

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 September 17, 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, 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

2013 Industry Training Day

September 17, 2013, 1 – 5 p.m.

**State Land Office
Oil, Gas and Mineral Division
Morgan Hall
Santa Fe, New Mexico**

This is a half-day training session for industry on State Land Office-related oil and gas issues.

Topics include:

- How to nominate tracts for lease sale
- Assignments, change of address and OGRID issues
- Lease expirations, rentals and cancellations
- The stripper well program
- Units – common issues
- Lesser Prairie-Chicken and Dunes Sagebrush Lizard conservation and Candidate Conservation Agreements with Assurances
- A discussion on horizontal drilling issues
- There will be ample time for Q&A

**Please contact Debbie Tise at the Land Office to reserve your spot.
dtise@slo.state.nm.us or 505-827-5744**

Registration capped at 100 people. Limit 5 people per company.

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 - SEPTEMBER 17, 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 V0-001	(D, E) Chaves	32 13S 30E	W2, NE4SE4, S2SE4	440.00	\$0.50	\$7,000.00
002 V0-002	(E) Chaves	12 14S 29E	ALL	640.00	\$0.50	\$10,000.00
003 V0-003	Chaves	04 15S 28E	SW4NE4, SE4NW4, NE4SE4	120.00	\$0.50	\$2,000.00
004 V0-004	(D) Lea	04 16S 33E	LOT(S) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16	674.36	\$1.00	\$11,000.00

Regular Sale - DEADLINE FOR SEALED BIDS IS 9:30 AM - SEPTEMBER 17, 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
005 VB-001	Eddy	16 16S 30E	S2	320.00	\$1.00	\$5,000.00
006 VB-002	(D) Eddy	02 16S 31E	LOT(S) 13, 14, 15, 16	160.00	\$1.00	\$2,500.00
007 VB-003	Lea	16 18S 37E	SW4NW4, SW4, N2SE4, SW4SE4	320.00	\$1.00	\$5,000.00
008 VB-004	Lea	28 26S 36E	W2	320.00	\$1.00	\$5,000.00

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

Regular Sale - ORAL BID SEPTEMBER 17, 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
009 V0-0-001	(D) Chaves	28 14S 28E	ALL	640.00	\$0.50	\$10,000.00
010 V0-0-002	(D) Chaves	34 14S 28E	ALL	640.00	\$0.50	\$10,000.00
011 V0-0-003	(D) Chaves	09 15S 28E	S2NE4, S2	400.00	\$0.50	\$6,500.00
012 V0-0-004	(D) Harding	13 20N 28E	E2NE4, NW4NW4, SW4, NE4SE4	320.00	\$0.25	\$5,000.00
013 V0-0-005	(D) Harding	14 20N 28E	NE4NE4, N2SE4, SW4SE4	160.00	\$0.25	\$2,500.00
014 V0-0-006	Harding	15 20N 28E	S2N2	160.00	\$0.25	\$2,500.00

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

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

www.nmstatelands.org

Regular Sale - ORAL BID SEPTEMBER 17, 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
015 V0-0-007	Harding	20 20N 28E	SW4NE4, SE4NW4, NE4SW4, N2SE4, SE4SE4	240.00	\$0.25	\$4,000.00
016 V0-0-008 (D)	Harding	21 20N 28E	E2NE4, S2	400.00	\$0.25	\$6,500.00
017 V0-0-009 (D)	Harding	22 20N 28E	SW4NW4, W2SW4, SE4SW4, N2SE4	240.00	\$0.25	\$4,000.00
018 V0-0-010 (D)	Harding	23 20N 28E	W2NE4, SE4NE4	120.00	\$0.25	\$2,000.00
019 V0-0-011	Harding	23 20N 28E	E2W2, W2SE4	240.00	\$0.25	\$4,000.00
020 V0-0-012 (D)	Harding	24 20N 28E	SW4NE4, S2NW4, N2S2	280.00	\$0.25	\$4,500.00
021 V0-0-013	Lea	13 11S 32E	E2	320.00	\$0.50	\$5,000.00
022 V0-0-014	Lea	13 11S 32E	NW4	160.00	\$0.50	\$2,500.00
023 V0-0-015 (D)	Lea	16 15S 36E	SE4NE4, SE4	200.00	\$0.50	\$3,500.00
024 V0-0-016 (D)	Lea	04 16S 33E	S2	320.00	\$1.00	\$5,000.00
025 V0-0-017	Lea	06 25S 38E	SW4NE4	40.00	\$1.00	\$1,000.00

Regular Sale - ORAL BID SEPTEMBER 17, 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
026 VB-0-001 (D)	Chaves	32 14S 28E	ALL	640.00	\$0.50	\$10,000.00
027 VB-0-002 (E)	Eddy	16 16S 31E	ALL	640.00	\$1.00	\$10,000.00
028 VB-0-003	Lea	35 16S 32E	NE4, NE4NW4, S2NW4, N2SW4, SE4SW4	400.00	\$1.00	\$6,500.00
029 VB-0-004	Lea	08 18S 37E	SE4	160.00	\$1.00	\$2,500.00
030 VB-0-005	Lea	17 18S 37E	E2, NW4	480.00	\$1.00	\$7,500.00

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 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
 V0-001 Description W2NW4, SE4NW4, SW4

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"/>
_____ - 0 _____	Description _____		

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
V0-S-001	V09468 00	31	12S	29E	SE4SW4, S2SE4	120.00	CHASE OIL CORPORATION	\$4,870.00	\$40.58
V0-S-002	V09469 00	23	13S	28E	N2	320.00	CHASE OIL CORPORATION	\$12,870.00	\$40.22
V0-S-003	V09470 00	19	13S	29E	LOT(S) 1, 2	77.06	CHASE OIL CORPORATION	\$3,152.40	\$40.91
V0-S-004	V09471 00	25	14S	28E	NE4NW4, S2NW4	120.00	CHASE OIL CORPORATION	\$6,070.00	\$50.58
V0-S-005	V09472 00	8	11S	33E	W2	320.00	CROWN OIL PARTNERS IV, LP YATES PETROLEUM CORPORATION	\$103,040.00 \$6,131.20	\$322.00
V0-S-006	V09473 00	12	18S	36E	S2NE4	80.00	CROWN OIL PARTNERS IV, LP CHASE OIL CORPORATION YATES PETROLEUM CORPORATION	\$40,160.00 \$40,070.00 \$3,025.60	\$502.00
V0-S-007	V09474 00	32	25N	09W	N2NE4, NW4SE4, SE4SE4	160.00	ROY G. BARTON JR. RANDALL R. FORT DUGAN PRODUCTION CORP YATES PETROLEUM CORPORATION DOUG J. SCHUTZ	\$496,000.00 \$339,200.00 \$210,100.80 \$17,883.20 \$8,000.00	\$3,100.00
V0-S-008	V09475 00	36	25N	11W	N2NE4, NE4SE4, SW4SE4	160.00	ROY G. BARTON JR. RANDALL R. FORT DUGAN PRODUCTION CORP YATES PETROLEUM CORPORATION DOUG J. SCHUTZ	\$288,000.00 \$275,200.00 \$210,100.80 \$17,884.80 \$8,000.00	\$1,800.00
VB-S-001	VB2299 00	2	15S	28E	LOT(S) 1, 2, 3, 4, S2N2	320.40	YATES PETROLEUM CORPORATION CHASE OIL CORPORATION	\$21,473.21 \$16,090.00	\$67.02
VB-S-002	VB2300 00	36	17S	32E	N2	320.00	CHASE OIL CORPORATION YATES PETROLEUM CORPORATION COMPOUND PROPERTIES, LLC FEATHERSTONE DEVELOPMENT CORP	\$96,070.00 \$40,841.60 \$36,566.40 \$22,493.00	\$300.22
VB-S-003	VB2301 00	2	17S	33E	LOT(S) 1, 2, 3, 4, S2N2, S2 (ALL)	641.72	YATES PETROLEUM CORPORATION DANIEL E GONZALES DOUG J. SCHUTZ COMPOUND PROPERTIES, LLC	\$238,649.25 \$194,526.00 \$91,748.70 \$36,699.96	\$371.89
VB-S-004	VB2302 00	15	17S	36E	W2	320.00	CROWN OIL PARTNERS IV, LP MRC PERMIAN COMPANY COMPOUND PROPERTIES, LLC YATES PETROLEUM CORPORATION	\$216,000.00 \$179,664.00 \$36,566.40 \$22,262.40	\$675.00
VB-S-005	VB2303 00	16	18S	34E	S2	320.00	MRC PERMIAN COMPANY HANLEY PETROLEUM INC ROY G. BARTON JR. YATES PETROLEUM CORPORATION COMPOUND PROPERTIES, LLC	\$896,000.00 \$683,692.80 \$168,640.00 \$83,721.60 \$36,566.40	\$2,800.00

TRACT #	LEASE #	SEC	TWP	RGE	DESCRIPTION	ACRES	BIDDER	BID AMOUNTS	PRICE/ACR
VB-S-006	VB2304 00	22	18S	34E	E2	320.00	CROWN OIL PARTNERS IV, LP MRC PERMIAN COMPANY ROY G. BARTON JR. YATES PETROLEUM CORPORATION COMPOUND PROPERTIES, LLC	\$1,041,280.00 \$928,000.00 \$171,840.00 \$154,214.40 \$36,566.40	\$3,254.00
VO-O-001	V09476 00	23	08S	33E	S2	320.00	TIERRA OIL CO., LLC	\$9,000.00	\$28.13
VO-O-002	V09477 00	14	13S	28E	ALL	640.00	CHASE OIL CORPORATION	\$10,000.00	\$15.63
VO-O-003	V09478 00	36	13S	29E	ALL	640.00	CHASE OIL CORPORATION	\$86,000.00	\$134.38
VO-O-004	V09479 00	1	14S	29E	LOT(S) 1, 2, 3, 4, S2N2, N2SW4, SE4SW4, SE4	600.08	CHASE OIL CORPORATION	\$25,000.00	\$41.66
VO-O-005	V09480 00	11	14S	29E	ALL	640.00	CHASE OIL CORPORATION	\$27,000.00	\$42.19
VO-O-006	V09481 00	16	19N	28E	ALL	640.00	KHL, INC., A NEW MEXICO CORPO	\$10,000.00	\$15.63
VO-O-007	V09482 00	26	20N	28E	N2NE4, NE4NW4	120.00	KHL, INC., A NEW MEXICO CORPO	\$2,000.00	\$16.67
VO-O-008	V09483 00	27	20N	28E	W2NW4	80.00	KHL, INC., A NEW MEXICO CORPO	\$1,500.00	\$18.75
VO-O-009	V09484 00	28	20N	28E	NE4, E2NW4, SW4, NW4SE4	440.00	KHL, INC., A NEW MEXICO CORPO	\$7,000.00	\$15.91
VO-O-010	V09485 00	32	20N	28E	N2NE4, NW4NW4, N2SE4	200.00	KHL, INC., A NEW MEXICO CORPO	\$3,500.00	\$17.50
VO-O-011	V09486 00	33	20N	28E	N2NW4	80.00	KHL, INC., A NEW MEXICO CORPO	\$1,500.00	\$18.75
VO-O-012	V09487 00	36	20N	28E	ALL	640.00	KHL, INC., A NEW MEXICO CORPO	\$10,000.00	\$15.63
VO-O-013		26	11S	33E	N2N2, SW4NW4, NW4SW4, N2SE4		WITHDRAWN		
VB-O-001	VB2305 00	10	15S	28E	NE4NE4, SW4NE4, N2S2	240.00	CHASE OIL CORPORATION	\$15,000.00	\$62.50
VB-O-002	VB2306 00	4	15S	29E	S2NE4, N2SW4	160.00	CHASE OIL CORPORATION	\$2,500.00	\$15.63
VB-O-003	VB2307 00	36	17S	32E	S2	320.00	YATES PETROLEUM CORPORATION	\$42,000.00	\$131.25
VB-O-004	VB2308 00	12	17S	33E	NE4, S2NW4	240.00	YATES PETROLEUM CORPORATION	\$115,000.00	\$479.17
VB-O-005	VB2309 00	18	17S	37E	SE4	160.00	CROWN OIL PARTNERS IV, LP	\$110,000.00	\$687.50
VB-O-006	VB2310 00	22	18S	34E	W2	320.00	MRC PERMIAN COMPANY	\$940,000.00	\$2,937.50
VB-O-007	VB2311 00	23	18S	34E	NW4	160.00	CROWN OIL PARTNERS IV, LP	\$700,000.00	\$4,375.00
VB-O-008	VB2312 00	30	18S	35E	LOT(S) 3, 4, E2SW4, SE4	316.96	CROWN OIL PARTNERS IV, LP	\$1,940,000.00	\$6,120.65

**** END OF REPORT ****

HIGHEST BID ANALYSIS
REGULAR SALE August 20, 2013

Total \$7,520,634.86 for 34 tracts covering 10,556.22 Acres...\$712.44 per acre.

Sealed (Five Year) \$3,463,634.86 for 14 tracts covering 3,599.18 Acres...\$962.34 per acre.

Oral (Five Year) \$4,057,000.00 for 20 tracts covering 6,957.04 Acres...\$583.15 per acre.

Total of 35 tracts were offered.... 34 tracts were sold.

Highest Sealed Bid E2 of Section 22, Township 18 South, Range 34 East, containing 320.00
(Five Year Term) acres, more or less, in Lea County, approximately 24 miles west of Hobbs,
Tract No. VB-006 New Mexico, by Crown Oil Partners IV, LP, of Midland, TX.
\$ 1,041,280.00

Highest Sealed Bid E2 of Section 22, Township 18 South, Range 34 East, containing 320.00
(Five Year Term) acres, more or less, in Lea County, approximately 24 miles west of Hobbs,
Per Acre New Mexico, by Crown Oil Partners IV, LP, of Midland, TX.
Tract No. VB-006
\$ 3,254.00

Highest Oral Bid Lot (s) 3, 4, E2SW4, SE4 of Section 30, Township 18 South, Range 35 East,
(Five Year Term) containing 316.96 acres, more or less, in Lea County, approximately 21 west
Tract No. VB-O-008 of Hobbs, New Mexico, by Crown Oil Partners IV, LP, of Midland, TX.
\$ 1,940,000.00

Highest Oral Bid Lot (s) 3, 4, E2SW4, SE4 of Section 30, Township 18 South, Range 35 East,
(Five Year Term) containing 316.96 acres, more or less, in Lea County, approximately 21 west
Per Acre of Hobbs, New Mexico, by Crown Oil Partners IV, LP, of Midland, TX.
Tract No. VB-O-008
\$ 6,120.65

August 2012 Regular Sale was \$7,390,846.33 for 8,289.87 acres or \$129,788.53 less than the August 2013 Regular Sale.

No Special Sale

Total Sale was \$7,520,634.86



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.

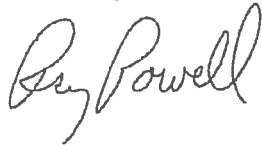
USFWS provides regulatory certainty (assurances) concerning land use restrictions that might otherwise apply should the LPC or DSL become listed in the future as threatened or endangered species.

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

~~~~~*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/>

# 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 |    |    |    |    |



## 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

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

Stephen Manning, 505-827-5730  
Kenda Halama 505-827-5749

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

Paulette Lucero-Romero, 505-827-5714

### **Miscellaneous Instruments**

Debbie Tise, 505-827-5744

### **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

Debbie Tise, Office Administrator, 505-827-5744