

**PUBLIC NOTICE OF STATE-OWNED
OIL AND GAS RIGHTS
TO BE OFFERED FOR LEASE AUCTION**

Lands under consideration for oil and gas leasing include acreage in the following counties: **ALLEGAN, ARENAC, BARRY, BAY, EMMET, GRAND TRAVERSE, IONIA, IOSCO, KALKASKA, KENT, LAKE, MANISTEE, MIDLAND, MONTMORENCY, OAKLAND, OGEMAW, OSCODA, OTTAWA, PRESQUE ISLE, SAGINAW, TUSCOLA, AND WEXFORD.**

On October 24, 2012, the **Department of Natural Resources (DNR)** will offer, at an oral-bid public auction, approximately 196,000 acres of state-owned oil and gas lease rights in those Michigan counties indicated herein. More detailed information regarding location of the nominated parcels can be found at http://www.michigan.gov/dnr/1,1607,7-153-10371_14793-30912--,00.html or by calling 517-373-7663.

Written comments by interested parties relative to the classification of any description must be received by Minerals Management Section at the address specified herein **NO LATER THAN September 11, 2012.** Any request for change in classification will be considered by the DNR prior to offering the lease rights at public auction, with final classification to be set at the sole discretion of the Director of the DNR.

Registration of bidders will begin at 8:00 a.m. on Wednesday, October 24, 2012, and continue throughout the auction. Registration will be at the Michigan Constitution Hall, 525 West Allegan Street, Lansing, Michigan. Bids may be submitted by individuals of legal age, a partnership, corporation, or other legal entity qualified to do business in Michigan. Prospective bidders will be required to submit a valid government-issued photo identification (ID) which will be retained until the time of check out. It can be in the form of a driver's license or identification card.

Offering of lease rights will begin at 9:00 a.m. at an expected minimum bid of \$10.00 per acre and will continue until all descriptions have been offered. Additionally, at the auction's end and at the option of the DNR, parcels for which no bids are received may be re-offered at an expected minimum bid of \$2.00 per acre.

The total bonus must be paid at the time of check out for all lease rights which receive successful bids. Prospective bidders who do not have an established credit rating with the DNR through prior leasing of state-owned minerals, must pay at least one-half of the TOTAL bonus bid by cash, certified check, cashier's check, or money order. A credit rating may be established by filing with the **Minerals Management Section (MMS)**, three letters of references acceptable to the DNR, one of which must be a bank. In no instance will the DNR accept "site drafts" even if noted as a "zero-day site draft." **Bidders are legally and financially responsible for any successful bids. Failure to pay for a successful bid is considered intent to defraud and the bidder may be subject to prosecution.**

An auction catalog showing the legal description of the lands proposed to be offered and parcel classifications will be available after September 13, 2012, at http://www.michigan.gov/dnr/0,1607,7-153-10368_11800-169044--,00.html or by contacting DNR-MMS, P.O. Box 30452, Lansing, Michigan 48909-7952, telephone 517-373-7663.