

THE NEW MEXICO OIL AND GAS INDUSTRY AND ITS ALLIES:

Oceans of Oil, Oceans of Influence

A “CONNECT THE DOTS” Report

From Common Cause New Mexico and New Mexico Ethics Watch

March 2020

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Executive Summary

With this report, Common Cause New Mexico and New Mexico Ethics Watch examine the influence the oil and gas industry asserts upon New Mexico politics and legislation.

As with other reports on lobbying,¹ we show how money spent by the industry may translate into favorable voting, legislation, and regulation, as well as the election of industry-supporting candidates.

The money spent by the oil and gas industry in the political sphere – some \$11.5 million from 2017 to 2020 – may reap benefits... but for whom? Does the more than \$11 million spent on elections and legislative efforts keep the royalty rates down and translate into tens of millions for the industry rather than for the state? Does the smooth running of the industry result in billions of dollars to assist New Mexico's ailing public schools, hospitals, and higher education?

The answer to these last two questions is probably a resounding “Yes!” and illustrates the competing and incongruent processes and realities New Mexico's policymakers must grapple with regarding the industry...particularly as the state moves toward a more balanced energy economy.

For now, the industry pours oceans of money into the state economy – a fact not lost upon the industry, its workers, citizens, and politicians.

The oil and gas industry's cadre of lobbyists is one of the largest in the state. The lobbyists spend freely and court both Democrats and Republicans while seeking support for industry-favorable legislation and regulation.

We have documented here approximately **\$4.3 million in direct contributions from the industry** to New Mexico candidates, committees, and PACs from 2017-2020 and another **\$3.75 million from the industry's lobbyists. Industry-related PACs have spent \$3.4 million.** It is not chump change in a small, low-income state like New Mexico, and the amount would increase dramatically if lobbyist compensation were included. Currently, New Mexico does not require this disclosure.

In addition, we have researched **98 corporations, 262 individuals, 23 associations, 11 PACs, and almost 100 lobbyists** active – some would say *very* active – in New Mexico from 2017-2020.

¹ “Lobbying in the Land of Enchantment: Special Interests and Their Hired Guns,” Common Cause New Mexico, 2013, <http://www.commoncause.org/nmlobbying2013>; “Lobbyists and Their Outsized Influence in New Mexico: Tales of Film, Firearms and Fumes,” New Mexico Ethics Watch, 2020, <http://nmethicswatch.org/wp-content/uploads/2020/01/NMEW-Lobbying-Report-Final-.pdf>

The Industry's Influence at a Glance (2017-2020)

SPENDING

\$4.3 MILLION – DIRECT CONTRIBUTIONS

\$3.75 MILLION – LOBBYIST CONTRIBUTIONS

\$3.4 MILLION – PAC SPENDING

APPROXIMATELY \$11.5 MILLION

CONTRIBUTORS

98 CORPORATIONS

262 INDIVIDUALS

23 ASSOCIATIONS

11 PACs

~100 ACTIVE LOBBYISTS

APPROXIMATELY 500 ENTITIES

For the average citizen, or even smaller companies who cannot give \$5,500 to candidates or PACs (the amount regularly given by companies and individuals associated with the industry because it is the maximum allowable), the industry's contributions are not a drop in the bucket. It leaves citizens wondering if the industry is buying its way out of increased royalties and additional regulations – even studies of the true costs of its activities.

We see the money spent by the industry to defeat candidates who seem less than favorable to the industry – approximately \$2 million spent in opposition to the current State Land Commissioner and in support of her industry-supporting opponent. We hear of the intimidation felt by legislators to support the industry and attend its events, and we see the attacks upon those who resist and oppose industry efforts coming from every direction – the media, the party caucus, the larger business community.

We have here tracked the relationship between industry donations to policy makers and the outcome of specific legislation in the 2019 legislative session. Our analysis of the actions of two committees on important bills demonstrates that representatives who acted in accordance with the industry's preference on SB 398 to raise royalty rates received larger campaign contributions, on average, than legislators who did not. Senators, on the Senate Conservation Committee, which refused to even take a vote on the fracking moratorium, collectively received \$68,717 from the industry.

What's the payoff for supporting the industry? Contributions to campaigns can mean the difference between election or defeat. But when this outsized reliance on an industry for campaign support results in your election victory, whom do you serve – the citizens of New Mexico or the industry?

Some candidates have refused or limited contributions from the oil and gas industry to their campaigns...but none are willing to turn down the money flowing into the state's coffers from the industry. These profits come from our state's natural resources, and we are dependent on them – as candidates, public officials, and citizens. The only question becomes whether the extraction of the resources is hurting our state more than helping. To many, the answer falls easily on the helping side of the equation. Time will tell.

For now, though, we see the continued efforts by the oil and gas industry to support favorable legislation and industry-supporting candidates continue to pay dividends to the industry and to make the millions of dollars spent on lobbying and candidate contributions worth the industry's expense.

1. Background: The Influence of the New Mexico Oil and Gas Industry

Ever since the first commercial oil well was drilled in the San Juan basin in 1922, oil and gas has been an important sector of New Mexico's economy and a powerful force in the state's politics. But now, something different, something big, is happening.

The unprecedented boom in oil and gas production in New Mexico in the past three years has jumpstarted the economy of this traditionally poor, rural state, and at the same time, catapulted the state into the national spotlight as a leading player in the controversy over fracking and climate change. New Mexico is now the third largest oil producing state in the country, with 300 million barrels produced in 2019.² The Permian basin, which stretches from southeast New Mexico to southwest Texas, has become the most productive oil field in the world and some experts say that at peak production in 2032, it will produce more oil and natural gas than Saudi Arabia. As much as 90% of that development will come from shale fracking.³

The boom has meant revenue for New Mexico schools, hospitals, and long-neglected programs. It has also meant that New Mexico will become a leading source of greenhouse gases from oil and gas production, much of it exported from the state. It has recently been identified as having the largest methane cloud in the country.⁴

Oil and gas production has been an important economic force in New Mexico since the 1920s. Oil production has fueled local economies in southeastern New Mexico, around Hobbs, Artesia, and Carlsbad, while natural gas has been a mainstay of the northwestern part of the state near Farmington and Bloomfield.

For many years, the state ranked around 7th in natural gas production nationwide and in 8th in oil production. But the use of a revolutionary technology, fracking, where a rock layer is fractured with pressurized fluid to release oil, natural gas, and other substances, has led to a recent boom. New Mexico is no stranger to these boom and bust cycles.

² NMOGA estimate quoted in "NM cashes in on the world's most productive oil field," by Kendra Chamberlain, NM Political Report, Dec. 31, 2019, <https://nmpoliticalreport.com/2019/12/31/2019-top-stories-1-nm-cashes-in-on-the-worlds-most-productive-oil-field/>

³ NM Political Report, Dec. 19, 2019, quotes this report: <http://ggon.org/wp-content/uploads/2019/12/GGON19.OilGasClimate.EnglishFinal.pdf>

⁴ "New Study Confirms (again): New Mexico's Methane Hotspot Largely Tied to Oil and Gas Pollution," by Jon Goldstein, Environmental Defense Fund, June 15, 2017, <http://blogs.edf.org/energyexchange/2017/06/15/new-study-confirms-again-new-mexicos-methane-hot-spot-largely-tied-to-oil-and-gas-pollution/>

The boom has resulted in an unprecedented surge in revenue from the oil patch, with income from severance taxes, royalties, property taxes, and rents totaling \$3.1 billion in fiscal year 2019.

Industry revenue now accounts for 39% of general fund revenue, and it has filled the coffers of the state's two permanent funds, the Land Grant Permanent Fund and the Severance Tax Permanent Fund. **The Land Grant Permanent Fund**, the larger of the two funds, now includes **\$19.7 billion**, one of the largest such funds in the world. In 2020, distributions from the funds will total almost \$1.1 billion, which go directly to specified schools, colleges, and other institutions.⁵

The industry itself is eager to report on the economic impact of the oil boom. According to a study by the Tax Research Institute funded by the New Mexico Oil and Gas Association (NMOGA), public schools and higher education received \$1.3 billion from state oil and gas revenue in FY 2019, including \$1.06 billion for primary and secondary education, and \$302 million for state universities, colleges and other higher education institutions.⁶ In addition, the industry claims more than 100,000 New Mexicans are employed as a result of oil and gas production,⁷ which includes a boom in the construction industry to build new houses and camps for workers near the oil fields.

Legislators from the oil producing areas regularly point out the contributions of the industry and are wary of efforts to regulate company air and water contamination, often warning against killing the goose that lays the golden egg. Most recently one of these legislators, Senate Minority Leader Stuart Ingle, criticized Governor Michelle Lujan-Grisham for not touting the industry in her 2020 State of the State address.⁸

Despite the huge benefits flowing from the industry, there is reason for caution. Budget analysts say the revenue is dependent not just on the supply but on the volatile price of both oil and gas. Analysts from the Legislative Finance Committee put forward a rule for assessing the impact of price. A dollar increase in the per barrel price of oil translates into about \$9.5 million for the general fund, while a 10-

⁵ "NM Earned \$3.1 billion in oil, gas revenue in FY 2019," by Kevin Robinson-Avila, Albuquerque Journal, Jan. 16, 2020, www.abqjournal.com/1410518/nm-earned-31bn-in-oil-gas-revenue-infy-2019.html; "Distributions from permanent funds," by Dan Boyd, Albuquerque Journal, Jan. 23, 2020, www.abqjournal.com/1412692/nm-permanent-fund-distributions-to-near-1-1-billion.html

⁶ Ibid.

⁷ NMOGA website <https://www.nmoga.org/fuelingnewmexico>

⁸ "Gov: This session will set the course for NM's future," by Dan McKay and Dan Boyd, Albuquerque Journal, Jan. 22, 2020, <https://www.abqjournal.com/1411912/nm-lawmakers-open-2020-session.html>

cent increase in the price per thousand cubic feet of natural gas translates into \$6.5 million in additional revenue. And of course, the formula works in reverse as well.⁹

The volatility — in both price and supply — is an age-old problem, as the state has experienced many boom and bust cycles. Dependence on a single sector, especially one subject to such volatility is risky, and it makes budgeting, especially for the long run, difficult. To prevent the kind of budget shortages that affected New Mexico since 2008, the state has a rainy-day fund where oil and gas revenue in excess of the five-year average are placed to prevent volatility.

Those on the front line of development are paying a high price. The population of Carlsbad, NM, has doubled. Traffic is battering old roads. Sewer and water systems are taxed beyond capacity; housing costs have soared.¹⁰

Environmentalists point to other costs: pollution of aquifers, flaring or venting of natural gas, and the creation of an invisible methane cloud.

“New Mexico is ‘punch drunk’ on the riches from oil and gas,” UNM emeritus professor, and former Secretary of the Department of Finance and Administration, Denise Fort told NBC News in October 2019.¹¹ The state has never seen a windfall like this, and it is rapidly spending the money to address unmet needs in education and healthcare.

But the state is caught in a dilemma. A new Democratic administration, headed by Gov Michelle Lujan-Grisham, came to power in 2019, promising to address climate change and make new investments in alternative energy. Yet the very revenue on which it depends comes from an industry than many fear is creating climate change and threatening the future.¹²

A deepening debate between New Mexico’s longstanding supporters of oil and gas, which include both Republicans and Democrats, and the environmental community has flared in the legislature over hikes to royalties on state land, water use, and fines for methane emissions. And the debate has spread to a few counties and cities where fracking has become an issue.¹³

⁹ LFC Finance Facts, newsletter, May 2018.

¹⁰ “The hidden consequences of New Mexico’s latest oil boom,” by Tay Wiles, High Country News, May 22, 2019, <https://www.hcn.org/issues/51.10/public-health-the-hidden-consequences-of-new-mexicos-latest-oil-boom>

¹¹ “Oil-backed Blue Wave: New Mexico funds progressive policy through fracking,” by Theo Wayt and Ben Kessler, NBC News, Oct. 27, 2019, <https://www.nbcnews.com/news/us-news/oil-back-blue-wave-new-mexico-funds-progressive-policy-through-n1072181>

¹² “New Mexico’s Oil Boom: Bounty for one of the Country’s Poorest States,” by Simon Romero, The New York Times, Oct. 22, 2019, <https://www.nytimes.com/2019/10/27/us/new-mexico-oil.html>

¹³ Ibid.

There is no louder voice in this environmental debate than oil and gas companies themselves, along with their legions of lobbyists, PACs, professional associations, advocacy groups, and wealthy stakeholders.

For this report, we have adopted a broad definition of the oil and gas industry to include: oil and gas producers; oilfield service, equipment and exploration; natural gas transmission and distribution; petroleum refining and marketing; gasoline service stations; fuel oil dealers; and liquid propane dealers and producers.¹⁴ We have *also* included utilities and co-ops that have holdings based in oil or gas or transmit electricity generated by natural gas, even though they may also transmit energy generated by wind, solar, or coal. There are many other industries associated with oil and gas — railroads, trucking, and other means of transport. They have not been included here, although we have included what may seem like unlikely partners — convenience stores, such as Allsup’s, and travel centers, such as Bowlin’s, that sell gasoline.

The tentacles of the industry, in short, are everywhere, running through every corner of the state and indeed, the world. During the recent legislative session, the industry’s leading professional association, the New Mexico Oil and Gas Association (NMOGA), embarked on a major media campaign (detailed later in this report), running TV and full-page advertisements touting the benefits of the industry in the statewide newspaper, the *Albuquerque Journal*.

This report is focused on the political clout exercised by the industry. Long a major player during legislative sessions and in state and federal elections campaigns, the hand of the industry has now been strengthened by an economic windfall that underscores the importance of oil and gas in New Mexico.

2. Major Players in the Oil and Gas Sector

A full listing of the companies, associations, PACs, advocacy groups, and individuals associated with oil and gas in New Mexico would fill a small phone book — if we still had phone books. For this report, we have identified approximately 98 industry-related companies, 23 associations and advocacy organizations, 11 PACs, and 262 individuals from the websites of the New Mexico Secretary of State, the National Institute on Money in Politics’ website (FollowTheMoney.org), New Mexico In Depth’s Openness Project, and the Center for Responsive Politics’ OpenSecrets.org. Many are located out of state, but have a role in NM policy nonetheless. And we are sure we have missed many more.¹⁵

¹⁴ The definition coincides with that used by the National Institute on Money in State Politics on www.FollowTheMoney.org.

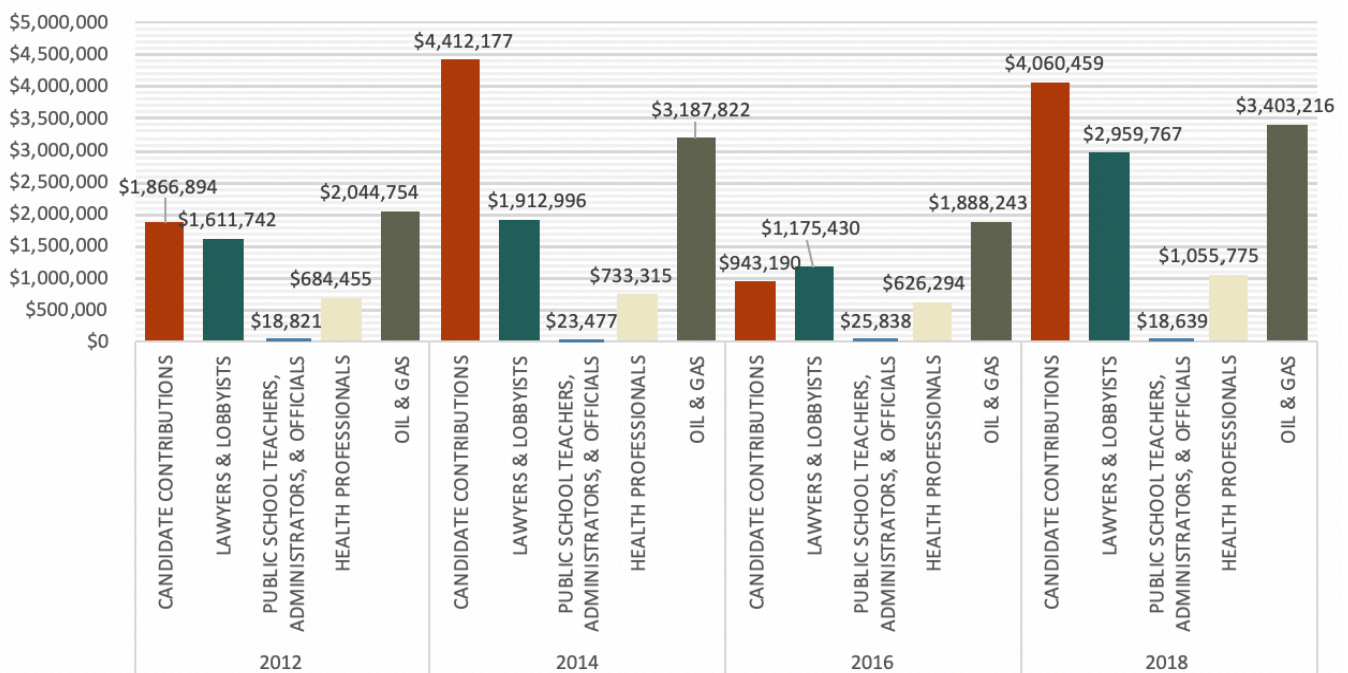
¹⁵ Please see listings in Appendix 2 (A).

For a small, historically poor state, the sheer numbers of those pushing for the industry are staggering. From 2013-2020, for example, approximately 90 lobbyists representing 62 different companies have descended on Santa Fe for the legislative session. The number is greater than those representing most other industries. There are only 23 lobbyists representing hospitals and health centers, for instance, even though it is a major employer in many local communities. And with 90 lobbyists, the group almost matches the number of New Mexico legislators – 112.

The oil and gas industry has always been among the top contributors to New Mexico candidates, and during the 2018 election cycle, it surpassed other top donors, including lawyers and lobbyists, the real estate industry, tobacco, and the pharmaceutical industry. It is exceeded only by the candidates themselves, who self-finance and give to one another.¹⁶ Other interest groups representing teachers and health professionals gave far less, as the chart below indicates.

The increased contributions signaled the concern the industry felt as it faced the departure of two-term Republican Governor Susana Martinez, who had been decidedly friendly to the industry.

Top Industry Contributors by Sector, Election Years



¹⁶ FollowTheMoney.Org, from which these statistics are taken, says many contributions have not yet been coded. In compiling these numbers, we have drawn from the categories of “lawyers and lobbyists” and “attorneys and law firms” to compile the more general category of “lawyers and lobbyists.” For the “oil and gas” category, we have drawn from “oil and gas industries” and the energy and natural resources subset “electric utilities.”

3. Campaign Contributions Made by the Oil and Gas Industry

Just how much do oil and gas companies, affiliated PACs, associations, and individuals contribute to the political campaigns of state and federal candidates in New Mexico? The total is **\$4,343,149** for the period spanning 2017-2020, according to FollowTheMoney.org.¹⁷ Here's a list of just the top 20 contributors in New Mexico:

TOP 20 OIL AND GAS CONTRIBUTORS, 2017-2020

Contributor	Type of Contributor	Total \$
CHEVRON CORP	NON-INDIVIDUAL	\$383,050
PNM RESOURCES	NON-INDIVIDUAL	\$239,100
DEVON ENERGY	NON-INDIVIDUAL	\$195,700
OCCIDENTAL PETROLEUM	NON-INDIVIDUAL	\$176,000
CONCHO RESOURCES	NON-INDIVIDUAL	\$129,850
CONOCOPHILLIPS	NON-INDIVIDUAL	\$102,075
MACK ENERGY	NON-INDIVIDUAL	\$96,600
EXXON MOBIL	NON-INDIVIDUAL	\$84,750
MARATHON PETROLEUM CORPORATION	NON-INDIVIDUAL	\$79,500
JALAPENO CORP	NON-INDIVIDUAL	\$68,352
MURPHY, MARK B	INDIVIDUAL	\$62,360
YATES, PAYTON	INDIVIDUAL	\$51,400
WESTALL, GREG RAY	INDIVIDUAL	\$51,000
YATES LEGACY LLC	NON-INDIVIDUAL	\$50,000

¹⁷ www.followthemoney.org. Total indicated in our query for Oil & Gas and Gas & Electric Utilities' contributions to candidates and committees in elections in New Mexico for 2020, 2019, 2018, 2017 (within federal, state and local data). See Appendix 1 for methodology and use of FollowTheMoney.org website.

Contributor	Type of Contributor	Total \$
TESORO CORP	NON-INDIVIDUAL	\$49,700
PERMIAN ENERGY	NON-INDIVIDUAL	\$42,250
BOWLIN TRAVEL CENTERS	NON-INDIVIDUAL	\$40,500
STRATA PRODUCTION	NON-INDIVIDUAL	\$38,500
NEW MEXICO GAS CO	NON-INDIVIDUAL	\$35,400
NEW MEXICO OIL & GAS ASSOCIATION	NON-INDIVIDUAL	\$35,000
Grand Total		\$2,011,087

Note: These top 20 contributors for 2017-2020 come from a more complete list of industry-related companies, associations, individuals, and PACs, which totals 410 unique contributors.

Contributions OVERALL from Oil and Gas Industry, 2017-2020

Type of Contributor	Number of contributors	Total Contributions
Businesses	122	\$2,910,222
Individuals	278	\$1,333,687
Associations	9	\$89,240
PACS	1	\$10,000
TOTALS	410	\$4,343,149

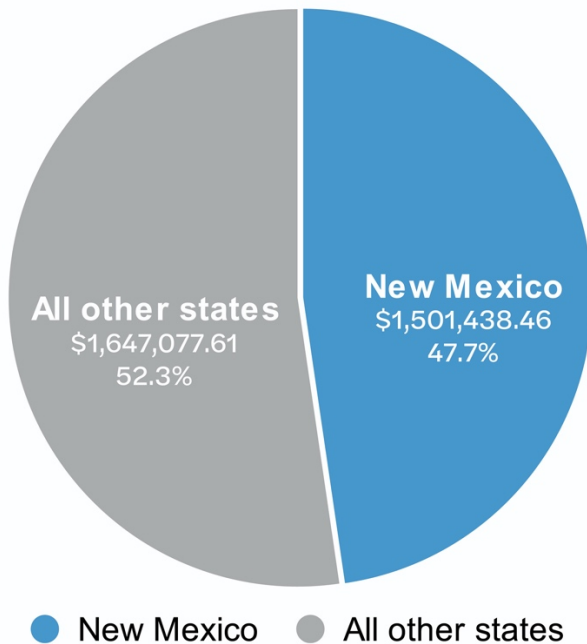
With a few notable exceptions, the top contributors list is composed of corporations. There's a reason for that. New Mexico law, unlike federal law, allows for direct contributions to candidates by corporations, associations, PACs, and individuals.¹⁸

¹⁸ Section 1-19-26(P) NMSA 1978 defines "person" as an individual or entity. Section 1-19-34.7 NMSA 1978 sets the contribution limits for persons.

While there are many New Mexico oil and gas companies who make political contributions, more than half of oil and gas contributions come from out of state.

Chevron Corp, the top contributor, has headquarters in California and in 2018 had a net income of \$14.8 billion.¹⁹

Contributions by State, 2017-2020



4. Individuals Give Big

Individual contributors in New Mexico from the oil and gas sector are almost as important as corporate contributors. New Mexico is a small state, and oil and gas families are well known for their involvement in politics, the arts and business, particularly on the east side of the state. The Yates petroleum empire, started by Martin and Mary Yates in the 1920s, is perhaps the best known. Although Yates Petroleum was sold to EOG Resources Inc., a Texas firm, in 2016, it continues to spawn drilling and exploration companies headed by sons, nephews, and other family members. Santo Petroleum and Jalapeño Energy Corporation are among them. According to FollowTheMoney.Org, members of **the Yates family gave a total of \$709,911 over the most recent 16 years**, mostly to Republican candidates. Harvey Yates, owner of Jalapeño Energy Corporation, was the chairman of the Republican Party from 2009-2010, and worked successfully to elect industry-friendly Susana Martinez to the Governor's mansion in 2010.

¹⁹ <https://www.macrotrends.net/stocks/charts/CVX/chevron/net-income>

The Chase family, owners of the Mack Energy Corporation, Chase Energy Services, and affiliated companies, is also a big contributor to political campaigns, with contributions of **\$289,676** recorded by FollowTheMoney.org **over the past 12 years**.

Mark B. Murphy, president of Strata Production Company, is the biggest single individual contributor, donating **\$475,882** to both Republicans and Democrats, from 2012 to date.

The Westall family, owners of Ray Westall Operating Inc., a small company specializing in oil and leases, together gave **\$68,500** from **2017-2020**.

TOP 20 OIL AND GAS INDIVIDUAL CONTRIBUTORS, 2017-2020²⁰

Contributor	Type of Contributor	Total \$
MURPHY, MARK B	INDIVIDUAL	\$62,360
YATES, PAYTON	INDIVIDUAL	\$51,400
WESTALL, GREG RAY	INDIVIDUAL	\$51,000
YATES, CHARLOTTE G	INDIVIDUAL	\$33,300
BRANSON, SCOTT	INDIVIDUAL	\$30,500
SAULSBURY SR, CHARLES RICHARD (DICK)	INDIVIDUAL	\$29,800
JOHNSON, MICHAEL LEE (MIKE)	INDIVIDUAL	\$28,292
CHASE, MACK C	INDIVIDUAL	\$27,000
MADRON, PHILLIP	INDIVIDUAL	\$25,000

²⁰ www.followthemoney.org. The top 20 contributors are drawn from a query for oil and gas industry individual contributions to candidates and committees in elections in NM for 2017-2020 (within federal, state and local data). See Appendix 1 for methodology and use of FollowTheMoney.org website.

Contributor	Type of Contributor	Total \$
YATES JR, HARVEY E	INDIVIDUAL	\$24,694
CHASE, ROBERT C	INDIVIDUAL	\$24,500
YATES, LINDA STOLLER	INDIVIDUAL	\$24,400
CHANDLER, DOUG	INDIVIDUAL	\$23,600
HENRY, JAMES C (JIM)	INDIVIDUAL	\$21,900
VETETO, MARK R	INDIVIDUAL	\$21,400
COLLAWN, PATRICIA	INDIVIDUAL	\$20,100
YATES, JOHN A	INDIVIDUAL	\$17,750
WESTALL, KAREN L	INDIVIDUAL	\$17,500
BRUNSON, HAL	INDIVIDUAL	\$16,600
SAULSBURY, AMELIA	INDIVIDUAL	\$16,600

Note: These top 20 individual oil and gas contributors come from a list of 278 individuals identified by FollowTheMoney.org as making political contributions in New Mexico from 2017-2020.

5. Oil and Gas PACs: More than Meets the Eye

There are a number of PACs directly formed by oil and gas associations, utility employees, and advocates for the industry. Seven of these, along with four others which derive the bulk of their funding from the industry, are identified in the chart below, along with the amount of contributions they received and their spending on candidates and media.²¹

Oil and gas companies individually contribute to many more PACs operated by legislators, political parties, and others, including Share the Vision, Advance New Mexico Now, Families First, New Mexico Turnaround, Brighter Future, and Republican PACs, such as the Republican Leadership PAC. Mostly these are Republican-oriented PACs, although they make contributions to some Democrats. These

²¹ <https://www.cfis.state.nm.us/media/PACMain.aspx>

larger PACs then combine the money they get from the companies and generous individuals and contribute strategically to candidates of their choice, many of them in close races.

In the interest of fairness, it is worth noting that environmental organizations, like the NM Conservation Voters Association, operate PACs as well, notably the Verde Voters Fund, which contributes primarily to Democratic candidates.

Oil & Gas Associated PACs' Total Contributions and Expenditures, 2017-2020

PAC Name	Total Contributions Received	Total Expenditures (including contributions to candidates)
4 NM Pac	<u>\$24,410</u>	<u>\$23,272.20</u>
579 PAC	<u>\$43,199.00</u>	<u>\$36,290.18</u>
Affordable Energy PAC	\$45,600.00	\$74,829.78
Brighter Future Political Committee	<u>\$11,010.84</u>	<u>\$11,010.84</u>
NMOGA PAC	<u>\$74,868.34</u>	<u>\$39,018.97</u>
El Paso Electric Employee PAC	\$20,316.14	\$25,156.26
New Mexico Strong	<u>\$2,932,181.92</u>	<u>\$2,785,107.85</u>
PNM Responsible Citizens Group	\$305,280.45	\$317,450.00
New Mexico Gas Company HEAT PAC	\$66,266.86	\$23,900.00
Permian Energy PAC	<u>\$61,150.00</u>	<u>\$56,834.16</u>
NM Petroleum Marketers Association	<u>\$0</u>	<u>\$15,000</u>
Grand Total	\$3,584,283.55	\$3,407,870.24

As noted in the chart above, from 2017 to date, New Mexico Strong, a PAC out of Austin, TX, took in \$2.9 million in contributions and spent (expenditures and contributions) almost \$2.8 million. During election year 2018, NM Strong reported receiving \$2.57 million in contributions during general election filings (9/3/18 through 12/1/18). \$2.35 million of that came from Chevron alone during that time period.

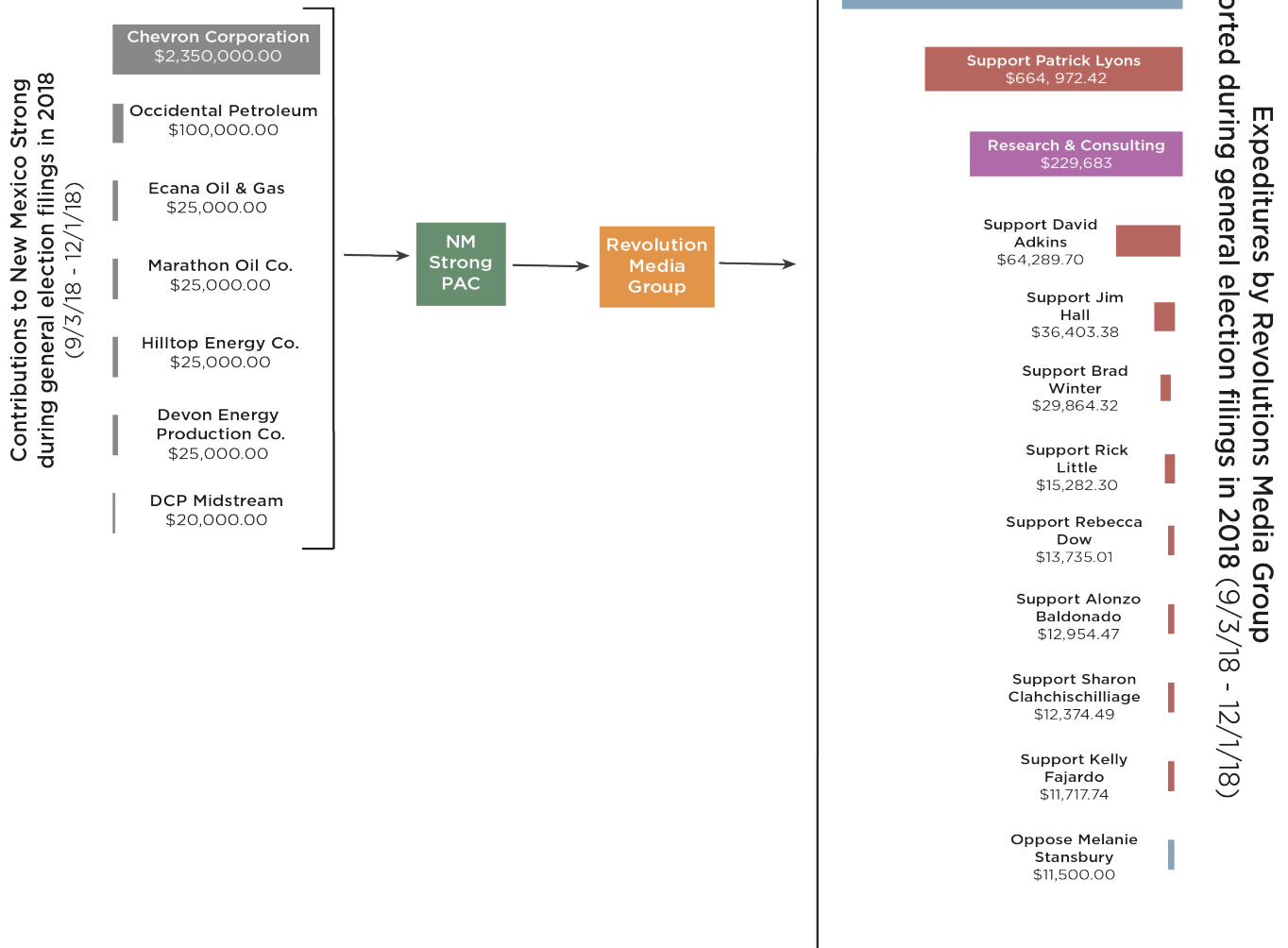
As a Super PAC, New Mexico Strong can make unlimited, uncoordinated expenditures...so spend they did! As you'll note from the chart below, reports from that time period show New Mexico Strong spending exclusively with Revolution Media Group out of Arlington, VA, for television, digital, website, and direct mail advertising campaigns.

New Mexico Strong spent **\$1.3 million** *opposing* the land commissioner candidacy of Stephanie Garcia Richard – more than twice what they spent, **\$664K**, *supporting* the land commissioner candidacy of Patrick Lyons.

Notable twin \$307K television ad buys supporting Lyons and opposing Garcia Richard were purchased on October 15, 2018. A standalone \$606K television ad expenditure opposing Garcia Richard was also purchased on the same day.

We only know the minute details of this activity because New Mexico Strong was very detailed in their reporting, indicating more than just the required “Name and Address of Payee” on their submitted reports.²²

²² https://www.cfis.state.nm.us/docs/FPReports/O_58303_2018_11_1_191317.pdf



6. Outsized Role of Associations and Advocacy Groups

New Mexico has over a score (23 at last count) of industry associations and advocacy organizations associated with the industry. Not all of them are obviously connected. Gas stations and other retail sellers of gasoline have their own group. Rural electric co-ops, with transmission lines conveying energy created by natural gas, have theirs. Others are more ideological, purveying pro-industry research (the Environmental Policy Alliance) or intel and negative press stories on environmental and alternative energy advocates (Power the Future, Big Green Radicals, and Green Decoys).

Contributions from Oil and Gas Associations, 2017-2020²³

Association	Type of Contributor	Total \$
NEW MEXICO OIL & GAS ASSOCIATION	NON-INDIVIDUAL	\$35,000
NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION	NON-INDIVIDUAL	\$21,500
AMERICAN GAS ASSOCIATION	NON-INDIVIDUAL	\$12,000
NEW MEXICO RURAL ELECTRIC COOPERATIVE ASSOCIATION	NON-INDIVIDUAL	\$6,240
NATIONAL ASSOCIATION OF CONVENIENCE STORES	NON-INDIVIDUAL	\$5,000
SOCIETY OF INDEPENDENT GASOLINE MARKETERS OF AMERICA	NON-INDIVIDUAL	\$4,000
WESTERN ENERGY ALLIANCE	NON-INDIVIDUAL	\$2,500
INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA	NON-INDIVIDUAL	\$2,000
DOMESTIC ENERGY PRODUCERS ALLIANCE DEPA	NON-INDIVIDUAL	\$1,000

New Mexico has numerous oil and gas trade and professional associations at work in the state, but none is more powerful, or ambitious, as the NMOGA.

²³ www.followthemoney.org. Selected non-individuals' contributions to candidates and committees in New Mexico for 2020, 2019, 2018, and 2017 (within federal, state and local data). Data for the following associations was collected: New Mexico Oil & Gas Association, National Rural Electric Cooperative Association, New Mexico Rural Electric Cooperation Association, National Association of Convenience Stores, Society of Independent Gasoline Marketers of America, Western Energy Alliance, Independent Petroleum Association of America, Domestic Energy Producers Alliance DEPA. See Appendix 1 for methodology and use of FollowTheMoney.org website.

A. The New Mexico Oil and Gas Association (NMOGA)

The New Mexico Oil & Gas Association (NMOGA) is a coalition of oil and natural gas companies, individuals, and stakeholders “dedicated to promoting the safe and environmentally responsible development of oil and natural gas resources in New Mexico. Representing over 900 members, NMOGA works with elected officials, community leaders, industry experts, and the general public, to advocate for responsible oil and natural gas policies and increase public understanding of industry operations and contributions to the state.”²⁴

Heading into the election cycle of 2018, the director of the NMOGA made a brazen prediction as he addressed the 900-member association’s annual meeting. “**NMOGA is going to be the most powerful organization in the state of New Mexico, period.** We are going to compete with our opposition at every single level, and in every single arena, and we are going to win these fights as we move forward,” Ryan Flynn told the group. “And we need to act with a sense of urgency to ensure that we are driving the policy discussions. We’re driving public discourse; we’re driving election discussion and debates. We’re not just waiting for the dust to settle and being pushed in one direction or another.”²⁵

Flynn’s speech was not just rhetorical. In the following months, his organization has spent record amounts of money to elect friendly candidates and influence legislators. They hired previous administration officials, allied with a Koch brothers advocacy organization, and ramped up a giant PR campaign designed by a digital consulting company run by a Republican consultant associated with Rand Paul, Rick Perry, and Newt Gingrich.²⁶

The increased activity generated by the already-powerful group came as industry-friendly Governor Susana Martinez prepared to leave office, and on the eve of what was to become a blue wave that swept the state.

Flynn, Martinez’s former Secretary of the Environment, warned his group. “Susana Martinez, my former boss, she’s embraced an all-of-the-above approach to energy policy. Probably the most consistent benefit to our industry over the last seven years is that we don’t have to worry when we walk into each legislative session about a harmful piece of legislation getting signed into law,” he said.

But with a new Governor on the 4th floor, the group is waging a pitched battle against regulation of methane emission, increases in state royalties, groundwater standards, and increased fines and

²⁴ www.nmoga.org

²⁵ “New Mexico Oil and Gas Association speech LEAKED: You won’t believe what they said,” by Lucas Herndon, ProgressNow NM, Jan. 22, 2018, <http://progressnownm.org/?p=156750>

²⁶ “New Mexico Oil and Gas Association and Power the Future: Working together? CONFIRMED!” by Lucas Herndon, ProgressNow NM, Sept. 19, 2019, <http://progressnownm.org/?p=208175>

penalties for violations. And it is attacking environmentalists as out-of-state special interests,²⁷ applauding President Trump's roll-back of environmental laws, contributing to its allies in the coal industry,²⁸ and weighing in on national issues.

In 2018, the association ramped up lobbyist spending by \$12,000 over 2017. The group spent \$28,000 on a dinner held at the Casa España in Santa Fe on January 31, 2018. The event was open to legislators in both parties to show "appreciation," according to the association's communications director Robert McEntyre, who was the former spokesperson for PED under Gov. Susana Martinez's administration.²⁹

Overall, according to the New Mexico Secretary of State (SOS), the NMOGA PAC contributed **\$74,868.34** to candidates (both Republican and Democratic) and political parties in New Mexico and spent **\$39,018.97** on lobbying activities from the fall of 2018 through the fall of 2019.³⁰

The group also has a presence in the nation's capital, spending \$200,000 for lobbying activities there.³¹

The Association has also ramped up its public relations campaign to advertise the benefits of the industry. It already had a robust campaign, typically running TV and newspaper advertisements. In 2015, for example, the group rolled out a 30-second TV spot airing in markets throughout the state as part of its "Funding Education, Fueling our Future" campaign. The ads ran through the legislative session in 2016. The group spent approximately \$250,000 to run the commercial as well as to publish print ads touting one of the state's largest economic drivers, according to NMOGA spokesman Wall Drangmeister.³²

²⁷ "Anti-oil campaign just political noise," by Ryan Flynn, Albuquerque Journal, Jan. 12, 2018, <https://www.abqjournal.com/1118069/antioil-campaign-just-political-noise.html>

²⁸ "Economic Development Officials Counter Critics of PNM Plan to Keep San Juan Generating Station Open," Farmington Daily Times, May 5, 2015, <https://www.daily-times.com/story/archives/2015/05/04/economic-development-officials-counter-critics-pnm-plan-keep/75987606/>

²⁹ "Lobbying During Session Tops \$200K," Gallup Independent, Feb. 21, 2018.

³⁰ <https://www.cfis.state.nm.us/media/PacMain.aspx>

³¹ <https://www.opensecrets.org/federal-lobbying/clients/summary?cycle=2019&id=F226433++>

³² "New Mexico Oil and Gas Group Starts Media Campaign," Farmington Daily Times, April 4, 2015, <https://www.mrt.com/business/energy/article/New-Mexico-Oil-and-Gas-group-to-embark-on-media-7404376.php>

The group's 2018 Communications Plan signaled an expansion of PR efforts.³³ It called for an expanded web presence and digital campaign, statewide, and local voter education efforts, and earned-media messaging coordinated with allied groups. The message, to be espoused in monthly op-eds and visits to editors, was to focus on water conservation, methane leadership, hydraulic fracturing safety, and the industry's benefits for the state—jobs and educational funding. It carefully targeted several groups – women, Hispanics, soft Democrats, and soft Republicans – and includes polling and a detailed drumbeat of monthly PR activities.

The plan also called for increased social investments. In December, NMOGA's Brighter Future Fund awarded its first \$50,000 in grants to New Mexico non-profits, with a total of \$1 million already committed through 2024.³⁴

In early 2020, NMOGA ran a series of full-color print ads in the *Albuquerque Journal* which carry the message spelled out in the campaign.³⁵

A highlight of the plan was a new alliance with Power the Future and its founder Daniel Turner.

B. Power the Future

Power the Future introduces itself as the voice of oil and gas workers throughout the country. Based in Washington, DC, it was founded in 2017 by Daniel Turner, who has worked directly with Koch Industries. As indicated on the 501(c)(4)'s website, the goal is:

“disseminating research, sharing facts and truths, engaging at the local level and interacting with the media. With so many loud voices in the energy conversation, ours will highlight truth, unmask agendas, expose hypocrisy and reduce hyperbole.”³⁶

The point is sharpened in NMOGA's communication plan, in which Power the Future says its objective is to “expose operatives and organizations leading the anti-energy movement.” One slide specifically mentioned the San Juan Citizens Alliance, the Sierra Club, Greenpeace, and the Center for Biological Diversity.³⁷

To lead their efforts in New Mexico and the West, Power the Future hired Larry Behrens, former communications director for Governor Susana Martinez. In a November 2019 op-ed in the *Farmington Daily Times*, Behrens opined against the Energy Transition Act (even though it included specific

³³ PowerPoint presentation on the communications plan by Robert McEntyre was included in <http://progressnownm.org/?p=208175>

³⁴ <https://albuquerquefoundation.org/nmoga.aspx>

³⁵ <http://abqjournal.nm.newsmemory.com/?publink=05eab11a6>

³⁶ <https://powerthefuture.com/about-us/>

³⁷ See footnote #33, supra

benefits for the energy workers his group purports to defend), and the Green New Deal.³⁸ He has written numerous op-eds deriding alternative energies.

C. The Independent Petroleum Association of New Mexico (IPANM)

Formed in 1978 by independent oil and gas producers, who work mainly in exploration and drilling, the IPANM has over 300 members whose mission is to “provide services that protect, defend and promote the industry that is the very foundation of our way of life.” Past presidents, board members, and award recipients provide a “Who’s Who” of the industry and include: Claire Chase (candidate for Congress 2020); Representative Larry Scott; Representative Greg Nibert; donor Mark Murphy; Frank Gorham III, the husband of former Senator Ramsay Gorham; and several members of the Yates family, which is closely associated with the Republican party.³⁹

Jim Winchester, a former Governor Martinez appointee to the Environment Dept., is the executive director. He and the association’s president, Kyle Armstrong, are working the aisles of the 2020 legislature, according to the group’s newsletter.⁴⁰ The IPA is concerned about new regulations, inspections, administrative penalties, and fines associated with the Oil and Gas Act, and they are lawyering up to comment and review new methane rules from the NM Energy and Mineral Department’s Conservation Division. They are also focused on implementation of the produced water bill passed by the legislature in 2019.

7. New Mexico’s Premier Lobbying Corps

Lobbyists representing the oil and gas industries in Santa Fe during the legislative session, at interim committee meetings and national legislative conferences, are among the most well-resourced and generous in the state. Led by the New Mexico Oil and Gas Association and the Independent Petroleum Association of New Mexico, there are scores of lobbyists on the ground in Santa Fe during any one session. Ninety are registered with the Secretary of State, representing 62 companies, trade associations, utilities, retail distributors, generators, or transmitters of oil and gas-based electricity.

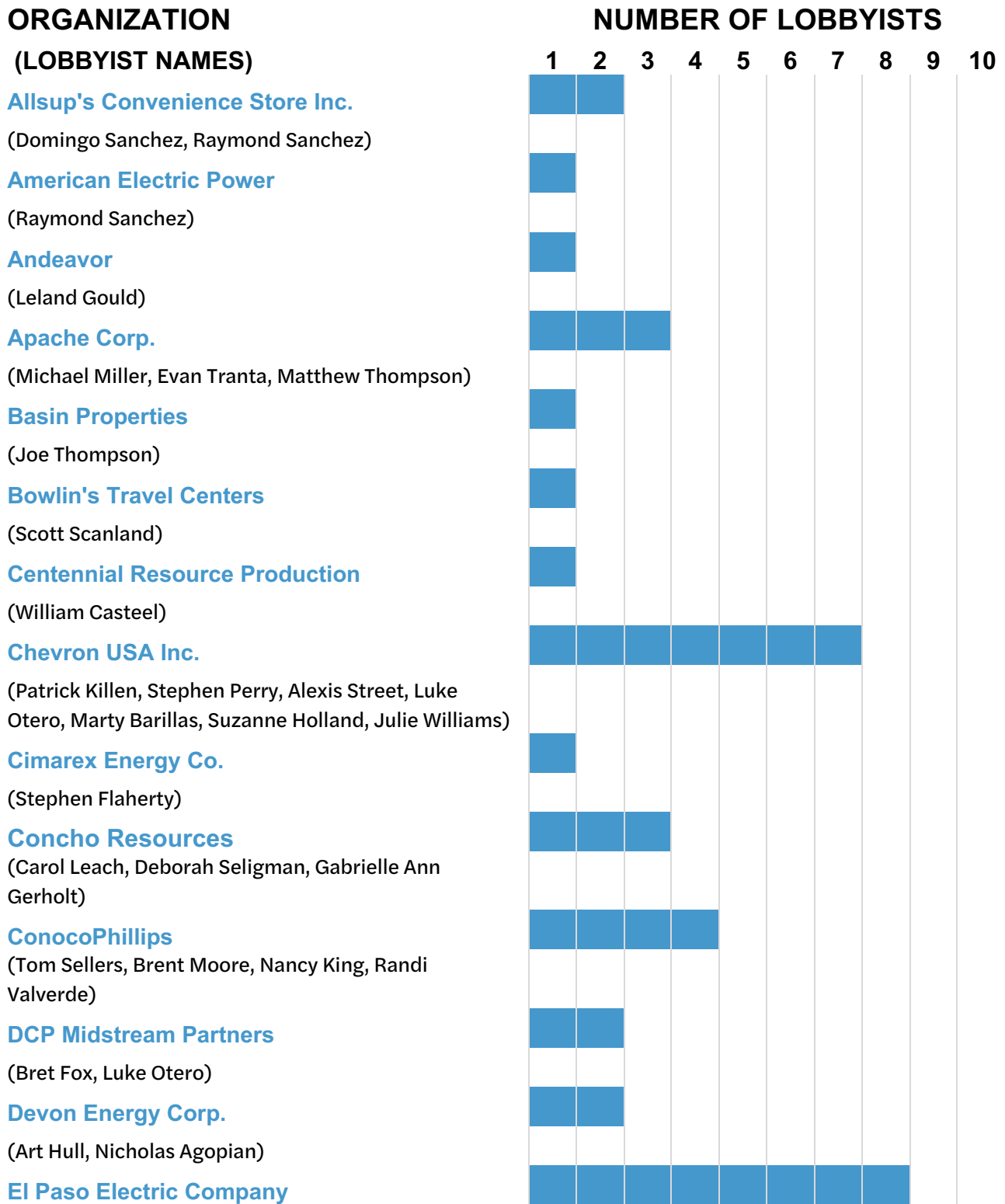
While environmentalist groups can muster large numbers of citizens to lobby the legislature, and have a few contract lobbyists, oil and gas lobbyists are professionals. Some represent one company throughout the year and have only one client. Others are all-purpose lobbyists who represent multiple clients from different industries year-round and are familiar faces in the legislature.

³⁸ “Opinion: Time to repeal New Mexico’s Green New Deal,” by Larry Behrens, Farmington Daily Times, Nov. 7, 2019, <https://www.daily-times.com/story/opinion/columnists/2019/11/07/opinion-repeal-new-mexico-green-new-deal-energy-transition-act/2523011001/>

³⁹ <https://ipanm.org> **Note:** some areas of the website are for members only

⁴⁰ Ibid.

List of Oil and Gas Lobbyists Registered with the Secretary of State



(Bob Barberousse, David Stevens, Marybeth Stevens, Anthony "TJ" Trujillo, Ricardo Gonzales, Rikki Lee-Chavez, Ty Trujillo, Contessa Archuleta)

Encana Oil & Gas

(Kristen Lingley)

Enterprise Products Co.

(Joe Thompson)

EOG Resources

(Gordon Goodman, Patrick Padilla)

Exelon Generation Company LLC

(Casey Kelley, William Scott)

Exxon Mobile Corporation

(Karen Pratt, Britney Head, Deanna Archuleta, Lisa Winn, Randi Valverde, Ron Kuhler, William Duncan, Brent Moore, Nancy King, Samantha Omey)

FPL Energy Services

(Art Hull)

Holly Energy Partners

(Joel Carson, William Gray)

Holly Frontier Companies

(Joel Carson, William Gray)

Holly Frontier Navajo Refinery

(Deborah Seligman)

Hunt Power LP

(Anthony "TJ" Trujillo, Rikki Lee-Chavez)

Hunt Transmission Services LLC

(Anthony "TJ" Trujillo)

Independent Petroleum Associations of NM

(Karin Foster, James Schermerhorn)

Indian Pueblo Marketing

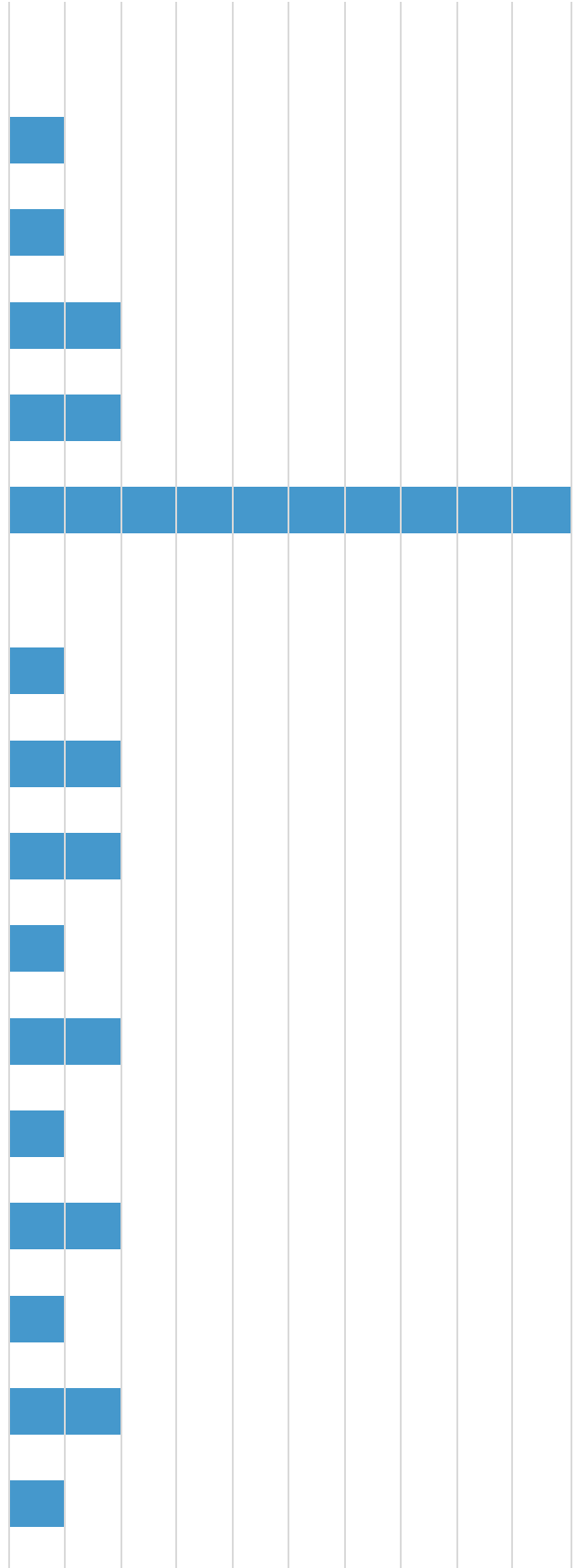
(Teresa Leger de Fernandez)

ITC Holdings

(Drew Setter, Natasha Ning)

Jemez Mountain Electric Coop Inc.

(Ty Trujillo)



Laguna Development Corp.

(Julio Salazar)

LS Power

(Drew Setter, Natasha Ning)

Mack Energy Corp.

(Anthony "TJ" Trujillo, Claire Chase, Frank Crociate)

Marathon Oil Co.

(Hugo Gutierrez, Jennifer Bradfute, Tomas Garcia)

Marathon Petroleum Corp.

(Brent Moore, Leland Gould, Nancy King, Randi Valverde)

Navajo Refining Co.

(Joel Carson)

New Mexico Electric Coop Association

(Edward Rougemont, Kevin Groenewold)

New Mexico Oil and Gas Association

(A. Marie Gutierrez y Ala, Aimee Barabe, Michael D'Antonio, Ryan Flynn, Walter Drangmeister, Debora Seligman, Tracy Kliphuis)

New Mexico Petroleum Markets Assoc.

(Ruben Baca)

NextEra Energy (formerly Florida Power & Light)

(Kim Legant)

NGL Water Solutions Permian

(Robert Romero)

NM Gas Co.

(LaVanda Jones)

NM Propane Gas Association

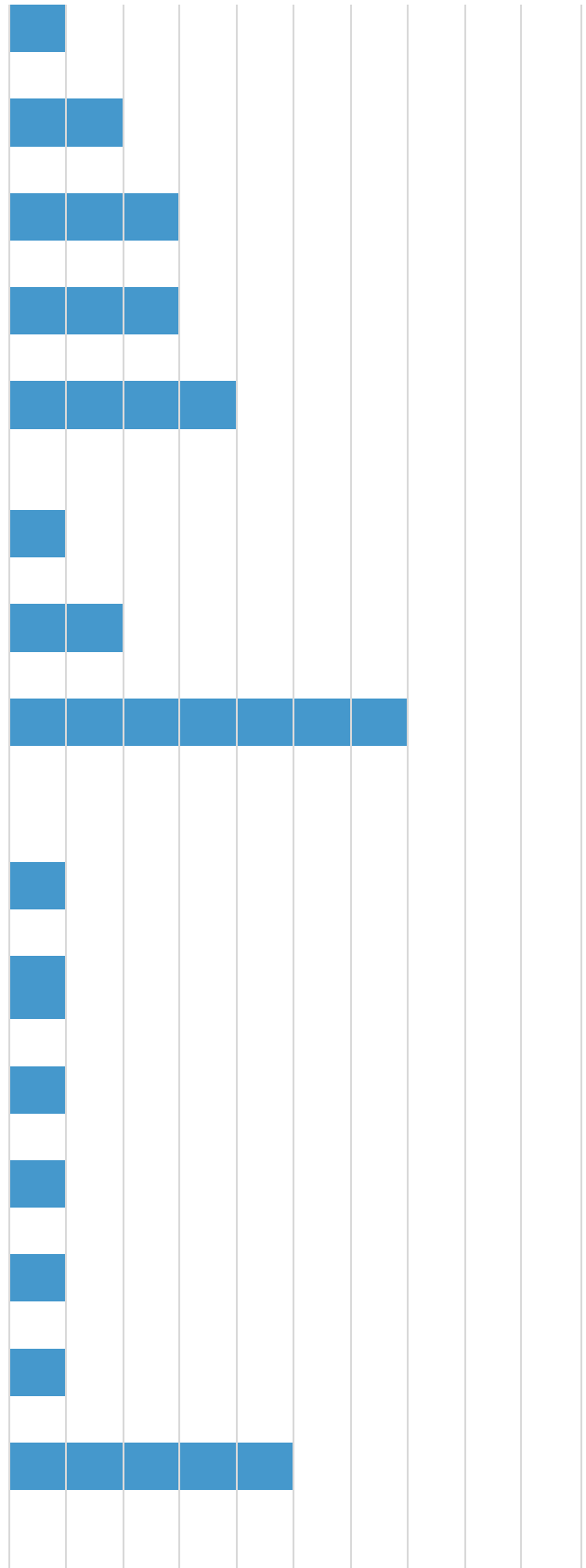
(Scott Scanland)

NM Utility Shareholder Alliance

(Carla Sonntag)

Occidental Petroleum Corp.

(Anthony "TJ" Trujillo, Katelyn Hart, Rikki Lee-Chavez, Julie Moore, Ty Trujillo)



Permian Basin Petroleum Association

(Michael Miller)

PNM

(Art Hull, Matthew Jaramillo)

Public Service Company of New Mexico

(Jason Weeks, Sayunda Yamada)

Renewable Energy Group

(Scott Hedderich)

Select Energy Services

(Keith Gardner, Laura Riley)

Solaris Water Midstream

(Laura Riley)

Southwest Generation Operating Company

(Bruce Throne, J.D. Bullington, Robert Witner, Julio Salazar)

Southwest Transmission LLC

(Raymond Sanchez)

Southwestern Power Group (Sun Zia)

(John Ryan, Michael Olguin)

Sundance Services Inc.

(Marla Shoats)

Targa Midstream Services

(Dan Weeks, Marla Shoats, Jason Weeks)

Transorce Energy

(Natasha Ning)

Tri State Generation and Transmission

(Mickey Barnett)

Valero Energy Corp.

(J. Scott Hall)

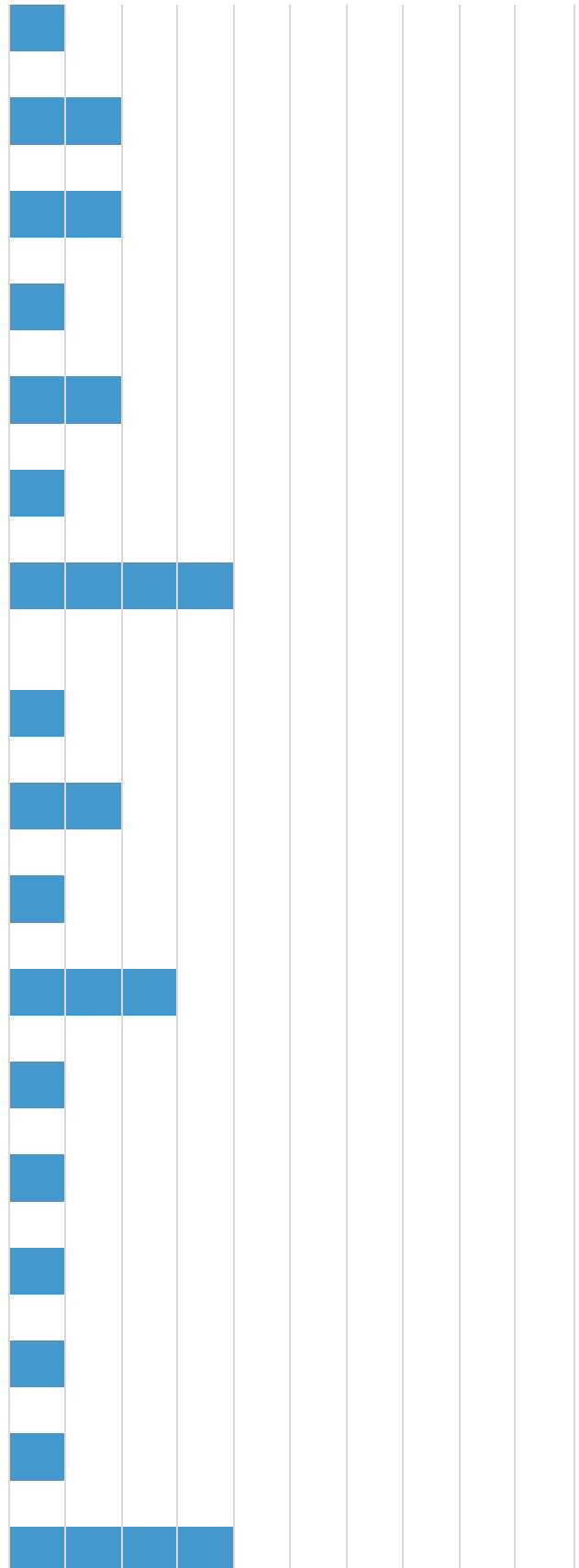
Western Refining Inc.

(Leland Gould)

Williams Four Corners LLC

(J.D. Bullington)

Xcel Energy/Southwestern Public Service Co.



(Michael D'Antonio, Stephen Fogel, Bernarr Treat, Joe Thompson)

Yates Petroleum

(Deborah Seligman)



Contributions and Expenditures made by Lobbyists on behalf of Oil and Gas Companies and Utilities, 2017-2020

Lobbyist	Client	Expenditure	Contribution	Grand Total
Alexis Street	CHEVRON USA	\$ 546.37	\$ 2,036,500.00	\$ 2,037,046.37
Stephen Perry	CHEVRON USA	\$ 593.60	\$ 940,000.00	\$ 940,593.60
Patrick Killen	CHEVRON USA	\$ 951.06	\$ 247,500.00	\$ 248,451.06
	BP America Production Company	\$ 262.66		\$ 262.66
Tomas Garcia	Marathon Oil Company	\$ 9,673.91	\$ 100,500.00	\$ 110,173.91
Deanna Archuleta	EXXON MOBIL CORPORATION	\$ 2,603.15	\$ 78,485.00	\$ 81,088.15
Kristen Lingley	Encana Oil & Gas (USA) Inc.		\$ 59,500.00	\$ 59,500.00
Jerrold Jones	EXXON MOBIL CORPORATION	\$ 274.09	\$ 42,500.00	\$ 42,774.09
Luke Otero	DCP Midstream		\$ 34,000.00	\$ 34,000.00
Scott Scanland	BOWLIN TRAVEL CENTERS		\$ 32,500.00	\$ 32,500.00
Marla Shoats	Select Energy Services	\$ 200.00	\$ 30,900.00	\$ 31,100.00
LaVanda Jones	NEW MEXICO GAS COMPANY	\$ 864.36	\$ 26,600.00	\$ 27,464.36
Lisa Winn	Exxon Mobil Corporation		\$ 26,000.00	\$ 26,000.00
Samantha Omey	EXXON MOBIL CORPORATION		\$ 21,200.00	\$ 21,200.00
Leland Gould	Marathon Petroleum Corporation	\$ 212.13	\$ 13,000.00	\$ 13,212.13
James Schermerhorn	INDEPENDENT PETROLEUM ASSOCIATION OF NEW MEXICO	\$ 11,325.45		\$ 11,325.45

Carol Leach	<i>Concho Resources Inc.</i>	\$ 11,030.61		\$ 11,030.61
Hugo Gutierrez	<i>MARATHON OIL COMPANY</i>	\$ 119.36	\$ 5,500.00	\$ 5,619.36
Matthew Thompson	<i>ApachePAC</i>		\$ 5,000.00	\$ 5,000.00
Carlos Lucero	<i>PNM</i>	\$ 1,365.40		\$ 1,365.40
Casey Kelley	<i>Exelon</i>	\$ 910.14		\$ 910.14
James Bullington	<i>WILLIAMS FOUR CORNERS</i>		\$ 5,000.00	\$ 5,000.00
Deborah Seligman	<i>EnergyAdvocate LLC</i>	\$ 242.49	\$ 2,800.00	\$ 3,042.49
	<i>HOLLYFRONTIER CORP.</i>	\$ 77.22	\$ 1,500.00	\$ 1,577.22
Sayuri Yamada	<i>PNM</i>	\$ 857.63		\$ 857.63
Keven Groenewold	<i>NM Rural Electric Cooperatives</i>		\$ 500.00	\$ 500.00
Anthony (T.J.) Trujillo	<i>Occidental Petroleum Corp.</i>		\$ 215.17	\$ 215.17
Keith Gardner	<i>SELECT ENERGY</i>	\$ 353.29		\$ 353.29
Ricardo Gonzales	<i>El Paso Electric</i>	\$ 207.25		\$ 207.25
Stephen A. Flaherty	<i>CIMAREX ENERGY</i>	\$ 168.48		\$ 168.48
Julie Moore	<i>Occidental Petroleum Corp.</i>	\$ 112.22		\$ 112.22
Grand Total		\$ 45,588.69	\$ 3,709,700.17	\$ 3,755,288.86

A. Family Ties and Potential Conflicts

Some of the faces are very familiar – Leland Gould, lobbyist for Western Refining Inc, Marathon Petroleum Corp, and Andeavor, is the husband of Senator Constance Gould; Emily Strickler, a lobbyist in 2014 for the Williams Company, a natural gas infrastructure provider, is the daughter of Representative James Strickler, who is in the petroleum business himself. Some legislators

themselves were lobbyists for the industry. Representative James Townsend, the director of Holly Energy, was a lobbyist for the company in 2014 before he was elected to represent Eddy, Chaves, and Otero Counties. Former Senator Kent Cravens went the other way, stepping down from his Albuquerque seat in 2011 to become a lead lobbyist for the NMOGA. And a number of legislators themselves could be considered lobbyists for the industry, including Representative Larry Scott, who owns Lynx Petroleum; Representative Phelps Anderson, who owns Sun Valley Energy and whose father was R.O. Anderson, legendary oilman and founder of Atlantic Richfield Co.; Senator Greg Fulfer, the owner of Fulfer Oil and Cattle Co.; and Representative Greg Nibert, an attorney specializing in oil and gas law.

Significantly, four legislators who own or direct energy companies, or have ties to the oil and gas industry, sit on a key House committee, the House Energy Environment and Natural Resources Committee. Representatives Phelps Anderson, James Strickler, James Townsend, and Larry Scott are all members of this committee, where all oil and gas bills go.

In addition, many oil and gas lobbyists are former officials from the previous administration of Republican Governor Susana Martinez, including former Environment Secretary Ryan Flynn, who is now the director of the NMOGA; Patrick Padilla, former assistant commissioner of natural resources, now representing EOG Resources; Ryan Chavez, former policy assistant to Governor Martinez who works for the NMOGA as a director of community affairs; Trais Kliphuis, formerly with the Water Protection Division who worked for NMOGA, where she served as Director of Regulatory Affairs until her departure; former NM Public Education spokesperson Robert McEntyre, now director of communications for NMOGA; Aimee Barabe, former Director of Marketing Outreach and Partnership for the NM Tourism Dept. and spokesperson for the Dept. of Health and PED, now director of government affairs for NMOGA; Keith Gardner, former chief of staff for Gov. Martinez, now with Select Energy Services; Larry Behrens, former Martinez communications director now western states director of Power the Future; and former deputy chief of staff for Gov. Martinez Nick Piatek, now government and public affairs manager of Hilcorp.⁴¹

8. Oil and Gas Lobbyists Use a Variety of Tools to Make Friends and Influence Voters

A. Expenditures for Special Events, Meals, and Drinks

January's annual legislative session in Santa Fe is a flurry of social activity as well as floor sessions and committee hearings. There are receptions, cocktail parties, breakfasts, and dinners hosted by lobbyists and special-interest associations. The unpaid legislators, trying to subsist on their per diem, often welcome these events. As well as being the state capitol, Santa Fe is also a popular tourist attraction, with high-end hotels, stylish restaurants, and cozy bars which provide the perfect setting

⁴¹ "Why should you care..." by Lucas Herndon, ProgressNow NM, Oct. 30, 2019, <https://progressnownm.org/?p=211232>

for conversations between legislators, who are often far from home and lobbyists, who typically take up residence in Santa Fe for the duration of the session.

Lobbyist spending on meals, beverages, and special events must be reported to the Secretary of State in January and May of each year, and within 48 hours if the expenditure exceeds \$500. Detailed lobbyist reporting is spotty, with little information on the specific discussions or which bill the lobbyists are working on.

The amount of information reported in a 48-hour report varies widely. For example, in a 2018 report filed by NMOGA lobbyist Patrick Padilla, a \$27,700.81 expenditure is reported for a January 31, 2018 “New Mexico Oil and Gas Day Reception” at Casa España at the Eldorado Hotel. The required “Groups Invited” reporting lists “legislators and other elected officials.”⁴² In contrast, a 48-hour lobbyist employer report filed by the University of New Mexico reports a \$13,156.47 expenditure for a January 29, 2018, “UNM Alumni Association Appreciation” event at the La Fonda Hotel in Santa Fe, and lists as “Groups Invited,” “474 people were invited to attend the reception.” The 474 invitees are broken down by bullet points into:

New Mexico State Legislators
Governor and Lt. Governor of New Mexico
New Mexico Cabinet Secretaries
New Mexico Elected Officials
Director of Legislative Finance Committee and LFC analysts
Legislative Education Study Committee
Director, members and staff
Alumni Association Executive Committee
Alumni Association Board of Directors
Alumni Association Lobos for Legislation Committee
Alumni Association Finance Committee
UNM Regents
UNM President’s Executive Cabinet (President, Provost, Vice Presidents)
Deans and selected Directors of UNM programs
UNM Branch Campus Directors

UNM Past Presidents
Former UNM Foundation board members in New Mexico
Alumni Association Young Alumni Advisory Board
Greater Albuquerque Area Alumni Association Board and committee chairs
UNM Development Officers
UNM Administrators-select group
Alumni Association legislative volunteers
Alumni Association Lobos Link buddies
ASUNM student leaders and lobbyists
GPSA student leaders and lobbyists
ASUNM and GPSA past presidents
UNM Faculty Senate representatives
UNM Retiree’s Association
UNM Staff Council representative
UNM Parent’s Club President

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But the oil and gas industry is always among the biggest spenders, and the best entertainers in Santa Fe.

⁴² https://www.cfis.state.nm.us/docs/FPRReports/O_7355_2018_2_2_113644.pdf

⁴³ https://www.cfis.state.nm.us/docs/FPRReports/O_7342_2018_1_30_12123.pdf

Overall from 2017-2020, oil and gas lobbyists spent \$45,588 feeding and entertaining legislators and their guests, sometimes at special events, sometimes held for the whole legislature, and sometimes at smaller gatherings for individuals and committees.

This year the Independent Petroleum Association of NM hosted a Legislative Appreciation dinner at the Market Steer Steakhouse for invited guests on January 29, 2020, which cost \$7,237.88.⁴⁴ The dinner is a regular feature of legislative sessions. Called upon to defend the expense in 2018, Jim Winchester, executive director of the IPA, said his organization sponsored an appreciation dinner for 14 legislators at the Restaurant Martin. “Oil and gas producers proudly supported Santa Fe schools with nearly \$48 million in funding last year, and we’re also proud to support Santa Fe’s restaurants, hotel and local economy.”⁴⁵

The dinner was nothing compared to the NMOGA’s legislative dinner at the Bull Ring in February 2013, which cost \$17,638.02, according to a report filed by lobbyist Steve Henke.⁴⁶

Smaller groups are also entertained by the industry lobbyists. For example:

- Claire Chase, former president of the Independent Petroleum Association of New Mexico, lobbyist for Mack Energy, and current candidate for the US Congress in Southern New Mexico, spent \$1,725 on just one meal in January 2018 at Restaurant Martin. The guest list included: Republican House members Greg Nibert, Candy Spence Ezzell, and Bob Wooley of Roswell; Rod Montoya and James Strickler of Farmington; Cathrynn Brown of Carlsbad; David Gallegos of Eunice; Larry Scott of Hobbs; and James Townsend of Artesia. Chase spent lavishly on other dinners for other legislators at some of Santa Fe’s best restaurants—The Compound, Radish and Rye, Boxcar, Sazon, the Bull Ring, La Casa Sena, and others.⁴⁷
- Carol Leach, lobbyist for Concho Resources, spent \$759 at Maize restaurant for what she called “an oil and gas discussion” in January 2018 with Representatives Townsend and former Representative Larry Larranaga and their wives; Representative Larry Scott and his sister; Representative Jimmie Hall of Albuquerque; and two others.⁴⁸ Leach is generous on the road as well as in the capitol. In 2019 she picked up the tab for a \$316 lunch at the Cattle Baron in Roswell for a legislative transportation subcommittee.⁴⁹

⁴⁴ https://www.cfis.state.nm.us/docs/FPRReports/O_10595_2020_1_31_165724.pdf

⁴⁵ Justification reported in “Lobbyist spending on meals, receptions fuels lawmakers,” by Steve Terrell, Santa Fe New Mexican, Jan. 29, 2018, https://www.santafenewmexican.com/news/legislature/lobbyist-spending-on-meals-receptions-fuels-lawmakers/article_0b85ab71-08be-5b5d-89f3-e2743ebc1d11.html

⁴⁶ https://www.cfis.state.nm.us/docs/FPRReports/O_1937_2013_2_8_13355.pdf

⁴⁷ SOS Lobbyist expenditure reports: https://www.cfis.state.nm.us/docs/FPRReports/O_7333_2018_1_26_1470.pdf and https://www.cfis.state.nm.us/docs/FPRReports/O_7863_2018_5_16_134311.pdf

⁴⁸ SOS 2018 Lobbyist Report: https://www.cfis.state.nm.us/docs/FPRReports/O_7306_2018_1_20_75128.pdf

⁴⁹ “Lobbyists spend \$595K on legislators,” by Dan McKay, Albuquerque Journal, Oct. 10, 2019, <https://www.abqjournal.com/1376960/lobbyists-spend-595k-on-legislators.html>

- Alexis Street, lobbyist for Chevron, spent a total of \$9,463.17 on meals for legislators from 2016-2018.⁵⁰

The New Mexico oil and gas lobbying corps in Santa Fe, as robust as it is, pales in comparison to industry lobbying efforts on a federal level. According to OpenSecrets.org, in 2019 alone, the industry spent \$124.7 million on lobbying, with 699 lobbyists representing 190 different clients. Among them were some familiar names; Murphy USA, which chipped in \$30,000; Mack Oil Company spent \$260,000; Conoco Resources, \$220,000; Holly Frontier, \$390,000; Apache Corp., \$90,000; the NMOGA, \$200,000; Valero, \$1.8 million; Marathon, \$4 million; Conoco, \$4.8 million; Occidental, \$8.6 million; and Chevron, \$9 million.⁵¹

Tracing lobbyists' expenditures is difficult in New Mexico. Lobbyists are not required to report on the exact bills they are lobbying on, over drinks, dinner, or during the interim. Only expenditures over \$100 need be itemized, and it is at the discretion of the lobbyists whether to name the legislator who is the beneficiary. Lobbyist salaries and contracts need not be reported, although they may be significant.

Audits of lobbyist reports by the Secretary of State are rare, and reports are spotty when it comes to attributing an expense to a specific client. Most often the lobbyist makes an expense – pays for dinner, entertainment – on behalf of his or her own company, which of course obscures the fact that company revenues come from oil, gas, and other clients.

And who knows what is said between lobbyists and their spouses who are legislators? There are no bans on relatives lobbying their kin and legislators are not required to recuse themselves unless the bill they are voting on would personally benefit them (which rarely happens). To ensure greater transparency for the public, the system is in need of reform.⁵²

Another factor that makes the influence of lobbyists from any industry difficult to pin down is the fact that of the approximately 600 lobbyists working any given session there are about 40 “Super Lobbyists” who represent as many as 10-30 clients. Many of the oil and gas lobbyists represent multiple oil companies, as well as hospitals, tobacco companies, tribes, and other interests. Some are former legislators. All are well known by senators and representatives as friends and beneficiaries bearing checks at campaign time. Thus, the lobbyist's influence goes well beyond just his or her expertise or persuasive powers, and beyond the one company at issue.

⁵⁰ https://opennessproject.com/lobbyists/alexis-street-1473/?expend_page=1

⁵¹ <https://www.opensecrets.org/federal-lobbying/industries/summary?cycle=2019&id=e01>

⁵² See “10. Recommendations,” *infra*.

B. Who Gets the Cash? NM Recipients of Oil and Gas Contributions

As long as money is the mother's milk of politics, campaign contributions will continue to be a major tool of special interests like oil and gas. In New Mexico, candidates for statewide, federal, and legislative offices are only too happy to receive the industry's generous contributions, with Democratic legislative leadership and committee chairs, as well as gubernatorial candidates often receiving handsome contributions.

Statewide Candidate Recipients of Oil and Gas Contributions, 2018-2020⁵³

Candidate	Election Status	General Party	Election Year	Office Sought	Incumbency Status	Total \$
PEARCE, STEVAN E (STEVE) & GARCIA, MICHELLE HOLMES	LOST-GENERAL	REPUBLICAN	2018	GOVERNOR / LIEUTENANT GOVERNOR	OPEN	\$807,097
GRISHAM, MICHELLE LUJAN & MORALES, HOWIE C	WON-GENERAL	DEMOCRATIC	2018	GOVERNOR / LIEUTENANT GOVERNOR	OPEN	\$238,274
LYONS, PATRICK HILLER	LOST-GENERAL	REPUBLICAN	2018	COMMISSIONER OF PUBLIC LANDS	OPEN	\$206,750
MUNOZ, GEORGE K	LOST-PRIMARY	DEMOCRATIC	2018	COMMISSIONER OF PUBLIC LANDS	OPEN	\$89,950
CLINGMAN, GARY L	LOST-GENERAL	REPUBLICAN	2018	SUPREME COURT-CLINGMAN SEAT	INCUMBENT	\$68,777
BALDERAS, HECTOR H	WON-GENERAL	DEMOCRATIC	2018	ATTORNEY GENERAL	INCUMBENT	\$39,900

⁵³ www.followthemoney.org. Oil & Gas and Gas & Electric Utilities' contributions to gubernatorial or other statewide candidates and committees in elections in New Mexico for 2020, 2019, 2018, 2017 (within federal, state and local data). See Appendix 1 for methodology and use of FollowTheMoney.org website.

Candidate	Election Status	General Party	Election Year	Office Sought	Incumbency Status	Total \$
HENDRICKS, MICHAEL	LOST-GENERAL	REPUBLICAN	2018	ATTORNEY GENERAL	CHALLENGER	\$28,000
COLON, BRIAN S	WON-GENERAL	DEMOCRATIC	2018	AUDITOR	OPEN	\$12,250
CERVANTES, JOSEPH	LOST-PRIMARY	DEMOCRATIC	2018	GOVERNOR	OPEN	\$12,100
APODACA, JEFF	LOST-PRIMARY	DEMOCRATIC	2018	GOVERNOR	OPEN	\$9,750
TOULOUSE OLIVER, MAGGIE	WON-GENERAL	DEMOCRATIC	2018	SECRETARY OF STATE	INCUMBENT	\$9,733
CLARKSON, GAVIN	LOST-GENERAL	REPUBLICAN	2018	SECRETARY OF STATE	CHALLENGER	\$8,000
DUNN, A BLAIR	LOST-GENERAL	THIRD-PARTY	2018	ATTORNEY GENERAL	CHALLENGER	\$3,500
VENEKLASEN, GARRETT	LOST-PRIMARY	DEMOCRATIC	2018	COMMISSIONER OF PUBLIC LANDS	OPEN	\$2,500
JONES, SANDY R	LOST-PRIMARY	DEMOCRATIC	2018	PUBLIC REGULATION COMMISSION DISTRICT 005	INCUMBENT	\$2,000
MCCAMLEY, WILLIAM J (BILL)	LOST-PRIMARY	DEMOCRATIC	2018	AUDITOR	OPEN	\$1,600
EICHENBERG, TIMOTHY (TIM)	WON-GENERAL	DEMOCRATIC	2018	TREASURER	INCUMBENT	\$1,600
PARTIN, JERRY W	LOST-PRIMARY	REPUBLICAN	2018	PUBLIC REGULATION COMMISSION DISTRICT 002	OPEN	\$200

Candidate	Election Status	General Party	Election Year	Office Sought	Incumbency Status	Total \$
KIEHNE, EMIL J	<u>LOST-GENERAL</u>	<u>REPUBLICAN</u>	<u>2018</u>	<u>APPELLATE COURT-KIEHNE SEAT</u>	<u>OPEN</u>	<u>\$100</u>
<u>Grand Total</u>						\$1,542,081

Federal Candidate Recipients of Oil and Gas Contributions, 2018-2020⁵⁴

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
HEINRICH, MARTIN TREVOR	WON-GENERAL	DEMOCRATIC	US SENATE DISTRICT NM SW-CLASS I	INCUMBENT	\$188,700
HERRELL, STELLA YVETTE	LOST-GENERAL	REPUBLICAN	US HOUSE DISTRICT NM 002	OPEN	\$157,450
NEWMAN, MONTY	LOST-PRIMARY	REPUBLICAN	US HOUSE DISTRICT NM 002	OPEN	\$102,599
LUJAN, BEN RAY	WON-GENERAL	DEMOCRATIC	US HOUSE DISTRICT NM 003	INCUMBENT	\$115,305
RICH, MICK	LOST-GENERAL	REPUBLICAN	US SENATE DISTRICT NM SW-CLASS I	CHALLENGER	\$46,750
ARNOLD-JONES, JANICE E	LOST-GENERAL	REPUBLICAN	US HOUSE DISTRICT NM 001	OPEN	\$13,350

⁵⁴ www.followthemoney.org. Oil & Gas and Gas & Electric Utilities' contributions to Federal Candidates in New Mexico 2020, 2019, 2018, 2017 (within federal data). See Appendix 1 for methodology and use of FollowTheMoney.org website.

HAALAND, DEBRA A	WON-GENERAL	DEMOCRATIC	US HOUSE DISTRICT NM 001	OPEN	\$10,650
JOHNSON, GARY E	LOST-GENERAL	THIRD-PARTY	US SENATE DISTRICT NM SW-CLASS I	CHALLENGER	\$8,500
TORRES SMALL, XOCHITL	WON-GENERAL	DEMOCRATIC	US HOUSE DISTRICT NM 002	OPEN	\$6,850
MARTINEZ, DAMON P	LOST-PRIMARY	DEMOCRATIC	US HOUSE DISTRICT NM 001	OPEN	\$6,150
LARA, DAMIAN	LOST-PRIMARY	DEMOCRATIC	US HOUSE DISTRICT NM 001	OPEN	\$300
Grand Total					\$656,604

State Senate Candidates Oil and Gas Contributions, 2016 (most recent Senate election)⁵⁵

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
MUNOZ, GEORGE K	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 004	INCUMBENT	\$60,050
GOULD, CANDACE RUTH	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 010	OPEN	\$35,050
INGLE, STUART	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 027	INCUMBENT	\$31,500

⁵⁵ www.followthemoney.org. Oil & Gas and Gas & Electric Utilities' contributions to State Senate Candidates in elections in New Mexico in 2016 (within state data). See Appendix 1 for methodology and use of FollowTheMoney.org website.

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
PAPEN, MARY KAY	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 038	INCUMBENT	\$31,450
MOORES, MARK	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 021	INCUMBENT	\$27,550
BARELA, THEODORE (TED)	LOST-GENERAL	REPUBLICAN	SENATE DISTRICT 039	INCUMBENT	\$27,275
COTTER, LEE S	LOST-GENERAL	REPUBLICAN	SENATE DISTRICT 036	INCUMBENT	\$27,000
SHARER, WILLIAM E (BILL)	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 001	INCUMBENT	\$21,699
PAYNE, WILLIAM H	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 020	INCUMBENT	\$20,425
SMITH, JOHN ARTHUR	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 035	INCUMBENT	\$19,249
LEVATINO, CECILIA H	LOST-GENERAL	REPUBLICAN	SENATE DISTRICT 037	CHALLENGER	\$15,550
SANCHEZ, CLEMENTE	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 030	INCUMBENT	\$15,349
MARTINEZ, RICHARD C	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 005	INCUMBENT	\$14,442

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
ESPINOZA, DIEGO L	LOST-GENERAL	REPUBLICAN	SENATE DISTRICT 009	CHALLENGER	\$14,400
WOODS, JOHN PATRICK (PAT)	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 007	INCUMBENT	\$14,400
BRANDT, CRAIG W	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 040	INCUMBENT	\$13,950
NEVILLE, STEVEN P (STEVE)	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 002	INCUMBENT	\$13,749
WHITE, JAMES P	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 019	INCUMBENT	\$13,500
KERNAN, GAY G	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 042	INCUMBENT	\$11,800
LEAVELL, CARROLL H	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 041	INCUMBENT	\$10,900
GRIGGS, RON	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 034	INCUMBENT	\$10,350
SANCHEZ, MICHAEL S	LOST-GENERAL	DEMOCRATIC	SENATE DISTRICT 029	INCUMBENT	\$8,750

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
BACA, GREGORY A	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 029	CHALLENGER	\$8,500
BURT, WILLIAM F (BILL)	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 033	INCUMBENT	\$7,325
IVEY-SOTO, DANIEL A	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 015	INCUMBENT	\$7,050
PADILLA, MICHAEL	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 014	INCUMBENT	\$6,800
CISNEROS, CARLOS R	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 006	INCUMBENT	\$6,550
PIRTLE, CLIFF R	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 032	INCUMBENT	\$6,450
RUE, SANDER	WON-GENERAL	REPUBLICAN	SENATE DISTRICT 023	INCUMBENT	\$6,350
BURTON, ERIC LYON	LOST-GENERAL	REPUBLICAN	SENATE DISTRICT 015	CHALLENGER	\$6,225
TORRACO, LISA	LOST-GENERAL	REPUBLICAN	SENATE DISTRICT 018	INCUMBENT	\$5,750
CERVANTES, JOSEPH	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 031	INCUMBENT	\$5,450

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
SAPIEN, JOHN M	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 009	INCUMBENT	\$4,775
CAMPOS, PETE	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 008	INCUMBENT	\$4,700
SHENDO JR, BENNY J	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 022	INCUMBENT	\$4,500
LEY, HUGH H	LOST-PRIMARY	DEMOCRATIC	SENATE DISTRICT 039	OPEN	\$3,500
DUNN, A BLAIR	LOST-GENERAL	REPUBLICAN	SENATE DISTRICT 013	CHALLENGER	\$3,500
MORALES, HOWIE C	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 028	INCUMBENT	\$2,450
WIRTH, PETER	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 025	INCUMBENT	\$2,050
SOULES, WILLIAM P (BILL)	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 037	INCUMBENT	\$1,600
CANDELARIA, JACOB	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 026	INCUMBENT	\$1,200
JEFF, SANDRA D	LOST-PRIMARY	DEMOCRATIC	SENATE DISTRICT 022	CHALLENGER	\$1,000

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
ORTIZ Y PINO, GERALD P	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 012	INCUMBENT	\$1,000
ONEILL, WILLIAM BALDWIN (BILL)	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 013	INCUMBENT	\$1,000
MORGAN, REBECCA Q	LOST-GENERAL	DEMOCRATIC	SENATE DISTRICT 001	CHALLENGER	\$600
STEWART, MIMI K	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 017	INCUMBENT	\$450
PINTO, JOHN	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 003	INCUMBENT	\$300
LOPEZ, LINDA MARIE	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 011	INCUMBENT	\$300
MCSORLEY, CISCO	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 016	INCUMBENT	\$250
RODRIGUEZ, NANCY	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 024	INCUMBENT	\$200
STEINBORN, JEFF	WON-GENERAL	DEMOCRATIC	SENATE DISTRICT 036	CHALLENGER	\$200
Grand Total					\$558,413

State House Candidates Oil and Gas Contributions, 2018⁵⁶

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
EGOLF JR, BRIAN FRANKLIN	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 047	INCUMBENT	\$46,150
HALL, JIMMIE C	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 028	INCUMBENT	\$38,850
ADKINS, DAVID EDWARD	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 029	INCUMBENT	\$37,350
FAJARDO, KELLY K	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 007	INCUMBENT	\$32,700
DOW, REBECCA L	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 038	INCUMBENT	\$31,650
YOUNGBLOOD, MONICA C	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 068	INCUMBENT	\$31,050
LITTLE, RICKY L	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 053	INCUMBENT	\$30,150
SCOTT, LARRY R	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 062	INCUMBENT	\$27,800

⁵⁶ www.followthemoney.org. Oil & Gas and Gas & Electric Utilities' contributions to State House Candidates in New Mexico in 2018 (within state data). See Appendix 1 for methodology and use of FollowTheMoney.org website.

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
MONTOYA, RODNEY D (ROD)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 001	INCUMBENT	\$27,200
CLAHCHISCHILLIAGE, SHARON	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 004	INCUMBENT	\$26,050
LUNDSTROM, PATRICIA A (PATTY)	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 009	INCUMBENT	\$25,750
TOWNSEND, JAMES G (JIM)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 054	INCUMBENT	\$24,700
HARPER, JASON CARL	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 057	INCUMBENT	\$24,000
BALDONADO, ALONZO	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 008	INCUMBENT	\$23,900
RUILOBA, PATRICIO R	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 012	INCUMBENT	\$23,350
RODELLA, DEBBIE A	LOST-PRIMARY	DEMOCRATIC	HOUSE DISTRICT 041	INCUMBENT	\$23,022
REHM, WILLIAM R (BILL)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 031	INCUMBENT	\$21,900
POWDRELL-CULBERT, JANE E	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 044	INCUMBENT	\$21,900

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
WINTER, BRAD	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 015	OPEN	\$20,450
NIBERT, GREG	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 059	INCUMBENT	\$20,185
GALLEGOS, DAVID M	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 061	INCUMBENT	\$18,400
GALLEGOS, DOREEN Y	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 052	INCUMBENT	\$18,100
BOATMAN, BRENDA DIANE	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 023	CHALLENGER	\$17,400
LEWIS, TIMOTHY DWIGHT (TIM)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 060	INCUMBENT	\$16,450
STRICKLER, JAMES R (R.J)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 002	INCUMBENT	\$16,250
MORRIS, TREY STEPHEN	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 024	CHALLENGER	\$16,250
JONES, JOHN L	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 030	OPEN	\$15,050
BROWN, CATHRYNN NOVICH	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 055	INCUMBENT	\$13,650

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
TRUJILLO, CARL P	LOST-PRIMARY	DEMOCRATIC	HOUSE DISTRICT 046	INCUMBENT	\$12,750
GONZALES, ROBERTO J (BOBBY)	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 042	INCUMBENT	\$12,250
LARRANAGA, LORENZO A (LARRY)	WITHDREW-GENERAL	REPUBLICAN	HOUSE DISTRICT 027	INCUMBENT	\$12,150
DODGE JR, GEORGE	LOST-GENERAL	DEMOCRATIC	HOUSE DISTRICT 063	INCUMBENT	\$11,250
ZAMORA, MARTIN RUBEN	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 063	CHALLENGER	\$11,000
TRUJILLO, JIM R	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 045	INCUMBENT	\$10,650
BANDY, PAUL C	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 003	INCUMBENT	\$10,500
SCHMEDES, GREGG WILLIAM	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 022	OPEN	\$10,170
SANCHEZ, JOSEPH L	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 040	OPEN	\$10,100
SHIN, LISA	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 043	OPEN	\$9,250

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
SWEETSER, CANDIE G	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 032	INCUMBENT	\$9,200
EZZELL, CANDY SPENCE	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 058	INCUMBENT	\$8,950
MAESTAS, ANTONIO (MOE)	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 016	INCUMBENT	\$8,860
COOK, ZACHARY J (ZACH)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 056	INCUMBENT	\$8,450
ARMSTRONG, GAIL (MISSY)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 049	INCUMBENT	\$8,350
GODSHALL, ROBERT S	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 027	OPEN	\$8,000
CHATFIELD, JACKEY O (JACK)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 067	OPEN	\$7,750
GALLEGOS, RAY L	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 017	CHALLENGER	\$7,500
ALLEN, MERRITT H	LOST-PRIMARY	REPUBLICAN	HOUSE DISTRICT 022	OPEN	\$7,500
BLACK, RACHEL A	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 051	OPEN	\$7,500

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
STAPLETON, SHERYL M WILLIAMS	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 019	INCUMBENT	\$7,200
CROWDER, RANDAL S (RANDY)	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 064	INCUMBENT	\$6,650
GARCIA, HARRY	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 069	INCUMBENT	\$6,400
ATENCIO, ROBERT R	LOST-PRIMARY	DEMOCRATIC	HOUSE DISTRICT 013	CHALLENGER	\$6,250
MARTINEZ, JAVIER I	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 011	INCUMBENT	\$6,100
WHITE, MARY MARTINEZ	LOST-PRIMARY	DEMOCRATIC	HOUSE DISTRICT 033	OPEN	\$5,500
ANDERSON, PHELPS	WON-GENERAL	REPUBLICAN	HOUSE DISTRICT 066	OPEN	\$5,150
SMALL, NATHAN P	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 036	INCUMBENT	\$5,050
GOMEZ, BEALQUIN BILL	LOST-PRIMARY	DEMOCRATIC	HOUSE DISTRICT 034	INCUMBENT	\$4,800
TOFSTED, DAVID H	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 036	CHALLENGER	\$3,250

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
ARMSTRONG, DEBORAH A (DEBBIE)	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 017	INCUMBENT	\$3,100
WENDLER, CHARLES R	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 033	OPEN	\$3,000
CHEEK, DAVID L	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 052	CHALLENGER	\$3,000
LENTE, DERRICK J	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 065	INCUMBENT	\$2,500
MARTINEZ, RODOLPHO S	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 039	INCUMBENT	\$1,650
ROMERO, G ANDRES	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 010	INCUMBENT	\$1,500
NORDQUIST, HEATHER	LOST-GENERAL	THIRD-PARTY	HOUSE DISTRICT 046	OPEN	\$1,500
ALCON, ELISEO L	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 006	INCUMBENT	\$1,350
HERRERA, SUSAN K	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 041	OPEN	\$1,280
MCMAHON, GUENEVERE RUTH	LOST-PRIMARY	DEMOCRATIC	HOUSE DISTRICT 033	OPEN	\$1,000

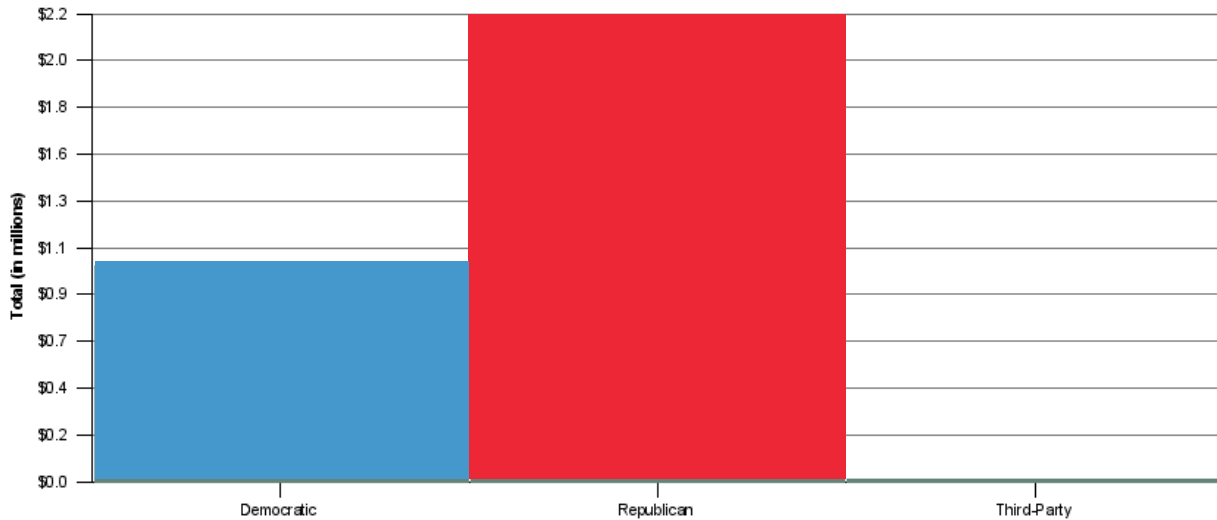
Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
ROMERO, ANDREA D	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 046	OPEN	\$1,000
ELY, DAYMON B	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 023	INCUMBENT	\$950
LOUIS, GEORGENE M	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 026	INCUMBENT	\$950
FIGUEROA, NATALIE R	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 030	OPEN	\$850
CADENA, MICAELA LARA	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 033	OPEN	\$750
LARA, RAYMUNDO	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 034	OPEN	\$750
TRUJILLO, LINDA M	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 048	INCUMBENT	\$750
MCQUEEN, MATTHEW	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 050	INCUMBENT	\$650
COTTER, LEE S	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 039	CHALLENGER	\$625
SARINANA, DEBRA MARIE	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 021	INCUMBENT	\$600

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
DINES, JAMES MITCHELL (JIM)	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 020	INCUMBENT	\$500
TRUJILLO, BARNEY R	LOST-PRIMARY	DEMOCRATIC	HOUSE DISTRICT 040	OPEN	\$500
CHANDLER, CHRISTINE GRAY	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 043	OPEN	\$500
STANSBURY, MELANIE ANN	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 028	CHALLENGER	\$350
COURTNEY, BEV	LOST-GENERAL	REPUBLICAN	HOUSE DISTRICT 037	CHALLENGER	\$337
FERRARY, JOANNE JEAN	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 037	INCUMBENT	\$300
CHASEY, GAIL	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 018	INCUMBENT	\$200
ROYBAL CABALLERO, PATRICIA A	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 013	INCUMBENT	\$150
JOHNSON, DOREEN WONDA	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 005	INCUMBENT	\$100
GARCIA, MIGUEL P	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 014	INCUMBENT	\$100

Candidate	Election Status	General Party	Office Sought	Incumbency Status	Total \$
THOMSON, ELIZABETH L	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 024	INCUMBENT	\$100
SALAZAR, TOMAS E	WON-GENERAL	DEMOCRATIC	HOUSE DISTRICT 070	INCUMBENT	\$100
APPLEWHITE, JARRATT	LOST-GENERAL	THIRD-PARTY	HOUSE DISTRICT 050	CHALLENGER	\$2
Grand Total					\$ 969,131

Republicans were most often the beneficiaries of the largest contributions, with U.S. Senate candidate Steve Pearce receiving \$807,097, and Land Commissioner candidate Pat Lyons getting \$206,750 in donations from 2018 to 2020. One notable exception is Senator George Munoz, a Democrat, who took in \$60,050 from the industry to retain his senate seat in 2016 and \$89,950 from the industry in the 2018 NM State Land Commissioner primary election, for a total of \$150,000. Once again, the figures above represent only direct contributions from the industry and do not reflect independent spending by PACs and other groups, which weigh in frequently at the federal level.

Oil and Gas Contributions to all candidates and committees by Party Affiliation in 2018 (Source: FollowTheMoney.org)



C. Candidates Refusing Oil and Gas Contributions

Although it seems otherwise, not every candidate for office in New Mexico takes oil and gas money. According to the No Fossil Fuel Money Pledge group, the following candidates have pledged to take no more than \$200 from fossil fuel companies whose primary business is the extraction, processing, distribution, or sale of oil, gas, or coal:

- Julie Brenning, NM House District 31
- Cameron Chick, US House District 1
- Kyle Tisdell, US House District 3
- *Isaac Benton, Albuquerque City Council District 2
- *Christine Trujillo, NM House District 25
- Mary Jo Jaramillo, NM House District 8
- *Stephanie Garcia Richard—NM State Land Commission
- *Steve Fischmann—Public Regulation Commission District 5
- *Day Hochman-Vigil, NM House District 15
- Bob Liebman, US House District 1
- *Antoinette Sedillo Lopez—NM Senate District 16
- Damian Lara—US House District 1
- *Deb Haaland—US House District 1⁵⁷
- *Pat Davis—Albuquerque City Council, District 5
- * Indicates current officeholder**

⁵⁷ www.nofossilfuelmoney.org. Note: FollowTheMoney.org indicates that Deb Haaland received \$10,650 from the industry.

9. Connecting the Dots: Does Industry Spending Get Results?

To answer this question, we examined several bills introduced during the 2019 session of the New Mexico legislature. But before considering legislation introduced in the 2019 session, a little background is in order. January 2019 marked the beginning of the new Democratic administration of Governor Michelle Lujan-Grisham, who replaced Governor Susana Martinez, a Republican who had been in the Governor's mansion since 2011. Martinez was a close ally of the oil and gas industry. Under her administration, enforcement of environmental regulations and passage of proactive legislation was almost impossible. The Oil Conservation Division⁵⁸ of the Energy, Minerals and Natural Resources Dept. had stopped fining oil and gas companies for permit violations due to a court ruling in 2009.⁵⁹ The administration had relaxed rules regulating waste pits now threatening groundwater and nearby dwellings. The NM Environment Department, charged with enforcing health and safety laws, sustained budget cuts of 30% and lost over 60 employees over the past decade.⁶⁰ During the same period, the budget for the Energy, Minerals and Natural Resources Department's Oil and Gas Conservation Division (OCD), which is responsible for overseeing oil and gas activity, was cut by 25%, and currently half of all inspector/compliance officer positions in the division are vacant.⁶¹ Meanwhile the NM Oil and Gas Act,⁶² enacted in 1935, was becoming more and more outdated, with earlier efforts to reform it blocked by a more conservative House.

There have been many attempts to modernize the act. A 2013 report published by Common Cause New Mexico detailed the disposition of a particularly hard-fought effort to update the Oil and Gas Act⁶³:

HB 286, sponsored in 2013 by Representative Gail Chasey, an Albuquerque Democrat, would have updated the 1935 Oil and Gas Act, which set bonding requirements, fines, and penalties for violations of the act and conditions for bringing suits against the violators. Proponents of the bill, which included environmentalists and the Attorney General's office, contended that the current penalties were thousands of dollars lower than penalties in neighboring states like Texas and Arizona. They are also much lower than penalties for air and water contamination levied by other New Mexico laws, including the Mining Act, the Hazardous Waste Act, and the Water Quality Act, administered by other state departments. In keeping with other state laws,

⁵⁸ "The Oil Conservation Division (OCD) regulates oil, gas and geothermal activity in New Mexico. The OCD gathers well production data, issues permits for new wells, enforces the OCD's rules and the state's oil and gas statutes, makes certain that abandoned wells are properly plugged, and ensures the land is responsibly restored." Website for the New Mexico Oil and Gas Conservation Division, <http://www.emnrd.state.nm.us/OCD>

⁵⁹ *Marbob Energy Corp. v. N.M. Oil Conservation Comm.*, 2009-NMSC-013, 146 N.M. 24, 206 P.3d 135

⁶⁰ "NM Needs to fully fund its environmental agencies" by Cliff Villa and Gabe Pacyniak, Albuquerque Journal, Jan. 17, 2020, <http://abqjournal.nm.app.newsmemory.com/?publink=3870db0fe>

⁶¹ http://nmwild.org/images/Recovering_Lost_Ground_report.pdf

⁶² Section 70-2-1 NMSA 1978 et seq. and Section 19.15.2 NMAC et seq.

⁶³ "Lobbying in the Land of Enchantment: Special Interests and their Hired Guns," Common Cause New Mexico, Oct. 2013, <http://www.commoncause.org/nmlobbying2013>

the bill removed the “knowing and willful” standard for proving civil violations, and allowed suits to be filed where the regulating state agency resided (i.e. Santa Fe) rather than just in the county where the defendant resided or where the violation occurred.

The oil and gas lobby bitterly opposed the bill, as it had a similar bill sponsored by Senator Peter Wirth in 2009. Attempting to compromise with the industry, Representative Chasey allowed both the House Energy and Natural Resources Committee and the House Judiciary Committee to amend the bill, reducing a bonding requirement that the industry claimed would hurt “mom and pop” operators and providing opportunities for public hearings on penalty assessments and consideration of good faith efforts to comply. The bill passed both committees on party line votes and came to the House floor on March 6, 2013. There it was defeated by a vote of 36 to 32. Representative Chasey voted “no” only in order to allow the bill to be reconsidered at a later time, which never happened. Without Chasey’s procedural vote, the count would have been 35 to 33, with all of the chamber’s Republicans voting “no” as well as Democrats Kiki Saavedra, Donna Irwin, and Sandra Jeff. Representative Mary Helen Garcia, a Democrat, was absent from the vote and George Dodge, also a Democrat, was excused.’⁶⁴

But in 2019, the political winds had changed. The new Governor had campaigned on addressing climate change and, while in Congress, she had worked to control methane emissions. In one of her first acts as Governor, she signed an executive order formally joining the US Climate Alliance, which is dedicated to the goals set by the 2015 Paris Agreement. She pushed an ambitious bill to expedite the closure of New Mexico’s coal fired power plant in the Four Corners area of the state, mandate alternative energy, and make New Mexico carbon neutral by 2045. The Energy Transmission Act, or the ETA as it is called, passed the legislature during the 2019 session.

The pent-up demand for environmental reform was palpable, and the oil and gas companies and their allies were on high alert. Here, we consider three major bills: HB 398 to increase royalties on state land; HB 546 concerning water produced in the drilling and fracking process; and SB 459, which called for a temporary moratorium on fracking.

There were several other oil and gas bills as well.

Altogether, there were seven bills introduced during the 2019 session related to oil and gas. Two of them, HB 210 and HB 343, were introduced by supporters of the industry. HB 210 aimed to shield retailers, suppliers, and transporters of liquid petroleum gas (LPG) from liability in certain cases; HB 343 wanted to reduce taxes on “stripper wells,” when prices declined below a certain level. The bills were never heard in committee. SB 186 proposed additional powers and duties for the oil conservation commission, including the power to seek penalties for violations of the Oil and Gas Act. Although it did not pass, it was the basis for an important amendment to HB 546, the Produced Water bill, that included regulatory powers over the industry long sought by environmentalists.⁶⁵

⁶⁴ Ibid, pp.22-23

⁶⁵ For a complete description of these bills please go to Appendix 3.

A. House Bill 398: The Raise The Rate Bill

House Bill 398, sponsored by Representative Derrick Lente (D- Sandoval), proposed to increase royalty rates on oil leased and produced on state lands, from 20 percent to 25 percent. The “Raise the Rate” bill was championed by newly elected Democratic State Land Commissioner Stephanie Garcia Richard, who had campaigned on raising the royalty rates on state trust lands overseen by the independent agency. Garcia Richard had long maintained that New Mexico royalty rates lagged behind those paid by the same companies in nearby Texas. She had suggested raising the rate to capture lost revenue and mirror that of the Lone Star State.

In New Mexico, the State Land Commissioner oversees land held in trust for the State of New Mexico, which is the source of funding for public schools, hospitals, and higher education. Garcia Richard, a school teacher, was the first woman to ever run for the post.

Fearing her pro-environment approach, the oil and gas industry poured almost \$2 million into her opponent’s war chest. The TV, radio, digital, and web campaign was paid for by an independent PAC, NM Strong, which was funded by Chevron and other oil companies.⁶⁶ In spite of its name, the PAC was headquartered in Austin, and its treasurer, Cabell Hobbs, was associated with PACs run by Vice President Mike Pence and former National Security Chief John Bolton. Hobbs works directly for the Koch brothers’ organization, Americans for Prosperity.⁶⁷

Garcia Richard had taken a pledge to refuse oil and gas contributions.

The unprecedented spending on the relatively unknown (but important) office, did not pay off. Garcia Richard was elected with 51.1% of the vote. Since her election, some of the fears of the oil and gas industry have been realized. In April 2019, she placed a moratorium on new oil and gas drilling in a buffer zone around Chaco Canyon, a national heritage site near Farmington, NM.

HB 398 would have applied only to new leases issued after July 1, 2019.

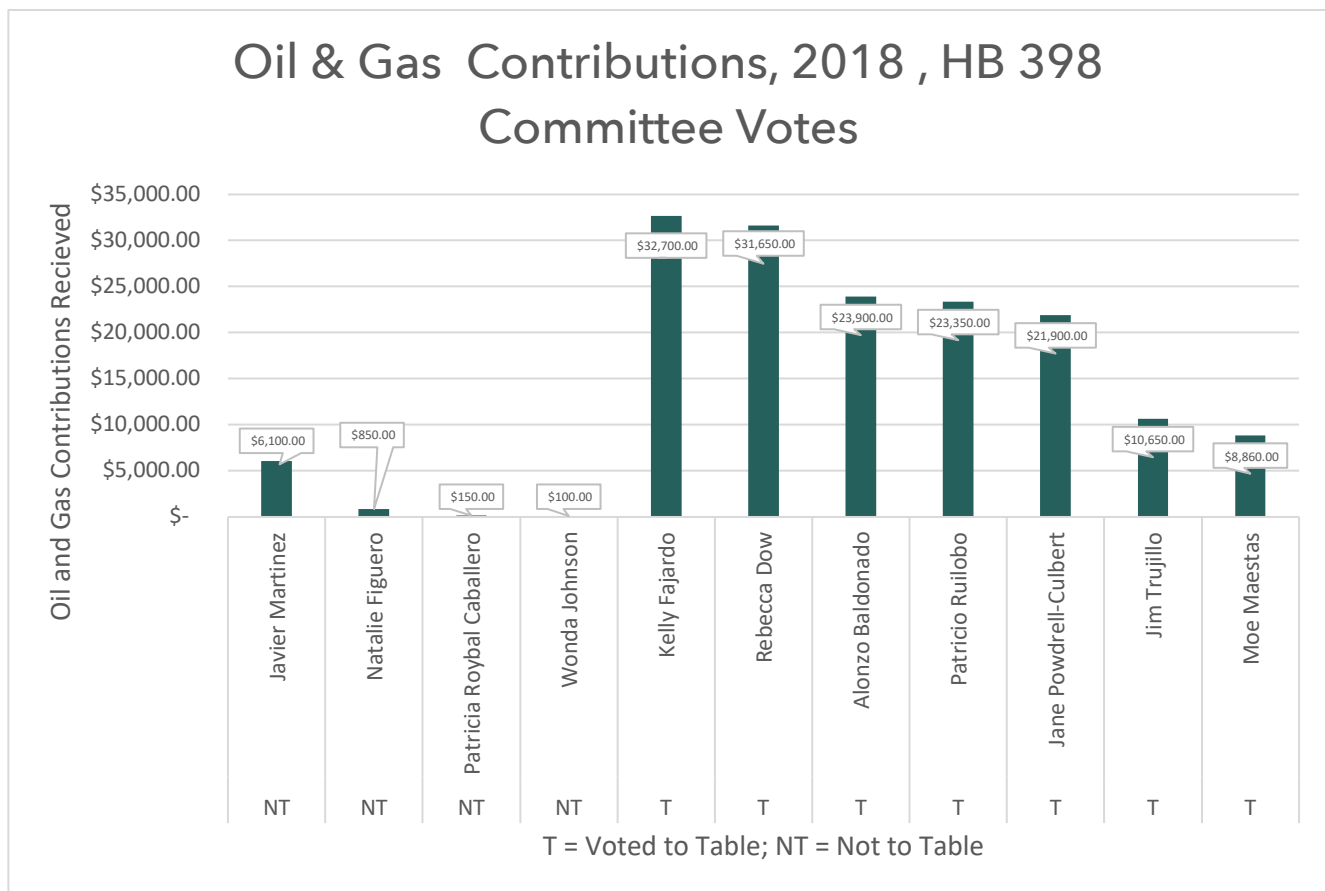
As noted in the fiscal impact report (FIR), following issuance most leases do not begin production for 2-3 years. The State Land Office stated in the FIR that revenue increases from the bill would likely begin in fiscal year 2022 and estimated an average annual increase in revenue to the state of \$50 to \$84 million.

⁶⁶ See chart re: NM Strong/Revolution Media expenditures, Section V, supra.

⁶⁷ “Texas Super-Pac Attacks New Mexico Land Commissioner Candidate Stephanie Garcia Richard” by Carol Clark, Los Alamos Daily Post, Nov. 1, 2018, <https://www.cvnm.org/in-the-news/texas-super-pac-attacking-new-mexico-land-commissioner-candidate-stephanie-garcia-richard/>

House Bill 398 was heard in the House Commerce and Economic Development Committee. In a 7-3 vote, the following members voted to table the bill: Representative Antonio “Moe” Maestas (D); Representative Jim Trujillo (D); Representative Patricio Ruiloba (D); Representative Alonzo Baldonado (R); Representative Rebecca Dow (R); Representative Kelly Fajardo (R); and Representative Jane Powdrell-Culbert (R).⁶⁸

Those who voted to table were recipients of a total of \$160,210 in direct campaign contributions, or an average of \$22,887.14 per negative vote.



The correlation between votes and contributions is always tricky. Public officials often deny that campaign cash and gifts from lobbyists have any effect on their voting behavior, which is also influenced by their constituents, personal beliefs, party, their leadership, research, and many other

⁶⁸ The New Mexico legislature’s website indicates that House Bill 398 did not receive a committee hearing. However, motions to table a bill are not recorded on the website. This information regarding the motion to table was taken from the following newspaper article: “Bipartisan vote spikes bill to raise oil and gas royalties,” by Andrew Oxford, Santa Fe New Mexican, Feb. 16, 2019.

factors. There is never a literal *quid pro quo*. But the oil and gas industry is not spending millions for no reason. Hence, it is interesting to look at the correlation between contributions from the industry and committee votes.

B. The Story of Senate Bill 459: What Happens When A Freshman Senator Takes on the Oil and Gas Industry

Senator Antoinette Sedillo Lopez, a former law professor and an Albuquerque Democrat appointed to fill a vacant seat in the Senate only a few weeks before the 2019 session, made a daring decision to do something that few legislators had the courage to do. She would introduce a bill to study and regulate hydraulic fracking. Little did she know the repercussions.

In the wake of the February 4, 2019, introduction of SB 459, which required a four-year moratorium on the issuance of fracking permits during a study of the impacts of hydraulic fracking, people and press from all parts of New Mexico were quick to either report or opine on the economic havoc they foresaw the bill would wreak.⁶⁹

The sponsors knew what they were up against when the bill was assigned three Senate committees – Senate Conservation Committee (SCONC), Senate Corporations Committee (SCORPS), and Senate Finance Committee (SFC). It was a sure sign of trouble in New Mexico’s short legislative session.

⁶⁹ “Project review, fracking ban mean NM closed for business,” read the title of the Albuquerque Journal’s Feb. 21, 2019, editorial, <https://www.abqjournal.com/1283264/project-review-fracking-ban-mean-nm-closed-to-business.html>; “Report: Fracking ban could cost New Mexico billions, cut oil and gas production,” noted the headline to a Feb. 23, 2019, story in the Carlsbad Current Argus, <https://www.currentargus.com/story/news/local/2019/02/23/fracking-ban-could-cost-new-mexico-billions-cut-oil-and-gas-production/2944870002/>; “Oil rep: Fracking opposition hurting New Mexico oil industry,” led the Feb. 28, 2019, article in the Las Cruces Sun, <https://www.lcsun-news.com/story/news/2017/02/28/oil-rep-fracking-opposition-hurting-new-mexico-oil-industry/98549168/>; the Santa Fe New Mexican’s Feb. 4, 2019, article bore the neutral title, “Bill would freeze fracking permits during impact study,” https://www.santafenewmexican.com/news/legislature/bill-would-freeze-fracking-permits-during-impact-study/article_82b3b1f7-9bf0-5d5c-9fd8-697e4ac43c0d.html, yet, within that article, NMOGA spokesperson Robert McEntyre warned that, “As a whole, the legislation would be a disaster for New Mexico.... It would result in financial ruin. It would devastate economies in the southeast and the northwest.”

As the bill sat waiting for a hearing, Sedillo Lopez felt the heat from the industry. A NMOGA tweet criticized her for using gas to drive each day to Santa Fe in a car. Members of her own caucus suggested she wanted to “kill the goose that laid the golden egg.” She saw that younger members of the House, many of them women, were intimidated.

Sedillo Lopez was asked if she was going to refuse capital outlay because it was from the oil and gas industry. No, she replied, it belongs to the citizens, and we have a duty to steward it. She noted that under Article 20, Sec. 21 of the Constitution of New Mexico the legislature was required to preserve the environment.⁷⁰

The Legislative Finance Committee’s (LFC’s) Fiscal Impact Report (FIR) was damning – estimating more than a billion dollar decline in state revenue in Fiscal Year 2023 and \$3.5 billion total, and noting that, “It is reasonable to assume that a ban on new hydraulic fracturing would induce the industry to pull back operations in the state, resulting in additional production declines and associated revenue losses.”⁷¹

Meanwhile, Senator Sedillo Lopez was sticking to what she saw as the truth: that no one knew the economic impact of the four-year moratorium, that clean water was a statewide concern, and that millions of gallons of freshwater were being used by the industry for hydraulic fracturing. She started to refer to it as a “pause,” while the industry called it a “ban.”

Finally, HB 459 was scheduled for a hearing in SCONC on February 21. It was not heard. On February 26, the bill was brought before the committee by Sedillo Lopez, the Vice Chair. It received little more than an introduction and no committee discussion or vote.

“With only half an hour left of the committee’s morning session, Senator Antoinette Sedillo Lopez, D-Albuquerque, offered a passionate plea to impose a four-year ban on issuing new permits for oil and

⁷⁰ Article 20, Section 21 of the NM Constitution reads: Sec. 21. [Pollution control.] The protection of the state's beautiful and healthful environment is hereby declared to be of fundamental importance to the public interest, health, safety and the general welfare. The legislature shall provide for control of pollution and control of despoilment of the air, water and other natural resources of this state, consistent with the use and development of these resources for the maximum benefit of the people.

⁷¹ <https://www.nmlegis.gov/Sessions/19%20Regular/firs/SB0459.PDF>

gas well hydraulic fracturing,” reported the *Hobbs News-Sun*, noting that the bill had been opposed vehemently.⁷²

The *News-Sun* noted that at the top of the hour, Committee Chair Cervantes interrupted the speaker and announced that the hearing would be concluded at a later time, and that the committee stood in recess.⁷³

HB 459 was never heard again and died in the Senate Conservation Committee. No votes were recorded. No committee report was generated.

As mentioned previously, Senator Joseph Cervantes (D, District 31, from Las Cruces) chaired the committee, while Senator Sedillo Lopez (D, District 16, from Albuquerque) was the Vice Chair. Other Senators on the committee were Ron Griggs (R, District 34, from Alamogordo), Richard Martinez (D, District 5, from Española), William Payne (R, District 20, from Albuquerque), William Soules (D, District 37, from Las Cruces), Liz Stefanics (D, District 39, from Cerrillos), Peter Wirth (D, District 25, from Santa Fe), and Pat Woods (R, District 7, from Broadview), the ranking member.

It is worth noting that although no vote was taken, members were well aware of the issue and had collectively received \$68,717 in campaign contributions.

Senate Conservation Committee Members Oil & Gas Contributions, 2016

Committee Member	Role	Oil & Gas Contributions
Joseph Cervantes	Then-Chair	\$5,450
Antoinette Sedillo Lopez	Vice Chair	\$0
Pat Woods	Ranking Member	\$14,400
Ron Griggs	Member	\$10,350
Richard C. Martinez	Member	\$14,442
William H. Payne	Member	\$20,425
William P. Soules	Member	\$1,600
Elizabeth “Liz” Stefanics	Member	\$0
Peter Wirth	Member	\$2,050
Grand Total		\$68,717

C. House Bill 546: Produced Water

House Bill 546, sponsored by Representatives Nathan Small, Rod Montoya, and Brian Egolf, was called the Produced Water Bill for short, and when enacted it became the “Produced Water Act.”

⁷² "Fracking ban bill introduced, stopped in Senate," *Hobbs News-Sun*, Feb. 28, 2019, <https://www.hobbsnews.com/2019/02/28/fracking-ban-bill-introduced-stopped-in-senate/>

⁷³ *Ibid.*

As defined in the Act, “produced water” means a fluid that is an incidental byproduct from drilling for, or the production of, oil and gas. In New Mexico, 40 billion gallons of this contaminated water was produced by the industry in 2018, more than the annual amount of water used by the city of Albuquerque. Two state entities have jurisdiction to regulate produced water: the oil conservation division of the Energy, Minerals and Natural Resources Department pursuant to the Oil and Gas Act; and the water quality control commission as provided in the Water Quality Act.

House Bill 546 sets standards and responsibilities for the possession and transfer of produced water and the disposition of produced water, recycled water, or treated water. The bill was championed by the oil and gas industry and “opens the possibility that the state could draft regulations for treating and using this former industrial waste outside the oil field, including on farms and perhaps even in drinking water supplies.”⁷⁴

A number of environmental groups, including Food and Water Watch and Wild Earth Guardians, opposed the bill. The industry, however, was wholeheartedly in favor of it.

House Bill 546 had an interesting path through the legislature. Substitute bills were passed by the House Energy, Environment & Natural Resources Committee and the House Judiciary Committee, respectively. On the Senate side, the bill received a single referral, to the Senate Judiciary Committee (SJC). The bill was amended by the SJC and was also amended on the Senate floor. The amendment was made by Senator Richard Martinez, to incorporate provisions of his own bill, SB 186, which was then stalled before another Senate committee, the Senate Finance Committee. When the House failed to concur with the Senate amendments, the bill was referred to a conference committee.⁷⁵

The Senate Judiciary Committee amendments to House Bill 546 authorized the oil conservation commission to address violations of the Oil and Gas Act, or any rule, order, permit, or authorization issued under the act and seek compliance and civil penalties. Those regulatory provisions, long sought by environmentalists, were retained in the conference committee report.

In its final form, House Bill 546 represents a combination of policy ideas supported by the oil and gas industry (expanded use of produced water) and environmentalists (state authority to issue fines for violations of the Oil and Gas Act).

At the conclusion of the 2019 legislative session, Speaker Brian Egolf proclaimed: “The produced water bill, I think, is going to go down as one of the greatest environmental accomplishments to come out of the state legislature of New Mexico.”⁷⁶

⁷⁴ “Oil and gas had little to fear during legislative session,” by Elizabeth Miller, New Mexico in Depth, April 5, 2019, <https://nmpoliticalreport.com/2019/04/05/oil-and-gas-had-little-to-fear-during-legislative-session/>

⁷⁵ The conference committee members were: Representative Nathan Small (D); Representative Matthew McQueen (D); Representative Rod Montoya (R); Senator Richard Martinez (D); Senator Carlos Cisneros(D); and Senator Gay Kernan (R).

⁷⁶ See footnote #74, supra.

The bill then went to the governor, who signed it into law (Chapter 197, Laws of New Mexico). Whether or not the measure will be successful depends on technological advances in the industry and departmental ability to review water quality, but the process is an example of legislative sausage-making, where the interplay of two sides produces a law that satisfies both sides, albeit incompletely.

The industry got what it wanted with the help – not the opposition – of a Democratic legislature, which used the occasion to renew stalled enforcement of oil and gas regulations, something that environmentalists could cheer about.

D. “Oil and gas had little to fear during legislative session”

That was the headline of one article wrapping up the results of the 2019 session.⁷⁷

With a new, progressive governor and an enlarged, ambitious Democratic majority in the House, the 2019 legislative session was a risky proposition for the oil and gas industry. But with millions in campaign contributions, hundreds of thousands spent by scores of lobbyists to entertain and feed legislators, and with vocal, industry-friendly legislators on crucial committees, the industry held its own. The huge boom in the oil field – and the revenue it created – loomed over the session, and as two sponsors of bills curbing the industry, Senator Antoinette Sedillo Lopez and Representative Derek Lente, found out, many were afraid to kill the goose that laid the golden egg.

There was a correlation between votes against higher royalties and industry contributions in the House Commerce and Economic Development Committee.

Legislators on the Senate Conservation Committee, which would not even vote on a widely ridiculed bill to place a moratorium on fracking, received a total of \$68,717 in direct contributions from the industry.

But contributions are not everything. As we have seen above, the bulk of industry contributions go to Republicans, yet the Democrats are actually in the majority in the New Mexico legislature. But the Democrats are not monolithic and, in 2019, they were willing to go along with the industry to kill bills in two committees and support industry bills: one on produced water (HB 546) and another (SB 553)

⁷⁷ See footnote #74, supra.

to establish application fees for permits and modernize operations in the Oil Conservation Division of the Energy Natural Resources and Department.⁷⁸

For environmentalists, the major achievement of the session was the inclusion of a provision in HB 586 to allow the Oil Conservation Division to fine oil and gas companies for permit violations. The rest of the bill was essentially an industry bill, on which the administration and the legislature collaborated. Two other bills which posed a serious challenge – on fracking and increased royalties – were cut off easily in the first committee in which they were heard.

10. Recommendations

This report has analyzed efforts by the oil and gas industry to influence policy in New Mexico, by means of contributions, expenditures, and lobbying activities. We have documented the record amounts of money spent by the oil and gas industry, affiliated political action committees (PACs), and an army of lobbyists to influence legislators and elect friendly candidates. However, it's not enough to simply describe the situation.

The question remains: Is this influential industry buying its way out of regulation, transferring the true costs of its activities to the public, and getting benefits that other companies with smaller pocketbooks would never get?

Accountability for this huge industry – and other special interests – is our best hope for finding answers to these questions. We are hopeful that others in the media and academia will continue to scrutinize the political activities of the oil and gas industry. We know we have only scratched the surface.

Meanwhile, here are some recommendations based on our investigation of the oil and gas industry that apply to curbing the influence of all special interests, diminishing the power of insiders, shining a light on lobbyist activities, and making sure that our campaign finance laws are enforced.

Curbing the Influence of Insiders:

- **When a legislator or other public officials (statewide elected officials, public regulation commissioners, cabinet secretaries, and top members of an administration) leave their positions, require a two-year moratorium before that person may be compensated as a lobbyist.** A former lawmaker's or public official's knowledge of process and their relationships with former colleagues gives them an unfair advantage at the State Capitol. This proposal would at least slow down the "revolving door" between public service and subsequent work as a lobbyist. Many members of the Martinez administration have walked through that revolving

⁷⁸ We did not consider SB 553, sponsored by Senator Joseph Cervantes, because it was accepted by the industry and passed unanimously.

door straight into the arms of the oil and gas industry. Ryan Flynn, Keith Gardner, Robert McEntyre, Larry Behrens, Jim Winchester, Patrick Padilla, Trais Kliphuis, Aimee Barabe, Ryan Chavez, and Nick Piatek are a few we have discovered. Former Senator Kent Cravens left the Senate to become a key lobbyist for the New Mexico Oil and Gas Association. Representative James Townsend, a former lobbyist for Holly Energy is now a representative who sits on the House Energy, Environment and Natural Resources Committee.

A number of bills have sought to slow this revolving door. (See HB 73, 2017), Representative Jim Dines, Representative Joanne Ferrary, and Representative Nathan Small, which passed the House 58–2 and received a Do Pass from the Senate Rules Committee and the Senate Judiciary Committee. Additionally, see the following similar proposals: SB 512 (2015), Senator Bill O’Neill; SB 210 (2013), Senator Bill O’Neill; SB 103 (2012), Senator Dede Feldman; and SB 313 (2011), Senator Dede Feldman.

- **Require recusal by legislators when family members – especially spouses, sons, daughters, parents, and siblings – are lobbying bills on which legislators must vote.** In some states, relatives are barred from lobbying their kin—a ban that would definitely affect Senator Constance Gould and her husband Leland Gould, who is the lobbyist for Andeavor, Western Refining, Inc., and Marathon Petroleum. At a minimum, a requirement for a simple recusal would address the perception of a conflict of interest. It is a rare occurrence when a legislator asks to be recused from a vote.
- **Appropriate \$50,000 to the Legislative Council Service (LCS) for the expense of providing meals for some committee meetings and House and Senate floor sessions when the press of legislative business requires the provision of meals.** The oil and gas industry has been among the most lavish dinner hosts, spending \$17,638 for one dinner at the Bull Ring in 2013 and \$1725 for a smaller gathering at Restaurant Martin in 2018. Legislators, whose per diem is barely enough to cover a hotel room in Santa Fe, appreciate the meal. But, at a minimum, this long-standing practice creates a public perception of a *quid pro quo*. That perception can be altered by providing the LCS with adequate funds to provide meals, when appropriate.
- **Prohibit lobbyists or lobbyist employers from making contributions to, or expenditures on, a member of the legislature from the start of the pre-filing period to the end of the legislative session. For the Governor, the prohibition should extend for January 1 to the end of the veto period.** (See HB 131, 2019), which passed the House 62–0, (Representative Dayan Hochman-Vigil, Representative Elizabeth Thomson, and Senator Jeff Steinborn).

Transparency:

- **Require lobbyists to file information with the Secretary of State regarding which bills the lobbyist has worked on and whether they supported or opposed the bills.** Much more

specificity should be required in lobbyist reporting. Lobbyists should be required to identify invitees to special events, the purpose of the event (including which bill is discussed), and itemize expenditures. The public has a right to know whom lobbyists are spending money on and why they are doing so. A recent bill would have addressed this basic transparency requirement. (See HB 131, 2019), which passed the House 62–0 (Representative Dayan Hochman-Vigil, Representative Elizabeth Thomson, and Senator Jeff Steinborn), but was killed in the Senate.

- **Require lobbyists to disclose how much compensation they receive for lobbying.** It has become increasingly difficult to “follow the money” spent to influence the political process. This requirement would shine some light on how much money businesses are spending to get their priorities enacted into law. We suspect that if the oil and gas industry’s contracts with or the salaries of the 90 lobbyists that they have employed over the years were revealed, the total amount of money spent to influence legislation would skyrocket. (HB 155, sponsored by then-Representative Jeff Steinborn, would have required lobbyists to disclose their compensation. Although HB 155 eventually passed both chambers and was signed by the governor, the language regarding disclosure of compensation was removed from the bill by the House Regulatory and Public Affairs Committee.)
- **Require Publication of Committee Votes on Tabling Motions.** Transparency is not just for lobbyists. It is even more important for elected legislators. Unless they are in the room, media, researchers, and ordinary citizens have no way of knowing who voted to table a bill. There are no fingerprints left to trace. There is some hope in the 2020 session that this practice will stop. The New Mexico House of Representatives is to be commended for the recent enactment of House Resolution 1 (2020) (passed the House 63-0 on February 12, 2020), which adopted a new House rule to require the publication of information regarding how each member voted when a bill is tabled in a committee meeting. Voting information on tabling motions in House committees will now be published on the New Mexico Legislature’s website, beginning in 2021.

Enforcement:

To allow for a measure of lobbyist accountability, the Secretary of State should ensure **compliance with existing law** through more spot checks or audits of lobbyist registrations and reports. Although required by law, lobbyists do not always attribute their contributions to the source of their funding. Often, they indicate it was on behalf of themselves or their company, which is totally legal, but not very helpful information. The purpose of expenditures, a required field on the lobbyist report – to whom a lobbyist is speaking, and for what purpose, is often filled in incompletely.

The campaign finance website is also difficult to search, with information on contributions and access to reports sporadic.

- **Fix the Secretary of State’s Campaign Finance Information System (CFIS) so information on campaign finances is readily searchable and, if necessary, dedicate a revenue stream for needed improvements to the website.** The current system requires improvement, so that the public, researchers, journalists, and others can more easily access information included in lobbyist reports. The lack of a workable search function requires reporters and researchers to go through 1,000 item lists by hand. This is important because the website is the chief vehicle used by the public to hold lobbyists, candidates, and PACs accountable.
- **Enforce Senate Bill 3**, passed in the 2019 session by Senator Peter Wirth to reveal more information about independent and Super PACs and to prevent coordination between state candidates and PACs. The Supreme Court decision in Citizens United has allowed Super PACs like New Mexico Strong – and many others – to infuse large amounts of money into New Mexico and flood the airwaves with negative attack ads, with little accountability. Senate Bill 3 ensures a modicum of transparency, within constitutional limits, and requires disclosure by PACs. But it needs to be enforced. The law is now being challenged by the Rio Grande Foundation and the Illinois Opportunity Project of Chicago, which have sued the Secretary of State.

11. Conclusion

The huge oil boom in New Mexico has unleashed more than an ocean of oil and gas in Southeastern New Mexico. It has unleashed a gusher of campaign contributions, a flurry of lobbyists offering expensive dinners, and a mammoth public relations offensive financed by one of the largest and most powerful professional associations in the state. The corporations, PACs, lobbyists, and associations whose deep pockets we probe here are all seeking to affect the outcomes of both legislation and elections. Facing the departure of a friendly administration, they have ramped up their efforts and are now among the leading direct contributors to both state and federal candidates and PACs in New Mexico.

Common Cause previously examined the influence of the NM Oil and Gas Lobby in 2013 as part of its Connect the Dots Reports. It is an understatement to say that the industry has grown considerably since then. Specifically, we have documented approximately \$11.5 million⁷⁹ in campaign contributions, lobbying and PAC activities coming from **98 corporations, 262 individuals, 23 associations, 11 PACs, and almost 100 lobbyists active** (some would say *very active*) in New Mexico from 2017-2020. If you could count the contracts and salaries of those lobbyists on the ground in Santa Fe over the past four years, it would be even more.

⁷⁹ This approximated total is based on approximately \$4.3 million in direct contributions from the industry (including utilities), \$3.8 million in lobbyist contributions and expenditures, and \$3.4 million in PAC expenditures (including contributions to candidates), but does not include compensation to lobbyists which is unknown and not required to be reported.

That's a heck of a lot of money in a small state like New Mexico. Was it a good investment? With Democrats in control in Santa Fe there was a lot to lose. According to estimates by the Legislative Finance Committee, passage of two bills alone could have cost the industry big time. HB 398 could have raised the royalties for oil and gas operations on state lands to the amount they pay in Texas – and cost the industry between \$54-85 million. Conversely, it would have increased state revenues by that much. A bill enacting a moratorium on fracking, the industry's worst nightmare, could have meant a shutdown of the industry, they said. Viewed in that light, **\$11 million** in lobbying and campaign contributions may have been a drop in the bucket.

For the average citizen, or even smaller companies who cannot give \$5,500 to candidates or PACs (the amount regularly given by companies and individuals associated with the industry because it is the maximum allowable), **it is not a drop in the bucket. It is a bridge too far.** And it leaves them wondering if the industry is buying its way out of increased royalties, additional regulations – even studies – of the true costs of its activities.

This report did not examine the contributions on the other side of the ledger – those from environmental organizations and their PACs, usually the opponents of the industry. These can be considerable. The oil and gas industry itself is collecting data on these groups through its many organizations like Big Green Radicals, Green Decoys, and Power the Future.

As in other Common Cause New Mexico “Connect the Dots” reports and New Mexico Ethics Watch lobbying reports, we have here tracked the relationship between industry donations to policy makers and the outcome of specific legislation in the 2019 legislative session. Our analysis of the actions of two committees on important bills demonstrates that representatives who acted in accordance with the industry's preference on SB 398 to raise royalty rates received larger campaign contributions, on average, than legislators who did not. Senators, on the Senate Conservation Committee, which refused to even take a vote on the fracking moratorium collectively received \$68,717 from the industry.

Regardless, we want to clarify that the correlations found here between campaign contributions and voting behavior do not imply that legislators are trading votes for campaign contributions or fancy dinners. Individual motivations for voting one way or another are impossible to determine with any certainty.

That said, the correlation between contributions and voting behavior alone can erode trust in government at a time when the New Mexico public already believes that powerful interest groups and lobbyists have more influence on elected officials than the voters.

Results from a 2015 Common Cause New Mexico poll for example, indicates 64% of voters think elected officials are more responsive to lobbyists than voters.⁸⁰ The percentage is consistent with other polls Common Cause has taken.

We are hoping that other citizens, concerned about the oil and gas industry and special interests and their outsized influence on our democracy, will pursue our research and heed our recommendations. For the most part they revolve around democratic accountability – controlling the influence of industry insiders and shining a light on their political activities, which most often, have a positive outcome for them, but mixed, sometimes negative results for the rest of us.

Acknowledgments

This report was made possible thanks to the support and advice of many individuals and organizations. Common Cause New Mexico and New Mexico Ethics Watch thanks everyone who contributed to this endeavor including these key people:

1. Our researchers—Dede Feldman, Lauren Hutchison, Tony Ortiz, and Kathleen Sabo
2. The National Institute on Money in State Politics—FollowTheMoney.org
3. New Mexico In Depth’s Openness Project
4. The New Mexico Secretary of State’s Office

Appendices

Appendix 1

Using Follow The Money:

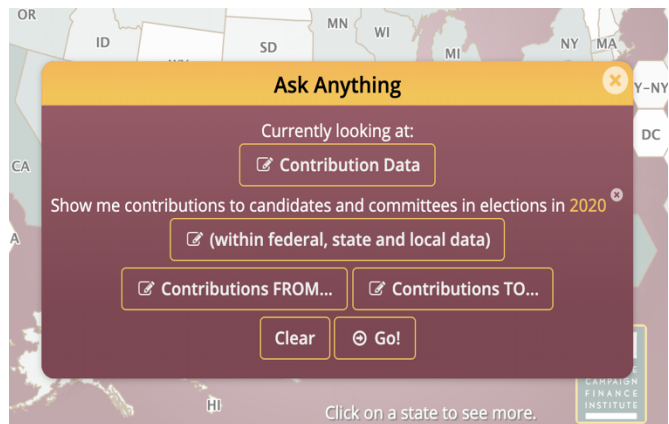
FollowTheMoney.org uses data directly from federal, state, and local contribution data, as well as independent spending data for the state of New Mexico. For this report, we focus solely on the contribution data.

Each data portion of the report relies on a query generated on the site. To make this report as transparent as possible, we would like to provide instructions so that others can go research and recreate our queries on their own.

To begin, there is a button on the front page of [FollowTheMoney.org](http://www.followthemoney.org) that says “Ask Anything.”

⁸⁰ Common Cause New Mexico, 2015 Polling Results, page 10, <http://www.commoncause.org/nmpolling2015>

This prompts a selection box to pop up, which allows users to select very specific industries, candidates and committees, districts, and years to research.



This report's queries:

The queries used to obtain data from FollowTheMoney.org are in this format:

Oil & Gas and **Gas & Electric Utilities** **Individuals'** contributions to **Federal candidates** in elections in **New Mexico** for **2020, 2019, 2018, 2017** (within federal, state and local data).

To recreate these queries the "Ask Anything" box has several selections within two categories: "Contributions From" and "Contributions To."

CONTRIBUTIONS FROM:

Industry Selection:

This report focuses on two sections within the industry "Contributions From" selection tool:

Contributions From > Industry(s) > Energy & Natural Resources > Electric Utility > Gas & Electric Utilities
AND
Energy & Natural Resources > Oil & Gas

All of our data collected comes from having both these categories simultaneously selected in each query.

Types of Contributor:

We used this tool to separate out the “types of contributors” between both “individuals” and “non-individuals.”

Contributions From > Types of Contributor > Individuals
AND/OR
Contributions From > Types of Contributor > non-Individuals

CONTRIBUTIONS TO:

This side of the query focuses on the recipients and focuses the data into years and locations.

Specific Election Year(s):

In this report, the bulk of the data pulled was from 2017, 2018, 2019, and 2020. However, some queries needed to be narrowed down into a specific election year (i.e. 2016 for the state senate elections and 2018 for state house elections). To select specific years, the selection path is:

Contributions To> Specific Election Year(s) > 2017, 2018, 2019, 2020

Specific State(s):

This report focused solely on New Mexico. The selection path for this is:

Contributions To> Specific State(s) > State > New Mexico

Candidate(s):

To see the difference in spending for each type of office, political party, or a specific race, the candidate selection tool is used. In this report, we focused on type of office to summarize Oil & Gas spending through this path:

Contributions To> Candidate(s) > Type of Office > Federal > US House

Of course, this is only one path for one type of office, but all other queries revolving around office type can be found through a similar path.

After Submitting the Query:

Once the specific query is selected, a summary screen is displayed. To see the specific data, the user needs to select *how* the data is displayed. To summarize this query by the contributor, select the “Contributor” box. To summarize by the candidate recipient, select the “Candidate” box.

From here, data can be filtered, displayed in graphs, and organized.

FollowTheMoney.org Search entire site... Ask Anything Register Login

Show Me

Q. Show me **Electric power utilities Oil & Gas** contributions to candidates and committees in elections in **New Mexico** 2020,2019,2018,2017 (within federal, state and local data)

A. 2,064 contributions totaling \$3,917,569

96% Available Reports Collected (3163 of 3294)

1 +

Data Navigator Map Bar Graph

General Info: Election Jurisdiction Election Year Filing Jurisdiction Filer Candidate Ballot Measure Committee Party Committee Spender

Candidate's Info: Status of Candidate Specific Party General Party Career Summary Election Type General Office Specific Office Incumbency Status

Contributor's Info: Record Contributor Type of Contributor Broad Sector General Industry Specific Business Parent Org or Employer State Zip In-State Employer Occupation

Data Export

# of Records	Total \$
2,064	\$3,917,569

Of course, this is just a summary of how we filtered this data. FollowTheMoney.org has a lot of resources and instructional videos on their site.

Appendix 2

A. Oil and Gas Companies Active in New Mexico

Andeavor
 Apache Corp.
 Basic Energy Services.
 BBC International Inc.
 Bepko LP
 BP North American
 Brewer Oil Co.
 Broken Arrow Royalty Co.
 Burnett Oil Co.
 Chase Energy Services
 CH4net.co LTD 9 (exploration)
 Chase Oil

Chase Petroleum
 Cheniere Energy
 Chesapeake Energy
 Chevron
 CSX Transportation
 Coll Brothers Oil
 Conoco Phillips
 Constellation Energy
 DCP Midstream
 Devon Energy
 Dominion Energy
 DTE Energy

Duke Energy Corp.
Enbridge, Inc.
Encanta Oil and Gas
Enterprise Products
EOG Resources
Ergodic Resources LLC
Excelon Corp.
Exxon
Giant Industries
Gandy Corp.
Haliburton
Harrod Petroleum
Harvey Operating & Production
Company
HEYCO Energy Group
Hilcorp Energy
Hodges Oil Co.
Holly Frontier Corp.
Hydro Resources
Ingram Professional Services
Invenergy LLC
Jalapeno Corp.
LFT LLC
Llano Disposal LLC
Lucky Rental Tool
Mack Energy Corp.
Manzano Oil
Marathon Petroleum Corp.
Marbob Energy
McClellan Oil Corp.
Merrion Oil and Gas
Mesquite Disposals Unlimited LLC
Mesquite Fresh Water Holdings, LLC
Mex-Tex Oil and Gas
Mullins Energy Services
Murphy Petroleum Corp.
Navajo Nation Oil and Gas Co—Navajo
Refinery
New Mexico Gas Co.

Next Era Energy, Inc.
Norfolk Southern
NRG Energy
Occidental Petroleum
Owl SWD Operating, LLC
Pacific Gas and Electric
Permian Energy Services
Petrayates Inc.
Phillips 66
Piper Energy LLC
PNM Resources
Precious Lady Holdings LLC
Process Equipment & Service Co.
Ray Westall Operating Inc.
Reserve Industries Corp.
Rice Operating Co.
Richards Energy Compression
Santo Petroleum
Scott-Winn LLC
Select Energy Services
Sempra Energy
Sendoro Midstream Partners
Spectra Energy
Sun Valley Energy Corp.
Tesoro Corp.
TRM LLC
Veteto Oil
Vistra Energy
Western Refining
Western Refining Southwest
Williams Companies
Worrall Investment Corp.
WPX Energy
Xcel Energy/Southwest Public Services
Co.
XTO Energy
Yates Petroleum
Yates Legacy LLC

B. Oil and Gas Trade and Professional Associations, Non-Profits, and Advocacy Groups

America's Energy Forum (American Petroleum Inst)
American Gas Association
America's Natural Gas Alliance (may have merged with API in 2016)
Big Green Radicals
Center for Sustainable Shale Development (certification group)
Consumer Energy Alliance
Domestic Energy Producers Alliance (DEPA – alliance of 34 other associations)
Energy Citizens (American Petroleum Institute)
Energy In Depth (IPAA)
Environmental Policy Alliance (project of the Center for Organizational Research & Education)
Green Decoys
Independent Petroleum Association of America
Independent Petroleum Association of NM
Marcellus Shale Coalition
National Association of Convenience Stores
NM Oil and Gas Association
Power the Future
Rural Electric Coop Association
Society of Independent Gasoline Marketers of America
United Shale Advocates
Vote4Energy (Am Petroleum Institute)
Western Energy Alliance
Yates Legacy LLC

C. Oil and Gas PACs

4 NM PAC (out of Hobbs)
579 PAC (has oil and gas contributors)
Affordable Energy PAC (out of Farmington, Republican but not strictly oil)
Brighter Future Political Committee
New Mexico Strong
NMOGA PAC
Advance Las Cruces (McClesky's PAC in LC)
Goal West (Las Cruces election)
Western Energy Alliance PAC
Vote 4 Energy
Citizens for Responsible Energy Solutions
GASPAC (American Gas Association PAC)
DEPA PAC (Domestic Energy Producers Alliance PAC)

Independent Gasoline Marketers of America PAC
 PNM Resources PAC
 Yates Legacy Foundation
 Power the Future
 El Paso Electric Employee PAC
 PNM Responsible Citizens Group
 New Mexico Gas Company HEAT PAC
 Permian Energy PAC
 NM Petroleum Marketers Association
 Save Our Western Way of Life

D. Individual Oil and Gas Contributors

**List of Individual Contributors (2017-2020)
(Sorted by who spent the most):**

MURPHY, MARK B	SPEAR, NANCY G	TOWNSEND, PAULA
YATES, PAYTON	DAVID, EDWARD K	HARVARD, JANE
WESTALL, GREG RAY	DUNN, TIMOTHY M	WATSON, DANNY R
YATES, CHARLOTTE G	FOSTER, PAUL L	MARSH, TOM
BRANSON, SCOTT	HARVARD, JEFF	VETETO, PATTI C
SAULSBURY SR, CHARLES RICHARD (DICK)	YATES, HANSON	YATES, NANCY E
JOHNSON, MICHAEL LEE (MIKE)	FLEISCHAKER, DEBBIE	MALEY, LAVERNE
CHASE, MACK C	ELLIOTT, STEPHEN L	YATES SR, JOHN A
MADRON, PHILLIP	HINKLE, MADISON M	HARVARD, H LEE
YATES JR, HARVEY E	DUNN, TERRI L	FEATHERSTONE, CHARLA
CHASE, ROBERT C	YATES, FRED G	SCOTT, SHARON
YATES, LINDA STOLLER	TAYLOR, E DWAYNE	PERINI, DAVID A
CHANDLER, DOUG	MILLER, RAYE PAUL	GANDY, LARRY
HENRY, JAMES C (JIM)	HENRY, PAULA A	MORAN, BRENDA A (BONNIE)
VETETO, MARK R	MARSH, CHARLENE A	ARMSTRONG, ROBERT G
YATES, JOHN A	STALLINGS, KYLE L	RINEHART, RICHARD
WESTALL, KAREN L	BOYD, TRESA J (T J)	DAVID, JAMIE L
BRUNSON, HAL	CHASE, MACK	COLEMAN, GEORGE E
SAULSBURY, AMELIA	ANDERSON, SALLY M	HOLMES, WILLIAM L (BILL)
MATHEWS, BUTCH	MEWBOURNE, CURTIS W	KRUMME, GEORGE W
SPEAR, NELSON B	BOYD, D K	DAILY, ANN MURPHY
SANDEL, JERRY W	MORGAN, ROBIN	BARTON, ROY
HINKLE III, ROLLA R	GANDY, JON	ALLSUP, BARBARA J

YATES, JOHN
CLINGMAN, RACHEL
CLINGMAN, PHILLIP
HANAGAN, MICHAEL
MURPHY, SUSAN SCOTT
CHASE, RICHARD L
SCOTT, MR LARRY R
WILSON, CLAY L
GRAY, WILLIAM J (BILL)
FLEISCHAKER, DAVID S
SAULSBURY, MARK
SAULSBURY, MATT
YATES, JOHN A
JENNINGS, THOMAS E
YATES, FRANK
FEATHERSTONE, OLEN F
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COLEMAN, GEORGE
DAVID, EDWARD N
HOOPER, ROBERT
FONAY, GARY
GROOMS, F ANDREW
ANGELO JR, ERNEST P
SCOTT, SHERMAN A
YATES JR, JOHN A
GREGORY, DONALD L
AVERY, KEVIN
BREWER, CHARLEY
YATES JR, JOHN A
GARRETT, ELIZABETH
MORGAN, SARA SCHOLLES
ANWAR, SYED JAVAID
WILSON, LINDA
MOBLEY, CRAIG
BURLESON, STEVEN L (STEVE)
FULFER, GREGG
VETETO, VONDAL J
ELLIOTT, BEVERLY BABB

GENTLE, MEG
KRUMME, GRACE ALDEAN NEWCOMB
FERGUSON, GREG
CAMPANELLA, JAMES
COLLAWN, PATRICIA KAY
MERRION, T GREG
MURPHY, MEREDITH
WRIGHT, EDWIN J
HARPER, JACK
MCBRIDE, MARY JANE
DAVID, EDWARD K
MATHEWS, CALVIN
VINCENT-COLLAWN, PATRICIA K
MERRION, T.
YATES, GEORGE
YATES, HARVEY
ASHBURN, MR BRIAN A
KNORR, JOHN
EVANS, DONALD L
GIRAND, DAN
GRATTON, PATRICK JF
WILLIS, MR RAY
YATES, HARVEY
TRUE III, HENRY A (HANK)
YATES JR, FRANK
MACALUSO, FRANK
TRUE, DAVID L
LEE, PAULINE
BROMLEY, KENNETH
HENRY, SAM
MONTGOMERY JR, DON D
CLARK, ROBERT J
CAULKINS, MARY
YATES, JO ANN
NIX JR, RALPH
MILLER, MARY K
HUNTER, KERRY
BAYLESS, PRICE M
PARKER, ROBERT E
DURBIN, MARTIN J

YORK, PHILIP K
PERRY, ASHLYN
JENNINGS, MICHAEL C
MALNIGHT, STEVEN
VINCENT-COLLAWN, PATRICIA K
FORD, JAMES E
VINCENT-COLLAWN, PATRICIA K
KILLEN, PATRICK
BELHUMEUR, DANIEL
SIMON, JOHN
BROMLEY, MR KEN
STAVROPOULOS, NICKOLAS
COLL, CHARLES H
ROMERO, LEON A
SHEFLER, DEBORAH
DABBAR, JOHN
MERRION, T GREG
FLEISCHAKER, DEBBIE
KUGA, ROY M
DOMME, TOM
COLL, CLARKE C
WAN, FONG
MCGINLEY, COLLEEN
PURVIS, MARGARET
WIMBISH, BRIAN
HOOKER, DAVID S
CASSIDY, ANN S
FOWKE III, BENJAMIN G S
PETERSON, LINDA
EVES, DAVID L
COLEMAN, GEORGE E
MERRION, T T
RUIZ III, GENE
KENNEY, ROBERT
KANE, JULIE
WELLS, JASON
MORAN, C E
KORPAN, RICHARD
YOUNG, BETTY
COLEMAN, GEORGE E

<u>GARCIA, MARCOS DANIEL</u>	<u>THOMSON, ROCKY</u>	<u>BLACKWELL, BLAIR</u>
<u>MINER, ROBERT</u>	<u>WHITSITT, WILLIAM FLOYD</u>	<u>HARDY, RAY</u>
<u>GOULD, S LELAND</u>	<u>DOMME, THOMAS</u>	<u>CELNIKER, ILENE</u>
<u>FORMAN, SUSAN</u>	<u>SCHINDEL, DAVID</u>	<u>MALNAR, BEVERLY</u>
<u>HOOKER, DAVID</u>	<u>FORY, RUSSELL</u>	<u>WOITYRA, GAYL</u>
<u>EVES, DAVID L</u>	<u>VERTELL, SUSAN</u>	<u>BOTTOMLY, LEWIS</u>
<u>EKSTROM, JACK</u>	<u>SCHUSTER, RICHARD</u>	<u>MOREILLON, ROBERT</u>
<u>BLUNDELL, BOB & JUDI</u>	<u>ARCHER, JANET</u>	<u>PERRY, MARK</u>
<u>FITZPATRICK, TIM</u>	<u>FRIEDMAN, ELLEN</u>	<u>RAWSON, PAUL</u>
<u>RUIZ, GENE</u>	<u>MYERS, JEAN</u>	<u>BUTLER, ELIZABETH</u>
<u>COOPER, SHAWN</u>	<u>KAHLER, KAREN</u>	<u>MAYER, CAROL</u>
<u>WILLIAMS, ANDREW K</u>	<u>DAUB, VICTOR</u>	<u>HAUGHN, SUZIE RHEA</u>
<u>DURAN, DANIELLE</u>	<u>SORENSEN, DAVID</u>	<u>BRANDT, DEBORAH</u>
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<u>CHASE, CHANCE</u>	<u>HECKMAN-JAMES, JACQUELINE</u>	<u>ELVRUM, JON</u>
<u>CHASE, CLAIRE</u>	<u>NICHOLE, LINDA L</u>	<u>ROBINSON, EARNEST</u>
<u>BACA, RUBEN</u>	<u>CONARD, JOANN</u>	<u>POISL, DONNA</u>
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<u>OWEN, WILLIAM B</u>	<u>CIENIAWSKI, BRIAN</u>	<u>SLIFKA, RICHARD</u>
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[COLEMAN, GEORGE E](#)
[COLEMAN, GEORGE E](#)
[COLL, CHARLES H](#)
[COLL, CHARLES H](#)
[COLL, CHARLES H](#)
[COLL, CLARKE C](#)
[COLL, CLARKE C](#)
[COLLAWN, PATRICIA KAY](#)
[CONARD, JOANN](#)
[COOPER, SHAWN](#)
[DABBAR, JOHN](#)
[DAILY, ANN MURPHY](#)
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[DAVID, EDWARD K](#)
[DAVID, EDWARD N](#)
[DAVID, JAMIE L](#)
[DIBENEDETTO, RICHARD](#)
[DOMME, THOMAS](#)
[DOMME, TOM](#)

[DUGAN, THOMAS](#)
[DUNN, TERRI L](#)
[DUNN, TIMOTHY M](#)
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[FITZPATRICK, TIM](#)
[FLEISCHAKER, DAVID S](#)
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[FORMAN, SUSAN](#)
[FORY, RUSSELL](#)
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[FRIEDMAN, ELLEN](#)
[FULFER, GREGG](#)
[GANDY, JON](#)
[GANDY, LARRY](#)
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[GARRETT, ELIZABETH](#)
[GENTLE, MEG](#)
[GIRAND, DAN](#)
[GOULD, S LELAND](#)
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[HARDY, RAY](#)
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[HARVARD, H LEE](#)
[HARVARD, JANE](#)
[HARVARD, JEFF](#)
[HAUGHN, SUZIE RHEA](#)
[HAWKINS, GAYLE](#)
[HECKMAN-JAMES, JACQUELINE](#)
[HENRY, JAMES C \(JIM\)](#)
[HENRY, PAULA A](#)
[HENRY, SAM](#)
[HERDEY, JANICE](#)
[HINKLE III, ROLLA R](#)
[HINKLE, MADISON M](#)
[HOLMES, WILLIAM L \(BILL\)](#)
[HOOKER, DAVID](#)
[HOOKER, DAVID S](#)
[HOOPER, ROBERT](#)
[HUNTER, KERRY](#)
[JENNINGS, MICHAEL C](#)
[JENNINGS, THOMAS E](#)
[JOHNSON, MICHAEL LEE \(MIKE\)](#)
[KAHLER, KAREN](#)
[KANE, JULIE](#)
[KENDERDINE, MELANIE](#)
[KENNEY, ROBERT](#)
[KILLEN, PATRICK](#)
[KNORR, JOHN](#)
[KORPAN, RICHARD](#)
[KRUMME, GEORGE W](#)
[KRUMME, GRACE ALDEAN NEWCOMB](#)
[KUGA, ROY M](#)
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Appendix 3

Oil and Gas Bills, 2019: Summary and Final Disposition

House Bill 210 (Sponsor: Representative Larry Scott) House Bill 210 proposed to provide limited liability for persons engaged in the liquefied petroleum gas business in New Mexico.⁸¹

Specifically, the bill would have shielded retailers, suppliers, handlers, or transporters in the liquefied petroleum gas business from liability in instances when: their equipment was altered without their knowledge or consent; or when their equipment was used for an unintended purpose that could not reasonably have been expected.

House Bill 210 did not receive a committee hearing.

House Bill 353 (Sponsors: Representatives James Strickler, Larry Scott, Greg Nibert, Cathrynn Brown, and Paul Bandy) House Bill 353 proposed to reduce the tax rates on oil and natural gas removed from stripper wells if oil and gas prices declined to a certain level.

Stripper oil wells are wells that produce less than 10 barrels of oil per day. Stripper gas wells are wells that produce less than 60 MCF of gas per day. As noted in the fiscal impact report (FIR) for the bill, in New Mexico there are approximately 15,737 active stripper oil wells and approximately 15,636 active stripper gas wells.

The state Taxation and Revenue Department stated in the FIR for House Bill 353 that “...this bill could amplify the effect of state revenue losses caused by an oil and natural gas price decline. In other words, at a time when general fund and severance tax bonding fund revenue would dramatically decrease if prices were to fall, the bill would exacerbate the revenue shortfall by providing an additional tax subsidy to some oil and gas producers.”

House Bill 353 received referrals to the House Energy, Environment & Natural Resources Committee and the House Taxation & Revenue Committee.⁸²

⁸¹ The New Mexico legislature’s website indicates that House Bill 210 did not receive a committee hearing. However, motions to table a bill are not recorded on the website. We conferred with the Legislative Council Service librarians and reviewed the House Journal (2019) to confirm that the bill was not heard in a committee.

⁸² The New Mexico legislature’s website indicates that House Bill 353 did not receive a committee hearing. However, motions to table a bill are not recorded on the website. We conferred with the Legislative Council Service librarians and reviewed the House Journal (2019) to confirm that the bill was not heard in a committee.

House Bill 398 (Sponsor: Representative Derrick Lente) House Bill 398 proposed to increase royalty rates on oil leased and produced on state lands, from 20 percent to 25 percent.

The bill would have applied only to new leases issued after July 1, 2019.

As noted in the fiscal impact report (FIR), following issuance most leases do not begin production for 2-3 years. The State Land Office stated in the FIR that revenue increases from the bill would likely begin in fiscal year 2022 and estimated an average annual increase in revenue to the state of fifty to eighty-four million dollars.

House Bill 398 was heard in the House Commerce and Economic Development Committee. In a 7-3 vote, the following members voted to table the bill: Representative Antonio “Moe” Maestas (D); Representative Jim Trujillo (D); Representative Patricio Ruiloba (D); Representative Alonzo Baldonado (R); Representative Rebecca Dow (R); Representative Kelly Fajardo (R); and Representative Jane Powdrell-Culbert (R).⁸³

House Bill 546 (Sponsors: Representatives Nathan Small, Rod Montoya, and Brian Egolf) House Bill 546 enacted the “Produced Water Act.” For details, see narrative above.

Senate Bill 186 (Senator Richard Martinez and Representative Matthew McQueen) Senate Bill 186 proposed additional powers and duties for the oil conservation division of the energy, minerals, and natural resources department and the oil conservation commission. The commission was authorized to address violations of the Oil and Gas Act, or any rule, order, permit, or authorization issued under the act and seek compliance and civil penalties.

The Senate Conservation Committee and the Senate Judiciary both adopted substitute bills. Senate Bill 186 was then referred to the Senate Finance Committee, but did not receive a hearing.

It is important to note that the regulatory authority set forth in Senate Bill 186 was the basis for the Senate Judiciary Committee amendments to House Bill 546, the “Produced Water Act.” Those regulatory provisions, long sought by environmentalists, were retained in the conference committee report for House Bill 546.

Senate Bill 500 (Senator Bill O’Neill) Senate Bill 500 was identical to House Bill 398, which is summarized above.

⁸³ The New Mexico legislature’s website indicates that House Bill 398 did not receive a committee hearing. However, motions to table a bill are not recorded on the website. This information regarding the motion to table was taken from the following newspaper article: “Bipartisan vote spikes bill to raise oil and gas royalties,” by Andrew Oxford, Santa Fe New Mexican, Feb. 16, 2019.

Senate Bill 500 was referred to the Senate Conservation Committee, the Senate Corporations and Transportation Committee, and Senate Finance Committee, but it did not receive a committee hearing.

Senate Bill 553 (Senator Joseph Cervantes) Senate Bill 553 requires fees to be paid for certain applications to the Oil Conservation Division (OCD) of the Energy, Minerals and Natural Resources Department, including applications for permits to drill, permits for injection wells and landfills, and administrative approvals.

The bill also creates the “oil conservation division systems and hearings fund” as a repository for those fees. Money deposited in the fund is non-reverting and is appropriated to the OCD to develop and modernize the division’s online application procession system, online case management system, online case file system, and for other technological upgrades and hearing administration costs.

Senate Bill 553 passed both chambers of the legislature with overwhelming bipartisan support and was signed into law by the governor. (Chapter 260, Laws of New Mexico)