November 10, 2025

Betsy McLaughlin
Environmental Engineering Manager
Project Canary
Electronic mail: betsy.mclaughlin@projectcanary.com

Via electronic mail

Re: Conditional Approval – Project Canary Alternative Monitoring Plan for 20.2.50 NMAC

Dear Betsy McLaughlin:

This letter serves as a conditional approval of the Project Canary application for its technology to be used by companies with facilities subject to the *Ozone Precursor Rule* as a pre-approved alternative monitoring technology pursuant to 20.2.50.116.D(2) New Mexico Administrative Code. To be eligible to use this technology in an Alternative Monitoring Plan, any company wishing to use this pre-approved technology at a specific facility must provide advance notice to the New Mexico Environment Department (Department or NMED) in accordance with 20.2.50.116.D(2)(a).

Companies choosing to deploy the Canary X Methane Monitoring system must do so in a manner consistent with installation and operating practices included in the Project Canary Request for Alternative Equipment Leak Monitoring plan provided to NMENV by Project Canary on January 3, 2025, which include, but are not limited to the following:

- The Canary X Methane Monitoring system must be deployed according to the method described in Section 2 “Method Description”, apart from well sites and standalone tank batteries with a Potential to Emit (PTE) equal to or greater than five tons per year (tpy) volatile organic compounds (VOC).

- Well sites and standalone tank batteries with a PTE equal to or greater than five tpy VOC must use a 7-day rolling average action-level of 7.5 kg/hr above baseline and a 90-day rolling average action-level of 1.6 kg/hr above baseline.

- Project Canary must assist the facility with the planning and installation of Canary X Methane Monitoring systems as described in Sections 2.4 “Device Location Planning,” 2.5 “Device Installation and Field Calibration,” 2.6 “Facility-Specific Baseline Determination,” 4.4 “Initial Measurement System Performance Tests,” and 4.5 “Calibration.”

- Any complex facilities must be rejected for Canary X deployment if found unsuitable for this method.

- Project Canary must provide a robust quantification procedure as described in Section 2.7 “Quantification.”

- Cellular connectivity must occur once every 24 hours to allow for data upload and record backfill.

- All quality assurance elements of Section 4 “Quality Assurance and System Downtime” must be implemented in accordance with all procedures and criteria mentioned therein.

- All data quality objectives of Section 4.1 “Data Quality Objectives” must be met. These include, but are not limited to:

    o Determining and recording a valid methane mass emission rate at least once every 12-hour period;

    o Maintaining a system-wide detection threshold of 0.40 kg/hr; and

    o Maintaining a system-wide 12-month rolling average operational uptime of 90% meeting device health requirements, including power and function testing twice every six-hour period.

- All quality control elements in Table 3. Quality Control Performance Criteria must be met both with the criteria listed and at the frequency provided.

- Data is considered valid if collected within the following meteorological conditions.

    o Wind speed greater than 0.5 m/s and less than 15 m/s.

    o Ambient temperatures between -10°C and 50°C.

- The Canary SENSE™ Dashboard must operate as described in Section 5 “Determining a Mass Emission Rate, Alerting, and End User Data through the Canary SENSETM Dashboard” and must include the rolling average alerting level capability, where applicable.

- The Canary SENSE™ Dashboard must have the ability to add customizable alerting levels but must not allow the End User to modify existing alerting levels or modify any recorded data without audit trail capabilities.

- The owner/operator must comply with leak survey requirements specified at 40 CFR 60.18(i)(1)-(3) for any leaks detected using OGI.

- The owner/operator must comply with the recordkeeping and reporting requirements in 20.2.50.112 and 20.2.50.116.G NMAC, including the addition of any audit trail notes, should modifications be allowed through the Canary SENSETM Dashboard.

- The Project Canary siting procedures provided for evaluation in July 2025 must be followed as written.

- The operator of a facility monitored by a Canary X Menthane Monitoring system must retain and make available for inspection upon request a copy of this approval letter, historical records up to 5 years prior, and any applicable training/certification documents for monitoring system technicians.

The New Mexico Air Quality Bureau thanks you for your interest in providing this service and for your patience as numerous technical questions were addressed during the application approval process.

Sincerely,

Kerra Roudebush Digitally signed by Kerra Roudebush
Date: 2025.11.10 10:40:27 -07'00'

Kerra Roudebush, Air Enforcement Manager
Environmental Protection Compliance and Enforcement Bureau
New Mexico Environment Department