

AN ACT

RELATING TO THE OIL AND GAS RECLAMATION FUND; ENSURING THE STABILITY OF FUNDS AVAILABLE IN THE OIL AND GAS RECLAMATION FUND; INCREASING THE MAXIMUM AMOUNT TO BE HELD IN THE OIL AND GAS RECLAMATION FUND BEFORE TRIGGERING A DECREASE IN THE OIL AND GAS CONSERVATION TAX.

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

Section 1. Section 7-30-4 NMSA 1978 (being Laws 1959, Chapter 53, Section 4, as amended) is amended to read:

"7-30-4. OIL AND GAS CONSERVATION TAX LEVIED--COLLECTED BY DEPARTMENT--RATE--INTEREST OWNER'S LIABILITY TO STATE-- INDIAN LIABILITY.--

A. There is levied and shall be collected by the department a tax on all products that are severed and sold. Except as provided in Subsections B and C of this section, the measure and rate of the tax shall be nineteen-hundredths percent of the taxable value of sold products. Every interest owner shall be liable for this tax to the extent of the owner's interest in the value of the products or to the extent of the owner's interest as may be measured by the value of the products. An Indian tribe, Indian pueblo or Indian shall be liable for this tax to the extent authorized or permitted by law.

B. In the event the unencumbered balance in the

