State of Montana Oil and Gas Lease Sale - March 4, 2025 Lease Sale Results

The following described lands were offered for oil and gas leasing through an online bidding service, EnergyNet, opened on February 26, 2025 and closed on March 4, 2025.

Tract	Stipulations	Twp Rng Sec	Description	* Acres	Bid/Acre	Total Bid	Lessee
Blaine)						
1	1, 2, 3, 4, 5, 6, 7, 9	35N 21E 16	ALL	640.00	\$1.50	\$960.00	DAKTANA MINERALS, LLC
2	1, 2, 3, 4, 5, 6, 9, 10	35N 22E 16	ALL	640.00	\$1.50	\$960.00	DAKTANA MINERALS, LLC
3	1, 2, 3, 4, 5, 6, 7, 9	36N 21E 36	ALL	640.00	\$1.50	\$960.00	DAKTANA MINERALS, LLC
4	1, 2, 3, 4, 5, 6, 8	36N 22E 36	ALL	* 640.00	\$1.50	\$960.00	DAKTANA MINERALS, LLC
Richla	and						
5	1, 2, 3, 4, 5, 6, 11, 13	27N 55E 4	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	58.00	\$1,115.00	\$64,670.00	PHOENIX ENERGY ONE, LLC
6	1, 2, 3, 4, 5, 6, 11, 13	27N 55E 7	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE,	48.00	\$780.00	\$37,440.00	PHOENIX ENERGY ONE, LLC
7	1, 2, 3, 4, 5, 6, 11, 13	27N 55E 9	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	25.00	\$1,505.00	\$37,625.00	PHOENIX ENERGY ONE, LLC
8	1, 2, 3, 4, 5, 6, 7, 10, 11, 13, 15	27N 56E 7	GOV. LOTS 7-12 LESS 0.58 AC. MORE OR LESS (OF LOT 12 THAT EXTENDS INTO SEC. 8, T27N, R56E), SE4SW4, S2SE4, MISSOURI RIVERBED AND RELATED ACREAGE	339.37	\$3,340.00	\$1,133,495.80	PHOENIX ENERGY ONE, LLC
9	1, 2, 3, 4, 5, 6, 7, 15	27N 56E 8	GOV. LOT 12, S2SW4, AND 0.58 AC. MORE OR LESS (OF SECTION 7'S LOT 12 THAT EXTENDS INTO SEC. 8, T27N, R56E)	117.79	\$7,505.00	\$884,013.95	PHOENIX ENERGY ONE, LLC
10	1, 2, 3, 4, 5, 6, 7, 15	27N 56E 9	GOV. LOTS 3-5, SE4SW4, SW4SE4	197.91	\$10,005.00	\$1,980,089.55	PHOENIX ENERGY ONE, LLC
11	1, 2, 3, 4, 5, 6, 11, 13	28N 55E 33	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	37.00	\$1,360.00	\$50,320.00	DAKTANA MINERALS, LLC
12	1, 2, 3, 4, 5, 6, 11, 13	28N 55E 34	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	175.00	\$1,115.00	\$195,125.00	PHOENIX ENERGY ONE, LLC
Roose	evelt						
	1, 2, 3, 4, 5, 6, 11, 13	27N 55E 8	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	136.00	\$890.00	\$121,040.00	PHOENIX ENERGY ONE, LLC

Tract	Stipulations	Twp Rng Sec	Description	* /	Acres	Bid/Acre	Total Bid	Lessee
Toole								
14	1, 2, 3, 4, 5, 6, 10, 12	36N 2W 16	ALL	*	640.00	\$1.50	\$960.00	HEIMMER, DON H
15	1, 2, 3, 4, 5, 6, 10, 14	36N 4W 36	ALL	*	640.00	\$2.00	\$1,280.00	BEYOND HORIZON, LLC

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

Summary By Lessor

Dept. Of Natural Resources and Conservation

Total Tracts
Acres 15

Oil And Gas Lease Summary

Total Tracts 15

Total Acres 4,974.07

Total Bid Revenue \$4,509,899.30

Average Bid Per Acre \$906.68

State of Montana Oil and Gas Lease Sale - March 4, 2025 Stipulations

- 1 Lessee shall notify and obtain approval from the Department's Forestry and Trust Lands 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 Lands 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 general 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 Due to the floodplain/wetlands area(s), surface use may be restricted or denied.
- 11 This tract contains navigable river beds and/or related acreage. No surface occupancy is allowed within the bed of the navigable river, abandoned channels, or on islands and accretions. In addition, upon completion of a successful well, where river title is disputed, the lessee will file an interpleader action under Rule 22, M.R.Civ.P. in the Montana District Court, or other court having jurisdiction, 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.
- 12 No surface occupancy of the cemetery site is permitted without written approval of FTLD.

- 13 If the lessee completes a successful oil and/or gas well, and if land title is disputed, the lessee shall fund professional land surveys as needed to determine the location and acreage encompassed by the spacing and/or pooling unit and the state lease acreage within that unit. Surveys shall be conducted by a licensed land surveyor acceptable to the Department, and shall be prepared pursuant to survey requirements provided by the Department.
- 14 Due to existing surface uses and the potential for future surface development, utilization of the surface for mineral exploration and development may be restricted or denied. Review of operating plans for exploration and/or development will include consideration of both existing and potential surface development to minimize conflicts and ensure that both mineral and surface uses are consistent with one another and in the best long-term interest of the school trust.
- 15 If whooping cranes are observed on-site, construction and/or maintenance activities shall be suspended until birds leave the area.

State of Montana Oil and Gas Lease Sale - March 4, 2025 Applicant List

Tract	Twp	Rng	Sec	Description	Acres	Applicant
Blaine						
1	35N	21E	16	ALL	640.00	DAKTANA MINERALS, LLC
2	35N	22E	16	ALL	640.00	DAKTANA MINERALS, LLC
3	36N	21E	36	ALL	640.00	DAKTANA MINERALS, LLC
4	36N	22E	36	ALL	640.00	DAKTANA MINERALS, LLC
Richland						
5	27N	55E	4	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	58.00	PHOENIX CAPITAL GROUP HOLDINGS LLC
6	27N	55E	7	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE,	48.00	PHOENIX CAPITAL GROUP HOLDINGS LLC
7	27N	55E	9	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	25.00	PHOENIX CAPITAL GROUP HOLDINGS LLC
8	27N	56E	7	GOV. LOTS 7-12 LESS 0.58 AC. MORE OR LESS (OF LOT 12 THAT EXTENDS INTO SEC. 8, T27N, R56E), SE4SW4, S2SE4, MISSOURI RIVERBED AND RELATED ACREAGE	339.37	PHOENIX CAPITAL GROUP HOLDINGS LLC
9	27N	56E	8	GOV. LOT 12, S2SW4, AND 0.58 AC. MORE OR LESS (OF SECTION 7'S LOT 12 THAT EXTENDS INTO SEC. 8, T27N, R56E)	117.79	HEIMMER, DON H
10	27N	56E	9	GOV. LOTS 3-5, SE4SW4, SW4SE4	197.91	DNRC/LAND BOARD
11	28N	55E	33	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	37.00	PHOENIX CAPITAL GROUP HOLDINGS LLC
12	28N	55E	34	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	175.00	PHOENIX CAPITAL GROUP HOLDINGS LLC
Roosevelt						
13	27N	55E	8	ANY AND ALL STATE INTEREST UNDER THE MISSOURI RIVERBED AND RELATED ACREAGE	136.00	PHOENIX CAPITAL GROUP HOLDINGS LLC
Toole						
14	36N	2W	16	ALL	640.00	HEIMMER, DON H
15	36N	4W	36	ALL	640.00	HEIMMER, DON H

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 September 2024.

COUNTY	TWP	RNG	SEC	DESCRIPTION	ACRES
Fallon					
	8 N	61 E	28	E2, LIMITED TO ALL DEPTHS WITHIN THE RED RIVER FORMATION	320.00
Hill					
	35 N	15 E	36	All	640.00
Lewis and Clark					
	19 N	6 W	11	NW4NW4	40.00
	19 N	6 W	19	Lots 1, 2, 3, 4, E2NW4, NE4, NE4SW4	423.55
	19 N	6 W	22	S2NE4, N2SE4	160.00
	19 N	6 W	28	All	640.00
Musselshell					
	9 N	27 E	36	N2, S2 less patented RR R/Ws	613.50
Pondera					
	28 N	6 W	36	All	640.00
	29 N	2 W	16	All	640.00
	29 N	2 W	36	All	640.00
	29 N	3 W	28	SE4, E2SW4	240.00
	29 N	3 W	33	E2W2	160.00
	30 N	2 W	12	All	640.00
Rosebud					
	11 N	33 E	36	W2NW4, NE4, S2	560.00
Sheridan					
	37 N	58 E	16	LOTS 1, 2, 3, N2, SW4	558.16
Toole					
				ALL, LIMITED TO AND INCLUDING NISKU	
	36 N	1 W	36	FORMATION ONLY	640.00

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Forestry and Trust Lands Division

GREG GIANFORTE, GOVERNOR

1539 ELEVENTH AVENUE

MANUAL COURSE

DIRECTOR'S OFFICE: (406) 444-2074 FAX (406) 444-2684 PO BOX 201601 HELENA, MONTANA 59620-1601

TO ALL INTERESTED PARTIES:

RE: June 3, 2025 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the June 2025 Oil and Gas Lease Sale will be held online during the period of <u>May 28 – June 3, 2025</u>, 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 June 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 June is 5:00pm MST on March 18, 2025. 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