

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 June 18, 2013 for the tracts of land herein described. The sale will be held and conducted in accordance with the following terms and conditions:

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

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

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

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


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

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

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

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

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


RAY POWELL, MS, DVM
COMMISSIONER OF PUBLIC LANDS

2013 Industry Training Day

September 17, 2013, 1 – 5 p.m.

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

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

Topics include:

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

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

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

NOTICE OF SALE
OIL AND GAS LEASES

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

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

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

NEW MEXICO STATE LAND OFFICE
LEASE SALE NOTICE

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

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - JUNE 18, 2013

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

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
001 VO-001	Chaves	12 13S 28E	W2NW4, SE4NW4, SW4	280.00	\$0.50	\$4,500.00
002 VO-002	Chaves	35 14S 28E	N2NW4, SW4NW4, SW4	280.00	\$0.50	\$4,500.00
003 VO-003 (D, E)	Chaves	13 14S 29E	N2, SW4, N2SE4, SE4SE4	600.00	\$0.50	\$9,500.00
004 VO-004	Chaves	18 14S 29E	LOT(S) 1, 2, 4, E2W2	279.09	\$0.50	\$4,500.00
005 VO-005 (D)	Lea	22 12S 34E	E2	320.00	\$0.50	\$5,000.00
006 VO-006	Lea	26 13S 33E	NE4, E2SE4	240.00	\$0.50	\$4,000.00
007 VO-007 (D)	Lea	17 14S 33E	ALL	640.00	\$0.50	\$10,000.00
008 VO-008	Lea	24 14S 33E	ALL	640.00	\$0.50	\$10,000.00
009 VO-009	Lea	13 16S 38E	N2, N2S2, SE4SE4	520.00	\$1.00	\$8,500.00

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - JUNE 18, 2013

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

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
010 VB-001 (D)	Lea	22 16S 34E	E2SE4	80.00	\$1.00	\$1,500.00
011 VB-002	Lea	10 17S 37E	N2NW4	80.00	\$1.00	\$1,500.00
012 VB-003 (D)	Lea	08 19S 35E	NE4SE4	40.00	\$1.00	\$1,000.00
013 VB-004 (E)	Lea	36 19S 35E	SW4NW4, SW4	200.00	\$1.00	\$3,500.00

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

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

Regular Sale - ORAL BID JUNE 18, 2013

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

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
014 V0-O-001	Chaves	32 12S 29E	ALL	640.00	\$0.50	\$10,000.00
015 V0-O-002	Chaves	12 13S 28E	E2	320.00	\$0.50	\$5,000.00
016 V0-O-003 (E)	Chaves	29 13S 29E	E2NE4, NE4SE4	120.00	\$0.50	\$2,000.00
017 V0-O-004	Chaves	35 14S 28E	E2	320.00	\$0.50	\$5,000.00
018 V0-O-005 (E)	Chaves	03 14S 29E	SW4NE4, S2NW4, S2	440.00	\$0.50	\$7,000.00
019 V0-O-006	Chaves	08 14S 29E	N2, S2SW4, W2SE4, SE4SE4	520.00	\$0.50	\$8,500.00
020 V0-O-007	Chaves	18 14S 29E	NE4NE4, SW4NE4, SE4	240.00	\$0.50	\$4,000.00
021 V0-O-008	Chaves	34 15S 28E	SW4	160.00	\$0.50	\$2,500.00
022 V0-O-009 (D)	Lea	33 13S 33E	S2	320.00	\$0.50	\$5,000.00
023 V0-O-010 (D)	Lea	14 16S 36E	NE4SE4	40.00	\$1.00	\$1,000.00
024 V0-O-011	Lea	32 16S 39E	LOT(S) 1, 2, 3, 4	57.72	\$1.00	\$1,000.00
025 V0-O-012 (D)	Lea	32 17S 38E	N2NE4, SE4NE4, NE4NW4, W2SW4, SE4SW4, SW4SE4	320.00	\$1.00	\$5,000.00
026 V0-O-013 (D)	Lea	33 17S 38E	SW4NW4, W2SW4	120.00	\$1.00	\$2,000.00

Regular Sale - ORAL BID JUNE 18, 2013

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

TRACT #	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
027 VB-O-001	Lea	09 17S 37E	NE4	160.00	\$1.00	\$2,500.00
028 VB-O-002	Lea	09 19S 37E	SE4SW4	40.00	\$1.00	\$1,000.00
029 VB-O-003	Lea	25 21S 34E	NE4NE4	40.00	\$1.00	\$1,000.00

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

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 that you find in the SLO monthly Oil and Gas Lease Sale Notice. The information describes the tract on which you are bidding: the name of the county in which it lies, the tract number in the sale, the legal land description, whether it is in the regular sale or a special sale, and how many acres the tract contains.

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> <input type="checkbox"/>	<u>SPECIAL SALE</u> <input type="checkbox"/>
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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	V09403 00	24	13S	28E	N2	320.00	LARRY G. PHILLIPS CHASE OIL CORPORATION YATES PETROLEUM CORPORATION	\$32,070.00 \$24,025.50 \$11,862.40	\$100.22
VO-S-002	V09404 00	12	13S	31E	SE4NE4, S2NW4, S2	440.00	MBF LAND SERVICES	\$69,427.60	\$157.79
VO-S-003	V09405 00	12	14S	28E	SE4NE4, E2SE4	120.00	CHASE OIL CORPORATION LARRY G. PHILLIPS YATES PETROLEUM CORPORATION	\$12,025.50 \$6,070.00 \$3,974.40	\$100.21
VO-S-004	V09406 00	13	14S	28E	E2E2	160.00	CHASE OIL CORPORATION LARRY G. PHILLIPS YATES PETROLEUM CORPORATION	\$16,025.50 \$8,070.00 \$4,547.20	\$100.16
VO-S-005	V09407 00	36	14S	28E	SW4	160.00	CHASE OIL CORPORATION LARRY G. PHILLIPS YATES PETROLEUM CORPORATION	\$16,025.50 \$8,070.00 \$3,689.60	\$100.16
VO-S-006	V09408 00	32	14S	29E	W2	320.00	CHASE OIL CORPORATION LARRY G. PHILLIPS YATES PETROLEUM CORPORATION	\$56,025.50 \$16,070.00 \$7,126.40	\$175.08
VO-S-007	V09409 00	8	13S	32E	E2	320.00	MBF LAND SERVICES YATES PETROLEUM CORPORATION	\$12,124.80 \$10,681.60	\$37.89
VO-S-008	V09410 00	31	13S	32E	LOT(S) 3, 4, E2SW4, SE4	327.51	YATES PETROLEUM CORPORATION MBF LAND SERVICES	\$17,705.19 \$10,404.99	\$54.06
VB-S-001	VB2275 00	22	21S	27E	SW4NE4, NW4	200.00	MRC PERMIAN COMPANY FEATHERSTONE DEVELOPMENT CORP YATES PETROLEUM CORPORATION FIP ENERGY, L.P.	\$842,904.00 \$123,400.00 \$71,577.60 \$40,100.00	\$4,214.52
VB-S-002	VB2276 00	23	18S	34E	NE4	160.00	CROWN OIL PARTNERS IV, LP FEATHERSTONE DEVELOPMENT CORP MRC PERMIAN COMPANY T. H. MCELVAIN OIL & GAS LLLP YATES PETROLEUM CORPORATION	\$440,520.00 \$276,320.00 \$258,323.20 \$161,760.00 \$49,899.20	\$2,753.25
VB-S-003	VB2277 00	1	18S	35E	LOT(S) 1, 2, 3, 4, S2N2	319.20	CROWN OIL PARTNERS IV, LP FEATHERSTONE DEVELOPMENT CORP SLASH EXPLORATION LP YATES PETROLEUM CORPORATION	\$184,816.80 \$120,657.00 \$35,750.40 \$15,235.42	\$579.00
VB-S-004	VB2278 00	34	18S	35E	NE4, E2NW4, SW4SW4	280.00	CROWN OIL PARTNERS IV, LP MRC PERMIAN COMPANY CHASE OIL CORPORATION T. H. MCELVAIN OIL & GAS LLLP YATES PETROLEUM CORPORATION MARSHALL & WINSTON INC STEVE SELL SLASH EXPLORATION LP	\$1,304,674.00 \$452,065.60 \$280,025.50 \$206,640.00 \$203,775.60 \$140,840.00 \$122,640.00 \$31,360.00	\$4,659.55

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VB-S-005	VB2279 00	36	19S	35E	N2NW4, SE4NW4	120.00	HANLEY PETROLEUM INC MRC PERMIAN COMPANY CROWN OIL PARTNERS IV, LP FEATHERSTONE DEVELOPMENT CORP T. H. MCELVAIN OIL & GAS LLLP YATES PETROLEUM CORPORATION SLASH EXPLORATION LP	\$240,180.00 \$193,742.40 \$120,000.00 \$100,440.00 \$42,840.00 \$39,787.20 \$26,400.00	\$2,001.50
VB-S-006	VB2280 00	27	20S	33E	SE4SE4	40.00	COG OPERATING LLC SLASH EXPLORATION LP CROWN OIL PARTNERS IV, LP	\$215,000.00 \$6,000.00 \$2,500.00	\$5,375.00
VB-S-007	VB2281 00	21	23S	32E	SE4NE4	40.00	MRC PERMIAN COMPANY OSCURA RESOURCES, INC. CROWN OIL PARTNERS IV, LP SLASH EXPLORATION LP	\$64,580.80 \$30,000.00 \$10,000.00 \$6,000.00	\$1,614.52
V0-O-001	V09411 00	13	13S	28E	ALL	640.00	LARRY G. PHILLIPS	\$42,000.00	\$65.63
V0-O-002	V09412 00	32	13S	29E	ALL	640.00	LARRY G. PHILLIPS	\$60,000.00	\$93.75
V0-O-003	V09413 00	1	13S	31E	LOT(S) 1, 2, 3, S2NE4	200.38	MBF LAND SERVICES	\$3,500.00	\$17.47
V0-O-004	V09414 00	1	13S	31E	W2SW4, SE4SW4	120.00	MBF LAND SERVICES	\$2,000.00	\$16.67
V0-O-005	V09415 00	11	13S	31E	E2	320.00	MBF LAND SERVICES	\$5,000.00	\$15.63
V0-O-006	V09416 00	11	13S	31E	NE4NW4, S2NW4, SW4	280.00	MBF LAND SERVICES	\$4,500.00	\$16.07
V0-O-007	V09417 00	14	13S	31E	NE4, W2SW4	240.00	MBF LAND SERVICES	\$4,000.00	\$16.67
V0-O-008	V09418 00	36	14S	28E	E2, NE4NW4	360.00	CHASE OIL CORPORATION	\$26,000.00	\$72.22
V0-O-009	V09419 00	5	14S	29E	LOT(S) 3, 4, S2NW4, SW4, S2SE4	399.84	LARRY G. PHILLIPS	\$30,000.00	\$75.03
V0-O-010	V09420 00	32	14S	29E	E2	320.00	CHASE OIL CORPORATION	\$19,000.00	\$59.38
V0-O-011	V09421 00	5	15S	29E	NE4SW4, S2S2	200.00	CHASE OIL CORPORATION	\$17,000.00	\$85.00
V0-O-012	V09422 00	10	23S	25E	E2, W2SW4	400.00	YATES PETROLEUM CORPORATION	\$42,000.00	\$105.00
V0-O-013	V09423 00	17	13S	32E	E2	320.00	MBF LAND SERVICES	\$16,000.00	\$50.00
V0-O-014	V09424 00	17	13S	32E	W2	320.00	MBF LAND SERVICES	\$13,000.00	\$40.63
V0-O-015	V09425 00	32	13S	32E	S2N2, S2	480.00	YATES PETROLEUM CORPORATION	\$32,000.00	\$66.67
V0-O-016	V09426 00	36	13S	37E	E2NE4, S2	400.00	SHAW INTERESTS, INC.	\$6,500.00	\$16.25
V0-O-017	V09427 00	32	08S	34E	S2NE4, SW4NW4	120.00	YATES PETROLEUM CORPORATION	\$14,000.00	\$116.67

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VB-O-001	VB2282 00	14	19S	35E	S2S2	160.00	MRC PERMIAN COMPANY	\$600,000.00	\$3,750.00
VB-O-002	VB2283 00	17	20S	33E	S2SW4	80.00	BOPCO, L.P.	\$25,000.00	\$312.50
VB-O-003	VB2284 00	32	21S	35E	W2SE4	80.00	MRC PERMIAN COMPANY	\$120,000.00	\$1,500.00

**** END OF REPORT ****

HIGHEST BID ANALYSIS
REGULAR SALE May 21, 2013

Total \$4,605,605.19 for 35 tracts covering 9,406.93 Acres...\$489.60 per acre.
Sealed (Five Year) \$3,524,105.19 for 15 tracts covering 3,326.71 Acres...\$1,059.34 per acre.
Oral (Five Year) \$1,081,500.00 for 20 tracts covering 6,080.22 Acres...\$177.87 per acre.

Total of 35 tracts were offered.... 35 tracts were sold.

**Highest Sealed Bid
(Five Year Term)
Tract No. VB-004
\$ 1,304,674.00** NE4, E2NW4, SW4SW4 of Section 34, Township 18 South, Range 35 East, containing 280.00 acres, more or less, in Lea County, approximately 18 miles west of Hobbs, New Mexico, by Crown Oil Partners IV, LP of Midland, TX.

**Highest Sealed Bid
(Five Year Term)
Per Acre
Tract No. VB-006
\$ 5,375.00** SE4SE4 of Section 27, Township 20 South, Range 33 East, containing 40.00 acres, more or less, in Lea County, approximately 30 miles northwest of Eunice, New Mexico, by COG Operating LLC of Midland, TX.

**Highest Oral Bid
(Five Year Term)
Tract No. VB-O-001
\$600,000.00** S2S2 of Section 14, Township 19 South, Range 35 East, containing 160.00 acres, more or less, in Lea County, approximately 17 miles southwest of Hobbs, New Mexico, by MRC Permian Company of Dallas, TX.

**Highest Oral Bid
(Five Year Term)
Per Acre
Tract No. VB-O-001
\$ 3,750.00** S2S2 of Section 14, Township 19 South, Range 35 East, containing 160.00 acres, more or less, in Lea County, approximately 17 miles southwest of Hobbs, New Mexico, by MRC Permian Company of Dallas, TX.

May 2012 Regular Sale was \$11,113,706.97 for 8,110.91 acres or \$6,508,101.78 more than the May 2013 Regular Sale.

No Special Sale

Total Sale was \$4,605,605.19



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

State of New Mexico
Commissioner of Public Lands
310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

July 25, 2012

Dear representatives of the oil and gas industry:

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

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

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

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

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

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

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

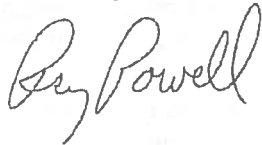
USFWS provides regulatory certainty (assurances) concerning land use restrictions that might otherwise apply should the LPC or DSL become listed in the future as threatened or endangered species.

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

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

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

Sincerely,

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

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

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

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

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

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

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

NM Bureau of Geology and Mineral Resources, subsurface geology  
for the state.

Their publications website: <http://geoinfo.nmt.edu/>

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

# 2013

## NEW MEXICO STATE LAND OFFICE



### SALE CALENDAR

Regularly scheduled sale  
(Third Tuesday of each month)

Last day to nominate tracts for  
next monthly sale

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](mailto:jmraz@slo.state.nm.us) or [dfuqua@slo.state.nm.us](mailto: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](http://www.nmstatelands.org).

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

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

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

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

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

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

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

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

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

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

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

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





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

### **Unitization & Commingling**

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

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

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

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

Dan Fuqua, 505-827-5748  
Stephen Wust, 505-827-5774

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

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

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

Paulette Lucero-Romero, 505-827-5714

### **Miscellaneous Instruments**

Debbie Tise, 505-827-5744

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

In Santa Fe (includes Farmington):

Michael Mariano, 505-827-5750

Jack Yates, 505-827-5743

Monica Fresquez, 505-827-5849

In Hobbs Field Office:

Ben Sturgill, 505-392-8736

or William Sonnamaker, 505-392-3697

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

Greg Bloom Assistant Commissioner, 505-827-4489

Larry Roybal, Division Director, 505-827-5746

Debbie Tise, Office Administrator, 505-827-5744