

Modernizing Oil & Gas Bonding & Cleanup Rules in New Mexico Core Message Sample Public Hearing Testimony

Support for Modernizing Bonding & Cleanup Rules at the New Mexico Oil
Conservation Commission

Good morning Chair, Commissioners. My name is [Your Name], and I'm speaking on behalf of [Organization/Community] in strong support of the proposed bonding rule changes.

Here's the bottom line: if you drill it, you should clean it up. 100% of the time.

Right now, oil and gas corporations can drill dozens or even hundreds of wells in New Mexico while posting just \$250,000 in clean up bonds. That doesn't come close to the actual cost of cleanup - found by the Legislative Finance Council to average at \$163,000 per well, and some cost over \$700,000.

Because of outdated bonding rules, the public is left paying to plug wells to prevent them from releasing toxins into the air and water. In the last five years, over \$100 million in public funds—state and federal—has been spent to clean up abandoned wells. We still face up to \$1.6 billion in future cleanup costs.

These abandoned wells don't just create financial risk, they're dangerous. The methane and toxins leak into the air and our groundwater, harming wildlife and public health, especially in rural and Tribal communities.

New Mexicans overwhelmingly support reform. In fact, 89% want corporations—not taxpayers—to pay for cleanup. State agencies that oversee oil and gas development, such as the State Land Office and the Oil Conservation Division, support the proposed changes.

These rule updates are a chance to finally align policy with common sense. It ensures that the corporations profiting from New Mexico's land are also fully responsible for plugging their wells. If bonding isn't set high enough now, during the boom, there's often not enough money left to cover cleanup after the bust—shifting the cost to the public.

Please vote to adopt stronger bonding rules. Let's protect our air, water, and wallets and make sure no one gets to profit while leaving the rest of us with the mess.

Thank you.