

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 3
DOCKET NO.: 2009-1505-AIR-E **TCEQ ID:** RN100215714 **CASE NO.:** 38428
RESPONDENT NAME: Atlas Pipeline Mid-Continent WestTex, LLC

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"/> IMMEDIATE 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: Midkiff Gas Plant, 17400 East Farm-to-Market Road 2401, Midkiff, Reagan County</p> <p>TYPE OF OPERATION: Natural gas processing 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 January 18, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Miriam Hall, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-1044; Ms. Cari-Michel La Caille, Enforcement Division, MC 219, (512) 239-1387 Respondent: Mr. Jay Low, Senior Environmental Specialist, Atlas Pipeline Mid-Continent WestTex, LLC, 306 West Wall Street, Suite 500, Midland, Texas 79701 Mr. Denny Latham, Vice President, Atlas Pipeline Mid-Continent WestTex, LLC, 306 West Wall Street, Suite 500, Midland, Texas 79701 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 checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input 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 21, 2009</p> <p>Date of NOV/NOE Relating to this Case: August 12, 2009 (NOE)</p> <p>Background Facts: This was a routine investigation.</p> <p>AIR</p> <p>1) Failure to submit a complete Permit Compliance Certification ("PCC") for the February 29, 2008 through August 27, 2008 period no later than 30 days after the end of the certification period. Specifically, the Respondent failed to include the PCC pages, when the cover letter, signed Certification by Responsible Official and Deviation Report were submitted on September 23, 2008 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1) and (2); Federal Operating Permit ("FOP") No. O-0609/General Operating Permit ("GOP") No. 514, Site-wide Requirements ("SWR") No. (b)(2); and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failure to maintain records which document that an observation for visible emissions was conducted for all stationary vents for emission units in operation at least once in each calendar quarter [30 TEX. ADMIN. CODE § 122.143(4), FOP No. O-0609/GOP No. 514, SWR No. (b)(8); and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3) Failure to conduct an emissions test for nitrogen oxides ("NO_x") and carbon monoxide ("CO") on engine Emission Point Number ("EPN") A9 at least biennially. Specifically, the engine was not retested by December 31, 2008 as</p>	<p>Total Assessed: \$3,975</p> <p>Total Deferred: \$795 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$3,180</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" 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 measures at the Plant:</p> <p>a. On July 22, 2009, submitted the missing PCC pages for the February 29, 2008 through August 27, 2008 certification period report;</p> <p>b. On July 28, 2009, implemented visible emission documentation procedures and recorded all third quarter 2009 visible emission observations for all stationary vents for emission units; and</p> <p>c. On August 25, 2009, conducted the required biennial emissions test for NO_x and CO on engine EPN A9.</p>

required [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); New Source Review Permit No. 19592, Special Condition 14.C.; FOP No. O-0609/GOP No. 514, SWR No. (b)(7); and TEX. HEALTH & SAFETY CODE § 382.085(b)].		
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Additional ID No(s): RC0004K



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	17-Aug-2009	Screening	16-Sep-2009	EPA Due	9-May-2010
	PCW	23-Sep-2009				

RESPONDENT/FACILITY INFORMATION

Respondent	Atlas Pipeline Mid-Continent WestTex, LLC		
Reg. Ent. Ref. No.	RN100215714		
Facility/Site Region	B-San Angelo	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	38428	No. of Violations	3
Docket No.	2009-1505-AJR-E	Order Type	1860
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Miriam Hall
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History Enhancement **Subtotals 2, 3, & 7**

Notes

Culpability Enhancement **Subtotal 4**

Notes

Good Faith Effort to Comply Total Adjustments **Subtotal 5**

Economic Benefit Enhancement* **Subtotal 6**

Total EB Amounts	\$187
Approx. Cost of Compliance	\$4,100

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal**

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty**

DEFERRAL Reduction **Adjustment**

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

Notes

PAYABLE PENALTY

Screening Date 16-Sep-2009

Docket No. 2009-1505-AIR-E

PCW

Respondent Atlas Pipeline Mid-Continent WestTex, LLC

Policy Revision 2 (September 2002)

Case ID No. 38428

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100215714

Media [Statute] Air

Enf. Coordinator Mirlam Hall

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)	2	10%
	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) 10%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

The penalty was enhanced for two same or similar NOV's.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 10%

Screening Date 16-Sep-2009

Docket No. 2009-1505-AIR-E

PCW

Respondent Atlas Pipeline Mid-Continent WestTex, LLC

Policy Revision 2 (September 2002)

Case ID No. 38428

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100215714

Media [Statute] Air

Enf. Coordinator Mirlam Hall

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 122.143(4) and 122.146(1) and (2); Federal Operating Permit ("FOP") No. C-0609/General Operating Permit ("GOP") No. 514, Site-wide Requirements ("SWR") No. (b)(2); and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit a complete Permit Compliance Certification ("PCC") for the February 29, 2008 through August 27, 2008 period no later than 30 days after the end of the certification period. Specifically, the Respondent failed to include the PCC pages, when the cover letter, signed Certification by Responsible Official and Deviation Report were submitted on September 23, 2008.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0%
Potential				

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
		X		10%

Matrix Notes: The Respondent met about 50% of the rule requirement

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1 Number of violation days 299

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$1,000

One single event is recommended for one late certification.

Good Faith Efforts to Comply

25.0% Reduction \$250

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

Notes: The missing PCC pages were submitted on July 22, 2009, and the NOE was issued on August 12, 2009.

Violation Subtotal \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4

Violation Final Penalty Total \$850

This violation Final Assessed Penalty (adjusted for limits) \$850

Economic Benefit Worksheet

Respondent Atlas Pipeline Mid-Continent WestTex, LLC
Case ID No. 38428
Reg. Ent. Reference No. RN100215714
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

	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				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)	\$100	26-Sep-2008	22-Jul-2009	0.82	\$4	n/a	\$4

Notes for DELAYED costs

The estimated cost for sending a complete PCC from the date due to the date submitted.

Avoided Costs

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

	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

\$100

TOTAL

\$4

Screening Date 18-Sep-2009

Docket No. 2009-1505-AIR-E

PCW

Respondent Atlas Pipeline Mid-Continent WestTex, LLC

Policy Revision 2 (September 2002)

Case ID No. 38428

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100215714

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 122.143(4); FOP No. O-0609/GOP No. 514, SWR No. (b)(8); and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to maintain records which document that an observation for visible-emissions was conducted for all stationary vents for emission units in operation at least once in each calendar quarter.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual					0%
Potential					

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			25%

Matrix Notes

The Respondent failed to comply with 100% of the rule requirement.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 7

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

Violation Base Penalty \$2,500

One single event is recommended.

Good Faith Efforts to Comply

	25.0% Reduction	
	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent came into compliance on July 28, 2009, and the NOE was issued on August 12, 2009.

Violation Subtotal \$1,875

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$69

Violation Final Penalty Total \$2,125

This violation Final Assessed Penalty (adjusted for limits) \$2,125

Economic Benefit Worksheet

Respondent Atlas Pipeline Mid-Continent WestTex, LLC
Case ID No. 38428
Reg. Ent. Reference No. RN100215714
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	\$500	19-Oct-2006	28-Jul-2009	2.78	\$69	n/a	\$69
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: The estimated cost of implementing visible emissions documentation procedures since the GOP No. 514 was revised on October 19, 2006 to require documentation to the compliance date.

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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 \$500
TOTAL \$69

Screening Date 16-Sep-2009

Docket No. 2009-1505-AIR-E

PCW

Respondent Atlas Pipeline Mid-Continent WestTex, LLC

Policy Revision 2 (September 2002)

Case ID No. 38428

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100215714

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4); New Source Review Permit No. 19592, Special Condition 14.C.; FOP No. O-0609/GOP No. 514, SWR No. (b)(7); and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to conduct an emissions test for nitrogen oxides ("NOx") and carbon monoxide ("CO") on engine Emission Point No. ("EPN") A9 at least biennially. Specifically, the engine was not retested by December 31, 2008 as required.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual					10%
Potential				X	

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0%

Matrix Notes

Human health or the environment could have been exposed to an insignificant amount of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of this violation. The engine passed emission requirements when tested.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1 Number of violation days 237

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

Violation Base Penalty \$1,000

One single event is recommended.

Good Faith Efforts to Comply

10.0% Reduction \$100

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		X
N/A		(mark with x)

Notes

The Respondent came into compliance on August 25, 2009, and the NOE was issued on August 12, 2009.

Violation Subtotal \$900

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$114

Violation Final Penalty Total \$1,000

This violation Final Assessed Penalty (adjusted for limits) \$1,000

Economic Benefit Worksheet

Respondent Atlas Pipeline Mid-Continent WestTex, LLC
Case ID No. 38428
Reg. Ent. Reference No. RN100215714
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
<i>No commas or \$.</i>							
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)	\$3,500	31-Dec-2008	25-Aug-2009	0.65	\$114	n/a	\$114

Notes for DELAYED costs

The estimated cost of testing the engine from the retest due date to the compliance date.

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

\$3,500

TOTAL

\$114

Compliance History Report

Customer/Respondent/Owner-Operator:	CN603241449 Atlas Pipeline Mid-Continent WestTex, LLC	Classification: AVERAGE	Rating: 2.20
Regulated Entity:	RN100215714 MIDKIFF GAS PLANT	Classification: AVERAGE	Site Rating: 0.42
ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	RC0004K
	AIR OPERATING PERMITS	PERMIT	609
	AIR OPERATING PERMITS	PERMIT	3120
	AIR NEW SOURCE PERMITS	PERMIT	19592
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	RC0004K
	AIR NEW SOURCE PERMITS	AFS NUM	4838300002
	AIR NEW SOURCE PERMITS	REGISTRATION	48308
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	RC0004K
Location:	17400 E FM 2401, MIDKIFF, TX, 79755		
TCEQ Region:	REGION 08 - SAN ANGELO		
Date Compliance History Prepared:	September 23, 2009		
Agency Decision Requiring Compliance History:	Enforcement		
Compliance Period:	September 23, 2004 to September 23, 2009		
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History			
Name:	Miriam Hall	Phone:	(512) 239-1044

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/operator of the site during the compliance period? Yes
3. If Yes, who is the current owner/operator?

	OWNOPR Atlas Pipeline Mid-Continent WestTex, LLC
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4. If Yes, who was/were the prior owner(s)/operator(s) ?

	OWNOPR Western Gas Resources, Inc.
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5. When did the change(s) in owner or operator occur?

	08/21/2007 Western Gas Resources, Inc.
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6. Rating Date: 9/1/2009 Repeat Violator: NO

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	08/03/2005	(403026)
2	02/03/2006	(454045)
3	02/23/2006	(456401)
4	02/23/2006	(456770)
5	02/23/2006	(456820)
6	02/23/2006	(456861)
7	07/24/2006	(486948)
8	08/23/2006	(508702)
9	02/26/2007	(542094)
10	04/30/2007	(558580)

11 06/19/2007 (564829)
 12 09/05/2007 (573922)
 13 10/25/2007 (598434)
 14 03/14/2008 (639201)
 15 04/25/2008 (654064)
 16 08/06/2008 (689070)
 17 11/10/2008 (707308)
 18 06/26/2009 (760223)
 19 08/12/2009 (765060)

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

Date: 04/24/2008 (654064) CN603241449
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.146(2)
 Description: Failure to submit the March 1, 2007 through August 28, 2007 compliance certification report to TCEQ no later than 30 days after the end of the certification period

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
 Description: Failure to report, in writing to the TCEQ, all instances of deviations, the probable cause of the deviations, and any corrective actions or preventative measures taken for each emission unit addressed in Title V Permit Number O-609 within 30 days after the end of the March 1, 2007 through August 28, 2007 reporting period

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 113, SubChapter C 113.1090
 Description: Failure to submit the 40 CFR 63, Subpart ZZZZ semiannual compliance certification report for the July 1, 2007 through December 31, 2007 period by January 31, 2008 as required in 40 CFR 63.6650(b)(4)

Date: 08/12/2009 (765060) CN603241449
 Self Report? YES Classification: Minor
 Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.7(b)(1)
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT ZZZZ 63.6645(g)
 5C THSC Chapter 382 382.085(b)
 Description: Failure to submit Notification of Intent to conduct MACT Subpart ZZZZ performance tests at least 60 days before the performance tests are scheduled to be conducted

F. Environmental audits.

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
ENFORCEMENT ACTION
CONCERNING
ATLAS PIPELINE MID-CONTINENT
WESTTEX, LLC
RN100215714

§
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§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2009-1505-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 Atlas Pipeline Mid-Continent WestTex, LLC ("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 natural gas processing plant at 17400 East Farm-to-Market Road 2401 in Midkiff, Reagan 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 August 17, 2009.
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 Three Thousand Nine Hundred Seventy-Five Dollars (\$3,975) is assessed by the Commission in settlement of the violations alleged in Section II

- ("Allegations"). The Respondent has paid Three Thousand One Hundred Eighty Dollars (\$3,180) of the administrative penalty and Seven Hundred Ninety-Five Dollars (\$795) 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.
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 measures at the Plant:
 - a. On July 22, 2009, submitted the missing Permit Compliance Certification ("PCC") pages for the February 29, 2008 through August 27, 2008 certification period report;
 - b. On July 28, 2009, implemented visible emission documentation procedures and recorded all third quarter 2009 visible emission observations for all stationary vents for emission units; and
 - c. On August 25, 2009, conducted the required biennial emissions test for nitrogen oxides ("NO_x") and carbon monoxide ("CO") on engine Emission Point No. ("EPN") A9.
 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 submit a complete PCC for the February 29, 2008 through August 27, 2008 period no later than 30 days after the end of the certification period, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.146(1) and (2); Federal Operating Permit ("FOP") No. O-0609/General Operating Permit ("GOP") No. 514, Site-wide Requirements ("SWR") No. (b)(2); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on

July 21, 2009. Specifically, the Respondent failed to include the PCC pages, when the cover letter, signed Certification by Responsible Official and Deviation Report were submitted on September 23, 2008.

2. Failed to maintain records which document that an observation for visible emissions was conducted for all stationary vents for emission units in operation at least once in each calendar quarter, in violation of 30 TEX. ADMIN. CODE § 122.143(4); FOP No. O-0609/GOP No. 514, SWR No. (b)(8); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 21, 2009.
3. Failed to conduct an emissions test for NO_x and CO on engine EPN A9 at least biennially, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4); New Source Review Permit No. 19592, Special Condition 14.C.; FOP No. O-0609/GOP No. 514, SWR No. (b)(7); and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on July 21, 2009. Specifically, the engine was not retested by December 31, 2008 as required.

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: Atlas Pipeline Mid-Continent WestTex, LLC, Docket No. 2009-1505-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 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.
3. 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.
4. This Agreed Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Order may be transmitted

by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.

5. 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

Jordan Gordin
For the Executive Director

1/19/2010
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.

Denny Lathorn
Signature

Oct 20, 2009
Date

Denny Lathorn
Name (Printed or typed)
Authorized Representative of
Atlas Pipeline Mid-Continent WestTex, LLC

Vice-President
Title

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

