

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 5
DOCKET NO.: 2008-1637-AIR-E **TCEQ ID:** RN102546785 **CASE NO.:** 36663
RESPONDENT NAME: Eagle Rock Field Services, L.P.

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Red Deer Gas Plant, 1201 Quarter Horse Road, Miami, Roberts County</p> <p>TYPE OF OPERATION: Gas plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on May 4, 2009. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: Ms. Melissa Keller, SEP Coordinator, Enforcement Division, MC 219, (512) 239-1768 TCEQ Enforcement Coordinator: Mr. John Muennink, Enforcement Division, Enforcement Team 5, MC R-14, (361) 825-3423; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 Respondent: Ms. Rachel M. Trainer, Environmental Manager, Eagle Rock Field Services, L.P., 16701 Greenspoint Park Drive, Suite 200, Houston, Texas 77060 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:		
VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: July 16 through 31, 2008</p> <p>Date of NOV/NOE Relating to this Case: September 29, 2008 (NOE)</p> <p>Background Facts: This was a record review.</p> <p>AIR</p> <p>1) Failure to make operating records readily available to TCEQ personnel upon request. Specifically, the following records were unavailable to TCEQ personnel at the time of the request: operation and testing records for engine nos. C-1.2 and C-2, formaldehyde calculations for all engines, the control efficiency of the firebox, flare design and operation records, tank throughput, the duration of the stay of the Frac tanks (tank nos. C225 and C317), the Amine Unit design capacity, and the repair and monitoring activities for pressure relief devices following the pressure release on engine no. C-1.2 and Regen [30 TEX. ADMIN. CODE §§ 106.8(c), 116.115(b)(2)(E), 116.615(8), 116.620(a)(14) and (e)(8), 122.143(4), and 122.144(4), TEX. HEALTH & SAFETY CODE § 382.085(b), General Operating Permit ("GOP") O-2952, General Conditions (b)(2) and (b)(7)(B), and Permit No. 77131, General Terms and Conditions].</p> <p>2) Failure to track and maintain documentation necessary to calculate the total sulfur content of process vents or flares in order to demonstrate compliance with the 0.3 long tons per day facility limit for total sulfur emissions and with the 2 long tons per day sulfur limit on the design capacity of the sweetening unit after facility modifications made the</p>	<p>Total Assessed: \$57,589</p> <p>Total Deferred: \$11,517 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$23,036</p> <p>Total Paid to General Revenue: \$23,036</p> <p>Site Compliance History Classification <input checked="" type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective actions at the Plant:</p> <p>a. On February 1, 2008, submitted the initial semi-annual fugitive monitoring report, including results of initial performance testing, which was due December 24, 2007; and</p> <p>b. On July 27, 2008, removed the Frac tanks (nos. C225 and C317) from the Plant.</p> <p>Ordering Provisions:</p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order:</p> <p>i. Implement measures designed to ensure that required Plant records are available to TCEQ personnel upon request;</p> <p>ii. Demonstrate compliance with the total sulfur content limits for process vents or flares;</p> <p>iii. Begin conducting monitoring of the VOC control device and maintaining records necessary to demonstrate proper operation and design of the flare for the Glycol Dehydration Unit;</p> <p>iv. Implement measures designed to ensure the proper reporting of PCCs and deviation reports;</p> <p>v. Implement measures designed to ensure proper notification prior to conducting performance tests and timely and accurate reporting of test results and fugitive monitoring;</p> <p>vi. Implement a leak detection and repair</p>

<p>requirements applicable on June 27, 2007 [30 TEX. ADMIN. CODE §§ 116.620(a)(1), (a)(14) and (e)(6), 101.20(1), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 60.647(c), TEX. HEALTH & SAFETY CODE § 382.085(b), GOP O-2952, General Condition (b)(7)(B), and Permit No. 77131, General Terms and Conditions].</p> <p>3) Failure to conduct monitoring of the volatile organic compound ("VOC") control device within 60 days after facility startup and maintain records necessary to demonstrate proper operation and design of the flare for the Glycol Dehydration Unit, and demonstrate compliance with the 98% destruction efficiency rate for uncontrolled emissions from the Glycol Dehydration Unit [30 TEX. ADMIN. CODE §§ 101.20(1), 122.143(4), 116.620(a)(12), (a)(14), (b)(2)(B) and (d)(3), and 116.615(2), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR § 60.18, GOP O-2952, General Condition (b)(7)(B), and Permit No. 77131, General Terms and Conditions].</p> <p>4) Failure to submit a complete and accurate permit compliance certification ("PCC") and deviation reports for the June 27, 2007 through June 26, 2008 reporting period. Specifically, the reports did not include all information regarding the emission units addressed in the permit for which deviations occurred and did not include all instances of deviations for that period [30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2), and 122.146(5), TEX. HEALTH & SAFETY CODE § 382.085(b), and GOP O-2952, General Condition (b)(2)].</p> <p>5) Failure to submit notification of the schedule of the initial Plant performance test at least 30 days prior to conducting the test. Specifically, test results were submitted in the initial semi-annual fugitive monitoring report on February 1, 2008, however, no previous notification was given [30 TEX. ADMIN. CODE §§ 116.620(a)(14) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR §§ 60.487(e), 60.632(e), and 60.8(d), and Permit No. 77131, General Terms and Conditions].</p> <p>6) Failure to submit a timely and accurate initial semi-annual fugitive monitoring report. Specifically, the report was due by December 24, 2007 but was not submitted until February 1, 2008 and did not list all</p>		<p>program sufficient to demonstrate compliance with 40 CFR, Part 60, Subpart KKK; and</p> <p>vii. Implement measures designed to ensure that complete monthly records for each production, processing and/or pipeline tank battery are kept.</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision 2.a.</p>
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pressure relief devices as required in 40 CFR § 60.8 [30 TEX. ADMIN. CODE §§ 116.620(a)(14), 122.143(4), and 101.20(1), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR §§ 60.487(e), 60.632(e), 60.636(b), and 60.8(a), GOP O-2952, General Condition (b)(14)(B), and Permit No. 77131, General Terms and Conditions].

7) Failure to monitor leaking valves monthly until a leak was not detected for two consecutive months and to repair valve no. 12006 before the end of the process unit shutdown that occurred May 2 through May 5, 2008. Specifically, seven valves, including valve no. 12006 were identified as leaking during monthly monitoring that was conducted on January 21, 2008. Valve no. 12006 should have been repaired by May 5, 2008 but was never repaired [30 TEX. ADMIN. CODE §§ 116.620(a)(14), 122.143(4), and 101.20(1), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR §§ 60.482-7(c)(2), 60.482-9(a), and 60.632(a), and Permit No. 77131, General Terms and Conditions].

8) Failure to demonstrate that weekly visual inspections for indication of liquids dripping from each pump seal were being conducted [30 TEX. ADMIN. CODE §§ 116.620(a)(14), 122.143(4), and 101.20(1), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR § 60.482-2(a)(2) and 60.632(a), and Permit No. 77131, General Terms and Conditions].

9) Failure to maintain complete monthly records for each production, processing and/or pipeline tank battery. Specifically, monthly records for September and November 2007 were incomplete [30 TEX. ADMIN. CODE §§ 116.620(e)(4) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), and GOP O-2952, General Condition (b)(7)(B)].

10) Failure to submit a permit revision application for the Frac tanks to be incorporated into GOP O-2952. Specifically, the Frac tanks (tank nos. C225 and C317) were temporary sources not to be on site for more than six months. They were on site for 13 months, therefore, requiring authorization under GOP O-2952. The tanks were removed on July 27, 2008, and authorization was never obtained [30 TEX. ADMIN. CODE § 122.503(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

<p>11) Failure to monitor the Regen pressure release device no later than five calendar days after the repairs were completed in order to confirm no detectable emissions [30 TEX. ADMIN. CODE §§ 101.20(1), 116.620(a)(14), and 122.143(4), 40 CFR §§ 60.482-4(b)(2) and 60.632(a), TEX. HEALTH & SAFETY CODE § 382.085(b), GOP O-2952, General Condition (b)(7)(B), and Permit No. 77131, General Terms and Conditions].</p>		
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Additional ID No(s): RH0004B

Attachment A
Docket Number: 2008-1627-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Eagle Rock Field Services, L.P.
Penalty Amount: Forty-Six Thousand Seventy-Two Dollars (\$46,072)
SEP Offset Amount: Twenty-Three Thousand Thirty-Six Dollars (\$23,036)
Type of SEP: Pre-approved
Third-Party Recipient: Texas PTA – *Clean School Bus Program*
Location of SEP: Texas Air Quality Control Region No. 211

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to *Texas PTA* for the *Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today’s level and reducing hydrocarbons below measurement capability.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA
Clean School Bus Program
Suzy Swan, Director of Finance
408 West 11th Street
Austin, Texas 78707

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to ATexas Commission on Environmental Quality@ and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 12, 2008

TCEQ

DATES	Assigned	6-Oct-2008		
	PCW	4-Feb-2009	Screening	13-Oct-2008
			EPA Due	

RESPONDENT/FACILITY INFORMATION

Respondent	Eagle Rock Field Services, L.P.		
Reg. Ent. Ref. No.	RN102546785		
Facility/Site Region	1-Amarillo	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	36663	No. of Violations	11
Docket No.	2008-1637-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	John Muennink
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) Subtotal 1 \$54,900

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History 0.0% Enhancement Subtotals 2, 3, & 7 \$0

Notes: No enhancement due to an average performer classification.

Culpability No 0.0% Enhancement Subtotal 4 \$0

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments Subtotal 5 \$0

Economic Benefit 0.0% Enhancement* Subtotal 6 \$0

Total EB Amounts	\$3,741	<small>*Capped at the Total EB \$ Amount</small>
Approx. Cost of Compliance	\$26,000	

SUM OF SUBTOTALS 1-7 Final Subtotal \$54,900

OTHER FACTORS AS JUSTICE MAY REQUIRE 4.9% Adjustment \$2,689

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recovery of avoided costs associated with violation no. 10.

Final Penalty Amount \$57,589

STATUTORY LIMIT ADJUSTMENT Final Assessed Penalty \$57,589

DEFERRAL 20.0% Reduction Adjustment -\$11,517

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

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY \$46,072

Screening Date 13-Oct-2008

Docket No. 2008-1637-AIR-E

PCW

Respondent Eagle Rock Field Services, L.P.

Policy Revision 2 (September 2002)

Case ID No. 36663

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN102546785

Media [Statute] Air

Enf. Coordinator John Muennink

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)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	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 submitted)	0	0%
	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%
<i>Please Enter Yes or No</i>			
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)

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

Adjustment Percentage (Subtotal 3)

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

Adjustment Percentage (Subtotal 7)

>> **Compliance History Summary**

Compliance History Notes

No enhancement due to an average performer classification.

Total Adjustment Percentage (Subtotals 2, 3, & 7)

Screening Date 13-Oct-2008 **Docket No.** 2008-1637-AIR-E **PCW**
Respondent Eagle Rock Field Services, L.P. *Policy Revision 2 (September 2002)*
Case ID No. 36663 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN102546785
Media [Statute] Air
Enf. Coordinator John Muennink

Violation Number

Rule Cite(s)
 30 Tex. Admin. Code §§ 106.8(c), 116.115(b)(2)(E), 116.615(8), 116.620(a)(14) and (e)(8), 122.143(4) and 122.144(4), Tex. Health & Safety Code § 382.085(b), General Operating Permit ("GOP") O-2952, General Conditions (b)(2) and (b)(7)(B) and Permit No. 77131, General Terms and Conditions

Violation Description
 Failed to make operating records readily available to TCEQ personnel upon request. Specifically, the following records were unavailable to TCEQ personnel at the time of the request: operation and testing records for engine nos. C-1.2 and C-2, formaldehyde calculations for all engines, the control efficiency of the firebox, flare design and operation records, tank throughput, the duration of the stay of the Frac tanks (tank nos. C225 and C317), the Amine Unit design capacity, and the repair and monitoring activities for pressure relief devices following the pressure release on engine no. C-1.2 and Regen.

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
	<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="25%"/>

Matrix Notes

Adjustment

Violation Events

Number of Violation Events Number of violation days

mark only one with an x

daily	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

Good Faith Efforts to Comply

0.0% Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="text" value="x"/>	<input type="text" value="(mark with x)"/>

Notes

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$2,000	16-Jul-2008	31-Mar-2009	0.71	\$71	n/a	\$71
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	16-Jul-2008	31-Mar-2009	0.71	\$18	n/a	\$18

Notes for DELAYED costs

Estimated expense to supply the requested records and ensure that records are readily available upon request. Date Required is the date of the investigation and request for records. Final Date is the estimated date that corrective measures will completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$2,500

TOTAL \$88

Screening Date 13-Oct-2008	Docket No. 2008-1637-AIR-E	PCW		
Respondent Eagle Rock Field Services, L.P.	<small>Policy Revision 2 (September 2002)</small>			
Case ID No. 36663	<small>PCW Revision June 12, 2008</small>			
Reg. Ent. Reference No. RN102546785				
Media [Statute] Air				
Enf. Coordinator John Muennink				
Violation Number <input type="text" value="2"/>				
Rule Cite(s)	30 Tex. Admin. Code §§ 116.620(a)(1), (a)(14) and (e)(6), 101.20(1) and 122.143(4), 40 Code of Federal Regulations ("CFR") § 60.647(c), Tex. Health & Safety Code § 382.085(b), GOP O-2952, General Condition (b)(7)(B) and Permit No. 77131, General Terms and Conditions			
Violation Description	Failed to track and maintain documentation necessary to calculate the total sulfur content of process vents or flares in order to demonstrate compliance with the 0.3 long tons per day facility limit for total sulfur emissions and with the 2 long tons per day sulfur limit on the design capacity of the sweetening unit after facility modifications made the requirements applicable on June 27, 2007.			
Base Penalty		<input type="text" value="\$10,000"/>		
>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Potential	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>
		Percent	<input type="text" value="25%"/>	
>> Programmatic Matrix				
Falsification				
Major			Moderate	Minor
<input type="text"/>			<input type="text"/>	<input type="text"/>
		Percent	<input type="text" value="0%"/>	
Matrix Notes	Human health or the environment could be exposed to significant amounts of pollutants that would not exceed levels protective of human health or environmental receptors.			
Adjustment		<input type="text" value="\$7,500"/>		
		<input type="text" value="\$2,500"/>		
Violation Events				
Number of Violation Events		<input type="text" value="6"/>	<input type="text" value="474"/> Number of violation days	
<small>mark only one with an x</small>	daily	<input type="text"/>	Violation Base Penalty <input type="text" value="\$15,000"/>	
	monthly	<input type="text"/>		
	quarterly	<input checked="" type="checkbox"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text"/>		
Six quarterly events are recommended based on the date of June 27, 2007, when the standard became applicable, to the October 13, 2008 screening date.				
Good Faith Efforts to Comply				
		<input type="text" value="0.0%"/> Reduction	<input type="text" value="\$0"/>	
		<small>Before NOV NOV to EDPRP/Settlement Offer</small>		
Extraordinary	<input type="text"/>	<input type="text"/>		
Ordinary	<input type="text"/>	<input type="text"/>		
N/A	<input checked="" type="checkbox"/>	<small>(mark with x)</small>		
Notes	The Respondent does not meet the good faith criteria for this violation.			
Violation Subtotal		<input type="text" value="\$15,000"/>		
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount <input type="text" value="\$176"/>		Violation Final Penalty Total <input type="text" value="\$15,735"/>		
		This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$15,735"/>		

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$2,000	27-Jun-2007	31-Mar-2009	1.76	\$176	n/a	\$176
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs
 Estimated expense to track and maintain documentation in order to calculate total sulfur content. Date Required is the date requirements became applicable. Final Date is the estimated date that corrective measures will be completed.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance TOTAL

\$2,000	\$176
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Screening Date 13-Oct-2008	Docket No. 2008-1637-AIR-E	PCW		
Respondent Eagle Rock Field Services, L.P.		<small>Policy Revision 2 (September 2002)</small>		
Case ID No. 36663		<small>PCW Revision June 12, 2008</small>		
Reg. Ent. Reference No. RN102546785				
Media [Statute] Air				
Enf. Coordinator John Muennink				
Violation Number <input type="text" value="3"/>				
Rule Cite(s)	30 Tex. Admin. Code §§ 101.20(1), 122.143(4), 116.620(a)(12), (a)(14), (b)(2)(B) and (d)(3), 116.615(2) Tex. Health & Safety Code § 382.085(b), 40 CFR § 60.18, GOP O-2952, General Condition (b)(7)(B) and Permit No. 77131, General Terms and Conditions			
Violation Description	Failed to conduct monitoring of the volatile organic compound ("VOC") control device within 60 days after facility startup and maintain records necessary to demonstrate proper operation and design of the flare for the Glycol Dehydration Unit in accordance 40 CFR § 60.18 and demonstrate compliance with the 98% destruction efficiency rate for uncontrolled emissions from the Glycol Dehydration Unit.			
	Base Penalty	<input type="text" value="\$10,000"/>		
>> Environmental, Property and Human Health Matrix				
OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>
Potential	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>	
		Percent	<input type="text" value="10%"/>	
>> Programmatic Matrix				
	Falsification	Major	Moderate	Minor
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
				Percent
				<input type="text" value="0%"/>
Matrix Notes	Human health or the environment could be exposed to insignificant amounts of pollutants that would not exceed levels protective of human health or environmental receptors.			
		Adjustment	<input type="text" value="\$9,000"/>	
			<input type="text" value="\$1,000"/>	
Violation Events				
	Number of Violation Events	<input type="text" value="1"/>	Number of violation days	
		<input type="text" value="1"/>		
<small>mark only one with an x</small>	daily	<input type="text"/>	Violation Base Penalty	
	monthly	<input type="text"/>		
	quarterly	<input type="text"/>		
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input checked="" type="checkbox"/>		
	<input type="text" value=""/>		<input type="text" value="\$1,000"/>	
	<input type="text" value="One single event is recommended."/>			
Good Faith Efforts to Comply				
	0.0% Reduction		<input type="text" value="\$0"/>	
	<small>Before NOV</small>	<small>NOV to EDPRP/Settlement Offer</small>		
Extraordinary	<input type="text"/>	<input type="text"/>		
Ordinary	<input type="text"/>	<input type="text"/>		
N/A	<input checked="" type="checkbox"/>	<small>(mark with x)</small>		
Notes	The Respondent does not meet the good faith criteria for this violation.			
		Violation Subtotal	<input type="text" value="\$1,000"/>	
Economic Benefit (EB) for this violation		Statutory Limit Test		
Estimated EB Amount	<input type="text" value="\$160"/>	Violation Final Penalty Total	<input type="text" value="\$1,049"/>	
		This violation Final Assessed Penalty (adjusted for limits)	<input type="text" value="\$1,049"/>	

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$2,000	26-Aug-2007	31-Mar-2009	1.60	\$160	n/a	\$160
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs
 Estimated expense to monitor the VOC control device in order to ensure compliance with flare operation and design requirements. Date Required is 60 days after facility startup. Final Date is the estimated date that corrective measures will be completed.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Avoided Costs							
ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)							
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance TOTAL

\$2,000	\$160
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Screening Date 13-Oct-2008	Docket No. 2008-1637-AIR-E	PCW												
Respondent Eagle Rock Field Services, L.P.		<small>Policy Revision 2 (September 2002)</small>												
Case ID No. 36663		<small>PCW Revision June 12, 2008</small>												
Reg. Ent. Reference No. RN102546785														
Media [Statute] Air														
Enf. Coordinator John Muennink														
Violation Number <input type="text" value="4"/>														
Rule Cite(s)	30 Tex. Admin. Code §§ 122.143(4), 122.145(2) and 122.146(5), Tex. Health & Safety Code § 382.085(b) and GOP O-2952, General Condition (b)(2)													
Violation Description	Failed to submit a complete and accurate permit compliance certification ("PCC") and deviation reports for the June 27, 2007 through June 26, 2008 reporting period. Specifically, the reports did not include all information regarding the emission units addressed in the permit for which deviations occurred and did not include all instances of deviations for that period.													
	Base Penalty	<input type="text" value="\$10,000"/>												
>> Environmental, Property and Human Health Matrix														
	Harm													
	Release Major Moderate Minor													
OR	Actual	<input type="text"/> <input type="text"/> <input type="text"/>												
	Potential	<input type="text"/> <input type="text"/> <input type="text"/>												
	Percent	<input type="text" value="0%"/>												
>> Programmatic Matrix														
	Falsification Major Moderate Minor													
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="x"/>													
	Percent	<input type="text" value="1%"/>												
Matrix Notes	<input type="text" value="The Respondent met at least 70% of the rule requirement."/>													
	Adjustment	<input type="text" value="\$9,900"/>												
		<input type="text" value="\$100"/>												
Violation Events														
	Number of Violation Events <input type="text" value="3"/>	<input type="text" value="3"/> Number of violation days												
<small>mark only one with an x</small>	<table border="1" style="border-collapse: collapse;"> <tr><td>daily</td><td><input type="text"/></td></tr> <tr><td>monthly</td><td><input type="text"/></td></tr> <tr><td>quarterly</td><td><input type="text"/></td></tr> <tr><td>semiannual</td><td><input type="text"/></td></tr> <tr><td>annual</td><td><input type="text"/></td></tr> <tr><td>single event</td><td><input type="text" value="x"/></td></tr> </table>	daily	<input type="text"/>	monthly	<input type="text"/>	quarterly	<input type="text"/>	semiannual	<input type="text"/>	annual	<input type="text"/>	single event	<input type="text" value="x"/>	Violation Base Penalty <input type="text" value="\$300"/>
daily	<input type="text"/>													
monthly	<input type="text"/>													
quarterly	<input type="text"/>													
semiannual	<input type="text"/>													
annual	<input type="text"/>													
single event	<input type="text" value="x"/>													
	<input type="text" value="Three single events are recommended."/>													
Good Faith Efforts to Comply														
	0.0% Reduction	<input type="text" value="\$0"/>												
	Before NOV NOV to EDPRP/Settlement Offer													
Extraordinary	<input type="text"/>	<input type="text"/>												
Ordinary	<input type="text"/>	<input type="text"/>												
N/A	<input type="text" value="x"/> (mark with x)													
Notes	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>													
	Violation Subtotal	<input type="text" value="\$300"/>												
Economic Benefit (EB) for this violation														
	Estimated EB Amount <input type="text" value="\$106"/>	Statutory Limit Test												
		Violation Final Penalty Total <input type="text" value="\$315"/>												
	This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$315"/>													

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$1,500	16-Jul-2008	31-Mar-2009	0.71	\$53	n/a	\$53
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	16-Jul-2008	31-Mar-2009	0.71	\$53	n/a	\$53

Notes for DELAYED costs

Estimated expense to submit complete and accurate PCCs and deviation reports and to implement measures designed to ensure the proper reporting of deviation reports and compliance certifications. Date Required is the date of the investigation. Final Date is the estimated date that corrective measures will be completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance **\$3,000**

TOTAL **\$106**

Screening Date 13-Oct-2008 **Docket No.** 2008-1637-AIR-E **PCW**
Respondent Eagle Rock Field Services, L.P. *Policy Revision 2 (September 2002)*
Case ID No. 36663 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN102546785
Media [Statute] Air
Enf. Coordinator John Muennink
Violation Number
Rule Cite(s) 30 Tex. Admin. Code §§ 116.620(a)(14) and 122.143(4), Tex. Health & Safety Code § 382.085(b), 40 CFR §§ 60.487(e), 60.632(e) and 60.8(d) and and Permit No. 77131, General Terms and Conditions
Violation Description Failed to submit notification of the schedule of the initial Plant performance test at least 30 days prior to conducting the test. Specifically, test results were submitted in the initial semi-annual fugitive monitoring report on February 1, 2008, however, no previous notification was given.
Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0%"/>
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> Programmatic Matrix

Matrix Notes	Falsification	Major	Moderate	Minor	Percent
		<input type="text"/>	<input checked="" type="text" value="x"/>	<input type="text"/>	
The Respondent failed to meet 100% of the rule requirement.					
Adjustment:					<input type="text" value="\$7,500"/>

Violation Events

Number of Violation Events Number of violation days
mark only one with an x

daily	<input type="text"/>
monthly	<input type="text"/>
quarterly	<input type="text"/>
semiannual	<input type="text"/>
annual	<input type="text"/>
single event	<input checked="" type="text" value="x"/>

Violation Base Penalty

Good Faith Efforts to Comply Reduction

	Before NOV	NOV to EDP RP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="text" value="x"/>	<input type="text" value="(mark with x)"/>
Notes	The Respondent does not meet the good faith criteria for this violation.	

Violation Subtotal

Economic Benefit (EB) for this violation	Statutory Limit Test
Estimated EB Amount <input type="text" value="\$98"/>	Violation Final Penalty Total <input type="text" value="\$2,622"/>
This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$2,622"/>	

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$1,500	24-Dec-2007	31-Mar-2009	1.27	\$95	n/a	\$95
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	24-Dec-2007	1-Feb-2008	0.11	\$3	n/a	\$3

Notes for DELAYED costs
 Estimated expense to ensure proper notification prior to conducting the performance test and timely and accurate reporting of the results. Date Required is the date that the results from the performance test were due. Final Dates are the date the test results and monitoring report was submitted and the estimated date that corrective measures will be completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance	\$2,000	TOTAL	\$98
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Screening Date 13-Oct-2008	Docket No. 2008-1637-AIR-E	PCW
Respondent Eagle Rock Field Services, L.P.		<small>Policy Revision 2 (September 2002)</small>
Case ID No. 36663		<small>PCW Revision June 12, 2008</small>
Reg. Ent. Reference No. RN102546785		
Media [Statute] Air		
Enf. Coordinator John Muennink		
Violation Number <input type="text" value="6"/>		
Rule Cite(s)	30 Tex. Admin. Code §§ 116.620(a)(14), 122.143(4) and 101.20(1), Tex. Health & Safety Code § 382.085(b), 40 CFR §§ 60.487(e), 60.632(e), 60.636(b) and 60.8(a), GOP O-2952, General Condition (b)(14)(B) and Permit No. 77131, General Terms and Conditions	
Violation Description	Failed to submit a timely and accurate initial semi-annual fugitive monitoring report, as required in 40 CFR § 60.8. Specifically, the report was due by December 24, 2007 but was not submitted until February 1, 2008 and did not list all pressure relief devices.	
	Base Penalty	<input type="text" value="\$10,000"/>
>> Environmental, Property and Human Health Matrix		
OR	Harm	
	Release Major Moderate Minor	
	Actual	<input type="text"/>
	Potential	<input type="text"/>
	Percent	<input type="text" value="0%"/>
>> Programmatic Matrix		
	Falsification Major Moderate Minor	
	<input type="text"/>	<input type="text" value="x"/>
	Percent	<input type="text" value="25%"/>
Matrix Notes	<input type="text" value="The Respondent failed to meet 100% of the rule requirement."/>	
	Adjustment	<input type="text" value="\$7,500"/>
		<input type="text" value="\$2,500"/>
Violation Events		
Number of Violation Events	<input type="text" value="1"/>	<input type="text" value="39"/> Number of violation days
<small>mark only one with an x</small>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input type="text" value="x"/>
	Violation Base Penalty	<input type="text" value="\$2,500"/>
	<input type="text" value="One single event is recommended."/>	
Good Faith Efforts to Comply		
	0.0% Reduction	<input type="text" value="\$0"/>
	Before NOV NOV to EDPRP/Settlement Offer	
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input type="text" value="x"/>	<input type="text" value="(mark with x)"/>
Notes	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>	
	Violation Subtotal	<input type="text" value="\$2,500"/>
Economic Benefit (EB) for this violation		
	Statutory Limit Test	
Estimated EB Amount	<input type="text" value="\$0"/>	Violation Final Penalty Total <input type="text" value="\$2,622"/>
	This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$2,622"/>	

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to ensure timely and accurate reporting of performance testing included in the Economic Benefit ("EB") for violation no. 5.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$0

TOTAL \$0

Screening Date 13-Oct-2008	Docket No. 2008-1637-AIR-E	PCW
Respondent Eagle Rock Field Services, L.P.		<small>Policy Revision 2 (September 2002)</small>
Case ID No. 96663		<small>PCW Revision June 12, 2008</small>
Reg. Ent. Reference No. RN102546785		
Media [Statute] Air		
Enf. Coordinator John Muennink		
Violation Number <input type="text" value="7"/>		
Rule Cite(s)	30 Tex. Admin. Code §§ 116.620(a)(14), 122.143(4) and 101.20(1), Tex. Health & Safety Code § 382.085(b), 40 CFR §§ 60.482-7(c)(2), 60.482-9(a) and 60.632(a) and Permit No. 77131, General Terms and Conditions	
Violation Description	Failed to monitor leaking valves monthly until a leak was not detected for two consecutive months and to repair valve no. 12006 before the end of the process unit shutdown that occurred May 2 through May 5, 2008. Specifically, seven valves, including valve no. 12006, were identified as leaking during monthly monitoring that was conducted on January 21, 2008. Valve no. 12006 should have been repaired by May 5, 2008 but was never repaired.	

Base Penalty

>> Environmental, Property and Human Health Matrix

OR	Harm			
	Release	Major	Moderate	Minor
	Actual	<input type="text"/>	<input type="text"/>	<input checked="" type="checkbox"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
				Percent <input type="text" value="25%"/>

>> Programmatic Matrix

Matrix Notes	Falsification				
	Major	Moderate	Minor		
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
					Percent <input type="text" value="0%"/>
	Estimated emissions of 886.42 pounds of gas/vapor emissions were calculated utilizing the Facility/Compound Specific Fugitive Emission Factors in the "Air Permits Technical Guidance for Chemical Sources: Equipment Leak Fugitives" publication. Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels protective of human health or environmental receptors.				

Adjustment

Violation Events

	<input type="text" value="3"/>	<input type="text" value="266"/>	Number of violation days	
<small>mark only one with an x</small>	daily	<input type="text"/>		
	monthly	<input type="text"/>		
	quarterly	<input checked="" type="checkbox"/>		Violation Base Penalty <input type="text" value="\$7,500"/>
	semiannual	<input type="text"/>		
	annual	<input type="text"/>		
	single event	<input type="text"/>		

Three quarterly events are recommended based on the date of January 21, 2008, when the first leak was detected, to the October 13, 2008 screening date.

Good Faith Efforts to Comply

	<input type="text" value="0.0%"/>	Reduction		\$0
		Before NOV	NOV to EDPRP/Settlement Offer	
	Extraordinary	<input type="text"/>	<input type="text"/>	
	Ordinary	<input type="text"/>	<input type="text"/>	
	N/A	<input checked="" type="checkbox"/>	(mark with x)	
Notes	The Respondent does not meet the good faith criteria for this violation.			
				Violation Subtotal <input type="text" value="\$7,500"/>

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	16-Jul-2008	31-Mar-2009	0.71	\$353	n/a	\$353

Notes for DELAYED costs

Estimated expense to implement a leak detection and repair program sufficient to demonstrate compliance with 40 CFR, Part 60, Subpart KKK. Date Required is the date of the investigation. Final Date is the estimated date that corrective measures will be completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$353

Screening Date 13-Oct-2008	Docket No. 2008-1637-AIR-E	PCW
Respondent Eagle Rock Field Services, L.P.		<small>Policy Revision 2 (September 2002)</small>
Case ID No. 36663		<small>PCW Revision June 12, 2008</small>
Reg. Ent. Reference No. RN102546785		
Media [Statute] Air		
Enf. Coordinator John Muennink		
Violation Number <input type="text" value="8"/>		
Rule Cite(s)	30 Tex. Admin. Code §§ 116.620(a)(14), 122.143(4) and 101.20(1), Tex. Health & Safety Code § 382.085(b), 40 CFR §§ 60.482-2(a)(2) and 60.632(a) and Permit No. 77131, General Terms and Conditions	
Violation Description	Failed to demonstrate that weekly visual inspections for indication of liquids dripping from each pump seal were being conducted.	
	Base Penalty	<input type="text" value="\$10,000"/>

>> Environmental, Property and Human Health Matrix

OR	Harm				
	Release	Major	Moderate		Minor
	Actual	<input type="text"/>	<input type="text"/>		<input type="text"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	
				Percent <input type="text" value="0%"/>	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	
	<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>	Percent <input type="text" value="25%"/>

Matrix Notes

Adjustment

Violation Events

Number of violation days

<small>mark only one with an x</small>	daily	<input type="text"/>
	monthly	<input type="text"/>
	quarterly	<input type="text"/>
	semiannual	<input type="text"/>
	annual	<input type="text"/>
	single event	<input checked="" type="checkbox"/>

Violation Base Penalty

Good Faith Efforts to Comply

Reduction

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="checkbox"/>	<small>(mark with x)</small>

Notes

Violation Subtotal

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to implement a leak detection and repair program included in the EB for violation no. 7.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$0

TOTAL \$0

Screening Date 13-Oct-2008 **Docket No.** 2008-1637-AIR-E **PCW**
Respondent Eagle Rock Field Services, L.P. *Policy Revision 2 (September 2002)*
Case ID No. 36663 *PCW Revision June 12, 2008*
Reg. Ent. Reference No. RN102546785
Media [Statute] Air
Enf. Coordinator John Muennink
Violation Number 9
Rule Cite(s) 30 Tex. Admin. Code §§ 116.620(a)(4) and 122.143(4), Tex. Health & Safety Code § 382.085(b) and GOP O-2952, General Condition (b)(7)(B)
Violation Description Failed to maintain complete monthly records for each production, processing and/or pipeline tank battery. Specifically, monthly records for September and November 2007 were incomplete.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
				x	1%

The Respondent met at least 70% of the rule requirement.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 1 Number of violation days 1

mark only one with an x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$100

One single event is recommended.

Good Faith Efforts to Comply

	0.0% Reduction	
	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$100

Economic Benefit (EB) for this violation

Estimated EB Amount \$71

Statutory Limit Test

Violation Final Penalty Total \$105

This violation Final Assessed Penalty (adjusted for limits) \$105

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$2,000	16-Jul-2008	31-Mar-2009	0.71	\$71	n/a	\$71
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to maintain complete records for the tank battery. Date Required is the date of the investigation. Final Date is the estimated date that corrective measures will be completed.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$71

Screening Date 13-Oct-2008 **Docket No.** 2008-1637-AIR-E **PCW**
Respondent Eagle Rock Field Services, L.P. *Policy Revision 2 (September 2002)*
Case ID No. 36663 *PCW Revision June 12, 2008*

Reg. Ent. Reference No. RN102546785

Media [Statute] Air

Enf. Coordinator John Muennink

Violation Number 10

Rule Cite(s)

30 Tex. Admin. Code § 122.503(a)(1) and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to submit a permit revision application for the Frac tanks to be incorporated into GOP O-2952. Specifically, the Frac tanks (tank nos. C225 and C317) were temporary sources not to be on site for more than six months. They were on site for 13 months, therefore, requiring authorization under GOP O-2952. The tanks were removed on July 27, 2008, and authorization was never obtained.

Base Penalty \$10,000

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> **Programmatic Matrix**

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
		x			25%

Matrix Notes

The Respondent failed to meet 100% of the rule requirement.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 8 **Number of violation days** 217

mark only one with an x

daily	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$20,000

Eight monthly events are recommended based on the date of December 23, 2007, when the authorization should have been obtained, to the date of July 27, 2008, when the tanks were removed.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$20,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,689

Violation Final Penalty Total \$20,980

This violation Final Assessed Penalty (adjusted for limits) \$20,980

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 10

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$2,500	23-Dec-2007	27-Jul-2008	1.51	\$189	\$2,500	\$2,689
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated costs avoided by not obtaining authorization for the Frac tanks. Date Required is the date that authorization should have been obtained. Final Date is the date that the tanks were removed.

Approx. Cost of Compliance \$2,500

TOTAL \$2,689

Screening Date 13-Oct-2008

Docket No. 2008-1637-AIR-E

PCW

Respondent Eagle Rock Field Services, L.P.

Policy Revision 2 (September 2002)

Case ID No. 36663

PCW Revision June 12, 2008

Reg. Ent. Reference No. RN102546785

Media [Statute] Air

Enf. Coordinator John Muennink

Violation Number 11

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(1), 116.620(a)(14) and 122.143(4), 40 CFR §§ 60.482-4(b)(2) and 60.632(a), Tex. Health & Safety Code § 382.085(b), GOP O-2952, General Condition (b)(7)(B) and Permit No. 77131, General Terms and Conditions

Violation Description Failed to monitor the Regen pressure release device no later than five calendar days after the repairs were completed in order to confirm no detectable emissions.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential			x	

>> Programmatic Matrix

Matrix Notes	Falsification			Percent
	Major	Moderate	Minor	
				0%

Human health or the environment could be exposed to insignificant amounts of pollutants that would not exceed levels protective of human health or environmental receptors.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1 Number of violation days 1

mark only one with an x	daily	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$1,000

One single event is recommended.

Good Faith Efforts to Comply

	0.0% Reduction	
	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$1,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$1,049

This violation Final Assessed Penalty (adjusted for limits) \$1,049

Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.
Case ID No. 36663
Reg. Ent. Reference No. RN102546785
Media Air
Violation No. 11

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to implement a leak detection and repair program included in the EB for violation no. 7.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Compliance History Report

Customer/Respondent/Owner-Operator:	CN602959397 Eagle Rock Field Services, L.P.	Classification: AVERAGE	Rating: 2.00
Regulated Entity:	RN102546785 RED DEER GAS PLANT	Classification: HIGH	Site Rating: 0.00
ID Number(s):	AIR NEW SOURCE PERMITS	AFS NUM	4839300009
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	RH0004B
	AIR NEW SOURCE PERMITS	REGISTRATION	77131
	ON SITE SEWAGE FACILITY	PERMIT	1970018
	AIR OPERATING PERMITS	PERMIT	2952
Location:	1201 Quarter Horse Road in Miami, Roberts County		Rating Date: 9/1/2008 Repeat Violator: NO

TCEQ Region: REGION 01 - AMARILLO

Date Compliance History Prepared: October 09, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: October 09, 2003 to October 09, 2008

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

Name: John Muennink Phone: (361) 825-3423

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? Eagle Rock Field Services, L.P.
4. If Yes, who was/were the prior owner(s)? ONEOK Field Services Company
5. When did the change(s) in ownership occur? 12/01/2005

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
 - 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	01/18/2008	(614483)
2	09/29/2008	(685825)
 - E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
N/A
 - F. Environmental audits.
N/A
 - 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	§	TEXAS COMMISSION ON
EAGLE ROCK FIELD SERVICES, L.P.	§	
RN102546785	§	ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2008-1637-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 Eagle Rock Field Services, L.P. ("the Respondent") 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 the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a gas plant at 1201 Quarter Horse Road in Miami, Roberts County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about October 4, 2008.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Fifty-Seven Thousand Five Hundred Eighty-Nine Dollars (\$57,589) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twenty-Three Thousand Thirty-Six Dollars (\$23,036) of the administrative penalty and Eleven Thousand Five Hundred Seventeen Dollars

(\$11,517) is deferred contingent upon the Respondent'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 the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Twenty-Three Thousand Thirty-Six Dollars (\$23,036) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

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 the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective actions at the Plant:
 - a. On February 1, 2008, submitted the initial semi-annual fugitive monitoring report, including results of initial performance testing, which was due December 24, 2007; and
 - b. On July 27, 2008, removed the Frac tanks (nos. C225 and C317) from the Plant.
10. 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 the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. 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.
12. 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 owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to make operating records readily available to TCEQ personnel upon request, in violation of 30 TEX. ADMIN. CODE §§ 106.8(c), 116.115(b)(2)(E), 116.615(8), 116.620(a)(14) and (e)(8), 122.143(4) and 122.144(4), TEX. HEALTH & SAFETY CODE § 382.085(b), General Operating Permit ("GOP") O-2952, General Conditions (b)(2) and (b)(7)(B) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008. Specifically, the following records were unavailable to TCEQ personnel at the time of the request: operation and testing records for engine nos. C-1.2 and C-2, formaldehyde calculations for all engines, the control efficiency of the firebox, flare design and operation records, tank throughput, the duration of the stay of the Frac tanks (tank nos. C225 and C317), the Amine Unit

design capacity, and the repair and monitoring activities for pressure relief devices following the pressure release on engine no. C-1.2 and Regen.

2. Failed to track and maintain documentation necessary to calculate the total sulfur content of process vents or flares in order to demonstrate compliance with the 0.3 long tons per day facility limit for total sulfur emissions and with the 2 long tons per day sulfur limit on the design capacity of the sweetening unit after facility modifications made the requirements applicable on June 27, 2007, in violation of 30 TEX. ADMIN. CODE §§ 116.620(a)(1), (a)(14) and (e)(6), 101.20(1) and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 60.647(c), TEX. HEALTH & SAFETY CODE § 382.085(b), GOP O-2952, General Condition (b)(7)(B) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008.
3. Failed to conduct monitoring of the volatile organic compound ("VOC") control device within 60 days after facility startup and maintain records necessary to demonstrate proper operation and design of the flare for the Glycol Dehydration Unit in accordance 40 CFR § 60.18 and demonstrate compliance with the 98% destruction efficiency rate for uncontrolled emissions from the Glycol Dehydration Unit, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), 122.143(4), 116.620(a)(12), (a)(14), (b)(2)(B) and (d)(3), 116.615(2), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR § 60.18, GOP O-2952, General Condition (b)(7)(B) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008.
4. Failed to submit a complete and accurate permit compliance certification ("PCC") and deviation reports for the June 27, 2007 through June 26, 2008 reporting period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4), 122.145(2) and 122.146(5), TEX. HEALTH & SAFETY CODE § 382.085(b) and GOP O-2952, General Condition (b)(2), as documented during a record review conducted on July 16 through 31, 2008. Specifically, the reports did not include all information regarding the emission units addressed in the permit for which deviations occurred and did not include all instances of deviations for that period.
5. Failed to submit notification of the schedule of the initial Plant performance test at least 30 days prior to conducting the test, in violation of 30 TEX. ADMIN. CODE §§ 116.620(a)(14) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR §§ 60.487(e), 60.632(e) and 60.8(d) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008. Specifically, test results were submitted in the initial semi-annual fugitive monitoring report on February 1, 2008, however, no previous notification was given.
6. Failed to submit a timely and accurate initial semi-annual fugitive monitoring report, as required in 40 CFR § 60.8, in violation of 30 TEX. ADMIN. CODE §§ 116.620(a)(14), 122.143(4) and 101.20(1), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR §§ 60.487(e), 60.632(e), 60.636(b) and 60.8(a), GOP O-2952, General Condition (b)(14)(B) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008. Specifically, the report was due by December 24, 2007 but was not submitted until February 1, 2008 and did not list all pressure relief devices.
7. Failed to monitor leaking valves monthly until a leak was not detected for two consecutive months and to repair valve no. 12006 before the end of the process unit shutdown that occurred

- May 2 through May 5, 2008, in violation of 30 TEX. ADMIN. CODE §§ 116.620(a)(14), 122.143(4) and 101.20(1), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR §§ 60.482-7(c)(2), 60.482-9(a) and 60.632(a) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008. Specifically, seven valves, including valve no. 12006 were identified as leaking during monthly monitoring that was conducted on January 21, 2008. Valve no. 12006 should have been repaired by May 5, 2008 but was never repaired.
8. Failed to demonstrate that weekly visual inspections for indication of liquids dripping from each pump seal were being conducted, in violation of 30 TEX. ADMIN. CODE §§ 116.620(a)(14), 122.143(4) and 101.20(1), TEX. HEALTH & SAFETY CODE § 382.085(b), 40 CFR §§ 60.482-2(a)(2) and 60.632(a) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008.
 9. Failed to maintain complete monthly records for each production, processing and/or pipeline tank battery, in violation of 30 TEX. ADMIN. CODE §§ 116.620(e)(4) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b) and GOP O-2952, General Condition (b)(7)(B), as documented during a record review conducted on July 16 through 31, 2008. Specifically, monthly records for September and November 2007 were incomplete.
 10. Failed to submit a permit revision application for the Frac tanks to be incorporated into GOP O-2952, in violation of 30 TEX. ADMIN. CODE § 122.503(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 16 through 31, 2008. Specifically, the Frac tanks (tank nos. C225 and C317) were temporary sources not to be on site for more than six months. They were on site for 13 months, therefore, requiring authorization under GOP O-2952. The tanks were removed on July 27, 2008, and authorization was never obtained.
 11. Failed to monitor the Regen pressure release device no later than five calendar days after the repairs were completed in order to confirm no detectable emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(1), 116.620(a)(14) and 122.143(4), 40 CFR §§ 60.482-4(b)(2) and 60.632(a), TEX. HEALTH & SAFETY CODE § 382.085(b), GOP O-2952, General Condition (b)(7)(B) and Permit No. 77131, General Terms and Conditions, as documented during a record review conducted on July 16 through 31, 2008.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent'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: Eagle Rock Field Services, L.P., Docket No. 2008-1637-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. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Twenty-Three Thousand Thirty-Six Dollars (\$23,036) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order:
 - i. Implement measures designed to ensure that required Plant records are available to TCEQ personnel upon request, in accordance with 30 TEX. ADMIN. CODE §§ 106.8(c), 116.115(b)(2)(E), 116.615(8), 116.620(a)(14) and (e)(8);
 - ii. Demonstrate compliance with the total sulfur content limits for process vents or flares, in accordance with 30 TEX. ADMIN. CODE §§ 116.620(a)(1) and 40 CFR § 60.647(c);
 - iii. Begin conducting monitoring of the VOC control device and maintaining records necessary demonstrate proper operation and design of the flare for the Glycol Dehydration Unit, in accordance with 30 TEX. ADMIN. CODE § 116.620(a)(12), (a)(14) and 116.620(b)(2)(B) and 40 CFR § 60.18;
 - iv. Implement measures designed to ensure the proper reporting of PCCs and deviation reports, in accordance with 30 TEX. ADMIN. CODE §§ 122.145(2) and 122.146(5);
 - v. Implement measures designed to ensure ensure proper notification prior to conducting performance tests and timely and accurate reporting of test results and fugitive monitoring, in accordance with 40 CFR §§ 60.8(a) and (d) and 60.636(b);

- vi. Implement a leak detection and repair program sufficient to demonstrate compliance with 40 CFR, Part 60, Subpart KKK, in accordance with, 40 CFR § 60.482-7(c)(2), 60.482-9(a), 60.482-4(b)(2) and 60.482-2(a)(2); and
 - vii. Implement measures designed to ensure that complete monthly records for each production, processing and/or pipeline tank battery are kept, in accordance with 30 TEX. ADMIN. CODE § 116.620(e)(4).
- b. Within 45 days after the effective date of this Agreed Order, submit written certification to demonstrate compliance with Ordering Provision No. 3.a.

The certification shall be notarized by a State of Texas Notary Public and contain the following 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."

The certification shall be submitted 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
Amarillo Regional Office
Texas Commission on Environmental Quality
3918 Canyon Drive
Amarillo, Texas 79109-4933

- 4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
- 5. If the Respondent fails 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, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes 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 the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives 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 the Respondent 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 the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

John S. Solie
For the Executive Director

4/17/2009
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 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 failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- 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;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

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

Rachel M. Trainer
Signature

02/23/2009
Date

Rachel M. Trainer
Name (Printed or typed)
Authorized Representative of
Eagle Rock Field Services, L.P.

Environmental Manager
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.

Attachment A
Docket Number: 2008-1627-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent: Eagle Rock Field Services, L.P.
Penalty Amount: Forty-Six Thousand Seventy-Two Dollars (\$46,072)
SEP Offset Amount: Twenty-Three Thousand Thirty-Six Dollars (\$23,036)
Type of SEP: Pre-approved
Third-Party Recipient: Texas PTA – *Clean School Bus Program*
Location of SEP: Roberts County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

A. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to *Texas PTA* for the *Clean School Bus Program* in Roberts County as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today’s level and reducing hydrocarbons below measurement capability.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA
Clean School Bus Program
Suzy Swan, Director of Finance
408 West 11th Street
Austin, Texas 78707

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to ATexas Commission on Environmental Quality@ and mail it to:

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

