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STATE OF NEW MEXICO

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

OIL CONSERVATION COMMISSION

APPLICATION OF OIL CONSERVATION DIVISION TO ADOPT 19.15.27 NMAC AND D19.15.28 NMAC, AND TO AMEND 19.15.7 NMAC, 19.15.18 NMAC, AND 19.15.19 NMAC; STATEWIDE

CASE NO. 21528

REPORTER'S VIRTUAL TRANSCRIPT OF PROCEEDINGS

DAY 1

January 4, 2021

8:30 a.m.

Hearing Officer Felicia Orth

Chairwoman Sandoval

Commissioner Engler

Commissioner Kessler

REPORTED BY: PAUL BACA, CCR #112 PAUL BACA COURT REPORTERS 500 4th Street, NW, Suite 105 Albuquerque, New Mexico 87102

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1	Attorneys Present:		
2	Michael Feldewert NMOGA		
3	Chris Moander AG Office		
4			
5	Also Present:		
6	Dylan Rose-Coss Tech Support		
7	Florene Davidson OCC Support		
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Page 3 1 HEARING OFFICER ORTH: Good morning, 2 everyone. 3 I am Felicia Orth. I am appointed by the New Mexico Oil Conservation Commission to conduct a 4 hearing on the application of the New Mexico Oil 5 Conservation Division to adopt rules related to the 6 7 venting and flaring of methane emissions. This matter was docketed as Case 8 Number 21528. 9 10 The hearing will be conducted pursuant to 11 the Commission's Rule Making Regulation 19.15.3 of 12 the New Mexico Administrative Code, as well as the 13 Open Meetings Act, the State Rules Act, and 14 procedural orders entered in this matter by the chair of the commission and these hearing officers. 15 These orders, along with all documents in 16 17 the rule making record, can be found on the web page of the Energy, Minerals, and Natural Resources 18 19 Department, EMNRD, specifically at the Oil 20 Conservation Commission Outreach and Public 21 Endangerment web page. 2.2 If you find yourself on the OCD imaging 23 file, look for Case 21528. 24 This hearing is being recorded 25 electronically and transcribed by Paul Baca Court

Reporters. A copy of the transcript will be posted
 online when it is completed.

3 The petitioner in this matter is the Oil Conservation Division. Other parties from which 4 5 timely prehearing statements have been received include the New Mexico Oil and Gas Association, or 6 7 NMOGA; the State Land Office and Commissioners Commissioner of Public Lands; a collection of 8 9 nonprofits, and they're nonprofits referred to 10 collectively as the Climate Advocates, which includes the Center for Civic Policy, Conservation 11 12 Voters of New Mexico, Dine CARE, Earthworks, the Natural Resources Defense Council, San Juan Citizens 13 Alliance, Sierra Club, and 350 New Mexico, and the 14 Environmental Defense Fund, as another party in this 15 16 matter.

17 The petitioner and other parties will 18 begin presenting their cases tomorrow. We'll be 19 starting with opening statements at 1:00 p.m.

20The time between today and tomorrow at211:00 p.m. has been reserved for public comment.

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There are two ways to offer public comment on the proposed rules before the commission. We may employ either or both.

One is to offer verbal comment, as many of

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Page 5 you are here to do today. Anyone may do that by 1 2 signing up for an opportunity in one of the many 3 time slots available between today and January 15. 4 To sign up, as you know, you e-mail Florene Davidson, who will schedule you in your 5 preferred time slot, so long as it is available. 6 7 Please collect your thoughts before you 8 comment, because comment may only be offered once 9 during this hearing. 10 Know also that if you comment verbally, 11 one of the parties or the commissioners may have 12 questions for you at the end of your comments. 13 In the event you have more to say, or 14 would prefer not to speak, you may submit your These submissions also go to 15 comments in writing. Florene Davidson. Florene is at OCC dot hearings at 16 17 state dot NM dot US. You will also find her contact information 18 19 on the OCD outreach web page. 20 Just to be clear no public comment will be 21 accepted through the Webex chat function. That chat 22 function is limited in this hearing to exploring 23 potential technological issues you may have with the 24 OCD staff who is serving as the Webex hosts each 25 day.

Page 6 Today our host is Baylen Lamkin. 1 Other staff on the line include Florene 2 3 Davidson, who supports the commission. If you or a friend have an issue logging 4 in, please contact Ann Killoy at 508-527-3742. 5 In the event this hearing is interrupted 6 7 by an internet outage, for example, or by mischief, please try to sign back in. If that doesn't work, 8 9 check your e-mail or the OCD outreach web page for further instructions. 10 11 Know that if the host has heard an attempt to disrupt this hearing or to use vile language, 12 13 that person will be expelled, and that expulsion 14 will likely occur without any warning from the hearing officer. 15 So before we begin with the first set of 16 commenters, let me ask if the commissioners would 17 like to identify themselves. 18 19 Madam Chair? 20 CHAIRWOMAN SANDOVAL: I am Adrienne 21 Sandoval. I am the chair of the Oil Conservation 2.2 Commission and the director of the Oil Conservation Division. 23 24 HEARING OFFICER ORTH: Mr. Engler? 25 COMMISSIONER ENGLER: Thank you. I am Tom

Page 7 1 Engler. I am a designee from the secretary on the 2 commission. 3 HEARING OFFICER ORTH: Commissioner Kessler? 4 5 COMMISSIONER KESSLER: Good morning. My name is Jordan Kessler. I'm a commissioner of 6 mineral resources. 7 8 HEARING OFFICER ORTH: Thank you. And 9 although the technical parties may not all be on at 10 this moment, if there are any counsel who would like 11 to offer their appearances, this would be the time. 12 And I'd like to go in the order that we've 13 established by agreement. 14 Is Mr. Ames with us? 15 No. Mr. Feldewert? 16 17 MR. FELDEWERT: Yes. My name is Michael 18 Feldewert. I'm chairman for the commission office, 19 appearing on behalf of the New Mexico Oil and Gas 20 Association. 21 I'm likely to join my colleagues and drop 22 off of this call shortly. 23 HEARING OFFICER ORTH: Thank you very much. 24 Let's see. Is Mr. Biernoff available? 25 Ι

Page 8 know some of the counsel will be joining and 1 2 separating away throughout today. 3 And for the climate advocates or environmental defense fund? 4 5 No? All right. And we also have Chris Moander 6 7 on the line. Mr. Moander is commission counsel. 8 MR. MOANDER: Good morning, everyone. 9 HEARING OFFICER ORTH: So let's turn to 10 the public commenters for this time slot. 11 Please, when I call your name, identify yourself, your affiliation, if any. And know that I 12 13 will ask you to wrap up as we get to two minutes. 14 The first three commenters are Celerah 15 Hewes, Patricio C. Larragoite, and Nicholas King. Ms. Hewes, are you with us? 16 17 MS. HEWES: Hello. Can you hear me? 18 HEARING OFFICER ORTH: Yes. 19 MS. HEWES: Hi. I would like to thank you 20 for the opportunity of speaking today. I'm speaking 21 on behalf of the other 18,000 Monster Air Force 2.2 members here in New Mexico. 23 My name is Celerah Hewes. I have been 24 with Monster Air Force for four years. I was born 25 in Corrales. And when I started to have a family,

1 New Mexico was the place I wanted to raise my 2 children. 3 But today, I'm deeply concerned that the New Mexico that my eight-year-old daughter is 4 growing up in is very different, due to the public 5 6 health and climate impacts we are experiencing. 7 These impacts will only be made worse if we do not 8 answer Governor Michelle Lujan Grisham's call for emission reduction rules. 9 10 To achieve that goal, the Oil Conservation 11 Commission must strengthen the OCD proposed methane 12 waste rules to eliminate unnecessary waste and 13 pollution. 14 We'd like the final rule to achieve three 15 qoals. One, ban routine venting and flaring, and 16 only allow such activities when necessary for health 17 and safety and require flaring over venting, except 18 19 when necessary. 20 Two, require oil and gas companies to 21 capture 98 percent of the methane by 2026. 22 Three, strengthen state reporting and 23 public notice requirements to improve transparency 24 and ensure accountability for oil and gas 25 operations.

1 These methane rules are needed because we 2 have a serious methane waste and pollution problem. 3 Venting and flaring are degrading our air quality 4 and climate, which will have a lasting effect for 5 generations to come.

Recent scientific analysis by the 6 7 environmental defense fund found that New Mexico oil 8 and gas companies would emit at least 1 million 9 metric tons of methane a year. It's five times 10 higher than has been previously reported to the EPA. As we are facing a climate crisis, the 11 greenhouse gasses we are emitting in the next 12 13 ten years will have an enormous impact on 14 generations to come.

In conclusion, I encourage all the state agencies to work together on comprehensive and meaningful rules to protect all New Mexicans.

18 So it's -- nearly 70 percent of oil and 19 gas and methane pollution in New Mexico occurs 20 through leaks. It's critical that the New Mexico 21 environment department adopt a rule that holds 22 producers accountable and cuts emissions. NMED 23 current rules fail to protect our public health and 24 our climate by exempting 95 percent of wells from 25 regulation.

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Page 11 Scientists have warned us that we have 1 until 2030 to make meaningful reductions. 2 The 3 commission should make clear that the industry must work in parallel to achieve comprehensive rules to 4 cut methane pollution and protect the health of our 5 children from methane pollution and climate change. 6 7 Our children are counting on this. 8 Thank you for your time today. 9 HEARING OFFICER ORTH: Thank you very 10 much. 11 Mr. Larragoite? All right. I can hear 12 you. 13 MR. LARRAGOITE: My name is Patricio --14 HEARING OFFICER ORTH: As this sort of 15 thing happens, I will be happy to accept that comment at a later time, but we will continue moving 16 through the list until Mr. Larragoite or any other 17 commenter joins us and identifies himself. 18 19 Let's move, then, to Nicholas King. 20 Following Mr. King will be Steve Gross and 21 Emily Wolf. 2.2 Mr. King? 23 MR. KING: Yes. Thank you. 24 I'm Nick King, with the Carlsbad Mennonite 25 Church and the citizens caring for the future here.

Page 12 First of all, I want to thank all of you 1 for your good work in this, working day and night 2 3 and weekends, as I have experienced with Florene, in answering an e-mail last night. 4 We certainly affirm the direction that you 5 are going, the governor is taking us, to protect all 6 of us down in the future. 7 8 Now, we all dislike more regulations. But sometimes they are very necessary, like in nursing 9 10 home instructions. 11 But this is an existential threat to our 12 future. 13 The climate, when we see 100-degree temperatures north of the arctic circle, and the 14 exceptional drought here in New Mexico. 15 We realize that regulation may adversely 16 affect our economy. It affects all of us. 17 18 But I am willing to deal with that 19 repercussion, make that sacrifice for the good of 20 all of the future. 21 I also appreciate the oil companies' 22 verbal commitments to cleaning up and being more 23 green. 24 But as we see through the eyes of the flip 25 camera, not much has changed in the last several

Page 13 years, in spite of what is being said. There's 1 still a lot of methane and DOCs being emitted. 2 3 And we realize that the skeleton crew that you are all working with, and the regulation -- or 4 limitations, it's like having one cop for the whole 5 6 state to regulae that. 7 We would hope that even with 8 self-reporting, that can be improved. 9 Hopefully, through random inspections with 10 flare cameras, that can be checked out. 11 As Dave Rogers says, there needs to be reasonable and responsible regulation. With that, 12 they go with effective enforcement. 13 14 We don't want more paperwork for anybody, 15 but random inspections with flare cameras, followed up by enforcement, are important. 16 17 And certainly, there should not be any more drilling permits giving -- being given out if 18 19 the people are not in compliance with what they 20 already have. 21 I think that sounds guite reasonable. 22 HEARING OFFICER ORTH: Mr. King, will you 23 wrap up, please? 24 MR. KING: Yes. For God's sake, and for the sake of future 25

Page 14 generations over the whole world, help us to be 1 responsible in caring for this gift. Let's start 2 3 with each of us. It's going to be hard, but 4 necessary. Thank you for your good work. 5 6 HEARING OFFICER ORTH: Thank you, 7 Mr. King. Steve Gross? Is Mr. Gross with us? 8 9 MR. LAMKIN: He's not in the attendees. 10 He may be a call in. 11 They should be able to identify 12 themselves. 13 HEARING OFFICER ORTH: Mr. Gross, if 14 you're a call-in user, please speak up. 15 All right. We may be able to hear from 16 Mr. Gross later. 17 Emily Wolf? 18 MS. WOLF: Good morning. Can you hear me? 19 HEARING OFFICER ORTH: Yes. 20 MS. WOLF: Great. 21 I'm Emily Wolf. I am the New Mexico 22 program coordinator for the national parks conservation association. Thanks for the 23 24 opportunity today to speak about providing some 25 information on how your rules can have a positive

impact on national parks and other public lands in
 New Mexico.

3 Strong rules to reduce methane emissions, as well as compounds released along with methane in 4 oil and gas industrial processes, are crucial for 5 the state to develop and implement to reduce waste 6 7 and safeguard public health, our climate, ecosystems 8 in our fragile landscapes and connected to our national parks, particularly in the Permian and 9 10 San Juan Basins.

11 Carlsbad caverns and Guadalupe mountains 12 national parks combined generated over \$53 million 13 in local economic output and supported 655 jobs in 14 2017. But unrestrained industrial development can 15 have a negative impact on the stable and existing 16 economy.

At Carlsbad, from 1993 to 2016, visitation decreased more than 30 percent. And a 2018 study showed that park visitation drops 8 percent or more when pollution is high.

21 Without strong rules, that will affect
22 local economies that depend on those visitors.
23 We commend the OCD for proposing strong
24 rules, and we support OCD's proposed ban, to achieve
25 flaring, the preference for flaring over venting

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when necessary, and the 98 percent capture
 requirement.

3 However, the rules should be strengthened, and the commission should do all it can to minimize 4 methane waste, including requiring green 5 inhibitions, to minimize methane emissions during 6 7 completions and recompletions, incentivizing 8 compliance by prohibiting new drilling and denying 9 permits for new wells, if the operators are out of 10 compliance with their gas capture requirements, 11 requiring operators to immediately notify persons 12 and communities at risk for methane venting, and 13 requiring that any leaks or repairs to the alarm 14 program are verified by an independent third party, to ensure the integrity of the program. 15

Air quality resource values, or AQRVs, our parks identified a list of values they are worried about being impacted by pollution, including dark sky in ecosystems. A strong methane rule will state those values.

21 Combined, more than 4,000 after dark 22 visitor contacts are reported annually at Chaco, 23 Guadalupe, and Carlsbad. These tend to impact 24 visual resources and wildlife, including bats and 25 the insects on which they feed.

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Page 17 1 National parks are becoming more important 2 sanctuaries for plants and animals, as well as 3 fostering wildlife corridors, healthy watershed, and community scale protections. 4 It's vital to defend public lands and 5 parks by minimizing the emission of methane on a 6 7 state level. 8 Thank you again for the opportunity to address the commission. 9 10 HEARING OFFICER ORTH: Thank you very 11 much, Ms. Wolf. 12 Our next several commenters are Douglas Meiklejohn, Penny Aucoin, Camilla Feibleman, and Amy 13 14 Maki. 15 Mr. Meiklejohn? 16 MR. MEIKLEJOHN: Can you hear me, 17 Madam Hearing Officer? 18 HEARING OFFICER ORTH: Yes, I can, very 19 clearly. Thank you. 20 MR. MEIKLEJOHN: Good morning, members of 21 the commission, Madam Hearing Officer. 22 I am Douglas Meiklejohn. I'm an attorney with the New Mexico Environmental Law Center. 23 The 24 law center is a nonprofit environmental law firm 25 that provides legal services to local communities.

Page 18 We are grateful for the opportunity to 1 2 provide our comments on the proposed regulations 3 limiting methane emissions for oil and gas facilities. 4 First of all, methane emissions from oil 5 6 and gas production are the biggest sources of 7 greenhouse gas emissions in New Mexico. 8 Methane from oil and gas production also 9 is emitted with several co-pollutants, including 10 oxides of nitrogen and volatile organic compounds, 11 which are harmful to human health. 12 The adverse effects of these emissions are likely to affect disadvantaged communities 13 14 disproportionally. For example, due to their proximity, 15 communities in the Laguna Pueblo, the Acoma Pueblo, 16 and the Navajo Nation are likely to be 17 disproportionately affected by air pollution from 18 19 oil and gas production in the San Juan Basin. 20 The Oil Conservation Division's proposed 21 regulations are generally sound, but they can and 22 should be strengthened. 23 First, routine flaring of oil and gas 24 wells must be prohibited. Routine flaring from oil 25 and gas production releases a tremendous amount of

Page 19 methane and other pollutants into the atmosphere. 1 2 It wastes natural gas that otherwise could be 3 captured and marketed, and it foregoes royalties that would otherwise be paid to the state to support 4 education. 5 We support the proposed rules prohibition 6 7 on routine flaring, and we oppose any efforts to weaken it. 8 Second, we likewise support the rules, 9 10 generally, on prohibition on venting. 11 Third, we support the 98 percent minimum 12 capture requirement for methane. 13 However, we believe the amount of time for 14 industry to meet this requirement is far too long. 15 The industry has known about the problem of excess methane emissions in New Mexico for many years. 16 17 Yet, the new rule would allow almost six years for industry to come into compliance. 18 19 We believe --20 HEARING OFFICER ORTH: Would you wrap up, 21 please? 2.2 MR. MEIKLEJOHN: Certainly. 23 We believe the compliance period should be 24 no more than three years. 25 Fourth, as other speakers have said, an

Page 20 operator who acquires additional wells should be 1 2 required to meet its annual minimum capture 3 requirement on all newly acquired wells. 4 Fifth, if an operator is not in compliance 5 with minimum capture requirements, the Oil Conservation Division should not approve any new 6 7 permit for that operator to drill a new well. 8 Thank you very much, again, for the 9 opportunity to speak to you today. We urge you to 10 make these rules strengthened, to protect 11 New Mexico's environment. 12 Thank you. 13 HEARING OFFICER ORTH: Thank you, 14 Mr. Meikeljohn. 15 Penny Aucoin? 16 MS. AUCOIN: Hi. Can you hear me? 17 HEARING OFFICER ORTH: Yes, I can hear 18 you. Thank you. MS. AUCOIN: 19 My name is Penny Aucoin. Ι 20 want to thank you all for letting me speak today. 21 I want to also thank you for everything 22 you are doing for make our community and home safe. 23 I live here in Carlsbad, right in the middle of an oilfield. When I came to Carlsbad 24 25 there was just a handful of old mobile homes on my

Page 21 street with a huge empty field across the street. 1 2 Now, that field is filled with oil and gas 3 operations. Now, my home feels like a war zone. We have had to deal with the noise of them 4 drilling all day and night with no respite. 5 We have had to deal with all the mice 6 7 coming into our homes from that field while they 8 were drilling. We had to deal with all the trucks 9 10 blocking our driveway and running us off the road. 11 We have had to deal with gigantic flares 12 lighting up the night and roaring so loud it left us 13 wondering if they were going to blow up. 14 We've had to deal with black oil stuff falling into our animals' water from those same 15 16 flares. 17 And finally, we have had to deal with a pipeline breaking and covering our land and home 18 19 with toxic flowback water. 20 I personally am so happy to see that you 21 are making changes to help my home be a bit safer, 22 but I feel that it is not enough. 23 I have seen over and over again that oil 24 and gas operators continue to harm us and our 25 environment. Even if they are caught with leaks or

Page 22 spills they continue to operate in the same unsafe 1 2 manner. 3 I feel this is because there is not enough incentive for them to make diligent efforts to 4 5 operate safely. I ask you today to keep unsafe operators 6 7 from having the permits to continue drilling and 8 operating unsafely. It is up to you to protect the 9 lives of people who are living here. These are your 10 neighbors and friends. We need your help in making 11 sure we are safe. 12 Thank you. 13 HEARING OFFICER ORTH: Thank you, Ms. Aucoin. 14 Let's see. Ms. Feibleman? 15 16 MS. FEIBLEMAN: Yes, I'm here. 17 Can you hear me? 18 HEARING OFFICER ORTH: Yes. You're a 19 little quiet. 20 MS. FEIBLEMAN: Okay. And is this any 21 better? 2.2 HEARING OFFICER ORTH: That's terrific. 23 Thank you. 24 MS. FEIBLEMAN: Thank you. I am Camilla Feibleman. I'm the director of the Rio Grande 25

Page 23 chapter of the Sierra Club representing 35,000 1 members and supporters in New Mexico and West Texas. 2 3 I will submit full written comments. But in the meantime, our state, community, and families 4 are left exposed by the gutting of oil and gas 5 methane waste and pollution rules at the federal 6 7 level. 8 Strong state rules will protect us while 9 the federal administrative process works to restore 10 these protections and will prepare our state to 11 comply with future or federally restored rules. 12 As for these rules at the OCC and OCD, the 13 Oil & Gas Act prohibits waste and it gives the 14 commission broad authority to implement this prohibition, and it should take steps to prevent all 15 forms of waste, including practices that damage 16 health, human health, the climate, and the 17 18 environment. 19 Venting and flaring of natural gas is 20 extremely wasteful. Venting releases methane 21 directly into the atmosphere, along with 22 smog-causing volatile organic compounds and 23 cancer-causing toxics of benzine. Flare releases a different set of 24 pollution, including nitrogen, an oxide which also 25

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1 contributes to smog formation.

2	The oil and gas industry is also the
3	largest source of greenhouse gas pollution in the
4	state, responsible for more than 50 percent of our
5	greenhouse gas emissions.
б	We applaud the division for proposing to
7	ban routine flaring, for example at wells, due to
8	lack of natural gas takeaway capacity.
9	This contributes significantly to air
10	pollution and climate change and deprives the state
11	of much needed royalties. This practice should end
12	immediately.
13	The proposal to require operators to
14	capture 98 percent of their gas by 2026 is an
15	appropriate backstop.
16	The gas capture requirement should also
17	encourage operators to reduce waste from devices
18	such as storage tanks and pneumatic devices, and
19	from operations such as liquids unloading.
20	These rules demand appropriate enforcement
21	mechanisms and should be strengthened. No one
22	should be allowed to drill a new well unless they
23	are in compliance with their gas capture
24	requirements. And no one should be able to drill a
25	new well unless they can show they have the

Page 25 1 infrastructure in place to capture all of the gas 2 they produce. 3 Also, we support the proposal by the climate advocates and DDS, which should ensure these 4 5 green completion requirements function as EPA intended them to. 6 7 And finally, we support strong performance 8 standards for flares. We know that flares routinely 9 malfunction in the field, leading to uncontrolled 10 venting. 11 Colorado has required companies to use auto igniters on flares, and New Mexico should 12 require that as well at all wells, including 13 stripper wells. 14 And thank you for your work, and thank you 15 for protecting our families and communities. 16 17 HEARING OFFICER ORTH: Thank you, 18 Ms. Feibleman. 19 Amy Maki? 20 MS. MAKI: Good morning. Can you hear me? 21 HEARING OFFICER ORTH: Yes, thank you. 22 MS. MAKI: My name is Amy Maki, and I live 23 in Santa Fe, New Mexico, and I have for the last 24 15 years with my family. I'm a mother of two 25 teenagers.

Page 26 And I, first of all, want to thank the Oil 1 Conservation Commission for this opportunity to 2 3 comment. 4 And all of the other conservation groups, thank you so much for your hard work. 5 I'm a Level 2 licensed special education 6 7 teacher and a general education teacher. Т 8 currently teach at Milagro Middle School in 9 Santa Fe. And if you see me leave the meeting, it's 10 only because I have to go to work. 11 So I have a biology degree, a master's 12 from the Institute of American Indian Arts, in 13 Santa Fe. 14 Unfortunately, nationwide, New Mexico ranks very low in education. We are at 49th. 15 We are the 49th one. We beat out Mississippi for last 16 17 place. Education is not a priority, and neither 18 19 is the health of our children in this state. Some 20 of my students don't have a permanent home, and 21 their families have to make some tough choices, such 22 as doctor bills or food. 23 And this is long before COVID hit. They 24 are treading water. 25 And our education system, at 49th in the

rankings, is also treading water. They're just
 getting by.

And education, as we know, provides more opportunities. And an investment in our youth is an investment in the future of all of New Mexico.

6 So I strongly agree that New Mexico cannot 7 afford this methane waste. Each year oil and gas 8 companies waste 271 million worth of natural gas 9 through venting, flaring, and leaks. It cost the 10 state over 43 million in royalties and tax revenue. 11 And this is money that could help increase student success, you know, provide more job -- job 12 opportunities for them in the future, and a better 13 14 life. And this money saved could help the at-risk 15 students.

16So in such an oil rich state, and gas,17why -- why are so many people so poor?

18 HEARING OFFICER ORTH: Ms. Maki, please19 wrap up.

MS. MAKI: We need the requirements for prohibiting methane waste, and it's even a waste of money. It could be used to help all New Mexicans, especially our children, our future, and I believe it needs to change this year.

In 2021, it is possible to capture the

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Page 28 1 methane, which would save money and lives, through 2 health. 3 This is why I support Governor Michelle Lujan Grisham to call for our nation in leading 4 5 methane rules. It can help eliminate unnecessary and harmful methane waste. 6 7 And I thank you for allowing me to 8 comment. 9 And thank you all. That's it. 10 HEARING OFFICER ORTH: Thank you, 11 Ms. Maki. 12 Our next several commenters are Robyn Jackson, Jeff Thrope, Joan Brown, and Sister Marlene 13 14 Perrotte. 15 Ms. Jackson? 16 MR. LAMKIN: Ms. Orth, we've had a couple of people ask if you could speak up a little bit. 17 18 HEARING OFFICER ORTH: Oh, yes. Yes. 19 Mr. Lamkin, while I have you unmuted, did 20 we -- or do you want to call the list of call-in 21 users to establish their identity? 22 MR. LAMKIN: I have -- currently, I have 23 them unmuted, so they should be able to identify 24 themselves. If not, I can do that. HEARING OFFICER ORTH: So, Robyn Jackson? 25

Page 29 1 MS. JACKSON: Good morning. 2 My name is Robyn Jackson. I'm with the 3 Navajo organization. We work with the Navajo community. We're in the eastern agency of the 4 Navajo Nation in checkerboard lands in New Mexico. 5 During my visits to these communities, I 6 7 have been made aware that there are many Navajo 8 residential members who are daily subjected to toxic 9 gases from oil and gas wells. 10 A health assessment, conducted in 11 partnership with the Counselor chapter, was released 12 last year. It reported that of the community 13 respondents who filled out symptom surveys, 14 90 percent said they experienced sinus problems and 15 sore throat. 16 80 percent reported cough, headaches, itching, burning eyes, joint pain, fatigue, and 17 sleep disorders. 18 19 70 percent reported nosebleeds and 20 wheezing. 21 Further concerning is the growing evidence 22 of association between proximity to well pads and 23 negative health outcomes among young children. 24 Recent studies have found symptoms 25 including low birth weight and prematurity.

Page 30 Children spend more time outdoors, 1 2 increasing their exposure to emissions. Their 3 bodies are still maturing, and they cannot metabolize or detoxify some toxicants as well as 4 adults. Their brains are developing, and many well 5 pollutants are known to interfere with cognitive 6 7 development. 8 Children under the age of nine years make 9 up approximately 31 percent of the population in 10 Counselor. 11 I urge the OCC members to strengthen the OCD's proposed methane use rules to eliminate any 12 13 unnecessary risk from pollution. 14 The rules should include requiring operators to immediately notify communities when 15 methane releases threaten public health and safety. 16 17 The rule should also include denying permits to drill new wells if operators are out of 18 19 compliance with gas capture requirements. 20 Additionally, the rule should prohibit 21 routine venting and flaring during pipeline 22 maintenance and repairs, and only allow for 23 emergency flaring. 24 These requirements will make a substantial 25 difference in Navajo communities and their future

Page 31 1 generations. 2 Thank you. 3 HEARING OFFICER ORTH: Thank you very 4 much, Ms. Jackson. 5 Jeff Thrope? MR. THROPE: Can you hear me? 6 7 HEARING OFFICER ORTH: Yes. Thank you. 8 MR. THROPE: Okay. Great. 9 I am Jeff Thrope. I am with Public Land 10 Solutions, and I live in Abiguiu, New Mexico. 11 New Mexico has a methane waste and oil and gas air pollution problem, and it's causing harm to 12 13 the state's unique outdoor recreation range by 14 ruining our air and harming our climate. 15 Methane is a powerful climate change pollutant responsible for 25 percent of the warming 16 we experience today. And New Mexico is a primary 17 source of our nation's methane pollution. 18 19 While we worked to promote our unique 20 cultural heritage, along with our hiking, eating, 21 biking, fishing, skiing, rafting, and climbing, New Mexico is increasingly known as the nation's 22 23 leading methane hot spot. 24 Climate change effects will impair the 25 quality of the outdoor recreation experience, cause

Page 32 health and safety concerns for recreationists, and 1 2 inhibit the outdoor recreation economy. The currently occurring and accelerating 3 effects of climate change on public lands and 4 5 waters, recreational opportunities they support, are extensive and increasingly well documented. 6 7 When our air is dirty, people won't hike 8 in our deserts, ride bikes in our mountains, or raft, kayak, and canoe down our rivers. 9 10 To keep our air clean and protect the 11 outdoor recreation businesses that are core to the New Mexican economy, we need strong rules to reduce 12 air and climate pollution. We urge NMED and OCD to 13 14 improve their methane and air quality proposals to 15 meet the governor's goals and protect our 16 businesses. As we all dig out of the current 17 economic crisis, it's important now, more than ever, to maintain New Mexico. 18 19 HEARING OFFICER ORTH: Thank you, 20 Mr. Thrope. 21 Joan Brown? 22 MS. BROWN: Good morning. Can you hear 23 me? 24 HEARING OFFICER ORTH: Yes, I can. Thank 25 you.

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MS. BROWN: Okay. Thank you so much.
 Good morning, Madam Hearing Officer.
 Thank you for holding the hearing and for all of
 your hard work.

5 I'm Sister Joan Brown, and I'm the 6 director of New Mexico Interfaith Power and Light. 7 We work with thousands of faith leaders, their 8 communities, and peoples all across New Mexico to 9 care for creation, the health of communities, and 10 for climate justice, and we support very strong 11 methane rules.

12 Clean air, community health, and 13 addressing a warming climate are ethical and moral 14 imperatives rooted in the religious teachings to 15 love thy neighbor and to care for our sacred 16 creation.

17 I've gone with people of faith to the Permian Basin and witnessed the pollution, felt the 18 19 sickness some of my brothers and sisters experience on a daily basis, and walked in areas inundated with 20 21 oil and gas drilling in our land of enchantment, but 22 now feel more like wasteland. And with pollution, our state feels more and more like a sacrifice zone. 23 24 We must change this.

Some courageous people in the Permian have

25

Page 34 talked with me about their concerns, including 1 2 flaring not done properly, operators who do not 3 notify communities when methane releases threatened them and the environment, suffering from routine 4 venting and flaring during maintenance and repairs, 5 and operators who are out of compliance and continue 6 7 to operate. These concerns must be addressed for the 8 OCC rules to be strong enough. 9 10 More than 75 percent of the children under 11 five years old in New Mexico's largest oil producing 12 counties live within a mile of an active well site. 13 People of faith are called to protect the most vulnerable and our children and our climate in 14 the future, and the OCC rules must do that. 15 Through the rules, we believe that they 16 17 need three things: 18 To ban routine venting and flaring, and 19 only allow those when they are necessary. 20 Two, require oil and gas companies to 21 capture 98 percent of the methane emissions. And we

22 believe it could be done and needs to be done before 2026. 23

24 And three, to strengthen state reporting 25 and public notice requirements to improve

Page 35 1 transparency and accountability. 2 Finally, the rules are of no value if 3 there are not resources and personnel to adequately enforce them. And this is currently a huge problem 4 in our state, with OCC and also NMED. 5 New Mexico Interfaith Power and Light has 6 7 been working with people of faith to get methane 8 rules for years now. First at the federal level, and now, here at the state level. 9 10 These are really vital to address climate, 11 our health, care of our sacred creation. We know that our state agency and citizens care, and we know 12 you're working very hard. But we support every, 13 14 every effort to make this happen, and happen right 15 now. 16 Thank you so much. 17 HEARING OFFICER ORTH: Thank you, Sister 18 Brown. 19 Sister Perrotte, Marlene Perrotte. 20 MS. PERROTTE: Good morning, Madam Hearing 21 officer and Oil Conservation Commission. 22 I am Marlene Perrotte, a sister of mercy 23 and a member of the partnership for earth, spirit --24 for earth, spiritual living, living here in 25 Albuquerque.

Page 36 Thank you for the opportunity to provide 1 comment on methane venting and flaring at this 2 3 hearing. It is critical that this commission strengthen the methane waste rule. 4 I have worked in the Artesia area and 5 personally have observed the emission of methane gas 6 7 through an infrared camera. Many of the clients 8 that I worked with had headaches, asthma, and they 9 were very prevalent. Even myself, when I went into 10 that area and came out of that, I would have 11 headaches. The air quality is very poor. 12 The simple fact of being human moves people to care for the environment of which we are a 13 14 part, realizing that it is our responsibility and duty to redress the damage caused by human abuse of 15 God's creation. 16 17 Social ethics demand caring for our common We are entrusted with helping to raise the Oil 18 own. 19 Conservation Commission's redress to the problems of 20 methane. Following the science, we need strong 21 legal requirement to prevent methane from being vented into the atmosphere. 22 23 It is critical to adopt rules that hold 24 polluters accountable. I want to stress that. Adopt rules that hold polluters accountable and cut 25

Page 37 down emissions across the oil and gas supply chain. 1 2 The other is, we cannot exempt 95 percent 3 of wells from regulation across the state from oversight and basic leak detection and repair 4 5 requirements. I strongly encourage the commission to 6 7 deny drilling of new wells if out of compliance, if 8 these polluters are out of compliance with gas 9 capturing requirements. 10 NMED and New Mexico Energy, Minerals and 11 Natural Resources Division need to have rules to protect the earth community: Clean air, clean 12 water, and healthy soil. 13 14 We have to have the resources for 15 implementation -- strong regulations, implementations, and enforcement. And it cannot be 16 17 delayed. All agencies must work together for a 18 19 comprehen- -- for comprehensive rules to protect us 20 and our very life planet. 21 Thank you very much. 2.2 HEARING OFFICER ORTH: Thank you very 23 much. 24 Our next commenters are Sandra Ely, Richard Mark Glover, Ruth Striegel, Kyle Fiore. 25

Page 38 1 Ms. Ely? 2 MS. ELY: Good morning, Madam Hearing 3 Officer and members of the commission. 4 Can you hear me? HEARING OFFICER ORTH: Yes, thank you. 5 6 MS. ELY: My name is Sandra Ely, and I'm 7 here for the protection division of the New Mexico 8 environment department. 9 The environment department and the energy 10 and minerals and natural resources department have 11 been working together since early 2019 to develop strategies to reduce waste and air pollution in 12 New Mexico's oil and gas industry. 13 14 These strategies are designed to make the 15 state's greenhouse gas emission reduction target, improve air quality, reduce waste of a valuable 16 resource, and increase royalties to the state. 17 18 The agency set out to draft separate, but 19 complimentary rules, with NMED's rules addressing 20 our pollution and rules addressing waste. 21 With that in mind, the two agencies worked 22 together for nearly two years. And during that time 23 jointly held multiple stakeholder meetings with a 24 diverse group of stakeholders, convened the methane 25 advisory panel to create the comprehensive

Page 39 technology support document, and met frequently to 1 2 discuss stakeholder input and oil development. 3 This approach enabled the two departments to craft rules that are not duplicative, do not 4 5 conflict, and do not leave regulatory gaps. The two sets of rules are designed to work 6 7 together to provide full coverage of the industry to 8 achieve the waste and pollution reductions 9 New Mexicans deserve, the rules put before the 10 commission, this rule making body, in April, to 11 propose a hearing this summer. 12 The environment department strongly 13 supports the proposed rules before the Oil 14 Conservation Commission and encourages the commission to adopt these rules as written. 15 16 Thank you. 17 HEARING OFFICER ORTH: Thank you very 18 much. 19 Richard Mark Glover. 20 Mr. Glover? We will hope to hear from him 21 later. 22 Ruth Striegel? 23 MS. STRIEGEL: Good morning. I'm Ruth 24 Striegel, from Albuquerque. I'm a retired public 25 schoolteacher and a church musician. I serve on the

board of the New Mexico chapter of Interfaith Power 1 and Light. 2 3 Thank you for your work in this area and for allowing me to comment. 4 I'm asking that the Oil Conservation 5 6 Commission strengthen the proposed methane-based 7 rules. Having spent 35 years teaching in New Mexico 8 schools, I'm very aware that our school budgets are 9 always stretched very thin. And an income from 10 taxes and royalties on extracting industries is a 11 very important source of revenue. 12 As a person of faith, it's extremely 13 important to me that we support the health and 14 well-being of all people, including those living near oil and gas installations. 15 And as someone who values the natural 16 world and is extremely concerned about climate 17 change, I can't begin to understand how we can allow 18 19 this potent greenhouse gas to be released into the 20 atmosphere. 21 The methane waste rule must ban routine 22 venting and flaring and require operators to capture 23 98 percent of methane emissions. 24 According to a recent report, the oil and gas sector is generating over half of the greenhouse 25

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Page 41 gas emissions in New Mexico. We must hold operators 1 accountable for maintaining their equipment in good 2 condition, so that leaks don't occur. 3 The methane waste rules should strengthen 4 5 reporting and public notice requirements, to make sure that operators are actually following through. 6 7 The rule should ensure that leaks and 8 repairs are verified by an independent third party. 9 We need more inspectors at the well sites, rather 10 than depending on the industry to self-monitor. 11 Operators whose equipment is leaking 12 methane should not be issued new drilling permits 13 until they clean up their act. 14 Operators should be required to notify the public when methane releases endanger public and 15 environmental health. 16 17 Thank you for the opportunity to comment. HEARING OFFICER ORTH: Thank you, 18 19 Ms. Striegel. 20 Kyle Fiore? 21 MS. FIORE: Yes. Can you hear me? 2.2 HEARING OFFICER ORTH: Yes. Thank you. 23 Okay. Thank you. MS. FIORE: I would like to thank the Oil Conservation 24 25 Commission for the opportunity for me to speak.

Page 42 My name is Kyle Fiore, and I live in 1 Albuquerque. I'm a member of the African Methodist 2 3 Episcopal Church and I work with New Mexico Interfaith Power and Light. 4 I strongly support the commission's belief 5 that the commission's final ruling needs to strongly 6 7 support stronger controls, controls that will ban 8 routine venting and flaring, except when necessary, 9 ensure accountability of gas and oil operations, and 10 require gas and oil companies to capture 98 percent 11 of methane emissions. 12 It's the nature of these methane emissions 13 that I want to underscore today. 14 Methane is a dangerous, and in New Mexico, 15 a precious gas. Methane gas is responsible for 25 percent of climate change. 16 17 Methane is also a primary component of natural gas. When methane is properly captured, it 18 19 could bring in upwards of \$43 million, money that 20 could be used to fund public education for our 21 children. 22 Public education is a right and a 23 privilege that is very dear to me. As a mother and 24 a grandmother, I've worked with my children and 25 grandchildren as they struggled in our public

Page 43 schools. I'm not alone in this struggle. 1 New Mexico public schools ranked 49th in the 2 3 United States in 2018. The New Mexico coalition for literacy 4 estimates that an astonishing 46 percent of the 5 adults in our state are funcitonal illiterates. 6 7 Numbers like this can only exist if you have one of 8 the worst public school systems in the United States. 9 Faced with these statistics and the 10 11 knowledge that the capture of methane gases could bring in close to \$43 million to shore up our broken 12 13 education system, the proper capture of methane 14 emissions appears a simple and critical necessity, both for our environment and our schools. 15 16 Thank you. 17 HEARING OFFICER ORTH: Thank you, Ms. Fiore. 18 19 The three next commenters are David 20 Patterson, Pat Belleto, and Anita Amstutz. 21 Mr. Patterson? 2.2 MR. PATTERSON: Yes. 23 HEARING OFFICER ORTH: I can hear you. 24 MR. PATTERSON: Well, good. 25 Are you ready for me to talk?

Page 44 1 HEARING OFFICER ORTH: Yes, please. Go 2 ahead. 3 MR. PATTERSON: Okay. Well, first of all, I want to say thank you. This is the first time 4 that I have ever been involved in something like 5 I retired a couple of years ago, and my wife 6 this. 7 and I have loved New Mexico for years and years. And back in the '70s and early '80s, she traveled up 8 and down New Mexico with an artist circle and loved 9 10 everything about it. 11 When we retired, I wanted to start speaking up for nature and trying to help nature. 12 And in the results of my reading, I started finding 13 14 that you can't help nature unless you deal with the things that are causing extinction in this country. 15 And my wife and I both reached the 16 17 conclusion that New Mexico cannot continue to call itself the land of enchantment when a huge methane 18 19 cloud sits over the Four Corners area, home to 20 thousands of indigenous Americans, many of them 21 living within half a mile of a production site. 22 The American Lung Association gave 23 San Juan County an F for ozone. Fine particulate 24 matter often swipes at more than twice the EPA levels for hazardous. 25

Page 45 And so today, I challenge the board of 1 2 governors to go to the extraction area, where 3 thousands of poor people are stuck, and smell the air and talk to the people most affected, for 4 ten days, and then make your decision. 5 I would agree with everything that 6 7 everyone has said today, with the exception of 8 perhaps the guy who said none of us like regulation. 9 I love regulation. Regulation keeps us --10 has helped us save many, many animals. It's helped 11 save many, many lives. And I'm a big believer, especially in -- in more regulation for an industry 12 that shows very little concern for human life in so 13 14 many areas. We all know we're already in a crisis, 15 16 with climate change getting more severe every year. We're already losing thousands of species, living 17 things, every year because of fossil fuels. 18 19 You know that. We know that. We all know 20 that. 21 It's time to act now, to stop methane 22 leaks, whether they are smaller wells or large ones. 23 Please stop kicking the issue down the 24 You have a responsibility and opportunity to road. 25 help New Mexico, as a state, to move much faster to

Page 46 protect our people, our air, our water, our future, 1 2 our land. Please act now. 3 Act boldly, to protect this beautiful state from more deadly pollution. 4 Thank you so much for this opportunity to 5 speak. And thank you to all of those who have 6 7 spoken already today. I agree with them 8 wholeheartedly. 9 But I want us to act and stop -- and stop 10 having studies. We know what we need to know. 11 So thank you so much for your time. 12 HEARING OFFICER ORTH: Thank you, 13 Mr. Patterson. 14 Pat Belleto -- and let me apologize. Ι could be apologizing all day, in the event I'm 15 mispronouncing your name. 16 17 MS. BELLETO: Thank you very much. 18 My name is Pat Belleto, and I live in 19 Albuquerque, where I've been since moving from 20 Gallup. I am a strong Christian, and my Bible 21 reading disclosed that creation care is the very 22 core of our Christian walk. And that -- and, plus, 23 the health and the welfare of my grandchildren and the children and friends that I've worked with on 24 25 the Navajo Reservation.

It's at the very core of why I feel
 compelled to speak during this public comment period
 regarding the methane rules.

And thank you for that opportunity. 4 Much of our school funding comes from oil 5 6 and gas revenues. But we are not only losing 7 billions in revenue by not capturing more than 8 1.1 million tons of wasted methane, but we are adding to the cost of health, respiratory problems, 9 10 damage to our environment, to ourselves, and our 11 future generations.

Methane is a powerful greenhouse gas responsible for about 25 percent of the climate change we are experiencing today. Wasted methane costs our schools upwards of 43 million in royalty and tax revenue.

17 The proposed rule is a good start, but we 18 need to strengthen them. We need to strengthen them 19 by banning routine venting and flaring, and only 20 allow such activities when necessary for health and 21 safety, and require flaring over venting, except 22 when necessary, for health and safety.

23 Requiring oil and gas companies to capture 24 98 percent of methane emissions, strengthen state 25 reporting and public notice requirements to approve

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Page 48 1 transparency, and ensure accountability of oil and 2 gas operations, and not permit oil and gas 3 operations of the companies who aren't following safety rules and are not maintaining their 4 equipment. 5 Once again, I want to thank you for this 6 7 wonderful opportunity. I'm so excited to see our 8 state moving forward on this after many years of hitting our heads against the wall. 9 10 Thank you. 11 HEARING OFFICER ORTH: Thank you, 12 Ms. Belleto. 13 Anita Amstutz? 14 MS. AMSTUTZ: Good morning. 15 Can you hear me? 16 HEARING OFFICER ORTH: Yes, good morning. 17 Please go ahead. 18 MS. AMSTUTZ: Greetings. I want to -- my 19 name is Anita Amstutz, and I want to thank all of 20 the honorable committee members and those who have 21 spoken today. 2.2 I am a beekeeper and a board member of 23 New Mexico Beekeepers Association, and also founder 24 of I Think Like a Bee, which is a nonprofit for a 25 pollinator and education and advocacy.

Page 49 When we have beekeepers in both the Four 1 Corners and the Permian Basin areas of oil and gas 2 3 exploration, we all know these days that bees need clean air, clean water, and clean soil and good 4 habitat to thrive. 5 These days they are barely surveying, for 6 7 all the reasons we've noted on this call, and more. 8 And we know they are the canaries in the mine. 9 What's good for bees is good for humans. 10 Today we are talking about methane from 11 the oil and gas industry, billions of tons poured 12 into our air regularly. 13 My dad was a farmer. I am a farmer's 14 daughter. He raised pigs. And when I used to complain about the smell of the pigs he would say, 15 Anita, that is the smell of money. 16 17 Well, in New Mexico, the smell of millions of tons of vented or flared wasted methane is not 18 19 the smell of money. It is the smell of waste. It is money because, as we have heard in 20 21 earlier comments, wasted methane, when captured, can translate to millions of dollars of royalties into 22 state funds for our schools, infrastructure, and 23 24 certainly for our public health crisis right now 25 with COVID.

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I fear that New Mexico is a banana
 republic, meaning we are dependent on foreign
 capital of oil and gas exploration.

By allowing any and all companies, no matter what their industry practices, regardless of financial solvency, to come into our state and exploit our natural resources, take the money and run, means New Mexico gets a fraction of the income.

9 Already New Mexico is still a very poor 10 state, as we know, while our precious air, water, 11 and land is used up.

12 So economically, this is a boom or bust cycle, which will leave us with stranded assets, a 13 14 plundered and destroyed landscape, as we heard, and taxpayers, like all of us on this call, holding the 15 bag to clean up, while our communities, human and 16 nonhuman, pay with their health, with respiratory, 17 skin, and immune system diseases and cancers for our 18 19 children.

20 So we must balance our quality of life 21 with the economics of any industry. Without 22 reasonable regulation of oil and gas industries, who 23 have been documented not to care about regulation; 24 but, rather, about their own money, their greed and 25 profit, we call for you --

Page 51 1 HEARING OFFICER ORTH: Wrap up, please. 2 MS. AMSTUTZ: Yes. 3 So I just want to, with everyone else, call for you, the New Mexico Oil Conservation 4 Commission, to put our human land, air, water, and 5 health first, so we can have thriving communities 6 7 and strengthen this proposed methane waste rule to 8 eliminate unnecessary methane waste. 9 And also, I want to just highlight that we 10 deny or revoke permits to those who are unwilling or 11 unable to comply. 12 So thank you so much for this opportunity 13 to speak. 14 HEARING OFFICER ORTH: Thank you, 15 Ms. Amstutz. Let me look back to the three commenters 16 who did not speak up when I called their names 17 18 earlier in this time slot. 19 Patrico Larragoite. Is Mr. Larragoite 20 with us? 21 Okay. 2.2 Steve Gross. Is Mr. Gross with us? 23 And Richard Mark Glover. Is Mr. Glover with us? 24 25 No? All right.

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We are going to move, then, to the public 1 commenters with the next time slot. I will call on 2 3 you in this order: Reverend David Wilson Rogers, 4 Joanne Ferrary, Yvonne Pesquera, Wendy Atcitty, 5 Regina Nordquist, Gloria Lehmer, Tara Lujan, and Leland Bowen. 6 7 Just two reminders. Please try to keep your comments to two minutes. I will ask you to 8 9 wrap up as you get to two minutes. 10 And in the event you would like to add 11 more for the commission's consideration as part of this rule making, please submit comments in writing 12 to Florene Davidson. You'll find her contact 13 14 information on the OCD web page. And commissioners, we will, after this 15 next set of comments, take a short break, unless 16 17 someone needs a break now. Any of you please speak up, or the court 18 19 reporter needs to speak up, obviously. 20 Okay. Let's start, then, with Reverend 21 David Wilson Rogers. 2.2 Mr. Rogers? Reverend Rogers? 23 MR. ROGERS: Good morning. Are you able 24 to hear me okay? HEARING OFFICER ORTH: Yes, thank you. 25

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MR. ROGERS: Well, I wish to thank all of 1 2 you on the panel for taking the time to hear my 3 concerns. I am the Reverend David Wilson Rogers of Carlsbad, New Mexico. And I've been living in this 4 5 county for 21 years. In this time I've seen and appreciate the 6 7 economic value from the industry. But I have also 8 seen its catastrophic destruction. 9 In 2019 I traveled to Madrid, Spain, to 10 speak to the United Nations conference on global 11 climate change, and to speak about our community 12 here in Carlsbad, which is being overrun by largely unregulated, unmonitored, and uncontained methane 13 14 release. It's no secret that this volatile gas is a climate problem that is destroying our climate. 15 Yet in Madrid, I also saw firsthand that 16 17 deep pockets of the oil and gas industry have been troubled, both the public at large and global 18 19 government, with the lies that they have atmospheric 20 pollution under control. 21 And I said on that global stage that the 22 day will come when the bottom would fall out of the 23 oil and gas market and the inadequate governmental 24 and industry infrastructure necessary to clean up

25 the mess would be overwhelmed.

Page 54 Sadly, my prediction came true this past 1 2 spring. 3 I also want to reference the September 20, 2020, New York Times article by Pulitzer prize 4 winning journalists who reported on the deceptive 5 disconnect between what the industry knows it is 6 7 doing, and marking the motivation of the pure profit 8 the industry intends to communicate. 9 This well-funded marketing effort is 10 covering up the voluminous expulsion of toxic gas in our atmosphere, because it makes a better short-term 11 business profit, to destroy the environment than to 12 13 invest the money necessary to save the planet and 14 environment collapse. My point is simple. The proposed rule is 15 a good step in the right direction but it does not 16 17 go far enough. 18 If we allow violators to continue 19 violating without sufficient descriptions, and the 20 exceptions to the rule allow too many loopholes 21 through which toxic emissions continue to be 22 allowed, there is no stopping this climate problem. 23 Thank you for your time. I appreciate the opportunities that you give us to speak our hearts. 24 25 Thank you.

Page 55 1 HEARING OFFICER ORTH: Thank you, Reverend 2 Rogers. 3 Joanne Ferrary. 4 Ms. Ferrary? (Discussion off the record.) 5 HEARING OFFICER ORTH: I will call on her 6 7 again after we take the next several commenters. 8 Yvonne Pesquera? 9 MS. PESQUERA: Good morning. This is 10 Yvonne. Can you hear me? 11 HEARING OFFICER ORTH: Yes, I can hear 12 you. 13 MS. PESQUERA: Good morning. 14 I'm Yvonne Pesquera. I'm a resident of Taos and a volunteer with the Sierra Club. 15 Thank you to the oil conservation 16 committee for this opportunity to provide comment on 17 18 methane venting and flaring. 19 As we've heard others say, methane is a 20 powerful greenhouse gas that is responsible for 21 25 percent of the climate change we're experiencing 22 today. 23 Personally, I am experiencing climate 24 change here in Taos in my past decade living here. 25 So in just ten years I'm talking about, our winters

Page 56 are shorter, our snowfall amounts are very small. 1 2 We're skiing on artificial snow. 3 This means the spring runoff is considerably lower. How low? This past summer Rio 4 Bravo dropped below 200 cubic feet per second. 5 That means the water level in the Rio was so low you 6 7 could walk across it in some spots like a creek. 8 Now for those of you who don't know, the Rio here in Taos in the gorge is usually so deep it 9 10 drowns a couple of rafters almost every year. 11 So to the fact that we could walk across it in some spots shows you how low the water level 12 13 dropped because there was no snow, no spring runoff. 14 Now, that's just the present that I am talking about. 15 I'm also personally afraid about the 16 future of wildfires. As you know, the whole state 17 is in drought, no matter where you live in 18 19 New Mexico. And the Taos population, we sit in the 20 valley between a dry high mesa and a dry Sangre de 21 Cristo mountain range. It's like living in a 22 matchbox. I respectfully request that the Oil 23 Conservation Commission strengthen the methane waste 24 rules with three concrete actions. 25 One, please toughen the provisions to

Page 57 ensure that flares stay lit and work properly at all 1 2 times. 3 Two, please prohibit routine venting and 4 flaring during pipeline maintenance and repairs. And three, please deny permits to drill 5 new wells if operators are out of compliance with 6 7 gas capture requirements. 8 Thank you for the opportunity. 9 I am done with my comments. 10 HEARING OFFICER ORTH: Thank you, 11 Ms. Pesquera. 12 Wendy Atcitty. 13 Ms. Atcitty? 14 I will come back. Regina Nordquist? 15 Ms. Nordquist? 16 17 Gloria Lehmer? 18 MS. LEHMER: Yes. My name is Gloria 19 Lehmer, and I am a lifelong resident of San Juan 20 County, New Mexico, and I live in Farmington. 21 Can you hear me okay? 2.2 HEARING OFFICER ORTH: Yes, I can. 23 MS. LEHMER: Okay. I serve on the boards of the River Reach 24 25 Foundation, on the steering committee on a water

Page 58 group that I am president of our association, and a 1 private citizen. 2 3 My thanks to the Oil Conservation Division 4 to give me the opportunity to provide comment. 5 I support the strengthening of the Oil Conservation Division's proposed methane waste rules 6 7 to eliminate unnecessary methane waste. 8 Living in the San Juan Basin all of my life, I've gone through the many booms and busts of 9 10 the industry. 11 Although I don't deny the so-called legacy of oil and gas in our area and in our state, I have 12 13 been speaking up about the issue of methane waste 14 and pollution and its impact on public health, 15 safety, and our environment for many years now. It is not lost on me that the Four Corners 16 area, in which I have lived since 1959, was 17 designated as an energy sacrifice done in the 1970s 18 19 by then President Nixon. 20 I have seen the negative impacts of 21 flaring, venting, leaks, explosions, job accidents, 22 the excess use and destruction of land and water, 23 and more recently drought and wildfires north of us, near Durango, Colorado, in the Four Corners. 24 I have witnessed this firsthand. 25 I have

Page 59 1 been, along with the flare camera operators to see the chemicals being vented and flared into our air 2 3 and gasses. Ten of thousands of well sites dot our landscape inside and outside of the city limits here 4 in Farmington and all throughout San Juan County, 5 near schools and homes, including mine. 6 7 Now, during attempts to transform our area 8 into a tourism and outdoor recreation drop, the impacts have become even more pronounced. 9 10 Personally, my husband and I own land on a 11 well site currently being abandoned, as it is no longer producing. There will be no chance of fully 12 reclaiming it because of what we are told must be 13 left in place both above and below the surface. 14 The final methane rule, in my opinion, 15 must ban routine venting and flaring, except when 16 necessary for health and safety, and require flaring 17 over venting, except when necessary for health and 18 19 safety. 20 Please require oil and gas companies to 21 capture 98 percent of methane emissions by 2026, 22 which will save millions in royalty and tax revenue for our state. 23 24 Strengthen state reporting and public 25 notice requirements to improve transparency and

Page 60 ensure accountability of oil and gas operations. 1 2 Voluntarily -- voluntary reporting by the 3 industry has not proven to be a reliable method for transparency and accountability. I believe it's 4 enough -- it's been enough already. The time is now 5 for a strong methane rule for New Mexico. 6 7 We can lead in the nation. 8 Thank you again to the OCC for the opportunity to speak. 9 10 HEARING OFFICER ORTH: Thank you, 11 Ms. Lehmer. 12 Tara Lujan? 13 MS. LUJAN: I'm here. 14 Can you hear me? 15 HEARING OFFICER ORTH: Yes, I can hear you. 16 17 Thank you, Madam Chair, and MS. LUJAN: thank you to the Oil Conservation Commission for 18 19 allowing me to have the opportunity today to state a 20 few words. 21 I'm Representative Tara Lujan. Ι 22 represent House District 48 in Santa Fe County. 23 I just want to -- just a minute, here. 24 The EPA administrator, Andrew Wheeler, I 25 have a quote from the rollbacks and regulations from

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1	the Trump administration stated after President
2	Trump revoked Obama air regulations towards methane
3	emissions from gas and oil industry in August of
4	this past year.
5	He stated:
6	"Today's regulatory changes remove
7	redundant paperwork, and allow companies the
8	flexibility to satisfy leak-control requirements
9	while complying with equivalent state rules."
10	And this is why we, here in New Mexico,
11	have the opportunity to lead. But we can move to
12	more stronger, more responsible regulations.
13	And as you've heard from many today,
14	that's what we're asking for.
15	We are in a climate crisis, and the rules
16	that we are looking at are a very good start. We
17	need to meet critical strategy rules to make
18	we're trying to make significant rules with the
19	greenhouse gas emissions and meet those goals by
20	2030, and also support our governor's call for our
21	nation-leading methane rules as well.
22	We know that this pollutant is responsible
23	for 20 percent 25 percent of our climate change,
24	and is also released with ozone-forming pollutants
25	that we know are worsening our public health

1 outcomes.

2	So we are asking for strength and
3	regulatory health initiative that's already
4	mentioned with more transparency, more
5	accountability, more enforcement, rule enforcements
6	for noncompliance sake.
7	Without these things, we're looking
8	toward, and asking for we are going to worsen the
9	outcome that we already are facing right now, with
10	the climate disruption. And what we do now, what we
11	can do now to stop the earth's temperature by
12	putting forward regulations, will ensure an outlook
13	to create a more sustainable future.
14	So I thank you for the time, and I
15	respectfully ask you to look at this regulation and
16	these rules and meet with us in a more responsible
17	and ethical government.
18	Thank you.
19	HEARING OFFICER ORTH: Thank you,
20	Ms. Lujan.
21	Leland Bowen?
22	Leland Bowen? Mr. Bowen?
23	All right.
24	I'll go back to the others for this time
25	slot.

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Page 63 1 Joanne Ferrary? 2 MS. FERRARY: Thank you. Thank you so 3 much. 4 I'm Representative Joanne Ferrary from House District 37, which is the east side of 5 6 Las Cruces. 7 And I've been concerned about the methane waste and the toll it has taken on New Mexico. 8 9 I'm a house member of the energy 10 environment and natural resources committee, and 11 I've been concerned about methane waste and pollution in our state for a long time. 12 13 It's costing our schools millions in 14 revenue and ruining our air and harming our climate now and for the future generations. 15 And unlike other top-producing oil and gas 16 states, New Mexico has requirement -- has no 17 requirements prohibiting methane waste and 18 19 associated pollution from escaping. 20 And that constitutes an immediate health 21 threat to all New Mexicans, and it needs to change. 22 As a member of the legislative education 23 study interim committee, we need every dollar available for education -- for our educational 24 system, and we can't afford to waste methane 25

1 dollars.

2	Each year oil and gas companies waste
3	\$271 million worth of natural gas through venting,
4	flaring, and leaks, which cost the state over
5	43 million in royalty and tax revenue that could
6	fund public education and other critical services.
7	And I'm also house health and human
8	services committee vice chair. And it's critical
9	that we understand that methane also is a powerful
10	climate change pollutant and responsible for
11	25 percent of the warming we experience today.
12	Southern New Mexico has set record
13	temperatures record-breaking temperatures in
14	recent years. And the drought, combined, threatens
15	our future crop production in our state.
16	And in addition, oil and gas operations
17	release ozone-forming pollutants that worsen
18	respiratory diseases, such as emphysema and asthma.
19	And if action isn't taken, increasing oil and gas
20	production will lead to even higher pollution
21	levels.
22	We have seen this in Dona Ana County and
23	the Chaparral area, the southeastern part of our
24	county. And that area, where there is gas utility
25	production, it's causing health problems for

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1 children and their families.

2 Please consider strengthening the proposed 3 methane waste rules to eliminate unnecessary methane waste. We owe it to New Mexico, as well as the 4 world, to mitigate quickly the effects of methane 5 waste in order to climate -- to stall climate change 6 7 and lasting -- and its lasting effects. 8 Thank you. 9 HEARING OFFICER ORTH: Thank you, 10 Representative, Ferrara. 11 Let me loop back to Wendy Atcitty. 12 Hello. Can you hear me? MS ATCITTY: 13 HEARING OFFICER ORTH: Yes, I can. Thank 14 you. MS ATCITTY: Okay. I would like to thank 15 the Oil Conservation Commission, OCC, for this 16 public hearing. 17 My name is Wendy Atcitty, and my family is 18 19 from the eastern agency of the Navajo Nation that 20 represents the family basin. 21 I'm adding my comments to the OCC 22 regarding their regulation. I wasn't aware as a child, in walking 23 24 outside my family's land, how I was breathing 25 decades of harmful, dangerous methane and organic

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1 compounds, and ozone gas into my lungs. 2 As a young adult, being mesmerized that a 3 24-hour flaring of two oil pads being less than a mile from my relatives' homesite. 4 5 My family, my relatives, my great grandchildrens' home is in this cloud of methane and 6 7 still breathing ozone gases. This was a home meant to be forever. 8 9 New Mexico OCC's proposed rules preventing 10 flares is critical for our health, and that of our 11 relatives, plants, animals, insects, and water. We need to speak for them, as they suffer the ills of 12 the extreme unhealthy mix of putting methane into 13 14 our ozone, into our sacred air space. I find it striking, while an adult, having 15 many oil and gas well pads within feet of sacred 16 cultural places that our people established hundreds 17 18 of years ago. 19 I note the dangerous clouds of gases and 20 am saddened to see it. 21 In the summer of 2019, I counted oil and 22 gas well sites within two miles of my family's land. 23 This proposed rule is critical and must require the impact of community and public input in developing 24 25 safety standards and allow community access to

Page 67 1 report more transparency. 2 We can make right or wrong for the venting 3 and flaring regulation for oil and natural gas production and gathering facilities, as we need 4 5 those dollars, more now than ever, that our health is most sacred. 6 7 Thank you. 8 HEARING OFFICER ORTH: Thank you, Ms. Atcitty. 9 10 Moving back again, Regina Nordquist? 11 MS. NORDQUIST: I'm here. Can you hear 12 me? 13 HEARING OFFICER ORTH: Yes, clearly. 14 Thank you. MS. NORDQUIST: Oh, thank you. I had some 15 16 trouble. 17 So first of all, thank you, committee members, for this opportunity to comment on the 18 19 proposed oil and gas regulations. 20 My name is Regina Nordquist, and I live in 21 Placitas, New Mexico. 22 I'm speaking here today because we are all 23 impacted by the climate changes visible all around 24 And this is an opportunity to make my voice us. 25 heard in support of New Mexico oil and gas industry

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1 regulations with teeth, enforceable regulations that 2 make sense for the environment and that would make a 3 big difference for New Mexico air quality and public 4 health.

5 For me personally, bad air quality impacts 6 me, in that I have had pneumonia three times since 7 moving here in 2007. Prior to moving here I never 8 had pneumonia. And I'm now regarded as having 9 compromised lungs.

We have a golden opportunity here to create oil and gas industry regulations that are environmentally sound and enforceable, that contribute to the personal health and well-being of all New Mexicans, and that provide tax and royalty money to public education.

16 0il -- all by cutting oil and gas industry
17 waste.

Our Governor, Michelle Lujan Grisham, has called on New Mexico for nation-leading methane rules. To do that, the rules, as proposed, must be strengthened.

As presented, New Mexico environmental department's draft rule exempts 95 percent of wells across the state from oversight and basic leak detection and repair.

Page 69 This borders on incomprehensible for me, 1 2 since nearly 70 percent of oil and gas methane 3 pollution in New Mexico occurs through leaks. The new regulations need to include tough 4 5 provisions, to make sure flares stay lit and function properly at all times, to prevent methane 6 7 from being vented in the atmosphere. 8 When a leak occurs or a malfunction, there must be provision in the regulations for reporting 9 10 and correcting that. 11 The new regulations also need to deny permits to drill new wells when operators are out of 12 13 compliance with gas capture requirements on their existing wells. 14 The New Mexico --15 16 HEARING OFFICER ORTH: Would you wrap up, 17 please? 18 MS. NORDQUIST: Sure. 19 So unlike other top oil and gas producing 20 states, New Mexico has no requirements prohibiting 21 methane waste and associated pollution from 22 escaping. 23 We have a golden opportunity here, and we 24 can increase revenues and royalties that will go 25 directly to public education.

Page 70 1 Thank you for this opportunity. 2 HEARING OFFICER ORTH: Thank you very 3 much, Ms. Nordquist. And our final loop back in this session is 4 Leland Bowen. 5 Mr. Bowen? Mr. Bowen? 6 7 All right. Our next session begins at 8 10:30, which is roughly 30 minutes from now. We will be on a 30-minute break. 9 10 Let me mention the names of those signed 11 up in the next time slot, in the order in which I 12 will call you. 13 Stacie Slay, Denton McCullough, Jon Klingel, Lari Tiller Howell and Rose Marie Cecchini. 14 Thank you. We'll see you all at 10:30. 15 (A recess was taken from 9:59 a.m. to 16 17 10:31 a.m.) 18 HEARING OFFICER ORTH: My name is Felicia 19 I'm a hearing officer appointed by the Oil Orth. 20 Conservation Commission to conduct a hearing in this 21 matter, the rule making hearing for the commission on preventing methane. Case Number 21528. 22 23 We're taking public comment today and the 24 first part of tomorrow. 25 Just a few reminders. Please try to keep

Page 71 your comments to two minutes. In the event you have 1 2 more you wish the commission to consider, please 3 submit that comment in writing to Florene Davidson, whose contact information is on the Oil Conservation 4 5 Division outreach and public engagement page. Those signed up in this time slot -- and 6 7 I'll call you in this order -- are Stacie Slay, Denton McCullough, Jon Klingel, Lari Tiller Howell, 8 and Rose Marie Cecchini. 9 10 I apologize if I mispronounce your name. 11 Please identify yourself when you are unmuted, and identify any affiliation you might 12 13 have. 14 I will begin with Ms. Slay, Stacie Slay. She was just here. 15 MR. LAMKIN: It looks 16 like she dropped off. 17 HEARING OFFICER ORTH: I will invite her again after we have taken the next commenter. 18 19 Denton McCullough? 20 Denton McCullough? 21 Jon Klingel? 2.2 Lari Tiller Howell? 23 Ms. Howell? 2.4 MR. LAMKIN: Yeah, she's here. 25 HEARING OFFICER ORTH: Ms. Howell?

Page 72 MS. HOWELL: I was hoping that I wouldn't 1 2 be the first, so I could figure out how this all 3 works. But as it is, you get this newbie talking. 4 My name is Lari Tiller Howell. I live in 5 6 Albuquerque, and I am a very interested citizen. 7 I've been an interested citizen for decades. 8 And I am very interested in this issue, 9 and especially making the issue stronger and more --10 committing the oil and gas companies to follow basic 11 rules that are needed for this time period. 12 We, obviously, are coming into a very serious warming trend, that the methane capture is 13 14 necessary. Instead of just slapping hands, we need to have a purposeful -- you know, a fine, real 15 consequences, for the misbehavers. We need to ban 16 17 the routine venting and flaring. 18 When I was 50 years old seeing venting of 19 methane gas I thought, My God, this has got to stop. 20 And that was a while ago, and it's still going on. 21 It's -- the methane may be a pittance to 22 the oil and gas companies, but it is huge to the 23 economy of New Mexico and huge to the health and safety of the citizens of New Mexico and, of course, 24 25 the methane that pollutes the atmosphere, and that

Page 73 generates 53 percent of all the greenhouse gases in 1 2 the state. 3 Apparently we are the worst state, as far as not really constraining the oil and gas 4 industries from doing what they -- the polluting 5 6 that they are doing. 7 The amount of money that is spent going up 8 in flames is tremendous from the state's point of 9 view, but probably moot from the oil and gas 10 company's point of view. 11 We need to improve the state reporting of 12 leaks and be accountable for those leaks and improve 13 the transparency, and actually have a commission to oversee whether the oil and gas companies are acting 14 in a community and earthly best interest, not just 15 in the bottom line. 16 17 HEARING OFFICER ORTH: Would you wrap up, 18 please? 19 MS. HOWELL: That went fast. 20 Anyway, I would like to see more 21 meaningful fines, transparency, and some third-party 22 oversight to ensure integrity. 23 That's all. 24 HEARING OFFICER ORTH: All right. Thank you very much, Ms. Howell. 25

Page 74 Rose Marie Cecchini. 1 MS. CECCHINI: Yes, good morning. 2 3 Can you hear me? HEARING OFFICER ORTH: Yes, thank you. 4 MS. CECCHINI: I am Rose Marie Cecchini, 5 and I am a sister. I work as director of peace, 6 7 justice, and creation, a Catholic for the Gallup diocese, and live in Gallup, New Mexico. 8 And I would like to thank members of the 9 10 Oil Conservation Commission for this opportunity to 11 provide comment at this hearing. 12 In my visits to faith communities in the counties of northeastern New Mexico, people have 13 shared with me the adverse health and environmental 14 impacts they continue to suffer from due to 15 heightened ozone pollution in the Four Corners area, 16 17 as well as the unregulated oil and gas operations that continue to emit methane gas through venting, 18 19 flaring, leaks, and associated toxic pollution. 20 These local residents describe to me how 21 these sources of ozone pollution are causing 22 increases in asthma attacks, especially in children 23 and elders, lung inflammation and injury, heart 24 attacks, the emergency room visits and 25 respiratory-related hospitalizations.

Page 75 1 And all of these adverse impacts are 2 causing just increased vulnerability in people to 3 the current coronavirus pandemic. Our faith traditions teach that creation 4 is God-given and sacred, intended for the well-being 5 and flowering of all human and planetary life. 6 7 And Pope Francis states, in care of our 8 common home, that the air of the atmosphere is 9 sacred, essential for all planetary life; and, 10 therefore, it's a sacred trust that requires us to 11 consider all the moral, ethical, and environmental justice dimensions that need to be incorporated in 12 our state and federal laws and regulations, to 13 14 ensure the common good. So these unregulated methane releases are 15 16 powerful climate change pollutants, 80 times more pollutants than carbon dioxide. And they're 17 responsible for 25 percent of the warming we 18 19 experience today. 20 So 70 percent of the oil and gas methane 21 pollution in New Mexico occurs through this leak. 22 We urge the Oil Conservation Commission to 23 further strengthen the Oil Conservation Division's 24 proposed methane waste rules to eliminate 25 unnecessary methane waste, to protect all species of

Page 76 life in New Mexico for present and future 1 2 generations. 3 The final rule must achieve three very 4 important objectives. The first, prohibit routine venting and 5 flaring during pipeline maintenance and repairs, and 6 7 only allow for flaring if necessary for safety. 8 And second, require oil and gas companies to capture 98 percent of methane emissions by 2026. 9 10 And third, strengthen state reporting and 11 public notice requirements to improve the transparency and ensure accountability of the oil 12 and gas operations. 13 14 And thank you so much for taking these 15 comments. 16 HEARING OFFICER ORTH: Thank you, 17 Ms. Cecchini. 18 Let me look back to Stacie Slay. Mr. Slay? 19 20 Mr. Slay? 21 MR. SLAY: Yes. 2.2 HEARING OFFICER ORTH: I can hear you. 23 MR. SLAY: I'm sorry. I had to get up for 24 just a second. I'm putting my oxygen on. 25 And so I've got two minutes to go?

Page 77 1 HEARING OFFICER ORTH: Yes. 2 MR. SLAY: My name is Stacie Slay, and I 3 live in La Plata, New Mexico, up in the Four 4 Corners. And the methane problem is really bad out 5 6 here. I was trying to get my camera going so you 7 can see. And I have MS, and I'm on 4 liters of 8 oxygen a minute. 9 So this has extra special meaning for me. 10 And I'm supporting Governor Michelle Lujan Grisham's 11 call for nation-leading methane rules. 12 We are missing out on money that could be used for our schools and roads. We're missing out 13 14 on clean air, which could be used to promote the state's tourism. 15 The fact that the methane is being allowed 16 to escape and flaring units are being allowed to 17 operate without the flaring unit even working, being 18 19 that everybody in -- is downwind of all of these 20 wells are breathing benzene and other horribly, 21 horribly cancerous agents. 22 I know I have days that are -- I can't 23 explain why I have problems. But all you have to do 24 is look at the satellite, and you can see the image of all the revenue we're wasting. Millions of 25

dollars that could be going towards the state,
 towards taxation.

3 So I'm here to basically support Michelle 4 Lujan Grisham's desire to make nation-leading rules. 5 We can do this. We have the technology. It is time 6 to do it. We need to ban routine venting and 7 flaring and only do such activities when it's 8 necessary, for health and safety concerns.

9 We need to require flaring and venting 10 exceptions only for health and safety. It cannot be 11 just up to anybody.

12 Right now we're trying to get loopholes in 13 the methane rules we have. We've got to stop that. 14 We need to require oil and gas companies 15 to capture 98 percent of this methane. This is 16 absolutely useable and doable. It would mean lots 17 of money for us.

18 We need to strengthen state reporting and 19 public notice requirements and improve transparency 20 and ensure accountability of oil and gas operations. 21 This is described as the wild west out 22 here, when it comes to oil and gas operations. 23 Methane is a powerful greenhouse gas, and it's 24 responsible for about 25 percent of the climate 25 change we're already experiencing.

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Page 79 1 HEARING OFFICER ORTH: Would you please 2 wrap up? MR. SLAY: Yes, I am wrapping up. 3 In fact, I basically am just saying that 4 5 for health, country, state, and the world, we need better methane rules. We can absolutely do this. 6 7 We don't have this because the powerful people with 8 money are -- are talking and being heard. 9 So please, please, please, let's get some 10 better rules and get rid of all the loopholes. 11 Thank you very much for your time. 12 HEARING OFFICER ORTH: Thank you very 13 much. 14 Moving back, has Denton McCullough joined 15 us? 16 Denton McCullough? 17 MR. McCULLOUGH: Hello. HEARING OFFICER ORTH: Hello. Is this 18 19 Mr. McCullough? 20 MR. McCULLOUGH: Hello. Can you hear me? 21 HEARING OFFICER ORTH: I can hear you. 22 Is this Mr. McCullough? 23 MR. McCULLOUGH: Hello. 24 HEARING OFFICER ORTH: This is Felicia 25 Orth.

Page 80 Is this Mr. McCullough? 1 2 MR. McCULLOUGH: Yes, it is. 3 HEARING OFFICER ORTH: Okay. If you 4 would, please, you have two minutes to offer your public comment. 5 MR. McCULLOUGH: Okay. As a resident of 6 7 the Permian Basin, I'm very concerned about the release of a million tons of methane into the air 8 that we breathe. It degrades our natural resources 9 10 and can have a detrimental effect on our farming and ranching economies, our thriving tourism industry. 11 12 Also, we have two national parks and 13 several state parks in the area. So I think it 14 discourages people from traveling to the area because of the pollution of our air. 15 In addition, it's a tremendous loss of tax 16 revenue and royalties to the state of New Mexico, 17 especially for education. 18 19 I'm especially concerned about the impact 20 of the release of methane on climate change, and I 21 urge the State of New Mexico to enact common sense 22 regulations to curtail the release of methane gas into the environment. 23 24 I have been a longtime resident of 25 Carlsbad. It used to be a really wonderful place to

Page 81 live, but I feel like the oil and gas industry, and 1 methane in particular, is ruining our environment 2 3 and our quality of life. 4 Thank you very much. 5 HEARING OFFICER ORTH: Thank you, 6 Mr. McCullough. 7 Finally looking back, Jon Klingel? 8 Is Jon Klingel with us? 9 Mr. Klingel? 10 No? 11 All right. Let me see. We will be on 12 break until 12:30 today. 13 And the first five commenters in the 12:30 14 slot are Gary Oakley, Hazel James Tohe, Linda Burchfiel, Susan Selbin, and Jonathan Longoria. 15 Thank you all very much. We'll reconvene 16 17 at 12:30. (A recess was taken from 10:47 a.m. to 18 19 12:32 p.m.) 20 HEARING OFFICER ORTH: My name is Felicia 21 I'm the hearing officer appointed by the Oil Orth. 22 Conservation Commission to conduct a hearing in this 23 matter. 24 It is the proposed rule making regarding 25 the venting or flaring of methane.

Page 82 The case number is 21528. 1 This is the afternoon session, in which we 2 3 will accept public comments. All three commissioners are with us for 4 the comment session. 5 We see the chair of the commission, 6 7 Adrienne Sandoval. 8 We also have Commissioners Engler and 9 Kessler. We have commission staff. 10 11 Commission counsel is on the line. 12 We will also see representatives of some 13 of the technical parties in this matter. 14 The technical presentations begin tomorrow afternoon at 1:00 p.m. All of the time between now 15 and then is devoted to public comment. 16 17 There are a number of public comment windows also on every subsequent day of the hearing, 18 19 which will end now on January 15. 20 Please go to the OCD -- excuse me -- Oil 21 Conservation Division web page for outreach and 22 public engagement, where you will find all relevant documents in this record. 23 24 The -- when you make a comment, you may 25 find yourself with a question from our

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1 commissioners.

2	Please note we are asking you to keep your
3	comments to two minutes. When you hit two minutes,
4	I will break in to ask you to wrap up your comments.
5	And in the event you have more to say,
6	please do put it in writing and submit that public
7	written comment to Florene Davidson. You will find
8	her contact information on the Oil Conservation
9	Division web page.
10	Know that in the event there is disruption
11	or an attempt to use vile language, for example, you
12	may be expelled without warning. In which case, I
13	would encourage you to reflect and submit your
14	public comment.
15	Please collect your thoughts, as we have
16	just one opportunity for each person to offer
17	comment.
18	So turning to the commenters, I will call
19	on you in this order.
20	Gary Oakley, Hazel James Tohe, Linda
21	Burchfiel, Susan Selbin, and Jonathan Longoria, are
22	our first five commenters.
23	Gary Oakley, are you with us?
24	Mr. Oakley?
25	No.

Page 84 In the event folks have stepped away from 1 2 their computer or have not been able to appear for 3 their time slot, know that I do move back before I end each session, and I'm happy to invite your 4 5 comments at a subsequent time. 6 Hazel James Tohe. 7 MS. TOHE: Good afternoon. This is Hazel I'm with the San Juan Collaborative for 8 James. Health Equity and the center for research and 9 10 evaluation. 11 My testimony will include the communities in northwest New Mexico, historically impacted by 12 methane's emissions, with a particular concern about 13 emissions on the checkerboard landscape of the 14 Navajo Nation. 15 16 This area has seen increased development with flaring and unmitigated emissions associated 17 with oil and gas drilling and production on top of 18 19 historic impacts associated with 40,000 existing oil 20 and gas processing facilities throughout the region. 21 I support 98 percent capture of methane by 22 2026, establishing a preference for flaring over --23 and -- over venting, and for prohibiting routine 24 flaring. 25 I am most concerned about public and

Page 85 safety of the people who live in the community where 1 2 oil and gas facilities impact their lives on a daily 3 basis. Protective measures for human health AND 4 safety must be prioritized in this methane rule. 5 Thank you. 6 HEARING OFFICER ORTH: Thank you, 7 Ms. James. Linda Burchfiel. 8 9 MS. BURCHFIEL: Can you hear me? 10 HEARING OFFICER ORTH: Yes, I can. Please 11 qo ahead. 12 MS. BURCHFIEL: Yeah, I'll qo ahead. 13 My name is Linda Burchfiel. I live in 14 Santa Fe, and I'm speaking for myself. I thank you for this opportunity to 15 16 provide comments on the methane rule. I applaud the governor's decision to reduce methane waste, because 17 that waste damages New Mexico in at least three main 18 19 ways. 20 First, methane is a powerful greenhouse 21 gas, and New Mexico oil and gas companies are 22 currently emitting about 1.1 million tons annually, 23 making up about 25 percent of greenhouse gas. 24 Greenhouse gases are already disrupting 25 our climate here in New Mexico. And as they rise,

1 climate disruption worsens.

2 Second, with oil and gas companies wasting 3 \$271 million worth of natural gas each year, New Mexico loses \$43 million in royalty and tax 4 revenue; funds we need for public education and 5 other critical services. 6 7 A third destructive feature of methane waste is the ozone form of pollutants that are 8 9 released from all of the methane, which exacerbate 10 respiratory diseases such as asthma, emphysema, and 11 probably COVID-19 as well. 12 The methane rule needs to be strong and 13 protected by effective oversight. The rule should, number one, require oil 14 and gas companies to capture 98 percent of methane 15 emissions by 2026. 16 17 Number two, ban routine venting and flaring and allow flaring only when necessary for 18 19 health or safety. 20 Number three, strengthen state reporting 21 and public notice to improve transparency and 22 accountability. 23 The proposal before you needs to be 24 strengthened in many ways, and here are just two of 25 those ways.

Page 87 Number one, require green completions to 1 2 reduce methane waste. 3 Number two, apply the rule to all wells across the oil and gas supply chain, making each 4 well subject to oversight of basic leak detection 5 and repairing requirements. 6 7 The draft rule exempts 95 percent of wells from regulation of leaks, even though leaks account 8 9 for 70 percent of New Mexico's oil and gas 10 pollution. 11 I urge you to develop a strong and 12 protected methane rule for the sake of New Mexico. 13 Thank you. 14 HEARING OFFICER ORTH: Thank you, Ms. Burchfiel. 15 Susan Selbin? 16 17 MS. SELBIN: Hi. Thank you for the 18 opportunity to comment. 19 I am Susan Selbin. I retired to 20 Albuquerque in 2003 after working abroad. I chose 21 New Mexico because of the cultural diversity of our 2.2 state. But at the time, I wasn't aware of the 23 24 extensive oil and gas activity in the state. Those 25 activities are often out of view of the general

Page 88 public. And I think if the public saw it all, they 1 would be horrified. In a low-level flight over the 2 3 oilfield near Carlsbad, I was shocked to see the network of drill sites. 4 5 I do want to mention my most important point, which the last speaker also mentioned. 6 7 The draft rule exempts 95 percent of wells 8 from regulation oversight and leak detection and 9 repair requirements. So if that is factual, the 10 commission must address this issue. 11 Now, back to the rest of my comments. 12 In 2019, together with volunteers, we 13 presented two film festivals with speakers to 14 promote awareness of climate change. However in the 15 morning, for example, CBS presented results of this survey of public concerns. First was political 16 polarization, second was COVID. The third was 17 climate change. So climate change is no longer an 18 19 issue recognized by a minority of Americans. It's 20 front and center, and must be addressed urgently. 21 So the New Mexico 2020 climate strategy 22 report found that greenhouse gas emissions from New Mexico of oil and gas are more than twice the 23 24 amount previously reported. That makes New Mexico a 25 major source of methane leaks in the country.

Page 89 1 In the past, sources of methane are 2 responsible for 25 percent of the global warming 3 that we feel today. 4 Oil and gas companies release more than 1.1 million tons of methane, which has the same 5 climate impacts as about 25 coal-powered power 6 7 plants. 8 Methane is also a primary component of 9 natural gas, which means methane waste costs us 10 upwards of 43 million in royalties and tax revenue. 11 I support our governor's commitment to 12 adopting national rules to address the New Mexico 13 methane problem. 14 The methane rule should be strengthened, and many other speakers have mentioned how that 15 16 should happen. 17 Nearly 70 percent of oil and gas methane pollution in New Mexico occurs through leaks, so 18 19 it's critical that the New Mexico environment 20 department adopt a rule that holds producers 21 accountable and cuts emissions across the oil and 22 gas supply chain. 23 HEARING OFFICER ORTH: Please wrap up, Ms Selbin. 24 25 MS. SELBIN: Yes. It's just I want to be

Page 90 sure it's true that the rule exempts 95 percent of 1 2 wells. 3 Is that a fact? Thank you. 4 HEARING OFFICER ORTH: Thank you very much. 5 Jonathan Longoria. 6 7 Mr. Longoria? 8 MR. OAKLEY: Gary Oakley is here. 9 HEARING OFFICER ORTH: Okay. 10 Mr. Oakley. 11 MR. OAKLEY: Thank you. 12 My name is Gary Oakley. I am a board member of Conservation Voters New Mexico. 13 14 And I just want to make a comment that 15 history will look back at us and say, What are you doing? You are allowing flaring and venting of a 16 very valuable nonrenewable energy source just to be 17 wasted into the air that could power thousands of 18 19 houses, just to make it a little easier and cheaper 20 to drill for oil. 21 I think history will say, What were you thinking? You knew the cost. The cost is less 22 23 money for schools, health issues for locals, climate 24 degradation. It's almost like a river where you 25 dump waste into it, but you're dumping a valuable

Page 91 waste. And it's bigger than a river. It's the 1 2 whole planet that it affects. So please -- you know we have the 3 4 technology, is the other thing. So please strengthen the regulations and don't issue permits 5 unless there's full compliance. 6 7 This was a loose, loose, loose situation, 8 and it really needs to be straightened up. 9 Thank you. 10 HEARING OFFICER ORTH: Thank you, 11 Mr. Oakley. 12 Let me call for Jonathan Longoria. 13 Mr. Longoria? 14 No? In the event he rejoins us, I'll be happy 15 to take his comments. 16 17 The next five commenters in this order are Cris Moore, Patricia Sheely, Penelope Mainz, Timothy 18 19 Peterson, and Jordan Smith. 20 I will call on Cris Moore. 21 MR. MOORE: Thank you, members of this 22 commission, for this opportunity to speak. 23 I know you have a long day ahead of you. 24 My name is Cris Moore. I'm a professor at the Santa Fe Institute, and I'm speaking today as an 25

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1 individual.

I want to point out a connection between methane leaks and our use of natural gas and power and transportation, which is maybe a little bit different from the points other speakers have been making.

We often hear that natural gas is a low
carbon alternative to conventional fossil fuels,
that it can act as a bridge to renewable energy.

10 It is true, burning natural gas in a power 11 plant produces only half as much carbon dioxide as 12 burning coal does.

But first, you have to get the gas to the power plant. And as you know, if any methane released into the atmosphere gets released along the way, it is more powerful than carbon dioxide of a greenhouse gas, and 80 times more powerful in the short-term, and over 30 times as powerful over a century.

It's an easy math problem to show that if more than about 3 percent of the methane gets leaked on its way to the power plant, the climate impact of natural gas is just as bad as coal. For transportation and fleet vehicles,

25 like buses and trucks, where natural gas is

competing with diesel engines, you're right, the 1 2 leakage is even less, about 1 percent. That's all 3 the way from production at the well through the distribution system to the engine. 4 And for natural gas to compete with 5 renewable energy, the margin of error becomes even 6 7 smaller. 8 The upshot is that natural gas will not 9 help us meet our climate goals unless this leakage 10 is dramatically reduced by up to about 90 percent, 11 in some studies. 12 The increase we've seen over the past year shows that market forces alone are not enough for 13 14 the industry to get this under control. 15 I urge you to strengthen this draft rule to prevent venting and flaring, except when needed 16 for safety, for independent third parties to verify 17 leaks and repairs, to include all wells, as opposed 18 19 to exempting a majority of them, and to require that 20 existing wells meet these standards before 21 permitting operators to drill new ones. 22 And please remember that this is not a 23 zero send down to the industry. Properly monitoring 24 and preventing methane leaks will create jobs and avoid wasting a valuable product. 25

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Page 94 I will also submit this in writing by 1 2 e-mail and thank you very much for your attention. 3 HEARING OFFICER ORTH: Thank you very 4 much, Mr. Moore. Patricia Sheely. 5 MS. SHEELY: Hello. 6 7 My name is Patricia Sheely, and I live in 8 Gallup, New Mexico. 9 Thank you for allowing me to speak on this 10 issue, and it's important to me. 11 I'm a person of faith with strong moral 12 convictions to care for my neighbors and God's 13 creation. 14 I grew up on a farm in Ohio and developed a closeness to the earth, as I played in the woods 15 and in the stream that ran through our farm. 16 17 I moved to New Mexico in 1993 to work for Indian Health Service. I love New Mexico and its 18 19 people, and made the decision some years ago to 20 retire here. I am concerned about the health of our 21 22 children and their mothers, and the effect that 23 pollution has on their well-being. 24 I am concerned that many of the residents 25 of New Mexico are suffering disproportionately from

Page 95 the COVID-19 pandemic because of their already 1 impaired health status. 2 3 I am disturbed that many of the native plants in my backyard, which are drought resistant, 4 died last summer due to the intense heat. 5 6 I support Governor Michelle Lujan 7 Grisham's call for nation-leading methane rules. To achieve that goal, the Oil Conservation 8 9 Commission must strengthen the Oil Conservation 10 Division's proposed methane waste rules to eliminate 11 unnecessary methane waste. 12 I am submitting my expanded comments in a 13 letter to the commission. 14 Thank you. 15 HEARING OFFICER ORTH: Thank you, 16 Ms. Sheely. 17 Penelope Mainz. 18 MS. MAINZ: I am Penelope Mainz, from 19 Albuquerque, New Mexico. 20 I want it thank the OCC for your work and 21 for this opportunity to comment. 2.2 I've been a volunteer with the Sierra Club and with 350 New Mexico. And I've also been a 23 24 volunteer with critically ill children, so I will address the health of New Mexico children. 25

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The American Lung Association state of the 1 2 air report in 2020 flunked Eddy and Lea Counties for 3 ozone pollution, and San Juan County for ozone pollution. 4

In addition, Dr. Lance Shelton, a retired 5 Albuquerque pediatrician, states that 28,000 6 7 New Mexicans in the Permian Basin live within one-half mile of wells that would be exempted from 8 requirements that could protect children's health. 9

10 Obviously, the loopholes and extensions 11 for those wells must end.

12 Think back to your grade school years. At 13 recess on the playground did you prefer the swings? 14 Did you play tag or spend long times on the seesaw? Whichever it was, you played hard, unaware of the 15 air around you, and unaware of the fact that your 16 young lungs were developing. 17

18 If you were very unlucky, the air was poor 19 quality, you may have ended up wheezing with asthma, 20 unable to say more than one word or short phrase 21 because you didn't have the air to breathe, unable 22 to lie down, because your body required the torso 23 straight up, in order for the few breaths you could 24 get. 25

Can you imagine that?

Page 97 We adults have the information and the 1 power to vastly improve the air quality for children 2 3 in New Mexico. To do that, we need to have strict 4 We need to have the workforce and laws 5 regulations. to enforce those regulations. And we, of course, 6 7 need to end the exemptions and loopholes for sites 8 that have low emissions projected or are at low 9 production sites. 10 As you've heard before, those wells 11 comprise over 90 percent of the wells. Let's not 12 drop the ball for the children of New Mexico. 13 Thank you. 14 HEARING OFFICER ORTH: Thank you, Ms. Mainz. 15 16 Timothy Peterson. 17 Timothy Peterson? 18 No? 19 Jordan Smith? Jordan Smith. 20 Let me call one more time for Jonathan 21 Longoria. 22 All right. The next comment session 23 begins in seven minutes. So let me read the names, 24 in the event someone is here a bit early, and I will 25 be happy to take your comments instead of taking a

Page 98 short break. 1 2 We have Trish Foschi. And excuse me if 3 I'm mispronouncing your name. Jacqueline Groveas, Mareyena Kai 4 Hollenberg, Nancy Weeks Singham, Lilianna Castillo. 5 Let me begin with Trish Foschi. 6 7 Jacqueline Groveas. 8 Mareyena Kai Hollenberg. 9 MR. LANMKIN: Jacqueline Groveas is here. 10 Sorry. 11 HEARING OFFICER ORTH: So Jacqueline 12 Groveas is here. All right. 13 Thank you, Ms. Groveas. 14 MS. GROVEAS: It's Groveas. Thank you. 15 Yes, I'm here. 16 HEARING OFFICER ORTH: Groveas. Excuse 17 me. 18 Thank you for identifying yourself. And 19 if you would, please, you have two minutes. 20 MS. GROVEAS: Thank you. So I'm 21 Jacqueline Groveas. I work in Las Cruces, and I'm 22 speaking as an individual. 23 Thank you for giving me this opportunity 24 to make a comment. 25 New Mexico doesn't appear to be regulating

Page 99 methane waste. You can go -- methane contributes 1 2 25 percent to climate change. 3 This is a critical time that requires a 4 strong methane rule. Currently, the latest data from the 5 6 Permian, show the highest release of methane waste 7 for any US oil and gas basin. 8 And with the current drop in gas prices, 9 oil and gas companies are going to be looking to cut 10 corners in any way they can. 11 Governor Lujan Grisham has submitted a trailblazing methane directive, and the commission 12 needs to meet this with a strong rule, by banning 13 14 methane waste and holding the companies accountable. So venting and flaring need to be banned. 15 16 New wells have to be prepared for production with completion to -- so the gas should be captured at 17 the wellhead instead of being released into the 18 19 environment. And the flaring should be limited 20 to -- sorry. 21 So they should also be banned from routine 22 pipeline that is flared. If the gas needs to be released for safety, flaring should be used over 23 24 venting. And the prohibitions should be tough for them, to make sure that the flares are lit and they 25

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1 are working at all times.

2 We need a five-year target, so companies 3 should capture 98 percent of that vapor, to make 4 sense. 5 Secondly, the companies need to be more accountable to reaching that ban. 6 7 New permits should be denied for new wells 8 to be drilled if operators are out of compliance with gas capture requirements. 9 10 Third-party inspections should be required 11 through the alarm program. 12 As I think a lot of other speakers have 13 said, the current rule is exempting 95 percent of 14 wells in current regulations and oversight. 15 And last but not least, operators need to inform the public who are at risk, health risks for 16 methane purposes, and transparency needs to be 17 improved by improving state reporting and public 18 19 notice requirements. 20 Please develop a strong rule to protect 21 our health and environment. 2.2 And thank you for your time. 23 HEARING OFFICER ORTH: Thank you, 24 Ms. Groveas. 25 Mareyena Kai Hollenberg.

Page 101 1 Nancy Weeks Singham. 2 MS. SINGHAM: I'm here. 3 HEARING OFFICER ORTH: Okay. MS. SINGHAM: Thank you for listening to 4 5 me today. My name is Nancy Weeks Singham. I'm a former teacher in Albuquerque Public Schools, and I 6 7 live in Albuquerque. 8 From my work with 350 New Mexico, I have 9 learned that constant methane releases now pouring 10 into the atmosphere from New Mexico are 84 more 11 times potent as contributors to climate change than 12 carbon dioxide. 13 And I've also read recent reports that show the emissions from methane and other pollutants 14 from leaky equipment, venting, and flaring have more 15 than doubled in the last 12 months in New Mexico. 16 17 So clearly, industry self-policing is not 18 working. 19 For the record, I will support the OCD's 20 proposal to the commission, as well as the five 21 additional proposals made by the New Mexico 22 Environmental Law Center, to close the loopholes in 23 the proposed regulations. 24 You may know that every year, US 25 government official documents on climate change has

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stated that New Mexico is one of the states that are
 the most vulnerable to climate change in the entire
 country.

And my main message to you today is these changes to our climate are happening now. And the methane that's been released from our state that are contributing to climate change are harming us, especially rural New Mexicans.

9 I know this firsthand, because I'm also a 10 writer for the educational project called the Land 11 Witness Project.

12 We've interviewed and made videos telling 13 stories of rural New Mexicans, from farmers and 14 ranchers to public land managers, government 15 scientists, recreational businesses such as rafting 16 and skiing.

And every one of these rural New Mexicans have shared their stories of how they are already, right now, being harmed by climate change, even by our own methane emissions.

21 Ranchers, whose cattle operations are22 suffering through drought.

Small farmers, whose irrigation has been
shut off before the end of the growing season.
Rafting companies, whose businesses are

Page 103 1 crumbling due to low water levels. 2 The contractors, whose trees are 3 suffering, and whose future business is uncertain. The ranchers, who have seen more fires 4 that are endangering migratory birds, lower winter 5 snow packs, and higher springtime temperatures that 6 7 are causing faster drought and lowering some of the water flows. 8 9 Northern New Mexico businesses hurt by 10 fishing recreation due to low water runoff and 11 higher temperatures. 12 New Mexico, especially northern New Mexico, is suffering now as a result of our own 13 14 state's methane emissions. 15 Thank you very much. 16 HEARING OFFICER ORTH: Thank you, 17 Ms. Singham. 18 Lilianna Castillo. 19 MS. CASTILLO: Yes, I'm here. 20 Can you hear me? 21 HEARING OFFICER ORTH: Yes, I can hear 22 you. 23 MS. CASTILLO: All right. Thank you. 24 Thank you for letting me speak today. 25 My name is Lilianna Castillo.

Page 104 For the past 15 years we have shared 1 2 stories to bring people together to create local 3 inclusion through times of crisis. As we have traveled across New Mexico, 4 we've been hearing from impacted communities, 5 Their stories have unveiled that we are --6 experts. 7 we have work to do when it comes to protecting 8 people who live alongside the oil and gas industry, confirmed by data over and over again, as recently 9 10 as three weeks ago. 11 There are stories to learn about that 12 demand our attention, also our actions. 13 We thank Governor Lujan Grisham and the 14 administration for recognizing how important and urgent it is to address New Mexico's massive and 15 growing methane emissions properly and continuing to 16 prioritize these rules. 17 18 We have seen these issues become more 19 pressing as the federal government removed 20 safequards for the environment. And health and the 21 COVID-19 crisis continues to impact our neighbors. 22 While the OCD rules have strong structure, 23 it should be stressed that it can meet the goal of 24 nation-leading methane rules and deliver meaningful 25 action for communities impacted directly by oil and

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1 gas pollution and climate changes.

2 The rule should meet the goal of capturing 3 98 percent of methane emissions by 2026, stricter state reporting and public notice requirements, to 4 improve transparency, deny permits to drill new 5 wells if operators are out of compliance with 6 7 capture requirements. 8 And finally, a comprehensive rule to 9 address methane waste and pollution must include a 10 strict New Mexico environment department rule, since 11 nearly 70 percent of oil and gas methane pollution 12 in New Mexico have occurred through leaks. 13 And many of these draft rules fail to 14 protect other health and climate issues by exempting 95 percent of wells from regulation across the state 15 16 from oversight and necessary leak detection and repair requirements. 17 18 The commission should clarify that the 19 agencies work in parallel to achieve comprehensive 20 qoals. 21 Thank you again for the opportunity to 22 speak. 23 HEARING OFFICER ORTH: Thank you very 24 much, Ms. Castillo. Let me look back to Trish Foschi. 25

Page 106 1 No? 2 Or Mareyena Kai Hollenberg? 3 No? All right. The next time slot begins at 4 2:00 p.m. I'll read the names there in the order in 5 which I will call them. 6 7 Teresa Seamster, Beverly Singer, Clyde Williams, June Parsons, and Charmaine Crockett. 8 9 Is there anything else the commissioners 10 would like to hear about before we adjourn until 11 2:00 p.m.? 12 All right. Thank you all. We will convene at 2:00. 13 (A recess was taken from 1:03 p.m. to 2:01 14 15 p.m.) 16 HEARING OFFICER ORTH: All right. This is 17 our second afternoon comment session. This is Case 18 Number 21528. 19 We are here before the Oil Conservation 20 Commission to consider rules regulating the venting 21 and flaring of natural gas from oil and natural gas 22 production and gathering facilities. My name is Felicia Orth, the hearing 23 24 officer appointed by the commission to accept public 25 comment today, and conduct the rest of the hearing

1 as well.

2	This appears to be the final session for
3	today. We have several folks who signed up for the
4	2:00 session. One person who had originally signed
5	up for the 3:00 session, but will be available now,
6	and one person who had signed up for the 4:00
7	session who has now withdrawn from that time slot.
8	So we ask you to keep your comments to
9	two minutes. In the event you have more that you
10	would like the commission to consider than can be
11	said in two minutes, please submit that in writing
12	to Florene Davidson. You will find her contact
13	information on the Oil Conservation Division web
14	page.
15	Mr. Lamkin, would you mute Mr. Baca,
10	1
16	please?
16 17	Thank you.
17	Thank you.
17 18	Thank you. In the event there's anyone on the line
17 18 19	Thank you. In the event there's anyone on the line who might have been signed up for an earlier time
17 18 19 20	Thank you. In the event there's anyone on the line who might have been signed up for an earlier time slot today and was just able to call in now, that's
17 18 19 20 21	Thank you. In the event there's anyone on the line who might have been signed up for an earlier time slot today and was just able to call in now, that's fine. I will take your comments before we adjourn
17 18 19 20 21 22	Thank you. In the event there's anyone on the line who might have been signed up for an earlier time slot today and was just able to call in now, that's fine. I will take your comments before we adjourn for the day.

Page 108 1 are available to be called upon. 2 We have all three commissioners with us 3 today. You see the chair, Adrienne Sandoval, Commissioner Thomas Engler, and Commissioner Jordan 4 Kessler. 5 We also have a variety of other staff and 6 7 counsel with us today. So I'll call the names in this order. 8 9 Teresa Seamster, Beverly Singer, Clyde 10 Williams, June Parsons, Charmaine Crockett, and 11 Stephen Robertson. 12 Then I will invite anyone who has not already given comment, but was in an earlier time 13 14 slot, to identify themselves if they wish to speak. Let's start with Teresa Seamster. 15 16 Ms. Seamster? 17 MS. SEAMSTER: Yes. Thank you. Thank you to you and the commissioners. 18 My name is Teresa Seamster, and I'm a 19 20 member of the Counselor chapter health committee 21 located in the tri-chapter area of the Navajo 2.2 Nation. 23 We formed the committee five years ago to 24 document local health systems, air pollution 25 complaints, public safety concerns, and other issues

Page 109 caused by a sharp increase in well flaring, well 1 2 explosions, oil and contaminated water leaks, and 3 oil truck and tanker collisions with local vehicles, and US 550 traffic on the chapter's northern 4 5 boundary. 6 Our 2018 help impact assessment reported 7 resident health symptoms, and we conducted 2.35 air 8 monitoring at eight different chapter sites. We also sampled four different sites for 9 75 different DOCs, hydrogen sulfide, and 10 11 formaldehyde. 12 Our air pollutant findings were significantly worse in several areas than those in 13 the monitored sites in oil patch communities in 14 Pennsylvania, Wyoming, California, New York, and 15 Ohio, that submit their data to the National 16 17 Environmental Health Project website. 18 One example, with elevated levels of 19 formaldehyde, which is a potent agent that 20 researchers use as an indicator near well sites that 21 other toxic chemicals are likely present. 22 This gas was detected at all four sites 23 well above the US EPA threshold for mitigation, 24 which is 0.003 parts per million. Our sampling 25 rankings were from 007 to 0097 parts per million.

Dangerous spikes of formaldehyde exposure are completely new by state and local -- by state and several air quality monitoring, because it doesn't last long in the atmosphere.

5 And that takes us to the issue of trying 6 to control the mixture of chemicals that people are 7 being exposed to that are not revealed and put in 8 the statistics.

9 The Physicians for Social Responsibility 10 publishes an annual compendium of scientific, 11 medical, and media findings that demonstrate risks 12 and harms of fracking. These are published 13 findings, and they catalog thousands of specific studies, clinical reports, and reported incidences 14 of harm directly caused by fracking operations. 15 The PSR calls this the greatest 16 uncontrolled health experiment ever seen in outdoor 17 industrial pollution on the American public. 18 19 This takes us to the unregulated methane 20 emissions, which is a potent indicator of rural 21 health -- or pardon me -- rural air pollution. 22 Even though production in New Mexico has 23 been lowered, greenhouse gas emission, especially 24 methane, is rapidly expanding. 25 Even with no regulation of emissions, due

Page 111 to the extreme overextraction and extremely high 1 cost of fracking, the shale oil industry has never 2 3 really returned the process. According to a study by the international accounting firm of Beloit, the 4 US shale industry has lost \$300 billion over the 5 6 last 15 years. 7 HEARING OFFICER ORTH: Would you wrap up, 8 please? 9 MS. SEAMSTER: I certainly will. 10 The economic harm -- I'm just going to 11 skip to the bottom here. The economic harm of the shale industry and unregulated methane authority 12 13 cause significant economic harm and long-term harm to residents' health in the San Juan Basin. 14 15 Effective methane regulation is a decade 16 overdue. There is a health price tag connected to 17 it. 18 On the Navajo Nation, adult and childhood 19 asthma has doubled, and respiratory illness is the 20 leading cause of death in the rural eastern Navajo 21 Nation. And still, the rampant spread of COVID in 22 Navajo communities has exposed the real cost of 23 ignoring the largely hidden and unmonitored sources 24 of methane. 25 Thanks very much.

Page 112 1 HEARING OFFICER ORTH: Thank you very 2 much, Ms. Seamster. 3 Beverly Singer. Dr. Singer? (Discussion off the record.) 4 5 HEARING OFFICER ORTH: I will hope that she comes back and I will call her name again later. 6 7 Dr. Clyde Williams? Hello. 8 MR. WILLIAMS: 9 HEARING OFFICER ORTH: Hello. 10 MR. WILLIAMS: Okay. 11 Dr. Clyde Thomas Williams, Clyde T. 12 Williams. I live in Los Angeles. And via Webex, I 13 am participating because we -- that is the --14 Community Coalition for a Safe Community is dealing with the oil and gas field known as the Englewood 15 oilfield. 16 17 But we also participated in the Aliso Canyon gas venting problems that we had here in 2015 18 19 through 2017. 20 And we are also doing oil and gas 21 regulations for the Englewood oilfield, the City of 22 LA, the County of LA, and for California Geological 23 Energy Management. 24 We're quite concerned regarding the basic 25 elements of methane. That is, we support Grisham's

call for legal methane rules, and we would like to
 propose, and we will be submitting written comments
 also.

But summarizing it down, to capture all of 4 the routine venting and eliminate flaring from all 5 wells. Because the biggest well of venting was at 6 7 the Aliso Canyon, at well SS25. And it had been installed before 1979. And from 1979 to date, every 8 annual renewal of it falsified the records. 9 Because 10 in 1979, they took out a Dumpster and shutoff valve, 11 and it went through the casings and escaped and 12 eventually blew out in 2015.

However, all annual reports for the well had indicated that the SSP was there and it was controlling. But the gas company said, Oh, we took it out in 1979.

17 But all of their records show it present. So if you can't trust the largest gas 18 19 operator to have good records, the real problem will 20 be either all or nothing. And it's always easier to 21 control that rather than 95 percent, 92 percent, 22 99 percent. 23 So we highly recommend full enclosure during operations, full 100 percent submitting of 24

25 all casing annually. And I'd say -- our background

Page 114 goes back to -- my first well was in 1958, in 1 2 eastern Kansas. I've been around the oil and gas 3 industry, and I know what they do and why they do 4 it. And I'm quite concerned these days about LLCs, LLPs, and the problem of who's at fault if everyone 5 6 declares bankruptcy. Whoever owns --7 HEARING OFFICER ORTH: Thank you, Dr. Williams. 8 9 MR. WILLIAMS: You're welcome. I will be 10 submitting by e-mail also. 11 HEARING OFFICER ORTH: Thank you. 12 I believe Dr. Singer has rejoined us. 13 Dr. Singer, can you hear me? 14 MS. SINGER: Yes. Can you hear me? 15 HEARING OFFICER ORTH: Yes, quite clearly. 16 Thank you. 17 Please go ahead. MS. SINGER: Good afternoon, 18 19 commissioners. Thank you for allowing me to make my 20 comment. 21 I thought about what I would say today, 22 and I have written some things down. 23 And then I was listening this morning to 24 all the comments that were made. And particularly 25 the woman from the -- who was a beekeeper.

And I just thought, You know, it's amazing that we are at this point in our history in the state of New Mexico.

And I -- I'm from Santa Clara Pueblo and I have relatives out in the Shiprock area. And you know, when I travel up there these days, it doesn't have the same energy or the same -- the landscape has completely been modified and altered and desecrated, from my perspective as an indigenous woman.

But you know as a scholar -- and I've worked in anthropology for the last, I don't know, many years -- 40 years. And I've been a participant in looking at environmental issues for years, all the way back to 1990, when I was on the Sierra Club's natural sites committee.

And then in 1990, we were looking at thearctic national wildlife refuge.

We come back all of these years now, and we see what's happened there. You know the development has completely just gone out of control. And so I think we've reached an apex here in New Mexico, with regard to oil and gas development. When I say that, I'm saying that, you know, I know we're considering other renewable

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1 energy opportunities and developing those.

2 But what we're dealing with now, in terms 3 of the -- you know, the pollution and the toxicity that has been already emitted, out -- certainly in 4 the Four Corners area -- it is without a doubt time 5 for looking at this in an integrated way, because we 6 7 can't separate out, also, the education for our 8 young people, you know, in public elementary, junior 9 high school, students who really don't have any --10 probably very little clue as to how dependent we 11 have become on oil and gas.

12 And I'd like to see the commission put out 13 some kind of public information, a statement, about 14 where we are with regard to oil and gas development. I mean, what -- where does it stand? 15 I don't think -- you know, people just don't have the access 16 to this kind of information, you know, unless you 17 are a representative from that area or you actually 18 19 live there and you see, you know, the devastation. And I'll just raise the question also. 20 21 I mean this last year, when we were -- a 22 couple of the last past years, we've been able to 23 witness what it's like to not be able to see the sky when we had all of those fires burning out in 24 Colorado and California, and our own fires here. 25

We lost our entire forest here at
 Santa Clara Pueblo, and our watershed is nearly
 dead.

4 And so the cost to not only the 5 environment and the people but, you know, just to the fact that -- you know, I think we've come to a 6 7 point now where I'd like to see the consequences be addressed, where we're at, and move forward with 8 9 putting out some kind of information to -- to 10 everyone, to -- especially to the stu- -- you know, students and young people, to recognize and be 11 involved in planning, you know, their future, 12 because that's what we're talking about. 13 14 You know, I had an amazing childhood, but 15 I worry about the future. And I -- and one last thing I wanted to 16 do, as I was researching this, and I said, You know, 17 the US is in such a strange -- in strange company 18 19 these days, because we are one of the highest 20 methane and flaring expulsion producers alongside 21 Iran, Venezuela, and Nigeria. 22 And this does not, you know, fare well, 23 that we are among that -- that company of countries. 24 You know, we can do better. 25 And I'd like to see New Mexico do better.

Page 118 1 So those are my thoughts. 2 Thank you. 3 HEARING OFFICER ORTH: Thank you, 4 Dr. Singer. 5 Let's move, then, to June Parsons. MS. PARSONS: Yes. Thank you. 6 7 My name is June Parsons. I'm from 8 Rio Rancho, Sandoval County, New Mexico. Honorable Oil Conservation Commissioners 9 10 and attendees, thank you for this opportunity to 11 comment. 12 I continue to be very concerned about the 13 ongoing, harmful influence on our people and frontline communities, as well as the global health 14 dangers of viral releases from current wells now, 15 into the air we breathe, caused in large part by 16 leaking, venting, and flaring of methane and other 17 VOCs that are accelerating our climate crisis. 18 19 Therefore, I offer my public comment in 20 hopes you will immediately take the following 21 actions. 2.2 Number one, codify and enforce OCC's 23 proposed inclusion of a 90 percent gas capture required by 2026 for all size wells, beginning in 24 the second quarter of 2022, after a baseline is set 25

Page 119 1 in the first quarter of 2022, with accurate data from 2021. 2 3 Number two, incorporate OCC rules that ensure stronger public notice provisions, that if 4 and when any release of oil and gas facilities 5 present any risk to the public, our property, and 6 7 our environment. 8 Methane reductions are financially feasible per the findings of the international 9 10 energy agency, that one-third of global methane 11 emissions could be cut at no net cost. 12 Our land, our air, and our water are vital 13 shared public resources upon which all of our lives 14 and our health depend. Commissioners, I implore you to be 15 present, visionary, and do the right things by 16 taking responsible actions now for safeguarding our 17 environment, cleaning our air, preserving our fresh 18 19 water, and making the health of all of us your 20 priority. 21 I respectfully thank you for your time. 2.2 HEARING OFFICER ORTH: Thank you, Ms. Parsons. 23 Charmaine Crockett. 24 25 Charmaine Crockett?

Page 120 1 Okay. 2 Stephen Robertson. 3 MR. ROBERTSON: Thank you. Good afternoon, chairman Sandoval, commissioners. 4 My name is Stephen Robertson. 5 I'm the executive vice president for the Permian Basin 6 7 Petroleum Association. I appreciate the opportunity 8 to provide you with comments about venting and flaring of natural gas. 9 10 The PBPA is greatly supportive of the 11 regulatory work for oil and gas operations in 12 New Mexico. 13 As presented, the final proposed rules 14 contain multiple concerning aspects, many of which are carried forward from previous drafts of the rule 15 and were commented previously by PBPA. Several 16 17 others are new as to this final proposed version. 18 PBPA engaged with the Oil Conservation 19 Division throughout the drafting process on these 20 rules. 21 We previously submitted written comments 22 on September 16, 2020, outlining our suggested added 23 inserts. 24 We will continue to engage with the 25 division and commission as rules are being

Page 121 developed, including trying not to put the oil and 1 gas industry in New Mexico out of business. 2 3 Specifically as to the final proposed rule, we want to highlight the following concerns. 4 Even though reporting has been reduced 5 from the previous draft of the rule to this proposed 6 7 final rule, there are still two areas that will lead 8 to inaccuracies and do not prevent waste. 9 As stated in our previous comments, 10 accounting software is not designed for any additional categories, and the required upgrades 11 12 will require 18 to 24 months. 13 Further, PBPA leads recording in flared 14 volumes. C 115 provides the most accurate information on volumes of wasted natural gas. 15 Definitions for emergency and malfunction, 16 17 which received no change from the previous draft, are overly broad and are likely to resolve in 18 19 conflict. We still recommend the definitions for 20 emergency and malfunction which we offered in our 21 previous comments. 22 Language taking into consideration the 23 differing circumstances for low-producing wells, 24 when compared to other operations, has not been 25 sufficiently provided for in this final rule.

Page 122 The expense and complication of required 1 2 written notice, as sent out to royalty owners, is 3 likely to result more in the cancellation of operations than in any other reduction in venting or 4 flaring while operations are maintained. 5 The authorized third-party certification 6 7 verifications now included in the proposed final 8 rule will not accomplish a reduction in venting or 9 flaring, but will only increase the cost of 10 operations and burden our regulated community. 11 We have full confidence in the agency's 12 ability to certify reported data. We do not have 13 such confidence in the creation of a cottage industry to do the same. 14 If this is such a priority, we recommend 15 the division ask the legislature for money to fund 16 17 the agency personnel to do this job. 18 And it still appears, with the final rule, that the COVID-19 pandemic and the rule's impact on 19 20 the state's economy have not been taken into 21 consideration in fracking. 22 Thank you for your time in listening to 23 these comments, and we look forward to continuing working with the OCD and the OCC to develop these 24 25 rules.

Page 123 1 HEARING OFFICER ORTH: Thank you, 2 Mr. Robertson. 3 Let me call another time for Charmaine 4 Crockett. And right now I have just one person who 5 identified themselves as having been scheduled at a 6 7 prior time slot and can give his comment now. 8 Jim McKenzie. 9 Jim McKenzie? 10 MR. MCkENZIE: Yes, I'm here. And thank 11 you. 12 My name is Jim McKenzie. I'm a member of 13 350 New Mexico, a chapter of the international organization 350 dot ORG. 14 Greetings. Good afternoon to the 15 16 commissioners and the hearing officer and the staff. 17 Thank you for this opportunity to address you. 18 Strong methane waste regulations are a 19 broad public interest, as the many public commenters 20 have demonstrated today and will continue to be 21 demonstrated through -- through the week, I'm 2.2 assured. 23 Oil and gas in New Mexico on both federal 24 and state law lands belongs to all citizens. 25 The rules under discussion today govern

Page 124 1 the development of these resources. 2 The industry reminds us consistently how 3 much they pay for the development and rights of these resources, and how grateful we should be for 4 5 those revenues. The industry often glosses over their 6 7 enormous expenses that they are able to externalize 8 and land up on the public's plate. 9 These regulations under discussion must 10 hold the oil and gas industry accountable for the 11 many and varied expenses they cause the public. And 12 there are economic expenses as well as health and 13 climate expenses. 14 Many commentators have outlined the numerous costs of methane pollution. 15 Make no mistake. Our methane waste has large impacts 16 locally, regionally, and globally. 17 18 Methane emissions from the oil and gas 19 industry in the US is responsible for an estimated 25 percent of all greenhouse gas emissions in the 20 21 United States, the country with one of the very 22 highest greenhouse emissions on the entire planet. 23 The Permian Basin is, perhaps, the largest 24 player in the world right now. 25 New Mexico is the US's third largest oil

Page 125 1 and gas producer in the US. 2 The argument that some -- of some that 3 what we do on our methane waste just doesn't matter, clearly don't understand the magnitude of the 4 5 problem that we are addressing here today. What the OCC does with the methane 6 7 regulations in this case has enormous impacts. 8 Thank you very much. 9 HEARING OFFICER ORTH: Thank you very 10 much, Mr. McKenzie. 11 So we have reached the end of the list of 12 folks who signed up through Florene Davidson to 13 offer public comment today. 14 Again, I would be happy to accept your 15 public comments, in the event you or your friend was unable to sign in today, and can sign in on any 16 17 subsequent day of this hearing between now and January 15. 18 19 Also, know that we did have an e-mail 20 question about the deadline for submitting written 21 public comment. Please submit that comment by 22 5:00 p.m. on January 8. That comment goes to Florene Davidson. 23 24 All records in the matter, including her 25 contact information, are on the Oil Conservation

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1	Division outreach and public engagement page.
2	If there is nothing further, we will
3	adjourn until 8:30 tomorrow morning and reconvene at
4	that time.
5	Have a wonderful afternoon. Thank you.
6	(Proceedings concluded at 2:27 p.m.)
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	Page 127
1	CERTIFICATE
2	
3	I, Paul Baca, RPR, CCR in and for the
4	State of New Mexico, do hereby certify that the
5	above and foregoing contains a true and correct
6	record, produced to the best of my ability via
7	machine shorthand and computer-aided transcription,
8	of the proceedings had in this matter.
9	
10	/s/ Paul Baca
11	PAUL BACA, RPR, CCR
12	Certified Court Reporter #112 License Expires: 12-31-21
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