

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**

**DOCKET NO.:** 2009-1432-AIR-E **TCEQ ID:** RN100211275 **CASE NO.:** 38346

**RESPONDENT NAME:** Eagle Rock Field Services, L.P.

<b>ORDER TYPE:</b>		
<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	
<b>CASE TYPE:</b>		
<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><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Lefors Red River Compressor Station, on Gray County Road 13, one mile north from Farm-to-Market 2375, two and one-half miles west of Lefors, Gray County</p> <p><b>TYPE OF OPERATION:</b> Natural gas compression station</p> <p><b>SMALL BUSINESS:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on March 1, 2009. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> None  <b>TCEQ Enforcement Coordinator:</b> Mr. Kirk Schoppe, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-0489; Ms. Laurie Baves, Enforcement Division, MC 219, (512) 239-4495  <b>Respondent:</b> Ms. Rachel M. Trainer, Environmental Manager, Eagle Rock Field Services, L.P., 16701 Greenspoint Park, Suite 200, Houston, Texas 77060  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> August 3, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> August 17, 2009 (NOE)</p> <p><b>Background Facts:</b> This was a record review investigation.</p> <p><b>AIR</b></p> <p>1) Failure to submit a deviation report in a timely manner. Specifically, a deviation report was not submitted within 30 days after the reporting period beginning on November 1, 2008 and ending on April 30, 2009 [30 TEX. ADMIN. CODE § 122.145(2)(C) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to include all instances of deviations in a deviation report. Specifically, a deviation occurred in July 2008, but was not reported in the May 1, 2008 through October 31, 2008 certification [30 TEX. ADMIN. CODE § 122.145(2)(A) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p><b>Total Assessed:</b> \$2,730</p> <p><b>Total Deferred:</b> \$546  <input checked="" type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$2,184</p> <p><b>Site Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b>  <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p>	<p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement a plan to ensure the timely and complete submittal of semi-annual deviation reports; and</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision a.</p>

Additional ID No(s): GH0046V



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>TCEQ</b> DATES	Assigned	17-Aug-2009	Screening	3-Sep-2009	EPA Due	
	PCW	3-Sep-2009				

<b>RESPONDENT/FACILITY INFORMATION</b>	
Respondent	Eagle Rock Field Services, L.P.
Reg. Ent. Ref. No.	RN100211275
Facility/Site Region	1-Amarillo
Major/Minor Source	Major

<b>CASE INFORMATION:</b>			
Enf./Case ID No.	38346	No. of Violations	2
Docket No.	2009-1432-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Kirk Schoppe
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$2,600
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<b>ADJUSTMENTS (+/-) TO SUBTOTAL 1</b>	Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.	
<b>Compliance History</b>	5.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b> \$130

Notes: Adjustment due to one previous similar NOV.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$0
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<b>Economic Benefit</b>	0.0% Enhancement	<b>Subtotal 6</b>	\$0
Total EB Amounts	\$24	*Capped at the Total EB \$ Amount	
Approx. Cost of Compliance	\$500		

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$2,730
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<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
Reduces or enhances the Final Subtotal by the indicated percentage.			

Notes:

<b>Final Penalty Amount</b>	\$2,730
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<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$2,730
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<b>DEFERRAL</b>	20.0% Reduction	<b>Adjustment</b>	-\$546
Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)			

Notes: Deferral offered for expedited settlement.

<b>PAYABLE PENALTY</b>	\$2,184
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Screening Date 3-Sep-2009

Docket No. 2009-1432-AIR-E

PCW

Respondent Eagle Rock Field Services, L.P.

Policy Revision 2 (September 2002)

Case ID No. 38346

PCW Revision October 30, 2006

Reg. Ent. Reference No. RN100211275

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

**Compliance History Worksheet**

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	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 judgments 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) 5%

>> 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

Adjustment due to one previous similar NOV.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 5%

Screening Date 3-Sep-2009

Docket No. 2009-1432-AIR-E

PCW

Respondent Eagle Rock Field Services, L.P.

Policy Revision 2 (September 2002)

Case ID No. 38346

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100211275

Media [Statute] Air

Enf. Coordinator Kirk Schoppe

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 122.145(2)(C) and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to submit a deviation report in a timely manner. Specifically, a deviation report was not submitted within 30 days of the reporting period beginning on November 1, 2008 and ending on April 30, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0%
	Potential				

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
		X			25%

Matrix Notes Failed to meet 100% of the rule requirement.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 1 Number of violation days 96

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

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 \$2,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$9

Violation Final Penalty Total \$2,625

This violation Final Assessed Penalty (adjusted for limits) \$2,625

## Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.  
 Case ID No. 38348  
 Reg. Ent. Reference No. RN100211275  
 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
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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)	\$250	30-May-2009	17-Feb-2010	0.72	\$9	n/a	\$9

**Notes for DELAYED costs**  
 Estimated costs for additional training and oversight to ensure the proper preparation and submittal of deviation reports. The date required is the date the report should have been submitted. The final date is the expected date of compliance.

**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 \$250

TOTAL \$9

<b>Screening Date</b> 3-Sep-2009	<b>Docket No.</b> 2009-1432-AIR-E	<b>PCW</b>														
<b>Respondent</b> Eagle Rock Field Services, L.P.	<small>Policy Revision 2 (September 2002)</small>															
<b>Case ID No.</b> 38346	<small>PCW Revision October 30, 2008</small>															
<b>Reg. Ent. Reference No.</b> RN100211275																
<b>Media [Statute]</b> Air																
<b>Enf. Coordinator</b> Kirk Schoppe																
<b>Violation Number</b> <input type="text" value="2"/>																
<b>Rule Cite(s)</b>	<input type="text" value="30 Tex. Admin. Code § 122.145(2)(A) and Tex. Health &amp; Safety Code § 382.085(b)"/>															
<b>Violation Description</b>	<input type="text" value="Failed to include all instances of deviations in deviation reports. Specifically, a deviation occurred in July 2008, but was not reported in the May 1, 2008 through October 31, 2008 certification period."/>															
<b>Base Penalty</b>		<input type="text" value="\$10,000"/>														
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																
<b>OR</b>	<b>Harm</b>															
	Release    Major    Moderate    Minor															
Actual	<input type="text"/>	<input type="text"/>														
Potential	<input type="text"/>	<input type="text"/>														
	<b>Percent</b>	<input type="text" value="0%"/>														
<b>&gt;&gt; Programmatic Matrix:</b>																
	Falsification    Major    Moderate    Minor															
	<input type="text"/>	<input type="text" value="x"/>														
	<b>Percent</b>	<input type="text" value="1%"/>														
<b>Matrix Notes</b>	<input type="text" value="Less than 30% of the rule requirement was not met."/>															
<b>Adjustment</b>		<input type="text" value="\$9,900"/>														
		<input type="text" value="\$100"/>														
<b>Violation Events</b>																
<b>Number of Violation Events</b>	<input type="text" value="1"/>	<input type="text" value="277"/> <b>Number of violation days</b>														
<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>weekly</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 checked="" type="text" value="x"/></td></tr> </table>	daily	<input type="text"/>	weekly	<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"/>	<b>Violation Base Penalty</b> <input type="text" value="\$100"/>
daily	<input type="text"/>															
weekly	<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"/>															
<input type="text" value="One single event is recommended."/>																
<b>Good Faith Efforts to Comply</b>		<input type="text" value="0.0%"/> <b>Reduction</b>														
	<small>Before NOV    NOV to EDPRP/Settlement Offer</small>	<input type="text" value="\$0"/>														
<b>Extraordinary</b>	<input type="text"/>															
<b>Ordinary</b>	<input type="text"/>															
<b>N/A</b>	<input checked="" type="text" value="x"/> <small>(mark with x)</small>															
<b>Notes</b>	<input type="text" value="The Respondent does not meet the good faith criteria for this violation."/>															
<b>Violation Subtotal</b>		<input type="text" value="\$100"/>														
<b>Economic Benefit (EB) for this violation</b>																
<b>Estimated EB Amount</b>	<input type="text" value="\$15"/>	<b>Violation Final Penalty Total</b> <input type="text" value="\$105"/>														
<b>This violation Final Assessed Penalty (adjusted for limits)</b>		<input type="text" value="\$105"/>														

## Economic Benefit Worksheet

Respondent Eagle Rock Field Services, L.P.  
 Case ID No. 38348  
 Reg. Ent. Reference No. RN100211275  
 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
<b>Delayed Costs</b>							
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)	\$250	30-Nov-2008	17-Feb-2010	1.22	\$15	n/a	\$15

Notes for DELAYED costs: Estimated cost for additional training and oversight to ensure the proper preparation and submittal of deviation reports. The date required is the date a complete deviation report should have been submitted. The final date is the expected date of compliance.

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

\$250	\$15
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# Compliance History Report

Customer/Respondent/Owner-Operator:	CN602959397	Eagle Rock Field Services, L.P.	Classification: AVERAGE	Rating: 1.94
Regulated Entity:	RN100211275	LEFORS RED RIVER COMPRESSOR STATION	Classification: AVERAGE	Site Rating: 1.50
ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	GH0046V	
	AIR OPERATING PERMITS	PERMIT	624	
	AIR NEW SOURCE PERMITS	PERMIT	16214	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	GH0046V	
	AIR NEW SOURCE PERMITS	AFS NUM	4817900037	
	AIR NEW SOURCE PERMITS	PERMIT	49515	
Location:	From Lefors (intersection of Hwy 273 & FM 2375), take FM 2375 W for 2.5 miles then north 1 mile on Gray County Road 13			
TCEQ Region:	REGION 01 - AMARILLO			
Date Compliance History Prepared:	August 31, 2009			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	August 17, 2004 to August 17, 2009			
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History				
Name:	Kirk Schoppe	Phone:	(512) 239-0489	

## 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	Eagle Rock Field Services, L.P.
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4. If Yes, who was/were the prior owner(s)/operator(s) ?  

OWNOPR	
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5. When did the change(s) in owner or operator occur?  

12/01/2005	ONEOK Field Services Company
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6. Rating Date: 9/1/2008 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	02/28/2005	(372092)
2	02/22/2006	(456380)
3	07/30/2007	(569921)
4	07/29/2008	(687887)
5	02/06/2009	(708593)
6	08/14/2009	(763828)

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

Date:	07/30/2008	(687887)	CN602959397
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 106, SubChapter A 106.4(c)		
Description:	Failure to maintain emissions control equipment in good condition and operate it properly		
Self Report?	NO		Classification Moderate
Citation:	30 TAC Chapter 106, SubChapter A 106.8(c)		
Description:	Failure to maintain and make available records sufficient to demonstrate compliance with PBR conditions		
Self Report?	NO		Classificatio Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)  
Description: Failure to create a final record of an emissions event within 2 weeks of the end of the emissions event and/or to make that record readily available upon request to TCEQ staff

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  
ENFORCEMENT ACTION  
CONCERNING  
EAGLE ROCK FIELD SERVICES, L.P.  
RN100211275

§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2009-1432-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 natural gas compression station on Gray County Road 13, one mile north from Farm-to-Market Road 2375, two and one-half miles west of Lefors, Gray County, Texas (the "Station").
2. The Station 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 22, 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 Two Thousand Seven Hundred Thirty Dollars (\$2,730) is assessed by the Commission in settlement of the violations alleged in Section II

("Allegations"). The Respondent has paid Two Thousand One Hundred Eighty-Four Dollars (\$2,184) of the administrative penalty and Five Hundred Forty-Six Dollars (\$546) 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 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.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Station, the Respondent is alleged to have:

1. Failed to submit a deviation report in a timely manner, in violation of 30 TEX. ADMIN. CODE § 122.145(2)(C) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 3, 2009. Specifically, a deviation report was not submitted within 30 days after the reporting period beginning on November 1, 2008 and ending on April 30, 2009.
2. Failed to include all instances of deviations in a deviation report, in violation of 30 TEX. ADMIN. CODE § 122.145(2)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 3, 2009. Specifically, a deviation occurred in July 2008, but was not reported in the May 1, 2008 through October 31, 2008 certification.

## 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. 2009-1432-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. 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, implement a plan to ensure the timely and complete submittal of semi-annual deviation reports; and
  - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

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

3. 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 Station operations referenced in this Agreed Order.
4. 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.
5. 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.
6. 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.
7. 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.
8. 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 Szellier  
\_\_\_\_\_  
For the Executive Director

2/8/2010  
\_\_\_\_\_  
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.

[Signature]  
\_\_\_\_\_  
Signature

12/08/2009  
\_\_\_\_\_  
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.

