

**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 20 February 2018, for the tracts of land herein described.

The sale will be held online, with sealed bids. Bidding will close at 8:30 am MST on February 20. 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](http://www.energynet.com). Prospective bidders must register with EnergyNet at [https://www.energynet.com/govt\\_listing.pl](https://www.energynet.com/govt_listing.pl) and abide by the terms and conditions therein.

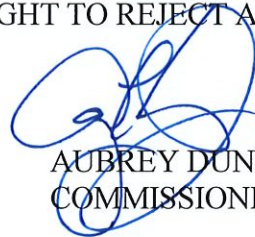
No bids will be considered for less than the whole of any tract, nor for less than the specified minimum acceptable bid. Separate bids must be made for each tract. Leases will be awarded to the highest bidder, if the offer made is deemed to be satisfactory.

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.



AUBREY DUNN  
COMMISSIONER OF PUBLIC LANDS

## **February oil & gas lease sale**

The New Mexico State Land Office Oil & Gas lease sale for 20 February 2018 will be held online in sealed bidding format. Online bidding will commence February 13, one week prior to the lease sale date. Sealed bidding will close at 8:30 am MST on February 20.

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](http://www.energynet.com). Prospective bidders must register with EnergyNet at [https://www.energynet.com/govt\\_listing.pl](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](mailto:swust@slo.state.nm.us); [msena@slo.state.nm.us](mailto:msena@slo.state.nm.us); [slopez@slo.state.nm.us](mailto:slopez@slo.state.nm.us) by COB of the State Land Office on the day of the sale.

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.)

NEW MEXICO STATE LAND OFFICE  
LEASE SALE NOTICE

\*\*\*\*\* ONLINE SEALED TRACTS \*\*\*\*\*

Regular Sale - ONLINE SEALED BIDDING COMMENCES 13 FEBRUARY 2018. BIDDING FOR THE SEALED TRACTS WILL CLOSE 8:30am MST ON 20 FEBRUARY 2018. 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
001	VC-001	(D)	Lea	14	12S	38E SE4SW4, SW4SE4	80.00	\$0.50	\$3,000.00
002	VC-002		Lea	23	14S	33E W2	320.00	\$0.50	\$10,000.00
003	VC-003	(D)	Lea	13	16S	36E NE4NE4	40.00	\$1.00	\$2,000.00
004	VC-004	(D)	Lea	13	16S	36E S2SW4	80.00	\$1.00	\$3,000.00
005	VC-005	(D)	Lea	18	16S	37E LOT(S) 4	50.77	\$1.00	\$2,000.00
006	VC-006	(D)	Lea	18	16S	37E N2SE4, SE4SE4	120.00	\$1.00	\$4,000.00
007	VC-007	(E)	Roosevelt	32	07S	38E N2	320.00	\$0.50	\$10,000.00
008	VC-008	(E)	Roosevelt	32	07S	38E S2	320.00	\$0.50	\$10,000.00
009	VC-009	(E)	Roosevelt	32	08S	36E N2	320.00	\$0.50	\$10,000.00
010	VC-010	(E)	Roosevelt	32	08S	36E S2	320.00	\$0.50	\$10,000.00
011	VC-011		San Juan	32	25N	11W S2NE4	80.00	\$1.00	\$3,000.00
012	VC-012		San Juan	32	25N	11W N2NW4	80.00	\$1.00	\$3,000.00

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  
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www.nmstatelands.org

## 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](mailto: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.

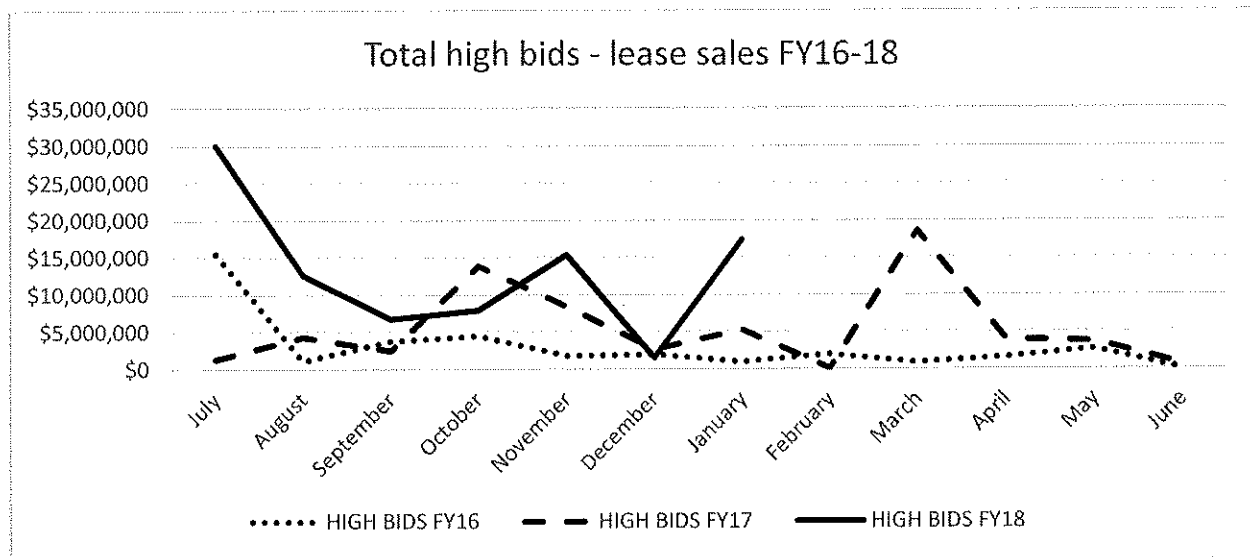
## January 2018 Oil & Gas Lease Sale

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

There were 23 tracts offered, for a total of 5635 acres, in Chaves and Lea Counties. All tracts were sold.

Total high bids: \$17,370,117 from 12 different bidders, for an average per acre price of \$3,082. There were 40 registered bidders from 6 states and one Canadian Province.

Sale Month	Total sale	High tracts	Bid type	Rest		S	T	R
16-Jan	\$17,158,372	\$1,009,920	S			32	14S	35E
		\$1,137,920	S			32	24S	36E
		\$6,432,000	S			32	25S	36E
		\$4,158,372	S			33	26S	36E
		\$1,100,050	O			25	21S	34E
Total		\$13,838,262			High sealed	\$12,738,212		
	% Total	81%		\$3,320,110	open	\$1,100,050		



NEW MEXICO STATE LAND OFFICE  
 BID SUMMARY FOR SALE ON 01-16-2010

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VC-S-001	VC0321 00	34	10S	31E	NW4, N2SW4	240.00	ROCK HOUSE RESOURCES, LLC	\$85,680.00	\$357.00
VC-S-002	VC0322 00	36	14S	30E	N2	320.00	ROY G. BARTON JR.	\$18,300.00	\$57.19
VC-S-003	VC0323 00	19	14S	34E	LOT(S) 1, 2, NE4, E2NW4	322.45	ROY G. BARTON JR.	\$35,800.00	\$111.02
VC-S-004	VC0324 00	32	14S	35E	N2	320.00	CONQUEST LAND COMPANY, LLC	\$1,009,920.00	\$3,156.00
VC-S-005	VC0325 00	19	14S	36E	LOT(S) 1, 2, 3, E2NW4, NE4SW4	243.53	DGP ENERGY LLC	\$101,000.00	\$414.73
VC-S-006	VC0326 00	18	17S	34E	LOT(S) 1, 2, 3, 4, E2W2	296.24	CONOCOPHILLIPS COMPANY	\$555,450.00	\$1,875.00
VC-S-007	VC0327 00	3	17S	36E	W2SE4	80.00	CONQUEST LAND COMPANY, LLC	\$285,440.00	\$3,568.00
VC-S-008	VC0328 00	14	17S	36E	SW4	160.00	MANZANO ENERGY PARTNERS III,	\$645,000.00	\$4,031.25
VC-S-009	VC0329 00	31	18S	36E	LOT(S) 1, 2, NE4, E2NW4	315.77	RESONANCE RESOURCES, LLC.	\$789,500.00	\$2,500.24
VC-S-010	VC0330 00	16	19S	36E	N2	320.00	RESONANCE RESOURCES, LLC.	\$321,000.00	\$1,003.13
VC-S-011	VC0331 00	28	19S	36E	NE4	160.00	RESONANCE RESOURCES, LLC.	\$160,500.00	\$1,003.13
VC-S-012	VC0332 00	2	19S	37E	LOT(S) 3, 4, S2NW4	164.18	OAKSPRING ENERGY HOLDINGS, LL	\$33,985.26	\$207.00
VC-S-013	VC0333 00	32	24S	36E	E2	320.00	PETROGULF CORPORATION	\$1,137,920.00	\$3,556.00
VC-S-014	VC0334 00	32	25S	36E	N2	320.00	AMERREDEV NEW MEXICO, LLC.	\$6,432,000.00	\$20,100.00
VC-S-015	VC0335 00	33	26S	36E	LOT(S) 1, 2, 3, 4, N2N2 (ALL)	294.92	AMERREDEV NEW MEXICO, LLC.	\$4,158,372.00	\$14,100.00
VC-O-001	VC0336 00	34	10S	31E	E2	320.00	ROCK HOUSE RESOURCES, LLC	\$12,200.00	\$38.13
VC-O-002	VC0337 00	36	14S	30E	S2	320.00	ROY G. BARTON JR.	\$13,600.00	\$42.50
VC-O-003	VC0338 00	19	14S	34E	LOT(S) 3, 4, E2SW4, SE4	322.63	PLAGENS PETROLEUM, LLC.	\$35,900.00	\$111.27
VC-O-004	VC0339 00	35	14S	35E	SW4	160.00	CONQUEST LAND COMPANY, LLC	\$180,050.00	\$1,125.31
VC-O-005	VC0340 00	19	14S	36E	NE4, E2SE4	240.00	FEATHERSTONE DEVELOPMENT CORP	\$105,150.00	\$438.13
VC-O-006	VC0341 00	31	18S	36E	LOT(S) 3, 4, E2SW4	155.73	RESONANCE RESOURCES, LLC.	\$70,250.00	\$451.10
VC-O-007	VC0342 00	16	19S	36E	SE4	160.00	RESONANCE RESOURCES, LLC.	\$83,050.00	\$519.06
VC-O-008	VC0343 00	25	21S	34E	S2NW4	60.00	PETROGULF CORPORATION	\$1,100,050.00	\$13,750.63

\*\*\*\* 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](http://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](http://www.cehmm.org/ccaccaa).

A handwritten signature in black ink, appearing to read "Aubrey Dunn".

Aubrey Dunn  
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](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/>



## 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

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

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

**Communitization, Reduced  
Royalty, Engineering**

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

**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