

SENATE CONSERVATION COMMITTEE SUBSTITUTE FOR
SENATE BILL 516

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

AN ACT

RELATING TO HYDROCARBON DEVELOPMENT; RESTRICTING THE AREA THAT
CAN BE ENCLOSED AROUND OIL AND GAS DRILL AND WELL SITES;
REQUIRING NOTICE AND CERTAIN PAYMENTS; PROVIDING FOR
RULEMAKING.

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

Section 1. A new section of the Oil and Gas Act is
enacted to read:

"[NEW MATERIAL] PERIMETER FENCING.--

A. An owner or producer, or an agent or employee of
either, shall not erect fencing around the perimeter of a drill
or well site that encompasses more area than is necessary to
secure the drill or well site safely from unauthorized access,
but in no case an area larger than one hundred fifty feet by
one hundred fifty feet, and shall obtain the approval of the

.177731.1

underscored material = new
[bracketed material] = delete

1 surface owner of the area to be fenced prior to erecting a
2 perimeter fence unless the fence is erected pursuant to a rule
3 of the oil conservation division of the energy, minerals and
4 natural resources department.

5 B. An owner or producer, or an agent or employee of
6 either, shall give the surface owner one hundred eighty days
7 notice prior to erecting the fencing described in this section.

8 C. During the time that fencing described in this
9 section is in place, the owner or operator shall be liable to
10 the surface owner for an amount of money equal to the real
11 property taxes attributable to the fenced area.

12 D. The oil conservation division of the energy,
13 minerals and natural resources department shall promulgate
14 rules to implement the provisions of this section.

15 E. For the purposes of this section, "drill or well
16 site" means the surface area used during the drilling or
17 reworking of an oil or gas well or any associated operations
18 and includes the area of land in which oil and gas derricks,
19 equipment, buildings, structures, improvements, wells,
20 excavations, dumps, waste piles, ponds and other features
21 normally used in oil and gas operations are located."