

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

AGRICULTURAL LEASE

LEASE NO. **GT-3284-0000**

THIS LEASE, DATED **DECEMBER 11, 2023**, IS ENTERED INTO BY AND BETWEEN THE COMMISSIONER OF PUBLIC LANDS, NEW MEXICO STATE LAND OFFICE, STATE OF NEW MEXICO, HEREINAFTER CALLED "LESSOR" AND:

1	JAMES W. PITILLO
2	CLINT HEBERT

HEREINAFTER CALLED "LESSEE(S)," WHOSE ADDRESS OF RECORD IS:

**3933 W. FM 1644  
FRANKLIN, TX, 77856**

LESSOR AND LESSEE AGREE AND COVENANT AS FOLLOWS:

1. LEASE.

SUBJECT TO THE TERMS AND CONDITIONS CONTAINED IN THIS LEASE AND ALL OTHER EXISTING RIGHTS, LESSOR LEASES TO LESSEE THE LAND DESCRIBED IN EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE. THIS LEASE IS GOVERNED BY 19.2.8 NMAC (RULE 8).

2. TERM.

THE TERM OF THIS LEASE SHALL BEGIN ON **DECEMBER 11, 2023** AND SHALL EXPIRE AT THE END OF THE DAY ON **SEPTEMBER 30, 2028**.

3. RENT.

THE ANNUAL RENT SHALL NOT BE LESS THAN THE MINIMUM RENTAL ESTABLISHED BY SECTION 19-7-29 NMSA 1978 AND SHALL BE PAID IN ADVANCE FOR EACH LEASE YEAR AND RECEIVED IN THE STATE LAND OFFICE ON OR BEFORE OCTOBER 1 OF EACH LEASE YEAR. IF THE ANNUAL RENTAL HAS NOT BEEN ESTABLISHED BY COMPETITIVE BID, THE ANNUAL RENTAL FOR GRAZING LAND SHALL BE DETERMINED FOR EACH SUCCESSIVE YEAR AS FOLLOWS: ANNUAL RENTAL = BASE VALUE X CARRYING CAPACITY X ACREAGE X ECONOMIC VARIABLE INDEX (EVI), AS DEFINED BY RULE 8 (19.8.11). IN NO EVENT SHALL THE APPLICATION OF THE EVI INCREASE OR DECREASE THE ANNUAL RENT BY MORE THAN THIRTY-THREE AND ONE-THIRD PERCENT. IN THE CASE OF GRAZING RENTAL OFFERS ON OPEN ACREAGE OR PURSUANT TO COMPETITIVE BID, LESSOR MAY ACCEPT GREATER RENTAL AMOUNTS THAN THOSE DETERMINED BY THE FOREGOING FORMULA, BUT THE ANNUAL GRAZING RENTAL DUE IN ANY LEASE YEAR SHALL NOT BE LESS THAN THE FORMULA AMOUNT. THE ANNUAL RENTAL FOR CULTIVATED LAND, ASSOCIATED LAND AND CONSERVATION RESERVE PROGRAM LAND SHALL BE DETERMINED BY LESSOR AND SHALL REMAIN UNCHANGED DURING THE TERM OF THE LEASE. THE TYPE OF LAND HEREBY LEASED AND THE ANNUAL RENTAL AMOUNT FOR THIS LEASE FOR THE FIRST LEASE YEAR SHALL BE AS SET OUT IN EXHIBIT A ATTACHED HERETO.

4. PERMITTED USE.

LESSEE MAY USE THE LEASED PREMISES ONLY FOR SUCH OPERATIONS AND ACTIVITIES AS ARE NECESSARY TO CARRY OUT THE PURPOSES FOR WHICH THE LEASE IS GRANTED AS SPECIFIED IN EXHIBIT B, AND IN ORDER TO COMPLY WITH ALL APPLICABLE PROVISIONS OF LAW REGARDING THE CARE AND PROTECTION OF THE LEASED PREMISES. THIS LEASE DOES NOT AUTHORIZE LESSEE TO APPROPRIATE WATER FROM THE LEASED PREMISES FOR COMMERCIAL SALES. WATER WELLS SHALL BE UTILIZED ONLY FOR OPERATIONS AND

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ACTIVITIES ON THE LEASED PREMISES CONSISTENT WITH THE PURPOSES FOR WHICH THE LEASE IS GRANTED. FOR ANY WELL OR GROUND OR SURFACE WATER POINT OF DIVERSION LOCATED ON THE LEASED PREMISES THAT IS USED FOR PURPOSES OTHER THAN IRRIGATION, IF LESSEE MAKES ANY FILING WITH THE NEW MEXICO OFFICE OF THE STATE ENGINEER (OSE) SEEKING TO MAKE AN APPROPRIATION, CHANGE OWNERSHIP, CHANGE A POINT OF DIVERSION, PLACE OF USE, OR PURPOSE OF USE, OR TO TRANSFER ANY WATER RIGHTS OFF OR ONTO THE LEASED PREMISES, LESSEE SHALL CONTEMPORANEOUSLY SEND A COPY OF THAT FILING TO LESSOR. LESSEE SHALL INDICATE ON ANY SUCH FILING WITH OSE THAT THE WELL OR SURFACE WATER POINT OF DIVERSION IS LOCATED ON STATE TRUST LANDS OWNED BY THE STATE OF NEW MEXICO AND MANAGED BY LESSOR.

5. LIEN.

AS SECURITY FOR THE PAYMENT OF ANY RENT THAT IS OR MAY BECOME DUE AND UNPAID, LESSOR HAS A STATUTORY FIRST AND PRIOR LIEN UPON ANY AND ALL IMPROVEMENTS AND CROPS ON THE LEASED PREMISES.

6. IMPROVEMENTS.

NO IMPROVEMENTS, EXCEPT AS OTHERWISE PROVIDED BY LAW, SHALL BE PLACED ON THE LEASED PREMISES WITHOUT THE PRIOR WRITTEN CONSENT OF THE LESSOR. ALL IMPROVEMENTS PLACED ON THE LEASED PREMISES IN VIOLATION OF THIS PARAGRAPH SHALL BE CONSIDERED AND TREATED AS UNAUTHORIZED IMPROVEMENTS IN ACCORDANCE WITH THE APPLICABLE LAWS AND RULES.

7. ASSIGNMENT, SUBLEASE AND RELINQUISHMENT.

LESSEE SHALL NOT ASSIGN OR SUBLEASE THE LEASED PREMISES OR THE IMPROVEMENTS ON SAID PREMISES WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR AND SATISFYING SUCH OTHER REQUIREMENTS AS PRESCRIBED BY LAW OR RULE OR AS OTHERWISE MAY BE REQUIRED BY LESSOR. AS PROVIDED BY LAW AND RULE ANY LEASE IN GOOD STANDING MAY BE RELINQUISHED TO THE STATE. UPON RELINQUISHMENT, HOWEVER, THE LESSEE SHALL NOT BE ENTITLED TO A REFUND OF RENTALS PREVIOUSLY OWING AND PAID.

8. COLLATERAL ASSIGNMENT.

THIS LEASE MAY BE ASSIGNED AS COLLATERAL SECURITY SUBJECT TO THE EXPRESS WRITTEN CONSENT OF THE LESSOR AND SUCH OTHER TERMS AND CONDITIONS AS PRESCRIBED BY LAW OR RULE. LESSOR'S APPROVAL OF A COLLATERAL ASSIGNMENT SHALL NOT PREVENT THE CANCELLATION OF THE LEASE FOR THE NONPAYMENT OF RENTAL OR OTHER VIOLATIONS OF THE LEASE TERMS.

9. DEFAULT AND CANCELLATION.

THE VIOLATION BY LESSEE OF ANY OF THE TERMS, CONDITIONS, OR COVENANTS OF THIS LEASE OR APPLICABLE STATE LAND OFFICE RULES, OR THE NONPAYMENT BY LESSEE OF THE RENT DUE UNDER THIS LEASE, SHALL AT THE OPTION OF LESSOR BE CONSIDERED A DEFAULT AND SHALL CAUSE THE CANCELLATION OF THIS LEASE 30 DAYS AFTER THE LESSOR HAS SENT WRITTEN NOTICE OF SUCH DEFAULT TO THE LESSEE AND TO ANY HOLDERS OF COLLATERAL ASSIGNMENTS BY REGISTERED MAIL, ADDRESSED TO THE POST OFFICE ADDRESS OF RECORD, PROVIDED, HOWEVER, IF WITHIN THE THIRTY DAYS THE LESSEE OR HOLDERS OF ANY COLLATERAL ASSIGNMENTS SHALL COMPLY WITH THE DEMAND MADE IN THE NOTICE, CANCELLATION SHALL NOT BE MADE.

10. RENEWAL.

ANY LESSEE WHO DESIRES TO SECURE A NEW LEASE SHALL MAKE AND FILE AN APPLICATION WITH THE LESSOR ON OR BEFORE AUGUST 1, NEXT PRECEDING THE EXPIRATION OF THIS LEASE. RENEWAL SHALL BE SUBJECT TO SUCH TERMS AND CONDITIONS AS PROVIDED BY LAW AND RULE.

11. RESERVATIONS.

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- A. IN ACCORDANCE WITH SECTION 19-7-28 NMSA 1978, LESSOR RESERVES THE RIGHT TO EXECUTE LEASES ON THE LEASED PREMISES FOR MINING PURPOSES AND FOR THE EXTRACTION OF OIL, GAS, SALT, GEOTHERMAL RESOURCES, AND OTHER MINERAL DEPOSITS THEREFROM AND THE RIGHT TO GO UPON, EXPLORE FOR, MINE, REMOVE AND SELL SAME. LESSOR FURTHER RESERVES THE RIGHT TO SELL OR DISPOSE OF NATURAL SURFACE PRODUCTS OF SAID LANDS OTHER THAN GRAZING, AGRICULTURAL OR HORTICULTURAL PRODUCTS.
- B. LESSOR FURTHER RESERVES THE RIGHT TO ISSUE ENTRY PERMITS AND GRANT RIGHTS-OF-WAY AND EASEMENTS OVER, UPON OR ACROSS THE LEASED PREMISES FOR PUBLIC HIGHWAYS, RAILROADS, TRAMWAYS, TELEGRAPH, TELEPHONE AND POWER LINES, IRRIGATION WORKS, MINING, LOGGING, AND OTHER PURPOSES, INCLUDING BUT NOT LIMITED TO HUNTING, FISHING AND RECREATIONAL USES. LESSEE HEREBY COVENANTS AND AGREES NOT TO UNREASONABLY INTERFERE WITH PERSONS EXERCISING A RIGHT OF ACCESS OR USE GRANTED BY THE LESSOR IN ACCORDANCE WITH THE RIGHTS RESERVED IN THIS PARAGRAPH 11.
- C. LESSOR RESERVES THE RIGHT TO WITHDRAW PURSUANT TO RULE, UP TO 640 ACRES, BUT IN NO CASE MORE THAN HALF, OF THE LAND HELD BY THIS LEASE.

12. COMPLIANCE WITH LAWS.

LESSEE SHALL AT LESSEE'S OWN EXPENSE FULLY COMPLY WITH AND BE SUBJECT TO ALL LAWS, REGULATIONS, RULES, ORDINANCES, AND REQUIREMENTS OF LESSOR AND APPLICABLE CITY, COUNTY, STATE AND FEDERAL AUTHORITIES AND AGENCIES WHICH HAVE BEEN OR MAY BE ENACTED OR PROMULGATED, IN ALL MATTERS AND THINGS AFFECTING THE LEASED PREMISES AND OPERATIONS THEREON. SUCH OTHER AGENCIES SHALL NOT BE DEEMED THIRD PARTY BENEFICIARIES UNDER THIS LEASE. IF LESSEE IS OTHER THAN AN INDIVIDUAL PERSON OR PERSONS, LESSEE MUST BE AUTHORIZED TO TRANSACT BUSINESS IN NEW MEXICO, AND MUST PROVIDE PROOF OF SUCH AUTHORIZATION TO LESSOR (SUCH AS A CERTIFICATE OF GOOD STANDING, CERTIFICATE OF AUTHORITY, OR FOREIGN LIMITED LIABILITY COMPANY REGISTRATION FROM THE NEW MEXICO SECRETARY OF STATE).

13. ACCESS TO LEASED PREMISES.

LESSEE SHALL NOT IMPEDE LESSOR'S ENTRY TO THE LEASED PREMISES FOR ADMINISTRATIVE PURPOSES, WHICH INCLUDE BUT ARE NOT LIMITED TO LAND MAINTENANCE, RESOURCE EVALUATIONS, AND INVESTIGATIONS OF TRESPASS, SPILLS, FIRE, AND THE CONDITION AND HEALTH OF THE LEASED PREMISES. THIS PROVISION ALSO APPLIES TO LESSOR'S EMPLOYEES ACTING IN THEIR WORK CAPACITIES AND TO HIRED CONTRACTORS PROVIDING GOODS OR PERFORMING SERVICES FOR LESSOR UNDER A CONTRACT OR MEMORANDUM OF AGREEMENT.

TO THE EXTENT ACCESS TO THE LEASED PREMISES REQUIRES CROSSING LESSEE'S ADJACENT FEE LANDS, LESSEE SHALL PROVIDE LESSOR (AND ITS EMPLOYEES AND CONTRACTORS) WITH SUCH ACCESS UPON REASONABLE NOTICE (WHICH SHALL BE AT LEAST FORTY-EIGHT (48) HOURS PRIOR NOTICE, EXCEPT FOR EMERGENCIES). THAT NOTICE WILL INCLUDE THE REASON(S) FOR LESSOR'S NEED TO ACCESS THE SUBJECT LAND, AND AN ESTIMATE OF THE AMOUNT OF TIME NEEDED TO ADDRESS THE CONCERN. THIS ACCESS WILL NOT CREATE A PRESCRIPTIVE EASEMENT. NO PERSON OR ENTITY HAS A RIGHT OF ACCESS TO LESSEE'S ADJACENT FEE LANDS BY VIRTUE OF HOLDING A LEASE, EASEMENT, RIGHT-OF-WAY, OR PERMIT FROM LESSOR.

14. HOLD HARMLESS.

LESSEE SHALL SAVE AND HOLD HARMLESS, INDEMNIFY AND DEFEND LESSOR AND THE STATE OF NEW MEXICO, AND THEIR AGENT OR AGENTS, IN THEIR OFFICIAL AND INDIVIDUAL CAPACITIES, OF AND FROM ANY AND ALL LIABILITY CLAIMS, LOSSES, OR DAMAGES ARISING OUT OF OR ALLEGED TO ARISE OUT OF OR INDIRECTLY CONNECTED WITH OPERATIONS OF LESSEE UNDER THIS LEASE, OFF OR ON THE LEASED PREMISES OR ARISING OUT OF THE

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PRESENCE ON THE LEASED PREMISES OF ANY AGENT, CONTRACTOR OR SUBCONTRACTOR OF LESSEE.

15. AMENDMENT.

THIS LEASE SHALL NOT BE ALTERED, CHANGED OR AMENDED EXCEPT BY INSTRUMENT IN WRITING EXECUTED BY LESSOR AND LESSEE.

16. WAIVER.

NO WAIVER OF ANY BREACH OR DEFAULT BY LESSEE OF ANY OF THE TERMS, CONDITIONS OR COVENANTS OF THIS LEASE SHALL BE HELD TO BE A WAIVER OF ANY SUBSEQUENT BREACH. NO WAIVER SHALL BE VALID OR BINDING UNLESS THE SAME IS IN WRITING AND SIGNED BY LESSOR.

17. DELINQUENT RENTAL.

ALL RENTAL PAYMENTS RECEIVED AFTER OCTOBER 1 OF EACH YEAR SHALL BE CONSIDERED DELINQUENT AND SHALL BE SUBJECT TO THE PAYMENT OF INTEREST AT A RATE OF ONE PERCENT (1%) A MONTH FOR ANY FRACTION OF A MONTH. INTEREST SHALL ACCRUE FROM THE DATE THE PAYMENT BECOMES DUE.

18. APPLICABLE LAW.

THIS LEASE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW MEXICO.

19. SUCCESSORS IN INTEREST.

ALL TERMS, CONDITIONS AND COVENANTS IN THIS LEASE SHALL EXTEND TO AND BIND THE HEIRS, ASSIGNS, AGENTS, ATTORNEYS, CONTRACTORS AND SUCCESSORS IN INTEREST OF LESSOR AND LESSEE.

20. CARRYING CAPACITY REEVALUATION.

LESSOR RESERVES THE RIGHT DURING THE TERM OF THIS LEASE, AND UPON THE LESSOR'S DISCRETION, TO CONDUCT CARRYING CAPACITY REEVALUATIONS AND MAKE THE NECESSARY ADJUSTMENTS TO THE LEASE AND RENTAL AS MAY BE REQUIRED.

21. NOTIFICATIONS.

LESSEE SHALL WITHIN 45 DAYS OF RECEIPT NOTIFY LESSOR OF ANY AND ALL PAYMENTS LESSEE RECEIVES FROM ANY PERSON OR ENTITY IN WHOLE OR IN PART FOR DAMAGE OR ACCESS TO THE LANDS LEASED HEREIN OR DAMAGE TO IMPROVEMENTS LOCATED ON THE LANDS LEASED HEREIN, INCLUDING THE DATE THE PAYMENT WAS RECEIVED, THE TOTAL AMOUNT OF THE PAYMENT, THE NAME OF THE PARTY MAKING THE PAYMENT AND THE PROPERTY DAMAGE OR ACCESS THAT IS THE BASIS FOR THE PAYMENT. LESSEE FURTHER SHALL NOTIFY LESSOR OF ANY ILLEGAL DUMPING, FIRE, OR SPILLS OF OIL OR PRODUCED WATER AFFECTING THE LEASED TRUST LAND AS SOON AS POSSIBLE, BUT IN ANY EVENT WITHIN 30 DAYS OF BECOMING AWARE OF SUCH EVENT. LESSEE SHALL MAKE THE NOTIFICATIONS REQUIRED BY THIS PARAGRAPH 21 USING FORMS PRESCRIBED BY LESSOR. PURSUANT TO 19.2.8.21 NMAC, IF LESSEE IS INVOLVED IN LITIGATION WITH ANY OTHER PERSON OR ENTITY IN CONNECTION WITH THEIR LEASED TRUST LAND, LESSEE MUST NOTIFY LESSOR AS SOON AS PRACTICABLE. THIS NOTICE REQUIREMENT DOES NOT APPLY TO LITIGATION INVOLVING ONLY THE LESSEE'S PERSONAL OR REAL PROPERTY.

22. RENEWABLE ENERGY.

IN ADDITION TO THE RESERVATIONS STATED IN PARAGRAPH 11 ("RESERVATIONS"), LESSOR RESERVES THE RIGHT TO EXECUTE LEASES FOR RENEWABLE ENERGY PROJECTS ON THE LAND HEREBY LEASED, LESSEE CONSENTS TO ANY SUCH LEASE AND AGREES TO COOPERATE IN ANY SUCH LEASE, AND LESSEE'S FAILURE TO DO SO SHALL CONSTITUTE A VIOLATION PER PARAGRAPH 9 ("DEFAULT AND CANCELLATION").

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I/WE CERTIFY THAT I/WE ARE THE LESSEE(S) REFERENCED ON THE FACE PAGE OF THIS LEASE.

**SIGNATURE AND ACKNOWLEDGEMENTS FOR INDIVIDUAL LESSEE(S)**

*[Handwritten Signature]*  
\_\_\_\_\_  
LESSEE SIGNATURE

979, 777-1527  
TELEPHONE  
wes.pittillo@aol.com  
EMAIL

*[Handwritten Signature]*  
\_\_\_\_\_  
LESSEE SIGNATURE

979, 219-0941  
TELEPHONE  
clinthebert@ymail.com  
EMAIL

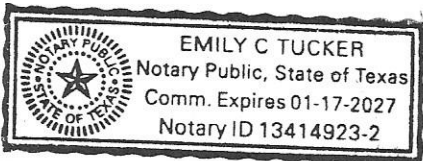
**ACKNOWLEDGMENTS  
NATURAL PERSON(S)**

STATE OF Texas )

COUNTY OF Robertson )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 10 DAY OF January, 2024,  
BY James Wesley Pittillo and Clint Thomas Hebert  
[NAME(S) OF INDIVIDUAL(S) ACKNOWLEDGED]

[OFFICIAL STAMP]



*[Handwritten Signature]*  
\_\_\_\_\_  
NOTARY SIGNATURE  
MY COMMISSION EXPIRES: 1-17-27

**SIGNATURE AND ACKNOWLEDGEMENT IF LESSEE IS OTHER THAN AN INDIVIDUAL OR INDIVIDUALS**

PRINT NAME AND TITLE/RELATIONSHIP OF PERSON  
CERTIFYING ON BEHALF OF LESSEE

( )  
TELEPHONE

SIGNATURE OF PERSON CERTIFYING ON BEHALF OF LESSEE

EMAIL

STATE OF \_\_\_\_\_ )

**PARTNERSHIP**

COUNTY OF \_\_\_\_\_ )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_,  
BY \_\_\_\_\_  
[NAME(S) OF INDIVIDUAL(S) ACKNOWLEDGED]

PARTNER(S) ON BEHALF OF \_\_\_\_\_, A \_\_\_\_\_  
[NAME OF PARTNERSHIP ENTITY] [TYPE OF PARTNERSHIP ENTITY]

[OFFICIAL STAMP]

\_\_\_\_\_  
NOTARY SIGNATURE  
MY COMMISSION EXPIRES: \_\_\_\_\_

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CORPORATION OR OTHER ENTITY (LLC, ETC.)

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_,

BY \_\_\_\_\_ AS \_\_\_\_\_  
[NAME(S) OF INDIVIDUAL(S)] [TITLE/TYPE OF AUTHORITY]

OF \_\_\_\_\_ A \_\_\_\_\_  
[OFFICIAL STAMP] [ENTITY NAME] [TYPE OF ENTITY]

NOTARY SIGNATURE

MY COMMISSION EXPIRES: \_\_\_\_\_

LESSOR APPROVAL

*Stephanie Grace Richard/DVS*  
COMMISSIONER OF PUBLIC LANDS



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EXHIBIT A

LEASE NO: GT-3284-0000

Twn	Rng	Sect	Unit	Acreage Type	Acreage	Rate	Calc. Amt	*Carry Capacity
15N	22E	5	3, 4	Grazing	80.4400	\$0.0000	\$16.8490	3
15N	22E	6	S2NE4	Grazing	80.0000	\$0.0000	\$16.7568	3
16N	22E	31	SE4NW4, SW4NE4, NW4SE4	Grazing	120.0000	\$0.0000	\$58.6490	7
16N	22E	32	ALL	Grazing	640.0000	\$0.0000	\$134.0548	3
<b>Total</b>					<b>920.44</b>		<b>\$226.3096</b>	

\*CARRYING CAPACITY RATES LISTED ARE BASED ON 640 ACRE PARCELS.

Sub Totals	Acreage	Amount
Grazing	920.4400	\$226.3096
<b>Total</b>	<b>920.44</b>	<b>\$226.31</b>

Comments
Leased out of Open Acreage.

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EXHIBIT B

PURPOSE OF LEASE (CHECK ALL THAT APPLY)

Ranching  Crop Farming  Conservation/Land Stewardship  Other (describe below)

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

### CULTURAL PROPERTIES PROTECTION ACKNOWLEDGMENT FORM

Exhibit \_\_\_\_\_

All lessees, operators, grantees, permittees, and/or applicants (collectively, "Parties") requesting any authorization from the Commissioner of Public Lands, or conducting any project or activity on state trust land, are expected to review and abide by all applicable laws and rules related to the protection of cultural properties on state land, including the New Mexico State Land Office's ("NMSLO") Cultural Properties Protection Rule, 19.2.24 NMAC. The Cultural Properties Protection Rule can be viewed at <https://www.nmstatelands.org/culturalproperties/>.

Parties conducting surface-disturbing activity on state trust land must follow the procedures and timelines outlined in 19.2.24.8 NMAC. To minimize processing delays, Parties are strongly encouraged to supply NMSLO with appropriate documentation as early as possible pursuant to 19.2.24.8 (C), (D), (E) & (F) NMAC. Parties are advised to always exercise due caution to ensure that cultural properties on state trust land are not inadvertently excavated, disturbed, dislodged, damaged, destroyed, or removed by any person, pursuant to the Cultural Properties Protection Rule, 19.2.24.8 (A) NMAC and Section 18-6-9 (A) and (B), NMSA 1978.

By signing this acknowledgment form, Parties affirm that they have read this document, including the accompanying Instructions for Compliance, and have reviewed and agree to comply with NMSLO's Cultural Properties Protection Rule. If a Party is other than a natural person, the individual signing below attests that they have the authority to execute this acknowledgment on behalf of and bind that Party.

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**Type and Number of Instrument (Lease Number):**  
(Required for Oil & Gas Leases-eg. VB06320001; include if available for other leases: Business, Renewables, Minerals, Water Bureau, ROW or Agricultural leases-eg. BL05220001, GR0232, R40893, SW0520, HA0102)

**Name of Party (Company Name, if applicable):**

**Name of Signatory (Person Signing):** James Pittillo, Clint Hebert

**Relationship to Party/Title (position):** self  
(eg. lessee, operator, grantee, applicant, self or other)

**Phone Number:** 979-777-1527

**Email Address:** Wes Pittillo@aol.com

**Signature:** 

**Date:** 10 JAN 2024

## INSTRUCTIONS FOR COMPLIANCE Cultural Properties Protection Rule (19.2.24 NMAC)

The following instructions apply to all lessees, operators, grantees, permittees, and/or applicants (collectively, "Parties") that intend to conduct new surface disturbing activities on state trust lands. The instructions provide additional guidance for fulfilling the requirements of NMSLO's Cultural Properties Protection Rule. A copy of the Cultural Properties Protection Rule can be found at <https://www.nmstatelands.org/culturalproperties/>.

We thank you in advance for your commitment to protecting New Mexico's past and living history. NMSLO encourages all Parties to provide current and accurate documentation as early as possible to minimize processing delays.

Please do not hesitate to reach out to the Cultural Resources Office at [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us) should you have any questions after reviewing these instructions or with NMSLO's cultural properties review process.

### Part I: Archaeological Records Management Section (ARMS) Inspection (Records Review)

1. The ARMS inspection is a records review and should comply with the pre-field requirements of 4.10.15.9 NMAC. An ARMS inspection must be conducted prior to any new surface-disturbing activities, in compliance with 19.2.24.8 (C) NMAC. The specific timing of when an ARMS inspection is required depends on the category of activity, as described in 19.2.24.8 (E) NMAC. The Cultural Properties Protection Rule provides exceptions for certain categories of activity that do not require an ARMS inspection or survey; see 19.2.24.9 NMAC and 19.2.24.10 NMAC.
2. Parties are expected to engage a permitted archaeologist to conduct the initial ARMS inspection. Permitted archaeologists are referred to in these Instructions as "archaeological consultants." Only ARMS inspections from archaeological consultants will be accepted. The list of archaeological consultants in New Mexico is available at <http://www.nmhistoricpreservation.org/documents/consultants.html>. Scroll down past the headings for "Archaeological Permits" and "Official Scenic Markers" to "Preservation Consultants." Click on the pdf document titled "Cultural Resource Consultants." The list is updated regularly and arranged by county of location. Because costs vary, the NMSLO encourages Parties to contact more than one archaeological consultant.
3. The Party must provide the archaeological consultant with all relevant supporting documentation. This may include a description of the project, cadastral plats, and location information in digital form (ArcGIS shape files, kml/kmz format, GPS coordinates, CAD drawings, plats, or accurate depictions on USGS 1:24000 quadrangles).
4. The archaeological consultant will conduct an ARMS inspection of the entire area of potential effect (APE). Based on the ARMS inspection, the findings will be summarized into one of three results as indicated on the NMSLO Cultural Resources Cover Sheet ("Cover Sheet"). The Cover Sheet is a fillable PDF form (available from the Web Portal and also from NMSLO's website and Cultural Resources Office):
  - (A) \_\_\_ The entire area of potential effect or project area has been previously surveyed to current standards and **no** cultural properties were found within the survey area.
  - (B) \_\_\_ The entire area of potential effect or project area has been previously surveyed to current standards and cultural properties were found within the survey area.
  - (C) \_\_\_ The entire area of potential effect or project area has **not** been previously surveyed or has not been surveyed to current standards. A complete archaeological survey must be conducted and submitted for review.
5. If the ARMS inspection indicates that the entire APE has been previously surveyed and no cultural properties were located (**result A above**), NMSLO's Cultural Resources Office and the relevant leasing

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division (e.g. Water Bureau, Minerals; Agricultural Leasing; Business Leasing, Renewable Energy, Rights-of-Way, etc.) will complete the process of review and approval. In the case of oil and gas lease projects, once the Cultural Resources Office reviews and approves the ARMS inspection results, no further archaeological review is required and the project may proceed.

6. For the ARMS Review (**result A above**), the archaeological consultant will complete and submit the ARMS Inspection/Desktop Review web form on the Cultural Compliance Web Portal (Web Portal), available at <http://culturalcompliance.nmstatelands.org/>. NMSLO's Cultural Resources Office will have immediate access to the submitted web form and accompanying documents.
7. If the ARMS inspection result indicates a previous survey showing the presence of cultural properties within the APE (**result B above**), the Party must propose avoidance and protection measures for the project as designed in collaboration with their archaeological consultant.
8. If the ARMS inspection shows that the entire APE has **not** been subject to archaeological survey or to a current standards survey (**result C above**), a complete archaeological survey must be conducted. The new survey need not include areas already subjected to acceptable surveys. See continued instructions below, Part II.
9. Because specific locational information of cultural properties that may be contained in an ARMS inspection or archaeological survey is confidential under New Mexico law (see Cultural Properties Act, Section 18-6-11.1, NMSA 1978, and Section 19-1-2.1, NMSA 1978), Parties should expect to receive a copy only of the Cover Sheet from their archaeological consultant, and should forward the Cover Sheet to the appropriate NMSLO leasing division with their application.
10. Parties conducting project activities on state land under oil and gas leases, like other Parties, will receive a copy of the Cover Sheet from their archaeological consultant. To provide information on their upcoming projects on state land, Parties will then fill in the Oil and Gas Project Description Web Form at <http://culturalcompliance.nmstatelands.org/> and will submit, along with the Cover Sheet, any necessary documentation for cultural compliance review pursuant 19.2.24.8 (E)(3) NMAC. Only on-lease oil and gas projects with activities that are not included in any other lease application at NMSLO (eg. Business or Right of Way) should utilize the Web Portal.

## Part II: Archaeological Surveys and Compliance Measures

1. If the ARMS inspection, in compliance with 19.2.24.8 NMAC, indicates that the entire APE has not been subject to archaeological survey (see Part I, Para. 4, **result C**), a complete archaeological survey must be conducted to current standards in compliance with 4.10.15 NMAC. The new survey need not include areas already subjected to acceptable surveys.
2. In compliance with 19.2.24.8 (F) NMAC, at least 15 calendar days prior to any survey activities, the archaeological consultant should fill in and submit a Notification of Intent to Conduct an Archaeological Survey through the Web Portal at <http://culturalcompliance.nmstatelands.org/>.
3. Only archaeological surveys from archaeological consultants will be accepted and must be conducted under current standards in compliance with 4.10.15 NMAC. Information on how to access the list of archaeological consultants is listed in Part I, Para. 2 above. NMSLO encourages Parties to contact more than one archaeological consultant in your location as proximity will be a factor in estimated costs of an archaeological survey.
4. Parties will be expected to design their project to avoid any cultural properties identified within the APE (as recorded on the Cover Sheet in Part I, Para. 4, **result B**) by the archaeological survey obtained in conjunction with a project or by pre-existing surveys, or provide other mitigation measures in collaboration with their archaeological consultant. Parties are encouraged to provide NMSLO with appropriate current and accurate documentation of the proposed activity as early as possible (preferably at least sixty calendar days prior to any surface disturbing activity) to minimize processing delays and ensure implementation of avoidance and protection measures.

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- a. Pursuant to the Cultural Properties Protection Rule, 19.2.24.12 (A) NMAC, if any Party becomes aware of actual or imminent damage to cultural properties on state trust lands where that Party is conducting activities, that Party shall immediately notify NMSLO and suspend project activities in the immediate area of the damage or the threatened cultural property. Activities shall remain suspended until the State Historic Preservation Officer and NMSLO approve resumption of activities.
  - b. A Party that damages cultural properties on state trust land is responsible for the cost of an archaeological damage assessment, plus the remediation value of the affected cultural property as determined by that damage assessment. In addition, the Commissioner of Public Lands may file an action to recover an amount equal to twice the cost of restoration, stabilization, and interpretation of the damaged cultural property, in accordance with the Cultural Properties Act, Section 18-6-11.2(C), NMSA 1978.
5. The archaeological consultant, upon completion of the survey report, should submit the fillable, completed Cover Sheet to [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us) with any relevant questions.

Pursuant to the requirements of 4.10.8.18 NMAC, the Cultural Resources Office will review a complete copy of the survey report, its findings and any required compliance (avoidance or mitigation) measures and recommend revisions, if applicable. The Cultural Resources Office will provide further guidance on how archaeological consultants should submit complete survey reports and any required compliance measures for review.

The Cultural Resources Office additionally may request electronic files of survey report(s), sites, location of findings, or survey areas in order to complete its review, all of which should be sent to [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us).
6. The complete results of an archaeological survey are confidential under New Mexico law (see Cultural Properties Act, Section 18-6-11.1, NMSA 1978, and Section 19-1-2.1, NMSA 1978).
  - a. Upon approval of the final archaeological survey report and its findings/recommendations, the archaeological consultant will upload the final archaeological report along with all supporting documentation to the New Mexico Cultural Resources Information System (NMCRIS). Parties should expect to receive a copy of the Cover Sheet from their archaeological consultant, and should forward it to the appropriate leasing division with their application.
  - b. In the case of oil and gas leases only, Parties themselves will upload the Cover Sheet along with their Project Description Web Form documentation submitted via the Web Portal at <http://culturalcompliance.nmstatelands.org/>.
7. The website <http://nmstatelands.org/cultural-resources-office/> contains a list of State Trust Land Archaeologists within NMSLO's Cultural Resources Office (along with related contact info) to whom questions can be addressed.
8. Below is a list of useful links, emails, and phone numbers:
  - a. Cultural Compliance Portal: <http://culturalcompliance.nmstatelands.org>
  - b. Cultural Resources Office Website: <http://www.nmstatelands.org/cultural-resources-office/>
  - c. Cultural Properties Protection Rule and FAQs: <http://www.nmstatelands.org/culturalproperties/>
  - d. Historic Preservation Division-List of Archaeological consultants: <http://www.nmhistoricpreservation.org/documents/consultants.html>
  - e. Inquiries to the Cultural Resources Office: [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us)
  - f. Main New Mexico State Land Office phone number: 505-827-5760