

INSTRUCTIONS TO BIDDERS

The Weld County, Colorado, Oil and Gas Lease will be used as the bid form. Please note the Weld County Oil and Gas Lease contains a signature sheet which must be signed and notarized.

1. Bids may be found on our website www.co.weld.co.us listed under the Purchasing Dept. Please send a courtesy email or fax to let us know if you are intending to bid on the leases. (see form on website)
2. Bidder must fill in name and address of lessee in the introductory paragraph of the Weld County Oil and Gas Lease.
3. Bidder must complete the first paragraph following "WITNESSETH" of the Weld County Oil and Gas Lease, writing the dollar amount for the bonus amount of the Oil and Gas Lease on a per mineral acre basis.
4. A bid of at least **\$600.00** per acre shall be the minimum amount required.
5. Bidder must return EACH bid in a separate envelope and must show name and mailing address in the upper left hand corner of the envelope with bid number and lease number. (Do not write bid amount on envelope)
6. Bidder must sign as lessee and have notarized. (Last page of the Weld County Oil and Gas Lease)
7. Certified checks or cashier's check for the bonus amount of bid must accompany the sealed bids. Other forms of security will not be accepted. A filing fee of \$10.00 must also accompany the sealed bid. This may be certified check, cashier's check or cash. The check for the bonus amount will be returned to the unsuccessful bidders immediately after the awarding of the bid. The \$10.00 for the filing fee is kept by Weld County.
8. There shall be a continuation of the sealed bid process with the amendment that the top two bidders and any other bidder within 10% of the top bid shall participate in an auction. The opening of the sealed bids will take place in the Purchasing Dept at 8:30 am and the auction shall be held the same day during the Board of Commissioners meeting held at 9:00 am. If an auction is held on a parcel of land the higher bidder may give a company check or personal check for the difference between the written bid and oral bid, as well as pay the annual rental amount for the first year, or rental for the entire initial three-year term, if desired.
9. The term of the leasing period shall be for 3 years, unless held by production with a 22.5% royalty interest.
10. Where there is a conflict concerning the ownership of the lease, the owner of the lease shall provide evidence of ownership.
11. Errors sometimes occur in the listing, though every effort is made to avoid them. The Board is not liable for any inconvenience or loss caused by errors which may occur.
12. The Board of Weld County Commissioners reserves the right to reject any or all bids, to waive any informalities in bids, and to accept the bid that, in the opinion of the Board, is to the best interests of the Board and of the County of Weld, State of Colorado. The Board of Weld County Commissioners shall give preference to resident Weld County bidders in all cases where the bids are competitive in price and quality.
13. Checks are to be made payable to the Board of Weld County Commissioners.