

(Electronic bids only)
NOTICE OF BOND SALE

\$256,290,000*
STATE OF NEW MEXICO
SEVERANCE TAX BONDS, SERIES 2022A

PUBLIC NOTICE IS HEREBY GIVEN that the State Board of Finance (the “Board”) of the State of New Mexico (the “State” or “Issuer”) will receive electronic bids for the purchase of the State of New Mexico Severance Tax Bonds, Series 2022A (the “Series 2022A Bonds”) in the aggregate principal amount of \$256,290,000,* on Wednesday, June 22, 2022 (the “Original Bid Date”), until 8:00 a.m., prevailing Mountain Time (the “Original Deadline”), and will publicly examine such bids following the Original Deadline in the State Board of Finance Office at 181 Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, or such other date and time to be designated as provided below (the “Rescheduled Bid Date” and “Rescheduled Deadline,” respectively, and together with the Original Bid Date and the Original Deadline, the “Bid Date” and “Deadline,” respectively) or at such other place to be designated as provided below.

Notice is hereby given that electronic proposals will be received via the facilities of Ipreo’s BiDCOMP™/PARITY® electronic bid system (the “Approved Provider”), in the manner described below, until the Original Deadline. Bids must be submitted electronically via the Approved Provider pursuant to this Notice of Bond Sale until the Original Deadline, but no bid will be received after the Original Deadline unless it is extended as provided below. Subscription to the Approved Provider is required in order to submit an electronic bid.

The Approved Provider will act as agent of the bidder and not of the Issuer in connection with the submission of bids and the Issuer assumes no responsibility or liability for bids submitted through the Approved Provider. **None of the Issuer, Fiscal Strategies Group, Inc. and Public Resources Advisory Group (collectively, the “Municipal Advisors”) or Rodey, Dickason, Sloan, Akin & Robb, P.A. and Sherman & Howard L.L.C. (collectively “Co-Bond Counsel”) shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate, or untimely bid submitted through the Approved Provider by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, slow or engaged telephone or telecommunications lines, viruses, ransomware, malware, computer system security breaches or any other cause arising from delivery through the Approved Provider.** See “ELECTRONIC BIDDING” herein.

No written bids or facsimile bids will be accepted.

Pursuant to the authority delegated by the Board to certain of its officers (each, a “Designated Officer”), such Designated Officer will publicly examine electronic bids on the Bid Date following the Deadline and such Designated Officer may accept the lowest true interest cost (“TIC”) bid, calculated as outlined in this Notice of Bond Sale, if within the parameters (the “Parameters”) established by the Board in the resolution of the Board authorizing the issuance of the Series 2022A Bonds (the “Authorizing & Delegating Resolution”). For purposes of the bids

received through the electronic bidding process, the time maintained by the Approved Provider will constitute the official time.

DESCRIPTION OF THE SERIES 2022A BONDS: The Series 2022A Bonds will be issued in one series. The Series 2022A Bonds will be issued in the aggregate principal amount of \$256,290,000,* will be dated the date of delivery, and will mature on July 1, 2023, and serially thereafter on July 1 of each year through 2032 in the following amounts:

<u>Date</u>	<u>Amount Maturing</u>
July 1, 2023	\$20,250,000*
July 1, 2024	\$21,295,000*
July 1, 2025	\$22,385,000*
July 1, 2026	\$23,535,000*
July 1, 2027	\$24,740,000*
July 1, 2028	\$26,010,000*
July 1, 2029	\$27,340,000*
July 1, 2030	\$28,745,000*
July 1, 2031	\$30,220,000*
July 1, 2032	\$31,770,000*

* Subject to change.

Bidders may combine any two or more sequential serial maturities into one or more term bonds with mandatory sinking fund installments reflecting the maturity schedule. The Series 2022A Bonds will be fully registered bonds in the denomination of \$5,000 each, or any integral multiple thereof. Interest will be payable on January 1, 2023 and semiannually thereafter on July 1 and January 1 of each year through the final maturity of the Series 2022A Bonds.

NO OPTIONAL REDEMPTION: The Series 2022A Bonds will not be subject to optional redemption prior to maturity.

BOND INSURANCE: At the expense of the bidder, the bidder may procure bond insurance from a bond insurer of its choosing. The Board, acting by and through its Designated Officer, reserves the right in its sole discretion to agree or not agree to any insurance terms required by such bond insurer. Neither the failure of any bond insurer to issue its policy nor any change in the credit ratings of any bond insurer shall be grounds for the bidder to withdraw its bid or to fail or refuse to accept delivery of, or pay for, all of the Series 2022A Bonds.

ADJUSTMENT OF PRINCIPAL AMOUNTS, MODIFICATION OR CLARIFICATION PRIOR TO THE EXAMINATION OF BIDS: The Designated Officer may, after consultation with the Board's financial and bond advisors, within the Parameters established in the Authorizing & Delegating Resolution but otherwise in the Designated Officer's sole discretion and prior to the examination of bids, (i) adjust the aggregate principal amounts set forth herein, (ii) adjust individual maturities, and/or (iii) modify or clarify any other term hereof by issuing a notification of the adjusted amounts, modification or clarification via the Approved Provider, The Municipal Market Monitor (www.tm3.com) ("TM3"), and/or

* Subject to Change

Bloomberg Financial Services no later than 7:00 a.m., prevailing Mountain Time, on the Bid Date.

RESCHEDULING OF BID DATE AND DEADLINE: The Designated Officer may, after consultation with the Board's financial and bond advisors, in the Designated Officer's sole discretion on notice given at least twenty-four (24) hours prior to the Original Deadline (or any Rescheduled Deadline), reschedule the Bid Date or Deadline, and may, at that time or a subsequent time on at least twenty-four (24) hours prior notice, in each case via the Approved Provider, TM3 and/or Bloomberg Financial Services, establish a Rescheduled Bid Date and Rescheduled Deadline and a place where electronic bids will be publicly examined.

ADJUSTMENTS TO PRINCIPAL AMOUNTS AFTER DETERMINATION OF BEST BID: The aggregate principal amount of the Series 2022A Bonds is subject to increase or reduction, and each scheduled maturity thereof is subject to increase or reduction, by the Board, acting by and through a Designated Officer, after the determination of the successful bidder. Such adjustments will be made within four (4) hours following the end of the time of bid examination and will be in the sole discretion of the Designated Officer; provided, however, that the Designated Officer will only make such adjustments in order to size the Series 2022A Bonds to provide enough funds to finance the Projects (as described in the Authorizing & Delegating Resolution, as the same may be amended) and costs of issuance in accordance with federal income tax laws, and to achieve substantially level or otherwise acceptable debt service or to establish a debt service structure that facilitates the State's ability to issue Severance Tax Bonds in the future. To cooperate with any adjustment in the principal amounts, the successful bidder is required to indicate by email notification to dpaul@fiscalstrategies.net and lchoi@pragadvisors.com or such other address as may be indicated by the Designated Officer within one-half (1/2) hour after the end of the time of bid examination, the amount of any original issue discount or premium on the Series 2022A Bonds, the initial offering price of each maturity, the cost of bond insurance, if any, and the amount received from the sale of the Series 2022A Bonds to the public that will be retained by the successful bidder as its compensation.

The Designated Officer, in consultation with the Board's financial advisor, may change the dollar amount bid by the successful bidder if the aggregate principal amount of the Series 2022A Bonds is adjusted as described above, but the interest rates specified by the successful bidder for all maturities will not change. The Designated Officer, in consultation with the Board's financial advisor, will make every effort to ensure that the percentage net compensation to the successful bidder (i.e. the percentage resulting from dividing (i) the aggregate difference between the offering price of the Series 2022A Bonds to the public and the price to be paid to the Board, less any bond insurance premium to be paid by the bidder, by (ii) the stated principal amount of the Series 2022A Bonds) does not increase or decrease from what it would have been if no adjustment was made to the principal amounts shown in the maturity schedule. The State shall notify the successful bidder of the final principal amounts and the resulting adjusted prices no later than 12:00 p.m., prevailing Mountain Time, on the day of the sale and award of the Series 2022A Bonds. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW OR MODIFY ITS BID ONCE SUBMITTED TO THE STATE FOR ANY REASON, INCLUDING, WITHOUT LIMITATION, AS A RESULT OF ANY INCREASE OR DECREASE IN THE FINAL PRINCIPAL AMOUNTS AND THE AGGREGATE PURCHASE PRICE OF THE SERIES 2022A BONDS.

DEPOSITORY PARTICIPATION: The Series 2022A Bonds will be issued initially in book-entry form as described in the Preliminary Official Statement.

PAYMENT: The State Treasurer will act as transfer agent, paying agent and bond registrar (together with any successor or co-registrar, co-paying agent, and/or transfer agent, the “Registrar/Paying Agent”) and make required payments of principal and interest to the registered owners of the Series 2022A Bonds, as described in the Preliminary Official Statement. The Board may, in its discretion, appoint a successor or co-transfer agent, co-registrar and/or co-paying agent. The principal and redemption price, if any, of the Series 2022A Bonds will be payable upon presentation and surrender of the Series 2022A Bonds at the office of the Registrar/Paying Agent. Interest on the Series 2022A Bonds will be payable by check or draft mailed, or by Automated Clearing House or electronic payment sent, to the registered owners of the Series 2022A Bonds, as shown on the registration books for the Series 2022A Bonds maintained by the Registrar/Paying Agent at the addresses shown in such books at the close of business on the fifteenth (15th) day of the calendar month next preceding each interest payment date (the “regular record date”) or in such other manner as may be agreed upon by the Registrar/Paying Agent and the registered owner. Interest that is not timely paid or duly provided for will cease to be payable to the owners of the Series 2022A Bonds (or of one or more predecessor bonds) as of the regular record date, but will be payable to the owners of the Series 2022A Bonds (or of one or more predecessor bonds) at the close of business on a special record date for the payment of that overdue interest to be fixed by the Registrar/Paying Agent. Both principal and interest are payable in lawful money of the United States of America.

SECURITY: The Series 2022A Bonds will constitute special, limited obligations of the State payable only from the State’s Severance Tax Bonding Fund. There are deposited into the Severance Tax Bonding Fund the net receipts from taxes levied upon certain natural resource products severed and saved from the soil of the State and such other monies as the State Legislature may, in its sole discretion, from time to time determine in accordance with the terms and provisions of the Severance Tax Bonding Act, NMSA 1978, Sections 7-27-1 to -27 (1961, as amended through 2021) (the “Act”) as described in the Preliminary Official Statement. Pursuant to the Act, on June 30 and December 31 of each year, the excess money in the Severance Tax Bonding Fund over the amount necessary to meet all principal and interest payments on outstanding bonds payable from the Severance Tax Bonding Fund on the next two (2) semiannual payment dates, subject to the minimum transfer required under NMSA 1978, Section 7-27-10.1(A) (2019), must be transferred out of the Severance Tax Bonding Fund and will thereafter be unavailable to make payments of principal or interest on the Series 2022A Bonds. Reference is made to the Preliminary Official Statement for a full description of the security for the Series 2022A Bonds, other outstanding Severance Tax Bonds, the Board’s authority to issue additional Severance Tax Bonds on a parity with the Series 2022A Bonds, a description of the security for Supplemental Severance Tax Bonds, outstanding Supplemental Severance Tax Bonds and the Board’s authority to issue Supplemental Severance Tax Bonds subordinate to the Series 2022A Bonds. The Series 2022A Bonds are being issued and sold for the purpose of providing funds to finance certain projects directed and specifically authorized by the State Legislature.

FORM OF BID: The Series 2022A Bonds will be sold in one block on an “all or none” basis and at a price of not less than their par value plus premium, if any (the “Bid Price”). The Series 2022A Bonds must be reoffered to the public as part of the initial offering at an aggregate price not less than the Bid Price less 2% of the par amount, in other words, the underwriter’s discount may not exceed 2% of the par amount. Each bidder shall state in its bid the total interest cost in dollars, the premium, if any, to be paid to the State, and the TIC expressed as a per annum percentage.

ELECTRONIC BIDDING: Any prospective bidder that intends to submit a bid must submit its bid electronically through the Approved Provider. Subscription to the Approved Provider is required in order to submit an electronic bid. The Board will neither confirm any subscription nor be responsible for failure of any prospective bidder to subscribe. No other form of electronic bid or provider of electronic bidding services will be accepted and no non-electronic bid will be accepted.

The Issuer, the Board, the Municipal Advisors and Co-Bond Counsel are not responsible for the proper operation of, and shall not have any liability for any delays or interruptions of or any damages cause by, the Approved Provider. Each bidder expressly assumes the risk of any incomplete, inaccurate, or untimely bid submitted through the Approved Provider, including, without limitation, by reason of garbled transmissions, mechanical failure, slow or engaged telephone or telecommunications lines, viruses, ransomware, malware, computer system security breaches or any other cause arising from delivery through the Approved Provider. The Board is using the Approved Provider as a communications mechanism and not as the Board’s agent to conduct electronic bidding for the Series 2022A Bonds. The Issuer and the Board are not bound by any advice and determination of the Approved Provider to the effect that any particular bid complies with the terms of this Notice of Bond Sale. All costs and expenses incurred by prospective bidders in connection with their submission of bids through the Approved Provider are the sole responsibility of the bidders and the Board is not responsible for any of such costs or expenses.

An electronic bid made through the facilities of the Approved Provider (including information about the purchase price for the Series 2022A Bonds and interest rates to be represented by the various maturities of the Series 2022A Bonds an any other information included in such transmission) shall be deemed an irrevocable offer to purchase the Series 2022A Bonds on the terms provided in this Notice of Bond Sale, and the bid shall be binding upon the bidder as if made by a signed bid delivered to the Board. For information purposes only, bidders are requested to state in their electronic bids the TIC to the Board. All electronic bids shall be deemed to incorporate the provisions of this Notice of Bond Sale and the Required Bid Form. In the event that the State Receives fewer than three (3) bids that fit the requirements of this Notice of Bond Sale, the State shall reject all bids and cancel the sale.

To the extent any instruction or direction set forth by the Approved Provider conflict with this Notice of Bond Sale, the terms of this Notice of Bond Sale will control. For further information about the Approved Provider, including any fee charged, potential bidders may contact BiDCOMP™/PARITY® at www.newissuehome.i-deal.com, or by calling at (212) 849-5021.

RATINGS: The Board has applied to Moody's Investors Service and S&P Global Ratings for ratings on the Series 2022A Bonds. The Board will pay the costs of obtaining these ratings.

INTEREST RATE: Bidders must specify the rate or rates of interest to be borne by each maturity of the Series 2022A Bonds, provided that each rate bid must be in a multiple of one-eighth (1/8th) or one-twentieth (1/20th) of one percent (1%) per annum. All Series 2022A Bonds of one maturity must bear only one stated rate. A zero (0) rate of interest may not be specified. No interest rate above six percent (6.0%) may be specified for any maturity of the Series 2022A Bonds.

BASIS OF AWARD: Subject to the right to reject any and all bids, the Series 2022A Bonds will be awarded to the bidder offering to purchase all of such Series 2022A Bonds at the lowest TIC, which shall mean that rate which, as of the dated date of the Series 2022A Bonds, discounts semiannually all future payments on account of principal and interest to the Bid Price, but not including interest accrued to the date of delivery. If there are two or more bids with equal TIC rates which are the best bids (lowest TIC bids) received, the Designated Officer will determine by lot which bid to accept. In the event of any error in TIC calculation, the TIC rate determined from the annual interest rates set forth in the electronic bid will be considered the correct bid. The Board, by and through its Designated Officer, reserves the right to waive any irregularity or informality in any bid, to reject any and all bids, and to reoffer the Series 2022A Bonds for sale. The Designated Officer will take action on the Series 2022A Bonds by awarding the Series 2022A Bonds, or rejecting all bids on the Series 2022A Bonds, not later than twenty-four (24) hours after the Original Deadline or Rescheduled Deadline, as applicable.

GOOD FAITH DEPOSIT: All bids, except for the bid of the State, if one is received, must be accompanied by a deposit of \$5,125,800.00* for the Series 2022A Bonds, which amount is equal to two percent (2%) of the preliminary issue size (the "Good Faith Deposit"), in the form of (i) a financial surety bond, (ii) a wire transfer, or (iii) either a cashier's or treasurer's check of, or certified check drawn on, a solvent commercial bank or trust company in the United States, payable to the order of the State of New Mexico. No interest will be credited to the successful bidder on any Good Faith Deposit.

Financial Surety Bonds. Any Good Faith Deposit in the form of a financial surety bond must be submitted (and may be submitted by facsimile transmission to (505) 827-3985, Attention: Ashley Leach, Director) prior to the Deadline. The financial surety bond or the long-term debt obligations of the Issuer or the person guarantying the obligations of the Issuer of the financial surety bond will be rated in one of the top two rating categories of a nationally recognized rating agency, without regard to any modification of the rating, and the financial surety bond must be issued by an insurance company licensed to issue such bond in the State. If the successful bidder uses a financial surety bond, then the successful bidder is required to submit its deposit to the Board in the form of a cashier's check (or wire transfer such amount as instructed by the Designated Officer) not later than 9:00 a.m. prevailing Mountain Time, on the next business day following the award. If the Good Faith Deposit is not received by that time, the financial surety bond may be drawn by the Board to satisfy the deposit requirement.

* Subject to change.

Wire Transfers. Any Good Faith Deposit in the form of a wire transfer must be received in federal funds prior to the deadline for the examination of the bids, and should be directed as follows:

New Mexico State Treasurer
Wells Fargo Bank
ABA No. 121000248
Account No. 494-1675738
RE: Bid for NM Severance Tax Bonds, Series 2022A from _____

Each bidder submitting the Good Faith Deposit by wire transfer must also send an email to dpaul@fiscalstrategies.net and lchoi@pragadvisors.com referencing “State of New Mexico Severance Tax Bonds, Series 2022A” and providing the name of the bidder and instructions for the return of the wire transfer should the bidder be unsuccessful. The State will endeavor to promptly return the wire transfers of unsuccessful bidders. The wire transfer of the successful bidder will be retained by the Board until the Series 2022A Bonds are delivered. The State disclaims any liability for funds sent by wire transfer, except for any willful misconduct or reckless disregard for its duties.

Checks. Any Good Faith Deposit in the form of a check must be delivered to the Board by the close of business on the day prior to the Deadline, addressed to the State Board of Finance, State of New Mexico, 407 Galisteo Street, 181 Bataan Memorial Building, Santa Fe, New Mexico 87501, along with instructions for the return of the check should the bidder be unsuccessful. The bidder accepts responsibility for non-timely delivery of the check. The check of the successful bidder will be deposited with the New Mexico State Treasurer and held in a suspense account until the Series 2022A Bonds are delivered. The checks of unsuccessful bidders will be returned promptly after examination of the bids.

PURCHASE OF THE SERIES 2022A BONDS: The check or wire transfer representing the Good Faith Deposit of the successful bidder will be deposited by the Board and the proceeds thereof will be applied against the payment of the Bid Price of the successful bidder (the “Purchase Price”) on the date of delivery of the Series 2022A Bonds. No interest will be credited to the successful bidder on any Good Faith Deposit. If the successful bidder fails or neglects to complete the purchase of the Series 2022A Bonds in accordance with its bid, the Good Faith Deposit will be forfeited to the State, and the Board, acting through its Designated Officer, may accept the bid of the bidder making the next best bid for the Series 2022A Bonds should such bidder elect to purchase the Series 2022A Bonds on that basis, or if all bids are rejected, the State may re-advertise the Series 2022A Bonds for sale or sell them as otherwise permitted by State law.

DELIVERY: The State anticipates delivering the Series 2022A Bonds to DTC on or about June 29, 2022. The successful bidder will pay the Purchase Price on the date of delivery of the Series 2022A Bonds, without right of offset, except for the Good Faith Deposit. Payment of the Purchase Price must be made by wire transfer in federal funds, or other immediately available funds acceptable to the Designated Officer, for immediate and unconditional credit to the State or as otherwise directed by the State.

UNFORESEEN EVENTS: The successful bidder will be given no less than five (5) business days' notice of the time and place fixed for delivery of the Series 2022A Bonds. The State anticipates that delivery will be made on or before June 29, 2022. If for any reason the State is unable to make delivery on or before July 6, 2022, due to unforeseen events, the successful bidder will have the right to withdraw its bid, in which event its Good Faith Deposit will be returned and both the State and the successful bidder will be relieved of further obligation.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Series 2022A Bonds, but neither the failure to print any such number nor any error with respect to any such number will constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Series 2022A Bonds. The Board will be responsible for subscribing for the CUSIP numbers and will pay all charges by the CUSIP Service Bureau for the assignment of such numbers.

LEGAL OPINION AND TRANSCRIPT: The validity and legality of the Series 2022A Bonds will be approved by Rodey, Dickason, Sloan, Akin & Robb, P.A. and Sherman & Howard L.L.C., Co-Bond Counsel to the State ("Bond Counsel"), whose approving opinions, together with a complete transcript of the legal proceedings, will be furnished to the purchaser without charge.

Gilmore & Bell, P.C., Tax Counsel to the State ("Tax Counsel"), will provide an opinion, based upon and assuming compliance with covenants and the accuracy of representations and certifications of the Board and the Agencies to be contained in the transcript of proceedings, that under existing law, the interest on the Series 2022A Bonds: (i) is excludable from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not treated as an item of tax preference for purposes of the alternative minimum tax under the Code. Tax Counsel will also render an opinion that the interest on the Series 2022A Bonds is exempt from income taxation by the State of New Mexico.

The transcript of legal proceedings will include a certificate signed by the State and a letter from Kutak Rock, LLP, disclosure counsel to the State ("Disclosure Counsel") (which letter will be subject to typical qualifications, including the fact that Disclosure Counsel does not represent the successful bidder), that no information came to the attention of Disclosure Counsel in connection with the preparation of the Official Statement which causes Disclosure Counsel to believe that the Official Statement relating to the Series 2022A Bonds, as of its date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Neither the State, nor Bond Counsel, nor Tax Counsel, nor Disclosure Counsel, has taken or will take any action to qualify the Series 2022A Bonds for sale under any state securities laws.

FEDERAL INCOME TAX MATTERS: The Board and the Agencies will covenant to take all actions which may be required of it for the interest on the Series 2022A Bonds to be and remain excludable from gross income for federal income tax purposes, and not to take any action that would adversely affect that excludability, under the provisions of the Code. Tax Counsel

will express no opinion regarding federal income tax consequences other than as stated above under “LEGAL OPINION AND TRANSCRIPT” resulting from the receipt or accrual of interest on the Series 2022A Bonds. Tax Counsel will not independently verify the accuracy of the certifications and representations made by the Board or any of the Agencies. Additional information relating to the tax status of the Series 2022A Bonds can be found in the Preliminary Official Statement.

INITIAL OFFERING PRICES: The successful bidder or bidders (or manager of the purchasing account or accounts) shall notify the Designated Officer, by email transmission to Ashley.Leach@state.nm.us, and the State’s Financial Advisor, by e-mail transmission to dpaul@fiscalstrategies.net and lchoi@pragadvisors.com, within one-half (½) hour after the Deadline, of the initial offering prices of such Series 2022A Bonds to the public. The notification must be confirmed in writing in form and substance satisfactory to Tax Counsel prior to the delivery of the Series 2022A Bonds. The confirmation will be part of the “Purchaser’s Certificate” which will be in substantially the same form as Exhibit A to this Notice of Bond Sale. In the event that the State receives fewer than three (3) bids that fit the requirements of this Notice of Bond Sale, the State shall reject all bids and cancel the sale.

CONTINUING DISCLOSURE: The Board will agree, by means of a continuing disclosure undertaking to be delivered to the purchaser of the Series 2022A Bonds at closing, for the benefit of owners of the Series 2022A Bonds, to provide certain annual financial information relating to the State by not later than two hundred ten (210) days after the end of each fiscal year of the State, commencing with the fiscal year ending June 30, 2022, and to provide notices of occurrence of certain enumerated events. The form of continuing disclosure undertaking is included as an appendix to the Preliminary Official Statement.

INFORMATION: The Board has prepared a Preliminary Official Statement for each bidder to review in connection with the sale of the Series 2022A Bonds. The Board deems final as of its date the Preliminary Official Statement for purposes of the Rule (except for certain omissions permitted and as described by the Rule). The Preliminary Official Statement is subject to revision, amendment and completion in a final official statement. The Preliminary Official Statement is available for viewing in electronic format at www.i-Dealprospectus.com and on the Board’s website at <http://nmdfa.state.nm.us/board-of-finance/>. All bidders must review the Preliminary Official Statement and, by submitting a bid for the Series 2022A Bonds, each bidder certifies that such bidder has done so prior to participating in the bidding.

A copy of this Notice of Bond Sale is also available for viewing in electronic format at www.i-Dealprospectus.com and on the Board’s website at <http://nmdfa.state.nm.us/board-of-finance/>. The Preliminary Official Statement, this Notice of Bond Sale and other information may also be obtained from the offices of the State Board of Finance, 407 Galisteo Street, 181 Bataan Memorial Building, Santa Fe, New Mexico 87501, (505) 629-9745 or ashley.leach@state.nm.us, or from Fiscal Strategies Group, 2913 6th Street, Boulder, CO 80304, (732) 804-0860 or dpaul@fiscalstrategies.net. Electronic copies of the Final Official Statement will be provided to the successful bidder within seven (7) business days of the acceptance of the bid by the Designated Officer and additional printed copies of the Final Official Statement may be obtained at the successful bidder’s expense.

DATED at Santa Fe, New Mexico, this ____ day of June, 2022.

STATE BOARD OF FINANCE OF
THE STATE OF NEW MEXICO

By: /s/ Michelle Lujan Grisham
Governor Michelle Lujan Grisham
Its President

*Preliminary; subject to change.

Exhibit A to Notice of Bond Sale
Purchaser's Certificate: Competitive Sale – 3 Bids Received

IT IS HEREBY CERTIFIED by the undersigned on behalf of _____ (the "Purchaser"), as representative of the underwriters for the "Severance Tax Bonds, Series 2022A" (the "Bonds") issued by the State Board of Finance of the State of New Mexico (the "Issuer") pursuant to a resolution of the Board of the Issuer approved on May 17, 2022 (as amended, the "Resolution") and the Final Terms Certificate executed and delivered pursuant to the Resolution (the "Final Terms Certificate"):

1. We acknowledge receipt of the Bonds in the aggregate principal amount of \$_____, bearing interest and maturing as provided in the Resolution and the Final Terms Certificate, and the instruments described therein, and such Bonds being in the denominations and registered in the name of Cede & Co., as nominee of The Depository Trust Company, as requested by us.

2. A bona fide public offering was made for all of the Bonds on the sale date at the prices shown on the [inside] [cover] page of the Official Statement for the Bonds [in Exhibit 1]. Those prices are the reasonably expected initial offering prices of each maturity of the Bonds to the public which were used by the Purchaser in formulating its bid to purchase the Bonds. For this purpose:

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party.

"Sale date" means the date the Purchaser's bid for the Bonds was accepted on behalf of the Issuer.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public).

If a yield is shown on the [inside] [cover] page for any maturity, "price" herein means the dollar price that produces that yield.

3. The underwriter was not given the opportunity to review other bids prior to submitting its bid.

4. The bid submitted by the underwriter constituted a firm bid to purchase the Bonds.

5. The Issuer and its counsel may rely on these certifications in concluding that the Bonds meet certain requirements of the Internal Revenue Code of 1986 as amended (the "Code"), relating to tax-exempt bonds; however, nothing herein represents our interpretation of any law and we are not providing any interpretations of law or regulations in executing and delivering this certificate.

DATED as of _____, 2022.

_____, as
Representative of the Underwriters

By: _____
Title: _____

Exhibit 1 to Purchaser's Certificate
(Offering Prices of Bonds)