

VALENCIA COUNTY

IN SUPPORT OF NEW MEXICO'S OIL AND GAS INDUSTRY

RESOLUTION NO 2021- 35

WHEREAS, the Board of County Commissioners of Valencia County, met upon notice of a duly published Business meeting on July 21, 2021, at 5:00 P.M. in the Valencia County Administration Building, 444 Luna Avenue, Los Lunas, New Mexico 87031; and,

WHEREAS, NMSA 1978, Section 4-37-1 (1995) provides that Counties have the power to, "provide for the safety, preserve the health, promote the prosperity and improve the morals, order, comfort and convenience of any county or its inhabitants"; and

WHEREAS, NMSA, 1978, Section 4-38-18 (1976) provides that a Board of County Commissioner has the duty and authority "[t]o represent the county and have the care of the county property and the management of the interest of the county in all cases where no other provision is made by law; and,

WHEREAS, New Mexico has been a major producer of oil and natural gas since hydrocarbons were first discovered in the state during the early 1920s; and,

WHEREAS, data from the State's Oil Conservation Division (OCD) reported New Mexico finished 2020 with about 367.8 million barrels of oil produced and 1.9 trillion cubic feet of natural gas; and,

WHEREAS, the oil and gas industry in New Mexico provides a significant contribution of direct economic activity through the purchases, employment and payments to the State and Local governments; and

WHEREAS, oil and gas activities, including payments to other industries, to households and to State and Local governments supported over 125,000 jobs, more than 10% of total statewide employment; and

WHEREAS, the oil and gas industry also supported over \$7 billion of Labor Income, nearly \$15 billion in total economic output, and nearly \$3 billion in State and Local tax payments, exceeding 25% of the state total; and

WHEREAS, the largest single category of the State's General Fund recurring spending is public education; and

WHEREAS, the total General Fund spending reached \$7.66 billion in FY20, of which 33.5% or \$2.57 billion was funded by the oil and gas industry; and

WHEREAS, the FY20 Operating Budget provided a total of \$3.17 billion to school districts and charters, of which 33.5% of this amount, or \$1.06 Billion, is attributable to revenue from oil and gas production; and

WHEREAS, in addition, \$867 million was distributed from the General Fund to higher education, of which 33.5% or \$290 million was from oil and gas revenue; and

WHEREAS, combined, oil and gas tax revenue supported \$1.37 billion for education in FY20; and

WHEREAS, State and Federal legislation, Non-Government Organization (NGO) activists and other entities continually deride, impede and inhibit oil and gas development within the State of New Mexico, particularly southeast New Mexico; and,

WHEREAS, President Biden's Executive Order on Tackling the Climate Crisis at Home and Abroad indefinitely suspends the federal oil and gas leasing program; and,

WHEREAS, no State is as impacted as New Mexico by the Biden's administration's moratorium on oil and gas on federal lands; and,

NOW THEREFORE, BE IT RESOLVED, the Valencia County Board of Commissioners, recognizing that the oil and gas industry provides over one-third of the State's budget, express its continued support for the oil and gas industry, and calls upon Governor Lujan Grisham and our federal legislative delegation to demand that the Biden Administration repeal its moratorium on oil and gas leasing on federal lands.

PASSED, APPROVED AND ADOPTED THIS 21st DAY OF JULY 2021

BOARD OF COUNTY COMMISSIONERS

Gerard Saiz, Chair, District I

Jhonathan Aragon, Vice-Chair, District V

Troy Richardson, District II

David A. Hyder, District III

Joseph Bizzell, District IV

Attest:

Mike Milam, County Clerk