

PUBLIC NOTICE

SALE OF OIL AND GAS LEASES

Office of the Commissioner of Public Lands
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Public Notice is hereby given pursuant to New Mexico Law 1929, Chapter 125, Section B, as amended, and rules and regulations of the State Land Office, that the Commissioner of Public Lands will hold a sale of oil and gas leases at Morgan Hall, Edward J. Lopez State Land Office Building, Santa Fe, New Mexico, at 9:30 a.m., on August 20, 2013 for the tracts of land herein described. The sale will be held and conducted in accordance with the following terms and conditions:

No bids will be considered for less than the whole of any tract, nor for less than the specified minimum acceptable bid. Separate bids must be made for each tract, and a separate remittance made for each bid.

Sealed bids must be plainly marked, "Oil and Gas Sealed Bid" on the outside of the envelope, along with the date and hour to be opened. Sealed bids may be submitted by mail or otherwise to the Commissioner of Public Lands. All bids submitted will be opened at 9:30 a.m. for the Regular Sale, and at the specified time for the Special Sale on said date. The lease will be awarded to the highest bidder, if the offer made is deemed to be satisfactory.

Sealed bids must be on the proper form issued by the New Mexico State Land Office, complete, and notarized, and must be accompanied by a check, money order, or certified check drawn on a solvent bank. This payment must include the amount bid, plus the application fee of \$30.00.

Each tract on which no sealed bid is received in the Special Sale may then be offered for oral bidding at the public auction, and awarded to the highest bidder.

The successful bidder in every case of oral bidding will be required to deposit forthwith, in cash or by check, money order or certified check drawn on a solvent bank, the amount bid, plus the application fee of \$30.00, and to file application in due form before the close of business on said date.

The applications received pursuant hereto will be deemed to have been filed simultaneously. In all cases, leases will be made on the specified Lease Form as set forth in the Sale Notice. Application forms will be furnished upon request. Form 0-00 (formerly No. OG-57) Bid Application, is applicable to all Lease Forms advertised in this Sale Notice.

Disabled individuals who require aids to participate in the Oil & Gas Lease Sale may call (505) 827-5744, e-mail Debbie Tise at dtise@slo.state.nm.us, or contact Relay New Mexico at (505) 292-0454 or the AT&T Operator Service for TTY at (800) 855-1155.

The State Land Office makes no warranty as to the conditions of the lands. Lessees must comply with all applicable federal and state laws or regulations.

THE COMMISSIONER RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS. ENVELOPES CONTAINING BIDS SHOULD BE MARKED, "OIL AND GAS SEALED BID."


RAY POWELL, MS, DVM
COMMISSIONER OF PUBLIC LANDS

2013 Industry Training Day

September 17, 2013, 1 – 5 p.m.

**State Land Office
Oil, Gas and Mineral Division
Morgan Hall
Santa Fe, New Mexico**

This is a half-day training session for industry on State Land Office-related oil and gas issues.

Topics include:

- How to nominate tracts for lease sale
- Assignments, change of address and OGRID issues
- Lease expirations, rentals and cancellations
- The stripper well program
- Units – common issues
- Lesser Prairie-Chicken and Dunes Sagebrush Lizard conservation and Candidate Conservation Agreements with Assurances
- A discussion on horizontal drilling issues
- There will be ample time for Q&A

**Please contact Debbie Tise at the Land Office to reserve your spot.
dtise@slo.state.nm.us or 505-827-5744**

Registration capped at 100 people. Limit 5 people per company.

NOTICE OF SALE
OIL AND GAS LEASES

BY AUTHORITY VESTED IN ME, I, RAY POWELL, COMMISSIONER OF PUBLIC LANDS, WILL OFFER FOR SALE TO THE HIGHEST BIDDER, OIL AND GAS LEASES ON THE TRACTS OF LAND LISTED BELOW, UNDER THE FOLLOWING CONDITIONS:

1. NO BIDS WILL BE CONSIDERED FOR LESS THAN THE MINIMUM ACCEPTABLE BID AS LISTED IN THE SALE NOTICE, PLUS A \$30.00 APPLICATION FEE.
2. EACH BID MUST BE SUBMITTED FOR THE WHOLE OF ANY TRACT HEREIN DESCRIBED.
3. SEPARATE BIDS MUST BE MADE ON EACH TRACT, ACCOMPANIED BY A SEPARATE REMITTANCE.
4. PAYMENT SHALL BE MADE THE DAY OF THE SALE IN CASH, BY CHECK, MONEY ORDER, OR CERTIFIED CHECK ON A SOLVENT BANK.
5. ENVELOPES CONTAINING BIDS SHOULD BE PLAINLY MARKED "OIL AND GAS SEALED BID," GIVING DATE AND TIME OF SALE.
6. IN ALL CASES, LEASES WILL BE ISSUED ON THE APPROPRIATE STATUTORY LEASE FORM AS SET FORTH IN THE SALE NOTICE.
7. APPLICATION FORMS WILL BE MAILED UPON REQUEST. THE APPLICATION FORM MUST ACCOMPANY EACH SEALED BID.
8. ALL MONEY TENDERED BY BIDDERS WILL BE RETURNED IF THEIR BIDS ARE UNSUCCESSFUL.
9. SALE WILL BE HELD IN MORGAN HALL, EDWARD J. LOPEZ STATE LAND OFFICE BUILDING, 310 OLD SANTA FE TRAIL, SANTA FE, NEW MEXICO.
10. THE COMMISSIONER OF PUBLIC LANDS RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS.

RAY POWELL, M.S., D.V.M
COMMISSIONER OF PUBLIC LANDS
SANTA FE, NEW MEXICO

NEW MEXICO STATE LAND OFFICE
LEASE SALE NOTICE

***** SEALED TRACTS *****

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - AUGUST 20, 2013

NOTE : THE FOLLOWING TRACTS WILL BE OFFERED FOR SEALED BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.2 NMSA 1978, DISCOVERY LEASE FORM, FIVE(5) YEAR TERM, 1/6th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
001 V0-001	Chaves	31 12S 29E	SE4SW4, S2SE4	120.00	\$0.50	\$2,000.00
002 V0-002	Chaves	23 13S 28E	N2	320.00	\$0.50	\$5,000.00
003 V0-003	Chaves	19 13S 29E	LOT(S) 1, 2	77.06	\$0.50	\$1,500.00
004 V0-004	Chaves	25 14S 28E	NE4NW4, S2NW4	120.00	\$0.50	\$2,000.00
005 V0-005	Lea	08 11S 33E	W2	320.00	\$0.50	\$5,000.00
006 V0-006	Lea	12 18S 36E	S2NE4	80.00	\$1.00	\$1,500.00
007 V0-007	San Juan	32 25N 09W	N2NE4, NW4SE4, SE4SE4	160.00	\$1.00	\$2,500.00
008 V0-008	San Juan	36 25N 11W	N2NE4, NE4SE4, SW4SE4	160.00	\$1.00	\$2,500.00

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - AUGUST 20, 2013

NOTE : THE FOLLOWING TRACTS WILL BE OFFERED FOR SEALED BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.3 NMSA 1978, DEVELOPMENT LEASE FORM, FIVE(5) YEAR TERM, 3/16th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
009 VB-001	Chaves	02 15S 28E	LOT(S) 1, 2, 3, 4, S2N2	320.40	\$0.50	\$5,000.00
010 VB-002 (E)	Lea	36 17S 32E	N2	320.00	\$1.00	\$5,000.00
011 VB-003	Lea	02 17S 33E	LOT(S) 1, 2, 3, 4, S2N2, S2 (ALL)	641.72	\$1.00	\$10,000.00
012 VB-004 (D)	Lea	15 17S 36E	W2	320.00	\$1.00	\$5,000.00
013 VB-005	Lea	16 18S 34E	S2	320.00	\$1.00	\$5,000.00
014 VB-006	Lea	22 18S 34E	E2	320.00	\$1.00	\$5,000.00

D: ALL OR PORTION OF SURFACE NON-STATE
E: SUBJECT TO 3/2012 CONSERVATION AGREEMENT

***** ORAL TRACTS *****

Regular Sale - ORAL BID AUGUST 20, 2013

NOTE : THE FOLLOWING TRACTS WILL BE OFFERED FOR ORAL BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.2 NMSA 1978, DISCOVERY LEASE FORM, FIVE(5) YEAR TERM, 1/6th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
015 V0-O-001	Chaves	23 08S 33E	S2	320.00	\$0.50	\$5,000.00
016 V0-O-002	Chaves	14 13S 28E	ALL	640.00	\$0.50	\$10,000.00
017 V0-O-003 (D, E)	Chaves	36 13S 29E	ALL	640.00	\$0.50	\$10,000.00
018 V0-O-004 (D, E)	Chaves	01 14S 29E	LOT(S) 1, 2, 3, 4, S2N2, N2SW4, SE4SW4, SE4	600.08	\$0.50	\$9,500.00
019 V0-O-005 (D, E)	Chaves	11 14S 29E	ALL	640.00	\$0.50	\$10,000.00
020 V0-O-006 (D)	Harding	16 19N 28E	ALL	640.00	\$0.25	\$10,000.00
021 V0-O-007	Harding	26 20N 28E	N2NE4, NE4NW4	120.00	\$0.25	\$2,000.00
022 V0-O-008 (D)	Harding	27 20N 28E	W2NW4	80.00	\$0.25	\$1,500.00
023 V0-O-009 (D)	Harding	28 20N 28E	NE4, E2NW4, SW4, NW4SE4	440.00	\$0.25	\$7,000.00
024 V0-O-010 (D)	Harding	32 20N 28E	N2NE4, NW4NW4, N2SE4	200.00	\$0.25	\$3,500.00
025 V0-O-011	Harding	33 20N 28E	N2NW4	80.00	\$0.25	\$1,500.00
026 V0-O-012 (D)	Harding	36 20N 28E	ALL	640.00	\$0.25	\$10,000.00
027 V0-O-013	Lea	26 11S 33E	N2N2, SW4NW4, NW4SW4, N2SE4	320.00	\$0.50	\$5,000.00

Regular Sale - ORAL BID AUGUST 20, 2013

NOTE : THE FOLLOWING TRACTS WILL BE OFFERED FOR ORAL BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.3 NMSA 1978, DEVELOPMENT LEASE FORM, FIVE(5) YEAR TERM, 3/16th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
028 VB-O-001	Chaves	10 15S 28E	NE4NE4, SW4NE4, N2S2	240.00	\$0.50	\$4,000.00
029 VB-O-002	Chaves	04 15S 29E	S2NE4, N2SW4	160.00	\$0.50	\$2,500.00
030 VB-O-003 (E)	Lea	36 17S 32E	S2	320.00	\$1.00	\$5,000.00
031 VB-O-004 (D)	Lea	12 17S 33E	NE4, S2NW4	240.00	\$1.00	\$4,000.00
032 VB-O-005 (D)	Lea	18 17S 37E	SE4	160.00	\$1.00	\$2,500.00

D: ALL OR PORTION OF SURFACE NON-STATE
E: SUBJECT TO 3/2012 CONSERVATION AGREEMENT

ALL HIGH BIDS ARE SUBJECT TO APPROVAL BY THE COMMISSIONER OF PUBLIC LANDS

www.nmstatelands.org

Regular Sale - ORAL BID AUGUST 20, 2013

NOTE : THE FOLLOWING TRACTS WILL BE OFFERED FOR ORAL BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.3 NMSA 1978, DEVELOPMENT LEASE FORM, FIVE(5) YEAR TERM, 3/16th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
033 VB-O-006	Lea	22 18S 34E	W2	320.00	\$1.00	\$5,000.00
034 VB-O-007	Lea	23 18S 34E	NW4	160.00	\$1.00	\$2,500.00
035 VB-O-008	Lea	30 18S 35E	LOT(S) 3, 4, E2SW4, SE4	316.96	\$1.00	\$5,000.00

Filling out the Bid Application Form

This guide follows the blanks on the Bid Application Form from top to bottom.

OGRID No. Enter your OGRID number here. If you do not have one, contact Paulette Lucero-Romero at (505) 827-5714 or plucero@slo.state.nm.us.

Name of legal entity or personal name – This is the name in which the lease will be issued; it will be the lessee of record. This can be the name of a company or of an individual.

Mailing address – This is the address of the potential leaseholder.

The following five blanks require information to be recorded exactly as you find in the SLO monthly Oil and Gas Lease Sale Notice. The information includes the tract number in the sale, the name of the county in which it lies, the legal land description describing the tract on which you are bidding, whether it is a regular sale or special sale, and how many acres the tract contains. Note that some of the portions are already filled in, to give you a guide to proper annotation.

EXAMPLE: 001 S12 T13S R28E
 V0-001 Description W2NW4, SE4NW4, SW4

The amount of dollars that you enter in the next blank is your bid. Notice that your first year's rental is included in your bid. Your bid on a 320-acre tract may be \$10,000; if the rental rate on that tract is \$1/acre, we will apply \$320 of your \$10,000 to the first year's rental.

The amount of dollars that you enter in the "Total remittance" blank is your bid plus the \$30.00 application fee. In the above example, you would remit \$10,030.

Name of applicant or agent – This blank is for the printed name of either the applicant or the agent of the applicant.

Signature – The form must be signed in the presence of a notary public. The signature here is of the person named in the previous, "printed name" blank.

Acknowledgment section – Your notary public will complete the remainder of the form.

Remember that the bid application and your remittance must be in the Accounting office of the State Land Office before 9:30 a.m. the day of the oil and gas lease sale.

NEW MEXICO STATE LAND OFFICE
BID APPLICATION
FOR A STATE OF NEW MEXICO OIL AND GAS LEASE

OGRID No. _____

TO: Commissioner of Public Lands
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

(Please print the name of the legal entity, or, if applying as an individual, the personal name.)

whose address is _____, _____, _____, _____
(mailing address) (city) (state) (zip code)

a corporation qualified to do business in New Mexico, OR a citizen (or eligible to become a citizen) of the United States, over the age of twenty-one years hereby makes application for an oil and gas lease for the exploration, development and production of oil and natural gas thereon, upon the following described

land situated in the County of _____, State of New Mexico, to-wit:

<u>TRACT NUMBER</u>	<u>LAND DESCRIPTION</u>	<u>REGULAR SALE</u>	<u>SPECIAL SALE</u>
0 _____	S _____ T _____ R _____	<input type="checkbox"/>	<input type="checkbox"/>
_____ - 0 _____	Description _____		

containing _____ acres, more or less.

Tendered herewith as bonus and first year's rental thereon is the sum of \$ _____, plus an application fee of \$30.00;
(a) (b)

Total remittance sum of (a) and (b)\$ _____ .

I, _____
(Please print name of applicant or of attorney in fact / authorized agent.)

do solemnly swear that every statement made in this application is true and correct to the best of my knowledge and belief.

(Signature of individual or of attorney in fact / authorized agent)

Acknowledgment in an Individual Capacity:

State of _____)
County of _____) SS)

This instrument was acknowledged before me on _____
Date

By _____
Name of Person

(Seal)

Signature of Notarial Officer

My commission expires: _____

Acknowledgment in a Representative Capacity:

State of _____)
County of _____) SS)

This instrument was acknowledged before me on _____
Date

By _____
Name(s) of Person(s)

as _____ of _____
Type of authority; e.g., officer, trustee, etc. Name of party on behalf of whom instrument was executed

(Seal)

Signature of Notarial Officer

My commission expires: _____

**HOW TO MAKE A FEDWIRE DEPOSIT
TO
NEW MEXICO STATE LAND OFFICE**

**Direct any questions concerning this type of payment to Margaret Sena in the State Land Office
Accounting Office at 505-827-5705**

When you intend to pay by a wire transfer, please let the SLO Accounting Office know by filling out the form below. You can include the form inside any sealed bid you offer to the SLO. You can get copies of the form by calling the Accounting Office at (505) 827-5700.

**NEW MEXICO STATE LAND OFFICE
DRAFT FOR OIL & GAS SALE**

DATE _____ 20____

PAY TO THE
ORDER OF _____ **COMMISSIONER OF PUBLIC LANDS** \$ _____
_____ DOLLARS

TRACT # _____

Wells Fargo **COMPANY NAME** _____
For the Account of State Land Commissioner

AUTHORIZED AGENT

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VO-S-001	V09449 00	17	12S	29E	E2	320.00	CHASE OIL CORPORATION	\$16,010.00	\$50.03
VO-S-002	V09450 00	20	13S	29E	E2E2	160.00	CHASE OIL CORPORATION YATES PETROLEUM CORPORATION	\$16,010.00 \$2,889.60	\$100.06
VO-S-003	V09451 00	24	14S	28E	SE4NE4, SE4SW4, NE4SE4, S2SE4	200.00	CHASE OIL CORPORATION	\$10,010.00	\$50.05
VO-S-004	V09452 00	6	15S	29E	LOT(S) 6, E2SW4	119.55	CHASE OIL CORPORATION YATES PETROLEUM CORPORATION	\$5,987.50 \$2,316.88	\$50.08
VO-S-005	V09453 00	15	16S	31E	S2S2	160.00	COMPOUND PROPERTIES, LLC FEATHERSTONE DEVELOPMENT CORP CHASE OIL CORPORATION YATES PETROLEUM CORPORATION	\$85,145.60 \$24,960.00 \$12,010.00 \$4,433.60	\$532.16
VO-S-006	V09454 00	31	15S	33E	LOT(S) 1, 2, 3, 4, E2, E2W2 (ALL)	639.40	COMPOUND PROPERTIES, LLC YATES PETROLEUM CORPORATION	\$17,896.80 \$14,162.71	\$27.99
VO-S-007	V09455 00	15	19S	37E	SE4	160.00	CHASE OIL CORPORATION COMPOUND PROPERTIES, LLC	\$12,010.00 \$9,950.40	\$75.06
VO-S-008	V09456 00	6	08S	34E	LOT(S) 1, 2, 3, 4, 5, 6, S2NE4, SE4 (ALL)	514.62	YATES PETROLEUM CORPORATION	\$12,000.94	\$23.32
VB-S-001	VB2292 00	25	16S	33E	S2	320.00	FEATHERSTONE DEVELOPMENT CORP CHASE OIL CORPORATION COMPOUND PROPERTIES, LLC YATES PETROLEUM CORPORATION	\$42,240.00 \$32,010.00 \$17,497.60 \$9,593.60	\$132.00
VB-S-002	VB2293 00	15	17S	37E	NW4	160.00	MRC PERMIAN COMPANY FEATHERSTONE DEVELOPMENT CORP COMPOUND PROPERTIES, LLC YATES PETROLEUM CORPORATION	\$89,832.00 \$44,320.00 \$19,385.60 \$2,980.80	\$561.45
VB-S-003	VB2294 00	27	21S	34E	E2	320.00	CAZA PETROLEUM, INC. MRC PERMIAN COMPANY ROY G. BARTON JR. DANIEL E GONZALES FEATHERSTONE DEVELOPMENT CORP YATES PETROLEUM CORPORATION COMPOUND PROPERTIES, LLC	\$1,943,680.00 \$1,796,646.40 \$720,000.00 \$640,000.00 \$623,000.00 \$256,569.60 \$38,771.20	\$6,074.00
VB-S-004	VB2295 00	27	21S	34E	W2	320.00	MARSHALL & WINSTON INC MRC PERMIAN COMPANY YATES PETROLEUM CORPORATION ROY G. BARTON JR. DANIEL E GONZALES FEATHERSTONE DEVELOPMENT CORP COMPOUND PROPERTIES, LLC	\$2,240,960.00 \$1,796,646.40 \$1,018,102.40 \$720,000.00 \$640,000.00 \$623,000.00 \$38,771.20	\$7,003.00

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VB-S-005	VB2296 00	36	25N	09W	NE4NE4, NE4SW4, SW4SW4, NW4SE4, SE4SE4	200.00	RANDALL R. FORT DUGAN PRODUCTION CORP DANIEL E GONZALES COMPOUND PROPERTIES, LLC	\$513,600.00 \$224,850.00 \$56,600.00 \$15,238.00	\$2,568.00
VO-O-001	V09457 00	36	12S	28E	ALL	640.00	CHASE OIL CORPORATION	\$20,000.00	\$31.25
VO-O-002	V09458 00	16	12S	29E	ALL	640.00	CHASE OIL CORPORATION	\$10,000.00	\$15.63
VO-O-003	V09459 00	16	13S	29E	ALL	640.00	CHASE OIL CORPORATION	\$18,000.00	\$28.13
VO-O-004	V09460 00	19	14S	29E	NE4, E2NW4	240.00	CHASE OIL CORPORATION	\$4,000.00	\$16.67
VO-O-005	V09461 00	1	15S	28E	LOT(S) 4, S2N2, NW4SE4	240.40	CHASE OIL CORPORATION	\$10,000.00	\$41.60
VO-O-006	V09462 00	8	18S	24E	S2	320.00	YATES PETROLEUM CORPORATION	\$11,000.00	\$34.38
VO-O-007	V09463 00	35	15S	32E	N2, SW4, S2SE4	560.00	YATES PETROLEUM CORPORATION	\$20,000.00	\$35.71
VO-O-008	V09464 00	7	15S	33E	LOT(S) 1, 2, 3, 4, W2NE4, NE4NW4, E2SW4, S2SE4	435.36	MRC PERMIAN COMPANY	\$21,000.00	\$48.24
VO-O-009	V09465 00	9	15S	38E	E2, E2SW4	400.00	COMPOUND PROPERTIES, LLC	\$6,500.00	\$16.25
VO-O-010	V09466 00	11	16S	36E	N2NE4, SE4NE4, NE4SE4	160.00	MRC PERMIAN COMPANY	\$16,000.00	\$100.00
VO-O-011	V09467 00	16	20S	38E	SW4NW4, W2SW4, SE4SE4	160.00	JTD RESOURCES LLC	\$45,000.00	\$281.25
VB-O-001	VB2297 00	14	16S	32E	S2SW4, N2SE4	160.00	CHASE OIL CORPORATION	\$26,000.00	\$162.50
VB-O-002	VB2298 00	22	19S	37E	E2NE4	80.00	COMPOUND PROPERTIES, LLC	\$17,000.00	\$212.50

**** END OF REPORT ****

HIGHEST BID ANALYSIS
REGULAR SALE July 16, 2013

Total \$5,229,882.84 for 26 tracts covering 8,269.33 Acres...\$632.44 per acre.
Sealed (Five Year) \$5,005,382.84 for 13 tracts covering 3,593.57 Acres...\$1,392.87 per acre.
Oral (Five Year) \$224,500.00 for 13 tracts covering 4,675.76 Acres...\$48.01 per acre.

Total of 26 tracts were offered.... 26 tracts were sold.

Highest Sealed Bid W2 of Section 27, Township 21 South, Range 34 East, containing 320.00
(Five Year Term) acres, more or less, in Lea County, approximately 17.4 miles west of Eunice,
Tract No. VB-004 New Mexico, by Marshall & Winston Inc. of Midland, TX.
\$ 2,240,960.00

Highest Sealed Bid W2 of Section 27, Township 21 South, Range 34 East, containing 320.00
(Five Year Term) acres, more or less, in Lea County, approximately 17.4 miles west of Eunice,
Per Acre New Mexico, by Marshall & Winston Inc. of Midland, TX.
Tract No. VB-004
\$ 7,003.00

Highest Oral Bid SW4NW4, W2SW4, SE4SE4 of Section 16, Township 20 South, Range 38
(Five Year Term) East, containing 160.00 acres, more or less, in Lea County, approximately 8
Tract No. V0-O-011 miles south of Hobbs, New Mexico, by JTD Resources LLC, of Midland, TX.
\$ 45,000.00

Highest Oral Bid SW4NW4, W2SW4, SE4SE4 of Section 16, Township 20 South, Range 38
(Five Year Term) East, containing 160.00 acres, more or less, in Lea County, approximately 8
Per Acre miles south of Hobbs, New Mexico, by JTD Resources LLC, of Midland, TX.
Tract No. V0-O-011
\$ 281.25

July 2012 Regular Sale was \$3,992,647.72 for 7,953.28 acres or \$1,237,235.12 less than the July 2013 Regular Sale.

No Special Sale

Total Sale was \$5,229,882.84



Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

July 25, 2012

Dear representatives of the oil and gas industry:

As you may be aware, on March 2, 2012, I signed a Candidate Conservation Agreement with Assurances (CCAA) with the United States Fish and Wildlife Service (USFWS) and the Center of Excellence for Hazardous Material Management (CEHMM). The USFWS cited this and similar agreements between industry and the federal government as being instrumental in its June 2012 decision not to list the Dunes Sagebrush Lizard (DSL) under the Endangered Species Act.

This agreement, the result of years of work with the oil and gas industry, the agricultural community, and the Bureau of Land Management, will protect the health of our natural world while ensuring economic activity that supports communities, universities, hospitals and our other beneficiary institutions while helping keep our taxes down. It represents the largest such accord in the nation -- more than 247,000 acres.

Participation in the CCAA virtually assures that oil and gas activity can continue in areas inhabited by the Lesser Prairie Chicken (LPC) and/or the DSL while meeting conservation objectives for these two species.

In the case of an Endangered Species Act listing in the absence of a CCAA, oil and gas development in the species' range would likely be severely delayed by the requisite USFWS consultation process.

The CCAA¹ agreement is available for your review at the State Land Office website www.nmstatelands.org/ConservationAgreement.aspx. Also available on this page are a habitat map and other information concerning the agreement that may be of interest to you.

I encourage all leaseholders and operators to enroll and participate fully in this voluntary program. By agreeing to conduct certain conservation measures the

¹ The CCAA may also be referred to in Oil and Gas Sale Notices as "Subject to 3/2012 Conservation Agreement" due to system restrictions on the length of footnotes.

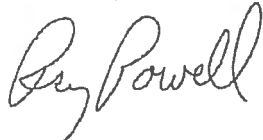
USFWS provides regulatory certainty (assurances) concerning land use restrictions that might otherwise apply should the LPC or DSL become listed in the future as threatened or endangered species.

An example of the measures required under the CCAA includes: a requirement that power lines be buried within two miles of LPC lek sites, active at least once in the past five years, or within one mile of historic LPC lek sites. Other requirements include providing escape ramps for open water sources, minimizing surface disturbances, and avoiding DSL habitat.

The health of our state lands and the success of our oil and gas industry are of prime importance to New Mexicans. This agreement helps ensure the future of both.

Please do not hesitate to contact me or my office with any questions or concerns you may have.

Sincerely,

A handwritten signature in cursive script that reads "Ray Powell". The signature is written in black ink and is positioned below the word "Sincerely,".

Ray Powell, M.S., D.V.M.
Commissioner of Public Lands

~~~~~*Do you need New Mexico oil and gas info?*~~~~~

▶▶▶ **USEFUL NEW MEXICO OIL AND GAS LINKS** ◀◀◀

New Mexico State Land Office, leasing/royalty management agency  
for state trust lands: [www.nmstatelands.org](http://www.nmstatelands.org)

New Mexico Tech site for State Land Office ONGARD data  
presentation to the public.  
<http://octane.nmt.edu/slo/>

ONGARD database for open acres and a wealth of other state data  
you didn't know you needed.  
<http://www.ongard.state.nm.us/>

NM Bureau of Geology and Mineral Resources, subsurface geology  
for the state.  
Their publications website: <http://geoinfo.nmt.edu/>

NM Oil Conservation Division, oil industry regulatory agency for  
operating in New Mexico, plus well and  
production data: <http://www.emnrd.state.nm.us/ocd/>

# 2013

## NEW MEXICO STATE LAND OFFICE



### SALE CALENDAR

Regularly scheduled sale  
(Third Tuesday of each month)

Last day to nominate tracts for  
next monthly sale

For information on nominating tracts,  
call the Oil, Gas, and Minerals Division  
Geologist at 505-827-5774

To nominate tracts for an oil and gas lease sale,  
submit your nomination in writing, or by e-mail to,  
[swust@slo.state.nm.us](mailto:swust@slo.state.nm.us).

TO PRESERVE CONFIDENTIALITY OF YOUR  
NOMINATION, PLEASE MARK THE OUTSIDE OF  
YOUR ENVELOPE WITH THE WORDS  
**CONFIDENTIAL NOMINATION**.

New Mexico State Land Office  
Oil, Gas and Minerals Division  
P.O. Box 1148  
Santa Fe, NM 87504-1148.  
Fax number is 505-827-4739.  
Fax communication may not be confidential.  
Our Web page address is [www.nmstatelands.org](http://www.nmstatelands.org).

| January |    |    |    |    |    |    |
|---------|----|----|----|----|----|----|
| Su      | Mo | Tu | We | Th | Fr | Sa |
|         |    | 1  | 2  | 3  | 4  | 5  |
| 6       | 7  | 8  | 9  | 10 | 11 | 12 |
| 13      | 14 | 15 | 16 | 17 | 18 | 19 |
| 20      | 21 | 22 | 23 | 24 | 25 | 26 |
| 27      | 28 | 29 | 30 | 31 |    |    |

| February |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| Su       | Mo | Tu | We | Th | Fr | Sa |
|          |    |    |    |    | 1  | 2  |
| 3        | 4  | 5  | 6  | 7  | 8  | 9  |
| 10       | 11 | 12 | 13 | 14 | 15 | 16 |
| 17       | 18 | 19 | 20 | 21 | 22 | 23 |
| 24       | 25 | 26 | 27 | 28 |    |    |

| March |    |    |    |    |    |    |
|-------|----|----|----|----|----|----|
| Su    | Mo | Tu | We | Th | Fr | Sa |
|       |    |    |    |    | 1  | 2  |
| 3     | 4  | 5  | 6  | 7  | 8  | 9  |
| 10    | 11 | 12 | 13 | 14 | 15 | 16 |
| 17    | 18 | 19 | 20 | 21 | 22 | 23 |
| 24    | 25 | 26 | 27 | 28 | 29 | 30 |
| 31    |    |    |    |    |    |    |

| April |    |    |    |    |    |    |
|-------|----|----|----|----|----|----|
| Su    | Mo | Tu | We | Th | Fr | Sa |
|       | 1  | 2  | 3  | 4  | 5  | 6  |
| 7     | 8  | 9  | 10 | 11 | 12 | 13 |
| 14    | 15 | 16 | 17 | 18 | 19 | 20 |
| 21    | 22 | 23 | 24 | 25 | 26 | 27 |
| 28    | 29 | 30 |    |    |    |    |

| May |    |    |    |    |    |    |
|-----|----|----|----|----|----|----|
| Su  | Mo | Tu | We | Th | Fr | Sa |
|     |    |    | 1  | 2  | 3  | 4  |
| 5   | 6  | 7  | 8  | 9  | 10 | 11 |
| 12  | 13 | 14 | 15 | 16 | 17 | 18 |
| 19  | 20 | 21 | 22 | 23 | 24 | 25 |
| 26  | 27 | 28 | 29 | 30 | 31 |    |

| June |    |    |    |    |    |    |
|------|----|----|----|----|----|----|
| Su   | Mo | Tu | We | Th | Fr | Sa |
|      |    |    |    |    |    | 1  |
| 2    | 3  | 4  | 5  | 6  | 7  | 8  |
| 9    | 10 | 11 | 12 | 13 | 14 | 15 |
| 16   | 17 | 18 | 19 | 20 | 21 | 22 |
| 23   | 24 | 25 | 26 | 27 | 28 | 29 |

| July |    |    |    |    |    |    |
|------|----|----|----|----|----|----|
| Su   | Mo | Tu | We | Th | Fr | Sa |
|      | 1  | 2  | 3  | 4  | 5  | 6  |
| 7    | 8  | 9  | 10 | 11 | 12 | 13 |
| 14   | 15 | 16 | 17 | 18 | 19 | 20 |
| 21   | 22 | 23 | 24 | 25 | 26 | 27 |
| 28   | 29 | 30 | 31 |    |    |    |

| August |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | Mo | Tu | We | Th | Fr | Sa |
|        |    |    |    | 1  | 2  | 3  |
| 4      | 5  | 6  | 7  | 8  | 9  | 10 |
| 11     | 12 | 13 | 14 | 15 | 16 | 17 |
| 18     | 19 | 20 | 21 | 22 | 23 | 24 |
| 25     | 26 | 27 | 28 | 29 | 30 | 31 |

| September |    |    |    |    |    |    |
|-----------|----|----|----|----|----|----|
| Su        | Mo | Tu | We | Th | Fr | Sa |
| 1         | 2  | 3  | 4  | 5  | 6  | 7  |
| 8         | 9  | 10 | 11 | 12 | 13 | 14 |
| 15        | 16 | 17 | 18 | 19 | 20 | 21 |
| 22        | 23 | 24 | 25 | 26 | 27 | 28 |
| 29        | 30 |    |    |    |    |    |

| October |    |    |    |    |    |    |
|---------|----|----|----|----|----|----|
| Su      | Mo | Tu | We | Th | Fr | Sa |
|         |    | 1  | 2  | 3  | 4  | 5  |
| 6       | 7  | 8  | 9  | 10 | 11 | 12 |
| 13      | 14 | 15 | 16 | 17 | 18 | 19 |
| 20      | 21 | 22 | 23 | 24 | 25 | 26 |
| 27      | 28 | 29 | 30 | 31 |    |    |

| November |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| Su       | Mo | Tu | We | Th | Fr | Sa |
|          |    |    |    |    | 1  | 2  |
| 3        | 4  | 5  | 6  | 7  | 8  | 9  |
| 10       | 11 | 12 | 13 | 14 | 15 | 16 |
| 17       | 18 | 19 | 20 | 21 | 22 | 23 |
| 24       | 25 | 26 | 27 | 28 | 29 | 30 |

| December |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
| Su       | Mo | Tu | We | Th | Fr | Sa |
| 1        | 2  | 3  | 4  | 5  | 6  | 7  |
| 8        | 9  | 10 | 11 | 12 | 13 | 14 |
| 15       | 16 | 17 | 18 | 19 | 20 | 21 |
| 22       | 23 | 24 | 25 | 26 | 27 | 28 |
| 29       | 30 | 31 |    |    |    |    |





## How may our Oil, Gas, and Minerals Division help you?

### **Unitization & Commingling**

Pete Martinez, 505-827-5791  
Jerome Maestas, 505-827-5783

### **Communitization, Reduced Royalty & Engineering**

Terry Warnell, 505-827-5745  
William Jones, 505-827-6628  
Anchor Holm, 505-827-5759

### **Lease Sales, Potash Enclave, Geophysical Permitting, Geology**

Stephen Wust, 505-827-5774

### **Lease Expirations, Cancellations, Rentals, Assignments**

Stephen Manning, 505-827-5730  
Kenda Halama 505-827-5749

### **Bonds, Shut-In Royalty, OGRIDS,**

Paulette Lucero-Romero, 505-827-5714

### **Miscellaneous Instruments**

Debbie Tise, 505-827-5744

### **Sand and Gravel, Caliche, General Mining**

In Santa Fe (includes Farmington):

Michael Mariano, 505-827-5750

Jack Yates, 505-827-5743

Monica Fresquez, 505-827-5849

In Hobbs Field Office:

Ben Sturgill, 505-392-8736

or William Sonnamaker, 505-392-3697

### **OGMD Office Procedures, Division Administration**

Greg Bloom Assistant Commissioner, 505-827-4489

Larry Roybal, Division Director, 505-827-5746

Debbie Tise, Office Administrator, 505-827-5744