

**NEW MEXICO STATE LAND OFFICE MINERAL LEASE FEE SUMMARY
EFFECTIVE 12/18/2013**

Type of Lease	Length of Lease	Application Fee*	Annual Rental	Royalty Rate	Advance Royalty	Application Method	Minimum Bond
General Mining NMAC 19.2.2 (Rule 2)	Primary – 3 years Secondary – 2 years Tertiary – 5 years Quaternary – 5 years. Lease may be extended by production	\$100.00	Primary \$1.00/acre Secondary \$10/acre Tertiary \$3/acre Quaternary \$10/acre	2% of gross sales less transportation and smelting /reduction costs. Special minerals at 5% of Gross sales less transportation and smelting /reduction costs.	Primary through Tertiary N/A. Quaternary years: 11 th yr. \$10/acre 12 th yr. \$20/acre 13 th yr. \$30/acre 14 th yr. \$40/acre 15 th yr. \$50/acre	Competitive Bid May be sealed or oral, by Commissioner's determination.	Surface surety bond of \$5,000. Performance bond as determined by Commissioner.
Potash NMAC 19.2.3 (Rule 3)	Primary – 10 years or less Lease may be extended by production	\$30.00	Negotiated but no less than \$10/acre Minimum first year is \$100.00	Potassium Chlorides 2% to 5%, depending on ore grade. Langebeinite is 2.5%	Negotiated	Application on open tracts.	\$500 for each section. \$10,000 on producing lease(s).
Salt NMAC 19.2.4 (Rule 4)	Primary – 10 years Lease may be extended by production.	\$30.00	Rental in lieu of advanced royalty negotiated but not less than \$25.00 per 40 acres.	10% of value at place of extraction.	Negotiated, rental may be paid in lieu of advance royalty.	Application on open tracts.	\$500 Surface, surety and performance for single lease; or \$1,000 mega bond for multiple leases.
Sand & Gravel NMAC 19.2.5 (Rule 5)	1 – 5 years 15 day permit for exploration	\$250.00 \$100.00	\$1.00 per acre, \$40 minimum	Standard Rates: \$ 0.75 per ton or \$ 1.10 per Loose Cubic Yard (LCY) for Sand and Gravel. \$ 0.62 per ton or \$ 0.65 per LCY for Borrow Dirt. \$ 0.45 per ton or \$ 0.68 per LCY for Crusher Fines. \$ 1.23 per ton or \$ 1.50 per LCY for Caliche.	Negotiated	Application on open tracts.	\$2,000 Performance and \$5,000 Surface or \$25,000 mega bond for multiple leases.
Community Caliche Pit NMAC 19.2.5 (Rule 5)	15 day permit, longer may be allowed on demonstrated need	\$50.00	None	\$ 3.50 per loose Cubic Yard.	None	Application for existing pits.	\$2,000 Performance and \$5,000 Surface. Or 10% of market value in lieu of Performance bond.
Coal NMAC 19.2.6 (Rule 6)	Primary – 5 years Secondary – 5 years Lease may be extended by production.	\$100.00	\$5.00 per acre or \$500.00 per lease minimum	12.5% surface mine or 8% underground	1% of recoverable reserves	Competitive Bid May be sealed or oral, by Commissioner's determination	\$15.00 per acre Exploration On production, MMD bonding negotiable. Or \$25,000 mega bond
Special Use Applications (SUA'S)	For ongoing reclamation	\$100.00					
Geothermal Resources NMAC 19.2.7 (Rule 7)	Primary – 5 years Secondary – 5 years Lease may be extended by production.	\$30.00	\$1.00 per acre	Negotiated	None	Competitive Bid May be sealed or oral, by Commissioner's determination	\$2,000 Performance \$5,000 Surface or \$25,000 mega bond for multiple leases

* All application fees are non-refundable.