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For Immediate Release

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Governor Bill Richardson Extends Moratorium on New Oil and Gas Drilling in Santa Fe County and the Galisteo Basin

SANTA FE - Governor Richardson has issued an Executive Order extending by six months a moratorium on new oil and gas drilling in Santa Fe County and the Galisteo Basin. The moratorium will allow more time for government agencies to gather information and begin rulemakings to protect water aquifers, archeological and cultural resources, and wildlife in this ecologically fragile area. The extended temporary moratorium will be in place through January 24, 2009.

“I am committed to protecting ground water, archaeological, cultural, and wildlife areas in the Galisteo Basin,” said Governor Bill Richardson. “I remain gravely concerned that oil and gas drilling activities could negatively affect those resources, so I have extended the temporary moratorium to allow further information gathering and protections to be put in place.”

The Governor’s order means that the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department will temporarily suspend, for an additional six months, the processing and granting of applications for permits to drill for oil and gas in Santa Fe County and the Galisteo Basin.

Among other things, the Executive Order directs the following additional actions:

- The Oil Conservation Division to investigate appropriate rules, regulations and statutory changes in an effort to protect this fragile and ecologically sensitive area. The Oil Conservation Division should begin to draft any regulations it deems necessary and seek public comment on them.
- The New Mexico Environment Department to more thoroughly investigate the adoption of air quality regulations to further protect ambient (outdoor) air quality impacts from gas and oil drilling activity in Santa Fe County and the Galisteo Basin.
- The Office of the State Engineer to undertake a site-specific analysis of the fresh water supplies in the Galisteo Basin in order to better protect this precious and valuable resource.
- The Department of Cultural Affairs to develop a timeline for and begin to undertake the necessary surveys and studies to determine what cultural resources exist within the

Galisteo Basin and to establish an appropriate and comprehensive resource-based planning process.

- The Department of Cultural Affairs to work with the Office of the Governor and the New Mexico Congressional Delegation to identify and secure financial resources to fully implement P.L. 108-208, the Galisteo Basin Archaeological Sites Protection Act (2004).
- The Indian Affairs Department to continue to serve as the lead agency to seek and gather input from the New Mexico Tribes, Nations, and Pueblos about potential oil and gas drilling in Santa Fe County and the Galisteo Basin.

“We welcome the additional time to propose new rules to allow for a more complete hearing that ensures protection of human health, the environment, and water,” said Joanna Prukop, Cabinet Secretary of the New Mexico Energy, Minerals and Natural Resources Department. “We need additional and more detailed information to fully evaluate the potential impacts of oil and gas drilling on the diverse natural and cultural resources found in the basin.”

Executive Agencies affected by this Executive Order are required to submit their reports to the New Mexico Energy, Minerals and Natural Resources Department no later than December 1, 2008. The EMNRD will compile and submit a consolidated report to the Office of the Governor by January 7, 2009.

Full text of the Executive Order follows:

EXECUTIVE ORDER 2008-038

EXTENDING THE MORATORIUM ON NEW OIL AND GAS DRILLING IN SANTA FE COUNTY AND THE GALISTEO BASIN

WHEREAS, on January 24, 2008, Governor Richardson signed Executive Order 2008-004, Imposing a Six Month Moratorium on New Oil and Gas Drilling in Santa Fe County and the Galisteo Basin;

WHEREAS, Executive Order 2008-004 recognized the rich cultural heritage and the fragile ecology of the Galisteo Basin and that the preservation of this area was of significant value to the citizens of this State;

WHEREAS, the Richardson Administration is committed to protecting the health, safety, and welfare of all New Mexicans and strives to protect the natural and cultural resources of the State while still supporting responsible economic development;

WHEREAS, Executive Order 2008-004 imposed a temporary six-month moratorium on new oil and gas drilling and exploration activities in Santa Fe County and the Galisteo Basin to allow State government the time necessary to fairly and thoroughly evaluate all laws, regulations, and policies concerning the environmental, economic, cultural, archaeological, and other impacts of drilling within Santa Fe County and the Galisteo Basin and to ensure that no oil and gas drilling activity occurred in the area that would be contrary to the interests of the State or its citizens;

WHEREAS, the temporary moratorium was also intended to allow for the receipt and evaluation of public input on State activity related to drilling in this ecologically fragile area;

WHEREAS, the executive agencies named in Executive Order 2008-004 were mandated to report the findings of their analyses to the Office of the Governor and the Secretary of the New Mexico Energy, Minerals, and Natural Resources Department (EMNRD) by June 24, 2008;

WHEREAS, EMNRD and eight other executive agencies submitted a thorough and thoughtful report after careful consideration of statutory, and other, authority regarding oil and gas activity in the Galisteo Basin. Each agency sought and considered input and recommendations from public citizens. Further, pursuant to Executive Order 2005-003, Adoption of Statewide Tribal Consultation Policy on the Protection of Sacred Places and Repatriation, each agency sought and received information from the Tribes, Nations and Pueblos of the State about their concerns regarding oil and gas drilling activities in the Galisteo Basin;

WHEREAS, the report highlighted the importance of environmental, economic, cultural, and archaeological resources that may be negatively impacted by any new oil and gas drilling activities in this area;

WHEREAS, based on the report submitted by the executive agencies, the public and Tribal comments received, and the recommendations made therein, it is apparent that the most prudent course of action is to provide the State and its executive agencies more time to thoroughly and carefully gather additional information and data concerning oil and gas drilling activities in Santa Fe County and the Galisteo Basin.

NOW THEREFORE, I, Bill Richardson, Governor of the State of New Mexico, by virtue of the authority vested in me by the Constitution and the Laws of the State of New Mexico, do hereby extend by six additional months, until January 24, 2009, the temporary moratorium on activities related to new oil and gas drilling in Santa Fe County and the Galisteo Basin. During this period, the Oil Conservation Division of the New Mexico Energy, Minerals, and Natural Resources Department shall continue the suspension of the processing and granting of new applications for permits to drill for oil and gas in Santa Fe County and the Galisteo Basin.

I FURTHER DIRECT the state agencies which contributed to the report to my office to continue any endeavors undertaken during the last 6 months that need further attention. State agencies shall also take the following specific actions:

1. The Oil Conservation Division shall investigate and begin drafting, if appropriate, rules, regulations and statutory changes, including but not limited to permitting by area, the allowance of notice and public input for all applications for permits to drill, and the adoption of special rules concerning the Galisteo Basin, all in an effort to protect this fragile and ecologically sensitive area.
2. The New Mexico Environment Department shall investigate and begin drafting, if appropriate, regulations related to ambient air quality impacts from oil and gas drilling activity in Santa Fe County and the Galisteo Basin. The Department shall also exercise its authority to ensure adequate protection of water derived from private wells, mutual domestic wells, and rural water associations.
3. The Office of the State Engineer shall undertake a site-specific analysis of the fresh water supplies in the Galisteo Basin in order to better protect this precious and valuable resource. Such

analysis will assist the State Engineer to fulfill his statutory duty to measure, appropriate, and distribute water in the State.

4. The Department of Cultural Affairs shall develop a timeline for and begin to undertake the necessary surveys and studies to determine what cultural resources exist within the Galisteo Basin and to establish an appropriate and comprehensive resource-based planning process. The Department of Cultural Affairs shall also cooperate with the Office of the Governor and the New Mexico Congressional Delegation to identify and secure financial resources to fully implement P.L. 108-208, the Galisteo Basin Archaeological Sites Protection Act (2004).
5. The Indian Affairs Department shall continue to serve as the lead agency to seek and gather input from the New Mexico Tribes, Nations, and Pueblos about potential oil and gas drilling in Santa Fe County and the Galisteo Basin. The Indian Affairs Department shall assist other executive agencies to ensure compliance with Executive Order 2005-003, Adoption of Statewide Tribal Consultation Policy on the Protection of Sacred Places and Repatriation.
6. The New Mexico Department of Transportation and the New Mexico Economic Development Department shall undertake a careful assessment of all existing laws, regulations, policies, and planning documents to ensure that each agency has fully and appropriately exercised its powers to ensure that no oil and gas drilling activity occurs in Santa Fe County and the Galisteo Basin that would be contrary to the interests of the State and its citizens.
7. The New Mexico Department of Health shall examine the feasibility of requiring oil and gas drillers to disclose the additives and chemicals used in the drilling process and to examine emerging policies nationwide regarding the impacts of oil and gas drilling on human health.

I FURTHER DIRECT that the agencies named in this Executive Order report the progress they have made with regard to the mandates made in this Executive Order to the Energy, Minerals and Natural Resources Department by December 1, 2008 and that the Energy, Minerals and Natural Resources Department prepare a consolidated report for all agencies affected by this Executive Order and deliver it to my office no later than January 7, 2009.

THIS ORDER supersedes any other previous orders, proclamations, or directives in conflict. This Executive Order shall take effect immediately and shall remain in effect until such time as it is rescinded by the Governor.

ATTEST:

**DONE AT THE EXECUTIVE OFFICE THIS
14th DAY OF JULY, 2008.**

**MARY HERRERA
SECRETARY OF STATE**

**WITNESS MY HAND AND THE GREAT
SEAL OF THE STATE OF NEW MEXICO**

**BILL RICHARDSON
GOVERNOR**