



June 14, 2018

The Honorable Steve Pearce
2432 Rayburn House Office Building
Washington, DC 20515
Phone: (202) 225-2365

**Re: Comments in Support of two bills amending the U.S.
Energy Policy Act of 2005**

Dear Congressman Pearce:

The Independent Petroleum Association of New Mexico (IPANM) appreciates the opportunity to submit this letter of support for two bills you are sponsoring under consideration in the U.S. House of Representatives.

The first bill would “clarify the categorical exclusions authorized by the Energy Policy Act of 2005 and authorize additional categorical exclusions to streamline the oil and gas permitting process, and for other purposes.” IPANM strongly supports this bill, as it eliminates the duplicative regulatory provisions required at the varying levels of federal government for operators. The amendments proposed in this bill would streamline the approval process and would begin to address the considerable backlog of permits awaiting federal approval in the Bureau of Land Management offices in Carlsbad and Farmington, New Mexico, in the heart of our two oil and gas producing basins. The current average time federal land managers take to approve a drilling permit application is approximately 250 days. This bureaucratic delay is unnecessary and presents a burden to our operators who need quicker approvals to ensure project efficiencies. Co-locating new wells adjacent with existing facilities and existing pipeline right-of-way (ROW) takes advantage of existing surface disturbance which is an instance where categorical exclusions should readily apply. The passage of this bill would lead to increased revenues for New Mexico equating to more revenue to support schools and public services.

The second bill would “clarify that Bureau of Land Management shall not require permits for oil and gas activities conducted on non-Federal surface estate to access subsurface mineral estate that is less than 50 percent Federally owned, and for other purposes.” IPANM strongly supports this amendment to encourage further investment and development of natural resources in New Mexico. Our independent operators drill on land that is frequently intermingled between private, state, federal and/or tribal lands. Each entity has regulatory procedures in place to ensure protection of the environment. Current federal rules require separate, yet duplicative, permits for these mixed-land

plots. This bill would eliminate the unnecessary layer of federal government approval when the lease land is otherwise majority-owned by a private owner, state or tribal government agency. It is a simple solution that would have the added benefit of improving economic development for rural areas, where many of these plots are located and where much of our drilling occurs. Finally, to sustain the necessary growth and investment needed in our state, the streamlining of all Federal rules would encourage additional investment in New Mexico.

The IPANM Board of Directors strongly supports these bills as presented. We are proud of your continued support and tireless efforts on behalf of the oil & gas industry in New Mexico.

Respectfully yours,



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The Independent Petroleum Association of New Mexico (IPANM) was formed in 1978 to preserve and advance the interests of independent oil and gas producers while educating the public to the important of oil and gas in New Mexico and all our lives. IPANM provides services that protect, defend, and promote the industry that is the very foundation of our way of life. IPANM exists to educate the public about the benefits provided by our industry; monitor industry issues on the state and national levels and get involved when necessary; provide industry updates, technical education and networking opportunities; and, challenge anti-industry groups who seek to intentionally deceive the public.