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Natural gas waste reduction rules now in effect

Santa Fe, NM – The Energy, Minerals and Natural Resources Department (EMNRD) Oil Conservation Division's (OCD) rules requiring oil and gas operators to capture 98 percent of their natural gas waste by the end of 2026, go into effect today upon publication in the New Mexico Register. The rules follow two years of stakeholder outreach, technical research, and codify one of the strongest natural gas programs in the nation.

The rules require:

- Extensive reporting of natural gas loss from oil and gas production and midstream operations,
- Prohibits routine venting and flaring,
- Requires attainment of an increasing gas capture targets, and
- Gives OCD the ability to deny drilling permits if gas capture targets are not achieved.

Collectively these changes will meaningfully reduce waste, while encouraging innovation in the industry.

The prohibition of routine venting and flaring begins today. Phase 1 of the rules begins in October, requiring robust data collection and reporting to identify natural gas loss at every stage of the process. This information drives Phase 2 of the rules, which requires upstream and midstream operators, including pipelines, to attain a higher level of natural gas capture each year, culminating in 98 percent natural gas capture by the end of 2026.

"Today the nation's strongest gas capture requirements in the country go into effect," said OCD Director Adrienne Sandoval. "We look forward to continuing to work with our stakeholders as we implement these rules that will help New Mexico meet our ambitious climate goals and foster innovation in the oil and gas industry."

Guidance for operators can be found on the Oil Conservation Division's announcement page.

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