

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

In the Matter of Leasing County-Owned Oil and Gas Rights for Exploration and Production)
)
)
[March 2009 Auction Date])
_____)

ORDER NO. 14 - 2009
(Setting Auction Date)

WHEREAS, the Board of County Commissioners for Columbia County would like to schedule an auction in order to lease some of its oil and gas rights for exploration and production in the Mist Gas Field; and

WHEREAS, Order No. 138-97 requires auction dates to be set by an appropriate Order of the Board pursuant to ORS 275.294;

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1. An auction will be held in order to lease some of Columbia County's oil and gas rights for the exploration and production of natural gas.
2. The auction will be held on Thursday, March 26, 2009, beginning at 1:30 p.m. and shall continue until all parcels have been leased or withdrawn from the auction..
3. The auction will be held in the Commissioners' Meeting Room, Room 308 of the Columbia County Courthouse, 230 Strand, St. Helens, Oregon.
4. The auction will be conducted pursuant to the procedures adopted in Order No. 138-97.
5. The attached Notice of Public Auction is approved and shall be published as required by Order No. 138-97.

DATED this 4th day of March, 2009.

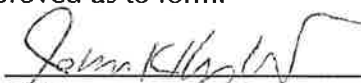
BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

By: 
Chair

By: _____
Commissioner

By: 
Commissioner

Approved as to form:

By: 
Office of County Counsel

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BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR COLUMBIA COUNTY, OREGON

In the Matter of Leasing County-Owned Oil and Gas)	
Rights for the Exploration and Production of Natural Gas)	NOTICE OF PUBLIC AUCTION
)	
[March 2009 Lease Sale])	

NOTICE IS HEREBY GIVEN that the Board of County Commissioners for Columbia County, Oregon, will hold a public auction for certain lands and/or mineral rights in the Mist Gas Field situated in Columbia County, Oregon.

Competitive bidding will be held in the Commissioners' Meeting Room, Room 308 of the Columbia County Courthouse Annex, 230 Strand, St. Helens, Oregon, beginning at 1:30 p.m. on Thursday, March 26, 2009, pursuant to the leasing rules adopted by the Board. It is the County's intent to auction approximately ___ individual parcels, or approximately ___ acres. The auction will proceed separately, parcel by parcel, until all parcels have been auctioned or withdrawn by the auctioneer. The Board of Commissioners reserves the right to withdraw any parcel or parcels from bidding and to reject any or all bids.

The minimum acceptable bonus bid is Two Dollars and Fifty Cents U.S. (\$2.50) per acre. Higher bids will be considered in increments of \$0.25. However, the Board of Commissioners reserves the right to set a higher minimum acceptable bonus bid for certain parcels. The primary lease term is ten (10) years. The royalty on oil and gas is three-sixteenths (3/16) [18.75 percent] of gross production. The annual rental is Five Dollars U.S. (\$5.00) per acre per year. If operations are not commenced within five (5) years, an additional annual delay drilling penalty of Fifteen Dollars U.S. (\$15.00) per acre per year is required.

Immediately following the auction, the highest bidder for each parcel shall pay bid security in the amount of ten percent (10%) of the bonus bid per acre plus ten percent (10%) of the first year's rental per acre times the total number of acres in the parcel plus recording and handling fees of \$45.00, and sign such forms as may be required by the Board. No later than Monday, March 30, 2009, at 5:00 p.m. (PDT), the highest bidder for each parcel shall pay to Columbia County, in care of Cynthia Zemaitis, Natural Resources Administrator, the balance of the bonus bid plus the first year's rental for the parcel. Upon compliance, the highest bidder for each parcel shall be awarded a lease.

Copies of the list of parcels available for auction, the leasing rules, bidder's forms, the form of lease and the memorandum of lease which will be used may be examined by contacting Cynthia Zemaitis, Natural Resources Administrator, Columbia County Courthouse, 231 Strand, Room 318, St. Helens, Oregon 97051, or are available upon request. Hard copies are available for a fee of \$5.00; digital copies will be sent free of charge. Contact Cynthia Zemaitis, Natural Resources Administrator, at 503.397.3839 or cynthia.zemaitis@co.columbia.or.us.

Dated this ___ day of March, 2009.

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

By: _____
Rita Bernhard, Chair

The Chronicle:	Please publish in the March 11 and March 18 editions of your paper.
The Independent:	Please publish in the March 18 edition of your paper.
The Clatskanie Chief:	Please publish in the March 18 edition of your paper.