

**State of Montana
Oil & Gas Lease Sale - March 1, 2022
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 1, 2022.

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
Daniels									
1	1, 2, 3, 4, 5, 6	34.N	44.E	2	LOTS 2, 3, 4, S2N2, S2	600.72	\$1.50	\$901.08	DIAMOND RESOURCES CO.
2	1, 2, 3, 4, 5, 6	34.N	44.E	3	LOTS 1, 2, 3, 4, S2N2, S2 *	640.96	\$1.50	\$961.44	DIAMOND RESOURCES CO.
3	1, 2, 3, 4, 5, 6	34.N	44.E	10	N2, SE4	480.00	\$1.50	\$720.00	DIAMOND RESOURCES CO.
Phillips									
4	1, 2, 3, 4, 5, 6, 7, 9	30.N	33.E	16	ALL	640.00	\$1.75	\$1,120.00	TWIN BRIDGES RESOURCES, LLC
5	1, 2, 3, 4, 5, 6, 7, 9	30.N	33.E	36	ALL	640.00	\$1.50	\$960.00	SILVER SPUR RESOURCES LLC
Roosevelt									
6	1, 2, 3, 4, 5, 6, 11, 15	28.N	56.E	31	LOT 4, SE4SW4	75.00	\$115.00	\$8,625.00	IRISH OIL & GAS, INC.
7	1, 2, 3, 4, 5, 6, 15	29.N	57.E	36	W2, NW4NE4 *	360.00	\$285.00	\$102,600.00	WESTERN SHALE CORPORATION
8	1, 2, 3, 4, 5, 6, 8, 15	30.N	57.E	36	ALL *	640.00	\$205.00	\$131,200.00	IRISH OIL & GAS, INC.
9	1, 2, 3, 4, 5, 6, 13, 15	30.N	58.E	16	ALL	640.00	\$110.00	\$70,400.00	IRISH OIL & GAS, INC.
Rosebud									
10	1, 2, 3, 4, 5, 6, 7, 10	9.N	33.E	16	ALL	640.00	\$1.50	\$960.00	BLUEBIRD ENERGY LLC
11	1, 2, 3, 4, 5, 6, 7, 10, 16, 17	9.N	34.E	12	E2	320.00	\$3.25	\$1,040.00	BLUEBIRD ENERGY LLC
12	1, 2, 3, 4, 5, 6, 7, 10	9.N	34.E	16	ALL	640.00	\$26.00	\$16,640.00	BLUEBIRD ENERGY LLC
13	1, 2, 3, 4, 5, 6, 10	10.N	32.E	14	SE4	160.00	\$31.00	\$4,960.00	BLUEBIRD ENERGY LLC
14	1, 2, 3, 4, 5, 6, 10, 12	10.N	32.E	16	ALL, SUBJECT TO RR R/W	640.00	\$2.00	\$1,280.00	BLUEBIRD ENERGY LLC
15	1, 2, 3, 4, 5, 6, 7, 9	10.N	32.E	30	E2NW4, NE4, E2SE4	320.00	\$1.50	\$480.00	BLUEBIRD ENERGY LLC
16	1, 2, 3, 4, 5, 6, 10	10.N	32.E	36	ALL	640.00	\$1.50	\$960.00	BLUEBIRD ENERGY LLC
17	1, 2, 3, 4, 5, 6, 7, 10, 14	10.N	33.E	16	ALL, SUBJECT TO RR R/W	640.00	\$72.00	\$46,080.00	BLUEBIRD ENERGY LLC
18	1, 2, 3, 4, 5, 6, 7, 10	10.N	33.E	36	ALL	640.00	\$82.00	\$52,480.00	BLUEBIRD ENERGY LLC
19	1, 2, 3, 4, 5, 6, 7, 10	10.N	34.E	16	ALL	640.00	\$200.00	\$128,000.00	BLUEBIRD ENERGY LLC
20	1, 2, 3, 4, 5, 6, 7, 10	11.N	33.E	5	LOTS 1, 2, 3, 4, S2N2, S2	640.40	\$1.50	\$960.60	BLUEBIRD ENERGY LLC
21	1, 2, 3, 4, 5, 6, 7, 10	11.N	33.E	6	LOTS 1, 2, S2NE4, SE4	320.00	\$1.50	\$480.00	BLUEBIRD ENERGY LLC
22	1, 2, 3, 4, 5, 6, 7, 10	11.N	33.E	9	ALL	640.00	\$2.00	\$1,280.00	BLUEBIRD ENERGY LLC
23	1, 2, 3, 4, 5, 6, 7, 10	11.N	33.E	16	ALL	640.00	\$16.00	\$10,240.00	BLUEBIRD ENERGY LLC
24	1, 2, 3, 4, 5, 6, 10	11.N	34.E	4	S2	320.00	\$110.00	\$35,200.00	BLUEBIRD ENERGY LLC
25	1, 2, 3, 4, 5, 6, 10	11.N	34.E	18	E2E2, SW4NE4, SE4NW4, NE4SW4, NW4SE4	320.00	\$160.00	\$51,200.00	BLUEBIRD ENERGY LLC
26	1, 2, 3, 4, 5, 6, 7, 10, 16	11.N	34.E	36	ALL	640.00	\$230.00	\$147,200.00	SUN COULEE, LLC
27	1, 2, 3, 4, 5, 6, 7, 10	12.N	32.E	36	ALL	640.00	\$1.50	\$960.00	BLUEBIRD ENERGY LLC
28	1, 2, 3, 4, 5, 6, 7, 10	12.N	33.E	36	LOTS 1-24, N2	1244.52	\$155.00	\$192,900.60	SUN COULEE, LLC
29	1, 2, 3, 4, 5, 6, 7, 10	12.N	34.E	30	E2	320.00	\$160.00	\$51,200.00	BLUEBIRD ENERGY LLC
30	1, 2, 3, 4, 5, 6, 7, 10	12.N	34.E	31	LOTS 1, 2, 3, 4, E2	377.68	\$170.00	\$64,205.60	BLUEBIRD ENERGY LLC

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
Rosebud									
31	1, 2, 3, 4, 5, 6, 7, 10	12.N	34.E	36	ALL	640.00	\$91.00	\$58,240.00	SUN COULEE, LLC
Toole									
32	1, 2, 3, 4, 5, 6	37.N	3.E	36	S2, BELOW THE BASE OF THE RIERDON FORMATION	320.00	\$1.50	\$480.00	LONEWOLF ENERGY, INC.
33	1, 2, 3, 4, 5, 6	37.N	3.E	36	NW4, W2NE4, BELOW THE BASE OF THE BLACKLEAF FORMATION	240.00	\$1.50	\$360.00	LONEWOLF ENERGY, INC.
34	1, 2, 3, 4, 5, 6	34.N	2.W	16	ALL, BELOW THE BASE OF THE THREE FORKS FORMATION *	640.00	\$1.50	\$960.00	SOG RESOURCES
Valley									
35	1, 2, 3, 4, 5, 6	34.N	43.E	21	N2	320.00	\$1.50	\$480.00	DIAMOND RESOURCES CO.
36	1, 2, 3, 4, 5, 6, 12	34.N	43.E	23	S2	320.00	\$1.50	\$480.00	DIAMOND RESOURCES CO.

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

Summary by Lessor

	Total Acres	Total Tracts
Dept. of Natural Resources and Conservation	18,579.28	36

Oil and Gas Lease Sale Summary

Total Tracts	36
Total Acres	18,579.28
Total Bid Revenue	\$1,187,194.32
Average Bid Per Acre	\$63.90

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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 The lessee is responsible to pay for all damages, including penalties and charges assessed by the USDA-CFSA on CRP lands, as a result of drilling and production on the tract.
- 9 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.
- 10 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.
- 11 Unless otherwise approved by the Department in writing, wells and related surface infrastructure, including new road construction, are prohibited within 1/2 mile of the centerline of a navigable river, lake or reservoir, and within 1/4 mile of direct perennial tributary streams of navigable waterways, on or adjacent to the tract. No surface occupancy is allowed within the bed of a river, stream, lake or reservoir, islands and accretions or abandoned channels.
- 12 Due to the floodplain/wetlands area(s), surface use may be restricted or denied.

- 13 Any activity within 1/8 mile of the river, stream, floodplain, or lake/reservoir on or adjacent to this tract must be approved in writing by the TLMD prior to commencement. No surface occupancy is allowed within the bed of the river and/or stream, abandoned channels, the bed of the lake/reservoir, or on islands and accretions associated with the river, stream, or lake/reservoir.
- 14 No surface occupancy of the cemetery site is permitted without written approval of TLMD.
- 15 If whooping cranes are observed on-site, construction and/or maintenance activities shall be suspended until birds leave the area.
- 16 Wildlife species of concern have been identified on or near this tract. Identified species will be avoided, unless otherwise authorized by the TLMD. Additional mitigation measures may also be required.
- 17 This lease is spaced into an adjacent off-tract well.

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Applicant List

Tract	Twp	Rng	Sec	Description	Acres	Applicant
Daniels						
1	34.N	44.E	2	LOTS 2, 3, 4, S2N2, S2	600.72	DIAMOND RESOURCES CO.
2	34.N	44.E	3	LOTS 1, 2, 3, 4, S2N2, S2	640.96	DIAMOND RESOURCES CO.
3	34.N	44.E	10	N2, SE4	480.00	DIAMOND RESOURCES CO.
Phillips						
4	30.N	33.E	16	ALL	640.00	SILVER SPUR RESOURCES LLC
5	30.N	33.E	36	ALL	640.00	SILVER SPUR RESOURCES LLC
Roosevelt						
6	28.N	56.E	31	LOT 4, SE4SW4	75.00	MAVERICK OIL, INC.
7	29.N	57.E	36	W2, NW4NE4	360.00	MAVERICK OIL, INC.
8	30.N	57.E	36	ALL	640.00	MAVERICK OIL, INC.
9	30.N	58.E	16	ALL	640.00	MAVERICK OIL, INC.
Rosebud						
10	9.N	33.E	16	ALL	640.00	MAVERICK OIL, INC.
11	9.N	34.E	12	E2	320.00	MAVERICK OIL, INC.
12	9.N	34.E	16	ALL	640.00	MAVERICK OIL, INC.
13	10.N	32.E	14	SE4	160.00	MAVERICK OIL, INC.
14	10.N	32.E	16	ALL, SUBJECT TO RR R/W	640.00	MAVERICK OIL, INC.
15	10.N	32.E	30	E2NW4, NE4, E2SE4	320.00	MAVERICK OIL, INC.
16	10.N	32.E	36	ALL	640.00	MAVERICK OIL, INC.
17	10.N	33.E	16	ALL, SUBJECT TO RR R/W	640.00	MAVERICK OIL, INC.
18	10.N	33.E	36	ALL	640.00	MAVERICK OIL, INC.
19	10.N	34.E	16	ALL	640.00	MAVERICK OIL, INC.
20	11.N	33.E	5	LOTS 1, 2, 3, 4, S2N2, S2	640.40	MAVERICK OIL, INC.
21	11.N	33.E	6	LOTS 1, 2, S2NE4, SE4	320.00	MAVERICK OIL, INC.
22	11.N	33.E	9	ALL	640.00	MAVERICK OIL, INC.
23	11.N	33.E	16	ALL	640.00	MAVERICK OIL, INC.
24	11.N	34.E	4	S2	320.00	MAVERICK OIL, INC.
25	11.N	34.E	18	E2E2, SW4NE4, SE4NW4, NE4SW4, NW4SE4	320.00	MAVERICK OIL, INC.
26	11.N	34.E	36	ALL	640.00	MAVERICK OIL, INC.
27	12.N	32.E	36	ALL	640.00	MAVERICK OIL, INC.
28	12.N	33.E	36	LOTS 1-24, N2	1244.5	MAVERICK OIL, INC.
				2		
29	12.N	34.E	30	E2	320.00	MAVERICK OIL, INC.
30	12.N	34.E	31	LOTS 1, 2, 3, 4, E2	377.68	MAVERICK OIL, INC.
31	12.N	34.E	36	ALL	640.00	MAVERICK OIL, INC.
Toole						
32	37.N	3.E	36	S2, BELOW THE BASE OF THE RIERDON FORMATION	320.00	LONEWOLF ENERGY, INC.
33	37.N	3.E	36	NW4, W2NE4, BELOW THE BASE OF THE BLACKLEAF FORMATION	240.00	LONEWOLF ENERGY, INC.
34	34.N	2.W	16	ALL, BELOW THE BASE OF THE THREE FORKS FORMATION	640.00	SOG RESOURCES
Valley						
35	34.N	43.E	21	N2	320.00	DIAMOND RESOURCES CO.
36	34.N	43.E	23	S2	320.00	DIAMOND RESOURCES CO.

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 2021.

COUNTY	TWP	RNG	SEC	DESCRIPTION	ACRES
Blaine					
	33 N	22 E	16	Lots 1, 2, 3, 4, W2E2, W2	643.04
	33 N	22 E	36	All	640.00
Garfield					
	14 N	43 E	16	All	640.00
Rosebud					
	11 N	33 E	36	W2NW4, E2, SW4, below the base of the Kootenai formation	560.00
Toole					
	35 N	4 W	4	Lots 1, 2	78.48
	36 N	4 W	33	S2SE4	80.00
	37 N	4 W	5	W2SE4, S2SW4	160.00
	37 N	4 W	6	SE4SE4	40.00
	37 N	4 W	8	NE4	160.00
	37 N	4 W	14	S2SW4	80.00
	37 N	4 W	23	E2	320.00
	37 N	4 W	24	ALL	640.00
	37 N	4 W	25	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: June 7, 2022 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the June 2022 Oil and Gas Lease Sale will be held online during the period of **June 1, 2022 – June 7, 2022**, 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 June Oil and Gas Lease Sale change, an updated notice will be sent to you.

The deadline filing date for submitting applications on tracts to be nominated for the sale in June is 5:00pm on March 15, 2021. 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