



February 5, 2025

President Pro Tempore Mimi Stewart
New Mexico State Senate

Dear President Pro Tempore Stewart,

On behalf of the member companies of the New Mexico Oil and Gas Association (NMOGA), Independent Petroleum Association of New Mexico (IPANM), and Permian Basin Petroleum Association (PBPA), we would like to reiterate our strong opposition to SB 4 – Clear Horizons and Greenhouse Gas Emissions.

We implore you to understand this bill's targets are scientifically unachievable in the parameters you have proposed. Our members are fully supportive of and practice environmental stewardship and innovation. As you know, with technology improvements and New Mexico's stringent regulations, emissions continue to decrease throughout the state.

However, SB 4, as written, will force companies out of compliance and out of New Mexico. The bill will impose draconian emissions reductions mandates on oil and gas, utilities, agriculture, manufacturing, transportation, residential/commercial/industrial development and other critical sectors of the state's economy.

If this is your goal, you will successfully end New Mexico's oil and gas industry – one of the most productive, beneficial and science-based industries in the state – with no plan to revitalize the economy, create jobs or fund basic human services. We appreciate that you want to make New Mexico an even better place to live, work and thrive. SB 4 will do the exact opposite.

The New Mexico Environment Department's (NMED) studies show that science, industry innovation, and existing regulations are working.

In December 2024, NMED released the following findings from Eastern Research Group (ERG):

- ERG's analysis shows substantial reductions in methane emissions from the oil and gas sector between 2005 and 2030 (-72%).
- Total GHG emissions from the oil and gas sector are projected to be 33% below 2005 levels by 2030.

Additionally, a 2024 study commissioned by S&P Global demonstrates:

- Annual methane emissions stemming from oil and gas production operations in the Permian Basin decreased 26% in 2023 from the previous year—equal to the total amount of carbon emissions avoided by every electric vehicle on the road in the United States that year.
- The data shows that methane emissions from upstream oil and gas operations in the Permian Basin fell by more than 34 billion cubic feet (bcf) in 2023, the most recent year that data is available. Given that methane is a potent greenhouse gas, the reduction was equivalent to 18.5 million tons of carbon dioxide emissions avoided (100-year equivalency factor of 28*).

These studies show that industry innovation and regulation can work together to reduce emissions and increase production to better protect the environment and provide affordable, reliable and sustainable energy options.

Unfortunately, your proposal – SB 4 – is an attempt to shut down industry and devastate New Mexico's economy. NMOGA, IPANM, and PBPA strongly oppose SB 4.

Missi Currier
President & CEO
NMOGA

Jim Winchester
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Ben Shepperd
President
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CC: New Mexico State Senate Members
New Mexico State House Members
Governor Michelle Lujan Grisham
New Mexico Environment Department Secretary James Kenney