



STATE OF MICHIGAN



DEPARTMENT OF NATURAL RESOURCES

LANSING

JENNIFER M. GRANHOLM
GOVERNOR

REBECCA A. HUMPHRIES
DIRECTOR

September 17, 2007

TO: Rebecca A. Humphries, Director

INFORMATION: Natural Resources Commission

Transaction: Three (3) Direct Metallic Mineral Leases in Gogebic County.

Authority: Part 5, Department of Natural Resources, Section 502, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

Applicant: Kennecott Exploration Company of Oro Valley, Arizona.

Jurisdiction: Department of Natural Resources State Mineral Ownership.

Mineral Description: Sections 1 and 2, T45N, R44W, Bessemer Township and Section 27, T46N-R43W, Marenisco Township, Gogebic County, containing a total of 400 acres, more or less.

Lease Terms: Ten year term, standard rental (\$3.00 per acre), royalty (variable), and bonus consideration of \$1,200.00 (\$3.00 per acre).

Special Restrictions: U.S.D.A. Forest Service surface, "Best Management Practices" along streams and wetlands, and a raptor nest site restriction.

Notice: This Item appeared on the Department's October 1, 2007 calendar, was published in the Daily Globe on August 16, 2007, and is eligible for approval on October 11, 2007.

Recommendation: That three direct metallic mineral leases be issued to the applicant pursuant to the above terms and conditions.

Lynne M. Boyd, Chief
Forest, Mineral and Fire Management

Douglas Reeves, Acting Chief
Wildlife

Kelley D. Smith, Chief
Fisheries

Arminda S. Koch,
Resource Management Deputy

I approve the staff recommendation.

Rebecca A. Humphries
Director

Approval Date