

STATE OF NEW MEXICO  
COMMISSIONER OF PUBLIC LANDS  
P. O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148



**February 21, 2023**

**STATE OF NEW MEXICO  
OIL AND GAS LEASE  
SALE NOTICE**



**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 on 21 February 2023, for the tracts of land herein described.

The sale will be held online in sealed bidding format. The sealed bid portion will close at 8:30 am MST on February 21st. Bidding will commence one week prior to lease sale day.

The sale will be held and conducted in accordance with the following terms and conditions:

The online auction will be conducted by the State Land Office contract auction house, EnergyNet. To view the online tract listing go to [www.energynet.com](http://www.energynet.com). Prospective bidders must register with EnergyNet at [https://www.energynet.com/govt\\_listing.pl](https://www.energynet.com/govt_listing.pl) and abide by the terms and conditions therein.

**Prior to development, use, or occupation of the lease area, an oil and gas lessee must have a sufficient bond on file with the State Land Office.**

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. Leases will be awarded to the highest bidder, if the offer made is deemed to be satisfactory.

The successful bidder in every case of bidding will be required to deposit forthwith, the amount bid, plus the application fee of \$100.00, plus the minimum initial charge for any lease pursuant to 19.2.100.15 NMAC and to file application in due form before the close of business on said date. The successful bidder in online bidding will be required to make the deposit via electronic fund transfer, as specified on the EnergyNet auction site.

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.

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.

 Stephanie Garcia Richard  
Digitally signed by Stephanie Garcia Richard  
Date: 2023.01.18 15:44:20 -0700

STEPHANIE GARCIA RICHARD  
COMMISSIONER OF PUBLIC LANDS

## February Oil & Gas Lease Sale

The New Mexico State Land Office Oil & Gas lease sale for January will be held online in sealed bidding format. Online bidding will commence February 14th 2023, one week prior to the lease sale date. Sealed bidding will close at 8:30 am MST on February 21st 2023.

The online auction will be conducted by the State Land Office auction house contractor, EnergyNet. When posted, the online tract listing can be viewed at [www.energynet.com](http://www.energynet.com). Prospective bidders must register with EnergyNet at [https://www.energynet.com/govt\\_listing.pl](https://www.energynet.com/govt_listing.pl) and abide by the terms and conditions therein.

**PAYMENT FOR ALL WINNING ONLINE LEASES SHALL BE MADE THE DAY OF THE SALE, BY WIRE TRANSFER, OR IN-PERSON AT THE NEW MEXICO STATE LAND OFFICE BY CASH, CHECK, MONEY ORDER, CERTIFIED CHECK, OR ELECTRONIC TRANSFER ON A SOLVENT BANK.**

**LATE PAYMENTS WILL BE REJECTED AND NO LEASE WILL BE ISSUED FOR THAT TRACT.**

("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(B) NMSA 1978.)

"Applications" are the lease information sheets as provided by EnergyNet. To verify wire transfer payment, submit copies of the dated wire instructions (sent to your bank) to [msena@slo.state.nm.us](mailto:msena@slo.state.nm.us) and [ssandoval@slo.state.nm.us](mailto:ssandoval@slo.state.nm.us) by COB of the State Land Office on the day of the sale. General contact and inquiries should be directed to [amarks@slo.state.nm.us](mailto:amarks@slo.state.nm.us).

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. All invoices will, pursuant to 19.2.100.15 NMAC, include the minimum initial charge for any lease for minimum rental (which shall be no less than \$100.00 or the annual rental, whichever is greater), plus the application fee, plus the winning bid for the lease tract.

**Prior to development, use, or occupation of the lease area, an oil and gas lessee must have a sufficient bond on file with the State Land Office.**

## NEW MEXICO STATE LAND OFFICE

## LEASE SALE NOTICE

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

Regular Sale - ONLINE SEALED BIDDING COMMENCES 14 FEBRUARY 2023. BIDDING FOR THE SEALED TRACTS WILL CLOSE 8:30 AM MST ON 21 FEBRUARY 2023. THE ONLINE AUCTION WILL BE CONDUCTED BY THE SLO CONTRACTOR ENERGYNET.

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, 1/5th royalty, AND HAVE BEEN CLASSIFIED AND CATEGORIZED IN COMPLIANCE WITH 19-10-3 NMSA 1978.

					ACRES			MINIMUM
#	TRACT	COUNTY	SEC TWP RGE	DESCRIPTION	(MORE OR LESS)	RENTAL	PRIMARY	ACCEPTABLE BID
001	VC-001	Chaves	30 10S 27E	NE4NW4	40.00	\$1.00		\$3,000.00
002	VC-002	Chaves	30 10S 27E	LOT(S) 4	39.57	\$1.00		\$3,000.00
003	VC-003	Eddy	04 18S 28E	SE4SE4	40.00	\$1.00		\$3,500.00
004	VC-004	Lea	34 14S 33E	E2	320.00	\$1.00		\$14,000.00
005	VC-005 (D)	Lea	13 17S 36E	SE4SE4	40.00	\$1.00		\$4,500.00
006	VC-006 (D)	Lea	24 17S 36E	W2	320.00	\$1.00		\$67,000.00
007	VC-007 (D)	Lea	24 17S 36E	E2	320.00	\$1.00		\$67,000.00
008	VC-008 (D)	Lea	36 17S 36E	NE4NW4, S2NW4, SW4	280.00	\$1.00		\$47,000.00
009	VC-009 (D)	Lea	36 17S 36E	E2	320.00	\$1.00		\$54,000.00
010	VC-010 (E)	Roosevelt	32 08S 34E	SE4SW4	40.00	\$1.00		\$3,000.00

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](http://www.nmstatelands.org)

## **POLICY ON COMMUNICATIONS REGARDING OIL & GAS LEASE SALE NOMINATIONS**

Because the listing of oil & gas lease tracts to be offered for bid is neither finalized nor public prior to publication, the State Land Office will not provide notification of whether submitted or internal nominations will be included in a lease sale prior to publication. Acknowledgement of receipt of nominations does not constitute a notification that such nominations will or will not be included in a lease sale. Notification of inclusion is the monthly published lease sale listing itself.

To nominate, submit a locational description of the nominated tract to [amarks@slo.state.nm.us](mailto:amarks@slo.state.nm.us) and [pczoski@slo.state.nm.us](mailto:pczoski@slo.state.nm.us). To be considered for the next month's lease sale, nominations must be submitted two Fridays before the current month's lease sale date. Lease sales are held the third Tuesday of each month.

If a nominated tract is included in a lease sale, the nominator must ensure that at least a minimum bid is submitted for the nominated tract. If no minimum bid is submitted, future nominations from the nominator may be rejected.

## **CONSERVATION EASEMENTS (CCAA)**

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 and is still open for entry for new leases despite the recent listing of the LPC as endangered. Information on the program can be found at the CEHMM website: <https://www.cehmm.org/conservation-programs>

## **Cultural Properties Protection Rule**

The State Land Office has adopted a new administrative rule, the Cultural Properties Protection Rule (19.2.24 NMAC) to protect cultural properties on state trust lands, which will take effect on December 1, 2022. The purpose of the new Rule is to proactively identify archaeological sites and other cultural properties on state trust lands and protect them before they are damaged. The Rule requires lessees of state trust lands to conduct informational reviews and cultural resource surveys before engaging in new surface disturbing activities.

The Rule provides for important exceptions, including repairs and maintenance of existing improvements, and for surface disturbing activities that are located entirely within an area of pre-existing disturbance (for example, a new well drilled within the confines of an extant well pad, or remediation and reclamation of a contaminated well pad).

The State Land Office's recently launched Cultural Resources Office will manage implementation of the Rule, along with the agency's leasing divisions. The text of the new Rule is available on the State Land Office's website at <https://www.nmstatelands.org/culturalproperties/>. For questions about the Rule including what steps lessees need to take and at what stage of the leasing process in order to be in compliance with the Rule, please contact [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us).

## **CALICHE PITS ON OIL & GAS LEASES**

### **FROM SLO MINERALS RULE 5:**

#### **19.2.5.11 USE OF NECESSARILY DISTURBED CALICHE FROM OIL AND GAS LEASE ACERAGE.**

The commissioner shall make no charge for caliche necessarily moved within roadbed or within the perimeter of a specific well pad while in the process of developing oil and natural gas under a state oil and gas lease, subject to the following conditions.

- A. Only caliche derived from the cellar and reserve pit or cut and fill, which is necessarily disturbed in the process of building an access road and/or that oil and gas well location, may be used without charge.
- B. Caliche necessarily distributed during construction must remain within the boundaries of the oil and gas lease. If excess caliche exists from a necessary disturbance, that caliche may only be moved from that location to another well site within the lease once an operator or lessee of record obtains a permit and compensates the commissioner pursuant to the terms of a community caliche pit permit.
- C. Only caliche excavated during cut and fill construction of a well pad or roads built to 19.2.20 NMAC standards will be considered necessarily disturbed.
- D. [5/14/99; 19.2.5.11 NMAC – Rn, 19 NMAC 3. SLO 5.11 09/30/02]



▲ *Do you need New Mexico Oil and Gas Info?* ▲

## USEFUL NEW MEXICO OIL AND GAS LINKS

### **New Mexico State Land Office**

[www.nmstatelands.org](http://www.nmstatelands.org)

Leasing Royalty management agency for State Trust Lands

### **SLO Lease Portal**

<https://secure.slo.state.nm.us/Applications/SLOConnect>

The ONGARD (Oil and Natural Gas Administration and Revenue Database) computer system tracks oil and gas production, taxes, and royalties in a relational database. It provides the most accurate information to date about statewide oil and natural gas production, royalties, and taxes.

### **NM Bureau of Geology and Mineral Resources**

<https://geoinfo.nmt.edu/>

Subsurface geology for the state.

### **New Mexico Oil Conservation Division**

<http://emnrd.state.nm.us/ocd/>

ONGARD database for open acres and a wealth of other state data.



## How may our Oil, Gas, and Minerals Division help you?

### **Lease Sales, Nominations, Potash Enclave, Geophysical Permitting**

Allison Marks, 505-827-5745

[amarks@slo.state.nm.us](mailto:amarks@slo.state.nm.us)

Paige Czoski, 505-827-5774

[pczoski@slo.state.nm.us](mailto:pczoski@slo.state.nm.us)

### **Reduced Royalty, Engineering, Reservoir Analysis**

Paige Czoski 505-827-5774

### **Communitization, Units, Commingling**

Baylin Lamkin 505-827-6628

Scott Dawson 505-827-5791

### **Water Easements, SWD**

Faith Crosby 505-827-5849

Mike McMillan 505-827-5788

David Gallegos 505-476-0378

### **Bonds, Shut-In Royalty, OGRIDS, Lease Expirations, Cancellations, Rentals, Assignments, Miscellaneous Instruments**

Denise Gallegos 505-827-5749

Rubel Salazar 505-827-5730

Veronica Gonzales 505-476-4538

### **Sand and Gravel, Caliche, General Mining**

Bryan Victor 505-827-5743

Chris Gonzales 505-827-5783

### **OGMD Office Procedures, Division Administration**

Allison Marks, Division Director 505-827-5745

Greg Bloom, Assistant Commissioner 505-827-5746

John Winscott, Deputy Director 505-827-5759



OUR MISSION IN THE  
OIL, GAS AND MINERALS DIVISION

*OPTIMIZE REVENUES WHILE PROTECTING  
OUR HERITAGE AND OUR FUTURE*

