

**Opinion No. 37-1596**

April 13, 1937

**BY:** FRANK H. PATTON, Attorney General

**TO:** Honorable J. W. Taylor Attorney General Boise, Idaho

{\*73} Your letter of April 8th makes inquiry relative to status of assignments of oil and gas leases and whether or not same constitute personal or real property.

The case of Terry et ux. v Humphreys et. al., 27 N.M. 564, holds that oil and gas leases convey real property and this being true it would follow that an assignment of such lease constitutes real property.

Your question No. 2 is whether the sale of oil and gas leases for speculative purposes is recognized as legitimate by the State of New Mexico. Under our Blue Sky Law, which is set forth in Sections 32-701 to 32-716 of New Mexico Statutes Annotated, 1929 Compilation, it is believed that oil and gas leases would be classed as speculative securities under the definition given in said statute.

We believe the Securities Division of the State Bank Examiner's Office so classes these oil and gas leases. However, the mere sale of one of these leases from one individual to another would not fall within our Blue Sky Act.

Your third question inquires as to whether there are any restrictions imposed in this state upon holders of assignment of oil and gas leases in the matter of residence and actual work upon the lands involved and the answer to this question is in the negative.

Trusting the foregoing sufficiently answers your inquiry, I am,