

1 A MEMORIAL

2 REQUESTING THE ENERGY, MINERALS AND NATURAL RESOURCES
3 DEPARTMENT TO PRODUCE A REPORT ON THE AMOUNT OF NATURAL GAS
4 BEING VENTED AND FLARED IN NEW MEXICO AND ON GAS CAPTURE
5 PLANS SUBMITTED BY OIL AND GAS OPERATORS AND TO REPORT TO THE
6 APPROPRIATE INTERIM LEGISLATIVE COMMITTEES ON THE AMOUNT OF
7 NATURAL GAS LEAKED FROM OIL AND GAS OPERATIONS.

8
9 WHEREAS, venting and flaring of natural gas by oil and
10 gas operators in New Mexico contribute to the waste of
11 limited energy resources and deprive the state of a needed
12 source of revenue; and

13 WHEREAS, in fiscal year 2014, general fund revenues were
14 six billion dollars (\$6,000,000,000), of which two billion
15 one hundred million dollars (\$2,100,000,000) came from taxes
16 and royalties on oil and gas production, according to
17 information compiled by the New Mexico tax research
18 institute; and

19 WHEREAS, royalties on oil and gas production contributed
20 ninety percent of the revenue generated on state lands that
21 support New Mexico's public schools, universities and
22 hospitals; and

23 WHEREAS, in 2015, approximately one hundred million
24 dollars' (\$100,000,000) worth of natural gas was vented or
25 flared on federal lands in New Mexico on which no royalties

1 were paid, costing the state an estimated six million dollars
2 (\$6,000,000) in lost revenues, according to statistics
3 compiled by the western values project; and

4 WHEREAS, the energy, minerals and natural resources
5 department has implemented new reporting requirements, with
6 the goal of reducing natural gas emissions; and

7 WHEREAS, the energy, minerals and natural resources
8 department has stated its intent to establish a baseline for
9 flaring volumes and targets for reductions; and

10 WHEREAS, since January 15, 2016, the energy, minerals
11 and natural resources department has required oil and gas
12 operators to separately report venting and flaring amounts of
13 natural gas on their monthly production reports; and

14 WHEREAS, since May 2016, the energy, minerals and
15 natural resources department has required oil and gas
16 operators, in their applications for new wells, to submit gas
17 capture plans outlining the actions they have taken to reduce
18 venting and flaring through connection of wells to pipelines;
19 and

20 WHEREAS, the energy, minerals and natural resources
21 department does not currently require reporting of volumes of
22 natural gas leaked from oil and gas operations;

23 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE
24 STATE OF NEW MEXICO that the energy, minerals and natural
25 resources department be requested to produce a report,

1 including:

2 A. a compilation and summary of the information it
3 collects regarding the volumes of natural gas vented and
4 flared;

5 B. the reasons natural gas is vented and flared;
6 and

7 C. the information it collects from gas-recapture
8 plans submitted by oil and gas operators; and

9 BE IT FURTHER RESOLVED that the energy, minerals and
10 natural resources department be requested to include in its
11 report proposals to increase the volumes of natural gas to be
12 sold rather than vented and flared and information about
13 existing and proposed natural gas pipelines and processing
14 facilities, and any commercially viable technologies to be
15 used in place of selling natural gas through a pipeline; and

16 BE IT FURTHER RESOLVED that the energy, minerals and
17 natural resources department be requested to include in the
18 report information on venting and flaring and gas-recapture
19 plans, classified by federal, state, Indian and private
20 mineral ownership, county and operator; and

21 BE IT FURTHER RESOLVED that the energy, minerals and
22 natural resources department also be requested to identify in
23 its report the top twenty-five operators venting natural gas
24 and the top twenty-five operators flaring natural gas; and

25 BE IT FURTHER RESOLVED that the energy, minerals and

1 natural resources department be requested to make its report
2 accessible to the public through the website of the oil
3 conservation division of the energy, minerals and natural
4 resources department; and

5 BE IT FURTHER RESOLVED that duplicate copies of the
6 report be filed with the legislative council service library;
7 and

8 BE IT FURTHER RESOLVED that the energy, minerals and
9 natural resources department be requested to report to the
10 appropriate interim legislative committees regarding the
11 amount of gas wasted through venting, flaring and leakage;
12 reasons why natural gas is flared or vented; proposals to
13 increase the natural gas that is sold rather than vented and
14 flared; plans to capture the wasted gas; cost and benefit
15 issues; and possible regulatory changes; and

16 BE IT FURTHER RESOLVED that copies of this memorial be
17 transmitted to the secretary of energy, minerals and natural
18 resources, the secretary of finance and administration, the
19 secretary of environment, the commissioner of public lands,
20 the members of the New Mexico congressional delegation and the
21 co-chairs of the New Mexico legislative council.

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