

REQUEST FOR PROPOSALS FOR CITY OF WILLISTON OIL AND GAS LEASE

The City of Williston will accept proposals for oil and gas leases on all of the airport/City property located within Section 11, Section 10 and Section 3, T154N R101W, estimated to be in excess of 580 acres, all located in the City of Williston, County of Williams, and State of North Dakota.

Proposals are subject to the following conditions:

1. One fifth (1/5) minimum royalty rate.
2. Maximum three year lease.
3. Should drilling not happen within the first three years, an added amount equal to the initial lease bonus payment shall be paid to the City.
4. Proposals shall be for drilling into, but not more than 100 feet beyond, the Bakken and Three Forks-Sanish formations.

Proposals shall be submitted to the City Auditor at City Hall, 22 East Broadway, Williston, North Dakota, on or before 2:00 p.m. on July 8, 2010, which shall be the time of the proposal opening. Proposals are to be submitted in a sealed envelope marked "Oil and Gas Lease." At the option of the City, up to three of the parties submitting proposals may be given the opportunity to better their terms in an oral process arranged by the City Auditor.

The approved lessor is responsible for conducting research necessary to confirm the actual net acres that are owned on these lands. The City reserves the right to accept and reject any and all proposals and to accept the proposal deemed by the Board of City Commissioners to be in the best interest of the City. The City reserves the right to hold the proposals for up to thirty (30) days and to waive any irregularity in any proposal. For further information contact:

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