



State of New Mexico

Susana Martinez
Governor

January 27, 2017

Honorable Paul Ryan
Speaker of the House of Representatives
H-232 The Capitol
Washington, DC 20515

Dear Mr. Speaker:

On behalf of the State of New Mexico, which is the largest producer of federal onshore oil and gas in the United States, I write to express my strong support for use of the Congressional Review Act (CRA) to repeal the Bureau of Land Management's (BLM) Waste Production, Production Subject to Royalties, and Resource Conservation rule (commonly referred to as the "Venting and Flaring Rule"). Royalties paid to state and federal governments will decrease, new development on federal lands will stagnate and jobs will be lost if the Venting and Flaring Rule is not repealed.

New Mexico's prolific production on federal lands combined with our dependence on the revenue generated from the oil and gas industry make this issue critical to our state. We have the highest percentage of federal lease acres in production, and oil and gas revenue is the single largest source of funding for New Mexico's budget. Absent a repeal, funding for New Mexico's schools, roads and healthcare will be dramatically reduced on account of the reduction in revenue generated by the oil and gas industry.

As Governor of New Mexico, I have demonstrated how to implement government policies that can achieve meaningful environmental results while simultaneously promoting a healthy, vibrant economy. For example, I worked with the Navajo Nation and Public Service Company of New Mexico to broker the largest reduction of greenhouse gas emissions in the history of New Mexico. While New Mexico's greenhouse gas emissions have decreased during my tenure, our exports have dramatically increased due to sound tax and trade policies. In short, I believe we can protect the environment while growing our economy. Unfortunately, BLM's Venting and

Flaring Rule, which was rushed through at the twilight of the Obama Administration, fails to strike a sensible balance.

Rather than allowing this misguided rule to move forward, I urge you to repeal the rule and work with the Department of Interior to address the infrastructure challenges currently causing venting and flaring events to occur. Insufficient pipeline capacity and gas processing capacity make it difficult for producers to capture and sell as much of their product as possible. The Department of Interior can correct the root causes of venting and flaring events by approving pipeline right-of-ways more efficiently, which will increase pipeline capacity.

Thank you for your consideration. On behalf of the State of New Mexico, I want to again urge you to repeal this unnecessary and economically harmful rule.

Sincerely,

A handwritten signature in black ink, appearing to read "Susana Martinez". The signature is fluid and cursive, with a large initial "S" and "M".

Susana Martinez, Governor