

MINERAL INTEREST TIERRA AMARILLA GRANT

ABSTRACT

This report is an overview of the regional geology and description of potential exploration interest and/or economic value for mineral ownership located in the Tierra Amarilla Grant (TA Grant). The TA Grant is located in north central New Mexico (Figure 1) in Rio Arriba County, astride the Chama Basin and along the northwestern end of the Tusas Mountains. The mineral ownership available is located throughout the TA Grant, as shown more precisely in Figure 2. The geologic location of mineral interests will typify the future exploration attention and feasible potential. The following discussion and maps will categorize these mineral interests as to their potential for oil & gas, coal and or minerals. Industrial minerals such as gravel, limestone, fossils, quarry rocks, etc. have not been evaluated.

INTRODUCTION

There are currently no operating hydrocarbon wells, coal mines and/or mineral quarries in the TA Grant. This condition does not indicate the lack of potential, merely economic apprehension. Deeded mineral interest in the TA Grant has been privately held for several years, which could have discouraged exploration interest in the past. Large mineral positions such as the one being appraised can defer companies from looking at regions based solely on the difficulty to lease and secure enough position to launch an exploration play. Control of these mineral interests could change or impact exploration interest in the region. Deeded mineral ownership is perpetually held, unlike leased federal, state or deeded interests. Long-term, future potential could be dictated by factors presently unidentified. Unknown factors include commodity demand and price, new technologies to extract products and/or innovative exploration concepts that open areas to re-examination. This appraisal will view current exploration philosophies for evaluating mineral interest. One must keep in mind, however, that additional value could be based on long-term ownership and/or the value to an individual surface owner or environmental group purchasing interest to circumvent exploration activity. This intrinsic value is implied, but will not be described in this report. Assessment will focus on oil & gas, coal and /or minerals.



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