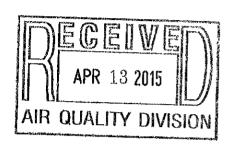


April 13, 2015

SUBMITTED VIA FACSIMILE (307) 777-5616

Mr. Steven A. Dietrich, Administrator Wyoming Department of Environmental Quality Air Quality Division Herschler Building, 2-E 122 West 25th Street Cheyenne, WY 82002



SUBJECT: Comments on Proposed Regulation

WAQSR, Chapter 8, Nonattainment Area Regulations
Section 6, Upper Green River Basin Permit By Rule for Existing Sources

Dear Mr. Dietrich:

Jonah Energy LLC (Jonah Energy) appreciates the opportunity to provide the following comments for consideration to the Wyoming Department of Environmental Quality (WDEQ) Air Quality Division (AQD) on the Wyoming Air Quality Standards and Regulations (WAQSR) proposed Chapter 8, Section 6 Upper Green River Basin Permit By Rule for Existing Sources. Jonah Energy currently operates in the Jonah Field in Sublette County, Wyoming. As an oil and gas company with significant operations in the Upper Green River Basin and many employees that live in the area impacted by the proposed regulations, Jonah Energy recognizes that a shared responsibility has led to improved air quality in the Upper Green River Basin. We are supportive of a timely implementation of the proposed rule to further aid in continued emission reductions in the Upper Green River Basin. We support the rule as proposed, with some minor suggested changes outlined below.

Jonah Energy has reviewed the latest version of the proposed Chapter 8, Section 6 Upper Green River Basin Permit by Rule for Existing Sources and found we are currently in compliance with the proposed Chapter 8, Section 6 regulation emission control requirements, Leak Detection and Repair (LDAR) requirements and recordkeeping requirements, as applicable to our current operations. Each month, Jonah Energy conducts infrared camera surveys using a FLIR® camera at each of our production facility locations. Since the implementation of Jonah Energy's Enhanced Direct Inspection & Maintenance (EDI&M) Program in 2010, we have conducted over 16,000 inspections and have repaired thousands of leaks that were identified by the FLIR camera. Estimated gas savings from the repair of leaks identified



often exceeds the labor and material cost of repairing the identified leaks. The EDI&M program has removed hundreds of tons of volatile organic compound (VOC) emissions since its inception.

The result of Jonah Energy's EDI&M Program has significantly reduced VOC and hazardous air pollutant (HAP) emissions to the Upper Green River Basin airshed, has reduced the amount of sales gas lost due to leaks going undetected, and has reduced the number and severity of enforcement actions from the WDEQ due to fugitive leaks.

We request the WDEQ and EQC consider making the following modification to Section 6(c) of the proposed rule relating to Emptying Frequency of Emergency and Blowdown Tank Liquids:

From:

- Section 6(c) Flashing Emissions at an Existing Facility or Source as of January 1, 2014
 - (C) Emergency, open-top and/or blowdown tanks shall not be used as active storage tanks but may be used for temporary storage.
 - (II) If emergency, open-top and/or blowdown tanks are utilized, they must be emptied within seven (7) calendar days."

To;

Section 6(c) Flashing Emissions at an Existing Facility or Source as of January 1, 2014

- "(C) Emergency, open-top and/or blowdown tanks shall not be used as active storage tanks but may be used for temporary storage.
 - (II) If emergency, open-top and/or blowdown tanks are utilized; they must be pumped out via the truck loadout line within seven (7) calendar days after the liquid volume reaches __ bhls over the truck loadout line, or no less frequently than monthly for any liquid level above the truck loadout line."

Discussion

We agree with the premise of only utilizing emergency, open-top, and/or blowdown tanks (collectively Blowdown Tanks) for temporary storage to minimize the flashing emissions related to their use. However, emptying the tanks every seven days will not prevent these flash emissions as they occur almost immediately upon emptying liquids into the tank and as the language is currently written in the



proposed rule, applicable tanks with minor amounts of fluid discharged to them would be required to be emptied within seven days. In addition, we suggest changing the term "emptied" to the phrase "pumped out via the truck loadout line" meaning liquids must be removed from tanks down to the liquid level of the truck load out line, which represents the practical limit of pumping fluid from the tank.

Fluid volumes associated with individual blowdown or emergency events can be variable. Low volume discharges to the Blowdown Tank is not able to be pumped by typical water hauling trucks if the fluid level is below the truck loadout line of the Blowdown Tank (located 1 foot 10 inches above the tank bottom for our 210 bbl. Blowdown Tanks.)

Given the number of possible discharges to Blowdown Tanks, including some with volumes less than a barrel, compliance with this requirement would require substantial additional truck traffic from both water haulers, to unload volumes above the truck loadout line, and/or vacuum trucks, to unload volumes below the truck loadout line. We believe the increased emissions from truck traffic may not justify the environmental benefit from emptying these tanks as frequently as within 7 days.

Establishing a volume threshold, a time limit within which to pump down that designated volume, and routine record keeping could be a viable alternative to just a straight time limit. Our operators routinely gauge tanks for a variety of purposes. We could easily have them gauge Blowdown Tanks after each use and maintain monthly logs showing current Blowdown Tank volumes that would be available for WDEQ's inspection and verification. WDEQ would be able to spot check an operator's Blowdown Tank logs by gauging tanks to verify liquid level reported on the logs.

In this way, Blowdown Tanks are emptied when there is a sufficient liquid level to justify truck traffic and/or within a specific time frame, such as not less frequently than monthly for liquid levels above the truck loadout line. We would be happy to discuss this in more detail with WDEQ to establish proposed language and process.

Jonah Energy appreciates WDEQ's consideration of our comments and would welcome working with the Agency on items mentioned herein or raised during the public comment process. Should you have any questions, please feel free to contact me directly.

Respectfully,

Paul Ulrich

Director, Government Affairs & Regulatory