	HOUSE ENERGY, ENVIRONMENT AND NATURAL RESOURCES COMMITTEE SUBSTITUTE FOR
1	HOUSE BILL 222
2	57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025
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10	AN ACT
11	RELATING TO THE ENVIRONMENT; REQUIRING DISCLOSURES OF CHEMICALS
12	USED IN HYDRAULIC FRACTURING OPERATIONS AND DOWNHOLE
13	OPERATIONS; PROHIBITING THE USE OF HYDRAULIC FRACTURING FLUIDS,
14	DRILLING FLUIDS AND PROPPANTS THAT CONTAIN PER- OR
15	POLYFLUOROALKYL SUBSTANCES; PROHIBITING THE USE OF CHEMICALS IN
16	DOWNHOLE OPERATIONS THAT HAVE NOT BEEN DISCLOSED.
17	
18	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
19	SECTION 1. Section 70-2-33 NMSA 1978 (being Laws 1935,
20	Chapter 72, Section 24, as amended) is amended to read:
21	"70-2-33. DEFINITIONSAs used in the Oil and Gas Act:
22	A. "person" means:
23	(1) any individual, estate, trust, receiver,
24	cooperative association, club, corporation, company, firm,
25	partnership, joint venture, syndicate or other entity; or
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(2) the United States or any agency or
 instrumentality thereof or the state or any political
 subdivision thereof;

B. "pool" means an underground reservoir containing a common accumulation of crude petroleum oil or natural gas or both. Each zone of a general structure, which zone is completely separate from any other zone in the structure, is covered by the word "pool" as used in the Oil and Gas Act. "Pool" is synonymous with "common source of supply" and with "common reservoir";

C. "field" means the general area that is underlaid or appears to be underlaid by at least one pool and also includes the underground reservoir or reservoirs containing the crude petroleum oil or natural gas or both. The words "field" and "pool" mean the same thing when only one underground reservoir is involved; however, "field", unlike "pool", may relate to two or more pools;

D. "product" means any commodity or thing made or manufactured from crude petroleum oil or natural gas and all derivatives of crude petroleum oil or natural gas, including refined crude oil, crude tops, topped crude, processed crude petroleum, residue from crude petroleum, cracking stock, uncracked fuel oil, treated crude oil, fuel oil, residuum, gas oil, naphtha, distillate, gasoline, kerosene, benzine, wash oil, waste oil, lubricating oil and blends or mixtures of crude

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petroleum oil or natural gas or any derivative thereof;

E. "owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for the person or for the person and another;

F. "producer" means the owner of a well capable of producing oil or natural gas or both in paying quantities;

G. "gas transportation facility" means a pipeline in operation serving gas wells for the transportation of natural gas or some other device or equipment in like operation whereby natural gas produced from gas wells connected therewith can be transported or used for consumption;

H. "correlative rights" means the opportunity afforded, so far as it is practicable to do so, to the owner of each property in a pool to produce without waste the owner's just and equitable share of the oil or gas or both in the pool, being an amount, so far as can be practicably determined and so far as can be practicably obtained without waste, substantially in the proportion that the quantity of recoverable oil or gas or both under the property bears to the total recoverable oil or gas or both in the pool and, for such purpose, to use the owner's just and equitable share of the reservoir energy;

I. "potash" means the naturally occurring bedded
deposits of the salts of the element potassium;

J. "casinghead gas" means any gas or vapor or both indigenous to an oil stratum and produced from such stratum

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	1	with oil, including any residue gas remaining after the
	2	processing of casinghead gas to remove its liquid components;
	3	K. "produced water" means a fluid that is an
	4	incidental byproduct from drilling for or the production of oil
	5	and gas;
	6	L. "commission" means the oil conservation
	7	commission; [and]
	8	M. "division" means the oil conservation division
	9	of the energy, minerals and natural resources department;
	10	N. "base fluid" means the continuous phase fluid
	11	type, such as water, used in a hydraulic fracturing treatment;
	12	0. "direct vendor" means a distributor, supplier or
	13	other entity that sells or supplies a chemical product directly
	14	<u>to an operator;</u>
	15	P. "hydraulic fracturing fluid" means the fluid,
	16	including any base fluid and additives, used to perform a
נר	17	hydraulic fracturing treatment;
	18	Q. "operator" means a person who, duly authorized,
	19	manages a lease's development or a producing property's
	20	operation or who manages a facility's operation;
	21	<u>R. "per- or polyfluoroalkyl substance" means a</u>
- - -	22	substance in a class of fluorinated organic chemicals
	23	containing at least one fully fluorinated carbon atom;
ן שיני	24	S. "proppant" means a material added to a hydraulic
	25	fracturing treatment to prevent the fractures created by the
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1	treatment from closing; and
2	T. "service company" means an entity that provides
3	products or services to an operator."
4	SECTION 2. A new section of the Oil and Gas Act is
5	enacted to read:
6	"[<u>NEW MATERIAL</u>] PROHIBITION ON THE USE OF PER- AND
7	POLYFLUOROALKYL SUBSTANCES IN DOWNHOLE OIL AND GAS OPERATIONS
8	RULES
9	A. An operator shall not use a hydraulic fracturing
10	fluid, drilling fluid, proppant or other additive that contains
11	an intentionally added per- or polyfluoroalkyl substance in
12	downhole operations.
13	B. The commission may adopt rules to carry out the
14	provisions of this section.
15	C. The provisions of this section do not apply to a
16	product for which federal law governs the presence of a per- or
17	polyfluoroalkyl substance in the product in a manner that
18	preempts state authority."
19	SECTION 3. A new section of the Oil and Gas Act is
20	enacted to read:
21	"[<u>NEW MATERIAL</u>] HYDRAULIC FRACTURING DISCLOSURESNON-
22	HYDRAULIC FRACTURING DISCLOSURESPROHIBITION ON THE USE OF
23	UNDISCLOSED CHEMICALS IN DOWNHOLE OPERATIONSRULES
24	A. An operator shall not commence any downhole
25	operations until the operator has completed and filed a
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	1	downhole chemical disclosure.
	2	B. An operator that has been issued a permit to
	3	drill by the division as of July 1, 2025 shall make the
	4	disclosures required by this section in a form or manner
	5	prescribed by the division.
	6	C. The downhole chemical disclosure required by
	7	this section shall only include individual chemical
	8	constituents and shall not require product, brand or trade
	9	names.
	10	D. The downhole chemical disclosure required by
	11	this section shall include:
	12	(1) a description of the well and its
	13	location;
	14	(2) the total volume of water used or expected
	15	to be used in the operator's hydraulic fracturing treatment of
	16	the well or the type and total volume of base fluids expected
delete	17	to be used in the treatment, if something other than water;
	18	(3) each additive used or expected to be used
н П	19	in the operator's drilling, hydraulic fracturing or other
ria.	20	downhole operation of the well, the supplier and a brief
[bracketed material]	21	description of the intended use of function of each additive;
Fed	22	(4) each chemical ingredient used or expected
icket	23	to be used in the operator's hydraulic fracturing, drilling or
[bra]	24	other downhole treatment of the well;
	25	(5) the actual or maximum concentration of
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1 each chemical listed in Paragraph (4) of this subsection in 2 percent by mass;

the chemical abstracts service number of (6) each chemical listed in Paragraph (4) of this subsection, if applicable; and

a certification filed with the division (7) that the operator has not used chemicals in downhole operations that have not been disclosed pursuant to this section or rules 8 9 adopted pursuant to this section within forty-five days after completion of the downhole operation. 10

Ε. A manufacturer, direct vendor or service company shall share information with the operator necessary to comply with this section at the request of the operator.

If there is a change to the information in the F. downhole chemical disclosure required by this section, an operator shall submit any changes to the information to the division within thirty days of knowledge of a change.

G. If the national hydraulic fracturing chemical registry website developed by the ground water protection council and the interstate oil and gas compact commission is inoperable or does not exist, an operator may comply with the provisions of this section by submitting the disclosures required by this section to a publicly accessible website or to the division, as specified by the division.

> The division shall adopt rules to require н.

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operators to make chemical disclosures for non-hydraulic
 fracturing downhole operations to the division. The non hydraulic fracturing disclosures shall be made accessible to
 the public.

5 I. The division may make rules necessary to carry6 out the provisions of this section."

7 SECTION 4. EFFECTIVE DATE.--The effective date of the
8 provisions of this act is July 1, 2025.

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