

December 30, 2020

**VIA DIGITAL ELECTRONIC TRANSMISSION**

**Attn: Florene Davidson [florene.davidson@state.nm.us](mailto:florene.davidson@state.nm.us)**

New Mexico Energy, Minerals and Natural Resources Department  
Oil Conservation Commission  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Reference: Proposed rules to regulate the venting and flaring of natural gas from oil and natural gas production and gathering facilities, Case #21528

Dear Chair Adrienne Sandoval, Commissioner Jordan Kessler and Commissioner Thomas Engler:

I am writing to you in hope that you will agree to accept the proposed exemption from the Rulemaking for stripper wells.

Our 62 wells are all located in Chaves County approximately 22 miles East of Roswell. Our daily shallow San Andres (2,200 foot total well depth) production averages 54 barrels of oil per day with no sales of natural gas. While we do have some casinghead gas associated with our production, it is less than 5 MCF per well per day average. The wells did sell natural gas after the initial completion, but as time since drilling, i.e. 1950's through 1990's, has passed, the bottomhole pressure has significantly diminished. We tested our wells along with IACX, a natural gas gatherer and processor within the same legal section as 17 of our wells. The results were that sample quantity was so small that they could only get a sample from one of the tested wells. While the quality was salable, the quantity did not justify building gathering. Fifty of our wells are located on New Mexico Trust Lands and twelve of our wells are located on fee lands.

Remnants of an extensive gas gathering system (it covered several townships in Chaves County) remain on the fee lands where we operate. That system was installed in the 1980's and failed financially within 10+/- years.

At current commodity prices, we are now beginning to break even on a monthly basis. The commodity price swings coinciding with the Pandemic caused us to shut the wells in for 8 weeks. The mechanical difficulties experienced upon restarting caused us to have to spend significant additional funds for equipment and major electrical repairs.

Stripper operators are no different than the neighborhood grocer, the truck farmer, the fruit orchard grower or grazing lessee's. We do not drive our marketplace, in fact, we are so far back

at the end of the tail of that marketplace that any small price swing drastically effects our ability to operate.

We too desire to have an environmentally safe world for our growing population. We believe that what we have done in the United States in our industry to reduce our foot print over the past 5+ years is phenomenal. Granted, we can do more, but negatively stressing the economics of our "Mom & Pop" stripper operations is not the answer to your goal of creating an effective Venting & Flaring Rule.

Your efforts and your consideration are greatly appreciated.

With Regards,

A handwritten signature in blue ink, appearing to read 'Rory McMinn', with a long horizontal flourish extending to the right.

Rory McMinn, Managing Member