

NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A) or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

<u>Parcels</u>	<u>Description of Lands</u>
NV-15-12-002	All Lands
NV-15-12-018	All Lands
NV-15-12-023	All Lands
NV-15-12-024	All Lands

NOTICE TO LESSEE

CULTURAL RESOURCES AND TRIBAL CONSULTATION

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations (e.g., State Historic Preservation Officer (SHPO) and tribal consultation) under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

<u>Parcels</u>	<u>Description of Lands</u>
NV-15-12-002	All Lands
NV-15-12-018	All Lands
NV-15-12-023	All Lands
NV-15-12-024	All Lands

NOTICE TO LESSEE

**ENDANGERED SPECIES ACT
SECTION 7 CONSULTATION STIPULATION**

The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modifications of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act, 16 USC § 1531 et seq., as amended, including completion of any required procedure for conference or consultation.* (If known list the specific plants, animals or habitat type here.)

Parcels

Description of Lands

NV-15-12-002	ALL LANDS
NV-15-12-018	ALL LANDS
NV-15-12-023	ALL LANDS
NV-15-12-024	ALL LANDS

NOTICE TO LESSEE

WILD HORSE AND BURRO

Wild horse or burro herds are known to use some or all of the proposed lease area. If proposed fluid mineral activities are to occur in a herd management area (HMA) or a Herd Area (HA) the BLM Authorized Officer may identify mitigation measures necessary for reducing adverse impacts to wild horses and/or burros. These measures would be designed in a manner that does not hinder the wild and free-roaming behavior of the horses of equal quality and quantity as well as fencing to prevent access to project area. Additional specific measures to protect horses and burros may be developed during review of proposals.

Parcels

Description of Lands

NV-15-12-002	ALL LANDS
NV-15-12-018	ALL LANDS
NV-15-12-023	ALL LANDS
NV-15-12-024	ALL LANDS

NOTICE TO LESSEE

YUCCA AND CACTUS

All plants of the cactus family Cactaceae and of the genus Yucca are protected under state law Nevada Revised Statute NRS 527.060-120, which prohibits destruction of these plants. The Operator is responsible for compliance with all state laws. Adherence to the Ely District Instruction Memorandum NVL0000-2011-010 titled Cacti and Yucca Salvage Stipulations for External Projects or other BLM guidance would be made a condition of approval at the time of development.

Parcels

Description of Lands

NV-15-12-002	ALL LANDS
NV-15-12-018	ALL LANDS
NV-15-12-023	ALL LANDS
NV-15-12-024	ALL LANDS

NOTICE TO LESSEE

MIGRATORY BIRD TREATY ACT

The operator is responsible for compliance with provisions of the Migratory Bird Treaty Act by implementing measures to prevent a take of migratory birds. Typically in the Ely District, this is accomplished by one of the following methods: a) avoidance by timing-ground disturbing activities only occur outside of the breeding bird season; b) habitat manipulation-rendering the proposed project footprints unsuitable for nesting prior to the arrival of migratory birds; blading or pre-clearing of vegetation occurs prior to the beginning of the breeding season within the year and area scheduled for activities during the breeding season of that year to deter nesting; or c) survey area monitoring-surveys are conducted by a BLM approved biologist within the area of the proposed action including an appropriate –sized survey area from the proposed project footprint during the breeding season if activities are proposed within this timeframe (if work is no completed within a specific time frame, then additional surveys may be needed); if nesting birds are found, activities would not be allowed within an appropriate-sized buffer determined in coordination with the BLM biologist, and if active nests are not found, construction activities must occur within the survey validity time frame specified in the APD or conditions of approval.

<u>Parcels</u>	<u>Description of Lands</u>
NV-15-12-002	ALL LANDS
NV-15-12-018	ALL LANDS
NV-15-12-023	ALL LANDS
NV-15-12-024	ALL LANDS

LEASE TIMING STIPULATION

RESOURCE: SAGE GROUSE WINTER RANGE

Stipulation: Timing Limitation. No surface activity would be allowed within winter range for sage grouse from November 1 through March 31.

Objective: To protect sage grouse from disturbance during the crucial winter period to maintain sage grouse populations.

Exception: An exception to this stipulation may be granted by the authorized officer, in consultation with Nevada Department of Wildlife, if the operator submits a plan that demonstrates that impacts from the proposed action are minimal or can be adequately mitigated.

Modification: The boundaries of the stipulated area may be modified if the authorized officer, in consultation with Nevada Department of Wildlife, determines that portions of the area no longer contain sage grouse winter habitat. The dates for the timing restriction may be modified if new information indicates the dates are not valid for the leasehold.

Waiver: The stipulation may be waived if the authorized officer, in consultation with Nevada Department of Wildlife determines that the entire leasehold no longer contains winter range for sage grouse.

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NV-15-12-018	ALL LANDS
NV-15-12-023	ALL LANDS
NV-15-12-024	ALL LANDS

LEASE TIMING STIPULATION

RESOURCE: RAPTOR NEST SITES

Stipulation: Timing Limitation. No surface activity would be allowed from May 1 through July 15 within 0.5 mile of a raptor nest site which has been active within the past five years.

Objective [Purpose]: To protect raptor nesting activities to maintain existing populations.

Exception: The Authorized Officer may grant an exception if an environmental review determines that the action, as proposed or otherwise restricted, does not adversely affect raptor nest sites being protected by restriction. An exception may also be granted if the proponent, BLM, and other affected interests, in consultation with Nevada Department of Wildlife, negotiate mitigation that would satisfactorily offset the anticipated impacts. An exception may be granted for actions designed to enhance the long-term utility or availability of the habitat.

Modification: The boundaries of the stipulated area may be modified if the authorized officer, in consultation with Nevada Department of Wildlife, determines that portions of the area can be occupied without adversely affecting raptor nesting activity. The dates for the timing restriction may be modified if new information indicates the dates are not valid for the leasehold. Any modification authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial modifications.

Waiver: The stipulation may be waived if the authorized officer, in consultation with Nevada Department of Wildlife determines that the entire leasehold no longer contains raptor nest sites. Any modification authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial waivers.

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LEASE TIMING STIPULATION

RESOURCES: PRONGHORN ANTELOPE SEASONAL HABITAT

Stipulation: Timing Limitation (TL) -No surface activity within Pronghorn Antelope crucial winter habitat from November 1 through March 31.

Objective [Purpose]: To protect Pronghorn Antelope crucial winter habitat necessary to maintaining the critical life stages of Pronghorn wildlife populations.

Exception: The Authorized Officer may grant an exception if an environmental review determines that the action, as proposed or otherwise restricted, does not adversely affect the Pronghorn Antelope and its habitat. An exception may also be granted if the proponent, BLM and other affected interests negotiate mitigation that would satisfactorily offset the anticipated impacts to Pronghorn Antelope and its habitat. An exception may be granted for actions designed to enhance the long-term utility or availability of the habitat.

Modification: The boundaries of the stipulated area may be modified if the authorized officer, in consultation with Nevada Department of Wildlife, determines that portions of the area no longer contain the crucial winter pronghorn habitat or that the proposed action would not affect the species and habitat. The dates for the timing restriction may also be modified by the Authorized Officer if new information indicates the dates are not valid for the leasehold. Any modification authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial modifications.

Waiver: The restriction may be waived if the Authorized Officer, if it is determined that the described lands do not contain suitable pronghorn habitat, or are otherwise incapable of serving the requirements of for the species and therefore no longer warrant consideration as a component necessary for their protection. Any waiver authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial waivers.

<u>Parcels</u>	<u>Description of Lands</u>
NV-15-12-018	ALL LANDS

LEASE TIMING STIPULATION

RESOURCES: PRONGHORN ANTELOPE KIDDING HABITAT

Stipulation: Timing Limitation (TL) -No surface activity within Pronghorn Antelope Kidding areas from April 15 through June 30.

Objective [Purpose]: To protect Pronghorn Antelope Kidding habitat necessary to maintaining the critical life stages of Pronghorn wildlife populations.

Exception: The Authorized Officer may grant an exception if an environmental review determines that the action, as proposed or otherwise restricted, does not adversely affect the Pronghorn Antelope Kidding Areas. An exception may also be granted if the proponent, BLM and other affected interests negotiate mitigation that would satisfactorily offset the anticipated impacts to Pronghorn Antelope Kidding Areas. An exception may be granted for actions designed to enhance the long-term utility or availability of the habitat.

Modification: The boundaries of the stipulated area may be modified if the authorized officer, in consultation with Nevada Department of Wildlife, determines that portions of the area no longer contain Pronghorn Antelope Kidding habitat or that the proposed action would not affect the species and habitat. The dates for the timing restriction may also be modified by the Authorized Officer if new information indicates the dates are not valid for the leasehold. Any modification authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial modifications.

Waiver: The restriction may be waived by the Authorized Officer if it is determined that the described lands do not contain suitable Pronghorn Kidding habitat, or are otherwise incapable of serving the requirements of for the species and therefore no longer warrant consideration as a component necessary for their protection. Any waiver authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial waivers.

<u>Parcels</u>	<u>Description of Lands</u>
NV-15-12-018	ALL LANDS

LEASE TIMING STIPULATION

MULE DEER SEASONAL HABITAT

Mule Deer Crucial Winter Range

Stipulation: Timing Limitation (TL) -No surface activity within crucial winter habitat from November 1 through March 31.

Objective [Purpose]: To protect mule deer crucial winter habitat necessary to maintaining the critical life stages of Mule Deer wildlife populations.

Exception: The Authorized Officer may grant an exception if an environmental review determines that the action, as proposed or otherwise restricted, does not adversely affect the Mule Deer and its habitat. An exception may also be granted if the proponent, BLM and other affected interests negotiate mitigation that would satisfactorily offset the anticipated impacts to Mule Deer and its habitat. An exception may be granted for actions designed to enhance the long-term utility or availability of the habitat.

Modification: The boundaries of the stipulated area may be modified if the authorized officer, in consultation with Nevada Department of Wildlife, determines that portions of the area no longer contain the crucial winter habitat or that the proposed action would not affect the species and habitat. The dates for the timing restriction may also be modified by the Authorized Officer if new information indicates the dates are not valid for the leasehold. Any modification authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial modifications.

Waiver: The restriction may be waived if the Authorized Officer, if it is determined that the described lands do not contain suitable pronghorn habitat, or are otherwise incapable of serving the requirements of for the species and therefore no longer warrant consideration as a component necessary for their protection. Any waiver authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial waivers.

Parcels

Description of Lands

NV-15-12-023

ALL LANDS

NV-15-12-024

ALL LANDS

LEASE – NO SURFACE OCCUPANCY STIPULATIONS

RESOURCES: SITES ELIGIBLE FOR NATIONAL REGISTER OF HISTORIC PLACES

Stipulation: No Surface Occupancy (NSO) within National Register-eligible Properties and Districts. Prior to surface disturbance, a survey would be required confirm the Areas of Potential Effect of National Register-eligible Properties (NRHP) and Districts.

Objective: [Purpose]: To protect National Register-eligible Properties and Districts setting and visual integrity critical to their eligibility.

Exception: The Authorized Officer may grant an exception if the BLM determines, in consultation with the Nevada SHPO (if required by the Statewide Protocol Agreement), that the action, as proposed or otherwise restricted, would not adversely affect National Register-listed Properties and Districts, National Historic Landmarks, and Traditional Cultural Properties listed or eligible for the NRHP. An exception may also be granted if BLM, in consultation with the Nevada State Historic Preservation Office (SHPO), negotiate mitigation that would satisfactorily take into account any anticipated adverse effects. The authorized officer may also grant an exception if the BLM determines, in consultation with Tribes, interested parties, and the Nevada SHPO (if required by the Statewide Protocol Agreement) that the action, as proposed or otherwise restricted, does not adversely affect Traditional Cultural Properties (TCP) listed on, or eligible for the NRHP.

Modification: The authorized Officer may modify the size and shape of the NSO restricted area if the BLM determines, in consultation with the Nevada SHPO, interested parties, and/or Tribes, that the Area of Potential Effect to the National Register-listed Properties and Districts, National Historic Landmarks, and TCPs listed or eligible on the NRHP may be modified without causing adverse effects from those described in the original stipulation. Any modification authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial modifications.

Waiver: NSO restrictions may be waived if it is determined that the described lands do not, in fact, contain sited listed on the NRHP or TCPs listed or eligible for the NRHP, or if the described lands within extended boundaries are determined to be not necessary to protect listed sites or eligible TCPS where the setting and visual integrity are critical to their eligibility. Any waiver authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial waivers.

Parcels

Description of Lands

NV-15-12-002	ALL LANDS
NV-15-12-018	ALL LANDS
NV-15-12-023	ALL LANDS
NV-15-12-024	ALL LANDS

LEASE – NO SURFACE OCCUPANCY STIPULATIONS

RESOURCES: 100 YEAR FLOOD PLAINS

Stipulation: No Surface Occupancy (NSO) on 100 year-flood plains of major rivers that have a one percent of chance of flooding in any given year.

Purpose: To protect the unique biological and hydrological features associated with a 100 year flood plains of major rivers.

Exception: The Authorized Officer may grant an exception if an environmental review determines that the action, as proposed or otherwise restricted, does not affect the resource. An exception may also be granted if the proponent, BLM, and other affected interests (e.g. NDOW) negotiate mitigation that would satisfactorily offset the anticipated negative impacts. An exception may be granted for actions designed to enhance the long-term utility or availability of the 100- year flood plain.

Modification: The authorized Officer may modify the size and shape of the restricted area if an environmental analysis indicates the actual suitability of the land for the resource differs from that in the otherwise applicable restriction. Any modification authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial modifications.

Waiver: The restriction may be waived if it is determined that the described lands do not contain the subject source, or are incapable of serving the requirements of the resource and therefore no longer warrant consideration as a component necessary for protection of the resource. Any waiver authorized by this stipulation is subject to 43 CFR 3101.1-4, including provisions requiring public review for issues of major public concern, or substantial waivers.

<u>Parcels</u>	<u>Description of Lands</u>
NV-15-12-002	ALL LANDS
NV-15-12-018	ALL LANDS
NV-15-12-023	ALL LANDS
NV-15-12-024	ALL LANDS