

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Similar but not identical to SM 8 and SM 14.

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

The “whereas” section of HM 58 restates the authority of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (EMNRD), and describes the revenue and economic impacts of the oil and gas industry in New Mexico.

The memorial then resolves that EMNRD convene a stakeholder group to evaluate setbacks, consult with the Legislative Finance Committee to evaluate fiscal impacts of setbacks, evaluate the impacts of setbacks on waste and correlative rights, and report findings to LFC and natural resources interim committees.

FISCAL IMPLICATIONS

None for EMNRD.

SIGNIFICANT ISSUES

Staff from the Office of the Secretary, the Office of General Counsel, and the Oil Conservation Division participated in workgroups relating to reform and modernization of the Oil and Gas Act with industry and NGO stakeholders beginning in August 2023 and leading up to the 2024 legislative session, resulting in the introduction of 2024 HB 133. The resolutions in HM 58 simply direct EMNRD staff to continue to participate in that process in the 2024 interim leading into the 2025 long session.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

The staff time required to participate in these sort of policy development meetings is minimal and not expected to disrupt or subtract from the performance of other agency duties.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A

AMENDMENTS

N/A