200S, R.0250E, 23 PM, NM

Sec. 014 N2NW, SWNW, S2S2, NESE;

Eddy County

Carlsbad FO

NMNM 114959

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

Surface disturbance will be limited as the majority of the northern portion of the lease is located within the 100-year Federal Emergency Management Agency(FEMA)floodplain and subject to the protective buffers outlined in lease stipulation SENM-S-18 attached to the lease. There are also known karst features located the remaining portions of the lease parcel. Unknown karst features may also exist, both in the surface and subsurface, along the southern portion of this parcel. If karst features were to be discovered at the time of the Application for Permit to drill the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 attached to the lease. In addition, the protective buffers identified in SENM-S-17 Steep Slopes and Fragile Soils and SENM-S-19 Playas and Alkali Lakes would apply to this lease.

NM-201812-034 158.350 Acres

T.0220S, R.0260E, 23 PM, NM

Sec. 018 LOTS 1,2;

018 E2NW;

Eddy County

Carlsbad FO

NMNM 111948

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

Lease Notation:

Surface disturbance will be extremely limited as the entire lease is characterized by steep slopes and would be subject to the protective buffers outlined in the stipulation SENM-S-17 attached to the lease. This parcel also contains known karst features. Unknown karst features may also exist, both in the surface and subsurface, along the southern portion of this parcel. If karst features were to be discovered at the time of the Application for Permit to Drill the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 that is attached to the lease. The area that may be available for surface development is irregularly shaped with an average width of less than 200 feet.

NM-201812-035 80.000 Acres

T.0240S, R.0260E, 23 PM, NM

Sec. 024 NENW, SWNW;

Eddy County

Carlsbad FO

NMNM 116023

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers and Floodplains

SENM-S-21 Caves and Karst

SENM-S-51 Farmland Stipulation

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-036 160.000 Acres

T.0230S, R.0270E, 23 PM, NM

Sec. 023 W2NE, SENE, NWSE;

Eddy County

Carlsbad FO

NMNM 86112

Formerly Lease No.

SENM-S-21 Caves and Karst

SENM-S-51 Farmland Stipulation

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-037 640.000 Acres

T.0150S, R.0290E, 23 PM, NM

Sec. 009 ALL;

Chaves County

Roswell FO

NMNM 104677, NMNM 109426, NMNM 120174

Formerly Lease No.

SENM-S-21 Caves and Karst

SENM-LN-1 Cave - Karst Occurrence Area

WO-ESA-7 Endangered Species Act

NM-201812-038 800.000 Acres

T.0150S, R.0290E, 23 PM, NM

Sec. 010 E2,NW,N2SW;

015 NE, N2SE;

Chaves County

Roswell FO

NMNM 37604, NMNM 120174

NMNM 68652, NMNM 1113961

Formerly Lease No.

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-21 Caves and Karst

SENM-LN-1 Potential Cave or Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-039 680.000 Acres

T.0150S, R.0290E, 23 PM, NM

Sec. 011 N2, N2SW;

012 W2NE, NW, SESE;

Chaves County

Roswell FO

NMNM 2613, NMNM 0290243, NMNM 31262

Formerly Lease No.

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-19 Playas and Alkali Lakes

SENM-S-21 Caves and Karst

SENM-S-47 Reclamation

Double L Queen Unit #1Z Sec. 12: NWNE

SENM-LN-1 Potential Cave or Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-040 120.540 Acres

T.0150S, R.0290E, 23 PM, NM

Sec. 031 LOTS 2,3,4;

Chaves County

Roswell FO

NMNM 118709

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-21 Caves and Karst

SENM-LN-1 Potential Cave or Karst Occurrence Area

WO-ESA-7 Endangered Species Act

NM-201812-041 240,000 Acres

T.0150S, R.0290E, 23 PM, NM

Sec. 031 NE, N2SE;

Chaves County

Roswell FO

NMNM 28000, NMNM 118709

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-18 Streams, Rivers, and Floodplains

SENM-S-21 Caves and Karst

SENM-LN-1 Potential Cave or Karst Occurrence Area

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-042 1281.440 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 001 LOTS 1,2,3,4;

001 S2N2,S2;

012 ALL;

Chaves County

Roswell FO

NMNM 54873, NMNM 56734, NMNM 64501

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-043 1280.560 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 003 LOTS 1,2,3,4;

003 S2N2,S2;

010 ALL;

Chaves County

Roswell FO

NMNM 98180, NMNM 98181

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

NM-201812-044 319.430 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 005 LOTS 3,4;

005 S2NW,SW;

Chaves County

Roswell FO

NMNM 54873

Formerly Lease No.

SENM-S-21 Caves and Karst

SENM-S-22 Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-045 640.000 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 011 ALL;

Chaves County

Roswell FO

NMNM 8255, NMNM 56734, NMNM 63747

NMNM 67797, NMNM 82893

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-046 1200.000 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 013 N2, N2SE, SW;

024 ALL;

Chaves County

Roswell FO

NMNM 57528, NMNM 8255

NMNM 56734, NMNM 113404

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-S-46 SDL/POD

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

NM-201812-047 1280.000 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 014 ALL;

015 ALL;

Chaves County

Roswell FO

NMNM 8255

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-048 880.000 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 022 N2, N2S2;

023 E2, N2NW;

Chaves County

Roswell FO

NMNM 8255, NMNM 60394

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-049 1200.000 Acres

T.0140S, R.0300E, 23 PM, NM

Sec. 025 ALL;

026 NE, E2NW, S2;

Chaves County

Roswell FO

NMNM 31112, NMNM 56734

NMNM 108041

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-LN-1 Potential Cave or Karst Occurrence Area

WO-ESA-7 Endangered Species Act

```
T.0140S, R.0300E, 23 PM, NM
    Sec. 030 LOTS 3,4;
             E2SW,SE;
         030
        031 LOTS 1,2,3,4;
        031 E2,E2W2;
Chaves County
Roswell FO
NMNM 85902, NMNM 69178, NMNM 31258
NMNM 0199070A, NMNM 0199070B
Formerly Lease No.
SENM-S-20 Springs, Seeps, and Tanks
SENM-S-21 Caves and Karst
SENM-S-22 Lesser Prairie Chickens
SENM-S-47 Reclamation
 Double L Queen Unit Facility Site Sec. 31: SWNW
SENM-LN-1 Potential Cave or Karst Occurrence Area
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-051
                    1920.000 Acres
 T.0140S, R.0300E, 23 PM, NM
   Sec. 033 ALL;
        034
              ALL;
        035
              ALL;
Chaves County
Roswell FO
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SENM-LN-1 Potential Cave or Karst Occurrence Area

WO-NHPA Cultural Resources and Tribal Consultation

950.580 Acres

NM-201812-050

NMNM 31258, NMNM 77074 MNM 96224, NMNM 108465 Formerly Lease No.

SENM-S-33 NSO LPC/SDL

SENM-LN-2 Sand Dune Lizard WO-ESA-7 Endangered Species Act

SENM-S-22 Lesser Prairie Chickens

NM-201812-052 800.000 Acres

T.0150S, R.0300E, 23 PM, NM

Sec. 004 S2:

009 E2,NW;

Chaves County

Roswell FO

NMNM 31259, NMNM 0554963

NMNM 115418

Formerly Lease No.

SENM-S-22 Lesser Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-053 1288.440 Acres

T.0150S, R.0300E, 23 PM, NM

Sec. 019 LOTS 1,2,3,4;

019 E2W2,E2;

020 ALL;

Chaves County

Roswell FO

NMNM 31257, NMNM 17113, NMNM 51837

NMLC069280B, NMNM 86912

Formerly Lease No.

SENM-S-22 Lesser Prairie Chickens

SENM-S-33 NSO LPC/SDL

SENM-LN-1 Potential Cave or Karst Occurrence Area

SENM-LN-2 Sand Dune Lizard

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-054 160.000 Acres

T.0180S, R.0310E, 23 PM, NM

Sec. 017 SW;

Eddy County

Carlsbad FO

NMNM 000261

Formerly Lease No.

SENM-S-22 Prairie Chickens

SENM-S-23 Sand Dune Lizard

SENM-LN-2 Dune Sage Brush Lizard

SENM-LN-4 Hackberry Lake OHV Area

WO-ESA-7 Endangered Species Act

NM-201812-055 40.000 Acres

T.0230S, R.0320E, 23 PM, NM

Sec. 018 NENW;

Lea County

Carlsbad FO

NMNM 118721

Formerly Lease No.

SENM-S-22 Prairie Chickens

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-056 80.110 Acres

T.0240S, R.0320E, 23 PM, NM

Sec. 006 LOT 1;

006 SENE;

Lea County

Carlsbad FO

NMNM 89174

Formerly Lease No.

SENM-S-22 Prairie Chickens

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-057 120.960 Acres

T.0230S, R.0350E, 23 PM, NM

Sec. 004 LOTS 2,3,4;

Lea County

Carlsbad FO

NMNM 108047

Formerly Lease No.

SENM-S-22 Prairie Chickens

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-058 80.000 Acres

T.0260S, R.0350E, 23 PM, NM

Sec. 029 W2SW;

Lea County

Carlsbad FO

NMNM 54111

Formerly Lease No.

SENM-S-22 Prairie Chickens

WO-ESA-7 Endangered Species Act

NM-201812-059 320.000 Acres

T.0230S, R.0370E, 23 PM, NM

Sec. 015 W2NE, W2NW, E2SW, E2SE;

Lea County

Carlsbad FO

NMNM0141096

Formerly Lease No.

SENM-S-17 Slopes or Fragile Soils

SENM-S-22 Prairie Chickens

SENM-S-34 POD/Shinery Oak Sand Dune Habitat

WO-ESA-7 Endangered Species

WO-NHPA Cultural Resources and Tribal Consultation

NEW MEXICO PUBLIC DOMAIN - NW

NM-201812-060 160.000 Acres

T.0240N, R.0020W, 23 PM, NM

Sec. 013 NW;

Rio Arriba County

Farmington FO

NMNM 40636

Formerly Lease No.

F-4-TLS Seasonal Wildlife Habitat

F-40-CSU Cultural Properties

F-41-LN Biological Survey

F-44-NSO Community/Residences

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-061 2005.950 Acres

T.0200N, R.0040W, 23 PM, NM

Sec. 001 LOTS 1-4;

001 S2N2,S2;

002 S2N2SW, S2SW, S2NWSE, N2SWSE

011 ALL;

012 ALL;

Sandoval County

Albuquerque FO

NMNM 100266, NMNM 100798, NMNM 100799

NMNM 114371, NMNM 114387

Formerly Lease No.

NM-LN-1 Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

```
2080.000 Acres
NM-201812-062
  T.0200N, R.0040W, 23 PM, NM
    Sec. 013
             ALL;
         014
              E2;
         023 ALL;
         024 N2,SW;
Sandoval County
Albuquerque FO
NMNM 20903, NMNM 99711
NMNM 100799, NMNM 123544
Formerly Lease No.
RP-6 National Register of Historic Places
RP-10 No Surface Occupancy
   Sec. 14: E2SENE
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-063
                    792.920 Acres
  T.0200N, R.0040W, 23 PM, NM
    Sec. 017 N2;
              LOTS 1-4
         018
             NE,E2W2;
         018
             LESS S2SESENE;
         018
Sandoval County
Albuquerque FO
NMNM 93245, NMNM 99145
NMNM 99712, NMNM 100269
Formerly Lease No.
NM-1-LN Special Status Plant Species
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-064
                    640.000 Acres
 T.0200N, R.0040W, 23 PM, NM
    Sec. 019
             NE;
         020
             N2;
         021
              NW;
Sandoval County
Albuquerque FO
NMNM 98711, NMNM 99712
Formerly Lease No.
NM-1-LN Special Status Plant Species
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RP-6 National Register of Historic Places

WO-NHPA Cultural Resources and Tribal Consultation

WO-ESA-7 Endangered Species Act

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031 E2,E2W2;
Sandoval County
Albuquerque FO
NMNM 98711, NMNM 99712
NMNM 100800
Formerly Lease No.
NM-1-LN Special Status Plant Species
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-066
                    2560.000 Acres
 T.0200N, R.0040W, 23 PM, NM
    Sec. 025 ALL;
         026
              ALL;
             ALL;
         035
         036
              ALL;
Sandoval County
Albuquerque FO
NMNM 98715, NMNM 98724, NMNM 98725
NMNM 98726, NMNM 98727, NMNM 98728
NMNM 98875, NMN 100801
Formerly Lease No.
RP-6 National Register of Historic Places
RP-3 No Surface Occupancy
   Sec. 35: SW
NM-1-LN Special Status Plant Species
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WO-NHPA Cultural Resources and Tribal Consultation

1424.620 Acres

NM-201812-065

Sec. 019

019

T.0200N, R.0040W, 23 PM, NM

WO-ESA-7 Endangered Species Act

LOTS 3,4;

E2SW; 030 LOTS 1-4; 030 E2,E2W2; 031 LOTS 1-4;

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Sec. 027
              ALL;
         028
              NW,S2;
         029 SE;
Sandoval County
Albuquerque FO
NMNM 98719, NMNM 98720
NMNM 100802, NMNM 123546
Formerly Lease No.
NM-1-LN Special Status Plant Species
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-068
                     800.000 Acres
  T.0200N, R.0040W, 23 PM, NM
    Sec. 033
             S2;
         034 W2,SE;
Sandoval County
Albuquerque FO
NMNM 106655, NMNM 123546
Formerly Lease No.
RP-6 National Register of Historic Places
RP-3 No Surface Occupancy
   Sec. 34: SE,NW
NM-11-LN Special Cultural Resource
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
                    2041.680 Acres
NM-201812-069
  T.0210N, R.0040W, 23 PM, NM
    Sec. 001 E2SE, SWSE;
              LOTS 1-4;
         002
         002
             S2N2,S2;
         011
             ALL;
         012
              ALL;
Sandoval County
Albuquerque FO
NMNM 25607, NMNM 53923, NMNM 59694
NMNM 67396, NMNM 86469
Formerly Lease No.
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
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1280.000 Acres

NM-201812-067

T.0200N, R.0040W, 23 PM, NM

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T.0210N, R.0040W, 23 PM, NM
    Sec. 003
             LOTS 5-8;
         003
              S2N2,S2;
         004 LOTS 5-8;
         004 S2N2,S2;
         009
             ALL;
         010 ALL;
Sandoval County
Albuquerque FO
NMNM 44458, NMNM 53923, NMNM 57153
NMNM 71509, NMNM 86468
Formerly Lease No.
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-071
                    2433.020 Acres
  T.0210N, R.0040W, 23 PM, NM
    Sec. 005 LOTS 5-8;
         005
              S2N2,S2;
              LOTS 8-14;
         006
         006
             S2NE, SENW, E2SW, SE;
             LOTS 1-4;
         007
         007
             E2,E2W2;
         800
              ALL;
Sandoval County
Albuquerque FO
NMNM 24450, NMNM 57153, NMNM 90456
Formerly Lease No.
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-072
                    1680.000 Acres
 T.0210N, R.0040W, 23 PM, NM
    Sec. 013 N2, W2SW;
         014
             ALL;
         023
              ALL;
Sandoval County
Albuquerque FO
NMNM 58709, NMNM 62751, NMNM 66421
NMNM 86861, NMNM 93433
Formerly Lease No.
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
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2459.040 Acres

NM-201812-070

NM-201812-073 1923.760 Acres

T.0210N, R.0040W, 23 PM, NM

Sec. 018 LOTS 1-4;

018 E2, E2W2;

019 LOTS 1-4;

019 E2,E2W2;

020 ALL;

Sandoval County

Albuquerque FO

NMNM 90456, NMNM 114372, NMNM 114373

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-074 1280.000 Acres

T.0210N, R.0040W, 23 PM, NM

Sec. 021 ALL;

022 ALL;

Sandoval County

Albuquerque FO

NMNM 114372

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-075 480.000 Acres

T.0210N, R.0040W, 23 PM, NM

Sec. 025 E2,SW;

Sandoval County

Albuquerque FO

NMNM 25611

Formerly Lease No.

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

NM-201812-076 1680.000 Acres

T.0210N, R.0040W, 23 PM, NM

Sec. 027 W2, N2SE;

028 ALL;

029 ALL;

Sandoval County

Albuquerque FO

NMNM 114374

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-077 961.880 Acres

T.0210N, R.0040W, 23 PM, NM

Sec. 030 LOTS 1-4;

030 E2,E2W2;

031 E2;

Sandoval County

Albuquerque FO

NMNM 114373, NMNM 114374

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

NM-201812-078 480.000 Acres T.0200N, R.0050W, 23 PM, NM Sec. 003 SW; 010 N2; McKinley County Farmington FO NMNM 113424 Formerly Lease No. F-8-VRM Visual Resource Management Class IV F-9-CSU Paleontology F-40-CSU Cultural Properties F-41-LN Biological Survey F-44-NSO Community/Residences F-46-CSU Topography NM-1-LN Special Status Plant Species NM-11-LN Special Cultural Resources WO-ESA-7 Endangered Species Act WO-NHPA Cultural Resources and Tribal Consultation NM-201812-079 1200.240 Acres T.0200N, R.0050W, 23 PM, NM Sec. 017 ALL; 018 LOTS 3,4; S2NE, E2SW, SE; 018 020 McKinley County Farmington FO NMNM 113425 Formerly Lease No. F-8-VRM Visual Resource Management Class IV F-40-CSU Cultural Properties F-41-LN Biological Survey F-44-NSO Community/Residences F-46-CSU Topography NM-1-LN Special Status Plant Species NM-11-LN Special Cultural Resources WO-ESA-7 Endangered Species Act WO-NHPA Cultural Resources and Tribal Consultation 180.000 Acres NM-201812-080 T.0200N, R.0050W, 23 PM, NM Sec. 022 S2SW, W2SE, S2SESE; McKinley County Farmington FO NMNM 112952 Formerly Lease No. F-8-VRM Visual Resource Management Class IV F-40-CSU Cultural Properties F-41-LN Biological Survey F-44-NSO Community/Residences NM-1-LN Special Status Plant Species NM-11-LN Special Cultural Resources WO-ESA-7 Endangered Species Act WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-081 1279.840 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 001 LOTS 1-4;

001 S2N2,S2;

012 ALL;

Sandoval County

Albuquerque FO

NMNM 105530

Formerly Lease No.

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-082 320.000 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 002 SW;

003 SE;

Sandoval County

Albuquerque FO

NMNM 105531

Formerly Lease No.

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-083 161.060 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 004 LOTS 1-2;

004 S2NE;

Sandoval County

Albuquerque FO

NMNM 105531

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

NM-201812-084 958.200 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 005 LOTS 1,2;

005 S2NE, S2;

006 LOTS 3-7;

006 SENW, E2SW, SE;

Sandoval County

Albuquerque FO

NMNM 99723, NMNM 112280

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-085 800.000 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 008 S2;

009 E2,SW;

Sandoval County

Albuquerque FO

NMNM 112280

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-086 1280.000 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 010 ALL;

011 ALL;

Sandoval County

Albuquerque FO

NMNM 112281

Formerly Lease No.

RP-6 National Register of Historic Places

WO-ESA-7 Endangered Species Act

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Formerly Lease No.
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-088
                     1440.400 Acres
  T.0210N, R.0050W, 23 PM, NM
    Sec. 017 E2,NW;
         018 LOTS 3-4;
         018 E2SW, SE;
         019 LOTS 3,4;
         019 NE, E2SW;
         020
              E2;
Sandoval County
Albuquerque FO
NMNM 105532, NMNM 100282, NMNM 99725
Formerly Lease No.
NM-1-LN Special Status Plant Species
RP-6 National Register of Historic Places
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
NM-201812-089
                    2400.000 Acres
  T.0210N, R.0050W, 23 PM, NM
    Sec. 023 ALL;
         024
              ALL;
         025
              ALL;
         026
              W2,SE;
Sandoval County
Albuquerque FO
NMNM 105534, NMNM 99725
NMNM 112281
Formerly Lease No.
RP-5 Designated Critical Area of Environmental Concern
RP-6 National Register of Historic Places
RP-11 CSU Torrejon Fossil ACEC
WO-ESA-7 Endangered Species Act
WO-NHPA Cultural Resources and Tribal Consultation
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1920.000 Acres

NM-201812-087

Sec. 013

Sandoval County Albuquerque FO

014

NMNM 99724, NMNM 99725

T.0210N, R.0050W, 23 PM, NM

015 ALL;

ALL;

ALL;

NM-201812-090 1280.000 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 027 ALL;

028 ALL;

Sandoval County

Albuquerque FO

NMNM 105535, NMNM 99726

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-5 Designated Critical Area of Environmental Concern

RP-6 National Register of Historic Places

RP-11 CSU Torrejon Fossil ACEC

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-091 1160.000 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 029 ALL;

032 W2, W2E2, SESE;

Sandoval County

Albuquerque FO

NMNM 100251, NMNM 99726

NMNM 99727, NMNM 98411

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-5 Designated Critical Area of Environmental Concern

RP-6 National Register of Historic Places

RP-11 CSU Torrejon Fossil ACEC

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-092 640.000 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 033 ALL;

Sandoval County

Albuquerque FO

NMNM 99728

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-5 Designated Critical Area of Environmental Concern

RP-6 National Register of Historic Places

RP-11 CSU Torrejon Fossil ACEC

WO-ESA-7 Endangered Species Act

NM-201812-093 640.000 Acres

T.0210N, R.0050W, 23 PM, NM

Sec. 035 ALL;

Sandoval County

Albuquerque FO

NMNM 99728

Formerly Lease No.

NM-1-LN Special Status Plant Species

RP-5 Designated Critical Area of Environmental Concern

RP-6 National Register of Historic Places

RP-11 CSU Torrejon Fossil ACEC

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-094 320.000 Acres

T.0250N, R.0110W, 23 PM, NM

Sec. 029 S2;

San Juan County

Farmington FO

NMNM 112960

Formerly Lease No.

F-8-VRM Visual Resource Management Class IV

F-34-VRM Class I Area Bisti/De-Na-Zin

F-35-LN Noise

F-40-CSU Cultural Properties

F-41-LN Biological Survey

F-44-NSO Community/Residences

NM-1-LN Special Status Plant Species

NM-11-LN Special Cultural Resources

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-095 80.280 Acres

T.0250N, R.0110W, 23 PM, NM

Sec. 030 LOTS 2;

030 SENW;

San Juan County

Farmington FO

NMNM 108884

Formerly Lease No.

F-8-VRM Visual Resource Management Class IV

F-34-VRM Class I Area Bisti/De-Na-Zin

F-35-LN Noise

F-40-CSU Cultural Properties

F-41-LN Biological Survey

F-44-NSO Community/Residences

NM-1-LN Special Status Plant Species

NM-11-LN Special Cultural Resources

WO-ESA-7 Endangered Species Act

NM-201812-096 85.950 Acres

T.0250N, R.0110W, 23 PM, NM

Sec. 034 LOTS 20,21,23;

San Juan County

Farmington FO

Formerly Lease No.

F-8-VRM Visual Resource Management Class IV

F-34-VRM Class I Area Bisti/De-Na-Zin

F-35-LN Noise

F-40-CSU Cultural Properties

F-41-LN Biological Survey

F-44-NSO Community/Residences

NM-1-LN Special Status Plant Species

NM-11-LN Special Cultural Resources

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

OKLAHOMA PUBLIC DOMAIN -NW

NM-201812-097 10.000 Acres

T.0240N, R.0120W, 17 PM, OK

Sec. 004 TOWNSITE BLOCKS 1,3,7,14;

004 EAGLE CHIEF;

Alfalfa County

Oklahoma FO

OKNM 117590

The successful bidder will be required to

Join the communitization agreement (CA)

OKNM 137801:

Operator: MIDSTATES PETRLOEUM CO LLC

321 SOUTH BOSTON AVE.

TULSA, OK 74103

Formerly Lease No.

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-201812-098 T.0150N, R.0140W, 17 PM, OK Sec. 015 LOTS 3,4; 015 ACCRETION & RIPARIAN ACREAGE TO LOTS 3,4 SEE EXHIBIT A FOR METES & BOUNDS W/MAP; Custer County Oklahoma FO OKNM 36039 Formerly Lease No. NM-11-LN Special Cultural Resource ORA-1-CSU Floodplain Protection

ORA-2-CSU Wetland/Riparian ORA(LN-1) Threatened & Endangered Species

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-099 45.280 Acres

T.0160N, R.0150W, 17 PM, OK

Sec. 023 LOT 1;

023 ACCRETION & RIPARIAN ACREAGE TO LOT 1;

024 LOT 1;

024 ACCRRETION & RIPARIAN ACRAGE TO LOT 1;

SEE **EXHIBIT B** FOR METES & BOUNDS W/MAP;

Dewey County

Oklahoma FO

Formerly Lease No.

NM-11-LN Special Cultural Resource

ORA-1-CSU Floodplain Protection

ORA-2-CSU Wetland/Riparian

ORA(LN-1) Threatened & Endangered Species

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-100 38.450 Acres

T.0170N, R.0150W, 17 PM, OK

Sec. 006 LOT 5;

Dewey County

Oklahoma FO

OKNM 559544

Formerly Lease No.

NM-11-LN Special Cultural Resource

ORA-1-CSU Floodplain Protection

ORA-2-CSU Wetland/Riparian

ORA (LN-1) Threatened & Endangered Species

WO-ESA-7 Endangered Species Act

NM-201812-101 119.920 Acres

T.0250N, R.0150W, 17 PM, OK

Sec. 003 LOTS 2;

024 W2NW;

Woods County

Oklahoma FO

OKNM 94875

Formerly Lease No.

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-102 40.000 Acres

T.0260N, R.0150W, 17 PM, OK

Sec. 008 SESE;

Woods County

Oklahoma FO

NMNM 117154

Formerly Lease No.

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-103 40.000 Acres

T.0250N, R.0220W, 17 PM, OK

Sec. 007 NWNE;

Harper County

Oklahoma FO

Formerly Lease No.

NM-11-LN Special Cultural Resource

ORA-3 Season of Use Stipulation

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-104 40.000 Acres

T.0180N, R.0230W, 17 PM, OK

Sec. 027 NESW;

Ellis County

Oklahoma FO

OKNM 112286

Formerly Lease No.

NM-11-LN Special Cultural Resource

ORA-3 Season of Use Stipulation

WO-ESA-7 Endangered Species Act

TEXAS ACQUIRED

NM-201812-105 1270.200 Acres

TX TR NR-7-1 AREA 2;

TR NR-7-1 AREA 4;

TR NR-7-1 AREA 5;

TR NR-7-1 AREA 6;

Live Oak County

Oklahoma FO

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD Nos. 2898134, 2898143

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-106 107.000 Acres

TX TR NR-27;

Live Oak County

Oklahoma FO

TXNM 41452

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD NO. 2898134

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-201812-107 807.000 Acres

TX TR NR-56;

McMullen County

Oklahoma FO

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD NOS. 2898134, 2898133, 2898421

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-108 147.000 Acres

TX TR NR-83 (N 147.00 AC);

McMullen County

Oklahoma FO

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD NO. 2898133

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-201812-109 260.100 Acres

TX TR NR-85;

McMullen County

Oklahoma FO

TXNM 77167

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD NO. 2898133, 2898422

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-110 404.770 Acres

TX TR NR-98;

McMullen County

Oklahoma FO

TXNM 77168

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

QUAD NO. 2898422

Formerly Lease No.

QUAD NO. 2898422

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-201812-111 300.000 Acres

TX TR NR 23-2;

McMullen County

Oklahoma FO

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD NO. 2898422

50% MINERAL INTEREST

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-112 632.170 Acres

TX TR NR-10;

Live Oak County

Oklahoma FO

TXNM 99060

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD NO. 2898134

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

NM-201812-113 70.810 Acres

TX TR 84-1;

McMullen County

Oklahoma FO

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

TXNM 77167

Formerly Lease No.

QUAD NO. 2898422

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

NM-201812-114 242.840 Acres

TX TR NR-95;

McMullen County

Oklahoma FO

TXNM 117630

This tract may have outstanding non-participating royalty interests (NPRI) which is a separate royalty payment in addition to the royalty paid to the United States under the terms of any BLM lease issued and are paid by the lessee directly to the NPRI owners.

Formerly Lease No.

QUAD NO. 2898133

Bureau of Reclamation

Choke Canyon Reservoir

BOR - Interim Stipulation

Nueces River Project

NM-11-LN Special Cultural Resource

WO-ESA-7 Endangered Species Act

WO-NHPA Cultural Resources and Tribal Consultation

TOTAL NUMBER PARCELS: 114

TOTAL NUMBER ACRES: 89,161.87

STIPULATIONS

Bureau of Reclamation Oklahoma-Texas Area Office Interim Stipulations – Federal Minerals Nueces River Project

- 1. This is a no surface access or surface occupancy lease.
- 2. Drilling beneath Choke Canyon Reservoir as defined by the published maximum water surface elevation of 233 feet msl is prohibited unless otherwise approved by the Reclamation Great Plains Regional Director. Such approval will be contingent upon completion of a risk analysis by the Bureau of Reclamation or its designee which demonstrates that the proposed drilling and production will not result in any significant increase in risk to Choke Canyon Dam or Reservoir. This risk analysis shall be funded by the Lessee.
- 3. All oil and gas drilling and production operations shall be under the supervision of the District Manager, Bureau of Land Management (BLM), in accordance with 43 Code of Federal Regulations 3160.
- 4. The Secretary of the Interior or designee reserves the right to require cessation of operations if a national emergency arises or if the Bureau of Reclamation needs the leased property for Project purposes incompatible with lease operations. On approval from higher authority, the Area Manager, Bureau of Reclamation, will give notice of the required suspension. The lessee agrees to this condition and waives compensation for its exercise.
- 5. If the Reclamation Area Manager or his authorized representative discovers an imminent danger to safety or security which allows no time to consult the BLM, that person may order any or all oil and gas drilling and production operations stopped immediately. The BLM District Manager will be notified immediately, will review the order, and will determine the need for further remedial action.
- 6. Lessee liability for damage to improvements shall include improvements of the Department of the Interior. Lessee shall be liable for pollution and other damages, as a result of their operations, to Government-owned land and property and to the property of the Government's authorized surface users.
- 7. Before beginning to drill, the lessee must consult with third parties authorized to use real estate in the lease area and must consider programs for which third parties have contractual responsibility.
- 8. A license to conduct geophysical testing on the leased area must be obtained separately from the Reclamation Area Manager.
- 9. All rights under this lease are subordinate to the rights of the United States to flood and submerge the lands, permanently or intermittently, in connection with the operation and maintenance of the above-named Project.
- 10. The United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the lessee's oil and gas drilling and production operations, or for damages to the property of the lessee, or for injuries to the person of the lessee's officers, agents, servants, or employees, or others who may be affected by the lessee's oil and gas drilling and production operations, and the lessee shall hold the United States harmless from any and all such claims.

- 11. The lessee's oil and gas drilling and production operations shall be of such a nature as not to cause pollution of the soils and the waters of the Project.
- 12. The United States reserves the right to use the land jointly with the lessee in connection with the construction, operation, and maintenance of the Federal Project and to place improvements thereon or to remove materials therefrom, including sand and gravel and other construction material, as may be necessary in connection with such work, and the lessee shall not interfere in any manner with such work or do any act which may increase the cost of performing such work.
- 13. All areas within 2,000 feet of any major structure, including but not limited to the dam, spillway, or embankment, are restricted areas. The lessee, his operators, agents, or employees shall not utilize the surface or subsurface of restricted areas for any purpose. Drilling operations in, on, or under the restricted areas, including drilling outside of the restricted areas which would cause a bore hole to be under the restricted area, will not be permitted. The restricted areas are included in the lease for the sole purpose of becoming part of a drilling unit so that the United States will share in the royalty of the unit.
- 14. All storage tanks and slush pits will be protected by dikes of sufficient capacity to protect the reservoir from pollution to maximum water surface elevation 233.00 feet, for Choke Canyon Reservoir, National Geodetic Vertical Datum.
- 15. It is the responsibility of the lessee to identify and be aware of areas where entry is prohibited.
- 16. The operator will immediately stop work and advise the Reclamation Area Manager or his authorized representative if contamination is found in the operating area.

TIMING LIMITATION STIPULATION IMPORTANT SEASONAL WILDLIFE HABITAT

No surface use is allowed during the following time period.

December 1 through March 31

In addition, no surface use is allowed during the following time period to accommodate the migration of big game within the Lajara and Regina migration route.

November 15 through March 31

This stipulation does not apply to operation and maintenance of production facilities.

On the lands described below:

All land in lease

For the purpose of: Protection of important wildlife habitat (big game winter range).

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted, or modified by the BLM Authorized Officer, if such action is consistent with the provisions of the Farmington Resource Management Plan, or if not consistent, through a land use plan amendment and associated National Environmental Policy Act analysis document. If the BLM Authorized Officer determines that the waiver, exception, or modification shall be subject to a 30-day public review period.

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

<u>Visual Resource Management Class IV Objectives</u> <u>Special Stipulation</u>

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

Surface activities in this parcel are subject to Visual Resource Management (VRM) Class IV restrictions as set forth in BLM Manual 8400 – Visual Resource Management.

Provide for management activities which require major modification of the existing character of the landscape. Activities <u>may attract attention, may dominate the view</u>, but are still mitigated. This may require additional mitigation methods such as special painting stipulations, site placement, and/or any other measures necessary for VRM Class IV objectives.

The need for additional mitigation to meet VRM Class IV will be determined on a case-by-case basis for each proposed well.

For the purpose of: Protecting Visual Resources

CONTROLLED SURFACE USE STIPULATION PALEONTOLOGY

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

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

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All lands in lease.

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

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted, or modified by the BLM Authorized Officer, if such action is consistent with the provisions of the Farmington Resource Management Plan, or if not consistent, through a land use plan amendment and associated National Environmental Policy Act analysis document. If the BLM Authorized Officer determines that the waiver, exception, or modification shall be subject to a 30-day public review period.

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

Bureau of Land Management Farmington Field Office

F-9-CSU September 2003

VISUAL RESOURCE MANAGEMENT CLASS I AREA BISTI/DE-NA-ZIN

All development activities proposed under the authority of this lease are subject compliance with Section 102(a)(8) of the Federal Land Policy and Management Act. Specifically, the lease is adjacent to the Bisti/De-Na-Zin wilderness area. Management prescriptions delineated in the Farmington RMP implement VRM Class I objectives for the wilderness area and may require site-specific mitigation measures such as alternate project locations, low profile tanks, or other measures to reduce visual impacts to the wilderness area. The BLM may require modifications to or disapprove proposed activities that can not be mitigated and which would adversely affect the VRM objectives. This could result in extended time frames for processing authorizations for development activities, as well as changes in the ways in which developments are implemented.

LEASE NOTICE NOISE

This lease is adjacent to a noise sensitive area (Bisti/De-Na-Zin Wilderness Area). Noise sources that operate on a continual basis (more than 8 hours/day), long term (more than 1 week in duration) can not exceed a noise level of 48.6 dB(A)Leq at the boundary of the wilderness area. If 48.6 dB(A)Leq does not provide an adequate level of protection from the auditory impact created by lease operations, a stricter stand shall be applied. BLM staff would work with the leaseholder on a case-by-case basis to achieve an acceptable level of noise mitigation. This requirement will not normally apply to transient operations such as construction, drilling, completion, workover activities, and other temporary sound sources. These short-term activities will be handled on a case-by-case basis during the permitting process. Compliance with the Field Office noise policy could result in extended time frames for processing authorizations for development activities, as well as changes in the ways in which developments are implemented.

CONTROLLED SURFACE USE SPECIAL CULTURAL VALUES and/or TRADITIONAL CULTURAL PROPERTIES

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For the purpose of: Protection of known cultural resource values and/or traditional cultural properties in areas not already within ACECs.

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation may be waived, excepted, or modified by the BLM Authorized Officer, if such action is consistent with the provisions of the Farmington Resource Management Plan, or if not consistent, through a land use plan amendment and associated National Environmental Policy Act analysis document. If the BLM Authorized Officer determines that the waiver, exception, or modification involves an issue of major public concern, the waiver, exception, or modification shall be subject to a 30-day public review period.

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

LEASE NOTICE BIOLOGICAL SURVEY

A biological survey may be required prior to any surface disturbing activity on BLM managed lands. Proposed activities may be subject to seasonal closures within sensitive species habitat.

No Surface Occupancy Community/Residences

No surface occupancy or use is allowed on the lands described below	No	surface	occupancy	or u	use is	allowed	on the	lands	described	belov
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No surface occupancy is allowed within 660 feet of any occupied residences of a community.

If circumstances or relative resource values change or if it can be demonstrated that oil and gas operations can be conducted without causing unacceptable impacts, this stipulation maybe waived, excepted, or modified by the BLM Authorized Officer, if such action is consistent with the provisions of the Farmington Resource Management Plan, or if not consistent, through a land use plan amendment and associated National Environmental Policy Act analysis document. If the BLM Authorized Officer determines that the waiver, exception, or modification involves an issue of major public concern, the waiver, exception, or modification shall be subject to a 30-day public review period.

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

Bureau of Land Management Farmington District Office

F-44 NSO October 2010

CONTROLLED SURFACE USE TOPOGRAPHY

Surface-disturbing such as well pad activities and related facilities are prohibited on slopes 15% and greater and/or side hill cuts of more than 3 feet vertical. Maximum grade on collector and arterial roads is 8% (except pitch grades not exceeding 300 feet in length and 10% in grade).

On the lands described below:

All lands in lease.

For the purpose of: To maintain soil productivity, provide necessary protection to prevent excessive soil erosion on steep slopes, and to avoid areas subject to slope failure, mass wasting, piping, and/or having excessive reclamation challenges.

If circumstances or relative resource values change or if the lessee demonstrates that operations can be conducted without causing unacceptable impacts, this stipulation may be excepted, modified or waived by the Authorized Officer if such action is consistent with the provisions of the applicable land use plan, or if not consistent through a planning amendment. An exception, modification, or waiver of this stipulation will require compliance with the National Environmental Policy Act and may be subject to a 15-day public review period. Any changes to this stipulation will be made in accordance with the land use plan and/or regulatory provisions for such changes. (For guidance on the use of this stipulation, see Bureau of Land Management Manuals 1624 and 3101 or Forest Service Manuals 1950 and 2820).

The following is the criteria for exceptions, modifications and waivers:

Exception: The authorizing officer may grant an exception to this condition for short distances (less than 300 feet and 10% in grade) for access roads if the operator submits a certified engineering and reclamation plan that clearly demonstrates impacts from the proposed actions are acceptable or can be adequately mitigated. This plan must include and demonstrate how the following will be accomplished:

- Restoration of site.
- Adequate control of surface runoff.

- Protection of the site and adjacent areas from accelerated erosion, such as drilling, gullying, piping, and slope failure and mass wasting.
- Protection of nearby water sources from sedimentation. Water quality and quantity will be in conformance with state and federal water quality standards.
- Completion of site-specific analysis of soil physical, chemical and mechanical (engineering) properties and behavior.
- Timing of surface-disturbing activities these activities will not be conducted during extended wet periods.
- Timing of reclamation as reclamation will not be allowed when soils are frozen.

In addition, the operator must also provide an evaluation of past practices on similar terrain and be able to demonstrate success under similar conditions.

Modification: The area affected by this condition may be modified by the authorized officer if it is determined that portions of the area do not include slopes 15% and greater. The burden of providing information to support this determination will be borne by the lessee.

Waiver: This condition may be waived by the authorized officer if it is determined that the affected area does not include slopes 15% and greater. The burden of providing information to support this determination will be borne by the lessee.

LEASE NOTICE POTENTIAL, SUITABLE AND OCCUPIED HABITAT FOR SPECIAL STATUS PLANT SPECIES

The lease contains potential, suitable and/or occupied habitat for special status plant species; therefore, special status plant species clearance surveys may be required prior to approving any surface disturbing activities within or adjacent to BLM Special Status Plant Species' potential, suitable and occupied habitats.

Survey requirements would include the following:

- Clearance surveys must be conducted by a qualified botanist as determined the BLM
- The area to be surveyed will include at a minimum the project area plus an additional 100 meters outside the project area.
- Clearance surveys will be conducted during the blooming season or the period in which the plant species is most easily detected as determined by the BLM.

Based on the results of the survey, conditions of approval may be applied to land use authorizations and permits that fall within the area of direct/indirect impacts or affected habitat, as appropriate. Possible mitigation strategies may include, but are not limited to:

- Avoidance/restriction of development such as locating the surface disturbance area away from the edge of occupied or suitable habitat and ideally outside of the area where indirect/direct impacts would occur;
- Minimizing the area of disturbance utilizing strategies such as but not limited to twinning, and utilizing existing disturbance and corridors;
- Dust abatement measures:
- Signs, fencing, and other deterrents to reduce human disturbance:
- Construction of well sites, roads and associated facilities outside of the blooming season;
- Specialized reclamation procedures such as, but not limited to,
 - separating soil and subsoil layers with barriers to reclaim in the correct order,
 - using a higher percentage of forbs in the reclamation seed mix to promote pollinator habitat,
 - collection of seeds for sensitive plant species' genetic preservation, growout, and reclamation;
- Long term monitoring of indirect/direct impacts on the species and/or habitat;
- Qualified, independent third-party contractors to provide general oversight and assure compliance with project terms and conditions during construction;
- Non-native or invasive species monitoring and control in occupied and suitable habitat;
- Any other on-site habitat protection or improvements, known by best available

Bureau of Land Management New Mexico State Office NM-1-LN September 21, 2018 (RH) science to be beneficial.

On the following lands:

SPECIAL CULTURAL RESOURCE LEASE NOTICE

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

CONTROLLED SURFACE USE FLOODPLAIN PROTECTION STIPULATION

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

For the following described land(s):	
All lands in lease.	
Any changes in this stipulation will be made in accordand/or the regulatory provisions for such changes.	ance with the land use plan
Bureau of Land Management Oklahoma Field Office	ORA-1 CSU November 1991

CONTROLLED SURFACE USE WETLAND/RIPARIAN STIPULATION

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

r	o wetlands and riparian habitats which occur on this lease must be avoided, or nitigated. The mitigation shall be developed during the application for permit to drill process.
F	For the following described land(s)
	All lands in lease.
	Any changes in this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes.

LEASE NOTICE NOISE

This lease is adjacent to a noise sensitive area (Bisti/De-Na-Zin Wilderness Area). Noise sources that operate on a continual basis (more than 8 hours/day), long term (more than 1 week in duration) can not exceed a noise level of 48.6 dB(A)Leq at the boundary of the wilderness area. If 48.6 dB(A)Leq does not provide an adequate level of protection from the auditory impact created by lease operations, a stricter stand shall be applied. BLM staff would work with the leaseholder on a case-by-case basis to achieve an acceptable level of noise mitigation. This requirement will not normally apply to transient operations such as construction, drilling, completion, workover activities, and other temporary sound sources. These short-term activities will be handled on a case-by-case basis during the permitting process. Compliance with the Field Office noise policy could result in extended time frames for processing authorizations for development activities, as well as changes in the ways in which developments are implemented.

SEASON OF USE STIPULATION

Surface occupancy of this lease will not be allowed from <u>February 15 to May 15</u>, as well as all applicable hunting seasons without the specific approval, in writing.

from the authorized officer of the Bureau of Land Mar does not apply to operation and maintenance of prod	nagement. This stipulation
On the land(s) described below:	
All lands in lease.	
For the Purpose of: Wildlife seasonal use requirement conflicts with drilling activities.	nts or recreation use
Any changes in this stipulation will be made in accor and/or the regulatory provisions for such changes.	dance with the land use plan
Bureau of Land Management Oklahoma Field Office	ORA-3 SS November 1991

LEASE NOTICE THREATENED AND ENDANGERED SPECIES

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

NO SURFACE OCCUPANCY STIPULATION CULTURAL RESOURCES AND AVIATION FACILITIES

No occupancy or other activity on the surface of the following described lands is allowed in order to protect cultural resources and aviation facilities:

STIPULATION DESIGNATED CRITICAL AREA OF ENVIRONMENTAL CONCERN

The lessee is given notice that all or portions of the lease area contain special values, are needed for special purposes, or require special attention to prevent damage to surface resources. Any surface use or occupancy within such areas will be strictly controlled. Use or occupancy will be authorized only when the lessee/operator demonstrates that the area is essential for operations and when the lessee/operator submits a surface use and operations plan which is satisfactory to the Bureau of Land Management for the protection of these special values and existing or planned uses. Appropriate modifications to the imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

After the Bureau of Land Management has been advised of the proposed surface use or occupancy on these lands, and on request of the lessee/operator, the Bureau of Land Management will furnish further data on such areas.

Reason for Restriction: Designated Area of Critical Environmental Concern.

Duration of Restriction: Year-round

Before surface disturbing activities can commence a paleontogical survey must be completed and any impacts on the paleontological resources must be mitigated. Lessee is encouraged to contact the Bureau of Land Management for further information regarding the restrictive nature of this stipulation.

STIPULATION NATIONAL REGISTER OF HISTORIC PLACES

The lessee is given notice that all or portions of the lease area contain special values, are needed for special purposes, or require special attention to prevent damage to surface resources. Any surface use or occupancy within such areas will be strictly controlled. Use or occupancy will be authorized only when the lessee/operator demonstrates that the area is essential for operations and when the lessee/operator submits a surface use and operations plan which is satisfactory to the Bureau of Land Management for the protection of these special values and existing or planned uses. Appropriate modifications to the imposed restrictions will be made for the maintenance and operations of producing oil and gas wells.

After the Bureau of Land Management has been advised of the proposed surface use or occupancy on these lands, and on request of the lessee/operator, the Bureau of Land Management will furnish further data on such areas.

Reason for Restriction: Potential or known cultural resource site, eligible for inclusion in the National Register of Historic Places.

Duration of Restriction: Year-round

Prior to acceptance of this stipulation the prospective lessee is encourage to contact the Bureau of Land Management for further information regarding the restrictive nature of this stipulation.

CONTROLLED SURFACE USE STIPULATION TORREJON FOSSIL ACEC

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

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

For the purpose of: Protection of paleontology values in Torrejon Fossil Fauna ACEC.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820).

CONTROLLED SURFACE USE SLOPES OR FRAGILE SOILS

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

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

On	tho	lande	descri	had	halaw:
()n	tne	iands	descri	nea	neinw:

All lands in lease.

For the purpose of:

Protecting Slopes or Fragile Soils

Bureau of Land Management Roswell/Carlsbad Field Office

SENM-S-17 December 1997

CONTROLLED SURFACE USE STREAMS, RIVERS, AND FLOODPLAINS

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

Surface disturbance will not be allowed within up to 200 meters of the outer edge of 100-year floodplains, to protect the integrity of those floodplains. On a case-by-case basis, an exception to this requirement may be considered based on one or more of the criteria listed below. The first three criteria would not be applied in areas of identified critical or occupied habitat for federally listed threatened or endangered species.

- --Additional development in areas with existing developments that have shown no adverse impacts to the riparian areas as determined by the Authorized Officer, following a case-by-case review at the time of permitting.
- --Suitable off-site mitigation if habitat loss has been identified.
- --An approved plan of operations ensures the protection of water or soil resources, or both.
- --Installation of habitat, rangeland or recreation projects designed to enhance or protect renewable natural resources.

For the purpose of: Protecting Streams, Rivers and Floodplains

On the lands described below:

All lands in lease.

CONTROLLED SURFACE USE PLAYAS AND ALKALI LAKES

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

Surface disturbance will not be allowed within up to 200 meters of playas or alkali lakes. Waiver of this requirement will be considered on a case-by-case basis for projects designed to enhance or protect renewable natural resources. An exception for oil and gas development will be considered if playa or lake loss was mitigated by the protection and development of another playa exhibiting the potential for improvement.

Mitigation could include:

installing fencing; developing a supplemental water supply; planting trees and shrubs for shelter belts; conducting playa basin excavation; constructing erosion control structures or cross dikes; or by improving the habitat in another area.

On the lands described below:

All lands in lease.

For the purpose of:

Protecting playas and alkali lakes

Bureau of Land Management Pecos District

SENM-S-19 Revised July 2010

CONTROLLED SURFACE USE SPRINGS, SEEPS AND TANKS

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

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

For the purpose of:

Protecting Springs, Seeps and Tanks

CAVES AND KARST

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

Surface disturbance will not be allowed within up to 200 meters of known cave entrances, passages or aspects of significant caves, or significant karst features. Waiver of this requirement will be considered for projects that enhance or protect renewable natural resource values, or when an approved plan of operations ensures the protection of cave and karst resources.

For the purpose of:

Protecting Caves and Karst Features

CONTROLLED SURFACE USE LESSER PRAIRIE-CHICKENS

No surface use is allowed during the following time periods; unless otherwise specified, this stipulation does not apply to the operation and maintenance of production facilities.

Drilling for oil and gas, and 3-D geophysical exploration operations will not be allowed in lesser prairie-chicken habitat during the period of March 1 through July 15, each year. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 a.m. and 9:00 a.m. The 3:00 a.m. and 9:00 a.m. restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require human presence during the period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Open-top tanks, disposal pits, or other open pits will be required to be covered with a fine mesh netting to make them inaccessible to avian species and other wildlife.

<u>Timing</u>

A low profile marker will be required for a plugged or abandoned well. The well marker must be approximately 2 inches above ground level and contain the operator's name, lease name, well number, and location, including unit letter, section, township and range. This information must be welded or stamped or otherwise permanently engraved into the metal of the marker.

Exceptions to these requirements will be considered for areas of no or low lesser prairie-chicken booming activity, or unoccupied habitat, including leks, as determined at the time of permitting, or in emergency situations.

For the purpose of: Protecting Lesser Prairie-Chickens

Bureau of Land Management Pecos District Offices

SENM-S-22 Revised July 2014

SAND DUNE LIZARD

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

Surface disturbance will not be allowed in documented occupied habitat areas, or within up to 200 meters of suitable habitat associated with occupied habitat areas identified through field review. An exception to this restriction will be considered when an on-site evaluation of habitat extent, available species occurrence data, the proposed surface use, and proposed mitigations indicate the proposal will not adversely affect the local population.

For the purpose of:

Protecting Sand Dune Lizards

VISUAL RESOURCE MANAGEMENT

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

Painting of oil field equipment and structures to minimize visual impacts is to be conducted according to the requirements of Notice to Lessees (NTL) 87-1, New Mexico. Low profile facilities also may be required, when needed to reduce the contract of a project with the dominant color, line, texture, and form of the surrounding landscape. Other surface facilities or equipment approved by the BLM, such as large-scale range improvements or pipelines, will be painted, when needed, to conform to the requirements of visual resource management to minimize visual impacts. Paint colors will be selected from the environmental color chart approved by the Rocky Mountain Coordinating Committee. The selected paint color will match as closely as possible the predominant soil or vegetation color of the area. Upon completion of the well and installation of the production facilities (if the well is a producer) the pad will be reclaimed back to a size necessary for production operations only. The edges will be recontoured and the extra caliche and pad material (excluding top soil) will be hauled off-site. The BLM may require additional reclamation depending upon vegetation recovery. The reclaimed area will be recontoured and reseeded according to vegetation and soil type.

For the purpose of: Protecting Visual Resources Management

CONTROLLED SURFACE USE STIPULATION NORTHERN APLOMADO FALCON SUITABLE HABITAT

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

- A plan of development (POD) for the entire lease must be submitted to the BLM authorized officer, when requested, for approval prior to initiation of any development;
- The following well pad construction and reclamation measures must be implemented to provide minimal long-term disturbance:
 - remove all caliche from well pads and roads associated with wells that are abandoned, and are not capable of producing in paying quantities.
 - well pad size within grasslands will not exceed an aggregate size of 2.6 acres (unless multiple wells are drilled from the same well pad), and all unused portions of well pads/pit area associated with producing wells will be reclaimed using the seed mixture below;
 - within grasslands determined suitable for the Aplomado Falcon, utilize a seed mixture that consists of the following:

Tobosa (Hilaria mutica)	4 lbs/acre
Black grama (Bouteloua eriopoda)	l lb/acre
Silver bluestem (Bothriochloa saccharoides)5	lbs/acre
Sideoats grama (Bouteloua curtipendula)	b lbs/acre
Plains bristlegrass (Setaria macrostachya)	b lbs/acre

- Utilize existing well pads to locate new wells when location is within a grassland;
- Earthen pits for drilling and disposal are not allowed unless this
 restriction is waived by the BLM authorized officer. Steel tank
 circulation system must be used. Earthen pits will not be allowed
 unless they can be effectively netted;

- All yuccas and/or other nesting structure greater than 5 feet in height must be avoided;
- All development activities will avoid inactive raptor/raven nests by a minimum of 200 meters, and active raptor/raven nests by a minimum of 400 meters. Operations that cannot meet this offset may be delayed for up to 120 days or until nest fledging.

On the lands described below:

For the purpose of: Managing habitat suitable for the Northern Aplomado Falcon, a species protected under the Endangered Species Act.

NO SURFACE OCCUPANCY Lesser Prairie-Chicken – Sand Dune Lizard Habitat Core Areas

All or a portion of the lease is within habitat suitable for the lesser prairie-chicken (LPC) and/or the sand dune lizard, special (SDL) status species of concern. In accordance with the 2008 Pecos District Special Status Species Resource Management Plan Amendment, Bureau of Land Management (BLM) may lease Federal minerals under LPC and/or SDL habitat with a No Surface Occupancy (NSO) stipulation. This lease is issued with the intention that it be developed by directional drilling from a surface location outside of the designated NSO portion of the lease, with the bottom hole located within the lease. Potential impacts from drilling off lease must also adhere to the principle of avoiding LPC and/or SDL habitat and would be subject to review through the NEPA process. Plans of development may be requested by the BLM in these habitats.

surface location outside of the designated NSO portion of the lease, with the bottom hole located within the lease. Potential impacts from drilling of lease must also adhere to the principle of avoiding LPC and/or SDL habitat and would be subject to review through the NEPA process. Plans of development may be requested by the BLM in these habitats.
No Surface Occupancy on the lands described below:
All lands in lease
For the purpose of:
Managing habitat for the lesser prairie-chicken and sand dune lizard

Bureau of Land Management Pecos District

SENM-S-33 Revised July 2010

SHINNERY OAK SAND DUNE HABITAT COMPLEX PLAN OF DEVELOPMENT

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

For the purpose of:

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

Bureau of Land Management Pecos District

SENM-S-34 Revised July 2010

SAND DUNE LIZARD SURVEY REQUIREMENTS AND PLAN OF DEVELOPMENT

A survey for occupied and suitable sand dune lizard habitat for the entire lease is required. The surveys will occur according to BLM approved protocol by BLM approved surveyors. Survey results must be submitted and reviewed by BLM prior to approval of development actions (APD, Sundry Notices). Based on the results of the surveys, a Plan of Development (POD) may be required. The POD must indicate planned access to well facilities (roads, pipelines, power lines), and the approximate location of well sites. Should it become necessary to amend the POD, the amendment must be approved prior to approval of subsequent development actions. Deviations from a current POD are not authorized until an amended POD has been approved by BLM.

For the purpose of:

Managing habitat suitable for the sand dune lizard (SDL). The lease contains isolated blocks of habitat potentially suitable for SDL. Surveying the entire lease for occupied and suitable habitat will provide vital information for management of this special status species habitat.

Bureau of Land Management Pecos District Office

SENM-S-46 May 2008

RECLAMATION

The subject properties contain facilities (well, pad, road, powerline, pipeline, etc.) that were not plugged, removed and/or reclaimed to current standards. Unless the facilities are put to a beneficial and direct use under the new lease, the lessee shall plug, remediate and reclaim the facilities within two years of lease issuance. If an extension is requested, the lessee must submit a detailed plan (including dates) prior to the two year deadline. All plugging, remediation and reclamation shall be performed in accordance with Bureau of Land Management requirements and be approved in advance by the Authorized Officer.

shall be performed in accordance with Bureau of Land Manager and be approved in advance by the Authorized Officer.	ment requirements
The well(s) to be plugged and reclaimed are as follows:	
The facilities to be reclaimed are shown above.	
Bureau of Land Management Pecos District	SENM-S-47 Revised July 2010

CONTROLLED SURFACE USE FARMLAND STIPULATION

All or a portion of this lease contains private surface used for cultivation. Any surface-disturbing activities associated with oil and gas development will be excluded from the surface area used for cultivation. The BLM may consider on an individual application basis, an exception to this stipulation if the surface owner signs an agreement with the lessee or operator allowing the proposed surface-disturbing activity within the cultivated area. Each application submitted to the BLM must include a copy of any agreement signed by the surface owner.

to the BLM must include a copy of any agreement signed by the surface owner.
On the lands described below:
For the purpose of:
Protecting agricultural lands used for cultivation.
Bureau of land Management SENM-S-51 Pecos District Office August 2010

LEASE NOTICE POTENTIAL CAVE OR KARST OCCURRENCE AREA

All or a portion of the lease is located in a potential cave or karst occurrence area. Within this area, caves or karst features such as sinkholes, passages, and large rooms may be encountered from the surface to a depth of as much as 2,000 feet, within surface areas ranging from a few acres to hundreds of acres. Due to the sensitive nature of the cave or karst systems of this area, special protective measures may be developed during environmental analyses and be required as part of approvals for drilling or other operations on this lease. These measures could include: changes in drilling operations; special casing and cementing programs; modifications in surface activities; or other reasonable measures to mitigate impacts to cave or karst values. These measures may be imposed in accordance with 43 CFR 3101.1-2; 43 CFR 3162.5-1; Onshore Oil and Gas Order No. 1; and Section 6 of the lease terms.

LEASE NOTICE PROTECTION OF THE DUNES SAGEBRUSH LIZARD

This lease may encompass suitable and occupied habitat of the dunes sagebrush lizard (Sceloporus arenicolus). The lizard can be found in active or semi-active sand dunes with shinnery oak vegetation. All or portions of the lease may contain suitable or occupied habitat of this special status species.

The Bureau of Land Management through its NEPA process, is responsible for assuring that the leased lands are examined prior to any surface disturbing activities on the lands covered by this lease to determine potential impacts to the lizard and it's habitat.

In accordance with Section 6 of the lease terms, the lessee may be required to conduct an examination of the lands to determine the occurrence of the lizard (peak activity is May – August). Protocol for these surveys can be found in the 2008 Pecos District Special Status Species Resource Management Plan Amendment. The survey would be conducted by a qualified biologist or herpetologist approved by the Bureau of Land Management. A report of the findings would be submitted to the authorized officer.

Exploration and lease development activities may be limited to areas outside of suitable or occupied habitat within the lease. If the surface management agency determines that lease development activities may adversely impact suitable or occupied habitat, restrictions to the lessee's proposal or denial of any beneficial use of the lease may result.

Conditions of Approval for Applications for Permit to Drill or Sundry Notices may be developed to protect habitat for the dunes sagebrush lizard. The lessee will take such measures as may be required by the authorized officer to protect the lizard and it's habitat.

Bureau of Land Management Pecos District Office

SENM-LN-2 Revised July 2012

LEASE NOTICE HACKBERRY LAKE OHV AREA

All or a portion of the lease is located in the Hackberry Lake Off-Highway Vehicle (OHV) area. This OHV-use area consists of 55,800 acres of stabilized dune lands and cliffs. This area features intensively used OHV trails and campgrounds. The area is used annually for competitive enduro events and other OHV use. The area is also heavily developed for oil and gas related activities. Special protective measures would be developed to protect existing OHV trails and camping areas. These would be required as part of the environmental analysis, approval for drilling or any other operation on this lease. These measures could include modifications or relocation of proposed well locations; burial of linear facilities such as pipelines at lease road and OHV trail intersections; additional sign placement; modifications in surface activities; or other reasonable measures to mitigate impacts to recreational activities. These measures may be imposed in accordance with 43 CFR 3101.1-2; 43 CFR 3162.5-1; Onshore Oil and Gas Order No. 1; and Form 3100-11 (Offer to Lease and Lease for Oil and Gas) section 6 of page 3.

ENDANGERED SPECIES ACT SECTION 7 CONSULTATION STIPULATION

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

CULTURAL RESOURCES AND TRIBAL CONSULTATION STIPULATION

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, Executive Order 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 (e.g., State Historic Preservation Officer (SHPO) and tribal consultation) 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.

EXHIBITS

METES ANDBOUNDS DESCRIPTION LOT 3 (7.85 AC.) AND THE ACCRETION AND RIPARIAN ACREAGE TO LOT 3, SECTION 15, T15N-R14W, LOCATED ALONG THE CANADIAN RIVER, CUSTER COUNTY, OKLAHOMA

(Bearings and Distances are Geodetic)

Beginning at the Northwest comer of Lot 3, Section 15, T15N-R14W, Custer County, Oklahoma, said point being North 89°50'41¹¹ West a distance of 2023.67 feet from an ODOT cap for the East Quarter comer of said Section 15.

Thence along the adjusted 1873 left bank the following courses and distances:

South 23°24'02" East a distance of 146.06 feet;

South 39°08'33" East a distance of 759.67 feet;

South 53°37'31" East a distance of 207.29 feet to the Southeast comer of said Lot 3;

Thence South 19°04'03" West a distance of 911.43 feet to a proportional point on the 2018 left bank;

Thence South 42°00'03" West a distance of 66.77 feet to a perpendicular point on the 2018 medial line;

Thence along the 2018 medial line the following courses and

distances: North 47°59'57" West a distance of 18.70 feet;

North 32°18'47" West a distance of 103.12 feet;

North 66°13'00" West a distance of 74.67 feet:

North 47°21'39" West a distance of 202.80 feet;

North 51°35'34" West a distance of 87.71 feet;

North 68°34'21" West a distance of 37.07 feet;

North 57°51'22" West a distance of 125.28 feet;

North 79°35'59" West a distance of 40.73 feet;

North 54°10'56" West a distance of 420.99 feet;

North 57°05'07" West a distance of 190.95 feet to a point;

Thence perpendicular to the 2018 medial line, North 32°54'53" East a distance of 95.98 feet to a proportional point on the 2018 left bank;

Thence North 34°11'52" East a distance of 1109.08 feet to the POINT OF BEGINNING, containing 27.13 acres of land more or less.

A total of 34.98 acres of land more or less.

METES AND BOUNDS DESCRIPTION LOT 4 (40.25 AC.) AND THE ACCRETION AND RIPARIAN ACREAGE TO LOT 4, SECTION 15, TI5N-R14W, LOCATED ALONG THE CANADIAN RIVER, CUSTER COUNTY, OKLAHOMA

(Bearings and Distances are Geodetic)

Beginning at an Iron Rod with cap for the 1873 meander comer on the 1873 left bank between Sections 14 and 15, said point being South 00°07'28" East a distance of 1815.37 feet from an ODOT cap for the East Quarter comer of said Section 15;

Thence South 09°38'54" West a distance of 596.62 feet to a proportional point on the 2018 left bank;

Thence perpendicular to the 2018 medial line, South 19°0l '00" West a distance of 79.23 feet to a point on the 2018 medial line;

Thence along the 2018 medial line the following courses and distances:

North 70°59'00" West a distance of 253.65 feet;

North 69°38'03" West a distance of 113.47 feet;

North 59°48'13" West a distance of 69.38 feet;

North 68°33'37" West a distance of 266.77 feet;

North 58°11'43" West a distance of 50.36 feet;

North 54°42'02" West a distance of 59.98 feet;

North 69°57'37" West a distance of 105.29 feet;

North 71°07'27" West a distance of 78.50 feet;

North 62°12'04" West a distance of 88.96 feet;

North 67°23'40" West a distance of 58.07 feet;

North 67°08'15" West a distance of 174.91 feet;

North 57°53'51" West a distance of 96.23 feet;

North 62°58'28" West a distance of 122.46 feet;

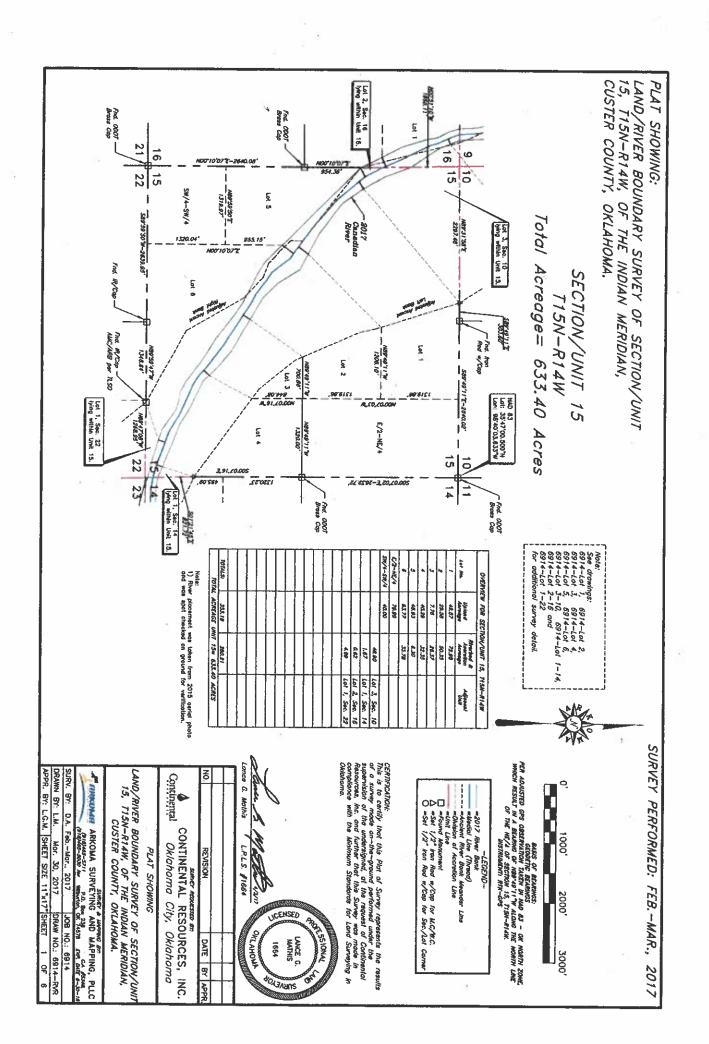
North 52°41'21" West a distance of 108.05 feet;

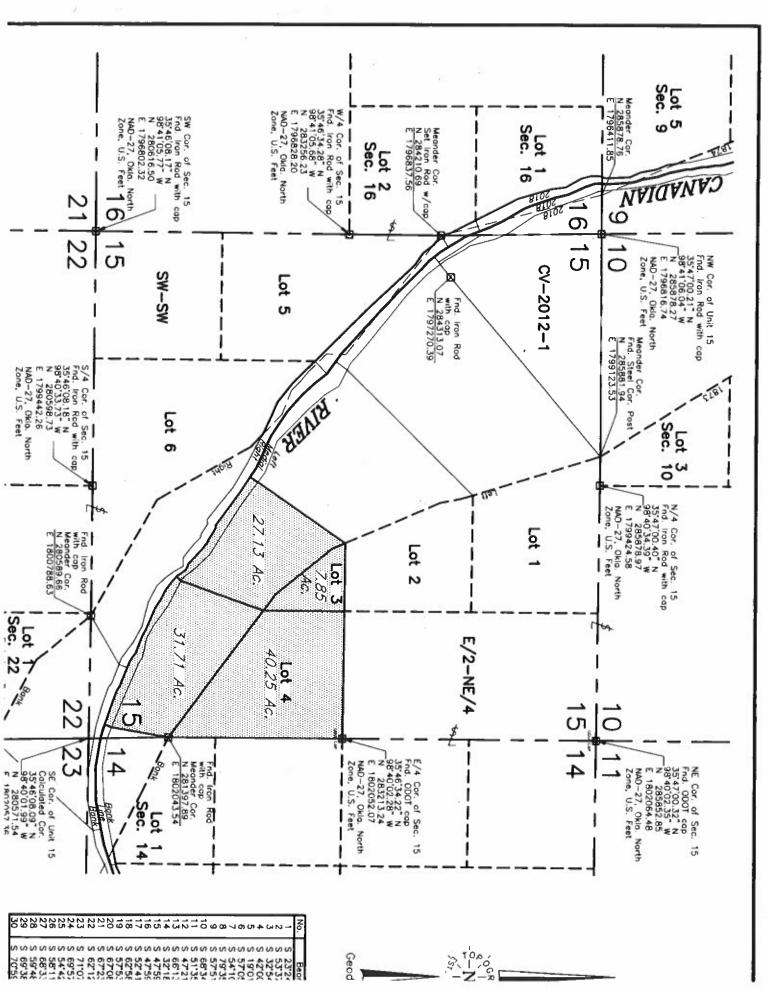
North 47°59'57" West a distance of 67.93 feet to a point;

Thence perpendicular to the 2018 medial line, North 42°00'03" East a distance of 66.77 feet to a proportional point on the 2018 left bank;

Thence North 19°04'03" East a distance of 911.45 feet to the Southwest comer of said Lot 4; Thence along the adjusted 1873 left bank, South 53°37'31" East a distance of 1643.45 feet to the POINT OF BEGINNING, containing 31.71 acres of land more or less.

A total of 71.96 acres of land more or less.





METES AND BOUNDS DESCRIPTION
OF LOT 1 (0.75 AC.) AND THE
ACCRETION AND RIPARIAN ACREAGE
TO LOT 1, SECTION 23, T.16N., R. 15W.,
LOCATED ALONG THE CANADIAN RIVER,
DEWEY COUNTY, OKLAHOMA
DESCRIBED AS FOLLOWS:
(Bearings and Distances are Geodetic)

Beginning at an Iron Rod with cap for the Northwest corner of Lot 1, said point being the ancient meander corner on the ancient left bank between Sections 14 and 23, being North 90°00'00" West a distance of 267.96 feet from an Iron Rod with cap for the Northeast Corner of Section 23, T.16N., R. 15 W., Dewey County, Oklahoma;

Thence along the adjusted ancient left bank, South 43°42'04" East a distance of 387.85 feet to an Iron Rod with cap for the Southeast corner of said Lot 1, said point being the ancient meander corner on the ancient left bank between Sections 23 and 24;

Thence South 44°51'58" West a distance of 1687.23 feet to a proportional point on the 2017 left bank;

Thence South 23°32'53" West a distance of 28.08 feet to a point on the 2017 medial line;

Thence along the 2017 medial line the following courses and distances:

North 66°20'52" West a distance of 105.49 feet;

North 57°04'58" West a distance of 27.63 feet;

North 65°37'39" West a distance of 18.10 feet;

North 57°22'50" West a distance of 63.23 feet;

North 48°58'25" West a distance of 68.57 feet;

North 56°42'52" West a distance of 91.32 feet;

North 55°55'35" West a distance of 48.55 feet;

North 50°51'14" West a distance of 33.53 feet to a point;

Thence North 39°22'28" East a distance of 21.47 feet to a proportional point on the 2017 left bank;

Thence North 46°22'00" East a distance of 1801.31 feet to the POINT OF BEGINNING, and containing 16.80 acre of land more or less

Total in unleased area of Lot is 17.55 acres of land more or less.

METES AND BOUNDS DESCRIPTION OF THE ACCRETION AND RIPARIAN ACREAGE TO LOT 1, SECTION 24, T16N-R15W, LYING WITHIN UNIT 23, T16N-R15W, LOCATED ALONG THE CANADIAN RIVER, DEWEY COUNTY, OKLAHOMA DESCRIBED AS FOLLOWS:

(Bearings and Distances are Geodetic)

Beginning at an Iron Rod with cap for the Southwest corner of Lot 1, Section 24, said point being the ancient meander corner on the ancient left bank between Sections 23 and 24, being South 00°00'00" East a distance of 280.40 feet from an Iron Rod with cap for the Northeast corner of Section 23, T16N-R15W, Dewey County, Oklahoma.

Thence along the calculated East line of Unit 23, South 01°52'15" West a distance of 2,050.93 feet to the calculated ancient meander corner on the ancient right bank between Sections 23 and 24, being a point for said Unit 23;

Thence continuing along the calculated East line of said Unit 23, South 00°02'12" East a distance of 6.41 feet to the intersection of the calculated East line of said Unit 23 and the 2017 medial line;

Thence along the 2017 medial line the following courses and distances:

North 71°39'47" West a distance of 65.49 feet;

North 45°08'30" West a distance of 40.46 feet:

North 55°01'07" West a distance of 83.32 feet;

North 64°49'14" West a distance of 92.70 feet;

North 58°32'37" West a distance of 185.29 feet;

North 36°55'21" West a distance of 65.09 feet;

North 43°57'20" West a distance of 172.94 feet;

North 53°26'41" West a distance of 89.30 feet;

North 45°00'25" West a distance of 202.68 feet;

North 48°37'23" West a distance of 139.76 feet;

North 71°48'10" West a distance of 43.37 feet;

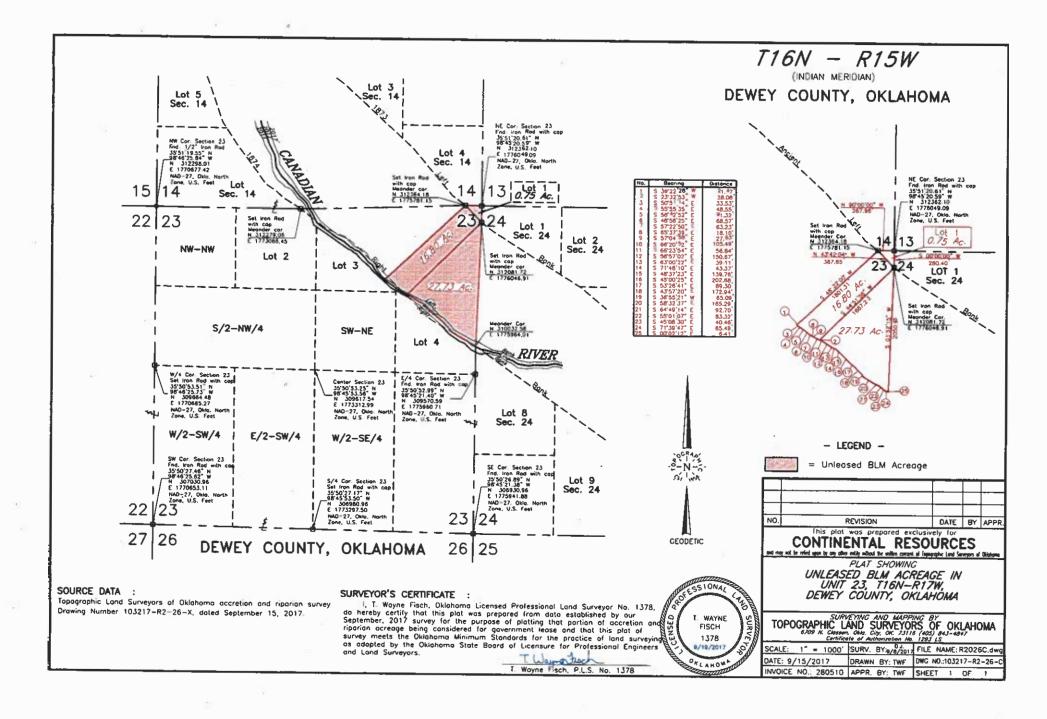
North 63°00'22" West a distance of 39.11 feet;

North 56°57'02" West a distance of 150.67 feet;

North 66°23'54" West a distance of 56.84 feet to a point;

Thence North 23°32'53" East a distance of 28.08 feet to a proportional point on the 2017 left bank;

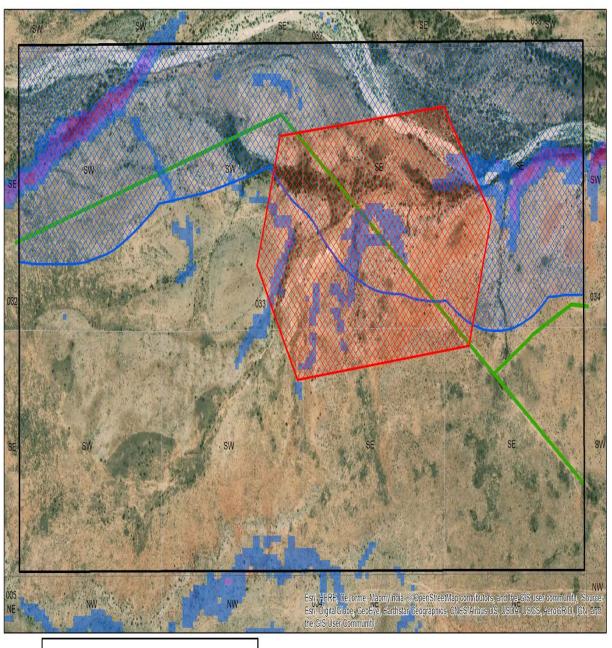
Thence North 44°51'58" East a distance of 1,687.23 feet to the POINT OF BEGINNING, containing 27.73 acres of land more or less.



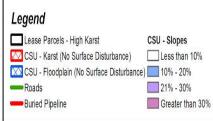
Lease Notations Dec Lease Sale 2018 - Parcels in High Karst NM-201812

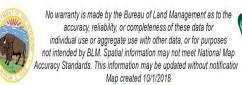
Parcel 23 - Sec. 33, T201/2S, R23E - 341.64 acres

Note: Surface disturbance within this lease may be limited to the southern half of the lease between the ephemeral drainages. The northern half of the lease is located within the 100-year Federal Emergency Management Agency floodplain. Additionally, there are steep slopes, playas and known karst features within the lease. Other karst features may exist, both in the surface and subsurface, in the southern portion of this lease. If karst features were to be discovered at the time of the Application for Permit to Drill, the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 attached to the lease. The protective buffers outlined in stipulations SENM-S-17, SENM-S-18, SENM-S-19 and SENM-S-21 attached to the lease would apply.





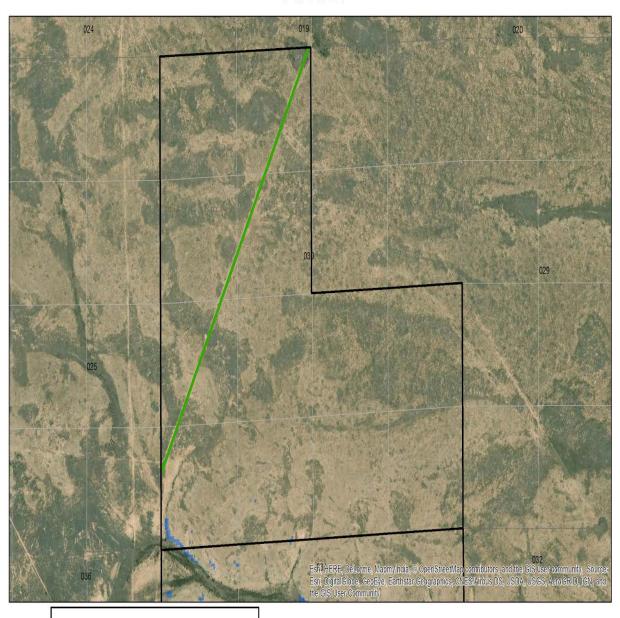




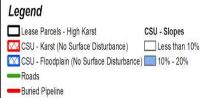


Parcel 24 - Sec. 30, T18S, R24E - 481.60 acres

Note: Surface disturbance of this lease may be limited. The lease appears to have numerous paleosinks which indicates that surface water flow is being directed into subsurface conduits and surface and subsurface karst features may exist. Surface access may be limited within this lease if karst features were to be discovered at the time of the Application for Permit to Drill. The protective buffers outlined in stipulations SENM-S-19 and SENM-S-21 attached to the lease would apply.



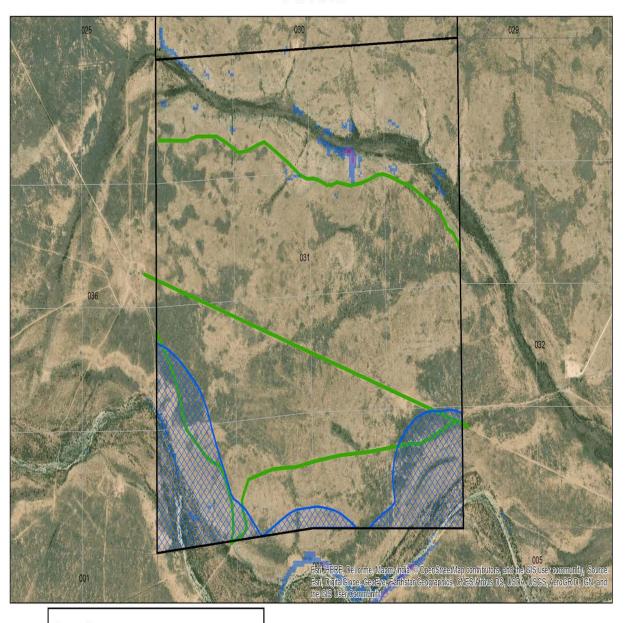






Parcel 25 - Sec. 31, T18S, R24E - 645.08 acres

Note: Surface disturbance within this lease may be limited. The southern boundary of the lease is located within the 100-year Federal Emergency Management Agency floodplain. Additionally, there are steep slopes in the northern portion of the lease. The protective buffers outlined in stipulations SENM-S-17, SENM-S-18, SENM-S-19 and SENM-S-21 attached to the lease would apply.

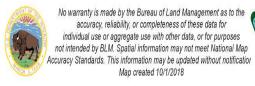




CSU - Slopes

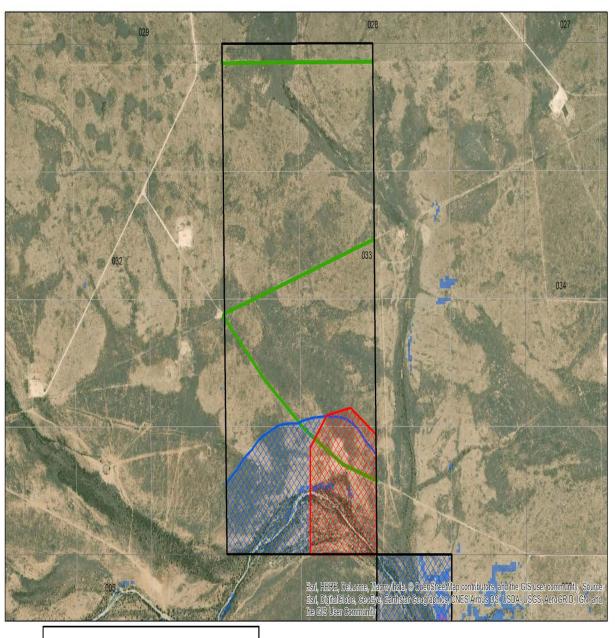
21% - 30% Greater than 30%

Less than 10%

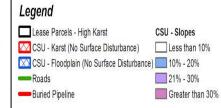


Parcel 26 - Sec. 33, T18S, R24E - 320 acres

Note: Surface disturbance within this parcel may be limited to the northern half of this lease between the ephemeral drainages. The southern quarter of Section 33 is located within the 100-year Federal Emergency Management Agency floodplain and subject to the protective buffers outlined in SENM-S-18 attached to the lease. Additionally, there are known karst features within the lease. Other features may exist, both in the surface and subsurface, in the northern portion of this lease. If features were to be discovered at the time of the Application for Permit to Drill the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 attached to the lease.



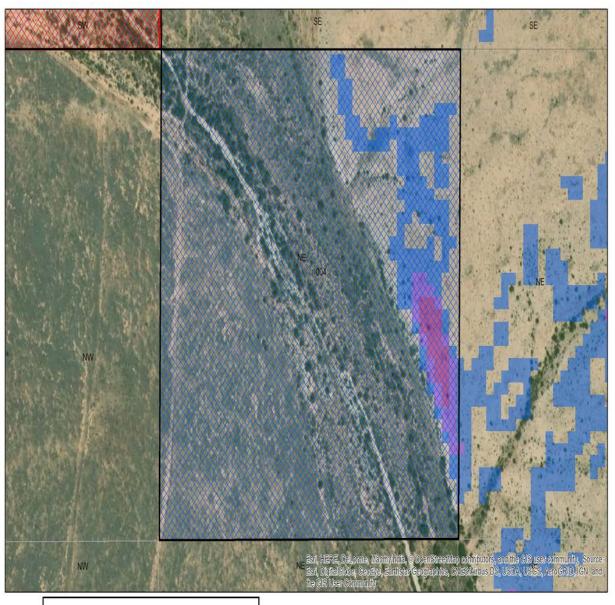






Parcel 27 - Sec. 04, T19S, R24E - 39.91 acres

Note: The lease is entirely within the 100-year Federal Emergency Management Agency floodplain. Stipulation SENM-S-18, Controlled Surface Use for Streams, Rivers and Floodplains, would apply to the entire lease. Since the stipulation restricts surface disturbance (i.e., no surface disturbance will not be allowed within up to 200 meters of the outer edge of the 100-year floodplain), there may not be any suitable surface locations within the lease without additional NEPA analysis, public involvement and/or mitigation (See SENM-S-18 and Executive Order 13690, Floodplain Management, as amended). In addition, the protective buffers identified in SENM-S-17 Steep Slopes and Fragile Soils and SENM-S-21 Cave and Karst would apply to this lease.





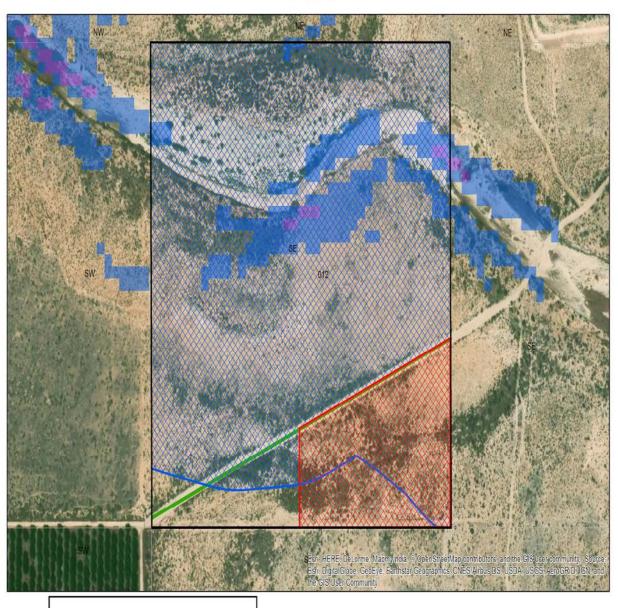






Parcel 32 - Sec. 12, T20S, R25E - 40 acres

Note: Surface disturbance may be limited to the southern portion of the lease as all but the very southern portion of this lease is located within the 100-year Federal Emergency Management Agency floodplain and subject to the protective buffers outlined in SENM-S-18 attached to the lease. Surface development in the southern portion of the lease may be further restricted as there are known karst features located along the southern boundary of the lease. Unknown karst features may also exist, both in the surface and subsurface, along the southern portion of this lease. If karst features were to be discovered at the time of the Application for Permit to Drill, then planning stage the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 attached to the lease. In addition, the protective buffers identified in SENM-S-17 Steep Slopes and Fragile Soils would apply to this lease.



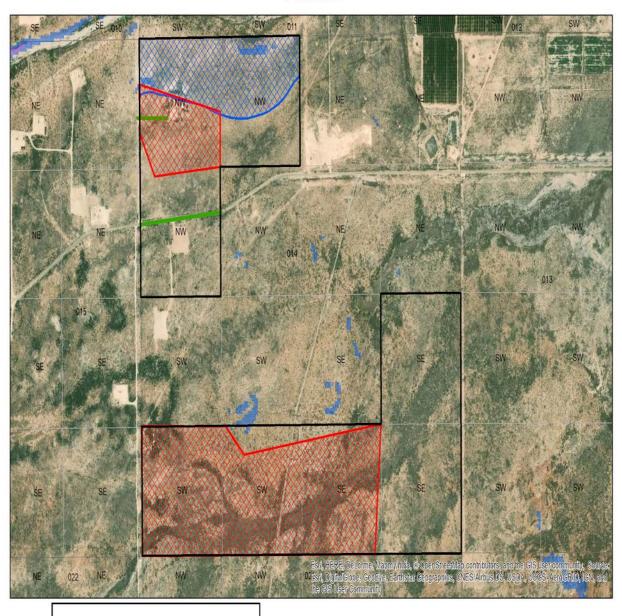






Parcel 33 - Sec. 14, T20S, R25E - 320 acres

Note: Surface disturbance will be limited as the majority of the northern portion of the lease is located within the 100-year Federal Emergency Management Agency floodplain and subject to the protective buffers outlined in lease stipulation SENM-S-18 attached to the lease. There are also known karst features located the remaining portions of the lease parcel. Unknown karst features may also exist, both in the surface and subsurface, along the southern portion of this parcel. If karst features were to be discovered at the time of the Application for Permit to drill the features would be subject to the protective buffers outlined in the stipulation SENM-S-21 attached to the lease. In addition, the protective buffers identified in SENM-S-17 Steep Slopes and Fragile Soils and SENM-S-19 Playas and Alkali Lakes would apply to this lease.











Parcel 34 - Sec. 18, T22S, R26E - 158.35 acres

Note: Surface disturbance will be extremely limited as the entire lease is characterized by steep slopes and would be subject to the protective buffers outlined in the stipulation SENM-S-17 attached to the lease. This parcel also contains known karst features. Unknown karst features may also exist, both in the surface and subsurface, along the southern portion of this parcel. If karst features were to be discovered at the time of the Application for Permit to Drill the features would be subject to the protective buffers outlined in the stipulation SENM- S-21 that is attached to the lease. The area that may be available for surface development is irregularly shaped with an average width of less than 200 feet.

