

OCD CASE NOS. 14784 AND 14785

IPANM Petition to amend Title 19, Chapter 15,
part 17 (The PIT Rule)

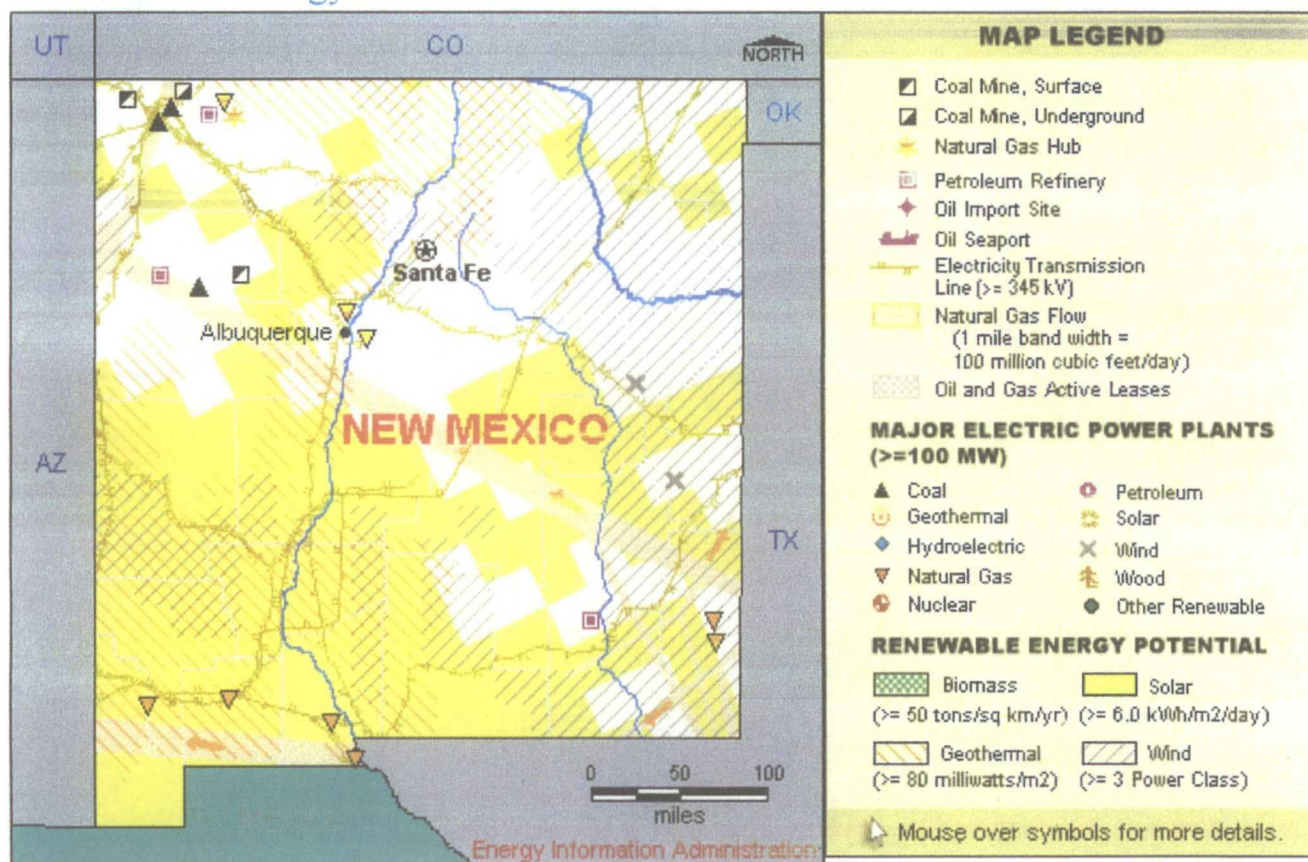
May 14 – 18, 2012

**IPANM exhibit 3
EIA New Mexico Energy Fact
sheets**



U.S. Energy Information
Administration

New Mexico Energy Fact Sheet



Last updated in November 2009.

New Mexico Quick Facts

- New Mexico is a leading U.S. producer of crude oil and natural gas.
- New Mexico natural gas production accounts for close to one-tenth of the U.S. total.
- The San Juan Basin located in New Mexico and Colorado contains the Nation's largest field of proved natural gas reserves.
- New Mexico rivals Colorado and Wyoming as the Nation's top coalbed methane producer, and approximately one-third of all natural gas produced in New Mexico is coalbed methane.
- The Blanco Hub, located in the San Juan Basin, is a major transportation point for Rocky Mountain natural gas supplies heading to West Coast markets.
- New Mexico's Permian Basin holds three of the 100 largest oil fields in the United States.

Last updated in October 2009.

Data

Last Update: April 19, 2012

Next Update: May 17, 2012

Economy

Population and Employment New Mexico		U.S. Rank	Period
Population	2.1 million	36	2011
Civilian Labor Force	0.9 million	37	Feb-12
Per Capita Personal Income	\$34,575	44	2011
Industry	New Mexico	U.S. Rank	Period
Gross Domestic Product by State	\$ 72.8 billion	38	2010
Land in Farms	43.2 million acres	6	2007
Market Value of Agricultural Products Sold	\$ 2.2 billion	35	2007

Prices

Petroleum	New Mexico	U.S. Avg.	Period
Domestic Crude Oil First Purchase	\$96.61/barrel	\$98.95/barrel	Jan-12
Natural Gas	New Mexico	U.S. Avg.	Period
Wellhead	\$5.32/thousand cu ft	\$4.48/thousand cu ft	2010
City Gate	\$3.90/thousand cu ft	\$4.86/thousand cu ft	Jan-12
Residential	\$7.48/thousand cu ft	\$9.55/thousand cu ft	Jan-12
Coal	New Mexico	U.S. Avg.	Period
Average Sales Price	\$30.67/short ton	\$35.61/short ton	2010
Delivered to Electric Power Sector	\$ 2.22 /million Btu	\$ 2.41 /million Btu	Jan-12
Electricity	New Mexico	U.S. Avg.	Period
Residential	10.82 cents/kWh	11.43 cents/kWh	Jan-12
Commercial	8.56 cents/kWh	9.88 cents/kWh	Jan-12

Industrial	5.38 cents/kWh	6.50 cents/kWh	Jan-12
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See more Price data for all States >

Reserves & Supply

Reserves	New Mexico	Share of U.S.	Period
Crude Oil	700 million barrels	3.4 %	2009
Dry Natural Gas	15,598 billion cu ft	5.7 %	2009
Natural Gas Plant Liquids	715 million barrels	8.4 %	2008
Recoverable Coal at Producing Mines	340 million short tons	1.9 %	2010
Rotary Rigs & Wells	New Mexico	Share of U.S.	Period
Rotary Rigs in Operation	79	4.2 %	2011
Crude Oil Producing Wells	20,020	3.8 %	2009
Natural Gas Producing Wells	44,748	9.2 %	2010
Production	New Mexico	Share of U.S.	Period
Total Energy	2,412 trillion Btu	3.3 %	2009
Crude Oil	6,541 thousand barrels	3.5 %	Jan-12
Natural Gas - Marketed	1,292,185 million cu ft	5.8 %	2010
Coal	20,991 thousand short tons	1.9 %	2010
Capacity	New Mexico	Share of U.S.	Period
Crude Oil Refinery Capacity (as of Jan. 1)	142,900 barrels/calendar day	0.8 %	2011
Electric Power Industry Net Summer Capability	8,130 MW	0.8 %	2010
Net Electricity Generation	New Mexico	Share of U.S.	Period
Total Net Electricity Generation	3,264 thousand MWh	1.0 %	Jan-12
Petroleum-Fired	3 thousand MWh	0.3 %	Jan-12
Natural Gas-Fired	642 thousand MWh	0.7 %	Jan-12
Coal-Fired	2,370 thousand MWh	1.8 %	Jan-12
Nuclear	—	—	Jan-12

Hydroelectric	NM	NA	Jan-12
Other Renewables	229 thousand MWh	1.1 %	Jan-12
Stocks	New Mexico	Share of U.S.	Period
Motor Gasoline (Excludes Pipelines)	234 thousand barrels	0.6 %	Jan-12
Distillate Fuel Oil (Excludes Pipelines)	546 thousand barrels	0.5 %	Jan-12
Natural Gas in Underground Storage	59,091 million cu ft	0.8 %	Jan-12
Petroleum Stocks at Electric Power Producers	W	W	Jan-12
Coal Stocks at Electric Power Producers	W	W	Jan-12

Production Facilities New Mexico

Major U.S. Coal Mines	Navajo Mine/BHP Navajo Coal Co. • San Juan Mine 1/San Juan Coal Co. • El Segundo/Lee Ranch Coal Co Div/Peabody
Petroleum Refineries	Navajo Refining Co (Artesia) • Western Refining Southwest Inc (Bloomfield) • Western Refining Southwest Inc (Gallup)
Major Non-Nuclear Electricity Generating Plants	Four Corners (Arizona Public Service Co) • San Juan (Public Service Co of NM) • Duke Energy Curry (Duke Energy Curry LLC) • Gallup Energy Center (Energy Development Group) • Hobbs Generating Station (CAMS NM LLC)
Nuclear Power Plants	None

See more Reserves and Supply data for all States >

Distribution & Marketing

Distribution Centers New Mexico

Oil Seaports/Oil Import Sites	None
Natural Gas Market Centers	Blanco Hub (Production Hub)

Major Pipelines New Mexico

Crude Oil	All American • Amoco • Arco • Ciniza • EOTT Energy • Kerr-Mcgee • Mobil • Navajo • Pactex • Texas New Mexico.
Petroleum Product	ATA • DSE • Kinder-Morgan • Loch • Navajo • Support Terminals Oper Ptnshp.
Liquefied Petroleum Gases	DSE • Giant • Conoco • Chevron • MAPCO • Phillips •

Interstate Natural Gas
PipelinesEl Paso Natural Gas Co. • Natural Gas Pipeline Company of
America • Northern Natural Gas Co. • Northwest Pipeline Corp.
• Questar Pipeline Co. • Transwestern Pipeline Co.**Fueling Stations****New Mexico****Share of U.S.****Period**

Motor Gasoline	1,165	0.7 %	2008
Liquefied Petroleum Gases	50	2.1 %	2010
Compressed Natural Gas	8	1.0 %	2010
Ethanol	10	0.5 %	2010
Other Alternative Fuels	8	0.6 %	2010

See more Distribution and Marketing data for all States >

Consumption

per Capita	New Mexico	U.S. Rank	Period
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Total Energy	334 million Btu	21	2009
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by Source	New Mexico	Share of U.S.	Period
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Total Energy	670 trillion Btu	0.7 %	2009
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Total Petroleum	48.3 million barrels	0.7 %	2010
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» Motor Gasoline	21.8 million barrels	0.7 %	2010
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» Distillate Fuel	14.1 million barrels	1.0 %	2010
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» Liquefied Petroleum Gases	6.8 million barrels	0.9 %	2010
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» Jet Fuel	1.3 million barrels	0.2 %	2010
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Natural Gas	241,062 million cu ft	1.0 %	2010
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Coal	W	W	2010
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by End-Use Sector	New Mexico	Share of U.S.	Period
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Residential	117,954 billion Btu	0.6 %	2009
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Commercial	122,395 billion Btu	0.7 %	2009
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Industrial	227,361 billion Btu	0.8 %	2009
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Transportation	202,385 billion Btu	0.8 %	2009
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for Electricity Generation	New Mexico	Share of U.S.	Period
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Petroleum	5 thousand barrels	0.3 %	Jan-12
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Natural Gas	5,138 million cu ft	0.8 %	Jan-12
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Coal	1,361 thousand short	1.9 %	Jan-12
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Note: Small differences between source data and values displayed here may be due to independent rounding.

Click the icon next to a data series to see State rankings for that series.

Analysis

Resources and Consumption

New Mexico is rich in fossil fuel and renewable energy resources. Major oil and gas deposits are located in the Permian Basin in southeast New Mexico and in the San Juan Basin in the northwest. The San Juan Basin Gas Area, which extends into Colorado, is the largest field of proved natural gas reserves in the United States. New Mexico's Permian Basin contains three of the 100 largest oil fields in the United States. The northwest corner of the State also contains major coal deposits. Much of New Mexico's geologically active Rocky Mountain region holds geothermal power potential, and pockets of the State are suitable for wind power development. New Mexico possesses some of the Nation's highest potential for solar energy and New Mexico's southern deserts offer the State's most concentrated solar power potential. Although rich in energy resources, New Mexico has low energy demand due in large part to its small population. The transportation and industrial sectors lead State energy consumption.

Petroleum

New Mexico's crude oil production is substantial, and State crude oil output is typically just over 3 percent of the U.S. total. Production, which has been relatively steady since a steep decline through most of the 1970s, occurs in the Permian and San Juan basins. The Permian Basin, most of which lies in west Texas, is one of the most productive areas in the United States. New Mexico has three oil refineries, and several petroleum product pipelines connect the refineries to State and area markets. New Mexico requires the wintertime use of oxygenated motor gasoline to reduce carbon monoxide emissions in the Albuquerque metropolitan area. Ethanol, which is blended with gasoline to increase its oxygen content, is produced from corn and grain milo at New Mexico's only ethanol plant in Portales.

Natural Gas

New Mexico is one of the top natural gas-producing States in the Nation, and its output accounts for close to one-tenth of U.S. production. New Mexico produces natural gas in its Permian and San Juan basins. Although natural gas production declined through much of the 1980s, output increased sharply during the 1990s due in large part to the rapid development of coalbed methane production (the production of unconventional natural gas from coal seams). Today, coalbed methane accounts for about one-third of New Mexico's natural gas production. The San Juan Basin, which straddles the Colorado-New Mexico border, is the leading coalbed methane-producing region in the United States. New Mexico rivals Colorado and Wyoming as the Nation's leading coalbed methane producer and is responsible for around one-fourth of all coalbed methane produced in the United States. Although coalbed methane production from the San Juan Basin has declined since the late 1990s, new production is under

development in the Raton Basin in the northeastern part of the State.

Although more than two-thirds of New Mexico's households use natural gas as their primary energy source for home heating, State natural gas consumption is low. Less than one-tenth of New Mexico's natural gas is used in the State. New Mexico delivers natural gas via pipeline to consumption markets in Arizona and to market centers in West Texas that supply the Midwest. New Mexico's Blanco Hub, located in the San Juan basin, is a major gathering point for Rocky Mountain natural gas supplies heading to West Coast markets.

Coal, Electricity, and Renewables

A substantial amount of coal is produced in New Mexico. Most of New Mexico's coal mines are clustered in the San Juan Basin. About three-fifths of New Mexican coal is used within the State; the remainder is delivered by rail primarily to electricity generators in Arizona. Coal-fired power plants dominate the New Mexico electricity market and supply over four-fifths of the State's electricity generation. Natural gas-fired plants supply most of the remainder. Just over one-tenth of New Mexico households use electricity as their main energy source for home heating.

A proposed solar thermal power plant in southwestern New Mexico, located 10 miles outside of El Paso, Texas, is scheduled for completion by the summer of 2011. This plant is part of an effort to place 500 megawatts of solar power in California and the southwestern United States. New Mexico also produces a small amount of energy from wind resources. In March 2007, New Mexico adopted a renewable portfolio standard that requires 20 percent of an electric utility's power to come from renewable energy sources by 2020.

Last updated in October 2009.