WEST VIRGINIA AIR QUALITY BOARD CHARLESTON, WEST VIRGINIA

WEST VIRGINIA OIL AND NATURAL GAS ASSOCIATION, ANTERO RESOURCES CORPORATION

Appellants,

v.

Appeal No. 15-02-AQB

DIRECTOR, DIVISION OF AIR QUALITY, DEPARTMENT OF ENVIRONMENTAL PROTECTION,

Appellee.

SETTLEMENT AGREEMENT AND ORDER

Appellants West Virginia Oil and Natural Gas Association (WVONGA) and Antero Resources Corporation, by Counsel, and Appellee, Director, Division of Air Quality, West Virginia Department of Environmental Protection (WVDEP), by Counsel, hereby present to the West Virginia Air Quality Board the following Settlement Agreement and Order, and in support thereof state as follows:

- During the week of July 20, 2015, pursuant to § 45-13-8, the WVDEP provided notice to
 the public of a preliminary determination to issue General Permit G70-B for the
 Prevention and Control of Air Pollution in regard to the Construction, Modification,
 Relocation, Administrative Update, and Operation of Natural Gas Production Facilities
 Located at the Well Site. At that time, the draft permit and Engineering Evaluation/Fact
 Sheet were made available to the public for review.
- 2. The public notice was followed by a public comment period (required to be a minimum of 30 days under § 45-13-8) scheduled to end at 5:00 P.M. on August 24, 2015. WVONGA and certain of its member companies, including Antero Resources Corporation, timely filed comments to the proposed General Permit G70-B. WVDEP issued General Permit G70-B for the Prevention and Control of Air Pollution Concerning

- the Construction, Modification, Relocation, Administrative Update, and Operation of Natural Gas Production Facilities Located at the Well Site on November 2, 2015.
- 3. After the issuance of the General Permit G70-B for the Prevention and Control of Air Pollution Concerning the Construction, Modification, Relocation, Administrative Update, and Operation of Natural Gas Production Facilities Located at the Well Site, Appellants appealed certain terms and conditions of the permit by timely filing a Notice of Appeal with this Board on December 2, 2015.
- 4. Since the filing of the Notice of Appeal, West Virginia Oil and Natural Gas Association, Antero Resources Corporation, and the Director, Division of Air Quality, West Virginia Department of Environmental Protection, have negotiated the resolution of the issues contained therein.
- 5. These issues have been resolved by the terms of this Settlement Agreement and Order.

NOW, THEREFORE, upon the pleadings and with the consent of the parties to this appeal and their respective attorneys, the West Virginia Air Quality Board does hereby APPROVE the terms and conditions of this SETTLEMENT AGREEMENT and it is hereby ORDERED that the Director, Division of Air Quality, West Virginia Department of Environmental Protection shall provide public notice and issue an appropriate permit modifying the following terms and conditions of General Permit G-70B in accordance with the modifications set forth below:

- 1. The maximum design heat input set forth in Permit Condition 8.1.2.5 will increase from 30 to 36MMBtu/hr and the condition will be revised to reflect:
 - 8.1.2.5. Maximum Design Heat Input. The total maximum design heat input for all registered flares or enclosed combustion devices shall not exceed a Maximum Design Heat Input of 30 36 MMBtu/hr
- 2. Permit Condition 4.1.4 will be revised to clarify that it (LDAR monitoring and recordkeeping) only applies to closed vent systems and will be revised to reflect:

Each component of a closed vent system shall operate with no detectable emissions, ...

For the reasons set forth above, the Board does hereby approve and enter this Settlement Agreement and Order.

AIR QUALITY BOARD

	Ву:
	Its:
Entered this day of February, 2016.	
APPROVED BY:	
West Virginia Oil and Natural Gas Association and Antero Resources Corporation	
Appellants	
By counsel:	
Laura M. Goldfarb (W.Va. Bar No.10236) Jace H. Goins (W. Va. Bar No. 6894) Steptoe & Johnson PLLC P.O. Box 1588 Charleston, WV 25326 (304) 353-8000	
Director, Division Of Air Quality, West Virginia Department Of Environmental Protection	
Appellee	
By counsel:	
Jason Wandling, Esquire West Virginia Department of Environmental Protection Office of Legal Services 601 57th Street, SE	

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Appellee.

CERTIFICATE OF SERVICE

I hereby certify that on the <u>unit day</u> of March, 2016, I served the foregoing SETTLEMENT AGREEMENT AND ORDER upon the following parties by depositing a true copy thereof in the United States mail, postage prepaid, in envelopes addressed to the following:

Jackie Shultz, Clerk Air Quality Board 601 57th Street, SE Charleston, WV 25304

Jason Wandling Office of Legal Services 601 57th Street, SE Charleston, WV 25304

William F. Durham, Director Division of Air Quality 601 57th Street, SE Charleston, WV 25304

Respectfully submitted,

Counsel for the Appellants