

United States Department of the Interior

Bureau of Land Management

Eastern States
7450 Boston Boulevard
Springfield, Virginia 22153
http://www.es.blm.gov



November 1, 2004

Notice of Competitive Lease Sale Oil and Gas

The Bureau of Land Management, Eastern States, is pleased to announce that we will offer for competitive sale certain Federal lands in Arkansas (ES-001 thru ES-076), Michigan (ES-077), and Mississippi (ES-078 thru ES-093) for oil and gas leasing.

This notice describes-

- 1. the time and place of the auction;
- 2. how to register for and participate in the bidding process;
- 3. the conditions of the auction;
- 4. how to file a pre-sale noncompetitive offer, and
- 5. how to file a noncompetitive offer after the auction.

When and where will the auction take place?

When: The competitive oral auction will begin at 10:00 a.m., on December 16, 2004. The sale

room will open one hour earlier to allow you to register and get your bidding number.

Where: We will hold the auction at the BLM, Eastern States, 7450 Boston Boulevard,

Springfield, Virginia 22153. Parking will be available at the sale site.

Access: The auction room is accessible to persons with disabilities. If you need an auxiliary aid

or service to participate in the auction, such as a sign language interpreter or materials in an alternate format, please contact Sherlena Clark at (703) 440-1552 by December 1,

2004.

How do I register as a bidder?

You have to register and get a bidding number to participate in the sale. A Bidder Registration Form is included in this package. We will have copies available at the auction site. We will begin registering bidders at 9:00 a.m. on the day of the sale.

How do I participate in the bidding process?

The auctioneer will offer the parcels on the list attached to this notice in number order. Only registered bidders may make oral bids. All bids are on a per-acre basis for the entire acreage in the parcel. The winning bid will be the highest oral bid equal to or exceeding the minimum acceptable bid. The decision of the auctioneer is final.

The minimum acceptable bid is \$2 per acre or fraction thereof. If the parcel has fractional acreage, round it up to the next whole acre. For example, a parcel of 100.5 acres requires a minimum bid of \$202 (\$2 x 101 acres). After the auctioneer has offered all parcels, you may request that any unsold parcel be re-offered.

What are the terms and conditions of a lease issued as a result of this sale?

- 6. **Term of the lease:** A lease is issued for a primary term of 10 years. It continues beyond that if it has production in paying quantities. We charge a royalty of 12.5 percent of the value of oil or gas removed or sold from a lease. You will find other lease terms on our standard lease form (Form 3100-11, June 1988 or later editions).
- 7. **Stipulations:** Some parcels are subject to surface use stipulations. They are requirements or restrictions on how you conduct operations. These stipulations are included in the parcel descriptions on the attached list. They become part of the lease and supercede any inconsistent provisions in the lease form.

What are the terms of the sale?

- 8. **Withdrawal:** We reserve the right to withdraw any or all parcels from the sale before the auction begins. If we withdraw any parcels, we will post a notice in the Public Room at the Eastern States Office. You may also get the numbers of withdrawn parcels by contacting Sherlena Clark at (703) 440-1552. If we cancel the sale, we will try to notify all interested parties in advance.
- 9. **Payment:** You cannot withdraw your bid; it is a legally binding commitment to sign the lease bid form; accept the lease; and pay on the day of the auction the bonus bid, the first year's rent, and an administrative fee. The bonus bid is a deposit of at least \$2.00 per acre or fraction thereof. The first year's rent is \$1.50 per acre or fraction thereof. The administrative fee is \$75 per parcel.

You must pay minimum bonus, first year's rental and administrative fee by 4:30 p.m., at the Eastern States accounting office. You may pay the entire amount of your bid on the day of the auction, but if you don't, you must pay the balance by January 3, 2005, which is the 10th working day following the auction. If you don't pay in full by this date, you forfeit the right to the lease and all money you have paid us. If you forfeit a parcel, we may offer it for sale at a later auction.

10. **Form of payment:** You can pay by personal check, certified check, money order, or credit card (VISA, MASTERCARD, AMERICAN EXPRESS, or DISCOVER). Checks are made payable to: **Department of the Interior–BLM.** We do not accept cash. If a check you have sent us in the past

bounced (been returned for insufficient funds), we will require that you give us a guaranteed payment, such as a certified check.

- 11. **Bid form:** Successful bidders must submit a signed competitive lease bid form (Form 3000-2, Nov. 2001) with their payment on the day of the auction. This form is a legally binding offer by a prospective lessee to accept a lease and all applicable terms and conditions. We recommend you get the form and complete part of it before the auction, leaving part to be filled out at the auction. Your completed bid form certifies that you are qualified to be a lessee under our regulations at 43 CFR Part 12 and Subpart 3102.5-2. It also certifies that you comply with 18 U.S.C. 1860, a law prohibiting unlawful combinations, intimidation of or collusion among bidders.
- 12. **Issuance of a lease:** We (the BLM) will issue your lease within 60 days of the sale date by signing the lease form provided you have paid your fees and rent. The effective date of a lease is the first day of the month following the month in which we sign the lease. We can make it effective the first day of the month in which we sign it, if we receive your written request before we sign the lease.

How do I file a noncompetitive pre-sale offer?

Under our regulations at 43 CFR 3110.1(a), you can file a noncompetitive pre-sale offer for lands that –

- 13. are available;
- 14. have not been under lease during the previous one-year period; or
- 15. have not been included in a competitive lease sale within the previous two-year period.

If no bid is received on them, your pre-sale offer gives you priority over any offer filed after the auction. In the list of parcels attached to this notice, we have used an asterisk to mark any parcel that has a pending pre-sale offer. By filing a pre-sale offer, you are consenting to all terms and conditions of the lease, including any stipulations for listed on the attachment to this notice.

To file a pre-sale offer, you must send us:

- 16. a standard lease form (Form 3100-11, June 1988 or later edition), which is properly filled out, as required by Federal Regulations under 43 CFR 3110. (Note: You must copy both sides of the form on one page. If you copy the form on 2 pages, we will reject your offer. We will also reject offers on obsolete lease forms.);
- 17. the first year's advance rent in the amount of \$1.50 per acre or fraction thereof; and
- 18. a nonrefundable administrative fee in the amount of \$75.

NOTE: You cannot file a pre-sale offer for any lands included in the parcel list attached to this notice.

How do I file a noncompetitive offer after the auction?

You may be able to get a noncompetitive lease for a parcel we offered if –

- 19. we did not withdraw it from the sale:
- 20. it did not receive a bid; and
- 21. it does not have a noncompetitive pre-sale offer pending.

Parcels that meet all these criteria are available on a first-come, first-served basis for two years from the date of the auction. If you want to file a noncompetitive offer for an unsold parcel immediately after the sale or on the next business day, give us the items listed above under pre-sale offers in a sealed envelope marked "Noncompetitive Offer." We will provide drop boxes at the Eastern States accounting office. We consider all noncompetitive offers that we receive on the day of the sale and the first business day after the sale as filed at the same time (simultaneously). Where an unsold parcel receives more than one simultaneous filing, we will hold a public drawing to determine who will get the lease.

Where can I get copies of BLM forms?

Click here for BLM forms: http://www.nc.blm.gov/blmforms/.

When is the next sale scheduled?

The next sale is tentatively scheduled for March 24, 2005.

Who should I contact if I have a question?

For more information, contact Sherlena Clark at (703) 440-1552.

/s/ Gina A. Goodwin

Gina A. Goodwin Acting Chief, Branch of Use Authorization Division of Natural Resources

PLEASE COMPLETE ONE FORM FOR EACH COMPANY AND/OR INDIVIDUAL YOU ARE REPRESENTING AND BRING TO THE SALE LOCATION TO SPEED PROCESSING OF REGISTRATION

REGISTRATION FORM

	BIDDER NO	
		(Leave Blank)
NAME:		
BUSINESS PHONE:		
BUSINESS ADDRESS:		
CITY:		
STATE:	ZIP CODE:	
THE	E LESSEE MUST BE QUALIFIED TO HOLD A FEDERAL OIL AND GAS LEASE.	
	A PEDERAL VILLAND GAS LEAGE.	
SIGNATURE		
DIGITALIONE		

A COPY OF THE LEASE AND ALL BILLING NOTICES WILL BE SENT TO THE NAME

AND ADDRESS OF THE LESSEE AS SHOWN ON FORM 3000-2 (BID FORM).

5

HOTEL INFORMATION

Springfield Hilton 6550 Loisdale Court Springfield, Virginia (703) 971-8900

Holiday Inn 6401 Brandon Avenue Springfield, Virginia (703) 644-5555

Best Western 6560 Loisdale Court Springfield, Virginia (703) 922-9000

Days Inn 6721 Commerce Street Springfield, Virginia (703) 922-6100

Ramada Plaza Hotel 4641 Kenmore Avenue Alexandria, Virginia (703) 751-4510

Hotel shuttle to National Airport and Metro Subway

From Washington, DC, take I-395 South through the Springfield Interchange to where I-395 becomes I-95. Continue on I-95 to Backlick/Fullerton Road Exit 167. At the light turn right onto Fullerton Road. At the third light, turn left onto Boston Boulevard (COSTCO to the left). Eastern States is approximately .3 miles on the right.

ES-001-12/04 ARES 52423 PD

Arkansas, Logan County, Ozark N.F. T6N, R25W, 5th Principal Meridian Sec. 20, SWNE, NW. 200.00 Acres \$300.00 Rental Subject to F.S. No Surface Occupancy Stipulation #2A

ES-002-12/04 ARES 52424 PD

Arkansas, Logan County, Ozark N.F.
T6N, R25W, 5th Principal Meridian
Sec. 24, S2NE;
Sec. 26, SW;
240.00 Acres
\$360.00 Rental
Subject to F.S. No Surface Occupancy Stipulation #2A

ES-003-12/04 ARES 52425 PD

Arkansas, Logan County, Ozark NF T6N, R25W, 5th Principal Meridian Sec. 28, N2; Sec. 30, SWNE, NWNW, E2SW; Sec. 32, N2NE. 551.81 Acres \$828.00 Rental Subject to F.S. No Surface Occupancy Stipulation #2A Subject to Lease Notices No. 3 & 4

ES-004-12/04 ARES 52426 ACQ

Arkansas, Logan County, Ozark N.F. T6N, R25W, 5th Principal Meridian Sec. 2, NENE. 45.28 Acres \$69.00 Rental

ES-005-12/04 ARES 52427 ACQ

Arkansas, Logan County, Ozark N.F. T6N, R25W, 5th Principal Meridian Sec. 6, S2SW, less 2.68 acres in the SW corner described as beginning at the SW corner of said section, thence North 4.5 chains, thence East 3.75 chains, thence South 1.32 chains, thence East 3.18 chains, thence South 3.18 chains, thence West 6.93 chains to the place of beginning, containing 65.35 acres, more or less. 65.35 Acres

\$99.00 Rental

ES-006-12/04 ARES 52428 PD

Arkansas, Johnson County, Ozark N.F. T11N, R23W, 5th Principal Meridian Sec. 20, N2SE. 80.00 Acres \$120.00 Rental

ES-007-12/04 ARES 52429 ACQ

Arkansas, Johnson County, Ozark N.F. T11N, R23W, 5th Principal Meridian Sec. 20, NW, S2SW. 240.00 Acres \$360.00 Rental

ES-008-12/04 ARES 52430 PD

Arkansas, Johnson County, Ozark N.F. T11N, R24W, 5th Principal Meridian Sec. 12, N2NE, NENW. 120.00 Acres \$180.00 Rental

ES-009-12/04 ARES 52431 PD

Arkansas, Johnson County, Ozark N.F. T11N, R24W, 5th Principal Meridian Sec. 20, SWNE, S2SW, E2SE; Sec. 22, E2NE, NWNWNE, N2SENW, SWSENW. 320.00 Acres \$480.00 Rental

ES-010-12/04 ARES 52432 PD

Arkansas, Johnson County, Ozark N.F. T11N, R24W, 5th Principal Meridian Sec. 24, NWNE; Sec. 26, S2NE. 120.00 Acres \$180.00 Rental

ES-011-12/04 ARES 52433 ACQ FUTURE INTEREST

Arkansas, Johnson County, Ozark N.F. T11N, R24W, 5th Principal Meridian Sec. 12, *S2NE, *NWSE. *50% U.S. Mineral Interest; (Reservation of oil until 9-12-2007) 120.00 Acres

\$180.00 Rental

ES-012-12/04 ARES 52434 ACQ

Arkansas, Johnson County, Ozark N.F. T11N, R24W, 5th Principal Meridian Sec. 20, N2NE, SENE, W2SE; Sec. 21, NENE, S2NE, NW, S2. 800.00 Acres \$1,200.00 Rental

ES-013-12/04 ARES 52435 ACQ

Arkansas, Johnson County, Ozark N.F. T11N, R24W, 5th Principal Meridian Sec. 22, S2SW-50% U.S. Mineral Interest; Sec. 23, All. 720.00 Acres \$1,080.00 Rental

ES-014-12/04 ARES 52436 ACQ

Arkansas, Johnson County, Ozark N.F. T11N, R24W, 5th Principal Meridian Sec. 28, SWNE, NWNW, S2NW. 160.00 Acres \$240.00 Rental

ES-015-12/04 ARES 52437 PD

Arkansas, Franklin County, Ozark N.F. T11N, R27W, 5th Principal Meridian Sec. 4, NW, NESW, SWSE; Sec. 6, N2NE, SWNE, NW, S2SW, SWSE; Sec. 8, SW. 788.08 Acres \$1,183.50 Rental

ES-016-12/04 ARES 52438 ACQ

Arkansas, Franklin County, Ozark N.F. T11N, R27W, 5th Principal Meridian Sec. 1, N2, NESE;

Sec. 2, S2NE, SENW, E2SW, SE;

Sec. 3, W2NE, N2NW, SWNW, SW, SE less and except 5.77 acres Said exception described as follows: Beginning at the ½ corner common to Sections 2 & 3, thence S 00 deg 29' W, with the East line of Section 3, 7.25 chains to a 2" aluminum fence post, thence with an old road, and traces of wire, stone and rail fence Northwesterly 23.15 chains to a 2" aluminum fence post on the north line of said NESE, Section 3, thence S 87 deg 18' E, with the north line of said NESE, 18.50 chains to the

POB;

Sec. 4, NE, W2SW, SESW, N2SE, SESE.

1,634.03 Acres

\$2,452.50 Rental

Subject to F.S. Controlled Surface Use Stipulation #1

ES-017-12/04 ARES 52439 ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R27W, 5th Principal Meridian

Sec. 5, All;

Sec. 6, SENE, N2S2, SESE;

Sec. 7, All.

1,505.83 Acres

\$2,259.00 Rental

ES-018-12/04 ARES 52440 ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R27W, 5th Principal Meridian

- Sec. 9, N2, N2S2, Part of SESE described as follows: Beginning at the NW corner of the SESE thence S 63 degrees 0' E 13.74 chs., thence S 24 degrees 30' E 6.00 chs., thence S 3 degrees 30' W 8.36 chs., thence E 00 degrees 00' 5.81 chs., along section line to SW corner of SESE, thence N 20.00 chs., thence W 20.00 chs. to POB, containing 16.79 acres, more or less;
- Sec. 12, S2SW;
- Sec. 13, E2, NENW, S2NW, N2SW, SESW;
- Sec. 14, SWNE less 1.58 acres described as follows: Beginning at a point 7 chains W of the NE corner of the SWNE, thence S 3.50 chains, thence W 4.50 chains, thence N 3.50 chains, thence E 4.50 chains to the POB:
- Sec. 18, N2NE, SWNE, NESW, Part of the SWNW lying North and East of the Mulberry River, less and except an area described as follows: Begin at the NE corner of the SWNW, thence South 9.13 chains, thence West 0.19 chains to the POB, thence S 11 deg W 1.99 chains, thence W 4.94 chains, thence W 3.62 chains, thence N 6.90 chains, thence E 3.62 chains to the POB containing after said exception 18.72 acres; NWSE lying North of the Mulberry River containing 24.98 acres.

1.748.21 Acres

\$2,623.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1

ES-019-12/04 ARES 52441 PD

Arkansas, Franklin County, Ozark N.F. T11N, R28W, 5th Principal Meridian Sec. 20, SESW. 40.00 Acres \$60.00 Rental

ES-020-12/04 ARES 52442ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R28W, 5th Principal Meridian

Sec. 1, All;

Sec. 2, NE, W2NW, E2SW, W2SE;

Sec. 3, All;

1,689.00 Acres

\$2,533.50 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

ES-021-12/04 ARES 52443 ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R28W, 5th Principal Meridian

Sec. 7, NE, NENW, S2SW, E2SE, SWSE;

Sec. 8, SENE, N2SE, SWSE;

Sec. 9, All;

Sec. 10, W2NE, E2W2, SE, Part of the SENE, more particularly described as:

Beginning at the quarter section corner between Section 10 and Section 11, thence N 15 chs.,
W 4.00 ch., N 5.00 ch., W 16.00 ch., S 20.00 ch., Thence E 20.00 chs. to the POB containing

38.00 acres more or less.

1.640.15 Acres

\$2,461.50 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

ES-022-12/04 ARES 52444 ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R28W, 5th Principal Meridian

Sec. 11, All;

Sec. 12, W2NE, E2NW, SWSE;

Sec. 13, N2NE, N2NW, SENW, Part of the SWNE lying west of the Mulberry River containing 31.56 acres, more of less, Part of the SENE lying North of the Mulberry River containing 11.96 acres, more or less;

Sec. 14, N2NE, SWNE, NWNW, S2NW, N2SW;

Sec. 15, N2NE, SWNE, N2NW, SENW, SWSE;

1,683.52 Acres

\$2,526.00 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

ES-023-12/04 ARES 52445 ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R28W, 5th Principal Meridian

Sec. 16, N2, SW, *NESE-50% U.S. Mineral Interest, W2SE, SESE;

Sec. 17, N2, W2SW, SE;

Sec. 18, N2NE, SENE, NENW, E2SE;

1,440.63 Acres

\$2,161.50 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

ES-024-12/04 ARES 52446 ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R28W, 5th Principal Meridian

Sec. 19, W2NE, SENE, NW, SW, N2SE, SESE;

Sec. 20, W2NW, SENW, NESW, W2SE;

Sec. 21, N2NE, N2NW, Part of S2N2 and Part of the NESE more particularly described as follows: Beginning at a point 40 ch. S of the NW corner of Section 21 on the bank of the Mulberry River, thence meandering Easterly with the bank of the river 97.03 ch., to the center of the river on the East side of Section 21, containing 146 acres, more or less;

1,115.85 Acres

\$1,674.00 Rental

Subject to F.S. Controlled Surface Use Stipulation #1A

ES-025-12/04 ARES 52447 ACQ

Arkansas, Franklin County, Ozark N.F.

T11N, R28W, 5th Principal Meridian

Sec. 29, W2NE, N2NW, SENW;

Sec. 30, E2NW, SW, Part of the SWNE lying West of main bluff, containing 20.50 acres, more or less, and part of NWSE lying West of main bluff, containing 7.15 acres.

471.19 Acres

\$708.00 Rental

ES-026-12/04 ARES 52448 PD

Arkansas, Crawford and Franklin County, Ozark N.F.

T11N, R29W, 5th Principal Meridian

Sec. 2, SESW;

Sec. 10, E2NW;

Sec. 12, SW;

Sec. 14, W2SENW, W2NESW, S2SW;

Sec. 22, NWSE;

Sec. 24, S2SE.

520.00 Acres

\$780.00 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2A

ES-027-12/04 ARES 52449 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T11N, R29W, 5th Principal Meridian

Sec. 1 N2N2, SWSW, S2SE;

Sec. 4, SWSE;

Sec. 7, SENE, SWSW, SE;

Sec. 8, NENE, NWNW, E2SW, S2SE;

Sec. 9, N2NE, S2N2, S2;

1.361.93 Acres

\$2,043.00 Rental

ES-028-12/04 ARES 52450 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T11N, R29W, 5th Principal Meridian

Sec. 10, E2, S2SWNW, SW;

Sec. 11, NWNE, NWSW;

Sec. 12, W2SE;

Sec. 13, E2, N2NW, SWNW, NESW, S2SW;

Sec. 14, SENE, SWNW, NWSW, E2NWSE, NESE, S2SE;

1.480.00 Acres

\$2,220.00 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

ES-029-12/04 ARES 52451 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T11N, R29W, 5th Principal Meridian

Sec. 15, S2NE, SENW, SWSE;

Sec. 16, E2E2, N2SW, SWSE;

Sec. 17, S2NE, W2, SE;

1.000.00 Acres

\$1,500.00 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

ES-030-12/04 ARES 52452 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T11N, R29W, 5th Principal Meridian

Sec. 22, N2, SW, S2SE;

Sec. 23, All;

Sec. 24, NE, W2NW, SW, N2SE;

1,680.00 Acres

\$2,520.00 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

ES-031-12/04 ARES 52453 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T11N, R29W, 5th Principal Meridian

Sec. 25, N2, W2SW, NESE, S2SE;

Sec. 26, NE, NWSE;

Sec. 27, NENE, W2E2, NENW.

960.00 Acres

\$1.440.00 Rental

ES-032-12/04 ARES 52454 PD

Arkansas, Johnson County, Ozark N.F.

T12N, R23W, 5th Principal Meridian

Sec. 12. All.

640.00 Acres

\$960.00 Rental

ES-033-12/04 ARES 52455 PD

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 14, N2NE, SWNE, W2, NWSE, S2SE. 560.00 Acres \$840.00 Rental

ES-034-12/04 ARES 52456 PD

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 18, SE; Sec. 20, N2NW, SWSW; Sec. 22, SENW, NWSW, S2SWNW. 380.00 Acres

\$570.00 Rental Subject to Controlled Surface Use Stipulation #1B

ES-035-12/04 ARES 52457 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 1, SESW. 40.00 Acres \$60.00 Rental

ES-036-12/04 ARES 52458 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 2, NWSW, NESW less and except a rectangle in the NW corner 10 chains east and west and 5 chains north and south, and a rectangle in the SW corner 8 chains east and west and 11½ chains north and south, containing 26 acres, more or less, SESW less and except a rectangle 1½ chains north and south and 8 chains east and west in the NW corner thereof, containing 39 acres, more or less; W2SE.

424.99 Acres \$637.50 Rental

ES-037-12/04 ARES 52459 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 3, SWNW, NWSW, S2S2; Sec. 4, SWNW, NWSW;

Sec. 5, SWNE, SENW, S2SW, SE.

Subject to Controlled Surface Use Stipulation #1 640.18 Acres \$961.50 Rental

ES-038-12/04 ARES 52460 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 7, All; Sec. 8, E2E2, W2SE. Subject to Controlled Surface Use Stipulation #1 867.09 Acres \$1,302.00 Rental

ES-039-12/04 ARES 52461 ACQ

Arkansas, Johnson County, Ozark N.F.
T12N, R23W, 5th Principal Meridian
Sec. 9, W2NE, N2NW, *SENW-25% US Interest, SWNW,
E2SW, NESE, S2SE;
Sec. 10, W2NE, NW, N2SW, NWSE.
800.00 Acres
\$1,200.00 Rental
Subject to Controlled Surface Use Stipulation #1

ES-040-12/04 ARES 52462 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 11, E2, E2NW, SWNW, SW. 600.00 Acres \$900.00 Rental

ES-041-12/04 ARES 52463 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 13, NE, N2NW, SWNW, S2. 600.00 Acres \$900.00 Rental Subject to Controlled Surface Use Stipulation #1

ES-042-12/04 ARES 52464 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 15, E2NE, SWNE less and except a strip described as follows: Commencing at the NW corner SWNE Sec. 15, thence S 87deg 54' E a distance of 1250.55 ft. to NE corner SWNE, the POB of this tract description; thence S 02 deg 06' W 117.26 ft.; thence N 87 deg 54' W 1092.17 ft;

thence N 02 deg 06' E 117.26 ft., thence S 87 deg 54' E 1092.17

ft. to POB, containing 37.06 acres, more or less; NWNW, S2NW, N2SW,

SESW, SE;

Sec. 16, N2NE, SWNE, NWSE.

677.06 Acres

\$1,017.00 Rental

Subject to Controlled Surface Use Stipulation #1A

ES-043-12/04 ARES 52465 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R23W, 5th Principal Meridian

Sec. 17, E2E2, W2NE, W2;

Sec. 18, NE;

Sec. 19, N2N2, SENE, SWNW, SESW, S2SE.

1,070.04 Acres

\$1,606.50 Rental

Subject to Controlled Surface Use Stipulation #1A

ES-044-12/04 ARES 52466 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R23W, 5th Principal Meridian

Sec. 21, SWNE, W2W2, SENW, E2SE;

Sec. 22, E2, NESW, S2SW.

760.00 Acres

\$1,140.00 Rental

Subject to Controlled Surface Use Stipulation #1 and #1A

ES-045-12/04 ARES 52467 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R23W, 5th Principal Meridian

Sec. 23, S2NE, *N2NW, Part of the *SWNW containing 31 acres, SENW, Part of the SWNW containing 9 acres, NESW, *NWSW, SWSW, N2SE, SESE.

* 25% U.S. Mineral Interest

480.00 Acres

\$720.00 Rental

Subject to Controlled Surface Use Stipulation #1

ES-046-12/04 ARES 52468 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R23W, 5th Principal Meridian

Sec. 24, N2NE, W2NW, part of NESW containing

12.69 acres, more or less, NWSE, SENW, *NENW-

50% US Mineral Interest;

Sec. 25, NWNE, S2NE, W2, W2SE, NESE, Part of the SESE containing 36.70 acres.

889.39 Acres

\$1,335.00 Rental

Subject to Controlled Surface Use Stipulation #1

ES-047-12/04 ARES 52469 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 26, NE. 160.00 Acres \$240.00 Rental

ES-048-12/04 ARES 52470 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 28, *NE, *N2NW, *SWNW, S2SE, NESE. *50% U.S. Mineral Interest 400.00 Acres \$600.00 Rental Subject to Controlled Surface Use Stipulation #1 Subject to No Surface Occupancy Stipulation #2

ES-049-12/04 ARES 52471 ACQ

Arkansas, Johnson County, Ozark N.F. T12N, R23W, 5th Principal Meridian Sec. 29, E2NENE, E2W2NENE, S2NE, N2NW, SENW, SW, W2SE; Sec. 30, SWNE, SENW. 550.23 Acres \$826.50 Rental Subject to Controlled Surface Use Stipulation #1

ES-050-12/04 ARES 52472 PD

Arkansas, Johnson County, Ozark N.F. T12N, R24W, 5th Principal Meridian Sec. 1, NENW. 37.87 Acres \$57.00 Rental

ES-051-12/04 ARES 52473 PD

Arkansas, Johnson County, Ozark N.F. T12N, R24W, 5th Principal Meridian Sec. 4, SESE; Sec. 5, N2SE; Sec. 6, NWNE, NENW, SWNW;

Sec. 8, NE, SESE.

423.09 Acres

\$636.00 Rental

Subject to F.S. Controlled Surface Use Stipulation #1B

ES-052-12/04 ARES 52474 PD

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 10, NENE, NWNW, NESE;

Sec. 12, E2;

Sec. 14, NENE, NENW, SESW, SESE;

Sec. 18, SWNE.

640.00 Acres

\$960.00 Rental

ES-053-12/04 ARES 52475 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 1, E2, NWSW;

Sec. 2,* NENE -*1/8 U.S. Mineral Interest; SWNW, SWSW, SWSE;

Sec. 3, NENE less and except 15.02 acres, part of **SWNW containing 34.84 acres, **NWSW,

SENW, NESW, S2S2, N2SE.

**1/4 U.S. Mineral Interest; SENW, S2S2, N2SE.

1,016.18 Acres

\$1,440.00 Rental;

ES-054-12/04 ARES 52476 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 4, SWNE, N2NW, *SENW-*7/8th U.S. Mineral Interest; SWNW, *E2SW-*1/8th U.S. Mineral Interest; W2SW, NESE, W2SE;

Sec. 5, W2NE, N2NW, SENW, SW, S2SE.

907.04 Acres

\$1,362.00 Rental

Subject to F.S. Controlled Surface Use Stipulation #1

ES-055-12/04 ARES 52477 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 6, NWNW, E2SW, SE less and except 1.01 acre described as follows: Beginning at NE corner of SE, thence W 19 chains to POB, thence S 3.18 chs., thence W 3.18 chs., the N 3.18 chs., thence E 3.18 chs. to POB;

Sec. 7, S2SW.

351.30 Acres

\$528.00 Rental

Subject to F.S. Controlled Surface Use Stipulation #1

ES-056-12/04 ARES 52478 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 8, *N2NW – 7/8th U.S. Mineral Interest; S2NW, N2S2, SWSE;

Sec. 9, All. 1,000.00 Acres \$1,500.00 Rental

ES-057-12/04 ARES 52479 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 10, S2NE, NWSW, S2SW, SWSE, *SESE – 50% U.S. Mineral Interest;

Sec. 11, E2, NWSW, SESW.

680.00 Acres

\$1,020.00 Rental

ES-058-12/04 ARES 52480 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 13, All.

640.00 Acres

\$960.00 Rental

ES-059-12/04 ARES 52481 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 14, NWNE, S2NE, *NWNW – 50% U.S. Mineral Interest; E2SENW, SWNW, N2S2,

SWSW, SWSE.

460.00 Acres

\$690.00 Rental

ES-060-12/04 ARES 52482 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 15, N2N2, SWNE, S2NW, SW, NWSE;

Part of the SWSE described as follows: Beginning at the ¼ of sections 15 and 22 (POB), thence S 88 deg 07' E, a dist. Of 423.00 feet, thence N. 01 deg 49' E a dist. of 1303.25 feet, thence N. 88 deg 31' W., a dist. of 423.00 feet, thence S.01 deg 49' W., a dist. of 1300.35 feet to the POB, containing 12.64 acres, more or less.

492.64 Acres

\$739.50 Rental

Subject to F.S. Controlled Surface Use Stipulation #1A

ES-061-12/04 ARES 52483 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 16, N2, N2SW, SE;

560.00 Acres

\$840.00 Rental

ES-062-12/04 ARES 53484 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 17, N2, NESW, N2SE;

Sec. 18, N2N2, S2NW, N2SW, N2S2SW, NWSE, S1/4 SW1/4.;

Sec. 19, NWNE.

1,423.44 Acres

\$2,136.00 Rental

Subject to F.S. Controlled Surface Use Stipulation #1A

ES-063-12/04 ARES 52485 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 20, SE;

Sec. 21, W2SW, SESW, S2SE;

360.00 Acres

\$540.00 Rental

ES-064-12/04 ARES 52486 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 22, That part of Tract 0-6625 lying in the N1/2 of Section 22, containing 8.0 acres, more particularly described by survey, executed by H.W. Humerickhouse, RLS #835, filed in book L, page 325 Johnson County Survey Records; Part of the NESW containing 9.59 acres, S2SW, SE containing 155.81 acres.

306.39 Acres

\$460.50 Rental

Subject to F.S. Controlled Surface Use Stipulation #1A

ES-065-12/04 ARES 52487 ACQ

Arkansas, Johnson County, Ozark N.F.

T12N, R24W, 5th Principal Meridian

Sec. 23, N2N2, S2NE, N2S2;

Sec. 24, W2E2 NWNW, S2NW, N2SW, SESW.

800.00 Acres

\$1,200.00 Rental

Subject to F.S. Controlled Surface Use Stipulation #1A

ES-066-12/04 ARES 52488 PD

Arkansas, Franklin and Crawford County, Ozark N.F.

T12N, R28W, 5th Principal Meridian

Sec. 2, NWNW;

Sec. 10, N2N2, SENE, SWNW, NWSW, NESE, S2S2;

Sec. 20, N2NE, SENE, NW, SWSW.

772.02 Acres

\$1,159.50 Rental

Subject to F.S. Controlled Surface Use Stipulation No. 1A

ES-067-12/04 ARES 52489 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T12N, R28W, 5th Principal Meridian

Sec. 1, NWNE, N2NW, N2SWNW, N2S2SENW, N2SENW;

Sec. 3, N2NE, SWNE, W2, W2SE;

Sec. 7, E2NE, SWNE, S2NW, S2;

1,233.37 Acres

\$1.851.00 Rental

ES-068-12/04 ARES 52490 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T12N, R28W, 5th Principal Meridian

Sec. 9, All;

Sec. 10, SWNE, SENW, NESW, NWSE;

800.00 Acres

\$1,200.00 Rental

ES-069-12/04 ARES 52491 ACQ

Arkansas, Crawford and Franklin County, Ozark N.F.

T12N, R28W, 5th Principal Meridian

Sec. 16, All;

Sec. 17, All;

1,280.00 Acres

\$1,920.00 Rental

ES-070-12/04 ARES 52492 PD

Arkansas, Crawford County, Ozark N.F.

T12N, R29W, 5th Principal Meridian

Sec. 4, SWSW.

40.00 Acres

\$60.00 Rental

ES-071-12/04 ARES 52493 PD

Arkansas, Crawford County, Ozark N.F.

T12N, R29W, 5th Principal Meridian

Sec. 18, NENE;

Sec. 19, N2NW;

Sec. 20, SESW, SESE;

197.05 Acres

\$297.00 Rental

Subject to F.S. Controlled Surface Use Stipulation #1A

ES-072-12/04 ARES 52494 PD

Arkansas, Crawford County, Ozark N.F.

T12N, R29W, 5th Principal Meridian

Sec. 24, S2;

Sec. 36, N2NE, SENE.

440.0 Acres

\$660.00 Rental

Subject to F.S. Controlled Surface Use Stipulation # 1A

ES-073-12/04 ARES 52495 ACQ

Arkansas, Crawford County, Ozark N.F.

T12N, R29W, 5th Principal Meridian

Sec. 1, NESW;

Sec. 2, N2N2, SENE, NESE;

Sec. 3, SENE;

Sec. 4, NE, N2SW, SESW, SWSE;

Sec. 6, SENE;

Sec. 10, N2NW;

Sec. 14, W2;

1,042.74 Acres

\$1,564.50 Rental

Subject to F.S. Controlled Surface Use Stipulation # 1

ES-074-12/04 ARES 52496 ACQ

Arkansas, Crawford County, Ozark N.F.

T12N, R29W, 5th Principal Meridian

Sec. 16, SWNW, N2SW, SESW, SE;

Sec. 17, Part of the NWSW lying North of Frog Bayou described as follows: Beginning at NE Corner of said forty, thence W 19.98 chs., to NW Corner, thence S 6.50 chs. to a point in center of Frog Bayou, thence in a southeasterly direction as creek meanders W 89 degrees E, 2.45 chs.; S 87 degrees E, 2.00 chs.; S 82 degrees E, 2.00 chs.; S 69 degrees E, 2.00 chs.; S 68 degrees E, 2.00 chs.; S 74 degrees E, 2.00 chs.; S 79 ½ degrees E, 2.00 chs.; E 2.00 chs; S 86 degrees E, 2.00 chs.; S 78 degrees E, 2.00 chs. to a point in center of Frog Bayou; thence N 9.80 chains to the beginning containing 16.06 acres;

Sec. 18, SENE, SWNW, SW, N2SE;

Sec. 19, S2NW, *S2NE-50% U.S. Mineral Interest;

Sec. 20, S2NWNW, SWNW;

Sec. 21, N2NE, SWNE, SENW, SESE.

1,029.48 Acres

\$1,545.00 Rental

Subject to F.S. Controlled Surface Use Stipulation # 1

ES-075-12/04 ARES 52497 ACQ

Arkansas, Crawford County, Ozark N.F.

T12N, R29W, 5th Principal Meridian

Sec. 23, N2N2, SW, W2SE;

Sec. 24, S2NW, NE;

Sec. 25, NWNE, S2NE, W2, SE;

Sec. 29, W2NE, NENW, S2NW.

1,440.00 Acres \$2,160.00 Rental Subject to F.S. Controlled Surface Use Stipulation # 1

ES-076-12/04 ARES 52498 ACQ Arkansas, Crawford County, Ozark N.F. T12N, R29W, 5th Principal Meridian Sec. 36, NESE, S2SE. 120.00 Acres \$180.00 Rental

T6N, R25W (Public Domain)

NO SURFACE OCCUPANCY STIPULATION #2A – Ozark (AR)

No surface occupancy or use is allowed on the lands described below.

T6N, R25W, 5th Principal Meridian

Section 20: SWNE, NW

Section 24: S2NE Section 26: SW Section 28: N2

Section 36: N2NW, NWNE

For the purpose of:

Protection of the Mt. Magazine Special Interest Area and the Mt. Magazine Recreation Area.

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

ES-011-12/04 ARES 52433 ACQ T11N, R24W, 5th P.M., Arkansas

FUTURE INTEREST PARCELS

<u>Parcel ES-011-12/04</u> is subject to the following terms and conditions:

Prior to the effective date of the future interest lease, or as soon thereafter as practical, the successful bidder will be required to join ay existing private unit agreement. If unable to join, a statement giving satisfactory reasons for the failure to enter into such agreement(s) must be filed with the Bruce Dawson, Field Manager, Jackson Field Office, 411 Briarwood Drive, Suite 404, Jackson, Mississippi, 39206. If such a statement is acceptable, the lessee shall be permitted to operate independently. Where the terms of the private unit agreement are in conflict with Federal regulations, the Federal regulations shall prevail.

Where a parcel is subject to a Federal communitization agreement (CA), the successful bidder will be required to join the Federal CA by joinder prior to the effective date of the lease.

The successful bidder, if not the present operator, is responsible for making a separate agreement with the present operator for compensation for improvements made on the leasehold. The United States will not be a party to, nor be involved in, negotiations for or review of such agreement.

By the effective date of the future interest lease or as soon thereafter as practical, the successful bidder shall furnish the BLM Jackson Field Manager a copy of all approved State of Arkansas permits or other well-related information on all existing wells located on the future interest leased lands. The information includes but is not limited to applications for permit to drill, well completion reports, sundry notices, and site facility diagrams.

On and after the effective date of the future interest lease, all wells located on the future interest leased lands shall be subject to Federal oil and gas regulations, Federal onshore oil and gas orders, and notices to lessees. Applicable Federal regulations include, but are not limited to, the Oil and Gas Operations Regulations at 43 CFR Part 3160 and the Minerals Management Service Regulations concerning Royalty Management 30 CFR Parts 200 through 243.

On and after the effective date of the future interest lease, all wells which share in allocation of production with the future interest lease shall be subject to the Federal oil and gas regulations, Federal onshore oil and gas orders, and notices to lessees as they pertain to production accountability. Applicable regulations are cited above.

Lease operations are expected to be in compliance with all Federal regulations, orders, and notices concerning production accountability on the effective date of the lease. A 90-day grace period will be allowed for compliance with Federal regulations, orders and notices which are not related to production accountability.

For wells producing on the effective date of the lease and on which royalty is due anywhere on the lease site or allocated to a lease site, the lessee/operator shall notify the BLM Jackson Field Manager not later than the fifth business day after the effective date of the lease by letter, sundry notice (Form 3160-5), or orally followed by a letter or sundry notice, of the date on which such production began, which is the date of the lease. For wells not producing on the effective date of the lease, such notification of production is required by no later than the fifth business day after the well begins production (43 CFR 3162.4-1(c)).

On the effective date of the lease, the lessee/operator shall inventory stocks of liquid hydrocarbons on hand and/or install new gas charts. Monthly reports of operations (Form MMS-3160) are required for all operating leases beginning on the effective date of the lease. Reports shall be filed with the Minerals Management Service, Production Accounting Division on or before the 15th business day of the second month following the operations month (43 CFR 3162.4-3).

The successful bidder is advised to contact the BLM Jackson Field Manager at the above address or by telephone (601-977-5400), prior to the effective date of the lease so that a courtesy inspection may be conducted to ensure accountability of Federal production and compliance with Federal regulations, orders, and notices.

<u>BOND INFORMATION</u>: A lease bond (43 CFR Subpart 3104) in the amount of not less than \$10,000 conditioned upon compliance with all terms and conditions of the lease must be furnished prior to entry and commencement of lease operations. If the lease has a producing will and/or ancillary facilities on the effective date of the lease, a bond or evidence of a sufficient existing Federal oil and gas lease bond is required on the effective date of the lease. If the lessee has a Federal Nationwide bond, or a Statewide bond for the State of Arkansas, no additional bond under the provisions of 43 CFR Subpart 3104 will be required.

T11N, R27W

CONTROLLED SURFACE USE STIPULATION #1 - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited along the corridor of the Mulberry Wild and Scenic River.

On the ACQUIRED lands described below:

W2W2NE, NW, N2SW, SWSW, W2SESW, NESESW, W2NWSE

SESE

Section 3: Section 4: Section 9: NE, SENW, NESW, N2SE, Part of the SESE

For the purpose of:

Meeting the Forest Management Direction of Amendment #2, Chapter 4, Page 4-5 of the Ozark-St. Francis National Forests' Land & Resources Management Plan.

T11N, R28W (ACQUIRED LANDS)

NO SURFACE OCCUPANCY STIPULATION #2 – Ozark (AR)

No surface occupancy or use is allowed on the lands described below.

T11N, R28W, 5th Principal Meridian

Section 3: S2S2 Section 9: E2SE

Section 10: W2NE, E1/2W1/2, SE

Section 11: W2W2 Section 14: W2NW Section 15: N2

Section 16: E2E2NE

For the purpose of:

Protection of Shores Lake Developed Recreation Area

T11N, R28W (ACQUIRED LANDS)

CONTROLLED SURFACE USE STIPULATION #1A - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited within the ¼ mile corridor of the Mulberry River Wild and Scenic River.

On the lands described below:

T11N, R28W, 5th Principal Meridian

Section 13: N2NE, part of SWNE containing 31.56 acres, part of SENE containing 11.96

acres.

Section 21: Part of S2N2, part of NESE containing 146 acres.

Section 22: N2SW, part of NWSE containing 35.54 acres, SENE.

Section 23: N2NW.

For the purpose of:

Meeting the Forest Management Direction of Chapter 4, page 5, and Amendment No. 2 of the Ozark-St. Francis National Forests Land & Resources Management Plan.

T11N, R29W

NO SURFACE OCCUPANCY STIPULATION #2 - OZARK (AR)

No surface occupancy or use is allowed on the <u>ACQUIRED</u> lands described below:

Section 10: E2, E2SW, S2NWSW, NESWSW

Section 11: NW, SWSWNE, S2

Section 13: NENWNW

Section 14: SWNW, NWSW, SWSWSE

Section 15: S2NE

Section 22: NENE, E2SENE Section 23: W2E2, NW, E2SW

For the purpose of:

Protection of Devil's Canyon Special Interest Area.

Meeting the Forest Management Direction Chapter 4, pages 32-34, of the Ozark-St. Francis National Forests' Land & Resources Management Plan.

The lessee is authorized to employ directional drilling to exploit the mineral resources within the aforementioned area(s) providing such drilling will not disturb the surface.

T11N, R29W

NO SURFACE OCCUPANCY STIPULATION #2A - OZARK (AR)

No surface occupancy or use is allowed on the <u>PUBLIC DOMAIN</u> lands described below:

Section 10: E2NW Section 12: SW

Section 14: W2SENW, W2NESW, S2SW

For the purpose of:

Protection of Devil's Canyon Special Interest Area.

Meeting the Forest Management Direction Chapter 4, pages 32-34, of the Ozark-St. Francis National Forests' Land & Resources Management Plan.

The lessee is authorized to employ directional drilling to exploit the mineral resources within the aforementioned area(s) providing such drilling will not disturb the surface.

T12N, R23W (ACQUIRED LANDS)

CONTROLLED SURFACE USE STIPULATION #1 - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited on the Ozark Highlands Hiking Trail. This is to maintain the designated corridor of three chains (198 feet) on either side of the centerline of the trail, unless topographically impractical.

On the lands described below:

Section 5: SWNE, SENW, SE

Section 8: E2E2, W2SE

Section 9: E2SW

Section 13: S2SW, SWSE

Section 23: SNE, SENW, SWNW, N2NW, NWSW Section 24: N2NE, W2NW, NWSE, SENW, NENW

Section 28: NE, SWNW

Section 29: E2NENE, E2W2NENE

For the purpose of:

Meeting the Forest Management Direction of Chapter 4, page 4, and Amendment No. 3 of the Ozark-St. Francis National Forests Land & Resources Management Plan.

T12N, R23W

CONTROLLED SURFACE USE STIPULATION #1A - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited along designated corridor of the Mulberry Wild and Scenic River.

On the Acquired lands below:

Section 16: NWSE

Section 17: E2E2

Section 19: SENE, SESW

Section 21: NWNW

For the purpose of:

Meeting the Forest Management Direction of Amendment No. 2, Chapter 4, Page 4-5 of the Ozark-St. Francis National Forest Land & Resources Management Plan.

T12N, R23W

CONTROLLED SURFACE USE STIPULATION #1B - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited on the Ozark Highlands Trail. This is to maintain the designated corridor of three chains (198 feet) on either side of the centerline of the trail, unless topographically impractical.

On the lands described below:

Section 5: W2NW, N2SW

Section 8: W2NE

Section 22: SENW, NWSW, S2SWNW

For the purpose of:

Meeting the Forest Management Direction of Chapter 4, Page 4, Amendment 3 of the Ozark-St. Francis National Forest Land & Resources Management Plan.

T12N, R23W

NO SURFACE OCCUPANCY STIPULATION #2 - OZARK (AR)

Surface occupancy or use is allowed on the acquired lands described below.

Section 28: N2NW

For the purpose of:

To protect the Ozone Recreation Area and meet the Forest Management Direction of Chapter 4, Pages 25-27 of the Ozark-St. Francis National Forests' Land & Resource Management Plan which prohibits surface occupancy in areas managed for developed recreation.

T12N, R24W

CONTROLLED SURFACE USE STIPULATION #1 - OZARK (AR)

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

a. Unless otherwise authorized, surface occupancy will be prohibited on the Ozark Highlands Trail. This is to maintain the designated corridor of three chains (198 feet) on either side of the centerline of the trail, unless topographically impractical.

On the ACQUIRED lands described below:

Section 5: NWNW Section 6: E2SW Section 7: NWNW

For the purpose of:

a. Meeting the Forest Management Direction of Chapter 4, page 4, and Amendment 3 of the Ozark-St. Francis National Forests' Land & Resources Management Plan.

T12N, R24W

CONTROLLED SURFACE USE STIPULATION #1A - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited along the corridor of the Mulberry Wild and Scenic River.

On the ACQUIRED lands described below:

Section 15: SESW, part of SWSE

Section 19: NWNE

Section 20:

NESE, NWSE SESE, W2NE, SENE and NESE less and except: Section 21:

See description page for sec. 21.

All lands described in Area Consent. Section 22:

Section 23: N2SW

Section 25: N2NE, SWNW

For the purpose of:

Meeting the Forest Management Direction of Amendment #2, Chapter 4, Page 4-5 of the Ozark-St. Francis National Forests' Land & Resources Management Plan.

T12N, R24W

CONTROLLED SURFACE USE STIPULATION #1B - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited on the Ozark Highlands Trail. This is to maintain the designated corridor of three chains (198 feet) on either side of the centerline of the trail, unless topographically impractical.

On the PUBLIC DOMAIN lands described below:

Section 6: NWNE

For the purpose of:

Meeting the Forest Management Direction of Amendment #2, Chapter 4, Page 4-5 of the Ozark-St. Francis National Forests' Land & Resources Management Plan.

T12N, R28W T12N, R29W

CONTROLLED SURFACE USE STIPULATION #1A - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited on the Ozark Highlands Hiking Trail. This is to maintain the designated corridor of three chains (198 feet) on either side of the centerline of the trail, unless topographically impractical.

On the PUBLIC DOMAIN lands described below:

Section 14: S2SE

Section 20: SESW, SWSW, SESE

Section 22: SWNE, NESE

Section 24: N2NW, N2NE, SENE, N2S2

Section 28: E2, E2W2 Section 34: SWNW

For the purpose of:

Meeting the Forest Management Direction of Chapter 4, page 4, and Amendment No. 3 of the Ozark-St. Francis National Forests Land & Resources Management Plan.

T12N, R29W

CONTROLLED SURFACE USE STIPULATION #1 - OZARK (AR)

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

Unless otherwise authorized, surface occupancy will be prohibited on the Ozark Highlands Hiking Trail. This is to maintain the designated corridor of three chains (198 feet) on either side of the centerline of the trail, unless topographically impractical.

On the ACQUIRED lands described below:

Section 13: N2SW, SWSW, SESE

Section 14: SWSE

Section 16: SESW, S2SE

Section 21: N2NE

Section 22: N2NE, SENE, N2NW

Section 24: N2

Section 29: NENW, SWNW

For the purpose of:

Meeting the Forest Management Direction of Chapter 4, page 4, and Amendment No. 3 of the Ozark-St. Francis National Forests Land & Resources Management Plan.

STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM UNDER JURISDICTION OF DEPARTMENT OF AGRICULTURE

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

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

Forest Supervisor, Ozark – St. Francis NFs 605 West Main Street Russellville, AR 72801 (479) 964-7200

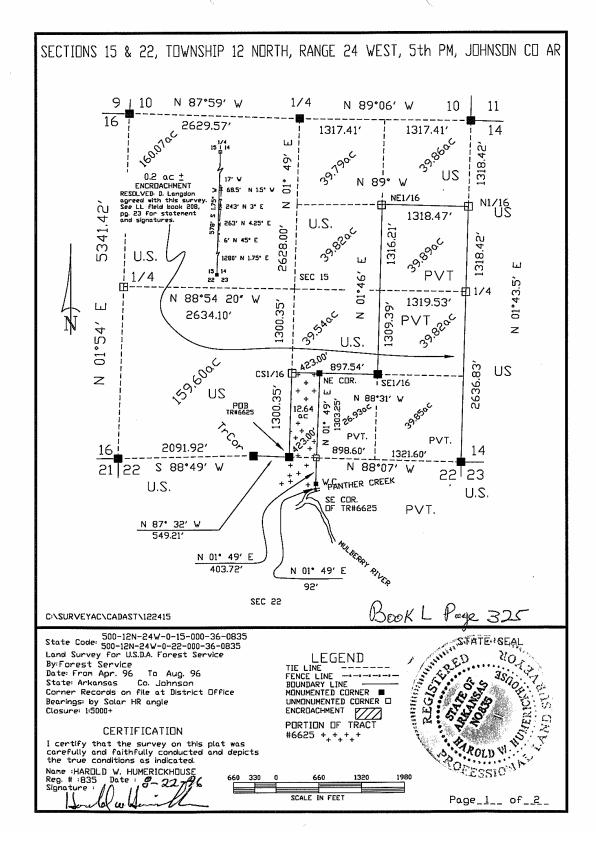
who is the authorized representative of the Secretary of Agriculture.

BLM Field Office

Jackson Field Office 411 Briarwood Drive Suite 404 Jackson, Mississippi 39206

Surface Management Agency

USDA, Forest Service - Region 8 Room 792 South, Lands & Minerals 1720 Peachtree Road, N.W. Atlanta, Georgia 30367 leads



ES-077-12/04 MIES 52499 ACQ

Michigan, Kalkaska County, BLM/Michigan Department

of Natural Resources

T26N, R8W, Michigan Meridian

Sec. 6, S2SW;

Sec. 7, S2NE, NW, N2SE.

400.00 Acres

\$600.00 Rental

Subject to BLM Special Resource Protection Stipulations (Attachment D)

Subject to BLM Lease Information Notice (Attachment C)

ES-077-12/04 MI 52499 ACQ

T26N, R8W, Kalkaska County, Michigan

ATTACHMENT D SPECIAL RESOURCE PROTECTION STIPULATION(S)

Description of Resource Protection Stipulations

- 1. No surface occupancy is permitted on slopes of 15 percent or greater. Exception: At the time an Application for Permit to Drill is filed, the Bureau of Land Management (BLM) may grant an exception to this stipulation if the lessee can demonstrate to BLM's satisfaction that oil and gas operations would not cause unacceptable impacts to soil and site stability.
- 2. No surface occupancy is permitted within 200 feet of the centerline of any county or township road or State highway.

 Exception: At the time an Application for Permit to Drill is filed, the Bureau of Land Management (BLM) may grant an exception to this stipulation if the lessee can demonstrate to BLM's satisfaction that oil and gas operations will not cause unacceptable visual impacts to road and highway users or cause structural damage to or restrict normal use of the road or highway.
- 3. No surface occupancy is permitted within 200 feet of a power line, pipeline, or railroad tracks.
 Exception: At the time an Application for Permit to Drill is filed, the Bureau of Land Management (BLM) may grant an exception to this stipulation if the lessee can demonstrate to BLM's satisfaction that oil and gas operations will not compromise public safety or restrict normal use of the utilities.
- 4. No surface occupancy is permitted in: T .26N, R.8W .: Section 6: S1/2SW due to wetlands, riparian areas, floodplains and steep slopes associated with Taylor Creek. No waiver, exception or modification will be made to this stipulation.
- 5. No surface occupancy is permitted in: T .26N.. R8W .: Section 7: S1/2 NW; N 1/2 SE due to the combination of steep slopes, wetlands, riparian areas and floodplains associated with the South Branch, Boardman River. No waiver, exception or modification will be made to this stipulation.

6. No surface occupancy within 250 feet of any perennial stream or water body and 100 feet from intermittent streams.

Exception: At the time an Application for Permit to Drill is filed, The Bureau of Land Management (BLM) may grant an exception to this stipulation if the lessee can demonstrate to BLM's satisfaction that oil and gas operations would not cause unacceptable impacts to water quality, floodplains or riparian areas.

ES-077-12/04 MIES 52499 ACQ T26N, R8W, Kalkaska County, Michigan

ATTACHMENT C LEASE INFORMATION NOTICE

Description of Lease Notice

A cultural resource survey may be required for all areas proposed for surface disturbance at the time an Application for Permit to Drill/Notice of Staking is filed. Cultural resource surveys may also be required prior to the start of subsequent well operations that involve surface disturbance. The lessee must contact the authorized officer of the Bureau of Land Management (BLM) to determine the extent and type of survey required. Mitigation measures or relocation of the proposed activity may be necessary to avoid disturbance of cultural sites. The need for mitigation or movement will be based on consultation between the BLM, the Michigan State Historic Preservation Office, the affected surface owner or agency, the lessee and the Advisory Council on Historic Preservation.

ES-078-12/04 MSES 52500 ACQ

Mississippi, Smith County, Bienville N.F. T3N, R7E, Choctaw Meridian Sec. 4, NE, NENW, W2SW. 280.00 Acres \$420.00 Rental Subject to F.S. Timing Limitation Stipulation #1 Subject to F.S. Lease Notices Nos. 3 and 4

ES-079-12/04 MSES 52501 ACQ

Mississippi, Smith County, Bienville N.F.
T3N, R8E, Choctaw Meridian
Sec. 1, NE, N2NW, SENW, NESW, NWSW
less N 10 acres; W 5 acres of S2SWSW; N2SWSW,
E2SESW, SE;
Sec. 2, SWNE, NW, NESW, S2SW, SE;
Sec. 3, N2NE; SW 15 acres of SWNW, NWSW less
NE 10 acres; E2SE.
1,230.71 Acres
\$1,846.50 Rental
Subject to F.S. Timing Limitation Stipulation #1
Subject to F.S. Lease Notices Nos. 3 and 4

ES-080-12/04 MSES 52502 ACQ

Mississippi, Smith County, Bienville N.F. T3N, R8E, Choctaw Meridian Sec. 4, NWNE, S2NE, NENW less S 5 acres of W 10 acres, NESW, 8 acres in NWSW described as: Beginning at SE corner of NWSW, thence with south line thereof West 10.00, thence North 8.00, set 1" iron pipe whence a 6" White Oak bears S 7 deg 45' E 0.175 and a 6" Pine bears S 75 deg 30' W 0.325, thence East 10.00, thence S 8.00 to POB, S2SWSW, N 25 acres of SESW, E2NESE, SESE; Sec. 5, SENE, SWNE less part lying N of the old Lamon & Louin Board, as follower: Paginning at

Sec. 5, SENE, SWNE less part lying N of the old Lemon & Louin Road, as follows: Beginning at NE corner W 13.48 chains to road, along road S 30' E 5.00 chains, S 38 deg 30' E 2.40 chains; S 83 deg 15' E 2.80 chains, N 73 deg 45' E 4.60 chains, S 62 deg E 2.48 chains to east boundary line of SWNE N 6.32 chains to beginning, containing 7.17 acres; *SESW-50% U.S. Mineral Interest, N2SE, SESE;

Sec. 6, NWSW, SESE, N 10 acres of SWSW;

Sec. 8, *N2 (the *W2NWNE, *NENW and *E2NWNW-50% U.S.

Mineral Interest); SW, W2SE, SESE.

1,491.68 Acres

\$2,238.00 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-081-12/04 MSES 52503 ACQ

Mississippi, Smith County, Bienville N.F.

T3N, R8E, Choctaw Meridian

Sec. 9, NW less 0.06 acres described as: Begin at

NW corner of Sec. 9, said corner being monumented

by a 3" concrete post, thence south along & with section

line between Secs. 8 & 9 a distance of 254.1' to a point

on South edge of an old trail, thence East along & with

south edge of old trail 19.8' to corner 1 & the POB, thence

N 78 deg 30' E along & with south edge of the old trail,

79.2' to corner 2, thence departing south edge of the old

trail, S 33.0' to corner 3, thence S 78 deg 30' W 79.2' to

corner 4, thence N 33.0' to south edge of the old trail & the

POB; NESW, S2SW;

Sec. 10, E2SENE, *NWSW, *S2S2;

Sec. 11, E2NE, NWNE, E2NW, SWNW, NWSW;

Sec. 12, E2NE, SWNE, S2NW, NESW, N2SE.

*USA Mineral Ownership only.

808.74 Acres

\$1,213.50 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-082-12/04 MSES 52504 ACQ

Mississippi, Smith County, Bienville N.F.

T3N, R9E, Choctaw Meridian

Sec. 1, South 25 acres of NENE, NWNE, S2NE, NENW, N 15 acres of

E2SENW, E 10 acres of N2NWNW;

Sec. 2, W2SW, SESW, SWSE, E2SE less 3.35 acres;

Sec. 3, W2, S2SE.

861.93 Acres

\$1.293.00 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-083-12/04 MSES 52505 ACQ

Mississippi, Smith County, Bienville N.F.

T3N, R9E, Choctaw Meridian

Sec. 4, E2E2, NWNE, NWSW, N2S2SW, S2NESW, W2SE;

Sec. 6, NENW, W2W2, SESW;

Sec. 7, NW, W2SW, SESW, SE;

Sec. 8, SWNE, NENW, E2SWSE, SESE;

Sec. 9, NE, W 15 acres in SWSW, N2SE, SESE.

1,499.64 Acres

\$2,250.00 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-084-12/04 MSES 52506 ACQ

Mississippi, Smith County, Bienville N.F.

T3N, R9E, Choctaw Meridian

Sec. 10, N2, N2S2, S2SW, SESE:

Sec. 11, NE, E2NW, NWNW, S2;

Sec. 12, W2NE, W2SENE, W2, W2SE, W2NESE, SESE.

1,702.33 Acres

\$2,554.50 Rental

Subject to F.S. No Surface Occupance Stipulation #2

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-085-12/04 MSES 52507 ACQ

Mississippi, Smith County, Bienville N.F.

T4N, R6E, Choctaw Meridian

Sec. 26, N2NE.

80.00 Acres

\$120.00 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-086-12/04 MSES 52508 ACQ

Mississippi, Smith County, Bienville N.F.

T4N, R7E, Choctaw Meridian

Sec. 21, S2S2SW, S2SE.

120.00 Acres

\$180.00 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-087-12/04 MSES 52509 ACQ

Mississippi, Smith County, Bienville N.F.

T4N, R8E, Choctaw Meridian

Sec. 20. SENE, E2SE:

Sec. 22, SWSW, SWSE;

Sec. 23, SWNW, NESW, NWSE;

Sec. 24, NENE, NWNW, S2N2, N2S2, SESE.

Sec. 25, E2NE, SE;

Sec. 26, S2SENE;

Sec. 27, E2SWSE;

Sec. 29, E2NE (USA mineral ownership only), W2SW;

Sec. 32, NWNE, SWNE*, NENW, SENW* less 9.99 acres described as: Beginning at center of Section 32, West 5.00 chains to East side of MS Hwy. No. 35, with east edge of said highway N 70 deg 30' E 10.08 chains, leave Highway, East 10.00 chains, S 07 deg 30' W 10.08 chains, West 5.00 chains to beginning.

*50% U.S. Mineral Interest

1,248.88 Acres

\$1,873.50 Rental

Subject to F.S. No Surface Occupancy Stipulation #2

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-088-12/04 MSES 52510 ACQ

Mississippi, Smith County, Bienville N.F.

T4N, R8E, Choctaw Meridian

Sec. 33, E2NE*, N2SWNE**, E2NWSE** less South 5 acres;

Sec. 34, N2, N2SW, SESW, SE;

Sec. 35, NWNW, S2NW, SW, NWSE, W2SWSE;

Sec. 36, E2, E2W2.

*Tract B-42a USA mineral ownership only;

**USA mineral ownership only

1,520.45 Acres

\$2,281.50 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-089-12/04 MSES 52511 ACQ

Mississippi, Smith County, Bienville N.F.

T4N, R9E, Choctaw Meridian

Sec. 19, NESW, S2NWSE;

Sec. 20, S2SWNE, S2NW, E2SW, W2SE;

Sec. 21, NE;

Sec. 29, E2NWNE;

Sec. 30, NWNW, S2NW;

Sec. 33, NE, NENW; W 25 acres in SENW; 48.24 acres

in the W2NW as follows: Beginning 5.82 chains from NW corner of Section 33, down Ichusa Creek South 54.60 chains, East 8.85 chains to SE corner of SWNW, North 40.20 chains to NE corner of NWNW, West 14.24 chains to beginning; NESW, E2NWSW, NESE.

993.11 Acres

\$1,491.00 Rental

Subject to F.S. Timing Limitation Stipulation #1

Subject to F.S. Lease Notices Nos. 3 and 4

ES-090-12/04 MSES 52512 ACQ

Mississippi, Franklin County, Homochitto N.F. T5N, R4E, Washington Meridian Sec. 30, SENE, NESE. 79.37 Acres \$120.00 Rental Subject to F.S. Timing Limitation Stipulation #1 Subject to F.S. Lease Notices Nos. 3 and 4

ES-091-12/04 MSES 52513 ACQ

Mississippi, Franklin County, Homochitto N.F.
T7N, R4E, Washington Meridian
Sec. 28, *All – (the *W2SWNW, *NWSW, *SWSW, part of *SESW lying West of Mary Road is <u>87.5%</u>
U.S. Mineral Interest; and the *E2SWNW is 50% U.S. Mineral Interest).
652.08 Acres
\$979.50 Rental
Subject to F.S. Timing Limitation Stipulation #1
Subject to F.S. Lease Notices Nos. 3 and 4

ES-092-12/04 MSES 52514 ACQ

Mississippi, Wilkinson County, Homochitto N.F. T4N, R1W, Washington Meridian Sec. 14, SENW less 9.92 acres. 30.08 Acres \$46.50 Rental Subject to F.S. Timing Limitation Stipulation #1 Subject to F.S. Lease Notices Nos. 3 and 4

T3N, R7E	T4N, R7E
T3N, R8E	T4N, R8E
T3N, R9E	T4N, R9E
T4N, R6E	T5N, R4E
T4N R1W	

TIMING LIMITATION STIPULATION 01

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

Site construction and drilling may be restricted during the wet season from 11/30 thru 3/31 depending on site specific conditions at the time the Application for Permit to Drill is filed.

On the lands described below:

Entire Lease

For the purpose of (reasons):

Prevent excessive soil erosion and rutting resulting from construction activities during the wet season. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

NO SURFACE OCCUPANCE STIPULATION 02

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

The following lands are part of the watershed of Pipes Lake Recreation area and may require special attention to prevent damage to Pipes Lake:

Greentree Reservoir located in the NESE of Section 10 and W2SW of Section 11, T3N, R9E.

For the purpose of:

Protection of the Greentree Reservoir. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

NO SURFACE OCCUPANCE STIPULATION 02

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

The following lands are part of the watershed of Pipes Lake Recreation area and may require special attention to prevent damage to Pipes Lake:

Tishkill Reservoir Emergency Spillway located in the SWSE of Section 22, T4N, R8E.

For the purpose of:

Protection of the spillway. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

NO SURFACE OCCUPANCE STIPULATION 02

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

The following lands are part of the watershed of Pipes Lake Recreation area and may require special attention to prevent damage to Pipes Lake:

Greentree Reservoir located in the NESE of Section 10 and W2SW of Section 11, T3N, R9E.

For the purpose of:

Protection of the Greentree Reservoir. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

LEASE NOTICE 03

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

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

NOTICE TO LESSEE 04

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM UNDER JURISDICTION OF DEPARTMENT OF AGRICULTURE

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

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

Forest Supervisor, NFs in Mississippi

100 W. Capitol Street, Suite 1141

Jackson, MS 39269

Telephone No.: 601-965-4391

who is the authorized representative of the Secretary of Agriculture.

BLM District Office
Bureau of Land Management
Jackson District Office
411 Briarwood Drive, Suite 404
Jackson, Mississippi 39206

Management Agency
USDA Forest Service - Region 8
Room 792 South, Lands & Minerals
1720 Peachtree Road, N.W.
Atlanta, Georgia 30367