

SENATE MEMORIAL 10

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,  
2000**

INTRODUCED BY

Carroll H. Leavell

A MEMORIAL

REQUESTING CONGRESS TO ENACT AND THE PRESIDENT TO SIGN SENATE  
BILL 595 TO PROVIDE TAX INCENTIVES FOR OIL AND GAS  
DEVELOPMENT AND TO LIMIT OIL IMPORTS TO SIXTY PERCENT OF  
DOMESTIC CONSUMPTION.

WHEREAS, domestic oil and gas production is shrinking,  
foreign oil imports are surging and United States consumption  
of foreign oil, currently at fifty-six percent of total  
consumption, could reach sixty-eight percent by 2010; and

WHEREAS, the number of oil and gas rigs operating in the  
United States is the lowest since 1944, when records were  
first kept; and

WHEREAS, if revenue to producers does not increase, one-  
half of the marginal wells in the United States might be shut  
down, accounting for as much oil as we currently import from  
Saudi Arabia; and

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1           WHEREAS, declining production, well abandonment and  
2 reduced exploration and development are shrinking the  
3 domestic oil and gas industry; and

4           WHEREAS, the world's richest producing regions in the  
5 middle east are experiencing greater political instability;  
6 and

7           WHEREAS, the united nations may make Iraq the swing oil  
8 producing nation, giving Saddam Hussein a tremendous amount  
9 of power; and

10          WHEREAS, reliance on foreign oil for more than sixty  
11 percent of our daily oil and gas consumption is a national  
12 security threat; and

13          WHEREAS, our energy security is directly related to the  
14 level of domestic production; and

15          WHEREAS, Senate Bill 595, sponsored by Senator Pete  
16 Domenici and now pending in congress, will provide a tax  
17 credit to prolong domestic production from marginal wells and  
18 prevent abandonment of wells responsible for one-half of  
19 domestic production and protect the nation from the impacts  
20 of foreign embargos or hostile actions;

21          NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE  
22 STATE OF NEW MEXICO that congress be encouraged to enact and  
23 the president be encouraged to sign Senate Bill 595 to  
24 provide tax incentives for oil and gas development and to  
25 limit oil imports to sixty percent of domestic consumption;  
and

        BE IT FURTHER RESOLVED that copies of this memorial be

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1 transmitted to the New Mexico congressional delegation and to  
2 the president of the United States.

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