

WELD COUNTY CODE

Sec. 2-2-70. Mineral leasing policy.

- A. The County owns mineral rights for approximately forty thousand (40,000) acres. The Board of County Commissioners adopted the following mineral leasing policy:
1. The term of the leasing period shall be a maximum of **three (3) years**.
 2. There shall be a continuation of the sealed bid process with the amendment that the top two (2) bidders and any other bidder within ten percent (10%) may participate in an auction. The opening of the sealed bids and the auction shall be held on the same day.
 3. A bid bonus of at least **Six Hundred dollars (\$600.00)**, per acre, shall be the minimum amount required.
 4. There shall be a continuation of the requirement for certified funds.
 5. Where there is a conflict concerning the ownership of the lease, the owner of the lease shall provide evidence of ownership.
 6. Royalty interest in the production to be paid to the County shall be at least **twenty-five percent (25%)**. Specific amount of royalty interest shall be set by the Board of County Commissioners prior to the bidding process.
 7. Royalty interest in the production to be paid to the County shall be **eighteen and one-half percent (18.5%)** when bidding is waived on small parcels under five (5) acres, with a minimum of a **Twelve Hundred dollar (\$1,200.00)** royalty bonus, per acre.
- B. The Board of County Commissioners adopted the following policy for extending the terms of all mineral leases. The Board will extend the terms of all mineral leases in which it is the Lessor according to the following conditions:
1. No lease term will be extended for more than six (6) months from the original expiration date as contained in the mineral lease.
 2. The Lessee shall pay to the Lessor the sum of one-third ($\frac{1}{3}$) of the original bonus.
 3. The Lessee must pay to the Lessor the sum of **Two and 50/100 dollars (\$2.50)** per acre leased as delayed rental for the term of the extension.
 4. The royalty will remain the same as in the original lease.

(Effective 6/30/2014)