

FEDERAL ABSTRACT COMPANY

STATE *** FEDERAL *** INDIAN LANDS
POST OFFICE BOX 2288 SANTA FE, NEW MEXICO 87504-2288
PHONE (505)982-5537 *** FAX (505)982-2584

E-MAIL ADDRESS *** ABSTRACFED@AOL.COM

WEEKLY REPORT OF THE OIL AND GAS LEASING ACTIVITIES IN THE STATE OF NEW MEXICO,
TEXAS, OKLAHOMA AND KANSAS AS TAKEN FROM THE RECORDS IN THE UNITED STATES
DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT, STATE OFFICE AT SANTA FE,
NEW MEXICO.

Weekly Report No. 2463

September 12, 2008 thru September 19, 2008

The following Serial Registers have not been recorded: NMNM 114403 thru NMNM 114700,
NMNM 114712, NMNM 114713, NMNM 114715 thru NMNM 114719, NMNM 114736, NMNM 114737,
NMNM 114749, NMNM 114750, NMNM 114913, NMNM 114919, NMNM 114920, NMNM 114923,
NMNM 115047, NMNM 115072, NMNM 118219, TXNM 118220, NMNM 118221, OKNM 118222,
NMNM 118227, NMNM 118235, NMNM 118238, TXNM 118239, OKNM 118241, NMNM 118930,
NMNM 118931, NMNM 118961.

The following are the results of the Oil and Gas Lease Sale held by the Commissioner of Public Lands
at Santa Fe, New Mexico, Sale held September 16, 2008.

| <u>TRACT #</u> | <u>DESCRIPTION</u> | <u>LEASE #</u> | <u>BID AMOUNT</u> | <u>PRICE PER ACRE</u> |
|----------------|--------------------|----------------|-------------------|-----------------------|
|----------------|--------------------|----------------|-------------------|-----------------------|

SEALED BIDS

| | | | | |
|--------|---|--------|--|-----------------|
| VO-001 | T. 10 S. – R. 31 E. Sec. 22 – S2 Branex Resources, Inc. Yates Petroleum Corporation <u>Manzano, LLC</u> | V-8351 | \$9,642.00 \$75,817.60 <u>\$163,360.00</u> | <u>\$510.50</u> |
| VO-002 | T. 17 S. – R. 20 E. Sec. 08 – N2 <u>WITHDRAWN</u> | | | |
| VO-003 | T. 17 S. – R. 20 E. Sec. 08 – S2 <u>WITHDRAWN</u> | | | |
| VO-004 | T. 17 S. – R. 20 E. Sec. 09 – W2NE4, E2W2, W2SE4 <u>WITHDRAWN</u> | | | |
| VO-005 | T. 17 S. – R. 20 E. Sec. 10 – N2 <u>WITHDRAWN</u> | | | |
| VO-006 | T. 17 S. – R. 20 E. Sec. 10 – S2 <u>WITHDRAWN</u> | | | |
| VO-007 | T. 17 S. – R. 20 E. Sec. 15 – N2 <u>WITHDRAWN</u> | | | |
| VO-008 | T. 17 S. – R. 20 E. Sec. 16 – N2 <u>WITHDRAWN</u> | | | |

| TRACT # | DESCRIPTION | LEASE # | BID AMOUNT | PRICE PER ACRE |
|----------------|--|----------------|--|-----------------------|
| VO-009 | T. 17 S. – R. 20 E. Sec. 16 – S2 WITHDRAWN | | | |
| VO-010 | T. 17 S. – R. 20 E. Sec. 17 – N2 WITHDRAWN | | | |
| VO-011 | T. 17 S. – R. 20 E. Sec. 17 – S2 WITHDRAWN | | | |
| VO-012 | T. 02 S. – R. 33 E. Sec. 16 – N2 Veritas 321 Energy Partners | V-8352 | \$9,148.80 | \$28.59 |
| VO-013 | T. 02 S. – R. 33 E. Sec. 16 – S2 Veritas 321 Energy Partners | V-8353 | \$9,148.80 | \$28.59 |
| VB-001 | T. 11 S. – R. 31 E. Sec. 14 – S2SE4 Branex Resources, Inc. Yates Petroleum Corporation The Blanco Company Doug J. Schutz | VB-1502 | \$3,202.00 \$25,354.40 \$45,000.00 \$50,666.40 | \$633.33 |
| VB-002 | T. 25 S. – R. 30 E. Sec. 08 – SW4NE4, NW4NW4 Branex Resources, Inc. Yates Petroleum Corporation The Blanco Company Chesapeake Exploration, LLC OGX Resources, LLC Marbob Energy Corp. Crown Oil Partners III, L.P. | VB-1503 | \$6,202.00 \$30,954.40 \$33,000.00 \$36,220.80 \$40,560.00 \$48,726.00 \$96,041.00 | \$1,200.51 |
| VB-003 | T. 14 S. – R. 34 E. Sec. 22 – NE4, E2SE4 Daniel E. Gonzales The Blanco Company Yates Petroleum Corporation J. Bar Cane, Inc. Chalfant Properties, Inc. | VB-1504 | \$6,607.20 \$31,000.00 \$78,943.20 \$85,680.00 \$132,420.00 | \$551.75 |
| VB-004 | T. 16 S. – R. 34 E. Sec. 07 – Lots 3, 4, E2SW4, SE4 The Blanco Company Chase Oil Corporation Branex Resources, Inc. Wise Oil & Gas No. 8, Ltd. Yates Petroleum Corporation Daniel E. Gonzales | VB-1505 | \$30,000.00 \$30,401.00 \$32,029.00 \$44,385.46 \$47,708.29 \$48,033.58 | \$158.00 |

| TRACT # | DESCRIPTION | LEASE # | BID AMOUNT | PRICE PER ACRE |
|----------------|---|----------------|---|-----------------------|
| VB-005 | T. 26 S. – R. 33 E. Sec. 02 – N2 Branex Resources, Inc. Yates Petroleum Corporation Verde Vista Energy Co. The Blanco Company Chase Oil Corporation OGX Resources, LLC Daniel E. Gonzales Newkumet Exploration, Inc. | VB-1506 | \$9,702.00 \$23,337.60 \$32,070.00 \$37,000.00 \$56,020.00 \$93,120.00 \$288,000.00 \$384,000.00 | \$1,200.00 |
| VB-006 | T. 26 S. – R. 33 E. Sec. 02 – S2 Branex Resources, Inc. Yates Petroleum Corporation Verde Vista Energy Co. Chase Oil Corporation OGX Resources, LLC Newkumet Exploration, Inc. Daniel E. Gonzales | VB-1507 | \$9,702.00 \$24,617.60 \$32,070.00 \$56,020.00 \$68,160.00 \$224,000.00 \$288,000.00 | \$900.00 |
| VC-001 | T. 22 S. – R. 34 E. Sec. 01 – Lots 3, 4, S2NW4, S2 Crown Oil Partners III, L.P. Chase Oil Corporation Yates Petroleum Corporation J. Bar Cane, Inc. | VC-1800 | \$10,001.00 \$121,227.50 \$127,497.39 \$151,805.00 | \$313.06 |
| VC-002 | T. 24 S. – R. 33 E. Sec. 08 – W2 The Blanco Company Wise Oil & Gas No. 8, Ltd. Yates Petroleum Corporation Devon Energy Production Co. OGX Resources, LLC | VC-1900 | \$61,000.00 \$78,720.00 \$84,137.60 \$90,240.00 \$161,280.00 | \$504.00 |

ORAL BIDS

| | | | | |
|-----------------|---|---------------|---------------------|-----------------|
| VO-O-001 | T. 10 S. – R. 31 E. Sec. 22 – N2 Manzano, LLC | V-8354 | \$148,000.00 | \$462.50 |
| VO-O-002 | T. 11 S. – R. 27 E. Sec. 28 – E2 Veritas 321 Energy Partners | V-8355 | \$120,000.00 | \$375.00 |
| VO-O-003 | T. 11 S. – R. 27 E. Sec. 28 – W2 Slash Exploration, L.P. | V-8356 | \$130,000.00 | \$406.25 |
| VO-O-004 | T. 13 S. – R. 29 E. Sec. 05 – Lot 2, SW4NE4, W2SE4 Chase Oil Corporation | V-8357 | \$46,000.00 | \$287.30 |
| VO-O-005 | T. 16 S. – R. 24 E. Sec. 18 – E2 Crown Oil Partners III, L.P. | V-8358 | \$24,000.00 | \$75.00 |
| VO-O-006 | T. 16 S. – R. 24 E. Sec. 18 – Lots 1, 2, 3, 4, E2W2 | V-8359 | | |

| TRACT # | DESCRIPTION | LEASE # | BID AMOUNT | PRICE PER ACRE |
|-----------------|--|----------------|---------------------|-----------------------|
| | Crown Oil partners III, L.P. | | \$24,000.00 | \$76.60 |
| VO-O-007 | T. 16 S. – R. 29 E. Sec. 31 – Lot 4 Chase Oil Corporation | V-8360 | \$32,000.00 | \$1,252.45 |
| VO-O-008 | T. 14 S. – R. 34 E. Sec. 15 – S2 Chalfant Properties, Inc. | V-8361 | \$222,000.00 | \$693.75 |
| VO-O-009 | T. 15 S. – R. 36 E. Sec. 26 – E2, E2NW4, NE4SW4, S2SW4 Chase Oil Corporation | V-8362 | \$18,000.00 | \$34.62 |
| VO-O-010 | T. 16 S. – R. 33 E. Sec. 12 – E2 Yates Petroleum Corporation | V-8363 | \$90,000.00 | \$281.25 |
| VO-O-011 | T. 17 S. – R. 37 E. Sec. 36 – N2 Chase Oil Corporation | V-8364 | \$12,000.00 | \$37.50 |
| VB-O-001 | T. 11 S. – R. 31 E. Sec. 14 – NW4NW4 Doug J. Schutz | VB-1508 | \$29,000.00 | \$725.00 |
| VB-O-002 | T. 19 S. – R. 34 E. Sec. 03 – Lots 3, 4, S2NW4, SW4 The Blanco Company | VB-1509 | \$8,000.00 | \$24.35 |
| VB-O-003 | T. 19 S. – R. 36 E. Sec. 10 – E2 Chase Oil Corporation | VB-1510 | \$16,000.00 | \$50.00 |
| VB-O-004 | T. 25 S. – R. 33 E. Sec. 26 – NE4, SW4 Daniel E. Gonzales | VB-1511 | \$225,000.00 | \$703.13 |
| VB-O-005 | T. 25 S. – R. 33 E. Sec. 36 – E2 Daniel E. Gonzales | VB-1512 | \$100,000.00 | \$312.50 |
| VB-O-006 | T. 25 S. – R. 33 E. Sec. 36 – W2 Daniel E. Gonzales | VB-1513 | \$160,000.00 | \$500.00 |
| VC-O-001 | T. 19 S. – R. 36 E. Sec. 01 – NW4SW4 Chase Oil Corporation | VC-2000 | \$16,000.00 | \$400.00 |
| VC-O-002 | T. 24 S. – R. 33 E. Sec. 08 – E2 OGX Resources, LLC | VC-2100 | \$158,000.00 | \$493.75 |
| LH-O-001 | T. 23 N. – R. 20 E. Sec. 02 – Lots 1, 2, 3, 4 KHL, Inc., A New Mexico Corporation | LH-6764 | \$4,000.00 | \$25.13 |
| LH-O-002 | T. 23 N. – R. 20 E. Sec. 05 – E2SW4, W2SE4 KHL, Inc., A New Mexico Corporation | LH-6765 | \$4,500.00 | \$28.13 |

| TRACT # | DESCRIPTION | LEASE # | BID AMOUNT | PRICE PER ACRE |
|----------------|---|----------------|-------------------|-----------------------|
| LH-O-003 | T. 23 N. – R. 20 E. Sec. 11 – NE4NE4 Daniel E. Gonzales | LH-6766 | \$1,700.00 | \$42.50 |
| LH-O-004 | T. 23 N. – R. 20 E. Sec. 12 – NW4NW4 Daniel E. Gonzales | LH-6767 | \$2,400.00 | \$60.00 |
| LH-O-005 | T. 23 N. – R. 20 E. Sec. 12 – NE4NW4, S2NW4 KHL, Inc., A New Mexico Corporation | LH-6768 | \$3,200.00 | \$26.67 |
| LH-O-006 | T. 23 N. – R. 20 E. Sec. 14 – N2SE4 KHL, Inc., A New Mexico Corporation | LH-6769 | \$2,000.00 | \$25.00 |
| LH-O-007 | T. 23 N. – R. 20 E. Sec. 15 – NE4, SW4, N2SE4 KHL, Inc., A New Mexico Corporation | LH-6770 | \$10,400.00 | \$26.00 |
| LH-O-008 | T. 23 N. – R. 20 E. Sec. 16 – All KHL, Inc., A New Mexico Corporation | LH-6771 | \$16,500.00 | \$25.78 |
| LH-O-009 | T. 23 N. – R. 20 E. Sec. 18 – Lot 4, E2SW4 KHL, Inc., A New Mexico Corporation | LH-6772 | \$3,500.00 | \$29.02 |
| LH-O-010 | T. 23 N. – R. 21 E. Sec. 01 – SE4NE4, N2SE4, SE4SE4 KHL, Inc., A New Mexico Corporation | LH-6773 | \$800.00 | \$5.00 |
| LH-O-011 | T. 23 S. – R. 21 E. Sec. 02 – Lots 1, 4, SW4NW4, NW4SW4 KHL, Inc., A New Mexico Corporation | LH-6774 | \$400.00 | \$2.50 |
| LH-O-012 | T. 23 N. – R. 21 E. Sec. 02 – SW4SW4 Daniel E. Gonzales | LH-6775 | \$2,100.00 | \$52.50 |
| LH-O-013 | T. 23 N. – R. 21 E. Sec. 03 – SE4SE4 Daniel E. Gonzales | LH-6776 | \$2,200.00 | \$55.00 |
| LH-O-014 | T. 23 N. – R. 21 E. Sec. 11 – N2N2 KHL, Inc., A New Mexico Corporation | LH-6777 | \$800.00 | \$5.00 |
| LH-O-015 | T. 23 N. – R. 21 E. Sec. 12 – S2NE4 KHL, Inc., A New Mexico Corporation | LH-6778 | \$1,800.00 | \$22.50 |
| LH-O-016 | T. 23 N. – R. 21 E. Sec. 16 – E2, NW4, N2SW4 KHL, Inc., A New Mexico Corporation | LH-6779 | \$1,600.00 | \$2.86 |
| LH-O-017 | T. 22 N. – R. 19 E. Sec. 01 – Lots 1, 2, S2NE4, NE4SE4 KHL, Inc., A New Mexico Corporation | LH-6780 | \$6,000.00 | \$29.96 |

| TRACT # | DESCRIPTION | LEASE # | BID AMOUNT | PRICE PER ACRE |
|----------------|---|----------------|--------------------|-----------------------|
| LH-O-018 | T. 22 N. – R. 19 E. Sec. 02 – Lots 1, 2, S2NE4, W2SW4, SE4SW4, SE4 KHL, Inc., A New Mexico Corporation | LH-6781 | \$12,400.00 | \$28.11 |
| LH-O-019 | T. 22 N. – R. 19 E. Sec. 03 – SW4NE4, N2SE4, SE4SE4 KHL, Inc., A New Mexico Corporation | LH-6782 | \$5,500.00 | \$34.38 |
| LH-O-020 | T. 22 N. – R. 19 E. Sec. 10 – NE4NE4, S2NE4 Daniel E. Gonzales | LH-6783 | \$5,100.00 | \$42.50 |
| LH-O-021 | T. 22 N. – R. 19 E. Sec. 11 – SW4NE4, W2NW4, SE4NW4 KHL, Inc., A New Mexico Corporation | LH-6784 | \$5,500.00 | \$34.38 |
| LH-O-022 | T. 22 N. – R. 20 E. Sec. 05 – N2 KHL, Inc., A New Mexico Corporation | LH-6785 | \$10,000.00 | \$31.25 |
| LH-O-023 | T. 22 N. – R. 20 E. Sec. 08 – N2NE4, SW4NE4, N2SW4, SW4SW4 KHL, Inc., A New Mexico Corporation | LH-6786 | \$7,500.00 | \$31.25 |
| LH-O-024 | T. 22 N. – R. 21 E. Sec. 16 – All KHL, Inc., A New Mexico Corporation | LH-6787 | \$2,000.00 | \$3.13 |
| LH-O-025 | T. 22 N. – R. 21 E. Sec. 32 – Lots 1, 2, 3, 4, NE4, W2SE4, SE4SE4 KHL, Inc., A New Mexico Corporation | LH-6788 | \$2,000.00 | \$4.21 |
| LH-O-026 | T. 22 N. – R. 21 E. Sec. 36 – All KHL, Inc., A New Mexico Corporation | LH-6789 | \$3,500.00 | \$5.47 |
| LH-O-027 | T. 23 N. – R. 18 E. Sec. 23 – NE4 Daniel E. Gonzales | LH-6790 | \$6,100.00 | \$38.13 |
| LH-O-028 | T. 23 N. – R. 18 E. Sec. 23 – W2 KHL, Inc., A New Mexico Corporation | LH-6791 | \$10,000.00 | \$31.25 |
| LH-O-029 | T. 23 N. – R. 18 E. Sec. 25 – All KHL, Inc., A New Mexico Corporation | LH-6792 | \$18,500.00 | \$28.91 |
| LH-O-030 | T. 23 N. – R. 18 E. Sec. 26 – E2, E2W2 KHL, Inc., A New Mexico Corporation | LH-6793 | \$14,500.00 | \$30.21 |
| LH-O-031 | T. 23 N. – R. 18 E. Sec. 27 – W2NE4, W2, W2SE4 KHL, Inc., A New Mexico Corporation | LH-6794 | \$14,000.00 | \$29.17 |
| LH-O-032 | T. 23 N. – R. 18 E. Sec. 34 – NW4 KHL, Inc., A New Mexico Corporation | LH-6795 | \$6,000.00 | \$37.50 |

| TRACT # | DESCRIPTION | LEASE # | BID AMOUNT | PRICE PER ACRE |
|----------------|---|----------------|--------------------|-----------------------|
| LH-O-033 | T. 23 N. – R. 18 E. Sec. 35 – E2NE4, N2SE4 Daniel E. Gonzales | LH-6796 | \$6,100.00 | \$38.13 |
| LH-O-034 | T. 23 N. – R. 18 E. Sec. 36 – All KHL, Inc., A New Mexico Corporation | LH-6797 | \$21,000.00 | \$32.81 |
| LH-O-035 | T. 23 N. – R. 19 E. Sec. 02 – Lots 1, 2, 3, 4, W2SW4 KHL, Inc., A New Mexico Corporation | LH-6798 | \$10,000.00 | \$42.18 |
| LH-O-036 | T. 23 N. – R. 19 E. Sec. 16 – W2NE4, W2, SE4 Daniel E. Gonzales | LH-6799 | \$19,000.00 | \$33.93 |
| LH-O-037 | T. 23 N. – R. 19 E. Sec. 24 – E2, SW4 KHL, Inc., A New Mexico Corporation | LH-6800 | \$16,000.00 | \$33.33 |
| LH-O-038 | T. 23 N. – R. 19 E. Sec. 25 – N2NW4 KHL, Inc., A New Mexico Corporation | LH-6801 | \$3,000.00 | \$37.50 |
| LH-O-039 | T. 23 N. – R. 19 E. Sec. 26 – SE4NE4, SE4SW4, W2SE4 KHL, Inc., A New Mexico Corporation | LH-6802 | \$5,000.00 | \$31.25 |
| LH-O-040 | T. 23 N. – R. 19 E. Sec. 26 – N2NE4 KHL, Inc., A New Mexico Corporation | LH-6803 | \$5,000.00 | \$62.50 |
| LH-O-041 | T. 23 N. – R. 19 E. Sec. 32 – NW4NW4 KHL, Inc., A New Mexico Corporation | LH-6804 | \$15,000.00 | \$375.00 |
| LH-O-042 | T. 23 N. – R. 19 E. Sec. 35 – NE4NW4 KHL, Inc., A New Mexico Corporation | LH-6805 | \$3,000.00 | \$75.00 |
| LH-O-043 | T. 23 N. – R. 19 E. Sec. 36 – All KHL, Inc., A New Mexico Corporation | LH-6806 | \$9,000.00 | \$14.06 |
| LH-O-044 | T. 23 N. – R. 20 E. Sec. 19 – Lots 1, 2, 3, 4, W2NE4, SE4NE4, E2NW4, NE4SW4, N2SE4, SW4SE4 Daniel E. Gonzales | LH-6807 | \$19,000.00 | \$36.33 |
| LH-O-045 | T. 23 N. – R. 20 E. Sec. 20 – S2NE4, SE4NW4, NE4SW4, N2SE4 KHL, Inc., A New Mexico Corporation | LH-6808 | \$8,000.00 | \$33.33 |
| LH-O-046 | T. 23 N. – R. 20 E. Sec. 21 – SW4NE4, NE4NW4, S2NW4, SW4, W2SE4 KHL, Inc., A New Mexico Corporation | LH-6809 | \$14,000.00 | \$35.00 |
| LH-O-047 | T. 23 N. – R. 20 E. Sec. 22 – SE4NE4 KHL, Inc., A New Mexico Corporation | LH-6810 | \$4,000.00 | \$100.00 |

| TRACT # | DESCRIPTION | LEASE # | BID AMOUNT | PRICE PER ACRE |
|----------------|--|----------------|-------------------|-----------------------|
| LH-O-048 | T. 23 N. – R. 20 E. Sec. 24 – N2NE4 KHL, Inc., A New Mexico Corporation | LH-6811 | \$6,000.00 | \$75.00 |
| LH-O-049 | T. 23 N. – R. 20 E. Sec. 25 – NW4NE4, NE4NW4 KHL, Inc., A New Mexico Corporation | LH-6812 | \$5,000.00 | \$62.50 |
| LH-O-050 | T. 23 N. – R. 20 E. Sec. 26 – SW4NW4, NW4SW4 KHL, Inc., A New Mexico Corporation | LH-6813 | \$6,000.00 | \$75.00 |
| LH-O-051 | T. 23 N. – R. 20 E. Sec. 27 – S2NE4, N2NW4, SE4NW4 KHL, Inc., A New Mexico Corporation | LH-6814 | \$10,000.00 | \$50.00 |
| LH-O-052 | T. 23 N. – R. 20 E. Sec. 28 – NW4NE4, NE4NW4, SW4NW4, S2SW4, SW4SE4 KHL, Inc., A New Mexico Corporation | LH-6815 | \$12,000.00 | \$50.00 |
| LH-O-053 | T. 23 N. – R. 20 E. Sec. 29 – S2NE4, SE4NW4, E2SW4, SE4 KHL, Inc., A New Mexico Corporation | LH-6816 | \$14,000.00 | \$38.89 |
| LH-O-054 | T. 23 N. – R. 20 E. Sec. 30 – Lot 2, NW4NE4, SE4NW4 KHL, Inc., A New Mexico Corporation | LH-6817 | \$6,000.00 | \$49.84 |
| LH-O-055 | T. 23 N. – R. 20 E. Sec. 31 – Lots 2, 3, 4, S2NE4, SE4NW4, E2SW4, SE4 KHL, Inc., A New Mexico Corporation | LH-6818 | \$6,000.00 | \$12.51 |
| LH-O-056 | T. 23 N. – R. 20 E. Sec. 32 – All KHL, Inc., A New Mexico Corporation | LH-6819 | \$22,000.00 | \$34.38 |
| LH-O-057 | T. 23 N. – R. 20 E. Sec. 33 – NW4NE4, N2NW4, SW4, NW4 KHL, Inc., A New Mexico Corporation | LH-6820 | \$8,000.00 | \$50.00 |
| LH-O-058 | T. 23 N. – R. 20 E. Sec. 36 – Lots 1, 4 KHL, Inc., A New Mexico Corporation | LH-6821 | \$6,000.00 | \$93.68 |
| LH-O-059 | T. 23 N. – R. 21 E. Sec. 36 – E2NE4, NW4, W2SW4, SE4SW4, NE4SE4, S2SE4 KHL, Inc., A New Mexico Corporation | LH-6822 | \$6,000.00 | \$12.50 |

