Setbacks

NMOGA
NEW MEXICO OIL AND GAS ASSOCIATION

NMOGA is proud to safely operate and produce throughout the San Juan and Permian Basins and adhere to local setback requirements.

A statewide setback is scientifically and fiscally unnecessary.

Communities and counties throughout the San Juan and Permian Basins already have setbacks in place that have gone through extensive processes for approval at the local government level, including input from community members. This collaborative approach ensures that the unique needs and concerns of each community are addressed, resulting in tailored solutions that protect both residents and the environment.

Ever evolving and improving technologies have allowed for increased controls and containment to reduce risks of potential exposure.

Does science say setbacks are necessary?

- Epidemiological research for determining the potential human health impacts of oil and gas development is still in the early phases of research. **Current studies are not sufficient to inform setback requirements, and more research is needed**.
- Oil and gas companies are already required by federal and state standards and reporting guidelines to consistently **model and monitor any risk for human health**.
- Overall, there are **concerns with many of the studies that have been conducted** so far, including a focus on pre-production vs. production phases of a well, time-frame inconsistencies, and monitoring equipment used to name a few.
- The National Emissions Inventory Collaborative (2019) shows that **oil and gas development sites are one of the smallest contributors to two air pollutants**, nitrogen oxides and fine particulate matter (referred to as “PM2.5”).
- While areas near oil and gas development sites are likely to experience higher concentrations of select pollutants than areas further away, **economic sectors other than oil and gas contribute more to pollution levels**.

Would setbacks affect New Mexico’s economy?

- Setback requirements would decrease oil and gas investment and production, **creating a decrease in funding for the state**.
- Statewide setbacks could create **billions of dollars in financial loss to New Mexico by 2050**, depending on the future prices of oil and natural gas.
- Decreases in oil and gas production will lead to **decreases in state and local tax revenue** in the San Juan and Permian Basins. These impacts could cause **lower employment rates and lower income** due to job loss for both those jobs directly dependent on oil and gas industry as well as jobs dependent on local and state tax revenue.

How would a setback affect New Mexico’s most vulnerable communities?

- Based on standard criteria to identify vulnerable communities, all communities in the Permian and San Juan Basins are at-risk. This indicates that **all the communities in both basins have the potential to be adversely impacted by setback legislation**.
- It was found that there are communities of concern (COCs) in the San Juan and Permian Basins that are at a heightened level of risk and thus **more vulnerable to expected economic impacts**. The economic impacts of setback legislation are anticipated to further suppress income and wages in these communities.