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HOUSE BILL 201

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

INTRODUCED BY

Rodolpho "Rudy" S. Martinez and John Arthur Smith

AN ACT

RELATING TO ENERGY; AMENDING A SECTION OF THE GEOTHERMAL
RESOURCES CONSERVATION ACT TO PROVIDE FOR JURISDICTION UNDER
THE ACT FOR UTILITY SCALE ELECTRIC POWER GENERATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 71-5-2.1 NMSA 1978 (being Laws 2003,
Chapter 16, Section 2) is amended to read:

"71-5-2.1. EXCLUSION--INCIDENTAL LOSS OR EXTRACTION OF
HEAT.--

A. When the application of potable water to a
beneficial use involves the incidental loss or extraction of
heat, and the water is [250] two hundred fifty degrees
Fahrenheit or less, then that heat is not a geothermal resource
for which a royalty is due. In such a case, the use is not
governed by laws related to geothermal resources but is simply

.188457.1

underscored material = new
~~[bracketed material] = delete~~

underscored material = new
~~[bracketed material] = delete~~

1 governed by Chapter 72 NMSA 1978.

2 B. When the temperature of a geothermal reservoir
3 exceeds two hundred fifty degrees Fahrenheit, nonconsumptive
4 use of the geothermal reservoir to generate electricity on a
5 utility scale is governed solely by the Geothermal Resources
6 Conservation Act, not by Chapter 72 NMSA 1978."

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