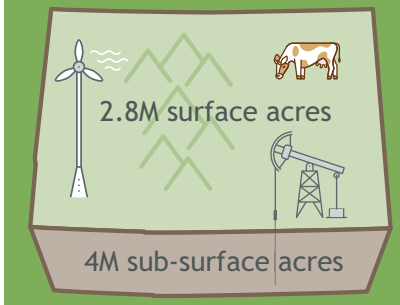
Oil & Gas Leasing Process on Colorado Trust Land

Colorado Trust Land & Minerals

Owned by the State Land Board since statehood (1876)*

*In the 1780s, America's founding fathers believed that an educated society would ensure a successful democratic society.



So the US Congress gave federal land and mineral grants to states at statehood to support public beneficiaries, namely schools.

3rd party nominates a minerals tract. Staff reviews.

Denied.

Staff contacts subject matter experts* and COGCC's Local Government Designee for input.

Denied.

Presented to Board for decision. **PUBLIC COMMENT.**

Denied.

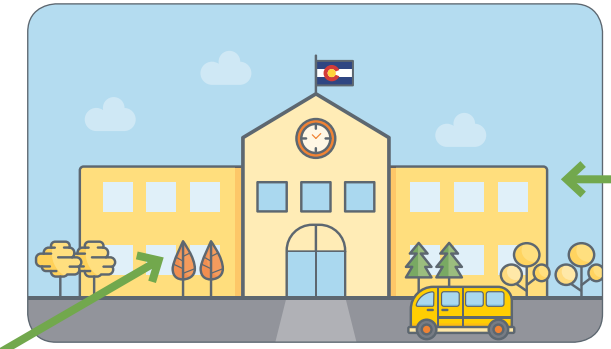
Approved. Auctioned online.

No bids received.

Bid won at auction. Lease issued with stewardship stipulations.

Lessee pays bonus and annual rent even if no production occurs.

88% of leases do not go into production.



Oil & Gas Production Process (Not State Land Board's Purview)

Lessee must comply with all local, state, and federal permitting regulations, including the CO Oil and Gas Conservation Commission:

Lessee proceeds with production permitting process.

File a development plan and obtain surface use access. **PUBLIC COMMENT.**

No viable plan.

Obtain COGCC spacing/ pooling orders. **PUBLIC COMMENT.**

Denied.

Obtain COGCC permits. **PUBLIC COMMENT.**

Denied.

Obtain local/ county permits. **PUBLIC COMMENT.**

Denied.

Lessee extracts minerals and pays a 20% production royalty. Surface land reclaimed/ restored by lessee.

Only 12% of leases go into production.

Experts include: Colorado Parks and Wildlife, Denver Water, the State Archaeologist, Colorado Natural Heritage Program, and other expert resources.

COLORADO
State Land Board

www.slb.colorado.gov

An innovative land trust funding Colorado schools since 1876.