



April 22, 2016

Director Neil Kornze
U.S. Department of the Interior
Bureau of Land Management
Mail Stop 2134 LM
1849 C St. NW.,
Washington, D.C. 20240

Attention: Docket ID Number 1004-AE14

Submitted to the Federal eRulemaking Portal (www.regulations.gov)

Re: Bureau of Land Management's "Waste Prevention, Production Subject to Royalties, and Resource Conservation" Proposed Rule at 81 FR 6616 (February 8, 2016)

Dear Director Kornze:

The GPA Midstream Association appreciates this opportunity to submit comments on the Proposed Rule "Waste Prevention, Production Subject to Royalties, and Resource Conservation", published at 81 Federal Register 6616 (February 8, 2016).

GPA Midstream is a non-profit trade organization made up of over 100 corporate members, all of whom are engaged in the processing of natural gas into merchantable pipeline gas, or in the manufacture, transportation, or further processing of liquid products from natural gas. GPA Midstream membership accounts for approximately 92% of all natural gas liquids produced by the midstream energy sector in the United States. Our members also produce, gather, transmit, and market natural gas and natural gas liquids. GPA Midstream members have significant natural gas operations located within Indian Country covered by this rule and will be directly impacted by the proposed rule.

About Natural Gas Processing Operations

Midstream oil and natural gas operations gather natural gas, oil, condensate, and produced water through a network of pipelines and field compressor stations to route the gas from the well sites to central collection facilities and natural gas processing plants. This gathering infrastructure is

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primarily influenced by the drilling schedule of the oil and gas producing companies and the results of the wells which are gathered. The producers' drilling schedule is impacted by a number of complex factors including:

- commodity prices,
- results of nearby completed wells,
- lease requirements,
- contractor and equipment availability, and weather.

As such, drilling schedules change frequently which impacts the required gathering infrastructure.

Moreover, the well results have a significant impact on the amount of gathering infrastructure needed. While producers develop models on the expected amount of production from a well, before it is drilled, the actual results can vary drastically. In regard to compression predictions, this can increase or decrease the capacity needs of the gathering infrastructure. Additionally, the composition of the oil and gas produced cannot always be predicted which may result in different field treatments. These treatments may require unpredictable air quality permitting actions (such as amine or dehydration units). All in all, midstream operators need to react quickly in order to accommodate the aforementioned variability.

Natural gas gathering compressor stations and natural gas processing plants are usually larger sites than well pads. Compressor stations typically include multiple natural gas fired compressor engines and/or turbines, small heaters, triethylene glycol (TEG) dehydration units, storage vessels, and fugitive components. The main function of a compressor station is to increase the pressure of the gas to transport it further down a pipeline to a gas plant. This is done with natural gas fired compressor engines. Some liquids fall out of the raw natural gas at this point which is condensate and produced water. Some treating of the gas may occur such as dehydration to remove water or sweetening to remove hydrogen sulfide or carbon dioxide. Some field gathering stations also gather oil and/or produced water from well pads via pipeline. Pumping equipment is often used to support these operations and can be co-located with a natural gas compressor station.

Gas plants include similar emission sources to those found at a compressor station but with some variation. Depending on the maximum designed natural gas throughput, gas plants usually have larger or more numerous emission sources as compared to a compressor station. Typical emission sources for natural gas processing plants includes: natural gas fired engines for natural gas compression, natural gas fired engines for propane refrigerant compression, heaters for molecular sieve dehydration bed regeneration, heaters for amine treating systems, amine treaters to remove hydrogen sulfide and/or carbon dioxide, storage vessels, and piping components. Natural gas processing plants do not have many process vents.

GPA Midstream Supports API Comments

Multiple GPA Midstream members are also American Petroleum Institute (API) members. GPA Midstream endorses and supports API's comments on this proposed rule. GPA Midstream further requests that BLM revise the proposed rule in accordance with API's comments and comply with all procedural requirements before issuing a final rule.

Conclusion

GPA Midstream appreciates the opportunity to submit these comments on the proposed rule. We look forward to continuing to work with the BLM as it develops policies to address air emissions from the oil and natural gas sector. Please contact me at (202) 279-1664 or mhite@gpaglobal.org if GPA Midstream can be of assistance.

Sincerely,

Matthew Hite

Vice President of Government Affairs

GPA Midstream Association