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**GHG Reporting Stakeholder Meeting**  
**March 27, 2007**

**Notes from Oil & Gas Breakout Session**

1. NMED's strawman proposal: Reporting by Title V sources in oil and gas sector and electricity generation sector.
2. NMOGA made the following proposal:

Establish a de minimis threshold for reporting companies based on the annual production/processing of the company in NM. There are a large number of small producers and a small number of large producers; NMOGA proposes to only include the large producers in phase 1. The threshold has not been established, but could be set to include companies that together account for 95% of O&G production in NM. "Production" could be evaluated for oil and gas separately, or for barrels of oil equivalent (BOE); data would come from EMNRD/OCD. Upstream, midstream and downstream companies would be included.

During phase 1, each of the reporting companies would report annual emissions of CO<sub>2</sub> from operations in NM that they control, regardless of % ownership:

- Title V sources (including refineries)
- RICE engines (stationary only) greater than or equal to 500 hp
- Heaters greater than or equal to 10 million BTU/hr
- Turbines greater than or equal to 25 MW
- CO<sub>2</sub> stripped from either CBM or conventional natural gas (i.e. treated).

Companies would report entity-wide (within NM). The level of granularity (specific details for specific equipment) in the report to NMED, and in what is released to the public, needs to be set so as to protect proprietary information. It may be difficult for some companies to break out emissions on Indian Lands from those in NMED jurisdiction.

Later phases might address additional combustion equipment and methane emissions. Also, smaller producers could be considered for later phases, but might not be necessary.

3. Next meeting/conference call for O&G break-out group: April 12, 2007, 1:30 pm

Agenda:

1. Who to include in Phase 1? NMED will post lists of:
  - a. Title V permittees
  - b. Operators, with production numbers
2. Protocol availability. NMED will post:
  - a. Links to existing protocols
  - b. Summaries of existing protocols as available

4. Additional issues to address:

- a. Establish what a 'facility' is for Title V GHG reporting (i.e., which equipment is and is not included).
- b. How to evaluate/estimate what is not being reported, by the reporting companies and by non-reporting companies. This is related to NMED updating and improving the state-wide GHG EI, and also to evaluating whether the mandatory reporting program is appropriately sized.
- c. How to evaluate/estimate emissions from Indian Lands, as part of the state-wide GHG EI.
- d. When evaluating the available protocols to make sure that they provide adequate guidance, include tiers of emissions calculation methods, as different companies may have different levels of information (e.g. fuel use). Are there additional issues with regards to refineries?
- e. Establish how to determine who is responsible for reporting emissions for which equipment. If it's based on 'operational control' does it include emissions from contractors (compression, drilling wells)?
- f. What criteria should be used to evaluate the 'size' of upstream, midstream and downstream companies? For upstream, is it the sum of production from their wells? What about those that process, treat or transport product? Are the largest already addressed by virtue of being Title V (for example, refineries)?
- g. Address CO2 production/transport emissions.
- h. What would later phases include? Should the priority be more combustion equipment or methane emissions? How much lead time will companies need in order to prepare for the requirements of later phases? What protocols (e.g. methane) need to be further developed to support later phases, and what is the best process for doing so?