

# Radioactive and Hazardous Materials Committee

- Ken McQueen, Cabinet Secretary
- NM Energy, Minerals and Natural Resources Department (EMNRD)

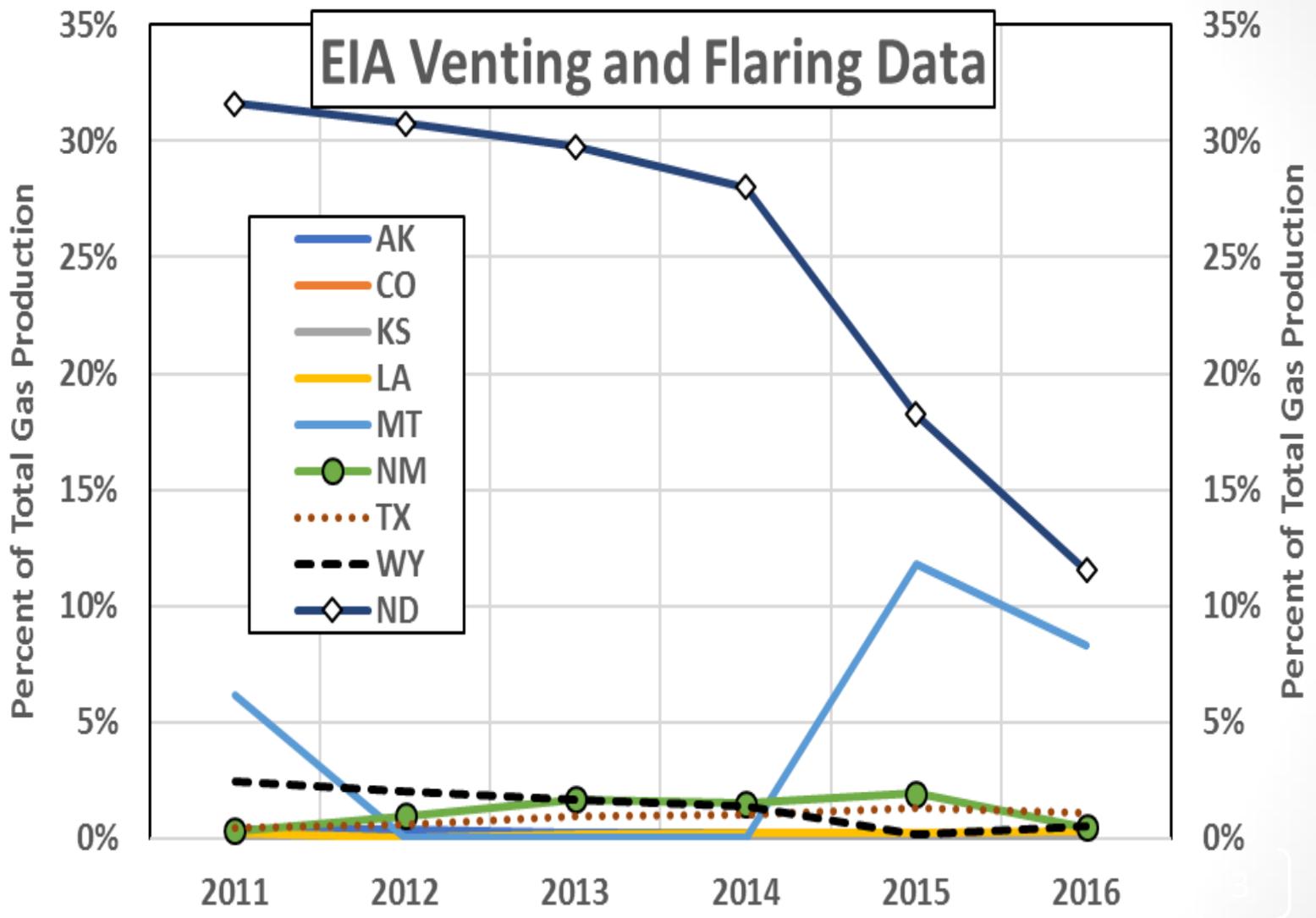
Santa Fe, NM  
November 3, 2017

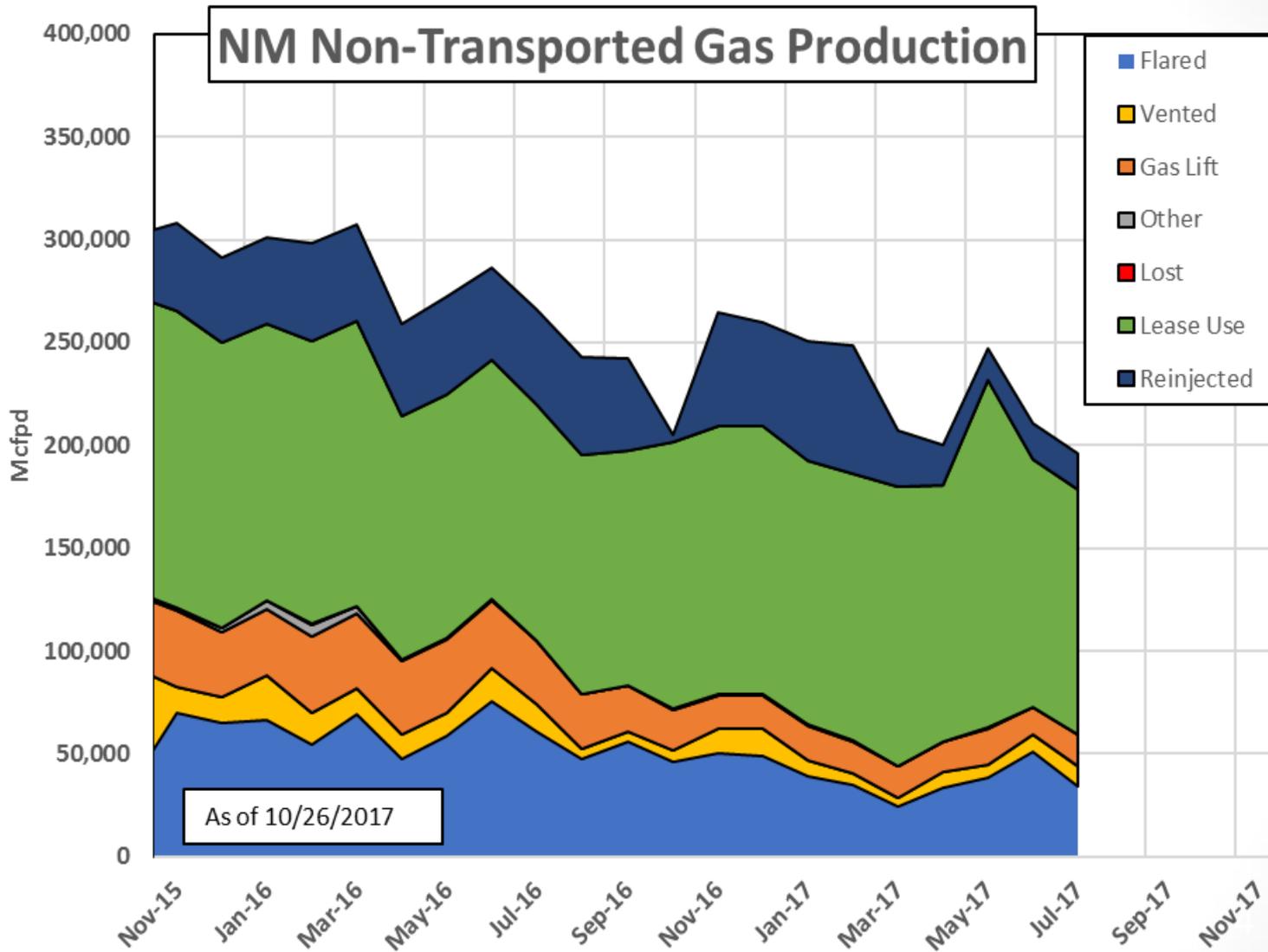


# Governor's 2015 Gas Capture Task Force

- Quantify the volumes, and compare them to surrounding states
- Identify technological advancements that could be employed to reduce flaring
- Propose possible regulations to reduce flaring
- Reduce regulations that slow technological implementation/innovation that could reduce flaring

# EIA Venting and Flaring Data





	API	Operator	spud_dte	compl_dte	wcstatus	Mar-17	Apr-17	May-17
GAS	30-025-00367	GRAND BANKS ENERGY CO	10/25/1954	7/5/2016	Active	0	0	0
OIL	30-025-00367	GRAND BANKS ENERGY CO	10/25/1954	7/5/2016	Active	382	488	539

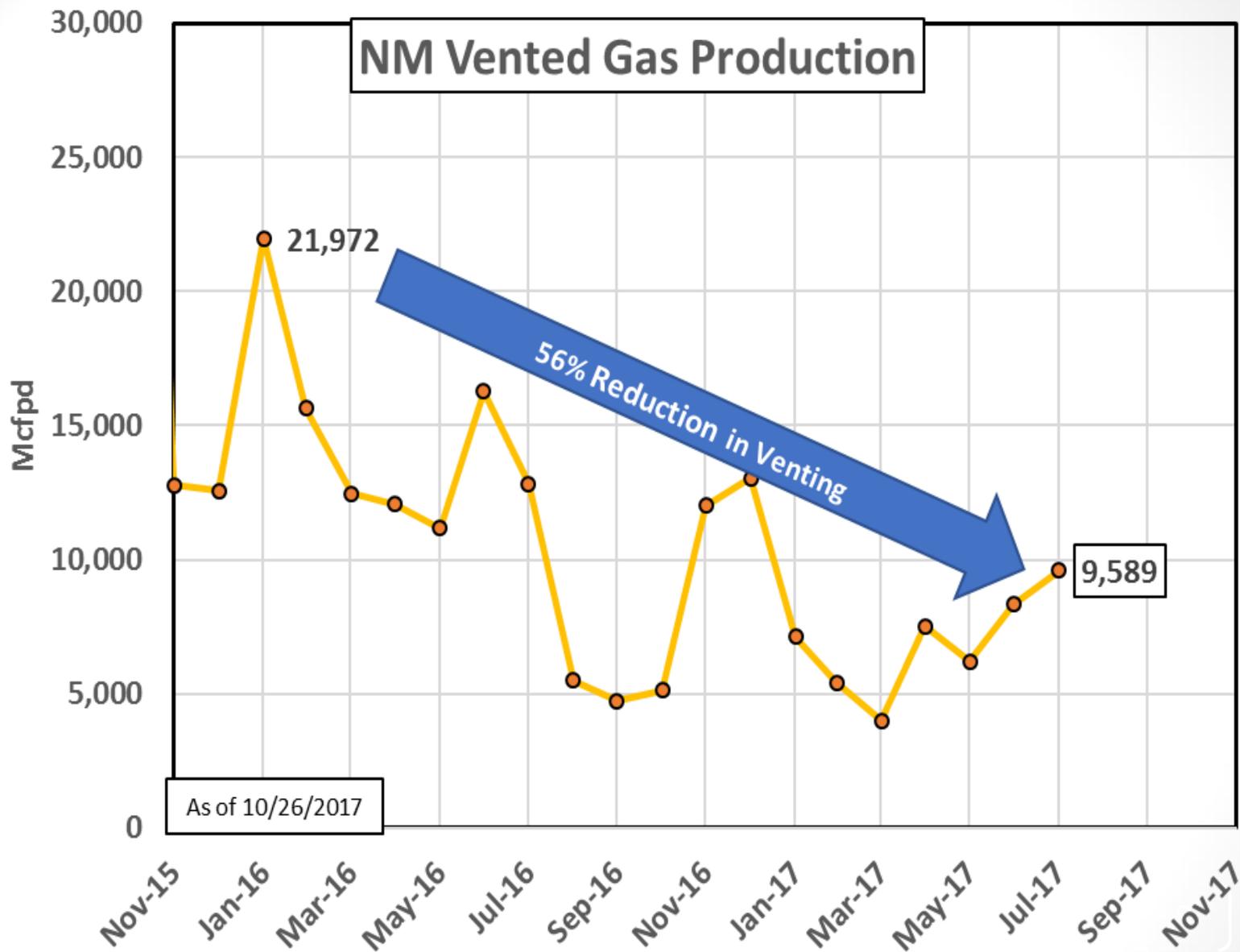
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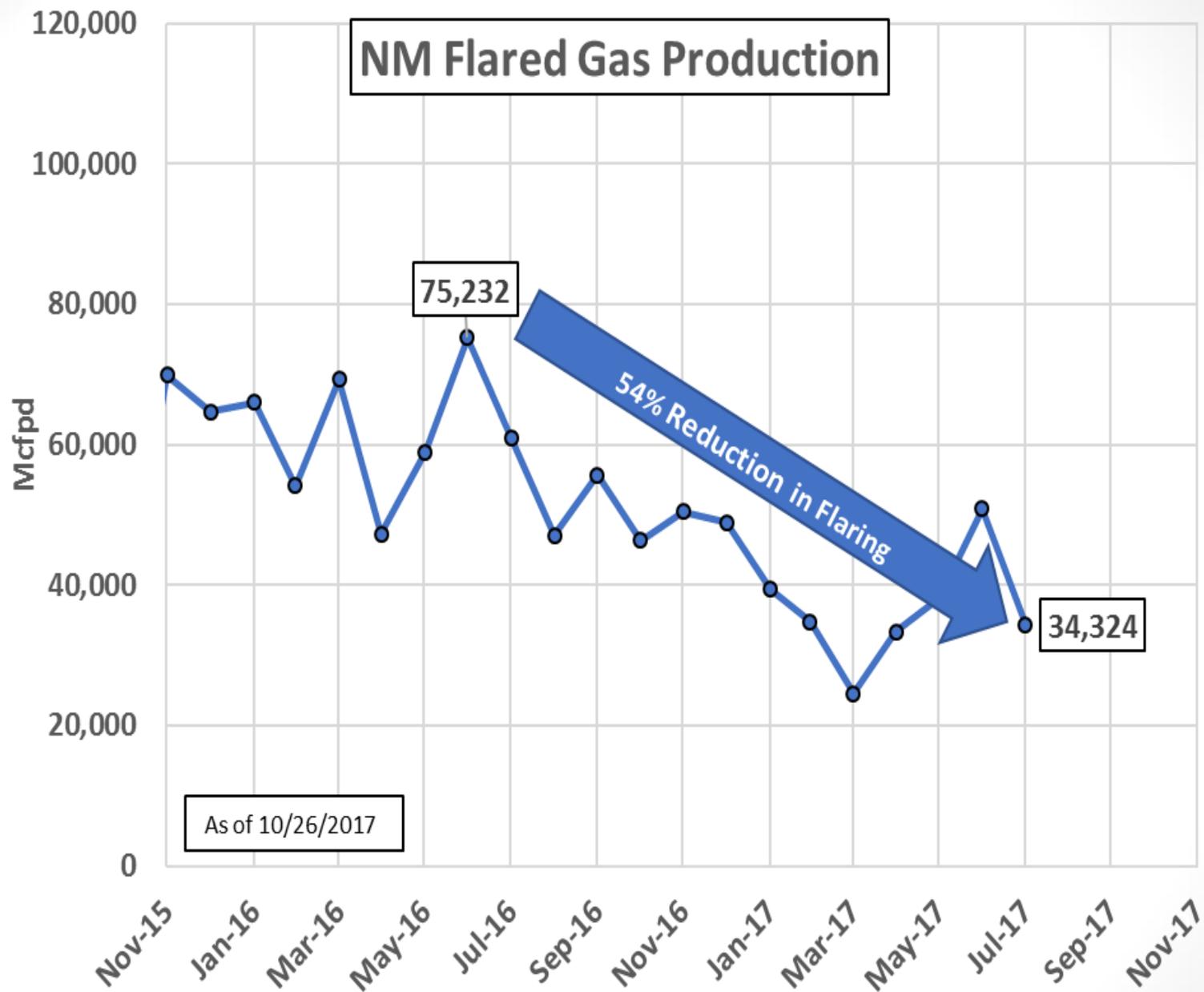
<b>New Mexico Gas Price \$/Mcf</b>	
FY 2014	\$5.12
FY 2015	\$3.77
FY 2016	\$2.43
FY 2017	\$3.26
CY 2015	\$2.79
CY 2016	\$2.69

CY 2016 Vent (Mcf)	20,756,072	20,756,072
CY 2016 Flare (Mcf)	<u>4,352,871</u>	<u>4,352,871</u>
CY 2016 Vent+Flare (Mcf)	25,108,943	25,108,943
less NW Unmarketable (0.4%)	<u>100,436</u>	<u>100,436</u>
SE Vent+Flare (Mcf)	25,008,507	25,008,507
Less Fed Royalty (Mcf)	<u>3,643,956</u>	<u>3,643,956</u>
Subject to Royalty (Mcf)	21,364,551	21,364,551
Royalty (%)	20%	15%
Royalty Volume (Mcf)	4,272,910	3,204,683
Avg. Price (\$/Mcf)	\$2.69	\$2.69
Royalty Value	\$11,494,129	\$8,620,596

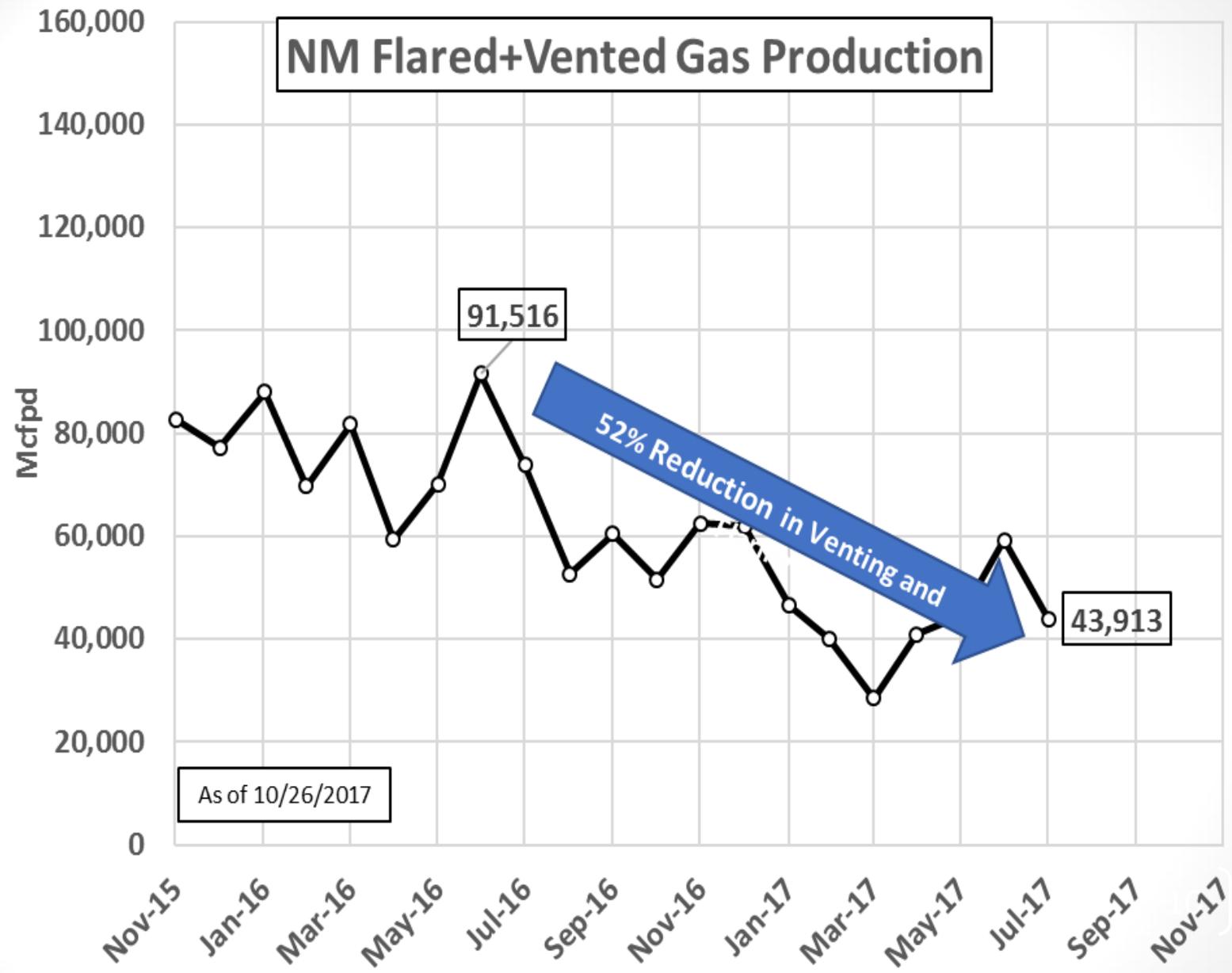
# Technological Advancements in Gas Capture

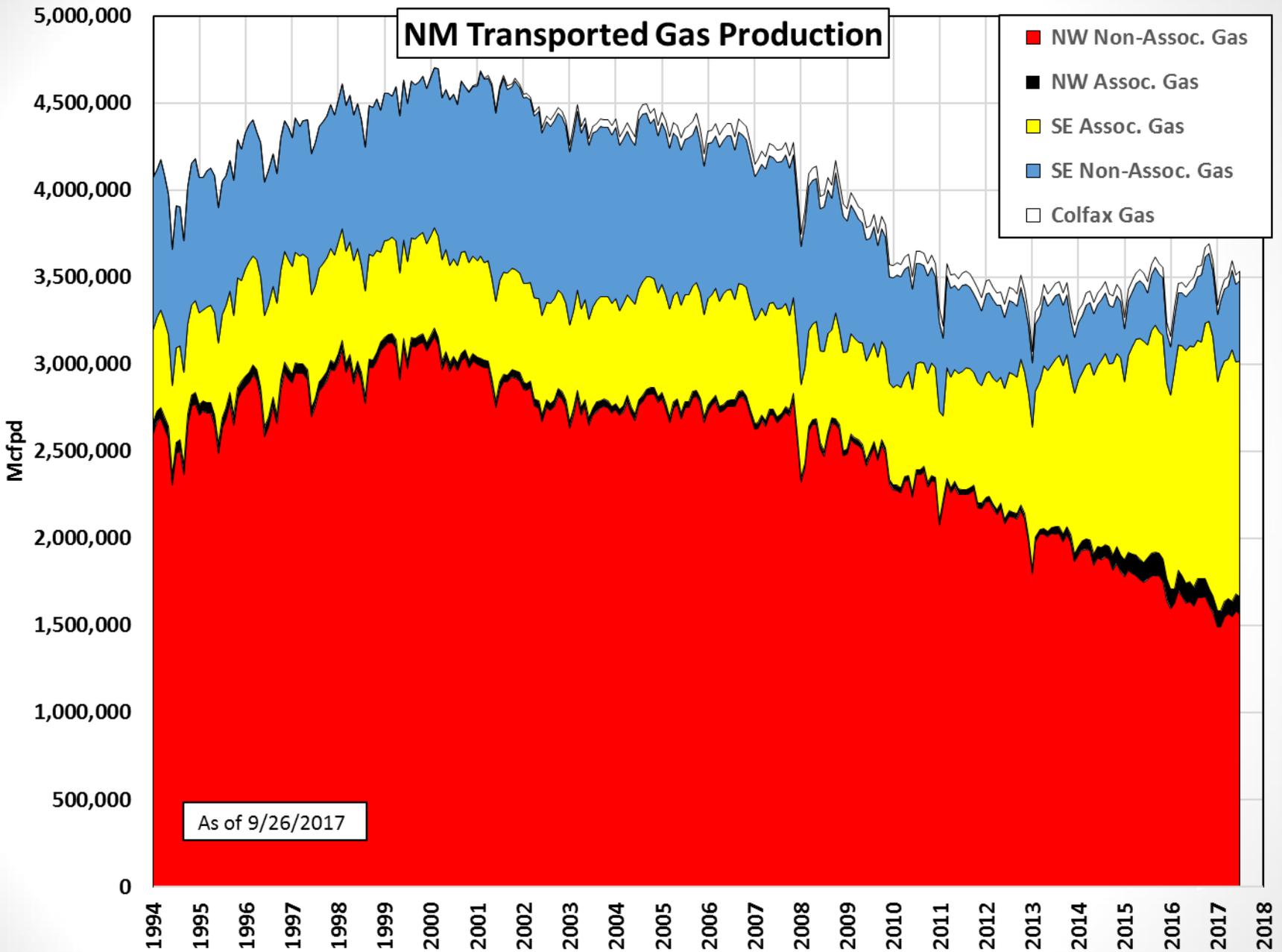
- Pad Development (one gathering line supports multiple wells).
- Proactivity by operators in constructing facilities and pipelines in advance of drilling.
- Replacement of high-bleed controllers with low-bleed controllers
- Operator owned gathering system in San Juan Basin, facilitating blending of high-nitrogen gas before sales point
- Use of electric controllers on new facility installations.
- Installation of solar powered controllers
- Gas powered drilling rig

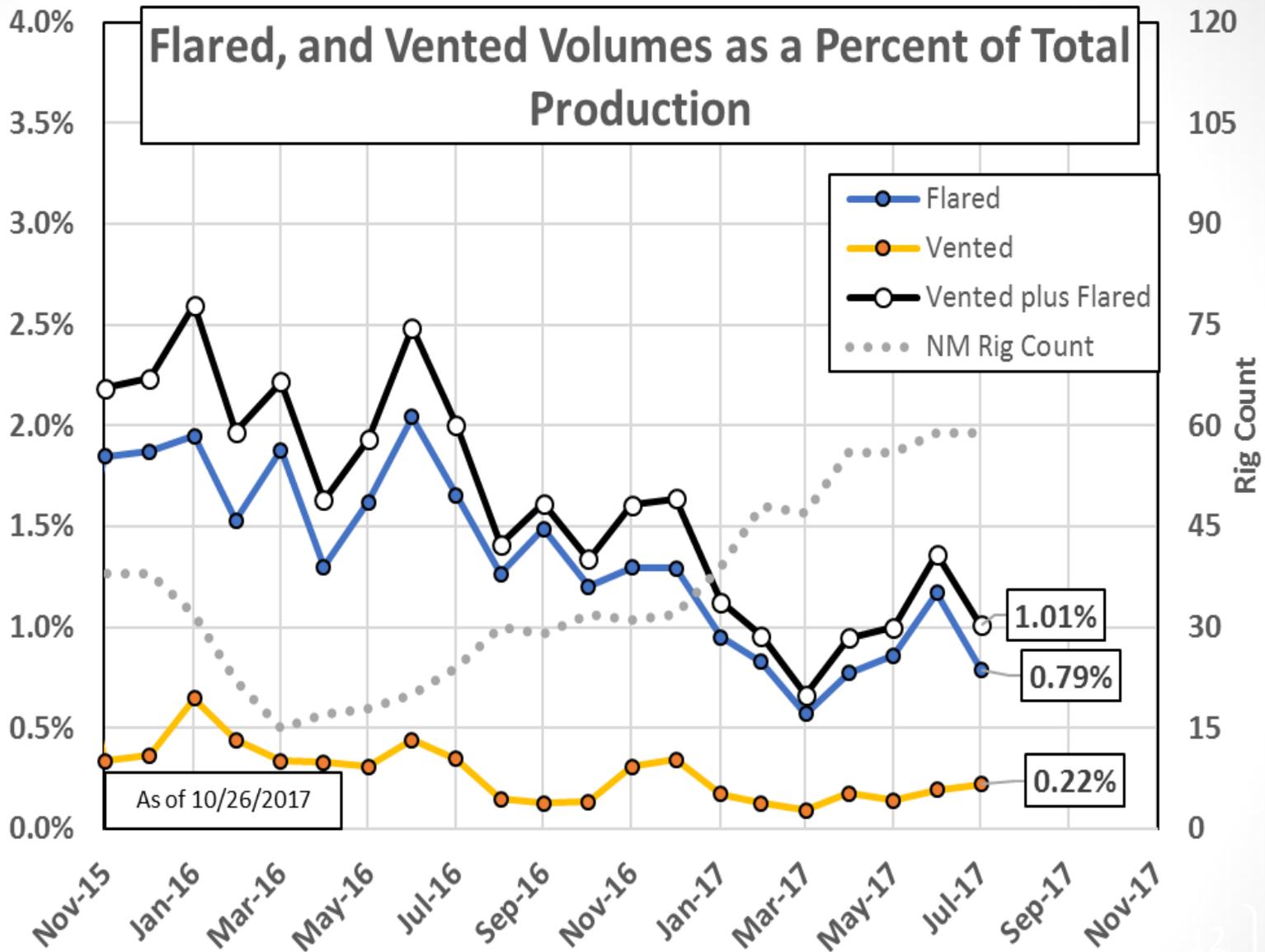




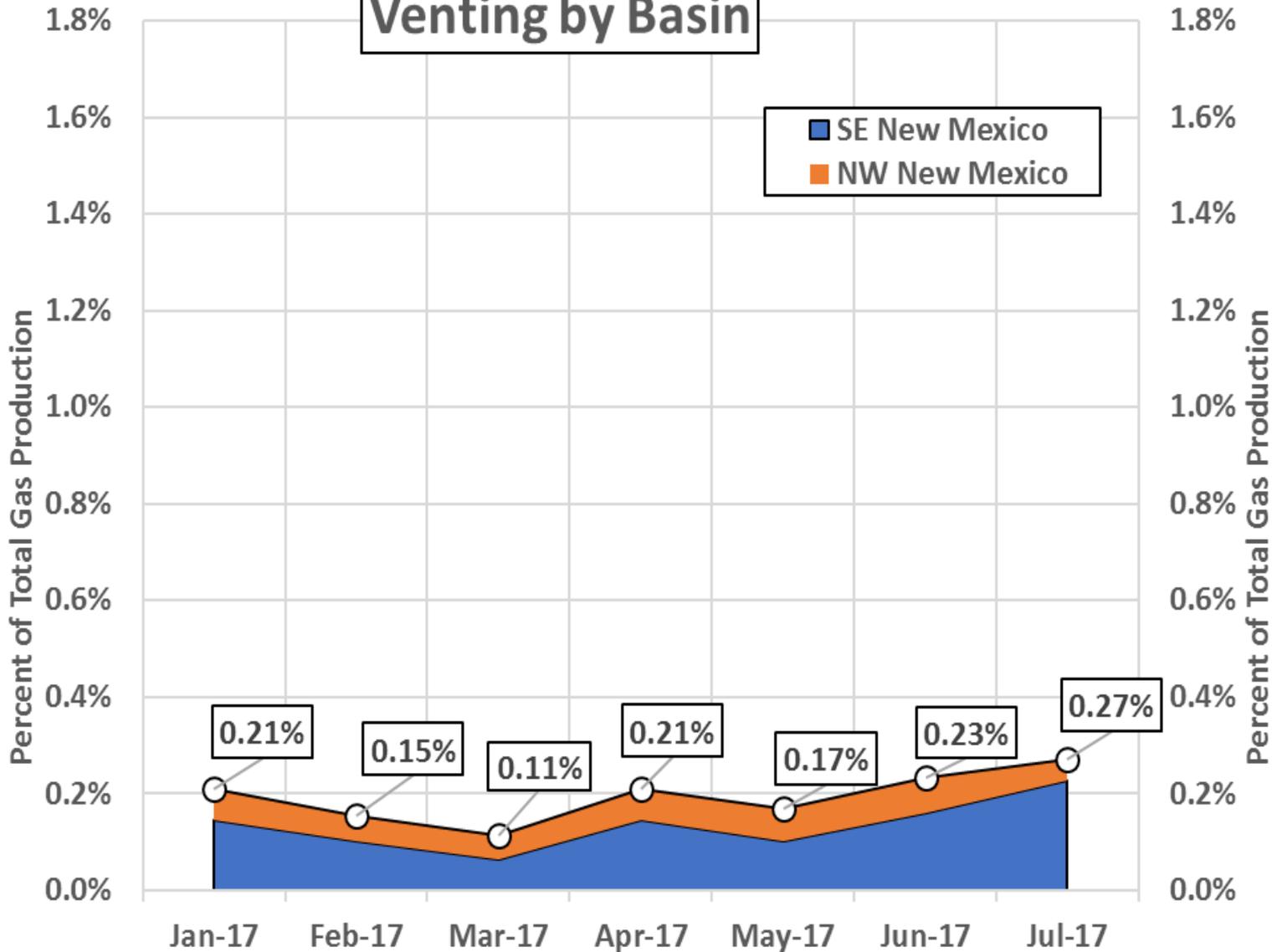
# NM Flared+Vented Gas Production



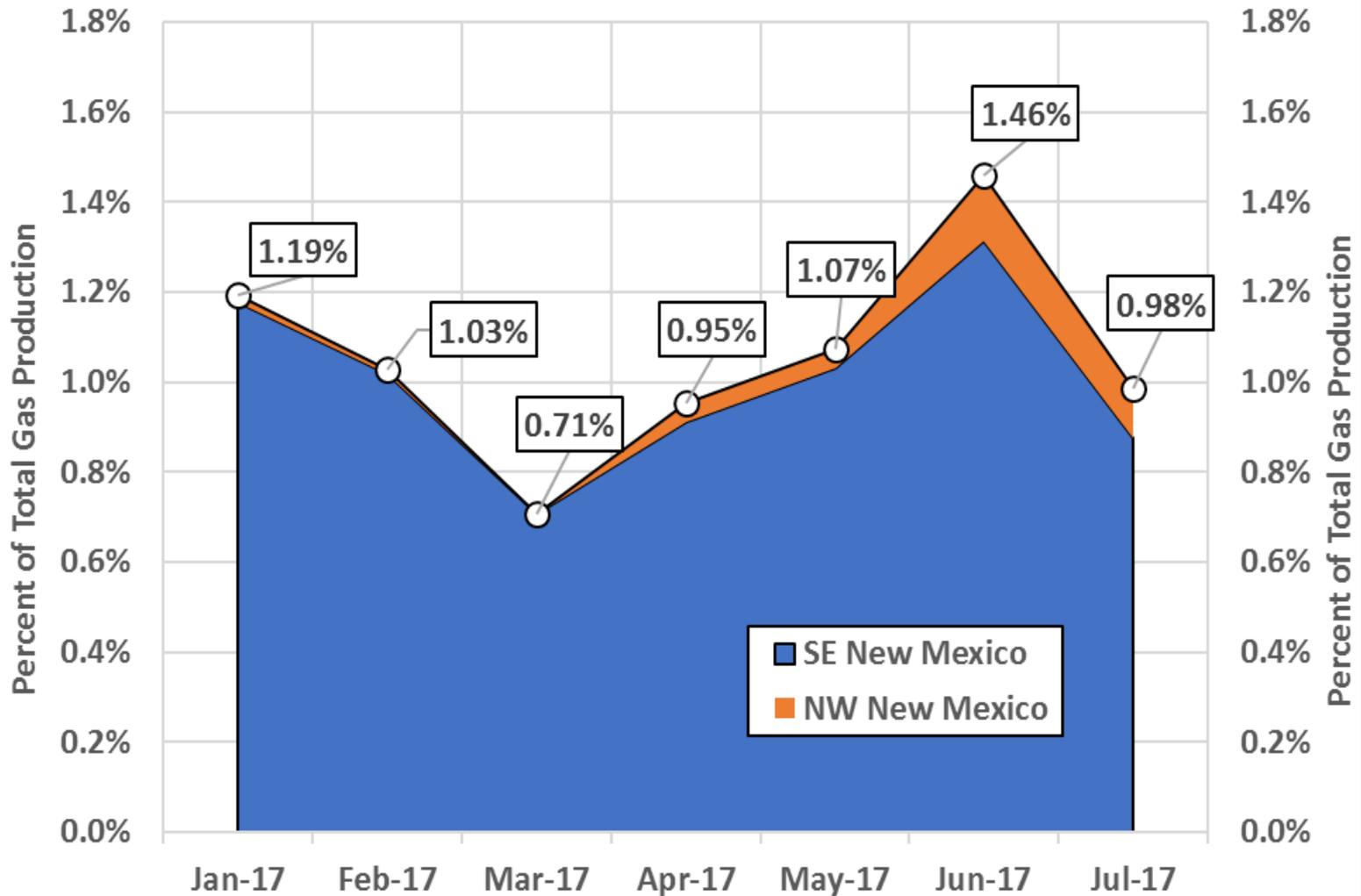




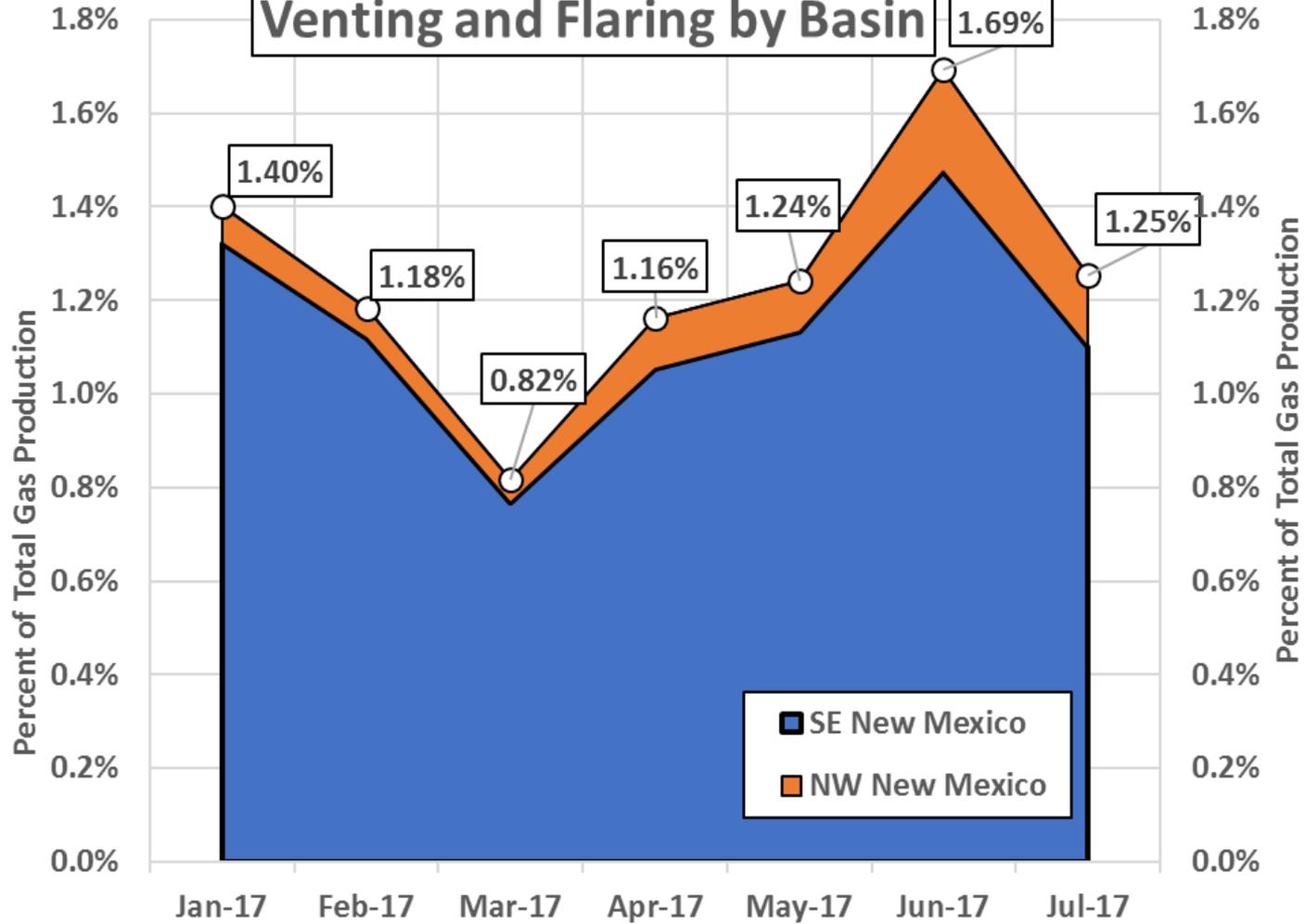
# Venting by Basin



# Flaring by Basin



# Venting and Flaring by Basin



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