A MEMORIAL

REQUESTING THE ENERGY, MINERALS AND NATURAL RESOURCES

DEPARTMENT, THE DEPARTMENT OF ENVIRONMENT, THE INDIAN AFFAIRS

DEPARTMENT AND THE DEPARTMENT OF FINANCE AND ADMINISTRATION

TO CONVENE A JOINT TASK FORCE TO STUDY THE ECONOMIC AND

ENVIRONMENTAL IMPACT OF THE INCREASE IN NATURAL GAS FLARING

AND VENTING IN NEW MEXICO.

WHEREAS, the energy sector is important to New Mexico's economy; and

WHEREAS, recent reports suggest that New Mexico taxpayers have lost out on an estimated forty-two million seven hundred thousand dollars (\$42,700,000) in royalty revenue since 2009 due to increased wasted natural gas in the oil- and gas-producing regions of the state; and

WHEREAS, the United States bureau of land management typically does not charge royalties, or it undercharges royalties, for gas that is leaked, flared or vented; and

WHEREAS, nearly forty-five percent, or five hundred fifty-eight of one thousand two hundred forty-eight, of all bureau of land management applications to flare royalty-free in the entire United States in 2014 came from New Mexico; and

WHEREAS, a recent national aeronautics and space administration study discovered a huge methane plume above the four corners region, where much of the state's flaring

activity occurs; and

WHEREAS, The Denver Post recently reported on a jobs and technology boom taking place in Colorado, as new companies form to support compliance with Colorado's new air quality and methane waste rules; and

WHEREAS, estimates suggest as much as ninety percent of the natural gas being wasted could be captured or put to use, and the natural gas lost in New Mexico in 2012 could have met the home heating needs of every home in the state for December and January; and

WHEREAS, increased flaring activity and energy development may encroach on the landscape near cultural assets such as Chaco Canyon national historic park; and

WHEREAS, many of the areas where flaring occurs are Native American lands, and allowing royalty-free flaring of what is essentially a Native American-owned resource also takes revenue directly from tribal governments;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE OF NEW MEXICO that the energy, minerals and natural resources department, the department of environment, the Indian affairs department and the department of finance and administration be requested to convene a task force to study the impacts of increased oil and gas industry flaring on the state's finances and environment; and

BE IT FURTHER RESOLVED that the task force be requested

to report its findings to the interim legislative committee that studies economic and rural development, and to the Indian affairs, water and natural resources and revenue stabilization and tax policy committees; and

BE IT FURTHER RESOLVED that the findings of the task force be shared with New Mexico's congressional delegation and with relevant units of the United States department of the interior, including the bureau of land management and the bureau of Indian affairs; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the secretary of energy, minerals and natural resources, the secretary of environment, the secretary of Indian affairs, the secretary of finance and administration and the New Mexico congressional delegation.

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