

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 23rd day of October, 2007, 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	36-15-48	640	CHEYENNE
2.	All	36-14-44	640	DEUEL
3.	The bed of the Republican River to the ordinary high-water mark as it lies in Sections 27, 28, 31, 32 and also in Section	33-02-36 06-01-36	270.26	DUNDY
4.	All	36-02-36	640	DUNDY
5.	All	16-22-53	640	SCOTTS BLUFF
6.	All	16-20-56	640	SCOTTS BLUFF
7.	All	16-21-56	640	SCOTTS BLUFF
8.	All	16-09-37	640	PERKINS

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 3, the Board will neither warrant nor agree 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 the event of production, this Lease will be divided into separate Leases, one of which will cover only the Section in which the producing well is located, and the other(s) will cover the remaining land in contiguous parcels. In the event of unitization, this Lease will be divided into separate Leases, one of which will cover only the unitized land, and the other(s) will cover the remaining land in contiguous parcels. (Only the producing Section or unitized land will be held by production.)

SALE RESULTS

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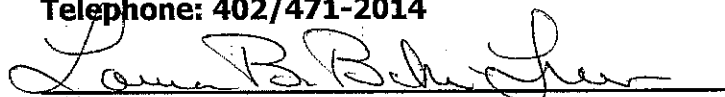
The Board of Educational Lands and Funds of the State of Nebraska (the Board or Lessor) offered for sale at Public Auction, in the office of the Board, 555 North Cotner Boulevard, Lincoln, Nebraska, on the 23th day of October, 2007, at 10:00 o'clock a.m. local time, Oil And Gas Leases covering the following 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: \$5.00 per acre by ENERGY INVESTMENT PARTNERS, LLC	36-15-48	640	CHEYENNE
2.	All HIGH BID: \$43.00 per acre by EVERTSON ENERGY PARTNERS, LLC	36-14-44	640	DEUEL
3.	The bed of the Republican River to the ordinary high-water mark as it lies in Sections 27, 28, 31, 32 and 33-02-36 and also in Section 06-01-36 HIGH BID: \$2.00 per acre by KALER OIL COMPANY	06-01-36	270.26	DUNDY
4.	All HIGH BID: \$2.00 per acre by BEREXCO INC.	36-02-36	640	DUNDY
5.	All HIGH BID: \$2.00 per acre by ASHBY DRILLING CORPORATION	16-22-53	640	SCOTTS BLUFF
6.	All HIGH BID: \$2.00 per acre by ASHBY DRILLING CORPORATION	16-20-56	640	SCOTTS BLUFF
7.	All HIGH BID: \$2.00 per acre by ASHBY DRILLING CORPORATION	16-21-56	640	SCOTTS BLUFF
8.	All HIGH BID: \$14.00 per acre by WESTSTAR EXPLORATION COMPANY	16-09-37	640	PERKINS

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

AMOUNT RECEIVED: \$ 45,340.52
TOTAL ACRES SOLD: 4,750.26
AVERAGE PER ACRE: \$ 9.54

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


Laura B. Bahr-Frew, Minerals Administrator