

# Developing New Mexico's Oil and Natural Gas Methane Strategy:

## Methane Advisory Panel Public Outreach Meeting

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NEW MEXICO ENVIRONMENT DEPARTMENT

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES  
DEPARTMENT

Spring 2020

# Developing New Mexico's Methane Strategy

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***“EMNRD and NMED shall jointly develop a statewide, enforceable regulatory framework to secure reductions in oil and gas sector methane emissions and to prevent waste from new and existing sources and enact such rules as soon as practicable.”***

- Governor Michelle Lujan Grisham

Executive Order 2019-003: “Executive Order On Addressing Climate Change And Energy Waste Prevention”

and

New Mexico Climate Strategy, Initial Recommendations and Status Update, 2019 of the New Mexico Interagency Climate Change Task Force, pages 13-15

# Developing New Mexico's Methane Strategy

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**Science:** Using the best available science to inform our decision-making in protecting public health, the environment and minimizing waste.



**Innovation:** Employing creative engineering and technological solutions to address the public health, environmental and waste challenges.



**Collaboration:** Engaging communities and interested stakeholders in our methane strategy decision-making.



**Compliance:** Ensuring meaningful compliance with state regulations and permits.



# Developing New Mexico's Methane Strategy

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- Methane Advisory Panel (MAP) formed, consisting of technical stakeholders focusing on processes and equipment associated with exploration, production, gathering and processing.
- Members included local and national eNGOs, major and independent upstream/midstream industry.
- Technical guests included academia and technology companies

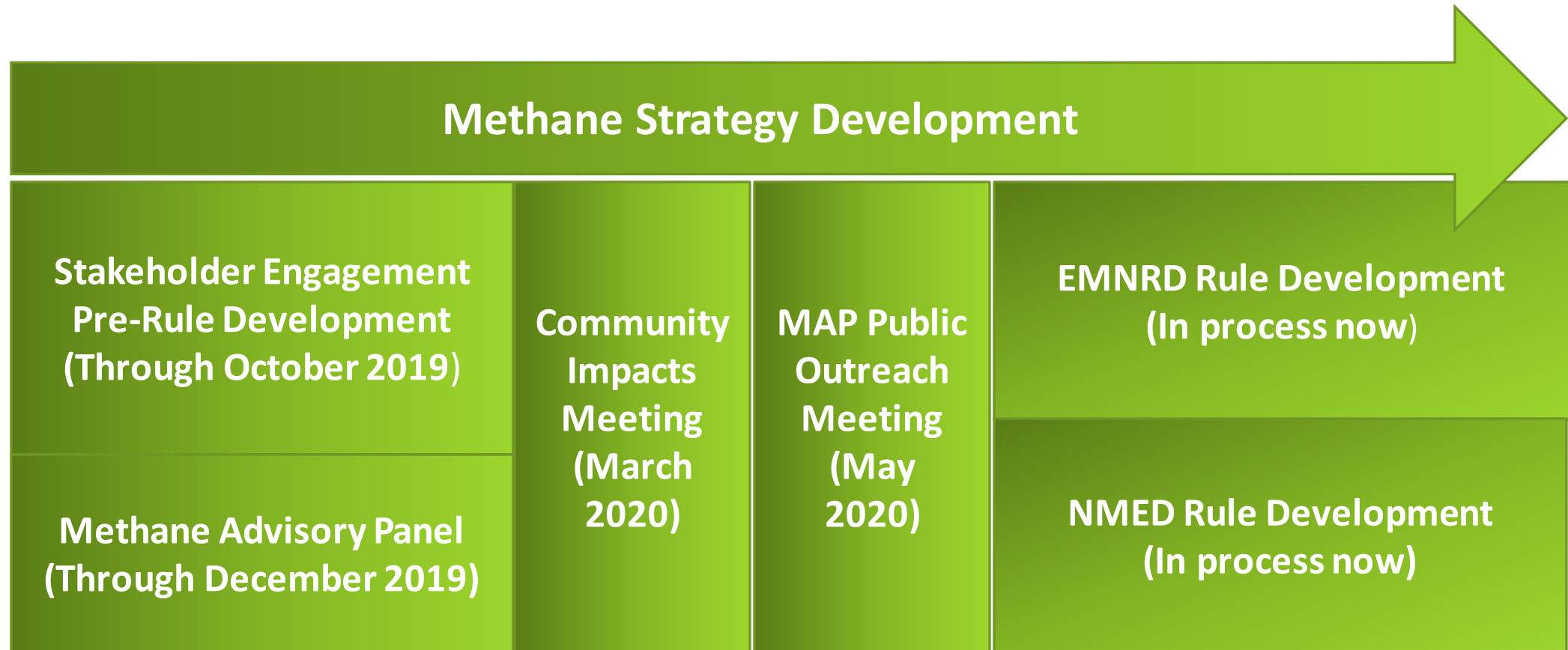


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- Charge to the MAP:
  - Develop emission and waste-based standards for equipment and operations
  - Propose monitoring, recordkeeping and reporting structures
  - Provide detailed information on equipment and processes used in the industry that could relate to methane gas release.
- MAP members were NOT asked:
  - To draft regulations – The Departments are drafting the regulations
  - To comment on policy – The MAP provided technical information
  - To come to consensus – The MAP provided a wide-range of perspectives

# Developing New Mexico's Methane Strategy



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## Report Topics:

- Completions and Simulations
- Workovers
- Heater Treaters
- Venting and Flaring
- Infrastructure Planning
- Pneumatic Controllers and Pumps
- Leak Detection
- Compressors and Engines
- Workovers Liquids Unloading
- Separators/Heaters/ Storage Vessels
- Completions/Recompletions and Stimulations
- Dehydration Units

# MAP meetings

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## Key Elements:

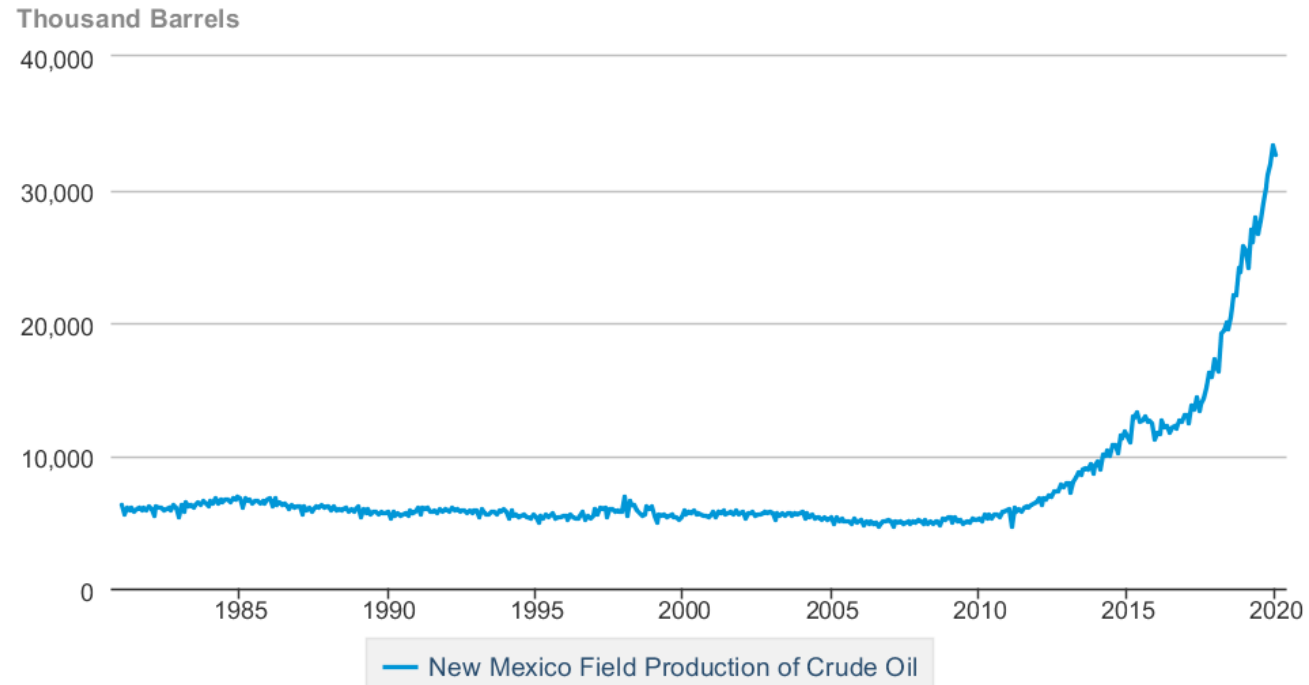
- Collaborative process
- Consensus not required – diversity of ideas sought
- No single entity discussed by name
- MAP members agreed to disagree where necessary and also worked to bridge gaps if possible
- Departments taking information to see possible rule making options based on technical information provided



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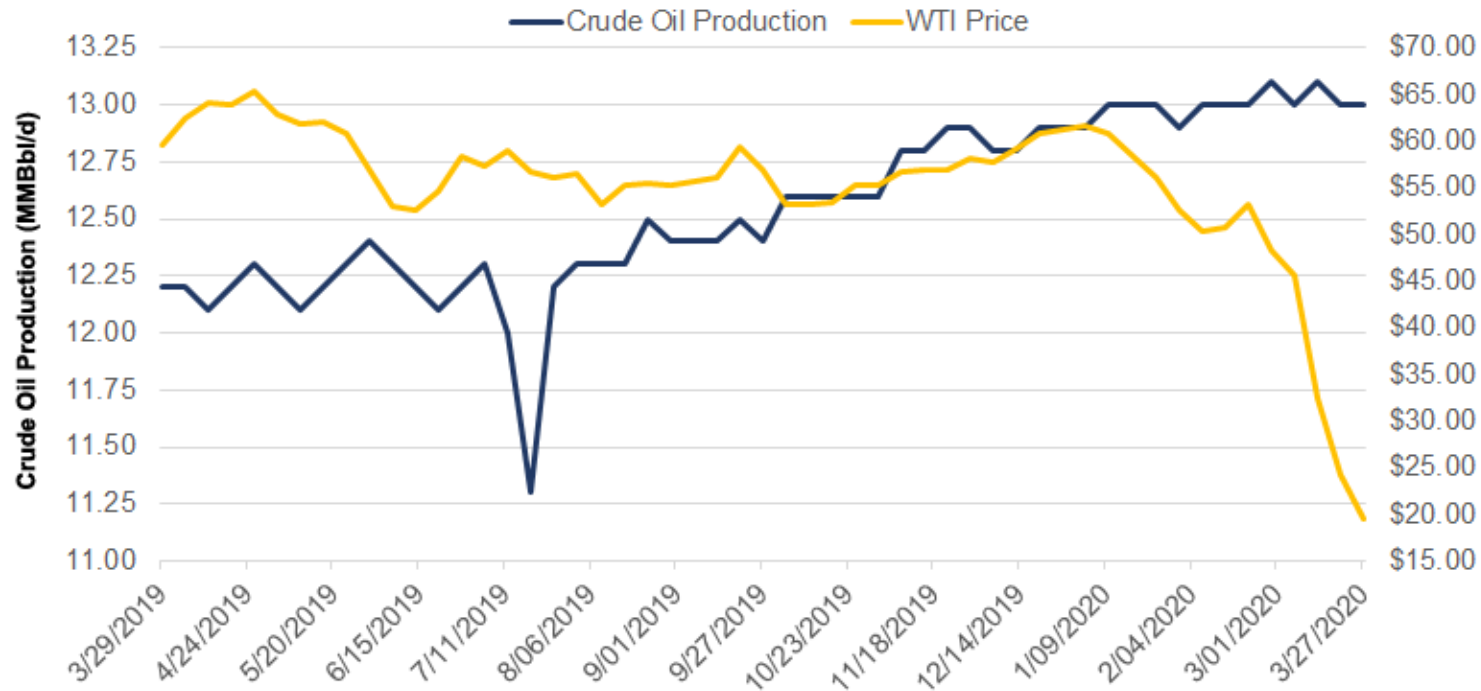
Includes data up to January 2020

## New Mexico Field Production of Crude Oil



 Source: U.S. Energy Information Administration

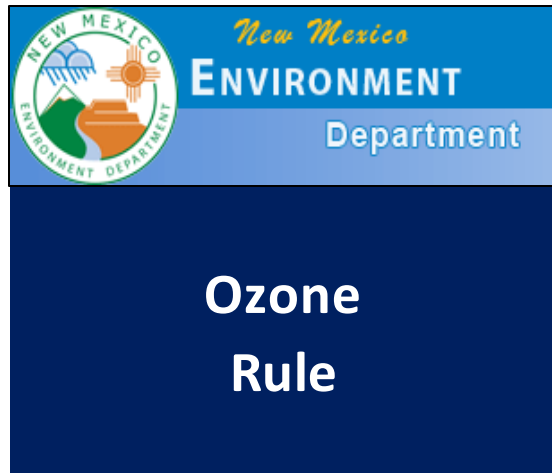
### Weekly U.S. Field Production of Crude Oil & WTI Spot Price 3/29/2019–3/27/2020



Source: EIA, NGI calculations

Impact of international events affecting oil prices worldwide and Coronavirus

# Developing New Mexico's Methane Strategy



## Goals of Oil and Natural Gas Methane Rules:

- Achieve measurable, durable reductions
- Create regulatory certainty
- Promote technology innovation
- Ensure compliance mechanisms





# Methane Advisory Panel Meeting Overview

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- 4:00 to 4:50 NMED and EMNRD: MAP process and how it is being used by the Departments
- 4:50 to 5:30 MAP members: San Juan and Permian basin updates
- 5:30 to 6:00 Questions and Answers

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<https://www.env.nm.gov/new-mexico-methane-strategy/>



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