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SENATE MEMORIAL 29

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Benny Shendo, Jr.

A MEMORIAL

REQUESTING THE ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT, THE DEPARTMENT OF ENVIRONMENT, THE INDIAN AFFAIRS DEPARTMENT AND THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO CONVENE A JOINT TASK FORCE TO STUDY THE ECONOMIC AND ENVIRONMENTAL IMPACT OF THE INCREASE IN NATURAL GAS FLARING AND VENTING IN NEW MEXICO.

WHEREAS, the energy sector is important to New Mexico's economy; and

WHEREAS, recent reports suggest that New Mexico taxpayers have lost out on an estimated forty-two million seven hundred thousand dollars (\$42,700,000) in royalty revenue since 2009 due to increased wasted natural gas in the oil- and gas-producing regions of the state; and

WHEREAS, the United States bureau of land management

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1 typically does not charge royalties, or it undercharges
2 royalties, for gas that is leaked, flared or vented; and

3 WHEREAS, nearly forty-five percent, or five hundred fifty-
4 eight of one thousand two hundred forty-eight, of all bureau of
5 land management applications to flare royalty-free in the
6 entire United States in 2014 came from New Mexico; and

7 WHEREAS, a recent national aeronautics and space
8 administration study discovered a huge methane plume above the
9 four corners region, where much of the state's flaring activity
10 occurs; and

11 WHEREAS, *The Denver Post* recently reported on a jobs and
12 technology boom taking place in Colorado, as new companies form
13 to support compliance with Colorado's new air quality and
14 methane waste rules; and

15 WHEREAS, estimates suggest as much as ninety percent of
16 the natural gas being wasted could be captured or put to use,
17 and the natural gas lost in New Mexico in 2012 could have met
18 the home heating needs of every home in the state for December
19 and January; and

20 WHEREAS, increased flaring activity and energy development
21 may encroach on the landscape near cultural assets such as
22 Chaco Canyon national historic park; and

23 WHEREAS, many of the areas where flaring occurs are Native
24 American lands, and allowing royalty-free flaring of what is
25 essentially a Native American-owned resource also takes revenue

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1 directly from tribal governments;

2 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE
3 OF NEW MEXICO that the energy, minerals and natural resources
4 department, the department of environment, the Indian affairs
5 department and the department of finance and administration be
6 requested to convene a task force to study the impacts of
7 increased oil and gas industry flaring on the state's finances
8 and environment; and

9 BE IT FURTHER RESOLVED that the task force be requested to
10 report its findings to the interim legislative committee that
11 studies economic and rural development, and to the Indian
12 affairs and revenue stabilization and tax policy committees;
13 and

14 BE IT FURTHER RESOLVED that the findings of the task force
15 be shared with New Mexico's congressional delegation and with
16 relevant units of the United States department of the interior,
17 including the bureau of land management and the bureau of
18 Indian affairs; and

19 BE IT FURTHER RESOLVED that copies of this memorial be
20 transmitted to the secretary of energy, minerals and natural
21 resources, the secretary of environment, the secretary of
22 Indian affairs, the secretary of finance and administration and
23 the New Mexico congressional delegation.