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 21, 2012 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

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

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - AUGUST 21, 2012

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 PRIMARY ACCEPTABLE BID (MORE OR LESS) RENTAL MORE ACCEPTABLE	==	.===========					=======	=======================================	========	======	===
001 V0-001 Lea 33 12s 34E W2 320.00 \$0.50 \$5,000.00 002 V0-002 Lea 16 13s 32E W2 320.00 \$0.50 \$5,000.00 003 V0-003 Lea 04 18s 36E LOT(s) 3, 4, S2NE4, SE4NW4, 440.94 \$1.00 \$8,000.00 SW4, W2SE4		MINIMUM	PRIMARY	ACRES	DESCRIPTION	TWP RGE	TY SEC	COUNT		TRACT	
002 V0-002 Lea 16 13s 32E W2 320.00 \$0.50 \$5,000.00 003 V0-003 Lea 04 18s 36E LOT(s) 3, 4, S2NE4, SE4NW4, 440.94 \$1.00 \$8,000.00 SW4, W2SE4	ΙD	ACCEPTABLE BI	RENTAL	(MORE OR LESS)						#	
002 V0-002 Lea 16 13s 32E W2 320.00 \$0.50 \$5,000.00 003 V0-003 Lea 04 18s 36E LOT(s) 3, 4, S2NE4, SE4NW4, 440.94 \$1.00 \$8,000.00 SW4, W2SE4	==	:=========			:======================================		========		======	======	===:
002 V0-002 Lea 16 13s 32E W2 320.00 \$0.50 \$5,000.00 003 V0-003 Lea 04 18s 36E LOT(s) 3, 4, S2NE4, SE4NW4, 440.94 \$1.00 \$8,000.00 SW4, W2SE4											
003 V0-003 Lea 04 18S 36E LOT(S) 3, 4, S2NE4, SE4NW4, 440.94 \$1.00 \$8,000.00 SW4, W2SE4		\$5,000.00	\$0.50	320.00	W2	12s 34E	33	Lea	1	VO-001	001
003 V0-003 Lea 04 18S 36E LOT(S) 3, 4, S2NE4, SE4NW4, 440.94 \$1.00 \$8,000.00 SW4, W2SE4											
SW4, W2SE4		\$5,000.00	\$0.50	320.00	W2	13\$ 32E	1 <i>6</i>	Lea	2	v0-002	002
SW4, W2SE4											
		\$8,000.00	\$1.00	440.94	LOT(S) 3, 4, S2NE4, SE4NW4,	18S 36E	04	Lea	3	vo-003	003
004 V0-004 Lea 05 18S 36E LOT(S) 1, 2, 3, 4, S2N2 322.31 \$1.00 \$5,500.00					SW4, W2SE4						
004 V0-004 Lea 05 18S 36E LOT(S) 1, 2, 3, 4, S2N2 322.31 \$1.00 \$5,500.00											
		\$5,500.00	\$1.00	322.31	LOT(S) 1, 2, 3, 4, S2N2	18S 36E	05	Lea	4	V0-004	004
007 10 007		45 000 00		700.00		40- 74-					oor
005 VO-005 Lea 08 18\$ 36E N2 320.00 \$1.00 \$5,000.00		\$5,000.00	\$1.00	320.00	N2	185 36E	08	Lea	>	VU-005	005
006 V0-006 (D) Lea 27 18S 36E E2, SW4 480.00 \$1.00 \$7,500.00		¢7 500 00	¢1 00	480.00	E3 CU/.	100 745	27	1.00	6 (D)	V0-006	004
006 V0-006 (D) Lea 27 18S 36E E2, SW4 480.00 \$1.00 \$7,500.00		\$7,500.00	\$1.00	460.00	E2, 3W4	103 305	21	Lea	0 (0)	VU-000	000
007 V0-007 Lea 04 18S 37E LOT(S) 3, 4, S2NW4, SW4 320.04 \$1.00 \$5,000.00		\$5 000 00	\$1 00	320 04	10T(S) 3 & S2NUA SUA	185 37F	n/	Lea	7	vn-nn7	007
50 10 001 500 51 500 51 501(0) 5, 4, 651(0) 5, 4, 651(0) 5, 600.00		45,000.00	41.00	520.04	201(0) 3, 4, 02NH4, 0H4	100 372	-	LCG	•	¥0 007	001
008 VO-008 Lea 09 18S 37E SW4 160.00 \$1.00 \$2,500.00		\$2,500.00	\$1.00	160.00	SW4	18s 37E	09	Lea	8	vo-008	008
		,									
009 V0-009 Lea 08 19S 36E W2SE4 80.00 \$1.00 \$1,500.00		\$1,500.00	\$1.00	80.00	W2SE4	19s 36E	30	Lea	9	vo-009	009
		•									
010 V0-010 Lea 36 24s 35E E2, s2NW4, sW4 560.00 \$1.00 \$9,000.00		\$9,000.00	\$1.00	560.00	E2, S2NW4, SW4	24\$ 35E	36	Lea	0	V0-010	010

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - AUGUST 21, 2012

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.

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TRACT		COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
#					(MORE OR LESS)	RENTAL	ACCEPTABLE BID
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011 VB-001		Eddy	07 17S 28E	LOT(S) 3, S2NE4, SE4NW4	163.10	\$1.00	\$2,500.00
012 VB-002	(D)	Lea	33 13s 34E	E2	320.00	\$0.50	\$5,000.00
013 VB-003	(D)	Lea	17 158 33E	\$2	320.00	\$0.50	\$5,000.00

Regular Sale - ORAL BID AUGUST 21, 2012

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.

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	TRACT	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
	#				(MORE OR LESS)	RENTAL	ACCEPTABLE BID
==:	-8#8#==========					=======	=========
014	√ V0-0-001	Lea	16 13S 32E	E2	320.00	\$0.50	\$5,000.00
015	5 VO-O-002 (D)	Lea	23 14S 38E	SW4SW4	40.00	\$0.50	\$1,000.00
016	5 V0-0-003	Lea	05 18S 36E	\$2	320.00	\$1.00	\$5,000.00
017	7 V0-0-004	Lea	07 18S 36E	LOT(S) 1, 2, 3, 4, NE4, E2W2	468.28	\$1.00	\$7,000.00
018	3 V0-0-005	Lea	08 18S 36E	\$2	320.00	\$1.00	\$5,000.00
019	9 VO-O-006 (D)	Lea	28 18S 36E	E2, SW4	480.00	\$1.00	\$7,500.00
020) V0-0-007	Lea	31 18S 36E	LOT(S) 1, 2, 3, 4, NE4, E2W2	471.50	\$1.00	\$7,500.00
021	1 V0-0-008	Lea	05 18S 37E	LOT(S) 1, 2, 3, 4, S2N2, SE4	479.60	\$1.00	\$7,500.00
022	2 V0-0-009	Lea	32 24S 35E	ALL	640.00	\$1.00	\$10,000.00

Regular Sale - ORAL BID AUGUST 21, 2012

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.

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	TRACT	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
	#				(MORE OR LESS)	RENTAL	ACCEPTABLE BID
:							
(023 VB-0-001	Eddy	12 17S 27E	NE4SW4	40.00	\$1.00	\$1,000.00
(024 VB-O-002	Eddy	32 19S 25E	S2SW4	80.00	\$1.00	\$1,500.00
(025 VB-O-003	Eddy	36 26S 30E	LOT(S) 1, N2N2	184.10	\$1.00	\$3,000.00
(026 VB-O-004 (D)	Lea	17 15S 33E	N2	320.00	\$0.50	\$5,000.00

D: ALL OR PORTION OF SURFACE NON-STATE

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

Commissioner of Public Lands P.O. Box 1148 Santa Fe, New Maxico 87504-1148 (Please print the name of the logal entity, or, if applying as an individual, the personal name.) (Please print the name of the logal entity, or, if applying as an individual, the personal name.) (India) (state) (spoode) (chy) (state) (state) (state) (state) (spoode) (chy) (state) (OGRID No.
Santa Fe, New Mexico 87504-1148 (Please print the name of the legal entity, or, if applying as an individual, the personal name.) (Indiang accress) (Indiang accre	TO: Commissioner of Public Lands	
(Please print the name of the legal entity, or, if applying as an individual, the personal name.) (Please print the name of the legal entity, or, if applying as an individual, the personal name.) (Individual or of case) (Individual or of case) (Individual or of an oli and gas lease for the exploration, development and production of oil and natural gas thorson, upon the following desor and situated in the Country of		
Acknowledgment in a Representative Capacity: Capacity Capacit		
Acknowledgment in a Representative Capacity: Capacity Capacit	(Please print the name of the legal entit	y, or, if applying as an individual, the personal name.)
corporation qualified to do business in New Mexico. OR a citizen for eligible to become a citizen of the United States, over the age of twenty-one year reterby makes application for an oil and gas lease for the exploration, development and production of oil and natural gas thereon, upon the following described and situated in the County of		
corporation qualified to do business in New Mexico. OR a citizen for eligible to become a citizen of the United States, over the age of twenty-one year reterby makes application for an oil and gas lease for the exploration, development and production of oil and natural gas thereon, upon the following described and situated in the County of	whose address is (mailing address)	(city) (state) (zip code)
containingacres, more or less. rendered herevilh as bonus and first year's rental thereon is the sum of \$, plus an application fee of \$30.00; Cotal remittance sum of (a) and (b)\$ Cotal remittance sum of (a) and (b)	a corporation qualified to do business in New Mexico, OR a citizen (or eligible thereby makes application for an oil and gas lease for the exploration, development	to become a citizen) of the United States, over the age of twenty-one years ent and production of oil and natural gas thereon, upon the following described
ontaining acres, more or less. **Pendered herewith as bonus and first year's rental thereon is the sum of \$		
Cotal remittance sum of (a) and (b)\$ (Please print name of applicant or of attorney in fact / authorized agent.) (In the print name of applicant or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) Acknowledgment in an Individual Capacity: Signature of Notiarial Officer Acknowledgment in a Representative Capacity: Signature of Notiarial Officer Acknowledgment in a Representative Capacity: Signature of Notiarial Officer Date Date Name(a) of Person(b) Signature of Notiarial Officer Name(a) of Person(b) Signature of Notiarial Officer Name(a) of Person(b) Signature of Notiarial Officer	TRACT NUMBER LAND DESCRIPTION	REGULAR SALE SPECIAL SALE
Cotal remittance sum of (a) and (b)\$ (Please print name of applicant or of attorney in fact / authorized agent.) (In the print name of applicant or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized agent.) Acknowledgment in an Individual Capacity: Signature of Notiarial Officer Acknowledgment in a Representative Capacity: Signature of Notiarial Officer Acknowledgment in a Representative Capacity: Signature of Notiarial Officer Date Date Name(a) of Person(b) Signature of Notiarial Officer Name(a) of Person(b) Signature of Notiarial Officer Name(a) of Person(b) Signature of Notiarial Officer		
(Signature of individual or of attorney in fact / authorized agent.) (In solemnity swear that every statement made in this applicant or of attorney in fact / authorized agent.) (Signature of individual or of attorney in fact / authorized age Acknowledgment in an Individual Capacity: State of	containing acres, more or less.	
(Please print name of applicant or of attorney in fact / authorized agent.) Io 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 age Acknowledgment in an Individual Capacity: State of	Tendered herewith as bonus and first year's rental thereon is the sum of \$, plus an application fee of \$30.00; (a) (b)
(Signature of individual or of attorney in fact / authorized age Acknowledgment in an Individual Capacity: State of		
(Signature of individual or of attorney in fact / authorized age Acknowledgment in an Individual Capacity: State of	(Please print name of applicant, or, of attorney in fac	ct/authorized agent.)
Acknowledgment in an Individual Capacity: State of	do solemnly swear that every statement made in this application is true and corr	rect to the best of my knowledge and belief.
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State of		
County of		an Individual Capacity:
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This instrument was acknowledged before me on	County of)	
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Name of Person (Seat) Signature of Notarial Officer My commission expires: Acknowledgment in a Representative Capacity: State of	•	
Name of Person (Seat) Signature of Notarial Officer My commission expires: Acknowledgment in a Representative Capacity: State of	Ву	
My commission expires: Acknowledgment in a Representative Capacity: State of		
My commission expires: Acknowledgment in a Representative Capacity: State of		
My commission expires: Acknowledgment in a Representative Capacity: State of	(Seal)	Signature of Notarial Officer
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This instrument was acknowledged before me on	SS) County of	
Date Name(s) of Person(s) as		
Name(s) of Person(s) as	•	
Name(s) of Person(s) as		
Type of authority; e.g., officer, trustee, etc. Name of party on behalf of whom instrument was executed (Seal) Signature of Notarial Officer		
Type of authority; e.g., officer, trustee, etc. Name of party on behalf of whom instrument was executed (Seal) Signature of Notarial Officer	., .,	
		half of whom instrument was executed
My commission expires:	(Seal)	Signature of Notarial Officer
wy commission expires.		My commission expires:
		ing commission expired.

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.

M w w w w w w w w w w w w w w w w w w w		
	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 For the Account of S	COMPANY NAMEState Land Commissioner	-
	AUTHORIZED AGENT	

TRACT # LEASE #	SEC TWP RGE DESCRIPTION	ACRES BIDDER	B1D AMOUNTS	PRICE/ACR
vo-s-001 v09230 00	20 19s 21e Nw4Ne4, N2Nw4	120.00 YATES PETROLEUM CORPORATION	\$4,770.00	\$39.75
VO-S-002 V09231 00	18 15s 33e E2	320.00 THE BLANCO COMPANY YATES PETROLEUM CORPORATION	\$14,000.00 \$13,878.48	\$43.75
VO-S-003 V09232 00	34 18S 35E NW4NW4	40.00 T. H. MCELVAIN OIL & GAS LLLP CROWN OIL PARTNERS IV, LP FEATHERSTONE DEVELOPMENT CORP YATES PETROLEUM CORPORATION	\$35,520.00	\$1,859.00
VO-S-004 V09233 00	17 18s 36E E2	320.00 CROWN OIL PARTNERS IV, LP YATES PETROLEUM CORPORATION FEATHERSTONE DEVELOPMENT CORP	\$255,360.00 \$200,931.20 \$65,684.00	\$798.00
VO-S-005 V09234 00	6 18S 37E LOT(S) 6, 7, E2SW4, W2SE4	239.32 CROWN OIL PARTNERS IV, LP YATES PETROLEUM CORPORATION THE BLANCO COMPANY	\$133,200.12 \$40,131.57 \$18,000.00	\$556.58
VO-S-006 V09235 00	8 19S 36E N2, SW4, E2SE4	560.00 YATES PETROLEUM CORPORATION CROWN OIL PARTNERS IV, LP FEATHERSTONE DEVELOPMENT CORP	\$213,729.60 \$168,000.98 \$69,984.00	\$381.66
VO-S-007 V09236 00	36 24\$ 35E N2NW4	80.00 YATES PETROLEUM CORPORATION FEATHERSTONE DEVELOPMENT CORP THE BLANCO COMPANY MARK MATYI	\$22,303.20 \$16,084.00 \$12,000.00 \$1,630.00	\$278.79
VB-S-001 VB2179 00	34 15S 31E NE4, N2NW4, SE4NW4	280.00 THE BLANCO COMPANY YATES PETROLEUM CORPORATION	\$16,000.00 \$15,478.40	\$57.14
VB-S-002 VB2180 00	9 14S 34E ALL	640.00 YATES PETROLEUM CORPORATION FEATHERSTONE DEVELOPMENT CORP THE BLANCO COMPANY	\$42,924.80 \$24,097.00 \$20,000.00	\$67.07
VB-S-003	25 18S 34E SE4	WITHDRAWN		
VB-S-004 VB2181 00	16 24S 35E S2	320.00 ENERGEN RESOURCES CORPORATION YATES PETROLEUM CORPORATION FEATHERSTONE DEVELOPMENT CORP DOUG J. SCHUTZ	\$83,731.20	\$2,500.00
VB-S-005	32 26S 37E LOT(S) 1, 2, NE4NE4	WITHDRAWN		
VB-S-006	16 26S 38E LOT(S) 1, 2, NW4	WITHDRAWN		
V0-0-001 V09237 00	18 15s 33E LOT(S) 1, 2, 3, 4, E2W2	316.32 YATES PETROLEUM CORPORATION	\$15,000.00	\$47.42
V0-0-002 V09238 00	9 16S 33E N2	320.00 YATES PETROLEUM CORPORATION	\$11,000.00	\$34.38
V0-0-003 V09239 00	28 18S 35E SW4SW4, NE4SE4	80.00 T. H. MCELVAIN OIL & GAS LLLP	\$123,000.00	\$1,537.50

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TRACT # LEASE #	SEC TWP RGE DESCRIPTION	ACRES BIDDER	BID AMOUNTS	PRICE/ACR
V0-0-004 V09240 00	9 18S 36E S2	320.00 CROWN OIL PARTNERS IV, LP	\$168,000.00	\$525.00
V0-0-005 V09241 00	16 18S 36E E2, SW4	480.00 CROWN OIL PARTNERS IV, LP	\$465,000.00	\$968.75
V0-0-006 V09242 00	23 18S 36E N2NE4, W2, S2SE4	480.00 CHASE OIL CORPORATION	\$460,000.00	\$958.33
V0-0-007 V09243 00	6 18S 37E LOT(S) 1, 2, 3, 4, 5, SW4NE4, SE4NW4	278.68 CROWN OIL PARTNERS IV, LP	\$100,000.00	\$358.83
V0-0-008 V09244 00	5 19S 36E LOT(S) 3, 4, S2NW4, SW4	319.09 YATES PETROLEUM CORPORATION	\$265,000.00	\$830.49
V0-0-009 V09245 00	22 06S 34E SW4NW4, S2	360.00 DOUG J. SCHUTZ	\$51,000.00	\$141.67
V0-0-010 V09246 00	32 21N 05W E2NE4, NE4SE4	120.00 THE BLANCO COMPANY	\$3,000.00	\$25.00
VB-0-001 VB2182 00	27 15\$ 31E N2	320.00 YATES PETROLEUM CORPORATION	\$65,000.00	\$203.13
VB-0-002 VB2183 00	5 24S 25E LOT(S) 4, S2NW4	119.87 YATES PETROLEUM CORPORATION	\$8,000.00	\$66.74
VB-0-003 VB2184 00	10 18S 36E N2, SW4, W2SE4	560.00 CROWN OIL PARTNERS IV, LP	\$445,000.00	\$794.64
VB-0-004 VB2185 00	32 24\$ 36E E2	320.00 YATES PETROLEUM CORPORATION	\$32,000.00	\$100.00
VB-0-005 VB2186 00	32 25N 12W ALL	640.00 RANDALL R. FORT	\$205,000.00	\$320.31

**** END OF REPORT ****

HIGHEST BID ANALYSIS REGULAR SALE July 17, 2012

Total \$3,992,647.72 for 25 tracts covering 7,953.28 Acres...\$502.01 per acre.

Sealed (Five Year) \$1,576,647.72 for 10 tracts covering 2,919.32 Acres...\$540.07 per acre.

Oral (Five Year) \$2,416,000.00 for 15 tracts covering 5,033.96 Acres...\$479.94 per acre.

Total of 28 tracts were offered.... 25 tracts were sold.

Highest Sealed Bid (Five Year Term) Tract No. VB-004 \$ 800,000.00 S2 of Section 16, Township 24 South, Range 35 East, containing 320.00 acres, more or less, in Lea County, approximately 12.6 miles northwest of Jal, New Mexico, by Energen Resources Corporation of Farmington, NM.

Highest Sealed Bid (Five Year Term) Per Acre Tract No. VB-004 \$ 2,500.00 S2 of Section 16, Township 24 South, Range 35 East, containing 320.00 acres, more or less, in Lea County, approximately 12.6 miles northwest of Jal, New Mexico, by Energen Resources Corporation of Farmington, NM.

Highest Oral Bid (Five Year Term) Tract No. V0-O-005 \$ 465,000.00 E2, SW4 of Section 16, Township 18 South, Range 36 East, containing 480.00 acres, more or less, in Lea County, approximately 13.4 miles northwest of Hobbs, New Mexico, by Crown Oil Partners IV, LP of Midland, TX.

Highest Oral Bid (Five Year Term) Per Acre Tract No. V0-O-003 \$ 1,537.50 SW4SW4, NE4SE4 of Section 28, Township 18 South, Range 35 East, containing 80.00 acres, more or less, in Lea County, approximately 18 miles northwest of Hobbs, New Mexico, by T. H. McElvain Oil & Gas LLLP of Denver, Co.

July 2011 Regular Sale was \$19,467,144.59 for 9,610.53 acres or \$15,474,496.87 more than the July 2012 Regular Sale.

No Special Sale

Total Sale was \$3,992,647.72

~~~~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?

Unitization & Commingling

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

<u>Lease Sales, Potash Enclave,</u> <u>Geophysical Permitting, Geology</u>

Joe Mraz, 505-827-5774 Dan Fuqua, 505-827-5748

Bonds, Shut-In Royalty, OGRIDS, Assignments

Paulette Lucero-Romero, 505-827-5714 Stephen Manning, 505-827-5749

Communitization, Reduced Royalty & Engineering

Terry Warnell, 505-827-5745 Scott Dawson, 505-827-6628

<u>Lease Expirations,</u> Cancellations, Rentals

Darlene Vigil, 505-827-5730

Miscellaneous Instruments

Debbie Tise, 505-827-5744

Sand and Gravel, Caliche, General Mining

In Santa Fe (includes Farmington):
Michael Mariano, 505-827-5750
VACANT
Monica Fresquez, 505-827-5849
In Hobbs Field Office:
VACANT, 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

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2012

NEW MEXICO STATE LAND OFFICE



SALE CALENDAR

Regularly scheduled sale (Third Tuesday of each month)

Last day to nominate tracts for next monthly sale

To nominate tracts for an oil and gas lease sale, call the Oil, Gas, and Minerals Division Geologists at 505-827-5774 or 505-827-5748, submit your nomination in writing, or by e-mail to, jmraz@slo.state.nm.us or dfuqua@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.

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