

SENATE JUDICIARY COMMITTEE SUBSTITUTE FOR
SENATE BILL 221

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

AN ACT

RELATING TO CRIME; CREATING THE CRIME OF MISAPPROPRIATION OF A
PETROLEUM PRODUCT OR OIL AND GAS EQUIPMENT; ADDING THE CRIME OF
MISAPPROPRIATION OF A PETROLEUM PRODUCT OR OIL AND GAS
EQUIPMENT TO THE DEFINITION OF "RACKETEERING"; PROVIDING
PENALTIES.

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

SECTION 1. A new section of the Criminal Code, Section
30-16-49 NMSA 1978, is enacted to read:

"30-16-49. [NEW MATERIAL] MISAPPROPRIATION OF A PETROLEUM
PRODUCT OR OIL AND GAS EQUIPMENT.--

A. Misappropriation of a petroleum product or oil
and gas equipment consists of a person:

(1) taking, acquiring or exercising control
over a petroleum product or oil and gas equipment without the

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1 owner's consent and with the intent to deprive the owner of the
2 petroleum product or oil and gas equipment by:

3 (a) possessing, removing, receiving,
4 purchasing, selling, disposing, concealing, delivering or
5 transporting the petroleum product or oil and gas equipment; or

6 (b) making or causing a connection to be
7 made with, or drilling or tapping or causing a hole to be
8 drilled or tapped in, a pipe, pipeline or tank used to store or
9 transport a petroleum product;

10 (2) intentionally, knowingly or recklessly
11 transporting to a waste facility a petroleum product for which
12 the person cannot identify the petroleum product's owner;

13 (3) intentionally, knowingly or recklessly
14 purchasing a petroleum product from a person not authorized by
15 the oil conservation division of the energy, minerals and
16 natural resources department to sell the petroleum product; or

17 (4) intentionally, knowingly or recklessly
18 storing, delivering, purchasing or trading a petroleum product
19 for financial benefit by using a method not authorized by the
20 oil conservation division.

21 B. Whoever commits misappropriation of a petroleum
22 product or oil and gas equipment when the aggregate value of
23 the petroleum product or oil and gas equipment, or both
24 together, is:

25 (1) five hundred dollars (\$500) or less is

1 guilty of a fourth degree felony;

2 (2) greater than five hundred dollars (\$500)
3 but not greater than two thousand five hundred dollars (\$2,500)
4 is guilty of a third degree felony; or

5 (3) greater than two thousand five hundred
6 dollars (\$2,500) is guilty of a second degree felony.

7 C. The penalties pursuant to this section are
8 separate and distinct from those authorized in Section 70-2-31
9 NMSA 1978.

10 D. The provisions of Subsections A through C of
11 this section shall not apply to lawful activities related to
12 the plugging and abandonment of wells or associated production
13 facilities, including remediation, reclamation or salvage
14 activities, when the activities are conducted pursuant to the
15 Oil and Gas Act, by the oil conservation division of the
16 energy, minerals and natural resources department or a third
17 party acting under written authorization of the oil
18 conservation division. Nothing in this subsection shall be
19 construed to:

20 (1) limit application of or alter any rights,
21 remedies or immunities provided by or excluded under the Tort
22 Claims Act or the New Mexico Civil Rights Act; or

23 (2) establish any criminal immunity or
24 protection from prosecution for conduct that constitutes a
25 violation of state or federal law.

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1 E. As used in this section:

2 (1) "oil and gas equipment" means machinery,
3 drilling equipment, welding equipment, tools, pipeline
4 equipment, fittings, copper and other wiring, hardware, pumps,
5 vehicles or other equipment and materials that are part of or
6 incident to the exploration, development, maintenance and
7 operation of oil and gas properties, including supervisory
8 control and data acquisition monitoring equipment, oil and gas
9 wells, oil and gas leases, gasoline plants and refineries; and

10 (2) "petroleum product" means crude petroleum
11 oil, any commodity or substance made or manufactured from crude
12 petroleum oil or natural gas and all derivatives of crude
13 petroleum oil or natural gas, including refined crude oil,
14 crude tops, topped crude, processed crude petroleum, residue
15 from crude petroleum, cracking stock, uncracked fuel oil,
16 treated crude oil, fuel oil, residuum, gas oil, naphtha,
17 distillate, gasoline, kerosene, benzine, wash oil, waste oil,
18 lubricating oil and blends or mixtures of crude petroleum oil
19 or natural gas or any derivative thereof, sediment, water or
20 brine used or extracted in the production of oil and gas."

21 SECTION 2. Section 30-42-3 NMSA 1978 (being Laws 1980,
22 Chapter 40, Section 3, as amended) is amended to read:

23 "30-42-3. DEFINITIONS.--As used in the Racketeering Act:

24 A. "racketeering" means any act that is chargeable
25 or indictable under the laws of New Mexico and punishable by

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1 imprisonment for more than one year, involving any of the
2 following cited offenses:

3 (1) murder, as provided in Section 30-2-1 NMSA
4 1978;

5 (2) robbery, as provided in Section 30-16-2
6 NMSA 1978;

7 (3) kidnapping, as provided in Section 30-4-1
8 NMSA 1978;

9 (4) forgery, as provided in Section 30-16-10
10 NMSA 1978;

11 (5) larceny, as provided in Section 30-16-1
12 NMSA 1978;

13 (6) fraud, as provided in Section 30-16-6 NMSA
14 1978;

15 (7) embezzlement, as provided in Section
16 30-16-8 NMSA 1978;

17 (8) receiving stolen property, as provided in
18 Section 30-16-11 NMSA 1978;

19 (9) bribery, as provided in Sections 30-24-1
20 through 30-24-3.1 NMSA 1978;

21 (10) gambling, as provided in Sections
22 30-19-3, 30-19-13 and 30-19-15 NMSA 1978;

23 (11) illegal kickbacks, as provided in
24 Sections 30-41-1 and 30-41-2 NMSA 1978;

25 (12) extortion, as provided in Section 30-16-9

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1 NMSA 1978;

2 (13) trafficking in controlled substances, as
3 provided in Section 30-31-20 NMSA 1978;

4 (14) arson and aggravated arson, as provided
5 in Subsection A of Section 30-17-5 and Section 30-17-6 NMSA
6 1978;

7 (15) promoting prostitution, as provided in
8 Section 30-9-4 NMSA 1978;

9 (16) criminal solicitation, as provided in
10 Section 30-28-3 NMSA 1978;

11 (17) fraudulent securities practices, as
12 provided in the New Mexico Uniform Securities Act;

13 (18) loan sharking, as provided in Sections
14 30-43-1 through 30-43-5 NMSA 1978;

15 (19) distribution of controlled substances or
16 controlled substance analogues, as provided in Sections
17 30-31-21 and 30-31-22 NMSA 1978;

18 (20) money laundering, as provided in Section
19 30-51-4 NMSA 1978;

20 (21) unlawful taking of a vehicle or motor
21 vehicle, as provided in Section 30-16D-1 NMSA 1978;

22 (22) embezzlement of a vehicle or motor
23 vehicle, as provided in Section 30-16D-2 NMSA 1978;

24 (23) fraudulently obtaining a vehicle or motor
25 vehicle, as provided in Section 30-16D-3 NMSA 1978;

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1 (24) receiving or transferring stolen vehicles
2 or motor vehicles, as provided in Section 30-16D-4 NMSA 1978;

3 (25) altering or changing the serial number,
4 engine number, decal or other numbers or marks of a vehicle or
5 motor vehicle, as provided in Section 30-16D-6 NMSA 1978;

6 (26) trafficking cannabis products, as
7 provided in Section 26-2C-28 NMSA 1978;

8 (27) sexual exploitation of children, as
9 provided in Sections 30-6A-3 and 30-6A-4 NMSA 1978;

10 (28) criminal sexual penetration, as provided
11 in Section 30-9-11 NMSA 1978;

12 (29) criminal sexual contact, as provided in
13 Sections 30-9-12 and 30-9-13 NMSA 1978;

14 (30) dog fighting, as provided in Section
15 30-18-9 NMSA 1978;

16 (31) cockfighting, as provided in Section
17 30-18-9 NMSA 1978;

18 (32) bringing contraband into places of
19 imprisonment, as provided in Section 30-22-14 NMSA 1978; ~~and~~

20 (33) human trafficking, as provided in Section
21 30-52-1 NMSA 1978; and

22 (34) misappropriation of a petroleum product
23 or oil and gas equipment, as provided in Section 30-16-49 NMSA
24 1978;

25 B. "person" means an individual or entity capable

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1 of holding a legal or beneficial interest in property;

2 C. "enterprise" means a sole proprietorship,
3 partnership, corporation, business, labor union, association or
4 other legal entity or a group of persons associated in fact
5 although not a legal entity, and includes illicit as well as
6 licit entities; and

7 D. "pattern of racketeering activity" means
8 engaging in at least two incidents of racketeering with the
9 intent of accomplishing any of the prohibited activities set
10 forth in Subsections A through D of Section 30-42-4 NMSA 1978;
11 provided at least one of the incidents occurred after February
12 28, 1980 and the last incident occurred within five years after
13 the commission of a prior incident of racketeering."

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