

**State of Montana  
Oil & Gas Lease Sale - December 5, 2023  
Lease Sale Results**

The following described lands were offered for oil and gas leasing through an online bidding service, EnergyNet, beginning November 29, 2023 and closed on December 5, 2023.

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
<b>Garfield</b>									
1	1, 2, 3, 4, 5, 6, 9, 13	13.N	34.E	16	ALL	640.00	\$1.50	\$960.00	SAGE ENERGY GROUP LLC
<b>Pondera</b>									
2	1, 2, 3, 4, 5, 6, 10, 11	27.N	2.W	16	ALL	640.00	\$92.00	\$58,880.00	SAGE ENERGY GROUP LLC
3	1, 2, 3, 4, 5, 6	28.N	4.W	4	SW4SE4, S2SW4	120.00	\$2.00	\$240.00	TWIN BRIDGES RESOURCES, LLC
4	1, 2, 3, 4, 5, 6, 8	28.N	4.W	16	ALL	* 640.00	\$1.50	\$960.00	TWIN BRIDGES RESOURCES, LLC
<b>Richland</b>									
5	1, 2, 3, 4, 5, 6, 12	24.N	52.E	28	N2	* 320.00	\$2.25	\$720.00	TMDH ENERGY LLC
6	1, 2, 3, 4, 5, 6, 12	24.N	52.E	36	ALL	640.00	\$2.25	\$1,440.00	TMDH ENERGY LLC
<b>Rosebud</b>									
7	1, 2, 3, 4, 5, 6, 7, 9, 13	13.N	34.E	26	E2	320.00	\$2.00	\$640.00	SAGE ENERGY GROUP LLC

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

## Summary by Lessor

	Total Acres	Total Tracts
Dept. of Natural Resources and Conservation	3,320.00	7

## Oil and Gas Lease Sale Summary

<b>Total Tracts</b>	7
<b>Total Acres</b>	3,320.00
<b>Total Bid Revenue</b>	\$63,840.00
<b>Average Bid Per Acre</b>	\$19.23

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**Stipulations**

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- 1 Lessee shall notify and obtain approval from the Department's Forestry and Trust Land Management Division (FTLD) 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 FTLD'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 Forestry and Trust Land Division (FTLD). After a well is drilled and completed, lessee shall send one copy of all logs run, Form 4A "Completion Report", and geologic report to FTLD. 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 FTLD whenever any subsequent change in well status or operator is intended or has occurred. Lessee shall also notify and obtain approval from the FTLD 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 FTLD 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 FTLD 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 FTLD.
- 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 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 FTLD prior to preparing a project proposal.
- 10 This tract currently contains oil and gas production equipment associated with the operation of oil and gas wells. This lease does not include the ownership or title to any of the surface production equipment currently located on the tract nor is it implied.
- 11 This tract has (an) existing well(s). 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). 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.
- 12 If whooping cranes are observed on-site, construction and/or maintenance activities shall be suspended until birds leave the area.
- 13 Wildlife species of concern have been identified on or near this tract. Identified species will be avoided, unless otherwise authorized by the FTLD. Additional mitigation measures may also be required.

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**Applicant List**

<b>Tract</b>	<b>Twp</b>	<b>Rng</b>	<b>Sec</b>	<b>Description</b>	<b>Acres</b>	<b>Applicant</b>
<b>Garfield</b>						
1	13.N	34.E	16	ALL	640.00	SAGE ENERGY GROUP LLC
<b>Pondera</b>						
2	27.N	2.W	16	ALL	640.00	YELLOWSTONE PETROLEUMS INC
3	28.N	4.W	4	SW4SE4, S2SW4	120.00	TWIN BRIDGES RESOURCES, LLC
4	28.N	4.W	16	ALL	640.00	TWIN BRIDGES RESOURCES, LLC
<b>Richland</b>						
5	24.N	52.E	28	N2	320.00	DNRC/LAND BOARD
6	24.N	52.E	36	ALL	640.00	DNRC/LAND BOARD
<b>Rosebud</b>						
7	13.N	34.E	26	E2	320.00	SAGE ENERGY GROUP LLC

**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 2023.

<b>COUNTY</b>	<b>TWP</b>	<b>RNG</b>	<b>SEC</b>	<b>DESCRIPTION</b>	<b>ACRES</b>
<b>Big Horn</b>	9 S	42 E	36	Lots 1, 2, 3, 4, N2, N2S2	641.36
<b>Carter</b>	8 S	55 E	16	All	640.00
<b>Daniels</b>	34 N	47 E	14	S2NW4, SW4NE4, NW4SE4, N2SW4	240.00
	37 N	47 E	30	S2SE4	80.00
<b>Hill</b>	32 N	8 E	4	SW4SE4	40.00
	32 N	8 E	10	NE4NE4	40.00
	32 N	8 E	14	S2	320.00
	32 N	8 E	20	E2	320.00
	32 N	8 E	27	N2	320.00
	32 N	8 E	29	W2	320.00
	32 N	8 E	32	W2	320.00
	32 N	10 E	12	W2	320.00
	32 N	10 E	34	W2	320.00
	34 N	8 E	8	SE4	160.00
	34 N	8 E	13	S2	320.00
	34 N	8 E	19	NE4SW4	40.00
	34 N	8 E	21	N2NE4	80.00
	34 N	8 E	24	E2SE4	80.00
	35 N	10 E	1	LOTS 1, 2, S2NE4, SE4	320.06
<b>Liberty</b>	34 N	7 E	16	All	640.00
	37 N	5 E	36	All	640.00
<b>McCone</b>	25 N	50 E	36	All	640.00
<b>Musselshell</b>	9 N	26 E	16	All	640.00

COUNTY	TWP	RNG	SEC	DESCRIPTION	ACRES
<b>Petroleum</b>					
	15 N	27 E	16	ALL	640.00
	15 N	27 E	36	ALL	640.00
	15 N	28 E	16	ALL	640.00
	15 N	28 E	18	E2	320.00
	15 N	28 E	19	SE4	160.00
	15 N	28 E	36	ALL	640.00
	16 N	24 E	16	ALL	640.00
	16 N	27 E	11	SW4	160.00
	16 N	27 E	14	NW4	160.00
	16 N	27 E	16	ALL	640.00
	16 N	28 E	16	S2N2, S2	480.00
	16 N	29 E	16	ALL	640.00
	16 N	29 E	36	ALL	640.00
	17 N	24 E	1	LOTS 2, 3, 4, S2NW4, SW4NE4	241.50
	17 N	24 E	2	LOT 1, SE4NE4	80.83
	17 N	25 E	8	W2SW4	80.00
	17 N	25 E	16	ALL	640.00
	17 N	26 E	36	ALL	640.00
	17 N	27 E	16	ALL	640.00
	17 N	27 E	36	ALL	640.00
	17 N	28 E	16	ALL	640.00
	17 N	28 E	36	ALL	640.00
<b>Richland</b>					
	24 N	51 E	16	All	640.00
	24 N	58 E	16	All	640.00
	24 N	58 E	36	Lots 1, 2, 3, N2, NW4SE4, N2SW4	560.49
<b>Sheridan</b>					
	32 N	58 E	36	ALL	640.00
	36 N	58 E	16	ALL	640.00
<b>Toole</b>					
	32 N	1 E	19	Lot 4, SE4SW4	73.29

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION

Forestry and Trust Lands 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 5, 2024 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the March 2024 Oil and Gas Lease Sale will be held online during the period of **February 28 – March 5, 2024**, 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 March Oil and Gas Lease Sale change, an updated notice will be sent out.

The deadline filing date for submitting applications on tracts to be nominated for the sale in March is 5:00pm MST on December 19, 2023. Applications must be received in this office by that date. If you have any questions, please contact me at [THossfeld@mt.gov](mailto:THossfeld@mt.gov) or (406) 444-4576.

Theresa Hossfeld, Leasing Specialist  
Mineral Leasing Section  
Minerals Management Bureau