

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: **ALCONA, ANTRIM, ARENAC, BENZIE, CHEBOYGAN, GLADWIN, GRAND TRAVERSE, JACKSON, KALKASKA, LAKE, LENAWEE, MANISTEE, MIDLAND, MISSAUKEE, MONTMORENCY, NEWAYGO, OGEMAW, OSCEOLA, OTSEGO, SANILAC, AND WEXFORD.**

On October 27, 2011, the **Department of Natural Resources (DNR)** will offer, at an oral-bid public auction, approximately 123,000 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 Forest Management Division at the address specified herein NO LATER THAN September 13, 2011. 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 Thursday, October 27, 2011, 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. at a minimum bid of \$13.00 per acre (which includes a \$3.00 per acre audit fee), 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 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 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 **DNR, 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 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 September 15, 2011, at http://www.michigan.gov/dnr/0,1607,7-153-10368_11800-169044--,00.html or by contacting DNR-FMD-MLMS, P.O. Box 30452, Lansing, Michigan 48909-7952, telephone 517-373-7663.