

**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: **BARRY, CHEBOYGAN, CLARE, CRAWFORD, GENESEE, GRAND TRAVERSE, ISABELLA, JACKSON, KALKASKA, LAPEER, LENAWEE, MECOSTA, MIDLAND, MONTCALM, OSCEOLA, and SANILAC.**

On May 1, 2014, the **Department of Natural Resources (DNR)** will offer, at an oral-bid public auction, approximately 22,000 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 517-284-5844.

Written comments by interested parties relative to the classification of any description must be received by **Minerals Management (MM)** at the address specified herein NO LATER THAN April 4, 2014. 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. Thursday, May 1, 2014, and continue throughout the auction. Registration will be at the **Lansing Center**, 333 E. Michigan Avenue, Lansing, MI. 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 may be retained by DNR staff until bidder cards are returned and all successful bids are paid in full. In addition, **if the bidder is not on the authorized bidder list, they will be required to submit a security deposit in order to register.** The security deposit must be a cashier's check or money order in the amount of \$5,000 made payable to "State of Michigan." The security deposit will be returned to the registered bidder after their bidder card is returned and all successful bids are paid in full. **Prospective bidders can contact Ms. Kimberly Venne at 517-284-5912 or vennek@michigan.gov prior to the auction** to confirm they are on the authorized bidder list. (In order to be placed on the authorized bidder list, the individual must have been a successful bidder at a previous State of Michigan Oil and Gas Lease Auction; not have an outstanding balance owed, and not be on the DNR Hold Action List.)

Offering of lease rights will begin at 9:00 a.m. at a minimum bid of \$10 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 a minimum bid of \$2 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 MM three letters of reference, 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."

An auction catalog showing the legal description of the lands proposed to be offered and parcel classifications will be available after April 10, 2014, at http://www.michigan.gov/dnr/0,4570,7-153-10368_11800-169044--.00.html or by contacting staff at DNR-MM, P.O. Box 30452, Lansing, MI 48909-7952 or 517-284-5844.