

LEGAL NOTICE

And

Preliminary Determination for an Air Quality Permit for

Burnett Oil Co. Inc.

Burnett Oil Co. Inc., 801 Cherry Street, Suite 1500, Fort Worth, TX has submitted an air quality permit application to the Air Quality Bureau (AQB), New Mexico Environment Department (NMED) for an air quality permit to construct the Gissler B 3-2 Battery. The application file has been assigned Permit No. 6793 and TEMPO Agency Interest ID No. 36700. The exact location of the facility is at latitude 32 degrees, 51 minutes, 15.66 seconds and longitude -103 degrees, 55 minutes, 39.2 seconds. To aid in locating this facility: from Loco Hills, drive east on US-82 E. Turn left onto Square Rd., and then after 2.8 miles, the facility is on the left. The subject facility is located approximately 3.6 miles northeast of Loco Hills in Eddy County, NM.

The proposed construction will consist of two heated separators, three 500-bbl oil storage tanks, one 210-bbl skim tank, one 750-bbl Gunbarrel separator, two 500-bbl produced water storage tanks, one enclosed combustion device, one flare, facility-wide fugitive emissions and startup, shutdown and maintenance/malfunction emissions.

Total air pollutant emissions to the atmosphere are estimated to be approximately Nitrogen Oxides (NO_x) at 19.8 tons per year (tpy); Carbon Monoxide (CO) at 26.4 tpy; Volatile Organic Compounds (VOC) at 41.5 tpy; Sulfur Dioxide (SO₂) at 12.9 tpy; Hydrogen Sulfide (H₂S) at 2.06 tpy, and Total Hazardous Air Pollutants (Total HAP) at 3.7 tpy. These emission estimates could change slightly during the course of the Department's review of the application.

The NMED has conducted a preliminary review of the information submitted with the permit application. The preliminary review and applicant's analysis of ambient air quality impacts indicates that the facility's air emissions will meet the air quality standards for NO_x, CO, SO₂, H₂S and Total HAP. VOCs are a precursor to ozone and the NMED does not require an individual ozone ambient impact analysis for each application. To determine compliance with national ambient air quality standards for ozone, NMED uses air monitors to monitor ozone concentrations. A full review will evaluate the estimated emission rates for the pollutants listed in this public notice and determine compliance with ambient air quality requirements and standards.

Based on the applicant's analysis, a preliminary determination is that this facility will comply with the requirements of Title 20, New Mexico Administrative Code (NMAC), Chapter 2, Parts 3, 7, 38, 61, 72, 73 and 75; 40 CFR 50; and the New Mexico Air Quality Control Act. Therefore, the preliminary intent of NMED is to issue the air quality permit on or before May 23, 2016. This source is a PSD minor source according to 20.2.74 NMAC.

To ensure compliance with state and federal air regulations, the permit is expected to include conditions that limit the emissions, production rate, and conditions that will require record keeping and reporting to the Department.

The permit application is available for review in electronic or hard copy at the Air Quality Bureau Office, 525 Camino de los Marquez Suite 1, Santa Fe, New Mexico. To arrange for viewing of this application, contact Teri Waldron, at 505-476-4355 or teri.waldron@state.nm.us. The permit application is also

available at the NMED Carlsbad Field Office, located at 406 N. Guadalupe, Suite C, Carlsbad, NM 88220 for public review.

All interested persons have thirty (30) days from the date this notice is published, to notify the Department in writing of their interest in the permit application. The written comments should refer to the company name, facility name and Permit Number (or send a copy of this notice along with your comments). The written comments shall state the nature of the issues raised and how it relates to the requirements of applicable state and federal air quality regulations and the Clean Air Act. The written comments should be mailed to Richard Poley, New Mexico Environment Dept., Air Quality Bureau, Permit Section, 525 Camino de los Marquez, Suite 1, Santa Fe, NM 87505-1816.

The Department will notify all persons, who have provided written comments as to when and where the Department's analysis may be reviewed. Although all written comments will be made part of the public record, any person who does not express interest in writing before the end of this first thirty (30) day period will not receive such notification.

If the Department receives written public comment before the end of the Department's thirty (30) day public notice, the Department's analysis will be made available for review for thirty (30) days at the NMED district or field office nearest to the source before the permit will be issued. Written comments on the analysis or permit application may be submitted to the Department during this second thirty (30) day period or at any time before the permit is issued or denied.

Questions or comments not intended to be part of the public record can be directed to Richard Poley at 505-476-4308. General information about air quality and the permitting process can be found at the Air Quality Bureau's web site. The regulation dealing with public participation in the permit review process is 20.2.72.206 NMAC. This regulation can be found in the "Permits" section of this web site. Este es un aviso de la Agencia de Calidad de Aire del Departamento de Medio Ambiente de Nuevo México, acerca de las emisiones producidas por un establecimiento en esta área. Si usted desea información en español, por favor de comunicarse con la oficina de Calidad de Aire al teléfono 505-476-5557