

DEPARTMENT OF STATE LANDS



STAN STEPHENS, GOVERNOR

CAPITOL STATION

STATE OF MONTANA

(406) 444-2074

1625 ELEVENTH AVENUE  
HELENA, MONTANA 59620

**RECEIVED**

MAR 3 1992

**ENVIRONMENTAL  
QUALITY COUNCIL**

February 28, 1992

To Whom it may concern:

We have reviewed the attached Environmental Assessment for the March 3, 1992 lease sale. The stipulations, as listed in appendix B, sufficiently mitigate environmental concerns with leasing the proposed tracts. There is no need for an EIS for this lease sale.

<input checked="" type="checkbox"/>	<u>Monte Mason</u>	<u>2/28/92</u>
	Monte Mason, MMB Chief	Date
<input checked="" type="checkbox"/>	<u>m. Jeff Hagener</u>	<u>3/2/92</u>
	Jeff Hagener, Lands Division Administrator	Date

# DEPARTMENT OF STATE LANDS



STAN STEPHENS, GOVERNOR

CAPITOL STATION

## STATE OF MONTANA

(406) 444-2074

1625 ELEVENTH AVENUE  
HELENA, MONTANA 59620

### ENVIRONMENTAL ASSESSMENT ON THE March 3, 1992 OIL AND GAS LEASE SALE Montana Department of State Lands

#### I. Introduction

The State of Montana owns over six million acres of oil and gas rights that are scattered across the state. The land that these mineral rights lie under are varied, consisting of timber, grazing, and agricultural land. The state also owns mineral rights below navigable lakes and streams in Montana. Each land type will be impacted differently by oil and gas related activity.

This document contains the environmental review of lands nominated for oil and gas leasing for the March 3, 1992 lease sale. Alternatives reviewed in this document are 1) No Action - deny the oil and gas lease; and 2) approve the oil and gas lease with appropriate stipulations.

#### II. Purpose and Need for the Action

The Montana Department of State Lands has received nominations for 21 tracts of land totaling 6,955.54 acres for the purpose of oil and gas exploration and development. A listing of these tracts and their location is found in Appendix A. Prior to leasing the nominated tracts, the DSL must review each tract for potential impacts on the human and natural environment from oil and gas operations.

By leasing lands for oil and gas exploration, the trusts administered by DSL benefit from rental and potential royalty income.

#### III. Agency Responsibilities

##### A. Department of State Lands

The Department of State Lands (DSL) is authorized to lease state owned oil and gas for exploration and development (MCA 77-3-401, et seq). Oil and gas lease sales occur quarterly, as required by ARM 26.3.206(1). Under the Montana Environmental Policy Act (MCA 75-1-201, et seq.), the Department of State Lands must review leasing of nominated tracts for potential impacts on the human and natural environment prior to leasing unless a clause for denial of activity is added to the lease.

The DSL must decide whether to lease the nominated tracts with appropriate stipulations or deny leasing.

##### B. Board of Oil and Gas Conservation

The Board of Oil and Gas Conservation (BOGC) is responsible for requiring "measures to be taken to prevent contamination of or damage to surrounding land or underground strata caused by drilling operations and production..." (MCA 82-11-111(2)(a)). The BOGC issues permits for oil and gas

drilling operations (MCA 82-11-122), and also oversees proper plugging and abandonment of seismic shotholes and oil and gas wells (MCA 82-11-123(4)). All permitting by the BOGC is subject to an environmental review under the Montana Environmental Policy Act (MCA 75-1-201, et seq.). A programmatic EIS on oil and gas activity was completed by the BOGC in 1989 (BOGC, 1989) and is incorporated in this EA by reference. DSL adopts the conclusions and information contained in that EIS.

The BOGC is not involved in leasing decisions taken by the DSL.

#### IV. Procedure

Notification of the tracts nominated for lease was submitted to the following agencies and individuals for review and comments:

Montana Department of State Lands Area Office Managers  
Montana Department of State Lands Staff Archaeologist  
Montana Department of Fish, Wildlife and Parks Regional Offices  
The State Historical Preservation Office

Comments received from these agencies and individuals are reviewed and stipulations are developed for each tract nominated for leasing.

Issues reviewed for this process include:

The presence of sensitive plant and animal communities.  
The presence of historical or cultural sites.  
Potential impacts of oil and gas related activities on soils, hydrology, wildlife, vegetation, and human resources.  
Potential for "No Surface Occupancy" restrictions.  
Potential conflicts with current land use (such as Federal Farm Programs including CRP).  
Other potential resources for the tract.

Field evaluations from past inspections, information from DSL field office files, and, if necessary, additional on-site evaluations are used by the DSL field staff in assessing potential impacts from oil and gas leasing and subsequent development. Information contained in the programmatic EIS produced by the BOGC (BOGC, 1989) is also utilized in determining the potential impacts of future oil and gas development for the nominated tracts. Stipulations are then attached to the lease to provide resource protection during future lease operations. These stipulations range from strict, no surface occupancy restrictions to requirements for operating plan approval (with the potential of future denial) to surface damage settlement issues. A list of example stipulations is located in Appendix B.

For all nominated tracts, additional environmental assessments will be completed with the receipt of an operating plan by both DSL and the BOGC. Potential problems are mitigated at that time through modifications in the plan. DSL can not deny drilling of a well unless stipulated at the time of the lease, but stipulations can be added to the operating plan to mitigate impacts. The BOGC, however, may deny a drilling permit or include additional stipulations in the drilling permit.

For tracts nominated in potentially sensitive areas, a special stipulation has been developed that creates a tiered environmental review process with the potential for future denial of activities (Appendix B, Stipulation E). An impact analysis is not required prior to leasing a tract with this stipulation (North Fork Preservation Assoc. v. Dept of State Lands, 238 Mont. 451, 778, P.2d 862 (1989); Conner v. Burford, 836 F.2d 1521 at 1528 (9th Cir., 1988)). When activity is proposed on a lease, the operating plan receives an environmental review. This review consists of an evaluation of impacts of the proposed action. Additional stipulations and mitigating measures may be required prior to the activity, or activity may be denied.

Depending on the location and potential impacts from the specific activity proposed, this environmental review could consist of a basic Environmental Assessment up to a full Environmental Impact Statement.

Additional environmental assessments may be necessary with further development of the lease. Environmental assessments are completed as necessary throughout the term of the lease.

#### V. Public Notification

Public notice of nominated tracts and attached stipulations is made one month prior to the lease sale in the Montana Oil Journal and through a mailing list of approximately 800 individuals and companies.

#### VI. Resource Analysis

The following issues were analyzed for potential impact on state owned land:

##### A. Wildlife:

Potential impacts on wildlife for each tract are analyzed by the DSL field office staff with additional input from the Department of Fish, Wildlife and Parks (DFWP) regional office staff. Letters requesting information on potential impacts from oil and gas activities are sent to each DFWP regional office. If no site specific response is received from these offices, and the DSL field office makes no comment on potential conflict with wildlife on a nominated tract, it is assumed that no future conflict will arise that can not be mitigated at a later date.

##### B. Water Quality:

Potential impacts on surface water resources are analyzed by the DSL field office staff. Notation is made on locations of streams, lakes, ponds, and springs within a nominated tracts. If set-backs from water resources are required, a stipulation is developed to protect these resources.

Ground water resource protection is required by the BOGC, and BOGC permitting is contingent on adequate protection.

##### C. Soils:

DSL field office personnel review soil surveys conducted by the ASCS along with field notes from previous inspections to determine the potential for impacts to fragile soils. If protection of fragile soils is needed, a stipulation is developed to protect the resource.

##### D. Vegetation

DSL field office personnel review records in the office for potential impacts on vegetation in an area. If rare plants or potential for significant impacts exist on a tract, stipulations are developed to protect this resource.

##### E. Land use conflicts:

Nominated tracts are reviewed by DSL field office personnel for current land use, and potential conflicts are noted. Each lease is stipulated with a clause leaving the oil and gas lessee responsible for payment of actual surface damages arising from oil and gas exploration or development (Appendix B, stipulation D). The lease terms also prohibit drilling within 200 feet of a residence or barn.

Usually, oil and gas activity only impacts a small portion of any lease, and conflicts with current land use are rare.

#### F. Historical and Cultural Resources:

Each nominated tract is reviewed by the DSL staff archaeologist for the presence of known historical or cultural sites and for the potential of discovery of a new historical or cultural site. The State Historic Preservation Office is also contacted for review of the nominated tracts. A stipulation is added to each lease that protects archaeological or historic sites, and surface activities may be restricted if a significant site is discovered during the lease term (Appendix B, stipulation B).

#### G. Existing facilities/Geologic potential

Each nominated tract is reviewed by the DSL staff petroleum engineer and the DSL staff geologist for production potential, production or drilling history, and existing facilities. If concerns exist, stipulations are added to the lease. Example stipulations for these circumstances are located in Appendix B, stipulations I-K.

### VII. Impact Analysis

#### A. No Action Alternative - Deny the oil and gas lease.

If a lease is denied, the only resource that would be negatively impacted is the loss of revenue from rental and royalty payments to the appropriate trust. All other resources would not be affected.

#### B. Leasing Alternative

Comments received on potential impacts for these tracts are located in Appendix C. These comments were requested on January 3, 1992 and must have been received by January 24, 1992 for consideration in formulating the stipulations. Late comments are located in Appendix D. Table 1 notes comments made for each tract and stipulations attached to protect the resource. A listing of the tracts and associated stipulations is also included in Appendix A.

### VIII. Need for an Environmental Impact Statement

The DSL is required to evaluate each action to a "level of detail appropriate to the following considerations: ...the complexity of the proposed action,...the environmental sensitivity of the area affected,...the degree of uncertainty that the proposed action will have a significant impact on the quality of the human environment,...and...the need for and complexity of mitigation required to avoid the presence of significant impacts" (ARM 26.2.645 (2)).

Since environmentally sensitive tracts are stipulated for future environmental review with the submittance of an operating plan, all other tracts nominated are located in areas where potential impacts are minor or can be mitigated upon receipt of an operating plan, and the BOGC must approve an operating plan within MEPA prior to drilling activity, an Environmental Impact Statement is not required for the leasing action.

Table 1: Comments and Applied Stipulations

County	Tract Number	Location	Wildlife	Water Quality	Soils	Vegetatio Land Use		Cultural Resources	Not State Owned Surface	Previous Oil & Gas	Added Stipulations
						Soils	Vegetatio				
Carbon	1 (5012)	16-9S-22E	N	N	N	N	N	N	N	N	A,B,C,D
	2 (5003)	4-34N-47E	N	N	N	N	N	N	N	N	A,B,C,D
	3 (5004)	9-34N-47E	N	N	N	N	N	N	N	N	A,B,C,D
	4 (5002)	1-35N-47E	N	N	N	N	N	N	N	N	A,B,C,D
	5 (5005)	25-36N-47E	N	N	N	N	N	N	N	N	A,B,C,D
	6 (5006)	36-36N-47E	N	N	N	CRP (D)	N	N	N	N	A,B,C,D
Lewis and Clark	7 (5024)	12-17N-6W	N	N	N	N	N	N	N	N	A,B,C,D
Pondera	8 (5013)	28-28N-5W	N	N	N	N	N	N	N	N	A,B,C,D
	9 (5023)	16-22N-57E	N	N	N	Y (A)	? (B)	N	N	N	A,B,C,D
	10 (5020)	5-25N-57E	N	Y (A)	N	Y (A)	Y (B)	N	N	N	A,B,C,D
Roosevelt	11 (5007)	36-26N-58E	N	N	N	Weeds(C)	N	N	N	N	A,B,C,D
	12 (5019)	16-28N-59E	N	N	N	N	N	Y (G)	N	N	A,B,C,D,G
Sheridan	13 (5021)	36-33N-57E	N	N	N	N	N	N	N	N	A,B,C,D
	14 (5014)	36-27N-6W	N	N	N	N	N	Y (G)	N	N	A,B,C,D,G
Toole	15 (5009)	8-33N-3W	N	N	N	N	N	N	N	N	A,B,C,D
	16 (5008)	16-33N-4W	N	N	N	(CRP)	N	Y (G)	N	N	A,B,C,G
	17 (5001)	36-35N-2W	N	N	N	(CRP)	N	N	Y (J)	N	A,B,C,D,J
	18 (5011)	18-36N-2E	N	N	N	N	N	Y (G)	N	N	A,B,C,G
	19 (5010)	19-36N-2E	N	N	N	N	N	Y (G)	N	N	A,B,C,G
	20 (5025)	36-36N-2E	N	N	N	N	Y (B)	N	N	N	A,B,C,D
	21 (5022)	14-36N-4W	N	N	N	N	N	N	N	N	A,B,C,D

\*\*Y = yes; N = no; ? = possible impact; (x) = stipulation attached to mitigate potential future impacts.

\*\*All leases have stipulations A,B, and C attached.

\*\*Stipulation letters are from Appendix B.

\*\*Comments received from the DFWP Glasgow office were not site specific for inclusion in comments.

## IX. Preparers

### Compilation and preparation:

Gary Weissmann, Hydrogeologist, Department of State Lands

### Agencies and persons consulted:

Dori Passmann, Archaeologist, Department of State Lands  
Craig Roberts, Area Manager, Northeast Land Office, DSL  
Dwayne Andrew, Area Manager, Eastern Land Office, DSL  
Jim Greene, Acting Area Manager, Central Land Office, DSL  
Don Kendall, Area Manager, Southern Land Office, DSL  
Mike Aderhold, Regional Supervisor, DFWP Region 4  
Art Warner, Regional Supervisor, DFWP Region 6  
Roger Fliger, Regional Supervisor, DFWP Region 5  
State Historic Preservation Office

## X. References

Board of Oil and Gas Conservation, 1989, Programmatic Environmental Impact Statement on Oil and Gas Drilling and Production in Montana, (draft: Jan, 1989, final: Dec, 1989).

**APPENDIX A: Nominated Tract Locations and Stipulations**

THE FOLLOWING DESCRIBED LANDS WILL BE OFFERED FOR OIL AND GAS LEASING THROUGH ORAL COMPETITIVE BIDDING IN THE DEPARTMENT OF TRANSPORTATION AUDITORIUM, 2701 PROSPECT AVE., HELENA, MONTANA, BEGINNING AT 9:00 A.M., MARCH 3, 1992

TRACT	STIP	TWP	RGE	SEC	DESCRIPTION	ACRES	BIDDER	BID \$/ACR
LESSOR: DEPT OF STATE LANDS								
CARBON								
1	1,2,3,4	9.0S	22.0E	16	ALL	640.00	_____	_____
DANIELS								
2	1,2,3,4	34.0N	47.0E	4	SE1/4	160.00	_____	_____
3	1,2,3,4	34.0N	47.0E	9	E1/2 NE1/4	80.00	_____	_____
4	1,2,3,4	35.0N	47.0E	1	LOT 4, S1/2 NW1/4, SW1/4 NE1/4	160.93	_____	_____
5	1,2,3,4	36.0N	47.0E	25	N1/2 NW1/4, S1/2 SW1/4	160.00	_____	_____
6	1,2,3,4	36.0N	47.0E	36	N1/2, N1/2 S1/2	480.00	_____	_____
LEWIS & CLARK								
7	1,2,3,4	17.0N	6.0W	12	E1/2	320.00	_____	_____
PONDERA								
8	1,2,3,4	28.0N	5.0W	28	W1/2 SW1/4	80.00	_____	_____
RICHLAND								
9	1,2,3,4	22.0N	57.0E	16	ALL	640.00	_____	_____
10	1,2,3,4	25.0N	57.0E	5	LOTS 1,2, S1/2 NW1/4, N1/2 SW1/4	234.61	_____	_____
11	1,2,3,4	26.0N	58.0E	36	ALL	640.00	_____	_____
ROOSEVELT								
12	1,2,3,4,5	28.0N	59.0E	16	ALL *	640.00	_____	_____
SHERIDAN								
13	1,2,3,4	33.0N	57.0E	36	ALL	640.00	_____	_____
TETON								
14	1,2,3,4,5	27.0N	6.0W	36	S1/2 *	320.00	_____	_____

TRACT	STIP	TWP	RGE	SEC	DESCRIPTION	ACRES	BIDDER	BID \$/ACR
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TOOLE

15	1,2,3,4	33.ON	3.OW	8	W1/2 NE1/4, E1/2 SE1/4	160.00		
16	1,2,3,5	33.ON	4.OW	16	ALL *	640.00		
17	1,2,3,4,6	35.ON	2.OW	36	NE1/4, S1/2 NW1/4, S1/2	560.00		
18	1,2,3,5	36.ON	2.OE	18	SE1/4 NW1/4, E1/2 SW1/4, W1/2 SE1/4 *	200.00		
19	1,2,3,5	36.ON	2.OE	19	NW1/4 NE1/4, NE1/4 NW1/4 *	80.00		
20	1,2,3,4	36.ON	2.OE	36	SW1/4 SW1/4	40.00		
21	1,2,3,4	36.ON	4.OW	14	W1/2 SW1/4	80.00		

*776 0.00*

LESSOR SUBTOTAL: DEPT OF STATE LANDS

21 TRACTS 6,955.54 ACRES

PAGE 2

LEASE SALE TOTALS:

21 TRACTS 6,955.54 ACRES

## STIPULATIONS

1. Lessee shall notify and obtain approval from the Department of State Lands prior to constructing well pads, roads, powerlines, and related facilities that may require surface disturbance on the tract. Lessee shall comply with any mitigation measures stipulated in the Department's approval. Lessee shall also notify and obtain approval from the Department of State Lands prior to plugging a well on State Lands.

Prior to the drilling of any well, Lessee shall send one copy of the well prognosis, including Form 22 "Application for Permit" to the Department. After a well is drilled and completed, Lessee shall send one copy of all logs run and Form 4A "Completion Report", with attached geologic report, if any, to the Department. A copy of the Form 2 "Sundry Notice and Report of Wells" or other appropriate Board of Oil and Gas Conservation form shall be sent to the Department whenever any subsequent change in well status, operator, or NGPA classification is intended or has occurred.

2. The Department will complete an initial review for cultural resources of the area intended for disturbance and may require a cultural resources inventory. Based on the results of the inventory, the Department may restrict surface activity for the purpose of protecting significant archaeological or historic resources located on the tract.
3. 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 leased premises.
4. The lessee is responsible to pay for all damages, including penalties and charges assessed by the ASCS on CRP lands, as a result of drilling and production on the tract. All damages will be assessed by the Department and paid directly to the State Land Department.
5. 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 the Mineral Lease Bureau, Montana Department of State Lands, Capitol Station, Helena MT 59620.
6. It is understood that this tract has existing facilities, wells, and surface impoundments that have been identified as an environmental concern. The new lessee shall be responsible for new facilities and new surface impoundments only, and shall be responsible for only those wells entered by the lessee or his agents. No wells shall be entered until a change of operator has been filed with, and approved by the Board of Oil and Gas Conservation.

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

Sight drafts will not be accepted. The State Board of Land Commissioners reserves the right to reject any and all bids. All payments are due within ten days after date of sale.

STATE BOARD OF LAND COMMISSIONERS

**APPENDIX B: Example Stipulations for Oil and Gas Leasing.**

Stipulations marked with (\*) are placed on all leases.

### Notification

- \*A. Lessee shall notify and obtain approval from the Department of State Lands prior to constructing well pads, roads, powerlines, and related facilities that may require surface disturbance on the tract. Lessee shall comply with any mitigation measures stipulated in the Department's approval. Lessee shall also notify and obtain approval from the Department of State Lands prior to plugging a well on State Lands.

Prior to the drilling of any well, Lessee shall send one copy of the well prognosis, including Form 22 "Application for Permit" to the Department. After a well is drilled and completed, Lessee shall send one copy of all logs run and Form 4A "Completion Report", with attached geologic report, if any, to the Department. A copy of the Form 2 "Sundry Notice and Report of Wells" or other appropriate Board of Oil and Gas Conservation form shall be sent to the Department whenever any subsequent change in well status, operator, or NGPA classification is intended or has occurred.

### Cultural

- \*B. The Department will complete an initial review for cultural resources of the area intended for disturbance and may require a cultural resources inventory. Based on the results of the inventory, the Department may restrict surface activity for the purpose of protecting significant archaeological or historic resources located on the tract.

### Weeds

- \*C. 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 leased premises.

### CRP Land and Damages

- \*D. The lessee is responsible to pay for all damages, including penalties and charges assessed by the ASCS on CRP lands, as a result of drilling and production on the tract. All damages will be assessed by the Department and paid directly to the State Land Department.

### Sensitive Areas

- E. This lease includes areas that may be environmentally sensitive. Therefore, if the lessee intends to conduct any activities on the leased premises, the lessee shall submit to the Department of State Lands one copy of an Operating Plan or Amendment to an existing Operating Plan, describing in detail the proposed activities. No activities shall occur on the tract until the Operating Plan or Amendments have been approved in writing by the Commissioner of State Lands.

The Department shall review the Plan or Amendment and notify the lessee if the Plan or Amendment is approved or disapproved.

After an opportunity for an informal hearing with the lessee, surface activity may be denied or restricted on all or portions of any tract if the Commissioner determines in writing that the proposed surface activity will be detrimental to trust resources and is, therefore, not in the best interests of the trust.

#### Navigable Rivers

- F. This tract contains navigable river beds. Therefore, upon completion of a successful well or within 30 days of receipt of the Department's request to file an interpleader action, the lessee will file an interpleader action under Rule 22, M.R.Civ.P. in the Montana District Court in which the leased lands are located for all acreage within the lease in which the title is disputed. The lessee shall name all potential royalty claimants as defendants, and deposit with the clerk of District Court, pursuant to Section 25-8-101, MCA, an amount equal to the royalties attributable to all acreage to which title is disputed between two or more parties in an interest bearing account.

#### Surface not State Owned

- G. 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 the Mineral Lease Bureau, Montana Department of State Lands, Capitol Station, Helena, MT 59620.

#### No Surface Occupancy

- H. No surface occupancy shall be allowed on this tract unless otherwise approved in writing by the Commissioner of the Department of State Lands.

#### Existing Production Restrictions

- I. Lessee will need to make settlement for the value of the equipment with previous lessee. A copy of this settlement will be sent to the Department of State Lands for their records.

#### Existing Facilities

- J. It is understood that this tract has existing facilities, wells, and surface impoundments that have been identified as an environmental concern. The new lessee shall be responsible for new facilities and new surface impoundments only, and shall be responsible for only those wells entered by the lessee or his agents. No wells shall be entered until a change of operator has been filed with, and approved by, the Board of Oil and Gas Conservation.

#### Drainage Occurring

- K. It is the opinion of the Department of State Lands that drainage is occurring on the land described in this lease and that if a well is not drilled within two years after this lease is issued the department will consider cancellation of the lease for failure to drill an offset well.

#### Forested Tracts - Timber

- L. Prior to the cutting or removal of timber on these tracts for exploration or development related activities, the lessee shall notify the appropriate State Lands area office.

#### Wildlife Restrictions

- M. To protect wildlife during periods important to their survival, surface occupancy or other activity shall be restricted from March 15 through June 15 of each year unless otherwise authorized in writing by the Department.

- N. Potential wildlife conflicts have been identified for this tract. The lessee shall contact the regional Fish, Wildlife & Parks office in their area for advise on alleviating any possible conflicts.

Miscellaneous Restrictions

- O. No activity shall be allowed within 100 feet of any live stream, without approval of the Department.
- P. Due to unstable soil conditions on these tracts, surface use may be restricted.
- Q. Due to existing surface uses (center pivots and Conservation Reserve Program) development on this tract will require special consideration. The lessee is required to contact the appropriate Area Office and the Department of State Lands in Helena three months prior to any activity.

APPENDIX C: Comments Received Before Deadline

# DEPARTMENT OF STATE LANDS



STAN STEPHENS, GOVERNOR

CAPITOL STATION

STATE OF MONTANA

(406) 444-2074

1625 ELEVENTH AVENUE  
HELENA, MONTANA 59620

January 17, 1992

## MEMORANDUM

TO: Gary Weissmann, Hydrologist, Minerals Management Bureau

FROM: Dori Passmann, Archaeologist, Land Management Section *DP*

RE: March 3, 1992 Oil and Gas Lease Sale

One tract, 5020 in Richland County 5-25N-57E, contains recorded cultural properties. Some of these sites may be on state. The Department needs to ensure that this tract receive a cultural inventory before any disturbance.

Tract 5025 in Toole County, 36-36N-2E, may contain an unrecorded site. The field people have stated that there are tepee rings in the W/2. Therefore, we will want to have the area inventoried.

Please let me know if I can be of further assistance.

/ns

# DEPARTMENT OF STATE LANDS

## FIELD OPERATIONS DIVISION



STAN STEPHENS, GOVERNOR

CAPITOL STATION

# STATE OF MONTANA

Central Land Office: Helena, MT (406) 444-3633  
Eastern Land Office: Miles City, MT (406) 232-2034  
Northeastern Land Office: Lewistown, MT (406) 538-5989

Northwestern Land Office: Kalispell, MT (406) 755-6575  
Southern Land Office: Billings, MT (406) 259-3264  
Southwestern Land Office: Missoula, MT (406) 542-4200

### RECEIVED

JAN 16 1992

DATE: 1-15-92

STATE LANDS

TO: Gary Weissmann, Hydrologist, Mineral Management Bureau  
FROM: Russ Offerdahl, Conrad Unit Manager  
RE: March 3, 1992 Oil and Gas Lease Sale tract status

Dear Gary:

The following is a list of tracts and their current surface status as requested in your letter of 1-3-92.

Pondera CO. 5013	T28N, R5W, Sec. 28, W1/2SW1/4, 80 ac. 66.5 ac. agriculture, 13.5 ac. grazing
Teton Co. 5013	T27N, R6W, Sec. 36, S1/2. 320 ac. SW1/4 State surface - all grazing ac. SE1/4 NO state surface - all agriculture
Toole Co. 5009	T33N, R3W, Sec. 8, W1/2NE1/4, E1/2SE1/4, 160 ac. All acres are grazing
5008	T33N, R4W, Sec. 16, All No State Surface: All acres are currently enrolled in CRP. This tract is operated by G&S Land & Livestock.
5001	T35N, R2W, Sec. 36, NE1/4, S1/2NW1/4, S1/2, 560ac. 12.6 ac of CRP in NE1/4NE1/4 222 ac. agriculture, - remainder in grazing
5011	T36N, R2E, Sec. 18, SE1/4NW1/4, E1/2SW1/4, W1/2SE1/4, 200 ac. No state surface acres: All ac. Grazing
5010	T36N, R2E, Sec. 19, NW1/4NE1/4, NE1/4NW1/4, 80ac. No state surface acres: All acres Grazing
5025	T36N, R2E, Sec. 36, SW1/4SW1/4, 40ac. All acres Grazing
5022	T36N, R4W, Sec. 14, W1/2SW1/4, 80ac. All Acres Grazing

DEPARTMENT OF STATE LANDS  
FIELD OPERATIONS DIVISION



STAN STEPHENS, GOVERNOR

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Eastern Land Office: Miles City, MT (406) 232-2034  
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Southern Land Office: Billings, MT (406) 259-3264  
Southwestern Land Office: Missoula, MT (406) 542-4200

Without conducting a complete surface survey of the above tracts it is difficult to predict the need for specific stipulations. It is not practical to conduct such a survey until specific site locations have been identified and a plan of operations submitted.

If I can assist you further please contact me at 278-7869

Thank you,

A handwritten signature in cursive script that reads "Russ Offerdahl".

Russ Offerdahl  
Conrad Unit Manager

cc. Jim Greene, Area Manager, CLO

**MESSAGE/REPLY**

Reorder from COMTEX / (800) 343-6180

TO Gary Weissman

FROM SLC

Division \_\_\_\_\_

SUBJECT \_\_\_\_\_

Date 1/7/92

MESSAGE

Oil & Gas Lease Sale

Sec. 16, T. 9 S, R. 22 E, - Carbon Co.  
No CRP, No Steps,

**RECEIVED**

JAN 10 1992

STATE LANDS

Signed

*[Handwritten Signature]*

REPLY

Signed \_\_\_\_\_

Date \_\_\_\_\_

SEND PARTS 1 AND 3 WITH CARBON INTACT-PART 3 WILL BE RETURNED WITH REPLY

DEPARTMENT OF STATE LANDS  
EASTERN LAND OFFICE



STAN STEPHENS, GOVERNOR

P.O. BOX 1794  
321 MAIN STREET

STATE OF MONTANA

(406) 232-3034

MILES CITY, MONTANA 59301

MEMORANDUM

RECEIVED

JAN 11 1992

TO: Gary Weissmann, Hydrologist  
FROM: Sharon Moore, Land Use Specialist *Sharon Moore* STATE LANDS  
DATE: January 9, 1992  
RE: March 3, 1992 Oil and Gas Lease Sale

Per your request the following are comments on the three tracts of land in Richland County. As you explained on the phone, there would be a clause in all leases to cover cultural resources and weed problems, but I have noted any special concerns I have.

Section 16, 22N, 57E, A11. There is a subirrigated site on this section, and care should be taken to not negatively affect that site. There is also a higher potential for cultural sites on this section; in Section 36 of this same township there is a good sized Indian encampment.

Section 5, 25N, 57E, Lots 1, 2, S2NW4, N2SW4. On this tract of land there are some nice wooded draws with springs along the bottom that consideration should be given to not adversely affect.

Section 36, 28N, 59E, A11. This is one of the nicest grass sections I've seen, but there are patches of leafy spurge scattered along draws and drainages, and care should be taken not to spread the seed.

Please let me know if you need any additional information. I hope this information is of value to you.

## DEPARTMENT OF STATE LANDS



STAN STEPHENS, GOVERNOR

CAPITOL STATION

STATE OF MONTANA

(406) 444-2074

1625 ELEVENTH AVENUE  
HELENA, MONTANA 59620

January 3, 1992

MEMORANDUM

TO: Craig Roberts, Area Manager, NELO  
 Dwayne Andrews, Area Manager, ELO  
 Jim Greene, Acting Area Manager, CLO  
 Don Kendall, Area Manager, SLO

FROM: Gary Weissmann, Hydrologist, Minerals Management Bureau *Gary*

RE: March 3, 1992 Oil and Gas Lease Sale

Attached is the list of tracts in your area. Please let me know if there are any concerns which may require stipulations on the lease. We also need to know if any of these tracts are in CRP so that paperwork and payments can be adjusted.

Just a reminder: Our attorneys have advised us that the Department is responsible for MEPA review on non-state surface when surface impacts will occur as the result of a DSL oil and gas lease. Therefore, your comments on wildlife will be requested for all tracts appearing on DSL's oil and gas lease list regardless of surface ownership.

Please return your comments by January 24, 1992.

Thank you for your time.

GW/mm

Attachment

*Carole - Please review for  
 CRP.  
 Thanks  
 Gary*

01-02-92

STATE OF MONTANA  
OIL & GAS LEASE SALE - MARCH 3, 1992

*Denotes:  
CRP*

PRE-SALE APPLICATION REPORT

APP#	STIP	TWP	RGE	SEC	DESCRIPTION	ACRES
LESSOR: DEPT OF STATE LANDS						
BLAINE NELO; 6						
5015	<i>Lease 2562</i>	34.ON	19.OE	26	NW1/4, SW1/4 NE1/4, W1/2 SE1/4, NE1/4 SW1/4, S1/2 SW1/4	400.00
5016	<i>OK ✓ 2562</i>	34.ON	19.OE	27	E1/2 E1/2	160.00
5017	<i>✓ 2562</i>	34.ON	19.OE	34	NE1/4 NE1/4	40.00
5018	<i>✓ 2562</i>	34.ON	19.OE	35	NW1/4 NW1/4	40.00
CARBON SLO; 5						
5012		9.0S	22.OE	16	ALL	640.00
DANIELS NELO; 6						
5003	<i>State lease ✓ 7642</i>	34.ON	47.OE	4	SE1/4	160.00
5004	<i>✓ 6321</i>	34.ON	47.OE	9	E1/2 NE1/4	80.00
5002	<i>✓ 2858 + 7410</i>	35.ON	47.OE	1	LOT 4, S1/2 NW1/4, SW1/4 NE1/4	160.93
5005	<i>✓ 183</i>	36.ON	47.OE	25	N1/2 NW1/4, S1/2 SW1/4	160.00
5006	<i>CRP on both state leases ✓ 9667 + 7054</i>	36.ON	47.OE	36	N1/2, N1/2 S1/2	480.00
LEWIS & CLARK CLO; 4						
5024		17.ON	6.0W	12	E1/2	320.00
PONDERA CLO; 4						
5013		28.ON	5.0W	28	W1/2 SW1/4	80.00
RICHLAND NELO; 6						
5023		22.ON	57.OE	16	ALL	640.00
5020		25.ON	57.OE	5	LOTS 1, 2, S1/2 NW1/4, N1/2 SW1/4	234.61
5007		26.ON	58.OE	36	ALL	640.00
ROOSEVELT NELO; 6						
5019	<i>Lease ✓ surface only: S1/2 SW1/4 4354</i>	28.ON	59.OE	16	ALL	640.00

APP#	STIP	TWP	RGE	SEC	DESCRIPTION	ACRES
SHERIDAN	NELO; 6					
5021	<i>Lease 2000 ✓</i>	33.ON	57.OE	36	ALL	640.00
TETON	CL0; 4					
5014	surface only: SW $\frac{1}{4}$	27.ON	6.OW	36	S1/2	320.00
TOOLE	CL0; 4					
5009		33.ON	3.OW	8	W1/2 NE1/4, E1/2 SE1/4	160.00
5008	no surface	33.ON	4.OW	16	ALL	640.00
5001		35.ON	2.OW	36	NE1/4, S1/2 NW1/4, S1/2	560.00
5011	no surface	36.ON	2.OE	18	SE1/4 NW1/4, E1/2 SW1/4, W1/2 SE1/4	200.00
5010	no surface	36.ON	2.OE	19	NW1/4 NE1/4, NE1/4 NW1/4	80.00
5025		36.ON	2.OE	36	SW1/4 SW1/4	40.00
5022		36.ON	4.OW	14	W1/2 SW1/4	80.00

**Montana Department  
of  
Fish, Wildlife & Parks**



**RECEIVED**

JAN 07 1992

STATE LANDS

Rural Route 1 4210  
Glasgow, MT 59230  
January 6, 1992

Gary Weissman, Hydrologist  
Minerals Management Bureau  
Lands Division  
1625 Eleventh Avenue  
Helena, MT 59620

Dear Mr. Weissman:

My comments pertain to the March 3, 1992 oil and gas lease sale stated in your January 3, 1992 letter. My comments are pertinent to those sites in Blaine, Daniels, Richland, Roosevelt and Sheridan counties.

It is not possible to conduct the on-site investigations needed to accurately assess potential impacts of these activities on wildlife by January 24, 1992. Generally, I recommend no surface occupancy or other activity be allowed on any of the sites during the March 1 through July 1 period. This will help protect breeding and nesting upland game birds, and fawning and early rearing big game animals. If the activity is to take place exclusively on cultivated cropland, the recommendations do not apply.

Thank you for requesting my input.

Sincerely,

Harold J. Wentland  
Region 6 Wildlife Manager

HJW/je  
cc: Steve Knapp

APPENDIX D: Late Comments