

October 31, 2006

**OVER THE COUNTER LEASING
FOR OIL, GAS AND ASSOCIATED HYDROCARBONS
AND METALLIFEROUS MATERIALS**

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 following parcels were not leased during the October 2006 Competitive Lease Offering and are available for over the counter leasing thru January 26, 2007, in accordance with R850-21-300 Lease Application Process under Rules Governing the Management and Use of Trust Lands in Utah. All unit parcels are a 10 year lease term at a 12-1/2% royalty rate. 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. Each application should include only one leasing unit per application and must be on Form B-4 (rev. 11/05), Over the Counter Oil, Gas and Associated Hydrocarbons Competitive Application. All parcels of lands are offered at a \$1.50 per net acre **or fractional part thereof** with an additional \$30.00 to cover the application fee.

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
17	<u>T31S, R23E, SLB&M</u> Sec. 16: N½, SE¼	San Juan 480.00 Acres
34	<u>T31S, R12W, SLB&M</u> Sec. 36: All	Iron 640.00 Acres
38	<u>T35S, R12W, SLB&M</u> Sec. 32: Lots 1(41.96), 5(41.72), 6(42.80), 7(42.41), 12(42.27), 13(42.67)	Iron 253.83 Acres
39	<u>T35S, R13W, SLB&M</u> Sec. 32: Lots 1(39.77), 2(39.84), 3(39.90), 4(39.97), N½, N½S½ (All)	Iron 639.48 Acres

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Oil, Gas & Associated Hydrocarbons

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
44	<u>T6N, R9W, SLB&M</u> Sec. 7: Lots 1(6.39), 2(19.15), 3(31.91), (44.67) (All) Sec. 8: Lots 1(19.00), 2(39.53), 3(30.16), 4(17.43), S $\frac{1}{2}$ S $\frac{1}{2}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ (All) Sec. 9: Lots 1(33.02), 2(3.42), 3(26.68), 4(19.74), 5(10.36), W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ (All) Sec. 10: Lots 1(31.62), 2(3.04) (All) Sec. 15: Lot 1(8.83) (All) Sec. 16: Lots 1(28.49), 2(40.74), 3(42.80), 4(13.18), 5(38.89), 6(27.05), N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ (All)	Box Elder 976.10 Acres
45	<u>T6N, R9W, SLB&M</u> Sec. 17: All Sec. 18: All	Box Elder 1280.00 Acres
46	<u>T6N, R9W, SLB&M</u> Sec. 19: All Sec. 20: N $\frac{1}{2}$, SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 21: Lots 1(1.11), 2(22.56), 3(38.19), 4(41.67), 8(4.73), 9(9.66), 10(24.02), 11(3.30), S $\frac{1}{2}$ S $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 22: Lots 1(17.01), 2(16.17), 5(19.55), 6(27.74), 8(37.39), 9(4.84), 11(8.63), 12(0.76) Sec. 23: Lot 1(2.30) (All)	Box Elder 1519.63 Acres
47	<u>T6N, R9W, SLB&M</u> Sec. 26: Lots 1(4.68), 2(27.85), 3(6.99), 4(23.41), 5(34.52), 6(39.97), 7(26.11), W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ (All) Sec. 27: All Sec. 28: All	Box Elder 1603.53 Acres
48	<u>T6N, R9W, SLB&M</u> Sec. 29: S $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, SE $\frac{1}{4}$ Sec. 30: All	Box Elder 1200.00 Acres
49	<u>T6N, R9W, SLB&M</u> Sec. 31: All Sec. 32: All	Box Elder 1280.00 Acres

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<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
50	<u>T6N, R9W, SLB&M</u> Sec. 33: All Sec. 34: All	Box Elder 1280.00 Acres
51	<u>T6N, R9W, SLB&M</u> Sec. 35: Lots 1(21.27), 2(32.96), W $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, SE $\frac{1}{4}$ (All) Sec. 36: Lots 1(3.40), 2(32.88), 3(35.12), 4(4.42), SW $\frac{1}{4}$ SW $\frac{1}{4}$ (All)	Box Elder 730.05 Acres
52	<u>T6N, R10W, SLB&M</u> Sec. 7: Lots 1(28.41), 2(23.08), 3(15.51), 4(7.94) (All) Sec. 8: Lot 1(1.15) (All) Sec. 17: Lots 1(17.87), 2(25.38), 3(32.88), 4(39.25), S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) Sec. 18: Lots 1(37.45), 2(37.56), 3(37.66), 4(37.77), E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$ (All)	Box Elder 1301.91 Acres
53	<u>T6N, R10W, SLB&M</u> Sec. 13: Lots 1(33.61), 2(20.84), 3(8.06), 4(35.29), S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ (All) Sec. 14: Lots 1(0.44), 2(9.73), 3(22.51), 4(36.51), 5(30.51), S $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ (All)	Box Elder 877.50 Acres
54	<u>T6N, R10W, SLB&M</u> Sec. 15: Lots 1(20.23), 2(12.68), 3(5.24), 4(37.45), SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ (All) Sec. 16: Lots 1(27.76), 2(35.30), 3(42.82), 4(50.36), S $\frac{1}{2}$ (All)	Box Elder 831.84 Acres
55	<u>T6N, R10W, SLB&M</u> Sec. 19: Lots 1(37.86), 2(37.94), 3(38.02), 4(38.10), E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$ (All) Sec. 20: All	Box Elder 1271.92 Acres
56	<u>T6N, R10W, SLB&M</u> Sec. 21: All Sec. 22: All	Box Elder 1280.00 Acres

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
57	<u>T6N, R10W, SLB&M</u> Sec. 23: All Sec. 24: All	Box Elder 1280.00 Acres
58	<u>T6N, R10W, SLB&M</u> Sec. 25: All Sec. 26: All	Box Elder 1280.00 Acres
59	<u>T6N, R10W, SLB&M</u> Sec. 27: All Sec. 28: All	Box Elder 1280.00 Acres
60	<u>T6N, R10W, SLB&M</u> Sec. 29: All Sec. 30: Lots 1(38.18), 2(38.26), 3(38.34), 4(38.42), E½, E½W½ (All)	Box Elder 1273.20 Acres
61	<u>T6N, R10W, SLB&M</u> Sec. 31: Lots 1(38.49), 2(38.57), 3(38.63), 4(38.71), E½, E½W½ (All) Sec. 32: All	Box Elder 1274.40 Acres
62	<u>T6N, R10W, SLB&M</u> Sec. 33: All Sec. 34: All	Box Elder 1280.00 Acres
63	<u>T6N, R10W, SLB&M</u> Sec. 35: All Sec. 36: All	Box Elder 1280.00 Acres
64	<u>T6N, R11W, SLB&M</u> Sec. 2: Lots 1(15.88), 2(13.39), 3(12.02), 4(10.63) (All) Sec. 12: Lots 1(5.15), 2(12.62), 3(20.11), 4(37.68), S½SW¼, SW¼SE¼ (All) Sec. 13: All	Box Elder 887.48 Acres
65	<u>T6N, R11W, SLB&M</u> Sec. 24: All Sec. 25: All Sec. 36: All	Box Elder 1920.00 Acres

METALLIFEROUS MINERALS LEASING UNITS

The following parcels were not leased during the October 2006 Competitive Lease Offering and are available for over the counter leasing beginning October 31, 2006. All unit parcels carry a 10 year lease term at a royalty rate of eight percent (8%) for fissionable metalliferous minerals and four percent (4%) for non-fissionable metalliferous minerals. The offering of these lands for lease of metalliferous minerals does not guarantee that there are deposits of metalliferous minerals on these lands. Each application should include only one leasing unit per application and must be on Form C-5 (rev 11-05), Metalliferous Mineral Lease Application. The required annual rental is \$500.00 for lease units containing less than 500 acres or for units of more than 500 acres the annual rental is \$1.00 per acre (**fractional acres are rounded up to one full acre**). In addition to the annual rental an application fee of \$30.00 is also required.

METALLIFEROUS MINERALS LEASING UNITS

<u>LEASING UNIT NO.</u>	<u>DESCRIPTION</u>	<u>COUNTY/ACRES</u>
66	<u>T9S, R3E, SLB&M</u> Sec. 10: Lots 1(35.59), 2(35.96), 3(36.34), 4(36.71), 5(40.00), 6(40.00), 7(40.00), 8(40.00), 9(40.00), 10(40.00), 11(40.00), 12(40.00), S½ (All)	Utah 784.60 Acres
67	<u>T21S, R14E, SLB&M</u> Sec. 16: E½, E½W½	Emery 480.00 Acres
72	<u>T7S, R1W, SLB&M</u> Sec. 12: SW¼	Utah 160.00 Acres
73	<u>T7S, R1W, SLB&M</u> Sec. 14: NE¼, SE¼NW¼, NE¼SW¼, NW¼SE¼	Utah 280.00 Acres
74	<u>T24S, R1W, SLB&M</u> Sec. 22: S½N½, S½	Sevier 480.00 Acres

SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION
OVER THE COUNTER
OIL, GAS & ASSOCIATED HYDROCARBONS APPLICATION

Applicant Name: _____

Address: _____

 City State Zip Code

Telephone No. _____

Applicant hereby applies for a oil, gas and associated hydrocarbons lease on the following described tract of land situated in _____ County, State of Utah.

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

Subdivision	Section	Twn	Rng	Meridian	Acres

Total Acres _____

REQUIREMENTS AND CONDITIONS: 1) One lease is limited to no more than 2,560 acres. 2) The Applicant offers a minimum rental of \$40.00 or \$1.50 per acre, (fractional acres are rounded up to one full acre) whichever is greater; 3) Applicant does hereby deposit with this application a sum of \$ _____ as advance first year rental and a separate check for the \$30.00 application fee to secure a lease for the above described oil, gas and associated hydrocarbons. 4 If the applicant is a firm, association or corporation, the entity must be qualified to do business in the State of Utah.

Upon approval the applicant must accept an oil, gas and associated hydrocarbons 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, including the rules of the Division of Oil, Gas and Mining and the rules governing the management of the School and Institutional Trust Lands Administration both now in effect and as may hereinafter be adopted. Failure of funds or failure to execute a lease within 30 days of receipt shall constitute a forfeiture of the first year rental and termination of the lease agreement.

 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 form cannot be used for any competitive bid sale. (See SITLA Rule R850-3-300.) For questions or information call (801) 538-5100. This form cannot be used for any Metaliferous Mineral or Surface applications.

**METALLIFEROUS MINERAL LEASE APPLICATION
OVER THE COUNTER
SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION**

Applicant Name: _____

Address: _____

City State Zip Code

Telephone No. _____

Applicant hereby applies for a mineral lease on the following described tract of land situated in _____ County, State of Utah, for the purpose of mining the following mineral(s) therefrom: _____.

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

Subdivision	Section	Twn	Rng	Meridian	Acres

Total Acres _____

REQUIREMENTS AND CONDITIONS: 1) One mineral lease is limited to no more than 2,560 acres. 2) The Applicant offers a minimum rental of \$500.00 per lease parcel, regardless of acreage, or \$1.00 per acre, (fractional acres are rounded up to one full acre) which ever is greater; 3) Applicant does hereby deposit with this application a sum of \$ _____ as advanced first years rental and \$30.00 application fee to secure a lease for the above described minerals.

Upon approval the applicant must accept a 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, including the rules of the Division of Oil, Gas and Mining and the rules governing the management of the School and Institutional Trust Lands Administration both now in effect and as may hereinafter be adopted. Failure of funds or failure to execute a lease within 30 days of receipt shall constitute a forfeiture of the first year rental 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 form cannot be used for any competitive bid sale. (See SITLA Rule R850-3-300.) For questions or information call (801) 538-5100. This form cannot be used for any Oil & Gas applications.