

HOUSE ENERGY, ENVIRONMENT AND NATURAL RESOURCES
COMMITTEE SUBSTITUTE FOR
HOUSE BILL 222

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

AN ACT

RELATING TO THE ENVIRONMENT; REQUIRING DISCLOSURES OF CHEMICALS
USED IN HYDRAULIC FRACTURING OPERATIONS AND DOWNHOLE
OPERATIONS; PROHIBITING THE USE OF HYDRAULIC FRACTURING FLUIDS,
DRILLING FLUIDS AND PROPPANTS THAT CONTAIN PER- OR
POLYFLUOROALKYL SUBSTANCES; PROHIBITING THE USE OF CHEMICALS IN
DOWNHOLE OPERATIONS THAT HAVE NOT BEEN DISCLOSED.

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

SECTION 1. Section 70-2-33 NMSA 1978 (being Laws 1935,
Chapter 72, Section 24, as amended) is amended to read:

"70-2-33. DEFINITIONS.--As used in the Oil and Gas Act:

A. "person" means:

(1) any individual, estate, trust, receiver,
cooperative association, club, corporation, company, firm,
partnership, joint venture, syndicate or other entity; or

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1 (2) the United States or any agency or
2 instrumentality thereof or the state or any political
3 subdivision thereof;

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

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

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

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1 petroleum oil or natural gas or any derivative thereof;

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

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

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

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

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

24 J. "casinghead gas" means any gas or vapor or both
25 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 O. "direct vendor" means a distributor, supplier or
13 other entity that sells or supplies a chemical product directly
14 to an operator;

15 P. "hydraulic fracturing fluid" means the fluid,
16 including any base fluid and additives, used to perform a
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 R. "per- or polyfluoroalkyl substance" means a
22 substance in a class of fluorinated organic chemicals
23 containing at least one fully fluorinated carbon atom;

24 S. "proppant" means a material added to a hydraulic
25 fracturing treatment to prevent the fractures created by the

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 "[NEW MATERIAL] 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 "[NEW MATERIAL] HYDRAULIC FRACTURING DISCLOSURES--NON-
22 HYDRAULIC FRACTURING DISCLOSURES--PROHIBITION ON THE USE OF
23 UNDISCLOSED CHEMICALS IN DOWNHOLE OPERATIONS--RULES.--

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
17 to be used in the treatment, if something other than water;

18 (3) each additive used or expected to be used
19 in the operator's drilling, hydraulic fracturing or other
20 downhole operation of the well, the supplier and a brief
21 description of the intended use of function of each additive;

22 (4) each chemical ingredient used or expected
23 to be used in the operator's hydraulic fracturing, drilling or
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;

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

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

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

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

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

25 H. The division shall adopt rules to require

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

5 I. The division may make rules necessary to carry
6 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.