

**State of Montana  
Oil & Gas Lease Sale - March 2, 2021  
Lease Sale Results**

The following described lands were offered for oil and gas leasing through oral competitive bidding in the Department of Natural Resources and Conservation Montana Room, 1539 Eleventh Avenue, Helena, Montana, beginning at 9:00 am, March 2, 2021.

| Tract           | Stipulations            | Twp  | Rng  | Sec | Description                              | Acres  | Bid/Acre | Total Bid   | Lessee                            |
|-----------------|-------------------------|------|------|-----|--|--------|----------|-------------|-----------------------------------|
| <b>Richland</b> |                         |      |      |     |  |        |          |             |                                   |
| 1               | 1, 2, 3, 4, 5, 6, 9, 10 | 26.N | 59.E | 23  | MISSOURI RIVERBED<br>AND RELATED ACREAGE | 1.30   | \$155.00 | \$201.50    | KRAKEN OIL & GAS LLC              |
| <b>Rosebud</b>  |                         |      |      |     |  |        |          |             |                                   |
| 2               | 1, 2, 3, 4, 5, 6, 7, 8  | 9.N  | 35.E | 16  | ALL                                      | 640.00 | \$10.00  | \$6,400.00  | BTC OIL PROPERTIES,<br>LLC        |
| 3               | 1, 2, 3, 4, 5, 6, 7, 8  | 9.N  | 35.E | 36  | ALL                                      | 640.00 | \$30.00  | \$19,200.00 | BTC OIL PROPERTIES,<br>LLC        |
| <b>Treasure</b> |                         |      |      |     |  |        |          |             |                                   |
| 4               | 1, 2, 3, 4, 5, 6, 7, 8  | 8.N  | 36.E | 16  | ALL                                      | 640.00 | \$10.00  | \$6,400.00  | WINDWALKER LAND<br>SERVICES, INC. |

### Summary by Lessor

|   | Total Acres | Total Tracts |
|---|-------------|--------------|
| Dept. of Natural Resources and Conservation | 1,921.30    | 4            |

### Oil and Gas Lease Sale Summary

|                             |             |
|-----------------------------|-------------|
| <b>Total Tracts</b>         | 4           |
| <b>Total Acres</b>          | 1,921.30    |
| <b>Total Bid Revenue</b>    | \$32,201.50 |
| <b>Average Bid Per Acre</b> | \$16.76     |

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**Stipulations**

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- 1 Lessee shall notify and obtain approval from the Department's Trust Land Management Division (TLMD) prior to constructing well pads, roads, power lines, and related facilities that may require surface disturbance on the tract. Lessee shall comply with any mitigation measures stipulated in TLMD's approval.
- 2 Prior to the drilling of any well on or into the lease premises, lessee shall send one copy of the well prognosis, including Form 22 "Application for Permit" to the Department's Trust Land Management Division (TLMD). After a well is drilled and completed, lessee shall send one copy of all logs run, Form 4A "Completion Report", and geologic report to TLMD. A copy of Form 2 "Sundry Notice and Report of Wells" or other appropriate Board of Oil and Gas Conservation form shall be sent to TLMD whenever any subsequent change in well status or operator is intended or has occurred. Lessee shall also notify and obtain approval from the TLMD prior to plugging a well on the lease premises.  
  
Issuance of this lease in no way commits the Land Board to approval of coal bed methane production on this lease. Any coal bed methane extraction wells would require subsequent review and approval by the board.
- 3 The TLMD will complete an initial review for cultural resources and, where applicable, paleontological resources of the area intended for disturbance and may require a resources inventory. Based on the results of the inventory, the TLMD may restrict surface activity for the purpose of protecting significant resources located on the lease premises.
- 4 The lessee shall be responsible for controlling any noxious weeds introduced by lessee's activity on State-owned land and shall prevent or eradicate the spread of those noxious weeds onto land adjoining the lease premises. The lessee's methods of control shall be reviewed and approved by the Department's Unit Office that has jurisdiction for that locale.
- 5 The definitions of "oil" and "gas" provided in 82-1-111, MCA, do not apply to this lease for royalty calculation purposes.
- 6 If the State does not own the surface, the lessee must contact the owner of the surface in writing at least 30 days prior to any surface activity. A copy of the correspondence shall be sent to TLMD.
- 7 Due to unstable soil conditions on this tract and/or topography that is rough and/or steep, surface use may be restricted or denied. Seismic activity may be restricted to poltershots.
- 8 This lease is located within designated sage grouse core habitat. Proposed activities are subject to, and shall comply with, all provisions, stipulations and mitigation requirements of the Montana Sage Grouse Habitat Conservation Strategy, as implemented by Governor's Executive Orders 10-2014, 12-2015, and amendments thereto. Contact the TLMD prior to preparing a project proposal.
- 9 This tract contains navigable river beds and/or related acreage. No surface occupancy is allowed within the bed of the navigable river, abandoned channels, or on islands and accretions. In addition, upon completion of a successful well, where river title is disputed, the lessee will file an interpleader action under Rule 22, M.R.Civ.P. in the Montana District Court, or other court having jurisdiction, in which the leased lands are located for all acreage within the lease in which the title is disputed. The lessee shall name all potential royalty claimants as defendants.
- 10 If the lessee completes a successful oil and/or gas well, and if land title is disputed, the lessee shall fund professional land surveys as needed to determine the location and acreage encompassed by the spacing and/or pooling unit and the state lease acreage within that unit. Surveys shall be conducted by a licensed land surveyor acceptable to the Department, and shall be prepared pursuant to survey requirements provided by the Department.

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**Applicant List**

| <b>Tract</b>    | <b>Twp</b> | <b>Rng</b> | <b>Sec</b> | <b>Description</b>                       | <b>Acres</b> | <b>Applicant</b>               |
|-----------------|------------|------------|------------|--|--------------|--------------------------------|
| <b>Richland</b> |            |            |            |  |              |                                |
| 1               | 26.N       | 59.E       | 23         | MISSOURI RIVERBED AND RELATED<br>ACREAGE | 1.30         | KRAKEN OIL & GAS LLC           |
| <b>Rosebud</b>  |            |            |            |  |              |                                |
| 2               | 9.N        | 35.E       | 16         | ALL                                      | 640.00       | WINDWALKER LAND SERVICES, INC. |
| 3               | 9.N        | 35.E       | 36         | ALL                                      | 640.00       | WINDWALKER LAND SERVICES, INC. |
| <b>Treasure</b> |            |            |            |  |              |                                |
| 4               | 8.N        | 36.E       | 16         | ALL                                      | 640.00       | WINDWALKER LAND SERVICES, INC. |

**DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION**

**P.O. Box 201601**

**Helena, Montana 59620-1601**

**The following is a list of oil and gas leases, which expired or terminated in September 2020.**

| <b>COUNTY</b>   | <b>TWP</b> | <b>RNG</b> | <b>SEC</b> | <b>DESCRIPTION</b>   | <b>ACRES</b> |
|-----------------|------------|------------|------------|--|--------------|
| <b>Daniels</b>  |            |            |            |  |              |
|                 | 34 N       | 46 E       | 2          | Lots 1, 2, 3, 4, S2N2, SW4   | 482.84       |
|                 | 34 N       | 47 E       | 1          | Lots 1, 2, 3, 4, S2N2  | 322.04       |
|                 | 34 N       | 47 E       | 19         | Lots 3, 4, S2NE4, SE4, E2SW4   | 404.88       |
|                 | 34 N       | 47 E       | 36         | All  | 640.00       |
|                 | 34 N       | 48 E       | 16         | W2, N2NE4, W2SE4   | 480.00       |
|                 | 34 N       | 48 E       | 22         | NE4, E2SE4   | 240.00       |
|                 | 34 N       | 48 E       | 23         | N2NW4, SW4NW4, NW4SW4  | 160.00       |
|                 | 34 N       | 48 E       | 36         | All  | 640.00       |
|                 | 35 N       | 47 E       | 19         | Lots 1, 2, E2NW4, E2   | 483.16       |
|                 | 35 N       | 47 E       | 20         | W2   | 320.00       |
|                 | 35 N       | 47 E       | 24         | E2   | 320.00       |
|                 | 35 N       | 47 E       | 29         | W2NE4, SE4   | 240.00       |
|                 | 35 N       | 47 E       | 35         | All  | 640.00       |
|                 | 35 N       | 47 E       | 36         | All  | 640.00       |
| <b>Big Horn</b> |            |            |            |  |              |
|                 | 1 N        | 33 E       | 2          | Big Horn Riverbed and related acreage  | 73.00        |
|                 | 1 N        | 33 E       | 11         | Lots 1, 5, 6, 9, SE4NE4, E2SE4, Big Horn Riverbed and related acreage            | 435.00       |
|                 | 7 S        | 40 E       | 36         | All  | 640.00       |
|                 | 8 S        | 39 E       | 36         | All  | 640.00       |
|                 | 8 S        | 40 E       | 16         | All, below the base of the Fort Union formation                                  | 640.00       |
|                 | 8 S        | 40 E       | 25         | Part SE4NE4, part N2SE4, part NE4SW4, below the base of the Fort Union formation | 102.88       |
|                 | 8 S        | 40 E       | 36         | All, below the base of the Fort Union formation                                  | 640.00       |
|                 | 8 S        | 41 E       | 16         | All, below the base of the Fort Union formation                                  | 640.00       |
|                 | 9 S        | 39 E       | 36         | Lots 1, 2, 3, 4, 5, W2NE4, NW4, N2SW4  | 495.90       |
|                 | 9 S        | 40 E       | 11         | S2SE4  | 80.00        |
|                 | 9 S        | 40 E       | 12         | NE4, S2  | 480.00       |
|                 | 9 S        | 40 E       | 16         | All  | 640.00       |
|                 | 9 S        | 40 E       | 22         | N2NE4, SE4NE4, E2W2, below the base of the Fort Union formation                  | 393.19       |
|                 | 9 S        | 40 E       | 26         | Tract in W2NW4, below the base of the Fort Union formation                       | 4.66         |
|                 | 9 S        | 40 E       | 36         | Lots 1, 2, 3, 4, N2, N2S2, below the base of the Fort Union formation            | 571.88       |
|                 | 9 S        | 41 E       | 10         | SE4SW4, below the base of the Fort Union formation                               | 40.00        |
|                 | 9 S        | 41 E       | 16         | All, below the base of the Fort Union formation                                  | 640.00       |

| COUNTY          | TWP  | RNG  | SEC | DESCRIPTION   | ACRES  |
|-----------------|------|------|-----|---|--------|
|                 | 9 S  | 41 E | 36  | Lots 1, 2, 3, 4, N2, N2S2, below the base of the Fort Union formation | 581.16 |
| <b>Dawson</b>   |      |      |     |   |        |
|                 | 13 N | 57 E | 16  | N2NW4, NE4NE4, SE4, SW4SW4  | 320.00 |
|                 | 16 N | 57 E | 16  | All   | 640.00 |
|                 | 16 N | 58 E | 16  | All   | 640.00 |
|                 | 20 N | 51 E | 36  | All   | 640.00 |
| <b>Fallon</b>   |      |      |     |   |        |
|                 | 10 N | 58 E | 12  | NW4   | 160.00 |
|                 | 10 N | 58 E | 14  | SE4   | 160.00 |
| <b>McCone</b>   |      |      |     |   |        |
|                 | 27 N | 50 E | 36  | All   | 640.00 |
| <b>Richland</b> |      |      |     |   |        |
|                 | 22 N | 57 E | 29  | All   | 640.00 |
|                 | 22 N | 57 E | 36  | All   | 640.00 |
|                 | 23 N | 59 E | 13  | Yellowstone Riverbed and related acreage within the S2                | 43.00  |
|                 | 23 N | 60 E | 18  | Yellowstone Riverbed and related acreage                              | 100.00 |
| <b>Rosebud</b>  |      |      |     |   |        |
|                 | 9 N  | 34 E | 12  | E2, surface to the base of the Kootenai formation                     | 320.00 |
|                 | 9 N  | 35 E | 16  | All, surface to the base of the Kootenai formation                    | 640.00 |
|                 | 10 N | 34 E | 16  | All, surface to the base of the Kootenai formation                    | 640.00 |
|                 | 10 N | 34 E | 32  | All, surface to the base of the Kootenai formation                    | 640.00 |
|                 | 10 N | 35 E | 32  | W2NE4, NW4, S2  | 560.00 |
|                 | 10 N | 35 E | 36  | All   | 640.00 |
|                 | 10 N | 36 E | 36  | All   | 640.00 |
|                 | 11 N | 33 E | 36  | W2NW4, E2, SW4, surface to the base of the Kootenai formation         | 560.00 |
|                 | 7 S  | 41 E | 36  | Lots 1, 2, 3, 4, N2, N2S2   | 638.22 |
| <b>Sheridan</b> |      |      |     |   |        |
|                 | 35 N | 54 E | 26  | NW4NE4  | 40.00  |
| <b>Treasure</b> |      |      |     |   |        |
|                 | 8 N  | 35 E | 16  | All   | 640.00 |
|                 | 8 N  | 35 E | 36  | All   | 640.00 |
|                 | 8 N  | 36 E | 36  | Lots 1, 2, 3, 4, N2, N2S2   | 642.12 |
| <b>Wibaux</b>   |      |      |     |   |        |
|                 | 12 N | 57 E | 36  | All   | 640.00 |
|                 | 15 N | 58 E | 36  | W2  | 320.00 |

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION

Trust Land Management Division



GREG GIANFORTE, GOVERNOR

1539 ELEVENTH AVENUE

DIRECTOR'S OFFICE: (406) 444-2074  
FAX (406) 444-2684

PO BOX 201601  
HELENA, MONTANA 59620-1601

TO ALL INTERESTED PARTIES:

RE: June 1, 2021 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the date of the June 2021 Oil and Gas Lease Sale has been set for **TUESDAY, JUNE 1, 2021**, at 9:00 a.m. in the Montana Room of the Department of Natural Resources and Conservation building at 1539 Eleventh Avenue, Helena, Montana. Please call the Department of Natural Resources and Conservation for detailed directions, if necessary.

The deadline filing date for submitting applications on tracts to be nominated for the sale in June is 5:00pm on March 16, 2021. Applications must be received in this office by that date. If you have any questions, please contact me at [THossfeld@mt.gov](mailto:THossfeld@mt.gov) or (406) 444-4576.

Theresa Hossfeld, Leasing Specialist  
Mineral Leasing Section  
Minerals Management Bureau