



New Mexico State Land Office

**Stephanie Garcia Richard
Commissioner of Public Lands**

**STATE LAND OFFICE REMEDIATION AND
RECLAMATION ENFORCEMENT EFFORTS**

WATER AND NATURAL RESOURCES COMMITTEE

OCTOBER 30, 2025

**Sunalei Stewart
Deputy Commissioner of Operations**

State Land Office Legal Framework

- Fiduciary responsibility to manage state trust lands to protect trust assets (e.g., land) and keeps them productive and healthy for current and future generations
- Commissioner maintains broad authority over state trust lands, subject to limitations prescribed in federal and state law
- Leases include terms and conditions entities must follow as a matter of contract in addition to regulatory requirements (OCD, NMED, etc.) and NMSLO rules
- Enforcement tools – achieve compliance via collaboration or litigation (no general authority to issue fines)



Protecting State Lands

- Accountability & Enforcement Program
- Satellite Trespass & Spill Detection
- New Environmental Compliance Office
- New Cultural Property Protection Rule
- Oil & Gas Fresh Water Policy
- Lease Review & Assignment Compliance Checks
- Bonding Compliance & Reform
- Chaco Oil & Gas Executive Order
- School Oil & Gas Executive Order
- Enhanced Royalty Auditing

“We have a duty to ensure that companies on state lands are responsible and that they clean up after themselves so New Mexicans aren’t left on the hook for messes they didn’t create. Another record year for revenue shows that we can hold companies accountable for their actions and still rake in billions for New Mexico’s school kids and families.” - Commissioner Garcia Richard



Accountability & Enforcement

Focus

- Lease and regulatory compliance
- Plug abandoned and inactive wells
- Soil and groundwater contamination
- Debris removal and surface reclamation

Approach

- Outreach and education
- Communication
- Settlement
- Litigation



The Big Picture



Loco Hills, East of Artesia



On the Ground Example

Sanmal Queen Unit: Smith & Marris / MMCP Leasing Lawsuit (\$7.5 million Damage Judgment)



Remediation & Reclamation Efforts



Created New Environmental Compliance Office

- Added three environmental specialists in 2023
- Stepped-up R&R, greater expertise



Enforcement & Accountability Program

- 746 oil & gas wells plugged (at industry's expense) since Nov. 2020
- Over \$70 million R&R costs NOT shouldered by taxpayers
- 38 lawsuits filed (20 active, 18 successfully resolved)



Bonding

- Ensure all leases are bonded
- Protect taxpayers and land trust beneficiaries (school kids)

Caliche Pit Reclamation



Well Pad Removal



Lea G State #008
NMSLO

Legacy Reserves
04/18/2023, 08:55:14 MDT

Produced Water Spill



Cimarex Energy Co.

Red Hills Unit 32-5 CTB
10 Dec 2022, 15:13:12

Oil Spill and Remediation



Satellite Detection Efforts

Pre-Spill



Post-Spill



QUESTIONS?



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