



NEWS RELEASE

US DEPARTMENT OF THE INTERIOR ■ BUREAU OF LAND MANAGEMENT
NEW MEXICO STATE OFFICE ■ 1474 RODEO RD ■ SANTA FE NM 87505

Hans Stuart ■ Public Affairs Chief ■ 505.438.7510

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For Additional Information

Kitty Mulkey 505.438.7511

Bernadine Martinez 505.438.7530

BLM to Hold Federal Oil and Gas Lease Sale October 20

The Bureau of Land Management (BLM) is offering leases for sale on federal lands and mineral rights on 101 parcels totaling over 45,087 acres in New Mexico, Texas, Oklahoma and Kansas. The oral auction will take place on Wednesday, October 20, 2004, at the **National Park Service, (NPS) Paisano Building, 2968 Rodeo Park Drive West, Cactus Room No. 2080, Santa Fe, New Mexico**, across Rodeo Road from the BLM location.

The NPS will open to the public at 8:00 a.m., to allow each interested party, time to obtain a bidding number. The sale will commence promptly at 9:00 a.m. Only oral bids offered at the sale will be accepted.

Leases will be awarded to the qualified bidder offering the highest acceptable bid. The minimum acceptable bid is \$2.00 per acre.

The breakdown by State is as follows:

- 1 parcel totaling 160 acres in Kansas;
- 88 parcels totaling 40,759 acres in New Mexico;
- 10 parcels totaling 2,792 acres in Oklahoma;
- 2 parcels totaling 1,376 acres in Texas.

Leases will be awarded for a period of 10 years, or as long thereafter as there is production in paying quantities. The government receives 12½ percent royalties on production on those leases.

The federal government returns half of the royalties, rents and bonus bids it collects on federal mineral leases to the state. New Mexico has received over \$4 billion in revenue from mineral production on federal public lands since the 1920s. More than \$3.6 billion of this total was received from oil and gas production on federal lands. In Fiscal Year 2003, New Mexico received over \$300 million in royalties, rents and bonuses from oil and gas production on federal lands, which is earmarked for schools and other education funding throughout New Mexico.

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