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From the Albuquerque Business First:

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## NM lawmakers side with keeping BLM rule despite business leaders' opposition

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New Mexico's two Democratic U.S. senators were part of a narrow vote Wednesday to keep a Bureau of Land Management rule in place that aims to curb methane emissions from oil and gas wells nationwide.

Senators Martin Heinrich and Tom Udall were among lawmakers who voted 51-49 against a resolution to repeal an Obama-era rule restricting methane emissions from oil and gas operations on federal and public lands.

Udall was quoted in the Washington Post Wednesday for a floor speech after the vote, where he congratulated Republican senators, which included John McCain, Susan Collins, and Lindsey Graham, for also voting against the measure.

But New Mexico lawmakers and industry leaders are not necessarily on the same page when it comes to regulating oil and gas.

Carla Sonntag, president of the New Mexico Business Coalition, said she disagrees with the methane rule.

"I'm very disappointed but I'm not surprised by the Senate's vote. I believe it's going to have an impact on New Mexico," Sonntag said.

She said the rule puts New Mexico jobs at risk and that it greatly impacts the state's marginal wells in the Four Corners area that she said are likely to shut down because of the cost of compliance.

"Our senators didn't vote for the hardworking people of our state. We could've gone a long way with that repeal," she said.

She said she hopes the Environmental Protection Agency's temporary stay on the rule will give lawmakers and the industry time to still make changes to it.

The **New Mexico Association of Commerce and Industry** has also voiced its opposition to BLM's venting and flaring rule. Last year NMACI President and CEO Jason Espinoza asked the BLM to consider applying the regulation only to new wells to minimize significant unintended consequences on the state's economy.

Espinoza said the rule keeps New Mexico from being able to compete with Texas for oil and gas operators.

"About 95 percent of Texas' land is privately owned, so this rule applies to very little acreage of Texas' oil and gas production. New Mexico has 13.5 million acres, or about 17 percent, of land under BLM management," he said in a statement. "In a time when operators have a choice where in the Permian Basin to produce oil and gas, more companies – and ultimately, more jobs and workers – will locate on the Texas side of the basin."

The Obama administration estimated the BLM rule would prevent around 180,000 tons of methane entering the atmosphere a year and save states more than \$20 million a year in lost royalty revenues.

According to the New Mexico Oil and Gas Association, oil and gas provided nearly \$1.6 billion in taxes, royalties and other revenue to the state general fund for fiscal year 2016, and accounted for more than 100,000 New Mexico jobs.



MATTHEW STAVER | BLOOMBERG

Natural gas is burned off near Watford City, North Dakota, in the Bakken field.

**Rachel Sapin**

Reporter

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