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 16, 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 Sale may 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."

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

NOTICE OF SALE

OIL AND GAS LEASES

BY AUTHORITY VESTED IN ME, I, AUBREY DUNN, 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. 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.)
- 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.

AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS
SANTA FE, NEW MEXICO

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - JUNE 16, 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.

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	TRACT #		COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
===	 =========	=======================================	=========		=======================================	(MORE OR LESS)	KENIAL =======	ACCEPTABLE BID
001	VB-001		Eddy	16 17S 25E	W2	320.00	\$1.00	\$5,000.00
002	VB-002		Eddy	05 17S 27E	LOT(S) 2, SW4NE4, SW4NW4	120.80	\$1.00	\$2,000.00
003	VB-003	(E)	Eddy	36 17S 30E	SE4SW4, N2SE4, SW4SE4	160.00	\$1.00	\$2,500.00
004	VB-004	(D)	Eddy	26 18S 24E	SW4, W2SE4	240.00	\$1.00	\$4,000.00
005	VB-005	(D)	Eddy	08 19S 24E	WZNW4, SE4NW4, SW4	280.00	\$1.00	\$4,500.00
006	VB-006		Eddy	16 24S 31E	SE4SW4	40.00	\$1.00	\$1,000.00
007	VB-007		Eddy	06 25s 25E	LOT(S) 6, NE4SW4, SE4	239.80	\$1.00	\$4,000.00
008	VB-008	(D)	Eddy	04 26S 24E	NW4NW4	40.00	\$1.00	\$1,000.00
009	VB-009		Lea	28 16S 36E	\$2	320.00	\$1.00	\$5,000.00
010	VB-010		Lea	25 18S 34E	SW4	160.00	\$1.00	\$2,500.00
011	VB-011		Lea	02 23\$ 35E	LOT(S) 1, 2, 3, 4, S2N2	321.40	\$1.00	\$5,000.00
012	VB-012		Lea	04 24S 38E	LOT(S) 1, 3, 5, 6, SW4NW4, SW4	260.68	\$1.00	\$4,500.00
			*****	******	****** ORAL TRACTS *******	*****	**	

Regular Sale - ORAL BID JUNE 16, 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.

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TRACT	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
#				(MORE OR LESS)	RENTAL	ACCEPTABLE BID
=======================================	***=======				******	=======================================
013 V0-0-001	Chaves	35 05s 22E	SW4SW4	40.00	\$0.50	\$1,000.00
014 V0-0-002	Chaves	11 15s 29E	S2SW4	80.00	\$0.50	\$1,500.00
015 V0-0-003	Chaves	14 15S 29E	N2NW4	80.00	\$0.50	\$1,500.00

D: ALL OR PORTION OF SURFACE NON-STATE

E: SUBJECT TO 3/2012 CONSERVATION AGREEMENT

Regular Sale - ORAL BID JUNE 16, 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	:===== A(CRES	:=====: ;	PRIMARY	======================================
===:	# =========							(MORE	OR	LESS)	RENTAL	ACCEPTABLE BID
									-===	=====	======	===============
016	VB-0-001		Eddy	05	17s	25E	SW4	•	160.	00	\$1.00	\$2,500.00
017	VB-0-002	(E)	Eddy	36	17s	30E	N2NE4, NE4NW4, S2NW4	i	200.	00	\$1.00	\$3,500.00
018	VB-O-003	(D)	Eddy	26	185	24E	N2NE4, SW4NE4		120.	00	\$1.00	\$2,000.00
019	VB-0-004	(D)	Eddy	08	19s	24E	NE4NE4, S2NE4, N2SE4, SE4SE4	i	240.	.00	\$1.00	\$4,000.00
020	VB-O-005		Eddy	19	20s	27E	LOT(S) 4, SE4NE4, SE4SW4, SE4	;	280.	13	\$1.00	\$4,500.00
021	VB-0-006		Eddy	05	25s	25E	\$2	:	320.	.00	\$1.00	\$5,000.00
022	VB-0-007	(D)	Eddy	05	26S	24E	NE4NE4		40.	.00	\$1.00	\$1,000.00
023	VB-0-008		Lea	32	16S	36E	E2	:	320.	.00	\$1.00	\$5,000.00
024	VB-0-009		Lea	02	238	35E	\$2	:	320.	.00	\$1.00	\$5,000.00

D: ALL OR PORTION OF SURFACE NON-STATE

E: SUBJECT TO 3/2012 CONSERVATION AGREEMENT

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 <u>plucero@slo.state.nm.us</u>.

Name of legal entity or personal name —This is the name in which the lease will be issued; it will be the <u>lessee of record</u>. This can be the name of a company or of an individual.

<u>Mailing address</u> – This is the address of the potential <u>leaseholder</u>.

The <u>following five blanks</u> require information to be recorded exactly as you find in the SLO monthly Oil and Gas Lease Sale Notice. The information includes the <u>tract number</u> in the sale, the name of the <u>county</u> in which it lies, <u>the legal land description</u> describing the tract on which you are bidding, whether it is a <u>regular</u> sale <u>or special</u> sale, and how many <u>acres</u> 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 <u>plus</u> the \$30.00 application fee. In the above example, you would remit \$10,030.

Name of applicant or agent – This blank is for the <u>printed name</u> of either the applicant or the agent of the applicant.

<u>Signature</u> – The form must be signed in the presence of a <u>notary public</u>. 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

TO: Commissioner of Public Lands P.O. Box 1148 Santa Fe, New Mexico 87504-114	8			OGRID N	0
	(Please print to	he name of the legal e	ntity, or, if applying as	an individual, the personal name	9.)
					,
whose address is(mailing add a corporation qualified to do business in N hereby makes application for an oil and ga	lew Mexico. O	R a citizen (or eligib	ile to hecome a citize	n) of the United States, over the	tate) (zip code) ne age of twenty-one years n, upon the following described
land situated in the County of			_, State of New Mexi	ico, to-wit:	
TRACT NUMBER	LAND DESC			REGULAR SALE	SPECIAL SALE
0	s	_ T	R		
Sealed: 0	D	escription			
Oral: 0 - 0					
containing acres, r	nore or less.				
Tendered herewith as bonus and first year	r's rental there	on is the sum of \$, plus an application fee	of \$30.00;
Total remittance sum of (a) and (b)			(a)	(b)
l,					
do solemnly swear that every statement n	nt name of appli nade in this ap	cant or of attorney in	fact/authorized age. correct to the best of	nt.) my knowledge and belief	
				,	
				ure of individual or of attorne	y in fact / authorized agent)
0.4		Acknowledgment	in an Individual Cap	pacity:	
State of)	SS)				
County of)					
This instrument was acknowledged before	e me on				
D.		Date			
Name of Person					
(Seal)			_		
ζγ					Signature of Notarial Officer
				Management of the control of	
	A	cknowledgment in	a Representative C	iviy commission expir	es:
Out.		Ţ.			
State of	_) SS)				
County of	_)				
This instrument was acknowledged before	e me on				
_		Date			
Name(s) of Person(s)					
as		of			
Type of authority; e.g., officer, trustee, etc.			behalf of whom instrument wa		
(Seal)			_		Signature of Notanal Officer
				My commission expir	es:
					_
Revised September 2013					

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 ST DRAFT FOR			
		DATE		20
PAY TO THE ORDER OF	COMMISSIONER OF PUBLIC LANDS		\$	
				DOLLARS
TRACT#				
Wells Fargo For the Account of S	COMPANY NAME State Land Commissioner		-	
	AUTHO	RIZED AGEN	T	

TRACT # LEASE #	SEC TWP RGE DESCRIPTION	ACRES BIDDER	BID	PRICE/ACR
V0-S-001 V09899 00	2 07S 22E LOT(S) 1, 2, S2NE4, SE4	321.23 SCYTHIAN LTD	\$5,550.00	\$17.28
VO-S-002 V09900 00	2 07S 22E LOT(S) 3, 4, S2NW4, SW4	321.13 SCYTHIAN LTD	\$5,570.00	\$17.35
VO-S-003 V09901 00	27 10s 36E s2		43,370.00	411.55
vo 0 003 v07701 00	27 105 305 52	320.00 NEMO FUND I, LLC ENERGEX, LLC	\$118,080.00	\$369.00
		MAR OIL & GAS CORP.	\$70,080.00 \$6,100.00	
		SLASH EXPLORATION LP	\$5,310.00	
VO-S-004 V09902 00	1 10s 37E LOT(s) 3, 4, s2NW4, sW4	320.09 NEMO FUND I, LLC	dE4 4EE 07	4477.00
		SLASH EXPLORATION LP	\$56,655.93 \$7,865.00	\$177.00
		ENERGEX, LLC	\$7,520.00 \$7,520.00	
V0~5~00E V00007 00	/ 400 777 00	·	\$7,520.00	
VO-S-005 V09903 00	4 10S 37E S2	320.00 NEMO FUND I, LLC	\$145,920.00	\$456.00
		ENERGEX, LLC	\$7,520.00	
		SLASH EXPLORATION LP	\$5,310.00	
VO-S-006 V09904 00	17 10s 37E N2	320.00 NEMO FUND I, LLC	\$87,360.00	\$273.00
		ENERGEX, LLC	\$7,520.00	⊅273.00
VO-S-007 V09905 00	33 10s 37e s2	320.00 ENERGEX, LLC	#3E 130 00	#70 F0
		SLASH EXPLORATION LP	\$25,120.00 \$20,000.00	\$78.50
VO-S-008 V09906 00	1 11S 37E LOT(S) 1, 2, 3, 4	77 // NEMO FUND 1 110		
	1 11 21 201(0) 1, 2, 3, 4	73.44 NEMO FUND I, LLC ENERGEX, LLC	\$9,767.52	\$133.00
		SLASH EXPLORATION LP	\$5,765.04 \$4,625.00	
UO D 000 V00007 00			•	
VO-S-009 V09907 00	21 15\$ 32E N2	320.00 FEATHERSTONE DEVELOPMENT CORP	\$8,363.00	\$26.13
		SABRE OP INC	\$6,720.00	
		SLASH EXPLORATION LP	\$6,560.00	
VB-S-001 VB2518 00	16 18S 31E N2SW4, SE4SW4	120.00 MRC PERMIAN COMPANY	\$573,141.60	\$4,776.18
		SCHUTZ ABSTRACT COMPANY, INC.	\$426,120.00	
		FEDERAL ABSTRACT COMPANY	\$420,960.00	
		CHASE OIL CORPORATION	\$387,180.00	
		SABRE OP INC	\$60,120.00	
		SLASH EXPLORATION LP	\$54,120.00	
/B-S-002 VB2519 00	16 26S 25E E2	320.00 NEWKUMET EXPLORATION INC.	\$1,281,920.00	\$4,006.00
		CHASE OIL CORPORATION	\$328,480.00	-
		FEATHERSTONE DEVELOPMENT CORP	\$197,120.00	
		CROWN OIL PARTNERS V, L.P.	\$136,000.00	
		YATES PETROLEUM CORPORATION	\$51,548.80	
		FEDERAL ABSTRACT COMPANY SLASH EXPLORATION LP	\$32,480.00	
		SABRE OP INC	\$11,820.00 \$6,720.00	
ID 0 007 1/2000 00	40 442 977		40,720.00	
/B-S-003 VB2520 00	10 16S 33E S2	320.00 YATES PETROLEUM CORPORATION	\$32,988.80	\$103.09
		SABRE OP INC	\$6,720.00	
		SLASH EXPLORATION LP	\$5,470.00	

TRACT # LEASE #	SEC TWP RGE DESCRIPTION	ACRES BIDDER	BID	PRICE/ACR
VB-S-004 VB2521 00	27 16S 36E W2	320.00 TURNER OIL & GAS PROPERTIES, FEATHERSTONE DEVELOPMENT CORP SABRE OP INC	\$104,000.00 \$33,648.00 \$6,720.00	\$325.00
VB-S-005 VB2522 00	2 18S 37E LOT(S) 1, 2	79.73 SABRE OP INC	\$1,674.33	\$21.00
VB-S-006 VB2523 00	11 18S 37E E2	320.00 SABRE OP INC	\$6,720.00	\$21.00
VB-S-007 VB2524 00	12 18S 37E SE4	160.00 SABRE OP INC	\$3,360.00	\$21.00
VB-S-008 VB2525 00	8 18s 38E W2	320.00 SABRE OP INC	\$6,720.00	\$21.00
VB-S-009 VB2526 00	16 19S 38E W2NE4, SE4NE4, NE4NW4, S2NW4	240.00 CHASE OIL CORPORATION OPAL RESOURCES, LLC SABRE OP INC	\$42,360.00 \$12,000.00 \$5,040.00	\$176.50
VB-S-010 VB2527 00	30 24S 35E LOT(S) 1, 2, E2NW4	160.54 FEDERAL ABSTRACT COMPANY CROWN OIL PARTNERS V, L.P. SCHUTZ ABSTRACT COMPANY, INC. FEATHERSTONE DEVELOPMENT CORP SABRE OP INC SLASH EXPLORATION LP TRITEX ENERGY A, LP	\$999,998.84 \$767,023.20 \$521,755.62 \$430,248.00 \$80,430.54 \$20,286.00 \$4,970.00	\$6,228.97
V0-0-001 V09908 00	3 10S 33E LOT(S) 1, 2, 3, 4, S2N2	319.20 ENERGEX, LLC	\$16,000.00	\$50.13
V0-0-002 V09909 00	25 10s 36E sw4	160.00 NEMO FUND I, LLC	\$40,000.00	\$250.00
V0-0-003 V09910 00	36 10s 36E N2	320.00 NEMO FUND I, LLC	\$110,000.00	\$343.75
V0-0-004 V09911 00	2 10s 37E LOT(S) 3, 4, S2NW4, SW4	320.21 NEMO FUND I, LLC	\$95,000.00	\$296.68
V0-0-005 V09912 00	4 10s 37E s2NE4	80.00 NEMO FUND I, LLC	\$65,000.00	\$812.50
V0-0-006 V09913 00	9 10s 37E N2N2	160.00 NEMO FUND I, LLC	\$50,000.00	\$312.50
V0-0-007 V09914 00	17 10s 37E N2s2	160.00 NEMO FUND I, LLC	\$60,000.00	\$375.00
V0-0-008 V09915 O0	19 10S 37E LOT(S) 4, SE4SW4, S2SE4	159.91 NEMO FUND I, LLC	\$40,000.00	\$250.14
V0-0-009 V09916 00	30 10s 37E LOT(s) 1, 2, 3, 4, E2W2	319.84 NEMO FUND I, LLC	\$130,000.00	\$406.45
V0-0-010 V09917 O0	1 11S 37E S2	320.00 ENERGEX, LLC	\$5,000.00	\$15.63
V0-0-011 V09918 00	16 15S 32E N2	320.00 SLASH EXPLORATION LP	\$16,000.00	\$50.00
VB-0-001 VB2528 00	16 18S 31E SE4SE4	40.00 MRC PERMIAN COMPANY	\$250,000.00	\$6,250.00
VB-0-002 VB2529 00	16 26S 25E W2	320.00 NEWKUMET EXPLORATION INC.	\$510,000.00	\$1,593.75
VB-0-003 VB2530 OO	17 26S 25E NE4	160.00 NEWKUMET EXPLORATION INC.	\$270,000.00	\$1,687.50

NEW MEXICO STATE LAND OFFICE BID SUMMARY FOR SALE ON 05-19-2015

05 09:31:88 PAGE 3

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TRACT #	LEASE	# 9	SEC T	WP RGE DESCRIPT	TION	ACRI	ES BIDDER			BID AMOUNTS	PRICE/ACR
======		=====		=======================================			=========	========	=======	=========	
VB-0-004	VB2531	00	1 189	37E S2		320.00	FEATHERSTONE	DEVELOPMENT	CORP	\$7,000.00	\$21.88
VB-0-005	VB2532	00	2 189	37E SW4, W2SE4	•	240.00	FEATHERSTONE	DEVELOPMENT	CORP	\$6,000.00	\$25.00
'VB-0-006	VB2533	00	11 18s	37E W2		320.00	FEATHERSTONE	DEVELOPMENT	CORP	\$7,000.00	\$21.88
VB-0-007	VB2534	00	16 199	38E E2SW4, NE4	SE4, S2SE4	200.00	CHASE OIL CO	RPORATION		\$5,000.00	\$25.00

**** END OF REPORT ****

HIGHEST BID ANALYSIS

REGULAR SALE May 19, 2015

Total

\$5,197,270.02 for 37 tracts covering 9,235.32 Acres...\$562.76 per acre.

Sealed (Five Year)

\$3,515,270.02 for 19 tracts covering 4,996.16 Acres...\$703.59 per acre.

Oral (Five Year)

\$1,682,000.00 for 18 tracts covering 4,239.16 Acres...\$396.78 per acre.

Total of 37 tracts were offered.... 37 tracts were sold.

Highest Sealed Bid (Five Year Term) Tract No. VB-002 \$ 1,281,920.00

E2, of Section 16, Township 26 South, Range 25 East, containing 320.00 acres, more or less, in Eddy County, approximately 24.5 miles southwest of Loving, New Mexico, by Newkumet Exploration Inc. of Midland, TX.

Highest Sealed Bid (Five Year Term) Per Acre Tract No. VB-010 \$ 6,228.97 LOT(S) 1, 2, E2NW4 of Section 30, Township 24 South, Range 35 East, containing 160.54 acres, more or less, in Lea County, approximately 12 miles northwest of Jal, New Mexico, by Federal Abstract Company of Santa, NM.

Highest Oral Bid (Five Year Term) Tract No. VB-O-002 \$ 510,000.00 W2 of Section 16, Township 26 South, Range 25 East, containing 320.00 acres, more or less, in Lea County, approximately 24.5 miles southwest of Loving, New Mexico, by Newkumet Exploration Inc. of Midland, TX.

Highest Oral Bid (Five Year Term) Per Acre Tract No. VB-O-001 \$ 6,250.00 SE4SE4 of Section 16, Township 18 South, Range 31 East, containing 40.00 acres, more or less, in Eddy County, approximately 10 miles southwest of Maljamar, New Mexico, by MRC Permian Company of Dallas, TX.

May 2014 Regular Sale was \$2,895,997.53 for 7,887.45 acres or \$2,301,272.49 less than the May 2015 Regular Sale.

No Special Sale

Total Sale was \$5,197,270.02



Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

20 January 2015

To the representatives of the oil and gas industry:

In 2012, the New Mexico State Land Office entered into a Candidate Conservation Agreement with Assurances (CCAA) with the United States Fish and Wildlife Service (USFWS) and the Center of Excellence for Hazardous Material Management (CEHMM). The agreement was expanded in 2014.

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

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

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

Aubrey Dunie

Commissioner of Public Lands



Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

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

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.

2015 Oil & Gas Lease Sale Calendar

	Sa	က	10	17	24	31
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NEW MEXICO STATE LAND OFFICE

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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?~~~~

▶▶▶ <u>USEFUL NEW MEXICO OIL AND GAS LINKS</u> ◀ ◀ ◀

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?

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

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

Communitization, Reduced Royalty, Engineering

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

Unitization & Commingling

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

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

Terry Warnell, Division Director, 505-827-5745 Ed Martin, Engineering Supervisor, 505-827-5746 Chuck Sandoval, Office Administrator, 505-827-5744