



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF NATURAL RESOURCES  
LANSING



SHANNON LOTT  
ACTING DIRECTOR

May 15, 2023

To: Shannon Lott, Acting Director

Information: Natural Resources Commission

Transaction: Oil and Gas Lease Auction – 76,242.38 acres were offered  
May 2, 2023

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

Applicants: The attached auction summary identifies the successful bidders,  
the total acreage, and the total revenue paid. There were 11  
registered bidders with 11 successful bidders.

Mineral Description: The Official Auction Record shows the legal descriptions for each  
offering.

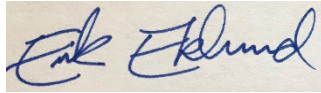
Acres Bid: Of the 76,242.38 acres offered, a total of 43,761.72 acres  
received successful bids (21,736.73 acres development,  
22,024.99 acres nondevelopment) in 11 counties.

Lease Terms: Five-year primary term with two one-year extension options,  
one-sixth (1/6) royalty. Bonus amount of \$589,105.00 and rental  
amount of \$125,343.38. Total revenue generated at the auction  
was \$714,448.38.

Special Restrictions: In accordance with those described in the Official Auction Record  
for each applicable auction description.

Notice: This item will appear on the Department of Natural Resources  
May 30, 2023, Business Calendar and will be eligible for approval  
June 8, 2023.


Recommendation: That the oil and gas leases be issued to the successful bidders  
pursuant to the above terms and conditions.



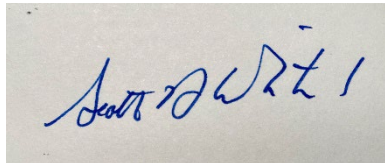
Erik Eklund, Chief  
Finance and Operations Division



Jeffery Stampfly, Chief  
Forest Resources Division

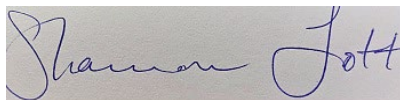


Sara Thompson, Acting Chief  
Wildlife Division



Scott Whitcomb  
Acting Natural Resources Deputy

I approve the staff recommendation.



Shannon Lott  
Acting Director



Randy Claramunt, Chief  
Fisheries Division



Ronald A. Olson, Chief  
Parks and Recreation Division



Kristin Phillips  
Chief Administrative Officer

Approval Date: June 8, 2023

## Oil and Gas Lease Auction May 2, 2023

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State of Michigan  
Oil and Gas Lease Auction  
May 2, 2023

Bidder Number	Lessee	Total Acres	Total Bonus + Total Rental
101	Jordan Development Company, L.L.C. 1503 Garfield Road North Traverse City, MI 49696	240.00	\$9,480.00
102	West Bay Exploration Company 13685 S. West Bay Shore Drive Suite 200 Traverse City, MI 49684	890.00	\$27,310.00
103	Savoy Energy, L.P. P.O. Box 1560 Traverse City, MI 49685	5,742.23	\$119,606.46
104	Heritage Land Company, LLC P.O. Box 882 Traverse City, MI 49685	280.00	\$3,360.00
105	ReefWorks LLC 333 W. Grandview Parkway Suite 401 Traverse City, MI 49684	326.75	\$5,260.50
106	Trendwell Energy Company 10 E. Bridge Street Suite 200 Rockford, MI 49341	435.83	\$13,124.30
107	J&M Energy, LLC 1425 S. Mission Road Mount Pleasant, MI 48858	2,460.06	\$49,390.60
108	Timothy M. Cowen 1239 Three Mile Road NE Grand Rapids, MI 49505	292.02	\$3,514.04
109	Lambda Energy Resources LLC 12012 Wickchester Lane Suite 300 Houston, TX 77079	31,682.64	\$434,979.12
110	Coughlin Land Services, LLC 9534 East River Road Mt. Pleasant, MI 48858	190.00	\$12,680.00

Oil and Gas Lease Auction May 2, 2023

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Bidder Number	Lessee	Total Acres	Total Bonus + Total Rental
111	Western Land Services, Inc. 1100 Conrad Industrial Drive Ludington, MI 49431	649.43	\$20,816.86
112	Ward M. Haggard Oil & Gas Exploration, Inc. P.O. Box 155 Marble Falls, TX 78654	50.00	\$600.00
113	Dennis R. Schmude, d/b/a Schmude Oil P.O. Box 1008 Traverse City, MI 49685	250.65	\$5,016.50
114	Miller Energy Company II, LLC P.O. Box 1008 Traverse City, MI 49685	272.11	\$9,310.00
	Totals:	43,761.72	\$714,448.38