



Stephanie Garcia Richard, State Land Commissioner
State of New Mexico

APPLICATION FOR OPEN-ACREAGE OF AGRICULTURAL STATE TRUST LAND

Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87504-1148

(I/We), _____
(Name)

(Address)
telephone (_____) - _____ - _____, having reached the age of majority and not in default under any state lease, do hereby apply to lease for a term not to exceed five years, a total of _____ acres which is described below. (See stipulation below*)

With this application, I/we remit \$ _____ as the first year's offered rental on the described lands. If awarded the lease, I/we agree to pay no less than the offered amount annually for the remaining term of the lease.

Subdivision	Section	Township	Range	Acres
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Application fee - \$100.00 *When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

I state in answer to the following questions:

Is this land within your pasture or grazing allotment? _____

Please be aware that you may be required to fence the state land as per Rule 8 "Relating to Agricultural Leases" (19 N.M.A.C. 3, SLO 8.9.8) which states: "One who leases state trust lands shall fence the lands leased, unless such lands shall be used and managed in conjunction with adjacent land, or are subject to an exchange of use agreement."

For what purpose is the land wanted? _____

Do you intend to irrigate any portion of the land? _____

Do you intend to sublease any portion of the land? _____

I/we, _____, do solemnly swear (or affirm) that the statements and answers to questions in this application are true and correct, to the best of my/our knowledge and belief.

Signed _____ Signed _____

Subscribed and sworn to before me this _____ day of _____, 20_____
by _____

(Notary must print names(s) of person(s) acknowledged)

MY COMMISSION EXPIRES: _____

Notary Public

NEW MEXICO STATE LAND OFFICE

AGRICULTURAL LEASE Application and Appraisal Instructions (OPEN-ACREAGE)

GENERAL INFORMATION

Enclosed please find the forms necessary for submitting an application to lease state trust lands, which are currently unleased and held in “open-acreage” status. This information is intended to assist you in completing the application and appraisal forms for open-acreage.

If you obtain a lease, you will be required to fence the exterior boundaries of any leased state trust land, through the improvement application process, unless the acreage is being used and managed in conjunction with adjacent land.

The purpose of the appraisal is to provide the appraiser’s best estimate of the value of the subject property and improvements on the lease. The information provided through the appraisal is used to determine a compensatory amount for the value of improvements on the lease acreage subject to a competitive bid. There are many statutes and procedures that guide this process. Following is a summary of some of the applicable laws:

The appraisal must be completed by a disinterested party (19-7-1 NMSA 1978). Applications to lease state lands shall be made under oath, and applicants shall, at their own expense, procure appraisals made under oath by a disinterested and creditable person or persons familiar with the land. All statements contained in appraisals, except as to the true value of the land, must be based upon personal knowledge and not upon information and belief. This appraisal is not conclusive and binding. The Commissioner of Public Lands makes the final determination of value.

All information presented in the appraisal must be factual and complete (19-7-7 NMSA 1978). Any person or persons applying to lease state lands, or acting as appraiser, who knowingly and willfully swears falsely to any material matter contained in any application to lease state lands, or in any appraisal, shall be deemed guilty of perjury.

Appraisal costs incurred by the State Land Office can be passed on to the bidder (19-7-16 NMSA 1978). The Commissioner of Public Lands shall recover the costs of appraising improvements on state trust lands from the subsequent lessee. As such, it is in your best interest to ensure that the appraisal is complete and accurate.

OPEN ACREAGE APPLICATION PROCEDURES

1. Complete the “APPLICATION FOR OPEN ACREAGE - STATE TRUST LAND” form.
2. Complete the “IMPROVEMENT APPRAISAL WORKSHEET” form. Improvement values must be determined using the replacement cost less depreciation method, and each improvement item must be listed separately. The worksheet provides an explanation for each of the appraisal categories that must be completed. Please read them carefully.
3. Complete the “APPRAISAL OF AGRICULTURAL LANDS AFFIDAVIT.”
4. State Land Office staff will review the application and appraisal. Following the review of the application, it may be determined that the acreage be put to a competitive sealed bid between the applicant and any other interested parties or surrounding landowners. The State Land Office also may choose to allow a direct lease to the applicant and forego the competitive bid procedure.
5. If the lease is awarded to the applicant, the applicant will be required to submit the funds necessary in order to compensate the previous lessee for the improvements existing in the property. The value of the improvements, if in dispute, shall be determined by the Commissioner’s appraisal.
6. Prior to submitting the application make sure that **all** necessary signatures, notaries, and the \$100.00 application fee are included.

If you have any questions, please feel free to contact our Agricultural Leasing team at SRDleasing@nmslo.gov or (505) 476-0218.

**APPRAISAL OF AGRICULTURAL LANDS
AFFIDAVIT**

New Mexico State Land Office
P. O. Box 1148, Santa Fe, N. M. 87501-1148

(To be completed by a disinterested party)

I am well acquainted with the characteristics of the state trust lands listed on the reverse side of this application. The subject acreage is located in _____ County, New Mexico.

The current use of this property is best described as _____
_____.

After having personally inspected the land described in the above referenced lease, I HEREBY APPRAISE THE VALUE OF THE LAND TO BE \$ _____ per acre, and certify that I am not interested in said land for leasing or sale thereof.

After having personally inspected the improvements on the above referenced lease, I HEREBY APPRAISE THE VALUE OF THE IMPROVEMENTS TO BE \$ _____.

Signed

Name _____

Address _____

City _____ State _____ Zip Code _____

Day-time Phone Number _____

Subscribed and sworn to before me this _____ day of _____, 20_____.

Notary Public

(Seal)

My commission expires: _____

Note: New Mexico law requires that all statements in the appraisal must be made based upon personal knowledge, and not upon information and belief. This appraisal must be sworn before a Notary Public or other officer authorized to administer oaths.

IMPROVEMENT APPRAISAL WORKSHEET

Description of Improvement	Location/ Legal Description (Section, Township, Range)	1) Replacement Cost as of the Date of the Inspection (\$\$)	2) Typical Economic Life (Years)	3) Effective Age (Years)	4) Percentage of Physical Deterioration (%)	5) Percentage of Depreciation/ Functional Obsolescence (%)	6) Total Accrued Depreciation (%)	7) Indicated Improvement Value (\$\$)

TOTAL VALUE OF IMPROVEMENTS \$ _____

APPRAISED ON THIS _____ DAY OF _____, 20____ BY _____

CATEGORY DESCRIPTIONS:

- 1) Replacement Cost – the current cost that would be incurred to replace the improvement today with new material.
- 2) Typical Economic Life – the estimated period during which an improvement may be capable of use if normally maintained.
- 3) Effective Age – the age of the improvement indicated by the condition and utility of the structure.
- 4) Percentage of Physical Depreciation – the percentage of physical deterioration caused by wear and tear, decay, or impairment in which the improvement has depreciated; may be calculated by dividing the effective age by the typical economic life.
- 5) Percentage of Depreciation/Functional Obsolescence – Obsolescence is one of the causes of depreciation. It is the impairment of usefulness brought about by new inventions, changes in design, and improved processes for production, or from external influencing factors which make an improvement less valuable for continuing use.
- 6) Total Accrued Depreciation – the sum of physical depreciation (column 4) and functional obsolescence (column 5). The loss in value experienced by the subject structure(s) in its present condition, as compared with the value it would have as a new improvement.
- 7) Indicated improvement value – the difference or deduction of total accrued depreciation from reproduction or replacement cost new.