

July 3, 2014

**COMPETITIVE LEASE OFFERING
FOR OIL, GAS AND ASSOCIATED HYDROCARBONS
AND OTHER MINERAL COMMODITIES
(Bids to be opened July 28, 2014)**

STATE OF UTAH
SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION
675 EAST 500 SOUTH, SUITE 500
SALT LAKE CITY, UT 84102-2818
(801) 538-5100

OIL, GAS AND ASSOCIATED HYDROCARBONS LEASING UNITS

The oil, gas and hydrocarbon leases on the lands listed below have expired and the lands are available for leasing. These lands are hereby offered for oil, gas and associated hydrocarbons lease by competitive filing by the State of Utah, School and Institutional Trust Lands Administration, at a **16-2/3% royalty rate, 5-year term**, unless otherwise specified for the individual leasing unit, in accordance with the provisions of State law and the Rules Governing the Management and Use of Trust Lands in Utah. The offering of these lands for leasing of oil, gas and associated hydrocarbons does not guarantee that there are deposits of oil, gas and associated hydrocarbons on these lands. **The filing period ends at 5:00 P.M., Friday, July 25, 2014.** Each application should include only one leasing unit per application and must be on Form B (rev. 6/08), Oil, Gas and Associated Hydrocarbons Competitive Lease Offering Application, or copies thereof. Form B (rev. 6/08) must be accompanied by two checks, one for the bonus bid for the leasing unit and one check for \$30.00 to cover the application fee. All application fees are forfeited to the Trust Lands Administration. The minimum acceptable bid is **\$2.00 per net acre or fractional part thereof** unless otherwise noted. Each bid is for the first year of the lease. Each application must be submitted in a separate, sealed envelope marked: **“Sealed bid for competitive filing on Leasing Unit No. _____ being offered for oil, gas and associated hydrocarbons leasing. Bids to be opened at 10:00 A.M., Monday, July 28, 2014, at the School and Institutional Trust Lands Administration office at 675 East 500 South, Suite 500, Salt Lake City, UT 84102-2818.”** No bid will be accepted unless it includes: (1) All the lands offered in a particular leasing unit, (2) the entire bonus bid, and (3) is submitted in the manner required on Form B (rev. 6/08). The bid checks of all unsuccessful applicants will be returned to the applicant. **LEASING UNITS RECEIVING NO BIDS MAY BE OFFERED THROUGH ENERGYNET INTERNET BIDDING SYSTEM AT <http://www.energynet.com/> INTERACTIVE OIL, GAS & HYDROCARBONS COMPETITIVE APPLICATION FORM B (rev. 6/08) IS NOW AVAILABLE ON OUR WEBSITE <http://trustlands.utah.gov/>. TAB TO THE RESOURCES SECTION AT THE TOP OF THE HOME PAGE AND CLICK ON THE FORMS & APPLICATIONS LINK. SCROLL DOWN TO THE OIL & GAS FORMS.**

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
1	<u>T10S, R15E, SLB&M</u> Sec. 2: Lots 1(40.50), 2(40.46), 3(40.42), 4(40.38), S½N½, S½ [All]	Duchesne 641.76 Acres
2	<u>T10S, R15E, SLB&M</u> Sec. 36: All	Duchesne 640.00 Acres

LEASING UNIT NO. 3 IS LOCATED WITHIN A STATE MANAGED SAGE GROUSE AREA.

3	<u>T11S, R8E, SLB&M</u> Sec. 31: Lots 1(38.72), 2(39.25), 3(36.06), 4(35.19), 5(39.24), 6(38.71), 7(34.74), 8(33.86), SE¼ [All]	Utah 455.77 Acres
4	<u>T11S, R13E, SLB&M</u> Sec. 36: All	Duchesne 640.00 Acres
5	<u>T13S, R14E, SLB&M</u> Sec. 20: NE¼NE¼, S½NE¼, SE¼ Sec. 21: SW¼NE¼, NE¼NW¼, S½NW¼, SW¼, W½SE¼	Carbon 680.00 Acres
6	<u>T13S, R14E, SLB&M</u> Sec. 28: NE¼NE¼, S½NE¼, W½, SE¼ Sec. 29: NE¼ Sec. 33: N½NE¼NE¼, NW¼NE¼, N½NW¼	Carbon 900.00 Acres
7	<u>T14S, R23E, SLB&M</u> Sec. 32: All	Uintah 640.00 Acres
8	<u>T15S, R11E, SLB&M</u> Sec. 36: N½, N½SW¼, SE¼SW¼, SE¼	Carbon 600.00 Acres

**LEASING UNIT NO. 9 IS IN A DESIGNATED MULTIPLE MINERAL DEVELOPMENT AREA.
FOR MORE INFORMATION, REFER TO THE SCHOOL AND INSTITUTIONAL TRUST
LANDS ADMINISTRATION RULES AND REGULATIONS AT R-850-22-1000.**

9	<u>T15S, R23E, SLB&M</u> Sec. 27: NE¼, N½NW¼, SE¼NW¼, S½ Sec. 28: SE¼	Uintah 760.00 Acres
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COMPETITIVE LEASE OFFERING

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Oil, Gas & Associated Hydrocarbons

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
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LEASING UNIT NO. 10 IS IN A DESIGNATED MULTIPLE MINERAL DEVELOPMENT AREA. FOR MORE INFORMATION, REFER TO THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION RULES AND REGULATIONS AT R-850-22-1000.

10	<u>T15S, R23E, SLB&M</u> Sec. 33: NE $\frac{1}{4}$ Sec. 34: All	Uintah 800.00 Acres
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LEASING UNIT NO. 11 IS THE LOCATION OF THE TRAIL MOUNTAIN COAL MINE. THE COAL RESOURCES ARE MINED OUT AND THE MINE IS SEALED, BUT ANY DRILLING ON THE SECTION MAY ENCOUNTER OLD UNDERGROUND MINE WORKINGS WITH HAZARDOUS CONDITIONS.

11	<u>T16S, R6E, SLB&M</u> Sec. 36: Lots 1(34.98), 2(34.92), 3(34.88), 4(34.82), N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ [All]	Emery 619.60 Acres
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LEASING UNIT NO. 12 IS OFFERED AT 12 1/2% ROYALTY RATE

12	<u>T16S, R8E, SLB&M</u> Sec. 26: SW $\frac{1}{4}$ SE $\frac{1}{4}$	Emery 40.00 Acres
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13	<u>T16S, R10E, SLB&M</u> Sec. 16: All	Emery 640.00 Acres
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14	<u>T17S, R9E, SLB&M</u> Sec. 2: Lots 1(40.73), 2(40.64), 3(40.54), 4(40.45), S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ [Lots aka N $\frac{1}{2}$ N $\frac{1}{2}$]	Emery 562.36 Acres
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15	<u>T17S, R9E, SLB&M</u> Sec. 30: W $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 32: S $\frac{1}{2}$ NW $\frac{1}{4}$	Emery 160.00 Acres
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16	<u>T19S, R7E, SLB&M</u> Sec. 2: Lots 1(37.21), 2(37.39), 3(37.57), 4(37.75), S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ [All]	Emery 629.92 Acres
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17	<u>T20S, R21E, SLB&M</u> Sec. 2: Lots 3(17.29), 4(17.37), S $\frac{1}{2}$ NW $\frac{1}{4}$ [Lots aka N $\frac{1}{2}$ NW $\frac{1}{4}$]	Grand 114.66 Acres
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<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
18	<u>T28S, R25E, SLB&M</u> Sec. 16: Lots 1(32.45), 2(32.39), 3(32.48), 4(33.23), N½S½ [Lots aka S½S½]	San Juan 290.55 Acres
19	<u>T28S, R25E, SLB&M</u> Sec. 32: All	San Juan 640.00 Acres
20	<u>T29S, R25E, SLB&M</u> Sec. 2: Lots 1(40.18), 2(40.22), 3(40.26), 4(40.30), S½N½, S½ [All]	San Juan 640.96 Acres
21	<u>T35S, R25E, SLB&M</u> Sec. 36: All	San Juan 640.00 Acres

LEASING UNIT NOS. 22, 23, 24, 25 & 26 ARE OFFERED AT 12 1/2% ROYALTY RATE.

22	<u>T10N, R11W, SLB&M</u> Sec. 16: Lots 1(11.86), 2(15.58), 3(14.44), 4(4.86), W½ [All]	Box Elder 366.74 Acres
23	<u>T11N, R11W, SLB&M</u> Sec. 2: Lots 1(42.28), 2(36.60), 3(36.60), 4(17.35), 5(27.21), 6(37.70), S½NW¼, NW¼SW¼ [Lots aka W½NE¼, N½NW¼, NE¼SW¼, S½SW¼ - All]	Box Elder 317.74 Acres

LEASING UNIT NOS. 24, 25 & 26 ARE LOCATED WITHIN A STATE MANAGED SAGE GROUSE AREA.

24	<u>T11N, R16W, SLB&M</u> Sec. 12: NW¼NE¼, NW¼NW¼	Box Elder 80.00 Acres
25	<u>T14N, R18W, SLB&M</u> Sec. 2: Lots 1(40.02), 2(40.05), 3(40.08), 4(40.11), 5(37.40), SW¼NE¼, S½NW¼ S½ [All]	Box Elder 637.66 Acres
26	<u>T15N, R18W, SLB&M</u> Sec. 32: All	Box Elder 640.00 Acres

LEASING UNIT NO. DESCRIPTION COUNTY/ACRES

LEASING UNIT NOS. 27 & 28 ARE OFFERED AT 12 1/2% ROYALTY RATE.

LEASING UNIT NOS. 27 IS LOCATED WITHIN A STATE MANAGED SAGE GROUSE AREA.

27	<u>T15N, R18W, SLB&M</u> Sec. 36: Lots 1(34.06), 2(33.51), 3(32.99), 4(32.49), S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, Part of S $\frac{1}{2}$ S $\frac{1}{2}$ [Less Mining Claims of 66.45 Acres] [Lots aka N $\frac{1}{2}$ N $\frac{1}{2}$]	Box Elder 546.60 Acres
28	<u>T15N, R19W, SLB&M</u> Sec. 36: NE $\frac{1}{4}$, S $\frac{1}{2}$	Box Elder 480.00 Acres
29	<u>T1S, R4W, USM</u> Sec. 3: S $\frac{1}{2}$ NW $\frac{1}{4}$	Duchesne 80.00 Acres
30	<u>T1S, R4W, USM</u> Sec. 7: Lots 1(36.60), 2(36.36) [aka W $\frac{1}{2}$ NW $\frac{1}{4}$]	Duchesne 72.96 Acres
31	<u>T1S, R4W, USM</u> Sec. 20: E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$	Duchesne 160.00 Acres
32	<u>T1S, R5W, USM</u> Sec. 10: W $\frac{1}{2}$ W $\frac{1}{2}$	Duchesne 160.00 Acres
33	<u>T1S, R5W, USM</u> Sec. 12: E $\frac{1}{2}$ NE $\frac{1}{4}$	Duchesne 80.00 Acres
34	<u>T1S, R5W, USM</u> Sec. 23: E $\frac{1}{2}$ W $\frac{1}{2}$	Duchesne 160.00 Acres

METALLIFEROUS MINERALS LEASING UNITS

The metalliferous mineral leases on the lands listed below have expired or been cancelled and the lands are available for leasing. These lands are hereby offered for metalliferous minerals lease by competitive filing with the State of Utah, School and Institutional Trust Lands Administration, at a **10-year term**, in accordance with the provisions of State law and Rules Governing the Management and Use of Trust Lands in Utah. **The offering of these lands for lease of metalliferous minerals does not guarantee that there are deposits of Metalliferous minerals on the selected parcels.** The Metalliferous Mineral lease carries a royalty rate of eight (8%) for fissionable metalliferous minerals and four (4%) for non-fissionable metalliferous minerals. **The filing period ends at 5:00 P.M., Friday, July 25, 2014.** Each applicant should include only one leasing unit per application which must be on the Competitive Lease Offering Application, Metalliferous Mineral Lease Form C-2 (rev. 6/08), or copies thereof as attached to this offering. The lease application must be accompanied by **two** checks – one for the bonus bid for the leasing unit and one check for the \$30.00 application fee. All application fees are forfeited to the Trust Lands Administration. **Minimum annual rental, regardless of acreage shall be no less than \$500.00 or \$1.00 per acre, whichever is larger.** The minimum acceptable bid is \$500.00 for lease units containing less than 500 acres or for units containing more than 500 acres, \$1.00 per acre (fractional acres are rounded up to one full acre for each lease unit). The bid is applied to the first year rental payment. Each application must be submitted in a separate, sealed envelope marked: **“Sealed bid for competitive filing on Leasing Unit No. _____ being offered for metalliferous minerals leasing. Bids to be opened at 10:00 A.M., Monday, July 28, 2014, at the School and Institutional Trust Lands Administration’s office at 675 East 500 South, Suite 500, Salt Lake City, Utah 84102-2818.”** No bid will be accepted unless it includes: (1) All the lands offered in a particular lease unit, (2) a separate check for the entire bonus bid and a separate check of \$30.00 for the application fee, and (3) is submitted in the manner required on the Competitive Lease Offering Application, Metalliferous Minerals Application Form C-2 (rev. 6/08). Bid checks of All unsuccessful applicants will be returned to the applicant. **INTERACTIVE METALLIFEROUS MINERALS COMPETITIVE APPLICATION FORM C-2 (rev. 6/08) IS NOW AVAILABLE ON OUR WEBSITE <http://trustlands@utah.gov/> . TAB TO THE RESOURCES SECTION AT THE TOP OF THE HOME PAGE AND CLICK ON THE FORMS & APPLICATIONS LINK. SCROLL DOWN TO THE HARD ROCK AND INDUSTRIAL MATERIALS FORMS.**

METALLIFEROUS MINERALS LEASING UNITS

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
35	<u>T27S, R21E, SLB&M</u> Sec. 3: Lots 1(45.28), 2(45.15), 3(45.03), 4(44.90), S½N½ [Lots aka N½N½]	San Juan 340.36 Acres

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
36	<u>T27S, R21E, SLB&M</u> Sec. 4: Lots 1(44.82), 2(44.78), 3(44.74), 4(44.70), S½N½, S½ [All]	San Juan 659.04 Acres
37	<u>T27S, R21E, SLB&M</u> Sec. 9: N½	San Juan 320.00 Acres
38	<u>T30S, R24E, SLB&M</u> Sec. 2: Lots 1(39.60), 2(39.77), 3(39.93), 4(40.10), S½N½, E½SW¼, W½SE¼ [Lots aka N½N½]	San Juan 479.40 Acres

LEASING UNIT NO. 40 MAY CONTAIN ACREAGE WITHIN AN EXISTING BUREAU OF LAND MANAGEMENT ("BLM") WILDERNESS STUDY AREA ("WSA"). A FEDERAL JUDICIAL DECISION PROVIDES THAT REASONABLE ACCESS TO STATE TRUST LANDS WITHIN WSA'S MUST BE GRANTED BY THE BLM; HOWEVER, THE SUCCESSFUL LESSEE WILL BE REQUIRED TO APPLY FOR AND OBTAIN THE APPROPRIATE EASEMENTS FROM THE BLM AT THEIR EXPENSE. ADDITIONALLY, THE SUCCESSFUL LESSEE SHOULD BE AWARE THAT THE TRUST LANDS ADMINISTRATION WILL NOT CONSENT TO LEASE TERM OR ANNUAL RENTAL SUSPENSIONS ON LEASES WHOLLY OR PARTIALLY WITHIN EXISTING OR PROPOSED WSA'S BECAUSE OF RESTRICTIONS PLACED UPON ACCESS OR AVAILABILITY OF SURROUNDING BLM LANDS FOR LEASING AND/OR OPERATIONS.

39	<u>T31S, R10E, SLB&M</u> Sec. 36: All	Garfield 640.00 Acres
40	<u>T31S, R25E, SLB&M</u> Sec. 2: Lots 1(44.18), 2(44.09), S½NE¼ [Lots aka N½NE¼]	San Juan 168.27 Acres
41	<u>T36S, R16E, SLB&M</u> Sec. 32: All	San Juan 640.00 Acres

LEASING UNIT NOS. 42 & 43 ARE LOCATED WITHIN A STATE MANAGED SAGE GROUSE AREA.

42	<u>T15N, R18W, SLB&M</u> Sec. 32: All	Box Elder 640.00 Acres
43	<u>T15N, R19W, SLB&M</u> Sec. 36: All	Box Elder 640.00 Acres

COMPETITIVE LEASE OFFERING
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Metalliferous Minerals

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
44	<u>T20S, R6W, SLB&M</u> Sec. 16: All	Millard 640.00 Acres
45	<u>T22S, R18W, SLB&M</u> Sec. 36: N½, SW¼	Millard 480.00 Acres

GEOHERMAL ENERGY LEASING UNITS

The lands listed below are available for lease under the geothermal energy lease category. These lands are hereby offered for geothermal energy lease by competitive filing with the “State of Utah, School and Institutional Trust Lands Administration, in accordance with the provisions of State Law and Rules Governing the Management and Use of Trust Lands in Utah. **The Trust Lands Administration does not guarantee that there is a geothermal energy resource on the selected parcels.** The geothermal energy lease carries an initial royalty rate of 2.25% of the gross proceeds from sale of electrical power for the first five years of the lease term and 3.5% thereafter. For direct sale or use of the geothermal resource the royalty rate is 10% of the gross proceeds or the value of the sale of use. Minimum annual rental, regardless of average shall be no less than \$500.00 or \$1.00 per acre, whichever is the greatest. The lease will also carry an advanced minimum royalty payment of \$5.00 per acre which will be an annual payment in addition to the annual rental payment. **The minimum bonus bid shall be no less than \$10.00 per acre. The minimum bonus bid will include the first year annual rental of \$1.00 per acre and the first year advanced annual minimum royalty of \$5.00 per acre.** Annual rental and advanced minimum royalty can be deducted from actual production royalties for the year in which they accrue. **The filing period ends at 5:00 P.M., Friday July 25, 2014.** Each applicant should include only one leasing unit per application which must be on the Competitive Lease Offering Application, Geothermal Steam Lease Form C-7 (rev.6/09), or copies thereof, as attached to this offering. The application must be accompanied by **two** checks – one check for the bonus bid for the leasing unit and one check for the \$30.00 application fee. All application fees are forfeited to the Trust Lands Administration. Each application must be submitted in a separate, sealed envelope marked: **“Sealed bid for competitive filing on Leasing Unit No. ____ being offered for geothermal steam leasing. Bids to be opened at 10:00 A.M., Monday, July 28, 2014, at the School and Institutional Trust Lands Administration’s office at 675 East 500 South, Suite 500, Salt Lake City, Utah 84102-2818.”** No bid will be accepted unless it includes: (1) All the lands offered in a particular lease unit, (2) a separate check for the entire bonus bid and a separate check of \$30.00 for the application fee, and (3) is submitted in the manner required on the Competitive Lease Offering Application, Geothermal Steam Lease Form C-7 (rev.6/09). Bid checks of all unsuccessful applicants will be returned to the applicant. **INTERACTIVE GEOHERMAL ENERGY COMPETITIVE LEASE APPLICATION FORM C-7 (rev. 6/09) IS NOW AVAILABLE ON OUR WEBSITE <http://trustlands@utah.gov/> . CLICK ON THE FORMS AND APPLICATIONS LINK AND SCROLL DOWN TO THE HARD ROCK AND INDUSTRIAL MATERIALS FORMS.**

GEOHERMAL ENERGY LEASING UNITS

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
46	<u>T20S, R7W, SLB&M</u> Sec. 2: Lots 1(47.98), 2(47.48), 3(47.00), 4(46.50), S½N½, E½SW¼, SE¼ [Lots aka N½N½]	Millard 588.96 Acres



675 East 500 South #500
 Salt Lake City, UT 84102-2818
 Telephone No. (801)538-5100
 Fax No. (801)355-0922
 Web site: trustlands.utah.gov

Date: _____

**COMPETITIVE LEASE OFFERING APPLICATION
 METALLIFEROUS MINERALS APPLICATION**

Applicant Name: _____

Address: _____

City: _____

State: _____ **Zip Code:** _____

Phone: _____

OFFICE USE ONLY	
APPLICATION NO. _____	
SCH	_____
MH	_____
NS	_____
SM	_____
UNIV	_____
DEAF	_____
IB	_____
USH	_____
SYDC	_____
RES	_____
PB	_____
USU	_____
OTHER	_____
TOTAL	_____
Checked by: _____	

Applicant hereby applies for a mineral lease on the following described leasing unit as listed on the Lease Offering, situated in _____ County, State of Utah, for the purpose of mining the following mineral(s) therefrom: MetAlliferous Minerals.

Leasing Unit No.*	Section(s)	Twn	Rng	Meridian	Acres
Total					

REQUIREMENTS AND CONDITIONS: 1) One leasing unit per application form; 2) Applicants are required to submit a check in the amount of \$30.00, as a nonrefundable application fee, AND a separate check in the amount of the bonus bid; 3) All application fees are forfeited to the School and Institutional Trust Lands Administration; 4)The Applicant offers a minimum bid of \$500.00 per lease unit, regardless of acreage, or \$1.00 per acre, (fractional acres are rounded up to one full acre) whichever is greater; 5) Applicant does hereby bid and deposit with this application a sum of _____ as first years rental and as a bonus amount to secure a lease for the above described lease unit; 6) Bonus bid checks will be returned to unsuccessful applicants.

The successful Applicant must accept a metAlliferous minerals lease in the form currently offered by the School and Institutional Trust Lands Administration subject to the requirements of the laws of the State of Utah and the rules governing the management of the School and Institutional Trust Lands Administration. Failure of funds or failure to execute a lease within 30 days of receipt shall constitute a forfeiture of the bonus bid and termination of the lease agreement. If the applicant is a firm, association or corporation, the date such entity became qualified to do business in the State of Utah was _____.

 Applicant's Signature

By: _____
 ** (Attorney-in-fact) Signature

** Application filed by an attorney-in-fact in behalf of the applicant shall not be accepted unless there is sufficient evidence on file with the Trust Lands Administration that the applicant authorized the attorney-in-fact to apply for and execute the lease in his behalf.

This bid form cannot be used for bidding on either surface or oil, gas & hydrocarbon lands. For questions or information call (801) 538-5100.

