

NOTICE OF SALE OF OIL AND GAS LEASES

NOTICE is hereby given that the Board of Educational Lands and Funds of the State of Nebraska (the Board or Lessor) will offer for sale at Public Auction, to be held in the office of the Board, 555 North Cotner Boulevard, Lincoln, Nebraska, on the 24th day of October, 2006, at 10:00 o'clock a.m. local time, Oil And Gas Leases covering the following described lands, to wit:

<u>TRACT</u>	<u>DESCRIPTION</u>	<u>SEC/TWP/RGE</u>	<u>ACRES</u>	<u>COUNTY</u>
1.	All	16-15-47	640	CHEYENNE
2.	All	36-15-47	640	CHEYENNE
3.	All	36-16-47	640	CHEYENNE
4.	All	36-15-49	640	CHEYENNE
5.	All	16-16-49	640	CHEYENNE
6.	All	36-16-49	640	CHEYENNE
7.	All	16-29-47	640	DAWES
8.	All	36-29-47	640	DAWES
9.	All	16-30-47	640	DAWES
10.	All	36-30-47	640	DAWES
11.	All	16-31-47	640	DAWES
12.	All	36-31-47	640	DAWES
13.	All	16-32-47	640	DAWES
14.	All	36-32-47	640	DAWES
15.	W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ and S $\frac{1}{2}$	36-33-47	560	DAWES
16.	All	16-15-46	640	GARDEN
17.	All	36-15-46	640	GARDEN
18.	All	16-16-46	640	GARDEN
19.	All	36-16-46	640	GARDEN
20.	All	16-17-47	640	MORRILL
21.	All	16-34-42	640	SHERIDAN
22.	All except the RR ROW of 7.97 acres in the S $\frac{1}{2}$	16-32-43	632.03	SHERIDAN
23.	All	10-33-43	640	SHERIDAN
24.	SW $\frac{1}{4}$	11-33-43	160	SHERIDAN
25.	NW $\frac{1}{4}$	14-33-43	160	SHERIDAN

26.	N ¹ / ₂ , SW ¹ / ₄ and SW ¹ / ₄ SW ¹ / ₄ SE ¹ / ₄	16-33-43	490	SHERIDAN
27.	S ¹ / ₂ SE ¹ / ₄ SE ¹ / ₄ SE ¹ / ₄	16-33-43	5	SHERIDAN
28.	All	36-33-43	640	SHERIDAN
29.	All	16-34-43	640	SHERIDAN
30.	All	36-34-43	640	SHERIDAN
31.	All	36-35-43	640	SHERIDAN
32.	All	16-29-44	640	SHERIDAN
33.	All	36-29-44	640	SHERIDAN
34.	All	16-32-44	640	SHERIDAN
35.	All except the NW ¹ / ₄ NE ¹ / ₄ NW ¹ / ₄	36-32-44	630	SHERIDAN
36.	All	16-33-44	640	SHERIDAN
37.	All	36-33-44	640	SHERIDAN
38.	All except the NE ¹ / ₄ SW ¹ / ₄	16-34-44	494.6	SHERIDAN
39.	All	36-34-44	640	SHERIDAN
40.	All	36-35-44	571.1	SHERIDAN
41.	All	36-29-45	640	SHERIDAN
42.	All	16-30-45	640	SHERIDAN
43.	All except the NW ¹ / ₄ SE ¹ / ₄	36-30-45	600	SHERIDAN
44.	All	16-31-45	640	SHERIDAN
45.	All	16-32-45	640	SHERIDAN
46.	All	36-32-45	640	SHERIDAN
47.	All	16-33-45	640	SHERIDAN
48.	All except the SE ¹ / ₄ SE ¹ / ₄	36-33-45	600	SHERIDAN
49.	All	16-34-45	562.04	SHERIDAN
50.	All	36-34-45	640	SHERIDAN
51.	S ¹ / ₂	16-29-46	320	SHERIDAN
52.	All	36-29-46	640	SHERIDAN
53.	All	16-30-46	640	SHERIDAN
54.	All	16-31-46	640	SHERIDAN
55.	All	36-31-46	640	SHERIDAN

56.	All	16-32-46	640	SHERIDAN
57.	All	36-32-46	439.37	SHERIDAN
58.	S $\frac{1}{2}$ and S $\frac{1}{2}$ N $\frac{1}{2}$	36-33-46	480	SHERIDAN
59.	All	36-34-46	640	SHERIDAN

Each tract is offered and the Lease for each tract will be issued for the acreage indicated, which may be more or less than the actual acreage. Bonus bid on a per acre basis and rent will be computed exclusively on the basis of the acreage indicated regardless of whether the acreage indicated is equal to, or more or less than, the actual acreage. Bonus and rent as so computed will not be increased if it is established that the actual acreage is greater than the acreage indicated, and will not be decreased if it is established that the actual acreage is less than the acreage indicated. In addition, each Lease shall be subject to all easements, restrictions, reservations, rights-of-way and other matters of record in the office of the Board and all public roads.

With respect to tract 29, the Board neither warrants nor agrees to defend title to the SW $\frac{1}{4}$, except that all royalty payments applicable thereto will be returned to Lessee, without interest, in the event the Board does not have a lawful right to lease the same for oil and gas exploration and production. No rent or bonus payments will be returned under any circumstances.

With respect to tract 38, the Board neither warrants nor agrees to defend title to the S $\frac{1}{2}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$, except that all royalty payments applicable thereto will be returned to Lessee, without interest, in the event the Board does not have a lawful right to lease the same for oil and gas exploration and production. No rent or bonus payments will be returned under any circumstances.

With respect to tract 48, the Board neither warrants nor agrees to defend title to the S $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$, except that all royalty payments applicable thereto will be returned to Lessee, without interest, in the event the Board does not have a lawful right to lease the same for oil and gas exploration and production. No rent or bonus payments will be returned under any circumstances.

In Cheyenne, Dawes, Garden and Morrill Counties (tracts 1-20), such Leases will be for a primary term of five (5) years, will reserve a one-sixth (1/6th) royalty to the Lessor, and will provide for annual delay rentals of \$2.00 per acre. In Sheridan County (tracts 21-59), such Leases will be for a primary term of five (5) years, will reserve a one-eighth (1/8th) royalty to the Lessor, and will provide for annual delay rentals of \$2.00 per acre.

All such Leases will be sold and issued in all respects under, in accordance with and pursuant to the applicable laws of the State of Nebraska and applicable Rules And Regulations of the Board. Each such Lease will be sold to the highest and best bidder therefor subject to the right of the Board to reject any and all bids.

Laura B. Bahr-Frew
Minerals Administrator
555 North Cotner Blvd.
Lincoln, NE 68505
Telephone: 402/471-2014
www.belf.state.ne.us

BOARD OF EDUCATIONAL LANDS AND FUNDS


L. Jay Gildersleeve, Minerals Director

SALE RESULTS

NOTICE OF SALE OF OIL AND GAS LEASES

The Board of Educational Lands and Funds of the State of Nebraska (the Board or Lessor) offered for sale at Public Auction, in the office of the Board, 555 North Cotner Boulevard, Lincoln, Nebraska, on the 24th day of October, 2006, at 10:00 o'clock a.m. local time, Oil And Gas Leases covering the following described lands, to wit:

<u>TRACT</u>	<u>DESCRIPTION</u>	<u>SEC/TWP/RGE</u>	<u>ACRES</u>	<u>COUNTY</u>
1.	All HIGH BID: \$2.00 per acre by SPRINGFIELD OIL COMPANY	16-15-47	640	CHEYENNE
2.	All HIGH BID: \$2.00 per acre by SPRINGFIELD OIL COMPANY	36-15-47	640	CHEYENNE
3.	All HIGH BID: \$5.00 per acre by JOHN M. ZEIDERS	36-16-47	640	CHEYENNE
4.	All HIGH BID: \$2.00 per acre by JOHN M. ZEIDERS	36-15-49	640	CHEYENNE
5.	All HIGH BID: \$43.00 per acre by JOHN M. ZEIDERS	16-16-49	640	CHEYENNE
6.	All HIGH BID: \$25.00 per acre by JOHN M. ZEIDERS	36-16-49	640	CHEYENNE
7.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	16-29-47	640	DAWES
8.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	36-29-47	640	DAWES
9.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	16-30-47	640	DAWES
10.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	36-30-47	640	DAWES
11.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	16-31-47	640	DAWES
12.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	36-31-47	640	DAWES
13.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	16-32-47	640	DAWES
14.	All HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	36-32-47	640	DAWES
15.	W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ and S $\frac{1}{2}$ HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY	36-33-47	560	DAWES
16.	All HIGH BID: \$5.00 per acre by HOEFLE OIL COMPANY	16-15-46	640	GARDEN
17.	All HIGH BID: \$3.00 per acre by HOEFLE OIL COMPANY	36-15-46	640	GARDEN
18.	All HIGH BID: \$2.00 per acre by SPRINGFIELD OIL COMPANY	16-16-46	640	GARDEN
19.	All HIGH BID: \$2.00 per acre by SPRINGFIELD OIL COMPANY	36-16-46	640	GARDEN
20.	All HIGH BID: \$2.00 per acre by SPRINGFIELD OIL COMPANY	16-17-47	640	MORRILL

21.	All	16-34-42	640	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
22.	All except the RR ROW of 7.97 acres in the S $\frac{1}{2}$	16-32-43	632.03	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
23.	All	10-33-43	640	SHERIDAN
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24.	SW $\frac{1}{4}$	11-33-43	160	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
25.	NW $\frac{1}{4}$	14-33-43	160	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
26.	N $\frac{1}{2}$, SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$	16-33-43	490	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
27.	S $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$	16-33-43	5	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
28.	All	36-33-43	640	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
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	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
41.	All	36-29-45	640	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
42.	All	16-30-45	640	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			

43.	All except the NW $\frac{1}{4}$ SE $\frac{1}{4}$	36-30-45	600	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
44.	All	16-31-45	640	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
45.	All	16-32-45	640	SHERIDAN
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	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
47.	All	16-33-45	640	SHERIDAN
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58.	S $\frac{1}{2}$ and S $\frac{1}{2}$ N $\frac{1}{2}$	36-33-46	480	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			
59.	All	36-34-46	640	SHERIDAN
	HIGH BID: \$2.00 per acre by T-K PRODUCTION COMPANY			

See NOTICE OF SALE OF OIL AND GAS LEASES for the terms of sale.

AMOUNT RECEIVED: \$115,168.28
TOTAL ACRES SOLD: 34,864.14
AVERAGE PER ACRE: \$ 3.30

BOARD OF EDUCATIONAL LANDS AND FUNDS
555 North Cotner Blvd.
Lincoln, NE 68505
Telephone: 402/471-2014


Laura B. Bahr-Frew, Minerals Administrator