

**State of Montana
Oil & Gas Lease Sale - September 6, 2023
Lease Sale Results**

The following described lands were offered for oil and gas leasing through an online bidding service, EnergyNet, beginning August 31, 2023 and closed on September 6, 2023.

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
Blaine									
1	1, 2, 3, 4, 5, 6, 8	35.N	19.E	36	ALL	640.00	\$4.00	\$2,560.00	CABRIN EXPLORATION, INC.
2	1, 2, 3, 4, 5, 6, 8, 10	35.N	20.E	16	ALL	640.00	\$11.00	\$7,040.00	LAO LAND SERVICES, LLC
Richland									
3	1, 2, 3, 4, 5, 6, 7, 11	24.N	52.E	16	ALL	640.00	\$46.00	\$29,440.00	WHITE ROCK ENERGY LLC
Stillwater									
4	1, 2, 3, 4, 5, 6, 7	5.S	17.E	36	W2, W2NE4	* 400.00	\$1.50	\$600.00	SWITCHBACK RANCH, LLC
Toole									
5	1, 2, 3, 4, 5, 6	35.N	1.E	35	W2E2, E2NW4, SE4SE4, NE4SW4	320.00	\$12.00	\$3,840.00	CABRIN EXPLORATION, INC.
Treasure									
6	1, 2, 3, 4, 5, 6, 7, 9	8.N	36.E	16	ALL	640.00	\$1.50	\$960.00	WINDWALKER LAND SERVICES, INC.

* Part or all of tract is not state-owned surface

Summary by Lessor

	Total Acres	Total Tracts
Dept. of Natural Resources and Conservation	3,280.00	6

Oil and Gas Lease Sale Summary

Total Tracts	6
Total Acres	3,280.00
Total Bid Revenue	\$44,440.00
Average Bid Per Acre	\$13.55

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Stipulations

- 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 general 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 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.
- 10 This tract has (an) existing well(s) and related facilities. The lessee has 45 days from the effective date of this lease to determine whether or not to assume responsibility from the former lessee for the well(s) and any existing facilities. The lessee may not enter the well(s) until a change of operator has been filed with, and approved by, the Board of Oil and Gas Conservation. If a change of operator is accepted, the(se) well(s) must be returned to commercial production or plugged and the well site(s) reclaimed within 18 months from the effective date of this lease.
- 11 If whooping cranes are observed on-site, construction and/or maintenance activities shall be suspended until birds leave the area.

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Applicant List**

Tract	Twp	Rng	Sec	Description	Acres	Applicant
Blaine						
1	35.N	19.E	36	ALL	640.00	BEHM ENERGY, INC.
2	35.N	20.E	16	ALL	640.00	BEHM ENERGY, INC.
Richland						
3	24.N	52.E	16	ALL	640.00	WHITE ROCK ENERGY LLC
Stillwater						
4	5.S	17.E	36	W2, W2NE4	400.00	SWITCHBACK RANCH, LLC
Toole						
5	35.N	1.E	35	W2E2, E2NW4, SE4SE4, NE4SW4	320.00	DNRC/LAND BOARD
Treasure						
6	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 March 2023.

COUNTY	TWP	RNG	SEC	DESCRIPTION	ACRES
Big Horn	8 S	41 E	16	ALL	640.00
Carter	6 S	55 E	36	N2, SW4	480.00
	7 S	55 E	16	All	640.00
Glacier	32 N	5 W	36	All	640.00
Musselshell	9 N	31 E	4	N2	320.00
Powder River	6 S	52 E	16	All	640.00
	8 S	52 E	16	All	640.00
	8 S	52 E	36	All	640.00
Richland	22 N	54 E	16	All	640.00
Rosebud	10 N	31 E	36	All	640.00

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: December 5, 2023 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the December 2023 Oil and Gas Lease Sale will be held online during the period of **November 29 – December 5, 2023**, through the online auction service, EnergyNet (EnergyNet.com). Please contact EnergyNet for help setting up an account to bid on state tracts. For all other inquiries, contact the Department of Natural Resources and Conservation. In the event details for the March Oil and Gas Lease Sale change, an updated notice will be sent out.

The deadline filing date for submitting applications on tracts to be nominated for the sale in December is 5:00pm MST on September 19, 2023. Applications must be received in this office by that date. If you have any questions, please contact me at THossfeld@mt.gov or (406) 444-4576.

Theresa Hossfeld, Leasing Specialist
Mineral Leasing Section
Minerals Management Bureau