

Lease Assignment Information Coversheet

The Commissioner of Public Lands may reject any assignment for a lease that is not in good standing or for other reasons pursuant to New Mexico State Land Office rules. See 19.2.100.41 NMAC. Approval of an assignment does not guarantee that a lease is in good standing with the New Mexico State Land Office. Attach additional sheets if necessary.

Only one copy of this coversheet is needed for each lease.

PART 1: TO BE COMPLETED BY ASSIGNOR

☐ Full Assignment

☐ Partial Assignment

Review and complete the following for each lease to be assigned:

Lease number (and any assignment): _____

Land description (Township, Range, Section, Quarter/Quarter): _____

SPILLS

Number of open spills reported to New Mexico Oil Conservation Division (OCD): _____

For any open spills, list RP number(s): _____

Number of spills on lease (if any) not reported to OCD: _____

Please provide a description of each unreported spill with as much information as available (date or time frame of spill, nature and volume of spill, location of spill, and any action taken to address spill), and any associated API/facility:

ROYALTY and RENTAL PAYMENTS

Is Assignor current on royalty payments, yes or no? _____

If no, how much is owed? _____ When will this amount be paid? _____

Are rental payments current, yes or no? _____

What is the annual rental payment on the lease? _____

BONDING

Is Assignor currently bonded with the State Land Office, yes or no: _____

If Yes, amount of bond(s) and name of surety: _____

Is Assignor requesting the release of the bond, yes or no: _____

COMPLIANCE

Has Assignor received or been the subject of any Notices of Violation, warning letters, compliance orders, lawsuits, or administrative proceedings, or entered into any settlement agreements, from/with OCD or SLO with respect to the lease at any point in time?

If Yes, describe (by reference to date, nature of action, etc.):

INACTIVE WELLS

If Yes, number of total wells under Assignor's operatorship: _____

Number of inactive wells under Assignor's operatorship: _____

Number of inactive wells on the lease (inactive per OCD rule 19.15.25.8 NMAC): _____

For each well on the lease, identify (1) its API and (2) its operator of record with OCD:

If any well(s) on the lease are operated by a party other than Assignor- what business relationship, if any, does Assignor have with the well operator(s):

OIL & GAS-RELATED INFRASTRUCTURE

Please detail all infrastructure on the lease (e.g. batteries, pits compressors, etc.):

PART 2: TO BE COMPLETED BY ASSIGNEE

(May be completed on a separate form)

BUSINESS STATUS

If a corporate entity, is Assignee authorized by the New Mexico Secretary of State to do business in the State of New Mexico, yes or no? _____

ROYALTY PAYMENTS

Is Assignee current on any royalty payments due to the State Land Office, yes or no? _____

If no, how much is owed? _____ When will that amount be paid? _____

BONDING

Is Assignee currently bonded with the State Land Office, yes or no: _____

If Yes, amount of bond(s) and name of surety: _____

COMPLIANCE

Has Assignee received or been the subject of any Notices of Violation, warning letters, compliance orders, lawsuits, or administrative proceedings, or entered into any settlement agreements, from/with OCD or SLO within the past five years, yes or no? _____

If Yes, describe (by reference to date, nature of action, etc.): _____

Is Assignee an operator of record of wells in New Mexico, on file with OCD, yes or no? _____

EXTENSIONS

I have reviewed any applicable extensions to this lease and understand I must request a new extension, if applicable, to the assignment and am submitting one herewith. (Initial Here) _____

INACTIVE WELLS

If Yes, number of total wells under Assignee's operatorship _____

Number of inactive wells under Assignee's operatorship _____

Number of inactive wells **on the lease** (inactive per OCD rule 19.15.25.8 NMAC): _____

For each well on the lease, identify (1) its API and (2) its operator of record with OCD:

If any well(s) on the lease are operated by a party other than Assignee - what business relationship, if any, does Assignee have with each such well operator(s):

For each inactive well on the lease, detail plans to bring each the well into production or plug and abandon:

OIL & GAS-RELATED INFRASTRUCTURE

Is Assignee assuming liability for any and all infrastructure on the lease (including pits, ponds, compressors, tank batteries etc), yes or no? _____

Acknowledgment: Assignee shall be liable for all infrastructure on a lease that is assigned to Assignee, regardless of whether the infrastructure is listed herein. Initial _____

SPILLS

Has Assignee reviewed the spill information contained in Part 1, yes or no? _____

Has Assignee performed separate due diligence as to spills on the lease, yes or no? _____

Acknowledgment: The State Land Office makes no representations as to any spills and/or releases currently on the lease by approving the assignment. The Assignee assumes all liability for any spills, releases, and reclamation of the lease. Initial _____

CULTURAL PROPERTIES

Assignee has reviewed and agrees to comply with the State Land Office's Cultural Properties Protection Rule (19.2.24 NMAC), yes or no? _____

Submitting incomplete and/or inaccurate coversheets may result in the rejection or delay of any assignment(s) submitted to the Land Office, along with any other remedy available to the Land Office.

*I hereby affirm and attest, under penalty of perjury, that _____
(Assignor Company / Representative) has performed reasonable due diligence concerning the lease(s) to be assigned, and that the foregoing statements are true and correct to the best of my knowledge and belief.*

Signature

Name (Print or Type)

Assignor Company Name

Title

Date

Email

*I hereby affirm and attest, under penalty of perjury, that _____
(Assignee Company / Representative) has performed reasonable due diligence concerning the leases to
be assigned, and that the foregoing statements are true and correct to the best of my knowledge and
belief.*

Signature

Name (Print or Type)

Assignee Company Name

Title

Date

Email