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HOUSE MEMORIAL 98

**53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

INTRODUCED BY

Georgene Louis

A MEMORIAL

REQUESTING THE ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT TO PRODUCE A REPORT ON THE AMOUNT OF NATURAL GAS BEING VENTED AND FLARED IN NEW MEXICO AND ON GAS CAPTURE PLANS SUBMITTED BY OIL AND GAS OPERATORS AND TO REPORT TO THE APPROPRIATE INTERIM LEGISLATIVE COMMITTEES ON THE AMOUNT OF NATURAL GAS LEAKED FROM OIL AND GAS OPERATIONS.

WHEREAS, venting and flaring of natural gas by oil and gas operators in New Mexico contribute to the waste of limited energy resources and deprive the state of a needed source of revenue; and

WHEREAS, in fiscal year 2014, general fund revenues were six billion dollars (\$6,000,000,000), of which two billion one hundred million dollars (\$2,100,000,000) came from taxes and royalties on oil and gas production, according to information

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1 compiled by the New Mexico tax research institute; and

2 WHEREAS, royalties on oil and gas production contributed  
3 ninety percent of the revenue generated on state lands that  
4 support New Mexico's public schools, universities and  
5 hospitals; and

6 WHEREAS, in 2015, approximately one hundred million  
7 dollars' (\$100,000,000) worth of natural gas was vented or  
8 flared on federal lands in New Mexico on which no royalties  
9 were paid, costing the state an estimated six million dollars  
10 (\$6,000,000) in lost revenues, according to statistics compiled  
11 by the western values project; and

12 WHEREAS, scientific research by the national aeronautics  
13 and space administration and the national oceanographic and  
14 atmospheric administration has established that the oil and gas  
15 industry bears primary responsibility for the methane hot spot  
16 in the San Juan basin; and

17 WHEREAS, the energy, minerals and natural resources  
18 department has implemented new reporting requirements, with the  
19 goal of reducing natural gas emissions; and

20 WHEREAS, the energy, minerals and natural resources  
21 department has stated its intent to establish a baseline for  
22 flaring volumes and targets for reductions; and

23 WHEREAS, since January 15, 2016, the energy, minerals and  
24 natural resources department has required oil and gas operators  
25 to separately report venting and flaring amounts of natural gas

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1 on their monthly production reports; and

2 WHEREAS, since May 2016, the energy, minerals and natural  
3 resources department has required oil and gas operators, in  
4 their applications for new wells, to submit gas capture plans  
5 outlining the actions they have taken to reduce venting and  
6 flaring through connection of wells to pipelines; and

7 WHEREAS, the energy, minerals and natural resources  
8 department does not currently require reporting of volumes of  
9 natural gas leaked from oil and gas operations;

10 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
11 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the energy,  
12 minerals and natural resources department be requested to  
13 produce a report, including a compilation and summary of the  
14 information it collects regarding the volumes of natural gas  
15 vented and flared and of the information it collects from gas-  
16 recapture plans submitted by oil and gas operators; and

17 BE IT FURTHER RESOLVED that the energy, minerals and  
18 natural resources department be requested to include in the  
19 report information on venting and flaring and gas-recapture  
20 plans, classified by federal, state, Indian and private mineral  
21 ownership, county and operator; and

22 BE IT FURTHER RESOLVED that the energy, minerals and  
23 natural resources department also be requested to identify in  
24 its report the top twenty-five operators venting natural gas  
25 and the top twenty-five operators flaring natural gas; and

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1 BE IT FURTHER RESOLVED that the energy, minerals and  
2 natural resources department be requested to make its report  
3 accessible to the public through the website of the oil  
4 conservation division of the energy, minerals and natural  
5 resources department; and

6 BE IT FURTHER RESOLVED that duplicate copies of the report  
7 be filed with the legislative council service library; and

8 BE IT FURTHER RESOLVED that the energy, minerals and  
9 natural resources department be requested to report to the  
10 appropriate interim legislative committees regarding the amount  
11 of gas wasted through venting, flaring and leakage; plans to  
12 capture the wasted gas; cost and benefit issues; and possible  
13 regulatory changes; and

14 BE IT FURTHER RESOLVED that copies of this memorial be  
15 transmitted to the secretary of energy, minerals and natural  
16 resources, the secretary of finance and administration, the  
17 secretary of environment, the commissioner of public lands, the  
18 members of the New Mexico congressional delegation and the co-  
19 chairs of the New Mexico legislative council.