Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

April 3, 2009

Ms. Ardith Barbosa
Anschutz Pinedale Corporation
555 17th Street, Suite 2400
Denver, CO 80202-3987

RE: Liquids Gathering System Equivalent VOC Emission Reduction

Dear Ms. Barbosa:

As you know, Anschutz is required to demonstrate and implement "a reduction in VOCs comparable to that obtained by the liquids gathering system (Pinedale Anticline Record of Decision, page 28)" in order to satisfy requirements set forth in the Pinedale Anticline Record of Decision (ROD). Clearly, installation of a liquids gathering system would satisfy such a requirement. For companies not installing a liquids gathering system, the Air Quality Division has taken the lead for defining an equivalent VOC emissions reduction.

Installation of a liquids gathering system results in emissions reductions due to the elimination of certain wellhead production equipment (i.e., tanks) and elimination of liquids hauling vehicle miles traveled (VMTs). However, the central gathering and processing facilities needed for such a system also generate VOC emissions. Therefore, all emission increases and decreases associated with a liquids gathering system must be considered in the definition of a liquids gathering system equivalent emission reduction.

Due to the variability among operators in production equipment and the control level associated with that equipment, as well as different liquids hauling practices, I believe a liquids gathering system equivalent emission reduction should be defined individually for each operator.

Please contact me at your earliest convenience to arrange a meeting to discuss Anschutz' operations in the Pinedale Anticline. We would like you to provide a detailed list of equipment used in your operations and the associated emissions which would be eliminated through the installation of a liquids gathering system. This list should include production equipment and VMTs from liquids hauling. To address the emissions associated with central gathering and processing facilities, we will discuss development of a generic factor based on air quality permit applications for other liquids processing facilities in the area.

Please don't hesitate to call me at (307) 777-7391 or Kelly Bott at (307) 777-6088 if you have any questions. I look forward to hearing from you.

Regards,

David A. Finley

Administrator
Air Quality Division

Cc: Kelly Bott
Jamie Sharp
Chad Schlichtemeier
Brian Bohlmann
Lori Bocchino
Chuck Otto, BLM
Merry Gamper, BLM
Lauren McKeever, BLM
Jim Lucas, BLM
Keith Bonati, Anschutz