



August 12, 2011

Cheryl Suttman  
Ohio EPA - DAPC  
P.O Box 1049  
Columbus, OH 43215-1049

Dear Cheryl Suttman:

Devon Energy Corporation (Devon) respectfully submits the following comments outlined in this letter regarding the July 29<sup>th</sup>, 2011 Draft Version of the Ohio EPA Air Program Natural Gas Well Site General Permit Terms and Conditions (Ohio GP or GP). While Devon has extensive shale operations throughout the US, we are a new operator to the State of Ohio. As such Devon sincerely appreciates the opportunity to provide input on these draft rules. Devon feels that there are several improvements that can be made to the draft Ohio GP to improve its clarity, feasibility, and effectiveness.

#### **General Comments**

Devon supports a general air quality permitting process for the oil and gas industry. Devon understands that the Ohio GP would require Agency approval before facility construction could commence. However, the proposal is not clear about how long an operator would expect to wait to receive this response from your Agency once the GP is submitted. In order to adequately meet production time schedules, a permit issuance timeline is imperative. Please add clarity.

The rule references several emission limits/thresholds that are unfamiliar to Devon and seem arbitrary. As examples, the rule, in section 7. Flare/Combustion Device refers to an assumed flare rating of 9.2 MMBtu/hr, 11.7 MMBtu/hr in Section 2. Spark Ignition Internal Combustion Engines, and 26.4 tpy VOC in Section 6. Storage Tanks for water and/or petroleum liquids. Devon requests that the basis for these values/limits be included similar to how the Ohio EPA provides the origin of many emission factors/constants. Knowing the basis for these numbers would help Devon to understand the impact of these requirements and may aid in allowing us to recommend alternatives that may perhaps align with other State oil and gas regulatory programs.

Liquid volumes are represented in the rule as gallons. This is valid practice for lower volumes (i.e. glycol circulation rates), but with high quantities (i.e. facility liquid throughput), it is standard industry practice to use units of barrels. For high volumes, units of barrels are common to our industry and are used in our data systems. Please use barrels consistently as the unit of measure for produced liquid volume.

#### **Spark Ignition Internal Combustion Engines**

Per the Model General Permit Qualifying Criteria Document, a mandatory stack height of at least 30 feet is only feasible for a range of larger engines. The Ohio EPA should use dispersion model predictions to allow varying stack heights for varying sized engines.

The rule limits both emissions and engine horsepower at a location. While it may be necessary to limit engine emissions, it shouldn't be necessary to limit horsepower as well. As engine technology develops, engines will emit less and therefore more horsepower could be allowed for a given emission limit. The engine horsepower limit should be removed.

#### **Unpaved Roads**

Recordkeeping requirements per paragraphs (B)(4)(d)(2)(a) and (d) for unpaved roads would be excessively burdensome to maintain. Paragraph (a) would be difficult to coordinate with multiple company drivers throughout the day. Devon questions the value of recording periods when inspections are not possible. However, Devon believes that paragraphs (b) and (c) (date determined control

measures are necessary and date control measures we implemented, respectively) provide adequate coverage to ensure health protection and that (a) and (d) should be omitted from the rule.

Second, if the intention of this section is to reduce impact to landowners from road dust, Devon believes that this requirement should only apply to populated areas, allowing an operator to avoid the cost of expensive dust abatement treatment in rural, unpopulated areas.

#### **Storage Tanks for Water and/or Petroleum Liquids**

This section of the rule states that industry must limit both VOC emissions and number of storage tanks on location. While it may be necessary to limit emissions, Devon believes that number of storage tanks should not be limited. We also believe that emission limits should only apply to the total of the tanks and not on a per tank basis. This would reduce permit calculations while still ensuring health protection.

#### **Flare/Combustion Devices**

In order to calculate SO<sub>2</sub> emissions from flares, the Ohio EPA used combustion calculation methods for natural gas-fired reciprocating engines from AP-42 Chapter 3.2. This emission factor is specific for pipeline quality gas (i.e. only trace amounts of H<sub>2</sub>S). The most common application of flares at well sites could potentially be on storage tanks, which could potentially contain much more H<sub>2</sub>S than high quality fuel gas. It is imperative to re-evaluate the SO<sub>2</sub> emission limit for flares.

In the early stages of production, industry sometimes finds itself waiting on gas pipeline and will flare produced gas in the meantime. For high liquid producing wells, it may be extremely difficult to meet the emission visibility requirements of no more than 5 minutes during any two consecutive hours. Waiting on pipeline is always as short lived as possible and should not be a common issue. This is a technological limitation that should be considered.

Also, Devon believes that there is a typographical error with respect to required heat content requirement of gas being combusted by a non-assisted flare. The rule states a required heat content of 200 Btu/scf, but does not specify if no greater nor no less than.

#### **Equipment/Pipeline Leaks**

It is unclear whether this section is intended to apply to processing facilities as suggested in the rule language or to exploration and production facilities as suggested by the GP's title. Please clarify the facilities that would have to comply with the requirements of this section.

Elsewhere and under the NSPS subpart KKK Leak detection and Repair (LDAR) programs are only required at natural gas processing plants. Implementing and LDAR program for production facilities would be highly cost ineffective. In fact the EPA, in their recently proposed NSPS/NESHAP Subpart OOOO rule has determined that the cost to control production facility fugitive VOC emission with LDAR would be too expensive on a per ton basis and has chosen not to include it.

Devon supports the development of the GP rulemaking for our industry. We see the value that GP permitting will have in streamlining air permitting so as to avoid facility construction delays. We hope that these comments have been useful in shaping a rule that is feasible and meets the needs of the Ohio stakeholders. We look forward to working with you to on this matter and others in the future.

Sincerely,



Richard Luedecke  
Vice President, Environmental, Health & Safety