

ANNUAL REPORT

2023

N E W M E X I C O



Energy, Minerals and Natural Resources Department

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Message from Cabinet Secretary Sarah Cottrell Propst

In 2023, EMNRD led a bipartisan coalition to establish the Land of Enchantment Legacy Fund – the state’s first dedicated sustainable funding for existing land, water, and wildlife conservation programs. Seeded with an initial \$100 million appropriation, the fund will enable long-term planning and investment in forests, agriculture, wildlife, river ecosystems, and other conservation opportunities across New Mexico.

EMNRD also positioned New Mexico for a more climate-resilient future by establishing the state’s first two wildland firefighter Hotshot crews in the Forestry Division. The Pecos River Hotshots are based in Las Vegas, NM and the Eagle Peak Hotshots are based in Socorro, providing elite professional, mobile, and highly skilled hand crews for all phases of fire management and incident operations. When not fighting wildfires, the Hotshot crews will be available for forest thinning and other treatments to make the state’s forests more resilient to climate change.

EMNRD also applied for, received, and supported communities and tribes in applying for hundreds of millions of dollars of federal Inflation Reduction Act and Bipartisan Infrastructure Law funds for clean energy and transmission development, electric grid modernization, workforce training, and climate resilience. EMNRD’s Oil Conservation Division deployed an initial grant of \$25 million to plug orphaned oil and gas wells and reclaim surface sites. Notably, New Mexico is the first state to monitor pre- and post-plugging methane emissions under this grant. In addition, the Energy Conservation and Management Division launched a new Climate Policy Bureau this spring and subsequently received a \$14 million grant from US DOE to modernize the electric grid.

In October, EMNRD’s Mining and Minerals Division won the Abandoned Mine Land Reclamation Award from the Federal Office of Surface Mining Reclamation and Enforcement. The project used a natural channel design method to stabilize a waterway around a former coal mine near the town of Raton in northern New Mexico.

2023 marked the 90th anniversary of the New Mexico State Parks system. Nearly three-quarters of all New Mexicans live within 40 miles of a state park, and this year the parks welcomed more than 5 million visitors. Our expanded online reservation system for day use and camping is proving popular with visitors, and we continue to invest in infrastructure improvements such as new cabins at Coyote Creek State Park and the Lakeshore Drive restoration project at Elephant Butte Lake State Park.

On a personal note, I want to thank Governor Lujan Grisham and the incredible team at EMNRD for the opportunity to serve New Mexico as EMNRD Secretary for the last five years. Hope to see you in a State Park one day soon.



SARAH COTTRELL PROPST
Cabinet Secretary



The Office of the Secretary (OFS) oversees all divisions within the Department, and includes the Office of Information Technology, the Public Information Office, and the Office of General Counsel. OFS provides overall policy direction, strategic direction, and measures program performance for the Department. OFS is also the main liaison between the Department and the Governor, other state agencies, and legislators.

| PUBLIC INFORMATION OFFICE

The Public Information Office fields media requests, creates and approves of all marketing materials, and works closely with all Divisions to promote programs. This office writes speeches for public events, distributes press releases, and promotes the work of the Department through the website, publications, and events. The Public Information Office also provides guidance to Divisions on overall communications messaging.

| OFFICE OF GENERAL COUNSEL

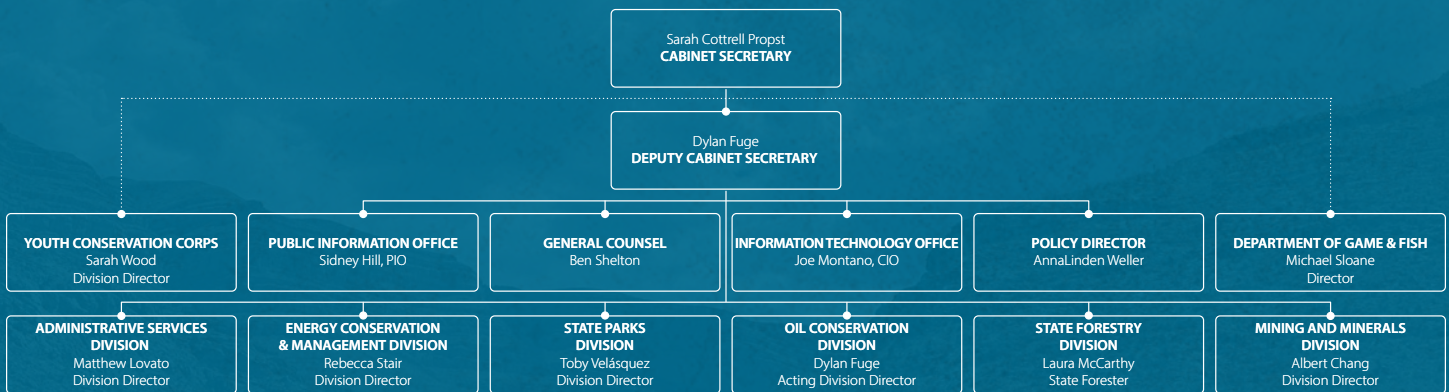
The Office of General Counsel manages the legal affairs for the entire Department. This office reviews contracts, represents the Department in administrative and judicial proceedings, drafts and analyzes proposed legislation and rules, and assists with other legal matters as necessary.

| INFORMATION AND TECHNOLOGY OFFICE

The Information and Technology Office (ITO) is the central information technology and information systems provider for the Department’s employees across the state. It employs 21 technical positions that are responsible for maintaining and supporting the Department’s computer systems, network telecommunications infrastructure, and application development needs.

| ADMINISTRATIVE SERVICES

The Administrative Services Division (ASD) supports the day-to-day functions of the Department. Responsible for EMNRD’s finances and property, the Division manages the budget, procurement, accounting, grant reporting, and processes payment vouchers, travel documents, purchase orders, and more. Crucially, ASD coordinates the annual financial audit and prepares the annual financial statement. ASD also manages the HR Department and is the primary liaison between EMNRD and the State Personnel Office.



* Administratively attached with no direct budget support from EMNRD.



LETTER FROM THE DIRECTOR

The Energy Conservation and Management Division (ECMD), also known as the New Mexico State Energy Office (NMSEO), is leading the state's charge toward clean energy adoption. ECMD has positioned New Mexico as a leader in the implementation of innovative clean energy programs, which are generating quality jobs, attracting investment, raising the standards of living, and diversifying our economy.

In September 2023, I was (and remain) delighted and grateful to join this talented team as Division Director. In an ever-changing climate, the Division continues to grow and adapt to address the energy needs of both present and future New Mexicans. I am honored to join these efforts.

In 2023, the Division:

- Received several grant awards, including Home Energy Rebates and Home Electrification Rebates, which are both currently in their administrative/planning phase, and a Contractor Training Grant.
- Added several staff positions, including an economist and new Regulatory Affairs branch.
- Applied or prepared to apply for more Inflation Reduction Act (IRA), Infrastructure Investment and Jobs Act (IIJA) and Bipartisan Infrastructure Law (BIL) grants, including a \$250 million application for Solar for All, and the Community Capacity Building Grant.
- Launched the Climate Policy Bureau.

During the year, ECMD's collaborative spirit has continued with strong relationships with several in-state partners, including many of the state's public colleges and universities, the New Mexico Public Regulation Commission, and Sandia National Laboratories, several cities, as well as multiple state agencies, public institutions, tribes and non-profits. Relationships are essential to building responsive programs such as our Sustainable Buildings for Advanced Professionals program, the Community Energy Efficiency Development (CEED) block grant program, and climate mitigation, resilience, and adaptation initiatives.

ECMD continued helping New Mexicans by reviewing a record number of residential solar installations and developing metrics for quantifying energy efficiencies. Additionally, our subject matter experts participated in many forums and partnerships, providing unbiased technical support, and helped advance many high priority projects and initiatives – from the New Mexico Department of Transportation's (NMDOT) application for the National Electric Vehicle Infrastructure Formula Program to the Construction Industries Division's (CID) grant application for Latest and Zero Building Energy Code Adoption.

Looking ahead, ECMD plans to continue to grow our grants program; to increase and enhance marketing and outreach to help notify New Mexicans of all these new opportunities, and to continue the progress of the Climate Change Task Force. We are also looking forward to furthering development of clean energy infrastructure projects that will impact the lives of New Mexicans statewide.



REBECCA "PUCK" STAIR
Division Director
Energy Conservation and Management Division





The Energy Conservation and Management Division (ECMD) develops and implements effective clean energy programs — renewable energy, energy efficiency, alternative fuels, and safe transportation of radioactive waste — to promote economic growth, environmental sustainability, and wise stewardship of our natural resources while protecting public health and safety for New Mexico and its citizens.

34 Staff positions	4 Professional engineering staff for technical support and evaluation	4 Climate and resiliency staff	9 Program management staff in energy efficiency, renewable energy, alternative fuels
6 Staff to administer tax credits	3 WIPP staff to ensure safe transportation of transuranic waste	5 Administration and public services	3 Regulatory and legal staff

STATUTORY RESPONSIBILITIES

- **RENEWABLE ENERGY:** Solar, wind, geothermal, biomass, and energy storage technology applications in all sectors; distributed energy technologies such as residential solar and co-generation (combined heat and power) systems.
- **ENERGY EFFICIENCY:** Technology applications such as energy control systems and efficient lighting, motors and appliances, as well as behavioral practices, that reduce energy use and costs in buildings and the transportation sector; residential and commercial building energy codes and standards.
- **ALTERNATIVE TRANSPORTATION AND CLEAN FUELS:** Ridesharing and carpooling; park-and-ride programs; vehicles and infrastructure for electric vehicles, clean-burning fuels such as compressed natural gas (CNG), renewable natural gas, propane, biodiesel, and renewable diesel.
- **WASTE ISOLATION PILOT PLANT (WIPP) TRANSPORTATION:** Safe and uneventful transportation of transuranic (TRU) waste in New Mexico.

OUTLINE OF STRATEGIC PRIORITIES

- Grid Modernization & Clean Electrification
- Climate Change Action
- Transportation Decarbonization
- Energy Efficiency
- Energy Diversification and Workforce Development
- Sustainability & Resiliency
- State Energy Security Planning
- Transuranic Waste Transportation Safety



GRID MODERNIZATION & CLEAN ELECTRIFICATION

| GRID MODERNIZATION

ECMD's Grid Modernization Grant Program supports pilot projects that facilitate adoption of renewable resources on the grid and increase grid reliability, grid security, demand response capability, customer service, energy efficiency or conservation. In 2023, the program completed its second round of funding and adopted a rule specifying requirements and a process for applying for a grid modernization grant.

In fiscal year 2023, the Grid Modernization Grant Program supported the Northern New Mexico College (NNMC) microgrid project. This project is a collaboration between Northern New Mexico College El Rito campus, the community of El Rito and Kit Carson Electric Cooperative. The funding supported an engineering study and microgrid design to increase electric service reliability and resilience for the community and historic campus. This is part of an overall effort to restore the 113-year-old campus as a model of energy efficiency that relies upon renewable energy instead of fossil fuels and has a minimal carbon footprint to face the challenges of climate change. This restoration will involve applications of new and emerging technologies that can allow student learning experiences, as exemplified by the Renewable El Rito microgrid project.



| LOOKING AHEAD TO A MORE RESILIENT GRID

In May 2023, ECMD received \$14,369,462.00 from the U.S. Department of Energy (DOE) under the Infrastructure Investment and Jobs Act provision 40101(d): Preventing Outages and

Enhancing the Resilience of the Electric Grid. This amount covers the first two years of this five-year program. The state is required to match the Congressional allocation by 15 percent. The Legislature has so far awarded ECMD funds to cover the first \$7,080,408. The Preventing Outages While Enhancing Resilience (POWER) Program, as it is called in New Mexico, will help firm up vulnerable electric systems, modernize the grid as utilities make the transition to renewable energy resources and strengthen community resilience. Entities eligible to apply for POWER program funding are electric grid operators, storage operators, (grid scale) electricity generators, transmission owners or operators, distribution providers, fuel suppliers and any other relevant entity, as determined by the secretary of the DOE. The New Mexico State Energy Office's allocation strategy is to award sixty percent of the funding to small utilities (including rural electric cooperatives and municipal utilities), while reserving the remaining forty percent to support all other eligible entities. Grid resilience measures will reduce the likelihood and consequences of disruptive events and include the following:

- Weatherization technologies and fire prevention
- Fire-resistant technologies and fire prevention systems
- Advanced monitoring and control technologies
- Relocation of old overhead conductors and undergrounding cables
- Undergrounding of electrical equipment
- Utility pole management
- Vegetation and fuel-load management.

CLIMATE CHANGE ACTION

In January 2019, Governor Lujan Grisham issued Executive Order 2019-003 on Climate Change and Energy Waste Prevention, which created the state Interagency Climate Change Task Force (the Task Force) and included directives for agencies to incorporate climate mitigation and adaptation practices into their policies and operations. ECMD supports the Task Force through coordination, technical assistance, planning, and policy development and supports interagency work to reduce greenhouse gas emissions from electricity generation, transportation, industry, the built environment, and natural and working lands.

In April 2023, ECMD launched a new Climate Policy Bureau. The Bureau is charged with coordinating interagency efforts to reduce greenhouse gas emissions, building New Mexico's capacity to adapt to climate change, and developing and implementing a statewide Climate Action Plan. Throughout 2023, the Bureau convened three State Agency Climate Resilience and Adaptation Workshops to inform the development of New



Mexico's first state adaptation and resilience plan and to help state agencies incorporate climate resilience into their operations and planning. The plan will serve as a Climate Annex to the State Hazard Mitigation Plan and will also serve as a resource to local governments, tribal governments, and stakeholders in academia, industry, and non-governmental organizations as they undertake their own planning processes for adaptation and resilience. One of the plan's goals is to support enhanced communication about climate science and increased public awareness around achieving New Mexico's climate goals.



Representatives from state agencies participate in the first State Agency Climate Adaptation and Resilience Workshop at the Roundhouse in May 2023.



State agency representatives map observations and personal experiences of extreme weather events in New Mexico at the first State Agency Climate Adaptation and Resilience Workshop in May 2023

ECMD helped the New Mexico Environment Department (NMED) secure a \$3 million planning grant from the US EPA's Climate Pollution Reduction Grant program. The grant will support analysis and public engagement to inform a State Comprehensive Climate Action Plan. The Climate Action Plan will build on the work of the Climate Change Task Force, support agency coordination, and lay the groundwork for future funding opportunities to continue New Mexico's progress towards our climate goals.

TRANSPORTATION DECARBONIZATION

ECMD cohosted the Transportation Climate Action Team (TCAT) working group throughout 2023. The group comprises members from EMNRD, NM Department of Transportation (NMDOT), NM Environment Department (NMED), NM Tourism Department, NM Tax and Revenue Department, Department of Workforce Solutions (DWS), and the NM General Services Department. The interagency Climate Action Teams (CATs) were created for two purposes:

- Implementing the recommendations of the Climate Change Task Force (CCTF) report released on November 21, 2019, and
- Developing new strategies to meet the goals of Governor Lujan Grisham's Executive Order 2019-003 on addressing climate change and energy waste prevention.

One of the TCAT's major 2023 accomplishments was collaborating to make a statewide price agreement for hybrid and electric vehicles more functional and flexible. The new price agreement allows for any EV or hybrid vehicle model on an approved vendor's lot to be eligible for purchase through the price agreement, thereby making it easier for fleet managers to find alternative fuel vehicles. The TCAT also serves as a forum for agency updates that improve communication and collaboration on all efforts to decarbonize transportation.

ECMD helped develop the New Mexico EV Infrastructure (NEVI) Deployment Plan, which was submitted in July 2022 and updated in summer 2023. The NEVI Plan describes how funds from the 2021 Bipartisan Infrastructure Law will be used to help build New Mexico's EV charging infrastructure. For years 1 and 2, the Plan identifies over 50 new State EV charging locations, which prioritize filling in the gaps on the interstate Alternative Fuels Corridors that are not currently within 50 miles of one or more existing NEVI-compliant charging locations. ECMD has also been participating in the RevWest/ChargeWest working group which convenes eight intermountain states to collaborate on EV infrastructure planning and solutions and to complete state and regional Alternative Fuels Corridors. ECMD will continue to advocate for equitable placement of EV charging stations.

In 2023, ECMD helped NMDOT compile an application for over \$100 million of the \$800 million pot of Charging and Fueling Infrastructure (CFI) funds. The EV charger installations in this application range from rural locales to municipalities to major highway stations along I-10. The CFI monies help fill in charging needs outside of major highways that will be funded through NEVI. Additionally, ECMD, as the State Energy Office, coordinated letters of support for the Intermountain West states' effort, ChargeWest, to apply for over \$1 million dollars for planning and coordination



of EV chargers through connected scenic byways. To serve the need for training a New Mexico workforce in EV charger installation and EV maintenance, ECMD worked closely with Department of Workforce Solutions to apply for funds to train New Mexicans, especially those in the counties affected by the closure of coal mines and coal-fired power plants, in EV technologies. ECMD will help with the rollout of training programs.

ECMD has been active in New Mexico and around the country in promoting EV and alternative fuels technologies. Staff attended the Clean Fuels Summit in Louisiana in the spring of 2023, where national corporations and local agencies alike shared their alternative fuel adoption case studies. Staff visited research labs to learn how cybersecurity measures impact EVs and EV chargers. ECMD staff completed Clean Cities Director 101 training in Salt Lake City, UT. This training included conversations with the Salt Lake City school district, which has successfully adopted EV buses and plans to expand its EV fleet because of positive feedback from students and bus drivers. ECMD will begin working with New Mexico school districts on their own implementation of EV school buses and associated infrastructure improvements in the next year. Additionally, staff have participated in EV ride and drive events and presentations to local planning agencies about EV adoption logistics and considerations.

In 2023, ECMD researched the current status of biofuels and policies that will encourage wider adoption. Working with New Mexico Department of Agriculture (NMDA), ECMD and NMED drafted revised language for the next legislative session to promote renewable diesel, specifically. EMNRD and NMDA attended a site visit to HF Sinclair’s new renewable diesel refinery in Artesia, New Mexico, part of a \$1 billion, three refinery expansion to the HF Sinclair renewable diesel portfolio. In other biofuels

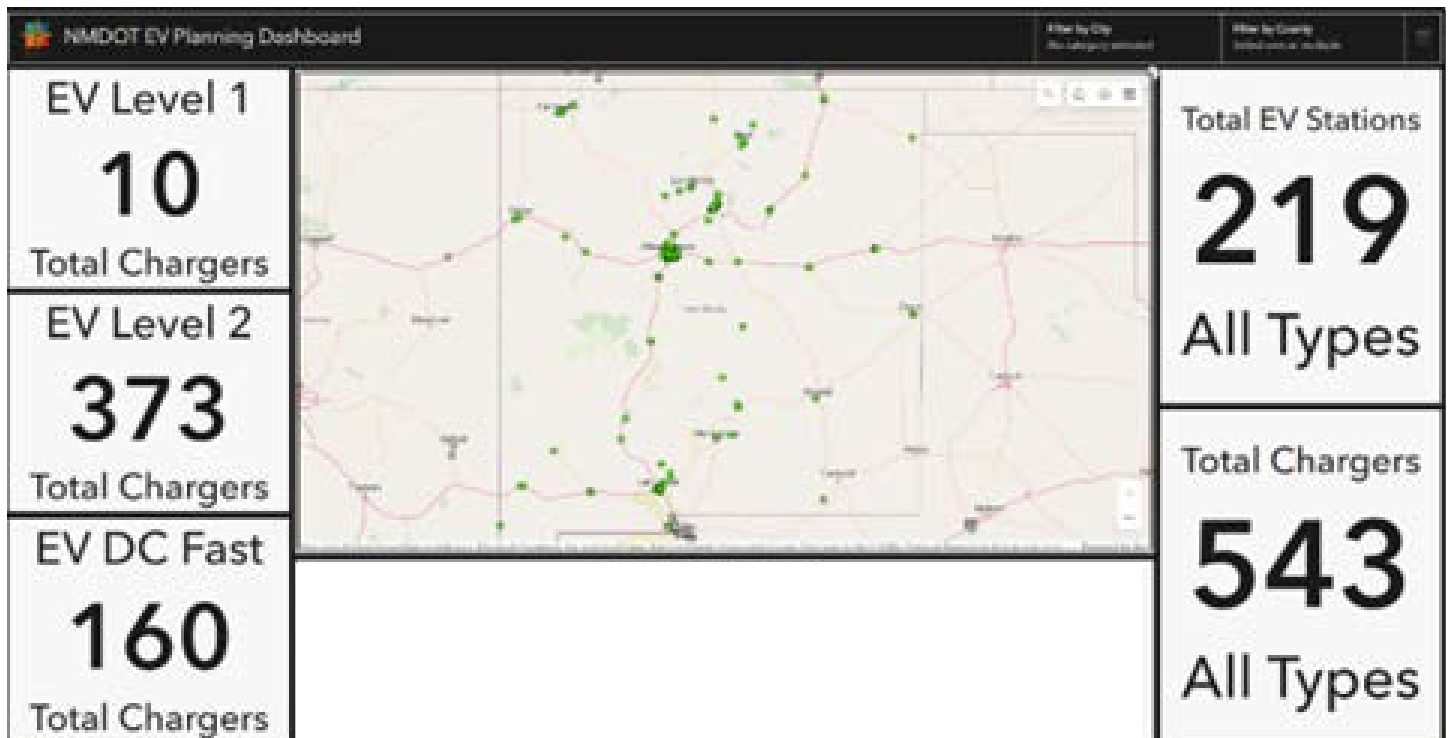
news, ECMD coordinated four meetings with renewable natural gas producers and users who are actively working in New Mexico or will be developing assets in New Mexico in the coming years. To complement the alternative fuel portfolio in New Mexico, ECMD also worked with the NMED to submit nominations for hydrogen designations along some of the Alternative Fuel Corridors in New Mexico. The designation would likely open funding streams associated with developing hydrogen infrastructure in the future.



EV outreach at public events



ECMD attended a site visit to Artesia, NM in July 2023 to learn about the renewable diesel facility built by HF Sinclair. EMNRD Secretary Sarah Cottrell Propst(second from left in rear) and Dept. of Agriculture Secretary Jeff Witte(second from right in rear) also attended.





Cybersecurity testing of EVs and EVSE at University of Louisiana at Lafayette



Solar research lab at University of Louisiana at Lafayette



EV School buses in Salt Lake City, UT



Electric Tractor Tug vehicle at the Clean Fuels Summit in Baton Rouge, LA



ENERGY EFFICIENCY

ECMD is leading several major initiatives to improve energy efficiency in the built environment.

| COMMUNITY ENERGY EFFICIENCY DEVELOPMENT PROGRAM

In 2022, the NM Legislature passed the Community Energy Efficiency Development Block Grant Act, creating the Community Energy Efficiency Development (CEED) Program and the CEED Block Grant fund. In spring 2023, ECMD promulgated NMAC 19.1.10 Community Energy Efficiency Development (CEED) Program Rule which established requirements and procedures for applying for a CEED Program grant. ECMD issued a Request for Applications in fall 2023 and expects to begin awarding grants in early 2024.

CEED program grants can be issued to Indian nations, tribes, and pueblos; municipal and county governments; and the New Mexico Mortgage Finance Authority for energy efficiency upgrades for low-income residents on a community scale. This program will allow applicants to identify neighborhoods in need and work with community partners to determine individual households that meet the criteria and scope of the project. ECMD was allocated \$10M for this program and has hired a CEED Program Manager to handle the day-to-day operations of the grant and be the public face of the program.

| SUSTAINABLE BUILDING TAX CREDIT

The Sustainable Building Tax Credit (SBTC) provides a tax incentive to sustainable and energy efficient green buildings, both residential and commercial. In 2021, the Legislature amended the SBTC to more accurately reflect the state’s intention to incentivize cutting-edge sustainable building practices. The 2021 SBTC went into effect on January 1, 2021, for existing building energy conserving retrofits. On April 1, 2023, it became effective for the construction of new buildings. The program currently sunsets on January 1, 2028.

A taxpayer may apply for a credit under the 2021 SBTC for investments in constructing or renovating sustainable residential or commercial buildings that meet specific “green” building standards. The 2021 SBTC is available for the construction of a sustainable building in New Mexico, the renovation of an

existing building in New Mexico, or the permanent installation of manufactured housing that is a sustainable building. Installation of energy-conserving products in existing buildings in New Mexico also qualifies for this tax credit. For a renovation to qualify under the 2021 SBTC, the building owner must reduce the energy consumption of a residential or commercial building with Energy Star windows, doors and insulation or electrify a building with electric vehicle charging points, or Energy Star heat pump furnaces and water heaters. The rate of credit varies with the type of building, the total qualified occupied square footage of the building and the degree of energy efficiency incorporated into the building.

From January 1, 2023, to December 31, 2023, staff approved 114 Sustainable Building Tax Credit applications, totaling \$XXX for residences and commercial buildings, \$xx for multi-family buildings, and \$xxx for manufactured homes.

In 2023, the following benefits were realized:

- Total Energy Saved: xxx kBtu
- Estimated CO2 Avoided: xxx mmtCO2e
- Average Energy Saved Per Square Foot: xxxxx
- Applicant type: 97% Company, and 3% Individual

| ENERGY CONSERVING PRODUCTS (ECP) ACTIVITY

Total product cost (when available): **\$292,431**
 Total installation labor cost: **\$35,210**

ENERGY CONSERVING PRODUCTS (ECP)			
YEAR	COUNT	AVERAGE	AMOUNT
2021	3	4,806	\$14,420
2022	19	1,510	\$28,703
2023	58	1,701	\$98,668
Total	80	2,672	\$141,791

The SBTC has five separate types of funding (new commercial construction, new residential construction, manufactured housing, large commercial renovation, energy conserving products), each with its own requirements. ECMD developed tax application instruction guides and workflow requirements to help members of the public in applying for these credits.



ENERGY SAVINGS PERFORMANCE CONTRACTS

As part of our state’s climate and energy goals, ECMD is helping to make buildings across New Mexico state government more energy-efficient and water-efficient. Energy Savings Performance Contracting (ESPC) has been available to New Mexico’s governmental agencies since 1993 through the Public Facility Energy Efficiency & Water Conservation Act.

In 2023, ECMD’s Guaranteed Energy Savings Performance Contracts (GESPC) Program reviewed and certified three projects (City of Deming, GSD West Campus Lighting, UNM South Campus) during the year, totaling more than \$34 million in energy efficient upgrades, of which \$16 million was financed through the GESPC

process. State Energy Program Formula Funds allowed staff time for review, evaluation of energy audits, certification of investment grade audits, and oversight of these projects. The three projects that were certified during the project year will save the public entities more than \$800,000 per year in utility spending. In addition, the staff continues to monitor more than 30 projects that bring the GESPC Program savings totals to 1.2 million therms of gas, 81.3 million kilowatt-hours (kWh) of electricity, and 34.5 million gallons of water annually.

Currently, ECMD is managing the review, certification and implementation of 16 energy projects covering 10.8 million square feet of facilities in colleges, state facilities, cities and villages.

ENERGY SAVINGS PERFORMANCE CONTRACTS BEING DEVELOPED IN 2023

PROJECT NAME	NUMBER OF SITES	SQUARE FOOTAGE	IGA CONTRACT EXECUTION DATE
Village of Ruidoso	23	246,722	Friday, February 18, 2022
NM DOT Ports of Entry	11	76,786	Monday, April 18, 2022
NM DOT Patrol Yards	82	515,478	Tuesday, June 14, 2022
City of Albuquerque 2 APD Main	1	83,502	Friday, March 5, 2021
Bernalillo County II	11	692,621	Wednesday, March 30, 2022
NMCD PNM	15 (2 Campuses)	451,302	Wednesday, August 24, 2022
City of Albuquerque 2 Gibson Health Hub	1	524,000	
Gallup McKinley Phase 2	5	338,109	Wednesday, September 14, 2022
Las Vegas (NM) Mental Health Campus (DOHBHI)	1	620,165	Wednesday, October, 26, 2022
City of Alamagordo	113	344,408	Thursday, November 24, 2022
City of Albuquerque Phase 1	49	1,970,876	Friday, March 5, 2021
Totals		5,863,969	

ENERGY SAVING PERFORMANCE CONTRACTS BEING IMPLEMENTED

PROJECT NAME	NUMBER OF SITES	SQUARE FOOTAGE	CERTIFICATION DATE
Doña Ana County		201,543	October 10, 2019
Santa Fe County		348,122	December 2, 2020
City of Santa Fe		931,800	September 12, 2020
Santa Fe Community College		718,300	June 14, 2019
City of Deming		45,000	April 11, 2023
UNM South Campus	26	1,200,000	June 30, 2023 - Revised
New Mexico Tech		1,500,000	June 14, 2019
GSD West Campus Lighting		Parking Lot	June 30, 2023
Total Current Projects		4,944,765	



ENERGY DIVERSIFICATION & WORKFORCE DEVELOPMENT

| SUSTAINABLE EDUCATION FOR ADVANCED BUILDINGS

New Mexico has adopted the 2018 International Energy Conservation Code (IECC), fulfilling a directive from the governor in Executive Order 2019-003. These updated codes went into effect for new buildings and major renovation projects in March 2021.

To support the energy efficiency buildings sector workforce, in 2023 ECMD staff trained over 350 workers in new energy codes. This initiative is a partnership with Doña Ana Community College, Northern New Mexico College, San Juan College, and Santa Fe Community College, through support by the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE) under the Building Technologies Office Award Number DE-EE0009739.

The training courses cover aspects of both the residential and commercial energy conservation codes and associated codes and standards. The courses are offered in both live and/or online formats. The courses target the knowledge needs of both design/build industry professionals as well as code officials performing plan reviews and inspections. Professionals can attend training to fulfill Continuing Education Credit or Professional Development Hour requirements. Visit ECMD's website for more information.

The division is currently working with the NM Regulation and Licensing Department's Construction Industries Division to upgrade the 2018 code to the 2021 International Energy Conservation Code. Regulations will be issued before the end of 2023 and implementation is expected in 2024. The Sustainable Education for Advanced Buildings program will begin training industry professionals on the 2021 energy code.

| EDA CARES GRANT

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided the U.S. Department of Commerce Economic Development Administration (EDA) with \$1.5 billion for economic development assistance programs. Through this funding availability, ECMD is partnering with the New Mexico Economic Development Department (EDD) to collect data and create a clean energy data hub for New Mexico. A comprehensive understanding of both the clean energy provider economy in NM today and the needs of NM consumers in the future will guide the State and private entities in making important investments, including in workforce development, that ensure New Mexico can reach its energy transition and carbon reduction goals.

In 2023, ECMD contracted with Energy Demand Solution (EDS) to develop content and materials to support clean energy economic diversification and clean energy workforce development. EDS assisted ECMD by providing key insights, research, and communication tools. The project identified 22 constituencies required for the clean energy transition, researched how the current and future constituents will participate, and crafted materials to help guide them. The project will culminate in the creation of a "one-stop shop" data hub with organized resources for key constituencies. The product will include information about state and federal clean energy incentives, workflows for clean energy and energy efficiency projects, and information for and about existing clean energy and related industries in NM.

The research component of the project identified gaps in the clean energy workforce, building upon past state studies. Opportunities to bridge the gap between the workforce and available training and job opportunities were identified by gathering information from higher education institutions and other training providers. Phase two of the project will build on key insights such as the need to generate awareness and enthusiasm among future job seekers about the opportunities available. The research is already helping ECMD develop informed applications for additional federal funding to support workforce development.



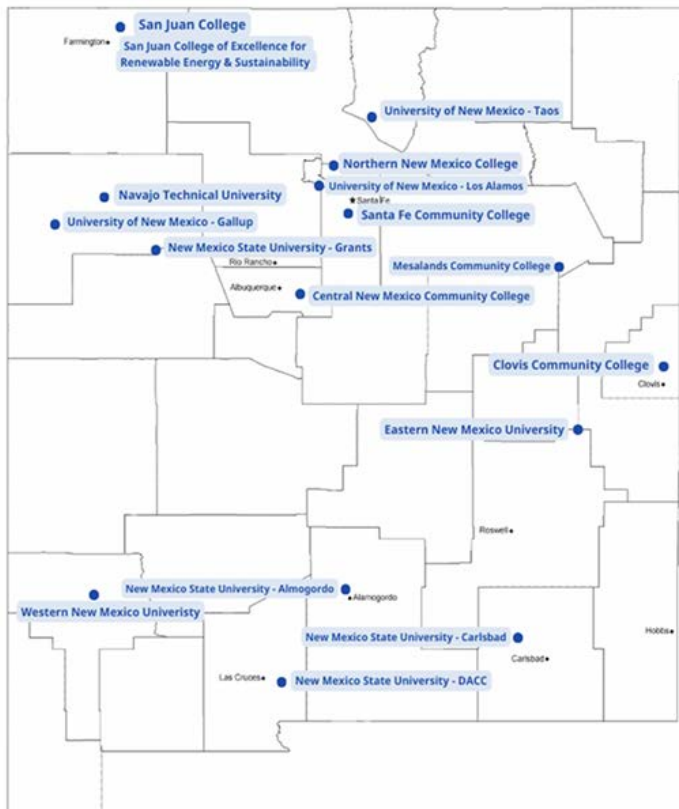


KEY CONSTITUENCIES FOR ENERGY TRANSITION

10 SECTORS	22 CONSTITUENCIES
Commercial and Industrial	Commercial/Industrial Building Owners, Lesser
Commercial and Industrial	Multi-family Owners
Construction and Improvement	Residential Construction
Construction and Improvement	Building Code Enforcement and Improvement
Construction and Improvement	Commercial Building Construction
Electric Vehicles	Personal EV Owners
Electric Vehicles	EV Charging Station Technicians / EV Charging Station and Network Providers
Electric Vehicles	Low- and Zero-Emission Transportation Dealers and Maintenance Services
Energy Efficiency Management	Energy Performance Contracts
Energy Efficiency Management	Energy Efficiency Service Providers
Fleet Operations	Fleet Operators
Higher Education, Certifications, and Accreditations	Higher Education Programs
Public / Government	Buildings - Government / Public
Residential	Homeowners - Low-Income / Market Rate
Residential	Renters - Market Rate / Renters - Low Income
Retrofitting/Weatherization - Trade Organizations	Auditors/Raters - Residential / Commercial
Retrofitting/Weatherization - Trade Organizations	Electrical Contractors
Retrofitting/Weatherization - Trade Organizations	Plumbers
Retrofitting/Weatherization - Trade Organizations	HVACC Contractors
Solar Systems	PV Equipment Manufacturers
Solar Systems	PV Installers
Solar Systems	Prospective PV Customers

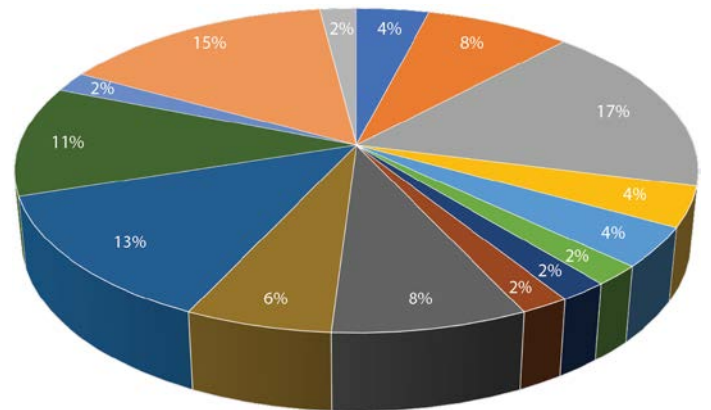
NEEDED NM WORKFORCE TO FILL ESTIMATED FUTURE JOBS

The project identified 563 businesses associated with clean energy trades and 16 higher education institutions in New Mexico offering 52 programs.



Geographic locations of New Mexico higher education Institutions offering clean-energy trade programs

Based upon survey responses, the major challenges faced by higher education institutions are alignment with industry needs and student recruitment and retention.



- Wind - 2
- Water Conservation and Treatment - 4
- Solar - 9
- Plumbing - 2
- Pipe-fitting - 2
- Lithium-ion Batteries - 1
- Hydrogen - 1
- Grid Technologies - 1
- Environmental Science - 4
- Energy Evaluations - 3
- Energy Efficiency - 7
- Electrical - 6
- Electric Vehicle Technician - 1
- Building Construction (With Green Emphasis) - 8
- Bio-fuels - 1

Current Program Offerings in New Mexico Related to Clean Energy



| NEW SOLAR MARKET DEVELOPMENT TAX CREDIT

The Solar Market Development Income Tax Credit provides a tax incentive for residential distributed solar PV and solar thermal generation. From January 1, 2023, to December 31, 2023, there were 3627 projects, representing \$11,027,642 in credits issued to New Mexico taxpayers.

The following benefits were realized under the tax credit in 2023:

- Total Installed Capacity: 19.76.xx MW
- Estimated Taxpayer Average Annual Energy Produced: 13,007 kWh
- Estimated Taxpayer Average Annual Energy Cost Savings: \$1,561.
- Estimated Program Total Jobs Supported: 4,xxx
- Average System Size: 7.7kW
- Average Tax Credit Amount: \$3,187

Due to the tremendous popularity of the program, the Legislature made statutory changes to the existing law in 2022, increasing the annual cap from \$8 million to \$12 million per year and changing the tax credit incentive to a refundable/transferrable tax credit for tax year 2022 forward. ECMD updated its web portal to better support paperless applications.

| RENEWABLE ENERGY PRODUCTION TAX CREDIT

The Renewable Energy Production Tax Credit (REPTC) provides a tax incentive for utility-scale renewable energy generation. Wind and solar facilities that were certified prior to January 1, 2018 are eligible to receive a tax credit for electricity generated upon being certified by ECMD.

NEW MEXICO RENEWABLE ENERGY PRODUCTION TAX CREDIT-STATUS-2023			
WIND SYSTEMS			
Tax Credit Status	Capacity (MW)	Annual Production (MWH)	Status/Comments
Post-Eligible Total	746.8	2,123,462	Operating
Certified	911.2	2,147,853	Operating
Waiting List	417.3	1,025,607	Operating Non-eligible Tax Credit
SOLAR SYSTEMS			
Post-Eligible	137.6	312,455	Operating
Certified	264.6	700,000	Operating
Waiting List	902.8	1,824,469	Certified
TOTAL CAPACITY & ANNUAL PRODUCTION OF OPERATING SYSTEMS IN NEW MEXICO			
Wind & Solar	3,380.3	8,133,846	Operating in 2022

| AGRICULTURAL BIOMASS TAX CREDIT PROGRAM

The agricultural biomass tax credit began in 2011. It was originally to expire in 2020 but was extended to 2030. In accordance with the statute, a corporate or personal taxpayer that transports agricultural biomass to a qualified energy producing facility can request the department to issue a certificate of transportation to be used in applying for a corporate or personal income tax credit from the New Mexico Department of Taxation and Revenue. The tax credit is calculated at \$5/wet ton. Three dairies requested Certificates of Transportation for Tax Year 2022 for 63,424 wet tons for \$317,121.

| GEOTHERMAL POWER PERMITTING PROGRAM

In 2023, Geothermal Production continued at well 17B-7 at the Lightning Dock Geothermal facility in Hidalgo County. The well is permitted to a maximum depth of 23,000 feet making it the deepest well ever permitted in New Mexico. The targeted bottom hole temperature of 750° F is also the highest temperature well ever attempted in the state. As we departed from pre-2022 Geothermal Conservation Act rules and began the new Geothermal Resources Development rules, a facility-wide permit was issued for the Lightning Dock Facility covering all wells and equipment on the site.



Oil and Gas Rig #625 of Drilling Contractor: Helmerich & Payne International Drilling Co., drilling a deep Geothermal Production well 17B-7 near the Lightning Dock Geothermal Facility in Hidalgo County.

SUSTAINABILITY & RESILIENCY

In 2023, ECMD began using Federal Emergency Management Agency Building Infrastructure & Resilient Communities (BRIC) funding to support climate change adaptation planning and climate awareness outreach. We convened state agencies to develop a climate mitigation and adaptation annex to the state Hazard Mitigation Plan, and a larger state Climate Resilience and Adaptation Plan. The climate change awareness grant is helping



ECMD partner with stakeholders, local governments and Indian Tribes and Pueblos to build their respective capacities to plan for natural hazards exacerbated by climate change.

Communication tools, such as ECMD's Climate Risk Map, help illustrate the hazards exacerbated by climate change. To raise awareness of the resource, ECMD made several presentations to interested groups including student and citizen groups. ECMD continues to respond to Climate Risk Map questions and share data layers with researchers and consultants working on climate related issues in the state.

STATE ENERGY SECURITY PLANNING

In 2023, ECMD concluded a second major update of the State Energy Security Plan (SESP). The SESP serves as a guide to emergency responders when confronted with an energy disruption event. It offers a comprehensive look at state energy sources, infrastructure and uses. ECMD is required to submit a plan each year as a condition of receiving funding from the U.S. Department of Energy under the State Energy Program.

In November 2021, Congress passed the Infrastructure Investment and Jobs Act. Section 40108 of the IIJA amended the Energy Policy and Conservation Act (42 USC 6321 et seq), the Act that governs state energy security planning. Pursuant to the amendment, SESP's must now :

- Identify all energy sources and regulated and unregulated energy providers.
- Provide a state energy profile, including an assessment of energy production, transmission, distribution, and end use.
- Identify potential hazards to each energy sector or system, including physical threats and vulnerabilities and cybersecurity threats and vulnerabilities.
- Provide a risk assessment of energy infrastructure and cross-sector interdependencies.
- Provide a risk mitigation approach to enhance reliability and end-use resilience.
- Address multi-state and regional coordination, planning, and response and coordination with Indian Tribes with respect to planning and response.

The 2023 New Mexico SESP update drew on participation from over 300 stakeholders to address the new requirements. To complement and inform the SESP update, ECMD, with support from DOE and the National Association of State Energy Officials, hosted a table-top exercise to test emergency response elements of the plan. The Plan, including an after-action report from the exercise, will be made public after DOE review.



Opening remarks during Energy Security Tabletop Exercise at the La Fonda hotel in Santa Fe.

TRANSURANIC WASTE TRANSPORTATION SAFETY

EMNRD has oversight of the Cooperative Agreement for moving hazardous waste to the Waste Isolation Pilot Plant (WIPP) in southeastern New Mexico. The parties to this agreement include the New Mexico Environment Department, New Mexico Department of Transportation, New Mexico Department of Public Safety, and New Mexico Department of Health. The US DOE provides annual funding to ECMD to oversee the WIPP transportation program. The current five-year agreement is funded for \$6.2 million.

Throughout the year, WIPP conducted fire service training, including hazardous materials response, along with workshops and tabletop exercises. In October 2023, the WIPP Transportation Program successfully coordinated a full-scale exercise with the City of Santa Fe – WIPP Transportation Exercise (WIPPTREX). We have deployed the Law Enforcement Modular Response Radiological Transportation Training (LE MERRTT) developed by the State WIPP Working Group and accredited by the New Mexico Law Enforcement Academy.



During the last five-year Cooperative Agreement, we have:

- Trained over 19,000 responders, medical personnel, and volunteers
- Provided over 420,000 radiation and hazardous material training hours
- Funded 250 NMSP officers to be classified as Emergency Response Officers
- Provided funding to certify six officers as trainers in Critical Incident Management (CIM)
- Assisted in training over 1,200 State Police Officers in CIM
- Provided funding for 39 Commercial Vehicle Enforcement Officers and Inspectors to become CVSA Certified Level VI Inspectors
- Provided funding for two officers to become trainers for CVSA Level VI
- Provided funding for CVSA Level VI recertification biennially
- Funded 15 local fire service jurisdictions through a Memorandum of Agreement
- Provided funding for over 8,000 fire fighters to be trained in Hazardous Materials Awareness and Operations, Hazardous Materials Technician, or Chemistry since July 1, 2016
- Provided funding for seven fire departments along the shipping corridor to maintain a certification for FEMA Typed Hazardous Materials Team
- Implemented the in-state compliance review of the shipping carrier – placed on a biennial review process
- Developed a law enforcement centric course (LE MERRTT) for first responders accredited through New Mexico Law Enforcement Academy to be delivered to all police, sheriffs, and BIA officers along the shipping corridor

EMNRD continues to provide oversight of all transuranic waste transportation shipments in and through New Mexico. DOE averages 12 shipments a week with the majority coming from Idaho National Laboratory. Shipments from Los Alamos National Laboratory made up the second largest percentage of shipments to the WIPP facility this year.

Total inspections conducted on WIPP shipments in New Mexico for this calendar year January 1 – November 2:

SHIPPER SITE	SHIPMENTS SENT TO WIPP
Argonne National Laboratory	5
Idaho National Laboratory	320
Los Alamos National Laboratory	45 (Point of Origin)
Lawrence Livermore Laboratory	2
Oak Ridge National Laboratory	17
Savannah River Site	22
Sandia National Laboratories	0
Waste Control Specialists	0
Total	411 Inspections

ECMD continues to work closely with NMDOT to review the primary and alternate designated routes to the WIPP for the National TRU Program Southern Transportation Corridor.

Currently, shipments from Savannah River Site and Oak Ridge National Laboratories use the designated alternate Southern Corridor approach entering New Mexico on US 176 from Andrews, Texas, proceeding south on NM 18, and then west on NM128 to the WIPP site. ECMD will continue to work with NMDOT and the DOE to determine the safest routes for all radioactive waste transports in New Mexico.



LETTER FROM THE DIRECTOR

Rebound and re-energize are the two words that best describe the year 2023 for the Forestry Division. January and February kicked off with record snowpack in many parts of the state. Spring brought cooler-than-average temperatures, followed by an extended hot and dry late spring and summer with exceptionally little monsoon rain in July and August. The Forestry Division and our partners responded to an average number of new wildfires. Yet the conditions for wildfire spread were moderated by the lingering beneficial effects of the winter moisture, and therefore nearly all wildfires were quickly contained, and few losses were sustained.

The respite in 2023 from mega-fires gave the Division time to focus on recovery plans for landowners in the 2022 burned areas, as well as time to build capacity for tree seed collection and reforestation and to reduce hazardous fuels in high-risk areas. Some of the most notable highlights of the Division's accomplishments in 2023 are development of an online training and workbook for landowners to become Certified Prescribed Burn Managers; awarding a record number of grants to volunteer fire departments to purchase wildland firefighting equipment and hire wildland coordinators; expanding the botany team and creating an incidental take permitting process to better protect the state's endangered plants.

In the 2023 legislative session the Division worked to modernize its authorities for forest and wildfire management. The Forest Conservation Act that created the Forestry Division in 1939 was amended to authorize post-fire activities such as slope stabilization and erosion control in burned watersheds. Another bill in the 2023 session created a Forestry Division Procurement Exemption to eliminate duplication when New Mexico organizations are awarded federal grants for forestry projects. The legislature also authorized the Division to increase full-time equivalent employees and build wildland firefighting capacity, leading the State Personnel Office to create New Mexico's first-ever Wildland Firefighter Job Series with a pay scale that equals federal wildland firefighter compensation.

New Mexico competed for federal funding provided by the Bipartisan Infrastructure Law of 2021 and the Inflation Reduction Act of 2022 and brought new dollars to the state. For example, New Mexico organizations were awarded more than \$11 million through the Community Wildfire Defense Grant Program for updates to Community Wildfire Protection Plans and to conduct hazardous fuels reduction treatments and more than \$20 million for tree planting in large urban areas and rural communities across the state.

The 2020 Forest Action Plan provides enduring guidance for the Division's work to reduce wildfire risks in high-priority watersheds, protect life and property from damaging wildfire, and steward the state's natural resources for future generations. As you will see in the following pages, the Division is making progress toward the goal of restoring New Mexico's forests. Climate changes are affecting forest health in a variety of ways, and the Division is fully engaged in managing forests and wildfires to sustain our water sources, wildlife, and way of life.



LAURA MCCARTHY
Division Director
Forestry Division





DIVISION OVERVIEW

The Energy, Minerals and Natural Resources Department (EMNRD), Forestry Division is devoted to addressing the critical needs of New Mexico's forests and watersheds by reducing the fuels that increase the dangers of wildland fires, identifying invasive insects that lead to mortality and disease, conserving rare plants, and promoting healthy forests and watersheds for generations to come.

Forestry, headquartered in Santa Fe, supports satellite offices across the state, including the Forest and Watershed Health office in Albuquerque, six district offices in Bernalillo, Capitan, Chama, Cimarron, Las Vegas and Socorro, the Wildfire Response Program and the Inmate Workcamp Program.



The New Mexico Forestry Division (Forestry) retains lead responsibility for wildland fire management on all non-federal, non-tribal, and non-municipal lands, maintaining fire suppression capacities and emphasizing public and firefighters' safety. Forestry promotes healthy, sustainable forests and watersheds in New Mexico for the benefit of current and future generations.

STAFFING

91

Staff Positions

38

Staff in Fire Protection,
Prevention and Communication

41

Staff in Forestry and Natural
Resource Management

12

Staff in Administration
and Services





| STATUTORY RESPONSIBILITIES

- Provide technical assistance to landowners across 33 New Mexico counties to improve forest and watershed health by developing resource management plans, providing insect and disease identification, facilitating forest health project funding, providing tree care training and distributing low-cost seedlings.
- Respond to and suppress wildfires on 43 million acres of non-municipal, non-federal, and non-tribal land and proactively mitigate wildfire risk by evaluating communities most at risk to wildfire, developing appropriate management programs, implementing fire prevention projects and managing disease and insect infestations.
- Regulate the harvest of commercial forest species on private forestland and support the development of a restoration-based forest products industry to use the wood byproducts of forest and watershed treatments.
- Conserve forested ecosystems by improving forest conditions and habitat through active management and acquiring land and easements for conservation purposes.
- Protect New Mexico’s rare and endangered plants by regulating the collection of endangered plants, maintaining a state list of endangered plants, conducting inventory and research to document the state’s plant diversity, and issuing incidental take permits to mitigate the loss of endangered plants.

| OUTLINE OF STRATEGIC PRIORITIES

- Implement the science-based, collaboratively developed state Forest Action Plan across ownership and jurisdictional boundaries.
- Help the state recover from the damaging effects of the catastrophic 2022 wildfires.
- Train wildland firefighters across the state to increase capacity to respond to new wildfires and staff long-duration wildfires.
- Increase the pace and scale of forest restoration projects with cross-boundary planning and contracting to reclaim as many acres as possible.
- Plan and fund the New Mexico Reforestation Center and launch statewide tree seed collection as the first step in the reforestation pipeline.



Field botanists monitoring the Pecos sunflower in Santa Rosa. Photo: Carmelita Austin

| BUDGET

Forestry utilizes the annual operating budget and capital appropriations authorized by the New Mexico Legislature to leverage and match other funding sources to meet its mission and goals. Collaboration with the State Land Office (SLO) and Department of Game and Fish (DGF), as well as federal agencies including the USDA Forest Service (USFS) and DOI Bureau of Land Management (BLM), allows Forestry to improve the health of our forests across ownership boundaries, protect critical water sources and valuable watersheds, assist communities to reduce the risk of wildfires, and improve wildlife habitat.



Air tanker working the American Mesa fire, August 15, 2023. Photo: Victor Lujan

| LEGISLATION

Several pieces of legislation were passed during the 2023 extended session that benefited not just the Forestry Division but conservation efforts throughout New Mexico. The Land of Enchantment Legacy Fund Act (SB 9) established the first state fund solely dedicated to conserving the state’s land and water resources. Now, a dedicated state funding stream will help raise federal matching dollars for programs that can better protect communities from wildfire, flood and drought, while safeguarding our water supplies for urban and rural areas, supporting our agricultural communities, and growing our outdoor recreation economy.

The Forest Conservation Act Amendments (HB 195) recognize that Forestry is the contracting agent for the state for forest fire suppression, rehabilitation and repair; post-fire slope stabilization, erosion control, riparian restoration; seeding and reforestation of burned areas; forest conservation and forest health. The amendments also recognize that Forestry has authority for forest rehabilitation and repair, as part of its existing authority to suppress forest fires.

The Forest Restoration Procurement Exemption (SB 206) provides EMNRD with a narrow exemption from the existing state procurement code. This streamlines the process of accessing federal funding sources through the US Department of Agriculture or the US Department of Interior for non-governmental



organizations (NGOs) in New Mexico. Forestry is now able to contract and administer subgrants for NGOs that have already been selected through the federal agencies’ own application and selection processes.

| ACCOMPLISHMENTS OVERVIEW

This calendar year provided Forestry with a break from large-scale fires and provided opportunities to add new programs while expanding existing ones. Staff scaled up, adding 15 new positions to forestry and natural resource management, fire protection and administration positions. Increased capacity led to the development of an online training course for landowners to become Certified Burn Managers. A record number of grants were awarded to volunteer fire departments for purchase of wildland firefighting equipment and staff. Additionally, Forestry met its goal of training over 1,500 wildland firefighters during this year. The expanded botany team created an incidental take permitting process to better protect the state’s endangered plants. Reforestation capacity increased for tree seed collection and projects to reduce hazardous fuels in high-risk areas. Forest health engagement on tribal land continued in collaboration with the Santa Clara, Sandia and Jemez Pueblos, as well as the Mescalero and Jicarilla Apache tribes. The following is a compilation of the wide range of activities completed across the state.



The Las Cocas fire in Guadalupita. Photo by Jarrod Duran

| FIRE MANAGEMENT

- 41,776 - acres burned on state and private land by fires started on state and private land*
- 557 - total number of wildfires
- 187 - number of human-caused wildfires
- 196 - wildfires with undetermined cause
- 174 – naturally-caused wildfires

Hot and dry conditions brought on by climate change prevailed in the summer months of the 2023 fire season. While burned acreage numbers were far less than last year’s, the state experienced more fire starts than last year by October, 2023. However, fire restrictions were not put in place by the state in 2023, whereas in 2022 fire restrictions were issued in April.

Statewide, more than 113,513 acres burned, and of this about 37%, or 41,776 acres, were burned by wildfires originating on state and private land. Human-caused wildfire remains a significant concern, with an estimated 187 wildfires started by people statewide in 2023. Nearly 200 fires had an undetermined cause – and these were quite likely human-started. Thirty-one percent of wildfires were confirmed to be naturally caused. At lower but still significant numbers, 115 fires were started by equipment use, debris burning and downed powerlines. These starts constituted 20% of the state’s total fires.

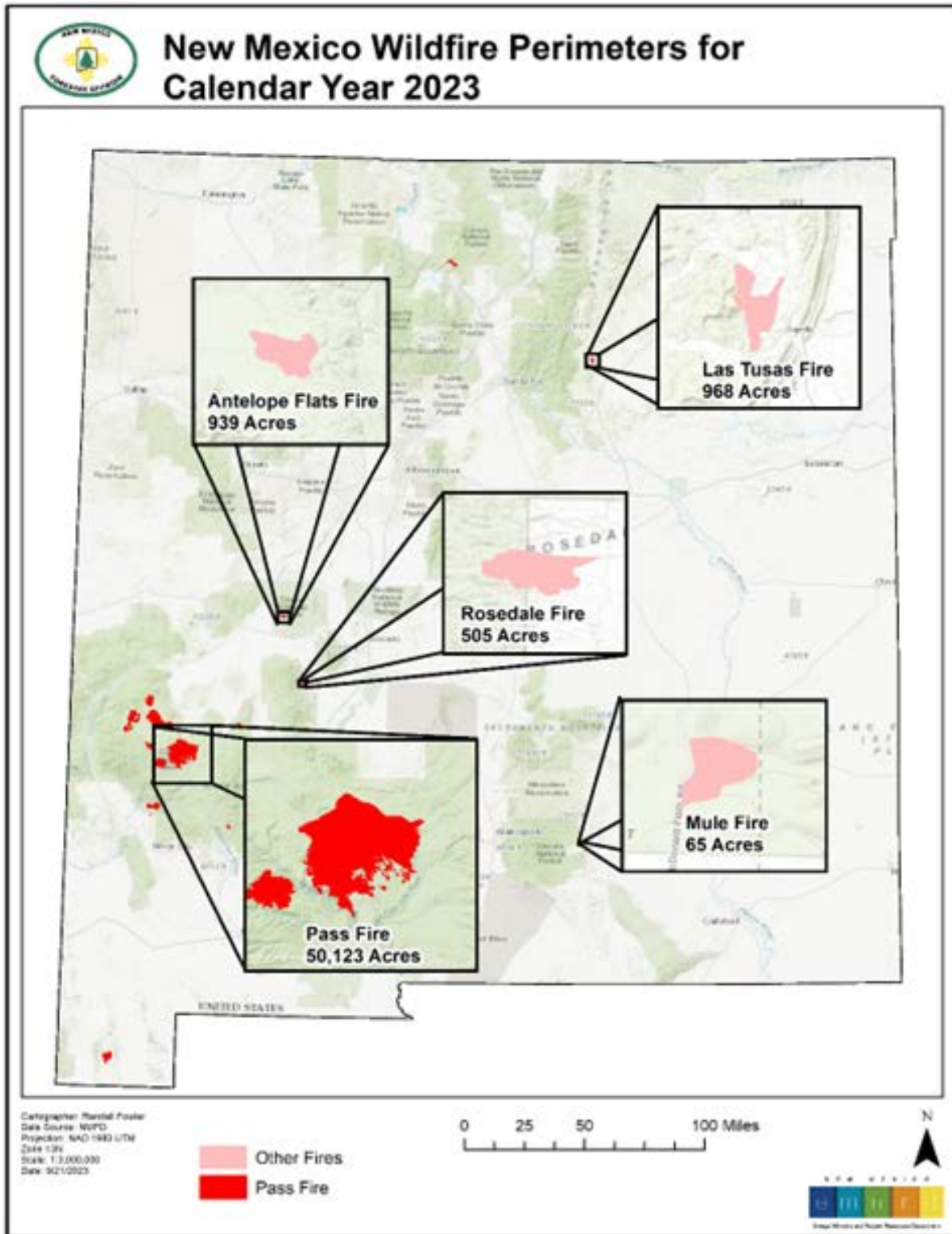


A firefighter burns out dry grasses ahead of the approaching Park fire to contain the fire’s spread, May 3, 2023. Photo by: Victor Lujan

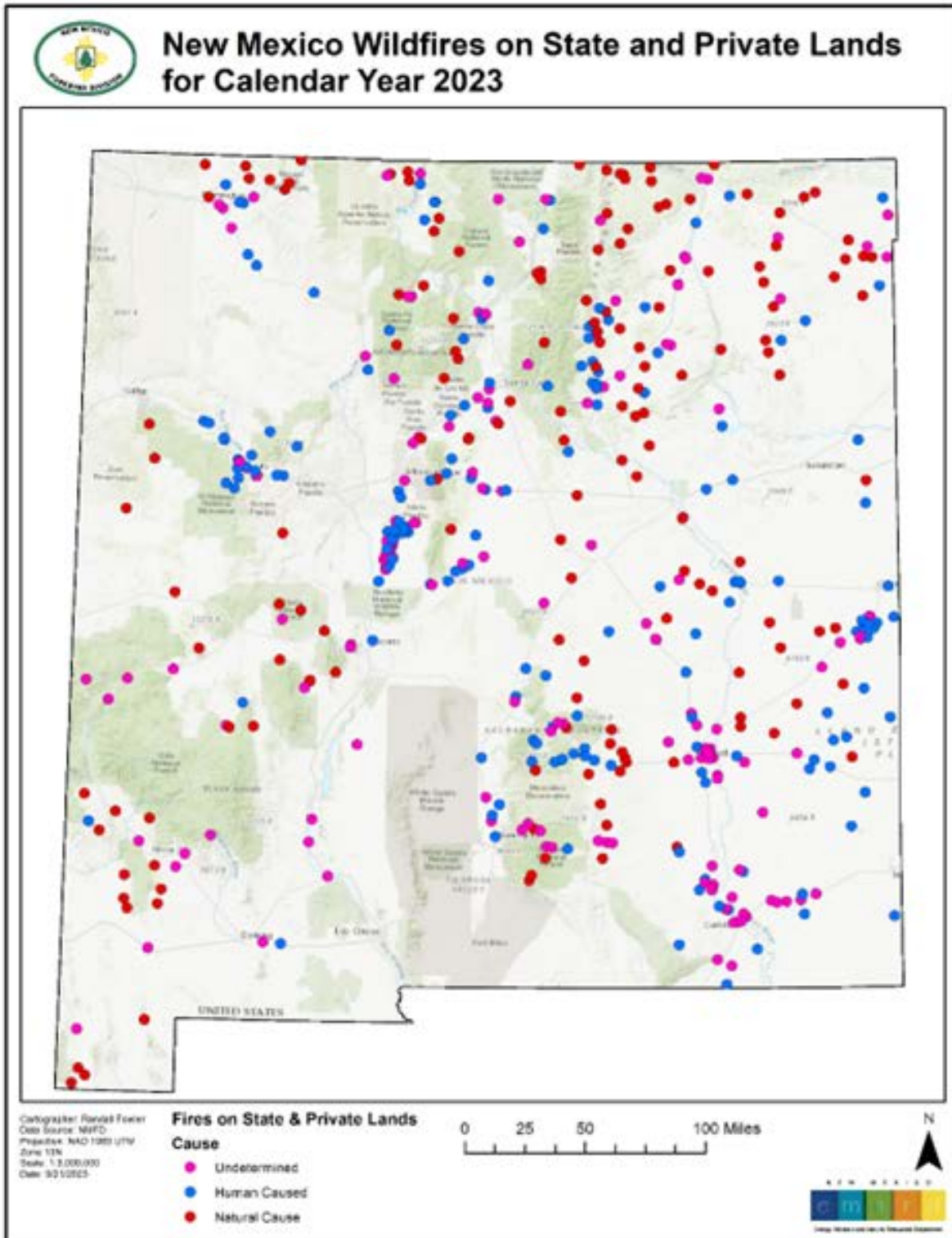
Fire activity remained consistent throughout the year, beginning in earnest as early as February when the Mogote Fire burned 3,807 acres. The month of May saw several fires started on state and private land, including the Las Tusas Fire, which threatened residents of Sapello and several surrounding communities north of Las Vegas. Strong winds pushed the fire quickly north over the course of just a few hours, putting state and federal agencies, as well as volunteer fire fighters, to the test. However, only 3 structures were lost in the blaze and there were no fatalities – a win for Forestry Division and our cooperators. Other large-acreage fires appeared on non-populated land, including the Brushy Fire (5,584 acres burned), the Chisum Fire (2,691 acres burned) and the Marsh Fire (1,678 acres burned).

The maps on the following pages offer more insight into where these and other fires started across New Mexico in 2023.

* As of 10/5/2023



Significant Fires, CY 2023



New Mexico Fires Calendar Year 2023



| FIRE TRAINING AND EQUIPMENT

- 1,534 Firefighters trained
- 63 classes offered
- 26 Volunteer Fire Departments provided with PPE and equipment
- 10 wildland fire coordinator positions funded

Forestry trains and hires hundreds of firefighters annually to combat wildfires each year in New Mexico. Entry-level and advanced training is provided free to students with support from state and federal funding. This year Forestry exceeded its annual training goal of 1,500 wildland firefighters, with 1,534 people trained at 63 classes held across the state. Forestry provided Volunteer Fire Departments with 26 grants for personal protective equipment and funding for 10 Wildland Fire Coordinator positions in counties across the state. The coordinators assist with creating and implementing Community Wildfire Protection Plans (CWPP) and building wildfire response capacity of local volunteers.

Forestry offered wildland firefighter training earlier in the fall than ever before. This allows more wildland firefighters to be educated and qualified across New Mexico.



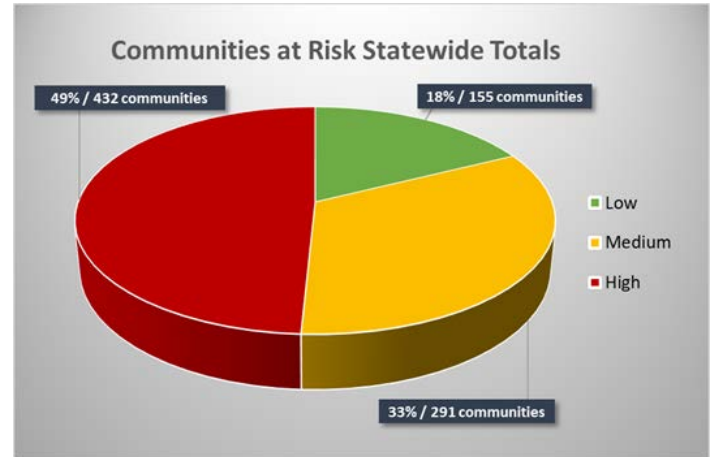
Hands on training for firefighters as part of the S-212 Wildland Fire Chainsaw class. Photo by: Marc Barraza

| FIRE PLANNING TASK FORCE

- 878 communities at risk
- 64 Community Wildfire Protections Plans (CWPP) completed

The New Mexico Fire Planning Task Force is made up of local, state, federal, and tribal cooperators who assist Forestry in identifying and protecting areas most vulnerable to wildfires. The Task Force meets once per year to approve CWPPs, develop model ordinances and standards for building codes, and consider the benefits of thinning, prescribed burns, and defensible space that can reduce the threat of wildfires to communities.

As of October 2, 2023, 878 communities are listed at risk from wildland fire and 64 CWPPs are complete. Of the communities found at risk, 432 are listed as high risk, 291 are listed as medium risk, and 155 are listed as low risk from wildland fire (see pie chart).



| COMMUNITY WILDFIRE DEFENSE GRANT PROGRAM

- \$11.5 million awarded through the IIJA
- 5 federally-funded grants awarded to New Mexico organizations
- 2 public workshops

The Community Wildfire Defense Grant (CWDG) program provides competitive grant funding to at-risk communities who wish to develop or revise a Community Wildfire Protection Plan (CWPP) or who wish to carry out projects described in a CWPP that is less than 10 years old. This CWDG opportunity is authorized through the Infrastructure, Investment, and Jobs Act (IIJA) and provides \$1 billion for this program over a five-year period.

In a nationally competitive process, New Mexico had five applications selected with \$11.5 million funded for project work and CWPP updates. Another federal application period opened in fall of 2023 and 30 CWDG applications are in development. A CWDG Working Group developed content for two in-person workshops that took place in Ruidoso and Santa Fe. These workshops provided information about the CWDG Program and best practices for a successful application and were hosted in collaboration with the USDA Forest Service and the Fire Adapted New Mexico Learning Network.

The Community Wildfire Defense Grant Coordinator and Forestry's GIS Specialist created a visual guide of which New Mexico counties need an update and should consider applying for the CWDG. The CWPP Calendar and Communities at Risk (CAR) Wildfire Threat Status map is located on the EMNRD – Forestry Division webpage. The Coordinator also serves on the New Mexico Fire Planning Task Force and subcommittee, organizing which CWPP's will be brought to the table for review.

| INMATE WORK CAMP PROGRAM

- 11 inmates trained

Forestry’s Inmate Work Camp Program (IWC) provides training and work opportunities for minimum-security inmates and contributes to forest health maintenance on public lands in the state. The crews are trained as wildland firefighters and remain an efficient, cost-effective resource for New Mexico. In cooperation with the New Mexico Corrections Department (NMCD), each inmate crew comprises 10 to 12 inmates from the Level 2 Prison Facility in Los Lunas. The inmates are monitored by Forestry Division Crew Supervisors and a Correctional Officer.

This year, IWC staff resumed training for 11 inmates in preparation for an updated Memorandum of Agreement (MOA) and IWC policy and procedure manual. IWC staff also joined together with the Wildfire Response Program and Forestry districts to fill the state’s fire suppression needs during this busy fire season.

| FOREST & WATERSHED HEALTH PROGRAM

- 192 action items in the 2020 Forest Action Plan supporting 10 statewide strategies
- 100% of Forest Action Plan strategies have actions underway
- 80+ agencies and organizations attending the statewide Forest and Watershed Health Coordinating Group
- 20 Pueblos, Tribes, and Nations invited to participate in Coordinating Group meetings
- 3 meetings of the statewide Forest and Watershed Health Coordinating Group held virtually; 1 held in person

In 2008, Forestry created the Forest and Watershed Health Coordinating Group, an advisory body of partners engaged in restoration. The Forest and Watershed Health Plan created that year was intended to break down barriers to restoration and the Coordinating Group’s objective was to collaboratively plan, fund, and implement the best restoration strategies in the right places. These concepts, updated with our current understanding of climate, fire, ecological and social sciences, are now integrated in the 2020 New Mexico Forest Action Plan.

The 2020 New Mexico Forest Action Plan provides Forestry and its partners with a roadmap for managing our forests and watersheds to increase their resilience to wildfire and other disturbances accelerated by climate change. The Forest Action Plan is organized by ten strategies that outline the range of actions required to restore forests, manage fire safely and effectively, and coordinate resource management and land conservation with our sister agencies and stakeholders statewide.



A crew from Top Notch works on hazard tree removal within the Hermits Peak Calf Canyon burn scar. Photo by: Shannon Atencio

In 2023, the Forest and Watershed Health Coordinating Group (FWHCG) formed a subgroup to focus on improving the consistency of work for forestry contractors. The group identified issues that cause inconsistencies in forest work and is developing tools to enhance transparency and coordination around these issues. The FWHCG held an in-person working session to track progress on the implementation of the Forest Action Plan, as well as conduct group problem-solving around issues of ramping up the pace and scale of forest restoration treatments to meet the goals of the Forest Action Plan.

Forestry continues to engage in recovery efforts related to the unprecedented 2022 wildfire season. This includes the removal of hundreds of acres of hazardous trees on Forest Service land in the Hermits Peak and Calf Canyon burn scar area, as well as planned complementary treatments along public roads and utility lines on private land. Forestry has engaged with the U.S. Department of Agriculture to provide technical assistance to New Mexico landowners enrolled in the Farm Service Administration’s Emergency Forest Restoration Program to restore property damaged by the fire and post-fire floods.

REFORESTATION

- 225 bushels of tree seed collected
- 5 species of tree cones collected
- 2 tree-planting workshops at Highlands University hosted this fall
- 27 people trained in tree climbing / seed collection, held in coordination with Highlands University, Santa Clara Pueblo, and Pueblo of Jemez.

The Reforestation program is guided by strategy six in the 2020 Forest Action Plan. The Reforestation Coordinator works collaboratively with partners, specifically New Mexico Highlands University, New Mexico State University, and the University of New Mexico to achieve the goals laid forth in the Forest Action Plan.



Seedlings at the John T. Harrington Forestry Research Center operated by New Mexico State University are the first step toward the much larger plan for a New Mexico Reforestation Center. Photo by: George Ducker

The primary objectives for 2023 were finding a location for the New Mexico Reforestation Center and increasing seed supply to meet an increased demand. NMSU hired a company to complete a feasibility study to further research locations for the Reforestation Center. The selected site is John T. Harrington Forestry Research Center in Mora, NM.

To help increase seed supply, cone collection proceeded in collaboration with Santa Clara Pueblo, as well as the Santa Fe and Carson National Forests. Sixty-six bushels of Douglas-fir and ponderosa pine were harvested, with another 70 bushels expected to be harvested by the end of the year. To facilitate further cone collections, Highlands University, and the Pueblos of Jemez and Santa Clara coordinated tree-planting workshops as well as training in tree-climbing and cone collection. Workshops and training will be on-going to ensure that the state's reforestation pipeline builds and maintains capacity in the areas of collection, planting and workforce development.



Reforesting a burned area on the Philmont Scout Ranch and protecting the tree seedlings from elk browse. Photo by: Pouli Sikelianos

NATURAL AND WORKING LANDS

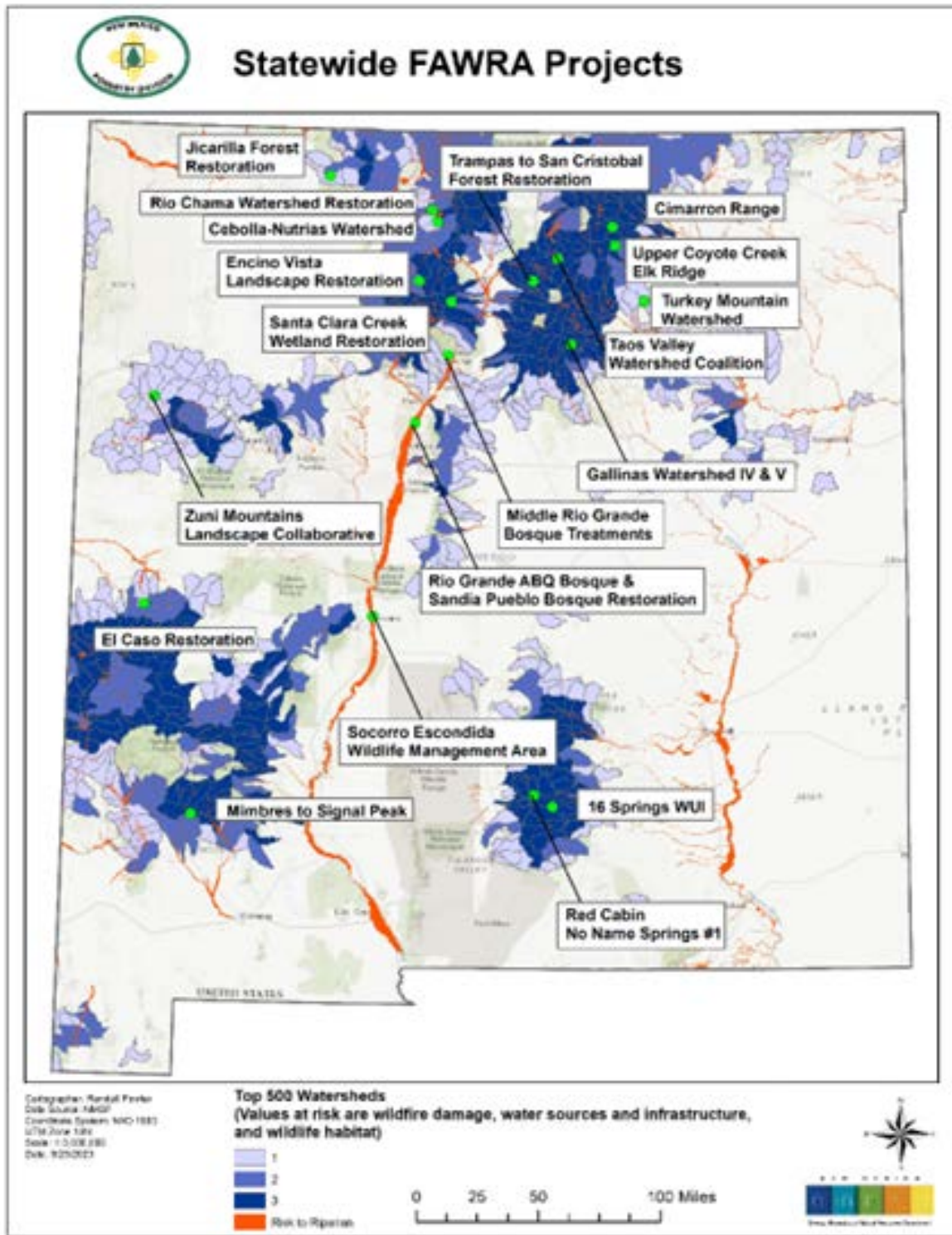
- 9 carbon flux towers providing data to establish a baseline of carbon stored in natural and working lands (forests, rangelands, and cultivated land)
- 2 state agencies and universities from two states working together to map terrestrial carbon stored in all forest types

The Natural and Working Lands (NWL) program was established to carry out Governor Lujan Grisham's Executive Order Addressing Climate Change and Waste Prevention (2019-003). Forestry and New Mexico Department of Agriculture are co-developing strategies to reduce greenhouse gas emissions from wildfires and increase the sequestration capacity of New Mexico's forests, rangelands and cultivated agricultural lands through sustainable management practices. Funding is received through the United States Climate Alliance (USCA) Natural and Working Lands Technical Assistance Fund and United Nations Fund, Inc. (UNF) which emphasizes the development of carbon monitoring capabilities to better understand the role of forests as carbon sinks in New Mexico and the greater southwest region.

This year, Forestry participated in a USCA Natural and Working Lands Learning Lab in Washington DC to connect with partners nationally on climate change mitigation strategies and carbon programs occurring in other states. As carbon programs and markets continue to develop nationally, Forestry will adapt technical assistance and stewardship planning services to support New Mexico forest landowners' access to these opportunities.



Wood products developed from a thinning project on the Ft. Union Ranch, Turkey Mountain. Photo by: NM Forestry Division





| FOREST AND WATERSHED RESTORATION ACT (FAWRA)

- \$2 million allocated annually
- 10,355 total acres completed with FAWRA funding since Act passage in 2019
- 25 projects underway or completed
- 4 projects continued from prior year to expand the acres treated
- 1 new project selected for funding

The Forest and Watershed Restoration Act (FAWRA) Advisory Board met three times in 2023 to review and recommend projects to enhance the adaptability and resilience of New Mexico's forests and watersheds to climate change and wildfires, improve water quality and support economic activity associated with wood harvest.

Projects recommended for FY24 funding include the continuation of landscape-scale thinning projects in the Turkey mountains and in the Taos Valley Watershed, as well as a new long-term project to restore 2,500 high-priority acres in the Greater Rio Embudo Watershed at the southern end of Taos County.

In September 2023 the FAWRA Advisory Board approved new guidelines for selecting FY24-25 projects. The most notable change to the previous guidelines was allowing for FAWRA projects to be proposed on a rolling basis and approved at any Advisory Board meeting.

| FOREST HEALTH PROGRAM

- 356,000 acres with bark beetle-killed trees in New Mexico
- 259,000 acres with defoliation
- 25 private landowners provided cost-share grants, totaling 2,314 acres of stewardship planning and 706 acres of forest health treatments

The Cooperative Forest Health Program delivers technical assistance and grant funding to landowners and managers to increase forest resilience to harmful insects and diseases. The program provides trainings, field visits, and education events that increase knowledge about native and invasive insect and disease outbreaks and improve management practices. Federal cost-share funding is administered to private landowners to improve forest resilience against bark beetles and other insects and diseases.

Drought conditions persisted in much of 2023 with continued bark beetle-related piñon mortality across municipal and private land in northern New Mexico, and yellowing ponderosa pine throughout the state. Moderate bark beetle-related piñon mortality continued for a third year in and around Edgewood and east of Santa Fe. Additionally, a large area of bark beetle-caused piñon mortality continued on private land west of Cuba. Douglas-fir tussock

defoliation of white fir was severe in the Manzano Mountains and in isolated pockets on the West slopes of the Sangre de Chrito Mountains north of Taos and Questa. Western spruce budworm continues to be the primary defoliating pest of Douglas-fir, true firs and spruce.



Douglas-fir tussock moth are defoliating trees in Taos County. Photo by: Victor Lucero

Ponderosa pine needleminer continues to defoliate large swaths of forest (70,000 acres) on the Vermejo Ranch and has also expanded its defoliation activity around Tres Piedras. Douglas-fir mortality increased on higher elevation private land in northern New Mexico. This increased mortality was caused by Douglas-fir beetle activity and was likely triggered by stress from drought and chronic western spruce budworm defoliation. In addition, abiotic conditions continue to stress Ponderosa pine, causing discoloration to host trees.

| BOTANY & ENDANGERED PLANT PROGRAM

- 46 plants listed as state endangered
- 15 plants federally listed as endangered or threatened
- 12 Minimal Impact Exploration Permit Applications reviewed
- 10 state endangered plants visited for data collection
- 5 permits issued for Endangered Collection, Scientific Study and Incidental Take
- 1 new plant added to the state endangered list (American hart's-tongue fern)



The Botany and Endangered Plant Program maintains and updates the New Mexico Endangered Plant Species List, gathers information on the status and distribution of rare plants, and develops conservation measures necessary for the survival of rare and endangered plants. The Forestry Division promotes the conservation of rare and endangered plant species through research, inventorying and monitoring, law enforcement, habitat maintenance, education and propagation of rare plants.

The Endangered Plant Rule directs the Energy, Minerals and Natural Resources Department to investigate all plant species in the state for the purpose of establishing a list of endangered plant species. The rule was amended to more clearly define language prohibiting the taking of endangered species, with exceptions granted to permitted scientific collections or propagation and transplanted activities that enhance the survival of endangered species. In cases where removal of these species is unavoidable, the amendment created an “incidental take” permitting system. Since the publication of the rule, five permits have been issued.

This year, Botany program staff used their expanded capacity to field-test occupancy models and locate additional habitats of state endangered plants. New funding was awarded by the US Fish & Wildlife Service for further monitoring of state and federally endangered species in 2024. The State Botanist reviewed and submitted comment letters for 12 Minimal Impact Exploration Permit Applications from the Mining and Minerals Division.



The American Hart’s-tongue fern, first discovered in New Mexico in 2020—and still only seen in one location within the state—was recently added to the state’s list of endangered plant species. Photo by: Ash Taylor

| INVASIVE PLANT PROGRAM

- \$26,144 in contracted grants
- 3 site visits and progress check-ins completed

Forestry accepts grant applications for invasive plant management projects year-round. The U.S. Department of Agriculture regularly provides funds specifically to address areas where invasive plants threaten forested acres. If other federal money is not involved, eligible applicants can be non-federal governmental entities, including tribes. Successful applicants are required to provide 1:1 matching funds. This year, processing and tracking methods for future Invasive Plant program applications are being transferred to new a new platform through the website Submittable.

| CONSERVATION SEEDLING PROGRAM

- 82,416 seedlings sold
- 13,752 seedlings sold to tribal communities
- 2,254 seedlings sold to reforest Hermit’s Peak Calf Canyon burn scar areas

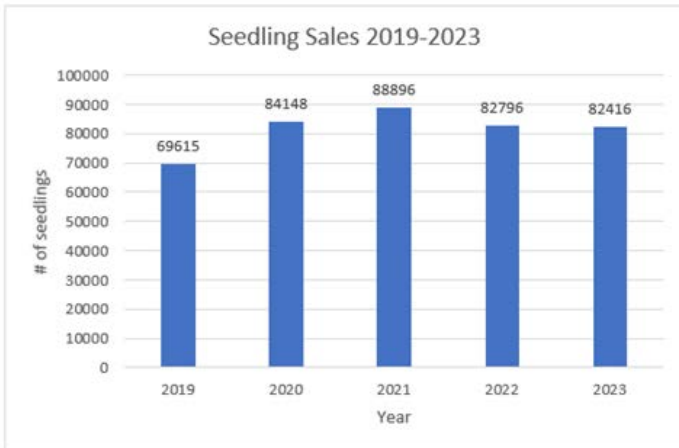
Forestry’s Conservation Seedling Program provides economically priced tree and shrub seedlings to landowners who own one acre or more of land in New Mexico. Through the program, tens of thousands of seedlings are planted each year for the establishment of windbreaks, erosion control, reforestation, crop and livestock protection, to improve or create wildlife habitat, and provide energy cost savings when trees are planted to shade homes and businesses.



Seedlings being unloaded at the Conservation Seedling Program greenhouse in Santa Fe. Photo by: Ash Taylor

Seedling sales continued at a rapid rate from the Santa Fe treehouse, though seedling availability was limited during the spring season due to supply issues for bareroot seedlings.

Seedling distribution did not happen at the State Fair this year, due to a lack of seedling availability. Seedlings continued to be sold to many landowners who suffered loss of forest due to the Hermits Peak and Calf Canyon fire as well as the Cerro Pelado fire.



The following are seedling sales numbers as of mid-October for the 2023 calendar year:

- 10,000 seedlings of Ponderosa pine and Douglas-fir were sold to Trees, Water and People to be planted on the Jemez and Cochiti Pueblos.
- 3,752 seedlings were sold to Santa Clara Pueblo
- 2,254 seedlings to the Hermit’s Peak Watershed Alliance to be planted in the burn scar areas from last year’s Hermit’s Peak Calf Canyon fire.

| URBAN & COMMUNITY FORESTRY PROGRAM

- \$20,500,000 Inflation Reduction Act funding awarded for tree planting projects in New Mexico
- \$66,912 grant funding distributed for training, planting, inventories and tree management
- 4,000 volunteer hours logged in support of urban forestry initiatives
- 116 communities with ordinances or policies protecting urban trees
- 86 communities with active community tree advisory boards or advocacy organizations
- 9 communities recognized for Tree City USA by the Arbor Day Foundation
- 3 universities recognized as Tree Campuses by Arbor Day Foundation

More than half of New Mexico’s population lives in a community that manages or is developing an urban or community forest program. Forestry supports these communities’ efforts to develop and sustain healthy resilient community forests for the benefit of current and future citizens because the forests have significant, positive impacts on quality of life. The trees in urban and community forests improve the air, soil, and water, mitigate stormwater runoff, enhance energy conservation and property values, and contribute to human health and well-being.



Tree planting with students at the United World College in Montezuma, NM. Photo by: Kristen Sanders

Forestry provides technical assistance because the trees in urban and community forests are challenged by inhospitable environments, lack of strategic care, drought, climate change, urban heat island effects, the concentration of pollutants, and lack of management or planning. Forestry provided more than 100 technical urban forest consultations in 2023.

The Urban and Community Forestry Program is guided by the 2020 Forest Action Plan and the advisement of the New Mexico Urban Forest Council. Program staff developed partnerships and opportunities for collaboration by serving on numerous boards. The boards include the Urban Waters Steering Committee Board, Arid LID Coalition Board, Let’s Plant Albuquerque Board, Think Trees Board, Western Urban and Community Forestry Secretary position, Western and Urban Forestry Tech Transfer Committee, Urban Wood Network, Arbor Day Foundation’s Tree City Strategic Planning Working Group, and International Society of Arboriculture’s Rocky Mountain Chapter New Mexico Director position. More than 100 organizations participated in the Urban Forestry Advisory Council.

| RESOURCE MANAGEMENT PROGRAM

- 203,763 acres total with forest stewardship plans in New Mexico
- 5,447 acres in new or revised forest stewardship plans
- 2,600 landowners participated in educational programs
- 586 technical assistance requests completed for landowners
- 9 new forest stewardship plans for private forest landowners

Forestry works with private landowners and state and federal agencies through the Resource Management Program to improve healthy and resilient forests and watersheds, and to protect land from future development that isolates and fragments forested areas. Forestry administers several incentive programs to place conservation easements on large, contiguous tracts of land.



The Forest Stewardship Program also provides technical assistance and manages projects in partnership with sovereign Tribes, Pueblos and Nations. In 2022, the program supported a variety of projects from tree thinning and timber sales to firewood collection and wetland restoration.



A Ponsse Bear Harvester used on Philmont Scout ranch for fuels treatments. Photo by: Mary Stuever

| 2023 FOREST LEGACY PROGRAM

- 6,780 acres proposed to be conserved in the Brazos Cliffs Forest Legacy Project

The Forest Legacy Program is a federal partnership program that supports states’ efforts to protect privately owned, environmentally sensitive forest lands. The program encourages and supports the acquisition of conservation easements that restrict development, require sustainable forestry practices, and protect other values in perpetuity. Landowners who own a minimum of 40 acres with at least 75 percent forested land can receive up to 75 percent of the appraised land value with a 25 percent donation.

An application for 3,740 acres, which includes the Brazos Cliffs in Chama, was funded in fiscal year 2017 for \$3,480,000. A new Forest Legacy Program application was submitted and funded in FY2019 to conserve the remaining 2,740 acres. Since then, 300 acres were added to the FY2019 project for a total of 3,040 acres proposed to be conserved.

| 2023 LAND CONSERVATION INCENTIVES PROGRAM

- 568,967 acres of forest and rangeland conserved with state tax credits from 2004-2023
- 305,964 acres were conserved with the tax credit program in 2023
- 21 tax credits were issued

Forestry oversees the Land Conservation Investment Program that provides state tax credits for charitable donations of land or an interest in land (conservation easement) for conservation purposes to a public or private conservation agency. A taxpayer has a maximum of 20 years to fully use the tax credit following the taxable year in which the donation took place, or the tax credit may be transferred (sold) to another taxpayer through a tax credit broker in minimum increments of \$10,000.

In 2023, 21 tax credits were issued ranging from \$32,500 to \$250,000.

FORESTRY DIVISION LAND CONSERVATION PROGRAM

2023		2004 TO PRESENT	
Acres Conserved	305,964	Total Acres Conserved	568,967
Appraised Value	\$34,369,000	Total Appraised Value	\$150,742,844
Tax Credits Issued	\$1,622,500	Total Tax Credits Issued	\$98,668

| 2023 TRIBAL PARTNERSHIPS

- \$100,000 provided for Santa Clara Pueblo reforestation project
- 500+ acres treated on projects for Pueblo of Acoma and Laguna Pueblo
- 180 acres treated for Navajo Nation restoration project
- 59 Division and State Parks Division staff attended the new Cultural Connections training
- 9 tribes consistently attending the Forestry Tribal Working Group

Forestry actively engages tribes in collaboration and has a designated Tribal Liaison who serves as the focal point for Division-wide initiatives and communication with tribes. The liaison also coordinates activities and communication with the Departmental Tribal Liaison.

Over 40 acres were treated for the Santa Clara Canyon reforestation project, which included the planting of 7,600 cottonwood and willow poles and the collection of 2,800 shrub plugs to help with reforestation, habitat improvement and erosion control. Future projects are in development for treatments on the northern sections of Santa Clara Pueblo. Eradication of invasive Russian olive and salt cedar species with the Navajo Nation covered 180 acres, using mastication and stump treatments, as well as plantings of 5,775 cottonwood and willow poles. 348 acres were seeded with native grasses. Future projects for 2024 are planned with the Jicarilla Apache Nation in collaboration with the 2-3-2 Cohesive Strategy Partnership and the Rio Chama Collaborative Forest Landscape Restoration Program.



A reforestation project with Jemez Pueblo calls for 4,000-6,000 mixed conifer trees to be planted across 20-40 acres of culturally important area. This project also includes hazardous fuels reduction treatments, along with seed collection and area monitoring for the project’s duration. Invasive species thinning projects are ongoing in the Sandia Pueblo bosque area using goat grazing focused on area burned in 2012’s Romero Fire. A priority area mechanical thinning project is moving forward with beneficial effects for the Mescalero Apache tribe, which shares a border with Otero County.

A Cultural Connections training program was developed to complement the State Personnel Office’s Building Cultural Equity with Tribal Nations effort. Forestry Division-specific training covers the State-Tribal Collaboration Act, New Mexico tribes and their unique history, cultural customs and other information specific to New Mexico tribes and how these dynamics interplay with consultation, communication and collaboration between the Forestry Division and tribal nations. The training is available for all Division staff and this year’s expanded format allowed the State Parks Division to participate, as well as Forestry’s non-governmental organization partners.

Forestry continued its Tribal Working Group to provide a forum for tribes, state, federal and other agencies to coordinate, collaborate and communicate on a recurring, regular and consistent basis. The group discusses state-wide natural resource and forest and watershed management efforts where tribal entities can engage, share knowledge and funding opportunities, leverage resources, and coordinate across boundaries. In the future, this group may be combined with the newly formed Tribal Wildfire Working group, co-led by Forestry, the Forest Guild and The Nature Conservancy-NM Indigenous Partnerships program.

| 2023 SMOKEY BEAR HISTORICAL PARK

- 14,230 visitors to Smokey Bear Historical Park to date (January 1-September 14, 2023):
- 474 Total Public Assists
- 2,713 “off campus” attendance to Smokey Bear/fire prevention programs
- 296 Smokey Bear Historical Park Junior Ranger Program participants

Smokey bear Historical Park was built in 1976 to honor a tiny five-pound American black bear cub rescued from the Capitan Gap Fire in 1950. The cub later became the living symbol of the Smokey Bear Cooperative Forest Fire Prevention program, which continues to educate the public nearly 80 years later. Smokey lived out his life at the National Zoo in Washington, D.C. where he was visited by millions of people from all over the world. When he passed away in 1976, he was brought back to Capitan, New Mexico and is buried at the Smokey Bear Historical Park. Today, visitors come from all over to visit Smokey’s gravesite, learn about his story, forest health, fire ecology, restoration, and the history of fire prevention.

Additional public outreach included participation at the Lincoln County fairgrounds for the 4th of July Smokey Bear Stampede rodeo and parade. This event draws more than 3,000 people to the Village of Capitan. Staff from the Park and the Lincoln National Forest brought Smokey Bear to the event to share the wildfire prevention message with kids and adults alike.

Public fire prevention programs were also presented to the Ruidoso Middle School students and staff roughly a year after the McBride fire of 2022. Additional education programs were offered at the Dragonfly Festival in Roswell, Ft. Lone Tree Bible Camp for Special Needs youth and families, and at the Alto Country Club. Park staff joined with the Smokey Bear Ranger District, Lincoln National Forest staff to teach fire science in their Outdoor Classroom program, and invited summer school students from Ruidoso participating in the Eastern New Mexico University’s Kids’ College to the Park in July.

The Fallen Wildland Firefighters Memorial, installed in 2019, honors those who lost their lives fighting wildfires in New Mexico. A special commemorative event honoring the fallen was held on Memorial Day; plans are to continue this event annually.



The Red River Hotshot crew poses with the Smokey Bear Balloon at Smokey Bear Historical Park. Photo by: Mary Lavin



LETTER FROM THE DIRECTOR

Mining has played a large part in New Mexico's history. The mission of the Mining and Minerals Division at EMNRD is to ensure the responsible utilization, conservation, reclamation, and safeguarding of land and resources affected by mining. MMD accomplishes our mission through four programs:

- The Abandoned Mine Land Program (AMLP)
- The Coal Mine Reclamation Program (CMRP)
- The Mining Act Reclamation Program (MARP)
- The Mine Registration, Reporting and Safeguarding Program (MRRSP).

A description of each program and its accomplishments over the past year are included in each section below.

New Mexico has many abandoned mine features that pre-date regulations and present varying threats to health and safety that need to be addressed. AMLP identifies, assesses, and mitigates risks associated with abandoned mine features. AMLP estimates that we have over 15,000 abandoned mine features in the state of New Mexico. AMLP's reclamation and safeguarding efforts include sealing mine openings, stabilizing mine voids, and reclaiming coal waste piles. For example, AMLP recently completed a safeguarding project at the Harding Pegmatite Mine near Dixon. At Harding Pegmatite, AMLP used federal funding to plug a sink hole, fence off a high wall, and improve gates at mine portals to allow bat access to habitat, while keeping humans out of dangerous confined spaces. AMLP's next project will be a project to stabilize and safeguard sinkholes on Boston Hill, within Silver City's community open space. Other projects currently moving along include the Yankee Canyon project near Raton to address subsidence under a county road as well as three adjacent coal mine adits. AMLP's accomplishments draw national recognition: AMLP was presented with the 2023 Office of Surface Mining Reclamation and Enforcement - Small Project Abandoned Mine Land Reclamation Award. The award recognized an AMLP coal mine reclamation project in a stream west of Raton, New Mexico.

The recent passage of the federal Bipartisan Infrastructure Law has been great for AMLP and New Mexico because it provides an additional \$2.4M/year for AMLP over 15 years. This additional funding will allow AMLP to tackle more projects and add two new positions.

The Coal Program, or CMRP, implements Title V of the federal Surface Mining Control and Reclamation Act within New Mexico to ensure that coal mining operations are conducted in an environmentally responsible manner and that the land is adequately reclaimed during and following the mining process. In the past year, CMRP focused on bond-release applications it received for mines under the Coal Program's jurisdiction. CMRP received applications for partial bond releases and completed inspections for El Segundo Mine Phase I, for 144 acres; La Plata Mine, Phase I for 54 acres, Phase III for 754 acres; McKinley Mine Phases I, II, and III, for 2,806 acres; and Ancho Mine Phase III, for 1,514 acres. Earlier this year, CMRP verified that Ancho Gachupin-Brackett Mine near Raton achieved full bond release. This leaves New Mexico with five permitted coal mines. CMRP is also currently working to contract for an independent study of the San Juan Coal mine as requested by the Legislature. CMRP anticipates that the report, when complete, could be used as a planning document to develop comprehensive restoration and remediation plans, and guide future regulatory actions at the San Juan Mine.

MARP regulates reclamation of hard rock mines (excluding coal, potash, and construction aggregate) on all non-tribal lands within New Mexico. MARP evaluates proposed new mining operations and exploration projects, operational existing mines, and mines in reclamation. In 2023, MARP received and continues to process exploration projects for deep copper deposits, shallow uranium deposits, lithium, gold, and silver across the state. MARP reviews and approves reclamation plans, approves cost estimates for reclamation, and collects and maintains sufficient financial assurance to pay for reclamation if needed. Since its creation in 1993, MARP has permitted 679 hard rock mining and exploration projects and currently oversees over \$1.1 billion in mining operator financial assurance to ensure proper hardrock mine reclamation.

In the past year, MARP has seen a slight uptick in exploration activities, including exploration for lithium and copper near Lordsburg, as well as exploration for silver and gold near Mogollon. MARP is also working with the New Mexico Environment Department to review proposals for additional copper mining around Silver City. MARP now also has a new uranium coordinator position created through HB 164 that Governor Lujan Grisham signed into law in March 2022. This position is helping MARP tackle difficult issues around remediation and reclamation of historic uranium mining waste, as well as manage potential new uranium exploration proposals.

Finally, the MRRSP Program pulls it all together by gathering and compiling comprehensive information on mineral resources, mine registrations, reclamation, and safeguarding efforts, and other MMD activities related to New Mexico's mineral extraction industry and mineral resources. MRRSP also manages MMD's annual Excellence in Reclamation award. This year's awards were presented to Navajo Transitional Energy Company, LLC, for its project "The Yazzie Wildlife Bluff" and the collaborative effort of Chevron Incorporated, Trihydro Corporation and KC&MC Services LLC for their project "The Monument Channel with Pharoah Steps".

The past year has been an exciting year of change, growth, and accomplishments for MMD. For example, MMD gained a small satellite office at the Horizon Office Building in Albuquerque near Balloon Fiesta Park. We hope that flexibility in duty station will help us recruit talented team members, be more available to constituents, and more effectively cover mining areas all over the state.

MMD celebrated several promotions within the division and welcomed many new team members in 2023. I am one such newcomer to the MMD. Since joining MMD, I've been visiting as many mines and mining impacted communities as I can. I very much look forward to getting better acquainted, and working closely, with diverse stakeholders throughout New Mexico. In other noteworthy personnel updates, I am sorry to report that Holland Shepherd and Jane Tabor, the long-time leaders of MARP and MRRS both retired earlier this year. However, I am very happy to report the promotion of DJ Ennis and Stephanie Rodriguez to lead MARP and MRRSP respectively. Stephanie and DJ are both tremendous assets for MMD and I am confident that they will both thrive in their new roles.

I hope you enjoy reading the division's descriptions, accomplishments, and mineral resources report in the following sections.



ALBERT C.S. CHANG
Division Director
Mining and Minerals Division





STRATEGIC PRIORITIES

- Ensuring responsible mine reclamation by restoring lands back to beneficial use
- Protecting the public from physical and environmental hazards of abandoned mines
- Developing proactive mining and mine reclamation initiatives to ensure reclamation and safeguarding of mine sites
- Providing annual operator-reported information for New Mexico mines on mineral production, production value, employment, payroll, and revenue.

The Mining and Minerals Division mission is to ensure the responsible utilization, conservation, reclamation, and safeguarding of land and resources affected by mining. By statute, MMD enforces and administers laws and regulations relating to mine safety, coal surface mine reclamation, and abandoned mine lands reclamation, and annually collects statistical information from mine operators related to mineral extraction.

STAFFING

3

Office of the Director

15

Abandoned Mine Land Program

5

Coal Mine Reclamation Program

1

Mine Registration, Reporting and Safeguarding Program

9

Mining Act Reclamation Program

PROGRAMS AND ACCOMPLISHMENTS

| OFFICE OF THE DIRECTOR

Formulates division resource development, policy, planning, and administrative and fiscal management. The Director administers laws and regulations pertaining to hardrock and coal mining, mine registration and safeguarding, and annual industry reporting. The Director represents New Mexico on the Interstate Mining Compact Commission and is an ex-officio member of the New Mexico Mining Safety Board.

ABANDONED MINE LAND PROGRAM

The AMLP works to identify and abate dangerous abandoned mine areas across the state. MMD estimates that more than 15,000 hazardous mine openings remain un-reclaimed throughout New Mexico. AMLP will initiate completion of a comprehensive inventory of both coal and non-coal legacy mines in New Mexico this year which will firm up the above estimated number of mine openings and better assess threats.

The U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement (OSMRE) is AMLP's primary source of funding through the Surface Mining Control and Reclamation Act (SMCRA). The law authorizing a fee on coal production to pay for reclamation work at abandoned mines expired on September 30, 2021. As part of the Infrastructure Investment and Jobs Act of 2021 the fee collection authority was reauthorized for 13 more years at a 20 percent lower rate. In addition, a one-time infusion of \$11.3 billion was included for distribution to states and tribes based on historical coal production over 15 years. New Mexico's portion of this distribution is estimated to be \$2.4 million per year for coal reclamation work above and beyond the money received from the fee on coal production. In addition to OSMRE funding, the Program receives grants from the Bureau of Land Management to safeguard abandoned hardrock mines.



Since AMLP is federally funded, all project expenditures must comply with the National Environmental Policy Act (NEPA). Due to this requirement, AMLP, at any given time, has multiple projects in various stages of development including obtaining landowner access permission, conducting archaeological and biological surveys, obtaining state and federal permits, and holding public meetings. AMLP develops engineering designs by working in coordination with the NEPA process. This year AMLP completed Environmental Assessments and Categorical Exclusions to abate mine hazards, including coal fire and subsidence issues in Raton (Yankee Mines), and Madrid (Madrid Stormwater Erosion Control Project), and working to complete EAs for the Red Hill (Caballo Mountains) and Capitol Dome Mine (Florida Mountains) Safeguarding Projects, and a Categorical Exclusion for the La Ventana maintenance project near Cuba.

AMLP earned the 2023 Small Project Abandoned Mine Land Reclamation Award from the Office of Surface Mining Reclamation and Enforcement. This award recognized the Swastika Mine and Dutchman Canyon Maintenance and Stream Restoration Project located near Raton, New Mexico. The site of a previous project was damaged by torrential rains in 2013. This project was designed to address the erosion issues resulting from the damage caused in the 2012 storm. The design methods used for this stream restoration project were dictated by applied morphology, hydrology, and ecology to address each meander within the one-mile-long stream channel and the adjacent uplands in a holistic manner. The construction work was carried out at the height of the COVID health emergency in 2020-2021. The award was presented to the AMLP team at the 2023 National Association of Abandoned Mine Land Programs Annual Conference held in Chicago, Illinois in October.



2023 Small Project Abandoned Mine Land Reclamation Award, AML staff with OSMRE Deputy Director Glenda Owens (bottom right)

| COAL MINE PROJECTS COMPLETED BY AMLP

AMLP completed one fencing project in Gallup. The Gallup Coal Fire Fencing Project was completed in May 2023 and involved the installation of barrier fencing around two underground coal mine fires. Signs describing the danger were also included.

AMLP conducted investigative drilling work in the town of Allison, west of Gallup to verify the locations of coal mine workings. The drilling work will inform a future mitigation project to remediate hazardous conditions subsidence in an abandoned underground coal mine underneath a residential community.

In Madrid, AMLP is working on designs and environmental compliance for the Madrid Stormwater and Erosion Safety Project that will address property damage, flooding, sedimentation, and fire safety issues resulting from historical coal mining. One important component of the project is the construction of a new water tank that will supply the town fire suppression system.

AMLP continues to inventory and develop coal mine reclamation projects in areas of New Mexico impacted by historical mining including Gallup, Raton, Carthage Mining District, and Madrid.

| NON-COAL MINE PROJECTS COMPLETED BY AMLP

Construction services for the Harding Pegmatite Mine Safeguarding Project – Phase II were completed in June 2023. The project addressed subsidence issues at the geologically important mine near Dixon.



AML Engineer leading a pre-bid construction tour of the Harding Pegmatite Maintenance Project.



Construction started at the Boston Hill Mine Safeguard Project in the town of Silver City in late 2023. This first phase of the project addresses dangerous abandoned mine openings on private patented mining claims and BLM land on the north end of the Boston Hill Open Space Trail System.

AMLPL has been working jointly with the New Mexico BLM on the reclamation and safeguarding of abandoned hardrock mines in New Mexico. Through a Memorandum of Understanding and a Cooperative Agreement, actions funded by BLM include site reconnaissance and assessments, mapping, archaeological surveys, environmental assessments and other environmental clearance requirements, engineering, construction, and post-completion monitoring and maintenance.



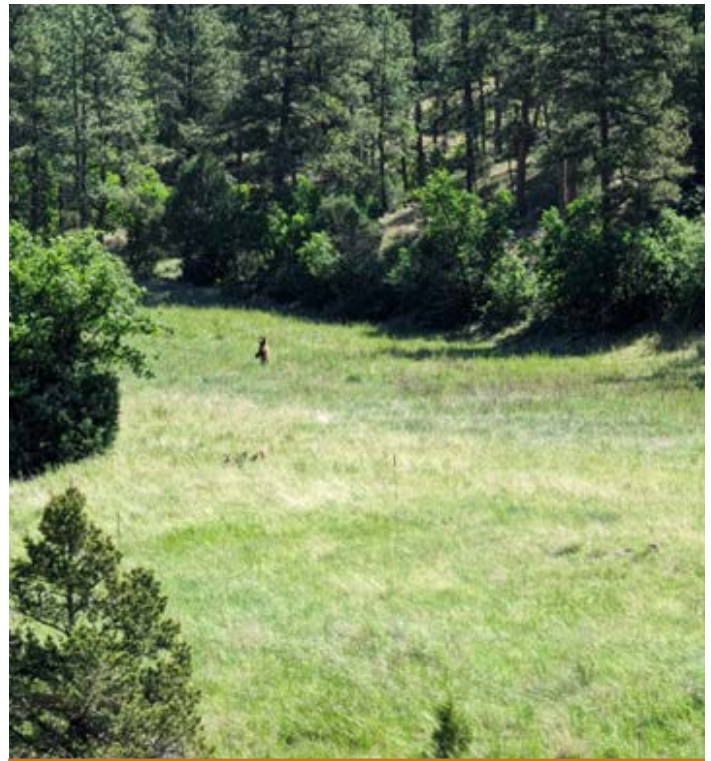
AML staff construct a temporary fence around an abandoned mine shaft near Lordsburg.

AMLPL continues to inventory and develop non-coal safeguarding projects in several areas of the state including the San Pedro Mountains, Florida Mountains, Tres Hermanas, Orogrande, Burro Mountains, and Zuni Mountains, Cuchillo Negro and Chloride mining districts. There are still thousands of abandoned mines that pose hazards throughout the state. MMD advises all citizens to Stay Out and Stay Alive.

COAL MINE RECLAMATION PROGRAM

The CMRP enforces regulations and inspects all coal mines on federal, state, and private lands within New Mexico, excluding Indian lands. CMRP's mandate is to protect the public, adjacent landowners, and the environment from the effects of coal mining.

CMRP oversees 65,000 acres of permitted mine lands and \$277 million in financial assurance to ensure that these mines will be properly reclaimed. New Mexico has 100 percent third-party surety bonds for all five actively permitted coal mines, two of which are in complete reclamation. Westmoreland San Juan Mining's San Juan Underground Mine officially stopped mining coal in September 2022. Peabody's Lee Ranch Surface Mine and El Segundo Surface Mine are currently extracting coal while Chevron's McKinley mine along with Westmoreland's San Juan Mining's La Plata Mine are in reclamation.



Bear at Ancho Surface Coal Mine 2023





Waste Piles at Ancho Surface Coal Mine 1998



San Juan Coal Mine, 1999



McKinley Coal Mine, 1999



McKinley Coal Mine reclamation vegetation, 2023

Evaluation of bond release applications continues to be a significant part of CMRP’s workload. Bond release occurs in stages throughout the life of a mine. A coal operator is eligible for Phase I partial bond release as the affected lands are backfilled and regraded, and drainage control has been established in accordance with the approved reclamation plan. Lands are eligible for Phase II and Phase III releases upon successful establishment of revegetation (Phase II), and after the minimum 10-year liability period and successful demonstration of the reclamation’s capability to support the post mine land use (Phase III).

All current bond release applications are posted and available to the public on MMD’s website at (<https://www.emnrd.nm.gov/mmd/public-notice/>). Applications for partial bond releases were received and inspections completed for El Segundo Mine Phase



I, for 144 acres; La Plata Mine, Phase I for 54 acres, Phase III for 754; McKinley Mine Phases I, II, and III, for 2,806 acres; and Ancho Mine Phase III, for 1,514 acres. The Ancho Mine is completely released from regulation having met all the requirements of the reclamation permit.

MINE REGISTRATION, REPORTING AND SAFEGUARDING PROGRAM

This program provides comprehensive information on mineral resources, mine registration, reclamation, and safeguarding efforts, and other MMD activities related to New Mexico’s mineral extraction industry and mineral resources. Decision-makers throughout New Mexico benefit from the valuable information compiled and disseminated through this program. Mining sector information reported by more than 150 operators for calendar year 2022 (latest information available) is provided in the Mineral Resources section of this report.

MMD provides public online web applications to enhance transparency and outreach and provides daily updated information for New Mexico mines. MMD Online links to the Mine Registrations and Permits web application which allows users to search by an individual parameter, or a multitude of combinations, with results exportable to Excel or to an Earth browser such as Google. (By statute, production information is held confidential.) The other link from the MMD Online web application page, Coal Mines Query, provides more extensive coal mine information including coal geology and quality, notices of violation, and water quality. Additional web applications are linked from the Mining Data and Statistics page including Registered Mines Web Map, Map Gallery, Abandoned Mine Land Program Story Map Journal, and the Legacy Uranium Dashboard.

In addition to making data and web applications available to the public, another important outreach component is the Excellence in Reclamation Award program which was instituted in 1996 to recognize and celebrate excellence and innovation in coal, hardrock and aggregate mine reclamation, abandoned mine land reclamation projects, and other related efforts or initiatives deserving special recognition. The awards are presented annually at the New Mexico Mining Association’s convention.

Two awards were presented in 2023 for projects deserving recognition for excellence in reclamation. Navajo Transitional Energy Company, LLC (NTEC), for its project “The Yazzie Wildlife Bluff” and the collaborative effort of Chevron Incorporated, Trihydro Corporation, and KC&MC Services LLC for their project “The Monument Channel with Pharoah Steps”.

The Yazzie Wildlife Bluff project was located in the area around

the Navajo Mine, which is the sole supplier of fuel to the adjacent 1,540-megawatt Four Corners Power Plant in northwestern New Mexico. The mine, which sits on the Navajo Nation, began operations in 1964, with NTEC taking ownership in 2013. The Yazzie Wildlife Bluff was originally known as the Yazzie Pit, an area that was mined from the 1970s to 2010. Reclaiming this area included successfully mitigating a golden eagle habitat while remediating lands that had been an open pit for over a decade. Discovery of the eagle nest caused NTEC to alter its initial plans for reclaiming the area.



The Yazzie Wildlife Bluff – Backfilling process



Golden Eagle nest identified



Completed Yazzie Wildlife Bluff



The Monument York Canyon Underground Mine is a drainage channel that was heavily eroded by refuse from mining activity. The project stakeholders launched a complete redesign and construction effort in late 2015. Ultimately, separate designs were developed for the upper and lower sections of the channel, with the upper section design incorporating large flat boulders, which were readily available in the area, to create a stair-stepped channel from the bottom down to the stable rock shelf. This feature later became known as the “Pharoah Steps.” The Monument Channel has been tested several times throughout the past seven years. The York Canyon Complex has experienced multiple heavy monsoon seasons in that time frame, as well as a 100- year, 6-hour event that hit the site in May 2021. The channel sustained no damage from this storm event and continues to be stable.



Monument York Canyon – pre-reclamation



Monument York Canyon – pre-reclamation



Monument York Canyon Pharoah Steps



Monument York Canyon reclaimed

MINING ACT RECLAMATION PROGRAM

MARP regulates and inspects all hardrock mines on federal, state, and private lands within New Mexico. MARP oversees the reclamation of all mining and exploration activities, excluding coal, potash, and aggregate mines. As of the end of 2021 (the latest data available due to operator reporting requirements), MARP has permitted approximately 679 mining and exploration projects and holds more than \$1.05 billion in financial assurance



for active mines and mines in reclamation. The overall disturbed acreage under permit with MARP is approximately 26,886 acres as of December 2021, and the total number of acres reclaimed since 1994, when the program started, is approximately 7,567 acres. MARP permits and regulates new mining operations, exploration projects, and existing mining operations (both active and reclaimed).

| PROPOSED NEW MINING OPERATIONS AND EXPLORATION PROJECTS

MARP staff continued review of two large-scale permit applications under Part 6 (New Mining Operations) of the New Mexico Mining Act: one uranium mine, Laramide Resources' La Jara Mesa Mine in Cibola County; and one copper mine, New Mexico Copper Corporation's (NMCC) Copper Flat Mine in Sierra County. The La Jara Mesa Mine project remains in the early stages of permit development as the federal government is conducting an Environmental Impact Statement (EIS) evaluation and state permits are under review. Other proposed new projects are Roca Honda Mine in McKinley County, Tererro (aka Jones Hill) Exploration Project in Santa Fe County, and the Summa Silver Mogollon Exploration Project in Catron County.

| COPPER FLAT MINE

New Mexico Copper Corporation (NMCC) proposed a new regular copper mine in Sierra County near Hillsboro in 2010. The mine is proposed to be an open-pit, truck and shovel operation with onsite processing facilities including crushing, milling, floatation concentration, and tailing deposition. The mine is projected to have a 12-year mine life at a proposed processing rate of 30,000 tons of ore per day. After issuance of the Final EIS in April 2019, a Record of Decision approving the 30,000 ton per day alternative was issued by the BLM in August 2019. To operate and reclaim the mine, NMCC must secure approximately 6,100 acre-feet of groundwater rights and approximately 16,382 acre-feet of surface water rights to offset anticipated depletion of water from the Rio Grande/Caballo system. NMCC's vested water rights portfolio for the Copper Flat Mine is currently less than that required to operate and reclaim the mine, although litigation is ongoing. MMD will evaluate the mining permit upon NMCC's demonstration that the total water rights required have been secured and upon NMCC providing financial assurance for reclamation of the mine. As of 2022, MMD continues to review financial assurance calculations from NMCC.

| LA JARA MESA MINE

After many years of dormancy, Laramide Resources Inc., approached the US Forest Service (USFS) and MMD to reinstate the permitting process for this New Mining Operation to mine uranium in the Grants Mineral Belt. The original permit was submitted in June 2009. MMD is currently determining what information still needs to be submitted and reviewed as part of

the initial permitting process. The USFS will continue to work to develop the project under the NEPA process and the Section 106 tribal consultation process. MMD continues to collaborate with the USFS, NMED, and the operator on this mine. Laramide Resources conducted several agency meetings to restart the permitting process for state and federal agencies. MMD developed a Memorandum of Understanding with the USFS and NMED to coordinate federal and state permitting of the La Jara Mesa Mine. Coordination and resumption of review of the permit application began in the summer of 2023. The site is proposed as an underground uranium mine with above ground storage facilities and staging area comprising approximately 25 acres of surface disturbance.

| TERERRO (AKA JONES HILL) EXPLORATION PROJECT

In June 2019, MMD received an application from Comexico LLC (a subsidiary of New World Resources, West Perth, Australia) for a Regular Exploration Permit (Part 4, New Mexico Mining Act), for the Tererro Exploration Project. Comexico proposed to conduct exploration drilling of up to 30 drill holes (each up to 4,000 feet deep) exploring for gold, silver, copper, lead, and zinc deposits in the Santa Fe National Forest (SFNF) near the historic Jones Hill Mine in Santa Fe County. The application includes the improvement of existing SFNF roads and the creation of additional access roads or pathways and drill pads for the exploration drilling project. In October 2020, Comexico LLC submitted an amended application to MMD proposing a total disturbance of 7.72 acres which is under review by MMD and SFNF, as are the other portions of the application. SFNF is analyzing the proposed project under NEPA guidelines. Once the SFNF completes the NEPA process, it will provide guidance for MMD on how to proceed with processing the exploration permit application. If SFNF issues a permit following completion of the NEPA process, MMD will continue to process the application. The proposed exploration project has generated much public interest from the nearby town of Pecos, from several environmental and public interest groups, and from the public throughout the Pecos canyon area. Based on this interest, and if the SFNF issues a permit based on the determination under NEPA, MMD will hold a public hearing on the application as part of the review process under the regulations. To date, the draft Environmental Assessment (EA) has not been published by the USFS.

OPERATIONAL EXISTING MINES

MARP is processing permit applications for expansion and revised closeout plans at the state's four largest copper mines in Grant County. Freeport-McMoRan Inc. (FMI) proposes expansions at four of its New Mexico operations. Applications



for Chino, Tyrone, Little Rock, and Continental mines include expansions, continued operation, and reclamation. As these existing mines expand, they must comply with new regulatory standards designed to address new mining impacts.

| CONTINENTAL MINE

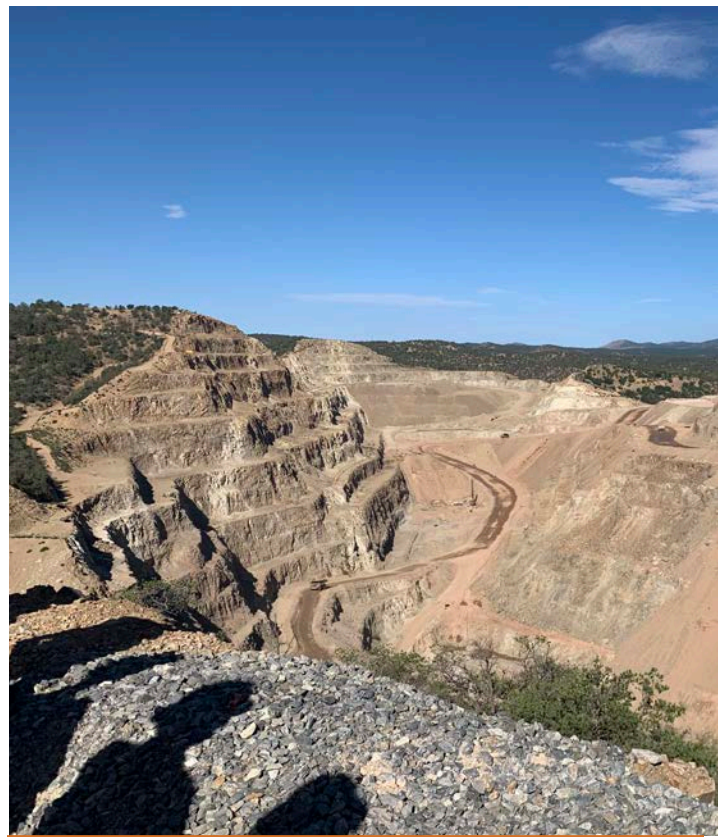
Mining at the Continental Mine continued in 2023 with much of Hanover Mountain removed. In 2022, the Continental Mine drilled exploratory holes for mining expansions at the Hanover Mountain and Continental Pit and constructed new test plots with waste rock and tailing blends to evaluate performance of vegetation establishment over the next several years. Monitoring of these test plots was performed in 2023. An updated Closure/Closeout Plan was submitted for the Continental Mine in 2023, which will be under review by MARP and other state cooperating agencies.



Continental Mine Test Plots, 2022.

| TYRONE AND LITTLE ROCK MINES

MMD is processing a revision for the proposed approximately 337-acre Tyrone Mine Emma Project mine expansion. A public hearing was held in Silver City on August 16, 2022, where MMD received comments from the Gila Resources Information Project (GRIP) and the public. The public voiced concerns over the impacts of the proposed Emma project on private wells, noise, dust, and viewshed impairments. The proposed Emma Project must meet Part 508 requirements for New Units that include more comprehensive operational and reclamation requirements than for the existing Tyrone Mine areas. MMD expects to complete its review of the Emma project application and closeout plan in late 2023 or early 2024. In August 2022, the Tyrone Mine applied to MMD for approval of the Precambrian granite waste rock excavated at the Little Rock Mine as Reclamation Cover Material (RCM) at both the Tyrone and Little Rock mines. MMD is reviewing vegetation monitoring data provided by Tyrone from the test plot study that Tyrone has performed over the last seven years in support of the application.



Little Rock Open Pit, 2023



MINES IN RECLAMATION

MARP oversees reclamation in all stages, including planning, construction, monitoring/maintenance, and final release. MARP is also examining some of the state’s older mine sites that have been under reclamation for over 12 years for reclamation release.

| MT. TAYLOR MINE

The Mt. Taylor Mine, an existing uranium mine in Cibola County formerly on standby status since 1999, is an exception. The operator, Rio Grande Resources (RGR), applied to end standby status in December 2017. The mine received MMD approval to come off standby status and restart mining. RGR performed construction and some reclamation activities throughout 2018 and 2019; however, some local non-governmental organizations opposed any permitting action for the mine, other than reclamation, and appealed the MMD permit approval to the New Mexico Mining Commission in 2018, which upheld the permit approval in July 2018.

In 2019, RGR conducted a substantial amount of work toward reopening the mine including cleaning sediments from and lining two large water treatment ponds; adding to, expanding, and beginning reclamation of a large waste rock pile including installation of a lined waste disposal cell; and reducing and hauling a large ore pile to a mill in Utah. In 2020, RGR informed MMD of its decision to reclaim the mine instead of developing it and restarting mining. RGR and MMD are updating the permit for reclamation and permanent closeout. A substantial amount of work continued at the Mt. Taylor Mine during 2023 to closeout and reclaim the former mine. The removal of the approximately 65,000 ton low-grade ore pile, excavation of contaminated sediments from the water treatment system ponds, the construction of a lined and capped contaminated waste disposal cell, and the demolition of the 14-foot diameter manway shaft headframe and several mine buildings was completed in 2022. RGR submitted an

updated and revised Closeout/Closure Plan (CCP) in June 2022 to address the completion of reclamation at the site including an expansion of the waste disposal cell. MMD is processing an updated CCP under Revision 22-1 for expansion of the disposal cell. A public hearing was requested by the Multicultural Alliance for a Safe Environment (MASE) and Amigos Bravos. The public hearing is anticipated to be held in 2024.

| QUESTA MINE

In 2023, reclamation and remediation continued at Chevron Mining Inc.’s (CMI) permanently closed Questa Mine in Taos County, a listed Superfund site. Three agencies, MMD, NMED, and the U.S. Environmental Protection Agency (EPA) are working with CMI to develop reclamation plans and agreements that comply with the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) process. As part of the settlement between the U.S. Department of Justice, EPA, and the State of New Mexico, CMI will provide \$143 million for cleanup work. A portion of these funds were used to remediate Eagle Rock Lake. Other reclamation and remediation work will be implemented over decades. Completed projects include demolition of the mill area, construction of a water treatment plant, and removal and disposal of old mine waste (tailings) along the tailings pipeline corridor.

At the Questa Superfund site, 2023 marked the third growing season of a six-year monitoring program for the tailing facility cover demonstration project to evaluate a store-and-release cover of alluvial material placed over 275 acres of the 1,000-acre tailing facility. Soil cover performance evaluates vegetation success, soil chemistry, and water movement. The tailing pilot project results will shape the design and reclamation for the remaining unreclaimed tailing acreage.

A six-year monitoring period will take place to evaluate the effectiveness of the designed cover and, if successful, will be applied to the remaining portion of the tailings facility. In another





area of the mine, CMI operates a water treatment plant and installed new, or upgraded existing, groundwater extraction systems. CMI continues operating a water treatment plant that decreases contaminants from the underground mine water, bedrock aquifers, alluvial aquifers, and impacted stormwater. Impacted water captured flow rate increased by about 100 gallons per minute in 2023 with additional improvements through installation and repair of collection systems at Spring 13 and Southeast Groundwater collection system.

In the spring of 2021, CMI began construction of a pilot plot on two large waste rock piles, the Capulin and Goathill North, totaling approximately 109 acres, comprehensively named Group 1 Waste Rock Piles (Group 1 WRP). This study will determine best practices to reclaim the waste rock piles and will be used to address the remaining piles at the mine and will include the conversion of run-of-mine rock overburden materials to a viable store-and-release cover. By the fall of 2023, the pushdown of Capulin was complete and covering of Capulin with an evapotranspiration cover system had begun. The constraints of accessing a narrow canyon and summer rainy season resulted in construction delays for the installation of the Goathill North underdrain. CMI anticipates submittal of a revised construction schedule that will delay the Group 1 WRP pilot project beyond its original 2024 completion date by two or three years.

EPA and MARP along with NMED are working toward a fourth amendment to the design administrative order on consent (4th Amendment-Design AOC). Once signed, the 4th Amendment-Design AOC will initiate submittals by CMI for agency review for areas not included in the existing pilot studies. These areas include the Dam 4 tailing regrade, soil contamination area south of the tailing facility, the long-term sludge repository, and the Group 2 Waste Rock Pile areas. The review of designs will start in early 2024.



Capulin waste rock reclamation, April 2023. New Mexico remains a leading United States mineral producer in the 2022 commodity rankings provided by reports from the U.S. Geological Survey (USGS) and U.S. Energy Information

MINERAL RESOURCES: CY2022

New Mexico Statute 69.26.2 states that mine operators shall submit an annual report to the Mining and Minerals Division regarding the previous calendar year’s mine activities.

The rule in New Mexico Administrative Code 19.7.1.9 provides that calendar year reports are due by April 30 of the following year. Accordingly, the following mineral resources report covers the most recently reported mining data – for calendar year 2022.

Mine operators reported mineral production value of more than \$1.9 billion extracted from New Mexico mining sites, a 9 percent increase from 2021.

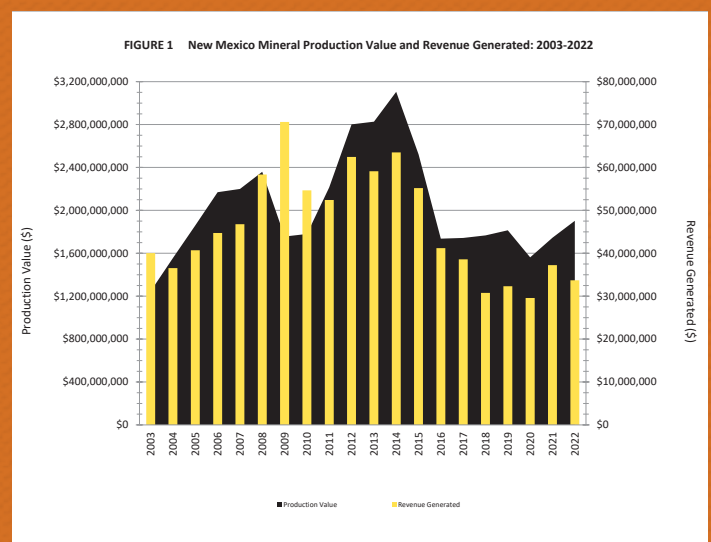




TABLE 1 New Mexico Summary of Commodity Production, Production Value, Employment, Payroll, Revenue, and Ranking: 2022

Mineral	Production ¹	Production Rank ²	Production Value \$	Employment ³	Reclamation Employment	Payroll \$ ⁴	Revenue Generated \$ ⁵	
							State	Federal
Coal	10,284,455	13	\$ 352,625,327	862	121	\$ 77,471,925	\$ 6,602,071	\$ 1,435,608
Copper	189,184,268	6	\$ 758,097,307	1,287	8	\$ 95,995,639	\$ 6,245,933	\$ -
Gold ⁶	7,537,979	-	\$ 13,572,915	-	-	-	\$ 119,946	\$ -
Industrial Minerals ⁷	2,629,253	-	\$ 219,827,774	175	5	\$ 8,249,782	\$ 198,258	\$ 606,240
Aggregates ⁸	13,052,020	-	\$ 142,796,478	1,221	29	\$ 43,249,132	\$ 5,893,905	\$ -
Other Metals	-	-	-	-	-	-	\$ -	\$ -
Molybdenum	-	-	-	-	-	-	\$ -	\$ -
Potash	601,565	1	\$ 412,912,142	652	10	\$ 60,878,186	\$ 3,865,101	\$ 8,705,957
Silver ⁶	148,856	-	\$ 3,244,233	-	-	\$ -	\$ 27,476	\$ -
Uranium ⁹	-	-	\$ -	7	9	\$ 964,653	\$ -	\$ -
TOTAL			\$ 1,903,076,176	4,204	182	\$ 286,809,317	\$ 22,952,690	\$10,747,805

Source: Operator reports submitted to the Mining and Minerals Division, unless otherwise noted

¹ Production is in short tons for coal, industrial minerals, aggregates, other metals, and potash; in pounds for copper; and in troy ounces for gold and silver.

² Production rank, where available, is based on 2022 production in relation to other states.

Sources: *Copper and potash: Mineral Resources Program, United States Geological Survey*
Coal: Energy Information Administration, United States Department of Energy

³ Employment category includes direct and contract employees.

⁴ Payroll does not include benefits.

⁵ NM State Land Office revenue: mineral lease royalties, rentals, bonuses; NM Taxation and Revenue Department revenue: severance, resource excise, and conservation taxes. Federal revenue includes 50% state share of federal royalties.

Sources: *State data: New Mexico State Land Office, New Mexico Taxation and Revenue Department*
Federal data: Office of Natural Resources Revenue

⁶ Gold and silver are by-products of copper production. Employment/payroll for gold/silver included in copper.

⁷ Category includes brick clay, calcite, dimension stone, gypsum, humate, perlite, Portland cement, pumice, salt, silica, and zeolite; USGS ranks NM first in perlite and zeolite.

⁸ Category includes base course, caliche, clay and shale, crushed rock, flagstone, fill dirt, gravel, limestone, red dog, rip-rap, sand, scoria and topsoil.

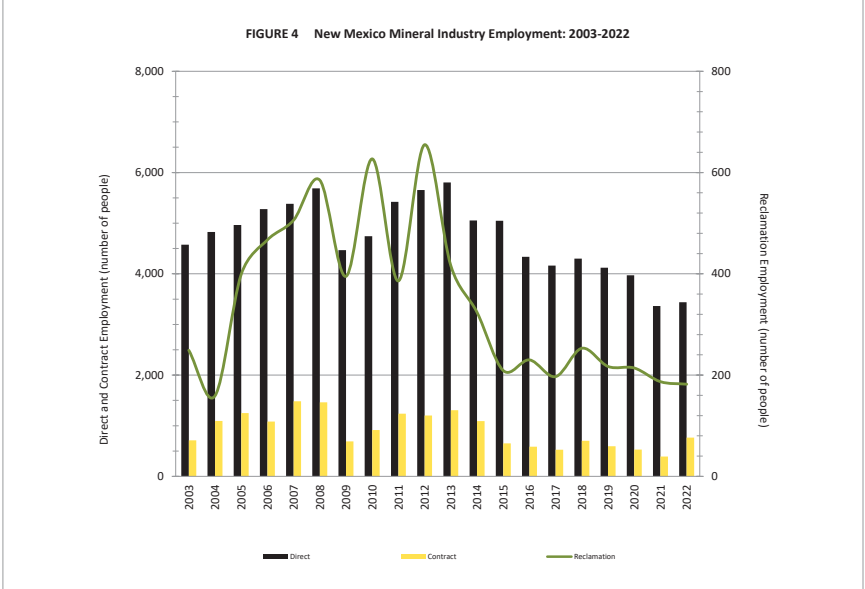
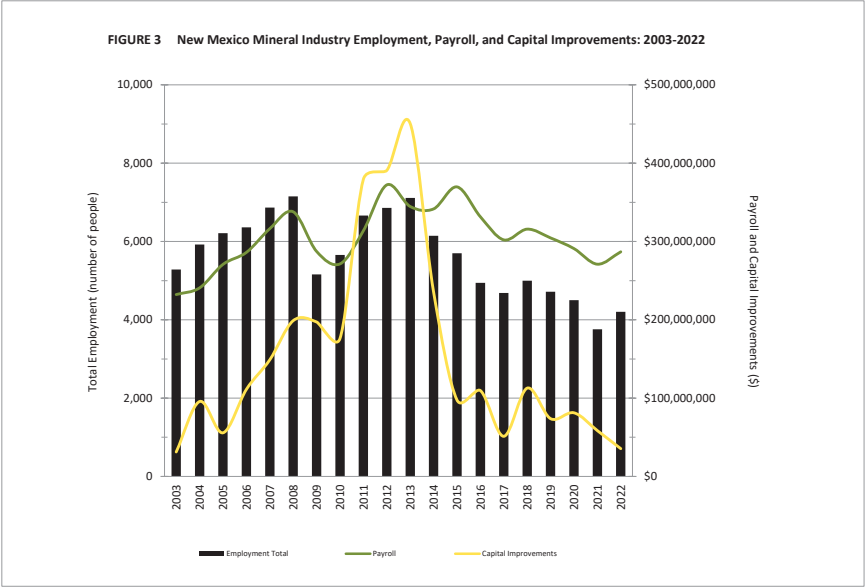
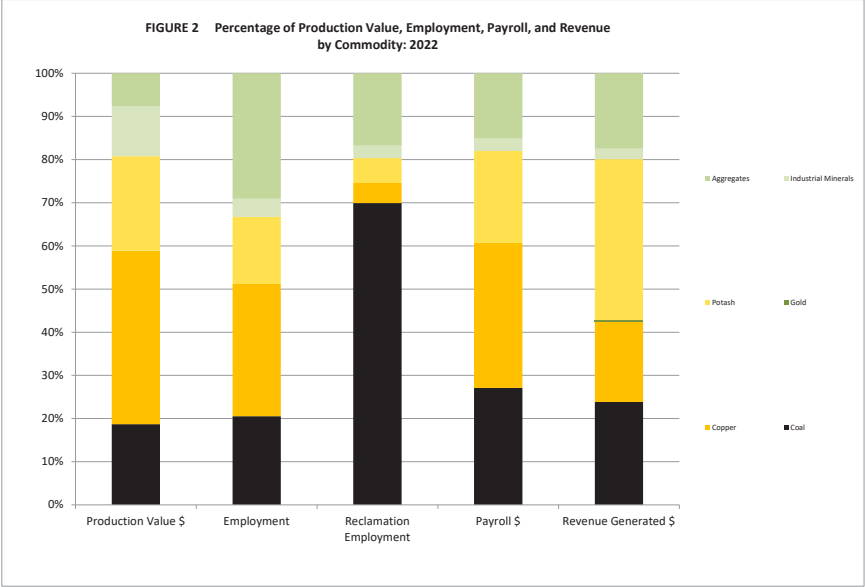
⁹ Employment/payroll numbers are for reclamation activities/maintenance at closed mines and mills.

New Mexico remains a leading United States mineral producer in the 2022 commodity rankings provided by reports from the U.S. Geological Survey (USGS) and U.S. Energy Information Administration (coal):

- Potash: 1st (used primarily in fertilizer, and in lesser amounts for chemical and industrial applications)
- Perlite: 1st (used in building construction products, horticultural aggregate, and fillers)
- Zeolite: top 5 (used primarily in animal feed, odor control, and water purification applications)
- Copper: 6th (used primarily in building construction, transportation equipment, and electrical and electronic products)
- Coal: 14th (latest available information, new ranking comes out in October)
- Nonfuel Mineral Production: New Mexico ranks 24th among the states, producing 1.49 percent of the U.S. total

Total federal and state revenues generated by 2022 mineral production in New Mexico decreased 9.5 percent from 2021 levels, to \$33.7 million. State revenue information is provided by the Taxation and Revenue Department and the State Land Office and includes state trust land mineral lease royalties, rentals and bonuses, and associated taxes. Federal revenue information is provided by the Department of Interior's Office of Natural Resources Revenue and includes a 50 percent state share of federal royalties. In any production year, these revenues only accrue if the lessee is mining and producing commodities on federal or state land.

Copper was the largest employer in New Mexico's mining industry, followed by sand and gravel operations, and coal operations. Reported industry payroll (excluding benefits) increased almost 6 percent from 2021 to \$286.8 million. Overall, reported employment increased or was maintained in 2022. By category, compared to 2021, direct employment increased 2 percent from 3,365 to 3,440 employees; contract employment increased 94.9 percent from 392 to 764 employees; and reclamation employment decreased 2.6 percent from 187 to 182 employees.





Active mining and active reclamation-only operations in New Mexico in 2022 numbered approximately 392 including coal mines; potash operations (includes mines, refineries, and compaction plants); metal mines, mills, and solvent extraction and electrowinning (SX/EW – a copper extraction process) operations; industrial mineral mines and mills; stone and aggregate operations; and uranium mine reclamation operations.

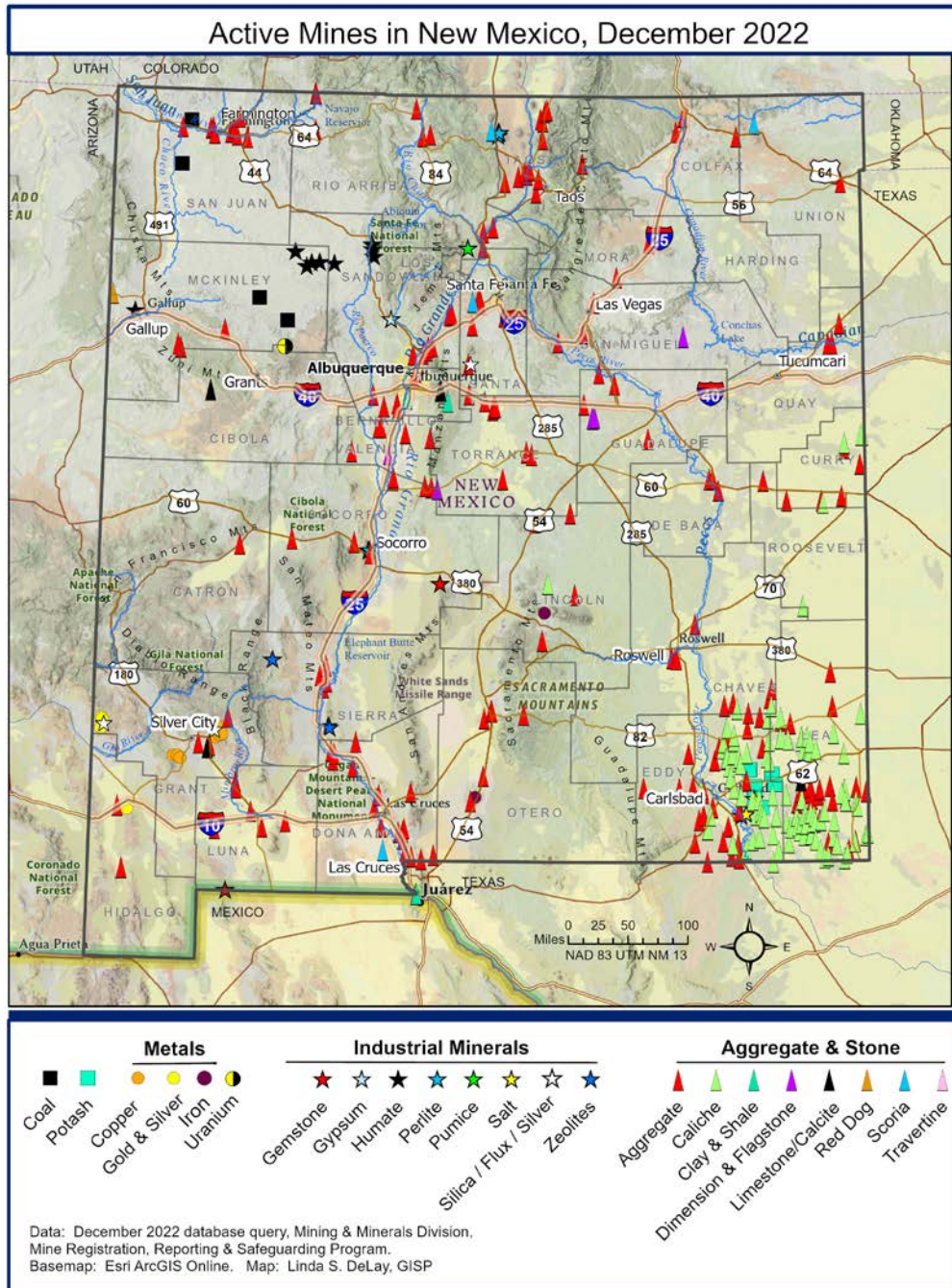
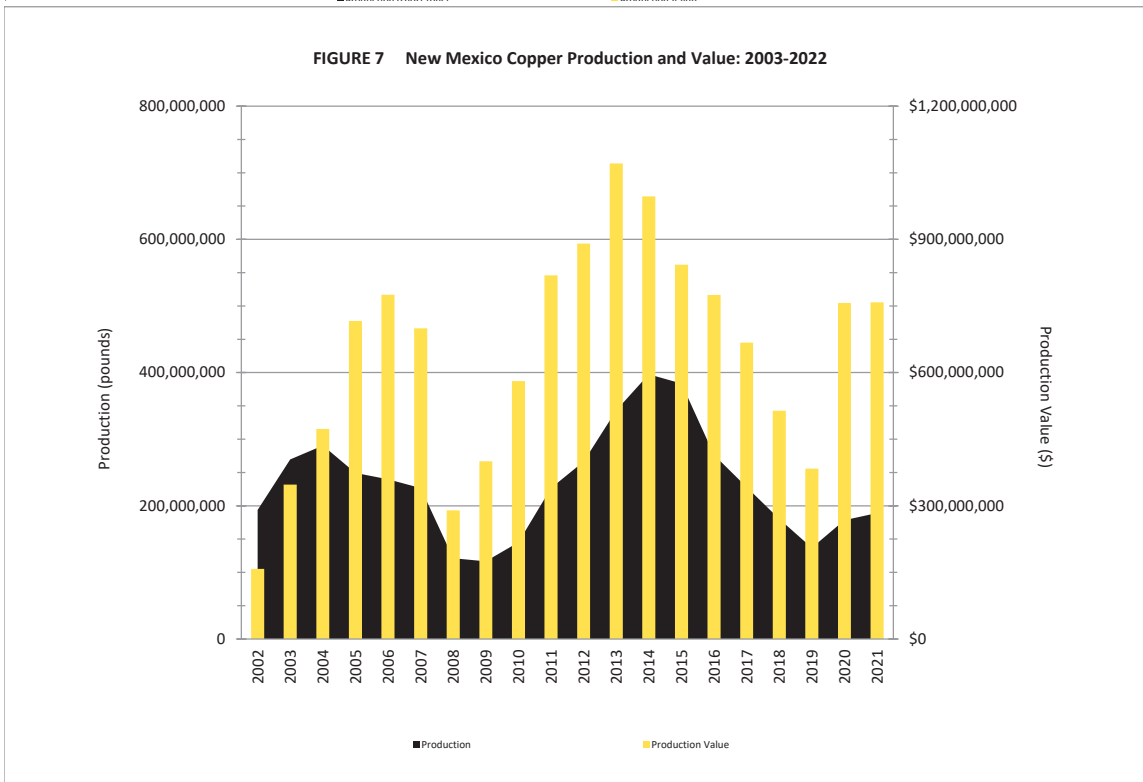
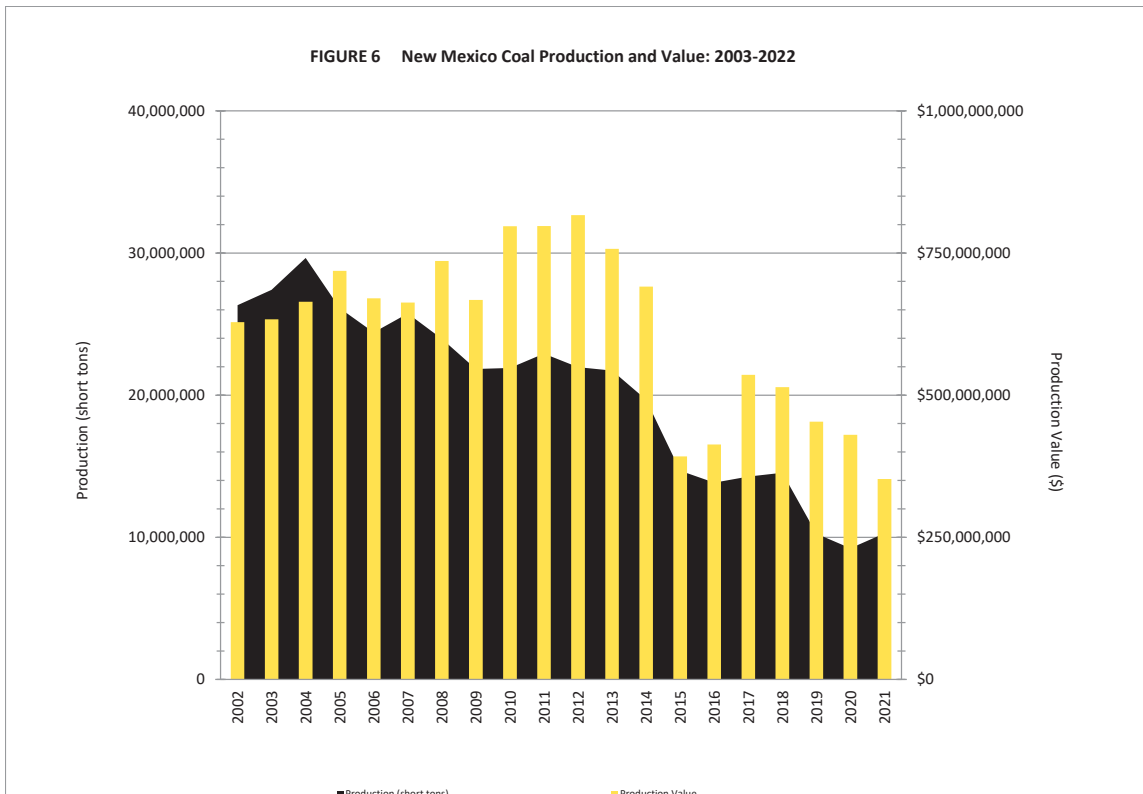
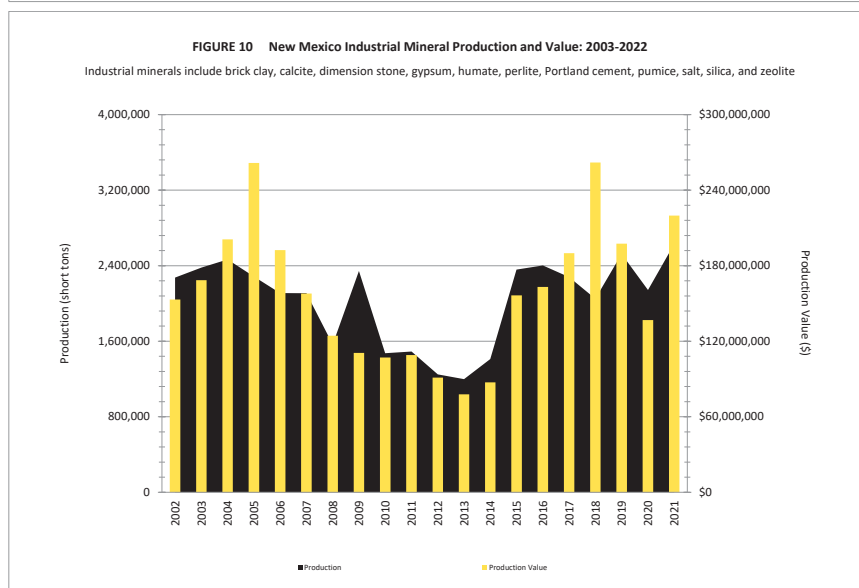
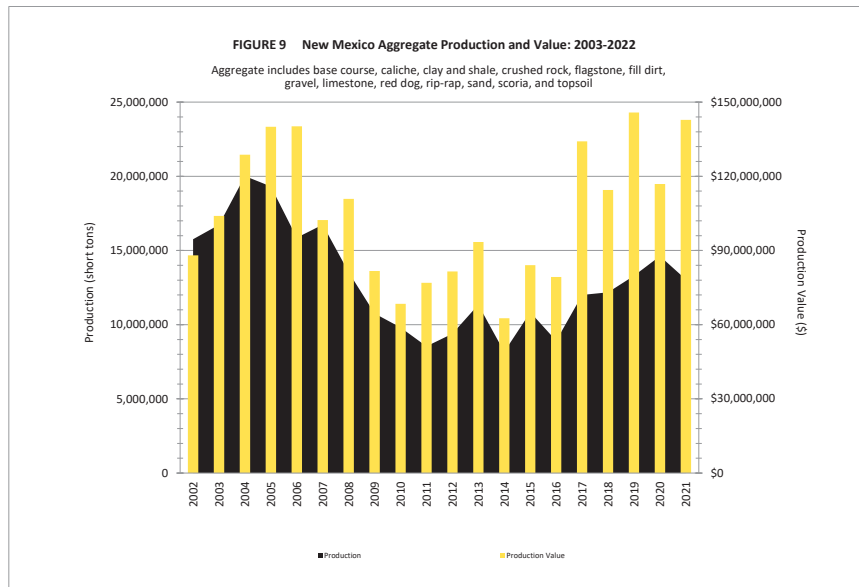
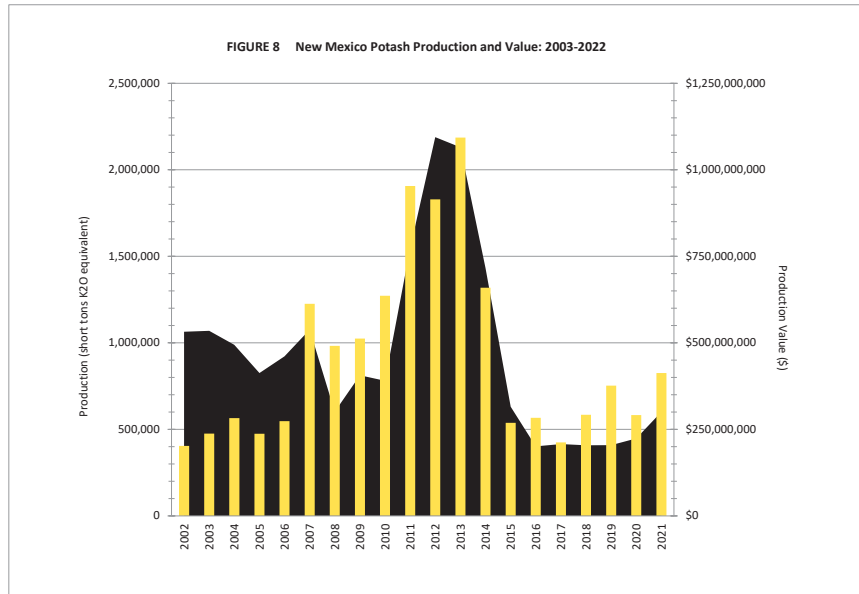


FIGURE 5 (NM map of active mines) (Photo file name: FIGURE5-NM_Mines_ActiveUpTo_Dec2022)
 (Figure 5 – any discrepancies are due to mine data run date)



Figures 6 through 10 provide 20-year snapshots of production amounts and sales values for coal, copper, potash, aggregate (base course, caliche, clay and shale, crushed rock, flagstone, fill dirt, gravel, limestone, red dog, riprap, sand, scoria, and topsoil), and industrial minerals (brick clay, calcite, dimension stone, gypsum, humate, perlite, Portland cement, pumice, salt, silica, and zeolite), respectively.







LETTER FROM THE DIRECTOR

In the past year the Oil Conservation Division (OCD) has once again risen to the challenge of overseeing significant increases in oil and gas production, ensuring that such development in New Mexico occurs responsibly, consistent with OCD rules, and in a manner that protects human health and the environment. In the past year, OCD has been particularly focused on implementation of its nation-leading Waste Rules (effective date May 25, 2021), updates to the spill rules, induced seismicity protocol, and the expansion of our orphan well plugging and abandoned facility reclamation work in response to funding provided under the federal Infrastructure Investment and Jobs Act (IIJA). OCD continues to be recognized for the progress made under these programs, particularly the methane waste rules, and I continue to be proud that the hard work of our employees is being recognized.

In 2022, OCD substantially completed the years-long Carlsbad Brine Well Remediation Project. Working with engineering firm WSP, OCD managed to stabilize this cavern that had formed underground near a major transportation intersection within Carlsbad's city limits in Eddy County. The cavity was the result of activity from a brine well—a well that produced salt-laden water for use in oil drilling operations—that had operated in the area from 1978 to 2008. Stabilizing the cavity alleviated potential damage of more than \$1 billion because of its proximity to a main irrigation canal, a major highway intersection, a rail line, and numerous businesses and residences. In 2023, we began working to decommission remediation project facilities, restored surface sites and returned them to underlying landowners and implemented our post remediation monitoring plan.

Finally, 2023 saw the first full year of the incredible opportunity OCD has to increase the rate at which it plugs and remediates orphan wells and associated facilities due to a funding stream not previously available in New Mexico to support this work. The Infrastructure Investment and Jobs Act (IIJA) included \$4.8 billion in funding for states to clean up orphan oil and gas sites, with nearly \$100 million destined for New Mexico under the initial and formula grant programs. New Mexico received a \$25 million initial grant on October 1, 2022. Thirty days later, OCD staff and contractors started the first well-plugging project using these funds, at a site just outside of Hobbs in Lea County. OCD expects the \$25 million initial grant to fund plugging and remediation at 134 wells sites, methane monitoring at 160 orphaned wells, and the remediation reclamation of 6 sites over the initial grant's twenty-four-month performance period. The division expects to receive an additional \$72 million under the formula grant and up to an additional \$40 million under other grant programs over the next several years under the IIJA to support this work. This funding not only facilitates high-paying jobs in the oil and gas industry but also protects ground water and prevents methane from being released.

My vision for the Oil Conservation Division is to be an innovative, efficient, and transparent regulator that serves the interests of all New Mexico and ensures the oil and gas development that is occurring in New Mexico happens responsibly. I'm proud of the work accomplished so far and look forward to the work still left to do. I hope you enjoy reviewing the OCD's 2023 accomplishments.



DYLAN FUGE
Division Director
Oil Conservation Division





MISSION

The Oil Conservation Division (OCD) regulates oil and gas activity in New Mexico. It gathers oil and gas well production data, permits new oil, gas and injection wells, enforces the division’s rules, develops administrative orders to which operators are subject, enforces the State’s oil and gas statutes, ensures abandoned wells are properly plugged and that the land is responsibly restored once production activities are done. The OCD’s goals are to promote balanced, consistent, fair and transparent regulation of the oil and gas industry, to prevent the waste of oil and gas resources within the state, to protect the correlative rights of resource owners, to foster efficient development, and to protect human health and the environment.

The OCD is organized into five bureaus responsible for different aspects of regulating the oil and gas industry and its approximately 60,000 active wells in New Mexico. The five OCD bureaus are:

- Engineering
- Environmental
- Hearings
- Projects
- Administration

OCD has offices in Hobbs, Artesia, Aztec, Albuquerque, and Santa Fe.

The Oil Conservation Division regulates oil and gas activity in New Mexico. The Division gathers well production data, permits new wells, enforces the division’s rules and the state’s oil and gas statutes, makes certain abandoned wells are properly plugged, and ensures the land is responsibly restored

Over the past several years oil and gas production within the state has increased significantly. In 2022 New Mexico alone was responsible for half of all U.S. production growth resulting in record high production levels, and that trend continued through 2023 (The US Energy Information Administration estimates Eddy and Lea Counties were responsible for nearly 30% of all oil production growth in the Permian Basin).

NUMBER OF WELLS

WELL TYPE	APPROVED PERMITS	COMPLETED WELLS*
Carbon Dioxide	734	730
Gas	28,993	26,526
Injection	3,174	3,129
Misc	135	114
Oil	36,870	27,940
Saltwater Disposal	912	814
Water	46	45
Acid Gas Injection**	18	15
Total	70,864	59,298

*Active, approved temporarily abandoned, expired temporarily abandoned, and plugged not released status.

**Not included in well count total.

NUMBER OF WELLS BY LAND TYPE

LAND TYPE	APPROVED PERMITS	COMPLETED WELLS*
Federal	40,951	31,309
All Tribal	2,657	2,589
Private	10,799	10,382
State	16,457	15,018
Total	70,864	59,298

*Active, approved temporarily abandoned, expired temporarily abandoned, and plugged not released status



OIL & GAS SOLD BY VOLUME BY CALENDAR YEAR

YEAR	GAS SOLD*	YEAR	OIL SOLD**
2014	1,155,354,565	2014	124,858,909
2015	1,172,993,145	2015	148,336,586
2016	1,177,388,904	2016	146,717,323
2017	1,232,009,422	2017	172,319,028
2018	1,418,383,888	2018	249,181,165
2019	1,691,870,443	2019	335,459,797
2020	1,965,627,653	2020	375,602,691
2021	2,247,831,695	2021	454,608,111
2022	2,707,179,034	2022	587,840,697

*Measured in MCF **Measured in BBLs

OCD BUREAUS

| ENGINEERING BUREAU

Manages the administrative permitting, Underground Injection Control (UIC), and inspections programs of the OCD to ensure program goals and regulatory objectives are met. The bureau provides the technical expertise needed to design and develop programs that address new issues arising from advances in the oil and gas industry; processing administrative permit applications pursuant to the New Mexico Oil and Gas Act; acting as technical examiners for protested applications and for applications requiring an adjudication process; overseeing activities including application processing for the UIC program; and inspecting facilities to ensure industry activities comply with OCD rules and regulations, and do not result in the waste of oil and gas resources while protecting human health and the environment. The bureau monitors and enforces the UIC program in coordination with the personnel of the Field Inspections group who conduct inspections and document conditions for UIC wells.

| ENVIRONMENTAL BUREAU

Manages the administrative permitting, incidents, and projects and compliance programs of the OCD to ensure program goals and regulatory objectives are met. It enforces both the State's Oil and Gas Act and Water Quality Act to protect public health, groundwater, surface water, and the environment in relation to the activities of the oil and gas industry in New Mexico. This involves complex technical issues of geology, hydrology, and engineering.

| HEARINGS BUREAU

Manages the OCD and Oil Conservation Commission hearings, organizing the dockets for protested applications and for applications requiring an adjudication process, acting as hearing examiners and assisting in the preparation of orders.

| PROJECTS BUREAU

Plans, coordinates, and evaluates the day-to-day operational and administrative activities of multiple OCD programs. Current projects this bureau is managing include the Carlsbad Brine well remediation project, implementation of the federal Infrastructure Investment and Jobs Act orphan well grant programs, establishment of the marginal well plugging program (also federally funded) and any projects assigned by the Engineering and Environmental Bureau Program Coordinators.

| ADMINISTRATION BUREAU

Manages the administrative compliance program and the administrative functions within the OCD. As part of these responsibilities the Administration Bureau works with operators to develop agreed upon orders to attain compliance with rules and regulations. The bureau tracks statistics, provides administrative support, tracks operator financial assurance, and production reports.



OCC & RULEMAKING

| OIL CONSERVATION COMMISSION (OCC)

The OCC is a three-member commission chaired by the OCD Director with a designee of the Commissioner of Public Lands and a designee of the Cabinet Secretary of the Energy, Minerals and Natural Resources Department. The OCC promulgates rules governing oil and gas production in New Mexico, conducts hearings on matters of significant interest, and hears appeals of OCD examiner decisions.

| OCD RULEMAKING

The OCD works with representatives from diverse groups to identify areas where rules need to be updated. The Division is actively involved in federal, state, and industry organizations to share information on new technologies and discuss best practices on issues such as hydraulic fracturing and horizontal well drilling. We are committed to promulgating regulations based on science and technology and include university researchers in workgroups as needed for rule modification and development. In 2023, there were no OCC rulemakings, although a third-party petitioner filed a petition for rulemaking that, if granted, would prohibit the use of PFAS chemicals in oil and gas drilling and would impose changes in certain rules concerning disclosure. That rule is scheduled for hearing in early 2024.

OCD PERFORMANCE

| INSPECTION & PLUGGING

In fiscal year 2023 the OCD performed 29,522 inspections on oil and gas wells and facilities out of 59,298 completed wells in the state. Inspections consist of site inspections of oil and gas wells, associated facilities, releases, and general site conditions. UIC well inspections are conducted to meet the goals set by the federal UIC program, overseen by the US Environmental Protection Agency. These inspections are performed to verify wells are operating under the terms of their permits and are tested to ensure integrity of the well bores for the protection of underground sources of drinking water.

The OCD has made great strides in the overall effectiveness of inspections. This has been done by prioritizing inspections using a risk-tiered system. The higher risk inspections include but are not limited to public complaint responses, witnessing well work and testing, and following up on compliance issues. This resulted in 2,401 compliances issued to operators in fiscal year 2023.

In FY23 the OCD plugged 76 abandoned oil and gas wells, effectively meeting the legislative goal of 50 wells during the fiscal year. This represented a significant increase over prior years and OCD expects to accelerate that pace in the coming year, thanks to the \$25 million in grant funding that came at the end of 2022 and the additional \$25 million expected in early 2024 under the federal Infrastructure and Investment and Jobs Act. OCD expects the \$25 million initial grant to fund plugging and remediation at 130+/- wells sites and the remediation of 8 former oil and gas sites over the initial grants twenty-four-month performance period.

OIL & GAS INSPECTIONS BY YEAR				
	2023	2022	2021	2020
Quarter 1	7,598	5,863	13,256	10,050
Quarter 2	7,019	7,199	6,753	6,356
Quarter 3	7,958	8,273	6,868	6,350
Quarter 4	6,947	9,578	7,333	14,168
Yearly Total	29,522	30,913	34,210	36,924

| APPLICATIONS FOR PERMIT TO DRILL (“APDS”)

In FY23, the OCD approved 94.9% of all APDs within 10 business days of receipt, exceeding the performance target of 85% set by the Legislative Finance Committee.

| CARLSBAD BRINE WELL REMEDIATION

Since 2009, EMNRD has been the lead agency in characterizing and monitoring a large and unstable brine well cavern that had threatened a developed portion of the City of Carlsbad in Eddy County. This cavern was created beginning in 1978 when the operator began injecting freshwater into the subsurface salt formation to produce saturated brine used for oil and gas operations. The most recent operator, I&W, went bankrupt while failing to monitor or remediate the cavern.

Given the size and characteristics of the cavern, the potential for catastrophic failure was significant and could have resulted in serious disruption to local infrastructure, tourism, oil and gas logistics, and agriculture, as well as contaminating groundwater. Using the Oil Reclamation Fund and I&W’s liquidated bankruptcy estate, OCD completed an assessment of the cavern in 2014 using multiple geophysical techniques. The OCD also installed and maintains an automated ground movement monitoring system integrated directly into the local emergency response infrastructure.

During the 2017 and 2018 legislative sessions a fund to remediate the cavern was established, along with the creation of the Carlsbad Brine Well Remediation Authority, to oversee future



actions relating to the brine well. The Authority has representation from the City of Carlsbad, Eddy County, the Carlsbad Irrigation District, the Office of the Attorney General, the Office of the State Engineer, the Department of Transportation, and the Environment Department, with the Secretary of the Energy, Minerals and Natural Resources Department serving as the chair.

OCD's contractor successfully completed primary remediation activities in 2022. In 2023, OCD's focus has been on successful brine well depressurization, demobilization, site restoration, the implementation of the post remediation monitoring, and the restoration of prior traffic flow patterns. Most active work on site has been completed, with the last of the wells slated for plugging and the leased parcels restored and returned to the underlying landowners.

| PLUGGING OF ABANDONED WELLS

Unplugged and improperly plugged oil and gas production wells which are no longer in use can be a source of methane emissions into the atmosphere and potentially impact groundwater. Methane is a potent greenhouse gas adversely contributing to climate change. The OCD requires the operators of idle wells to either properly maintain them or plug them. Unfortunately, a significant number of wells have been abandoned by operators after becoming financially insolvent.

The OCD can then step in to plug abandoned wells using the financial assurance that is available along with a portion of the state production severance that is provided to the OCD's Reclamation Fund which was specifically created for this purpose. Historically, the OCD had been able to plug about 50 wells each year using the Fund and the small amounts of financial assurance it was able to forfeit in connection with such work. In the most recent year, OCD's cost to plug wells averaged \$118,000 per facility, while remediation and reclamation costs are more variable and can cover a wide range from \$50,000 at relatively clean sites, to a couple of million for large tank batteries with extensive contamination.

In the Fall of 2021, the federal Infrastructure Investment and Jobs Act was enacted which will provide New Mexico and other states with a significantly greater amount of funding with which to plug abandoned wells and to remediate and restore associated facilities. The value of the initial grant to the State is \$25M with more to follow in the coming years. OCD expects the \$25 million initial grant to fund plugging and remediation at 134 wells sites, methane monitoring at 160 orphan wells, and the remediation reclamation of 6 sites over the initial grant's twenty-four-month performance period. The division currently estimates there are more than 1,700 abandoned wells located on state-owned or private surface.



PARTNERSHIPS AND COLLABORATION

| NEW MEXICO PRODUCED WATER RESEARCH CONSORTIUM

The New Mexico Produced Water Consortium is an effort with New Mexico State University, the New Mexico Environment Department (NMED), other state and federal agencies, our national labs, and the private sector to develop a basis for regulating the reuse of produced water outside of the oil and gas industry to ensure protection of public health and the environment. OCD is a member of the Governmental Advisory Board overseeing the



Consortium’s research and outreach. The Consortium is in its third year of operation and in February of 2022 published its Research Plan and Gap Analysis for Produced Water Reuse in New Mexico. The plan discusses current needs and challenges in infrastructure planning and development, the collection of water quality data, toxicology, treatment technology performance, cost/benefit analyses, and public outreach. The New Mexico Produced Water Act (Chapter 70 NMSA 1978) requires a person to obtain a permit from the NMED prior to using produced water, even if treated, for

activities unrelated to the production of oil and gas. Produced water utilized for completions operations within the oil and gas industry is allowed and regulated by the OCD.

Data in the chart below represents the amount and types of water that are being used within oil and gas completions operations in New Mexico. Produced water reuse has steadily increased since tracking began.

YEAR	PRODUCED WATER	WATER TDS < 1K mg/L	WATER TDS 1 < 10K mg/L	WATER TDS < 10K mg/L	TOTAL WATER
7/1/2023 - Current	1,281,943,038	43,516,704	665,245,697	490,762,157	2,234,437,600
7/1/2022 - 6/30/2023	10,964,274,549	704,506,928	3,891,032,686	1,948,349,804	17,508,163,967
7/1/2021- 6/30/2022	9,272,429,571	882,188,670	4,231,196,352	1,076,207,857	15,462,022,450
7/1/2020 - 6/30/2021	4,699,268,611	1,627,809,162	3,206,465,723	357,165,138	9,890,708,634

| NEW MEXICO BUREAU OF GEOLOGY AND MINERAL RESOURCES

The OCD provides funding to the New Mexico Bureau of Geology and Mineral Resources for a variety of projects that assist the OCD. These projects include:

- Development of a 3-dimensional model in ArcGIS of the Pecos Slope and Delaware basin aquifers containing information on the depth to groundwater, water quality, and volume. One of the benefits of this work is to reduce possible interference by the oil and gas industry with freshwater zones not only during the drilling and completion of production wells but also in the investigation and remediation of spills and releases. OCD also provides geologic data for the model from the online library of well logs.
- Mapping of the stratigraphic intervals from the Siluro-Devonian to crystalline basement in the NM portion of the Delaware Basin. This task is achieved through analysis of formation tops interpreted from OCD well logs and completion reports. The project supports the OCD in evaluating and minimizing the potential for induced seismicity.
- A spatial analysis of produced water injection. This project is a companion to the Siluro-Devonian mapping effort and aids in the OCD’s ability to quantify and evaluate and further make decisions regarding disposal in the Delaware basin.
- The Bureau’s Seismological Observatory for the monitoring and analysis of seismicity and induced seismicity in the NM Permian Basin. Additional seismic monitors have been installed to provide better fidelity of data within specific areas of interest.
- The scanning, cataloguing, and archiving of the OCD’s legacy hearing orders dating back to the formation of the division.

| GROUND WATER PROTECTION COUNCIL

The Ground Water Protection Council (GWPC) is a non-profit organization whose members consist of state regulatory agencies working together for the protection and conservation of groundwater. The GWPC promotes effective regulations and the use of best management practices with a focus on matters of energy, water quality, water availability, and sustainability. The GWPC has had a significant impact on national policies in underground injection.

| INTERSTATE OIL & GAS COMPACT COMMISSION

The OCD Director represents New Mexico on the Interstate Oil & Gas Compact Commission (IOGCC) which was chartered in 1935 with New Mexico as a founding member. The Commission works to promote sound regulatory practices for the conservation and efficient recovery of oil and natural gas resources while protecting health, safety, and the environment.

| US ENVIRONMENTAL PROTECTION AGENCY

The EPA funds and provides oversight of the state’s UIC program initiated as part of the federal Safe Drinking Water Act. New Mexico has regulatory primacy to permit produced water disposal wells, brine production wells, refinery wastewater disposal wells, and remedial injection wells to ensure the protection of underground sources of drinking water.

| NATIVE AMERICAN COMMUNITIES

When requested, the OCD assists tribal entities on issues of oil and gas development and the response of operators to spills and releases.



LETTER FROM THE DIRECTOR

To Our Citizens and Visitors of New Mexico:

New Mexicans take great pride in our state's public lands. Our public lands provide natural, cultural, and historic resources, and the New Mexico State Parks (State Parks) system plays an essential role in ensuring that our unique heritage is preserved and enhances our quality of life for generations to come.

This year, State Parks experienced its 90-year anniversary. In 1933, during the height of the Great Depression, the New Mexico State Park Commission was established, and the first state parks were developed. Long before that, however, people were drawn to the lands that were to become State Parks. Starting with a nucleus of four sites in the 1930s (Bottomless Lakes, Hyde Memorial, Santa Fe River, and La Joya State Parks), the State Parks system has evolved into a thriving 35-park system with sites found in 25 of 33 counties across our state. These parks protect beautiful landscapes, tell important stories about our state's past, and encourage New Mexicans and visitors to enjoy and conserve our natural environment while we celebrate our state's history.

As we honor our past and those who have come before us, I challenge you to be a part of the story of the State Parks that connect us. Seventy percent of New Mexicans live within 40 miles of a State Park and every day we look for new and better ways to ensure your State Parks are welcoming, accessible, supportive, and memorable for all. My personal exploration of State Parks started over 43 years ago. Regardless of your background or experience in the outdoors, I hope you and yours will explore, experience, and enjoy your State Parks.

Over the last year, your State Parks have made significant progress in conserving our natural resources and improving the condition of facilities and amenities. The following report reflects our accomplishments this year and recognizes the people, partners, and programs dedicated to protecting and enhancing natural and cultural resources, providing first-class recreational and education facilities and opportunities, and promoting public safety to benefit and enrich the lives of visitors.



Sinceramente,
TOBY VELÁSQUEZ
Division Director
State Parks Division

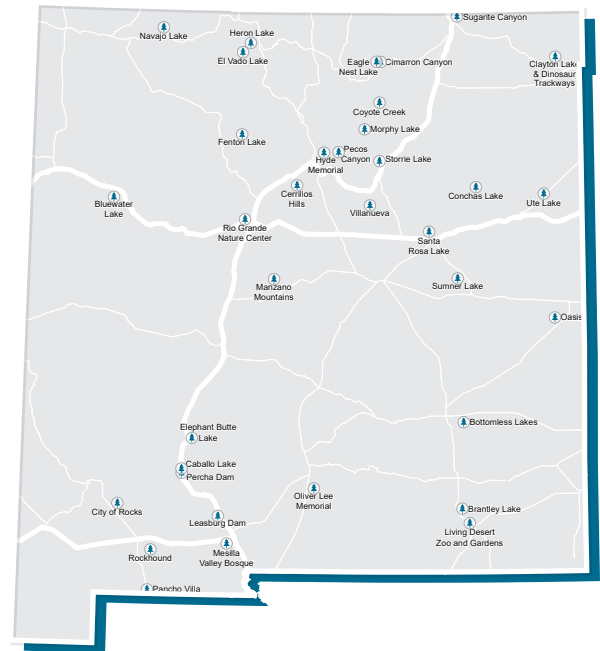




DIVISION OVERVIEW

Established in 1933, the New Mexico State Parks Division has grown into a 35-park system that includes 19 lakes and nearly 189,942 surface acres of land and water. The State Parks staff is committed to our mission—which to protect and enhance natural and cultural resources, provide first-class recreational and education facilities, and promote public safety to benefit and enrich the lives of visitors. We do this by employing professional, dedicated staff to ensure that parks are cared for and preserved to the highest professional standards. State Park programs provide safe, fun, and educational experiences for the whole family.

State parks can be found in 25 of New Mexico's 33 counties where outdoor recreation is a driving force in New Mexico's economy. Connected to communities statewide, our 35 state parks attract on average 4.75 million visitors each year and are essential economic drivers for local businesses, towns, and cities. Many rural communities rely on a state park as a major source of economic development.



New Mexico State Park's mission is to protect and enhance natural and cultural resources, provide first-class recreational and education facilities, and promote public safety to benefit and enrich the lives of visitors.

STAFFING

235 Full Time & Seasonal Employees comprised of the following:

27

Operations, Administrative & Program Support Staff located in the Santa Fe Office.

153

Field Operations & Administrative Support Staff at 35 State parks.

10

Operations & Administrative Support Staff at 5 Region offices.

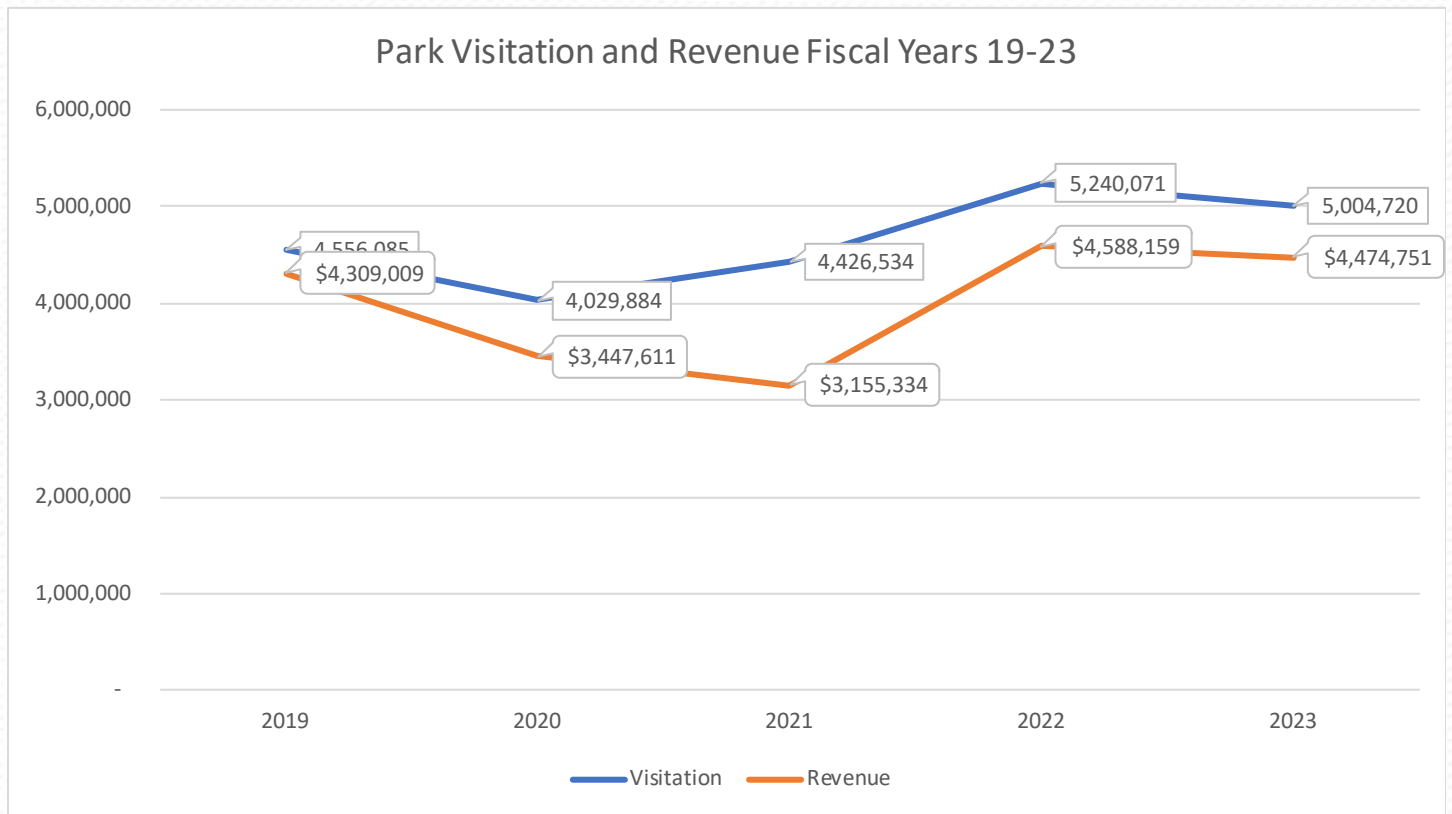
45

Field Operations positions that support up to 136 seasonal hires system wide.

ADMINISTRATIVE SERVICES BUREAU

The Administrative Services Bureau provides financial and information services and coordinates and supports personnel-related functions and grant support. This bureau serves as a resource for the division's 41 decentralized locations and departmental program support services and coordinates with other local, state, and federal agencies.

The bureau's primary functions are coordinating personnel procedures, providing fiscal support and oversight, financial advice, accounting, payables and receivables, budget preparation and management, procurement, fixed assets, property disposal, records retention, and fleet/telecommunication services. The staff provides customer service to the public, giving tourism answers and ideas. The bureau aims to deliver the best service and support to enable every employee and program to accomplish our shared mission.



FIELD OPERATIONS BUREAU

The Field Operations Bureau consists of 35 State Parks supported by five region offices each assigned a Region Manager and Region Administrator. The Field Operations Bureau Chief works with the Region Managers to oversee daily administration, management, and operation of State Parks to ensure that park resources, grounds and facilities are maintained, and that services are provided in accordance with established standards. Our region offices are critical to success; they serve as the conduit for information transfer between parks and administration.



This past year, State Parks has focused on recruiting and retaining career-oriented employees to help improve our visitors' experiences. Attracting and keeping high-quality employees allowed us to provide quality recreational experiences for more than 5 million visitors across the system this year.



Over the last year the Field Operations Bureau improved communication and coordination to provide more diverse professional development opportunities for staff. State Parks held its first in-person spring agency training since the beginning of the pandemic. This training provided staff with the opportunity to share knowledge and experiences and exercise teambuilding and communication strategies. We continued with in-person training and communication through the delivery of our annual fall conference which focused on building institutional knowledge and sharing time tested strategies with park management and staff.



In addition to expanding staff training, State Parks is actively working to revise and modernize our policies and procedures. Several policies and procedures require review to ensure they are contemporary and not duplicating older, and possibly outdated, practices. The comprehensive review and revision of policies and procedures started with fee collections, uniforms, and housing.



Over the last year, State Parks used American Rescue Plan Act (ARPA) funding to support the purchase of essential park equipment and facility improvements. We have replaced outdated and failing heavy equipment and vehicles. Also, ARPA funding is being used to renovate multiple facilities across the state including park housing, visitor centers, water and wastewater systems, campgrounds, and restroom facilities. While ARPA funding provided a much-needed boost to address deferred maintenance and capital improvements, we remain committed to increasing our financial resiliency to ensure our long-term stability as an enterprise agency. State Parks are dedicated to improving and diversifying our self-generated funding sources. We rely heavily on self-generated revenue from camping and day use activity, but our fee schedule has not kept pace with inflation. Most park fees have not changed in more than 20 years. To remedy this, State Parks completed a fee study and made recommendations for adjustments to our current fee structure. This internal agency review considers the wide range of State Parks fees and compares them to inflation rates and fees at parks in surrounding states. As an enterprise agency, fee adjustments are a necessary, and effective, strategy for improving State Parks' financial position.

Key 2023 accomplishments: Generated approximately \$2.8 million in revenue through our online reservation system. This is a significant reduction in the amount of cash handling that would otherwise occur in parks. Online reservations provide a more efficient, convenient method for payments and revenue handling.

LAW ENFORCEMENT AND BOATING SAFETY BUREAU

Building on our efforts from the previous year, our Park Law Enforcement (LE) Ranger positions reclassification was approved and adopted by the State Personnel Board in December 2022 and effective February 2023. With all the expected benefits attached to this peace officer reclassification, such as recognition as a fully certified law enforcement officer and clearly defined job descriptions, our officers have also benefited from being re-aligned into the law enforcement retirement tier within the Public Employees Retirement Association. This is significant in that it will allow our new law enforcement officers to retire five years earlier than they would if they were in a civilian position, effectively bringing their retirement years of service to twenty-five years as opposed to thirty. We are already seeing positive results from this change in the form of improved employee morale and larger candidate pools for our open law enforcement positions.

In the past year, we have added sixteen new Park LE Rangers including 10 new recruits.



State Parks now has twenty certified law enforcement instructors who all contribute to our goal of building our own team of instructors. Having our own instructors enables State Parks to become more self-sufficient and less reliant on the schedules

of other outside training organizations. Our instructors have completed well-established state and nationally recognized training courses and have been certified by the New Mexico Department of Public Safety to deliver accredited courses to law enforcement professionals. Our instructors are certified to teach topics included in the Biennium requirements, which are codified in statute, administrative rule, and are tracked and monitored by the New Mexico Law Enforcement Academy Board. Our instructors are also certified to teach more specialized courses such as Officer Water Survival, Boating Under the Influence Enforcement, and Marine Enforcement Operations.

This year, we partnered with the National Association of State Boating Law Administrators (NASBLA) to provide an Inland Boat Operations-Marine Patrol Fundamentals Instructor course at the Richard Cooper Training Center at Elephant Butte Lake State Park. This course is the national standard accepted by the United States Coast Guard for inland boat operations and patrol. With this course, we were able to certify nine new Marine Enforcement Operator Instructors and align our curriculum with our partners from the fifty states and six territories. Additionally, this course offering brought participants from other outside agencies such as the New Mexico Department of Game and Fish as well as officers from Texas and Washington.



In addition to NASBLA's Inland Boat Operations-Marine Patrol Fundamentals Instructor course, we delivered two Marine Enforcement Operations courses to fifteen law enforcement and non-law enforcement staff across the state. We also delivered a Boating Under the Influence course which included the seated battery of Standardized Field Sobriety Tests to five new officers.

This summer, our bureau acquired and supplied AXON body worn cameras (BWC) to each park law enforcement officer. Almost

immediately, the technology improved our ability to document a variety of law enforcement incidents and has been especially useful in improving accountability and officer training.

Keeping the public safe and helping them have an enjoyable on the water experience continues to be among our highest priorities. We implemented a rule change to keep pace with changing national safety standards prescribed by the United States Coast Guard. These changes include requiring motorboat operators to attach themselves to an engine cut-off switch when their vessel travels above wake speed. This improvement ensures that in the event the boat operator is ejected from the helm, the engine will turn off, which will reduce the chances of injuries from a propeller strike or run-away vessel. Additionally, we implemented a rule that allows park law enforcement officers enforcing the New Mexico Boat Act to terminate the voyage of a vessel for reasons that qualify as unsafe and violate the provisions of the Boat Act. To further our boating education messaging and outreach, we continued our commitment to recreational boating safety by participating in the annual National Operation Dry Water Campaign and National Safe Boating Week. We also expanded our messaging through television, radio, and social media. We also participated in several public events and job fairs such as the New Mexico State Fair and the Pojoaque Valley Schools Career Fair.



Higher than normal run-off levels statewide translated into increased use of other bodies of water outside of and within the State Parks system. As a result, our park law enforcement officers spent additional time patrolling and educating the public on bodies of water such as the Rio Grande, Santa Cruz and Carlsbad Lakes. In support of recreational boating safety, education, and enforcement, we will continue to work with our interagency partners such as the New Mexico State Police, county law enforcement, local fire departments, Army Corps of Engineers, Bureau of Land Management, United States Forest Service, New Mexico Department of Game and Fish, and the Bureau of Reclamation.



This year, our park law enforcement officers spent just over 1,000 hours patrolling navigable waters across the state. Some of the highlights from these dedicated efforts include:

- 1,713 Recreational Boating Safety Compliance Inspections
- 285 Vessels Assisted; 798 Persons Assisted
- 44 Boater Education Courses
- 905 Boater Education Students (online and in-person)
- 1,601 Citations Issued



This year we were honored to present Officer Leigh Kirkeide, center, (Navajo Lake State Park) as NASBLA’s New Mexico’s Boating Officer of the Year. Officer Kirkeide has demonstrated high levels of professionalism in the areas of education, patrol, and public safety. Additionally, Officer Kirkeide received a Life Saving Award earlier this year for her efforts to rescue and save the life of a 10-year-old child.

Finally, the bureau is working with the National Safe Boating Council to finalize plans to host the International Boating and Water Safety Summit (IBWSS) for the first time ever in New Mexico on April 8-11, 2024 in Albuquerque. The IBWSS attracts boating safety professionals from all over the world as they discuss trends, technology updates and best practices related to boating and water safety. We look forward to our continued partnership with the NSBC as we prepare for this extraordinary event!

DESIGN AND DEVELOPMENT BUREAU

The Design and Development Bureau is responsible for the planning, design and construction of park facilities and infrastructure statewide, including park buildings and recreation facilities, roads, trails, and water-wastewater projects. The following are key construction projects from last year.

| BLUEWATER LAKE STATE PARK



New Boat Dock
DESCRIPTION: Construction and installation of a new floating boat dock, 10 ft wide by 60 ft long with a 4 ft by 64 ft ADA accessible gangway.

TOTAL PROJECT COST: \$150,851.50 (\$110,250.00 USFWS-Wildlife and Sport Fish Restoration Program (Dingell-Johnson) with \$40,601,50 State match)

| CONCHAS LAKE STATE PARK



Water System Improvements Phase I

DESCRIPTION: The project consisted of the rehabilitation of the existing 78,000-gallon water storage tank including sandblasting and recoating the tank interior, spot welds, extension of the tank inlet pipe with supports, removal of the cathodic protection equipment and rehabilitation of tank roof, and replacement of tank floor. The project also included installation of a residual disinfection and mixing system to maintain chlorine residual throughout the distribution system at the Conchas State Park. Minor site piping includes modifications to separate the tank inlet and outlet and replacement of all valves. The project included an electrical line extension to provide power to the residual chlorination system.

TOTAL PROJECT COST: \$507,988.23

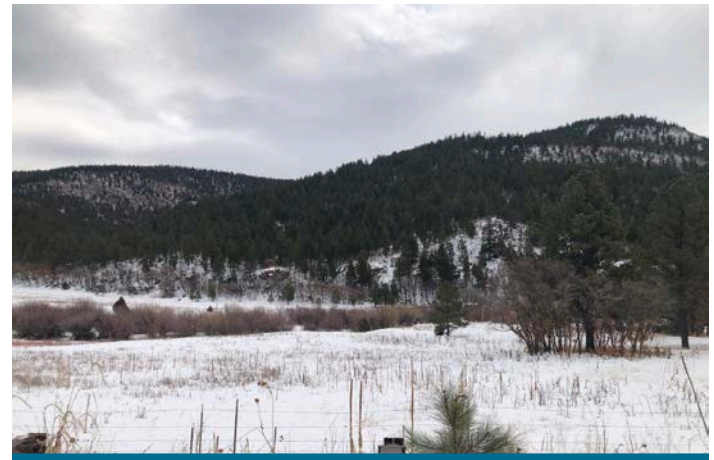


Bell Point Comfort Station Roof Replacement

DESCRIPTION: Replace the roof of the Bell Point Comfort Station.

TOTAL PROJECT COST: \$72,121.50

| COYOTE CREEK STATE PARK



Park Expansion

DESCRIPTION: The State Parks Division purchased approximately 138.90 acres of unimproved land adjacent to Coyote Creek State Park from the Ortega family to expand the park. The property is part of the Mora Land Grant. The purchase of the property by the Division will protect some of the land and historic features of the land grant. The purchase also protects the riparian corridor along Coyote Creek and significant habitat for threatened and endangered species and creates a buffer between the park and adjacent subdivisions. Adding this property to the park will also expand recreational opportunities for fishing access and hiking, mountain biking and equestrian trails.

TOTAL PROJECT COST: \$350,000.00



Campground Improvements

DESCRIPTION: Improvements included development of a new campground loop that includes both RV campsites and cabins with electrical and water service at each site and a vault toilet. Erosion control work at an existing campground loop



including grading, drainage, and road construction. This existing campground loop also received new road surfacing upgrades to the existing campsites and new furnishings. New tent sites were also constructed in the existing overflow camping area including an accessible site with a pathway to the accessible vault toilet. Renovations were also completed at the maintenance area including upgrades to the water system including a new water treatment building, installation of a new storage building, enclosure of the part of the existing equipment storage building for maintenance and fencing around the entire perimeter of the maintenance area.

TOTAL PROJECT COST: \$5,211,953.69 (\$1,675,000.00 Land Water and Conservation Fund with \$1,675,000.00 State match and other State funds \$1,861,953.69)

| EAGLE NEST LAKE STATE PARK



Management Plan and Framework Plan

DESCRIPTION: An updated Park Management Plan and Framework Plan for Eagle Nest Lake State Park were created in collaboration with consultant Consensus Planning. The updated Management Plan includes written narrative, photos, maps, and graphics describing management guidelines and development recommendations at the park over the next five years. The Framework Plan includes proposed development recommendations in more detail. The planning process included review of the previous management plan, documentation of programs, facilities and existing conditions at the park, and meetings with Division staff, stakeholders, and the public.

TOTAL PROJECT COST: \$159,823.36

| HYDE MEMORIAL STATE PARK



Restroom Upgrade

DESCRIPTION: This project converted an existing vault restroom to a flush system restroom. Improvements included infilling of the existing vault, along with installation of new water, wastewater, and electrical systems. Interior renovations included new restroom fixtures and accessories, installation of a heating and cooling system, light fixture upgrades, and new wall and floor finishes.

TOTAL PROJECT COST: \$304,806.92 (\$77,987.00 Land Water and Conservation Fund with \$77,987.01 State match and \$148,832.91 other State Funds)



Wastewater Treatment System Upgrades

DESCRIPTION: The improvements to the park wastewater system included new a new septic tank, wastewater dosing system



including a wet well and duplex effluent submersible dosing pumps, leach field, and force main. The project also included abandonment of the old wastewater treatment system and leach field.

TOTAL PROJECT COST: \$289,430.49



Historic Lodge Roof

DESCRIPTION: The roof on the historic lodge was replaced with synthetic cedar shakes that are meant to mimic the lodge roof when it was originally constructed. This project also included replacement of the roof on an adjacent restroom and storage facility.

TOTAL PROJECT COST: \$200,721.01

| LIVING DESERT ZOO & GARDENS STATE PARK



Shade Structures for Hoof stock Exhibits

DESCRIPTION: This project included the removal of several old wooden shade structures and the installation of new metal shelters in the Bison, Pronghorn and Elk exhibit and shift areas. The shelters provide shade and protection from the weather and are required under AZA (Association of Zoos and Aquariums) guidelines. Other work completed during the project included: new gates in the Bison and Elk exhibits, several new retaining walls in the Elk exhibit areas, and a scratching pad and post for the Bison.

TOTAL PROJECT COST: \$673,624.49



Perimeter Fence

DESCRIPTION: This project included work on a large portion of the perimeter fence that surrounds the park facilities and animal exhibits. The perimeter chain link fence was extended in height to eight feet to satisfy AZA requirements.

TOTAL PROJECT COST: \$590,364.38



| NAVAJO LAKE STATE PARK



Cottonwood Campground Bridge FLAP Project

DESCRIPTION: Construction of a new bridge to free span the arroyo crossing at the entrance to Cottonwood Campground to provide safe and reliable access to the campground. The new bridge is 105 feet long and has two 12-foot lanes with 4-foot-wide shoulders and metal railings.

TOTAL PROJECT COST: \$4,600,000.00 (Federal Lands Access Program \$3,930,000.00 with \$670,000.00 State match)

| PECOS CANYON STATE PARK



Management Plan and Framework Plan

DESCRIPTION: An updated Park Management Plan and Framework Plan for Pecos Canyon State Park were created in collaboration with consultant Design Office. The Management Plan provides guidance on park operations and management, and recommends proposed short-, medium-, and long-term improvements.

The planning process included evaluation of the park from multiple perspectives so that future actions balance the need for outdoor recreation and the protection of natural resources. The Management Plan provides an assessment of the Park’s existing conditions, delineates Terrain Management Zones (TMZ), identifies issues of concern, and outlines recommendations.

The Framework Plan outlines recreation area upgrades balanced with environmental and cultural stewardship. The Framework Plan is intended to be a companion document to the Management Plan, outlining recommendations for physical improvements that facilitate park management and operations. The Framework Plan lays out recommendations for physical improvements at each recreation area and provides guidance on infrastructural needs to elevate the visitor experience and address larger conservation, interpretation, and preservation goals. The key themes guiding park improvements are:

- Establishing a unified park identity.
- Restoring the Park Environment.
- Enhancing the Visitor Experience.
- Connecting the Park recreational areas.

TOTAL PROJECT COST: \$165,379.96



South Rio Mora Day-Use Area Renovations

DESCRIPTION: Renovations included upgrades to the existing day use area to designate parking areas and improve accessibility. The project consists of formalizing an existing parking area into a fenced and gated 20-car parking lot. Improvements also included providing trailhead access and amenities for day use recreation including the installation of a vault toilet.

TOTAL PROJECT COST: \$596,217.40

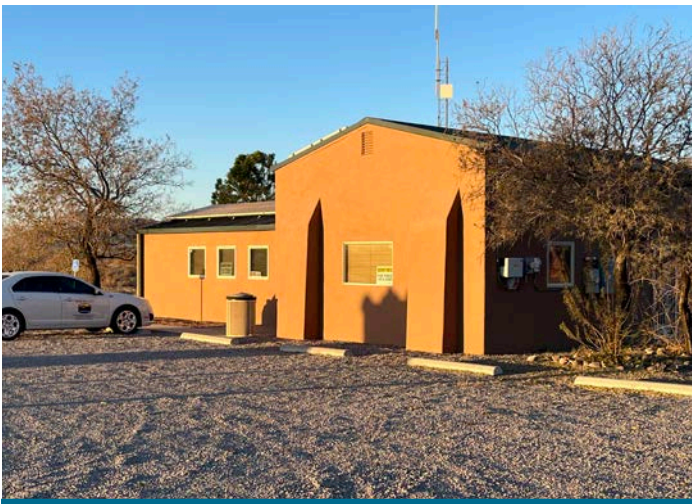
| SMOKEY BEAR HISTORICAL PARK

**Visitor Center Roof Replacement**

DESCRIPTION: The Visitor Center Roof Replacement included removal of the existing sprayed polyurethane foam (SPUF) and modified bitumen roof material to the existing roof deck; repair of roof decking, and installation of a new TPO roof with tapered EPS insulation. The existing PVC overflows were replaced with TPO-clad metal scuppers and new downspouts, collector heads with gutter line and an underground rainwater drainage line were also installed. The project also included an access ladder to the roof.

TOTAL PROJECT COST: \$118,753.25

| SOUTHWEST REGION OFFICE

**New Metal Roof**

DESCRIPTION: Install a new metal roof and repair the exterior stucco on the Southwest Region Office.

TOTAL PROJECT COST: \$58,679.43

PROGRAM SUPPORT BUREAU

The Program Support Bureau consists of six primary areas of expertise that provide statewide support to our parks, regional, and Santa Fe offices. Those areas of support focus on volunteer engagement, natural and cultural resource protection and compliance, outdoor education, business enterprises, workplace safety and loss control, and the Land and Water Conservation Fund (LWCF) federal granting program.

| VOLUNTEER PROGRAM

Park volunteers include camp hosts and day volunteers who assist with operational needs, staff visitor centers, provide educational programming, maintain landscape grounds and trails, clean camp sites, assist campers, staff gift shops, and many other critical needs. This year park visitation soared, and volunteers returned to our parks with great enthusiasm and effort. State Parks benefited from the work of hundreds of dedicated volunteers who contributed thousands of hours of service to park operations.

In addition, State Parks also received vital support from seventeen park Friends Groups throughout the year. Friends Groups hosted park events and raised funds to complete park projects. These efforts help offset budget and staff shortfalls.





| RESOURCE PROTECTION

As part of its mission, State Parks documents and preserves the unique cultural and natural resources within its park system. This year, much of the focus was on a series of new maintenance and repair projects. State Parks staff and contractors reviewed multiple large and small park projects requiring compliance with various state and federal laws including the National Environmental Policy Act, National Historic Preservation Act, Clean Water Act, Endangered Species Act, and New Mexico's own Cultural Properties Act. In meeting these compliance requirements, Parks Resource Protection staff successfully coordinated with partner and regulatory agencies that were critical to the compliance process, in addition to coordinating with EMNRD's Tribal Liaison for compliance with related federal and state regulations and policies.

In addition to regulatory compliance, State Parks continued important resource protection projects and partnerships with a variety of local, state, and federal entities. For example, State Parks continues to work with the State Historic Preservation Office's SiteWatch program at several parks as a means of further protecting cultural resources. This important program pairs trained volunteers with archaeological sites that are at risk of damage from unauthorized excavations. The volunteers document any new damage at the sites they oversee and pass that information on to the State's Historic Preservation Division and State Parks. State Parks also continues to analyze many of the collections of cultural materials that are on display at various parks. This is an ongoing commitment to ensuring that interpretation is kept fresh and relevant and that the displays are up to date both in terms of information but also in the way they are cared for as new technologies become available to better manage our cultural materials. For example, the State Parks archaeologist and Program Support Bureau Chief are working closely with Design and Development staff, their Interpretative consultant, and Oliver Lee Memorial State Park staff on the recently donated historic "Water Pipe Wagon" from the Lee family.



| OUTDOOR EDUCATION PROGRAM

State Parks provide quality outdoor interpretive experiences and educational programming. In 2023, we've had over 400 formal programs, including a popular solar eclipse event that drew big crowds across sixteen state parks. In addition to State Park staff providing educational programming, we also draw on the expertise of two consultants, New Mexico Raptors and the New Mexico Wildlife Center, to provide programming for park visitors and school groups, and on volunteer groups, such as the New Mexico Wildlife Rescue Center (Stokes photo 3). The following information highlights just a few of the many special and popular state park outdoor interpretation and education programs that occurred this year:

- Living Desert Zoo & Gardens State Park - Dragonfly Festival at Bitter Lake National Wildlife Refuge; National Wolf Awareness Week
- Rio Grande Nature Center State Park - Harvesting Rainwater for Life; Ring of Fire Eclipse; The Language of Birds
- Ute Lake State Park - Annual Chuck Wagon Cook-off, featuring the State Parks restored historic chuck wagon
- Elephant Butte Lake State Park - Lecture Series: History of Truth or Consequences, Mimbres Culture; History of Elephant Butte Dam; Creepy Crawlies; Music of our Ancestors
- Rockhound State Park - Night Sky Programs; Introduction to Rocks of the Area
- City of Rocks State Park - Night Sky Programs; Bird Walks; Plants of the Park; Petroglyph Hike



State Parks was proud to provide the sixteenth year of Kids’n Parks Transportation Grants, a component of the highly successful New Mexico Outdoor Classroom Program (OCP). Kids’n Parks gives teachers the opportunity to take their students on field trips to a state park, where hands-on, minds-on experiences introduce and reinforce the standards and benchmarks being taught in the classroom. State Parks pays the transportation costs of such field trips, fully or in part through an outstanding partnership with the New Mexico Museum of Natural History Foundation and Sandia Mountain Natural History Center. These grants result in lasting partnerships with schools and teachers, providing teachers with consistent program planning support and to continue to evaluate the benefits of the OCP. In the 2022–2023 school year, the Kids’n Parks Transportation Grants program awarded \$11,327 in grant funds to 13 school districts with awards ranging from \$200–\$1,170. In total, 1,362 school kids were able to enjoy state parks as part of their school’s outdoor education programming. State Parks participated in the Annual Girl Scouts Love State Parks national event again this year. The theme for this year—the program’s fifth—was “Stewardship, let’s show the love!” Fifteen locations offered programs and camping for the scouts over the September weekend. Over 180 visitors participated in fishing clinics, raptor talks, pond programs, guided hikes, night sky viewing, animal superpowers, bird walks, and historic mining cultural history.



State Parks is proud to partner with the Girl Scouts USA to assist scouts in activities required to earn the Girl Scouts Love the Outdoors Challenge Patch among several other patches. State Parks Rangers received comments that included, “We received special attention, teaching my little scout about the different materials needed for fishing, she learned a lot and loved talking to him. I’m very grateful for the experience,” and “It’s really a beautiful park and we hope to come back, had great time!” A high school scout took advantage as a cross country runner to get in a few miles on a trail in the park.



We thank Girl Scouts USA for helping teach the next generation values that align with our State Parks mission.



seasons. This increase was initiated to meet customer demand for online reservation capability, and to reduce the amount of cash handling required by park staff. Because of our strong marketing message encouraging people to “Book Now” and “Know Before You Go,” State Parks hopes the added convenience of reserving campsites and purchasing day-use passes online throughout the year will drive more people to their state parks.

State Parks saw a large increase in the number of reservations made on RA with a total of 102,523 reservations in fiscal year 2023 compared to 87,126 reservations made in the previous fiscal year which continues to build on our bounce back from the pandemic. RA accounted for 302,666 resident visitors and 256,534 non-resident visitors, which shows that our parks remain a very attractive and affordable destination. Revenue from online reservations and pass sales for fiscal year 2023 was just over \$3.6 million compared to fiscal year 2022 which was \$3.4 million. Donations to State Parks through RA were down a bit for fiscal year 2023, with \$34,972 collected by RA, compared to \$40,388 in donations in FY22. We are very grateful to all who contributed. Lastly, the top five parks in total nights booked and revenue generated on RA for this year, in order, are Navajo Lake, Elephant Butte Lake, Caballo Lake, Heron Lake, and Ute Lake State Parks. Clearly, New Mexico’s lakes and reservoirs are top draws for in state and out-of-state visitors!



State Parks relies heavily upon relationships with private business concessionaires to provide services in our parks that would not otherwise be provided. In doing so, these businesses often generate additional revenue for the agency. State Parks currently administer over thirty-five concessions through contracts or permits. Concessions include the state reservation system, marinas, fishing outfitters and guides, a wireless internet provider, horseback riding services, stores, food trucks, and gift shops. Total revenue collected from all concessions in fiscal year 2023 was \$809,583, and with the \$3,650,037 collected from RA, total revenue from all contracted and concession sources was \$4,409,583 for FY23.

| SAFETY AND LOSS CONTROL PROGRAM

The Division’s Safety and Loss Control Program continued in its leadership role in providing a safe environment for staff and visitors. Our new safety and compliance officer team member is busy conducting safety inspections, reviewing incident reports, and scheduling safety training events for park staff.

The Bureau continues to monitor and improve all aspects of safety and loss control across the division by carrying out regular physical inspections; providing reporting and follow-up on sub-standard safety practices or conditions; tracking, coordinating, and providing required safety training (e.g., First Aid/CPR/AED); and coordinating with Risk Management on a variety of property loss claims. Overall, this program is critical to the safety of our staff and visitors and benefits our efforts to reduce and manage excessive property loss and related incidents.

As shown above, today’s children truly represent the next generation of outdoor recreation in New Mexico. The knowledge and experience gained through State Parks’ OCP will shape the future of resource protection and recreation.

| BUSINESS ENTERPRISE

State Parks had another successful fiscal year working with ReserveAmerica (RA), our online reservation system. State Parks continued to build its online inventory of reservable campsites on RA with a goal of making 80% of total campsite inventory available online. Some parks are now at 100% during their busy



| LAND AND WATER CONSERVATION FUND

State Parks received its annual stateside apportionment from the Land and Water Conservation Fund (LWCF) administered by the Department of the Interior and the National Park Service for federal fiscal year 2022 in the amount of \$3,057,906 million and recently \$3,193,100 for federal fiscal year 2023.



Recent State Parks system infrastructure projects benefit greatly from this program, including campground and infrastructure improvements at Coyote Creek and Eagle Nest Lake State Parks. In addition, these funds are used to support the re-establishment of New Mexico’s annual LWCF Local Assistance Program, which provides matching funding opportunities to New Mexico municipalities, counties, tribal organizations, and other state subdivisions.



State Parks have solicited proposals from eligible entities (state subdivisions and tribes) for the federal fiscal year 2022 and announced the opening of the 2023 cycle in October. For 2022, we received 13 applications requesting a total of \$2.7 million in grant awards that have been reviewed by our scoring committee and are ready for processing by State Parks staff.

A small grant category and a large grant category have been created to provide funding for a wider array of applicants. Applicants for federal fiscal year 2022 include the following entities:

- The cities of Alamogordo, Albuquerque, Deming, Farmington, Las Cruces, Las Vegas, Portales, and Socorro
- Town of Red River
- Village of Cimarron
- Curry, Grant, and Luna Counties

MARKETING AND COMMUNICATIONS BUREAU

The Division Marketing Bureau is responsible for advertising, marketing, promotions, and event coordination for thirty-five state parks across the Land of Enchantment. The bureau currently employs two people in the Santa Fe office, including one Marketing and Public Relations Manager and one Assistant Marketing Manager/Art Director. The Marketing Manager also acts as the Records Custodian and handles all requests through the Inspection of Public Records Act (IPRA) for State Parks.

Administrative functions include coordinating television and radio public service announcements; preparing and distributing promotional literature; coordinating print and photographic material for newspaper articles, magazines, brochures, blogs, websites, and local and national media; cooperation and coordinating with the New Mexico Tourism Department, chambers of commerce, convention and visitors bureaus, tourist associations, and special events promoters; evaluating advertising opportunities; purchasing advertising space; producing ads and advertising material; assistance with promotional efforts at individual state parks; special events and various promotional exhibit expos such as the New Mexico State Fair and New Mexico Outdoor Economic Conference; continuous updating of photos and video; social media marketing, website management and promotion, and digital mobile-ready marketing; development of promotional videos; and continued pursuit of affordable and effective marketing opportunities that make a lasting impact.

Promotional efforts continue to be centered around increasing awareness of the State Parks mission to protect and enhance natural and cultural resources, provide first-class recreational and education facilities and opportunities, and promote public safety to benefit and enrich the lives of visitors.



¡VÁMONOS!

LET'S GO NEW MEXICO!

The prior State Parks theme is currently being phased out to make way for a new, modernized theme – Vámonos! Let's go New Mexico!



15% ↑

Total Followers
78,581

17% ↑

Facebook Followers
44,613

12% ↑

Instagram Followers
31,512

-1% ↓

X(Twitter) Followers
2,456

The Marketing & Communications Bureau placed advertisements to promote State Parks 90th Anniversary year in multiple publications, including New Mexico Magazine. Maintained the State Parks website which had more than 1.2 million pageviews in 2023 and continued to be the primary means of sharing information and promoting State Parks events.

Continued using social media accounts to enhance the image of the parks and promote events and activities, which resulted in a 15% increase in total followers.



Distributed 70,000 map brochures to all thirty-five state parks and to various outlets, including Albuquerque visitor centers, convention and visitor bureaus, New Mexico Tourism Department, and other tourism-related organizations.

Attended trade shows, conferences, and other events as an exhibitor to distribute marketing materials and State Parks branded promotional items. This included events such as the New Mexico State Fair and New Mexico Outdoor Economics Conference.



Promoted the Annular Solar Eclipse for 16 of 35 parks that fell within the Path of Annularity. The remarkable ring of fire was witnessed by at least 1,600 visitors to these parks.

Completed 10 Inspection of Public Records Act (IPRA) requests.

State Parks was awarded the New Mexico Tourism Department FY24 Cooperative Marketing Program grant worth \$68,910 with a two to one match. The funding will be used for multiple video and photo packages, editing, and social media advertising for the 2024 spring and summer seasons.

Increased television and digital outreach with the additions of NBC Universal's Peacock streaming network and ABC affiliate KOAT Hearst Television.



Developed a recruitment video for the New Mexico State Parks law enforcement program in English and Spanish.

Produced approximately 30 news releases and media advisories.

1.3 Million

Total Visitors to NM State Parks

128,748

In-State Bookings On Reserve America

50,535

Out-of-State Bookings On Reserve America

Reserve America remains a valuable partner to New Mexico State parks with over 559,200 resident and non-resident visitors making reservations through the online system this year. This virtual option is of great value to State Parks as it alleviates burdensome pay envelope drop boxes and allows campers, glampers, anglers, hunters, hikers, and mountain bikers to pick their perfect New Mexico State Park getaway up to six months in advance. The Reserve America partnership also provides additional resources with direct email newsletters to site users and paid advertising opportunities on social media.

Looking forward, the State Parks marketing and communications program plans to include an interactive map highlighting unique attractions at each state park and surrounding areas; a New Mexico State Park Ambassador Program to encourage visitors to share their photos, videos, and blogs on social media to assist in promoting the parks; adding the Navajo language to recruitment videos to encourage diversity in the State Parks system; marketing facilities for larger gatherings such as weddings, reunions, and family events as infrastructure improvements and modernizations are made at parks; and increasing our focus on current employees and recognition for their contributions.