



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

1700 N. Congress Ave. • Austin, TX 78701-1495 • 512- 463-5339 • FAX: 512-475-1415

PRESS RELEASE

Commissioner George P. Bush: Online Summer Oil & Gas Lease Sale bidding ends tomorrow!

Online bidding happening now at https://www.energynet.com/govt_listing.pl

FOR IMMEDIATE RELEASE
July 31, 2017

Contact: Brittany Eck
(512) 463-5708
brittany.eck@glo.texas.gov

AUSTIN —

AUSTIN - Commissioner George P. Bush is reminding interested bidders that the next Texas General Land Office (GLO) Summer Oil & Gas Lease Sale is currently accepting bids and the sale ends tomorrow, August 1, 2017. During the lease sale, participants bid for the right to explore for oil and gas on Permanent School Fund property owned by the state. The company offering the highest up-front payment (commonly called a bonus) is awarded the lease. Tract information is now available on the EnergyNet [website](#) and bids are being accepted until 10:00 a.m. on August 1st.

"Today's marketplace is driven by innovation and technology," Commissioner Bush said. "As Commissioner of the Texas General Land Office, I am committed to streamlining outdated processes and improving our PSF returns on behalf of the schoolchildren of Texas."

The GLO is continuing its partnership with EnergyNet, an industry leader for easy-to-use oil and gas auction and sealed bid transaction services, to conduct lease sales online. This will be the fifth GLO lease sale held online. The fourth online lease sale, held in January, brought in \$81.8 million, averaging \$5,968 per acre. The sale included some offshore acreage - a lower price leasing environment - which watered down the overall average. The GLO received more than \$30,000 per acre for two tracts in the Delaware Basin and more than \$15,000 per acre for six additional tracts.

The third online lease sale, held last July, earned public education more than \$98 million. In the first online lease sale in August 2015, PSF tracts of land brought in more than \$20 million. That's about \$1,500 per acre more than the previous traditional lease sale. The online lease sale in January 2016 brought in nearly \$11 million for 4,393 acres, which is just under \$2,500 per acre. Sales are held semiannually and available tracts may be nominated by contacting the GLO.

"Taking our business practices online opens the bidding process to more producers and investors, and access creates opportunity," Commissioner Bush continued. "We find ideas on Pinterest, sell on Etsy, buy from Amazon and get rides from Uber. Through

innovation, the Texas economy can thrive, even in a soft oil and gas market. By taking the GLO's energy lease sales online, we are answering Texans' demand for a more efficient, effective government."

Prior to Commissioner Bush's initiative to host lease sales online, anyone wishing to develop oil and gas reserves on Permanent School Fund land had to physically submit a bid, sealed in an envelope in Austin. It was a process that had changed little since the 1950s. The traditional process limited the scope of interest in bidding participation. As awareness of the new innovative practice has grown, non-traditional bidders have joined in the lease sale process. This expanded pool, plus recent signs of commodity stabilization, have resulted in exceptional online lease sale results.

In both the traditional and new online formats, the company offering the highest up-front payment is awarded the lease.

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