



**Illinois Oil & Gas Association
P.O. Box 788
Mt. Vernon, Illinois 62864**

May 19, 2025

The Honorable Lee Zeldin
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Re: Reconsideration of Oil & Gas Methane Rules

Dear Administrator Zeldin:

Greetings! Thank you for your leadership!

I am Edward Cross, Chief Executive Officer of the Illinois Oil & Gas Association (IOGA). IOGA represents the small businesses that make up the Illinois Basin oil and gas industry in Illinois, Indiana, and Kentucky. Nationally, small business independent oil and natural gas producers drill about 90% of American oil and natural gas wells; produce about 54% of American oil, and more than 85% of American natural gas.

I respectfully request that the EPA formally repeal oil and natural methane rules and mandates described herein.

The EPA released their first oil and gas methane rule proposal in November 2021. The November 2021 EPA proposal did not require ongoing emission monitoring at well sites that emit less than 3 tons per year (TPY).

In 2022, the Department of Energy (DOE) completed a report on the emissions profile of low production wells. The DOE report offers insights into understanding the nature of methane emissions from these operations. The report shows well sites producing 6-15 barrels of oil per

day with 5 or fewer pieces of equipment fall below thresholds that EPA has considered as low emitting sites.

On November 11, 2022, the EPA advanced their supplemental proposed rule to regulate oil and gas methane emissions. The EPA largely ignored the third-party DOE study on low-production well emission profiles. Instead, the EPA responded to criticism from environmental groups by strengthening LDAR requirements for small oil and gas wells and establishing requirements for abandoned facilities.

Our experience is that the EPA of the past often underestimated the cost of compliance and overestimated the benefits provided by proposed regulations. We solicited quotes for combustion devices prescribed to meet compliance with proposed EPA oil and gas methane regulations. A certified combustion device that will meet gas flow rate requirements and gas quality will cost owners/operators \$12,000 – \$22,000 to purchase and an additional \$8,000 to install, for a total installed cost of \$20,000 – \$30,000 per well. A conventional oil well in Illinois and other conventional producing properties across the nation may cost \$300,000 to \$600,000 to drill and complete. Installation of a combustion system could add 5% to 10% to the total cost of the project.

In addition, proposed EPA requirements for LDAR emissions testing using EPA Method 21 or a forward looking infrared (FLIR) camera is cost prohibitive. Each FLIR camera could cost more than \$90,000 and requires training to properly operate the equipment. Utilizing EPA Method 21 requires each operator to pay an outside contractor to visit each location with monitoring equipment and produce a report of leaking components. In addition, Method 21 also requires each facility to have a drawing of each fugitive gas emission component, and have each component tagged and labeled on the drawing. Both options are very expensive for small operators with limited budgets. The additional compliance cost will eliminate projects from being implemented.

We find that compliance costs will be considerably greater than the EPA estimated. We estimate that the compliance costs could exceed 15% of the capital cost to drill a well. These costs are significant and could drive many small operators out of business. We disagree with EPA's assessment that the industry can bear the cost and survive.

Well-structured, cost-effective regulations are essential to manage methane emissions while assuring that American oil and natural gas producers can provide the energy demanded by the U.S. and world economies. At the same time, technology to manage emissions is evolving and the regulatory process needs the flexibility to allow energy innovators to utilize new technology. Rather than mandate a "one-size-fits-all" system of rules and regulations, the

EPA and other federal regulatory agencies need to embrace evolving information and technologies to address issues surrounding the management of methane.

One key aspect of the independent component of the American oil and natural gas production industry is its breadth – spanning from large publicly traded companies to small business and from large, high production wells to marginal production wells. Of the roughly one million active oil and natural gas wells in the U.S., about 750,000 are low production wells. However, these low production oil wells produce about one million barrels/day and low production natural gas wells account for 8% to 10% of U.S. production. Yet, collectively, these wells only account for 1.2% of GHG inventory CO₂ equivalent emissions. The regulatory structure to address methane emissions applied to low production wells is significant because their viability is dependent on their cost of operation.

We respectfully request EPA revise air emissions regulations as follows:

NSPS OOOO a/b/c:

Provide exemptions or limit requirements applicable to marginal wells i.e., those wells producing less than or equal to 15 barrels of oil equivalent per day and/or 90 thousand cubic feet of natural gas per day.

Revise rules to focus on VOC emissions.

Reconsider a one-size-fits-all rule for new and existing sources. It is much more difficult and costly to retrofit existing facilities than when constructing new facilities.

Remove the super-emitter program that allows 3rd parties to monitor and report emissions.

Reconsider zero emission controllers and pumps, especially for existing facilities.

Reconsider ban on flaring at new facilities and the limits on flaring at existing facilities.

GHGRP Subpart W

EPA revised requirements that inflate actual emissions (e.g., includes other large release events and revises emission factors upward); limits calculation methodology options, and made it overly complex and costly for operators to obtain and use empirical data. Review and revise provisions to allow operators the flexibility to use a variety of methods to calculate emissions in the most cost-effective manner.

EPA should make the following changes.

First, EPA should retain a low production well distinction in the regulations. Regulations designed for large wells do not function appropriately for low production wells.

Second, EPA should restructure the regulation to provide that as wells decline to the low production well threshold, these wells would move into the low production well requirements.

Third, EPA should use the results of the DOE *Quantification of Methane Emissions from Marginal Oil and Gas Wells* project to develop low production well regulations, if any are cost effective. Optical Gas Imaging requirements are inappropriate for low production wells, particularly if Subpart OOOOa regulations compel a Section 111(d) nationwide existing source regulatory action on the 770,000 low production wells scattered across the nation. Instead, EPA needs to develop an approach that limits the regulatory burden on low production wells, limits the recordkeeping requirements that are so burdensome in most parts of the Subpart OOOOa proposal.

EPA could be instructed by other EPA regulations such as the Clean Water Act Spill Prevention, Control and Countermeasure (SPCC) plan requirements that require annual facility inspections without extensive reporting requirements to EPA. A similar approach might be appropriate here. And, like the SPCC plan requirements, an annual visual inspection could provide for whatever maintenance was necessary to limit possible emissions. But, the key to any action must be to limit the regulatory burden.

Thank you again for your leadership and your commitment to restoring regulatory balance. Please feel free to contact me if I can be of assistance.

Respectfully submitted,

A handwritten signature in black ink that reads "Edward P. Cross". The signature is written in a cursive, slightly slanted style.

Edward Cross, CEO

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