

Michelle Lujan Grisham, Governor Sarah Cottrell Propst, Cabinet Secretary Dylan M. Fuge, Deputy Cabinet Secretary

**Contact: Sidney Hill** 

Public Information Officer, EMNRD sidney.hill@emnrd.nm.gov

## December 21, 2023

New Mexico Oil Conservation Division Releases Request for Proposal (RFP) Soliciting Technical and Legal Support to Prepare a Class VI Primacy Application to the U.S. Environmental Protection Agency

Obtaining primary authority to regulate Class VI wells is important step in establishing a statewide carbon sequestration ecosystem

**SANTA FE, NM** – The Oil Conservation Division (OCD) of the New Mexico Energy, Minerals and Natural Resources Department (EMNRD) is preparing a Class VI Primacy Application package for submission to the United State Environmental Protection Agency (EPA) under the Safe Drinking Water Act (SDWA) Underground Injection Control (UIC) Program.

Under the UIC program, the EPA regulates the underground injection of everything from municipal waste to oil field waste, hazardous waste and CO2. Depending on the type of material being injected, the EPA requires applicants to utilize different well types. The are currently six well classes – Class I (municipal/industrial wastes), Class II (oil and gas related wells), Class III (solution mining), Class IV (hazardous wastes), Class V (other non-hazardous injection), and Class VI (geologic sequestration of CO2).

While the EPA has primary authority of the administration of these programs under federal law, it is authorized to grant primacy to states, territories and tribes that have jurisdiction over underground injection and that administer programs that meet or exceed applicable federal requirements. Local entities—states, territories or tribes—typically seek UIC program primacy because they are often able to administer those programs more efficiently. Their staff generally is more familiar with impacted areas, underlying geology, and desired injection use cases.

New Mexico currently has primacy over Class I-V wells.

"Obtaining Class VI primacy is important next step for building a robust carbon sequestration ecosystem in New Mexico," said EMNRD Deputy Secretary Dylan Fuge. "It is one of the tools the State will need to meet our climate goals."

The Primacy Application process will require New Mexico to enact regulatory and, potentially, legislative changes to establish a state-level regulatory framework that meets or exceeds EPA's existing requirements for carbon sequestration wells. The EPA will not grant OCD primacy over Class VI wells until the required regulatory framework is in place. As result, EMNRD is seeking support of experienced third parties that have the capacity to help it rapidly develop the necessary technical and regulatory materials and engage with EPA.

"OCD's existing experience successfully managing other UIC programs positions us well to take on Class VI regulatory responsibilities, and we are looking for the right partner who can help us effectively leverage that experience to develop a world class program," said Fuge.

The RFP OCD has released identifies all relevant tasks. Interested parties can bid on some or all of the tasks. As explained in the RFP, January 31, 2024, is the deadline to respond. Questions can be transmitted to OCD as outlined in the RFP. The RFP is available <a href="here">here</a>.

###

The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies. http://www.emnrd.nm.gov