

From: -Info-Land Dept.
Sent: Friday, July 09, 2010 6:02 PM
To: -Info-Land Dept.
Subject: ND State Land Dept. Info
Attachments: Aug2010SaleList.pdf

Attached is a list of just over 42,000 net mineral acres that will be offered for sale at the Land Department's oil and gas lease sale in Medora on August 3, 2010. The sale will begin at 9:00 AM MT and will be limited to one day. One interesting thing about this sale is that for the first time in a long time, there are no tracts in either Dunn or Mountrail Counties.

The Land Department received an invitation to participate and an AFE from Newfield Production Company for the Walrus 1-12 well, which is located in McKenzie County, T152N-R97W, Section 12. This well was spud on May 28, 2010 and is currently in confidential status. Leases 10-02984 thru 10-02987 cover the state's 24 net mineral acres in the 640 acre spacing unit for this well, and represent a 3.75% working interest. Newfield has withdrawn their invitation to participate in this well and will give the successful bidder 30 days after the lease sale to respond to their invitation. Documentation of our correspondence with Newfield to date can be found at:

<http://www.land.nd.gov/minerals/emailupdates/NewfieldWalrus1-12H.pdf>

Other files related to the sale, including GIS data and Excel files, can be found at the following URL:

<http://www.land.nd.gov/minerals/August2010.htm>

We look forward to seeing you in August in Medora.

Jeff Engleson, CPA
Acting Land Commissioner

The information contained in this email is not intended to convey all the circumstances surrounding this mineral interest and further research may be necessary.