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 on 15 August 2017, for the tracts of land herein described.

The sale will be held online, in two formats. The sealed bid portion will close at 8:30 am MDT on August 15. The open bidding portion closes sequentially by tract beginning at 10:30 am MDT on August 15. Bidding will commence one week prior to lease sale day.

The sale will be held and conducted in accordance with the following terms and conditions:

The online auction will be conducted by the State Land Office contract auction house, EnergyNet. To view the online tract listing go to www.energynet.com/govt_listing.pl and abide by the terms and conditions therein.

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. Leases will be awarded to the highest bidder, if the offer made is deemed to be satisfactory.

The successful bidder in every case of bidding will be required to deposit forthwith, the amount bid, plus the application fee of \$100.00, and to file application in due form before the close of business on said date. The successful bidder in online bidding will be required to make the deposit via electronic fund transfer, as specified on the EnergyNet auction site.

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.

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.

COMMISSIONER OF PUBLIC LANDS

August oil & gas lease sale

The New Mexico State Land Office Oil & Gas lease sale for 15 August 2017 will be held online in both a sealed bid and open bidding format. Online bidding will commence August 8, one week prior to the lease sale date. Sealed bidding will close at 8:30 am MDT on August 15. Open bidding will close sequentially by tract beginning at 10:30 am MDT on August 15.

The online auction will be conducted by the State Land Office auction house contractor, EnergyNet. When posted, the online tract listing can be viewed at www.energynet.com/govt. Prospective bidders must register with EnergyNet at https://www.energynet.com/govt listing.pl and abide by the terms and conditions therein.

PAYMENT FOR ALL WINNING ONLINE LEASES SHALL BE MADE THE DAY OF THE SALE BY WIRE TRANSFER, OR

IN-PERSON AT THE NEW MEXICO STATE LAND OFFICE BY CASH, CHECK, MONEY ORDER, CERTIFIED CHECK, OR ELECTRONIC TRANSFER ON A SOLVENT BANK.

LATE PAYMENTS WILL BE REJECTED AND NO LEASE WILL BE ISSUED FOR THAT TRACT

("The successful bidders shall file proper applications for the leases purchased and shall complete the payment of any balance due on their bids before the closing of the office of the commissioner on the day of the sale." §19-10-17 NMSA 1978.)

To verify wire transfer payment, submit copies of the dated wire instructions (sent to your bank) to swust@slo.state.nm.us; msena@slo.state.nm.us; slopez@slo.state.nm.us; slopez@slop

When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. Please be advised that payments will be drafted from your account immediately upon receipt. ("The successful bidders shall file proper applications for the leases purchased and shall complete the payment of any balance due on their bids before the closing of the office of the commissioner on the day of the sale." §19-10-17 NMSA 1978.)

POLICY ON COMMUNICATIONS REGARDING OIL & GAS LEASE SALE NOMINATIONS

Because the listing of oil & gas lease tracts to be offered for bid is neither finalized nor public prior to publication, the State Land Office will not provide notification of whether submitted or internal nominations will be included in a lease sale prior to publication. Notification of inclusion will be in the form of the published lease sale listing.

Acknowledgement of receipt of nominations does not constitute a notification that such nominations will or will not be included in a lease sale.

The State Land Office will no longer track submitted nominations beyond the month they are submitted. Nominated tracts will only be considered for the following month's lease sale. If a nominated tract does not appear in the lease listing, it must be resubmitted the next month in order to be considered for a subsequent lease sale.

To nominate, submit a locational description of the nominated tract to swust@slo.state.nm.us To be considered for the next month's lease sale, nominations must be submitted two Fridays before the current month's lease sale. Lease sales are held the third Tuesday of each month.

If a nominated tract is included in a lease sale, the nominator must ensure that at least a minimum bid is submitted for the nominated tract. If a nominated tract receives no bids and is withdrawn, no further nominations will be accepted from that nominator.

Regular Sale - ONLINE SEALED BIDDING COMMENCES AUGUST 8, 2017. BIDDING FOR THE SEALED TRACTS WILL CLOSE 8:30am MDT ON AUGUST 15, 2017. THE ONLINE AUCTION WILL BE CONDUCTED BY THE SLO CONTRACTOR ENERGYNET.

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, 1/5th 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 |
|-----|------------|-----|--------|-------------|------------------------------|-------------------------|-------------------|---------------------------|
| | VC-001 | | Eddy | | SW4 | 160.00 | \$1.00 | \$5,000.00 |
| 002 | VC-002 | (E) | Lea | 17 09S 32E | N2 | 320.00 | \$0.50 | \$10,000.00 |
| 003 | VC-003 | (D) | Lea | 30 11s 32E | LOT(S) 1, 2, 3, 4, E2W2 | 324.12 | \$0.50 | \$11,000.00 |
| 004 | VC-004 | | Lea | 31 11S 32E | E2 | 320.00 | \$0.50 | \$10,000.00 |
| 005 | VC-005 | | Lea | 16 14S 38E | E2 | 320.00 | \$0.50 | \$10,000.00 |
| 006 | VC-006 | (D) | Lea | 14 15S 34E | W2 | 320.00 | \$0.50 | \$10,000.00 |
| 007 | VC-007 | (D) | Lea | 23 15S 34E | E2 | 320.00 | \$0.50 | \$10,000.00 |
| 800 | VC-008 | | Lea | 09 15S 35E | S2 | 320.00 | \$0.50 | \$10,000.00 |
| 009 | VC-009 | (D) | Lea | 10 15S 35E | N2 | 320.00 | \$0.50 | \$10,000.00 |
| 010 | VC-010 | (D) | Lea | 21 15S 35E | N2 | 320.00 | \$0.50 | \$10,000.00 |
| 011 | VC-011 | | Lea | 16 15S 38E | E2 | 320.00 | \$0.50 | \$10,000.00 |
| 012 | VC-012 | (D) | Lea | 34 17S 36E | E2E2 | 160.00 | \$1.00 | \$5,000.00 |
| 013 | VC-013 | (D) | Lea | 36 17S 36E | S2 | 320.00 | \$1.00 | \$10,000.00 |
| 014 | VC-014 | | Lea | 09 17S 37E | NW4 | 160.00 | \$1.00 | \$5,000.00 |
| 015 | VC-015 | | Lea | 32 17S 37E | SW4, W2SE4 | 240.00 | \$1.00 | \$8,000.00 |
| 016 | VC-016 | | Lea | 11 18S 35E | N2 | 320.00 | \$1.00 | \$10,000.00 |
| 017 | VC-017 | | Lea | 18 18S 36E | SE4 | 160.00 | \$1.00 | \$5,000.00 |
| 018 | VC-018 | (E) | Lea | 29 20S 36E | SE4 | 160.00 | \$1.00 | \$5,000.00 |
| 019 | VC-019 | | Lea | 10 22S 32E | NW4SW4 | 40.00 | \$1.00 | \$2,000.00 |
| 020 | VC-020 | (D) | Lea | 02 26S 37E | NE4NE4, S2NE4, NE4NW4, S2NW4 | 240.00 | \$1.00 | \$8,000.00 |
| 021 | VC-021 | (D) | Lea | 36 26S 37E | LOT(S) 1, 2, 3, 4, N2NW4 | 209.04 | \$1.00 | \$7,000.00 |

ALL HIGH BIDS ARE SUBJECT TO APPROVAL BY THE COMMISSIONER OF PUBLIC LANDS Page $1\ \mathrm{Of}\ 3$

www.nmstatelands.org

D: ALL OR PORTION OF SURFACE NON-STATE

E: SUBJECT TO 3/2012 CONSERVATION AGREEMENT

Regular Sale - ONLINE OPEN BIDDING COMMENCES AUGUST 8, 2017. BIDDING FOR THE ONLINE OPEN BIDDING TRACTS WILL CLOSE SEQUENTIALLY ON AUGUST 15, 2017, WITH BIDDING FOR THE FIRST TRACT CLOSING AT 10:30 AM MDT. THE ONLINE AUCTION WILL BE CONDUCTED BY THE SLO CONTRACTOR ENERGYNET.

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, 1/5th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

| TRACT # | | COUNTY | | DESCRIPTION | ACRES (MORE OR LESS) | | MINIMUM ACCEPTABLE BID |
|--------------|-----|--------|------------|-------------------------|----------------------|--------|---------------------------|
| 022 VC-0-001 | | Eddy | | NE4NE4 | 40.00 | \$1.00 | \$2,000.00 |
| 023 VC-0-002 | (E) | Lea | 17 09S 32E | S2 | 320.00 | \$0.50 | \$10,000.00 |
| 024 VC-0-003 | (D) | Lea | 30 11S 32E | E2 | 320.00 | \$0.50 | \$10,000.00 |
| 025 VC-0-004 | | Lea | 31 11S 32E | LOT(S) 1, 2, 3, 4, E2W2 | 324.52 | \$0.50 | \$11,000.00 |
| 026 VC-0-005 | | Lea | 16 14S 38E | W2 | 320.00 | \$0.50 | \$10,000.00 |
| 027 VC-0-006 | (D) | Lea | 23 15S 34E | W2 | 320.00 | \$0.50 | \$10,000.00 |
| 028 VC-0-007 | (D) | Lea | 24 15S 34E | N2 | 320.00 | \$0.50 | \$10,000.00 |
| 029 VC-0-008 | (D) | Lea | 21 15S 35E | S2 | 320.00 | \$0.50 | \$10,000.00 |
| 030 VC-0-009 | | Lea | 16 15S 38E | W2 | 320.00 | \$0.50 | \$10,000.00 |
| 031 VC-0-010 | (D) | Lea | 36 17S 36E | NE4, NE4NW4, S2NW4 | 280.00 | \$1.00 | \$9,000.00 |
| 032 VC-O-011 | | Lea | 09 17S 37E | N2SE4 | 80.00 | \$1.00 | \$3,000.00 |
| 033 VC-0-012 | | Lea | 20 17S 37E | S2 | 320.00 | \$1.00 | \$10,000.00 |
| 034 VC-O-013 | | Lea | 33 17S 37E | NW 4 | 160.00 | \$1.00 | \$5,000.00 |
| 035 VC-0-014 | | Ъеа | 12 18S 35E | N2 | 320.00 | \$1.00 | \$10,000.00 |
| 036 VC-0-015 | | Lea | 25 18S 35E | SW4 | 160.00 | \$1.00 | \$5,000.00 |
| 037 VC-0-016 | | Lea | 18 18S 36E | LOT(S) 1, 2, 3, 4, E2W2 | 308.68 | \$1.00 | \$10,000.00 |
| 038 VC-O-017 | | Lea | 32 21S 36E | N2SW4 | 80.00 | \$1.00 | \$3,000.00 |
| 039 VC-0-018 | (D) | Lea | 02 26S 37E | SW4, N2SE4 | 240.00 | \$1.00 | \$8,000.00 |

ALL HIGH BIDS ARE SUBJECT TO APPROVAL BY THE COMMISSIONER OF PUBLIC LANDS Page $2\ \mathrm{Of}\ 3$

www.nmstatelands.org

D: ALL OR PORTION OF SURFACE NON-STATE

E: SUBJECT TO 3/2012 CONSERVATION AGREEMENT

Special Sale - ONLINE SEALED BIDDING COMMENCES AUGUST 8, 2017. BIDDING FOR THE SEALED TRACTS WILL CLOSE 8:30am MDT ON AUGUST 15, 2017. THE ONLINE AUCTION WILL BE CONDUCTED BY THE SLO CONTRACTOR ENERGYNET.

NOTE: THE FOLLOWING TRACTS WILL BE OFFERED FOR SEALED BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.1 NMSA 1978, EXPLORATORY LEASE FORM, TEN(10) YEAR TERM, 1/8th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

IMMEDIATELY FOLLOWING REGULAR SALE.

| TRACT | | COUNTY | SEC TWP RGE | DESCRIPTION | ACRES | PRIMARY | MUMIKIM |
|------------|-----|----------|-------------|-------------------------|----------------|---------|----------------|
| # | | | | | (MORE OR LESS) | RENTAL | ACCEPTABLE BID |
| | | | | | | | |
| 040 LH-001 | | Sandoval | 02 13N 02E | LOT(S) 1, 2, 3, 4, S2N2 | 321.60 | \$0.25 | \$10,000.00 |
| 041 LH-002 | (D) | Sandoval | 16 14N 02E | N2 | 320.00 | \$0.25 | \$10,000.00 |
| 042 LH-003 | (D) | Sandoval | 36 14N 02E | LOT(S) 1, 2, W2NE4, NW4 | 320.00 | \$0.25 | \$10,000.00 |

Special Sale - ONLINE OPEN BIDDING COMMENCES AUGUST 8, 2017. BIDDING FOR THE ONLINE OPEN BIDDING TRACTS WILL CLOSE SEQUENTIALLY ON AUGUST 15, 2017, WITH BIDDING FOR THE FIRST TRACT CLOSING AT 10:30 AM MDT. THE ONLINE AUCTION WILL BE CONDUCTED BY THE SLO CONTRACTOR ENERGYNET.

NOTE: THE FOLLOWING TRACTS WILL BE OFFERED FOR ORAL BID PURSUANT TO THE NOTICES. LEASES FOR THE FOLLOWING TRACTS WILL BE ISSUED ON SECTION 19-10-4.1 NMSA 1978, EXPLORATORY LEASE FORM, TEN(10) YEAR TERM, 1/8th ROYALTY, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

IMMEDIATELY FOLLOWING REGULAR SALE.

| TRACT | | COUNTY | SEC TWP RGE | DESCRIPTION | ACRES | PRIMARY | MINIMUM . |
|--------------|-----|----------|-------------|------------------------------|----------------|---------|----------------|
| # | | | | | (MORE OR LESS) | RENTAL | ACCEPTABLE BID |
| | | | | | | | |
| | | | | | | | |
| 043 LH-O-001 | | Sandoval | 02 13N 02E | S2 | 320.00 | \$0.25 | \$10,000.00 |
| | | | | | | | |
| 044 LH-O-002 | (D) | Sandoval | 16 14N 02E | S2 | 320.00 | \$0.25 | \$10,000.00 |
| | | | | | | | |
| 045 LH-0-003 | (D) | Sandoval | 36 14N 02E | LOT(S) 3, 4, 5, 6, 7, N2SW4, | 314.74 | \$0.25 | \$10,000.00 |
| | | | | NW4SE4 | | | |

D: ALL OR PORTION OF SURFACE NON-STATE

ALL HIGH BIDS ARE SUBJECT TO APPROVAL BY THE COMMISSIONER OF PUBLIC LANDS Page 3 Of 3

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July 2017 Oil & Gas Lease Sale

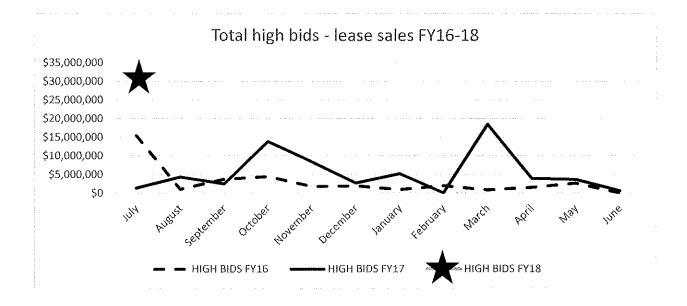
The July lease sale was held online, in sealed and open bidding formats.

There were 85 tracts offered, for a total of 20,814 acres, in Chaves, Eddy, Lea, and Roosevelt Counties.

Total high bids: \$30,035,248 from 18 different bidders, for an average per acre price of \$1443. There were 58 registered bidders from 11 states.

July is the first month of the fiscal year, and this single sale has exceeded the entire year's budget.

| Sale Month | Total sale | High tracts | Bid type | Rest | | S | Т | R |
|------------|--------------|--------------|----------|--------------|--------|---------------|--------------|--------|
| 18-Jul | \$30,035,248 | \$1,682,641 | S | | | 10 | 245 | 27E |
| | | \$7,360,000 | S | | | 28 | 26S | 36E |
| | | \$6,001,100 | 0 | | | 19 | 225 | 35E |
| | · | | | | High | (15 tracts ov | er \$500,000 |)) |
| Total | | \$15,043,741 | | \$14,991,507 | sealed | \$9,042,641 | | |
| | % Total | 50% | 1 | | open | \$6,001,100 | | |



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| TRACT # LEASE # | A I | ACRES BIDDER | BID AMOUNTS | PRICE/ACR |
|--------------------|-----------------------------------|--------------------------------------|----------------|-------------|
| VC-S-001 VC0125 00 | 22 06S 22E SW4 | 40.00 SCYTHIAN LTD | \$2,200.00 | \$55.00 |
| VC-S-002 VC0126 00 | 27 06S 22E SW4NE4 | 40.00 SCYTHIAN LID | \$2,200.00 | \$55.00 |
| VC-S-003 VC0127 00 | 22 085 33E 52 | 320.00 HEADINGTON ENERGY PARTNERS LL | \$104,640.00 | \$327.00 |
| VC-S-004 VC0128 00 | 33 08S 33E NZNE4 | 80.00 SLASH EXPLORATION LP | \$9,610.00 | \$120.13 |
| VC-S-005 VC0129 00 | 35 08S 33B S2 | 320.00 SLASH EXPLORATION LP | \$38,410.00 | \$120.03 |
| VC-S-006 VC0130 00 | 36 09S 27E W2 | 320.00 NEWTEX PARTNERS LLC | \$73,320.00 | \$229.13 |
| VC-S-007 VC0131 00 | 36 10S 27E E2 | 320.00 NEWTEX PARTNERS LLC | \$73,320.00 | \$229.13 |
| VC-S-008 VC0132 00 | 16 10S 28E E2 | 320.00 NEWTEX PARTNERS LLC | \$73,320.00 | \$229.13 |
| VC-S-009 VC0133 00 | 32 10S 31E N2 | 320.00 ROCK HOUSE RESOURCES, LLC | \$88,675.20 | \$277.11 |
| VC-S-010 VC0134 00 | 2 11S 31E S2 | 320.00 ROCK HOUSE RESOURCES, LLC | \$163,542.40 | \$511.07 |
| VC-S-011 VC0135 00 | 36 15S 28E WZNE4 | 80.00 CHASE OIL CORPORATION | \$40,080.00 | \$501.00 |
| VC-S-012 VC0136 00 | 36 15S 28E S2SW4, SE4 | 240.00 CHASE OIL CORPORATION | \$120,240.00 | \$501.00 |
| VC-S-013 VC0137 00 | 1 15S 29E LOT(S) 3, 4, S2NW4, SW4 | 320.15 J&J ENERGY LAND SERVICES, INC | \$161,996.00 | \$506.00 |
| VC-S-014 VC0138 00 | 12 15S 29E NE4NE4 | 40.00 J&J ENERGY LAND SERVICES, INC | \$20,240.00 | \$506.00 |
| VC-S-015 VC0139 00 | 7 15S 30E WZNE4 | 80.00 J&J ENERGY LAND SERVICES, INC | \$40,480.00 | \$506.00 |
| VC-S-016 VC0140 00 | 2 22S 22E S2 | 320.00 TROVE ENERGY, LLC. | \$558,400.00 | \$1,745.00 |
| VC-S-017 VC0141 00 | 32 22S 22E S2 | 320.00 TROVE ENERGY, LLC. | \$558,400.00 | \$1,745.00 |
| VC-S-018 VC0142 00 | 10 24S 27E S2SW4 | 80.00 ASCENT ENERGY, LLC. | \$1,682,641.29 | \$21,033.02 |
| VC-S-019 VC0143 00 | 7 09S 32E LOT(S) 3, 4, E2SW4, SE4 | 317.96 BROWNING OIL COMPANY, INC. | \$115,740.00 | \$364.01 |
| VC-S-020 VC0144 00 | 8 09S 32E S2 | 320.00 BROWNING OIL COMPANY, INC. | \$115,770.00 | \$361.78 |
| VC-S-021 VC0145 00 | 27 09S 35B S2 | 320.00 MANZANO LLC | \$424,000.00 | \$1,325.00 |
| VC-S-022 VC0146 00 | 13 10S 32E WZNE4, E2NW4 | 160.00 ROCK HOUSE RESOURCES, LLC | \$80,526.40 | \$503.29 |
| VC-S-023 VC0147 00 | 21 10S 32E S2 | 320.00 BROWNING OIL COMPANY, INC. | \$131,845.00 | \$412.02 |
| VC-S-024 VC0148 00 | 24 10S 32E SW4, N2SE4 | 240.00 ROCK HOUSE RESOURCES, LLC | \$98,656.80 | \$411.07 |
| VC-S-025 VC0149 00 | 28 10S 32E S2 | 320.00 BROWNING OIL COMPANY, INC. | \$131,845.00 | \$412.02 |

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| | | אנות היים התאיאני | AMOUNTS | FRICE/ RCR |
|--------------------|---|--------------------------------------|----------------|-------------|
| VC-S-026 VC0150 00 | 6 10S 36E LOT(S) 1, 2, 3, 4, 5, S2NE4, SEANW4 | 318.10 MANZANO LLC | \$165,412.00 | \$520.00 |
| VC-S-027 VC0151 00 | 25 14S 34E W2 | 320.00 CONQUEST LAND COMPANY, LLC | \$112,960.00 | \$353.00 |
| VC-S-028 VC0152 00 | 5 158 34E S2S2 | 160.00 FEDERAL ABSTRACT COMPANY | \$18,960.00 | \$118.50 |
| VC~S-029 VC0153 00 | 4 15S 35E S2 | 320.00 CONQUEST LAND COMPANY, LLC | \$501,120.00 | \$1,566.00 |
| VC-S-030 VC0154 00 | 5 15S 35E S2 | 320.00 CONQUEST LAND COMPANY, LLC | \$501,120.00 | \$1,566.00 |
| VC-S-031 VC0155 00 | 22 15S 35E N2 | 320.00 CONQUEST LAND COMPANY, LLC | \$501,120.00 | \$1,566.00 |
| VC-S-032 VC0156 00 | 27 15S 35E N2 | 320.00 DGP ENERGY LLC | \$674,240.00 | \$2,107.00 |
| VC-S-033 VC0157 00 | 29 15S 35E N2 | 320.00 DGP ENERGY LLC | \$354,240.00 | \$1,107.00 |
| VC-S-034 VC0158 00 | 35 15S 36B SE4 | 160.00 MRC PERMIAN COMPANY | \$448,649.60 | \$2,804.06 |
| VC-S-035 VC0159 00 | 35 158 37E SW4, W2SE4 | 240.00 CONQUEST LAND COMPANY, LLC | \$132,720.00 | \$553.00 |
| VC-S-036 VC0160 00 | 36 158 37B S2 | 320.00 CONQUEST LAND COMPANY, LLC | \$176,960.00 | \$553.00 |
| VC-S-037 VC0161 00 | 2 16S 33E LOT(S) 1, 2, 3, 4, 5, 6, 7, 8 | 349.16 MRC PERMIAN COMPANY | \$390,710.04 | \$1,119.00 |
| VC-S-038 VC0162 00 | 23 16S 36E SW4, WZSE4 | 240.00 DGP ENERGY LLC | \$457,680.00 | \$1,907.00 |
| VC-S-039 VC0163 00 | 18 16S 37E LOT(S) 1, 2, NE4, E2NW4 | 342,07 MRC PERMIAN COMPANY | \$753,583.64 | \$2,203.01 |
| VC-S-040 VC0164 00 | 15 178 36B B2 | 320.00 TROVE ENERGY, LLC. | \$878,400.00 | \$2,745.00 |
| VC-S-041 VC0165 00 | 16 20S 36E NE4, E2SE4 | 240.00 TROVE ENERGY, LLC. | \$693,120.00 | \$2,888.00 |
| VC-S-042 VC0166 00 | 35 228 35E N2 | 320.00 FEATHERSTONE DEVELOPMENT CORP | \$173,200.00 | \$541.25 |
| VC-S-043 VC0167 00 | 36 23S 35E SE4SE4 | 40.00 COMPOUND PROPERTIES, LLC | \$32,505.00 | \$812.63 |
| VC-S-044 VC0168 00 | 28 26S 36E E2 | 320.00 AMEREDEV NEW MEXICO, LLC. | \$7,360,000.00 | \$23,000.00 |
| VC-S-045 VC0169 00 | 8 07S 35E W2 | 320.00 FEDERAL ABSTRACT COMPANY | \$76,200.00 | \$238.13 |
| VC-S-046 VC0170 00 | 29 07S 35E W2 | 320.00 FEDERAL ABSTRACT COMPANY | \$79,400.00 | \$248.13 |
| VC-0-001 VC0171 00 | 17 06S 22E SE4SE4 | 40.00 SCYTHIAN LTD | \$2,550.00 | \$63.75 |
| VC-0-002 VC0172 00 | 21 08S 33E NW4NW4 | 40.00 SLASH EXPLORATION LP | \$2,050.00 | \$51.25 |
| VC-0-003 VC0173 00 | 22 08S 33E NE4 | 160.00 HEADINGTON ENERGY PARTNERS LL | \$19,550.00 | \$122.19 |
| VC-0-004 VC0174 00 | 27 08S 33E WZNE4, SE4NE4 | 120.00 HEADINGTON ENERGY PARTNERS LL | \$15,050.00 | \$125.42 |

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| TRACT # LEASE # SEC TW | SEC TWP RGE DESCRIPTION | ACRES BIDDER | BID AMOUNTS | PRICE/ACR |
|------------------------|------------------------------------|--------------------------------------|--------------|------------|
| VC-O-005 VC0175 00 | 35 08S 33E S2NE4, SE4NW4 | 120.00 SLASH EXPLORATION LP | \$8,050.00 | \$67.08 |
| VC-0-006 VC0176 00 | 36 09S 27E E2 | 320.00 NEWTEX PARTMERS LLC | \$22,500.00 | \$70.31 |
| VC-0-007 VC0177 00 | 36 10S 27E W2 | 320.00 NEWTEX PARTNERS LLC | \$22,500.00 | \$70.31 |
| VC-O-008 VC0178 00 | 16 10S 28E W2 | 320.00 NEWTEX PARTNERS LLC | \$22,500.00 | \$70.31 |
| VC-O-009 VC0179 00 | 32 10S 31E S2 | 320.00 ROCK HOUSE RESOURCES, LLC | \$64,100.00 | \$200.31 |
| VC-0-010 VC0180 00 | 11 115 31E N2NE4, SW4NE4, NW4 | 280.00 ROCK HOUSE RESOURCES, LLC | \$56,050.00 | \$200.18 |
| VC-0-011 VC0181 00 | 35 15S 28E SE4 | 160,00 CHASE OIL CORPORATION | \$12,150.00 | \$75.94 |
| VC-0-012 VC0182 00 | 1 15S 29E LOT(8) 1, 2, S2NE4, SE4 | 320.05 J&J ENERGY LAND SERVICES, INC | \$24,400.00 | \$76.24 |
| VC-0-013 VC0183 00 | 5 158 30E LOT(S) 4, SW4NW4 | 80.31 J&J ENERGY LAND SERVICES, INC | \$6,550.00 | \$81.56 |
| VC-O-014 VC0184 00 | 9 16S 28E W2SW4 | 80.00 J&J ENERGY LAND SERVICES, INC | \$16,050.00 | \$200.63 |
| VC-0-015 VC0185 00 | 2 22S 22E LOT(S) 1, 2, 3, 4, S2N2 | 320.64 TROVE ENERGY, LLC. | \$177,100.00 | \$552.33 |
| VC-0-016 VC0186 00 | 32 228 22E N2 | 320.00 TROVE ENERGY, LLC. | \$35,800.00 | \$111.88 |
| VC-0-017 VC0187 00 | 7 09S 32E LOT(S) 1, 2, NE4, E2NW4 | 317.88 BROWNING OIL COMPANY, INC. | \$57,400.00 | \$180.57 |
| VC-0-018 VC0188 00 | 8 09S 32E N2 | 320.00 BROWNING OIL COMPANY, INC. | \$57,700.00 | \$180.31 |
| VC-0-019 VC0189 00 | 13 10S 32E SW4, W2SE4 | 240.00 ROCK HOUSE RESOURCES, LLC | \$36,250.00 | \$151.04 |
| VC-0-020 VC0190 00 | 21 10S 32E N2 | 320.00 BROWNING OIL COMPANY, INC. | \$32,300.00 | \$100.94 |
| VC-0-021 VC0191 00 | 24 10S 32E W2NE4, SE4NE4 | 120.00 ROCK HOUSE RESOURCES, LLC | \$18,250.00 | \$152.08 |
| VC-0-022 VC0192 00 | 28 10S 32E N2 | 320.00 BROWNING OIL COMPANY, INC. | \$32,300.00 | \$100.94 |
| VC-0-023 VC0193 00 | 5 10S 36E LOT(S) 1, 2, 3, 4, S2N2 | 320.20 MANZANO LLC | \$85,100.00 | \$265.77 |
| VC-0-024 VC0194 00 | 25 148 34B B2 | 320.00 CONQUEST LAND COMPANY, LLC | \$144,100.00 | \$450.31 |
| VC-0-025 VC0195 00 | 4 15S 35E LOT(S) 2, 3, 4, S2N2 | 285.74 CONQUEST LAND COMPANY, LLC | \$360,150.00 | \$1,260.41 |
| VC-0-026 VC0196 00 | 22 15S 35E S2 | 320.00 CONQUEST LAND COMPANY, LLC | \$802,200.00 | \$2,506.88 |
| VC-0-027 VC0197 00 | 27 158 35E N2SW4, SW4SW4, N2SE4 | 200.00 DGP ENERGY LLC | \$520,150.00 | \$2,600.75 |
| VC-0-028 VC0198 00 | 30 15S 35E LOT(S) 1, 2, NE4, E2NW4 | 321.73 DGP ENERGY LLC | \$125,100.00 | \$388.84 |
| VC-0-029 VC0199 00 | 35 15S 37E S2N2 | 160.00 CONQUEST LAND COMPANY, LLC | \$22,450.00 | \$140.31 |
| VC-0-030 VC0200 00 | 36 15S 37E N2 | 320.00 CONQUEST LAND COMPANY, LLC | \$44,900.00 | \$140.31 |

OGSBDSM1

| TRACT # LEASE # | SEC TWP RGE DESCRIPTION | ACRES BIDDER | BID AMOUNTS | PRICE/ACR |
|---|-------------------------------------|---|----------------|-------------|
| THE TELEVISION OF THE TELEVISION OF THE TREE OF THE TELEVISION OF | 6 16S 33E LOT(S) 17, 18, E28W4, SE4 | W4, SE4 319.52 CHASE OIL CORPORATION \$162,100.00 | \$162,100.00 | \$507.32 |
| VC-0-032 VC0202 00 | 23 16S 36E N2NE4, SW4NE4, N2NW4 | W4 200.00 CONQUEST LAND COMPANY, ILC | \$650,050.00 | \$3,250.25 |
| VC-0~033 VC0203 00 | 10 17S 36E W2 | 320.00 CONQUEST LAND COMPANY, LLC | \$674,100.00 | \$2,106.56 |
| VC-0-034 VC0204 00 | 16 20S 36E W2 | 320.00 TROVE ENERGY, LLC. | \$240,100.00 | \$750.31 |
| VC-0-035 VC0205 00 | 19 225 35E E2 | 320.00 ONEENERGY PARTNERS OPERATING, \$6,001,100.00 | \$6,001,100.00 | \$18,753.44 |
| VC-0-036 VC0206 00 | 18 07S 35E E2 | 320.00 FEDERAL ABSTRACT COMPANY | \$70,100.00 | \$219.06 |

**** END OF REPORT ****



Aubrey Dunn 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

20 January 2015

To the representatives of the oil and gas industry:

In 2012, the New Mexico State Land Office entered into 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 agreement was expanded in 2014.

The purpose of the CCAA is to provide protections for the Lesser Prairie Chicken and Dunes Sagebrush Lizard, while allowing industry activities to continue on State Lands. There are now 404,000 acres of State Lands enrolled in the program.

By enrolling State Lands, the New Mexico State Land Office has provided for program eligibility for lease holders on these lands. Enrolled lands are marked on the oil & gas lease sale tract listing with a footnote.

This is a voluntary program entered into by industry through CEHMM. Information on the program can be found at the CEHMM web site: www.cehmm.org/ccaccaa.

Aubrey Dunie

Commissioner of Public Lands



Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

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NOTICE: CULTURAL RESOURCE PROTECTION

All oil & gas or mineral leases, assigns, and operators conducting drilling, production, injection, or related operations on state trust lands should be aware that it is a criminal offense for any person to knowingly excavate, injure, or destroy cultural property located on state land. [§ 18-6-9, NMSA 1978]. Applicants and lessees should exercise due caution to ensure that cultural properties are not inadvertently excavated, injured, or destroyed by any person. A cultural resource survey prior to any surface disturbing activity may assist in site identification and avoidance of criminal liability associated with disturbance or destruction of sites. Should any activity reveal suspected cultural property, the activity should cease until a site evaluation is made. For further information, please contact the New Mexico State Land Office Oil & Gas Division at 505-827-5774.

CALICHE PITS ON OIL & GAS LEASES

FROM SLO MINERALS RULE 5:

- 19.2.5.11 USE OF NECESSARILY DISTURBED CALICHE FROM OIL AND GAS LEASE ACREAGE. The commissioner shall make no charge for caliche necessarily moved within the roadbed or within the perimeter of a specific well pad while in the process of developing oil and natural gas under a state oil and gas lease, subject to the following conditions.
- A. Only caliche derived from the cellar and reserve pit or cut and fill, which is necessarily disturbed in the process of building an access road and/or that oil and gas well location, may be used without charge.
- **B.** Caliche necessarily disturbed during construction must remain within the boundaries of the oil and gas lease. If excess caliche exists from a necessary disturbance, that caliche may only be moved from that location to another well site within the lease once an operator or lessee of record obtains a permit and compensates the commissioner pursuant to the terms of a community caliche pit permit.
- C. Only caliche excavated during cut and fill construction of a well pad or roads built to 19.2.20 NMAC standards will be considered necessarily disturbed. [5/14/99; 19.2.5.11 NMAC Rn, 19 NMAC 3. SLO 5.11, 09/30/02]

~~~~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

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/



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

Lease Sales, Nominations, Potash Enclave. **Geophysical Permitting, Geology**

Stephen L. Wust, Ph.D. 505-827-5774 swust@slo.state.nm.us

Unitization & Commingling

Marilyn Gruebel, Ph.D. 505-827-5791

Communitization, Reduced Royalty, Engineering

Niranjan Khalsa 505-827-6628 Anchor Holm 505-827-5759

Bonds, Shut-In Royalty, OGRIDS, Lease Expirations, Cancellations, Rentals, Assignments, **Miscellaneous Instruments**

Kenda Montova 505-827-5749 Rubel Salazar 505-827-5730 Ramona Marcus 505-476-0378

Sand and Gravel, Caliche, General Mining

Jack Yates 505-827-5750 Jason Smith 505-827-5743 Faith Crosby 505-827-5849 Chris Gonzales 505-827-5783

OGMD Office Procedures, Division Administration

Terry Warnell, Division Director 505-827-5745 Ed Martin, Acting Assistant Commissioner 505-827-5746 Billie Luther 505-827-5744