



July 1, 2026

RE: **Statement of Exemption from Environmental Review LUL-560-26**

Unforgiven and McMahon Pad Land Use License

Township 28N, Range 56E, Section 16

Roosevelt County, MT

On April 30, 2026, Phoenix Operating, LLC applied for a Land Use License from the Montana Department of Natural Resources and Conservation's (DNRC) Forestry and Trust Lands Division (FTLD) to construct and utilize a well pad on Montana Trust Lands for the drilling and production of up to eight Bakken formation wells and two Dakota formation saltwater disposal wells.

The FTLD is exempt from performing an environmental review for the issuance of this Land Use License as described within MCA 77-1-121(2). The activities authorized by the license are subject to further permitting and review under Titles 75 and 82, Montana Code Annotated. This is expressly stated within the Land Use License.

An environmental review of the wells and their associated surface infrastructure must be completed by the Montana Board of Oil and Gas prior to the issuance of a drilling permit allowing work. The DNRC through its FTLD authorizes the construction of the pad, the drilling of the wells, and the associated infrastructure necessary to produce the wells on Montana Trust Land through the issuance of the Land Use License.

Sincerely,

A handwritten signature in black ink that reads "Zack Winfield". The signature is written in a cursive, flowing style.

Zack Winfield, PE

Petroleum Engineer

MMB-FTLD-DNRC

Copy: Glasgow Unit; Kelly Bertelotti, MRS, FTLD-DNRC

