



State of New Mexico

Office of the Governor

For Immediate Release
March 8, 2007

Contact: Allan Oliver
505.476.2214

Governor Richardson Enacts Most Comprehensive Set of Landowner Protections in Country

(Santa Fe, NM) – Governor Bill Richardson signed House Bill 827, sponsored by Representative Andy Nunez, to create the Surface Owners Protection Act, which is the most far-reaching set of landowner protections in the country.

“Today I am proud to sign the most comprehensive landowner protection bill in the United States,” said Governor Bill Richardson. “New Mexico is a special place, with tremendous assets, from significant energy resources to a high quality of life. With a law like this—we can utilize and protect both.”

The act is the result of long negotiations and compromises between ranchers and the oil and gas industry. “Two years ago, I told them they had to sit down and work it out together and I would support the result,” said Governor Richardson. “They found common ground and produced an agreement that all sides can support.”

Under the act:

1. Surface owners, who don't own the mineral rights below their property must be notified 30 days prior to beginning any drilling-related operations
2. Surface owners must receive a description of proposed oil and gas operations so they can evaluate the potential impacts to their property
3. Oil and gas operators must compensate landowners for the use of their property, and pay for any damages caused by activities like drilling and road building.
4. The act will also require oil and gas operators to clean up after themselves when they're done.

Current law requires no prior notice of operations to the surface owner. By passing the surface owners protection act, New Mexico becomes the only state to require companies

to provide landowners with extensive information about pending oil and gas drilling. New Mexico also becomes the only state to mandate compensation for such a broad range of damages and use, including loss of agricultural production and income, reduced land value, lost use, and access to the surface owner's land. Combined with the duty to reclaim the land once oil and gas operations have ceased, this is the most complete set of surface owner protections in the country.

#30#