

## 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 November 19, 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](mailto: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

**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

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NEW MEXICO STATE LAND OFFICE  
LEASE SALE NOTICE

\*\*\*\*\* SEALED TRACTS \*\*\*\*\*

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - NOVEMBER 19, 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 (D) | Chaves | 02 15S 29E  | LOT(S) 1, 2, 3, 4, SW4NE4, S2NW4, SW4                                  | 440.28               | \$0.50         | \$7,000.00             |
| 002 VO-002 (D) | Lea    | 01 16S 38E  | LOT(S) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, S2 (ALL) | 1013.20              | \$1.00         | \$15,000.00            |
| 003 VO-003 (D) | Lea    | 02 16S 38E  | LOT(S) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 16, SE4                      | 693.60               | \$1.00         | \$11,000.00            |
| 004 VO-004 (D) | Lea    | 06 16S 39E  | LOT(S) 11, 13, 14                                                      | 120.00               | \$1.00         | \$2,000.00             |
| 005 VO-005     | Lea    | 36 17S 35E  | S2                                                                     | 320.00               | \$1.00         | \$5,000.00             |
| 006 VO-006     | Lea    | 31 17S 36E  | LOT(S) 1, 2, E2NW4                                                     | 155.12               | \$1.00         | \$2,500.00             |
| 007 VO-007 (D) | Lea    | 10 19S 36E  | W2                                                                     | 320.00               | \$1.00         | \$5,000.00             |

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - NOVEMBER 19, 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 |
|------------|--------|-------------|---------------|----------------------|----------------|------------------------|
| 008 VB-001 | Lea    | 07 15S 38E  | SE4           | 160.00               | \$0.50         | \$2,500.00             |
| 009 VB-002 | Lea    | 35 16S 33E  | N2            | 320.00               | \$1.00         | \$5,000.00             |
| 010 VB-003 | Lea    | 32 18S 39E  | W2SW4, SE4SW4 | 120.00               | \$1.00         | \$2,000.00             |
| 011 VB-004 | Lea    | 03 23S 32E  | SW4NW4        | 40.00                | \$1.00         | \$1,000.00             |
| 012 VB-005 | Lea    | 04 23S 32E  | SE4NE4        | 40.00                | \$1.00         | \$1,000.00             |

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 NOVEMBER 19, 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 |
|---------------------|-----------|-------------|------------------------------------------------------------------------|----------------------|----------------|------------------------|
| 013 V0-O-001 (D, E) | Chaves    | 01 15S 29E  | LOT(S) 1, 2, 3, 4, S2N2, S2 (ALL)                                      | 640.20               | \$0.50         | \$10,000.00            |
| 014 V0-O-002        | Chaves    | 35 15S 30E  | N2NE4, NW4SW4, NW4SE4                                                  | 160.00               | \$0.50         | \$2,500.00             |
| 015 V0-O-003        | Eddy      | 07 18S 24E  | LOT(S) 3, 4, E2SW4, SE4                                                | 319.51               | \$1.00         | \$5,000.00             |
| 016 V0-O-004 (D)    | Harding   | 16 18N 28E  | LOT(S) 1, 2, 3, E2NE4                                                  | 180.36               | \$0.25         | \$3,000.00             |
| 017 V0-O-005        | Harding   | 36 18N 28E  | LOT(S) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, NW4, N2SW4 (ALL) | 717.21               | \$0.25         | \$11,500.00            |
| 018 V0-O-006        | Harding   | 01 20N 28E  | LOT(S) 1, 2, 3, S2NE4, W2SW4, SE4SW4, SE4                              | 480.09               | \$0.25         | \$8,500.00             |
| 019 V0-O-007        | Harding   | 02 20N 28E  | LOT(S) 2, 3, 4, SW4NE4, S2NW4, S2                                      | 565.61               | \$0.25         | \$9,500.00             |
| 020 V0-O-008 (D)    | Lea       | 02 16S 38E  | LOT(S) 11, 12                                                          | 80.00                | \$1.00         | \$1,500.00             |
| 021 V0-O-009        | Lea       | 03 16S 38E  | LOT(S) 1, 2, 3, 4, 5, 6, 7                                             | 333.00               | \$1.00         | \$5,500.00             |
| 022 V0-O-010        | Lea       | 35 17S 35E  | N2NE4, SE4NE4                                                          | 120.00               | \$1.00         | \$2,000.00             |
| 023 V0-O-011        | Lea       | 02 19S 36E  | LOT(S) 2, SW4NE4, S2                                                   | 399.78               | \$1.00         | \$6,500.00             |
| 024 V0-O-012        | Lea       | 02 24S 35E  | LOT(S) 1, 2, 3, 4, S2N2, S2 (ALL)                                      | 640.76               | \$1.00         | \$10,000.00            |
| 025 V0-O-013        | Roosevelt | 36 05S 32E  | ALL                                                                    | 640.00               | \$0.50         | \$10,000.00            |
| 026 V0-O-014        | Roosevelt | 31 07S 34E  | LOT(S) 2, 3, 4, SW4NE4, S2SE4                                          | 261.83               | \$0.50         | \$4,500.00             |

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

Regular Sale - ORAL BID NOVEMBER 19, 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    | 10 16S 33E  | N2          | 320.00               | \$1.00         | \$5,000.00             |
| 028 VB-O-002 | Lea    | 32 20S 36E  | NW4         | 160.00               | \$1.00         | \$2,500.00             |

## 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](mailto: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.

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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.



**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.

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**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                                                                                                                | BIO AMOUNTS                                                          | PRICE/ACR |
|----------|-----------|-----|-----|-----|-----------------------------|--------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------|
| V0-S-001 | V09509 00 | 3   | 11S | 27E | LOT(S) 1, 2, 3, 4, S2 (ALL) | 352.32 | SLASH EXPLORATION LP<br>SLAYTON RESOURCES INC                                                                         | \$34,594.00<br>\$6,656.50                                            | \$98.19   |
| V0-S-002 | V09510 00 | 13  | 14S | 28E | N2NW4                       | 80.00  | CHASE OIL CORPORATION                                                                                                 | \$4,020.00                                                           | \$50.25   |
| V0-S-003 | V09511 00 | 17  | 14S | 29E | NW4NW4                      | 40.00  | CHASE OIL CORPORATION                                                                                                 | \$2,020.00                                                           | \$50.50   |
| V0-S-004 | V09512 00 | 3   | 15S | 29E | S2NW4, N2SE4                | 160.00 | CHASE OIL CORPORATION                                                                                                 | \$8,020.00                                                           | \$50.13   |
| V0-S-005 | V09513 00 | 21  | 11S | 38E | ALL                         | 640.00 | SLASH EXPLORATION LP<br>BLACK MOUNTAIN EXPLORATION<br>YATES PETROLEUM CORPORATION                                     | \$12,500.00<br>\$11,520.00<br>\$11,059.20                            | \$19.53   |
| V0-S-006 | V09514 00 | 22  | 11S | 38E | ALL                         | 640.00 | SLASH EXPLORATION LP<br>YATES PETROLEUM CORPORATION<br>BLACK MOUNTAIN EXPLORATION                                     | \$12,500.00<br>\$11,577.60<br>\$11,520.00                            | \$19.53   |
| V0-S-007 | V09515 00 | 28  | 11S | 38E | N2                          | 320.00 | SLASH EXPLORATION LP<br>YATES PETROLEUM CORPORATION<br>BLACK MOUNTAIN EXPLORATION                                     | \$7,000.00<br>\$6,137.60<br>\$5,760.00                               | \$21.88   |
| V0-S-008 | V09516 00 | 5   | 16S | 35E | W2SE4                       | 80.00  | DOUG J. SCHUTZ<br>MRC PERMIAN COMPANY<br>FEATHERSTONE DEVELOPMENT CORP<br>SLASH EXPLORATION LP                        | \$22,160.00<br>\$20,491.20<br>\$3,120.00<br>\$2,000.00               | \$277.00  |
| V0-S-009 | V09517 00 | 20  | 16S | 37E | NE4                         | 160.00 | MRC PERMIAN COMPANY<br>DOUG J. SCHUTZ                                                                                 | \$60,182.40<br>\$57,120.00                                           | \$376.14  |
| VB-S-001 | VB2322 00 | 36  | 17S | 35E | W2NW4, SE4NW4               | 120.00 | DOUG J. SCHUTZ<br>CROWN OIL PARTNERS IV, LP<br>FEATHERSTONE DEVELOPMENT CORP<br>CHASE OIL CORPORATION                 | \$27,840.00<br>\$25,195.06<br>\$18,480.00<br>\$6,020.00              | \$232.00  |
| VB-S-002 | VB2323 00 | 20  | 17S | 36E | SE4SW4                      | 40.00  | MILES ENERGY LLC<br>MRC PERMIAN COMPANY<br>DOUG J. SCHUTZ<br>CROWN OIL PARTNERS IV, LP<br>YATES PETROLEUM CORPORATION | \$28,601.50<br>\$16,000.00<br>\$8,680.00<br>\$4,241.06<br>\$2,314.40 | \$715.04  |
| VB-S-003 | VB2324 00 | 25  | 18S | 36E | NW4NW4                      | 40.00  | CROWN OIL PARTNERS IV, LP<br>YATES PETROLEUM CORPORATION                                                              | \$8,241.06<br>\$1,190.40                                             | \$206.03  |
| VB-S-004 |           | 12  | 19S | 37E | W2NW4                       |        | WITHDRAWN                                                                                                             |                                                                      |           |
| VB-S-005 |           | 7   | 19S | 38E | LOT(S) 3, NE4SW4            |        | WITHDRAWN                                                                                                             |                                                                      |           |
| VB-S-006 |           | 16  | 23S | 36E | SE4SW4, SW4SE4              |        | WITHDRAWN                                                                                                             |                                                                      |           |
| VB-S-007 | VB2325 00 | 2   | 23S | 37E | SE4NE4, SW4NW4              | 80.00  | CHASE OIL CORPORATION                                                                                                 | \$12,020.00                                                          | \$150.25  |

| TRACT #  | LEASE #   | SEC | TWP | RGE | DESCRIPTION                 | ACRES  | BIDDER                        | BID AMOUNTS    | PRICE/ACR  |
|----------|-----------|-----|-----|-----|-----------------------------|--------|-------------------------------|----------------|------------|
| V0-O-001 | V09518 00 | 2   | 11S | 27E | LOT(S) 1, 2, SE4            | 177.98 | SLASH EXPLORATION LP          | \$3,000.00     | \$16.86    |
| V0-O-002 | V09519 00 | 10  | 11S | 27E | NW4                         | 160.00 | SLASH EXPLORATION LP          | \$2,500.00     | \$15.63    |
| V0-O-003 | V09520 00 | 20  | 14S | 28E | E2NE4, SE4                  | 240.00 | CHASE OIL CORPORATION         | \$5,800.00     | \$24.17    |
| V0-O-004 | V09521 00 | 21  | 14S | 28E | S2SW4                       | 80.00  | CHASE OIL CORPORATION         | \$1,700.00     | \$21.25    |
| V0-O-005 | V09522 00 | 29  | 14S | 28E | E2, E2NW4, SW4              | 560.00 | CHASE OIL CORPORATION         | \$14,000.00    | \$25.00    |
| V0-O-006 | V09523 00 | 16  | 21S | 25E | W2                          | 320.00 | DOUG J. SCHUTZ                | \$210,000.00   | \$656.25   |
| V0-O-007 | V09524 00 | 19  | 21S | 25E | NE4NE4                      | 40.00  | DOUG J. SCHUTZ                | \$4,000.00     | \$100.00   |
| V0-O-008 | V09525 00 | 36  | 19N | 28E | ALL                         | 640.00 | KHL, INC., A NEW MEXICO CORPO | \$10,000.00    | \$15.63    |
| V0-O-009 | V09526 00 | 3   | 20N | 28E | LOT(S) 1, 2                 | 84.29  | KHL, INC., A NEW MEXICO CORPO | \$9,500.00     | \$112.71   |
| V0-O-010 | V09527 00 | 11  | 20N | 28E | NE4, E2NW4, N2SE4           | 320.00 | KHL, INC., A NEW MEXICO CORPO | \$15,000.00    | \$46.88    |
| V0-O-011 | V09528 00 | 12  | 20N | 28E | N2, NW4SW4                  | 360.00 | KHL, INC., A NEW MEXICO CORPO | \$20,000.00    | \$55.56    |
| V0-O-012 | V09529 00 | 16  | 20N | 28E | ALL                         | 640.00 | KHL, INC., A NEW MEXICO CORPO | \$40,000.00    | \$62.50    |
| V0-O-013 | V09530 00 | 8   | 11S | 38E | ALL                         | 640.00 | YATES PETROLEUM CORPORATION   | \$16,500.00    | \$25.78    |
| V0-O-014 | V09531 00 | 15  | 11S | 38E | ALL                         | 640.00 | YATES PETROLEUM CORPORATION   | \$16,500.00    | \$25.78    |
| V0-O-015 | V09532 00 | 17  | 11S | 38E | ALL                         | 640.00 | YATES PETROLEUM CORPORATION   | \$16,500.00    | \$25.78    |
| V0-O-016 | V09533 00 | 24  | 16S | 34E | E2, NW4                     | 480.00 | DOUG J. SCHUTZ                | \$144,000.00   | \$300.00   |
| V0-O-017 | V09534 00 | 19  | 16S | 35E | LOT(S) 3, 4, E2, E2SW4      | 477.70 | DOUG J. SCHUTZ                | \$144,000.00   | \$301.44   |
| V0-O-018 | V09535 00 | 19  | 16S | 37E | LOT(S) 1, 2, SW4NE4, SE4NW4 | 181.23 | DANIEL E GONZALES             | \$94,000.00    | \$518.68   |
| V0-O-019 | V09536 00 | 19  | 16S | 37E | LOT(S) 3, 4, E2SW4, SE4     | 340.81 | DOUG J. SCHUTZ                | \$178,000.00   | \$522.29   |
| VB-O-001 | VB2326 00 | 20  | 17S | 36E | SE4NE4                      | 40.00  | MRC PERMIAN COMPANY           | \$19,000.00    | \$475.00   |
| VB-O-002 | VB2327 00 | 25  | 18S | 36E | SW4SE4                      | 40.00  | CROWN OIL PARTNERS IV, LP     | \$1,700.00     | \$42.50    |
| VB-O-003 | VB2328 00 | 33  | 18S | 36E | N2NW4, SW4NW4               | 120.00 | CROWN OIL PARTNERS IV, LP     | \$106,000.00   | \$883.33   |
| VB-O-004 | VB2329 00 | 14  | 19S | 37E | SW4NE4                      | 40.00  | CHASE OIL CORPORATION         | \$1,000.00     | \$25.00    |
| VB-O-005 | VB2330 00 | 34  | 20S | 35E | N2                          | 320.00 | SDX RESOURCES INC             | \$2,080,000.00 | \$6,500.00 |
| VB-O-006 | VB2331 00 | 30  | 25S | 38E | N2NE4                       | 80.00  | CROWN OIL PARTNERS IV, LP     | \$1,500.00     | \$18.75    |

\*\*\*\* END OF REPORT \*\*\*\*

**HIGHEST BID ANALYSIS**  
**REGULAR SALE October 15, 2013**

Total \$3,393,898.96 for 38 tracts covering 10,414.33 Acres...\$325.89 per acre.  
Sealed (Five Year) \$239,698.96 for 13 tracts covering 2,752.32 Acres...\$87.09 per acre.  
Oral (Five Year) \$3,154,200.00 for 25 tracts covering 7,662.01 Acres...\$411.67 per acre.

Total of 41 tracts were offered.... 38 tracts were sold.

**Highest Sealed Bid (Five Year Term)** NE4, of Section 20, Township 16 South, Range 37 East, containing 160.00 acres, more or less, in Lea County, approximately 5.11 miles southeast of Lovington, New Mexico, by MRC Permian Company, of Dallas, TX.  
**Tract No. V0-009**  
**\$ 60,182.40**

**Highest Sealed Bid (Five Year Term)** SE4SW4 of Section 20, Township 17 South, Range 36 East, containing 40.00 acres, more or less, in Lea County, approximately 16.25 miles northwest of Hobbs, New Mexico, by Miles Energy LLC, of Roswell, NM.  
**Per Acre**  
**Tract No. VB-002**  
**\$ 715.04**

**Highest Oral Bid (Five Year Term)** N2 of Section 34, Township 20 South, Range 35 East, containing 320.00 acres, more or less, in Lea County, approximately 13.55 miles northwest of Hobbs, New Mexico, by SDX Resources Inc., of Midland, TX.  
**Tract No. VB-O-005**  
**\$ 2,080,000.00**

**Highest Oral Bid (Five Year Term)** N2 of Section 34, Township 20 South, Range 35 East, containing 320.00 acres, more or less, in Lea County, approximately 13.55 miles northwest of Hobbs, New Mexico, by SDX Resources Inc., of Midland, TX.  
**Per Acre**  
**Tract No. VB-O-005**  
**\$ 6,500.00**

October 2012 Regular Sale was \$1,286,191.09 for 9,070.77 acres or \$2,107,707.87 less than the October 2013 Regular Sale.

No Special Sale

Total Sale was \$3,393,898.96

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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](http://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 CCAA<sup>1</sup> agreement is available for your review at the State Land Office website [www.nmstatelands.org/ConservationAgreement.aspx](http://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

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<sup>1</sup> 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.

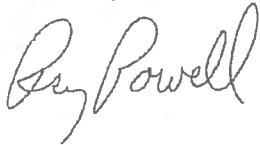
USFWS provides regulatory certainty (assurances) concerning land use restrictions that might otherwise apply should the LPC or DSL become listed in the future as threatened or endangered species.

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

# 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

For information on nominating tracts,  
call the Oil, Gas, and Minerals Division  
Geologist at 505-827-5774

To nominate tracts for an oil and gas lease sale,  
submit your nomination in writing, or by e-mail to,  
[swust@slo.state.nm.us](mailto: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](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 |
|      |    |    |    |    |    | 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 |

| 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 |    |    |    |    |

~~~~~*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

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

Kenda Montoya 505-827-5749

### **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