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NEWS RELEASE

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Oil Conservation Commission Signs Pit Rule

SANTA FE, NM – Today, the Oil Conservation Commission unanimously approved an order in case number #14015, more commonly known as the Pit Rule. The case is an application of the New Mexico Oil Conservation Division for repeal of existing Rule 50 and the adoption of a new rule. The rule concerns oil field waste pits, below grade tanks, and the use of closed loop systems during oil and gas operations.

“We can produce oil and gas in New Mexico in an environmentally sound manner,” stated Commission Chair Mark Fesmire. “The adoption of this new rule is a significant step forward in preventing future legacy issues and protecting our environment.”

The Oil Conservation Division, during the Richardson administration has gradually imposed stricter rules in oil field waste. The new rule presents major progress in the protection of the environment during oil and gas operations.

The rule prohibits the use of unlined pits for oil field waste. There are also new requirements for lining the oil field pits. The lining thickness has been increased from 12 mills to 20 mills.

No unlined pits will be allowed for future use, unless there is an administrative exception. The exception will require an application, public notice and a complete review by the Environmental Bureau of the Oil Conservation Division. The new rule also requires that the abandoned pit waste be removed to a landfill and the pit site be restored, unless the operator can demonstrate that the pit waste will not be detrimental to the environment.

The hearings on the new rule began last November and the Oil Conservation Commission generated over 5,000 pages of transcript before adopting the new rule.

The Pit Rule passed this morning by the Commission at a regularly scheduled meeting. “I believe that it fairly and accurately reflects our deliberations.” Stated Commissioner Bill Olsen.

A copy of the rule approved today can be found at:
<http://www.emnrd.state.nm.us/ocd/documents/Adopted.Pit.Rule.pdf>

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The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

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