



# Benefits of Online Lease Sales

April 21, 2016

WSLCA Royalty Working Group

Presented by:  
John Munroe – VP of Engineering / Government Lease Sales

# Presentation will focus on

- ▶ Online Lease Sales Overview
- ▶ Advantages to the Selling Agency
- ▶ Case Histories
- ▶ Summary

# Online Lease Sales Overview

# Lease Sales Notice Transformation

Transforms the Lease Sales Notice into an online presentation

From Lease Notice...

NEW MEXICO STATE LAND OFFICE  
LEASE SALE NOTICE  
\*\*\*\*\* SEALED TRACTS \*\*\*\*\*

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - APRIL 15, 2014  
NOTE : THE FOLLOWING TRACTS WILL BE OFFERED FOR SEALED BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.2 NMSA 1978, DISCOVERY LEASE FORM, FIVE(5) YEAR TERM, 1/6th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
001 VO-001	Chaves	17 09S 27E E2		320.00	\$0.50	\$5,000.00
002 VO-002	Chaves	02 14S 28E	LOT(S) 3, 4, S2NW4, SW4	320.64	\$0.50	\$5,000.00
003 VO-003	Chaves	32 15S 27E	NE4, SW4NW4, W2SW4, N2SE4, SE4SE4	400.00	\$0.50	\$6,500.00
004 VO-004	Eddy	26 16S 25E	E2NW4	80.00	\$1.00	\$1,500.00
005 VO-005 (D)	Eddy	02 22S 21E	LOT(S) 3, 4, S2NW4, SW4	319.85	\$1.00	\$5,000.00
006 VO-006	Harding	10 19N 31E	SE4NW4	40.00	\$0.25	\$1,000.00
007 VO-007 (D)	Lea	32 09S 37E	NE4	160.00	\$0.50	\$2,500.00
008 VO-008 (D)	Lea	21 12S 38E	N2N2, S2SE4	240.00	\$0.50	\$4,000.00
009 VO-009	San Juan	36 24N 08W	SE4NW4	40.00	\$1.00	\$1,000.00

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - APRIL 15, 2014  
NOTE : THE FOLLOWING TRACTS WILL BE OFFERED FOR SEALED BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.3 NMSA 1978, DEVELOPMENT LEASE FORM, FIVE(5) YEAR TERM, 3/16th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
010 VB-001 (D)	Eddy	02 16S 31E	LOT(S) 7, 9, 10, 11	160.00	\$1.00	\$2,500.00
011 VB-002	Eddy	32 20N 23E	LOT(S) 3, 4, S2SW4	168.22	\$1.00	\$3,000.00
012 VB-003	Eddy	36 22S 24E	E2	320.00	\$1.00	\$5,000.00
013 VB-004	Eddy	02 23S 24E	S2	320.00	\$1.00	\$5,000.00
014 VB-005	Eddy	21 23S 25E	SW4SW4	40.00	\$1.00	\$1,000.00
015 VB-006 (D)	Lea	27 12S 32E	E2	320.00	\$0.50	\$5,000.00
016 VB-007 (D)	Lea	05 16S 32E	LOT(S) 3, 4, 9	117.91	\$1.00	\$2,000.00
017 VB-008	Lea	18 16S 33E	E2	320.00	\$1.00	\$5,000.00
018 VB-009	Lea	07 16S 38E	NE4SE4	40.00	\$1.00	\$1,000.00
019 VB-010	Lea	35 22S 35E	S2	320.00	\$1.00	\$5,000.00

D: ALL OR PORTION OF SURFACE NON-STATE

ALL HIGH BIDS ARE SUBJECT TO APPROVAL BY THE COMMISSIONER OF PUBLIC LANDS  
Page 1 OF 2  
www.nmstatelands.org



...to Website

**Browse Government Listings**  
14 tracts covering 6,934.35 net mineral acres

Search the map:

Click, pan and zoom the map below with your mouse and wheel

**Map features**

- Shale Plays
- Source: [EIA](#)
- Available UT Leases
- Active UT Leases
- Producing UT Wells
- UT O/G Units
- UT O/G Fields
- UT Surface
- Ownership
- UT Mineral Ownership
- UT Wilderness & WSAs
- UT Proposed Wilderness
- Source: [Utah Arco & SITLA](#)
- [Click to let the map go down the page](#)

Map data ©2013 Google, INEGI 100 km Terms of Use

**Locations currently displayed on map**

- Arizona
- Colorado
- Nevada
- New Mexico
- Utah
- Wyoming
- Lincoln
- Coconino
- Elko
- White Pine
- Alamosa
- Delta
- Eagle

**Browse by sale group**  
Expand sale groups to display the individual tracts available. Register for a sales group in order to bid on the tracts within.

**UT-2013-Q4R1** *Open for bidding*  
November 12th - November 19th, 2013

**Utah Over the Counter Lease Sale**  
14 Tracts covering 6,934.35 net mineral acres available for lease from Utah

[View Group](#) [Review Registration](#)

<p><b>Tract</b> Lease Unit No. 16</p> <p><a href="#">Tract Info</a></p>	<p>Uintah County T5S, R23E, SLB&amp;M Sec. 18: Lots 1(39.92), 2(39.90), 3(39.90), 5(5.00), 6(19.88), W½NE¼NW¼NE¼, NW¼NW¼NE¼, NW¼SW¼NW¼NE¼, NE¼NW¼, W½NE¼SE¼NW¼, W½SE¼NW¼, E½SW¼, SW¼SE¼ [Lots aka W½NW¼, NW¼SW¼, N½NE¼SW¼SW¼, W½SW¼SW¼]</p> <p>Gross Acres: 347.10 Net Acres: 347.10</p> <p style="text-align: right;"><a href="#">View on Map</a></p>	<p>High bid: \$3.50/acre</p> <p><a href="#">Bid Page</a></p>	<p><i>Bidding closes at</i> 11/19/13 3:00 PM</p>
<p><b>Tract</b> Lease Unit No. 17</p> <p><a href="#">Tract Info</a></p>	<p>Uintah County T5S, R24E, SLB&amp;M Sec. 29: S½NW¼, NW¼SW¼ Sec. 30: E½SE¼ Sec. 31: E½NE¼</p> <p>Gross Acres: 280.00 Net Acres: 280.00</p> <p style="text-align: right;"><a href="#">View on Map</a></p>	<p>High bid: \$4/acre</p> <p><a href="#">Bid Page</a></p>	<p><i>Bidding closes at</i> 11/19/13 3:05 PM</p>

# Government Lease Sales

The Government Lease Sales section of the website is tailored to fit the unique needs of state lease sales.

- ▶ Publicly accessible lease sale group data
- ▶ Interactive map shows spatial relationships between assets and areas of interest, roads, and satellite views of actual properties.

**EN ENERGYNET**

Buyer Username: \_\_\_\_\_ Password: \_\_\_\_\_ **LOGIN**

Seller  Keep me signed in. [Forgot Username or Password](#) [Register Account](#)

Property Listings | Sell a Property | Mapping | Sales Results | About Us | Help Center

**Browse Government Listings**  
11 tracts covering 5,038.03 net mineral acres

**Sale Calendar** | Search the map: \_\_\_\_\_  
*Click, pan and zoom the map below with your mouse and wheel*

**Map features**

- Shale Plays  
Source: [EIA](#)
- Active UT Leases
- Producing UT Wells
- UT O/G Units
- UT O/G Fields
- UT Surface Ownership
- UT Mineral Ownership
- UT Wilderness & WSAs
- UT Proposed Wilderness  
Source: [Utah Argc & SITLA](#)

Click to pin map to the top of the page

**Locations currently displayed on map**

- Utah
- Uintah
- T&R: 14S 22E Sec: 16
- T&R: 14S 22E Sec: 14
- T&R: 14S 22E Sec: 18
- T&R: 14S 22E Sec: 15
- T&R: 14S 22E Sec: 17
- T&R: 14S 22E Sec: 20

**Browse by sale group**  
Expand sale groups to display the individual tracts available. Register for a sales group in order to bid on the tracts within.

**UT-2015-Q3-SB** **Utah Oil and Gas Sealed Bid Sale**  
10 Tracts covering 8,013.17 net mineral acres available for lease from Utah

**View Group** | Collapse

**Sealed Bids Due:**  
November 5th, 2015 @ 5PM

Tract Lease Unit No.	County	Section	Status	Offers Due
1	Uintah County	T14S, R21E, SLB&M Sec. 36: All	Sealed Bid Offering	All offers due by November 5th @ 5PM
2	Carbon County	T15S, R10E, SLB&M Sec. 32: N1/2	Sealed Bid Offering	All offers due by November 5th @ 5PM

# Tract Information Pages

Each tract in the lease sale group receives its own customizable tract information page.

- ▶ Modifications to information or removals of tracts processed quickly.
- ▶ Notifications to all participating buyers.
- ▶ Current permits and drilling rigs will be shown by county.

**Utah Oil and Gas Sealed Bid Sale**  
**Tract: Utah Leasing Unit No. 1**  
Uintah County, UT; Gross Acres: 640.00; Net Acres: 640.00



Log in to Bookmark
Go to Sale Group
Go to Govt Listings

**Sealed Bid Status**

Sealed Bid Sale

**Bid Submission Deadline**  
**November 5th, 2015**  
**5:00 PM**

**Offer Info at a glance**

Minimum Offer: \$2 per acre  
 Buyer Premium: 2% Total Bonus Bid

**Utah Leasing Unit No. 1 details**

State: UT
County: Uintah
Township: 14S
Range: 21E
Meridian: SLB&M
Section: 36
Subsection: All
Royalty Rate: 16 2/3%
Application Fee: \$30.00
Gross acres: 640.00
Net acres: 640.00

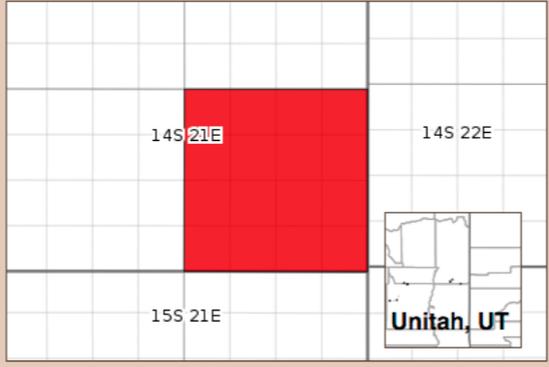
Review tract lease form

**Additional Information**

All bidding and lease sales on SITLA properties listed on this website shall be subject to the statutes, administrative rules, and other laws of the State of Utah, including but not limited to the Utah Government Records Access and Management Act, UTAH CODE §63G-2-101, et. seq.

Purchase price includes the lease bonus and 1st year rental. Buyer will be responsible for paying rental payment for years 2 through 5.

Data represented on these maps is for REFERENCE USE ONLY and is not suitable for legal, engineering, or surveying purposes. Neither SITLA nor EnergyNet.com shall be liable for any direct, indirect or consequential damages to any party arising out of or in connection with the use of data on these maps.



**Drilling Permits from the last 365 days in Uintah, Utah**  
source: www.drillinginfo.com

API No.	Operator	Sec.	Twp	Range	Lease	Well No.	Date Issued	Permitted Depth	Well Type	Well Status	Target Formation	Vertical
43-037-50069	Fidelity E&P Company	12	29S	21E	Three Mile Unit	12-2-29-21	6/12/2014	13,490	O	Approved permit	Cane Creek	N
43-037-50071	Fidelity E&P Company	16	29S	22E	Three Mile Unit	16-2-29-22	10/2/2014	12,367	O	Approved permit	Cane Creek	N
43-037-50070	Fidelity E&P Company	12	29S	21E	Three Mile Unit	12-3-29-21	7/8/2014	13,444	O	Approved permit	Cane Creek	N
43-037-50068	Summit Operating, LLC	14	36S	24E	Cactus Park	10-14-36-24	7/30/2014	4,120	G	Approved permit	Honaker Trail	Y
43-037-50067	Summit Operating, LLC	23	36S	24E	Cactus Park	8-23-36-24	7/30/2014	4,100	G	Drilling	Honaker Trail	Y

Click here to view

# Stipulations and Disclaimers Displayed

Each tract contains the disclaimers mandated by the Agency.  
This information is presented to every buyer.

## Additional Information

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## Drilling Permits from the last 365 days in Uintah, Utah

source: [www.drillinginfo.com](http://www.drillinginfo.com)

API No.	Operator	Sec.	Twp	Rng	Lease	Well No.	Date Issued	Permitted Depth	Well Type	Well Status	Target Formation	Vertical
43-037-50069	Fidelity E&P Company	12	29S	21E	Three Mile Unit	"12-2-29-21	6/12/2014	13,490	O	Approved permit	Cane Creek	N
43-037-50071	Fidelity E&P Company	16	29S	22E	Three Mile Unit	"16-2-29-22	10/2/2014	12,367	O	Approved permit	Cane Creek	N
43-037-50070	Fidelity E&P Company	12	29S	21E	Three Mile Unit	"12-3-29-21	7/8/2014	13,444	O	Approved permit	Cane Creek	N
43-037-50068	Summit Operating, LLC	14	36S	24E	Cactus Park	"10-14-36-24	7/30/2014	4,120	G	Approved permit	Honaker Trail	Y
43-037-50067	Summit Operating, LLC	23	36S	24E	Cactus Park	"8-23-36-24	7/30/2014	4,100	G	Drilling	Honaker Trail	Y

[Click here to view](#)

# Online Sale Options and Access

- ▶ Agency may use “Auction” or “Sealed Bid” format
- ▶ Agency determines the sale calendar dates
- ▶ Oil, gas and other minerals sold online
- ▶ Tract information is available for viewing 24 hours / a day, 7 days a week
- ▶ Bidders may view from their computer, phone, I pad or any device with internet access

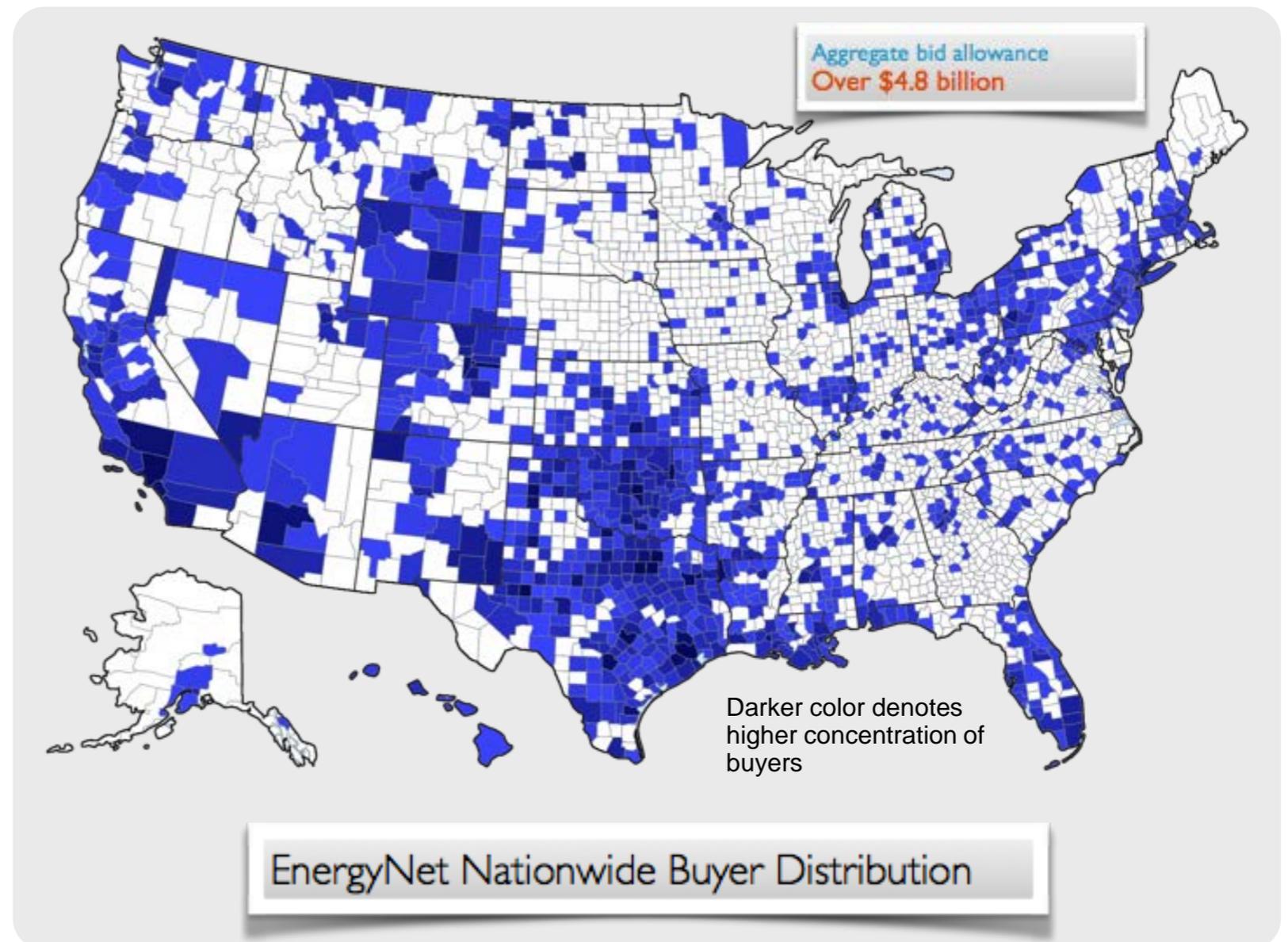
# Advantages to the Selling Agency

# Increased Participation and Competition

Expose assets to more than 18,500 active, sophisticated, registered, accredited oil and gas investors.

## *Who buys properties and leases on EnergyNet?*

- ▶ Top 250+ Public E&P Companies
- ▶ Top 250+ Private E&P Companies
- ▶ Private Equity Backed E&P's
- ▶ Upstream MLP's
- ▶ Regional O&G Companies
- ▶ Royalty Aggregators
- ▶ Investor Groups
- ▶ High Net Worth Individuals



# Bidder Vetting

## Prescreen bidder to ensure accredited oil and gas investor

- ▶ Bidder registration **online**
- ▶ Requested bid allowance **confirmed** with finance institution
- ▶ **Broker** may bid for other companies
- ▶ Agencies may provide a list of “**blocked bidders**”

# Online Marketing

# Home Page Exposure on the Website



Auction Listings



Sealed Bid / Negotiated Sales



Government Lease Sales

**WY Lease Sale**  
30 Tracts covering 19,200 acres

**FIRST Online Oil & Gas Lease Sale**

30 parcels covering 19,200 Net/Gross Acres located in Albany, Big Horn, Carbon, Johnson, Lincoln, Natrona, Park, Platte, Sweetwater, Washakie and Weston Counties are available for lease from the Wyoming Office of State Lands and Investments.

First parcel opens for bidding May 2, 2016 at 2:00 PM CDT  
Parcels close May 9, 2016 beginning at 2:00 PM CDT

[Click to visit the Government Lease Sales page and learn more.](#)

[LEARN MORE](#)

**UT Lease Sale**  
22 Tracts covering 13,597.47 acres

**Trust Lands Administration**

Twenty-two tracts covering 13,597.47 net/gross acres in Garfield, Rich, and Sevier Counties are available for lease from the State of Utah, through the School and Institutional Trust Lands Administration.

State of Utah  
School and Institutional  
Trust Lands Administration

First tract opens for bidding April 14, 2016 at 2:00 PM CDT  
Tracts close April 21, 2016 starting at 2:00 PM CDT

[Click to visit the Government Lease Sales page and learn more.](#)

[LEARN MORE](#)

**Texas GLO**  
Upcoming Summer Lease Sale

Please mark your calendar for the Summer Lease Sale from The Texas General Land Office.

When: **July 19<sup>th</sup>, 2016** at 10:00am

Nominations: Consideration will be given to all nominations received by the TX GLO on or before **April 5<sup>th</sup>, 2016**.

Please note: Bids for the July Lease Sale accepted at EnergyNet.com beginning approximately 30 days prior to the sale.

[Click for more information!](#)

[LEARN MORE](#)

**Yates Petroleum Corp**  
McElmo Dome (Non-Op WI)

Eddy County, New Mexico

6-Month Average 8/8ths Production: 1,349 MCFPD and 4 BOPD  
6-Month Average Net Income: \$19,169 (Net to YPC O&G)

Let 33821: 10 Well Package Operations and ORR plus Leasehold (74,579.99 Net Acres)  
Lea and Roosevelt Counties, New Mexico  
6-Month Average 8/8ths Production: 518 MCFPD and 12 BOPD  
6-Month Average Net Income: \$10,066 (Net to YPC O&G)

Let 33829: 204 Well Package (Non-Op WI, RI and ORR)  
Lea County, New Mexico  
6-Month Average 8/8ths Production: 3,140 BOPD and 451 MCFPD  
6-Month Average Net Income: \$4,102 (Net to YPC O&G)

Bidding opens: April 13, 2016 starting at 2:00 pm CDT  
Auction closes: April 20, 2016 starting at 2:00 pm CDT

[Click here for more information](#)

[LEARN MORE](#)

**ND Lease Sale**  
82 Tracts covering 11,134.65 acres

82 North Dakota Tracts consisting of 6,358.37 Net / 11,134.65 Gross Acres in Bottineau, Burke, Divide, Emmons, McKenzie, Mountrail and Williams Counties available for lease from The North Dakota Department of Trust Lands.

First tract opens for bidding May 3, 2016 at 9:00 AM CDT  
Tracts close May 10, 2016 beginning at 9:00 AM CDT

[Click to visit the Government Lease Sales page and learn more.](#)

[LEARN MORE](#)

**Terra Nova Energy**  
Delaware Basin Non-Prod Lshld

Property Highlights:

- Approx. 20,354 Gross / 9,336 Net Leasehold Acres
- Potential Target Formations:
  - Wolfcamp
  - Morrow
  - Atoka
  - Strawn
- Also
- Yeso
- San Andres

This is a sealed bid offering.  
BIDS DUE EXTENDED: May 12, 2016

[Click here for more information](#)

[LEARN MORE](#)

**Redwood Exploration**  
8 Well Package (Non-Op WI)

4 Producing Wells - 10.54% WI / 7.90% to 1.27% NRI  
6-Month Average 8/8ths Production: 398 BOPD and 710 MCFPD  
70 Total Net Leasehold Acres

Atkins 14-11 Lease (1,001.40 Acre Lease)  
3 Producing Wells - Average 7.08% WI / 5.31% NRI  
1 Permitted Well - 7.28% WI / 5.31% NRI  
Paid 31-Day Average 8/8ths Production: 2,391 BOPD and 2,543 MCFPD

Aggregate 6-Month Average Net Income: \$41,010/month  
Current Aggregate Average 8/8ths Production: 2,789 BOPD and 3,273 MCFPD  
Operator: Parsley Energy Operations, LLC

This is a sealed bid offering.  
BIDS DUE: April 27, 2016 at 4:00 PM CDT

[Click here for more information](#)

[LEARN MORE](#)

**Yates Petroleum Corp**  
Leasehold Acreage Non-Op

Seven lots in Blaine, Daniels, Phillips, Teton and Valley Counties, Montana

1 Well (Non-Op WI) - Blaine, Daniels, Phillips, Teton and Valley Counties, Montana

Let 34275: Williston Basin Non-Producing Leasehold (23,272.93 Gross / 21,277.04 Net Acre) - Dawson, Fallon, McCone and Wibaux Counties, Montana

Let 33833: Williston Basin Non-Producing Leasehold (12,290.35 Gross / Net Acre) - Golden Valley County, North Dakota

Let 34272: Williston Basin Non-Producing Leasehold (162.55 Gross / Net Acre) - Burke and Mountrail Counties, North Dakota

Let 32875: Williston Basin Non-Producing Leasehold (17,315.17 Gross / 10,373.22 Net Acre) - Billings, Dunn and Stark Counties, North Dakota

Let 34348: Williston Basin 5 Well Package (Non-Op WI) plus Non-Producing Leasehold (15,418 Gross / 10,234.47 Net Acre) - McCone County, North Dakota and Richland and Rosebud Counties, Montana

Let 34349: Williston Basin 4 Well Package (Non-Op WI) plus Non-Producing Leasehold (5,043 Gross / 1,176 Net Acre) - Divide and Williams Counties, North Dakota and Sheridan County, Montana

These are sealed bid offerings.  
Lots close April 12-20, 2016

[Click here for more information](#)

[LEARN MORE](#)

**Double Eagle Energy Rockies LLC**  
3 Well Package (Non-Op WI)

Non-Operated WI in 3 Horizontal Producers

- Ditts Federal 24-20TH - 9,402,482% WI / NRI: 7,445,847% (Hz Turner)
- Stoddard Federal 1-21PH - 25,151,557% WI / NRI: 18,863,648% (Hz Parkman)
- Stoddard Federal 1-21TH - 25,151,557% WI / NRI: 18,863,648% (Hz Turner)

5-Month Average Net Income: \$92,221/Month  
6-Month Average 8/8ths Production: 647 BOPD and 2,410 MCFPD

Operator:  
Ballard Petroleum Holdings LLC  
Peak Powder River Resources, LLC

Bidding opens: April 27, 2016 at 2:00pm CDT  
Auction closes: May 4, 2016 at 2:00pm CDT

[Click here for more information](#)

[LEARN MORE](#)





THE CONTINUOUS OIL AND GAS PROPERTY MARKETPLACE

Dear Joe User,

[Forward To a Friend](#)

Select tract leases from the State of Utah are being made available for bidding **online** through EnergyNet's continuous oil and gas marketplace! Complete due diligence data is **available online now**. <http://gov.energynet.com>

**-REMINDER-**  
**Tracts begin closing:**  
**March 25, 2014 @ 2:00 PM CST**



**ENERGYNET**  
Government Lease Sales

Participate in **online lease sales** for the States of Utah, Colorado and North Dakota - only on EnergyNet!

# Reminder Emails



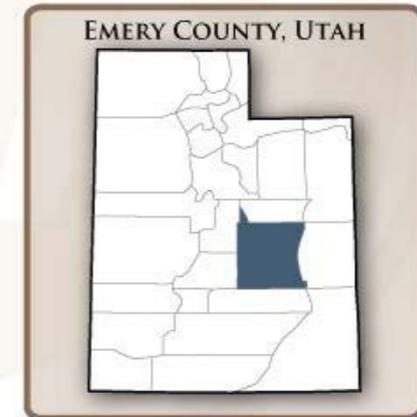
## The State of Utah School and Institutional Trust Lands Administration

**Five leasing units covering 3,345.22 acres** in Emery County, Utah, are available from the State of Utah, through the School and Institutional Trust Lands Administration.

**All five tracts begin closing  
March 25, 2014 at 2:00pm CST**



State of Utah  
School and Institutional  
Trust Lands Administration



Click to visit the Government Lease Sales page and learn more!

**For more information contact:**

**John Munroe**

**V.P. of Engineering / Government Lease Sales**

**Direct: (713) 582-7755**

**[John.Munroe@energynet.com](mailto:John.Munroe@energynet.com)**



# Announcements in Major Publications with “links” to the website

Oil and Gas  
Investor's

## A&D WATCH | BREAKING NEWS

TOPICS: [On The Market](#) [A&D Deals](#) [Who's Who](#) [A&D Watch Newsletters](#)

### Utah To Auction 3,300 Acres Benefiting Public Education

The state of Utah's School & Institutional Trust Lands Administration (SITLA) will be auctioning five leasing units covering 3,345.22 acres located in Emery County this month.

A portion of the money raised through the management and leasing of this acreage is used to fund public education for the benefit of Utah schoolchildren, said [EnergyNet.com Inc.](#), who is assisting with the auction.

"We are proud to serve the Utah School and Institutional Trust Lands Administration by making their leases available through our online auction platform. This allows EnergyNet bidders, located in all 50 states, the opportunity to obtain leases in Utah with their investments supporting the education of the state's schoolchildren," said Bill Britain, EnergyNet president and CEO.

Complete tract due diligence information can be found on EnergyNet's government lease sale page at [gov.energynet.com](#).

Bidding begins at 2 p.m. CST on Feb. 18 and ends at 2 p.m. CST on Feb. 25. For more information, contact [John Munroe](#), EnergyNet's vice president of engineering/government lease sales, at 832-403-3122.

#### Top Headlines

[McClendon's American Energy Snatches Up 130,000 More Acres In Utica](#)

February 03, 2014

[Top Headlines](#)  
[On The Market](#)  
[A&D Deals](#)



Online auctions  
Rapid-cycle sealed bid sales  
Negotiated sales  
State lease sales  
[www.energynet.com](#)



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*The State of Utah*  
**School and Institutional  
Trust Lands Administration**

**Online Auction Tract List** – Closing date: February 25, 2014

**Five leasing units covering 3,345.22 acres** in Emery County, Utah, are available from the State of Utah, through the School and Institutional Trust Lands Administration. Visit [gov.energynet.com](http://gov.energynet.com) to learn more, register and participate!

Tract Lease Unit No.	Description
36	Emery County T18S, R14E, SLB&M Sec. 2: Lots 1(42.54), 2(42.49), 3(42.44), 4(40.48), 5(38.72), 6(39.24), 7(39.75), S½NE¼, SE¼NW¼, E½SW¼, SE¼ [All] Sec. 14: N½SE¼ Gross Acres: 725.66   Net Acres: 725.66
38	Emery County T19S, R13E, SLB&M Sec. 36: All Gross Acres: 640.00   Net Acres: 640.00
39	Emery County T20S, R13E, SLB&M Sec. 2: Lots 1(42.02), 2(42.27), 3(42.51), 4(42.76), S½N½, S½ [All] Gross Acres: 649.56   Net Acres: 649.56
45	Emery County T23S, R13E, SLB&M Sec. 36: All Gross Acres: 640.00   Net Acres: 640.00
46	Emery County T25S, R13E, SLB&M Sec. 2: Lots 1(12.47), 2(12.49), 3(12.51), 4(12.53), 5(40.00), 6(40.00), 7(40.00), 8(40.00), S½N½, S½ [All] Gross Acres: 690.00   Net Acres: 690.00



State of Utah  
School and Institutional  
Trust Lands Administration

Participate in the upcoming online **Utah state lease auction only on EnergyNet.com!**

**Full-Page Handouts available as PDF files for easy distribution**

# Closing Process

- ▶ Successful Bidders **notified electronically** at close of the lease sale with closing and funding instructions
- ▶ Bidder may **wire funds** to vendor or agency as directed
- ▶ If vendor collects all funds, Agency sent a **customized final report** and wire for total sale amount
- ▶ Sale reports and lease information may be customized for agency to **expedite** the process **electronically**
- ▶ Consequences of bidder **not paying** includes no lease issued, **barred** from future online sales

# Case Histories

# Online Versus Traditional Sales

## Agency Examples:

- ▶ Agencies have held a comparison of oral versus online sales
  - One had **353%** premium for neighboring leases sold online versus oral
  - One found that the comparable tracts that brought \$1 at the oral auction brought **\$30-\$50** more at the online auction
- ▶ State Agency utilized online sales for Over the Counter (OTC) selling over **75%** of the lots
- ▶ First sealed bid sale brought **4** times the expected value
- ▶ Agencies have bidder participation from **additional states**
- ▶ Lease sales have viewers **domestic** and **abroad**
- ▶ Sales are dependent on **market** conditions, and property **location**

# 2015 Online Sales Statistics

2015	
Total Actual Sales	\$284,650,798
Number of Properties Sold	7,001
Number of Unique Sellers	185
Number of Sale Closing Days	124

This year featured properties from these and 155 other sellers!



# State and Federal Government Agencies Using Online Marketing



Colorado



Utah



North Dakota



University Lands



Texas GLO



Wyoming



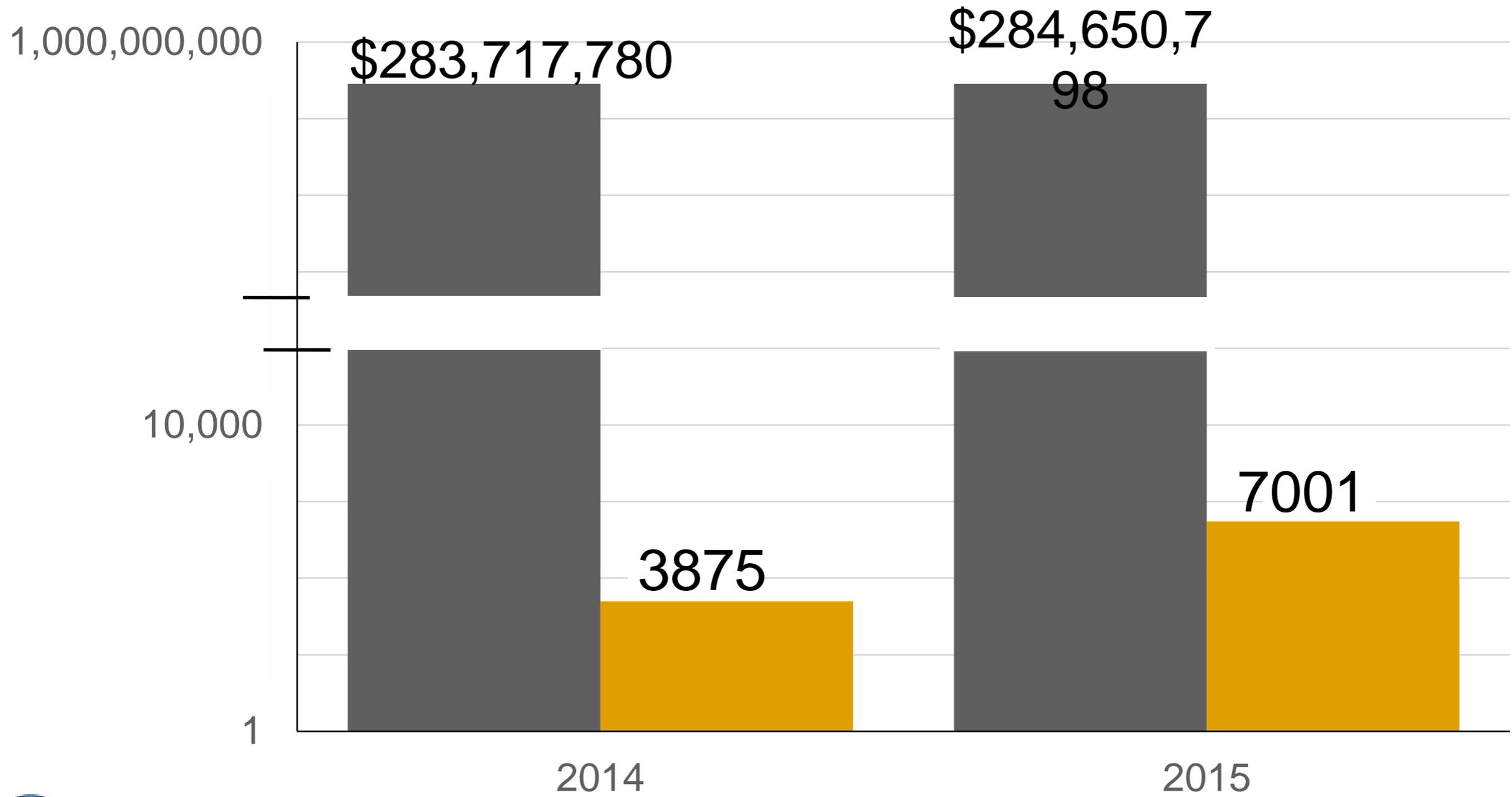
BLM

# Market Impact on Sales

2014 vs. 2015

Increase in Total Actual Sales  
\$933,018

Increase Number of Properties Sold  
3,248



# Summary

# Benefits Summary

- ▶ No charge to the Agency for each sale, a **Buyer's Premium** (or “Convenience Fee,” “No-travel Fee”) is paid by successful bidder based on a percentage of the total bonus paid.
- ▶ **Bidders save time and travel expenses** with a more efficient online sales process.
- ▶ Recent **survey** for the BLM of clients gave **overwhelming support** to online marketing since this “saved time, travel, manpower, was more efficient, and allowed for online data review”.
- ▶ All data is backed up electronically and retained in **perpetuity**
- ▶ Website is **508** Compliant

# Online Lease Sales

**Exposure** • **Competition** • **Value**