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Coalition for Clean Affordable Energy ConservAmerica Creative Commotion Kern Ranch  
Maxwell Coop. Water Users Natural Resources Defense Council  
New Mexico Environmental Law Center New Mexico League of Conservation Voters  
New Mexico Wilderness Alliance New Mexico Wildlife Federation  
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San Juan Citizens Alliance Southwest Environmental Center Southwest Research &  
Information Center Vermejo Conservancy District Wild Earth Llama Adventures*

## **Doing It Right: Best Oil & Gas Development Practices for New Mexico**

### **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:” 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 is 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 use agreement with landowners and surface users (i.e., permittees 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 for surface damages is critical.

## 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, horizontal drilling, multiple wells per drilling pad, and smaller well pads to reduce surface impacts and avoid fragmentation of wildlife habitat, rangeland 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 6 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.
- Proper management and disposal of produced water must require that any wastewater re-injected 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 & 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 permitting 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.
- 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 and demographics.

### **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.