

NOTICE OF INVITATION TO BID AT PUBLIC AUCTION FOR SCHOOL LAND AGRICULTURAL LEASES

The Commissioners of the Land Office of the State of Oklahoma (CLO) invite bids on agricultural leases at public auction at the time and place shown on the brochure, or at such other place as may be announced at time of auction.

A lease contract shall be awarded upon approval of CLO to person(s) or entity(ies) bidding the highest annual cash rental. CLO reserves the right to reject any or all bids and shall refuse to accept any bid on agricultural lease where party placing the bid is in default of any rental due or in violation of this or any prior lease contract.

CLO reserves the right to require financial disclosures and CLO may refuse to accept any bid or lease contract where the interested party cannot show adequate creditworthiness as determined by the CLO.

A bid less than advertised minimum acceptable bid will not be considered.

On date of auction, successful bidder must pay 50 percent of first year's rent as deposit. Any bids of \$500 or less must be paid in full. Failure to comply with terms of invitation to bid notice will be cause for cancellation of award and retention of deposit as liquidated damages. CLO retains option to proceed to collect for entire amount of contract. Contracts, not executed on date of auction, are to be returned to CLO not later than 15 days after date of auction. Balance of bid rental, if any, is to be remitted on or before January 2, 2013, and before possession is taken of any part of leased land. Lease payments must be mailed to the: Commissioners of the Land Office, Lockbox Account, P.O. Box 248896, Oklahoma City, OK 73124-8896.

All bidders are hereby notified that driver license numbers or tax ID numbers for all named lessees must be submitted when registering. **All bidders must provide this information while registering, if not provided, bidders will not be allowed to register.** If bidding by agent, the agent must sign the lease as agent for the lessee. If bidding for a corporation, the corporation must have a Federal Employee ID number and be an agricultural corporation registered with the Secretary of State. **Successful bidders must provide Social Security numbers or tax ID numbers to execute a contract with the CLO.**

Improvements located on offered leases considered movable without manifest injury to the land are subject to being removed or otherwise disposed of by the lawful owner(s). Any fences required by agreement or by operation of law shall be constructed and paid for by lessee. Such improvements must be removed or disposed of within 60 days after expiration of contract. If there is a growing wheat crop on a lease, irrigation pumps and motors may be left in place until April 1 of year following expiration of contract. Possession and/or use of well goes to new lessee no later than April 5 following expiration of lease.

Improvements located on offered leases considered not movable without manifest injury to land (i.e. ponds, dams, terraces, water wells, waterways, and other conservation structures, etc.) are a permanent part of the land and are exclusive property of CLO.

Irrigation permits may be issued to agricultural lessees for the purpose of irrigating CLO Trust Lands. The permit fee shall be determined by the market value rental amount for irrigated acres for comparable deeded land. The permit shall have a delinquency interest rate of 16%. Term of the permit will be for one year.

All leases are sold subject to existing restrictions, reservations and easements.

Lease term will be specified in auction notice and lease contract.

Small grains planted during last year of lease contract may be harvested in next year if the lease is paid in full, but land must be surrendered immediately after harvest or not later than July 1, 2013, whichever is sooner. Extensions may be granted at the discretion of CLO. In the event small grain crop is pastured out and not mechanically harvested, land shall be surrendered no later than June 1, or when cattle are removed, whichever is sooner, in year following expiration of lease contract. If small grain is mowed and baled for hay, those acres must be surrendered when bales are removed or no more than 10 days after baling, but no later than June 1, 2013. All pasture land, including water thereon, must be surrendered December 31st final year of contract.

Terms and conditions of lease shall be set forth in lease contract which shall be subject to applicable rules and regulations of CLO and Statutes of the State of Oklahoma now in force, or hereafter adopted. All bidders are hereby notified to retain this page as it will be incorporated into the contractual obligations.

By submitting a bid, the bidder acknowledges and accepts the terms and conditions of the CLO lease contract. Prospective bidders are responsible to inspect leases and review CLO lease contract prior to date of auction and contact FSA office for allotments, applicable farm program requirements, and eligibility of entering leases into government farm programs after expiration of lease contract and HEL requirements.

ANNOUNCEMENTS AND CORRECTIONS AT TIME OF AUCTION MAY SUPERSEDE THIS NOTICE.

Dated this 20th day of August, 2012.

HARRY W. BIRDWELL, SECRETARY
COMMISSIONERS OF THE LAND OFFICE
STATE OF OKLAHOMA

FOR INFORMATION CALL: 1-888-35-LANDS (1-888-355-2637) OR 1-405-521-4000

OR visit our Website: www.clo.ok.gov