

**MINUTES  
of the  
FIFTH MEETING  
of the  
WATER AND NATURAL RESOURCES COMMITTEE**

**October 29-30, 2025  
Bulldogs Administration and Training Center  
Bulldogs Rooms 1-4  
301 Bulldog Boulevard  
Artesia**

The fifth meeting of the Water and Natural Resources Committee was called to order by Senator Elizabeth "Liz" Stefanics, chair, at 9:22 a.m. on Wednesday, October 29, 2025, at the Bulldogs Administration and Training Center in Artesia.

**Present**

Sen. Elizabeth "Liz" Stefanics, Chair  
Rep. Matthew McQueen, Vice Chair  
Rep. Micaela Lara Cadena  
Sen. Pete Campos  
Rep. Kathleen Cates  
Sen. Candy Spence Ezzell  
Rep. Jonathan A. Henry  
Rep. Joseph Franklin Hernandez  
Rep. Angelica Rubio (10/29)  
Sen. Larry R. Scott  
Rep. Elaine Sena Cortez  
Sen. James G. Townsend  
Rep. Martin R. Zamora

**Advisory Members**

Rep. Eleanor Chávez  
Rep. Joanne J. Ferrary  
Rep. Angelita Mejia  
Rep. Rod Montoya  
Rep. Mark B. Murphy  
Rep. Harlan Vincent  
Sen. Pat Woods (10/30)

**Absent**

Sen. Joseph Cervantes  
Rep. Miguel P. García  
Rep. D. Wonda Johnson  
Rep. Marian Matthews  
Sen. Micaelita Debbie O'Malley  
Rep. Kristina Ortez  
Rep. Debra M. Sariñana  
Sen. Jeff Steinborn

Rep. Gail Armstrong  
Sen. Craig W. Brandt  
Sen. Angel M. Charley  
Rep. Jack Chatfield  
Rep. Nicole Chavez  
Rep. Meredith A. Dixon  
Rep. Martha Garcia  
Rep. Charlotte Little  
Sen. Linda M. López  
Rep. Stefani Lord  
Rep. Tara L. Lujan  
Sen. Antonio Maestas  
Rep. Javier Martínez  
Rep. Tanya Mirabal Moya  
Rep. Randall T. Pettigrew

Rep. Patricia Roybal Caballero  
Sen. Antoinette Sedillo Lopez  
Rep. Nathan P. Small  
Sen. Mimi Stewart  
Sen. Anthony L. Thornton  
Sen. Peter Wirth

**Guest Legislator**

Sen. David M. Gallegos (10/30)

(Attendance dates are noted for those members not present for the entire meeting.)

**Staff**

Sara Wiedmaier, Researcher, Legislative Council Service (LCS)  
Ian Keller, Staff Attorney, LCS  
Em Green, Staff Attorney, LCS  
Angela Dakan, Staff, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

**References to Webcast**

The time reference noted next to each agenda item in this document is cross-referenced to the recorded webcast of the committee meeting, which can be found at [www.nmlegis.gov](http://www.nmlegis.gov), under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

**Wednesday, October 29**

**Welcome and Introductions (9:22 a.m.)**

Senator Stefanics welcomed everyone, and committee members and staff introduced themselves.

**Welcome and Local Updates (9:32 a.m.)**

Representative Henry, mayor, City of Artesia, welcomed the committee to Artesia and spotlighted the city's attributes, such as public art installations and Artesia High School's long history of athletic success. He pointed out the major industries in the area, including oil and gas production, agriculture and federal law enforcement training, and noted construction and housing projects supported by public-private partnerships.

Hayley Klein, commissioner, District 2, Eddy County Board of County Commissioners; executive director, Artesia Chamber of Commerce; and city administrator, City of Artesia, spoke about Eddy County's growing agritourism industry, housing development projects and workforce training programs. She also highlighted the county's collaboration with the City of Carlsbad on food distribution programs created in response to the federal government shutdown.

**Approval of Minutes (9:55 a.m.)**

Upon a motion made and seconded, and without objection, the minutes of the September 11-12, 2025 meeting were adopted.

**Roosevelt Soil and Water Conservation District (RSWCD) Rainfall Enhancement Program (9:56 a.m.)**

Rick Ledbetter, supervisor, RSWCD, summarized a one-year enhanced rainfall project in eastern New Mexico, provided data showing improvements in drought conditions and requested funding for future rainfall enhancement activities. George Bomar, former Texas state climatologist, College of Arts and Sciences, Texas A&M University, discussed how cloud seeding works and how seeding is regulated in New Mexico. Dave DuBois, Ph.D., state climatologist, Office of the State Climatologist (OSC), New Mexico Department of Agriculture, discussed the OSC's role in the 2025 cloud seeding project and outlined considerations for a statewide rainfall augmentation program. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=2>.

**Cleanup of Neglected Ground Water Spills (11:05 a.m.)**

Kelsey Rader, deputy director, Water Protection Division, Department of Environment (NMED), discussed the allocation of a \$20 million appropriation for addressing reclamation of abandoned mine sites that have no responsible party. Miori Harms, uranium mine reclamation coordinator, NMED, presented on current cleanup projects at neglected uranium mine sites. Both presenters stated a need for sustained funding, diversified investments and a long-term strategy to address water challenges.

April Elliott, director, Surface Resources Division, State Land Office (SLO), briefly discussed ground water contamination by oil and gas activities, how spills are reported and the SLO's current ground water monitoring projects. George Schuman, program manager, Remediation Oversight Section, Ground Water Quality Bureau, NMED, joined during the question-and-answer period to address a query about the distances involved in transporting contaminated materials. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=3>.

**Public Comment (12:19 p.m.)**

A list of individuals who made public comment is available in the meeting file.

## **Air Quality Around Oil and Gas Operations and Effectiveness of Methane and Ozone Rules (1:11 p.m.)**

Gunnar Schade, Ph.D., associate professor, Texas A&M University, provided an assessment of air quality in the Permian Basin. He explained that the rise in oil and gas production has affected air quality, particularly through elevated levels of petroleum hydrocarbons, methane and ozone.

Michelle Miano, director, Environmental Protection Division, NMED, discussed preliminary data from 2023's greenhouse gas emissions inventory and emphasized the need for regulatory compliance and stable funding for air quality programs. Ben Shelton, deputy secretary, Energy, Minerals and Natural Resources Department (EMNRD), presented an update on New Mexico's methane waste rule, including key implementation dates and reporting requirements, and shared that emissions have remained steady despite rising production levels.

Debra A. Kaden, Ph.D., fellow, Academy of Toxicological Sciences, and principal toxicologist, RHP Risk Management Inc., addressed the presence of ozone and benzene near oil and gas operations, stating that the risk of adverse health effects diminishes at distances beyond one-half of a mile. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=4>.

## **Data Centers: Water and Energy Use and Project Jupiter Update (3:10 p.m.)**

Mark Roper, director, Economic Development Division, Economic Development Department, discussed incentive tools for data centers, explaining the potential to boost the state's economy. Mr. Shelton discussed the EMNRD's role in managing grid strain, advancing microgrid policy, ensuring compliance with the Energy Transition Act and leveraging data centers to drive clean energy development. Tanya Trujillo, deputy state engineer, Office of the State Engineer, discussed how the development of a new data center should align with the objectives outlined in the state's 50-year strategic water action plan.

Stacy Tellinghuisen, deputy director, Policy Development, Clean Energy Department, Western Resources Advocates, provided an overview of resource consumption by data centers in western states, highlighted the water and energy tradeoffs associated with various cooling systems and offered policy options to strengthen consumer protections and safeguard water resources and the environment. Daisy Maldonado, director, Empowerment Congress of Dona Ana County, presented on Project Jupiter, a proposed development in Santa Teresa featuring four data centers and a 700-megawatt natural gas power plant, which has been approved for industrial revenue bonds and other tax incentives. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=5>.

## **Recess and Tour of HF Sinclair Corporation Operations**

The meeting recessed at 4:25 p.m. Committee members were given a tour of the HF Sinclair Corporation's pre-treatment renewable diesel facility and oil refinery in Artesia.

**Thursday, October 30**

**Reconvene**

The meeting reconvened at 8:34 a.m.

**Oil and Gas Updates: Production, Price, Royalty Rates and Workforce Development (8:37 a.m.)**

Mr. Shelton presented oil and gas production trends, the status of Class VI primacy rulemaking, budget needs for the Oil Conservation Division (OCD) of the EMNRD and the current balance and eligible uses of the Reclamation Fund, noting that the state may face over \$1 billion in reclamation liabilities. Sunalei Stewart, deputy commissioner of operations, SLO, gave an overview of Senate Bill 23 (2025), which provided for the first oil and gas royalty rate increase since the 1970s. He discussed lease trend data and gave estimates on the revenue impacts and long-term benefits of the royalty increase.

Tom Clifford, Ph.D., president, Clifford Consulting, LLC, discussed issues impacting New Mexico's oil and gas sector and reviewed the industry's role in New Mexico's economy. He stated that average wages in oil and gas are twice those of other industries and cautioned that major producers are reducing global workforces in response to falling prices.

Steve Saucedo, vice president for workforce development, New Mexico Junior College (NMJC), gave an overview of NMJC's programs that are designed to align with workforce needs in the region, including oil and gas technologies, commercial transportation and English for the workplace. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=6>.

**Oil and Gas Act: Enforcement and Reform; Reclamation Fund Changes; and Plugging of Abandoned Wells (10:59 a.m.)**

Sam Bradley, member, Board of Directors, National Stripper Well Association, and partner, Summit Oil and Gas, LLC, discussed his experience as a small operator of stripper wells and urged policymakers to assess whether New Mexico's regulatory landscape is business friendly, pointing to challenges he faced in Colorado with costly and burdensome regulation.

Mr. Shelton discussed legislative proposals aimed at modernizing the Oil and Gas Act, including strengthening enforcement tools, improving transparency and clarifying regulatory authority. He called attention to the need for data and technology enhancements and technical staffing to expand well plugging programs. Mr. Stewart outlined the SLO's efforts to improve enforcement of remediation and reclamation for operations on state trust lands, highlighting accountability, environmental stewardship and policy proposals. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=7>.

## **Reuse of Treated Produced Water: Technology, Current Rules and Proposed Revisions (12:44 p.m.)**

Ms. Rader stated that the NMED is actively engaged in the regulatory process of treated produced water and supports a long-term approach to ensure human health and environmental protection across all levels of use. She said that the use of treated produced water is included in the state's 50-year strategic water action plan and viewed as one of several tools to support long-term water security.

Matthias Sayer, Water Access, Treatment and Reuse Alliance, discussed proposed Water Quality Control Commission (WQCC) rules on the use of treated produced water, stressing the need for a public process with stakeholder input and regulatory structure that contemplates non-oilfield applications. Chad Unrau, vice president of reuse, Aris Water Solutions, outlined a comprehensive approach to treating and reusing produced water from oil and gas operations. He emphasized technological innovation, environmental safety and collaboration to enable beneficial reuse beyond the oilfield.

Sarah Knopp, policy specialist, Amigos Bravos, discussed concerns about the use of treated produced water, including trade-secret chemical compositions; scientific and regulatory gaps; and environmental impacts, and provided legislative recommendations that include mandating full disclosure of chemicals used in oil and gas operations. Daniel Timmons, senior attorney, Western Environmental Law Center, provided a comparison of current and proposed WQCC rules for produced water reuse. He highlighted regulatory gaps, urged stronger safeguards and called for precautionary approaches before allowing reuse outside of the oilfield. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=8>.

## **Growing the Fusion Energy Industry in New Mexico (3:19 p.m.)**

Carrie von Muench, chief operating officer, Pacific Fusion; John Elling, Ph.D., founder and chief executive officer, Molten Salt Solutions; and David Ellmann, general partner, UP.Abundance, discussed New Mexico's potential and opportunity to become a hub for clean energy innovation and a national leader in the emerging fusion energy industry. The panel discussed the benefits and transformative potential of fusion and ways to support industry growth and workforce development through policy and public-private partnerships. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=WNR&Date=10/29/2025&ItemNumber=9>.

## **Adjournment**

There being no further business before the committee, the meeting adjourned at 4:06 p.m.