

## Valentine, Velvet, EMNRD

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**From:** Davidson, Florene, EMNRD  
**Sent:** Thursday, January 7, 2021 11:29 AM  
**To:** Valentine, Velvet, EMNRD  
**Subject:** FW: NAIOP New Mexico comments on proposed methane rule attached  
**Attachments:** image003.emz; NAIOP Comments on Proposed Methane Rule Final.pdf

Case 21528

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**From:** Lynne Anderson <lynne@naiopnm.org>  
**Sent:** Thursday, January 7, 2021 11:23 AM  
**To:** Davidson, Florene, EMNRD <florene.davidson@state.nm.us>  
**Cc:** Scott Whitefield <scott.whitefield@Colliers.com>; Joe Farr (JFarr@dukecityllc.com) <jfarr@dukecityllc.com>; Flynn, Ryan <flynn@nmoga.org>; Aimee Barabe (barabe@nmoga.org) <barabe@nmoga.org>  
**Subject:** [EXT] NAIOP New Mexico comments on proposed methane rule attached

To: Florene Davidson, Clerk  
Oil Conservation Commission  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Ms. Davidson,  
Below and attached is NAIOP NM Commercial Real Estate Development Association's comments on the proposed methane rule.

Please provide this to the Oil Conservation Commission.  
I understand that the final date for submission is tomorrow, January 8<sup>th</sup>, so I assume we have met the deadline.

Thank you for your assistance,

*Lynne Andersen, President  
NAIOP NM Commercial Real Estate Development Association  
(505) 345-6976*

January 7, 2021

Dear Members of the Oil Conservation Commission,

NAIOP Commercial Real Estate Development Association is very concerned about proposed regulations on the oil and gas industry in the state. NAIOP New Mexico represents the professions involved in commercial real estate and multi-family development across the state. Our members include engineers, architects, planners, developers, contractors, land and water use attorneys, banks and investment bankers, sub-contractors, title companies and other professions. Many of these professions work closely with the oil and gas industry.

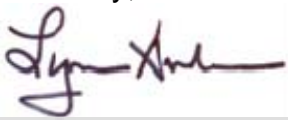
We understand the problems with methane gas and the need for methane capture, but we also understand that regulations should be flexible enough to allow for evolving technologies and best practices while still achieving the state's goal to reduce emissions.

The 6-year transition period would seem to be the minimum for companies to adapt and pay for the cost of complying with the proposed regulations. A 98% capture of methane would be higher than any state in the country and should be implemented with care and sound science. It will definitely affect the ability of the industry to compete with surrounding states.

Frankly, the oil and gas industry is, and continues to be, a cash cow for the state, supplying over 1/3 of the state's budget; 1/3 of which goes to our schools. To mix metaphors, a more stringent regulation would seem to be a way to kill the golden goose. The reporting requirements outlined in the rule should provide the information necessary for regulators to ensure that objectives are being met without creating unnecessary or arbitrary burdens as industry conducts business.

We urge the Commission to seriously consider the wider impacts of this rule in terms of lost revenue and jobs, in addition to the benefits to the environment. The oil & gas industry, and the construction industry our association represents, are essential, and owners and employees have continued to work tirelessly during the pandemic. Both industries are more critical than ever to providing for the state's coffers and jobs for New Mexicans.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lynne Andersen", is written over a light blue rectangular background.

*Lynne Andersen, NAIOP President*

January 7, 2021

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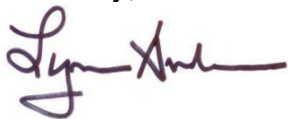
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Sincerely,



Lynne Andersen, NAIOP President

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