



WORKING GROUP MEETING

Oil & Gas Bonding Rule Pre-Publication Discussion Draft

New Mexico State Land Office
November 17, 2025

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Agenda

I. Welcome and General Housekeeping

II. Overview of Proposed Changes to NMSLO Bonding Rule

III. Timeline and Next Steps

IV. Questions and Discussion

V. Adjourn



Overview of Proposed Changes

The New Mexico State Land Office's discussion draft of the proposed bonding rule would increase minimum bond requirements and make other changes.

KEY CHANGES:

- ➔ Increases new minimum bonding requirement to \$150,000 per lease.
- ➔ Replaces the current, insufficient bond minimums of \$10,000 (single lease bond), \$20,000 (blanket lease bond), and \$25,000 (megabond).
- ➔ Provides heightened bond requirements based on risk categories (inactive wells, unremediated spills, etc.).
- ➔ Allows lessees to bundle financial assurance for multiple leases.





Overview of Proposed Changes

KEY CHANGES (cont.):

- ➔ Establishes annual report requirement so lessees are in regular communication with NMSLO.
- ➔ Offers downward adjustments to bond requirements in the event NMSLO gains access to use of OCD's plugging bonds in the future.
- ➔ Specifies which alternative forms of financial assurance are permitted.
- ➔ Details the mechanism by which NMSLO files claims against bonds.
- ➔ Explains the prerequisites for release of a bond.
- ➔ Provides a phased-in schedule for the implementation of the rule.





Timeline and Next Steps

- ➔ **December 5, 2025:** Deadline for stakeholders to submit written comments and feedback on the initial proposed changes*
- ➔ **January 2026:** Target date for NMSLO to publish draft rule
- ➔ **March 2026:** First public meetings
- ➔ **May 2026:** Final publication of the rule

*Written comments may be submitted via email to **info@nmslo.gov**.





Questions and Discussion

Questions?

505-827-5760

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www.nmstatelands.org

Learn More:



Thank You!

