

Valentine, Velvet, EMNRD

From: Scott Oury <scott@scatter.com>
Sent: Wednesday, January 6, 2021 1:33 PM
To: Davidson, Florene, EMNRD
Subject: [EXT] Please protect New Mexico by ensuring the proposed methane waste rules are strengthened and implemen

Dear Oil Conservation Commission,

I am writing to support Governor Michelle Lujan Grisham's call for nation-leading methane reduction rules. To achieve that goal, the Oil Conservation Commission must strengthen the Oil Conservation Division's proposed methane waste rules to eliminate unnecessary waste and pollution.

The final rule must achieve three key goals:

1. Ban routine venting and flaring and only allow such activities when necessary for health and safety, and require flaring over venting except when necessary for health and safety.
2. Require oil and gas companies to capture 98% of methane emissions by 2026.
3. Strengthen state reporting and public notice requirements to improve transparency and ensure accountability of oil and gas operations.

Methane is a powerful greenhouse gas that is responsible for about 25% of the climate change we're experiencing today. Oil and gas companies release more than 1.1 million tons of methane, which has the same climate impacts as about 25 coal-fired power plants. Methane is also the primary component of natural gas, which means when methane is wasted, it costs our schools upwards of \$43 million in royalty and tax revenue.

The 2020 New Mexico Climate Strategy: Progress and Recommendations report revealed that the oil and gas sector generates 53% of all greenhouse gas emissions in the state, more than twice the amount than previously estimated.

Critically, the Climate Strategy report finds that "Our current and proposed climate strategies will make a significant dent in our greenhouse gas emissions profile by 2030—but reaching our targets will require renewed ambition and additional action."

To achieve our goals, the Oil Conservation Commission should:

1. Require "green completions" to minimize methane emissions during completions and recompletions.
2. Toughen provisions to ensure that flares stay lit and work properly at all times, preventing methane from being vented into the atmosphere.
3. Require operators to immediately notify persons and communities at risk when methane releases threaten public health, safety, or the environment occur.
4. Deny permits to drill new wells if operators are out of compliance with gas capture requirements. Operators should be required to invest first in complying with their legal requirements to prevent methane waste and pollution before they drill new wells.

5. Prohibit routine venting and flaring during pipeline maintenance and repairs and only allow for flaring if necessary for safety.

6. Ensure that any leaks or repairs through the ALARM program are verified by an independent third party to ensure the integrity of the program. While voluntary ALARM holds promise in incentivizing technological innovations, these programs are not a substitute for mandatory leak detection and repair requirements, the most important tool for reducing methane leaks.

Finally, since nearly 70% of oil and gas methane pollution in New Mexico occurs through leaks, it is critical that the New Mexico Environment Department adopt a rule that holds polluters accountable and cuts emissions across the oil and gas supply chain. NMED's draft rule fails to protect public health and our climate by exempting 95% of wells from regulation across the state from oversight and basic leak detection and repair requirements. The Commission should make clear that the agencies must work in parallel to achieve comprehensive rules that cut methane and air pollution.

Regards,
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