

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 3rd day of May, 2005, 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	16-05-40	640	CHASE
2.	All	16-06-40	640	CHASE
3.	All	36-14-42	640	DEUEL
4.	The bed of the Republican River to the ordinary high-water mark as it lies in Sections 3, 9 &	10-01-37	150	DUNDY
5.	All	16-04-39	640	DUNDY
6.	All	16-15-43	640	GARDEN
7.	All	36-15-45	640	GARDEN
8.	All except the North 330 feet of the West 264 feet of the Northwest Quarter	16-01-35	634.34	HITCHCOCK
9.	South Half	16-04-35	320	HITCHCOCK
10.	All	16-13-40	640	KEITH
11.	All	16-14-40	640	KEITH
12.	All	16-12-41	640	KEITH
13.	All	36-14-41	640	KEITH
14.	All	36-15-41	640	KEITH
15.	All	16-10-38	617.89	PERKINS
16.	All	16-11-38	639.36	PERKINS
17.	All	36-12-38	640	PERKINS
18.	All	16-09-39	640	PERKINS

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 4, 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.

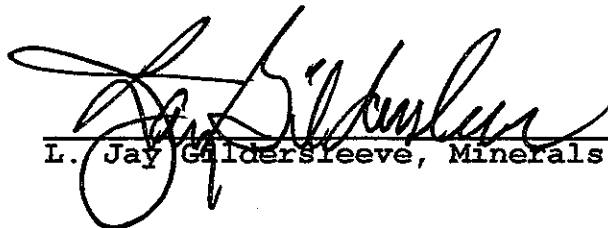
In Chase, Deuel, Dundy, Garden and Hitchcock counties (tracts 1-9), such Leases will be for a primary term of five (5) years, will reserve a one-sixth (1/6th) royalty to the Lessor, and will provide for annual delay rentals of \$2.00 per acre. In Keith and Perkins counties (tracts 10-18), such Leases 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

BOARD OF EDUCATIONAL LANDS AND FUNDS



L. Jay Galdersleeve, 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 3<sup>rd</sup> day of May, 2005, 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 HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC	16-05-40	640	CHASE
2.	All HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC	16-06-40	640	CHASE
3.	All HIGH BID: \$2.00 per acre by EDWARD MIKE DAVIS, LLC	36-14-42	640	DEUEL
4.	The bed of the Republican River to the ordinary high-water mark as it lies in Sections 3, 9 & 10-01-37 HIGH BID: \$2.00 per acre by BEREXCO INC.	3, 9 & 10-01-37	150	DUNDY
5.	All HIGH BID: \$2.00 per acre by BEREXCO INC.	16-04-39	640	DUNDY
6.	All HIGH BID: \$2.00 per acre by JETTA OPERATING COMPANY, INC.	16-15-43	640	GARDEN
7.	All HIGH BID: \$2.00 per acre by JETTA OPERATING COMPANY, INC.	36-15-45	640	GARDEN
8.	All except the North 330 feet of the West 264 feet of the Northwest Quarter HIGH BID: \$2.00 per acre by KALER OIL COMPANY	16-01-35	634.34	HITCHCOCK
9.	South Half HIGH BID: \$2.00 per acre by KALER OIL COMPANY	16-04-35	320	HITCHCOCK
10.	All HIGH BID: \$2.00 per acre by EDWARD MIKE DAVIS, LLC	16-13-40	640	KEITH
11.	All HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC	16-14-40	640	KEITH

12.	All	16-12-41	640	KEITH
		HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC		
13.	All	36-14-41	640	KEITH
		HIGH BID: \$2.50 per acre by EDWARD MIKE DAVIS, LLC		
14.	All	36-15-41	640	KEITH
		HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC		
15.	All	16-10-38	617.89	PERKINS
		HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC		
16.	All	16-11-38	639.36	PERKINS
		HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC		
17.	All	36-12-38	640	PERKINS
		HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC		
18.	All	16-09-39	640	PERKINS
		HIGH BID: \$2.00 per acre by APOLLO ENERGY, LLC		

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

AMOUNT RECEIVED: \$ 21,683.18  
TOTAL ACRES SOLD: 10,681.59  
AVERAGE PER ACRE: \$ 2.03

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

  
Laura B. Bahr-Frew  
Laura B. Bahr-Frew, Minerals Administrator