



N E W M E X I C O



Energy, Minerals and Natural Resources Department

BUDGET PRESENTATION

FY2027 Legislative Finance Committee

Energy, Minerals and Natural Resources Department

Ben Shelton
Deputy Secretary

Budget Overview (in thousands)

FY27 Agency Submission:

\$257,161.0 (as of 9/1)

- General Fund: \$ 49,331.6
- Federal Funds: \$149,957.6
- Other Revenues: \$ 36,903.3
- Other Transfers: \$ 8,691.3
- Fund Balance: \$ 12,277.2

FY26 Operating Budget:

\$243,402.2

- General Fund: \$ 44,956.9
- Federal Funds: \$139,695.2
- Other Revenues: \$ 34,492.6
- Other Transfers: \$ 7,537.3
- Fund Balance: \$ 16,720.2



Reversion

EMNRD's reversion consists of balances that are not part of the agency HB 2 Section 4 recurring appropriation reversion:

Total Reversion \$12,744,488

- HB2 Section 4 Appropriation Reversion
 - ECMD.....\$ 50,705
 - State Forestry.....\$ 104,000
 - MMD.....\$ 350,944
 - OCD.....\$ 1,621,906
 - Program Support.....\$ 21,091
 - **Total.....\$ 2,148,646**
- Penalties Collected in OCD.....\$ 1,459,400
- Emergency Fire Disaster Reversion (GF reimbursement).....\$ 9,042,757



Energy Conservation and Management Division (P740)

Agency Submission FY27: \$41,715.4 (GF: \$3,505.7; Fed: \$35,817.9)
FY26: \$37,122.8 (GF: \$3,341.6; Fed: \$25,931.3)

2026 Program Highlights

- Launched Grid Modernization \$70M grant program (CBF Funded)
- Launched CEED \$20M grant program (CBF Funded)
- Establishing a geothermal office, rules, grant and loan fund
- Issued the state's first Climate Action Plan
- Launched Clean Car and Ground-Coupled Heat Pump tax credits
- Commented and intervened at the PRC, on behalf of the Governor's energy goals

State Forestry (P741)

Agency Submission FY27: \$71,767.7 (GF: \$12,851.3; Fed: \$45,669.9)

FY26: \$63,407.1 (GF: \$10,201.6; Fed: \$45,081.5)

FY27 Program Requests

- **Wildfire Prepared Program**
 - \$800,000 (2025 SB 33)
 - 6 FTE including program managers, contract specialist, and a dedicated attorney to expedite procedures and agreements
- **Timber Grade Training and Certification Program**
 - \$200,000 (2025 HB 553)
 - 1 FTE program manager to develop the certification program, rulemaking, and coordinate training with community colleges

State Parks Division (P742)

Agency Submission FY27: \$47,585.6 (GF: \$14,373.3; Fed: \$17,926.6)

FY26: \$46,644.5 (GF: \$13,432.2; Fed: \$17,939.2)

2026 Program Highlights

- Partnered with the NMSU Arrowhead Center on a State Parks Economic Impacts and Contribution Analysis
- Implemented improved state park and boat registration fees
- Implemented the New Mexico Resident Veteran Lifetime Pass (HB 161)
- Invested \$20M in ARPA funds
- Received nine (9) Land and Water Conservation Fund grant applications for federal approval

Mining and Minerals Division (P743)

Agency Submission FY27: \$20,548.2 (GF: \$2,288.9; Fed: \$17,092.8)

FY26: \$20,431.1 (GF: \$2,171.8; Fed: \$17,092.8)

FY26 Program Highlights

- **Administered New Mexico Mining Act permitting activities during 2025**
 - Applications Received: 3 minimal impact exploration projects, 5 general mine permits, 7 permit modifications, and application amendments for 3 new mining operations under Part 6.
 - Applications Approved: 4 exploration projects, 3 minimal impact mining projects, 4 general mine permits, and 11 permit modification
- **Coordinated of reclamation for abandoned uranium mines with New Mexico Environmental Department (legislative authorization of \$12 million)**
 - Since June 2025, 6 contractors started environmental, cultural resource, and radiological characterization work for 3 abandoned uranium mines

Oil Conservation Division (P744)

Agency Submission FY27: \$67,813.0 (GF: \$ 11,230.6; Fed: \$32,141.3)

FY26: \$68,187.7 (GF: \$10,850.0; Fed: \$32,141.3)

FY26 Program Highlights

- OCD to receive ~120,000 applications of all types this calendar year; on track to approve ~3000 new wells
- OCD is prioritizing filling vacancies and improving employee retention
- OCD on track to plug 100+ wells in FY26
- OCD adopted a rule prohibiting PFAS in drilling and completion activities, and is working to bring Class VI injection well permitting primacy to NM

Program Support (P745)

Agency Submission FY27: \$7,731.1 (GF: \$5,081.8; Fed: \$1,309.1)

FY26: \$7,609.0 (GF: \$4,959.7; Fed: \$1,509.1)

2026 Program Highlights

- **Comprehensive Energy Transition Strategy (CETS):** Completed Phase I (baseline analyses of major issues), began Phase II (series of regional workshops to drive solutions), and will conclude the FY with Phase III (a final report with concrete recommendations to effectuate the transition).
- **Rio Grande Trail Commission (RGTC):** In 2025, the RGTC held 3 public commission meetings throughout the state; formed 4 critical subcommittees; and designated ~40 miles of trail.

Special Appropriation Requests

- **ECAM**

- Community Energy Efficiency Development Program..... \$10,000.00

- **Healthy Forests**

- Wildfire Prepared Program Grants and Contracts (SB 33)..... \$50,000.00
- AI Enabled Wildfire Early Detection Camera Network (SM2).....\$ 2,000.00

- **Program Support**

- Modernize and Strengthen Internal Administrative Systems (GRO Fund)..... \$ 7,450.00



A desert landscape featuring a large, light-colored rock in the foreground. To the left of the rock is a cluster of green grasses and a bush of bright yellow flowers. In the background, there are more rocks, a cactus, and a mountain range under a blue sky with some clouds. The text "Thank You" is overlaid in the center of the image.

Thank You