



**Stephanie Garcia Richard, Commissioner of Public Lands
State of New Mexico**

EXHIBIT 1: BID INFORMATION SHEET

Land Sale LE-1423
Lea County, New Mexico

I. GENERAL INFORMATION. The Commissioner of Public Lands of the State of New Mexico (the “Commissioner”), through the New Mexico State Land Office (“State Land Office”), is accepting sealed bids for the sale of the surface estate of 80.00± acres, more or less. The land offered for sale is located eleven miles south of Lovington, New Mexico, Lea County, New Mexico in Section 32, Township 17 South, Range 36 East, N.M.P.M., as described more particularly below (hereinafter, the “Land”). Access to the Land is provided by Lee Ranch Road, approximately 1.5 mile south of the junction of Lee Ranch Road and Buckeye Road. The minimum bid is \$680,000.00 (six hundred eighty thousand dollars) (the “Minimum Bid”). Additional information regarding the Land, the Minimum Bid, requirements for submitting a bid, and the terms and conditions of bids is set forth below. The entire bid packet should be reviewed before submitting a bid.

The Land is offered for cash sale (i.e., full payment in cash due at closing) as a single tract only. Bids for less than the entire tract will not be considered. The Commissioner reserves the right to reject all bids.

A Public Notice soliciting bids for purchase the Land has been published as required by law in *The Santa Fe New Mexican*, *The Hobbs News Sun*, and *NFB Newslines*. A copy of the Application and Bid to Purchase State Trust Lands is included in the bid packet as Exhibit 3. This Bid Information Sheet and the entire bid packet, including the public notice, are also posted on the State Land Office website, www.nmstatelands.org/open-public-auctions/.

II. BID SUBMISSION DEADLINE. Completed bids must be submitted to the State Land Office, 310 Old Santa Fe Trail, Santa Fe, NM, 87501 (courier service or personal delivery) or P.O. Box 1148, Santa Fe, NM 87504-1148 (USPS postal mail), Attention: Christopher Wolf, Economic Development Representative. **BIDS MUST BE RECEIVED NO LATER THAN 3:00 P.M. on August 7, 2025.** Additional information regarding the bid process can be obtained from Christopher Wolf, Special Projects Analyst, Commercial Resources Division, at the above address or by calling (505) 827-5095.

III. SEALED BID OPENING.

Date: August 8, 2025

Time: 11:00 a.m. MST

Place: 310 Old Santa Fe Trail, Santa Fe, NM 88504 (Morgan Hall)

IV. THE LAND.

A. Property Description. The Land is located in Lea County roughly 11 miles south of Lovington, New Mexico and approximately 18 miles northwest of Hobbs, New Mexico. The legal description is as follows:

A tract of land located in the N½SW¼ of Section 32, Township 17 South, Range 36 East, N.M.P.M., consisting of 80.00 acres, more or less.

B. Street Address. 176 Lee Ranch Road, Lovington, Lea County, New Mexico.

C. Existing Improvements. Improvements on the Land include a roughly 3,975 sq. ft. residence constructed circa 1968 with a pool, a horse barn, arena, equipment barn, electric submersible domestic well, stucco fence, barbed wire fences, and several outbuildings/pens.

D. Current Use. The Land is currently used as a rural home site with native pastures under a State Land Office lease (BL-3065), which will be relinquished at or before closing. Previously, the Land was used as part of a larger ranch that included a grazing lease for the Land and an additional contiguous 17,718 acres of state trust lands (Lease No. GT-2754) and additional fee land. This auction is for the sale of the 80.00± acres of surface estate only. Unless waived by the current occupant, the State Land Office will provide at least 60 days notice to the occupant prior to closing of a sale.

E. Encumbrances. The Land will be conveyed subject to all valid and existing leases, easements, restrictions, and reservations. Exhibit 4 of the bid packet provides a listing of multiple rights-of-way on the land as recorded in the State Land Office tract books. In addition, the mineral estate (which will be reserved to the State) is encumbered by an active State Land Office oil and gas lease (No. VC-0303-0002), which allows a certain amount of use of the surface as reasonably necessary to explore for and produce oil and gas.

F. Inspection of the Land. Anyone wishing access to inspect the Land must contact the State Land Office for written authorization. On July 12, 2025, from 1 p.m. to 4 p.m. MDT, the State Land Office will host an open house viewing of the residence for persons interested in bidding on the land, who have registered to participate in the open house, provided identification, and signed in.

G. Single Tract of Land offered "AS IS." Bids for less than the entire tract will not be considered. The Commissioner makes no representation or warranty, express

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or implied, written or oral, with respect to the condition of the Land, or its fitness, suitability, or availability for any particular use.

V. MINIMUM BID AND TYPES OF BIDS PERMITTED.

By law, the Commissioner must receive not less than the appraised “true” value for the land and is prohibited from accepting any bid that does not offer the “true” value. The minimum bid is set at the appraised “true” value of \$680,000.00 (six hundred eighty thousand dollars). The cash price must be received at closing. Bids offering less than the minimum bid will not be considered. Bidders are encouraged to offer amounts greater than the minimum bid, with additional amounts in increments of \$1,000.00.

VI. PAYMENT OF COSTS; DEPOSITS; BID REQUIREMENTS.

A. Payment of All Costs; Deposits. The successful bidder will be required to pay all costs associated with the transaction, including without limitation, surveys, appraisals, title insurance costs, settlement fees, and recordation costs. Bids must be accompanied by all of the deposits described below. Deposits must be in the form described in subsection VI.C-D, below.

B. Non-Refundable Application Fee. The Application and Bid to Purchase State Trust Lands must be accompanied by a non-refundable \$200.00 application fee.

C. Transaction Cost Deposit:

Advertising public auction (estimated)	\$7,200.00
Advertising Section 19-7-9.1 public meeting	\$588.87
Appraisal	\$3,176.25
Appraisal review	\$600.00
Survey	<u>\$4,846.46</u>
Total Transaction Cost Deposit	<u>\$16,411.58</u>

Performance Deposit (10% of Minimum Bid): **\$68,000.00**

Total of Deposits (Transaction/Performance Deposit): **\$84,411.58**

The successful bidder, if any, may be required to deposit additional funds for the Transaction Deposit, or to pay any additional costs due prior to completion of the transaction upon final determination of those costs.

D. Form of Deposits. All deposits must be made by cashier’s check, electronic wire transfer or other certified funds payable to the New Mexico Commissioner of Public Lands. Cashier’s checks or certified funds must be from a bank or other issuer, and in form acceptable to the Commissioner. Matters which will result in disqualification of a deposit and the related bid(s) include without limitation: funds being drawn on banks or issuers located outside the United States, payment of deposits being subject to contingencies unrelated to the transaction, or deposit documents which are

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postdated. Deposits that do not conform to these requirements will result in disqualification of the associated bids.

E. Requirements for Submitting Bids; Proof of Ability to Pay; Applicable Rules. Sealed bids to purchase the Land must be made through a submitted Application and Bid to Purchase State Trust Lands supplying all information and documentation requested. Supporting documentation for the ability to pay may take the form of a letter of credit or firm loan commitment from an issuer acceptable to the Commissioner, or bank or brokerage firm statements demonstrating sufficient cash deposits or liquid securities to pay the balance due at closing.

F. Procedure to Submit a Bid. To be considered, bids must conform to the following: The outer envelope must contain all deposits as described in Paragraph VI.A, above, clearly marked for Sale No. LE-1423. An inner envelope marked "Sealed bid – not to be opened until August 8, 2025, LE-1423," must contain a completed and notarized Application and Bid to Purchase State Trust Lands.

G. Supplemental Information. The Commissioner reserves the right to require the submission of supplemental information and/or to conduct interviews with any or all bidders in the course of selecting the highest and best bid.

H. Deposits of Unsuccessful Bidders Refunded; Forfeit of Performance Deposit. The deposits of unsuccessful bidders, minus non-refundable application fees will be refunded. The successful bidder's Transaction Deposit is non-refundable, regardless of whether the transaction closes. Once the Commissioner and the selected bidder enter into a written agreement for conveyance of the Land, the performance Deposit of the selected bidder is subject to forfeit for failure to complete the transaction.

VII. RESERVATIONS; ADDITIONAL TERMS AND CONDITIONS.

A. Conveyance Subject to Reservations and Encumbrances; Reservation of all Minerals and Geothermal Resources and certain Water Rights; Surface Non-Disturbance Agreement. Any transaction entered into for the Land will reserve to the Commissioner: (1) all geothermal resources in, under or upon the Land; (2) all minerals of whatsoever kind in, under or upon the Land, including but not limited to, oil and natural gas, helium, carbon dioxide, coal and lignite, uranium, brine, salt, copper, iron, lead, talc, barite, gold and silver, precious and semi-precious stones and jewels, caliche, building stones, shale, clay, sand, gravel, and all commercially valuable rock; all of the foregoing whether or not now known to exist or to have value, of whatever form or type, at whatever depth, in whatever nature of deposit, whether solid, semi-solid, liquid, or gaseous, whether similar or dissimilar to any of those minerals enumerated, and regardless of the method of extraction, whether by wells (including input wells), mining (including by subterranean, open-pit, or strip mines), surface or subsurface leaching or dissolution, or any other means now or hereafter known or employed); (3) all rights to use present and future underground spaces in all strata under the Land, whether in caverns, fissures, pores, on the surface of formation rocks or otherwise, for any

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commercially valuable purpose whatever including but not limited to storage and/or sequestration and/or transport of fluids and gases (hereinafter, “pore space rights”); and (4) (i) all rights of access and surface use necessary for or reasonably incident to exploration for and extraction, injection, and removal of the reserved geothermal resources and minerals or the development and use of reserved pore space rights; (ii) the right to execute leases, permits and other agreements for geothermal resource and mineral exploration, development, and operation, and the use of reserved pore space rights; (iii) the right to sell or dispose of the geothermal resources, minerals or reserved pore space rights; (iv) the right to grant rights-of-way or entry and easements for geothermal, mineral and reserved pore space rights purposes; (v) the right to prospect for, mine, produce, and remove geothermal resources and minerals, the right to prospect for and use reserved pore space rights; and (vi) the right to perform any and all acts necessary in connection with the foregoing reserved minerals, geothermal resources, and reserved pore space rights.

B. Commissioner’s Right to Reject Bids. The Commissioner reserves the right to reject any bid that does not meet the minimum requirements set forth above. The Commissioner also reserves the right to reject all bids and withdraw the Land from sale or to reinitiate the process of offering the Land for sale on the same or different terms at a future date.

C. No Obligation Until Written Agreement Entered Into Following Selection; Closing. Except as provided herein regarding deposits, neither the Commissioner nor any bidder will have any enforceable obligation to the other in connection with this auction until and unless a highest bidder has been selected and the parties have entered into a written agreement setting forth the terms of the transaction. The Commissioner’s selection of a bid shall not constitute or be evidence of a contract between the Commissioner and the selected bidder. Closing shall occur no later than 90 days after the selection of the winning bid. As noted above, unless waived by the current occupant of the Land, the State Land Office will provide at least 60 days notice to the occupant prior to closing of a sale.

D. Disqualification of Successful Bidder; Selection of Alternate Bidder. The Commissioner may disqualify a successful bidder if: (1) the Commissioner discovers a material misrepresentation in the bidder’s Bid; (2) the bidder withdraws its bid within ten (10) days of being selected as the successful bidder; or, (3) if the Commissioner and the bidder for any reason do not agree on the final terms of a written agreement and fail to execute such an agreement within forty-five (45) days of the bidder being selected as the successful bidder. In the event an initially successful bidder is disqualified, the Commissioner may select the next highest and best bidder, or declare that no bid was successful. The return of any deposits to bidders initially not selected as successful by the Commissioner shall not prevent the Commissioner from selecting another bidder as provided for herein.

Disabled individuals requiring aid to bid may call (505) 827-5724. Upon request, this notice may be available in other formats.