

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, May 17, 2018
Zia Board Room – Library
1:30 pm

AGENDA

- | | |
|--|-------------------------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of April 19, 2018 | Pat Chappelle |
| D. President's Report | Kelvin Sharp |
| E. New Business | |
| 1. Monthly Expenditure Reports | Dan Hardin |
| 2. Monthly Revenue Report | Dan Hardin |
| 3. Oil and Gas Revenue Report | Dan Hardin |
| 4. Schedule of Investments | Dan Hardin |
| 5. Consideration of the Five Year Capital Plan | Dan Hardin |
| 6. Consideration of Disposal of Real Property – Del Norte Center | Scotty Holloman |
| 7. Consideration of Disposal of Personal Property – Del Norte Center | Scotty Holloman |
| 8. Consideration of Resolution for Lea County Legislative Coalition | Scotty Holloman |
| 9. Consideration of Quit Claim Deed for Transfer of Huston Property to the NMJC Foundation | Scotty Holloman |
| 10. Consideration of Bid #1085 – Drainage Improvements | Josh Morgan
Joe Mike Gomez |
| F. Public Comments | Pat Chappelle |
| G. Announcement of Next Meeting | Pat Chappelle |
| H. Adjournment | Pat Chappelle |
| I. Center of Recreational Excellence (CORE) Tour | Kelvin Sharp |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
APRIL 19, 2018
MINUTES**

The New Mexico Junior College Board met on Thursday, April 19, 2018, beginning at 1:30 p.m. in the Zia Room of Pannell Library. The following members were present: Ms. Patricia Chappelle, Madam Chair; Mr. Ron Black, Secretary; Mr. Travis Glenn; Mr. Manny Gomez; Mrs. Mary Lou Vinson; Ms. Evelyn Rising; and Mr. Hector Baeza.

Ms. Chappelle called the meeting to order and welcomed visitors and guests present: Ms. Dorothy Fowler, Hobbs News-Sun; Mr. Dennis Holmberg, J. F Maddox Foundation.

Upon a motion by Mr. Gomez, seconded by Mr. Glenn, the agenda was unanimously adopted.

Upon a motion by Mr. Gomez, seconded by Mr. Baeza, the Board unanimously approved the minutes of March 15, 2018.

Under President's Report, Professor Shyla McGill provided an update of the Pi Day event held on March 14, 2018 with significant discussion of the history of Pi Day at NMJC, which began in 2015 and has continued to grow throughout the years. Pi Day, held at the Lea County Event Center, had 46 unique interactive science math groups, 403 volunteers and 2,500 people in attendance with some attendees from as far as Missouri, Nebraska, and El Paso. Professor McGill credited the success of the Pi Day event to the Pi Day Committee, local businesses and individuals in the community, the NMJC Foundation, students, staff, faculty and the NMJC Board.

Mr. Dale Ganaway provided New Horizon Foundation (NHF) updates. Mr. Ganaway noted approximately one year ago, a local entrepreneur requested help to market a tool he invented for downhole use that will bring stripper wells back into

production at a more cost efficient manner. With the assistance of the Army Engineering & Design Center and in conjunction with the Army Research Labs, a number of improvements were made to the tool and NHF is now a co-inventor of the tool. He further noted the foundation has filed a couple of patents and the tool will soon be ready for testing on approximately fifty wells. Mr. Gannaway thanked the Board for their vision and dedication.

Dr. Larry Sanderson provided the Quarterly Performance Report.

Under New Business, Dr. Sharp and Mr. Dan Hardin presented the Operating Budget for the fiscal year 2018/2019 in the amount of \$28,860,162.00. The recommendation included a 3% salary increase to all staff with an additional 25 cents per hour increase for hourly employees. In addition, a request for approval of the Capital Projects in the amount of \$5,150,000.00 was made. Upon a motion made by Mr. Black, seconded by Ms. Rising, the Board unanimously approved the budget recommendation for fiscal year 2018/2019 and the Capital Projects request.

Ms. Chappelle presented an Amendment to Employment Agreement by and between NMJC and Dr. Kelvin Sharp for approval. Upon a motion by Mr. Glenn, seconded by Mrs. Vinson, the Board unanimously voted to approve an additional one-year extension of the term and the retention bonus of the current four-year contract.

Mr. Dan Hardin presented the March 2018 financial reports. Upon a motion by Mr. Gomez, seconded by Mr. Glenn, the Board unanimously approved the Expenditure Report for March 2018. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed.

Mr. Dan Hardin presented the Quarterly Financial Action Report for approval. Upon a motion by Mr. Glenn, seconded by Mr. Gomez, the Board unanimously approved the report as presented.

Ms. Chappelle called for comments from the public. There being none, the next regular board meeting was scheduled for Thursday, May 17, 2018 beginning at 1:30 pm.

Upon a motion by Mr. Glenn, seconded by Ms. Rising, the board meeting adjourned at 2:45 pm.

Pat Chappelle, Chair

Ron Black, Secretary

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: **New Mexico Junior College Board Members**

From: Dan Hardin

Date: May 10, 2018

RE: Expenditure and Revenue Reports for April 2018

April is the tenth month or 83% of the budget for the 2017/2018 fiscal year. The expenditure report represents funds expended and encumbered. The total year-to-date funds expended and/or encumbered through the month of April is \$39,757,390.00. Current Unrestricted Expenditures for the month of April are \$2,045,544.00. The total YTD Current Unrestricted Funds through April are \$22,622,186.00, which is 76% of the budget. Budget adjustments have been made to the original budget to cover overloads, part-time faculty, one-time compensation, and new hires that have been made during the fiscal year. Most areas are staying within their budgets as the semester slows down and we start closing out the last two months of the fiscal year.

In the Restricted Funds, Grants continue to expend their budget. Most grants do not end their year until the end of September. Year-to-date expenditures for the restricted funds are \$4,854,337.00, which is 81% of their budget.

The Plant Fund expenditures for the year include the Technology Upgrades, Entertainment Technology project, Campus Security, Campus Construction, and several smaller projects. Also, in GOB funding is the Allied Health Building construction project. The total year-to-date expenditures in Plant Funds are \$12,280,867.00.

Total expenditures for the month of April were \$2,354,477.00, with year-to-date expenditure total of \$39,757,390.00, which is at 78% of the total budget.

Revenue generated in Current Unrestricted funds in April was \$2,572,404.00. Most of the revenue came from the monthly allocation from the State, oil and gas mill levy, and property tax income. Restricted Funds had total revenue of \$225,954.00 for the month of April. Total restricted revenue year-to-date is \$4,763,139.00. Total revenue for the month of April 2018 is \$2,834,846.00, with year-to-date revenue of \$34,667,845.00 or 89% of projected budget.

The actual oil and gas tax revenue and Oil and Gas Equipment Tax revenue for April was \$1,548,119.00, which is from the month of January. Last year the revenue in April for Oil & Gas was \$965,639.00. There is a monthly accrual of \$465,000.00 for each of the three months that includes February, March and April. Total oil & gas and oil & gas equipment tax revenue year-to-date is \$10,753,023.00, which is \$3,518,023.00 over the projected budget through ten months of the budget. Last year at this time the total Oil & Gas and Oil and Gas Equipment plus the accruals was \$8,316,670.00. As you can see on the Oil and Gas report there are production numbers for this month and last month. This is thanks to the diligence of Beth Hancock in the Business Office and to Chip Low Finance Director with Lea County.

During the month of April, \$4,000,000.00 was wired to the LGIP bringing the total LGIP balance in the Local Governmental Investment Pool to \$9,593,127.00. Depending on Oil & Gas revenues these funds may need to be brought back in later this summer as payments are made for the Allied Health Building construction. The College also has \$3,000,000.00 in CDARs at the end of April. The balances for capital projects are currently \$12,412,567.07.

Board members and Dr. Sharp there have been numerous comments from faculty and staff expressing thanks and gratitude to the Board for the one-time compensation. I and the Business Office staff would like to express our thanks to each of you for your support of New Mexico Junior College and the New Mexico Junior College staff.

This concludes the Financial Report for April 2018.

NEW MEXICO JUNIOR COLLEGE

Expenditure Report

April 2018

83% of Year Completed

Fund	2016-17			2017-18			
	Final Budget	Year-to-Date Expended or Encumbered	Percentage of Budget Expended	Budget	Current Expended or Encumbered	Expended or Encumbered	Percentage of Budget Expended
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Instruction	10,189,730	7,891,442	77%	10,166,487	818,286	7,590,792	75%
Academic Support	2,520,941	2,223,437	88%	2,774,752	225,635	2,160,391	78%
Student Services	1,996,717	1,634,565	82%	2,077,878	198,143	1,578,823	76%
Institutional Support	3,847,809	3,905,790	102%	4,309,260	327,280	3,133,178	73%
Operation & Maintenance of Plant	3,653,853	3,027,098	83%	3,897,199	384,985	2,948,568	76%
Subtotal - Instruction & General	22,209,050	18,682,332	84%	23,225,576	1,954,329	17,411,752	75%
Research	0		0%	1,199,186	45,206	852,857	71%
Public Service	0		0%	50,000	5,962	30,013	60%
Internal Service Departments	85,520	200,769	235%	156,534	(123,194)	148,779	95%
Student Aid	668,551	663,116	99%	668,551	16,993	483,974	72%
Auxiliary Enterprises	2,038,349	2,493,841	122%	2,847,019	146,248	2,337,648	82%
Athletics	1,191,478	1,373,142	115%	1,692,115	131,985	1,489,148	88%
Total Current Unrestricted Fund	26,192,948	23,413,200	89%	29,838,981	2,177,529	22,754,171	76%
CURRENT RESTRICTED FUND							
Grants	1,977,141	1,211,391	61%	1,977,141	60,082	708,191	36%
Student Aid	3,989,359	3,979,137	100%	3,989,359	19,378	4,146,146	104%
Total Current Restricted Fund	5,966,500	5,190,528	87%	5,966,500	79,460	4,854,337	81%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	11,519,140	9,069,829	79%	9,723,989	188,865	7,697,004	79%
Projects from State GOB Funds	4,955,549	4,955,550	0%	3,960,000		3,464,011	87%
Projects from State STB Funds	785,072	783,277	0%	596,058		557,752	94%
Projects from General Fund	0		0%	0	1,647	37,929	0%
Projects from Private Funds	0		0%	0			0%
Projects from State ER&R	332,720	191,493	58%	332,720	3,192	88,532	27%
Projects from State BR&R	597,281	238,936	40%	597,281	35,769	435,639	73%
Subtotal - Capital and BR&R	18,189,762	15,239,085	84%	15,210,048	229,473	12,280,867	81%
Debt Service							
Revenue Bonds	0		0%	0	0	0	0%
Total Plant Funds	18,189,762	15,239,085	84%	15,210,048	229,473	12,280,867	81%
GRAND TOTAL EXPENDITURES	50,349,210	43,842,813	87%	51,015,529	2,486,462	39,889,375	78%

NEW MEXICO JUNIOR COLLEGE
Revenue Report
April 2018

83% of Year Completed

Fund	2016-17			2017-18			
	Final Budget	Year-to-date Revenue	Percentage of Budget Received	Budget	Current Revenue	Year-to-date Revenue	Percentage of Budget Received
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Tuition and Fees	3,667,000	3,764,899	103%	3,812,000	83,835	3,939,520	103%
State Appropriations	5,982,400	4,812,202	80%	5,629,937	469,158	4,691,580	83%
Advalorem Taxes - Oil and Gas	7,235,000	8,316,670	115%	7,235,000	1,655,650	10,753,023	149%
Advalorem Taxes - Property	7,052,621	5,859,915	83%	7,700,000	123,295	6,125,665	80%
Interest Income	15,000	310	2%	10,000	531	2,943	29%
Other Revenues	347,984	405,348	116%	296,538	21,619	355,826	120%
Subtotal - Instruction & General	24,300,005	23,159,344	95%	24,683,475	2,354,088	25,868,557	105%
Research	0	0	0%	400,000		300,000	75%
Public Service	0	0	0%	0		0	0%
Internal Service Departments	39,170	14,743	38%	12,500	68	7,374	59%
Auxiliary Enterprises	2,586,000	2,651,289	103%	3,031,391	179,906	2,867,956	95%
Athletics	477,300	384,305	81%	456,994	38,342	382,299	84%
Total Current Unrestricted	27,402,475	26,209,681	96%	28,584,360	2,572,404	29,426,186	103%
CURRENT RESTRICTED FUND							
Grants	1,977,141	1,256,458	64%	1,977,141	61,824	823,020	42%
Student Aid	3,989,359	3,690,515	93%	3,989,359	164,130	3,940,119	99%
Total Current Restricted	5,966,500	4,946,973	83%	5,966,500	225,954	4,763,139	80%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	4,955,549	4,954,233	0%	3,960,000			0%
Projects from State STB Funds	785,072	149,562	0%	596,058	28,327	409,941	69%
Projects from General Fund	0	0	0%	0		0	0%
Projects from Private Funds	0	0	0%	0		0	0%
Interest Income (LGIP)	10,000	39,047	390%	25,000	8,161	68,579	274%
Total Plant Funds	5,750,621	5,142,842	89%	4,581,058	36,488	478,520	10%
GRAND TOTAL REVENUES	39,119,596	36,299,496	93%	39,131,918	2,834,846	34,667,845	89%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

April 2018

83% of Year Completed

		OIL		GAS		COMBINED		
Sales	Month of	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2017-18 Original Budget	Variance Over (Under) Budget
	Distribution							
Actual	July	\$41.11	7,043,447	\$3.16	25,188,223	817,449	465,000	352,449
Actual	August	\$43.06	7,085,620	\$3.71	25,547,110	873,645	465,000	408,645
Actual	September	\$44.66	7,227,236	\$3.79	24,020,104	965,644	465,000	500,644
Actual	October	\$45.76	8,509,170	\$3.65	30,213,740	1,129,761	465,000	664,761
Actual	November	\$52.12	8,315,789	\$3.91	27,529,490	1,371,215	465,000	906,215
Actual	December	\$55.74	9,059,394	\$3.54	30,776,786	1,098,317	465,000	633,317
Actual	January	\$61.57	8,776,392	\$3.64	29,184,430	1,547,258	465,000	1,082,258
Accrual	February					465,000	465,000	0
Accrual	March					465,000	465,000	0
Accrual	April					465,000	465,000	0
Accrual	May						465,000	(465,000)
Accrual	June						465,000	(465,000)
Y.T.D. Production Tax Revenue						9,198,289	5,580,000	3,618,289
Y.T.D. Equipment Tax Revenue						1,554,734	1,655,000	(100,266)
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						10,753,023	7,235,000	3,518,023

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

April 2018

83% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	5,593,127	7102-1348	1.650%	8,161
Plus deposits	4,000,000			
Less withdrawals				
Total LGIP investments	9,593,127			8,161
Lea County State Bank CDAR	3,000,000		1.76%	

Capital Project	4/30/2018
Vehicles	236,093.50
Campus Master Plan	60,000.00
Technology Upgrade	547,498.46
Smart Classrooms	200,000.00
JASI	26,496.06
WHM South Gallery	266,594.43
Baseball Field	12,867.08
Rodeo Arena	105,758.75
Luminis Software	2,993.00
Landscaping	147,424.67
Campus Signage	120,282.62
Dorm/Apartment Refurbish	149,434.18
Campus Construction	194,956.70
Oil & Gas Training	144,149.32
Public Sector	9,227.00
Campus Security	125,279.96
Lumens Software-Distance Learnig	5,000.00
Copier Replacement	60,274.00
Non-Recurring Compensation	652,169.10
Athletics	3,188.90
Student Life Programming	20,432.28
Warehouse/Cont Ed Remodel	384.00
Succession Plan	52,014.15
WHM Exhibits	57,514.30
Mansur Hall Upgrades	1,961.13
Driving Range Upgrades	200,000.00
Cafeteria Upgrade	155,872.08
Channel 19 Upgrade	8,115.71
FERPA & Title IX	5,610.68
Equestrian Center	3,000,000.00
Bob Moran Upgrades	55,177.07
Turf Replacement	82,781.47
WHM Titanic Exhibit	3,734.85
HVAC Software-Central Plant	200,000.00
Busing Support for Recruiting	5,872.30
HED Faculty Development	10,148.35
Allied Health	5,481,416.11
Workforce Training Contingency	1,844.86
Total	12,412,567.07

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

5317 Lovington Highway
Hobbs, NM 88240
Phone: (505)492-2770
Fax: (505)492-2768

To: New Mexico Junior College Board members
From: Dan Hardin
RE: Five year capital plan
Date: May 17, 2018

Board members,

Each year, the Higher Education Department requires all higher education institutions to submit a Board approved five-year capital plan by June 1st. The five-year capital plan for New Mexico Junior College being presented today follows the College's strategic and master plans. Five projects have been identified as priorities and are ranked with descriptions and estimated costs of the projects.

The administration is asking for your approval of the New Mexico Junior College five-year capital plan and the presentation of Watson Hall Renovation as the number one project and Infrastructure as the number two project to be presented at the HED Capital Projects hearings in August.

Respectfully,

Dan Hardin

INSTITUTION'S 5 YEAR PLAN for STATE FUNDING

INSTITUTION'S 5 YEAR PLAN for STATE FUNDING													
INSTITUTION:				New Mexico Junior College				DATE:		5/2/2018			
Institution acronym	FY18 Funding Priority #	Overall Funding Priority #	GOB or STB Project	Project Title	Description	Month/Year Project to be started	Month/Year Project to be finished	Cost of Project or Phase	Percentage to be funded from Legislative Funding (list % and describe funding)	Other funding sources (list % and describe funding)	New Construction	Renovation	Square Footage (GSF)
NMJC	1	1	1	Watson Hall Renovation	Planning, design, engineering, construction, renovate, equip, furnish, replace and update Watson Hall	June 2021	Dec-22	\$ 3,000,000	75% GOB/STB/GF \$2,250,000	25% Oil & Gas Mill Levy funds (\$750,000)	No	Yes	14,536 existing No additional Square footage
NMJC	2	2	2	Infrastructure	Planning, design, engineering, construction, equip, replace and update of aged air handlers, piping and electrical across the NMJC campus	June 2021	Jun-23	\$ 3,500,000	75% GOB/STB/GF \$2,600,000	25% Oil & Gas Mill Levy funds (\$900,000)	No	Yes	181,426 sq ft that includes seven buildings No additional sq ft
NMJC	3	3	3	Heidel Hall Renovation	Planning, design, engineering, furniture and equipment, renovation and construction for Heidel Hall.	June 2023	Jun-24	\$ 3,000,000	75% GOB/STB/GF \$2,250,000	25% Oil & Gas Mill Levy funds (\$750,000)	No	Yes	38,914 existing No additional Square footage
NMJC	4	4	4	John Shepherd Administration Building	Planning, design, engineering, furniture and equipment, renovation and construction for John Shepherd Administrative building	June 2023	Jun-24	\$ 1,000,000	75% GOB/STB/GF \$750,000.00	25% Oil & Gas Mill Levy funds (\$250,000)	No	Yes	No additional Square footage

Memo

Dated: May 14, 2018

To: New Mexico Junior College Board

From: Scotty Holloman

With the CORE opening it is possible to close and sell Del Norte Fitness Center located at 1503 West Calle Sur Street, Hobbs, New Mexico (“Del Norte”). When entering into the agreement to participate in the construction of the CORE, it was the intent to close and dispose of Del Norte and its contents.

The Del Norte real property has been appraised by Oscar E. Kunkel, Jr. as of March 7, 2018. As required by New Mexico state law, the appraisal was approved by the New Mexico Taxation and Revenue Department on May 1, 2018.

The administration of New Mexico Junior College seeks permission to request sealed bids for the sale of the Del Norte real estate. The sale of New Mexico Junior College real estate is governed, in part, by NMAC §1.5.23.9. One of the acceptable methods of sale is by sealed bid.

A review is ongoing to determine if there is any personal property currently located in Del Norte that might be of use in other parts of the New Mexico Junior College campus. After such determination is made, the administration of New Mexico Junior College seeks permission to sell the personal property located in Del Norte. The administration requests permission to determine the best method of disposal of the personal property.

The sale of the personal property and the sale of the real property will be brought back to the Board for final approval.

NEW MEXICO JUNIOR COLLEGE
RESOLUTION NO. 2018-003

A RESOLUTION OF COOPERATION BETWEEN THE TOWN OF TATUM, CITY OF LOVINGTON, CITY OF HOBBS, CITY OF EUNICE, CITY OF JAL, TATUM SCHOOL DISTRICT, LOVINGTON SCHOOL DISTRICT, HOBBS MUNICIPAL SCHOOLS, EUNICE SCHOOL DISTRICT, JAL SCHOOL DISTRICT, NEW MEXICO JUNIOR COLLEGE, LEA COUNTY AND THE ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY REGARDING DEVELOPING A LEA COUNTY LEGISLATIVE COALITION

WHEREAS, the Town of Tatum, City of Lovington, City of Hobbs, City of Eunice, City of Jal, Tatum School District, Lovington School District, Hobbs Municipal Schools, Eunice School District, Jal School District, New Mexico Junior College, Lea County and The Economic Development Corporation of Lea County have discussed forming a legislative coalition called the Lea County Legislative Coalition, to focus in a cooperative, coordinated and organized manner on issues that are of mutual concern; and

WHEREAS, the Lea County Legislative Coalition would additionally: (i) provide a forum for its members to advocate for each other; (ii) provide a mechanism for grant funding proposals; and (iii) to solicit ideas and input from the private sector; and

WHEREAS, a legislative coalition can be more fiscally responsible, less duplicative in advocacy, and will serve a greater number of Lea County residents through cooperation of the various entities;

WHEREAS, New Mexico Junior College (“NMJC”) is committed to working with the various entities to plan and develop this legislative coalition that will benefit NMJC, its student, faculty, staff and Lea County residents; and

WHEREAS, NMJC desires to enter into this Resolution of Cooperation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF NEW MEXICO JUNIOR COLLEGE, that NMJC shall cooperate with the various entities making up the Lea County Legislative Coalition regarding the planning and development of this legislative coalition. NMJC be and hereby is authorized and directed to sign and effectuate this Resolution and NMJC is directed to move forward with the Lea County Legislative Coalition. Further, the Statement of Cooperation, attached hereto as Exhibit "A", is hereby adopted.

Passed by the Board of New Mexico Junior College this 17th day of May, 2018.

New Mexico Junior College Board

Patricia Chappelle, Chair

Ron Black, Secretary

Travis Glenn, Member

Manny Gomez, Member

Mary Lou Vinson, Member

Evelyn Rising, Member

Hector Baeza, Member

EXHIBIT "A"

STATEMENT OF COOPERATION

WE THE UNDERSIGNED acknowledge that our respective entity has adopted a Resolution of Cooperation Between Town of Tatum, City of Lovington, City of Hobbs, City of Eunice, City of Jal, Tatum School District, Lovington School District, Hobbs Municipal Schools, Eunice School District, Jal School District, New Mexico Junior College, Lea County and The Economic Development Corporation of Lea County Regarding Planning and Developing a Lea County Legislative Coalition and by our signatures hereto declare our commitment of participating in such Lea County Legislative Coalition.

Passed by the Board of New Mexico Junior College this 17th day of May, 2018.

Patricia Chappelle, Chair

Ron Black, Secretary

Travis Glenn, Member

Manny Gomez, Member

Mary Lou Vinson, Member

Evelyn Rising, Member

Hector Baeza, Member

QUITCLAIM DEED

New Mexico Junior College quitclaims to New Mexico Junior College Foundation, 1 Thunderbird Circle, Hobbs, New Mexico 88240, the following described real property situated in Lea County, New Mexico, to-wit:

Township 19 South, Range 37 East, N.M.P.M.

- Section 8: An undivided 1/6th interest in the oil, gas and other minerals in and under and that may be produced from the West Half of the Southeast Quarter (W/2SE/4)
- Section 21: An undivided 1/16th interest in the oil, gas and other minerals in and under and that may be produced from the Northeast Quarter of the Southwest Quarter (NE/4SW/4)
- Section 21: An undivided 1/16th interest in the oil, gas and other minerals in and under and that may be produced from the North Half the Southeast Quarter (N/2SE/4)
- Section 21: An undivided 1/8th interest in the oil, gas and other minerals in and under and that may be produced from the South Half of the Northeast Quarter (S/2NE/4) and the Northwest Quarter of the Northeast Quarter (NW/4NE/4)
- Section 10: An undivided 1/32nd interest in the oil, gas and other minerals in and under and that may be produced from the Southeast Quarter of the Northeast Quarter (SE/4NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4SE/4)
- Section 11: An undivided 1/32nd interest in the oil, gas and other minerals in and under and that may be produced from the Southwest Quarter of the Northwest Quarter (SW/4NW/4) and the Northwest Quarter of the Southwest Quarter (NW/4SW/4)
- Section 7: An undivided 1/20th of an undivided 1/32nd interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Northeast Quarter (NE/4)
- Section 8: An undivided 1/20th of an undivided 1/32nd interest in and to all of the oil, gas and other minerals in and under and that may be produced from the South Half of the Northwest Quarter (S/2NW/4) and the North Half of the Southwest Quarter (N/2SW/4)
- Section 8: An undivided 1/20th of an undivided 1/6th interest in and to all of the oil, gas and other minerals in and under and that may be produced from the West Half of the Southeast Quarter (W/2SE/4)
- Section 10: An undivided 1/20th of an undivided 3/32nd interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southeast Quarter

of the Northeast Quarter (SE/4NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4SE/4)

- Section 11: An undivided $1/20^{\text{th}}$ of an undivided $3/32^{\text{nd}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southwest Quarter of the Northwest Quarter (SW/4NW/4) and the Northwest Quarter of the Southwest Quarter (NW/4SW/4)
- Section 21: An undivided $1/20^{\text{th}}$ of an undivided $3/8^{\text{ths}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Northeast Quarter of the Northwest Quarter (NE/4NW/4)
- Section 21: An undivided $1/20^{\text{th}}$ of an undivided $1/4^{\text{th}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southeast Quarter of the Northwest Quarter (SE/4NW/4), the South Half of the Northeast Quarter (S/2NE/4) and the Northwest Quarter of the Northeast Quarter (NW/4NE/4)
- Section 21: An undivided $1/20^{\text{th}}$ of an undivided $3/16^{\text{ths}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the North Half of the Southeast Quarter (N/2SE/4) and the Northeast Quarter of the Southwest Quarter (NE/4SW/4)
- Section 10: An undivided $1/6^{\text{th}}$ of an undivided $5/8^{\text{ths}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southeast Quarter of the Northeast Quarter (SE/4NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4SE/4)
- Section 11: An undivided $1/6^{\text{th}}$ of an undivided $5/8^{\text{ths}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Northwest Quarter of the Southwest Quarter (NW/4SW/4) and the Southwest Quarter of the Northwest Quarter (SW/4NW/4)
- Section 21: An undivided $1/6^{\text{th}}$ of an undivided $1/8^{\text{th}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southeast Quarter of the Northwest Quarter (SE/4NW/4) the Northeast Quarter of the Southwest Quarter (NE/4SW/4) and the North Half of the Southeast Quarter (N/2SE/4)
- Section 7: An undivided $3/10^{\text{ths}}$ of an undivided $3/64^{\text{ths}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Northeast Quarter (NE/4)
- Section 8: An undivided $3/10^{\text{ths}}$ of an undivided $3/64^{\text{ths}}$ interest in and to all of the oil, gas and other minerals in and under and that may be produced from the South Half of

the Northwest Quarter (S/2NW/4) and the North Half of the Southwest Quarter (N/2SW/4)

- Section 8: An undivided 3/10ths of an undivided 1/4th interest in and to all of the oil, gas and other minerals in and under and that may be produced from the West Half of the Southeast Quarter (W/2SE/4)
- Section 10: An undivided 3/10ths of an undivided 9/64ths interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southeast Quarter of the Northeast Quarter (SE/4NE/4) and the Northeast Quarter of the Southeast Quarter (NE/4SE/4)
- Section 11: An undivided 3/10ths of an undivided 9/64ths interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southwest Quarter of the Northwest Quarter (SW/4NW/4) and the Northwest Quarter of the Southwest Quarter (NW/4SW/4)
- Section 21: An undivided 3/10ths of an undivided 9/16ths interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Northeast Quarter of the Northwest Quarter (NE/4NW/4)
- Section 21: An undivided 3/10ths of an undivided 3/8ths interest in and to all of the oil, gas and other minerals in and under and that may be produced from the Southeast Quarter of the Northwest Quarter (SE/4NW/4), the South Half of the Northeast Quarter (S/2NE/4) and the Northwest Quarter of the Northeast Quarter (NW/4NE/4)
- Section 21: An undivided 3/10ths of an undivided 9/32nds interest in and to all of the oil, gas and other minerals in and under and that may be produced from the North Half of the Southeast Quarter (N/2SE/4) and the Northeast Quarter of the Southwest Quarter (NE/4SW/4)

SURFACE TITLE ONLY:

Township 19 South, Range 37 East, N.M.P.M.

- Section 8: The surface estate only of the Southeast Quarter (SE/4), containing 160 acres, more or less
- Section 10: The surface estate only of the West Half of the Northeast Quarter of the Southeast Quarter (W/2NE/4SE/4), the North Half of the North Half of the Northeast Quarter of the Southeast Quarter of the Northeast Quarter (N/2N/2NE/4SE/4NE/4), the North Half of the Northeast Quarter of the Northwest Quarter of the Southeast Quarter of the Northeast Quarter

(N/2NE/4NW/4SE/4NE/4), the West Half of the Southwest Quarter of the Northwest Quarter of the Southeast Quarter of the Northeast Quarter (W/2SW/4NW/4SE/4NE/4), the Northwest Quarter of the Northwest Quarter of the Southeast Quarter of the Northeast Quarter (NW/4NW/4SE/4NE/4) and the West Half of the West Half of the Southwest Quarter of the Southeast Quarter of the Northeast Quarter (W/2W/2SW/4SE/4NE/4), containing 30 acres, more or less

Section 11: The surface estate only of the Northeast Quarter of the Northeast Quarter of the Southwest Quarter of the Northwest Quarter (NE/4NE/4SW/4NW/4), the North Half of the North Half of the Northwest Quarter of the Southwest Quarter of the Northwest Quarter (N/2N/2NW/4SW/4NW/4), the North Half of the Northwest Quarter of the Northeast Quarter of the Southwest Quarter of the Northwest Quarter (N/2NW/4NE/4SW/4NW/4), the East Half of the Southeast Quarter of the Northeast Quarter of the Southwest Quarter of the Northwest Quarter (E/2SE/4NE/4SW/4NW/4), the East Half of the East Half of the Southeast Quarter of the Southwest Quarter of the Northwest Quarter (E/2E/2SE/4SW/4NW/4) containing 10 acres, more or less

Less and Except the following described two tracts located in Lea County, New Mexico:

Tract Beginning NE Corner of SE/4NW/4 OF SEC 11, S0D0'54" W 412.94', N44D55'56" W 582.16', N89D53'42" E 411.31' To the point of beginning

and TR BEG S00D32'49" E 1319.45' & N89D19'31" E 678.48' from the NW Corner of Section 11, TH N89D 19'31" E 228.67', S45D30'26" E 582.76', S00D32'13" E 363.02', S44D18'50" W 233.75', N00D32'17" W 611.59', S89D20'01" W 164.89', N00D32'22" W 164.93', S89D20'W 475.33', N44D18'50" E 233.30' to the point of beginning

DATED this ____ day of May, 2018.

NEW MEXICO JUNIOR COLLEGE

By: _____
Kelvin Sharp
President

STATE OF NEW MEXICO)
 :SS
COUNTY OF LEA)

This instrument was acknowledged before me this ____ day of May, 2018, by Kelvin Sharp, President of New Mexico Junior College.

NOTARY PUBLIC

My Commission Expires:_____