

STATE BOARD OF LAND COMMISSIONERS  
OF THE  
STATE OF COLORADO

**Oil and Gas Lease Auction**

Thursday, November 17, 2011  
10:00 am  
Suite 200  
1127 Sherman Street  
Denver, CO 80203  
Phone: (303) 866-3454

NOTICE IS HEREBY GIVEN, That the State Board of Land Commissioners, by means of its regular leasing procedure (oral bidding), intends to grant oil and gas leases on the tracts listed. Leases will be issued on the current Colorado Oil & Gas Lease Form. The Board reserves the right to reject any and all bids, and to withdraw any tract at any time.

PAYMENT IN FULL FOR ANY AND ALL TRACTS IS DUE AND PAYABLE AT THE CONCLUSION OF THE SALE. A SUCCESSFUL BID CONSTITUTES THE CREATION OF A DEBT TO THE STATE OF COLORADO

Tract	Acreage	Note #	Subdivision	Twp	Rng	Sec	Survey	County	Patent
1	220.96	2	SW,W2SE	1S	59W	2	6th PM	Adams	No
2	73.46	2	E2SE	1S	59W	3	6th PM	Adams	No
3	120.00	2	SWNW, W2SW	1S	59W	14	6th PM	Adams	Yes
4	200.00	2	W2NE, SENE, E2SE	1S	59W	15	6th PM	Adams	Yes
5	655.88		ALL	1S	59W	16	6th PM	Adams	Yes
6	472.66		ALL (as resurveyed)	1S	59W	36	6th PM	Adams	Yes
7	640.00		ALL	2S	59W	16	6th PM	Adams	Yes
8	320.00	2	W2NE, E2NW, SE	2S	59W	22	6th PM	Adams	Yes
9	497.79		ALL (as resurveyed)	2S	59W	36	6th PM	Adams	No
10	560.00	5	E2, E2W2, NWNW, SWSW	3S	59W	34	6th PM	Adams	Partial
11	640.00		ALL	3S	59W	36	6th PM	Adams	No
12	640.00		ALL	4S	59W	16	6th PM	Arapahoe	No
13	640.00	3	ALL	4S	59W	36	6th PM	Arapahoe	No
14	640.00		ALL	5S	59W	16	6th PM	Arapahoe	Yes

15	640.00	3	ALL	5S	59W	36	6th PM	Arapahoe	No
16	640.00		ALL	16S	48W	36	6th PM	Cheyenne	No
17	160.00		W2SW, W2SE	11S	60W	5	6th PM	El Paso	Yes
18	400.00		E2NE, S2	11S	60W	9	6th PM	El Paso	Yes
19	320.00		E2E2, W2SW, SESW, SWSE	11S	60W	10	6th PM	El Paso	Yes
20	640.00		ALL	11S	60W	12	6th PM	El Paso	Partial
21	120.00		N2SW, SWSW	11S	60W	14	6th PM	El Paso	Yes
22	160.00		NW	11S	60W	15	6th PM	El Paso	Yes
23	640.00	5	ALL	11S	60W	16	6th PM	El Paso	Partial
24	640.00		ALL	11S	60W	36	6th PM	El Paso	Yes
25	640.00	5	ALL	13S	60W	10	6th PM	El Paso	Partial
26	640.00	3	ALL	13S	60W	11	6th PM	El Paso	No
27	560.00	3	E2, E2NW, SW	13S	60W	14	6th PM	El Paso	No
28	160.00		SE	13S	60W	15	6th PM	El Paso	No
29	640.00	3	ALL	13S	60W	16	6th PM	El Paso	No
30	640.00		ALL	13S	60W	36	6th PM	El Paso	Partial
31	640.00	3	ALL	14S	60W	36	6th PM	El Paso	No
32	640.00		ALL	14S	64W	16	6th PM	El Paso	Yes
33	640.00		ALL	14S	65W	36	6th PM	El Paso	Yes
34	640.00		ALL	15S	60W	36	6th PM	El Paso	No
35	321.17		Lots 1&2, S2NE, SE (E2)	7S	57W	2	6th PM	Elbert	No
36	320.00		W2	7S	57W	12	6th PM	Elbert	No
37	640.00		ALL	7S	57W	14	6th PM	Elbert	No
38	548.92	3	Lots 1-4, E2, E2W2 (All)	7S	57W	18	6th PM	Elbert	No
39	320.00		NW, N2SW, SWSW, NWSE	7S	57W	24	6th PM	Elbert	No
40	640.00		ALL	7S	57W	26	6th PM	Elbert	No
41	640.00		ALL	7S	57W	28	6th PM	Elbert	No
42	546.32		Lots 1-4, E2, E2W2 (All)	7S	57W	30	6th PM	Elbert	No
43	320.00		N2	7S	58W	10	6th PM	Elbert	Yes
44	320.00	5	N2N2, S2S2	7S	58W	14	6th PM	Elbert	Partial
45	640.00	3	ALL	7S	58W	16	6th PM	Elbert	No

46	640.00		ALL	7S	58W	22	6th PM	Elbert	Yes
47	640.00		ALL	7S	58W	24	6th PM	Elbert	Yes
48	640.00	5	ALL	7S	58W	26	6th PM	Elbert	Partial
49	640.00		ALL	7S	58W	36	6th PM	Elbert	No
50	641.28		Lots 1-4, S2N2, S2 (All)	7S	59W	4	6th PM	Elbert	No
51	637.36		Lots 1-7, S2NE, SENW, E2SW, SE (All)	7S	59W	6	6th PM	Elbert	No
52	640.00	3	ALL	7S	59W	8	6th PM	Elbert	No
53	640.00	3	ALL	7S	59W	32	6th PM	Elbert	No
54	640.00	3	ALL	7S	59W	36	6th PM	Elbert	No
55	240.89	3	Lots 3&4, S2NW, W2SW	7S	60W	2	6th PM	Elbert	No
56	400.00		E2NE, S2	7S	60W	32	6th PM	Elbert	No
57	640.00	5	ALL	7S	60W	36	6th PM	Elbert	Partial
58	280.00		NW, N2SW, SWSW	7S	61W	16	6th PM	Elbert	Yes
59	480.00		E2, W2W2	7S	61W	26	6th PM	Elbert	No
60	160.00		W2NE, SESW, SWSE	7S	61W	34	6th PM	Elbert	Partial
61	640.00	5	ALL	7S	61W	36	6th PM	Elbert	Partial
62	640.00		ALL	10S	58W	16	6th PM	Elbert	Yes
63	640.00		ALL	10S	58W	36	6th PM	Elbert	Yes
64	475.16	3	Lots 1-4, S2N2, SESW, SWSE, E2SE,	10S	59W	2	6th PM	Elbert	No
65	592.40		Lots 1-4, S2N2, SW, W2SE, SESE	10S	59W	4	6th PM	Elbert	Yes
66	636.15		Lots 1-7, S2NE, SENW, E2SW, SE	10S	59W	6	6th PM	Elbert	No
67	480.00		N2, N2S2	10S	59W	8	6th PM	Elbert	No
68	600.00		NENE, S2NE, W2, SE	10S	59W	10	6th PM	Elbert	Yes
69	280.00	5	SWNE, NW, S2SW	10S	59W	14	6th PM	Elbert	Partial
70	640.00		ALL	10S	59W	16	6th PM	Elbert	Yes
71	559.88		Lots 1-4, NE, E2NW, NESW, N2SE, SESE	10S	59W	18	6th PM	Elbert	No
72	160.00		S2S2	10S	59W	20	6th PM	Elbert	Yes
73	560.00		NE, E2NW, S2	10S	59W	22	6th PM	Elbert	Yes
74	640.00		ALL	10S	59W	26	6th PM	Elbert	Yes

75	640.00		ALL	10S	59W	32	6th PM	Elbert	Yes
76	400.00		E2E2, SWNW, SW, SWSE	10S	59W	34	6th PM	Elbert	Yes
77	640.00		ALL	10S	59W	36	6th PM	Elbert	Yes
78	626.28		Lots 1-4, S2N2, S2 (All)	10S	60W	2	6th PM	Elbert	No
79	618.80		Lots 1-4, S2N2, S2 (All)	10S	60W	4	6th PM	Elbert	Partial
80	622.39		Lots 1-7, S2NE, SENW, E2SW, SE (All)	10S	60W	6	6th PM	Elbert	Partial
81	160.00		SE	10S	60W	8	6th PM	Elbert	Yes
82	480.00		N2, N2SW	10S	60W	10	6th PM	Elbert	No
83	440.00		NENE, S2NE, NW, N2S2	10S	60W	12	6th PM	Elbert	No
84	640.00		ALL	10S	60W	14	6th PM	Elbert	Yes
85	640.00	5	ALL	10S	60W	16	6th PM	Elbert	Partial
86	640.00		ALL	10S	60W	20	6th PM	Elbert	Yes
87	440.00		N2NE, SENE, W2	10S	60W	22	6th PM	Elbert	Yes
88	640.00		ALL	10S	60W	24	6th PM	Elbert	Yes
89	160.00		N2N2	10S	60W	26	6th PM	Elbert	Yes
90	160.00		NW	10S	60W	28	6th PM	Elbert	Yes
91	240.00		NW, N2SW	10S	60W	29	6th PM	Elbert	Yes
92	238.50		Lots 1&2, E2NE, NWNE, NENW	10S	60W	31	6th PM	Elbert	Yes
93	160.00		SW	10S	60W	33	6th PM	Elbert	Yes
94	480.00		E2, N2NW, SWNW, SESW	10S	60W	34	6th PM	Elbert	Yes
95	640.00		ALL	10S	60W	36	6th PM	Elbert	Yes
96	640.03		Lots 1&2, S2N2, S2 (All)	10S	61W	4	6th PM	Elbert	Partial
97	640.00		ALL	10S	61W	16	6th PM	Elbert	Yes
98	640.00		ALL	10S	61W	28	6th PM	Elbert	Yes
99	640.00		ALL	10S	61W	29	6th PM	Elbert	Yes
100	652.60		Lots 1&2, E2, E2W2 (All)	10S	61W	30	6th PM	Elbert	Yes
101	645.92		Lots 1&2, E2, E2W2 (All)	10S	61W	31	6th PM	Elbert	Yes
102	640.00		ALL	10S	61W	32	6th PM	Elbert	Yes
103	600.00	3	E2, NW, N2SW, SESW	10S	61W	33	6th PM	Elbert	No
104	640.00		ALL	10S	61W	36	6th PM	Elbert	Yes

105	160.00		SENE, N2SW, NESE	11S	58W	20	6th PM	Elbert	No
106	640.00		ALL	11S	59W	8	6th PM	Elbert	Yes
107	640.00		ALL	11S	59W	10	6th PM	Elbert	No
108	640.00		ALL	11S	59W	16	6th PM	Elbert	No
109	320.00		E2	11S	59W	18	6th PM	Elbert	Yes
110	640.00		ALL	11S	59W	22	6th PM	Elbert	Yes
111	640.00		ALL	11S	59W	36	6th PM	Elbert	Yes
112	640.00	5	ALL	12S	59W	16	6th PM	Elbert	Partial
113	640.00		ALL	12S	59W	36	6th PM	Elbert	Yes
114	640.00	5	ALL	12S	60W	16	6th PM	Elbert	Partial
115	640.00		ALL	12S	60W	36	6th PM	Elbert	Yes
116	640.00	3	ALL	13S	59W	16	6th PM	Elbert	No
117	640.00	3		13S	59W	36	6th PM	Elbert	No
118	640.00		ALL	29S	66W	16	6th PM	Huerfano	No
119	280.00		SW, W2SE, SESE	29S	66W	25	6th PM	Huerfano	No
120	240.00		E2SW, SE2	29S	66W	26	6th PM	Huerfano	No
121	320.29	3	Lots 1&2, NE, E2NW (N2)	29S	66W	31	6th PM	Huerfano	No
122	280.00	3	NE, N2SE, SESE	29S	66W	34	6th PM	Huerfano	No
123	400.00		N2, NWSW, NESE	29S	66W	35	6th PM	Huerfano	No
124	640.00		ALL	29S	66W	36	6th PM	Huerfano	No
125	480.24	3	Lots 1-4, S2	30S	66W	1	6th PM	Huerfano	No
126	200.12	5	Lot 1, SENE, SWSE, E2SE	30S	66W	2	6th PM	Huerfano	Partial
127	280.47		Lot 4, SENE, S2SW, N2SE, SWSE	30S	66W	3	6th PM	Huerfano	Yes
128	40.00		SESE	30S	66W	5	6th PM	Huerfano	Yes
129	640.00		ALL	17S	47W	16	6th PM	Kiowa	No
130	640.00		ALL	17S	48W	16	6th PM	Kiowa	Yes
131	640.00		ALL	17S	48W	36	6th PM	Kiowa	No
132	640.00	3	ALL	17S	49W	16	6th PM	Kiowa	No
133	640.00	3	ALL	18S	46W	16	6th PM	Kiowa	No
134	640.00		ALL	18S	47W	16	6th PM	Kiowa	Yes
135	220.00	2	Frac. Part of S2NW, SW	18S	47W	26	6th PM	Kiowa	Yes

136	160.00	2	SE	18S	47W	34	6th PM	Kiowa	Yes
137	160.00	2	NW	18S	47W	35	6th PM	Kiowa	Yes
138	640.00		ALL	18S	47W	36	6th PM	Kiowa	Yes
139	640.00		ALL	18S	48W	16	6th PM	Kiowa	Yes
140	640.00		ALL	18S	48W	36	6th PM	Kiowa	Yes
141	640.00		ALL	18S	49W	16	6th PM	Kiowa	Yes
142	640.00		ALL	18S	49W	36	6th PM	Kiowa	No
143	484.48	3	Lots 3&4, E2, E2SW	20S	46W	7	6th PM	Kiowa	No
144	480.00	3	N2, SW	20S	46W	8	6th PM	Kiowa	No
145	480.00	3	N2, SW	20S	46W	15	6th PM	Kiowa	No
146	640.00	3	ALL	20S	46W	16	6th PM	Kiowa	No
147	480.00	3	NW, S2	20S	46W	17	6th PM	Kiowa	No
148	484.16	3	Lots 1&2, E2, E2NW	20S	46W	18	6th PM	Kiowa	No
149	320.00		W2	20S	47W	27	6th PM	Kiowa	Yes
150	480.00	3	N2, SW	20S	47W	28	6th PM	Kiowa	No
151	320.00	3	E2	20S	47W	29	6th PM	Kiowa	No
152	320.00	3	N2	20S	47W	32	6th PM	Kiowa	No
153	480.00	3	N2, SW	20S	47W	33	6th PM	Kiowa	No
154	320.00	3	W2	20S	47W	34	6th PM	Kiowa	No
155	480.00	3	E/2, SW/4	20S	48W	11	6th PM	Kiowa	No
156	640.00	3	ALL	20S	48W	36	6th PM	Kiowa	No
157	640.00	3	ALL	13S	52W	16	6th PM	Lincoln	No
158	640.00	3	ALL	13S	52W	36	6th PM	Lincoln	No
159	640.00	3	ALL	13S	53W	36	6th PM	Lincoln	No
160	472.79	3	Lots 1-7, S2NE, SESW, E2SE	13S	54W	6	6th PM	Lincoln	No
161	640.00	3	ALL	13S	54W	36	6th PM	Lincoln	No
162	80.00		SWNE, SENW	14S	59W	7	6th PM	Lincoln	Yes
163	40.00		SWSW	14S	59W	14	6th PM	Lincoln	Yes
164	640.00		ALL	14S	59W	16	6th PM	Lincoln	Partial
165	640.00	5	ALL	15S	58W	36	6th PM	Lincoln	Partial
166	640.00	3	ALL	15S	59W	16	6th PM	Lincoln	No

167	360.00	3	S3NW, SW, NWSE, E2SE	15S	59W	29	6th PM	Lincoln	No	
168	607.79		Lots 1-4, NWNE, S2NE, E2W2, SE	15S	59W	30	6th PM	Lincoln	Yes	
169	642.99		Lots 1-4, E2, E2W2 (All)	15S	59W	31	6th PM	Lincoln	No	
170	640.00		ALL	15S	59W	32	6th PM	Lincoln	No	
171	600.00	3	W2NE, SENE, W2, SE	15S	59W	33	6th PM	Lincoln	No	
172	560.00		N2, SW, W2SE	6N	52W	9	6th PM	Logan	No	
173	440.00		NENE, S2NE, W2	6N	52W	15	6th PM	Logan	Yes	
174	645.22		Lots 1-4, S2N2, S2 (All)	10N	53W	5	6th PM	Logan	No	
175	640.00		ALL	11N	53W	16	6th PM	Logan	No	
176	481.33		Lots 1&2, E2, E2NW	11N	53W	31	6th PM	Logan	No	
177	600.00		W2NE, SENE, W2, SE	11N	54W	16	6th PM	Logan	No	
			Tract 39 described as							
178	640.38		12.04 ac Lot 2	3N	95W	8	6th PM	Moffat	Yes	
			85.02 ac Lots 2,4,6,8			9				
			476.04 ac Lots 3-10,14-18,20			16				
			67.26 ac Lots 1,4,5,8			17				
179	640.00	3	ALL	3N	97W	16	6th PM	Moffat	No	
180	640.00	3	51.63 ac Lots 2,4,6	3N	98W	9	6th PM	Moffat	No	
			20.77 ac Lots 2,4			10				
			162.83 ac Lots 2-5, 8-10, 12			15				
			404.77 ac Lots 1-3, 6-11, 14, 15, 17			16				
			Tract 38 described as							
181	637.42		47.20 ac Lots 7,16,17	4N	95W	8	6th PM	Moffat	No	
			392.79 ac Lots 4-11, 14-17			9				
			57.83 ac Lots 2,3,5,7			16				
			6.76 ac Lot 1			17				
			75.24 ac Lots 2,4,6	5N	95W	33				
			57.60 ac Lots 2,4			34				
			Tract 40 described as							
182	640.00	3	0.14 ac Lot 9	4N	95W	30	6th PM	Moffat	No	
			2.90 ac Lots 9,10,11,12			31				
			30.18 ac Lots 2,4,6,8	4N	96W	25				
			606.78 ac Lots 1-4,8-15,19,20			36				
183	640.00	3	ALL	4N	95W	36	6th PM	Moffat	No	
184	640.00	3	ALL	4N	96W	16	6th PM	Moffat	No	
185	640.00	3	ALL	4N	97W	16	6th PM	Moffat	No	

186	640.00	3	22.42 ac Lots 9, 11	4N	97W	30	6th PM	Moffat	No
			158.22 ac Lots 9-11, 13,14, 17-19	4N	97W	31			
			56.96 ac Lots 2,4,6	4N	98W	25			
			402.40 ac Lots 1,2,3,6-11,14,15,17	4N	98W	36			
187	640.00	3	ALL	4N	97W	36	6th PM	Moffat	No
188	640.00	3	53.22 ac Lots 10,12,14	4N	98W	9	6th PM	Moffat	No
			21.10 ac Lots 10,12			10			
			160.58 ac Lots 2-5,8-10,12			15			
			405.10 ac Lots 1,2,3,6-11,14,15,17			16			
189	640.00	3	35.07 ac Lots 9,11	4N	98W	30	6th PM	Moffat	No
			181.01 ac Lots 10-13,16-19			31			
			68.83 ac Lots 2,4,6	4N	99W	25			
			355.09 ac Lots 1-3,6-11,14,15,17			36			
190	640.00	3	ALL	5N	94W	36	6th PM	Moffat	No
191	640.00	3	ALL	5N	96W	36	6th PM	Moffat	No
192	640.00	3	ALL	5N	97W	16	6th PM	Moffat	No
193	640.00	3	ALL	5N	97W	36	6th PM	Moffat	No
194	640.00	3	ALL	5N	98W	16	6th PM	Moffat	No
195	640.00	3	ALL	5N	98W	36	6th PM	Moffat	No
196	640.00	3	ALL	6N	97W	16	6th PM	Moffat	No
197	640.00	3	ALL	6N	98W	36	6th PM	Moffat	No
198	640.00	3	ALL	1N	59W	16	6th PM	Morgan	No
199	440.00	3	E2, E2NW, SWNW	1N	59W	21	6th PM	Morgan	No
200	640.00		ALL	1N	59W	27	6th PM	Morgan	No
201	640.00		ALL	1N	59W	28	6th PM	Morgan	No
202	80.00	3	E2SE	1N	59W	32	6th PM	Morgan	No
203	640.00		ALL	1N	59W	33	6th PM	Morgan	No
204	640.00		ALL	1N	59W	34	6th PM	Morgan	No
205	640.00		ALL	2N	59W	16	6th PM	Morgan	No
206	640.00		ALL	3N	59W	16	6th PM	Morgan	No
207	320.00	3	N2	3N	59W	21	6th PM	Morgan	No
208	640.00		ALL	4N	59W	36	6th PM	Morgan	Yes
209	473.59	3	Lots 3-5, 8, 9, SW	21S	47W	3	6th PM	Prowers	No

210	783.56	3	Lots 1-10, SW	21S	47W	4	6th PM	Prowers	No
211	778.76	3	Lots 1-10, SE	21S	47W	5	6th PM	Prowers	No
212	480.22		Lots 1-4, NE, E2W2	21S	47W	7	6th PM	Prowers	No
213	480.00	3	N2, SE	21S	47W	8	6th PM	Prowers	No
214	480.00	3	N2, SE	21S	47W	9	6th PM	Prowers	No
215	320.00	3	W2	21S	47W	10	6th PM	Prowers	No
216	480.00	3	N2, SE	21S	47W	11	6th PM	Prowers	No
217	320.00	3	N2	21S	47W	15	6th PM	Prowers	No
218	640.00	3	ALL	21S	47W	16	6th PM	Prowers	No
219	480.00		NE, S2	21S	47W	17	6th PM	Prowers	Yes
220	320.00		N2	21S	47W	20	6th PM	Prowers	Yes
221	640.00		ALL	1S	54W	16	6th PM	Washington	No
222	640.00		ALL	1S	54W	36	6th PM	Washington	No
223	640.00		ALL	1S	55W	16	6th PM	Washington	Yes
224	320.00		S2	1S	56W	16	6th PM	Washington	No
225	320.72	1	Lots 1&2, NE, W2NW (N2)	1S	56W	18	6th PM	Washington	No
226	640.00		ALL	1S	56W	36	6th PM	Washington	No
227	640.00		ALL	2S	54W	16	6th PM	Washington	No
228	640.00		ALL	2S	54W	36	6th PM	Washington	No
229	640.00		ALL	2S	55W	36	6th PM	Washington	No
230	640.00		ALL	2S	56W	16	6th PM	Washington	No
231	640.00		ALL	3S	56W	36	6th PM	Washington	Yes
232	640.00		ALL	4S	56W	16	6th PM	Washington	No
233	440.00		SWNE, W2, W2SE	4S	56W	32	6th PM	Washington	No
234	640.00		ALL	4S	56W	36	6th PM	Washington	No
235	240.00		N2SW, SESW, W2SE, SESE	9N	62W	5	6th PM	Weld	Yes
236	239.44	5	Lots 1-3, S2NE, NESE	9N	62W	6	6th PM	Weld	Partial
237	200.00		NE, NESE	9N	62W	8	6th PM	Weld	Yes
238	243.64	3	Lots 2-4, E2SW, SWSE	9N	62W	18	6th PM	Weld	No
239	120.00	3	N2NE, NENW	9N	62W	19	6th PM	Weld	No

240	360.00	3	W2NW, SENW, N2SW, SESW, W2SE, SESE	9N	62W	20	6th PM	Weld	No
241	280.00		SWNE, NW, NESW, NWSE	9N	62W	28	6th PM	Weld	Yes
242	80.00	3	N2NE	9N	62W	29	6th PM	Weld	No
243	80.00		S2SE	9N	63W	11	6th PM	Weld	Yes
244	360.00		N2, NESE	9N	63W	13	6th PM	Weld	Yes
245	40.00		NENE	9N	63W	14	6th PM	Weld	Yes
<b>Total Acreage Offered: 124,482.41</b>				<b>Total Tracts Offered: 245</b>					

- Note # 1 - The following parcels in El Paso County shall have an opening minimum bonus bid of \$30.00 per acre: 32 and 33.
- Note # 2 - This is an acquired mineral interest. Title is not warranted.
- Note # 3 - Lease is located in a Colorado Parks and Wildlife (CPW) Sensitive Wildlife Habitat and/or Restricted Surface Occupancy Area and/or contains Colorado Natural Heritage Program (CNHP) critical wildlife habitat. Lessee must comply with Colorado Oil and Gas Conservation Commission (COGCC) rules to minimize adverse impacts to wildlife resources and address CPW and/or CNHP wildlife concerns. Prior to surface occupancy and submittal of the Application for Permit to Drill (APD) to the COGCC, Lessee must consult with the appropriate wildlife habitat expert and consult with and obtain approval from Lessor's District Manager for siting of access, exploration operations, well locations, rig placement and all other facilities. Without excluding other penalties or remedies available under this Lease or as provided by law, Lessor shall impose a fine of up to \$10,000 for any violation of this special stipulation in whole or in part arising directly or indirectly from the use, occupation or control of the Leased Premises by Lessee, Lessee's contractor or operator under this Lease.
- Note # 4 - Prior to surface occupancy and submittal of the Application for Permit to Drill (APD) to the Colorado Oil and Gas Conservation Commission, Lessee must consult with and obtain approval from Lessor's District Manager for siting of access, exploration operations, well locations, rig placement and all other facilities. Without excluding other penalties or remedies available under this Lease or as provided by law, Lessor shall impose a fine of up to \$10,000 for any violation of this special stipulation in whole or in part arising directly or indirectly from the use, occupation or control of the Leased Premises by Lessee, Lessee's contractor or Operator under this Lease.
- Note # 5 - Applicable to that portion of lease under state-owned surface, Lease is located in Sensitive Wildlife Habitat and/or Restricted Surface Occupancy Area according to the CPW and/or CNHP databases. Lessee must comply with Colorado Oil and Gas Conservation Commission rules to minimize adverse impacts to wildlife resources. Prior to surface occupancy and submittal of the Application for Permit to Drill (APD) to the Colorado Oil and Gas Conservation Commission, Lessee must consult with and obtain approval from Lessor's District Manager for siting of access, exploration operations, well locations, rig placement and all other facilities. Without excluding other penalties or remedies available under this Lease or as provided by law, Lessor shall impose a fine of up to \$10,000 for any violation of this special stipulation in whole or in part arising directly or indirectly from the use, occupation or control of the Leased Premises by Lessee, Lessee's contractor or operator under this Lease.

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Errors sometimes occur in the listing though every effort is made to avoid them. The Board is not liable for any inconvenience or loss caused by these errors, which may occur. Corporations must be registered and in good standing with the Secretary of State's Division of Corporations to do business in Colorado.

Receipts for all rental payments after the first year will not be mailed to the lessees unless a stamped, self-addressed envelope accompanies the rental payment.

### **SALE PROCEDURES**

All tracts will be offered for sale by oral bidding at public auction. All monies are due immediately after the sale. A successful bid constitutes the creation of a debt to the State of Colorado. The Board may elect, at anytime including the day of the auction, to remove from the sale any tract or parcel at its discretion without prior notice.

Rentals and bonus bidding are on a per acre basis. The minimum bid, often called the opener by the auctioneer, is the first year's rental of \$2.50 per acre or fraction thereof, plus the statutory fees (shown below). The bidding beyond the minimum is a bonus bid, and the winning bidder will pay the amount bid plus the first year's rental and fees. The bonus is a one-time payment only while the rentals are annual and continuous whether or not production is established. The bidding is in multiples of \$1.00 but the Board may change this at any time. The lease will be awarded to the highest bidder unless withdrawn by the Board, at its sole discretion, at a regularly scheduled meeting after the auction.

In accordance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for these meetings may call Jan Anderson at (303) 866-3454 ext. 3306, giving her at least five (5) working days notice.

### **FEE SCHEDULE: \$20.00 per tract**

### **WARNING**

There is no assurance that there is any potential for production on any tract offered for leasing by the State Board of Land Commissioners.