

February 12, 2016

Director Neil Kornze
U.S. Department of the Interior
Director, Bureau of Land Management
Mail Stop 2134 LM
1849 C St. NW., Washington, DC 20240

Attention: [1004-AE14](#)

Dear Director Kornze:

As representatives of state and local governments from across New Mexico we write to offer our strong support for federal rules from the Bureau of Land Management (BLM) to reduce methane waste from the oil and gas industry. Action from the BLM is crucial to ensuring that waste of natural gas is minimized while state and local governments recoup the maximum revenues possible to offset negative impacts to local communities.

Energy development is critically important to economy of New Mexico. Oil and gas revenue is the cornerstone of our New Mexico's educational and infrastructure funding, but far too much of our natural gas resources are being wasted due to outdated regulations. Since BLM typically does not charge royalties or charges reduced royalty rates on methane – the primary component of natural gas – that is leaked, flared or vented, this significantly shortchanges state and local government's revenues.

This methane pollution represents a significant economic loss to the state of New Mexico. A recent report by the Western Values Project found that New Mexico residents have lost out on an estimated \$42.7 million in royalty revenue since 2009 due to increasing leaks and intentional venting and flaring of natural gas on public lands. Our state sorely needs these royalties to support our public school system, which is already facing major challenges ensuring that our children are well prepared to succeed and that our educators and facilities are adequately supported.

The waste of our natural gas resources is also highlighted by a recent NASA study that identified a methane hot spot the size of Delaware over the San Juan Basin—the highest concentration in the nation—in an area of high oil and gas production. According to EPA data, New Mexico's oil and natural gas industry released more than 250,000 metric tons of methane in 2013. This is almost enough natural gas to meet the annual heating and cooking needs for all of the homes in Albuquerque.

This wasted natural gas is also a significant public health issue. When methane is released into the air, this often occurs along with harmful pollutants that seriously impact human health. These include toxic chemicals like benzene, which are linked to cancer, and other smog-forming pollutants that can trigger asthma.

Sensible, cost effective solutions to this problem exist and are readily available. A report by the respected business consulting firm ICF found that the oil and gas industry could cut methane emissions by 40% at an average annual cost of less than one penny per thousand

cubic feet of produced natural gas by adopting available emissions-control technologies and operating practices. Colorado has already instituted similar new regulations and results are positive for both the environment and industry. Both production and the number of wells have increased. It is essential that new BLM standards deploy these proven, cost-effective methods for minimizing waste and harmful air pollution – such as quarterly leak detection inspections -- both at newly developed oil and gas facilities, and at existing infrastructure.

For the reasons stated above we support strong new BLM rules designed to reduce wasteful methane leaks, venting and flaring from federal and tribal lands across the U.S. and in New Mexico.

Sincerely,

Councilor John Alsobrook, Corrales

Representative Deborah Armstrong, Bernalillo

Senator Jacob Candelaria, Bernalillo

Public Education Commissioner Jeff Carr, Colfax, Rio Arriba, Santa Fe & Taos

County Commissioner Wallace Charley, San Juan

City Councilor Pat Davis, Albuquerque

Representative Brian Egolf, House Democratic Leader, Santa Fe

Public Regulation Commission Chair Valerie Espinoza, Santa Fe, Rio Arriba, Taos, Los Alamos, San Miguel, Sandoval, Bernalillo

Councilor Jim Fahey, Corrales

Councilor Kasandra Gandara, Las Cruces

County Commission Chair Paula Garcia, Mora

Councilor and Former Mayor Phil Gasteyer, Corrales

Mayor Javier Gonzales, Santa Fe

County Commissioner Kathleen S. Holian, Santa Fe

Representative D. Wonda Johnson, San Juan & McKinley

Representative Georgene Louis, Bernalillo

City Councilor Joseph Maestas, Santa Fe

Representative Javier Martinez, Bernalillo

Representative Bill McCamley, Dona Ana

Representative Matthew McQueen, Santa Fe

Senator Cisco McSorley, Bernalillo

Mayor Ken Miyagishima , Las Cruces

Senator Howie Morales, Catron, Grant & Socorro

County Commission Chairman Alex M. Naranjo, Rio Arriba

Senator Bill O'Neill, Bernalillo

Senator Jerry Ortiz Y Pino, Bernalillo

Senator Michael Padilla, Majority Whip, New Mexico State Senate, Bernalillo

City Councilor Olga Pedroza, Las Cruces

Ray Powell, Former State Land Commissioner

Senator John Sapien, Sandoval and Bernalillo

Senator Benny Shendo, Bernalillo, McKinley, Rio Arriba, San Juan, & Sandoval

City Councilor Gil Sorg, Las Cruces

Senator Bill Soules, Dona Ana

County Commissioner Maggie Hart Stebbins, Bernalillo

Representative Jeff Steinborn, Dona Ana

Senator Mimi Stewart, Bernalillo

Public Education Commissioner Carmie Lynn Toulouse, Bernalillo

Maggie Toulouse Oliver, County Clerk, Bernalillo

County Commission Vice-Chair & School Board Chair George Trujillo, Mora

Senator Peter Wirth, Santa Fe

CC: Senator Tom Udall, Senator Martin Heinrich, Congresswoman Michelle Lujan Grisham,
Congressman Steve Pearce, Congressman Ben Ray Lujan, Governor Susanna Martinez