EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2006-1632-AIR-E **TCEQ ID:** RN100211846 **CASE NO.:** 31170

RESPONDENT NAME: Benedum Gas Partners, LP and Upton Gas GP, Inc. dba Wilshire Treating Facility

ORDER TYPE:

X 1660 AGREED ORDER	__FINDINGS AGREED ORDER	__AMENDED ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__SHUTDOWN ORDER	__FINDINGS DEFAULT ORDER	__EMERGENCY ORDER	

CASE TYPE:

__AGRICULTURE	X AIR	__INDUSTRIAL AND HAZARDOUS WASTE	__MUNICIPAL SOLID WASTE
__OCCUPATIONAL CERTIFICATION	__PETROLEUM STORAGE TANKS	__PUBLIC WATER SUPPLY	__RADIOACTIVE WASTE
__MULTI-MEDIA (check all that apply)	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL	__USED OIL
__USED OIL FILTER	__WATER QUALITY		

SITE WHERE VIOLATION(S) OCCURRED: Wilshire Treating Facility, 1000 County Road 305, Upton County

TYPE OF OPERATION: Six compressor stations

SMALL BUSINESS: ___ Yes __X_ No

OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.

INTERESTED PARTIES: No one other than the ED and the Respondents has expressed an interest in this matter.

COMMENTS RECEIVED: The *Texas Register* comment period expired on March 26, 2007. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: None

TCEQ Enforcement Coordinator: Mr. Harvey Wilson, Enforcement Division, Enforcement Section II, MC 219, (512) 239-0321; Mr. Steven Lopez, Enforcement Division, MC 219, (512) 239-1896

TCEQ Field Investigator: Mr. Jay Low, Midland Regional Office, MC R-07, (432) 570-1359

Respondent: Mr. J. L. Davis, Registered Agent, Benedum Gas Partners, LP and Upton Gas GP, Inc., dba Wilshire Treating Facility, 211 North Colorado, Midland, Texas 79701-4696

Mr. Michael K. Davis, Vice President, Benedum Gas Partners, LP and Upton Gas GP, Inc., dba Wilshire Treating Facility, 211 North Colorado, Midland, Texas 79701-4696

Respondent's Attorney: Mr. David Tuckfield, David J. Tuckfield, P.C., 12400 Highway 71 West, Suite 350-150, Austin, Texas 78738

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: __ Complaint __ Routine __ Enforcement Follow-up _X_ Records Review **Date of Complaint Relating to this Case:** None **Date of Investigation Relating to this Case:** May 5, 2005 **Date of NOE Relating to this Case:** June 13, 2006 (NOE) **Background Facts:** This was a routine record review. Four violations were documented. **AIR** 1) Failed to timely complete and submit accurate initial and/or final reports for 23 emission events that occurred between February 4, 2005 and July 11, 2005 [30 TEX. ADMIN. CODE § 101.201(a), (b), and (c) and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 2) Failed to prevent 21 unauthorized emissions from entering the atmosphere that occurred between February 4, 2005 and December 8, 2005 [30 TEX. ADMIN. CODE § 116.110(a)(4) and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 3) Failed to prevent unauthorized emissions from entering the atmosphere that occurred between March 24, 2005 until April 5, 2005 [30 TEX. ADMIN. CODE § 116.110(a)(4) and TEX. HEALTH & SAFETY CODE § 382.085(b)]. 4) Failed to prevent 3 unauthorized emissions from entering the atmosphere from May 1, 2005 until May 4, 2005, from May 25, 2005 until May 26, 2005, and from July 10, 2005 until July 11, 2005 [30 TEX. ADMIN. CODE § 116.110(a)(4) and TEX. HEALTH & SAFETY CODE § 382.085(b)].	**Total Assessed:** $41,726 **Total Deferred:** $8,345 _X_ Expedited Settlement __ Financial Inability to Pay **SEP Conditional Offset:** $0 **Total Paid to General Revenue:** $33,381 **Site Compliance History Classification:** __ High _X_ Avg. __ Poor **Person Compliance History Classification:** __ High _X_ Avg. __ Poor **Major Source:** _X_ Yes __ No **Applicable Penalty Policy:** September 2002	**Ordering Provisions:** The Order will require the Respondents to: a. Immediately after the effective date of this Agreed Order develop and implement measures to improve reporting procedures; b. Within 30 days after the effective date of this Agreed Order, develop and implement measures to improve design operations and or maintenance practices to prevent the recurrence of events similar to the events that occurred between February 4, 2005 and December 8, 2005; and c. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions a. and b.

Penalty Calculation Worksheet (PCW)

TCEQ

Policy Revision 2 (September 2002) *PCW Revision April 25, 2006*

DATES					
Assigned	25-Aug-2006				
PCW	12-Sep-2006	Screening	12-Sep-2006	EPA Due	

RESPONDENT/FACILITY INFORMATION

Respondent	Benedum Gas Partners, L.P. and Upton Gas GP, Inc.		
Reg. Ent. Ref. No.	RN100211846		
Facility/Site Region	7-Midland	Major/Minor Source	Major Source

CASE INFORMATION

Enf./Case ID No.	31170	No. of Violations	4
Docket No.	2006-1632-AIR-E	Order Type	1660
Media Program(s)	Air Quality	Enf. Coordinator	Harvey Wilson
Multi-Media		EC's Team	Enforcement Team 4
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* $67,300

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 24% Enhancement *Subtotals 2, 3, & 7* $16,152

Notes: A 24% enhancement is recommended because of a prior same or similar NOV, one Findings Agreed Order and one Notice of Intent.

Culpability No 0% Enhancement *Subtotal 4* $0

Notes: The respondent does not meet calpability criteria.

Good Faith Effort to Comply 0% Reduction *Subtotal 5* $0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	*(mark with a small x)*

Notes: The respondent does not meet good faith criteria.

Economic Benefit 0% Enhancement* *Subtotal 6* $0

**Capped at the Total EB $ Amount*

Total EB Amounts	$1,265
Approx. Cost of Compliance	$8,000

SUM OF SUBTOTALS 1-7 Final Subtotal $83,452

OTHER FACTORS AS JUSTICE MAY REQUIRE 50% Reduction Adjustment -$41,726

Reduces or enhances the Final Subtotal by the indicated percentage. *(Enter number only; e.g. -30 for -30%.)*

Notes: Recommend a 50% reduction due to the small amount of contaminants released as a result of the violation described in PCW violation 2.

Final Penalty Amount $41,726

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty $41,726

DEFERRAL 20% Reduction Adjustment -$8,345

Reduces the Final Assessed Penalty by the indicted percentage. *(Enter number only; e.g. 20 for 20% reduction.)*

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY $33,381

Screening Date 12-Sep-2006 **Docket No.** 2006-1632-AIR-E **PCW**

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc. *Policy Revision 2 (September 2002)*

Case ID No. 31170 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100211846

Media [Statute] Air Quality

Enf. Coordinator Harvey Wilson

Compliance History Worksheet

>> **Compliance History *Site* Enhancement (Subtotal 2)**

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action *(number of NOVs meeting criteria)*	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability *(number of orders meeting criteria)*	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government *(number of judgements or consent decrees meeting criteria)*	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government *(number of counts)*	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were*	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which violations were disclosed)*	0	0%
		Please Enter Yes or No	
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) **24%**

>> **Repeat Violator (Subtotal 3)**

No

Adjustment Percentage (Subtotal 3) **0%**

>> **Compliance History *Person* Classification (Subtotal 7)**

Average Performer

Adjustment Percentage (Subtotal 7) **0%**

>> **Compliance History Summary**

Compliance History Notes A 24% enhancement is recommended because of a prior same or similar NOV, one Findings Agreed Order and one Notice of Intent.

Total Adjustment Percentage (Subtotals 2, 3, & 7) **24%**

Screening Date 12-Sep-2006 **Docket No.** 2006-1632-AIR-E **PCW**

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc. *Policy Revision 2 (September 2002)*

Case ID No. 31170 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100211846

Media [Statute] Air Quality

Enf. Coordinator Harvey Wilson

Violation Number 1

Primary Rule Cite(s) 30 Tex. Admin. Code § 101.201(a), (b), and (c)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description The respondent failed to timely complete and/or submit accurate initial and/or final reports for 23 emissions events that occured between February 4, 2005 and July 11, 2005. (see table A)

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			
Potential			

OR

Percent

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes: Less than 30% of the rule requirements were not met.

Adjustment -$9,900

Base Penalty Subtotal $100

Violation Events

Number of Violation Events 23 | 23 Number of violation days

mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $2,300

Twenty-three single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $156

Statutory Limit Test

Violation Final Penalty Total $1,426

This violation Final Assessed Penalty (adjusted for limits) $1,426

Economic Benefit Worksheet

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc.
Case ID No. 31170
Reg. Ent. Reference No. RN100211846
Media [Statute] Air Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$1,000	04-Feb-2005	30-Apr-2007	2.2	$7	$149	$156
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: The estimated cost to prepare complete and accurate, initial and final emissions events reports, and to timely submit them to the TCEQ. Date Required is the date of the first violation. Final Date is the estimated date of compliance.

Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance: $1,000

TOTAL $156

Screening Date 12-Sep-2006 **Docket No.** 2006-1632-AIR-E **PCW**

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc. *Policy Revision 2 (September 2002)*

Case ID No. 31170 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100211846

Media [Statute] Air Quality

Enf. Coordinator Harvey Wilson

Violation Number 2

Primary Rule Cite(s) 30 Tex. Admin. Code § 116.110(a)(4)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description The respondent failed to prevent unauthorized emissions from entering the atmosphere. Specifically, the respondent failed to prevent 21 emissions events between February 4, 2005 and December 8, 2005 (see table B) Since these emissions events were avoidable, as defined by 30 Tex. Admin. Code § 101.222, an affirmative defense may not be claimed for the emissions.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

OR

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 21 — 25 Number of violation days

mark only one use a small x	
daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $52,500

Twenty-one single events are recommended based on documentation of the violations during the investigation on May 5, 2005.

Economic Benefit (EB) for this violation

Estimated EB Amount $810

Statutory Limit Test

Violation Final Penalty Total $32,550

This violation Final Assessed Penalty (adjusted for limits) $32,550

Economic Benefit Worksheet

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc.
Case ID No. 31170
Reg. Ent. Reference No. RN100211846
Media [Statute] Air Quality
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$5,000	04-Feb-2005	30-May-2007	2.3	$39	$772	$810
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: The estimated cost of providing the equipment necessary to prevent unauthorized emissions from entering the atmosphere. Date Required is the date of the first violation. Final Date is the estimated date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance: $5,000

TOTAL $810

Screening Date 12-Sep-2006 **Docket No.** 2006-1632-AIR-E **PCW**

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc. *Policy Revision 2 (September 2002)*

Case ID No. 31170 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100211846

Media [Statute] Air Quality

Enf. Coordinator Harvey Wilson

Violation Number 3

Primary Rule Cite(s) 30 Tex. Admin. Code § 116.110(a)(4)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description The respondent failed to prevent unauthorized emissions from entering the atmosphere. Specifically, the respondent failed to prevent an emissions event that lasted from March 24, 2005 until April 5, 2005 which released 11,026 pounds of VOCs, 16,170 pounds of carbon monoxide, 2,025 pounds of nitrogen dioxide, 6,075 pounds of nitrogen oxide, and 30 pounds of sulfur dioxide. Since this emissions event was avoidable, as defined by 30 Tex. Admin. Code § 101.222, and affirmative defense may not be claimed for the emissions.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

Release	Harm: Major	Moderate	Minor
Actual		x	
Potential			

OR

Percent 50%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment -$5,000

Base Penalty Subtotal $5,000

Violation Events

Number of Violation Events 1 — 12 Number of violation days

mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $5,000

One single event is recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $153

Statutory Limit Test

Violation Final Penalty Total $3,100

This violation Final Assessed Penalty (adjusted for limits) $3,100

Economic Benefit Worksheet

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc.
Case ID No. 31170
Reg. Ent. Reference No. RN100211846
Media [Statute] Air Quality
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$1,000	24-Mar-2005	30-May-2007	2.2	$7	$146	$153
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: The estimated cost of providing the equipment necessary to prevent unauthorized emissions from entering the atmosphere. Date Required is the date the violation occurred. Final Date is the estimated date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance: $1,000

TOTAL $153

Screening Date 12-Sep-2006 **Docket No.** 2006-1632-AIR-E **PCW**

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc. *Policy Revision 2 (September 2002)*

Case ID No. 31170 *PCW Revision April 25, 2006*

Reg. Ent. Reference No. RN100211846

Media [Statute] Air Quality

Enf. Coordinator Harvey Wilson

Violation Number 4

Primary Rule Cite(s) 30 Tex. Admin. Code § 116.110(a)(4)

Secondary Rule Cite(s) Tex. Health & Safety Code § 382.085(b)

Violation Description The respondent failed to prevent unauthorized emissions from entering the atmosphere. Specifically, the respondent failed to prevent 3 emissions events that occurred May 1 - May 4, 2005, May 25 - 26, 2005, and July 10 - 11, 2005. During the May 1 - May 4, 2005 emissions event 2,057 pounds of VOCs, 3,037 pounds of carbon monoxide, 318 pounds of nitrogen dioxide, 1,141 pounds of nitrogen oxide, and 5 pounds of sulfur dioxide were released. During the May 25 - 26, 2005 emissions event 7,672 pounds of VOCs, 13,405 pounds of carbon monoxide, 1,679 pounds of nitrogen dioxide, 5,036 pounds of nitrogen oxide, and 125 pounds of sulfur dioxide were released. During the July 10 - 11, 2005 event 2,453 pounds of VOCs, 3,584 pounds of carbon monoxide, 450 pounds of nitrogen dioxide, 1,350 pounds of nitrogen oxide, and 8 pounds of sulfur dioxide were released. Since these emissions events were avoidable, as defined by 30 Tex. Amin. Code § 101.222, an affirmative defense may not be claimed for the emissions.

Base Penalty $10,000

>> **Environmental, Property and Human Health Matrix**

OR

Release	Harm: Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors.

Adjustment -$7,500

Base Penalty Subtotal $2,500

Violation Events

Number of Violation Events 3 | 7 Number of violation days

mark only one use a small x	
daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $7,500

Three single events are recommended.

Economic Benefit (EB) for this violation

Estimated EB Amount $146

Statutory Limit Test

Violation Final Penalty Total $4,650

This violation Final Assessed Penalty (adjusted for limits) $4,650

Economic Benefit Worksheet

Respondent Benedum Gas Partners, L.P. and Upton Gas GP, Inc.
Case ID No. 31170
Reg. Ent. Reference No. RN100211846
Media [Statute] Air Quality
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)	$1,000	01-May-2005	30-May-2007	2.1	$7	$139	$146
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling				0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: The estimated cost of providing the equipment necessary to prevent unauthorized emissions from entering the atmosphere. Date Required is the date of the first violation. Final Date is the estimated date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance: $1,000

TOTAL $146

Benedum Gas Partners, LP and Upton Gas GP, Inc. dba Wilshire Treating Facility
TCEQ Docket No. 2006-1632-AIR-E Enforcement ID No. 31170
Corresponds to PCW Violation No. 1
Summary of Reporting Defiencies
Table A

Date of Event	Timely	Complete	Date of Event	Timely	Complete
02/04/2005	NO	NO	05/11/2005	NO	NO
02/20/2005	NO	NO	05/17/2005	YES	NO
02/23/2005	NO	NO	05/19/2005	NO	YES
03/12/2005	NO	YES	05/20/2005	NO	NO
03/24/2005	YES	NO	05/22/2005	NO	YES
03/29/2005	NO	NO	05/24/2005	NO	NO
03/31/2005	YES	NO	05/25/2005	YES	NO
04/25/2005	YES	NO	06/03/2005	NO	NO
04/28/2005	YES	NO	06/15/2005	YES	NO
05/01/2005	NO	NO	07/10/2005	NO	YES
05/03/2005	NO	NO	07/11/2005	NO	YES
05/04/2005	NO	NO			

Benedum Gas Partners, LP and Upton Gas GP, Inc. Dba Wilshire Treating Facility
TCEQ Docket No. 2006-1632-AIR-E Enforcement ID No. 31170
Corresponds to PCW Violation No. 2
Summary of Emission Events
Table B

	TABLE B						
Date of Event	**Amount of Pollutants Emitted (in total pounds)**					**Duration**	**Authorized Limits**
	VOCs	CO	NO_2	NO	SO_2		
02/04/2005	247	364	46	137	1	5 hours	0.00
02/20/2005	1,165	1708	121	642	3	16 hrs., 30 min.	0.00
03/12/2005	257	375	47	141	1	19 hrs., 30 min.	0.00
03/21-22/2005	2,855	4,184	524	1,572	8	48 hours	0.00
04/09/2005	494	722	90	271	3	8 hours	0.00
04/14/2005	320	468	59	176	2	10 hours	0.00
04/13/2005	1.344	1973	247	741	18	15 hours	0.00
02/23-24/2005	1,441	2,075	260	780	4	48 hours	0.00
04/26/2005	941	1,381	173	519	3	11 hrs,, 15 min.	0.00
04/28-29/2005	638	1,319	165	495	2	31 hrs., 6 min.	0.00
05/11/2005	359	529	66	199	1	1 hr., 15 min.	0.00
05/17-18/2005	1,424	2,078	261	784	4	48 hours	0.00
05/19/2005	1,013	1,619	203	608	3	23 hrs., 30 min.	0.00
05/22/2005	240	352	44	132	1	8 hrs., 30 min.	0.00
05/24/2005	225	330	41	124	1	16 hrs., 20 min.	0.00
06/03/2005	2,419	3,611	452	1,357	34	18 hours	0.00
06/15/2005	361	771	96	289	1	3 hrs., 30 min.	0.00
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09/25/2005	282	414	52	155	1	5 hrs., 45 min.	0.00
12/05/2005	331	480	60	180	1	4 hours	0.00
12/08/2005	241	361	45	136	1	5 hours	0.00

Key: VOC-butane, hexane, isobutane, pentane, propane; CO-carbon monoxide; NO2-nitrogen dioxide; NO-nitrogen oxide; SO2-sulfur dioxide

Compliance History

Customer/Respondent/Owner-Operator:	CN603076787	Benedum Gas Partners, L.P.	Classification: AVERAGE	Rating: 38.56
Regulated Entity:	RN100211846	WILSHIRE TREATING	Classification: AVERAGE	Site Rating: 17.13

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	UB0002K
	AIR OPERATING PERMITS	PERMIT	945
	AIR NEW SOURCE PERMITS	PERMIT	17659
	AIR NEW SOURCE PERMITS	PERMIT	18217
	AIR NEW SOURCE PERMITS	PERMIT	47229
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	UB0002K
	AIR NEW SOURCE PERMITS	REGISTRATION	51524
	AIR NEW SOURCE PERMITS	REGISTRATION	51525
	AIR NEW SOURCE PERMITS	AFS NUM	0003

Location: 1000 COUNTY ROAD 305, UPTON COUNTY, TX

Rating Date: September 01 06
Repeat Violator: NO

TCEQ Region: REGION 07 - MIDLAND

Date Compliance History Prepared: October 18, 2006

Agency Decision Requiring Compliance Enforcement

Compliance Period: October 17, 2001 to October 17, 2006

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Harvey Wilson Phone: 239-0321

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? Yes
3. If Yes, who is the current owner? Upton Gas GP, Inc.
   Benedum Gas Partners, LP
4. if Yes, who was/were the prior owner(s)? Enogex Products Corporation
5. When did the change(s) in ownership occur? 01/23/2003
   05/05/2005

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 08/02/2002 ADMINORDER 2001-1205-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit a Title V Compliance Certification (period from 1/15/98 to 1/14/99) for the Wilshire Treating Facility in a timely manner.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(B)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit required deviation reports (periods: 1/15/99 to 7/14/99, 7/15/99 to 1/14/00, 1/15/00 to 7/14/00, 7/15/00 to 1/14/01, and 1/15/01 to 07/14/01) for the Wilshire Treating

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to identify and include all deviations in Title V Compliance Certifications (periods from 1/15/99 to 1/14/00 and 1/15/00 to 1/14/01 for the Wilshire Treating Facility.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1 07/11/2002 (111430)
2 04/22/2003 (31251)
3 10/16/2003 (252153)
4 06/14/2006 (380311)
5 09/30/2002 (286308)
6 07/28/2006 (488603)
7 10/16/2003 (252233)
8 09/25/2006 (513689)
9 06/30/2004 (264208)
10 05/02/2005 (347230)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 07/10/2002 (111430)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)(A)
Description: LATE UPSET NOTIFICATIO

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)(A)
Description: INADEQUATE CAUSES/UPSE

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)(A)
Description: INADEQUATE PROCESS/EQU

F. Environmental audits.

Notice of Intent Date: 03/03/2006 (459599)
No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

Compliance History

Customer/Respondent/Owner-Operator:	CN603076761	Upton Gas GP, Inc.	Classification: AVERAGE	Rating: 38.56
Regulated Entity:	RN100211846	WILSHIRE TREATING FACILITY	Classification: AVERAGE	Site Rating: 17.13

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	UB0002K
	AIR OPERATING PERMITS	PERMIT	945
	AIR NEW SOURCE PERMITS	PERMIT	17659
	AIR NEW SOURCE PERMITS	PERMIT	18217
	AIR NEW SOURCE PERMITS	PERMIT	47229
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	UB0002K
	AIR NEW SOURCE PERMITS	REGISTRATION	51524
	AIR NEW SOURCE PERMITS	REGISTRATION	51525
	AIR NEW SOURCE PERMITS	AFS NUM	0003

Location: 1000 COUNTY ROAD 305, UPTON COUNTY, TX

Rating Date: September 01 06
Repeat Violator: NO

TCEQ Region: REGION 07 - MIDLAND

Date Compliance History Prepared: October 18, 2006

Agency Decision Requiring Compliance Enforcement

Compliance Period: October 17, 2001 to October 17, 2006

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Harvey Wilson Phone: 239-0321

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance Yes
3. If Yes, who is the current owner? Upton Gas GP, Inc
   Benedum Gas Partners, LP
4. if Yes, who was/were the prior owner(s)? Enogex Products Corporation
5. When did the change(s) in ownership occur? 01/23/2003
   05/05/2005

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 08/02/2002 ADMINORDER 2001-1205-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit a Title V Compliance Certification (period from 1/15/98 to 1/14/99) for the Wilshire Treating Facility in a timely manner.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(B)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to submit required deviation reports (periods: 1/15/99 to 7/14/99, 7/15/99 to 1/14/00, 1/15/00 to 7/14/00, 7/15/00 to 1/14/01, and 1/15/01 to 07/14/01) for the Wilshire Treating Facility.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(5)(D)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to identify and include all deviations in Title V Compliance Certifications (periods from 1/15/99 to 1/14/00 and 1/15/00 to 1/14/01 for the Wilshire Treating Facility.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	07/11/2002	(111430)
2	04/22/2003	(31251)
3	10/16/2003	(252153)
4	06/14/2006	(380311)
5	09/30/2002	(286308)
6	07/28/2006	(488603)
7	10/16/2003	(252233)
8	09/25/2006	(513689)
9	06/30/2004	(264208)
10	05/02/2005	(347230)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 07/10/2002 (111430)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)(A)

Description: LATE UPSET NOTIFICATIO

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)(A)

Description: INADEQUATE CAUSES/UPSE

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.6(a)(1)(A)

Description: INADEQUATE PROCESS/EQU

F. Environmental audits.

Notice of Intent Date: 03/03/2006 (459599)

No DOV Associated

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	
BENEDUM GAS PARTNERS, LP	§	**TEXAS COMMISSION ON**
AND UPTON GAS GP, INC. DBA	§	
WILSHIRE TREATING FACILITY	§	
RN100211846	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2006-1632-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Benedum Gas Partners, LP and Upton Gas GP, Inc. dba Wilshire Treating Facility ("Benedum and Upton") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Benedum and Upton, represented by David Tuckfield of the Law Office of David J. Tuckfield, P.C., appear before the Commission and together stipulate that:

1. Benedum and Upton own and operate six compressor stations at 1000 County Road 305, in Upton County, Texas (the "Stations").

2. The Stations consist of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).

3. The Commission and Benedum and Upton agree that the Commission has jurisdiction to enter this Agreed Order, and that Benedum and Upton are subject to the Commission's jurisdiction.

4. Benedum and Upton received notice of the violations alleged in Section II ("Allegations") on or about June 18, 2006.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Benedum and Upton of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Forty-One Thousand Seven Hundred Twenty-Six Dollars ($41,726) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Benedum and Upton have paid Thirty-Three Thousand Three Hundred Eighty-One Dollars ($33,381) of the administrative penalty and Eight Thousand Three Hundred Forty-Five Dollars ($8,345) is deferred contingent upon Benedum and Upton's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Benedum and Upton fail to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Benedum and Upton to pay all or part of the deferred penalty.

7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.

8. The Executive Director of the TCEQ and Benedum and Upton have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Benedum and Upton have not complied with one or more of the terms or conditions in this Agreed Order.

10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owners and operators of the Stations, Benedum and Upton are alleged to have:

1. Failed to timely complete and submit accurate initial and/or final reports for 23 emission events that occurred between February 4, 2005 and July 11, 2005, in violation of 30 TEX. ADMIN. CODE § 101.201(a), (b), and (c) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review that began on May 5, 2005 (see Table A below).

Table A

Date of Event	Timely	Complete	Date of Event	Timely	Complete
02/04/2005	NO	NO	05/11/2005	NO	NO
02/20/2005	NO	NO	05/17/2005	YES	NO
02/23/2005	NO	NO	05/19/2005	NO	YES
03/12/2005	NO	YES	05/20/2005	NO	NO
03/24/2005	YES	NO	05/22/2005	NO	YES
03/29/2005	NO	NO	05/24/2005	NO	NO
03/31/2005	YES	NO	05/25/2005	YES	NO
04/25/2005	YES	NO	06/03/2005	NO	NO
04/28/2005	YES	NO	06/15/2005	YES	NO
05/01/2005	NO	NO	07/10/2005	NO	YES
05/03/2005	NO	NO	07/11/2005	NO	YES
05/04/2005	NO	NO			

2. Failed to prevent 21 unauthorized emissions from entering the atmosphere that occurred between February 4, 2005 and December 8, 2005, in violation of 30 TEX. ADMIN. CODE § 116.110(a)(4) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review that began on May 5, 2005 (see Table B below).

3. Failed to prevent unauthorized emissions from entering the atmosphere that occurred between March 24, 2005 until April 5, 2005, in violation of 30 TEX. ADMIN. CODE § 116.110(a)(4) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review that began on May 5, 2005 (see Table B below).

4. Failed to prevent 3 unauthorized emissions from entering the atmosphere from May 1, 2005 until May 4, 2006, from May 25, 2005 until May 26, 2005, and from July 10, 2005 until July 11, 2005, in violation of 30 TEX. ADMIN. CODE § 116.110(a)(4) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review that began on May 5, 2005 (see Table B below).

Table B

Date of Event	Amount of Pollutants Emitted (in total pounds)					Duration	Authorized Limits
	VOCs	CO	NO_2	NO	SO_2		
PCW-VIOLATION 2							
02/04/2005	247	364	46	137	1	5 hours	0.00
02/20/2005	1,165	1708	121	642	3	16 hrs., 30 min.	0.00
03/12/2005	257	375	47	141	1	19 hrs., 30 min.	0.00
03/21-22/2005	2,855	4,184	524	1,572	8	48 hours	0.00
04/09/2005	494	722	90	271	3	8 hours	0.00
04/14/2005	320	468	59	176	2	10 hours	0.00
04/13/2005	1,344	1973	247	741	18	15 hours	0.00
02/23-24/2005	1,441	2,075	260	780	4	48 hours	0.00
04/26/2005	941	1,381	173	519	3	11 hrs,, 15 min.	0.00
04/28-29/2005	638	1,319	165	495	2	31 hrs., 6 min.	0.00
05/11/2005	359	529	66	199	1	1 hr., 15 min.	0.00
05/17-18/2005	1,424	2,078	261	784	4	48 hours	0.00
05/19/2005	1,013	1,619	203	608	3	23 hrs., 30 min.	0.00
05/22/2005	240	352	44	132	1	8 hrs., 30 min.	0.00
05/24/2005	225	330	41	124	1	16 hrs., 20 min.	0.00
06/03/2005	2,419	3,611	452	1,357	34	18 hours	0.00
06/15/2005	361	771	96	289	1	3 hrs., 30 min.	0.00

Date of Event	Amount of Pollutants Emitted (in total pounds)					Duration	Authorized Limits
04/25/2005	907	1,330	167	500	2	16 hrs., 45 min.	0.00
09/25/2005	282	414	52	155	1	5 hrs., 45 min.	0.00
12/05/2005	331	480	60	180	1	4 hours	0.00
12/08/2005	241	361	45	136	1	5 hours	0.00
PCW - VIOLATION 3							
03/24-04/05/2005	11,026	16,170	2,025	6,075	30	284 hrs., 45 min.	0.00
PCW - VIOLATION 4							
05/01–04/2005	2,057	3,037	318	1,141	5	62 hrs., 15 min.	0.00
05/25-26/2005	7,672	13,405	1,679	5,036	125	36 hours	0.00
07/10-11/2005	2,453	3,584	450	1,350	8	28 hrs., 30 min.	0.00

Key: VOC-butane, hexane, isobutane, pentane, propane; CO-carbon monoxide; NO2-nitrogen dioxide; NO-nitrogen oxide; SO2-sulfur dioxide

III. DENIALS

Benedum and Upton generally deny each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Benedum and Upton pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Benedum and Upton's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Benedum Gas Partners, LP and Upton Gas GP, Inc. dba Wilshire Treating Stations, Docket No. 2006-1632-AIR-E" to:

   Financial Administration Division, Revenues Section
   Attention: Cashier's Office, MC 214
   Texas Commission on Environmental Quality
   P.O. Box 13088
   Austin, Texas 78711-3088

2. Benedum Gas Partners, LP and Upton Gas GP, Inc. are jointly and severally liable for the violations documented in this Agreed Order, and are jointly and severally liable for timely and satisfactory compliance with all terms and conditions of this Agreed Order and are jointly liable for the requirements of 30 TEX. ADMIN. CODE §§ 334.7 and 334.22.

3. It is further ordered that Benedum and Upton shall undertake the following technical requirements:

   a. Immediately after the effective date of this Agreed Order develop and implement measures to improve reporting procedures;

   b. Within 30 days after the effective date of this Agreed Order, develop and implement measures to improve design operations and or maintenance practices to prevent the recurrence of events similar to the events that occurred between February 4, 2005 and December 8, 2005; and

   c. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions No. 3.a. and 3.b.

   The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

   "I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

   Submit certification required by these Ordering Provisions to:

   Order Compliance Team
   Enforcement Division, MC 149A
   Texas Commission on Environmental Quality
   P.O. Box 13087
   Austin, Texas 78711-3087

   with a copy to:

   Air Section Manager
   Midland Regional Office
   Texas Commission on Environmental Quality
   3300 North A Street, Suite 107
   Midland, Texas 79705-1892

4. The provisions of this Agreed Order shall apply to and be binding upon Benedum and Upton. Benedum and Upton are ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Stations operations referenced in this Agreed Order.

5. If Benedum and Upton fail to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Benedum and Upton's failure to comply is not a violation of this Agreed Order. Benedum and Upton shall have the burden of establishing to the Executive Director's satisfaction that

such an event has occurred. Benedum and Upton shall notify the Executive Director within seven days after Benedum and Upton become aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Benedum and Upton shall be made in writing to the Executive Director. Extensions are not effective until Benedum and Upton receive written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. This Agreed Order, issued by the Commission, shall not be admissible against Benedum and Upton in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

8. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Benedum and Upton, or three days after the date on which the Commission mails notice of the Order to Benedum and Upton, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

For the Commission

For the Executive Director

5/7/07
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Signature

1/9/07
Date

MICHAEL K. DAVIS
Name (Printed or typed)
Authorized Representative of Benedum Gas Partners, LP
dba Wilshire Treating Facility

VICE PRESIDENT
Title

Signature

1/9/07
Date

MICHAEL K. DAVIS
Name (Printed or typed)
Authorized Representative of Upton Gas GP, Inc.
dba Wilshire Treating Facility

VICE PRESIDENT
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.