## State of New Mexico Office of the Commissioner of Public Lands Oil, Gas, and Minerals Division

P.O. Box 1148 310 Old Santa Fe Trail Santa Fe, NM 87504-1148 Santa Fe, NM87501-2708

**ONLINE Version** 

## APPLICATION FOR REDUCED ROYALTY RATE FOR OIL WELLS

NMSA 19-10-5.1 (1994 Repl. Pamp.)

All requested information is mandatory for consideration of this application.

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Contact Person:	Phone:
E-mail address:	Fax:
II. Well and Production Data	
<b>A)</b> Complete the following for each additional sheets for each well with the sa	well applied for under this application. If there is more than one well, attachame info as requested for the first.
1) Well Name:	
	d Gas Lease:
3) State Lease Number and Assignment N	Number:
4) API Number:	
5) Legal Description-Subdivisions	
Sec,Twp, Rge, N	NMPMCounty NM
6) Completion Formation and Dedicated	Acreage as per OCD Form C-102:
7) Pool:	
Please indicate gross perforation interval	l:
that is pertinent to each qualified well.	involved with this application, list Record Title Owner(s) for the acreage erify ownership please contact Paige Czoski at (505) 827-5774 in the

If applicant is not record title owner, an assignment of Record Title Ownership of the lease may be an option for the applicant. Assignment Forms are available on <a href="www.nmstatelands.org">www.nmstatelands.org</a>
If you need Assignment Forms or have any questions, please contact the Oil, Gas, & Minerals

Division, Leasing Group at (505) 827-5749 or (505) 827-5730.

**B**) Operator Monthly Reports: Attach either copies of actual OCD C-115 reports or a spreadsheet showing oil production for a minimum of the preceding twelve (12) months prior to the application date.

A > A	Iditional Information:
A) A summ	ary of attempts made and successes achieved in negotiating lower rates paid to other royalty and overriding
royalty own	ers specific to each oil well.
B) A summ	ary of all other steps taken to minimize the costs of operating the oil well.
C) A statem	ent that, to the best of the applicant's knowledge and experience, the well is not capable of sustained
production	over the production limits specified in the rule.
<b>D</b> ) Any other	er facts that may help to justify a reduction in the State royalty rate from the current rate to 5.0%.
IV. Ap	oplication fees:
	<ul> <li><u>Initial Application</u>: \$150.00 must be remitted with the initial application for oil royalty rate reduction per lease or unit.</li> </ul>
	<ul> <li>Request for Renewal: A formal letter is required in order to request an extension/renewal of the reduced royalty rate for an additional three-year period. Please reference the initial application number and remit the renewal fee of \$100.00.</li> </ul>
	<ul> <li>NOTE: The above mentioned fees are nonrefundable</li> </ul>
	<ul> <li>NOTE: The above mentioned fees are nonrefundable</li> </ul>
lower royalt	<ul> <li>NOTE: The above mentioned fees are nonrefundable</li> <li>rtification: The information above is submitted to the Commissioner of Public Lands as an application for a y rate under NMSA 19-10-5.1 (1994 Repl. Pamp.)</li> </ul>
lower royalt	<ul> <li>NOTE: The above mentioned fees are nonrefundable</li> <li>rtification: The information above is submitted to the Commissioner of Public Lands as an application for a</li> </ul>

ONLINE version July 2016

Please, place this application form and Item VI in front of all other information you are submitting.

## VI. Record Title Owner Ratification

Record title information for well(s) within a single of information requested below.	oil and gas lease or unit. Attach add	litional sheets	if necessary with
Record Title Owner(s):			
Lease Numberand Assignment Numb	per(s)		
Legal Description(s):			
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
Subdivisions	Sect	Twp	Rng
I/We,  Type Name(s) of Record Title Owner(s)			·····
representing_			
Company Name(s)			
Record Title Owner(s) of the above-mentioned lease, be true and correct to the best of my knowledge. The forth regarding a lower royalty rate. Therefore, I/w Repl. Pamp.) and the rules and regulations of the Stasubject lease.	e oil well(s) applied for in this applic e request a lower royalty rate pursu	ation do meet ant to NMSA	the criteria as set 19-10-5.1 (1994
Record Title Owner Signature:	Title		
Date			
Record Title Owner Signature	Title.		

Date\_\_\_\_\_

## **APPLICATION CHECKLIST**

THIS FORM DOES NOT NEED TO BE SUBMITTED WITH THE APPLICATION. IT IS FOR THE APPLICANT'S RECORDS/USE ONLY.

1) Co	mplete Item I.
	Operator's Name, Address, Contact Person and Numbers
2) Inc	lude all information in Item II for each applicable well.
	Well Name
	Record Title Owner
	State Lease Number and Assignment Number
	API Number
_	Legal Description
	Completion Formation and Dedicated Acreage as per OCD Form C-102
	Pool. If the perforations in the well are 5000 feet or deeper, please indicate perforation depths
	Forms C-115 for the well for a minimum of twelve months prior to the application date
3) Inc	lude all information in Item III.
	A summary of all attempts made and successes achieved in negotiating lower rates paid to other royalty and overriding royalty owners specific to each oil well.
	A summary of all other steps to taken to minimize the costs of operating the oil well.
	A statement that, to the best of the applicant's knowledge and experience, the well is not capable of sustained production over the production limits.
	Any other facts which may help to justify a reduction in the State royalty rate from the current rate to 5.0%.
4) En	close application fee, Item IV.
	Pay the initial application fee of \$150.00
5) Co	mplete certification in Item V.

If you have any questions, please call Paige Czoski at the Oil, Gas, and Minerals Division at (505) 827-5774 or e-mail pczoski@slo.state.nm.us