

July 17, 2019

The Honorable Raul Grijalva
Ranking Member House Committee on Natural Resources
1324 Longworth HOB
Washington, D.C. 20003

The Honorable Rob Bishop Chairman
House Committee on Natural Resources
1329 Longworth HOB
Washington, D.C. 20003

RE: [HR 2181 Chaco Cultural Heritage Area Protection Act](#)

Dear Chairman Grijalva and Ranking Member Bishop,

The Independent Petroleum Association of New Mexico (IPANM), representing 350 members of independent producers in the State of New Mexico, would like to formally express our strongest opposition to HR 2181. The resolution, known as the [Chaco Cultural Heritage Area Protection Act](#), would have devastating impacts on the already depressed San Juan Basin area, the surrounding communities, and State of New Mexico.

The proposal to permanently ban drilling and extraction of oil and gas, in addition to other minerals, within an arbitrary "Heritage Withdrawal Area" fails to achieve any measurable results of its stated objectives in Sec. 2, (11-13) other than to create arbitrary setbacks that prevent the extraction and future production of millions of barrels of oil, and barrel of oil equivalent (BOE) of natural gas from a still prolific basin. With today's geological analysis survey methods, seismic mapping capabilities, and precision drilling, our operators are able to safely extract these natural resources with minimal environmental impact underground and on surface areas.

Halting federal leasing and future development within the arbitrary zone would directly lead to economic hardship for surrounding communities impacting all walks of life. The surrounding Four Corners area is already experiencing an economic slowdown from depressed natural gas prices. Furthermore, future plans call for the future shutdown of the area's major power generating station.

Likewise, federal revenues through royalties and/or bonus payments, generated by from our operators, would significantly decrease considering the over 300,000 acres that would fall within the proposed exclusion zone. Since one-third of New Mexico's \$7-billion budget comes from oil and gas revenues, the funding drop from these sources would decrease much-needed spending on school kids, education, public safety, human health and environmental protections in New Mexico.

Supporters of this resolution proclaim its existence will increase safety and protection “in consultation” with tribal areas, the resolution fails to consider hundreds of tribal allottee claims and land holdings owned by tribal citizens (allottees) who are depending on their future oil or gas production for their livelihood. To say there is support from surrounding community members, specifically from and with “consultation” of the entire surrounding tribal community, is a gross mischaracterization. Allottees have been excluded for your site visit and further “consultation” throughout this process.

The past 18 months has seen a major turnover in lease ownership and operation in the San Juan Basin. These independent producers have already invested millions of dollars, hundreds of jobs, and provided economic impact to the surrounding communities. These producers are all members of IPANM. They join our already existing, multi-generational producers who already live, work and play in the San Juan Basin. All of these IPANM members operate within existing stringent state and federal regulations that take into careful consideration and require the minimization of impacts on human health, public safety and the environment. To deny our producers the opportunity to move forward with operations, without any sufficient cause, would be a blatant step of government encroachment and operational suppression without any valid analytical or scientific basis.

Finally, IPANM shares the goals of historical, cultural and archeological preservation. Our strong support of the existing protections on record adequately protect the Chaco Canyon Historical Park, including archeological sites and areas of sensitivity. This existing exclusion zone that constitutes the surface area and minerals within the boundaries of the Historical Park, already accomplishes all the intended goals of HR 2181.

Therefore, we urge the Committee Members of the House Committee on Natural Resources to reject HR 2181 in your deliberations and discussion scheduled for July 17, 2019.

Highest regards,



Jim Winchester
Executive Director
Independent Petroleum Association of New Mexico