

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 27th day of October, 2015, 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.	NE4NE4	16-18-56W	40	BANNER
2.	All	36-05-36W	640	CHASE
3.	All exc. NE4SE4	16-06-39W	600	CHASE
4.	All	36-06-41W	640	CHASE
5.	N2	14-12-52W	320	CHEYENNE
6.	All	16-12-57W	640	KIMBALL
7.	All	36-14-57W	640	KIMBALL
8.	NE4 & S2	36-01-17W	480	HARLAN
9.	All	36-01-18W	640	HARLAN
10.	SE4	36-03-18W	160	HARLAN
11.	E2	16-04-18W	320	HARLAN
12.	N2	16-03-19W	320	HARLAN
13.	All	16-04-19W	640	HARLAN
14.	All exc. 26.17 ac RR ROW	36-01-20W	583.7	HARLAN
15.	All exc. 26.71 ac. RR ROW	36-02-20W	613.29	HARLAN
16.	Gov't Lot 1 in NE4SW4	16-03-20W	21.3	HARLAN
17.	Gov't Lot 3 in NE4SW4	16-03-20W	19.5	HARLAN
18.	Gov't Lot 4 & 5 in SE4	36-03-20W	14.93	HARLAN
19.	NW4	16-04-20W	160	HARLAN
20.	N2NE4, E2NW4 & NW4SW4	36-05-18W	200	PHELPS
21.	All	16-05-20W	640	PHELPS

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, public roads, rights-of-way and other leases of record and other matters of record in the office of the Board.

With respect to tract 6, (Kimball County 16-12-57) there is one unplugged well: (State 1-16) located on this tract of land in the NW4SW4. The previous Lessee (Fairways Exploration and Production, LLC) has a continuing legal obligation to plug this well. The successful bidder of this tract will have two (2) options pertaining to this well. 1) If the successful bidder does not want this well, then the previous Lessee will continue to be required to plug this well, or, 2) If the successful bidder does want this well, then we will amend the Lease for this tract to cover this well, in this case the successful bidder will assume full responsibility for such well under this Lease and the bond regarding this well with the Nebraska Oil And Gas Conservation Commission and the Board.

With respect to tract 7, (Kimball County 36-14-57W) the Board neither warrants nor agrees to defend title to the 1.34 acre parcel (242' x 242') in the Northeast Corner of the Northeast Quarter (NE4) of said Section Thirty-six (36), except that all royalty payments applicable thereto will be returned to the Lessee, without interest, in the event the Lessor 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 Banner, Chase, Cheyenne and Kimball Counties (tracts 1-7), 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 Harlan and Phelps Counties (tracts 8-22), such Lease 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. Copies of the Lease forms are available prior to the sale by contacting Ms. Bahr-Frew at the number below.

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

BOARD OF EDUCATIONAL LANDS AND FUNDS


Richard R. Endacott, CEO/Executive Secretary

SALE RESULTS

NOTICE OF SALE OF OIL AND GAS LEASES

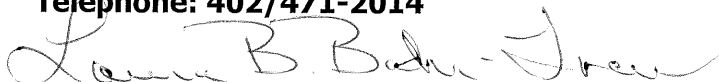
The Board of Educational Lands and Funds of the State of Nebraska (the Board or Lessor) offered for sale at Public Auction, in the office of the Board, 555 North Cotner Boulevard, Lincoln, Nebraska, on the 27th day of October, 2015, at 10:00 o'clock a.m. local time, Oil And Gas Leases covering the following described lands, to wit:

<u>TRACT</u>	<u>DESCRIPTION</u>	<u>SEC/TWP/RGE</u>	<u>ACRES</u>	<u>COUNTY</u>
1.	NE4NE4 HIGH BID: \$2.00 per acre by CORNERSTONE EXPLORATION, INC.	16-18-56W	40	BANNER
2.	All HIGH BID: \$25.00 per acre by THOROUGHBRED ASSOCIATES, LLC	36-05-36W	640	CHASE
3.	All exc. NE4SE4 HIGH BID: \$35.00 per acre by HOP ENERGIES, LLC.	16-06-39W	600	CHASE
4.	All HIGH BID: \$67.00 per acre by THOMAS ENERGY, INC.	36-06-41W	640	CHASE
5.	N2 HIGH BID: \$2.00 per acre by HANNON & ASSOCIATES, INC.	14-12-52W	320	CHEYENNE
6.	All HIGH BID: \$21.00 per acre by FAIRWAYS EXPLORATION & PRODUCTION, LLC	16-12-57W	640	KIMBALL
7.	All HIGH BID: \$19.00 per acre by JOG CORPORATION	36-14-57W	640	KIMBALL
8.	NE4 & S2 HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC	36-01-17W	480	HARLAN
9.	All HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC	36-01-18W	640	HARLAN
10.	SE4 HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC	36-03-18W	160	HARLAN
11.	E2 HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC	16-04-18W	320	HARLAN
12.	N2 HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC	16-03-19W	320	HARLAN

13.	All	16-04-19W	640	HARLAN
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15.	All exc. 26.71 ac. RR ROW	36-02-20W	613.29	HARLAN
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	HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC			
18.	Gov't Lot 4 & 5 in SE4	36-03-20W	14.93	HARLAN
	HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC			
19.	NW4	16-04-20W	160	HARLAN
	HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC			
20.	N2NE4, E2NW4 & NW4SW4	36-05-18W	200	PHELPS
	HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC			
21.	All	16-05-20W	640	PHELPS
	HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC			
22.	N2 & SW4	36-05-20W	480	PHELPS
	HIGH BID: \$2.00 per acre by THOROUGHBRED ASSOCIATES, LLC			

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

AMOUNT RECEIVED: \$	116,785.44	BOARD OF EDUCATIONAL LANDS AND FUNDS
TOTAL ACRES SOLD:	8,812.72	555 North Cotner Blvd.
AVERAGE PER ACRE:	\$ 13.25	Lincoln, NE 68505
		Telephone: 402/471-2014


Laura B. Bahr-Frew, Minerals Administrator