

## PUBLIC NOTICE OF STATE-OWNED OIL AND GAS MINERALS TO BE OFFERED FOR LEASE AUCTION

Lands under consideration for oil and gas leasing include acreage in the following counties: **ANTRIM, BENZIE, CHARLEVOIX, CHEBOYGAN, CLARE, CRAWFORD, EMMET, GLADWIN, GRAND TRAVERSE, ISABELLA, KALKASKA, LAKE, LENAWEE, MANISTEE, MISSAUKEE, MONTMORENCY, OAKLAND, OCEANA, OSCODA, OTSEGO, PRESQUE ISLE, AND ROSCOMMON.**

On October 26, 27, and 28, 2010, the **Department of Natural Resources and Environment (DNRE)** will offer at an oral-bid public auction, approximately 452,000 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 on the web at [http://www.michigan.gov/dnr/1,1607,7-153-10371\\_14793-30912-.00.html](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 Forest Management Division at the address specified herein NO LATER THAN October 5, 2010. Any request for change in classification will be considered by the DNRE prior to offering the lease rights at public auction, with final classification to be set at the sole discretion of the Director of the DNRE.

**Registration of bidders** will begin at 8:00 a.m. on Tuesday, October 26, 2010, and continue throughout the auction. Registration will be at the Michigan Constitution Hall, 525 West Allegan Street, Lansing, Michigan.

**Offering of lease rights** will begin at 9:00 a.m. Tuesday, October 26, 2010, and will continue until at least 5:00 p.m. each day unless all bidding is completed sooner. Bidding will start at a minimum bid of \$13.00 per acre (which includes a \$3.00 per acre audit fee). Each day, at the auction's end, at the discretion of the DNRE, parcels not bid in at \$13.00 per acre, may be re-offered at a minimum bid of \$5.00 per acre.

Bids may be submitted by individuals of legal age, a partnership, corporation, or other legal entity qualified to do business in Michigan. Prospective bidders should be prepared to submit such proof at the time of registration.

**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 DNRE 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 **DNRE, Forest Management Division (FMD), Mineral and Land Management Section (MLMS)**, three letters of reference, one of which must be from a bank. In no instance will the DNRE 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 October 8, 2010, on the web at [http://www.michigan.gov/dnr/0,1607,7-153-10368\\_11800-169044-.00.html](http://www.michigan.gov/dnr/0,1607,7-153-10368_11800-169044-.00.html) or by contacting DNRE-FMD-MLMS, P.O. Box 30452, Lansing, Michigan 48909-7952, telephone 517-373-7663.