Reasons for a Surface Use Agreement

Doing It Right

Suggestions to Diminish Conflicts Between the Oil/Gas Industry and the Surface User

New Mexico Cattle Growers' Oil and Gas Position Paper

> Compiled by Mr. and Mrs. Carl L. Johnson Third Generation Lea County, New Mexico Ranchers Tatum, NM 88267 January 2006

Reasons for a Surface Use Agreement

Living and Ranching in Oil and Gas Field Chaos

The environmental and actual surface destruction of the oil and gas fields is becoming increasingly well known and documented. The following is a list of other situations that have been created as by-products of the presence of oil and gas development and production. These all occur on, to, and with PRIVATE PROPERTY, along with private improvements, property and lease hold interests on State and BLM land; but by no means covers all the adverse aspects of oil/gas fields.

Cattle Theft

Cattle—drowned or suffocated by getting into reserve pit

Cattle-killed or ruined by ingesting oil

Cattle-hit and killed

Cattle—hit and crippled

Cattle caught in oil well machinery and crippled or killed

Cattle cut off and starved for water by pipeline ditches

Cattle picking up oil field debris and dying of hardware disease and/or intestinal tie up with plastic

Thread protectors found on hooves of cattle

Cattle mixed up due to fences being cut and not maintained

Cattle weight loss due to chasing oil/gas vehicles mistaken for their "feed wagons"

Litter

Trash

Debris—Abandoned equipment, wells, tanks, pumpjacks, buildings, heater treaters, compressors, motors, power lines, etc.

Fences cut and/or run through

Gates left open and/or torn up

Cattleguards destroyed and/or not maintained

Vehicle Wrecks—Trucks, trailers, pulling units turned over

Trespass

Time expended by surface user being in an oil/gas field— meetings, telephone time, attorney meetings, policing, trouble shooting, contacting, inspecting, taking care of other items on this list

Unreturned phone calls

A "pass the buck" attitude with no one accepting responsibility

Little to no notice given before entry or start of operation

Consistent broken promises, breach of contract and lack of integrity by oil/gas personnel

Enormous quantity, and of questionable quality, of personnel all over property. This unbelievable traffic (drilling companies, work over companies, pipeline companies, power companies, roustabout crews, tank trucks, pumpers, salesmen, and on, and on, and on) goes on 24 hours a day

Known and unknown detrimental health aspects directly connected to Oil/Gas industry; such as the high rate of cancer in Lea County Life style degradation

Loss of income

Loss of enjoyment of private property

Odors (many dangerous) produced from oil and gas production 24 hours a day

Bright, obtrusive lights 24 hours a day—at night the lights penetrate the house

Constant dust (like smog) leading to respiratory problems

Noise pollution by vehicles, oil rigs, compressor stations, pump jacks, work over units, seismic crews—24 hours a day

Sleep deprivation

Illegal hunting and poaching

Unsightly objects—rigs, tank batteries, pump jacks, high lines, compressor stations, etc.

Actual "dirt turned"—surface destroyed and sterilized by roads, locations, compressor sites, pits, tank battery installations and other man made structures

Little to NO maintenance of roads -some of which are 45' wide and 5' deep (beat out); unnecessary width of new road construction

Water pollution

Air pollution

Soil pollution

Erosion

Spills-salt water, oil, chemicals

Leaks-salt water, oil, chemicals

Overall nuisance

Diminished value of surface users property

Extremely large sizes of locations and reserve pits

Noxious Plants—(brought in by equipment)

Waste disposal and storage on PRIVATE PROPERTY (OIL AND GAS is the only industry in which it is not illegal!!)

In regards to a surface use agreement the items above should be considered in all aspects of figuring compensation due to the surface user operating in an oil/gas field.

The longevity of the effects of the oil/gas activity lasts a lifetime and more; with production in places continuing for 60 to 70 years.

All of the above mentioned items have, in the past, and are presently happening to me and others in the oil/gas patch. I am a third generation rancher in Lea County, New Mexico, operating for over 40 years in an active oil/gas field.

Yours truly,

Carl L. Johnson P. O. Box 917

Tatum, NM 88267

Home #: 505-398-6547 Mobile #: 505-369-5515

Doing It Right:Best Oil and Gas Development Practices for New Mexico

Amigos Bravos • A Slash Cattle Company • Blanchett Ranches
City of Lovington • Coalition for Clean Affordable Energy
ConservAmerica • Creative Commotion • Kern Ranch
Maxwell Cooperative Water Users • Natural Resources Defense Council
New Mexico Environmental Law Center
New Mexico League of Conservation Voters
New Mexico Wilderness Alliance
New Mexico Wilderness Alliance
New Mexico Wildlife Federation • Oil and Gas Accountability Project
Rio Grande Chapter of the Sierra Club • San Juan Citizens Alliance
Southwest Environmental Center
Southwest Research and Information Center • Vermejo Conservancy District
Wild Earth Llama Adventures

NEW MEXICO: RICH IN OIL AND GAS RESOURCES

New Mexico is rich in oil and gas resources. Several Counties in the state, including Colfax, Eddy, Lea, Rio Arriba and San Juan are in the midst of an oil and gas development boom. While this production provides economic benefit to these counties and the State of New Mexico, it also results in many negative impacts to the people and environment of our state.

DOING IT RIGHT IN THE FACE OF RAPID ENERGY DEVELOPMENT

The challenge facing New Mexicans now is not *whether* to increase fossil fuel production; energy companies are already on a record-setting pace as they accelerate development on public and private lands. Rather, the challenge facing us today is how best to protect our clean water and air, public health, and the environment in the face of rapid energy development. We support "doing it right", which is responsible energy development that protects water, the environment, private property owners, sacred sites and public lands, while enabling energy production. "Doing it right" is a reasonable approach to the long-term impacts of oil and gas development and can be achieved in New Mexico. In 2002, San Juan County alone produced over 4.5 billion dollars worth of oil and gas. We can afford to develop the resource and protect our lands and future prosperity. "Doing it right" means that some unique areas simply can't be drilled. Where oil and gas are developed, "doing it right" also means that the best oilfield practices must be pursued, including:

1. Preserving the private property rights of surface owners and surface users.

- Oil and gas operators must negotiate a surface user agreement with landowners and surface users (i.e. permitees and lessees) detailing the placement of roads, well sites, pipelines, compressor stations and related facilities and baseline testing of available water resources.
- Oil and gas operators must restore water and soil damaged by exploration and production, and provide temporary water supplies during remediation.
- Surface owners must be notified in writing at least 60 days in advance of lease sales and development.
- Restoration and adequate compensation is critical for all types of damages.

2. Existing laws must be enforced and strengthened.

Surface, Soil and Water Protection

- Oil and gas operators must use available technologies, such as directional drilling and narrower roads and pipeline right of ways, horizontal drilling, multiple wells per drilling pad, smaller well pads to reduce surface impacts and avoid fragmentation of wildlife habitat, ranchland and farmland.
- For formations and sites which do not require "frac-ing", or cavitation, post-drilling pads must be no more than 4/5 acre. For sites that need post-drilling activities, final pad sizes must be no more than one acre.
- Interim and final reclamation of well sites and related facilities, including restoring topsoil and native vegetation, is critical in our arid climate. Oil and gas operators must begin reclamation no later than six months after completion or abandonment, whichever occurs first.
- To ensure safety and quality of life for oilfield residents, oil and gas wells
 must be "setback" at least one-half mile from a house or other
 domestic structure.
- Water quality in drilling areas must be protected by the use of closed-loop drilling systems (i.e. pitless drilling) and water-based drilling fluids.
- Substitutions for other toxic oil and gas field materials (e.g., solvents, paints) must be used when non-polluting options are available.
- Incidents of water, soil and vegetation contamination must be avoided by eliminating on-site disposal of waste and mini landfills that are not up to specs and standards.
- Proper management and disposal of produced water must require that any wastewater reinjected into the ground is reinjected into the same aquifer or formation, or into an aquifer or formation of equal or lesser quality, to prevent degrading higher quality ground water.
- Beneficial use of produced water must prioritize mitigation of oil and gas development impacts.

Air Quality Protection and Noise Standards

- In concern for regional air quality, all immobile oilfield equipment that emits nitrogen oxides (NOX), volatile organic compounds (VOCs) or other Hazardous Air Pollutants (HAPs), owned and/or operated by an individual operator, should be regulated as a single source and for its cumulative effect.
- Waste gas and flaring must be defined and managed as an "air emission" and meet a state emissions standard.
- Noise standards should apply to all exploration, development, work-over, transportation and refinement equipment.

Wildlife and Habitat Protection

Remote monitoring and control devices must be installed to limit access by
persons other than essential gas field personnel in and near wildlife habitat,
wetlands, winter range, birthing and rutting areas, and other environmentally
sensitive areas. Drilling activities must be avoided during periods of
intensive wildlife use on public lands. Drilling activity must carefully comply
with lease and permit stipulations and limit or exclude public access on oil
and gas field roads.

- Whenever practical, bury utilities, particularly in and near areas of sensitive species' critical habitat. Minimize the disturbance footprint by burying utilities along the road, rather than cross-country.
- Any aerial power lines should be spaced to prevent or minimize raptor mortalities. Existing power poles should be modified to prevent raptor perching.
- Reclaim and revegetate all disturbed surfaces as soon as possible after completion of pipelines or well abandonment.
- All pits should be fenced and covered to prevent entry by birds and wildlife.

3. Protect the public interest.

- At all stages of oil and gas development, the public should receive published notice and adequate opportunities to provide input. In New Mexico, a first step in enhancing our public input process would require posting spill, inspection and abatement reports on state websites and fulfilling inspection report requests by mail.
- An equal emphasis in New Mexico should be placed on inspection, enforcement and bonding, as well as permitting wells. This emphasis will require that both state and federal agencies have at least one inspector for every 500 active, inactive and known abandoned wells, with convenient public access to reports.
- New Mexico must require "full cost" bonding on all man made structures.
- Before new drilling is approved, the responsible agencies should fully analyze and disclose all potential impacts to allow for meaningful public input into decisions affecting the people and environment of our state. Such analysis should include cumulative impacts analysis, full consideration of other land uses, such as ranching, farming, cultural and wildlife management.
- Agencies must fully coordinate with and consider the impact of development on tribal land and people. Such analysis will include cumulative impacts analysis, full consideration of other land uses (ranching and cultural) and full consultation with impacted communities.
- Environmental justice factors must be taken into consideration during planning processes, including consideration of existing pollution levels, race, cultural factors, income demographics and health of inhabitants.

A NEW ENERGY TOMORROW

In the struggle to meet our energy demands, we need to work for fair standards that balance the interests of the oil and gas industry with the right of people to have clean air and water and for our children to inherit a legacy of unspoiled private and public lands. We need an energy policy that requires sustainable energy development and encourages conservation, fuel efficiency and renewable energy.

Suggestions to Diminish Conflicts Between the Oil/Gas Industry and the Surface User

During a meeting with several oil/gas companies, a list of suggestions and complaints by the land user was requested in order to attempt better relations. The following is a partial and incomplete compilation of those requests.

- 1. All maintenance performed upon reasonable request to satisfaction of surface user—road maintenance, fence repair, cattle guards, pipelines replaced, etc.
- 2. Rehab and reclaim all caliche pits as they are used, per each use.
- 3. One (1) "go to " person within each oil/gas company to be available 24 hours, 365 days. Sundays and holiday phone number and with immediate response from said person before drilling and until dry hole marker is erected.
- 4. No oil/gas activity of any type without prior notification of surface user.
- 5. Berms around all tanks, storage areas, pump stations, heater treaters, etc. to hold 1.5 times total volume of tanks and other equipment.
- 6. Trash pickup immediately upon request includes roads, locations, tank batteries, storage sheds, compressor stations, concrete, everything. Net hauled in—net hauled out.
- 7. All leaks and spills, contaminated soil, hauled off and new, clean top soil brought in to the satisfaction of surface owner, lessee, permitee. Compensation provided.
- 8. All water sources polluted by oil/gas companies and support industries be made clean to satisfaction of owner. Provide new, alternate source of drinkable water to all affected users. Compensation provided due to major inconvenience, damage, and expense, plus punitive damages. Terrace, plow, contour and level all locations and pipelines to conserve and maintain, if not collect excess rainfall.
- 9. Brine drilling only with severe restrictions and guidelines with very substantial compensation.
- 10. Closed loop system recommended.
- 11. Old fashioned U-shaped multi pits made illegal. Use only 2 small, double lined deep pits, or better, a closed loop system.
- 12. All roads no more than 12' wide driving surface, 14' total damage. Impose severe monetary and production penalty if wider and not maintained—immediately upon request.

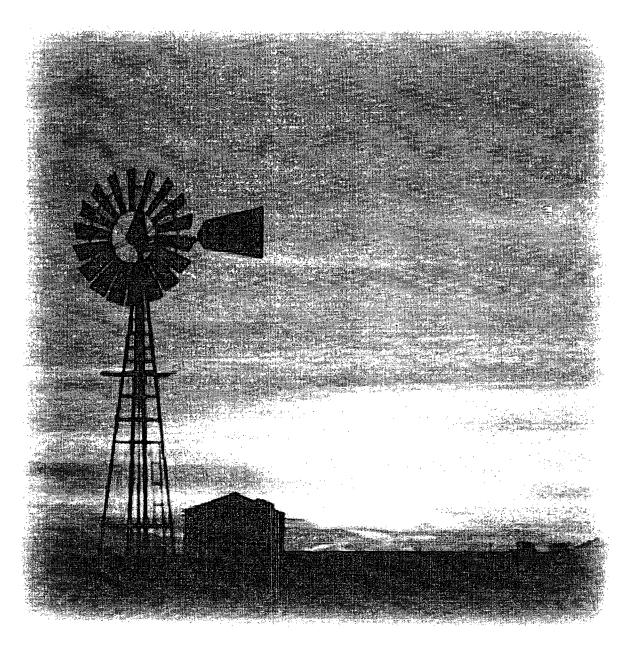
- 13. Location size limited, including a closed loop system recommended for the pits.
- 14. Pickup and haul off or use elsewhere caliche from abandoned wells, dry holes, roads, or completed wells to diminish size of locations.
- 15. Upon drilling completion, all pits to be drained of all liquid which is to be disposed of in an appropriate manner. All cuttings buried at least five feet below surface of ground and five feet of topsoil (either recovered from original pit or, if not enough due to rock, then hauled in). Water depth at 100' or less, haul off all cuttings, plastic, liquid and haul in new, clean topsoil to fill cavity.
- 16. All drilling pits to be lined with 1 (one) year, biodegradable pit liner (per OCD rules); or remove and dispose of liner.
- 17. Right of way of pipelines, electric lines, roads, etc. to be decreased in width to bare construction minimum of 10 to 20 feet wide. Absolutely no grading off of top soil, just brush removed or high sand bumps leveled.
- 18. Tanks, stuffing boxes, pipelines, etc. that are leaking to be replaced immediately upon request of surface user. Production and monetary penalty imposed if not adhered to.
- 19. No unauthorized trespass on ranch roads, electric line right of way, across pastures, and/or pipeline right of way. Set suitable trespass fee to be applied per rod and per infraction.
- 20. Minimum tank battery construction as close as possible to well head. One tank battery in 1 (one) lease centrally located is preferred over multiple tank batteries.
- 21. Noise abatement immediately upon request of surface user and to their satisfaction.
- 22. Surface user to have sufficient prior notice of any activity within the oil/gas field by phone, mail, or fax.
- 23. Well head, tank battery, truck fill up, pipeline leaks picked up immediately.
- 24. Cattleguards kept cleaned and maintained immediately upon request of surface user. Fine imposed if not done.
- 25. Pump jack guards in good repair at all times. Substantial fine payable upon request of surface user if not maintained.
- 26. No new caliche pits in established oil/gas field. New oil/gas field to have very few pits. Prefer to use caliche out of pit area at well location if closed loop is not used.

- 27. All fences of good construction and per surface users specs maintained upon request of surface user. Adequate penalty if not adhered to.
- 28. Compensation made to surface user for loss of income, health factors both mental and physical, nuisance factor, soil pollution, water and air pollution, noise pollution, damage to the land, damage or harm to all private property, and all other aspects detrimental to surface user. (see: Reasons for Surface Use Agreement)
- 29. Fence stretched and tied off before cutting for any entry through surface users' fences. Fence H braces per surface users' specifications.
- 30. Dust suppression upon reasonable request at problem areas.
- 31. Immediately remove all electric lines to abandoned wells, oil field houses, booster stations, or any facility not being used, upon request of surface user.
- 32. Increase amount of all bonds and require a full bonding on ALL oil and gas field construction and operations—EVERYTHING!
- 33. Pick up and properly dispose of old leaking and abandoned flow lines and if needed, replace with new pipe. Two (2) leaks maximum before replacing.
- 34. Reorganize the OCD. It is completely unsatisfactory in its duty to protect the water, soil, air resources and the private property rights of NM citizens.

 Form a new organization set up differently from OCD with a different mindset, mission statement, employees, etc. A new active, viable organization to steadfastly protect all resources in the State and by the same token, produce optimum oil and gas in responsible manner.
- 35. State Land Office, BLM, OCD, Environmental Protection Agency to file criminal charges and prosecute to the fullest extent with fines, production penalties, and time in jail (as examples: Enron, WorldCom, Tyco, Martha Stewart) due to flagrant and repeated violation of private property rights, soil, water and air environmental rules, regulations, standards, and specifications of OCD, State Land Office and BLM.
- 36. Any livestock killed by any oil/gas field activity to be paid for immediately at price stated by owner of livestock. This is an illegal taking and should be viewed so.
- 37. No fences cut without prior permission from owner. Same for cattleguard ends.
- 38. All roads and pipelines not to impede natural flow of rain water.
- 39. The location of all above ground constructed facilities (sheds, pipeline appurtenances, compressor stations, electric lines, roads, tank battery sites, flow lines, etc.) to be mutually agreed upon between oil company and surface user.

- 40. No traffic around homes after 9:00 PM and before 5:00 AM, except when drilling a new well.
- 41. No roads, traffic, noisy equipment etc. within close proximity of homes.
- 42. Health issues, both physical and mental, must be addressed and mitigated by oil/gas industry.
- 43. Oil/gas industry to set up and maintain a super fund for cleanup and environmental rehabilitation past, present and future.

Voluntary compliance is not working. Production penalties are needed and fines imposed. More inspectors and enforcement personnel are of utmost importance.



New Mexico Cattle Growers' Association Oil and Gas Position Paper

Impacts of Oil and Gas exploration, development and production have an obvious and sometimes intense impact on ranchers. The impacts have become a source of conflict between oil and gas operators and ranchers on private lands, State lands and Federal lands. The New Mexico Cattle Growers' Association (NMCGA) is not anti-oil and gas production and, in fact, understands and supports the need for domestic production. However, the present situation, coupled with some unsatisfactory history and impacts, has created the need to make improvements. For that purpose, NMCGA has worked on defining the problems and recommending solutions. The purpose of this position paper is to define the problem area and request practical solutions, as we see them.

We believe that the situation is serious enough to require aggressive attention and action by Congress, the Bureau of Land Management (BLM), the New Mexico State Land Office (SLO), the New Mexico Oil Conservation Division (OCD), oil and gas lessees and operators and contract and service personnel, as well as ranchers. NMCGA believes that domestic oil and gas production, exploration and operations can be improved and that they must be conducted in a manner that minimizes damages to the surface, the aquifers and the air, regardless of ownership status.

Priority Problem Issues:

- 1. Excessive surface damages and disturbance.
- 2. Inadequate compensation and restitution for damages and adverse impacts.
- 3. Inadequate protection of watersheds and aquifers.
- 4. Inadequate reclamation, repairs, maintenance, clean up and mitigation.
- 5. Lack of communication with and responsiveness to landowners and lessees.
- 6. Lack of full consideration of both physical and mental health, safety and security issues.
- 7. Lack of inspection, enforcement and compliance by authorities having jurisdiction.
- 8. Worsening situation with noxious weeds and brush species invasion.

We believe that there are creative new ways to address most, if not all, of these problems that do not require stopping domestic exploration and production. By finding ways to fund clean up, repairs and reclamation and ways to minimize damages, we can both produce oil and gas and protect the environment. In a time of more enlightened management, surely we can do better than the existing situation.



Solutions:

The following specific items should be addressed as solutions to the problems identified:

Surface Damages:

- Use existing roads, pads and corridors and directional drilling. Aggressively reduce, close and/or reclaim existing pads, roads and pipelines.
- Initiate aggressive project to clean up and repair historical and existing damages, while preventing similar situation in all new development.
- Reducing the number of miles of road and reclaiming the unneeded roads.
- Implementation of new specifications as to the size of pads and pits, tank battery sites and sizes, width of roads and pipeline right-of-ways, due to new technology and equipment in use in the oil field.

Compensation and Restitution:

- The entire process of compensation must be revised. The procedure that allows the oil lessee to proceed without settling damages is biased against the multi-use concept, with the surface owner or lessee suffering the greatest consequences.
- The involvement of and approval by the landowner and/or surface lessee prior to the approval and issuance of a permit to drill will improve this.
- The entire standing of the surface as subordinate to the subsurface should be redefined to make them equal in status. The subsurface can no longer be the dominant estate.
- Compensation, Damage Payments and Restitution must be based on the full value of personal property and the replacement cost or cumulative reduction in value of the real or leasehold property and the full cost of the adverse effects on the ranch operations.
- There is not enough history in arid areas such as New Mexico, even after 70 or more years, to fully understand how much time will be necessary for the rehabilitation of the land, not to mention the heretofore uncompensated impacts to human health, both physical and mental.

Protection of Watersheds and Aquifers:

- Surface Casing should be set and cemented continuously and through the deepest fresh water aquifer.
- Wells and pipelines with leaks and other equipment failures must be corrected immediately.
- Plugging and abandonment of non-producing and problem wells, along with clean up of tank batteries, cement foundations, heater treaters, pipe connections, iron and cable, and so forth.
- Increased monitoring of surface and fresh water aquifers must be initiated and maintained.
- Surface spills and leaks must be cleaned, repaired and reclaimed immediately.
- Roads, pads and pipelines that are accelerating erosion and runoff must be repaired and reclaimed. Entire watersheds are now at risk.

Reclamation, Repairs, Maintenance, Clean Up and Mitigation:

- Funding sources must be developed to supplement what the oil and gas operators must do.
- Fund trial projects on sub watersheds through the BLM District Offices, the SLO and the OCD.
- Increase enforcement and compliance staffing for BLM, the SLO and the OCD to improve the problem areas.
- Agencies must place new priority on assuring and achieving compliance with surface stipulations by meaningful fines and/or production penalties.
- Agencies must quantify and consider the cumulative affects of existing damages and then initiate the necessary work to bring the leases into compliance with existing requirements.
- The actual work of achieving compliance must be on a fast track to prevent further damages.
- Rewriting and updating the "Gold Book" of surface management requirements to reflect more contemporary expectations should be initiated with the advice and consultation of landowners and surface lessees.

Communication and Responsiveness:

- Response time to problems is too slow and must be improved. Immediate mandatory compliance with severe penalties imposed must be considered.
- Agencies should develop a rapid response team and direct follow up action.
- Landowners and Lessees must be included in the process of permit approval, lease changes, development of plans of operation, damage resolution plans, unit spacing changes and any other lease activities that affect the surface, private or leased.
- Other production activities often affect the surface after drilling. Involvement of the landowners and lessees must be established. Agency reviews should include coordination and consultation with the landowners and lessees prior to approval.

Health, Safety and Security:

- Issues of noise and emissions are intensifying and adverse effects on the land and residents must now be considered. Agencies and producers must have an obligation to do no harm.
- Design and placement of roads, pipelines, production equipment and well sites must now consider the safety of the residents, landowners, lessees and other users, prior to approval.
- Oil and gas operators have an obligation to protect the safety and security of the landowners and not interfere with their operations, the peaceful enjoyment of their land and the rightful uses of their land. Therefore, the agencies as lessors and the Oil and Gas operators as lessees must have an obligation to limit and control access to private land by maintaining control of keys and other means of access and being fully liable for the actions of their employees, agents and contractors. If they do not do so, they must face both financial and rehabilitative penalties.

Inspection, Enforcement and Compliance:

- BLM, the SLO and the OCD must receive adequate funding to increase staffing to do the needed inspections and, if necessary, the enforcement to achieve compliance.
- Voluntary compliance is not working. The lack of staff is hindering adequate
 action on behalf of the BLM to protect the surface or initiate meaningful
 response to existing problems.
- Other regulatory agencies may need to be included in a more comprehensive approach.
- Our preference is to develop a non-punitive effort to assure results. However we also believe that if sanctions, fines and lease cancellation can be applied to grazing leases, then they can also be applied to oil and gas leases.

Noxious Weeds and Brush Invasion:

- The mobility and movement of equipment and vehicle traffic is one of the primary vectors for movement of seed. Appropriate control and management of the problem must become part of lease operation requirements and strictly enforced.
- Disturbed sites and damaged sites are fertile ground for the establishment of weeds and brush and must be managed to eliminate and control invasion.
- Oil and Gas operators and lessees must be responsible for control and treatment of weeds and brush along roads, pipelines, well pads and other equipment sites.
- Revegetation of the pad surface and pipeline rights of way with native grasses is one of the best prevention methods and should be a requirement, not an option, in consultation with the surface owner or lessee.

Conclusion:

We believe that dramatic improvements can and must be made quickly. We believe there are responsible oil and gas producers that are willing to work cooperatively with the agencies, landowners, lessees and others to improve the situation. Many of the critical problems are the result of poor operations and lack of controls in the past and, to that extent, some of the cost should be paid by public funding. One of the critical needs is to find a funding source to address the existing problems on a large scale. Some have suggested super fund designation. We prefer a more positive approach, such as designating funds from the Reclamation Fund or other Federal sources as a vehicle to share the cost and get work actually started. Better communication between all of the agencies having jurisdiction and the landowners, surface lessees and the oil and gas producers is necessary to initiate real improvement.

We believe there are many new methods that can and should be applied to exploration, drilling, development and production that can minimize damages and reduce surface disturbance, while producing more energy. Noble Energy has produced a report in conjunction with the Domestic Petroleum Council, entitled, "Oil and Gas Exploration and Production Technology Update," dated November 14, 2002. The report describes changes that can be made that will help accomplish some of our suggestions.

Also, we fear that if improvements and changes are not made quickly, that the alternative we can anticipate is imminent adversarial citizen lawsuits. We caution that no actual immediate improvements will be made by litigation and, in fact, scarce resources will be used in court that should have been used on the ground. If the agencies, lawmakers, landowners, surface lessees, Oil and Gas lessees and other interested parties will work at this in a cooperative, non-partisan manner, much can be accomplished quickly. If they cannot or do not, then we believe the situation will move into the realm of the courts within the near future.

Prepared by the

New Mexico Cattle Growers' Association
Oil and Gas Subcommittee
P.O. Box 7517
Albuquerque, New Mexico 87194
505/247-0584 telephone
505/842-1766 FAX
nmcga@rt66.com
http://www.nmagriculture.org

