PUBLIC NOTICE OF STATE-OWNED OIL AND GAS MINERALS TO BE OFFERED FOR LEASE AUCTION

Lands under consideration for oil and gas leasing include acreage in the following counties: ALCONA, ALPENA, ANTRIM, ARENAC, BENZIE, CASS, CHEBOYGAN, CLARE, CRAWFORD, GRAND TRAVERSE, HURON, KALKASKA, MANISTEE, MONTMORENCY, NEWAYGO, OAKLAND, OCEANA, OSCEOLA, OSCODA, OTSEGO, PRESQUE ISLE, and WEXFORD.

The **Michigan Department of Natural Resources (MDNR)** will offer at an oral-bid public auction, oil and gas lease rights of approximately 36,000 acres of State-owned minerals in those Michigan counties indicated herein.

<u>Registration of bidders</u> will be held from 9:00 am to 10:00 am on Tuesday, December 2, 2003, at the Michigan State Police Training Academy at 7426 N. Canal Road (Conference Room C1 and C2), Lansing, Michigan.

<u>Offering of lease rights</u> will begin at 10:00 am at a minimum bid of \$13.00 per acre, and will continue until all descriptions have been offered. Additionally at the auction's end and at the option of the MDNR, parcels not bid in 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.

<u>The total bonus</u> bid must be paid on the same day the lease rights are bid in. Prospective bidders who do not have an established credit rating with the MDNR 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 MDNR/Forest, Mineral and Fire Management Division (FMFM)/Mineral and Land Management Section (MLMS) three letters of reference, one of which must be from a bank. In no instance will the MDNR accept "site drafts" even if noted as a "zero day site draft."

An auction catalog showing further auction particulars including a) the legal description of the lands proposed to be offered, and b) parcel classifications, is available through MDNR/FMFM/MLMS, P.O. Box 30452, Lansing, Michigan 48909-7952, telephone 517-373-7663 or at http://www.michigan.gov.

Written comments by interested parties relative to the classification of any description must be received by FMFM at the address specified above NOT LATER THAN November 21, 2003. Any request for change in classification will be considered by the Department prior to offering the lease rights at public auction, with final classification to be set at the sole discretion of the Director of the Department of Natural Resources.