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**FOR IMMEDIATE RELEASE:**

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**EMNRD's Oil Conservation Division Issues Waste Rule Notices of Violation and Associated Civil Penalties for Facilities with Prolonged Venting and Flaring**  
*Enforcement targets 10 facilities responsible for 15% of all venting/flaring in 2022*

**SANTA FE, NM** -- Today the Energy, Minerals and Natural Resources Department's (EMNRD) Oil Conservation Division ("OCD") announces that it issued notices of violation (NOVs) and associated administrative civil penalties to six operators for violations of the OCD's Waste Rule at ten (10) facilities. The operators subject to these NOVs are:

- Avant Operating LLC (Avant);
- Permian Resources Operating, LLC (formerly, Centennial Resources Production LLC) (Permian);
- Colgate Operating LLC (Colgate);
- Franklin Mountain Energy LLC (Franklin);
- Frontier Field Services LLC (Frontier); and
- Tascosa Energy Partners LLC (Tascosa) (collectively the Operators).

The NOVs were issued to the Operators for venting or flaring at the covered facilities for reasons not authorized by OCD's Waste Rule (19.15.27 and 19.15.28 NMAC). This failure means those actions constitute impermissible waste of resources in violation of the OCD's rules.

OCD determined that issuing the NOVs and associated penalties was necessary after reviewing venting and flaring data reported by operators. Based on that review, OCD determined that a substantial percentage of vented or flared volumes occurred at a small number of facilities, with the top twenty (20) facilities responsible for nearly thirty percent (30%) of the gas vented or flared. The facilities covered by today's NOVs represent:

- the top ten individual facilities reporting venting or flaring in 2022,
- a combined total of 1,341 days of flaring and venting,
- approximately 2,039,360 MCF of vented or flared gas, approximately 15% of New Mexico's total flaring and venting volumes reported during 2022, with some facilities reporting venting or flaring for over 200 days.

Based on its review of the available data, OCD determined that these activities constitute routine venting or flaring, which is not permitted by OCD's Waste Rule. OCD considers prohibited or

routine venting and flaring (occurring for reasons not authorized by 19.15.27.8 B-D and 19.15.28.8 B NMAC) to be a serious violation.

“I want to applaud the OCD team for digging into the significant volume of data that has been submitted under our Waste Rule to identify patterns of non-compliance that appear to be regular and significant reported venting or flaring at facilities well beyond the limited circumstances permitted by our rules,” said Acting OCD Director Dylan Fuge. “As OCD explained when we announced the rule, it would for the first time provide comprehensive data on operations in the field making careful review of that data critical to its enforcement programs.”

OCD rules were specifically designed to prohibit routine venting or flaring. Meeting that standard requires that operators respond in real time to operational conditions to limit the waste of natural gas and remain compliant with the rules. “Here, OCD could not find a reasonable justification for a facility to have dozens or hundreds of days with reportable venting or flaring,” Mr. Fuge explained. Separate from these NOVs, OCD continues to evaluate reporting more broadly, including operators who may not be reporting or are not reporting correctly. These evaluations could prompt the issuance of additional NOVs.

Operators subject to these NOVs now have the opportunity, consistent with OCD’s rules, to discuss an informal resolution of the violations with OCD. If an informal resolution is not reached, OCD will hold a hearing on these violations on June 14, 2023.

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