

Utah natural gas producers agree to air emission reductions, conservation practices

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(Denver, Colo.- April 17, 2009) Six energy companies, in three settlements, have agreed to install pollution control equipment at a cost of over \$6 million to comply with the Clean Air Act at their natural gas producing facilities in the Uinta Basin, near Vernal, Utah, the Justice Department and U.S. Environmental Protection Agency announced today. The facilities are located on the Uintah & Ouray Indian Reservation.

The series of three settlements with Bill Barrett Corp, Wind River Corp, XTO Energy Inc., Dominion Exploration and Production Inc., Whiting Oil and Gas Corporation, and Miller Dyer and Company were filed today in U.S. District Court in Salt Lake City, Utah. The agreements mandate air pollution reductions and conservation practices at the companies' natural gas compressor stations, well heads, and pipelines across the Uinta Basin.

In addition to \$6,462,000 in retrofits and upgrades to implement pollution control equipment, the agreements require the companies to pay \$632,000 in civil penalties and to spend \$200,000 on supplemental environmental projects.

As part of the settlements, the companies have agreed to perform the following:

- Retrofit pneumatic controls with lower emitted components
- Conduct a process optimization review to increase natural gas recovery and reduce air emissions at compressor stations and well sites
- Control emission sources, such as large engines, gas dehydrators, condensate tanks at all new facilities constructed in the next five years and install low/no-bleed pneumatics
- Shale-plate all future well access roads
- Fund the operation & maintenance of two ambient air monitoring stations for one year at a cost of approximately \$100,000
- Pilot new technologies that are less polluting and more energy efficient

According to complaints filed simultaneously with the settlements, the companies allegedly violated several provisions of the Clean Air Act, including emission standards for hazardous air pollutants, federal permitting, emissions monitoring and reporting requirements. Dominion Exploration and Production and Miller Dyer came forward and disclosed their violations under EPA's self-audit policy. All the companies have worked cooperatively with EPA to appropriately resolve violations.

"These settlements deliver clear results for the people of Utah and the Uintah and Ouray Indian Reservation," said EPA Acting Regional Administrator, Carol Rushin. "The mandated pollution controls will reduce emissions of air toxics and greenhouse gases, while conservation measures will help return valuable natural gas to the marketplace."

EPA estimates that the investment in technology will reduce air pollution by more than 1,300 tons per year. The reduction in greenhouse gas emissions, including methane, is equivalent to the annual carbon sequestration of 9,400 acres of pine or fir forest or comparable to taking more than 7,600 cars off the road each year. The natural gas conserved is enough to heat approximately 1,080 homes annually.

"These settlements not only obtain compliance with the law and control emission sources, but will reduce greenhouse gas emissions and bring more natural gas to the marketplace," said John C. Cruden, Acting Assistant Attorney General for the Justice Department's Environment and Natural Resources Division.

The consent decrees were lodged in U.S. District Court for the District of Utah and are subject to a 30-day comment period and final approval by the court. A copy of the consent decree is available on the Justice Department Web site at http://www.usdoj.gov/enrd/Consent_Decrees.html.