



BETTER TOGETHER
NEW MEXICO

P.O. Box 95735,
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(505) 836-4223

RE: Oppose **SB 23 Oil & Gas Royalty Rate Changes**

Mr./Madame Chair and Committee Members:

Better Together New Mexico (BTNM) brings together hundreds of advocacy groups and thousands of New Mexicans statewide. Our mission is to unite New Mexicans through grassroots initiatives and work to positively shape the decisions that affect our lives, families, and communities.

BTNM respectfully opposes SB 23 Oil & Gas Royalty Rate Changes because they could increase production costs, reduce operator profit margins, and discourage further investment in this industry.

We already have a heavily regulated oil and gas industry that keeps our people safe while producing our state's best resource. This industry generates more than 45% of our state's wealth yearly despite increasing government penalties and overregulation. Passing this bill could deal a significant blow to this industry while also hindering our state's financial progress for future generations.

While we understand the state is trying to bring royalty rates in line with other states, it is not taking the same action on other fees and costly regulations. If the state wants to align royalty rates, it should also align other costs so that our oil and gas operators are on a level playing field with other states.

For the reasons stated, NMBC opposes SB 23 Oil & Gas Royalty Rate Changes and urges you to say 'NO' to its passage.

Thank you for your consideration of my comments,

Carla J. Sonntag
President & CEO