

BLM New Mexico oil, gas lease sale nets more than \$8 million

Written by Staff Reports

Friday, 11 September 2020 03:57



Nearly 50 percent of revenue will go to the states

SANTA FE—The Bureau of Land Management New Mexico raised \$8,284,586. in its oil and gas lease sale held Aug. 26-27. Nearly 50 percent of the revenue from the sale will go to the states where the oil and gas activity occurs—in this case New Mexico, Oklahoma and Texas—while the rest will go to the U.S. Treasury. The states use the revenue from lease sales to fund services including schools, hospitals, law enforcement and infrastructure projects.

For this sale, the BLM offered leases on 113 parcels totaling 48,776.1. The highest bid per acre was \$21,512 which sold to Federal Abstract Company for 120 acres in Eddy County, N.M. The same parcel also received the highest bid per parcel with a total of \$2,581,790.

The BLM awards oil and gas leases for a term of 10 years and as long thereafter as there is production of oil and gas in paying quantities. If the leases result in producing oil or gas wells, revenue from royalties based on production is also shared with the state.

The BLM's policy is to promote oil and gas development if it meets the guidelines and regulations set forth by the National Environmental Policy Act of 1969 and other subsequent laws.

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For more information about the sale: [www. blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-lease-sales/new-mexico](http://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-lease-sales/new-mexico)