

**State of Montana
Oil & Gas Lease Sale - December 6, 2022
Lease Sale Results**

The following described lands were offered for oil and gas leasing through an online bidding service, EnergyNet, beginning November 30, 2022 and closed on December 6, 2022.

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
Daniels									
2	1, 2, 3, 4, 5, 6, 8, 9	34.N	48.E	15	E2	320.00	\$1.75	\$560.00	4-JW, LTD.
3	1, 2, 3, 4, 5, 6, 9	34.N	48.E	16	W2, N2NE4, W2SE4	* 480.00	\$1.50	\$720.00	OLSEN ENERGY LLC
4	1, 2, 3, 4, 5, 6, 7	36.N	46.E	24	ALL	* 640.00	\$1.50	\$960.00	OLSEN ENERGY LLC
5	1, 2, 3, 4, 5, 6, 7	36.N	46.E	25	E2NW4, NE4	* 240.00	\$1.50	\$360.00	OLSEN ENERGY LLC
6	1, 2, 3, 4, 5, 6	36.N	47.E	19	LOTS 1, 2, 3, 4, E2W2, E2	* 642.64	\$1.50	\$963.96	OLSEN ENERGY LLC
7	1, 2, 3, 4, 5, 6	36.N	47.E	20	N2, SW4	* 480.00	\$1.50	\$720.00	OLSEN ENERGY LLC
8	1, 2, 3, 4, 5, 6, 7	36.N	47.E	29	W2	320.00	\$1.50	\$480.00	OLSEN ENERGY LLC
9	1, 2, 3, 4, 5, 6	36.N	47.E	30	LOTS 1, 2, 3, 4, E2W2, NE4	* 483.64	\$1.50	\$725.46	OLSEN ENERGY LLC
10	1, 2, 3, 4, 5, 6, 7	37.N	46.E	24	W2NE4, E2SW4	160.00	\$1.50	\$240.00	OLSEN ENERGY LLC
11	1, 2, 3, 4, 5, 6	37.N	46.E	25	W2, W2E2	480.00	\$1.50	\$720.00	OLSEN ENERGY LLC
12	1, 2, 3, 4, 5, 6, 9	37.N	46.E	36	N2, W2SW4	400.00	\$1.50	\$600.00	OLSEN ENERGY LLC
13	1, 2, 3, 4, 5, 6	37.N	47.E	20	N2NE4	80.00	\$1.50	\$120.00	OLSEN ENERGY LLC
Richland									
14	1, 2, 3, 4, 5, 6, 11, 12	23.N	59.E	32	TRACT IN NW4NW4	* 1.68	\$3,705.00	\$6,224.40	IRISH OIL & GAS, INC.
Toole									
15	1, 2, 3, 4, 5, 6, 10	30.N	2.E	3	LOTS 1, 2, 3, 4, S2N2	* 322.96	\$1.50	\$484.44	A. B. ENERGY LLC
16	1, 2, 3, 4, 5, 6	30.N	2.E	8	SE4SE4	* 40.00	\$2.50	\$100.00	A. B. ENERGY LLC
17	1, 2, 3, 4, 5, 6, 12	30.N	2.E	11	NE4	160.00	\$1.50	\$240.00	A. B. ENERGY LLC
19	1, 2, 3, 4, 5, 6, 12	36.N	4.W	1	LOTS 1, 2, 3, S2NE4, SE4	* 367.85	\$1.75	\$643.74	PETRO-SENTINEL LLC

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

Summary by Lessor

	Total Acres	Total Tracts
Dept. of Natural Resources and Conservation	5,618.77	17

Oil and Gas Lease Sale Summary

Total Tracts	17
Total Acres	5,618.77
Total Bid Revenue	\$14,862.00
Average Bid Per Acre	\$2.65

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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 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.
- 8 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.
- 9 Due to the floodplain/wetlands area(s), surface use may be restricted or denied.
- 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 No surface occupancy shall be allowed on this tract.
- 12 This lease is spaced into an adjacent off-tract well.

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Applicant List**

Tract	Twp	Rng	Sec	Description	Acres	Applicant
Blaine						
1	37.N	18.E	36	ALL	640.00	DNRC/LAND BOARD
Daniels						
2	34.N	48.E	15	E2	320.00	OLSEN ENERGY LLC
3	34.N	48.E	16	W2, N2NE4, W2SE4	480.00	OLSEN ENERGY LLC
4	36.N	46.E	24	ALL	640.00	OLSEN ENERGY LLC
5	36.N	46.E	25	E2NW4, NE4	240.00	OLSEN ENERGY LLC
6	36.N	47.E	19	LOTS 1, 2, 3, 4, E2W2, E2	642.64	OLSEN ENERGY LLC
7	36.N	47.E	20	N2, SW4	480.00	OLSEN ENERGY LLC
8	36.N	47.E	29	W2	320.00	OLSEN ENERGY LLC
9	36.N	47.E	30	LOTS 1, 2, 3, 4, E2W2, NE4	483.64	OLSEN ENERGY LLC
10	37.N	46.E	24	W2NE4, E2SW4	160.00	OLSEN ENERGY LLC
11	37.N	46.E	25	W2, W2E2	480.00	OLSEN ENERGY LLC
12	37.N	46.E	36	N2, W2SW4	400.00	OLSEN ENERGY LLC
13	37.N	47.E	20	N2NE4	80.00	OLSEN ENERGY LLC
Richland						
14	23.N	59.E	32	TRACT IN NW4NW4	1.68	DNRC/LAND BOARD
Toole						
15	30.N	2.E	3	LOTS 1, 2, 3, 4, S2N2	322.96	A. B. ENERGY LLC
16	30.N	2.E	8	SE4SE4	40.00	A. B. ENERGY LLC
17	30.N	2.E	11	NE4	160.00	A. B. ENERGY LLC
18	35.N	4.W	4	LOTS 1, 2	78.48	DNRC/LAND BOARD
19	36.N	4.W	1	LOTS 1, 2, 3, S2NE4, SE4	367.85	DNRC/LAND BOARD
20	36.N	4.W	33	S2SE4	80.00	DNRC/LAND BOARD

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 June 2022.

COUNTY	TWP	RNG	SEC	DESCRIPTION	ACRES
Blaine	35 N	20 E	16	All	640.00
Chouteau	28 N	14 E	16	All	640.00
Hill	33 N	16 E	24	All	640.00
Liberty	35 N	7 E	16	All	640.00
Pondera	31 N	3 W	16	Lots 3, 4, 5, 7, 10, 11, 13, 16	137.24
Powder River	9 S	46 E	36	Lots 1 thru 16, N2	946.04
	9 S	47 E	29	S2	320.00
	9 S	47 E	31	Lots 1 thru 18, E2NW4, NE4	927.88
	9 S	47 E	32	Lots 1 thru 16, N2	942.76
	9 S	47 E	33	Lots 1 thru 8, 11 thru 14, N2	791.41
Richland	27 N	52 E	36	All	640.00
	27 N	56 E	10	SE4SW4	40.00
Sheridan	31 N	56 E	36	NW4	160.00
	31 N	59 E	16	Lots 1, 2, 3, 4, W2	504.28
Toole	36 N	2 E	34	All	640.00
	31 N	3 W	16	Lots 1, 2, 6, 8, 9, 12, 15, E2NE4, NW4NE4, NE4SE4	328.32

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: March 7, 2023 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the March 2023 Oil and Gas Lease Sale will be held online during the period of **March 1 – 7, 2023**, through the online auction service, EnergyNet (EnergyNet.com). Please contact EnergyNet for help setting up an account to bid on state tract(s) at least 7 days in advance of bidding (https://www.energynet.com/bidder_reg.pl?registration_choice=government). For all other inquiries, contact the Department of Natural Resources and Conservation. In the event details for the March 2023 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 March is 5:00pm MST on December 20, 2022. 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