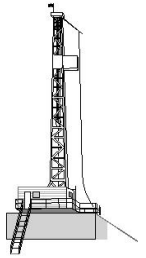
STATE OF NEW MEXICO
COMMISSIONER OF PUBLIC LANDS
P. O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

December 15, 2026

STATE OF NEW MEXICO OIL AND GAS LEASE SALE NOTICE



Docusign Envelope ID: DCA3A7AF-0048-859D-81C6-AC972FEFA93F

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 15 December 2026, 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 December 15th. 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, Efficient Markets, LLC (EnergyNet). To view the online tract listing go to www.energynet.com. Prospective bidders must register with Efficient Markets (EnergyNet) at https://app.efficientmarkets.com/government-listings 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 Efficient Markets, LLC (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.

Signed by:
Stephanie Garcia Richard/SS
1D513CA1C85E4CB...

STEPHANIE GARCIA RICHARD
COMMISSIONER OF PUBLIC LANDS

December Oil & Gas Lease Sale

The New Mexico State Land Office Oil & Gas lease sale for December will be held online in sealed bidding format. Online bidding will commence December 8, 2026, one week prior to the lease sale date. Sealed bidding will close at 8:30 am MST on December 15, 2026.

The online auction will be conducted by the State Land Office auction house contractor, Efficient Markets, LLC (EnergyNet). When posted, the online tract listing can be viewed at use https://www.efficientmarkets.com/ Prospective bidders must register with Efficient Markets, LLC (EnergyNet) at https://app.efficientmarkets.com/government-listings 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 Efficient Markets, LLC (EnergyNet). To verify wire transfer payment, submit copies of the dated wire instructions (sent to your bank) to amedina@nmslo.gov and msolano@nmslo.gov by COB of the State Land Office on the day of the sale. General contact and inquiries should be directed to amarks@nmslo.gov.

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. Any structured company (e.g., LLCs, corporations, LLLPs, etc.) who wins a lease at lease sale and seeks to have a lease in their name must be registered to do business in the state of NM and be in good standing. Companies not registered may face penalties (see, e.g., 53-19-53 NMSA). SLO leases require all lessees to be in compliance with state rules and statues. No lease will be issued after winning unless and until the company in whose name the lease will be issued is authorized to do business in the State of New Mexico.

NEW MEXICO STATE LAND OFFICE

LEASE SALE NOTICE

********** SEALED TRACTS **********

Regular Sale - ONLINE SEALED BIDDING COMMENCES 8 DECEMBER 2026. BIDDING FOR THE SEALED TRACTS WILL CLOSE 8:30 AM MST ON 15 DECEMBER 2026. THE ONLINE AUCTION WILL BE CONDUCTED BY THE SLO CONTRACTOR EFFICIENT MARKETS, LLC (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.

TRACT #		COUNTY	SEC TWP RGE	DESCRIPTION	ACRES (MORE OR LESS)	PRIMARY RENTAL	MINIMUM ACCEPTABLE BID
SQ-001		Chaves	36 15S 28E	NE4SW4, NW4SW4	80.00	$1.00	$30,000.00

Regular Sale - ONLINE SEALED BIDDING COMENCES 8 DECEMBER 2026. BIDDING FOR THE SEALED TRACTS WILL CLOSE 8:30 AM MDT ON 15 DECEMBER 2026. THE ONLINE AUCTION WILL BE CONDUCTED BY THE SLO CONTRACTOR EFFICIENT MARKETS, LLC (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, 1/4th 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
SG-001		Eddy	04 16S 29E	LOT(S) 1, 2, 7, 8	163.37	$1.00	$63,000.00
SG-002		Eddy	06 16S 29E	LOT(S) 17, 18	47.62	$1.00	$15,000.00
SG-003	(D)	Lea	34 17S 36E	NE4SE4, SE4SE4	80.00	$1.00	$8,000.00
SG-004	(D)	Lea	27 18S 36E	NE4, SE4, SW4	480.00	$1.00	$700,000.00
SG-005	(D)	Lea	34 18S 36E	ALL	640.00	$1.00	$900,000.00
SG-006	(D)	Lea	03 19S 36E	ALL	638.08	$1.00	$900,000.00
SG-007	(D)	Lea	10 19S 36E	ALL	640.00	$1.00	$900,000.00

D: ALL OR PORTION OF SURFACE NON-STATE

December 2026 Tract Rating Percentages

Per 19-10-4.3(C) NMSA, the individual percentages and total percentage for each factor set forth in 19-10-3 NMSA:

Tract No.	Oil and Gas Trends (%)	Oil and Gas Traps (%)	Reservoir Volume and Recovery (%)	Lease Sale Bonus (%)	Exploration and Activity (%)	Total (%)
SQ-001	18	18	18	20	18	92
SG-001	18	18	18	20	18	92
SG-002	18	18	18	20	18	92
SG-003	19	18	19	20	19	95
SG-004	19	18	19	20	19	95
SG-005	19	18	19	20	19	95
SG-006	19	18	19	20	19	95
SG-007	19	18	19	20	19	95

*The NM State Land Office (NMSLO) makes no representations or warranties regarding the ability to develop any oil and gas lease offered for auction based on the scoring above. The NMSLO scored each tract based on publicly available information to the best of its abilities. *

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. Notification of inclusion will be the form of the published lease sale listing.

Acknowledgement of receipt of nominations does not constitute a notification that such nominations will or will not be included in a lease sale.

To nominate, submit a location description of the nominated tract to amarks@nmslo.gov and bmcloughlin@nmslo.gov. To be considered for an upcoming month's lease sale, nominations must be submitted as early as possible. If a tract is not included in the following month's lease sale, the nomination will be rolled over to the next available month's lease sale. 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 may not be accepted.

Cultural Properties Protection Rule

The State Land Office adopted the Cultural Properties Protection Rule (19.2.24 NMAC) to protect cultural properties on state trust lands, which took effect on December 1, 2022. The purpose of this 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 Cultural Resources Office will manage the Rule, along with the agency's leasing divisions. The text of the 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@nmslo.gov .

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 RESOURCE PROTECTION

All oil & gas or mineral leases, assigns, and operators conducting drilling, production, injection, or related operations on State Trust Lands should be aware that it is a criminal offense for any person to knowingly excavate, injure, or destroy cultural property located on State Land [§ 18-6-9, NMSA 1978]. Applicants and lessees should exercise due cation to ensure that cultural properties are not inadvertently excavated, injured, or destroyed by any person. A cultural resource survey prior to any surface disturbing activity may assist in site identification and avoidance of criminal liability associated with disturbance or destruction of sites. Should any activity reveal suspected cultural property, the activity should cease until a site evaluation is made. For further information, please contact the New Mexico State Land Office Cultural Resources Office at 505-827-5781.

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 ACREAGE.

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]

BOND RULE NOTIFICATION

For the first time in over 40 years, the New Mexico State Land Office ("NMSLO") has made a significant update to its rule governing financial assurances for oil and gas leases. A copy of the rule and Frequently Asked Questions may be found at https://www.nmstatelands.org/bonding. Please note that action is required by oil and gas lessees to comply with the rule.

The rule went into effect as of September 28, 2026. The rule generally requires oil and gas lessees to post financial assurance in the base amount of $150,000 per lease, rather than the $10,000-$25,000 bonds commonly accepted under the prior rule.

The rule requires lessees of all oil and gas leases issued after the effective date of the rule to submit financial assurance in the updated amount. For most pre-existing leases, the rule provides a phased-in approach for lessees to meet the updated requirements: (1) March 1, 2027 for lessees with 50 or more NMSLO oil and gas leases, and (2) June 1, 2027 for most other lessees. Certain leases may be subject to heightened financial assurance requirements after notification from NMSLO due to unresolved compliance issues. The new rule also requires lessees to submit annual reports regarding oil and gas regarding lease activities, which will first be due July 1, 2027 for calendar year 2026.

If you have any questions, please contact Denise Gallegos of the Oil, Gas and Minerals Division at DAGALLEGOS@NMSLO.GOV.

Do you need New Mexico Oil and Gas Info?

USEFUL NEW MEXICO OIL AND GAS LINKS

New Mexico State Land Office

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.

New Mexico State Land Office Oil and Gas Manual

https://www.nmstatelands.org/divisions/oil-gas-and-minerals/oil-and-gas/notices/

2025 Oil and Gas Manual

NM Bureau of Geology and Mineral Resources

https://geoinfo.nmt.edu/

Geologic information for the State

New Mexico Oil Conservation Division

https://www.emnrd.nm.gov/ocd/

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

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

Office Procedures ▪ Division Administration

Greg Bloom	**Assistant Commissioner**	**505-827-5746**
Allison Marks	**Division Director**	**505-827-5745**
John Winscott	**Deputy Director**	**505-827-5759**
Christopher Lopez	**Office Admin / General Inquires**	**505-827-5786**

Environmental Reviews ▪ Lease Sale* ▪ Geothermal Hard Minerals ▪ Potash

Vacant	**505-827-5774**
Brian McLoughlin	**505-827-5711**
Vacant	
Chris Gonzales	**505-827-5783**
Vacant	

* FOR LEASE SALE NOMINATION EMAIL: AMARKS@NMSLO.GOV

Bonds ▪ Shut-In Royalty ▪ OGRID ▪ Lease Expirations Cancellation ▪ Rentals ▪ Assignments Miscellaneous Instruments

Denise Gallegos	**505-827-5749**
Rubel Salazar	**505-827-5730**
Veronica Gonzales	**505-827-4538**
Loriann Gurule	**505-827-5896**
Meghan Bransford	**505-827-5744**

Communitization ▪ Subsurface Agreements

Joseph Thompson	**505-827-5750**
Dylan Rose-Coss	**505-827-5791**
Rosemary Trujillo-Salinas	**505-660-0642**
Vacant	

Units ▪ Commingling

Baylen Lamkin	**505-231-0420**
Hailee Thompson	**505-476-4652**
Julius Imarhiagbe	**505 660-8861**

Water Easements ▪ Salt Water Disposal

Faith Crosby	**505-827-5849**
Mike McMillan	**505-827-5788**
David Gallegos	**505-476-0378**
Bryson Hood	**505-827-5754**



OUR MISSION IN THE OIL, GAS AND MINERALS DIVISION

OPTIMIZE REVENUES WHILE PROTECTING OUR HERITAGE AND OUR FUTURE