How to Create a New Document Library in SharePoint Designer 2007
By Scott Badger

1. Select Task Panes > Data Source Library.

2. You should now see the Data Source Library task pane.
3. Scroll down and click on SharePoint Libraries to expand the category.

4. Scroll down and click Create new Document Li...
5. Within the SharePoint Content tab, make sure that Document Libraries is being selected.
7. Below Options, enter in a name for your new document library.
8. Click OK.

9. Notice that in your folder list is your new document library folder.