

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 March 18, 2014 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.

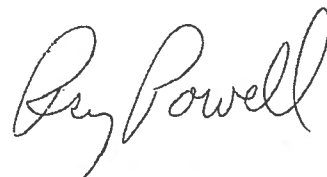
The successful bidder in every case of oral bidding will be required to deposit forthwith, in cash or by check, money order or certified check drawn on a solvent bank, the amount bid, plus the application fee of \$30.00, and to file application in due form before the close of business on said date.

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 Anise Valdez at avaldez@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, 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

NEW MEXICO STATE LAND OFFICE
LEASE SALE NOTICE
***** SEALED TRACTS *****

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - MARCH 18, 2014

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	Eddy	15 18S 23E	W2SE4	80.00	\$1.00	\$1,500.00
002 V0-002	Lea	11 15S 36E	E2	320.00	\$0.50	\$5,000.00
003 V0-003	Lea	14 15S 36E	N2NW4	80.00	\$0.50	\$1,000.00
004 V0-004 (D)	Lea	25 15S 36E	NE4SW4, SE4	200.00	\$0.50	\$3,500.00
005 V0-005 (D)	Lea	01 16S 33E	LOT(S) 3, 4, 5, 6, 11, 12, 13, 14, SW4	493.30	\$1.00	\$8,000.00
006 V0-006 (D)	Lea	33 16S 34E	E2	320.00	\$1.00	\$5,000.00
007 V0-007	Lea	12 16S 35E	NE4	160.00	\$1.00	\$2,500.00
008 V0-008 (D)	Lea	02 16S 36E	LOT(S) 1	48.95	\$1.00	\$1,000.00
009 V0-009 (D)	Lea	03 16S 37E	LOT(S) 4	52.78	\$1.00	\$1,000.00
010 V0-010	Lea	06 16S 38E	LOT(S) 3, 4, 5, 6, 11, 12, 13, 14, 17, 18, E2SW4	481.00	\$1.00	\$8,000.00
011 V0-011	Lea	08 16S 38E	N2	320.00	\$1.00	\$5,000.00

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - MARCH 18, 2014

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
012 VB-001	Eddy	03 23S 25E	LOT(S) 1, 2, S2NE4, SE4	320.69	\$1.00	\$5,000.00
013 VB-002	Eddy	19 23S 26E	SE4NE4, E2W2, N2SE4, SE4SE4	320.00	\$1.00	\$5,000.00
014 VB-003	Lea	32 23S 36E	NW4, S2S2	320.00	\$1.00	\$5,000.00

D: ALL OR PORTION OF SURFACE NON-STATE

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

www.nmstatelands.org

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

Regular Sale - ORAL BID MARCH 18, 2014

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
015 V0-0-001	Chaves	36 07S 28E	E2	320.00	\$0.50	\$5,000.00
016 V0-0-002 (D)	Eddy	23 19S 23E	NE4, S2NW4, SW4	400.00	\$1.00	\$6,500.00
017 V0-0-003 (D)	Eddy	31 19S 23E	E2	320.00	\$1.00	\$5,000.00
018 V0-0-004 (D, E)	Lea	13 10S 36E	NW4	160.00	\$0.50	\$2,500.00
019 V0-0-005 (E)	Lea	07 10S 37E	LOT(S) 1, 2, E2NW4	159.23	\$0.50	\$2,500.00
020 V0-0-006 (D)	Lea	19 15S 35E	W2NE4, N2SE4	160.00	\$0.50	\$2,500.00
021 V0-0-007	Lea	03 15S 36E	W2SE4	80.00	\$0.50	\$1,000.00
022 V0-0-008	Lea	11 15S 36E	W2	320.00	\$0.50	\$5,000.00
023 V0-0-009	Lea	18 15S 36E	LOT(S) 1, 2, E2NW4	159.82	\$0.50	\$2,500.00
024 V0-0-010 (D)	Lea	01 16S 33E	LOT(S) 1, 2, 7, 8, 9, 10, 15, 16	332.70	\$1.00	\$5,500.00
025 V0-0-011 (D)	Lea	33 16S 34E	W2	320.00	\$1.00	\$5,000.00
026 V0-0-012	Lea	33 16S 35E	E2	320.00	\$1.00	\$5,000.00
027 V0-0-013	Lea	02 16S 37E	LOT(S) 9	40.00	\$1.00	\$1,000.00
028 V0-0-014	Lea	03 16S 37E	LOT(S) 5	40.00	\$1.00	\$1,000.00
029 V0-0-015	Lea	05 16S 37E	LOT(S) 8, 9	80.00	\$1.00	\$1,500.00
030 V0-0-016	Lea	06 16S 38E	LOT(S) 1, 2, 7, 8, 9, 10, 15, 16, NE4SE4, S2SE4	465.75	\$1.00	\$7,000.00
031 V0-0-017	Lea	08 16S 38E	N2SW4, SE4SW4	120.00	\$1.00	\$2,000.00
032 V0-0-018	Roosevelt	28 06S 34E	N2	320.00	\$0.50	\$5,000.00
033 V0-0-019	Roosevelt	28 06S 34E	S2	320.00	\$0.50	\$5,000.00

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

Regular Sale - ORAL BID MARCH 18, 2014

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
034 VB-O-001	Eddy	03 23S 25E	LOT(S) 3, 4, S2NW4	160.63	\$1.00	\$2,500.00
035 VB-O-002	Lea	03 21S 35E	LOT(S) 13, 14, 15, 16, SW4	320.00	\$1.00	\$5,000.00

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		34	10S	27E	W2		WITHDRAWN		
VO-S-002	V09613 00	36	17S	23E	W2	320.00	CROWN OIL PARTNERS V, L.P.	\$112,960.00	\$353.00
VO-S-003	V09614 00	36	22S	26E	E2	320.00	CROWN OIL PARTNERS V, L.P. CHASE OIL CORPORATION DOUGLAS W. FERGUSON FEATHERSTONE DEVELOPMENT CORP DOUG J. SCHUTZ	\$1,000,075.00 \$960,030.00 \$656,000.00 \$203,158.00 \$67,200.00	\$3,125.23
VO-S-004	V09615 00	16	15S	36E	NE4NW4	40.00	TURNER OIL & GAS PROPERTIES, DOUG J. SCHUTZ SLASH EXPLORATION LP FEATHERSTONE DEVELOPMENT CORP	\$27,120.00 \$13,520.00 \$13,040.00 \$8,123.00	\$678.00
VB-S-001	VB2356 00	22	15S	31E	SE4NE4, SE4NW4, SW4SE4	120.00	KEVIN O BUTLER & ASSOC INC	\$6,180.00	\$51.50
VB-S-002	VB2357 00	36	17S	30E	SE4SE4	40.00	FEATHERSTONE DEVELOPMENT CORP CHASE OIL CORPORATION SLASH EXPLORATION LP	\$72,000.00 \$14,030.00 \$13,040.00	\$1,800.00
VB-S-003		36	09S	33E	E2NW4		WITHDRAWN		
VB-S-004		17	10S	34E	S2SW4, NE4SE4, S2SE4		WITHDRAWN		
VB-S-005	VB2358 00	2	12S	32E	SE4SE4	40.00	FEATHERSTONE DEVELOPMENT CORP	\$5,033.00	\$125.83
VB-S-006	VB2359 00	26	12S	32E	S2	320.00	NADEL AND GUSSMAN PERMIAN, LL	\$193,600.99	\$605.00
VB-S-007		33	14S	34E	NW4		WITHDRAWN		
VB-S-008	VB2360 00	6	21S	35E	LOT(S) 11, 12	75.15	SLASH EXPLORATION LP	\$22,876.00	\$304.40
VO-O-001	V09616 00	36	07S	28E	W2	320.00	DOUG J. SCHUTZ	\$120,000.00	\$375.00
VO-O-002	V09617 00	5	08S	27E	SW4NW4, NE4SW4	80.00	FEDERAL ABSTRACT COMPANY	\$1,500.00	\$18.75
VO-O-003		1	10S	26E	S2		WITHDRAWN		
VO-O-004		15	10S	27E	W2		WITHDRAWN		
VO-O-005		11	11S	27E	N2NE4, NE4NW4, S2NW4, NW4SW4, SE4SW4, SE4SE4		WITHDRAWN		
VO-O-006	V09618 00	17	14S	28E	SE4SE4	40.00	CHASE OIL CORPORATION	\$1,000.00	\$25.00
VO-O-007	V09619 00	5	16S	27E	W2SW4	80.00	FEATHERSTONE DEVELOPMENT CORP	\$1,500.00	\$18.75
VO-O-008	V09620 00	36	17S	23E	E2	320.00	CROWN OIL PARTNERS V, L.P.	\$5,000.00	\$15.63
VO-O-009		5	17S	25E	SW4		WITHDRAWN		

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
V0-O-010	V09621 00	3	17S	26E	S2N2	160.00	FEATHERSTONE DEVELOPMENT CORP	\$2,500.00	\$15.63
V0-O-011		36	18S	23E	E2		WITHDRAWN		
V0-O-012	V09622 00	7	21S	23E	SE4SE4	40.00	FEATHERSTONE DEVELOPMENT CORP	\$1,000.00	\$25.00
V0-O-013	V09623 00	7	21S	24E	LOT(S) 1, 2, 3, 4, NW4NE4, SE4NE4, SE4SW4	279.26	CROWN OIL PARTNERS V, L.P.	\$148,000.00	\$529.97
V0-O-014	V09624 00	8	21S	27E	SE4	160.00	FEATHERSTONE DEVELOPMENT CORP	\$215,000.00	\$1,343.75
V0-O-015	V09625 00	36	22S	26E	W2	320.00	DOUGLAS W. FERGUSON	\$1,300,000.00	\$4,062.50
V0-O-016	V09626 00	2	23S	25E	LOT(S) 1, 2, S2NE4, SE4	320.81	DOUGLAS W. FERGUSON	\$205,000.00	\$639.01
V0-O-017		31	11S	38E	SW4SW4, SE4SE4		WITHDRAWN		
V0-O-018		16	12S	38E	SW4		WITHDRAWN		
V0-O-019	V09627 00	7	13S	36E	LOT(S) 3, 4, E2SW4, SE4	320.45	FEDERAL ABSTRACT COMPANY	\$5,000.00	\$15.60
V0-O-020	V09628 00	27	13S	37E	S2NE4, N2SE4	160.00	FEDERAL ABSTRACT COMPANY	\$2,500.00	\$15.63
V0-O-021	V09629 00	7	15S	35E	LOT(S) 1	40.34	SLASH EXPLORATION LP	\$9,500.00	\$235.50
V0-O-022	V09630 00	19	15S	35E	E2NE4	80.00	SLASH EXPLORATION LP	\$1,500.00	\$18.75
V0-O-023	V09631 00	15	16S	36E	SE4	160.00	MRC PERMIAN COMPANY	\$145,000.00	\$906.25
V0-O-024	V09632 00	10	19S	36E	E2	320.00	CROWN OIL PARTNERS V, L.P.	\$78,000.00	\$243.75
V0-O-025	V09633 00	3	06S	34E	LOT(S) 1, 2, 3, 4 (ALL)	182.12	SLASH EXPLORATION LP	\$3,000.00	\$16.47
VB-O-001	VB2361 00	29	15S	31E	E2NE4	80.00	FEATHERSTONE DEVELOPMENT CORP	\$1,500.00	\$18.75
VB-O-002	VB2362 00	14	16S	31E	NW4NW4	40.00	SLASH EXPLORATION LP	\$1,500.00	\$37.50
VB-O-003		5	10S	34E	LOT(S) 3, 4, S2NW4, SW4		WITHDRAWN		
VB-O-004		22	10S	36E	E2NW4		WITHDRAWN		
VB-O-005	VB2363 00	23	12S	32E	SW4NW4, S2SW4	120.00	FEATHERSTONE DEVELOPMENT CORP	\$2,000.00	\$16.67
VB-O-006	VB2364 00	35	12S	34E	N2	320.00	FEATHERSTONE DEVELOPMENT CORP	\$5,000.00	\$15.63
VB-O-007		26	14S	34E	N2SW4		WITHDRAWN		
VB-O-008	VB2365 00	15	18S	33E	SW4NE4	40.00	CHASE OIL CORPORATION	\$105,000.00	\$2,625.00

**** END OF REPORT ****

HIGHEST BID ANALYSIS
REGULAR SALE February 18, 2014

Total \$ 3,799,844.99 for 31 tracts covering 5,258.13 Acres...\$722.66 per acre.

Sealed (Five Year) \$1,439,844.99 for 8 tracts covering 1,275.15 Acres...\$1,129.16 per acre.

Oral (Five Year) \$2,360,000.00 for 23 tracts covering 3,982.98 Acres...\$592.52 per acre.

Total of 45 tracts were offered.... 31 tracts were sold.....15 buyers registered for the sale.

**Highest Sealed Bid
(Five Year Term)
Tract No. V0-003
\$ 1,000,075.00** E2 of Section 36, Township 22 South, Range 26 East, containing 320.00 acres, more or less, in Eddy County, approximately 5 miles southwest of Carlsbad, New Mexico, by Crown Oil Partners V, L.P., Midland, TX.

**Highest Sealed Bid
(Five Year Term)
Per Acre
Tract No. V0-003
\$ 3,125.23** E2 of Section 36, Township 22 South, Range 26 East, containing 320.00 acres, more or less, in Eddy County, approximately 5 miles southwest of Carlsbad, New Mexico, by Crown Oil Partners V, L.P., Midland, TX.

**Highest Oral Bid
(Five Year Term)
Tract No. VO-O-015
\$ 1,300,000.00** W2 of Section 36, Township 22 South, Range 26 East, containing 320.00 acres, more or less, in Eddy County, approximately 5 miles southwest of Carlsbad, New Mexico, by Douglas W. Ferguson, of Midland, TX.

**Highest Oral Bid
(Five Year Term)
Per Acre
Tract No. VO-O-015
\$ 4,062.50** W2 of Section 36, Township 22 South, Range 26 East, containing 320.00 acres, more or less, in Eddy County, approximately 5 miles southwest of Carlsbad, New Mexico, by Douglas W. Ferguson, of Midland, TX.

February 2013 Regular Sale was \$545,377.60 for 5,792.48 acres or \$3,254,467.39 less than the February 2014 Regular Sale.

No Special Sale

Total Sale was \$3,799,844.99



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

2014

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, swust@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.

January						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
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December						
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28	29	30	31			

~~~~~*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?

### **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**

Stephen Wust, 505-827-5774  
[swust@slo.state.nm.us](mailto:swust@slo.state.nm.us)

Niranjan Khalsa  
505-827-5748

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

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

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

Paulette Lucero-Romero, 505-827-5714

### **Miscellaneous Instruments**

Kenda Montoya 505-827-5749

### **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

Anise Valdez, Office Manager 505-827-5744