

SUMMARY OF REQUIREMENTS FOR EQUIPMENT USED IN OIL PRODUCTION

In general, this rule has no direct impact on oil wells. Under some circumstances, however, certain equipment downstream from oil wells may be covered by requirements under the New Source Performance Standards (NSPS) for volatile organic compounds issued April 17, 2012. EPA has made a number of changes to these final rules based on public comments.

NSPS Requirements for Well Completions Do Not Apply

- EPA's final NSPS for well completions applies to natural gas wells that are hydraulically fractured. It does not apply to oil wells.

REQUIREMENTS FOR EQUIPMENT USED IN OIL PRODUCTION

NSPS Requirements for New & Modified Pneumatic Controllers

- Pneumatic controllers are automated instruments used for maintaining liquid levels, pressure, and temperature at wells and gas processing plants, among other locations in the oil and gas industry. These controllers often are powered by high-pressure natural gas and may release gas (including VOCs and methane) with every valve movement, or continuously in many cases as part of their normal operations.
- The final rule affects high-bleed, gas-driven controllers (with a gas bleed rate greater than 6 standard cubic feet per hour).
- Today's rule sets limits for controllers based on location. For controllers used at the well site, the gas bleed limit is 6 cubic feet of gas per hour at an individual controller. A controller is subject to this rule if it was in stock or ordered after Aug. 23, 2011.
 - The final rule phases in this requirement over one year, to give manufacturers of pneumatic controllers time to test and document that the gas bleed rate of their pneumatic controllers is below 6 cubic feet per hour.
 - Low-bleed controllers (with a gas bleed rate less than 6 standard cubic feet per hour) are not subject to this rule.
- The final rule includes exceptions for applications requiring high-bleed controllers for certain purposes, including operational requirements and safety. The rule also includes requirements for initial performance testing, recordkeeping and annual reporting.

Requirements for Storage Vessels at the Well Site

- Storage tanks at natural gas wells are commonly used to store condensate, crude oil and produced water. These tanks may be subject to two standards: the NSPS for VOCs, and the major source air toxics standards (NESHAP) for Oil and Natural Gas Production.
- **NSPS requirements:** New storage tanks with VOC emissions of 6 tons a year or more must reduce VOC emissions by at least 95 percent. EPA expects this will generally be accomplished by routing

emissions to a combustion device.

- To ensure enough combustion devices are available to meet this requirement, the final rule provides a one-year phase-in for this requirement. After one year, owners/operators of new storage tanks will have 30 days to determine the emissions from a tank; and another 30 days to install controls.
- ***Air toxics requirements:*** In response to public comments, EPA did not finalize proposed air toxics standards for storage vessels *without* the potential for flash emissions, which currently are not regulated under the NESHAP for Oil and Natural Gas Production. The agency determined that it needs additional data in order to establish emission standards for this type of storage vessel. The previous standards for storage tanks *with* the potential for flash emissions remain in place.
- The final rule amends the definition of “associated equipment,” meaning that emissions from all storage vessels now will be counted toward determining whether a facility is a major source under the NESHAP for Oil and Natural Gas Production.

Petroleum Refineries

- Petroleum refineries are addressed under separate regulations.

MORE INFORMATION

- For summary information on requirements for other types of facilities, or to read the final rules, visit www.epa.gov/airquality/oilandgas