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 17, 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."

AUBREYDUNN

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. 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.
- 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 - MARCH 17, 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.

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TRACT		COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
#					(MORE OR LESS)	RENTAL	ACCEPTABLE BID
				. 			
001 V0-00	1 (E)	Lea	36 09S 35E	N2	320.00	\$0.50	\$5,000.00
002 V0-00	2 (D, E)	Lea	16 09S 36E	N2	320.00	\$0.50	\$5,000.00
003 VO-00	3 (E)	Lea	01 10S 35E	LOT(S) 1, 2, 3, 4, S2N2	320.00	\$0.50	\$5,000.00
004 VO-00	4 (D)	Lea	05 14S 32E	LOT(S) 1, 2, S2NE4, SE4	319.52	\$0.50	\$5,000.00
005 VO-00	5	Lea	22 15S 32E	SE4	160.00	\$0.50	\$2,500.00
006 V0-00	6	Lea	25 15S 32E	E2	320.00	\$0.50	\$5,000.00
007 VO-00	7	Lea	36 15S 32E	E2	320.00	\$0.50	\$5,000.00

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - MARCH 17, 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)	RENTAL	ACCEPTABLE BID
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0(08 VB-001		Eddy	25 19S 27E	NE4SW4, SW4SW4	80.00	\$1.00	\$1,500.00
0(09 VB-002	(D)	Lea	10 17S 36E	NE4	160.00	\$1.00	\$2,500.00
0	10 VB-003		Lea	22 18S 37E	W2NW4	80.00	\$1.00	\$1,500.00
0	11 VB-004	(D)	Lea	16 18S 38E	N2NW4, SE4NW4, SW4	280.00	\$1.00	\$4,500.00
0	12 VB-005		San Juan	33 25N 12W	NE4, N2SE4, SE4SE4	280.00	\$1.00	\$4,500.00

D: ALL OR PORTION OF SURFACE NON-STATE

E: SUBJECT TO 3/2012 CONSERVATION AGREEMENT

Regular Sale - ORAL BID MARCH 17, 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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TRAC	ī	COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
#					(MORE OR LESS)	RENTAL	ACCEPTABLE BID
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013 V0-0	·001 (E)	Lea	36 09s 35E	\$2	320.00	\$0.50	\$5,000.00
014 V0-0	·002 (D, E)	Lea	16 09S 36E	S2	320.00	\$0.50	\$5,000.00
015 VO-O	·003 (E)	Lea	06 11S 38E	LOT(S) 1, 2, 3, 4, S2 (ALL)	392.44	\$0.50	\$6,500.00
016 V0-0	·004 (D)	Lea	05 14S 32E	LOT(S) 3, 4, S2NW4, SW4	319.44	\$0.50	\$5,000.00
017 V0-0	005	Lea	22 15S 32E	SW4	160.00	\$0.50	\$2,500.00
018 V0-0	-006	Lea	25 15 S 3 2E	W2	320.00	\$0.50	\$5,000.00
019 V0-0	007	Lea	36 15\$ 32E	W2	320.00	\$0.50	\$5,000.00

Regular Sale - ORAL BID MARCH 17, 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.

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	TRACT		COUNTY	SEC TWP RGE	DESCRIPTION	ACRES	PRIMARY	MINIMUM
	#					(MORE OR LESS)	RENTAL	ACCEPTABLE BID
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C	020 VB-O-001	(D)	Lea	10 17S 36E	SE4	160.00	\$1.00	\$2,500.00
(021 VB-0-002		Lea	16 18S 35E	NE4	160.00	\$1.00	\$2,500.00
(022 VB-0-003		Lea	22 18S 37E	\$2	320.00	\$1.00	\$5,000.00
(023 VB-0-004	(D)	Lea	16 18S 38E	E2	320.00	\$1.00	\$5,000.00
(024 VB-O-005		San Juan	33 25N 12W	N2NW4, SE4NW4	120.00	\$1.00	\$2,000.00

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

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) (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: LAND DESCRIPTION TRACT NUMBER SPECIAL SALE S____ R____ 0 ____ __ Description _____ Sealed: ___ - 0 ___ - __ 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; (b) Total remittance sum of (a) and (b)......\$ (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 ____ This instrument was acknowledged before me on _____ Name of Person Signature of Notarial Officer (Seal) My commission expires: Acknowledgment in a Representative Capacity: State of ___ This instrument was acknowledged before me on ____ Name(s) of Person(s) Type of authority; e.g., officer, trustee, etc. Name of party on behalf of whom instrument was executed Signature of Notarial Officer (Seal) My commission expires: 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 STA DRAFT FOR O	ATE LAND OFFICE IL & GAS SALE	
		DATE	20
PAY TO THE ORDER OF	COMMISSIONER OF PUBLIC LANDS	\$	
			DOLLARS
TRACT#			
	COMPANY NAMEState Land Commissioner		
	AUTHOR	ZED AGENT	

TRACT # LEASE #	SEC TWP RGE DESCRIPTION	ACRES BIDDER	BID AMOUNTS	PRICE/ACR
v0-s-001	28 08S 33E E2	WITHDRAWN		=======================================
VO-S-002 V09874 00	24 12S 31E N2NE4, NW4, W2SW4, SE4SW4, S2SE4	440.00 YATES PETROLEUM CORPORATION SLASH EXPLORATION LP	\$16,130.40 \$8,220.00	\$36.66
VO-S-003 V09875 00	32 09S 36E W2	320.00 SLASH EXPLORATION LP TIERRA OIL CO., LLC	\$17,760.00 \$16,640.00	\$55.50
VO-S-004	31 11S 32E LOT(S) 3, 4, E2SW4, SE4	WITHDRAWN		
v0-s-005 v09876 00	7 11S 38E S2	320.00 TIERRA OIL CO., LLC	\$16,640.00	\$52.00
VO-S-006 V09877 00	4 12S 34E S2	320.00 YATES PETROLEUM CORPORATION GRIFFIN PETROLEUM COMPANY SLASH EXPLORATION LP	\$11,731.20 \$11,300.00 \$8,160.00	\$36.66
VO-S-007 V09878 00	8 06S 34E S2	320.00 YATES PETROLEUM CORPORATION SLASH EXPLORATION LP	\$20,691.20 \$5,660.00	\$64.66
VB-S-001 VB2486 00	11 19S 27E NE4SW4, SW4SW4, N2SE4, SW4SE4	200.00 MRC PERMIAN COMPANY YATES PETROLEUM CORPORATION CHASE OIL CORPORATION FEATHERSTONE DEVELOPMENT CORP FEDERAL ABSTRACT COMPANY LOMA HOMBRE ENERGY, LLC	\$522,904.00 \$112,230.40 \$100,030.00 \$57,007.00 \$23,500.00 \$7,178.00	\$2,614.52
VB-S-002 VB2487 00	36 22S 25E SE4NE4, NE4NW4, W2SW4	160.00 DOUGLAS W. FERGUSON FEATHERSTONE DEVELOPMENT CORP YATES PETROLEUM CORPORATION JUSTIN T. CRUM LOMA HOMBRE ENERGY, LLC FEDERAL ABSTRACT COMPANY	\$121,856.77 \$85,127.00 \$29,945.60 \$10,160.00 \$5,742.40 \$2,600.00	\$761.60
VB-S-003 VB2488 00	29 15S 33E W2SW4, SE4SW4, W2SE4, SE4SE4	240.00 SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$5,120.00 \$4,750.00	\$21.33
VB-S-004 VB2489 00	2 15S 35E LOT(S) 1, 2, S2NE4, W2SE4, SE4SE4	280.82 ROY G. BARTON JR. FEATHERSTONE DEVELOPMENT CORP SLASH EXPLORATION LP FEDERAL ABSTRACT COMPANY	\$14,498.00 \$12,277.00 \$5,641.00 \$4,750.00	\$51.63
VB-S-005 VB2490 00	16 15S 37E N2	320.00 TURNER OIL & GAS PROPERTIES, SLASH EXPLORATION LP ROY G. BARTON JR. FEATHERSTONE DEVELOPMENT CORP	\$120,000.00 \$57,760.00 \$16,521.00 \$10,037.00	\$375.00
VB-S-006 VB2491 00	30 15S 38E E2	320.00 YATES PETROLEUM CORPORATION SLASH EXPLORATION LP	\$5,971.20 \$5,660.00	\$18.66
VB-S-007 VB2492 00	8 17S 37E N2NW4, NE4SE4	120.00 FEATHERSTONE DEVELOPMENT CORP TURNER OIL & GAS PROPERTIES, YATES PETROLEUM CORPORATION	\$48,637.00 \$45,000.00 \$43,339.20	\$405.31

TRACT # LEASE #	SEC TWP RGE DESCRIPTION	ACRES BIDDER	BID AMOUNTS	PRICE/ACR
		SLASH EXPLORATION LP LOMA HOMBRE ENERGY, LLC FEDERAL ABSTRACT COMPANY	\$24,120.00 \$4,306.80	
VB-S-008 VB2493 00	36 18S 38E N2, N2SW4	400.00 FEDERAL ABSTRACT COMPANY	\$7,200.00	\$18.00
V0-0-001 V09879 00	18 14S 30E LOT(S) 3, 4, SE4	235.52 CHASE OIL CORPORATION	\$4,000.00	\$16.98
V0-O-002 V09880 00	32 09\$ 36E E2	320.00 TIERRA OIL CO., LLC	\$19,000.00	\$59.38
V0-0-003 V09881 00	27 10S 32E W2SE4, SE4SE4	120.00 SLASH EXPLORATION LP	\$2,000.00	\$16.67
V0-0-004	31 11s 32E LOT(s) 1, 2, NE4, E2NW4	WITHDRAWN		
V0-0-005 V09882 00	10 11s 37E s2N2, s2	480.00 TIERRA OIL CO., LLC	\$7,500.00	\$15.63
V0-0-006 V09883 00	7 11S 38E N2NE4, SE4NE4, W2NW4, SE4NW4	240.00 TIERRA OIL CO., LLC	\$4,000.00	\$16.67
V0-0-007 V09884 00	4 12S 34E LOT(S) 1, 2, 3, 4, S2N2	320.72 GRIFFIN PETROLEUM COMPANY	\$10,000.00	\$31.18
VO-0-008 V09885 00	8 06S 34E N2	320.00 SLASH EXPLORATION LP	\$8,000.00	\$25.00
VB-O-001 VB2494 00	32 17S 30E NE4, NE4NW4, S2NW4	280.00 MRC PERMIAN COMPANY	\$45,000.00	\$160.71
VB-O-002 VB2495 00	11 19S 27E N2NE4, SE4NE4, N2NW4, SE4NW4	240.00 MRC PERMIAN COMPANY	\$200,000.00	\$833.33
VB-O-003 VB2496 00	15 15S 32E E2, NW4	480.00 SLASH EXPLORATION LP	\$8,000.00	\$16.67
VB-O-004 VB2497 00	23 15S 36E W2SW4, SE4SW4, SE4	280.00 TURNER OIL & GAS PROPERTIES,	\$100,000.00	\$357.14
VB-O-005 VB2498 00	16 15s 37E s2	320.00 TURNER OIL & GAS PROPERTIES,	\$90,000.00	\$281.25
VB-O-006 VB2499 00	30 15s 38E W2	320.00 SLASH EXPLORATION LP	\$5,000.00	\$15.63
VB-O-007 VB2500 00	8 17S 37E S2SW4	80.00 FEATHERSTONE DEVELOPMENT CORP	\$32,000.00	\$400.00

**** END OF REPORT ****

HIGHEST BID ANALYSIS REGULAR SALE February 17, 2015

Total

\$1,463,639.77 for 27 tracts covering 7,797.06 Acres...\$187.72 per acre.

Sealed (Five Year)

\$929,139.77 for 13 tracts covering 3,760.82 Acres...\$247.06 per acre.

Oral (Five Year)

\$534,500.00 for 14 tracts covering 4,036.24 Acres...\$132.43 per acre.

Total of 30 tracts were offered.... 27 tracts were sold.

Highest Sealed Bid (Five Year Term) Tract No. VB-S-001 \$ 522,904.00 NE4SW4, SW4SW4, N2SE4, SW4SE4, of Section 11, Township 19 South, Range 27 East, containing 200.00 acres, more or less, in Eddy County, approximately 14.6 miles southeast of Artesia, New Mexico, by MRC Permian Company of Dallas, TX.

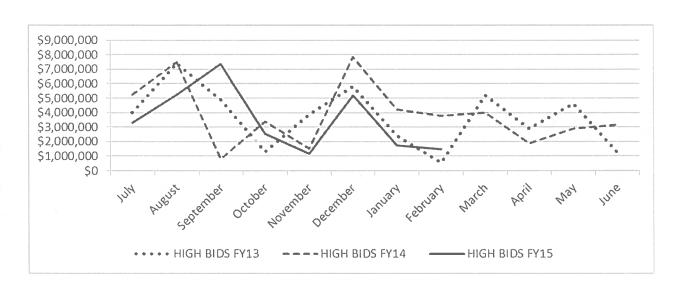
Highest Sealed Bid (Five Year Term) Per Acre Tract No. VB-S-001 \$ 2.614.52 NE4SW4, SW4SW4, N2SE4, SW4SE4, of Section 11, Township 19 South, Range 27 East, containing 200.00 acres, more or less, in Eddy County, approximately 14.6 miles southeast of Artesia, New Mexico, by MRC Permian Company of Dallas, TX.

Highest Oral Bid (Five Year Term) Tract No. VB-O-002 \$ 200,000.00 N2NE4, SE4NE4, N2NW4, SE4NW4 of Section 11, Township 19 South, Range 27 East, containing 240.00 acres, more or less, in Eddy County, approximately 14.6 miles southeast of Artesia, New Mexico, by MRC Permian Company of Dallas, TX.

Highest Oral Bid
(Five Year Term)
Per Acre
Tract No. VB-O-002
\$ 833.33

N2NE4, SE4NE4, N2NW4, SE4NW4 of Section 11, Township 19 South, Range 27 East, containing 240.00 acres, more or less, in Eddy County, approximately 14.6 miles southeast of Artesia, New Mexico, by MRC Permian Company of Dallas, TX.

February 2014 Regular Sale was \$3,799,844.99 for 5,258.13 acres or \$2,336,205.22 more than the February 2015 Regular Sale.





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

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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?~~~~

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

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