

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 this brochure, or continued to such other place as may be announced at the time of auction.

A lease contract ("Lease") shall be awarded upon the approval of CLO to the person(s) or entity(ies) bidding the highest annual cash rental. CLO reserves the right to reject any or all bids. CLO may refuse, in its sole discretion for any reason, to accept any bid on an agricultural lease. The party placing the bid must not have breached or be in default of any other lease made with CLO. Any person, who disrupts or interferes with the proceedings, other potential bidders, or CLO representatives in the performance of their duty to achieve the best value for the lease, will be disqualified from placing a bid. Any lease obtained in violation of this provision is void. CLO retains ownership and the right to access all leased property.

CLO reserves the right to require financial disclosures and verification of the accuracy of any information provided. CLO may refuse to accept any bid or award any Lease where an interested party cannot show adequate verification or creditworthiness, as determined by the CLO. False or incorrect information will be cause for bid cancellation and the lease is void at CLO's discretion.

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

On the date of auction, the successful bidder must pay fifty percent (50%) of the first year's rent as deposit. Any bids of \$500 or less must be paid in full. Failure to comply with the terms of this invitation to bid notice will be cause for the cancellation of the award of the Lease and for the retention or value due of any deposit as liquidated damages. CLO retains the option to proceed to collect for the entire amount that would be owed under the Lease. Leases not executed on the date of the auction are to be returned to CLO not later than fifteen (15) days after the date of the auction. The balance of the bid rental, if any, is to be remitted on or before January 2, each year lease is in effect and before possession is taken of any part of the 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.

Corporate and business entities must be agricultural businesses under Okla. Stat. tit. 18, § 951 et seq. must be able to show that at least 65% of total annual gross receipts are derived from farming or ranching income or from allowing others to extract minerals underlying the lands. All entities must provide its officers and/or partners full names and addresses printed, in legible format on the lease, and a service agent address for notices. All entities must be registered as agricultural with the Oklahoma Secretary of State and be in good standing, and provide its Federal Employee ID number. A partner bidding for a partnership must be able to

show their authority to contract and bind all members of the partnership. If bidding through an agent, the agent must show its name, address and authority to sign the Lease as agent for the Lessee(s) and provide all necessary financial, contracting authority, verification and contact information of the Lessee(s) to contract at auction. Successful bidders must provide each lessee's full name and Social Security number to execute a Lease with the CLO.

Improvements located on the leasehold property that are considered movable without any 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 sixty (60) days after the expiration of the Lease. Upon removal, the property must be restored to original condition. Improvements not removed within sixty (60) days after a breach, termination or expiration of the Lease are considered abandoned and as such, are the exclusive property of the CLO. If there is a growing wheat crop on leased property, irrigation pumps and motors may be left in place until April 1 of the year following the expiration of the Lease. Possession and/or use of a well present upon the leased land will be surrendered to the new lessee no later than April 5 following the expiration of the Lease term.

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

All leases are valued as dryland.

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. Term of the permit will be for one year.

All Leases are awarded subject to existing restrictions, reservations, easements and all matters of record.

The Lease term will be specified in the auction notice and the Lease.

Small grains planted during the last year of the Lease may be harvested in the next year if the Lease is paid in full, but land must be surrendered immediately after harvest or not later than July 1, each year lease is in effect, 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 the year following the expiration of the Lease term. If small grain is mowed and baled for hay, those acres must be surrendered when the bales are removed or no

more than ten (10) days after baling, but no later than June 1, of that year. All pasture land, including water thereon, must be surrendered December 31st of the final year of the Lease.

The written Lease shall contain the terms and conditions of the agreement between the CLO and lessee(s), and 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 Lease.

By submitting a bid, the bidder acknowledges and accepts the terms and conditions of the Lease. In the event of a conflict between the terms contained herein and the terms contained in the Lease, the terms of the Lease shall prevail. Prospective bidders are responsible to inspect the leasehold property and review the Lease prior to the date of auction and contact the Farm Service Agency (FSA) office for allotments, applicable farm program requirements, and eligibility of entering leases into government farm programs after expiration of the lease contract and comply with all highly erodible land (HEL) requirements.

In order to receive your FSA payments, FSA requires their records and agricultural lease(s) records match.

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

Dated this 1st day of August 2022.

DAN WHITMARSH, ACTING 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