New Mexico Oil & Gas Regulatory Program Audit

Program Audit Checklist

Facility Name:	
Auditor:	
Date:	
Audit Period:	

Regulatory References

The following regulations and guidance documents are applicable to this program audit. Click any link to view the full text.

Regulation / Guidance Document
20.2.50 NMAC — Oil and Gas Sector: Ozone Precursor Pollutants (Full Text)
NMED Ozone Precursor Rulemaking and Resources
NMED Compliance and Enforcement — Alternative Monitoring Approvals
EMNRD/OCD Methane Waste Rule (19.15.27 NMAC)
New Mexico Methane Strategy Overview
New Mexico Climate Action — EMNRD Methane Waste Rule
NMED Air Quality Bureau — Oil and Gas Contacts

Instructions: Review each audit item and record findings in the Status and Notes columns. Use C (Compliant), NC (Non-Compliant), NA (Not Applicable), or NR (Needs Review) for the status. Document specific findings, evidence reviewed, and any corrective actions needed in the Notes column.

NMED Ozone Precursor Rule — LDAR and Equipment Leaks

Audit Item	Expected Finding	Status	Notes / Evidence
LDAR program scope and frequency	LDAR program covers all applicable components per 20.2.50.116 NMAC: thief hatches, closed vent systems, pumps, compressors, pressure relief devices, open-ended valves, valves, flanges, connectors, piping, and associated equipment. Inspection frequency is based on facility PTE VOC: monthly for ≥25 tpy, quarterly for 2-25 tpy, with reduced frequencies for small business facilities. Inspections use OGI or Method 21 per the rule's technology-neutral approach. » *Ref: 20.2.50.116 NMAC*		
Leak definition and repair requirements	Leaks are defined as ≥500 ppm hydrocarbons for Method 21, or any visible emission for OGI. Identified leaks are repaired within 15 days of discovery. First repair attempt within 5 days. Delay of repair is documented with justification. Repaired components are re-surveyed to verify effective repair. » *Ref: 20.2.50.116.B-C NMAC (500 ppm / 15-day repair)*		

Audit Item	Expected Finding	Status	Notes / Evidence
Alternative monitoring technology	If using alternative monitoring technologies (continuous monitors, satellites, drones, fenceline monitoring), operator has obtained NMED approval through an alternative monitoring plan per 20.2.50.116.D NMAC. Pre-approved technologies (LongPath, Project Canary, OGI-by-drone with conditions) are used per their specific approval requirements. 15-day advance notification to NMED is provided before first use of approved alternative technology. » *Ref: 20.2.50.116.D NMAC (alternative monitoring plans)*		
Sight, sound, and smell inspections	Monthly audio, visual, and olfactory (AVO) inspections are conducted at all oil and gas facilities per 20.2.50.116. AVO inspections supplement instrument-based LDAR surveys. Findings are documented. Any leaks detected during AVO inspections initiate repair within the 15-day repair deadline. » *Ref: 20.2.50.116 NMAC (monthly AVO)*		

NMED Ozone Precursor Rule — Emission Sources

Audit Item	Expected Finding	Status	Notes / Evidence
Storage tank emission controls	Storage tanks with PTE ≥2 tpy VOC (new sources) or ≥4 tpy VOC (existing sources) are controlled to ≥95% efficiency or route emissions to an enclosed combustion device achieving ≥98% efficiency. Tank emission calculations include flash, working, and breathing losses. Tanks below PTE thresholds still require AVO inspections. » *Ref: 20.2.50.110 NMAC*		
Pneumatic controller and pump requirements	All pneumatic controllers at facilities in covered counties comply with 20.2.50 NMAC requirements. New controllers are zero-emission unless infeasible. Existing controllers are replaced on the phased compliance schedule. Pneumatic pump emissions are controlled or eliminated per the rule's requirements. » *Ref: 20.2.50.111 NMAC*		
Compressor and dehydrator controls	Centrifugal compressor wet seal emissions are reduced by ≥95%. Reciprocating compressor rod packing is maintained per schedule. Glycol dehydrators with PTE ≥2 tpy VOC control emissions to ≥95%. Dehydrator still vent emissions are routed to a control device. » *Ref: 20.2.50.112, 20.2.50.114 NMAC*		
Engine and turbine emission limits	Stationary engines and turbines at oil and gas facilities comply with 20.2.50.113 NMAC emission limits for NOx, CO, and VOC. Engine compliance is demonstrated through manufacturer certification, performance testing, or PEMS. Engine operating hours and emission records are maintained. » *Ref: 20.2.50.113 NMAC*		

Audit Item	Expected Finding	Status	Notes / Evidence
Pig launching/receiving and liquid loading	Pigging operations and hydrocarbon liquid loading/unloading at covered facilities control VOC emissions to ≥95%. Control is required for both new and existing sources. Pigging procedures minimize venting. Liquid loading operations use vapor-tight connections. » *Ref: 20.2.50.115 NMAC*		

EMNRD Methane Waste Rule — Gas Capture

Audit Item	Expected Finding	Status	Notes / Evidence
Gas capture rate compliance	Operator's current natural gas capture rate meets the annual capture requirement, progressing toward the 98% capture mandate by December 31, 2026. Baseline capture rate was established from Q4 2021 data. Annual capture rate increases follow the regulatory formula with higher increases required for operators starting from lower baselines. » *Ref: 19.15.27.8-9 NMAC (98% by Dec 31, 2026)*		
Venting and flaring restrictions	Routine venting and flaring of natural gas is prohibited except in limited circumstances: emergency, malfunction, or specifically exempted situations. Flaring is required over venting when gas cannot be captured (except when flaring is technically infeasible). Emergency venting and flaring events are documented with cause, duration, and volume. » *Ref: 19.15.27.8 NMAC (routine venting/flaring ban)*		
Natural gas management plan	New drilling permit applications include a natural gas management plan demonstrating how the operator will comply with capture requirements. Management plan addresses gas gathering infrastructure, processing capacity, and contingency measures. EMNRD has approved the management plan. » *Ref: 19.15.27.9 NMAC (new permit requirement)*		
Gas capture data reporting	Gas capture data is reported to EMNRD as required, including volumes of gas produced, captured, vented, and flared. Data accuracy supports capture rate calculations. Measurement equipment (meters, estimation methods) meets EMNRD requirements. » *Ref: 19.15.27.10-11 NMAC (reporting requirements)*		

Recordkeeping and Reporting

Audit Item	Expected Finding	Status	Notes / Evidence
NMED compliance records	Records required by 20.2.50 NMAC are maintained on site or at a central location accessible to NMED. Records include: LDAR inspection logs with dates, technologies used, components surveyed, leaks found and repaired; equipment inventories; emission calculations; control device monitoring data; engine records; and AVO inspection logs. Records retained for minimum five years.		

Audit Item	Expected Finding	Status	Notes / Evidence
	» Ref: 20.2.50.20-21 NMAC (general recordkeeping provisions)		
EMNRD reporting compliance	All EMNRD/OCD reporting requirements are met: natural gas management plans for new permits, gas capture rate data, venting and flaring event reports, and compliance plan submissions (if capture rate target is not met). Reports are submitted through EMNRD's designated reporting system. » Ref: 19.15.27.10-11 NMAC		
Compliance plan (if required)	If the operator's annual capture rate falls below the required level, a compliance plan has been submitted to EMNRD. Plan identifies specific actions to increase capture rate, timeline for implementation, and projected capture rates. EMNRD has assessed and accepted the compliance plan. » Ref: 19.15.27.9.D NMAC (compliance plan submission)		
Dual-agency coordination	Compliance documentation is organized to satisfy both NMED and EMNRD requirements without duplication where data serves both programs. Both agencies' contact information, inspection procedures, and reporting deadlines are understood by field and compliance personnel. Any notices of violation or compliance orders from either agency are addressed promptly. » Ref: NMED / EMNRD joint methane strategy [best practice]		

Corrective Actions Summary

#	Finding	Corrective Action	Responsible	Due Date
1				
2				
3				
4				
5				

Audit Sign-Off

Auditor Name:

Auditor Signature:

Date Completed:

Reviewed By:

Review Date:

Status Key: C = Compliant | NC = Non-Compliant | NA = Not Applicable | NR = Needs Review