

State of New Mexico  
Energy, Minerals and Natural Resources Department

---

**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Secretary

**Adrienne Sandoval**, Division Director  
Oil Conservation Division



## **NOTICE**

# **GUIDANCE FOR ALARM TECHNOLOGY APPROVAL AND ALARM CREDIT APPLICATION**

November 29, 2021

In accordance with 19.15.27 and 19.15.28 NMAC, an operator may earn credits to offset a portion of its annual volume of lost gas by using a division-approved Advanced Leak and Repair Monitoring (ALARM) technology to identify, isolate, and repair natural gas leaks.

Operators or other companies may propose new, emerging, or proprietary monitoring technologies for the division to evaluate for approval as an ALARM technology. The Oil Conservation Division (OCD) received and has considered stakeholder feedback on a draft Technology Applications Guidance released in October 2021. As a result of this collaborative process, OCD is providing the finalized guidance, which has been posted to the [OCD's Announcements web page](#). The Guidance describes suggested baseline information an Operator or other entity should provide to the OCD about a technology it proposes for approval as an ALARM technology.

An operator that successfully isolates and repairs a leak or release detected by an approved ALARM technology may apply to OCD to obtain offset credits against its annual volume of lost gas. In October, OCD sought and received stakeholder feedback on a draft Credit Application Guidance that described the information an Operator must provide to the division. As a result of this collaborative process, OCD is providing the finalized guidance, which has been posted to the [OCD's Announcements web page](#). Operators may begin earning offset credits in April 2022. Offset credits are valid for 24 months after OCD approval.

The OCD is developing electronic forms for both the ALARM Technology Approval application and the ALARM Credit application. Applications for OCD approval of an advanced monitoring technology can start being submitted once OCD posts the electronic Technology Approval application. Such entities may request a pre-application meeting with OCD in the interim if they wish. The Credit application will have similar format as OCD's Form C-129. OCD will provide notice when the electronic forms are available.

Any questions should be directed to [EMNRD.Wasterule@state.nm.us](mailto:EMNRD.Wasterule@state.nm.us)