January 3, 2017

Commissioner Debbie O' Malley
Bernalillo County
One Civic Plaza NW

Subject: Oil and Gas Operations Ordinance

Dear Commissioner O' Malley,

Your Water Protection Advisory Board respectfully recommends the development of oil and gas regulations for Bernalillo County and the City of Albuquerque; and, as a precursor, appointing a dedicated advisory board to review the social, economic, and environmental concerns associated with potential oil and gas development in Bernalillo County and the City of Albuquerque to craft the regulations necessary to address those concerns.

The complex nature of oil and gas exploration and development is such that input is needed from a multidisciplinary group of technical experts to ensure that any potential oil and gas activities are conducted in a manner that benefits all members of the County while minimizing harm to the citizens and environment.

During 2016, we have begun to educate ourselves regarding the current state of oil and gas exploration in and around Bernalillo County. As part of that process we have heard from several technical experts, including:

- Mr. Will Jones, New Mexico Oil Conservation Division (OCD) Petroleum Engineer
- Mr. Phillip Goetze, OCD Petroleum Geologist
- Mr. Bradford Billings, OCD Hydrologist
- Dr. Bob Wessely, member of a San Miguel County oil and gas regulation citizen task-force
- Dr. Bruce Thomson, Professor Emeritus, UNM Civil Engineering

Several relevant issues came up during our recent education regarding regional oil and gas activities:

- There is potential for oil and/or gas development in Bernalillo County, especially in the western portion of the County.
- A special use permit application for oil and gas drilling near Rio Rancho was recently submitted by SandRidge Energy, Inc., but later withdrawn. Current financial and energy circumstances are such that no immediate oil and gas activities in Bernalillo County are planned; however, this could change at any time.
• There is a real but low probability risk of contamination to the water supply, which can be minimized by proper design, installation and completion of wells.
• Oil and gas drilling can provide highly valuable hydrogeologic information about our potable and non-potable water resources.
• Besides below-land-surface activities that are heavily regulated by OCD, the greater and more immediate concerns of oil and gas come from surface activities that are minimally regulated by OCD. These surface attributes include trucking, transfer and disposal of oil and gas, production water, and other byproducts associated with exploration and development. Besides water quality, several other issues should be considered, such as air quality, traffic, noise pollution, road/disturbance density, public access to information, and cost sharing for inspections and enforcement.
• The recent happenings in San Miguel County provide excellent resources for the overall process of developing an ordinance, the collaborative effort between government and citizens, technical resources, and the final ordinance that was passed in 2014. The San Miguel citizen task force pointed out that the two guiding principles of their process were (1) to what extent will the local government want to pay for the costs imposed on itself, and; (2) to what extent will the local government protect the health, welfare and safety of its citizenry?

Crafting technically sound oil and gas regulations will take time and careful consideration of the facts, as well as public attitudes. A multidisciplinary expert advisory board would be highly beneficial to this process. We believe that taking a proactive position on this issue, and having regulations in place before any future oil and gas exploration and development activities begin, will benefit all the citizens and the environment of Bernalillo County and the City of Albuquerque while allowing for prudent development of our resources.

Respectfully,

[Signature]

Dr. Jennifer Thacher, Acting Chair
Water Protection Advisory Board

cc: Bernalillo County Commission
    City of Albuquerque Council