



State of New Mexico  
House of Representatives  
Santa Fe

**BRIAN F. EGOLF, JR.**  
D - Santa Fe  
District 47

128 Grant Avenue, Suite 301  
Santa Fe, NM 87501  
Phone: (505) 986-9641  
E-mail: Brian.Egolf@nmlegis.gov

**COMMITTEES:**  
Chair: Enrolling & Engrossing-A  
Appropriations & Finance  
Energy & Natural Resources  
Printing & Supplies

December 14, 2009

The Honorable Hector Balderas, Esq.  
New Mexico State Auditor  
2540 Camino Edward Ortiz, Suite A  
Santa Fe, NM 87507

Re: Land Office Investigation Request

Dear Mr. Auditor,

I write regarding my concerns over the recent decision by New Mexico's Land Commissioner to proceed with a "land swap" in Mora and San Miguel Counties, referred to widely as the "White Peak Exchange" or the "Whites Peak Exchange." I ask, pursuant to my duties as a New Mexico Representative, that you conduct an inquiry into two aspects of this transaction and report to the Legislature your findings no later than January 18, 2010.

First, I would like an inquiry made into the analysis, or lack thereof, conducted by the Land Commissioner of the impact this swap may have on present income generation and future income generation potential. As a starting point, I suggest that you inquire as to how the Commissioner intends to replace the approximately \$200,000 paid to the trust each year by the Department of Game and Fish for easements that allow the Department of Game and Fish to permit hunting activities on the lands being traded away from the trust. It appears to me that the lands coming into the trust do not have the same appeal to hunters as the land leaving the trust, and I am concerned that there will be no hunting revenue from the new lands. Ultimately, I would like to know whether any analysis done by the Commissioner was sufficient to meet his responsibilities as trustee of state trust lands with regard to generating income for the beneficiaries of the trust.

Second, I ask that you inquire into whether this swap was influenced in any way by the Commissioner's personal relationships with the persons swapping land with the trust. Specifically, I would like you to investigate whether any conflicts of interest are present in this transaction and whether there was any favored treatment given by the Commissioner to those swapping land with his office.

Thank you for your attention to this matter. If I may be of any assistance to you in your inquiry, please do not hesitate to contact me.

Sincerely,



Brian Egolf  
New Mexico Representative