



Stephanie Garcia Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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**COMMISSIONER'S
OFFICE**

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September 1, 2025

Wayne Propst, Secretary
Department of Finance and Administration
180 Bataan Memorial Building
Santa Fe, NM 87501

and

Charles Sallee, Director
Legislative Finance Committee
325 Don Gaspar
Suite 101
Santa Fe, NM 87501

**Re: Transmittal of the Commissioner of Public Lands (53900) FY 2027
Appropriation Request**

Secretary Propst and Director Sallee:

As required by Section 6-3-19 NMSA 1978, and in accordance with DFA FY 2027 Appropriation Request Instructions, the required information for the Commissioner of Public Lands' (State Land Office) appropriation request has been uploaded in the Budget Formulation and Management System.

REVENUE

New Mexico State Land Office (NMSLO) earnings continue at record-breaking levels. Overall FY25 earnings are estimated at approximately \$2.5 billion for New Mexico's schools, universities and hospitals. FY25 marked strong non-royalty revenue (about \$160 million), with FY26 already shattering all-time records with earnings of \$312 million in just the first two months of the fiscal year and current projections exceeding \$470 million. These funds reduce the tax burden of working families by decreasing the State's reliance on General Funds to support public institutions. With royalties being transferred to the Land Grant Permanent Fund (LGPF), these earnings also play a key role in stabilizing the State's oil and gas-related revenue through investment and distribution by the State Investment Council.

Over the next fiscal year, royalty contributions to the LGPF will likely remain at a high level due to the Permian Basin's desirability and lower operating costs. Oil and gas projections are subject to a large degree of uncertainty due to variability in national and global market conditions, and in particular erratic federal policies; however, strong production and pricing are likely to continue to drive robust earnings. Land Maintenance Fund (LMF) earnings will

continue to be positively impacted by the growth in renewable energy leases, which as they become operational, will generate millions in additional inflows, as well as continued growth in commercial leasing. FY25 commercial leasing hit a record \$58 million. Oil and gas bonuses income will continue to benefit from agency efforts to ensure non-producing oil and gas parcels are made available for future leasing and that frivolous potash contests preventing high-value development are removed. The agency's compliance efforts have resulted in the termination or expiration of leases, which then become available for placement on the monthly lease sale (LMF revenue). The agency remains focused on developing new and more diverse revenue streams to ensure a strong fiscal position regardless of oil and gas sector cycles.

FY27 estimated revenue remains highly unpredictable due to uncertainties in the world oil market and overarching economic factors. Total FY27 revenue is projected at \$2.23 billion. This projection assumes \$2.04 billion in oil and gas royalties with monthly oil production averaging 15.5 million bbls (at 65.51 WTI) and gas production of 85 million mcf (at \$1.09 mcf). As a reference baseline, over the last fiscal year (FY25), monthly oil production ranged between 14.6 million bbls to 17.5 million bbls, with prices fluctuating from a low of \$60 to \$79. With respect to gas, monthly production ranged from 73.2 million mcf to 107 million mcf, with prices between \$0.50 and \$2.96. (This reflects monthly production between July 2024 and May 2025, as production reporting to the State Land Office lags three months.) FY27 total LMF earnings are conservatively estimated at \$182 million. For reference, FY24 reached a then-record high of \$214 million, FY25 exceeded \$160 million, and FY26 is currently forecasted at about \$470 million.

BASE REQUEST

State Land Office operations are funded by utilizing a very small portion of agency-generated revenue and do not rely on General Funds. To fund current service needs, \$32,104,800 is requested from the Land Maintenance Fund (Other State Funds). The request represents an overall increase of 6% (\$1,817,300) compared to the FY26 Operating Budget (less than 1% of current revenue). The additional funds are primarily focused on needs within Salaries and Benefits (\$1,501,500), however, about 53% of this amount is directly related to costs driven by changes in state employer-paid health and insurance premiums and increases to other benefit expenses for existing employees (FICA, retirement, insurance, etc.). The request also includes modest increases of 2.9% (\$87,500) in Contracts and 6.9% (\$228,300) in the Other category that reflect standard annual contractual/subscription adjustments. The Contracts and Other categories were held flat in FY26 and inflationary adjustments are necessary to maintain existing service levels. The agency is not seeking any special or IT requests for FY27.

These resources are needed to adequately manage 13 million acres in a sustainable and thoughtful manner and to prevent revenue generating economic opportunities from being left on the table due to a lack of capacity. The drastic growth in agency revenue over the last six years corresponds with significantly increased workload across the agency, including financial accounting, royalty processing, auditing, commercial leasing, site reviews and environmental clearances, remediation and reclamation, legal services and public engagement.

Specifically, the request seeks a funding level to: recruit and retain a specialized and professional workforce; advance renewable energy and economic development diversification efforts; manage a significantly increased oil and gas workload; institutionalize accountability and

enforcement efforts; better protect the health of lands; and provide for the efficient delivery of services, including the timely processing of revenue generating applications.

Salaries & Benefits (S&B)

Total S&B is requested at \$25,477,000, a 6.3% increase (\$1,501,500) over FY26. The additional funds reflect an increase of \$640,800 for employer-paid health insurance premiums and \$147,600 in other costs for existing employees (FICA, retirement, workers comp, unemployment, etc.). The increase also includes \$713,100 to maintain a 5% vacancy rate with appropriate compensation for existing employees and to add three new positions (\$415,000) as indicated below.

NMSLO's budget request continues to prioritize investments in hiring and retaining employees with the key skill sets to advance the agency's core objectives. About 79% of the agency's budget falls within the S&B category, with very little overhead in the Contractual and Other categories. This focus has allowed the agency to maintain one of the lowest vacancy rates among mid- to large size agencies. The agency also maintains a significantly lower turnover rate (about 1% monthly average) than the state average.

Maintaining qualified and professional staff is key to fostering job-creating economic development and earning revenue for trust beneficiaries. Based on employee surveys, the *Albuquerque Journal* and *USA Today* have recognized NMSLO as a top employer, with 95% of employees recommending the agency as a great place to work. Nonetheless, if the agency is unable to hire staff to meet its expanding workload, it will result in burnout and lost opportunities through project delays.

Additionally, the request funds three new positions:

- *Forester*: The State Land Office is charged with responsibly managing about nine million acres of surface land with a single existing forester position. An additional position in the Surface Resources Division is necessary for the agency to manage thinning projects, prescribed fires and healthy forest initiatives. The current lack of sufficient staffing is a significant barrier to bringing resources to bear on state trust lands through partnerships with sister federal and state agencies, non-profit organizations and agricultural lessees. With record fires occurring in New Mexico, additional capacity is required to appropriately manage agency projects and the broad array of partnerships.
- *Economic Development Projects Manager*: The Commercial Resources Division is comprised of four functional units: rights-of-way, business leasing, Office of Renewable Energy and special/economic development projects. All of the units have classified manager positions with the exception of the economic development side, which is responsible for community partnerships with local government on major economic development initiatives, planning and development leases, land exchanges and key state priorities (e.g., increasing housing, trade zones, etc.). For example, in one recent project a state land lease will facilitate the development of 4,300 housing units (40% of which will be affordable) in east Las

Cruces. These types of projects have increased significantly in recent years and a manager position is necessary to effectively and efficiently supervise projects and staff.

- *Commingling Petroleum Engineer*: Oil and gas commingling agreements are important as they result in less surface disturbance through consolidated locations and equipment, which in turn translates into reduced emissions, less damage to land and lower costs for industry. The accurate review of commingling agreements also ensures the State Land Office receives its correct allocated production, and therefore royalties, of combined production from various leases and pools. An additional petroleum engineer position in the Oil, Gas and Minerals Division is needed to meet the expanding workload. Furthermore, the Oil Conservation Division (OCD) is commencing a commingling rule change under which the State Land Office would assume sole responsibility for reviewing and approving commingling applications on state lands. Last year, OCD reviewed close to 5,000 applications.

Contractual Services

Contractual Services is requested at \$3,105,200, an increase of 2.9% (\$87,500) over FY26. The additional funds primarily reflect inflationary increases for land maintenance projects, the agency's security staffing contract and annual IT-related contractual increases.

Other

The Other category is requested at \$3,522,600, an increase of 6.9% (\$228,300) over FY26. The request primarily reflects inflationary costs related to subscriptions, higher in-state travel reimbursement rates and other administrative costs (rent, utilities, DoIT fees, property insurance, etc.) that have continued to rise.

CONCLUSION

The State Land Office's base budget request of \$32,104,800, representing an overall increase of \$1,817,300 from FY26, is modest in light of the billions of dollars in revenue it generates each year and the vast responsibilities it has in managing millions of acres throughout the state. These resources are necessary for the agency to continue its successful efforts to generate revenue for public institutions in a sustainable manner, while also reducing the tax burden on New Mexicans and creating jobs throughout the state.

Please forward any questions about State Land Office's request to Selena Romero, Assistant Commissioner of Administrative Services (sromero@nmslo.gov; 827-5790) or Deputy Commissioner of Operations Sunalei Stewart (sstewart@nmslo.gov; 827-5755). I am available to discuss any part of the budget or agency policy and can be reached by phone at 827-5760 or by email at sgarciarichard@nmslo.gov.

Sincerely,



Stephanie Garcia Richard
Commissioner of Public Lands

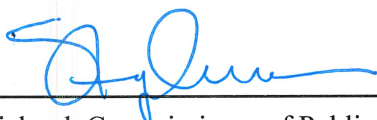
cc: Sunalei Stewart, Deputy Commissioner of Operations
Selena Romero, Assistant Commissioner for Administrative Services/Co-CFO
Antonio Medina, Director, Accounting Division/CFO
Andrew Miner, State Budget Director, DFA
Monica Tapia, Senior Budget Analyst, DFA
Helen Gaussoin, Principal Analyst, LFC

**Appropriation Request
Certification
Form S-1**

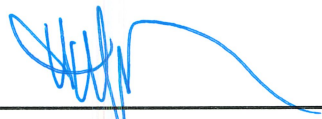
Agency Name: State Land Office

Business Unit: 53900

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.



Stephanie Garcia Richard, Commissioner of Public Lands



Antonio Medina, Chief Financial Officer

310 Old Santa Fe Trail
Santa Fe, NM 87501

505-827-5785

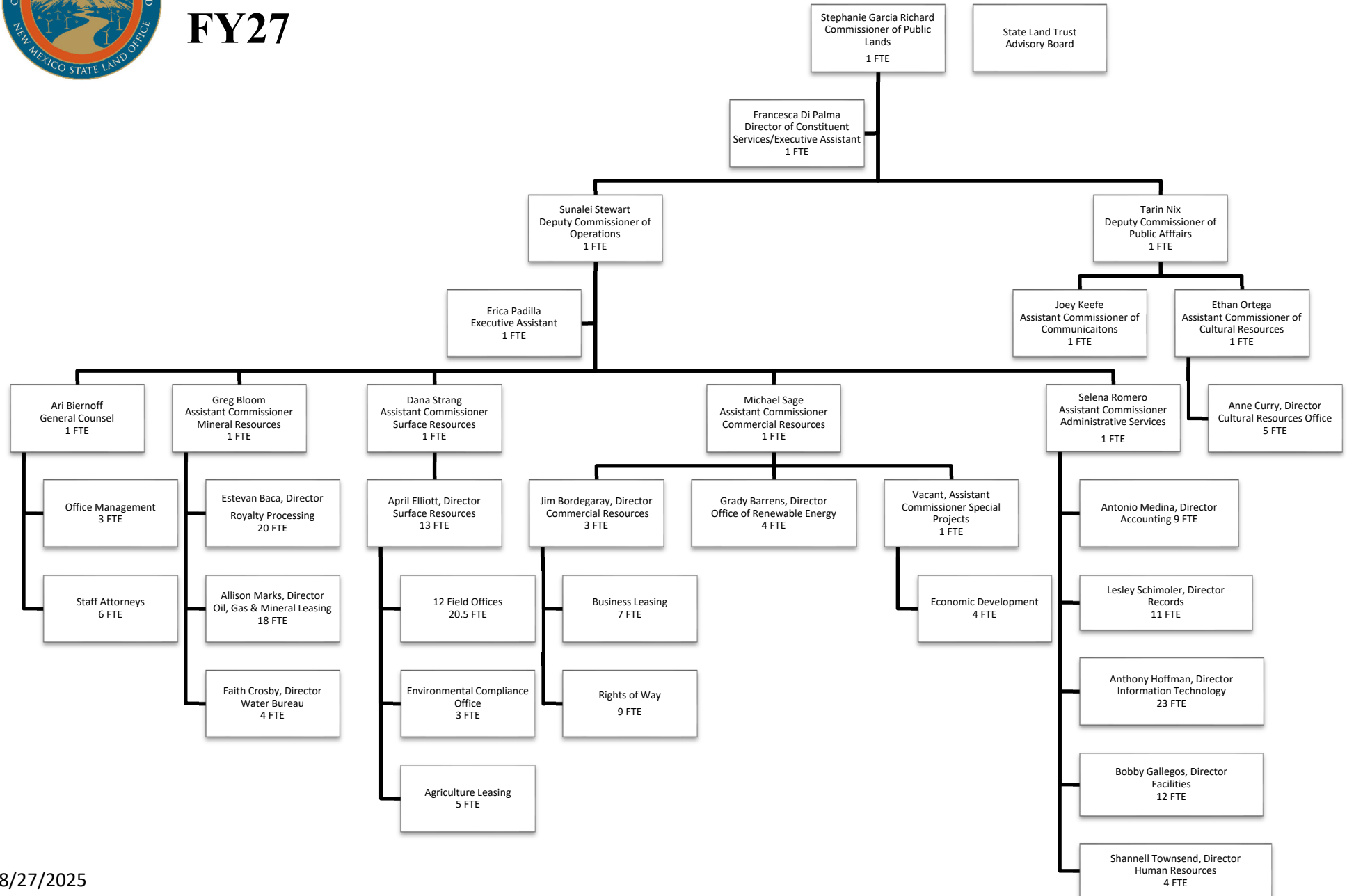
amedina@nmslo.gov

Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.



New Mexico State Land Office

FY27



Land Trust Stewardship

State of New Mexico
S-8 Financial Summary

BU PCode Department
5390(P615 000000

(Dollars in Thousands)

	2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	----- FY 2027 Agency Request -----		Total
					Base	Expansion	
REVENUE							
112 Other Transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
130 Other Revenues	26,918.3	58,949.9	30,287.5	0.0	32,104.8	0.0	32,104.8
REVENUE, TRANSFERS	26,918.3	58,949.9	30,287.5	0.0	32,104.8	0.0	32,104.8
REVENUE	26,918.3	58,949.9	30,287.5	0.0	32,104.8	0.0	32,104.8
EXPENSE							
200 Personal services and employee benefits	20,956.3	20,907.0	23,975.5	24,890.5	25,477.0	0.0	25,477.0
300 Contractual services	2,917.7	2,917.7	3,017.7	0.0	3,105.2	0.0	3,105.2
400 Other	3,044.3	2,979.5	3,294.3	0.0	3,522.6	0.0	3,522.6
EXPENDITURES	26,918.3	26,804.3	30,287.5	24,890.5	32,104.8	0.0	32,104.8
500 Other financing uses	0.0	30,395.8	0.0	0.0	0.0	0.0	0.0
OTHER FINANCING USES	0.0	30,395.8	0.0	0.0	0.0	0.0	0.0
EXPENSE	26,918.3	57,200.1	30,287.5	24,890.5	32,104.8	0.0	32,104.8
FTE POSITIONS							
810 Permanent	190.50	190.50	193.50	197.00	196.50	0.00	196.50
FTEs	190.50	190.50	193.50	197.00	196.50	0.00	196.50
FTE POSITIONS	190.50	190.50	193.50	197.00	196.50	0.00	196.50

Land Trust Stewardship

BU PCode Department
 53900 P615 000000

State of New Mexico
S-9 Account Code Revenue/Expenditure Summary
 (Dollars in Thousands)

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
499905	Other Financing Sources	0.0	0.0	0.0	0.0	0.0	0.0	0.0
112	Other Transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0
418902	Other Filing Fees	2,648.9	3,786.8	8,000.0	0.0	3,000.0	0.0	3,000.0
441201	Interest On Investments	5,249.6	26,627.6	7,213.7	0.0	10,000.0	0.0	10,000.0
442101	Land - Rental Or Lease	18,972.2	28,544.8	15,073.8	0.0	19,104.8	0.0	19,104.8
442102	Land - Rental Or Lease	0.0	(46.3)	0.0	0.0	0.0	0.0	0.0
442103	Land - Rental Or Lease	0.0	0.0	0.0	0.0	0.0	0.0	0.0
492101	Land Royalties	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
492405	Sale Of Equipment	0.0	3.1	0.0	0.0	0.0	0.0	0.0
492505	Sale Of Auto Property	0.0	17.1	0.0	0.0	0.0	0.0	0.0
496901	Miscellaneous Revenue	47.6	16.7	0.0	0.0	0.0	0.0	0.0
496909	Misc Revenue - Interagency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
130	Other Revenues	26,918.3	58,949.9	30,287.5	0.0	32,104.8	0.0	32,104.8
TOTAL REVENUE		26,918.3	58,949.9	30,287.5	0.0	32,104.8	0.0	32,104.8
520000	Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
520100	Exempt Perm Positions P/T&F/T	2,079.5	1,974.7	2,063.2	2,370.4	2,063.2	0.0	2,063.2
520300	Classified Perm Positions F/T	12,782.8	12,969.6	14,867.8	15,291.9	15,389.6	0.0	15,389.6
520400	Classified Perm Positions P/T	23.0	25.6	51.0	0.4	51.0	0.0	51.0
520500	Temporary Positions F/T & P/T	0.0	83.2	68.0	2.8	68.0	0.0	68.0
520600	Paid Unused Sick Leave	0.0	18.8	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	9.3	0.0	0.0	0.0	0.0	0.0

	2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
	Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
520800 Annl & Comp Paid At Separation	0.0	78.9	0.0	0.0	0.0	0.0	0.0
520900 Differential Pay	2.5	0.9	0.0	0.0	0.0	0.0	0.0
521100 Group Insurance Premium	1,368.2	1,374.9	2,096.9	2,401.4	2,778.2	0.0	2,778.2
521200 Retirement Contributions	2,835.6	2,888.6	3,204.4	3,380.7	3,304.8	0.0	3,304.8
521300 F I C A	1,127.5	1,091.9	1,259.8	1,083.7	1,299.7	0.0	1,299.7
521400 Workers' Comp Assessment Fee	1.8	1.7	0.0	0.0	1.8	0.0	1.8
521410 GSD Work Comp Insur Premium	47.3	47.3	26.0	0.0	46.7	0.0	46.7
521500 Unemployment Comp Premium	1.4	1.4	5.3	0.0	19.3	0.0	19.3
521600 Employee Liability Ins Premium	39.9	39.9	0.0	0.0	111.1	0.0	111.1
521700 RHC Act Contributions	296.8	300.3	333.1	359.2	343.6	0.0	343.6
200 Personal services and employee ben	20,606.3	20,907.0	23,975.5	24,890.5	25,477.0	0.0	25,477.0
530000 Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535100 Medical Services	0.2	0.0	0.2	0.0	0.2	0.0	0.2
535200 Professional Services	421.0	652.0	1,125.0	0.0	1,172.0	0.0	1,172.0
535209 Professional Svcs - Interagenc	0.0	23.0	0.0	0.0	0.0	0.0	0.0
535300 Other Services	1,598.7	587.2	838.0	0.0	854.8	0.0	854.8
535400 Audit Services	49.8	29.0	49.8	0.0	60.2	0.0	60.2
535500 Attorney Services	33.0	44.9	89.7	0.0	33.0	0.0	33.0
535600 IT Services	915.0	1,581.6	915.0	0.0	985.0	0.0	985.0
300 Contractual services	3,017.7	2,917.7	3,017.7	0.0	3,105.2	0.0	3,105.2
540000 Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542100 Employee I/S Mileage & Fares	5.1	1.2	5.1	0.0	5.5	0.0	5.5
542200 Employee I/S Meals & Lodging	90.0	60.9	90.0	0.0	93.2	0.0	93.2
542300 Brd & Comm Mbr Meals & Lodging	4.0	0.0	4.0	0.0	4.0	0.0	4.0
542500 Transp - Fuel & Oil	90.0	46.8	90.0	0.0	90.0	0.0	90.0
542600 Transp - Parts & Supplies	48.0	23.0	48.0	0.0	48.0	0.0	48.0

	2024-25 Opbud	2024-25 Actuals	2025-26 Opbud	2026-27 PCF Proj	----- FY 2027 Agency Request -----		
					Base	Expansion	Total
542700 Transp - Transp Insurance	7.2	7.2	7.2	0.0	6.0	0.0	6.0
542800 State Transp Pool Charges	2.8	2.9	2.8	0.0	3.5	0.0	3.5
543100 Maint - Grounds & Roadways	21.5	1.3	21.5	0.0	11.5	0.0	11.5
543200 Maint - Furn, Fixt, Equipment	24.3	46.3	24.3	0.0	28.3	0.0	28.3
543300 Maint - Buildings & Structures	33.5	49.0	33.5	0.0	34.5	0.0	34.5
543400 Maint - Property Insurance	13.7	13.6	13.7	0.0	14.7	0.0	14.7
543500 Maint - Supplies	20.6	13.5	20.6	0.0	20.6	0.0	20.6
543700 Maintenance Services	0.0	0.4	0.0	0.0	0.0	0.0	0.0
543820 Maintenance IT	0.0	0.7	0.0	0.0	0.0	0.0	0.0
543830 IT HW/SW Agreements	1,317.8	1,232.5	1,317.8	0.0	1,424.4	0.0	1,424.4
544000 Supply Inventory IT	69.4	68.7	69.4	0.0	93.6	0.0	93.6
544100 Supplies-Office Supplies	46.6	35.6	46.6	0.0	49.7	0.0	49.7
544400 Supplies-Field Supplies	11.4	14.7	11.4	0.0	10.4	0.0	10.4
544700 Supplies-Clothng,Uniforms,Linen	6.6	2.3	6.6	0.0	6.4	0.0	6.4
544800 Supplies-Education&Recreation	1.5	0.0	1.5	0.0	1.5	0.0	1.5
544900 Supplies-Inventory Exempt	44.2	27.2	44.2	0.0	39.5	0.0	39.5
545600 Reporting & Recording	14.6	20.0	14.6	0.0	26.5	0.0	26.5
545700 ISD Services	0.0	0.5	0.0	0.0	0.8	0.0	0.8
545710 DOIT HCM Assessment Fees	69.0	60.5	69.0	0.0	72.7	0.0	72.7
545900 Printing & Photo Services	22.4	22.6	22.4	0.0	21.5	0.0	21.5
546100 Postage & Mail Services	25.9	36.2	25.9	0.0	26.9	0.0	26.9
546310 Utilities - Sewer/Garbage	4.2	3.9	4.2	0.0	4.5	0.0	4.5
546320 Utilities - Electricity	85.2	89.4	85.2	0.0	88.5	0.0	88.5
546330 Utilities - Water	12.7	13.1	12.7	0.0	15.2	0.0	15.2
546340 Utilities - Natural Gas	23.9	11.8	23.9	0.0	25.0	0.0	25.0
546400 Rent Of Land & Buildings	124.0	125.5	124.0	0.0	154.0	0.0	154.0

		2024-25	2024-25	2025-26	2026-27	----- FY 2027 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
546500	Rent Of Equipment	92.8	70.1	92.8	0.0	92.8	0.0	92.8
546600	Communications	94.6	65.7	94.6	0.0	94.0	0.0	94.0
546610	DOIT Telecommunications	136.6	128.6	136.6	0.0	141.7	0.0	141.7
546700	Subscriptions/Dues/License Fee	91.3	96.9	91.3	0.0	114.4	0.0	114.4
546709	Subscription & Due Interagency	0.0	5.0	0.0	0.0	0.0	0.0	0.0
546800	Employee Training & Education	103.5	95.4	103.5	0.0	108.1	0.0	108.1
546900	Advertising	10.8	78.7	10.8	0.0	10.6	0.0	10.6
547900	Miscellaneous Expense	30.0	7.2	30.0	0.0	26.8	0.0	26.8
547909	Misc Expense Interagency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547999	Request to Pay Prior Year	0.0	1.9	0.0	0.0	1.8	0.0	1.8
548200	Furniture & Fixtures	0.0	160.0	0.0	0.0	0.0	0.0	0.0
548300	Information Tech Equipment	95.0	107.5	95.0	0.0	120.0	0.0	120.0
548400	Other Equipment	13.0	0.0	13.0	0.0	13.0	0.0	13.0
548800	Automotive & Aircraft	250.0	54.8	250.0	0.0	250.0	0.0	250.0
549600	Employee O/S Mileage & Fares	60.0	27.7	60.0	0.0	55.6	0.0	55.6
549700	Employee O/S Meals & Lodging	76.6	48.9	76.6	0.0	72.9	0.0	72.9
400	Other	3,294.3	2,979.5	3,294.3	0.0	3,522.6	0.0	3,522.6
555100	Other Financing Uses	0.0	30,395.8	0.0	0.0	0.0	0.0	0.0
555200	O/F Uses - Higher Ed Institut	0.0	0.0	0.0	0.0	0.0	0.0	0.0
500	Other financing uses	0.0	30,395.8	0.0	0.0	0.0	0.0	0.0
TOTAL EXPENSE		26,918.3	57,200.1	30,287.5	24,890.5	32,104.8	0.0	32,104.8
810	Permanent	190.50	190.50	193.50	197.00	196.50	0.00	196.50
810	Permanent	190.50	190.50	193.50	197.00	196.50	0.00	196.50
TOTAL FTE POSITIONS		190.50	190.50	193.50	197.00	196.50	0.00	196.50

State of New Mexico
S-13 Line Items by Business Unit Expenditures

(Dollars in Thousands)

BusUnit	Line Item		2024-25	2025-26	Request		Recommendation			
			Actuals	Opbud	Base	Expansion	Base	Expansion	Opbud	
53900	P615-R	Land Trust Stewardship								
		521400	Workers' Comp Assessment Fee	1.7	1.8	1.8	0	0	0	0.0
		521410	GSD Work Comp Insur Premium	47.3	90.7	46.7	0	0	0	0.0
		521500	Unemployment Comp Premium	1.4	0	19.3	0	0	0	0.0
		521600	Employee Liability Ins Premium	39.9	109.4	111.1	0	0	0	0.0
		535400	Audit Services	29.0	49.8	60.2	0	0	0	0.0
		542700	Transp - Transp Insurance	7.2	7.6	6	0	0	0	0.0
		542800	State Transp Pool Charges	2.9	2.8	3.5	0	0	0	0.0
		543400	Maint - Property Insurance	13.6	13.7	14.7	0	0	0	0.0
		545700	ISD Services	0.5	0	0.8	0	0	0	0.0
		545710	DOIT HCM Assessment Fees	60.5	69	72.7	0	0	0	0.0
		546610	DOIT Telecommunications	128.6	136.6	141.7	0	0	0	0.0
Subtotal for:	53900	P615-R	Land Trust Stewardship	332.5	481.4	478.5	0	0	0	0.0
53900				332.5	481.4	478.5	0	0	0	0.0

Totals by Line Item

BusUnit	Line Item	2024-25	2025-26	Request		Recommendation			
		Actuals	Opbud	Base	Expansion	Base	Expansion	Opbud	
53900	521400	Workers' Comp Assessment Fee	1.7	1.8	1.8	0	0	0	0.0
	521410	GSD Work Comp Insur Premium	47.3	90.7	46.7	0	0	0	0.0
	521500	Unemployment Comp Premium	1.4	0	19.3	0	0	0	0.0
	521600	Employee Liability Ins Premium	39.9	109.4	111.1	0	0	0	0.0
	535400	Audit Services	29.0	49.8	60.2	0	0	0	0.0
	542700	Transp - Transp Insurance	7.2	7.6	6	0	0	0	0.0
	542800	State Transp Pool Charges	2.9	2.8	3.5	0	0	0	0.0
	543400	Maint - Property Insurance	13.6	13.7	14.7	0	0	0	0.0
	545700	ISD Services	0.5	0	0.8	0	0	0	0.0
	545710	DOIT HCM Assessment Fees	60.5	69	72.7	0	0	0	0.0
	546610	DOIT Telecommunications	128.6	136.6	141.7	0	0	0	0.0
Grand Total			332.5	481.4	478.5	0	0	0	0.0

Program Description:

The purpose of the Land Trust Stewardship program is to generate revenue from state trust lands to support public education and other beneficiary institutions, while simultaneously striving to protect, conserve and maintain the lands so they are healthy and productive for future generations. The State Land Office (NMSLO) generates revenue by leasing lands for agriculture, a wide variety of business uses, renewable energy, oil and gas development, mining, and other surface and mineral estate activities. The Territory of New Mexico was established in 1850 by an Act of Congress. Recognizing the importance of public education to a developing nation, Congress reserved sections 16 and 36 of each township for the benefit of Common Schools. Later, Congress approved the Ferguson Act of 1898, which made additional land grants to aid in the support of other public institutions, including higher education institutions, and appointed Alpheus A. Keen as the first Commissioner of Public Lands. The Enabling Act of 1910, which authorized the Territory of New Mexico to form a constitution and state government and admitted it into the Union, confirmed grants previously made to the Territory and also assigned sections 2 and 32 of each township in trust for the Common Schools. Today, state trust lands are located in every one of New Mexico's 33 counties. The Commissioner of Public Lands, as a statewide elected official, manages about nine million acres of surface and 13 million acres of mineral rights on behalf of beneficiaries. Each section of land is assigned to one of the Trust's 21 beneficiaries, which include public schools, universities, hospitals and other public institutions, and the money made off each tract of land goes to support the assigned beneficiary.

The beneficiaries of the Trust are: Capital Buildings, Carrie Tingley Hospital, Charitable Penal and Reform (CP&R is shared equally by Carrie Tingley Hospital, Las Vegas Medical Center (The Behavioral Health Institute), Los Lunas Hospital, Miners' Colfax Medical Center, Penitentiary of New Mexico, and the New Mexico Boys' School and Girl's Welfare Home (CYFD-The Youth Diagnostic and Development Center)), Eastern New Mexico University, Irrigation Reservoirs, Las Vegas Medical Center (State Hospital/Behavioral Health Institute), Miners' Colfax Medical Center, New Mexico Boys' School, New Mexico Highlands University, New Mexico Military Institute, New Mexico Institute of Mining and Technology, University of New Mexico, Western New Mexico University, New Mexico School for the Deaf, New Mexico School for the Blind and Visually Impaired, New Mexico State University, Northern New Mexico College, Penitentiary of New Mexico, Public (Common) Schools, Rio Grande Improvements, and Saline Lands.

Fiscal years 2019-2025 marked record years, with the NMSLO earnings reaching an estimated \$2.5 billion for FY25. Money earned by the NMSLO reduces taxpayer burden by decreasing the required amount of General Fund support by the amount of Other State Funds provided through the Land Maintenance Fund (LMF) and distributed through the Land Grant Permanent Fund (LGPF).

Revenue generated from the extraction of oil, natural gas, mining, the sale of land, or any other activity that permanently depletes a resource, is paid into the LGPF, which is managed and invested by the State Investment Council (SIC). Funds are distributed to beneficiaries based on 5-year average ending market value and the distribution percentage established by the state Constitution. Distributions from the LGPF to public schools are paid into the Common School Fund, a subcategory of the General Fund; the distributions to the Charitable Penal and Reform (shared amongst seven beneficiaries) are transferred to the Department of Finance and Administration for further distribution. All other beneficiaries receive monthly checks from the SIC.

Revenue earned from miscellaneous revenue (interest on deposits, fees, and refunds), ranching and farming, renewable energy, rights-of-way, and commercial development, which do not permanently deplete a resource, are distributed through the LMF to the designated beneficiaries after the NMSLO covers its own expenses. Public school distributions are paid into the Common School Fund; other beneficiaries receive monthly checks or transfers from the agency.

NMSLO is comprised of various divisions and functions. The Office of the Commissioner of Public Lands provides overall leadership and direction to the agency as well as manages the State Land Trusts Advisory Board, subject matter specific advisory committees, communications and public relations, beneficiary engagement, and constituent services. The Oil, Gas and Minerals Division (OGMD) administers the NMSLO monthly oil and gas lease sales and manages all hydrocarbon and mineral leasing activity on state trust lands. The Water Bureau is also housed within OGMD. The Royalty Management Division is responsible for the collection, processing, distribution and auditing of royalty revenue from oil, natural gas, and carbon dioxide produced from state trust lands. The Commercial Resources Division (CRD) engages in a wide variety of commercial leasing, land exchanges, and rights-of-way (ROW), while preserving the resource to the greatest extent possible. CRD includes the Office of Renewable Energy, the ROW group, Business Leasing section, and Economic Development special projects. The Surface Resources Division (SRD) manages complex and dynamic programs that focus on landscape level planning, watershed health, forestry, site remediation, illegal dumping, biological resources, environmental compliance, and district field offices throughout the state. SRD houses the Agricultural Leasing Bureau, Office of Outdoor Recreation, Environmental Compliance Office, as well as manages the Restoration and Remediation Fund (R&R). One percent of the renewable revenue received by the NMSLO is deposited in the R&R Fund, up to \$5,000,000. The money is to implement projects in the following categories: surface damage remediation and restoration; watershed, forest or grassland restoration; illegal dump site remediation and restoration; and contaminated site remediation. The Cultural Resources Office (CRO) serves to position the agency to effectively manage and protect cultural resources and engage in tribal consultation efforts in a coordinated and responsive manner. The Office of the General Counsel (Legal Division) provides legal advice and representation to the Commissioner and all agency divisions in furtherance of the agency's mission, as well as manages the Enforcement & Accountability program. Administrative Services provides support to the agency through the following divisions: accounting, human resources, facilities management, information technology and records management.

Major Issues and Accomplishments:

FY25 continued to mark historic earnings (about \$2.5 billion), which corresponds to record workload levels. NMSLO has made significant strides in expanding diversification efforts, such as renewable energy and major economic development and housing projects, and advancing industry compliance efforts. Performance measures have consistently increased, and have been exceeded in most cases. NMSLO's continued success is directly tied to the agency's ability to retain, recruit and expand skilled personnel.

FY25 accomplishments include:

- Clean FY24 financial audit while processing over 25,000 payments, distributing about \$2.5 billion.
- Increased renewable energy by more than seven-fold since assuming office, from about 400 MW under lease to 3,053 MW; signed three major wind leases, a record solar lease and ten community solar projects in FY25, which are projected to earn over \$615 million and generate enough electricity to power up to 73,500 homes.
- Surpassed 700 inactive wells plugged (at industry's expense), saving taxpayers at least \$85 million and removing long-term environmental and financial liabilities (187 plugged in FY24).
- Scored significant victories in the NM Supreme Court (Blanchard Corona Ranch LLC) and NM Court of Appeals (Siddens & Dodson, LP and Marathon Petroleum Corp decisions), while also successfully managing dozens of enforcement suits.
- Record commercial earnings of over \$58 million, with business leasing up 19% and ROWs up 44%.
- Approved two new major transmission lines in support of grid stability, the Rio Sol line paralleling the previously executed SunZia line and the Crossroads Hobbs Roadrunner transmission line; combined these two projects represent over \$100 million in lifetime revenue.
- Signed an economic development base lease with City of Albuquerque with a sublease to NM School for the Blind and Visually Impaired to allow the school to expand their campus; negotiated a new long-term lease for the Spaceport, including increased revenue-sharing and streamlined approval for proposed subleases; signed annexation agreement with City of Gallup to enhance economic development of a key and a foreign trade zone.
- Broke ground on Sol Housing's new 82-unit affordable apartment complex for senior citizens (Farolito); completed Rio Rancho/Paseo Gateway deal that will result in 150-200 single-family residential homes, while earning \$5 million.
- Increased cultural resource surveys by 36,265 acres bringing the total lands surveyed to 715,917 acres (21% increase since implementation of CPP rule) with 12,034 cultural properties identified; reviewed over 1,000 projects; hired Tribal Liaison, initiated 21 formal consultations; held a Tribal Historic Preservation Officer Summit; formalized standard operating procedures for Tribal engagement; won the Department of Cultural Affairs' 2025 Heritage Preservation Award for the agency's contributions to the preservation and understanding of New Mexico's cultural heritage.
- Championed the passage of SB 23, which increased the top oil and gas royalty rate to 25% for the best parcels in the Permian Basin.
- Approved 301 communitizations (coms) with a two-week average turnaround time; terminated 69 coms and 9 units for non-compliance (allowing for re-leasing); received over \$621,000 from coms trespass; raised over \$40 million from monthly oil and gas lease sales; conducted environmental reviews on about 240,000 acres (up 50%).
- Reviewed 571 assignments for compliance issues, which resulted in the cleanup of 23 sites.
- Earned over \$6.3 million from mineral leases; completed significant audit of potash companies that resulted in removing administrative protests blocking the development of high-value oil production areas in the Permian Basin.
- Generated \$19 million from easements for fresh water, salt water, water monitoring, and deep non-fresh water; terminated 28 SWD easements leading to the plugging of 47 wells; continued implementation of the Commissioner's policy of no freshwater sales to the oil and gas industry, which to date has saved the state an estimated half a billion gallons of freshwater.

- Processed about \$2.4 billion in oil and gas royalties, requiring the review of over 1.4 million payment lines (revenue receipts); updated IT system to allow for individual monthly royalty returns exceeding \$10 million.
- Collected \$6.8 million from oil and gas audits.
- Hosted a two-day industry training for 200+ attendees representing 74 companies offering one-on-one counseling and presentations on various areas of interest.
- Completed 914 agricultural lease renewals.
- Issued Executive Orders to protect state lands from mineral development in Pecos watershed (+2,500 acres) and Caja del Rio landscape (+5,000 acres); signed agreement to restrict development on over 60,000 acres (another 60,000 in the works) of the Chupadera Mesa in the greater White Sands region (Socorro and Torrance counties); entered into a lease for 1,200 acres of riparian protection and restoration within the Rio Puerco watershed.
- Executed an agreement to preserve core lesser prairie-chicken habitat, including restricting large-scale development on about 20,000 acres of state land as well voluntary partnerships with surrounding private landowners on about 5,000 acres; financed through an agreement with the NM Land Conservancy and NextEra Energy to fulfill the agency's mandate to earn money for public institutions (over \$4.3 million) while responsibly managing lands.
- Working with the Village of Ruidoso, implemented a strategically-placed fuel break along the west boundary of Moon Mountain; treated 15,094 acres of state trust land to eradicate invasive mesquite along the Pecos River valley; provided one hundred cords of wood to the San Miguel de Bado Land Grant in Villanueva from a 200-acre forest thinning project in partnership with NM Wild and the Land Grant Council; Treated 200 acres for noxious Canada thistle in the Elk Ridge Management Area as part of a broader treatment area within the White Peak landscape; conducted grassland bird surveys on 4,900 acres in a match for a NFWF grant.
- Issued 400 Recreational Access Permits (+6%); completed a recreational opportunities assessment for the northeast part of the state to support planning efforts; successfully submitted a grant application for trail planning in the White Peak landscape to support recreational access and planning (award for FY26 – FY27).
- Environmental Compliance Office oversaw the completion of 349 remediation closures, development of 270 reclamation plans.
- Completed 2,079 field reports and 355 biological reviews in support of leasing activities.
- Signed an agreement to initiate a land exchange with BLM, whereby the NMSLO will receive higher-value commercial properties in exchange for state lands in or adjacent to the Organ Mountains-Desert Peaks National Monument.
- Named a regional Top Workplace by the Albuquerque Journal for the third year and a National Top Workplace by USA Today for the second time.
- Maintained significantly lower than state average vacancy rate throughout the year due to low turnover (less than 2% monthly average) and high-employee retention.
- Delivered a record 140,000 (average of 580 per day) digital documents to public room visitors and remote clients; recorded 3,980 title activities, digitized 325,409 pages; and handled 13,381 file requests.
- Continued to strengthen IT security by maintaining a top tier, low-risk score; secured new Chief Cybersecurity Officer position; advanced major IT system upgrades for land/lease management and revenue processing systems (IV&V projects "green").
- Maintained a safe and secure office with no property losses or claims.

Overview of Request:

NMSLO earnings, the primary constitutional performance metric, have consistently set records over the last seven fiscal years. This money reduces the tax burden of working families by decreasing reliance on General Funds to support public schools, universities and hospitals.

Specifically, the request seeks funding to: recruit and retain a specialized and professional workforce; advance renewable energy and economic development diversification; manage a significantly increased workload; institutionalize accountability and enforcement efforts; better protect the health of lands; and provide for the efficient delivery of services, including the timely processing of revenue-generating applications.

NMSLO operations are funded by utilizing a very small portion of the revenue it generates each year (OSF). NMSLO's FY26 operational budget of \$30,287,500 represents just 1% of FY25 revenue. The agency's FY27 request of \$32,104,800 reflects a total increase of 6% (\$1,817,300), largely focused on needs within Salaries and Benefits (\$1,501,500). The request also includes modest inflationary increases of 2.9% in the Contracts and 6.9% in the Other category, primarily to meet standard annual subscription and contract increases. (The agency's FY26 budget was flat for both Contracts and Other categories.)

NMSLO's budget prioritizes the continued investment in hiring and retaining employees with the right skill set to advance core objectives. The FY27 request funds three new positions to handle current workload requirements: (1) an additional forester position in the Surface Division, (2) a manager position to oversee the economic development/special projects unit in the Commercial Resources Division, and (3) a petroleum engineer to work on commingling agreements in the Oil, Gas and Minerals Division.

The requested resources are needed to adequately manage 13 million acres in a sustainable and responsible manner and to prevent revenue generating economic opportunities from being left on the table. The drastic growth in revenue over the last seven years corresponds with significantly increased workloads.

Overall earnings are expected to remain strong in FY26 and FY27 but uncertainty exists due to O&G price volatility and general international/domestic economic factors. Royalty contributions to the LGPF will likely remain strong due to the Permian Basin's desirability and lower operating costs. LMF revenue can fluctuate considerably, however, it is expected to remain strong due to increased non-royalty activities (FY26 LMF earnings are already shattering all-time records with \$312 million in oil and gas lease sales within just the first two months of the fiscal year).

Programmatic Changes: N/A

Base Budget Justification: Operations are funded by a very small portion of agency-generated revenue. To fund current service needs, \$32,104,800 is requested – an overall increase of 6% (\$1,817,300) compared to the FY26 Operating Budget. The agency is not seeking any special or IT appropriations.

S&B: The request prioritizes hiring and retention of employees with the skill sets to advance the agency's objectives. Over 79% of the budget falls within S&B, with very little overhead in Contractual and Other. S&B is requested at \$25,477,000, an increase of 6.3% (\$1,501,500) over the FY26 Operating Budget. However, about 53% of the requested S&B is directly related to costs driven by changes in state employer-paid health and insurance premiums and increases to other benefit expenses for existing employees (FICA, retirement, insurance, etc.).

In addition to maintaining appropriate compensation levels for existing staff (193.5 FTE, 5% budgeted vacancy rate), the FY27 request funds three new positions:

- **Senior Forester:** The NMSLO is charged with responsibly managing about nine million acres of surface land with a single existing forester position. An additional position in the Surface Resources Division is needed for the agency to manage thinning projects, prescribed fires and healthy forest initiatives. The lack of sufficient staffing is a significant barrier to bringing resources to bear on state trust lands through partnerships with sister federal and state agencies, non-profit organizations and agricultural lessees. Record fires across New Mexico, necessitate additional capacity to appropriately manage agency projects and the broad array of partnerships.

- **Economic Development Projects Manager:** The Commercial Resources Division is comprised of four functional units: rights-of-way, business leasing, Office of Renewable Energy and special/economic development projects. Each unit has classified managers, excepting the economic development side, which is responsible for partnering with local government on major economic development initiatives, planning and development leases, land exchanges and key state priorities (e.g., increasing housing, trade zones, etc.). For example, a recent deal the agency inked will facilitate the development of 4,300 housing units in Las Cruces, 40% of which will be affordable. These types of projects have increased significantly in recent years and a manager position is necessary to effectively and efficiently supervise projects and staff.

- **Commingling Petroleum Engineer:** Oil and gas commingling agreements result in less surface disturbance through consolidated locations and equipment, which in turn translates into reduced emissions, less damage to land and lower costs for industry. An accurate review of commingling agreements also ensures the NMSLO receives its correct allocated production, and therefore royalties, of combined production from various leases and pools. An additional petroleum engineer position in the Oil, Gas and Minerals Division is needed to meet the expanding workload. Furthermore, the Oil Conservation Division (OCD) is commencing a commingling rule change under which the NMSLO would assume sole responsibility for reviewing and approving commingling applications on state lands. Last year, OCD reviewed close to 5,000 applications.

Contractual Services: Contractual Services is requested at \$3,105,200, an increase of 2.9% (\$87,500) over FY26. Additional funds primarily reflect inflationary increases for land maintenance projects and the agency's security staffing contract.

Other: The Other category is requested at \$3,522,600, an increase of 6.9% (\$228,300) over FY26. The request primarily reflects inflationary costs related to annual subscriptions, increased per diem rates for all travel and other administrative costs (rent, utilities, DoIT fees, insurance, etc.) that continue to rise.

Performance Measures

To meet workload requirements, the agency has increased its operational budget over the last several years. However, it has also increased its performance measures, most of which have been consistently met or exceeded. The basic duty of the NMSLO is to earn money for public schools and other public institutions – and the agency has shattered records each year, generating over \$12 billion since 2019.

The agency's proposed FY27 performance targets in many key areas are substantially higher compared to FY23 targets. For example:

- Number of wells plugged and sites reclaimed through compliance and enforcement efforts: +400%
- Total trust revenue generated: +144%
- Bonus income per acre leased for oil and natural gas activities: +111%
- Revenue generated through oil and gas audit activities: +125%
- Income from renewable energy: +233%
- Income from commercial leasing: +86%

Furthermore, the achievements of the NMSLO go well beyond just exceeding budget performance measures in creating jobs, expanding affordable housing and seizing economic development opportunities.

REV EXP COMPARISON

(Dollars in Thousands)

53900 - State Land Office

P615 - Land Trust Stewardship

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	0.0	32,104.8	0.0	0.0	32,104.8
Personal services and employee benefits	0.0	25,477.0	0.0	0.0	25477
Contractual services	0.0	3,105.2	0.0	0.0	3105.2
Other	0.0	3,522.6	0.0	0.0	3522.6
USES Total:	0.0	32,104.8	0.0	0.0	32,104.8
Net:	0.0	0.0	0.0	0.0	0.0

Land Trust Stewardship

BU PCode
53900 P615

State of New Mexico

E4 PCode Detail
(Dollars in Thousands)

Fund	Account		2024-25	2025-26	2026-27	FY 2027 Agency Request				Total	Justification
			Actuals	Opbud	PCF Proj	GF	OSF	ISF/IAT	FF		
00000	520300	Classified Perm Positions F/T	0.0	0.0	699.4	0.0	0.0	0.0	0.0	0.0	
00000	521100	Group Insurance Premium	0.0	0.0	45.9	0.0	0.0	0.0	0.0	0.0	
00000	521200	Retirement Contributions	0.0	0.0	144.1	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	42.9	0.0	0.0	0.0	0.0	0.0	
00000	521700	RHC Act Contributions	0.0	0.0	18.4	0.0	0.0	0.0	0.0	0.0	
09800	520000	Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
09800	520100	Exempt Perm Positions P/T&F/T	1,974.7	2,063.2	2370.4	0.0	2,063.2	0.0	0.0	2,063.2	
09800	520300	Classified Perm Positions F/T	12,969.6	14,867.8	14592.5	0.0	15,389.6	0.0	0.0	15,389.6	The increase is to maintain a 5% vacancy rate with appropriate compensation for existing employees and to add three new positions.
09800	520400	Classified Perm Positions P/T	25.6	51.0	0.4	0.0	51.0	0.0	0.0	51.0	
09800	520500	Temporary Positions F/T & P/T	83.2	68.0	2.8	0.0	68.0	0.0	0.0	68.0	
09800	520600	Paid Unused Sick Leave	18.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
09800	520700	Overtime & Other Premium Pay	9.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
09800	520800	Annl & Comp Paid At Separation	78.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
09800	520900	Differential Pay	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
09800	521100	Group Insurance Premium	1,374.9	2,096.9	2355.5	0.0	2,778.2	0.0	0.0	2,778.2	Increase to cover new 80/20 split of health insurance cost enacted in FY26
09800	521200	Retirement Contributions	2,888.6	3,204.4	3236.6	0.0	3,304.8	0.0	0.0	3,304.8	
09800	521300	F I C A	1,091.9	1,259.8	1040.9	0.0	1,299.7	0.0	0.0	1,299.7	
09800	521400	Workers' Comp Assessment Fee	1.7	0.0	0.0	0.0	1.8	0.0	0.0	1.8	
09800	521410	GSD Work Comp Insur Premium	47.3	26.0	0.0	0.0	46.7	0.0	0.0	46.7	
09800	521500	Unemployment Comp Premium	1.4	5.3	0.0	0.0	19.3	0.0	0.0	19.3	
09800	521600	Employee Liability Ins Premium	39.9	0.0	0.0	0.0	111.1	0.0	0.0	111.1	
09800	521700	RHC Act Contributions	300.3	333.1	340.8	0.0	343.6	0.0	0.0	343.6	
	200	Personal services and employee benefits	20,907.0	23,975.5	24890.5	0.0	25,477.0	0.0	0.0	25,477.0	
09800	540000	Other Expenses	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
09800	542100	Employee I/S Mileage & Fares	1.2	5.1	0	0.0	5.5	0.0	0.0	5.5	Increased mileage rates
09800	542200	Employee I/S Meals & Lodging	60.9	90.0	0	0.0	93.2	0.0	0.0	93.2	Increased per diem rates and more travel across state lands for site visits and inspections
09800	542300	Brd & Comm Mbr Meals & Lodging	0.0	4.0	0	0.0	4.0	0.0	0.0	4.0	

09800	542500	Transp - Fuel & Oil	46.8	90.0	0	0.0	90.0	0.0	0.0	90.0	
09800	542600	Transp - Parts & Supplies	23.0	48.0	0	0.0	48.0	0.0	0.0	48.0	
09800	542700	Transp - Transp Insurance	7.2	7.2	0	0.0	6.0	0.0	0.0	6.0	
09800	542800	State Transp Pool Charges	2.9	2.8	0	0.0	3.5	0.0	0.0	3.5	
09800	543100	Maint - Grounds & Roadways	1.3	21.5	0	0.0	11.5	0.0	0.0	11.5	
09800	543200	Maint - Furn, Fixt, Equipment	46.3	24.3	0	0.0	28.3	0.0	0.0	28.3	
09800	543300	Maint - Buildings & Structures	49.0	33.5	0	0.0	34.5	0.0	0.0	34.5	
09800	543400	Maint - Property Insurance	13.6	13.7	0	0.0	14.7	0.0	0.0	14.7	
09800	543500	Maint - Supplies	13.5	20.6	0	0.0	20.6	0.0	0.0	20.6	
09800	543700	Maintenance Services	0.4	0.0	0	0.0	0.0	0.0	0.0	0.0	
09800	543820	Maintenance IT	0.7	0.0	0	0.0	0.0	0.0	0.0	0.0	
09800	543830	IT HW/SW Agreements	1,232.5	1,317.8	0	0.0	1,424.4	0.0	0.0	1,424.4	New audit software to assist with company audits. Software cost increases across the board
09800	544000	Supply Inventory IT	68.7	69.4	0	0.0	93.6	0.0	0.0	93.6	Need for equipment refresh to maintain functionality and security
09800	544100	Supplies-Office Supplies	35.6	46.6	0	0.0	49.7	0.0	0.0	49.7	
09800	544400	Supplies-Field Supplies	14.7	11.4	0	0.0	10.4	0.0	0.0	10.4	
09800	544700	Supplies-Clothing, Uniforms, Linen	2.3	6.6	0	0.0	6.4	0.0	0.0	6.4	
09800	544800	Supplies-Education & Recreation	0.0	1.5	0	0.0	1.5	0.0	0.0	1.5	
09800	544900	Supplies-Inventory Exempt	27.2	44.2	0	0.0	39.5	0.0	0.0	39.5	
09800	545600	Reporting & Recording	20.0	14.6	0	0.0	26.5	0.0	0.0	26.5	
09800	545700	ISD Services	0.5	0.0	0	0.0	0.8	0.0	0.0	0.8	
09800	545710	DOIT HCM Assessment Fees	60.5	69.0	0	0.0	72.7	0.0	0.0	72.7	
09800	545900	Printing & Photo Services	22.6	22.4	0	0.0	21.5	0.0	0.0	21.5	
09800	546100	Postage & Mail Services	36.2	25.9	0	0.0	26.9	0.0	0.0	26.9	
09800	546310	Utilities - Sewer/Garbage	3.9	4.2	0	0.0	4.5	0.0	0.0	4.5	
09800	546320	Utilities - Electricity	89.4	85.2	0	0.0	88.5	0.0	0.0	88.5	
09800	546330	Utilities - Water	13.1	12.7	0	0.0	15.2	0.0	0.0	15.2	
09800	546340	Utilities - Natural Gas	11.8	23.9	0	0.0	25.0	0.0	0.0	25.0	
09800	546400	Rent Of Land & Buildings	125.5	124.0	0	0.0	154.0	0.0	0.0	154.0	Rent escalations. Office expansion in Albuquerque and new office in Farmington
09800	546500	Rent Of Equipment	70.1	92.8	0	0.0	92.8	0.0	0.0	92.8	
09800	546600	Communications	65.7	94.6	0	0.0	94.0	0.0	0.0	94.0	
09800	546610	DOIT Telecommunications	128.6	136.6	0	0.0	141.7	0.0	0.0	141.7	
09800	546700	Subscriptions/Dues/License Fee	96.9	91.3	0	0.0	114.4	0.0	0.0	114.4	Inflationary cost increase to cover two years of increases as FY26 Other budget was kept flat
09800	546709	Subscription & Due Interagency	5.0	0.0	0	0.0	0.0	0.0	0.0	0.0	

09800	546800	Employee Training & Education	95.4	103.5	0	0.0	108.1	0.0	0.0	108.1	Increased focus on training to maintain certifications for professional FTE
09800	546900	Advertising	78.7	10.8	0	0.0	10.6	0.0	0.0	10.6	
09800	547900	Miscellaneous Expense	7.2	30.0	0	0.0	26.8	0.0	0.0	26.8	
09800	547999	Request to Pay Prior Year	1.9	0.0	0	0.0	1.8	0.0	0.0	1.8	
09800	548200	Furniture & Fixtures	160.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
09800	548300	Information Tech Equipment	107.5	95.0	0	0.0	120.0	0.0	0.0	120.0	Need for equipment refresh to maintain functionality and security
09800	548400	Other Equipment	0.0	13.0	0	0.0	13.0	0.0	0.0	13.0	
09800	548800	Automotive & Aircraft	54.8	250.0	0	0.0	250.0	0.0	0.0	250.0	
09800	549600	Employee O/S Mileage & Fares	27.7	60.0	0	0.0	55.6	0.0	0.0	55.6	
09800	549700	Employee O/S Meals & Lodging	48.9	76.6	0	0.0	72.9	0.0	0.0	72.9	
77600	546900	Advertising	(0.0)	0.0	0	0.0	0.0	0.0	0.0	0.0	Removing all non-operating fund expenses and revenues
77600	547909	Misc Expense Interagency	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Removing all non-operating fund expenses and revenues
	400	Other	2,979.5	3,294.3	0	0.0	3,522.6	0.0	0.0	3,522.6	
09800	555100	Other Financing Uses	30,395.8	0.0	0	0.0	0.0	0.0	0.0	0.0	
26400	555100	Other Financing Uses	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Removing all non-operating fund expenses and revenues
77700	555100	Other Financing Uses	(0.0)	0.0	0	0.0	0.0	0.0	0.0	0.0	Removing all non-operating fund expenses and revenues
77700	555200	O/F Uses - Higher Ed Institut	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	Removing all non-operating fund expenses and revenues
	500	Other financing uses	30,395.8	0.0	0	0.0	0.0	0.0	0.0	0.0	
TOTAL EXPENSE			54,282.4	26,550.3		0.0	28,999.6	0.0	0.0	28,999.6	

Land Trust Stewardship

BU PCode
53900 P615

State of New Mexico
Contract by PCode Detail
(Dollars in Thousands)

Fund	Account	#	Contract Purpose	----- FY 2027 Agency Request -----					Total	Justification
				Actuals	GF	OSF	ISF/IAT	FF		
09800	535100	1000	Medical Services Drug and alcohol testing	0.0	0.0	0.2	0.0	0.0	0.2	
09800	535200	1000	Professional Services Archeological surveys, environmental consulting, plant and wildlife surveys, lease and pricing assessments	652.0	0.0	1,172.0	0.0	0.0	1,172.0	Contracts budget held flat in FY26. Increase needed to cover inflationary increases over two years
09800	535209	1000	Professional Svcs - Interage	23.0	0.0	0.0	0.0	0.0	0.0	
09800	535300	1000	Other Services Watershed health projects, land remediation and restoration, prescribed fire, wildlife habitat improvement, security services, interpreting services, appraisal services, temporary staffing	587.2	0.0	854.8	0.0	0.0	854.8	Contracts budget held flat in FY26. Increase needed to cover inflationary increases over two years
09800	535400	1000	Audit Services Financial audit	29.0	0.0	60.2	0.0	0.0	60.2	Published rate
09800	535500	1000	Attorney Services Employment counsel, bankruptcy counsel, administrative hearing officers, water rights abstracter	44.9	0.0	33.0	0.0	0.0	33.0	
09800	535600	1000	IT Services Developers for internal NMSLO IT systems	1,581.6	0.0	985.0	0.0	0.0	985.0	Contracts budget held flat in FY26. Increase needed to cover inflationary increases over two years
68210	535300	1000	Other Services	0.0	0.0	0.0	0.0	0.0	0.0	Removing all non-operating fund expenses and revenues
TOTAL EXPENSE				2,917.7	0.0	3,105.2	0.0	0.0	3,105.2	

DFA Performance Based Budgeting Data System

Annual Performance Report

Agency: 53900 State Land Office

Program: P615 Land Trust Stewardship

The purpose of the land trust stewardship program is to generate sustainable revenue from state trust lands to support public education and other beneficiary institutions and to build partnerships with all New Mexicans to conserve, protect and maintain the highest level of stewardship for these lands so that they may be a significant legacy for generations to come.

Performance Measures:		2024-25 Target	2024-25 Result	Met Target	Year End Result Narrative
Outcome	Amount of bonus income per acre leased for oil and gas activities, in dollars	\$600.00	\$1,503.00	Yes	The performance measure was met in FY25, as the agency continued to strategically lease its available land in order to maximize the dollars per acre while also holding on to its best tracts in order to maximize long-term revenue for the state.
Outcome	Amount of revenue generated through oil and natural gas audit activities, in millions	2.0	6.8	Yes	Performance measure was met.
Output	Amount of income from commercial and leasing activities	\$10,000,000	\$17,637,217	Yes	Annual income from commercial leasing activity exceeded projections for the following reasons: (1) Focus on turnaround time. We have been rejecting incomplete applications in order to process ones that are ready. (2) Fair pricing of leases with annual escalation to keep up with inflation. (3) Staffing. We have focused on building and training an entire new staff in the bureau and standardized procedures.
Output	Amount of income from renewable energy	\$4,000,000	\$8,252,394	Yes	Earnings continue to grow as leases become operational. Additionally, in FY25 the agency received bonus bids for three wind energy projects, 10 community solar leases and the largest solar project on state trust lands.
Output	Amount of revenue distributed related to trespass cases	\$1,000,000	\$867,198	No	Performance measure was not met. The more the agency focuses on enforcement and training to ensure compliance, the less trespass earning will be distributed. Trespass is also often settled for normal royalties due and in-kind corrective environmental action instead of trespass royalties. These settlements allow the NMSLO to get more reclamation/remediation work done than they otherwise could.
Output	Amount of trust revenue generated, in millions	\$1,800.00	\$2,500.00	Yes	While earnings are subject to significant uncertainties in national and global markets, production has remained strong. The agency has also continued to grow its non-royalty revenue. FY25 actual results are estimated as May and June oil & gas royalty revenue is not known until August and September of FY26, respectively.

DFA Performance Based Budgeting Data System

Annual Performance Report

Program: P615 Land Trust Stewardship

Performance Measures:		2024-25 Target	2024-25 Result	Met Target	Year End Result Narrative
Output	Average amount of income per acre from oil, natural gas and mining activities, in dollars	\$500	\$1,410	Yes	The performance measure was met, in large part, due to higher oil prices in the first part of fiscal year and stable production.
Output	Number of acres treated to achieve desired conditions for future sustainability	25,000	18,167	No	Two of the largest projects planned were unable to meet their treatment goals due to unfavorable conditions. Due to the complex nature of planning prescribed burns and getting all the resources in place, if the appropriate conditions are not met during the scheduled burn window the project has to be pushed to the next season when the resources are available again. Similarly, we were unable to complete all the planned mesquite treatments due to moisture levels. We were able to complete cultural resource surveys on an additional 2,392.67 acres that will now be ready for treatment in FY26.
Output	Number of wells plugged and sites reclaimed through compliance and enforcement efforts	20	201	Yes	The agency exceeded this performance measure as the agency has prioritized the responsible stewardship of state trust lands. Since launching its Accountability & Enforcement program, the agency has successfully obtained the plugging of about 750 inactive wells as well as the cleanup of sites by responsible parties -- at no cost to the agency, the trust beneficiaries or taxpayers.
Output	Percent of total trust revenue allocated to beneficiaries	99%	99%	Yes	Performance measure was met.

State of New Mexico
Approved Active Measures

Business Unit: State Land Office

Agency: 53900

Program Name: Land Trust Stewardship

PCode: P615

Measure Code	PM Type	Measure Name	Format Code	Key	HB2	Good Direction	Inactive in FY	Sort
53900P615001	Output	Amount of trust revenue generated, in millions	4- Money 2 dec. (\$1,234.00)	No	Yes	OVER	ACTIVE	01
53900P615002	Outcome	Amount of bonus income per acre leased for oil and gas activities, in dollars	4- Money 2 dec. (\$1,234.00)	No	No	OVER	ACTIVE	02
53900P615003	Outcome	Amount of revenue generated through oil and natural gas audit activities, in millions	14- Integer 1 dec. (1,23.1)	No	Yes	OVER	ACTIVE	03
53900P615004	Output	Average amount of income per acre from oil, natural gas and mining activities, in dollars	3- Money (\$1,234)	No	Yes	OVER	ACTIVE	04
53900P615005	Output	Percent of total trust revenue allocated to beneficiaries	5- Percent (12%)	No	No	Over	ACTIVE	05
53900P615006	Output	Number of acres treated to achieve desired conditions for future sustainability	1- Integer (1,234)	No	Yes	OVER	ACTIVE	06
53900P615007	Output	Amount of income from renewable energy	3- Money (\$1,234)	No	No	OVER	ACTIVE	07
53900P615008	Output	Amount of income from commercial and leasing activities	3- Money (\$1,234)	No	No	OVER	ACTIVE	08
53900P615009	Output	Amount of revenue distributed related to trespass cases	3- Money (\$1,234)	No	No	OVER	ACTIVE	09
53900P615014	Output	Number of wells plugged and sites reclaimed through compliance and enforcement efforts	1- Integer (1,234)	No	No	OVER	ACTIVE	00



STRATEGIC PLAN

Setting the Standard for Responsible and Productive Land Management

2023 - 2027

Agency Overview

The Commissioner of Public Lands, as the elected chief executive of the State Land Office, manages approximately nine million acres of surface and 13 million acres of mineral estate throughout the State of New Mexico. State trust lands are working lands set aside by Congress to generate money in support of key public institutions, such as schools, universities and hospitals. The Commissioner of Public Lands has a fiduciary responsibility to administer state trust lands in a manner that fosters their health and productivity.



“THE STATE LAND OFFICE IS FOCUSED ON MAXIMIZING REVENUES FOR OUR SCHOOLS, UNIVERSITIES AND HOSPITALS WHILE PROTECTING THE HEALTH OF THE LAND FOR FUTURE GENERATIONS.”

- **Stephanie Garcia Richard**
Commissioner of Public Lands

Each tract of land is assigned to one of 21 trust beneficiaries, and any money earned on that particular piece of land goes to support that specific beneficiary. Revenues generated from activities that permanently deplete a resource, such as the extraction of oil, natural gas and mining, are transferred to the Land Grant Permanent Fund, which is managed by the State Investment Council. Revenues earned from ranching and farming, renewable energy, rights of way and commercial activities are distributed through the Land Maintenance Fund on a monthly basis.

Vision

To be the nation's model for state trust land management.

Mission

To generate revenue for our state's public institutions sustainably for future generations to come.

Guiding Principles

- **Accountability** – Being responsible, knowledgeable, trustworthy
- **Excellence** – Possessing skills, professionalism, quality
- **Integrity** – Exhibiting ethics, principles, honesty
- **Pride** – Showing leadership, ownership, commitment
- **Collaboration** – Encouraging teamwork, communication, collegiality

Goals and Objectives

Administer state trust lands to responsibly maximize and diversify earnings for our beneficiaries

- Develop innovative solutions for increasing revenue and obtaining true value for beneficiaries.
- Ensure the timely and accurate collection and distribution of revenue.
- Prevent and reduce waste of trust assets, and hold industry accountable.
- Diversify and expand revenue streams.
- Minimize potential future fiscal legacy issues related to current leasing decisions.

Implement stewardship and conservation efforts to protect the health and productivity of the land

- Actively work to improve the health, resiliency and productivity of state trust lands.
- Advance sustainable, long-term economic opportunities, while considering community health and sound land management principles.
- Improve essential watersheds through forest management practices and other efforts.
- Prioritize the cleanup of contaminated sites and illegal dumping.
- Develop landscape-level management practices.

Lead in renewable energy and sustainable business development

- Advance renewable energy development to provide a clean, diverse and sustainable revenue source.
- Promote and incentivize renewable projects and other business development on state trust lands.
- Facilitate necessary transmission corridors.
- Increase outdoor recreational access and related business opportunities.

Maintain strong fiscal accountability, operational efficiency and customer service

- Provide sound leadership, accountability and oversight.
- Provide key services in support of operations.
- Implement new technologies and data-driven processes to improve business operations.
- Maintain and adhere to clear and consistent rules.
- Provide services in a manner that is competent, respectful, courteous and responsive.

Prioritize transparency and openness

- Promote open and effective internal and external communications.
- Inform the public regarding the importance of trust lands through media relations, public outreach and other agency communications.
- Engage in business practices that foster openness and transparency.
- Preserve and make accessible agency historical records.

Promote public engagement and collaboration

- Set the standard for collaboration and cooperation.
- Directly engage local communities and sovereign tribal nations in protecting important natural and cultural resources.
- Build partnerships with local, state, tribal and federal governments, the private sector, NGOs and beneficiaries to leverage resources and create mutually beneficial opportunities.
- Meaningfully engage impacted communities.

Create a work environment that sets the standard for public service

- Maintain a positive and safe work environment.
- Encourage creative problem solving.
- Value the professionalism and expertise of employees.
- Continuously strive for improvement and excellence through learning and development.
- Fulfill duties in a manner that reflects teamwork and a strong work ethic.
- Adhere to ethical standards and principles to maintain public trust.
- Value collaboration, professional relationships and agency partnerships.



OPEN FOR BUSINESS Agriculture
Land Stewardship
Renewable Energy
Outdoor Recreation
Oil, Gas, and Minerals
Business Development

Under the leadership of Commissioner Stephanie Garcia Richard, the New Mexico State Land Office has shattered revenue generation records while responsibly managing state trust lands. Over 13 million acres of state trust land are leased for a variety of uses, including ranching and farming, renewable energy, business development, mineral development, and outdoor recreation. The money earned from leasing activity supports 22 beneficiaries – New Mexico public schools, seven universities and colleges, the School for the Deaf, the School for the Blind and Visually Impaired, three hospital, water and land conservation projects, and public building construction and repair.

New Mexico State Land Office



Fiscal Year 2027 New Mexico State Land Office IT STRATEGIC PLAN September 1, 2025

Stephanie Garcia Richard, Commissioner of Public Lands
Sunalei Stewart, Deputy Commissioner of Operations
Selena Romero, Assistant Commissioner of Administrative Services
Tony Hoffman, Chief Information Officer

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EXECUTIVE SUMMARY

The New Mexico State Land Office's (NMSLO) mission is to responsibly and sustainably generate revenue for the benefit of state land trust beneficiaries and ensure lands remain healthy and productive for generations to come. The agency, which manages over 13 million acres throughout the state, again generated about \$2.4 billion in FY25. This revenue goes to support public schools, universities, and hospitals throughout the state while also saving taxpayers from having to cover the costs of these services. State Land Office operations are funded entirely through its earnings and do not rely on General Funds.

Under the direction of Commissioner Garcia Richard, the agency has prioritized the expansion of renewable energy development, enforcement and accountability efforts to improve the agency's oversight capacity, new and enhanced IT platforms to inform leasing decisions and land management practices, and initiatives to make the agency's processes friendlier to the public and its customers (such as enabling the use of credit cards for payment processing). These efforts, along with the need to maintain and continuously improve various land management and revenue tracking systems, require robust IT infrastructure and systems, as well as significant support from specialized IT professionals. The agency's continued focus on improving operational efficiency and increasing fact-based decision support capabilities across the agency, in addition to the rapid expansion of solar and wind projects, requires IT to support new requirements and changing transaction types for oil and gas, renewable energy, and other revenue initiatives.

The Information Technology Division (ITD) supports the agency's mission via the selection, deployment, and maintenance of appropriate information technologies using industry best practices. These efforts include, but are not limited to, focusing on operational efficiencies through continuous improvement to existing core systems; ensuring the accurate collection and distribution of earnings; the use of enhanced GIS functions to support decision-making; the rapid expansion of renewable energy and sustainable business development projects; use of available satellite imagery for monitoring lands and leasing decisions; functional enhancements to support an increased focus on the use of trust land for recreation; and systems to efficiently advance conservation and remediation projects on trust land.

The use of satellite imagery continued to yield operational benefits during FY24, and the agency expects continued innovation from this technology in FY25 and FY26 as operational use of the GIS portal increases and additional satellite imagery (such as methane detection) becomes available.

Key Fiscal Year 2025 NMSLO ITD achievements include:

- Continued to strengthen IT security with ongoing dedicated remediation patching security issues using Tenable.io and Tenable.ad. Throughout FY24, NMSLO maintained a score of over 810+ which is in the top tier of lowest risk scoring for NM state government.
- LIA project completed development of advanced accounting functionality and entered final testing phase.
- Completed all testing for the Royalty Runtime and User Experience (RRUX) runtime upgrade 3 months ahead of schedule. Upgraded Staging and then production in July 2025. Then upgraded all the components of the RAPS compute infrastructure.
- The Lease User Experience (LUX) project was certified through implementation and 2 releases were scoped, developed, tested and promoted to production.
- NMSLO ITD incurred several key employee retirements and/or departures and recruitments were completed for: PMO Manager, QA Analyst, Senior Business Analyst III, 2 Developer III positions.
- The passing of the Royalty rate increase (increased to 25%) in the 2025 Legislative session required NMSLO to complete changes to leases as well as to both RAPS and LIMS systems. This caused delays to certified LUX and RRUX.

- Acquired Audit Board low code/no code audit management SaaS software to assist Royalty Management team in their audits of \$2.3 billion in Oil and Gas Royalty revenue audits.
- LIMS version 4.5.0 (ORE Phase 1) Moved to production on 8/2023 – adding ORE Invoicing enhancements and reports.
- LIMS Version 4.5.1 (Water) deployment was made on 8/2/2024.
- Upgraded HP Simplivity hardware at Disaster Recovery site.
- Completed upgrade of Cisco firewalls at all locations.
- Track-It FY25 Ticket Summary.
 - Current open tickets in Track It: 440
 - Opened 7/1/2024-6/30/2025 1540
 - Closed: 1563

Key Fiscal Year 2025 ITD challenges included:

- A number of long-term employee retirements and resignations led to lost institutional knowledge and presented challenges in hiring. Ability to recruit replacements was thwarted by insufficient salary levels for technical positions and resulted in the need to significantly increase salary offers to obtain staff with required experience. This problem remains for FY27 and could result in additional staff losses and accelerated retirements for long term staff with significant tenure.
- The LIA project was completed but additional challenges due to incomplete code discovered in the LIMS system and the need to develop common business functionality for invoicing added to staff work load and pushed some planned LIA work to be added the LUX project objectives.
- LIMS to RAPS (LIMS DIMMS code) continued to be problematic because of the faulty design of the original LIMS system that utilized obsolete technology from the original mainframe design. The team continues to replace the LIMS DIMMS but the work is tedious and continues to be a challenge both from a technical and scheduling perspective.
- Ongoing issues with DoIT telephone and internet services have created challenges for the agency in the pursuit of its mission to generate revenue. Although NMSLO appreciates the security provided by DoIT as its ISP, the service interruptions have generated concerns from agency management about ongoing reliability. The same can be said for the telephone services that the agency relies on to conduct business.
- The need to strengthen and increase security protocol for the NMSLO network has been challenged by an increasingly heavy workload for the Network and Infrastructure team. Some relief is expected in early FY26 when a newly approved Chief Cybersecurity Specialist will be added to the team. Further challenges in cybersecurity developed in early FY26 with the unexpected loss of our Network and Infrastructure manager who was leading our cybersecurity efforts. Replacement efforts are underway as we develop this plan.
- Significant cost increases were again realized for the VMware system utilized for server virtualization. Heavy dependency on VMware and the lack of an alternate method of supporting server virtualization have created budget and planning challenges.

I. AGENCY OVERVIEW

A. AGENCY PURPOSE AND MISSION

The Commissioner of Public Lands, as the elected chief executive of the State Land Office (NMSLO), manages approximately nine million acres of surface and thirteen million acres of mineral estate throughout the State of New Mexico. State trust lands are working lands set aside by Congress to generate money in support of key public institutions, such as schools, universities and hospitals. The

Commissioner of Public Lands has a fiduciary responsibility to administer state trust lands in a manner that fosters their health and productivity and to generate revenue for our state's public institutions sustainably for future generations.

Each tract of land is assigned to one of 22 trust beneficiaries, and revenue earned on that land supports that specific beneficiary. Revenues generated from activities that permanently deplete a resource, such as the extraction of oil, natural gas and mining, are transferred to the Land Grant Permanent Fund, which is managed by the State Investment Council. Revenues earned from ranching and farming, renewable energy, rights of way and commercial activities are distributed through the Land Maintenance Fund on a monthly basis and used to fund the operation of the agency.

B. AGENCY BUSINESS GOALS

- Administer state trust lands to responsibly maximize and diversify earnings for our beneficiaries
- Implement stewardship and conservation efforts to protect the health and productivity of the land
- Lead in renewable energy and sustainable business development
- Maintain strong fiscal accountability, operational efficiency and customer service
- Prioritize transparency and openness
- Promote public engagement and collaboration
- Create a work environment that sets the standard for public service

The IT Division supports these goals by maintaining and operating computer systems to manage and collect revenue, providing customer record management, integrating mapping and imagery into decision support GIS, providing computer security and managing technology for the agency.

C. AGENCY VISION

The vision of the NMSLO is "To be the nation's model for state trust land management." The vision for the Information Technology Division (ITD) is to support the agency in fulfillment of its mission via the selection, deployment, and maintenance of appropriate information technologies using IT industry best practices.

ITD supports the agency with five support bureaus: Program Management Office Bureau, Operations Bureau, Network and Infrastructure Bureau, GIS Bureau, Web and .NET Development Bureau. The ITD provides end-user technical support, system management, telco system support, system implementation, systems development, problem management, operations management, project management and strategic planning services.

In addition to supporting agency operations, major ITD priorities for FY25, FY26 and FY27 include:

- Improve user experience in LIMS with help modules and work flow Standard Operating Procedures (SOP)
- Complete the RAPS modernization through screen modernization that will consolidate the 233 RAPS mainframe window screens to native HTML based data presentation

- Per annum, complete five-seven releases of the Land Information Management System (LIMS) continuing process improvement efforts that are ongoing driven by the LUX project activity
- Further the development of payment automation processes including expansion of electronic payments, acquiring the ability for NMSLO staff to use low code no code technology to maintain the newly developed functionality and migrating away from existing vendor
- Continue to expand the use of GIS and satellite imagery to further enhance the NMSLO's ability to manage 13 million acres of land with limited field staff utilizing expanded satellite imagery as it becomes available to expand land management support and begin methane detection analysis utilizing advances in satellite imagery with Planet Labs, our longtime partner
- Continue work on expanded use of satellite imagery to highlight areas of trust land change that can be flagged for analysis utilizing advances in imagery resolution to support efforts to address abandoned oil and gas wells, spills and cleanup. Also expect to be able to extend support to the Surface division in management of land health.
- Complete efforts to systematically document Land Use Restrictions or Conditions (LURC), add descriptions/characteristics to data records and provide system access to NMSLO team members in both LIMS and GIS.

D. AGENCY BUSINESS PRIORITIES AND PRIORITY CHANGES

Agency priorities have remained static year to year. The Leadership team has emphasized the following points to further clarify more nuanced business priorities that support the Business Goals and Vision in fiscal year 2027.

- Continue to advance divisions' efforts to implement accountability, compliance and enforcement efforts to protect state trust lands and ensure responsible leasing activities.
- Support more efficient business operations, including modernizing land, lease and revenue accounting systems.
- Improve the agency's ability to process permits for customers in an efficient manner and develop better tools/processes for divisions to manage their workloads.
- Enable the agency to take advantage of new revenue opportunities that involve conservation and stewardship activities.

The IT division supports these enhanced business priorities through defined goals for improvements in GIS and imagery processing, completion of current certified projects (LUX, RRUX), making system changes as required to add new revenue sources (e.g. subsurface easements), adding a robust portal capability that allows improved (using low code technology) permit development with strong collection management functionality, and beginning planning efforts to replace legacy systems in the next administration.

E. AGENCY ACCOMPLISHMENT, GOALS, AND CHALLENGES

The IT team has supported the statutory goals of the NMSLO throughout the year. The successful collection and distribution of about \$2.4 billion in annual revenue was executed on time and without issue.

The team has made major progress in improving legacy systems (LIMS, RAPS) that support the agency mission. The three certified projects (LIA, LUX RRUX) have moved forward in conjunction with the entire NMSLO team and all projects have continued to be rate as green status in monthly IV&V reports. Successful completion of LIA in FY25 and significant progress on LUX and RRUX have improved operational efficiency for the agency with the full support of agency divisional personnel.

A significant agency goal was achieved in FY25 when the 2025 Legislature passed an increase in the maximum allowed royalty rate. The new maximum royalty rate is now 25% and the IT division made the necessary changes to support that rate.

The IT Network team continued to focus on security running weekly Tenable.io and Tenable.ad scans with constant remediation drive by data collected in those scans. The Cisco network firewalls and switches were also replaced and upgraded in FY25. The HP Simplivity hardware in the NMSLO disaster recovery site was refreshed in FY25.

Improvements to GIS mapping and satellite imagery were implemented during the year with customized views and access paths provided to agency divisions based on their individual needs.

Assisted Royalty team to select and implement an Audit Management system from AuditBoard. This system is expected to improve NMSLO audit management capability and increase the number of audits that the Royalty division can accomplish in each fiscal year. The system is a low code/no code system that will be managed by audit personnel without the help of IT. The system supports the agency metric of revenue collected as a result of an audit.

II. IT ENVIRONMENT

1. Major Applications

The Oil and Natural Gas Administration and Revenue Database (now RAPS) tracks the agency's oil and gas production and royalties in a relational database, and enables oil and gas producers to report royalties via an online filing system. The system is also utilized to complete monetary distributions for all NMSLO revenue streams. In January 2022, the system conversion to a modern platform and programming language was completed. Implementation of this certified project (RAPS/ONGARD) was successfully completed but delayed due to significant technical challenges (VSAM, DB2, and ebcdic to ascii) encountered by the vendor. The ONGARD system has been retired and removed from the DoIT mainframe. The converted system has worked without major problems since cutover with 26 releases successfully promoted to production.

Although RAPS continues to successfully process the ever-increasing volumes and dollars of oil and gas royalty revenue, it must be recognized that the system is over 30 years old and that it needs modernization now and ultimately it will need to be completely replaced with a contemporary system that requires less maintenance. Like any aging product, even without replacement, the cost of maintenance will continue to rise. These expenses must be accommodated in order to not interrupt NMSLO revenues that amount to about \$2.5 billion annually.

In FY25, a certified project (RRUX) was started. The project objectives are: to upgrade the RAPS runtime engine (a Deloitte licensed product) to the current version, and to modernize the data input screens that are now mired in old IBM mainframe screen formats. The NMSLO Royalty division has provided a detailed outline of the changes they want for the screen modernization phase of the project and these requirements provide the basis for the look/feel of the re-designed input screens and the basis for improvements in data entry validation.

The Land Information Management System (LIMS) provides surface and minerals land management, leasing and associated financial functionality. The system is utilized by NMSLO to manage trust land business initiatives that are not oil and gas in nature. The system provides inventory, linkage to GIS mapping, workflow management, lease billing and lease notice functionality, and inventory control of surface trust lands (nine million acres).

Although the LIMS source code is owned and maintained by NMSLO, recent system modifications and improvements (during the LIA project) have led to discovery of major system deficiencies that were unknown prior to the modifications. These system deficiencies have slowed the progress of system improvements and added considerably to system upgrade efforts during the LIA project.

The Lease User Experience (LUX) project started in FY25. The LUX project will improve the overall usability of LIMS by increasing data accuracy going forward. This project focuses on enhanced usability and user experience rather than building new functionality or altering complex calculations that has created major complexities within LIA project. In July 2024, the project was certified by the DoIT PCC for initiation and planning and partial appropriation funding was released.

Online Geographic Information System (ArcGIS from Esri) provides access to state ownership and active leases, restrictions, well locations, and other oil and gas data. At our main office, staff use ArcGIS to select and “grade” tracts for upcoming lease sales, locating new violations/trespasses, spill and violation tracking, planning (selecting a right of way (ROW) route), reviews of lease and LURC (Land Use Restriction Code) applications, and general cartographic needs. Our field staff uses ArcGIS on mobile devices to navigate to land parcels while in the field, access lease and other land information, collects the location of improvements and violations, and to create maps for reports.

The document imaging system, IBM FileNet Content Manager, provides enterprise content management services for scanned electronic copies of agency documents including policies, processes, procedures, plans and historical records. The system is essential to the operation of the agency in meeting its statutory duties to retain historical documentation for all state trust lands. The system is utilized to provide access to employees and the general public in the public records room.

2. Infrastructure

Agency infrastructure is comprised of a Hyper-converged Infrastructure (Compute, Storage & Memory) built on HPE SimpliVity hardware and software. This environment supports over 150 virtual servers and desktops running on Microsoft and Linux operating systems. The network is a Cisco based network and is comprised of Cisco ASA Firewalls, Cisco Nexus switches, Cisco 2960 access switches, Meraki WiFi technologies and Firepower security. For Backup purposes, the State Land Office utilizes SimpliVity software for server and file level backups which get replicated daily to our Albuquerque Disaster Recovery (DR) site at Cyxtera Datacenter. These backups are stored for 3 months at our DR site. NMSLO tests backup restore every 6 months by restoring file data and server data to ensure functionality.

3. Security

Endpoint Antivirus Security: The NMSLO protects its desktop, laptop and server endpoints with Carbon Black Next Generation Antivirus. This AV solution provides a high level of protection to its endpoints by applying behavioral analytics to endpoint events to streamline detection, prevention, and response to cyber-attacks.

Network Perimeter Security: The NMSLO secures its network perimeter utilizing Cisco ASA Next Generation firewalls. These firewalls host a series of security services known as Firepower Services. Firepower services include an Advanced Malware Prevention (AMP), which discovers, tracks, contains, and blocks network-based advanced malware, attacks, and threats. A Next-Generation Intrusion Prevention System that gives enhanced visibility by allowing insight into applications, signs of compromise, host profiles, file trajectory, sandboxing, vulnerability information, and device-level OS visibility. Lastly, URL Filtering, blocks malicious URL's from being visited by any network endpoint. A firewall upgrade project was completed in FY24.

Internal Network Security: The New Mexico State Land Office secures its internal network by segmenting network traffic utilizing VLAN's (Virtual Local Area Networks). This means that only specific network traffic (for example workstations) can only talk to a network device over that specific VLAN unless otherwise allowed by a firewall access control list. We also only allow specific ports and protocols over VLAN's in order to talk to internal applications.

Vulnerability Scanning and Remediation: The NMSLO conducts a weekly vulnerability scan utilizing Tenable.io and Tenable.ad to identify any network or endpoint vulnerabilities within the network. Throughout the fiscal year, a monthly Tenable.io security scan was loaded into the DoIT Vulnerability Management platform with visibility to the DoIT security office.

Pin testing: The annual security scan by Securin was completed at the end of FY25 with no major security vulnerabilities reported.

4. Agency IT Certified Projects

The two certified projects underway at NMSLO are addressing efficiency issues throughout the organization. Both the LIMS and RAPS system, on which all work is being done, are essential to the management and collection of \$2.5 billion in revenue from all NMSLO lines of business. The LUX project addresses system usability issues in the LIMS system and the RRUX project will complete the remaining task from the redesign of input screens that still utilize the 'greenscreen' screen design from the 1990s.

The LIA project is ready for closeout.

PROJECT NAME: Lease Invoice and Accounting (LIA)	
Project Description	Lease Invoice and Accounting (LIA)
Estimated Project Costs	\$2,000,000
Current Funding	\$2,000,000 spent—appropriation closed
Certified Project Phase	Implementation
Estimated Completion	Closed July 2025

Strategic Priority	Improving invoicing ability and data consistency across all leasing divisions, and improving basic lease accounting functionality was a top ITD priority in FY24/FY25
Agency IT Strategic Plan Alignment	Lease Invoice and Accounting (LIA)
PROJECT NAME: Lease User Experience (LUX)	
Project Description	Lease User Experience (LUX)
Estimated Project Costs	\$1.7M
Current Funding	\$1.7M
Certified Project Phase	Initiation and Planning
Estimated Completion	8/2026
Strategic Priority	#2
Agency IT Strategic Plan Alignment	Lease User Experience (LUX)
PROJECT NAME: Royalty Runtime and User Experience (RRUX)	
Project Description	Royalty Runtime and User Experience (RRUX)
Estimated Project Costs	\$6M
Current Funding	\$6M
Certified Project Phase	Initiation
Estimated Completion	8/2026
Strategic Priority	#1
Strategic Priority	1) Complete Deloitte runtime upgrade to latest software version along with upgrade of all supporting Microsoft products. 2) Upgrade RAPS UI (user interface) eliminating old IBM green screen data input screens and consolidate application front end to improve customer interface and optimize data entry process resulting in labor saving efficiency for the Royalty team charged with the collection and distribution of \$2.3 billion in annual revenue.
Agency IT Strategic Plan Alignment	Complete RRUX project

5. Workforce

A. Full-Time IT Employees

[Provide the total number of your agency's authorized IT full-time employees (FTE) and indicate the number of positions filled and vacant by Classification by using the Table below.]

Classification	Positions Filled	Positions Vacant
CIO	1	0
Deputy CIO	1	0

Manager, IT Applications	2	0
Manager IT Net Admin	0	1
Sr. IT Net Admin	1	0
Sr. IT Systems Admin	1	0
Supervisor IT Database Administrator	1	0
Chief Cybersecurity Analyst	1	0
Sr. IT Project Manager	1	0
Sr. IT App. Developer	5	0
Sr. IT DBA	1	0
Sr. IT Bus. Analyst	1	0
Sr. IT QA Analyst	1	0
IT App. Developer	3	1
Sr. IT Support Tech	1	0

B. Percentage of IT Full-Time Employees Teleworking, In the Office, or a Hybrid Schedule

[Provide the percentage of Full-Time employees currently teleworking, working in the office, or a combination of both/hybrid schedule by using the Table below.]

Teleworking (%)	Working in the Office (%)	Hybrid Schedule (%)
		100%

C. IT Professional Services Contractors

NMSLO utilizes various contractors to help support the agency revenue systems. These contractors work on certified projects as well as well as general maintenance and support items.

Service Category	Contract Vendor Name	Number of Contract Personnel
Business Analyst	ACRO	4
Application developer	ACRO	4
Application developer	Deloitte	1

6. Challenges

Several of NMSLO's challenges remain around the hiring and retaining of system developers and other technical skill workers. NMSLO manages our internal systems, as such we have to compete with the open/private market for experienced developers. Additionally, the RAPS system is still being run on a COBOL hybrid code-set, which requires that we have experienced COBOL developers either as contractors or as employees. These resources are becoming increasing difficult to secure.

No.	Agency IT Challenge Description	Potential Opportunities to Address the IT Challenge Description

1	Ability to hire developers due to market pressure	Offering higher than mid-point salaries, offering telework (hybrid work schedule), agency received best workplace award (national accreditation) for three years in a row
2	Ability to hire COBOL developers	Offering higher than mid-point salaries, offering telework (hybrid work schedule), agency received best workplace award (national accreditation) for three years in a row
3	Hiring Security expert	Offering higher than mid-point salaries, offering telework (hybrid work schedule), agency received best workplace award (national accreditation) for three years in a row

III. KEY ACCOMPLISHMENTS – PRIOR FISCAL YEAR

[Provide a brief narrative as an introductory statement to describe agency’s key IT accomplishments. In the format below, list the requested information to describe agency key accomplishments.]

A. STRATEGIC IT ACCOMPLISHMENTS

STRATEGIC PRIORITY 1 – Improve customer Service	
Define changes to NMSLO revenue processing systems that will improve the customer experience for NMSLO. This includes payment processing, invoicing, accounting and lease management.	
Strategy 1	Improve Lease invoicing and accounting
Accomplishments	LIA project brought improved billing and invoicing across divisions improving accuracy and invoicing capabilities. Significant invoicing improvements for the Renewable Energy Bureau and the Water Bureau were also developed. Advanced accounting functionality was also developed in this project.
Outcomes/Metrics	Accuracy of payment matching and invoicing
Strategy 2	Increase Development / Sprint cadence
Accomplishments	LUX project developed, tested, and promoted to production 2 releases within 4 months of project kickoff. This accelerated cadence will continue once fiscal year end changes have been completed.
Outcomes/Metrics	Number of tickets closed
Strategy 3	RRUX runtime upgrade

Accomplishments	Completed Deloitte runtime upgrade to most current version of software. At the same time, upgraded all Microsoft products to current versions for both test and production systems.
Outcomes/Metrics	Completed this phase of RRUX project ahead of schedule without incident.
Strategy 4	RRUX user interface screen modernization
Accomplishments	Work underway to significantly improve the user interface for the Royalty team that is charged with the collection and auditing of a \$2.3 billion revenue stream in oil and gas extraction revenue
Outcomes/Metrics	All data entry screens modernized and moved to production

STRATEGIC PRIORITY 2 – System Stability	
[STRATEGY STATEMENT – WHAT DOES THE STRATEGY ACCOMPLISH]	
Strategy 1	Have all NMSLO revenue systems running current software/DB across the production and testing environments.
Accomplishments	RAPS runtime has been upgraded as have all RAPS production components.
Outcomes/Metrics	Reduced downtime risk due to a completely upgraded and tested system stack included runtime engine, DB, OS, middleware.
Strategy 2	Have all web reporting OS upgraded to current Software.
Accomplishments	Upgraded all servers supporting NMSLO extensive web reporting capabilities.
Outcomes/Metrics	Reduced issues/tickets created by public/end-users with regard to web reporting availability.
Strategy 3	GIS upgrades. Methane Analysis. GIS training.
Accomplishments	Completed customized divisional upgrades for map and imagery access. Began beta testing with Planet on methane detection. Conducted regular GIS training classes for divisional staff.
Outcomes/Metrics	Delivered customized GIS access for all divisions. Began beta testing with Planet Pelican and Taniger satellite constellations, exploring support from EO-Insights for utilization model of new spectral data for land analysis, methane detection and other available data with new satellite constellations being tested. Completed online and interactive GIS and imagery training sessions with NMSLO divisional personnel.
Strategy 4	Network Upgrades
Accomplishments	Completed full Cisco firewall and switch replacement for central office and all field offices. Completed DR site HP Simplivity hardware upgrade
Outcomes/Metrics	All projects completed with no disruption to agency operations.

B. OTHER KEY IT ACCOMPLISHMENTS – PRIOR FISCAL YEAR

[Preface this section with a statement that summarizes the content in this table.]

APPLICATION	
Accomplishment	1-Completed LIA project 2-Completed RRUX phase 1 runtime upgrade 3-Completed initial two release of LIMS system for LUX project.
Value or Impact	1-Enhanced LIMS invoicing capability 2-Updated Deloitte RAPS runtime modules and MS support software 3-Completed first 10 open tickets for LIMS
DATA	
Accomplishment	Continued database management improvements
Value or Impact	Increased efficiency for legacy systems
PROCESS IMPROVEMENT	
Accomplishment	Improved access to GIS data through customized divisional access methods
Value or Impact	Provided better utilization for divisional teams and ease of use
WORKFORCE	
Accomplishments	Replaced all employees who retired and/or resigned with qualified replacements
Value or Impact	Maintained low vacancy rate, continued high level of staff excellence
CUSTOMER SERVICE	
Accomplishments	Continued to promote customer first model for all IT employees
Value or Impact	Agency support for strong IT customer support model, agency efficiency
TELEWORK	
Accomplishments	Supported NMSLO telework policy for work at home for up to three days per week for eligible employees
Value or Impact	High morale for all agency employees and continued staff efficiency
SECURITY	
Accomplishments	Continued robust security policy and ongoing remediation
Value or Impact	No security intrusions or breaches during the fiscal year. Met all financial deadlines and completed revenue distributions on time throughout the year.

IV. FY27 IT STRATEGIC GOALS AND STRATEGIES

STRATEGIC PRIORITY 1 – Enhance Cybersecurity Program	
Goal Statement	
Strategy 1	Enhance cybersecurity program filling in known gaps with documentation for process and procedures.
Outcomes/Metrics	Complete and certify compliance with NIST standards for cybersecurity process and procedure documentation
Strategy 2	Migrate and utilize DoIT Securin Panther platform
Outcomes/Metrics	Use platform for mitigation prioritization.
Strategy 3	Ongoing updates to Disaster Recovery and Business Continuity plans
Outcomes/Metrics	Test plans and annotate improvements needed
Strategy 4	Continue excellence in cybersecurity
Outcomes/Metrics	No successful breaches, intrusions, ransomware attacks

STRATEGIC PRIORITY 2 – Complete RRUX project	
Goal Statement	
Strategy 1	Complete RRUX screen modernization
Outcomes/Metrics	User sign-off on system operation. Completion of multi-month simulation of monthly testing results (full system test).
Strategy 2	Eliminate “green screens”
Outcomes/Metrics	Documented user acceptance of changes to RAPS user interface. Elimination of obsolete IBM green screen technology.

STRATEGIC PRIORITY 3 – Accessibility and Inclusion assessment	
Goal Statement	
Strategy 1	Perform web presence assessment with accessibility standard WCAG 2.1 AA
Outcomes/Metrics	Determine gap between current state against standard for accessibility standard.
Strategy 2	Develop plans to meet required accessibility standard
Outcomes/Metrics	Written plan with definition of improvement steps

STRATEGIC PRIORITY 4 – Enhance GIS and Imagery utilization	
Goal Statement	
Strategy 1	Perform GIS web presence assessment with accessibility standard WCAG 2.1 AA
Outcomes/Metrics	Determine gap between current state against standard for accessibility standard and define process improvement opportunities.
Strategy 2	Integrate newly available satellite imagery into workflow
Outcomes/Metrics	Define and utilize new spectral imagery bands to assist in land health analysis, methane detection, fire management, spill detection, Eco team support, land remediation, and other yet to be defined objectives.
Strategy 3	Utilize improved resolution of new satellite constellations to assist in oil and gas well cleanup and violation detection
Outcomes/Metrics	Provide higher resolution imagery to Legal, Eco team, OGM, etc.
Strategy 4	Complete project to improve/simplify LIMS GIS map viewer, improve tasking process and simplify imagery “clipping” process
Outcomes/Metrics	Obtain signoff from Deputy Commissioner, deploy updates to entire agency

V. IT FISCAL AND BUDGET MANAGEMENT

Information Technology (IT) Operating Budget (C1)

(To update this table, please double click on the embedded spreadsheet and add the required information. Before exiting the spreadsheet, please make sure to scroll up. Otherwise, the entries of this table will not be fully previewed.)

Agency Name		Agency Code			
		53900			
Base Request Operational Support of IT. Check one of the options below:				Flat Budget	Expansion from previous year
Yes/No				No	Yes
Revenue IT Base Budget (dollars in thousands)					
Appropriation Funding Type	FY24 Actual	FY25 Actual	FY26 OpBud	FY27 Request	FY28 Estimate
General Fund	0.0	0.0	0.0	0.0	0.0
Other State Funds	5,444.7	5,247.9	5,913.4	6,230.9	6,386.7
Federal Funds	0.0	0.0	0.0	0.0	0.0
Internal Svc Funds/Interagency Transfer	0.0	0.0	0.0	0.0	0.0
Total	5,444.7	5,247.9	5,913.4	6,230.9	6,386.7
Expenditure Categories (dollars in thousands)					
Category or Account Description	FY24 Actual	FY25 Actual	FY26 OpBud	FY27 Request	FY28 Estimate
Personnel Services & Employee Benefits	2,857.9	3,075.6	3,516.2	3,607.9	3,698.1
Contractual & Professional Services	993.7	777.3	915.0	985.0	1,009.6
IT Other Services	1,593.1	1,395.0	1,482.2	1,638.0	1,679.0
Other Financing Uses	0.0	0.0	0.0	0.0	0.0
Total	5,444.7	5,247.9	5,913.4	6,230.9	6,386.7
	Print Name	Phone	Email Address	Date	
Agency Cabinet Secretary/Director (Mandatory)	Stephanie Garcia Richard	505-827-5760	sgarciarichard@nmslo.gov		
Chief Information Officer or IT Lead(Mandatory)	Tony Hoffman	505-827-5757	thoffman@nmslo.gov		
Chief Finance Officer (Mandatory)	Antonio Medina	505-827-5785	amedina@nmslo.gov	8/19/2025	

Agency Cabinet Secretary/Director Signature _____

Chief Information Officer/IT Lead Signature _____

Chief Financial Officer Signature _____

VI. SPECIAL FUNDING, SUPPLEMENTAL, COMPUTER SYSTEM ENHANCEMENT (C2) FUNDING AND REAUTHORIZATION OF C2 APPROPRIATIONS

A. Special Funding and Supplemental Request(s): Agency has no requests.

B. Computer System Enhancement (C2) Funding: Agency has no requests

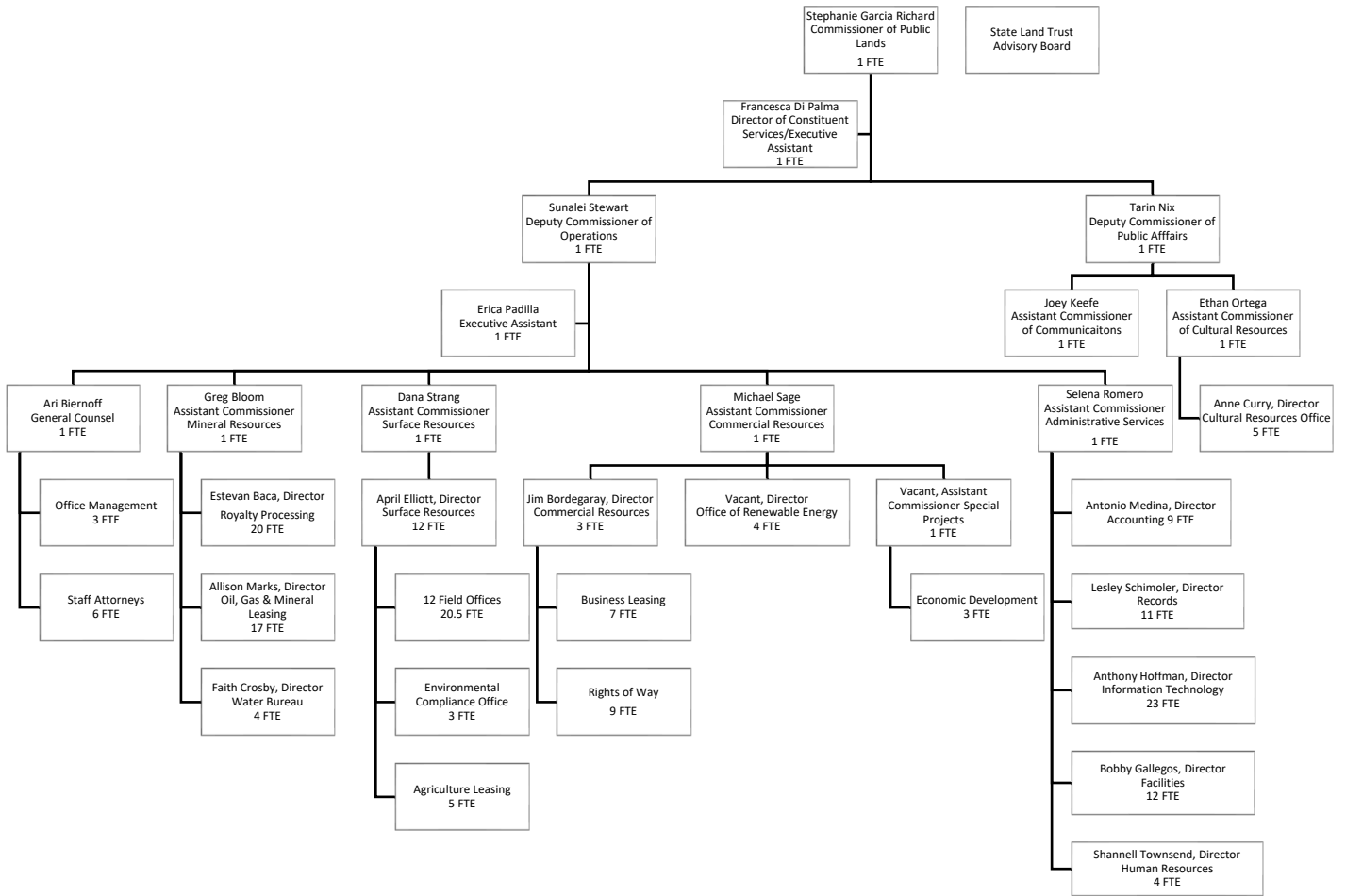
C. Reauthorization of C2 Appropriations: There are two requests for C2 reauthorization for NMSLO certified projects. Both the LUX and the RRUX projects require reauthorization due to slight schedule changes that will push completion of both projects into the first half of FY27 or the last half of calendar year 2026. Details can be found below with estimates of project balances based on current planning estimates. Both certified projects are currently in the implementation phase, with a green status from our IV&V support team.

REQUEST FOR REAUTHORIZATION OF C2 APPROPRIATIONS

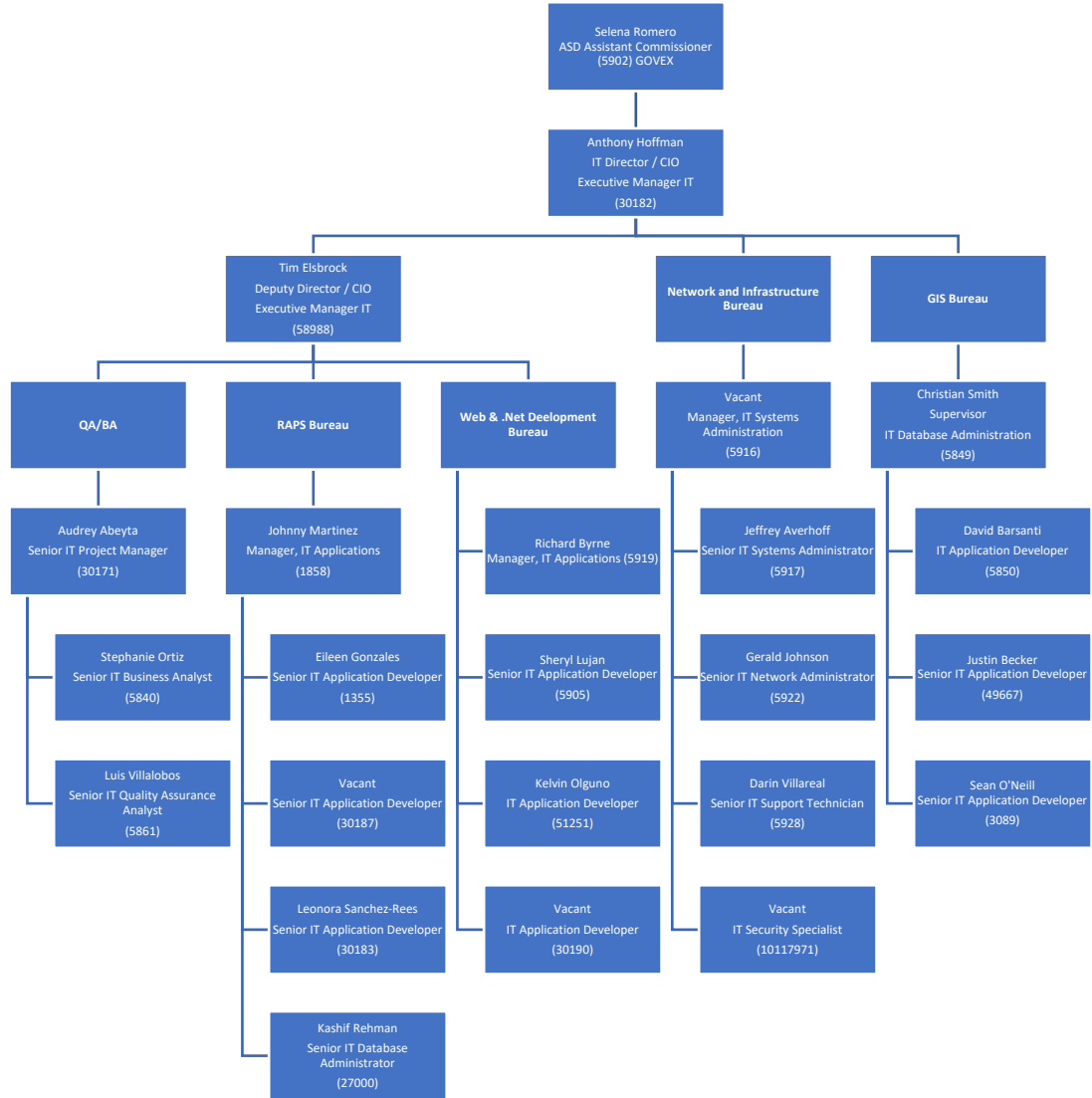
Information Technology Request for Reauthorization of C2 Appropriations			
Agency Name	New Mexico State Land Office	Agency Code	59000
Lead Agency Name Listed on Appropriation	New Mexico State Land Office	Project Name	LUX
Source of Authorization (e.g. Laws 2022, Chapter 54, Section 7 (12) or Grant/Federal Fund #)		Appropriation Amount (in thousands)	Remaining Balance (in thousands)
Laws 2024, chapter 69, Section 7 (9 & 10)		1700.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
Total amount appropriated for project life (in thousands)		Will the project be completed within the next fiscal year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reason for Requesting Reauthorization	Some minor delays in LIA project have pushed the project to extend the schedule beyond the original target date of June 30, 2026. Also experienced delay due to unexpected death of key manager in organization that added to the delay in the completion of the LIA project that was modifying the same system (LIMS).		

Information Technology Request for Reauthorization of C2 Appropriations			
Agency Name	New Mexico State Land Office	Agency Code	59000
Lead Agency Name Listed on Appropriation	New Mexico State Land Office	Project Name	RRUX
Source of Authorization (e.g. Laws 2022, Chapter 54, Section 7 (12) or Grant/Federal Fund #)		Appropriation Amount (in thousands)	Remaining Balance (in thousands)
Laws 2024, Chapter 69, Section 7		6000.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
		0.0	0.0
Total amount appropriated for project life (in thousands)			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reason for Requesting Reauthorization	There were significant delays in developing original contract due to change in management at Deloitte, our software vendor for this project. There was significant negotiation on contract terms and conditions between NMSLO Chief Legal Counsel, Deloitte legal team. This situation led to more than a seven-month delay in starting the project and pushed the final scheduled completion date to September 2026.		

APPENDIX A-I: AGENCY ORGANIZATION CHART



APPENDIX A-II: IT ORGANIZATION CHART



**FY27 APPROPRIATION REQUEST
FORM E-6B LEASED PASSENGER-RELATED VEHICLES**

Account code 542800

LEASED VEHICLE INFORMATION @ 7/1/25

Agency Name: Commissioner of Public Lands
Program Name: Land Trust Stewardship

Business Unit: 53900
Program Code: P615

Item No.	LONG TERM LEASES ONLY						Lease Type Operational (O) or Standard (S)	Long Term Only			SHORT TERM ONLY			Put (x) if Fed \$
	Year	Make/Model	Vehicle Type	A** R C	License Plate Number	Mileage As of 7/1/25		A	B	A x B = C	D	E	D x E = F	
								FY27 Monthly Rate S= Rate Schedule	Number of months to lease	Total cost Rate FY27	Daily Rate Based On Vehicle Type	No. of Days	Total Lease Rate	
1	2020	Nissan Leaf	02B	C	007743SG	1,970	Operational (O)	293	12	3,518.6			-	
2										-			-	
3										-			-	
4										-			-	
5										-			-	
6										-			-	
7										-			-	
8										-			-	
9										-			-	
10										-			-	
11										-			-	
12										-			-	
13										-			-	
14										-			-	
15										-			-	
16										-			-	
17										-			-	
18										-			-	
19										-			-	
								TOTAL LONG TERM:		3,518.6	TOTAL SHORT TERM:		-	

Operational(O) rate for FY27 will be

** Code A = additional leased vehicle request C = vehicle currently leased R = request to replace previously purchased vehicle