

Via Email:

September 24, 2025

Ms. Jodi Howard
Group Leader
Fuels and Incineration Group
Sector Policies and Program Division
U.S. EPA, OAQPS
Research Triangle Park, North Carolina 27711

Re: Provisions in EPA's Final Rule "New Source Performance Standards and Emission Guidelines for Crude Oil and Natural Gas Facilities: Climate Review" Creating Immediate Compliance and Implementation Issues

Dear Ms. Howard:

This document is submitted members of the Producers Association requesting the Environmental Protection Agency (EPA) to specifically revise Subpart OOOOc Emissions Guidelines to create categories for low production oil and natural gas wells. For purposes of this document, low production wells are those well sites producing 15 barrels of oil equivalent (boe)/day (90 mcf/d of natural gas). The Producers Association support a return to an exemption for low production wells, i.e., wells that produce 15 BOE/day or less which was utilized in previous versions of Subpart OOOO and its progeny. A question that regularly arises in dealing with low production wells involves the definitions that are used. The definition of stripper well in 26 U.S. Code § 613A(c)(6)(E) provides the best choice because it has been in use for decades and is well understood in the industry.

Absence a simple, clean exemption utilizing the historical 15 BOE which industry and state regulators are familiar with, new categories should be based on this threshold and should use production throughput as the basis of regulations.

The Producers Association is comprised of national, regional and state associations that represent oil and natural gas producers throughout the United States. A key component of their memberships is owners and operators of low production wells.

While there are numerous issues within Subparts OOOOb and OOOOc that merit reconsideration, this request focuses on low production wells because the current Emissions Guidelines will result in the premature shutdown of hundreds of thousands of low production wells with little environmental benefit and the potential generation of numerous orphan wells. Two independent studies of the impact of Subpart OOOOc conclude that approximately 300,000 oil and natural gas wells would shut down. These studies are: (1) Enverus "*Quad O Threatens Viability of Extremely Marginal Wells*", 2024, and (2) Earth System Sciences, LLC, *Potential Production Impacts of Proposed EPA Methane Rule (NSPS OOOOb & EG OOOOc)*, 2023. These

consequences result from the Subpart OOOOc Leak Detection and Repair (LDAR) requirements that rely on component counts and the prohibition of gas driven pneumatic controllers. Other provisions related to the management of associated gas compound the problems. Additionally, EPA, without justification, included provisions in Subpart OOOOc and a separate rulemaking related to the implementation of Section 111(d) that constrain states from alleviating these severe consequences of Subpart OOOOc – contradicting Congress’ intention to give states the flexibility to draft state regulations that take into consideration “remaining useful life and other factors” associated with existing wells – especially low production wells.

However, there are alternative approaches to the management of methane emissions from low production wells that would reduce emissions cost effectively. Critically, to create such an outcome, EPA needs to develop an alternative regulatory framework for low production wells. The current unworkable regulatory framework tracks the Subpart OOOO, OOOOa and OOOOb New Source Performance Standards regulations that fragment oil and natural gas well sites into multiple individual facilities.

This approach makes little sense for low production wells where existing operations are contained at single facilities. However, the Clean Air Act (CAA) provides EPA with the authority to construct different regulatory categories for existing facilities. This authority should be used to create separate categories for existing low production oil facilities and existing low production natural gas facilities. These categories can then be used to create a regulatory framework that targets the identified emissions sources in a cost-effective manner and does not burden owners and operators with low value, crippling regulatory programs.

There is significantly more information on the emissions profile of low production wells. The DOE released a study in 2022: *Quantification of Methane Emissions from Marginal (Low Production Rate) Oil and Natural Gas Wells* (DOE Study). This study is important to the deliberations because it is the only study focused on low production wells and it collected emissions data at operating sites. It contains information that can be used to craft a workable regulatory program. This information includes:

- The top 10% of emitting sources contributed approximately 90% of the total methane emissions observed. 55% of gas sites and 60% of oil sites had no methane emissions at all. 90% of the measured methane emissions were under 2.4 tons per year (tpy).
- Significant emissions were dominated by major equipment – tanks (open thief hatches, bad seals), failed pneumatic controllers, and vents left open.

Delving into the material yields more insights into potential options.

For example, in its 2021 Subpart OOOOb and OOOOc proposals, EPA judged that well sites with emissions of 3 tons/year of methane are so small that regulation is inappropriate. While EPA failed to flesh out this concept, it is pertinent to revisit it in the context of the DOE Study.

The DOE study shows that oil and natural gas well sites producing 6 boe/day and less emitted below the 3 tons/year threshold. Importantly, these well sites included tanks, natural gas driven controllers and the other components that exist at a well site. It shows that with all these components, the wells do not constitute a compelling environmental regulatory target. The DOE

Study also shows that most of the well sites from 6 to 15 boe/day are also below 3 tons/year. More assessment is necessary to determine the primary sources of their emissions. If the sources are tanks or natural gas controllers – the primary emissions sources of low production wells – targeted management could put them below the 3 tons/year threshold.

Similarly, the DOE study does not suggest that low production well site associated gas management presents a significant source of emissions. EPA's development of its associated gas requirements has never recognized that low production wells generally do not produce the constant stream or adequate volume necessary to make gas recovery feasible. Most low production oil wells do not operate continuously and therefore produce associated gas intermittently. Consequently, the current Subpart OOOOc requirement for capture and sale of associated gas is infeasible.

These facts drive the need for EPA to change its regulatory approach for low production wells. EPA should create two new existing source categories – one for low production oil wells and one for low production natural gas wells. The basic framework for each category should include the following elements. Each category should include two subcategories based on production throughput – stripper wells producing 0 to 6 boe/day (0 to 36 mcf/d) and stripper wells producing >6 boe/d to 15 boe/d (>36 mcf/d to 90 mcf/d). Within these subcategories the following requirements would apply.

- Stripper wells producing 0 to 6 boe/day (0 to 36 mcf/d):
 - LDAR – Quarterly Audio/Visual/Olfactory (AVO) inspections;
 - Associated Gas – Venting or Flaring allowed; and,
 - Pneumatic Controllers – Natural Gas or Electric or Instrument Air permitted.
- Stripper wells producing >6 boe/d to 15 boe/d (>36 mcf/d to 90 mcf/d):
 - LDAR – Quarterly AVO with specific additional targeting of tanks (thief hatches/seals), gas driven pneumatic controller, and open vents;
 - Associated Gas – Venting of associated gas is prohibited on all wells unless an exception is granted based on technical or economic infeasibility, flaring is allowed;
 - Certain participants of the Producers Association have advocated for an exemption for certain low production oil wells based on tons per year (TPY) of excess associated gas at a level of 20 TPY of methane. The Producers Association supports EPA evaluating this exemption in the upcoming rulemaking; and,
 - Pneumatic Controllers – Require electric or instrument air driven controllers but provide an exception for rural wells that either do not have access to electricity or cannot economically access it or where instrument air systems are infeasible or uneconomic.

Section 111 expressly allows for such subcategorization. The Producers Association believes such analysis focused on low production wells will demonstrate that “one size does not fit all” oil and natural gas wells.

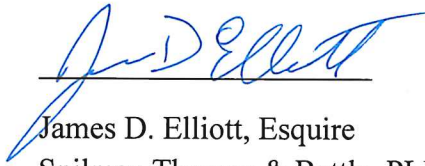
Additionally, EPA needs to provide an offramp to OOOOb and OOOOc once production substantially declines for all wells. At a minimum, it should trigger once a well has declined to 15 boe/day or less.

Two other issues are intertwined with the relationship between Subparts OOOOb and OOOOc that should be simultaneously addressed. First, existing low production oil and natural gas wells routinely need to revise their utilization of equipment at their well sites. These revisions do not result in increased emissions; consequently, these actions must be protected from treatment as a modification under Section OOOOb. Second, small-production wells drilled under Subpart OOOOb experience associated gas declines at a greater pace than oil production. This disproportionate decline results in intermittent associated gas production that cannot be managed under Subpart OOOOb requirements. Without an associated gas management option to allow flaring or venting as its production declines, these wells sites will be forced to shut down before they economically should.

Because Subpart OOOOc provides Emissions Guidelines to be used by states, they must develop state regulations for its implementation. As described above, the requirements for this process are framed by Section 111(d) of the CAA. However, this section was written long before the concept of regulating greenhouse gas emissions existed. It is unworkable for developing regulations for methane emissions from oil and natural gas production operations. For example, Section 111(d) contains authority for states to develop less restrictive regulations than the Emissions Guidelines based on remaining useful life and other factors (RULOF). The structure of this process in the current rules assumes these analyses will be done as a part of the state plan development. When Section 111(d) was written, the scope of existing facilities potentially affected in a state was perceived as one or two, not the tens of thousands of low production oil and natural gas wells that are involved in Subpart OOOOc. Changes are essential. Additionally, in Subpart OOOOc, EPA has tried to constrain the ability of states to make RULOF decisions to those instances where significant capital expenditures are involved. However, EPA knows that the LDAR programs that threaten low production wells are primarily operating cost driven. Again, changes are essential.

In closing, the ongoing regulatory deliberations on oil and natural gas production emissions need to come to closure. The information now available to understand low production oil and natural gas emissions shows that a reasonable, cost effective regulatory framework is possible if EPA is willing to embrace the key concepts presented herein. The Producers Association is in agreement that low production wells warrant different regulatory treatment than wells producing more than 15 BOE and is committed to working with EPA to find solutions that protect the environment while preserving a sector of the oil and natural gas industry that is critical to the American economy.

RESPECTFULLY SUBMITTED,

A handwritten signature in blue ink, appearing to read "J. D. Elliott", is written over a horizontal line.

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