Impacts of Federal Project Cancellations

Robert Balch
Director, Petroleum Recovery Research Center
New Mexico Tech

November 18, 2025

Immediate Concerns

- Current Award Cancellations
 - Immediate impact to research programs
 - Staffing at research centers evolves to meet federal program priorities
 - Leaves established programs in limbo, and gives uncertainty to staff
 - Impacts to students
 - At research centers / universities, students rely on funds for undergraduate research direction, master's theses, and doctoral dissertations
 - Impacts at risk students who might otherwise be challenged paying for living expenses
 - Impacts to Institutions
 - Reduced research can lead to lower enrollment and direct recruiting efforts
 - Institutions rely on overhead to purchase critical equipment and to provide support to researchers and faculty
 - Less funds available for special projects

Future Concerns

- Uncertainty about the future of research priorities
 - Mature programs completely eliminated
- Altered or targeted changes to established research programs
 - Replacement programs will be implemented but with delays
 - may have significantly restricted scope, disqualifying some researchers
- Reduced future funding
 - Recent research has been amply funded
 - With priority changes overall size and scope of programs likely to be reduced
- Narrowed opportunities
 - Focused research programs less likely to allow for innovation and adaptation in research efforts

NMT: PRRC Impacted Project 1 – Carbon Storage

Four Corners Carbon Storage Hub: CarbonSAFE Phase III Project (DOE)

- This project aimed to develop a regional CO₂ storage hub within the Four Corners region and perform comprehensive commercial-scale characterization of three storage facilities within San Juan basin to verify these sites can securely store a minimum of 50 million metric tons of anthropogenic carbon dioxide (CO₂) captured from at least three industrial sources in a 30-year period.
- This project was supporting the **Navajo Nation** in their decision making regarding the **Four Corners** power plant to provide storage options for the long-term sustainability of the coal mine and power plant.
- The project had **multiple Subrecipients**, including NM and non-NM universities, national laboratories and industry partner: University of New Mexico, Los Alamos National Laboratory, Sandia National Laboratories, University of Utah, The University of Houston, Wheaton College, Tallgrass.





Funding terminated (10/2025; in first year): \$41,491,560 Department of Energy FE0032442

NMT: PRRC Impacted Project 2 – Direct Air Capture

Engineering highly-scalable and efficient sorption materials for direct air capture (DOE)

- This project aimed to advance highly-scalable and efficient sorption materials for Direct Air Capture of CO₂.
- Specifically, a novel enzyme- catalyzed hollow fiber sorbent with fast CO₂ adsorption kinetics was planned to be fabricated by combining catalysis and membrane separation.
- These new technologies would promote high CO2 adsorption capacity, fast CO2 adsorption rate, and low heat of adsorption at dilute CO2 conditions, leading to effective CO2 removal from the air.



Funding Terminated (within first year of award): \$1,333,866 as of October 1, 2025. Department of Energy FE0032442

NMT: PRRC Impacted Project (3 and 4)... and More?

Two projects on Methane capture and emissions reductions

- These projects were selected for award competitively during 2024
- As they had not completed negotiation, DOE can simply let them lapse
- Other lists have circulated which include two more PRRC projects that have been operating for a year:
 - A carbon storage project in SE New Mexico and
 - A Direct Air Capture project in Arizona/New Mexico



Specific Impacts to NMT/PRRC

- 12 students and 3 postdoctoral researchers needed to immediately find new sources of funding – while accomplished, this stretched resources
- 7 other open post-doc positions and approximately 9 new students per year (36 students total) will not be hired after losing these projects
- As a small school NMT relies on research to fund students and to bring students to the school so an impact on enrollment will also be felt
- Of the ~\$50 million in project funds, about \$5.2 million would have been spent on staff and student salaries at NMT in the next 4 years
- The university will not receive overhead return estimated at \$5.4 million over those 4 years, which will have broad budget implications
- The other ~\$39 million of project funds will not be paid out to subcontractors and partners during the execution of the project. This includes other universities, and community jobs from field activities, reducing benefits to the region and State