Michelle Lujan-Grisham
Governor

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Division Director
Oil Conservation Division

NOTICE

BONDING, TRANSFERS AND TEMPORARY ABANDONMENT RULE REVISIONS

November 17, 2026

The Oil Conservation Commission filed revisions to the following rules—19.15.2 NMAC, 19.15.5 NMAC, 19.15.8 NMAC, 19.15.9 NMAC, and 19.15.25 NMAC—with the New Mexico State Register for publication on September 22, 2026. The Oil Conservation Division (OCD) is updating and developing forms and guidance documents related to the implementation of Bonding, Transfers, and Temporary Abandonment requirements. OCD will begin rolling out these forms and guidance materials in the coming weeks.

Important Dates,

September 22, 2026 – The rules were adopted by the New Mexico Register and went into effect.

The following requirements are currently in effect, and OCD is actively working on guidance for implementation:

- Removal of allowed non-compliant inactive wells. The previous allowance for a limited number of non-compliant inactive wells has been eliminated. Operators were able to carry up to seven such wells, some of which had been inactive for more than 40 years.
- All individual well-bonding amounts have been standardized to $150,000 per well.
- Removal of the $1 million blanket bond for inactive and temporarily abandoned wells. These wells are now covered under the $150,000 individual well bonding.
- OCD may now conduct reviews of operators to evaluate compliance history in other jurisdictions and to verify financial capability. This provides a safer transfer process and reduces the likelihood that well liabilities are transferred to operators lacking adequate resources or having a history of non-compliance.

- The Oil Conservation Commission has added significant new requirements for Temporarily Abandoned Wells to ensure proper maintenance and planning for future beneficial use.

September 22, 2027

- Clarifications to identify historic wells that may no longer be beneficially used. The information below will help flag wells potentially no longer in beneficial use. This is a preliminary determination only; operators will have the opportunity to contest such findings.
    - Oil and gas wells – Production of less than 90 BOE over the prior 12 consecutive months
    - Injection wells – Injection of less than 100 bbls over the prior 12 consecutive months

May 1, 2029

- Evaluation of a company's well portfolio to assess operational risk. If a company exceeds 20% of wells classified as higher-risk, all wells owned by that operator will be required to carry individual well bonds.