State of New Mexico Office of the Commissioner of Public Lands Oil, Gas, and Minerals Division

P.O. Box 1148 310 Old Santa Fe Trail Santa Fe, NM 87504-1148 Santa Fe, NM87501-2708

ONLINE Version

APPLICATION FOR REDUCED ROYALTY RATE FOR OIL WELLS

NMSA 19-10-5.1 (1994 Repl. Pamp.)

All requested information is mandatory for consideration of this application.

I. (Operator:			
A	address:			
	Contact Person:Phone:			
	E-mail address: Fax:			
II.	Well and Production Data			
	A) Complete the following for each well applied for under this application. If there is more than one well, attac additional sheets for each well with the same info as requested for the first.			
	1) Well Name:			
	** 2) Record Title Owner of State Oil and Gas Lease:			
	3) State Lease Number and Assignment Number:			
	4) API Number:			
	5) Legal Description-Subdivisions			
	Sec,Twp, Rge, NMPMCounty NM			
	6) Completion Formation and Dedicated Acreage as per OCD Form C-102:			
	7) Pool:			
	Please indicate gross perforation interval:			
	**If communitized or unitized leases are involved with this application, list Record Title Owner(s) for the acreage that is pertinent to each qualified well. If Record Title Owner is unknown, to verify ownership please contact Anchor Holm at (505) 827-5759 in the Oil, Gas, & Minerals Division, 7:00 am – 4:00 pm Mountain Time.			

If applicant is not record title owner, an assignment of Record Title Ownership of the lease may be an option for the applicant. Assignment Forms are available on www.nmstatelands.org

If you need Assignment Forms or have any questions, please contact the Oil, Gas, & Minerals Division, Leasing Group at (505) 827-5749 or (505) 827-5730.

B) Operator Monthly Reports: Attach either copies of actual OCD C-115 reports or a spreadsheet showing oil production for a minimum of the preceding twelve (12) months prior to the application date.

A) A summary of attempts made and successes achieved in negotiating lower rates paid to other royalty a royalty owners specific to each oil well. B) A summary of all other steps taken to minimize the costs of operating the oil well. C) A statement that, to the best of the applicant's knowledge and experience, the well is not capable of su production over the production limits specified in the rule.	
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production over the production limits specified in the rule.	ıstained
D) Any other facts that may help to justify a reduction in the State royalty rate from the current rate to 5.0	0%.
IV. Application fees:	
 Initial Application: \$150.00 must be remitted with the initial application for oil royal per lease or unit. 	alty rate reductior
 Request for Renewal: A formal letter is required in order to request an extension reduced royalty rate for an additional three-year period. Please reference the initial and remit the renewal fee of \$100.00. 	
 NOTE: The above mentioned fees are nonrefundable 	
V. Certification: The information above is submitted to the Commissioner of Public Lands as ar lower royalty rate under NMSA 19-10-5.1 (1994 Repl. Pamp.)	application for a
As applicant, I,, representing	
Type Name Company Name hereby certify that the information submitted with this application is true and correct to the best of m belief.	ny knowledge and
SignatureTitleDat	te

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Please, place this application form and Item VI in front of all other information you are submitting.

VI. Record Title Owner Ratification

Record title information for well(s) within a single oil and gas information requested below.	lease or unit. Attach add	litional sheets	if necessary with
Record Title Owner(s):			
Lease Numberand Assignment Number(s)			
Legal Description(s):			
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
I/We, Type Name(s) of Record Title Owner(s)			
representingCompany Name(s)			
Record Title Owner(s) of the above-mentioned lease, do hereby be true and correct to the best of my knowledge. The oil well(s) forth regarding a lower royalty rate. Therefore, I/we request a Repl. Pamp.) and the rules and regulations of the State Land Of subject lease.	applied for in this applic lower royalty rate pursu	cation do meet ant to NMSA	the criteria as set 19-10-5.1 (1994
Record Title Owner Signature:	Title		
Date			
Record Title Owner Signature:	Title		

Date_____

APPLICATION CHECKLIST

THIS FORM DOES NOT NEED TO BE SUBMITTED WITH THE APPLICATION. IT IS FOR THE APPLICANT'S RECORDS/USE ONLY.

1) Com	plete Item I.
	Operator's Name, Address, Contact Person and Numbers
2) Inclu	de all information in Item II for each applicable well.
	Well Name
	Record Title Owner
	State Lease Number and Assignment Number
	API Number
	Legal Description
	Completion Formation and Dedicated Acreage as per OCD Form C-102
	Pool. If the perforations in the well are 5000 feet or deeper, please indicate perforation depths
	Forms C-115 for the well for a minimum of twelve months prior to the application date
3) Inclu	de all information in Item III.
	A summary of all attempts made and successes achieved in negotiating lower rates paid to other royalty and overriding royalty owners specific to each oil well.
	A summary of all other steps to taken to minimize the costs of operating the oil well.
	A statement that, to the best of the applicant's knowledge and experience, the well is not capable of sustained production over the production limits.
	Any other facts which may help to justify a reduction in the State royalty rate from the current rate to 5.0%.
4) Encl	ose application fee, Item IV.
	Pay the initial application fee of \$150.00
5) Com	plete certification in Item V.
6) Com	plete Item VI and obtain signature(s) from the Record Title Owner(s) of lease(s) in application.

at (505) 827-5759 or e-mail <u>aholm@slo.state.nm.us</u> 7:00am - 4:00pm Mountain Time