



Office of the Governor

**MICHELLE LUJAN GRISHAM**

**FOR IMMEDIATE RELEASE**

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## **New Mexico to get \$43.7 million for orphan well clean-up**

SANTA FE – Gov. Michelle Lujan Grisham and members of the Congressional delegation announced today that the U.S. Department of the Interior has made \$43.7 million available to the state to clean up abandoned oil and gas wells in New Mexico through the federal Infrastructure and Jobs Act.

When an oil and gas operator goes bankrupt, wells may become “orphaned” and the responsibility to plug and reclaim the site may fall to the state. Wells and associated facilities that are left abandoned can cause environmental damage by leaking methane or impacting groundwater.

There are approximately 1,700 orphaned and abandoned wells in New Mexico on state and private land. At current funding levels, the Energy, Minerals and Natural Resources Department (EMNRD) plugs about 50 wells a year. With the additional funding announced today, that number will significantly increase.

“The investments in this program are a win-win, protecting the environment and public health while also providing good-paying jobs in our rural areas,” said **Gov. Lujan Grisham**. “I am grateful to our congressional delegation for getting this funding to the state.”

“Orphan wells are an enormous source of methane, a greenhouse gas that is 86 times more potent than CO<sub>2</sub>. With this new funding we’re putting our traditional energy workers to work solving a major climate challenge,” said **Sen. Martin Heinrich**.

“I’m pleased to see my REGROW Act implemented by the Department of the Interior as part of the Infrastructure Investment and Jobs Act,” said **Sen. Ben Ray Luján**. “This effort was supported by a majority of our nation’s governors, as well as leading environmental and energy leaders, and I’m thrilled to see it in action. Through this historic investment in protecting our environment, this legislation will clean up tens of thousands of orphaned wells across the nation, including more than 1,700 in New Mexico, creating thousands of good-paying jobs in the process. This provision is a key component of the Biden-Harris Administration’s efforts to slash emissions and a key priority of mine to put New Mexicans back to work.”

“Orphaned wells release toxic emissions into the air and contaminants into the water – often near Native American, rural and Latino communities. Last year, I visited an orphaned well next to a school in my district – you could taste the metal in the air,” said **Rep. Teresa Leger Fernández**. “I am proud to have secured \$4.7 billion in the Infrastructure Law to clean up orphaned wells and invest in the future of our rural communities. This funding will both protect the environment and create good-paying jobs for New Mexicans.”

“The state’s successful and well-established plugging program will now reach more sites across the state,” said EMNRD Cabinet **Secretary Sarah Cottrell Propst**. “These funds will allow us to move quickly to clean up a serious backlog of orphaned wells.”

EMNRD has a well-established orphan well clean-up program. In 2018, the state updated bonding requirements so that more funding would be available for remediation when a company goes bankrupt. This has put the state in an improved position to clean up orphaned wells. In addition, the administration’s focus on compliance and reporting will prevent more orphan wells in the future.

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