



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.

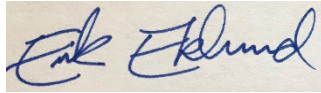
Acres Bid: Of the 76,242.38 acres offered, a total of 43,761.72 acres
received successful bids (21,736.73 acres development,
22,024.99 acres nondevelopment) in 11 counties.

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.



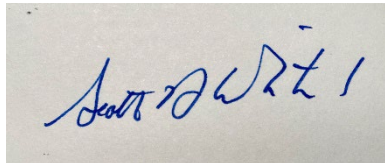
Erik Eklund, Chief
Finance and Operations Division



Jeffery Stampfly, Chief
Forest Resources Division



Sara Thompson, Acting Chief
Wildlife Division



Scott Whitcomb
Acting Natural Resources Deputy



Randy Claramunt, Chief
Fisheries Division



Ronald A. Olson, Chief
Parks and Recreation Division



Kristin Phillips
Chief Administrative Officer

I approve the staff recommendation.

Shannon Lott
Acting Director

Approval Date:

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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

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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