

A G E N D A

**NATURAL RESOURCES ITEMS FOR THE
TRANSPORTATION AND NATURAL RESOURCES COMMITTEE - STATE ADMINISTRATIVE BOARD**

Transportation and Natural Resources - January 5, 2021 - 11:00 A.M.
State Administrative Board Meeting - January 5, 2021 - 11:00 A.M.

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This agenda is for general informational purposes only. At its discretion, the Transportation and Natural Resources Committee may revise this agenda and may take up other issues at the meeting.

MINERAL LEASE

1. DIRECT OIL AND GAS LEASE - NONDEVELOPMENT:

Oil and gas lease rights to 80.00 acres, more or less, of state-owned Michigan Department of Natural Resources oil and gas rights located in the S1/2 NE1/4, Section 32, T13N, R17W, Grant Township, Oceana County, have been requested by Trendwell Energy Corporation, of Rockford, Michigan.

Terms: Three-year primary term; two one-year extension options; three-sixteenths (3/16) royalty; \$50.00 per acre bonus consideration; and \$2.00 per acre rental, paid annually.

The Natural Resources Chief Administrative Officer approved this item December 15, 2020. The form of legal documents involved in these transactions has previously been approved by the Attorney General.

I recommend approval.

Respectfully submitted:
Department of Natural Resources

By: Kirk Lapham
Kirk Lapham, Manager
Minerals Management Section
Finance and Operations Division



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING



DANIEL EICHINGER
DIRECTOR

December 8, 2020

To: Mark Hoffman, Chief Administrative Officer

Transaction: Direct Oil and Gas Lease, Nondevelopment

Authority: Part 5, of the Natural Resources and Environmental Protection Act, 1994 PA 451

Applicant: Trendwell Energy Corporation, of Rockford, Michigan

Jurisdiction: Michigan Department of Natural Resources oil and gas rights

Mineral Description: S1/2 NE1/4, Section 32, T13N, R17W, Grant Township, Oceana County; containing 80.00 acres, more or less (map attached)

Drilling Type/Unit: Voluntarily pooled 320-acre Traverse drilling unit, lying within the S1/2 N1/2 and N1/2 S1/2, Section 32, T13N, R17W, Grant Township, Oceana County.

Comments: This lease request is for completion of a voluntarily pooled unit.

Lease Terms: Three-year primary term; two one-year extension options; three-sixteenths (3/16) royalty; \$50.00 per acre bonus consideration; and \$2.00 per acre rental, paid annually.

Restrictions: Nondevelopment

Notice: Notice was published in the *Oceana Herald-Journal* newspaper October 22, 2020. This item appeared on the December 1, 2020, DNR Business Calendar and is eligible for approval December 8, 2020.

Recommendation: The oil and gas lease be issued to the applicant pursuant to the above terms and restrictions.

Kirk Lapham

Kirk Lapham, Manager
Minerals Management Section
Finance and Operations Division

I approve the staff recommendation.

Mark Hoffman

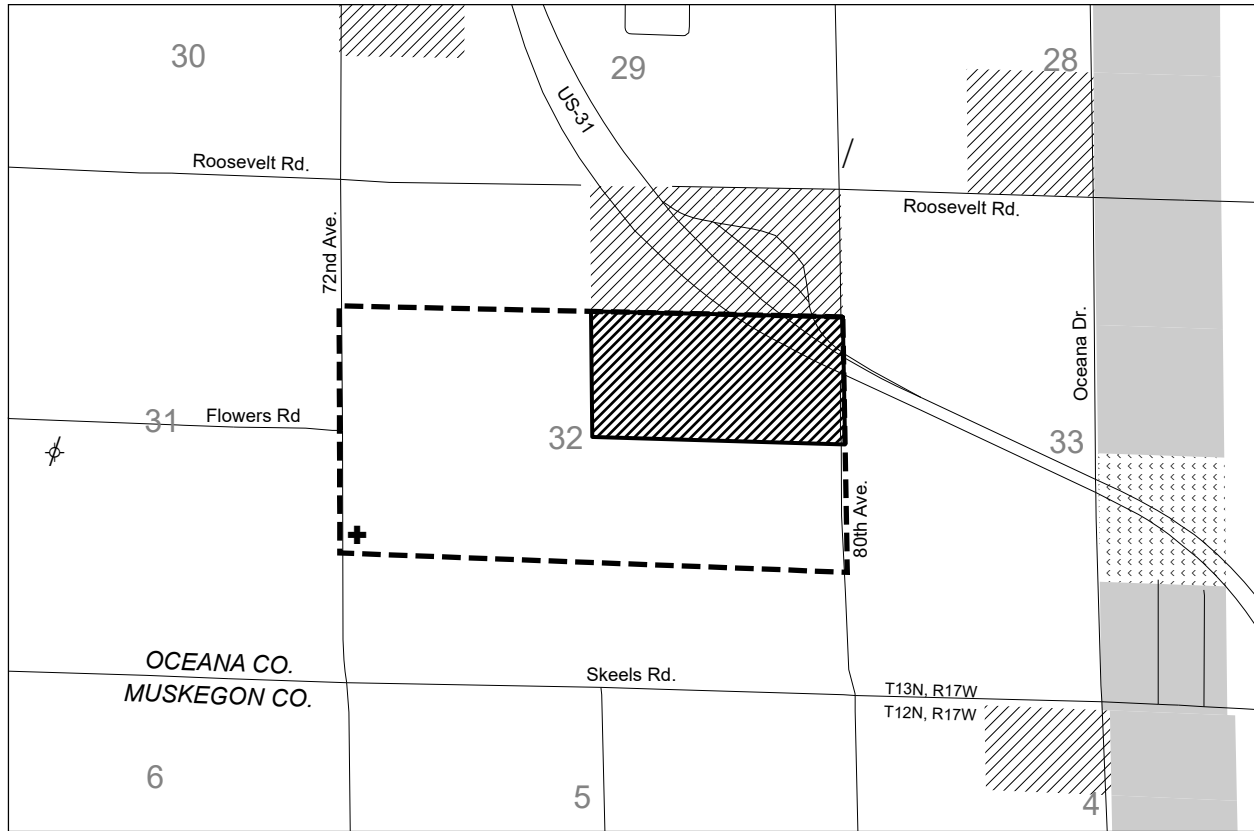
Mark Hoffman
Chief Administrative Officer

12/15/2020

Approval Date

DIRECT OIL AND GAS LEASE - NONDEVELOPMENT

Trendwell Energy Corporation
 Proposed 320-acre Voluntarily Pooled Traverse Drilling Unit
 Part of the S1/2 N1/2 and N1/2 S1/2 Section 32, T13N, R17W
 Grant Township, Oceana County



- - -** Proposed Voluntarily Pooled Traverse Drilling Unit (320 acres)
- ▨** State-owned oil and gas rights requested for lease (80 acres more or less)
- ▤** Surface ownership
- Mineral and surface ownership
- ▩** Mineral ownership
- ▦** Mixed ownership
- +** Proposed well site surface location
- ⊕** Dry hole
- /** Plugged Well

