



**Aubrey Dunn, State Land Commissioner  
State of New Mexico**

**In Case You Missed It:**

**Sgamma: Commissioner Dunn takes principled stand**

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New Mexico State Land Commissioner Aubrey Dunn has come under fire because his contrarian views are uncompromised by misinformation from the environmental lobby. He understands that the Bureau of Land Management's impending rule on venting and flaring will actually be bad for public health and the environment.

Commissioner Dunn understands that producing more oil and natural gas leads to more economic opportunity in New Mexico. The industry generates over 92 percent of the revenue from school trust lands that supports education throughout the state. It provides about a third of the state budget to fund vital services like health care, public safety and low-income assistance for families.

But in the insular world of the environmental lobby, any fossil fuel is bad. Never mind that natural gas provides home heating and cooling, clean transportation, industrial power, and a third of American electricity. Never mind that increased use of natural gas electricity is the major reason the United States has reduced greenhouse gas emissions that contribute to climate change more than any other country. Natural gas delivers clean electricity with significantly less air pollution.

Ignoring these benefits, environmentalists have criticized Commissioner Dunn for opposing the BLM rule. They spread misinformation that development is bad for the environment, and are using overregulation like the BLM rule to try to stop it. Commissioner Dunn opposes the rule

because it would cause many existing wells to be shut down, reducing state revenues and thwarting a real climate change solution.

The environmental lobby has convinced many that the BLM rule will save millions of dollars in royalties for New Mexico, but even BLM does not agree. BLM claims \$23 million additional royalties annually nationwide, but used \$8 natural gas prices to make that estimate. The actual price of natural gas has been around \$3 and lower for years. A realistic estimate results in only \$3.7 million in royalties resulting from the rule, only a fraction of which New Mexico would receive. The small gain nationwide would be swamped by the lost royalties from wells that would be shut down because of added expenses.

In northwest New Mexico alone, 37 percent of natural gas wells would be at risk along with \$16 million in royalties. The lost New Mexico production alone would swamp the supposed royalty gains nationwide.

Besides exaggerating the royalties lost from venting and flaring, the environmental lobby attempts to scare the public about the health effects of methane. Industry methane emissions are not a threat to the health of those living near wells, and only of concern indirectly as a greenhouse gas. University of Texas and Environmental Defense Fund studies show that only a small fraction, about 0.42 percent, are emitted at well sites. This small amount of emissions are more than offset by the emissions reductions gained from using natural gas in the electricity sector, where greenhouse gas emissions are otherwise 10 times higher without natural gas.

The environmental lobby, using federal regulators, is trying to drive those small emissions even lower, but the added cost is much greater than the value of what's captured. As a result, less natural gas is available, along with all its economic and environmental benefits. And the regulations are impractical and even dangerous, as venting is sometimes necessary to relieve pressure buildups. Periodic venting is necessary to prevent explosions and ensure worker safety. Flaring burns off the methane and is necessary when pipelines are not yet available.

Commissioner Dunn is right to oppose BLM's rule as bad for the environment, bad for the economy, and bad for New Mexico.

*The Western Energy Alliance represents the Western oil and natural gas industry with a focus on federal legislative, regulatory, environmental, public lands and other policy issues.*