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January 19, 2007

Via E-mail: a-and-r-docket@epamail.epa.gov

Att'n Docket ID No. EPA-HQ-OAR-2003-0076
US Environmental Protection Agency
EPA West (Air Docket)
1200 Pennsylvania Ave.
Northwest
Mailcode: 6102T
Washington, DC 20460

Re: Comments, Proposed Rule, Review of New Sources and
Modification in Indian Country; Docket ID No. EPA-HQ-OAR-2003-
0076

Ladies and Gentlemen:

The New Mexico Oil and Gas Association (NMOGA) appreciates the opportunity to provide comments on the above captioned proposed rulemaking.

NMOGA represents over 300 companies actively engaged in the oil and gas industry in New Mexico. Member companies produce 97% of the oil and gas in New Mexico. NMOGA promotes the welfare of the oil and gas industry and the conservation and orderly development of the oil and gas resources within the state of New Mexico.

Many of NMOGA comments compare the proposed rule with the successful permit program implemented in New Mexico. In general, NMOGA finds the proposed program to be unnecessarily burdensome as it regards permit thresholds and permit processing time for minor sources.

NMOGA is particularly concerned with the permit applicability thresholds, Table 1 to 49.153. Permit applicability thresholds in New Mexico are 25 tons per year of each regulated pollutant (except lead) and the applicability thresholds for a major modification to a major source are greater yet; the proposed thresholds would result in a significant discrepancy in permit thresholds between essentially co-located jurisdictions. The proposed rule offers no justification for this low

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threshold. NMOGA suggests that the permit thresholds align with the already established applicability thresholds for a major modification.

NMOGA notes that the potential inclusion of fugitive emissions towards determining potential to emit for all source categories is again substantially more stringent than the established rule for major sources. Fugitive emissions from minor sources would be expected to be relatively small, and not likely to "trigger" permit applicability. The task of quantifying such emissions involves substantial effort, and would result in negligible benefit. NMOGA therefore suggests that fugitive emissions not count towards permit applicability thresholds, in a manner consistent with the existing state minor source permit program.

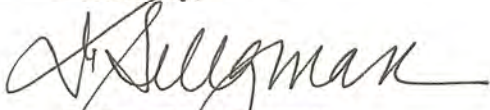
The permit review and issuance process as described in the proposed rule is long and burdensome, and will result in expensive delays in source construction while serving no environmentally beneficial purpose. The 50-day completeness review period is almost double the period allowed in the New Mexico program; and rarely, if ever, does a completeness review exceed that 30-day period. Surely, administrative completeness can be determined in much less time.

Of even more concern is the open-ended nature of the process. The potential permittee has no reasonable assurance that, after meeting all requirements, a permit will ever be issued; and once issued, the permit has yet an additional 30-day (or longer) stay of effect. This is simply wrong. NMOGA strongly urges that a date certain for permit issuance or denial be incorporated into the rule. For example, the 90-day final determination period in the general permit process could reasonably apply to all minor source permits. New Mexico's program is based on a 90-day review period.

NMOGA supports consideration of existing sources as "grandfathered" and not subject to review until such time as they are modified. NMOGA also supports the proposed general permit program in concept.

Thank you for your consideration. NMOGA will be pleased to respond to questions.

Sincerely,



Deborah Seligman
Director Governmental Affairs