

August 4, 2014

Francisco Vacas
Eni US Operating Company Incorporated
Two Allen Center
1200 Smith Street, Suite 1700
Houston, Texas 77002

Subject: Modification of Holy Cross Prospect Drilling Project
OCS Permit OCS-EPA-R4007-M3

Dear Mr. Vacas:

This letter is in response to your request for a minor permit modification for the Eni US Operating Company Incorporated (Eni) Holy Cross Prospect Drilling Project, which was received by the U.S. Environmental Protection Agency on May 19, 2014. The EPA previously issued Eni an Outer Continental Shelf (OCS) air quality permit on November 28, 2011, to construct and operate a temporary emissions source for an exploratory drilling operation on Lloyd Ridge OCS lease block 411 in the Gulf of Mexico approximately 154 miles southeast of the mouth of the Mississippi River and 189 miles south of the nearest Florida coast. The EPA also issued permit modifications for this project on May 11, 2012, and April 21, 2014, and granted a permit extension request on September 19, 2013.

Eni requests the permit be amended to include a fast rescue craft engine, a forklift engine, two nitrogen pump engines, and to revise permit condition 6.5.3.3, related to the crane engines. The drilling activity will use only the previously permitted drill ship, *Pathfinder*, and associated work boats. The addition of the small engines will result in: 1.03 tons per year (tpy) of nitrogen oxide emissions; 0.94 tpy of carbon monoxide; 0.30 tpy of volatile organic compounds; 0.08 tpy of particulate matter, particulate matter with an aerodynamic diameter less than 2.5 microns, and particulate matter with an aerodynamic diameter less than 10 microns; 135 tpy of greenhouse gases; and 0.00302 tpy of hazardous air pollutants. The nitrogen pump engines are compliant with EPA Tier 3, 40 CFR Subpart IIII, and 40 CFR 63 Subpart ZZZZ. The proposed rewording of condition 6.5.3.3 will change the hourly emission requirement from a per engine requirement, but does not change the total hours of operation or potential emissions for all four crane engines.

Additionally, the EPA has made administrative changes to conditions 6.5.1.1.7, 6.5.3.1, and 6.5.13.1 to correct material errors. The change to condition 6.5.1.1.7 allows Eni to accurately average emissions over a 12-month time frame. Condition 6.5.3.1 was changed previously in the permitting action for OCS-EPA-R4007-M1 to merge two conditions for two sets of identical

engines. However, the permit limits were not doubled to reflect the doubling of the subject engines, as intended, to streamline those conditions. The change to condition 6.5.13.1 corrects an omission of the word “month.”

The applicant provided emission calculations for the fast rescue craft, forklift, and nitrogen pump engines; a best available control technology analysis for the nitrogen pump engines; a review of potentially applicable requirements; and a comparison to Eni’s previous air quality analysis. Eni also provided revised title V part 71 permit forms and revised permit conditions pursuant to the minor modification procedures of part 71.

The EPA has reviewed the request submitted by Eni, and determined that these changes do not result in a major modification under title V and do not trigger Prevention of Significant Deterioration review for any New Source Review regulated pollutants. The EPA has determined that the requested revisions do not constitute a significant change from the original permit, nor a change in the environmental impact of the project.

After consideration of the request submitted by Eni and pertinent federal statutes and regulations, the EPA hereby grants these requests pursuant to the terms and conditions of the revised permit, OCS-EPA-R4007-M3, for the Holy Cross Prospect Drilling Project. The EPA modified the permit to include a fast rescue craft engine, a forklift engine, two nitrogen pump engines, and revisions to permit condition 6.5.3.3. These additional sources were added to Table 1. The EPA updated conditions 6.5.1.1.7, 6.5.3.1, and 6.5.13.1 to change material errors. These changes can be identified in the enclosed mark-up version.

In accordance with the provisions of Section 328 of the Clean Air Act, 42 U.S.C. § 7627, and the implementing OCS Air Regulations at Title 40 CFR part 55, the EPA has revised the permit to include the minor and administrative amendments. The revised permit, OCS-EPA-R4007-M3, is enclosed. If you have any questions, please contact Eva Land at 404-562-9103 or Kelly Fortin at 404-562-9117.

Sincerely,

Heather M. Ceron
Chief
Air Permits Section

Enclosures

cc: Victoria Gerber, Eni US Operating Company Incorporated
Rahul Pendse, Trinity Consultants