

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 January 20, 2015 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, 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, M.S., D.V.M.
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

SPECIAL NOTICES

BEGINNING JANUARY 2015:

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.

WEATHER ALERTS:

If State Offices, including the State Land Office, is closed on lease sale day due to inclement weather, the lease sale for that month will be cancelled. If there is a two-hour delay, the lease sale will be held at 11:30.

NEW MEXICO STATE LAND OFFICE
LEASE SALE NOTICE

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

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - JANUARY 20, 2015

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	15 10S 26E	N2	320.00	\$0.50	\$5,000.00
002	V0-002 (E)	Chaves	18 14S 30E	LOT(S) 1, 2, NE4, E2NW4	315.76	\$0.50	\$5,000.00
003	V0-003 (D)	Eddy	36 16S 25E	E2	320.00	\$1.00	\$5,000.00
004	V0-004 (D)	Lea	22 10S 32E	N2	320.00	\$0.50	\$5,000.00
005	V0-005 (D, E)	Lea	17 10S 36E	N2	320.00	\$0.50	\$5,000.00
006	V0-006 (E)	Lea	18 10S 36E	LOT(S) 1, 2, NE4, E2NW4	318.80	\$0.50	\$5,000.00
007	V0-007 (E)	Lea	19 10S 36E	LOT(S) 1, 2, NE4, E2NW4	319.12	\$0.50	\$5,000.00
008	V0-008 (D, E)	Lea	20 10S 36E	E2	320.00	\$0.50	\$5,000.00
009	V0-009 (E)	Lea	33 11S 34E	N2	320.00	\$0.50	\$5,000.00
010	V0-010 (D)	Lea	06 12S 32E	LOT(S) 1, 2, 3, 4, 5, S2NE4, SE4NW4	327.37	\$0.50	\$5,000.00
011	V0-011 (D)	Lea	22 12S 38E	W2SW4	80.00	\$0.50	\$1,500.00
012	V0-012 (E)	Roosevelt	04 06S 34E	LOT(S) 1, 2, 3, 4 (ALL)	175.32	\$0.50	\$2,500.00

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - JANUARY 20, 2015

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
013	VB-001 (D)	Eddy	28 19S 23E	N2	320.00	\$1.00	\$5,000.00
014	VB-002	Eddy	25 20S 26E	E2	320.00	\$1.00	\$5,000.00
015	VB-003	Lea	26 15S 32E	S2	320.00	\$0.50	\$5,000.00
016	VB-004 (D)	Lea	11 15S 35E	NE4, SW4	320.00	\$0.50	\$5,000.00
017	VB-005 (D)	Lea	31 15S 38E	N2	320.00	\$0.50	\$5,000.00
018	VB-006	Lea	28 16S 32E	NE4, W2NW4, SE4NW4	280.00	\$1.00	\$4,500.00
019	VB-007	Lea	18 17S 34E	E2	320.00	\$1.00	\$5,000.00

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

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - JANUARY 20, 2015

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
020 VB-008	Lea	16 18S 35E	NW4SW4	40.00	\$1.00	\$1,000.00

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

Regular Sale - ORAL BID JANUARY 20, 2015

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
021 V0-0-001	Chaves	15 10S 26E	S2	320.00	\$0.50	\$5,000.00
022 V0-0-002	Chaves	16 12S 31E	S2NE4, W2W2, SE4SW4, SE4	440.00	\$0.50	\$7,000.00
023 V0-0-003 (D)	Chaves	24 13S 31E	NE4, NE4NW4	200.00	\$0.50	\$3,500.00
024 V0-0-004	Chaves	34 14S 31E	E2	320.00	\$0.50	\$5,000.00
025 V0-0-005 (D)	Eddy	36 16S 25E	W2	320.00	\$1.00	\$5,000.00
026 V0-0-006 (D)	Lea	22 10S 32E	S2	320.00	\$0.50	\$5,000.00
027 V0-0-007 (E)	Lea	18 10S 36E	LOT(S) 3, 4, E2SW4, N2SE4	238.96	\$0.50	\$4,000.00
028 V0-0-008 (D, E)	Lea	19 10S 36E	LOT(S) 3, NE4SW4	79.62	\$0.50	\$1,500.00
029 V0-0-009 (D, E)	Lea	22 10S 36E	E2NW4	80.00	\$0.50	\$1,500.00
030 V0-0-010 (E)	Lea	33 11S 34E	S2	320.00	\$0.50	\$5,000.00
031 V0-0-011 (D)	Lea	06 12S 32E	LOT(S) 6, 7, E2SW4, SE4	322.22	\$0.50	\$5,000.00
032 V0-0-012	Lea	25 12S 33E	E2	320.00	\$0.50	\$5,000.00
033 V0-0-013	Lea	27 12S 38E	W2NW4	80.00	\$0.50	\$1,500.00
034 V0-0-014 (E)	Roosevelt	05 06S 34E	LOT(S) 1, 2, 3, 4 (ALL)	168.48	\$0.50	\$2,500.00

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

Regular Sale - ORAL BID JANUARY 20, 2015

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
035 VB-O-001 (D)	Eddy	28 19S 23E	S2	320.00	\$1.00	\$5,000.00
036 VB-O-002	Lea	22 15S 36E	SE4	160.00	\$0.50	\$2,500.00
037 VB-O-003 (D)	Lea	31 15S 38E	S2	320.00	\$0.50	\$5,000.00
038 VB-O-004	Lea	28 16S 32E	SW4, W2SE4, SE4SE4	280.00	\$1.00	\$4,500.00
039 VB-O-005	Lea	16 18S 35E	NW4	160.00	\$1.00	\$2,500.00

D: ALL OR PORTION OF SURFACE NON-STATE

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

www.nmstatelands.org

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
 Sealed: V0-001 Description W2NW4, SE4NW4, SW4

Notice the V0 –type lines are different for sealed and oral bids.

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"/>

Sealed: _____ - 0 _____ Description _____

Oral: _____ - 0 - 0 _____

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		33	09S	27E	E2		WITHDRAWN		
VO-S-002	V09830 00	2	10S	36E	LOT(S) 1, 2, 3, 4, S2N2	319.88	ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$80,609.76 \$38,560.00 \$5,015.00	\$252.00
VO-S-003	V09831 00	5	10S	36E	S2	320.00	ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$80,640.00 \$16,160.00 \$5,015.00	\$252.00
VO-S-004	V09832 00	7	10S	36E	LOT(S) 1, 2, NE4, E2NW4	318.48	ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$80,256.96 \$16,109.00 \$5,015.00	\$252.00
VO-S-005	V09833 00	8	10S	36E	N2	320.00	ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$80,640.00 \$16,160.00 \$5,015.00	\$252.00
VO-S-006	V09834 00	21	10S	36E	W2NE4, NW4	240.00	ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$60,480.00 \$28,920.00 \$4,115.00	\$252.00
VO-S-007	V09835 00	5	11S	37E	LOT(S) 1, 2, 3, 4, S2 (ALL)	390.48	SHAW INTERESTS, INC. ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$59,000.00 \$34,362.24 \$7,696.00 \$6,620.00	\$151.10
VO-S-008	V09836 00	11	11S	37E	N2	320.00	ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$28,160.00 \$22,560.00 \$5,015.00	\$88.00
VO-S-009	V09837 00	14	11S	37E	N2	320.00	ENERGEX, LLC SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$28,160.00 \$16,160.00 \$5,015.00	\$88.00
VO-S-010	V09838 00	18	11S	38E	NE4NW4, S2NW4, SW4	280.00	ENERGEX, LLC FEDERAL ABSTRACT COMPANY	\$24,640.00 \$4,616.00	\$88.00
VB-S-001	VB2460 00	2	23S	28E	LOT(S) 1, S2NE4, SW4NW4, NE4SE4, SW4SE4	239.46	J BAR CANE INC MRC PERMIAN COMPANY CHASE OIL CORPORATION FEDERAL ABSTRACT COMPANY RANDALL R. FORT FEATHERSTONE DEVELOPMENT CORP MAVERICK OPERATING, LLC CROWN OIL PARTNERS V, L.P. SOUL THREADS LLC V-F PETROLEUM INC HARVEY E YATES COMPANY DOUG J. SCHUTZ YATES PETROLEUM CORPORATION	\$3,591,900.00 \$1,105,500.61 \$960,234.60 \$901,806.36 \$761,962.00 \$627,197.00 \$518,076.50 \$419,478.84 \$251,433.00 \$182,708.00 \$179,847.33 \$169,058.76 \$137,940.93	\$15,000.00

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VB-S-002	VB2461 00	27	15S	32E	N2	320.00	FEDERAL ABSTRACT COMPANY	\$5,615.00	\$17.55
VB-S-003	VB2462 00	32	15S	34E	E2	320.00	MRC PERMIAN COMPANY FEDERAL ABSTRACT COMPANY	\$196,646.40 \$5,015.00	\$614.52
VB-S-004	VB2463 00	20	15S	35E	E2, SW4	480.00	FEATHERSTONE DEVELOPMENT CORP FEDERAL ABSTRACT COMPANY	\$10,632.00 \$7,600.00	\$22.15
VB-S-005	VB2464 00	1	16S	33E	SE4	160.00	FEDERAL ABSTRACT COMPANY	\$2,575.00	\$16.09
VB-S-006	VB2465 00	2	16S	34E	LOT(S) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10	417.40	MRC PERMIAN COMPANY FEDERAL ABSTRACT COMPANY	\$256,500.65 \$8,523.00	\$614.52
VB-S-007	VB2466 00	7	19S	36E	LOT(S) 1, 2, E2NW4	154.27	T. H. MCELVAIN OIL & GAS LLLP CROWN OIL PARTNERS V, L.P. FEATHERSTONE DEVELOPMENT CORP V-F PETROLEUM INC	\$77,443.54 \$58,278.58 \$55,538.00 \$2,600.00	\$502.00
VO-O-001		33	09S	27E	W2		WITHDRAWN		
VO-O-002	V09839 00	29	16S	24E	E2	320.00	FEDERAL ABSTRACT COMPANY	\$5,000.00	\$15.63
VO-O-003	V09840 00	23	10S	32E	NE4	160.00	MAR OIL & GAS CORP.	\$3,000.00	\$18.75
VO-O-004	V09841 00	2	10S	36E	S2	320.00	ENERGEX, LLC	\$6,500.00	\$20.31
VO-O-005	V09842 00	6	10S	36E	LOT(S) 6, 7, E2SW4, SE4	318.30	ENERGEX, LLC	\$5,500.00	\$17.28
VO-O-006	V09843 00	7	10S	36E	LOT(S) 3, 4, E2SW4, SE4	318.64	ENERGEX, LLC	\$5,500.00	\$17.26
VO-O-007	V09844 00	8	10S	36E	S2	320.00	ENERGEX, LLC	\$5,500.00	\$17.19
VO-O-008	V09845 00	6	11S	37E	LOT(S) 1, 2, 3, 4, 5, 6, E2SW4, SE4 (ALL)	375.39	ENERGEX, LLC	\$66,000.00	\$175.82
VO-O-009	V09846 00	8	11S	37E	N2NE4, SW4NE4, NW4, NW4SE4	320.00	ENERGEX, LLC	\$5,500.00	\$17.19
VO-O-010	V09847 00	11	11S	37E	S2	320.00	ENERGEX, LLC	\$5,500.00	\$17.19
VO-O-011	V09848 00	14	11S	37E	S2	320.00	ENERGEX, LLC	\$5,500.00	\$17.19
VO-O-012	V09849 00	30	12S	34E	LOT(S) 1, 2, E2NW4	153.87	MAR OIL & GAS CORP.	\$5,500.00	\$35.74
VB-O-001	VB2467 00	2	24S	26E	W2SW4	80.00	CHASE OIL CORPORATION	\$155,000.00	\$1,937.50
VB-O-002	VB2468 00	27	15S	32E	S2	320.00	FEDERAL ABSTRACT COMPANY	\$5,000.00	\$15.63
VB-O-003	VB2469 00	32	15S	34E	W2	320.00	MRC PERMIAN COMPANY	\$33,000.00	\$103.13
VB-O-004	VB2470 00	27	15S	36E	W2SE4, SE4SE4	120.00	TURNER OIL & GAS PROPERTIES,	\$96,000.00	\$800.00

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VB-O-005	VB2471 00	13	16S	33E	NW4	160.00	ROBERT HOOPER	\$3,000.00	\$18.75
VB-O-006	VB2472 00	2	16S	34E	LOT(S) 15, 16, SE4	240.00	MRC PERMIAN COMPANY	\$32,000.00	\$133.33
VB-O-007	VB2473 00	8	16S	34E	SE4	160.00	MONCRIEF OIL & GAS MASTER LLC	\$105,000.00	\$656.25

**** END OF REPORT ****

HIGHEST BID ANALYSIS

REGULAR SALE December 16, 2014

Total \$5,211,899.31 for 34 tracts covering 9,566.17 Acres...\$544.83 per acre.

Sealed (Five Year) \$4,663,899.31 for 16 tracts covering 4,919.97 Acres...\$947.95 per acre.

Oral (Five Year) \$548,000.00 for 18 tracts covering 4,646.20 Acres...\$117.95 per acre.

Total of 36 tracts were offered.... 34 tracts were sold.

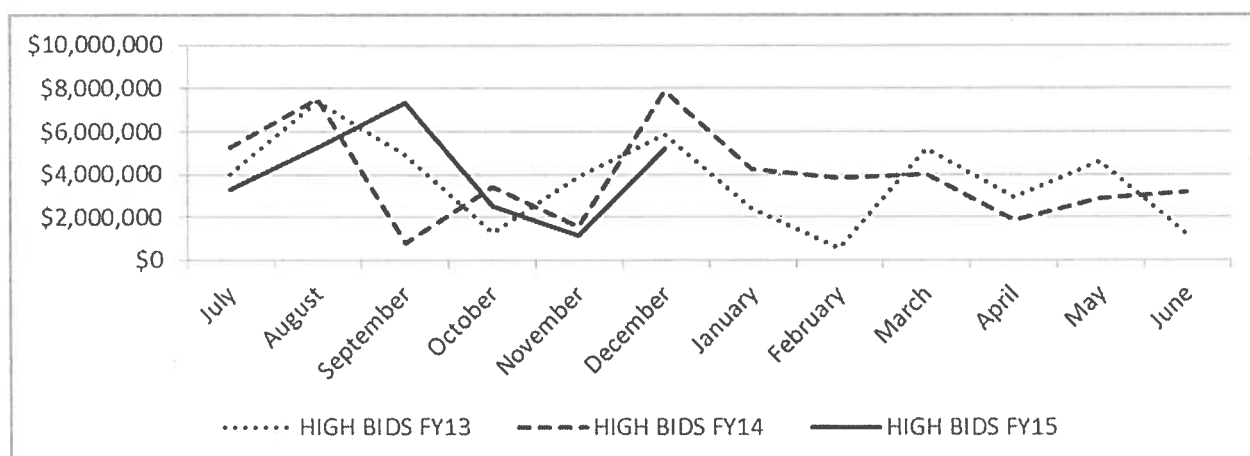
Highest Sealed Bid (Five Year Term) (LOTS) 1, S2NE4, SW4NW4, NE4SE4, SW4SE4 of Section 02, Township 23 South, Range 28 East, containing 239.46 acres, more or less, in Eddy County, approximately 4 miles northeast of Loving, New Mexico, by J Bar Cane Inc., of Stanley, NM.
Tract No. VB-S-001
\$ 3,591,900.00

Highest Sealed Bid (Five Year Term) (LOTS) 1, S2NE4, SW4NW4, NE4SE4, SW4SE4 of Section 02, Township 23 South, Range 28 East, containing 239.46 acres, more or less, in Eddy County, approximately 4 miles northeast of Loving, New Mexico, by J Bar Cane Inc., of Stanley, NM.
Per Acre
Tract No. VB-S-001
\$ 15,000.00

Highest Oral Bid (Five Year Term) W2SW4 of Section 02, Township 24 South, Range 26 East, containing 80.00 acres, more or less, in Eddy County, approximately 11 miles WSW of Loving, New Mexico, by Chase Oil Corporation, of Artesia, NM.
Tract No. VB-O-001
\$ 155,000.00

Highest Oral Bid (Five Year Term) W2SW4 of Section 02, Township 24 South, Range 26 East, containing 80.00 acres, more or less, in Eddy County, approximately 11 miles WSW of Loving, New Mexico, by Chase Oil Corporation, of Artesia, NM.
Per Acre
Tract No. VB-O-001
\$ 1,937.50

December 2013 Regular Sale was \$7,868,966.80 for 7,022.71 acres or \$2,657,067.49 more than the December 2014 Regular Sale.





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

April 1, 2014

Dear Representative of the Oil and Gas Industry:

On March 25, 2014, 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). With the USFWS's recent decision to list the Lesser Prairie Chicken (LPC) as a "threatened" species under the Endangered Species Act, I would like to make sure you are aware of your ability to utilize the protections afforded under the CCAA.

This agreement, which enrolls approximately 404,000 acres of State Trust Land under the voluntary conservation program, is aimed at ensuring that regardless of USFWS listing decisions under the Endangered Species Act participating State Land Office lessees will be able to continue their operations. The accord covers both Lesser Prairie Chicken and the Dunes Sagebrush Lizard (DSL) habitat. In 2012 I signed a similar agreement, which at the time represented one of the largest accords in the nation with more than 247,000 acres. This new agreement replaces and expands this effort.

Participation in the CCAA helps ensure that oil and gas activities can continue in areas inhabited by the LPC and/or the DSL while meeting conservation objectives for these two species. By enrolling these State Trust Lands under the program, lessees of these lands will also be able to enroll if they chose to do so, even though the listing decision for the LPC has already been published.

This agreement will help protect the health of our lands while allowing economic activity that supports State Land Trust beneficiaries, which include public schools, hospitals, and universities, to continue. In the absence of a CCAA, state land use and development in the species' range may be delayed by the requisite USFWS consultation process. By agreeing to conduct certain conservation measures the USFWS provides regulatory certainty (assurances) concerning land use restrictions that might otherwise apply due to LPC or DSL listing decisions.

Some measures required under the CCAA to protect the LPC and DSL include:

- Providing escape ramps for open water sources;
- Minimizing surface disturbances;

- Avoiding DSL habitat;
- Burying power lines within two miles of LPC lek sites active at least once in the past five years;
- Burying power lines within one mile of historic LPC lek site.

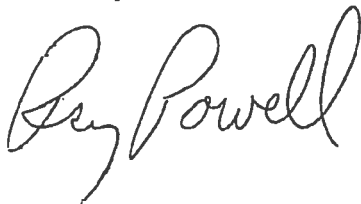
The CCAA agreement is available for your review on the State Land Office website: www.nmstatelands.org/conservation-agreement-for-sand-dunes-lizard-and-lesser-prairie-chicken.aspx. This page also includes a habitat map and other information concerning the agreement that may be of interest to you.

Comprehensive information on the CCAA is also available on the CEHMM website at www.cehmm.org/ccaccaa. Mr. Matt Mathis is the CEHMM point of contact and can be reached at (575) 885-3700 or matt.mathis@cehmm.org with questions regarding enrollment. Enrollment eligibility and associated deadlines may differ based on each applicant's circumstances. Please contact CEHMM as soon as possible if you have questions.

I am also writing to encourage all oil and gas lessees to participate in this voluntary program. The health of our State Trust Lands and the success of the oil and gas industry are of great 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 black ink that reads "Ray Powell". The signature is written in a cursive, flowing style.

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



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

State of New Mexico
Commissioner of Public Lands

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NOTICE:
CULTURAL RESOURCE PROTECTION

All oil & gas or mineral lessees, 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 further information is obtained. For further information, please contact the State Land Office Field Operations Division at 505-827-5095 or the New Mexico Historic Preservation Division at 505-827-6320.

2015 Oil & Gas Lease Sale Calendar

NEW MEXICO STATE LAND OFFICE

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	30				

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		



Regularly scheduled sale (Third Tuesday of each month)

Last day to nominate tracts for following monthly sale



~~~~~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 Wust, 505-827-5774  
swust@slo.state.nm.us

**Unitization & Commingling**

Pete Martinez, 505-827-5791  
Sue Keelin, 505-827-5783

**Communitization, Reduced  
Royalty, Engineering**

Niranjan Khalsa 505-827-5748  
Anchor Holm, 505-827-5759

**Lease Expirations,  
Cancellations, Rentals,  
Assignments,  
Miscellaneous Instruments**

Kenda Montoya 505-827-5749  
Rubel Salazar 505-827-5730

**Bonds, Shut-In Royalty, OGRIDS,**  
Paulette Lucero-Romero, 505-827-5714

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

In Santa Fe (includes Farmington):

Michael Mariano, 505-827-5750

Jason Smith, 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

Terry Warnell, Division Director, 505-827-5745

Ed Martin, Engineering Supervisor, 505-827-5746

Chuck Sandoval, Office Administrator, 505-827-5744