

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 15th day of April, 2003, at 10:00 o'clock a.m. local time, Oil And Gas Leases covering the following described land, to wit:

<u>TRACT</u>	<u>DESCRIPTION</u>	<u>SEC/TWP/RGE</u>	<u>ACRES</u>	<u>COUNTY</u>
1.	All	16-07-40	640	CHASE
2.	All	16-08-40	640	CHASE
3.	All	16-06-41	640	CHASE
4.	All	36-06-41	640	CHASE
5.	All	36-07-41	640	CHASE
6.	All	16-08-41	640	CHASE
7.	All	36-08-41	640	CHASE
8.	All	36-05-42	640	CHASE
9.	All	36-06-42	640	CHASE
10.	All	36-07-42	640	CHASE
11.	All	36-08-42	640	CHASE
12.	All	36-14-51	640	CHEYENNE
13.	All	16-02-36	640	DUNDY
14.	The bed of the Republican River to the ordinary high-water mark as it lies in the SE $\frac{1}{4}$ of Section	08-01-37	8	DUNDY
15.	The bed of the Republican River to the ordinary high-water mark as it lies in Sections	17 & 20-01-37	160	DUNDY
16.	All	16-01-38	640	DUNDY
17.	All	16-04-40	642.16	DUNDY
18.	All	36-04-41	641.08	DUNDY
19.	All	36-04-42	645.80	DUNDY
20.	All	16-02-32	640	HITCHCOCK
21.	All	16-15-56	640	KIMBALL
22.	All	16-09-41	640	PERKINS
23.	All	36-09-41	640	PERKINS
24.	All	16-10-41	640	PERKINS

25.	All	36-10-41	640	PERKINS
26.	Lots 1, 2, 3 and 4	36-09-42	111.04	PERKINS
27.	All	16-18-31	640	MCPHERSON
28.	All	16-17-32	640	MCPHERSON
29.	All	16-18-32	640	MCPHERSON
30.	All	36-18-32	640	MCPHERSON
31.	All	36-19-32	640	MCPHERSON
32.	All	36-18-33	640	MCPHERSON
33.	All	36-19-33	640	MCPHERSON

Each tract is offered and the Lease for each tract will be issued for the acreage indicated, which may be either 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 2, the Board neither warrants nor agrees to defend title to the 1.06 acre parcel (214.5' x 214.5') in the Southeast Corner of the 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 this 1.06 acre parcel in the Southeast Corner of the SE $\frac{1}{4}$ for oil and gas exploration and production. No rent or bonus payments will be returned under any circumstances.

With respect to tracts 14 and 15, the Board neither warrants nor agrees to defend title to the leased premises, except that all royalty payments will be returned to Lessee, without interest, in the event the Board does not have a lawful right to lease the leased premises for oil and gas exploration and production. No rent or bonus payments will be returned under any circumstances.

In Chase, Cheyenne, Dundy, Hitchcock and Kimball counties (tracts 1-21), 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 Perkins County (tracts 22-26), 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. In McPherson County (tracts 27-33), such Leases will be for a primary term of ten (10) years, will reserve a one-eighth (1/8th) royalty to the Lessor, and will provide for annual delay rentals of \$1.00 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

BOARD OF EDUCATIONAL LANDS AND FUNDS



Telephone: 402/471-2014

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 15th day of April, 2003, at 10:00 o'clock a.m. local time, Oil And Gas Leases covering the following described land, to wit:

<u>TRACT</u>	<u>DESCRIPTION</u>	<u>SEC/TWP/RGE</u>	<u>ACRES</u>	<u>COUNTY</u>
1.	All	16-07-40	640	CHASE
	HIGH BID: \$13.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
2.	All	16-08-40	640	CHASE
	HIGH BID: \$13.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
3.	All	16-06-41	640	CHASE
	HIGH BID: \$24.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
4.	All	36-06-41	640	CHASE
	HIGH BID: \$13.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
5.	All	36-07-41	640	CHASE
	HIGH BID: \$11.00 per acre by CLARK D. CRAWFORD			
6.	All	16-08-41	640	CHASE
	HIGH BID: \$5.00 per acre by CLARK D. CRAWFORD			
7.	All	36-08-41	640	CHASE
	HIGH BID: \$20.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
8.	All	36-05-42	640	CHASE
	HIGH BID: \$14.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
9.	All	36-06-42	640	CHASE
	HIGH BID: \$23.00 per acre by BRIGHT STAR ENERGY SERVICES, INC.			
10.	All	36-07-42	640	CHASE
	HIGH BID: \$54.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
11.	All	36-08-42	640	CHASE
	HIGH BID: \$20.00 per acre by CLARK D. CRAWFORD			
12.	All	36-14-51	640	CHEYENNE
	HIGH BID: \$2.00 per acre by R.V. BORCHERT			
13.	All	16-02-36	640	DUNDY
	HIGH BID: \$11.00 per acre by MICA ENERGY CORPORATION			
14.	The bed of the Republican River to the ordinary high-water mark as it lies in the SE $\frac{1}{4}$ of Section	08-01-37	8	DUNDY
	HIGH BID: \$126.00 per acre by R.V. BORCHERT			
15.	The bed of the Republican River to the ordinary high-water mark as it lies in Sections	17 & 20-01-37	160	DUNDY
	HIGH BID: \$80.00 per acre by MICA ENERGY CORPORATION			
16.	All	16-01-38	640	DUNDY
	HIGH BID: \$5.00 per acre by T. S. DUDLEY LAND COMPANY, INC.			
17.	All	16-04-40	642.16	DUNDY
	HIGH BID: \$5.00 per acre by BRIGHT STAR ENERGY SERVICES, INC.			

18.	All	36-04-41	641.08	DUNDY
	HIGH BID: \$25.00 per acre by T.S. DUDLEY LAND COMPANY, INC.			
19.	All	36-04-42	645.80	DUNDY
	HIGH BID: \$10.00 per acre by T.S. DUDLEY LAND COMPANY, INC.			
20.	All	16-02-32	640	HITCHCOCK
	HIGH BID: \$2.00 per acre by BEREXCO INC.			
21.	All	16-15-56	640	KIMBALL
	HIGH BID: \$2.00 per acre by EVERTSON ENERGY PARTNERS, LLC			
22.	All	16-09-41	640	PERKINS
	HIGH BID: \$52.00 per acre by T.S. DUDLEY LAND COMPANY, INC.			
23.	All	36-09-41	640	PERKINS
	HIGH BID: \$28.00 per acre by CLARK D. CRAWFORD			
24.	All	16-10-41	640	PERKINS
	HIGH BID: \$33.00 per acre by CLARK D. CRAWFORD			
25.	All	36-10-41	640	PERKINS
	HIGH BID: \$33.00 per acre by CLARK D. CRAWFORD			
26.	Lots 1, 2, 3 and 4	36-09-42	111.04	PERKINS
	HIGH BID: \$34.00 per acre by CLARK D. CRAWFORD			
27.	All	16-18-31	640	MCPHERSON
	HIGH BID: \$1.00 per acre by JOLE RESOURCES LLC			
28.	All	16-17-32	640	MCPHERSON
	HIGH BID: \$1.00 per acre by JOLE RESOURCES LLC			
29.	All	16-18-32	640	MCPHERSON
	HIGH BID: \$1.00 per acre by JOLE RESOURCES LLC			
30.	All	36-18-32	640	MCPHERSON
	HIGH BID: \$1.00 per acre by JOLE RESOURCES LLC			
31.	All	36-19-32	640	MCPHERSON
	HIGH BID: \$1.00 per acre by JOLE RESOURCES LLC			
32.	All	36-18-33	640	MCPHERSON
	HIGH BID: \$1.00 per acre by JOLE RESOURCES LLC			
33.	All	36-19-33	640	MCPHERSON
	HIGH BID: \$1.00 per acre by JOLE RESOURCES LLC			

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

AMOUNT RECEIVED: \$289,679.16
TOTAL ACRES SOLD: 19,488.08
AVERAGE PER ACRE: \$14.86

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Laura B. Bahr-Frew, Minerals Administrator