

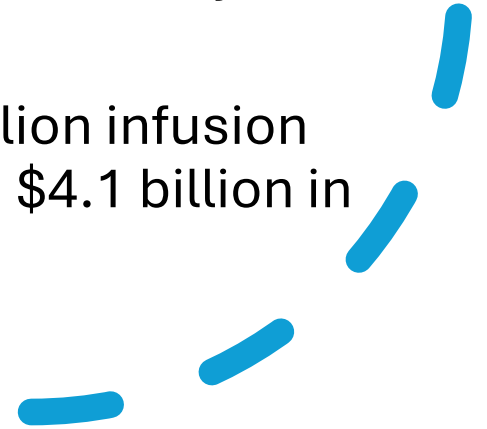


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# ABANDONED O&G WELL FACTS

- 700+ Existing abandoned oil & gas wells flagged for publicly-funded plugging.
- 4,400 Soon-to-be abandoned oil & gas wells.
- Up to \$1.6 billion cost to plug abandoned wells.
- Companies can bond as little as \$25,000 or \$250,000 for all statewide operations.
- Average state cleanup cost per well is \$163,000.
- More than \$100 million in federal and state public funds already expended.
- Federal oil & gas cleanup program suspended by Trump.
- Cleanup is an economic driver: \$8.2 billion infusion into state economy, nearly 22,000 jobs, \$4.1 billion in wages and benefits.

Erik Schlenker-Goodrich, Executive Director  
Western Environmental Law Center





## O&G BONDING MODERNIZATION: POLICY GOALS

- Require corporations to fully cover the cost of plugging high-risk wells, don't pass that huge financial burden on to the public.
- Require oil and gas operators to promptly plug their wells when the wells are no longer producing.
- Mitigate risk of well abandonment.
- Ensure fairness, transparency, and enforceability, so responsible operators can thrive, and bad actors are held accountable.

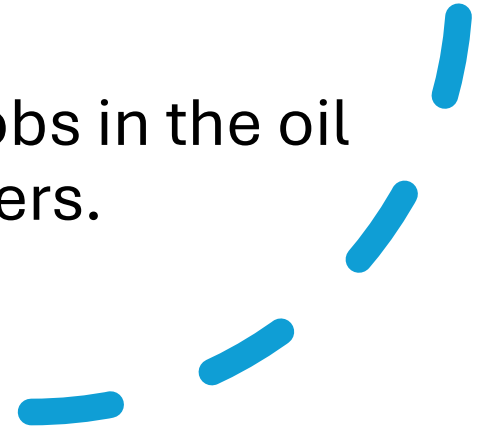


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# WHY IT MATTERS

- Unplugged wells leak harmful methane, benzene, hydrogen sulfide and contaminate soil, air, and water.
- The public—not polluters—too often pays for cleanup.
- Outdated rules put New Mexico’s health, economy, and environment at risk.
- 89% of New Mexicans favor requiring oil and gas corporations, rather than the state, to pay for all the clean-up and land restoration costs after drilling is finished.
- Plugging wells can create more jobs in the oil and gas fields for displaced workers.

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## RULEMAKING SOLUTION:

IF THEY DRILL IT,  
THEY CLEAN IT

- Modernize bonding rules to \$150,000 per inactive or high-risk well.
- Require bonds for every well from operations with 15% idle wells to reduce financial risk.
- Prevent operators who can't afford to plug wells or operators who have a record of not following the rules from inheriting wells.
- Limit “temporary abandonment” to 8 years to close the abandonment loophole.



## LEGISLATIVE RECOMMENDATIONS

- Support Oil Conservation Commission rulemaking and implementation.
- Assess statutory gaps upon conclusion of rulemaking through interim committee hearings in 2026.
- Integrate any future statutory reforms with broader effort to modernize the 1935 Oil and Gas Act in 2027 legislative session.

