

## GRANT OPPORTUNITY

### Methane Emission Reduction by Plugging Marginal Conventional Wells Project

#### Project Master Scope of Work

To work with local communities, tribal governments, operators, companies involved in environmental remediation and plug and abandonment operations, and other companies/entities as appropriate to plug and permanently abandon Marginal Conventional Wells (MCWs) on non-federal lands in New Mexico in order to reduce methane emissions.

#### Definition of MCW

A MCW is a vertical well that has reported production of oil and natural gas averaged over the most recent 12-month interval of less than 15 barrels per day equivalent (6,000 cubic feet of natural gas being equivalent to one barrel of oil). A conventional well is understood by the NM Oil Conservation Division to mean the producing reservoir was accessed with the advancement of and complete on within a vertically oriented wellbore.

#### Requirements for Qualified Operators

Identification: Collaborate with New Mexico Tech (NMT) and authorized personnel to identify potentially eligible Marginal Conventional Wells (MCWs).

Refinement: Partner with NMT to refine the data set and define the scope of potentially covered wells.

Detection: Facilitate site access for NMT and registered methane measurement firms to detect and locate emission sources.

Quantification: Enable NMT and partner firms to measure and quantify methane emissions prior to the abandonment of eligible MCWs.

Execution: Coordinate with licensed contractors to plug and abandon eligible MCWs in strict accordance with NMOCD regulations. Note: The use of gas channeling additives is highly recommended for surface plugs to mitigate future leaks.

Post-Closure Monitoring: Permit NMT and registered firms to conduct post-plugging measurements to evaluate leak rates and monitor for surface pressure buildup.

Restoration: Complete all necessary ground surface reclamation following the plugging process.

## Anticipated Maximum Allowable per Qualified Operator

#	Operators Total # of Wells*	% of NMT Cost Share**	Max. allowable per operator	Operator Cost Share	Total
1	0 – 100	100%	\$2,000,000.00	\$0.00	\$2,000,000.00
2	101 - 250	75%	\$1,500,000.00	\$500,000.00	\$2,000,000.00
3	251 - 500	50%	\$1,000,000.00	\$1,000,000.00	\$2,000,000.00
4	501 - 1000	25%	\$1,000,000.00	\$3,000,000.00	\$2,500,000.00
7	1000+	10%	\$1,000,000.00	\$9,000,000.00	\$5,000,000.00

\*Refers to the total number of wells owned and operated by the applicant, and is not limited to or representative of the number of MCWs.

\*\* Percentage of cost share from NMT.

### APPLICATION

Operators need to provide the following information to Project Investigator Dr. Tan Nguyen through email or regular mail:

Email: [tan.nguyen@nmt.edu](mailto:tan.nguyen@nmt.edu) with subject line: MERP Application

Regular Mail: New Mexico Tech  
801 Leroy Place  
Socorro, NM 87801  
Attn: Petroleum Engineering, Tan Nguyen

Deadline: Tuesday, July 7, 2026

Please identify the primary point of contact and include their details.

### Application Information

- Total number of oil and gas wells operated by the applicant located within the State of New Mexico.
- Number of Marginal Conventional Wells (MCWs) in the State of New Mexico operated by the applicant. An MCW is defined as a well with average production over the most recent 12 months of less than 15 barrels per day equivalent (6,000 cubic feet of natural gas being equivalent to one barrel of oil).
- List of proposed MCWs on non-federal lands for plugging, including API number, well name, location, and well status
- Evidence or indication of significant methane leakage, venting, surface casing vent flow (SCVF), bradenhead pressure, or other methane emission concerns associated with the proposed well(s) Before any well is confirmed for participation in the MERP, it's methane emissions rate will be quantified via field testing by NMT.

- Description of any environmental or public safety concerns related to the wells, including proximity to occupied structures, water resources, or environmentally sensitive areas
- Production history and current operational status of the proposed wells. A well's recent production history will be verified by comparison to information previously reported to the Oil Conservation Division (OCD).
- Estimated plugging cost and operational considerations for each proposed well
- Demonstration of the operator's ability and experience to properly plug and abandon wells in compliance with New Mexico regulations
- Confirmation that the operator can coordinate with NMT for methane measurement, monitoring, reporting, and verification activities

Preference may be given to smaller operators with qualifying MCWs and to wells demonstrating significant methane leakage or elevated environmental risk.

### **Questions**

Questions should be addressed to Dr Nguyen at [tan.nguyen@nmt.edu](mailto:tan.nguyen@nmt.edu)