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Oil Conservation Division sets record for plugging orphan wells *Sealing 114 abandoned wells mitigates significant environmental hazards*

SANTA FE – The New Mexico Oil Conservation Division (OCD) plugged 114 orphan wells in the recently completed fiscal year 2026, setting a record for the most wells plugged in a single year and curbing significant environmental threats.

The previous plugging record was 104 wells, set in FY 2024.

“This milestone reflects New Mexico’s ongoing commitment to protecting public health and safety by reducing greenhouse gas emissions and safeguarding groundwater,” said **Erin Taylor**, acting secretary of the Energy, Minerals and Natural Resources Department, OCD’s parent agency.

Orphan wells are oil or gas wells that are no longer producing but don’t have an owner capable of properly retiring them. If left abandoned, these wells pose potential environmental risks from leaking toxic chemicals into groundwater, contaminating nearby soils and emitting significant quantities of greenhouse gases and associated toxins.

The longer a well remains unplugged, the more difficult and expensive it becomes to plug it and remediate the surrounding site. OCD’s current average plugging cost is \$236,000 per well. However, one problem well that went out of service in 2012 required \$5 million in total plugging costs.

OCD has been aggressively tackling New Mexico’s orphan well problem since 2021, when its plugging program received an infusion of federal grants.

Those federal grants have totaled \$109 million to date, and OCD has combined those funds with state tax dollars collected from oil and gas companies to plug 429 wells statewide since 2021. The division also has revamped its project planning and oversight processes to make the plugging program more efficient. A recently enacted state law, House Bill 80, that devotes more state tax dollars to well plugging will further bolster this program going forward.

OCD's plugging efforts have resulted in the mitigation of more than 59,000 grams of methane per hour into the atmosphere since the start of FY 2023. On an annualized basis, this equates to more than 517,000 kilograms of methane per year, or 14,481 metric tons of carbon dioxide equivalent — the same as eliminating nearly 37 million miles driven by passenger vehicles each year.

Over the last five years OCD has invested \$14.7 million to remediate and reclaim sites affected by orphan wells and associated equipment. This work has removed 275,136 cubic yards of contaminated soil and restored 505,900 square feet of land.

OCD plans to continue its aggressive well plugging efforts funded by state dollars and an additional \$57 million in federal grants it is still eligible to receive.

“Every well we plug is a direct investment in New Mexico’s future,” said OCD Director **Albert Chang**. “This year’s results show what’s possible when we combine technical expertise, effective planning and a commitment to serving the people of our state.”

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The Energy, Minerals and Natural Resources Department provides resource protection and energy resource development services to the public and other state agencies.