

Page 1 of 4

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.:** 2009-1476-AIR-E **TCEQ ID:** RN100214154 **CASE NO.:** 38385  
**RESPONDENT NAME:** ConocoPhillips Company

<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> Zofness Booster Station, located south of Dumas on U.S. Highway 287, thence east approximately eight miles on Farm-to-Market Road 1913, Moore 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 8, 2010. 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. Terry Murphy, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-5025; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495  <b>Respondent:</b> Mr. Marvin Soriwci, Senior Environmental Technologist, ConocoPhillips Company, 3300 North A Street, Midland, Texas 79705  Mr. Mitchell Scarbrough, Operations Manager PAB, ConocoPhillips Company, 3300 North A Street, Midland, Texas 79705  <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 checked="" type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input 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 6, 2009</p> <p><b>Date of NOV/NOE Relating to this Case:</b> August 19, 2009 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation.</p> <p><b>AIR</b></p> <p>1) Failure to maintain required emissions event data. Specifically, a non-reportable emissions event occurred on March 17, 2009 regarding malfunction of the catalyst on Compressor Engine Emissions Point Number ("EPN") B2-11, but the Respondent failed to maintain the required information [30 TEX. ADMIN. CODE § 101.201(b)(2) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failure to maintain records for Compressor Engines EPN U-102, EPN B2-9, and EPN B2-11. Specifically, the Respondent is required to maintain records for at least two years regarding recommended maintenance for the automatic air-fuel ratio controllers, oxygen sensor replacements, and proper engine operation. However, the Respondent had no maintenance records for the engines, only had oxygen sensor replacement work orders unaccompanied by documentation of the work actually having been done, and had no documentation of engine performance testing [Standard Exemption ("STDX") Registration No. 30988, Permit by Rule ("PBR") Registration No. 50731, 30 TEX. ADMIN. CODE §§ 106.512(2)(C), 106.8(c)(2)(B), and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>3) Failure to perform and document biennial engine testing. Specifically,</p>	<p><b>Total Assessed:</b> \$21,415</p> <p><b>Total Deferred:</b> \$4,283  <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> \$17,132</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>Corrective Actions Taken:</b></p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. By September 14, 2009, created documentation and conducted training designed to prevent the reoccurrence of the failure to maintain emissions event data;</p> <p>b. By August 28, 2009, made improvements to the record keeping system designed to prevent the reoccurrence of the failure to maintain compressor engine records;</p> <p>c. By April 8, 2009, performed and documented biennial engine testing and created a tracking system designed to ensure timely testing in the future;</p> <p>d. On March 20, 2009, replaced the catalyst on the compressor engine [896-horsepower Waukesha L7042G, EPN B2-11], and by August 24, 2009 directed personnel to immediately shut down engines in the event emissions controls become inoperable; and</p> <p>e. By letter dated July 29, 2009, submitted a Certification by Responsible Official, Form OP CRO1, for the certification period February 1, 2008 through July 31, 2008.</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, establish and maintain documents and records to demonstrate compliance with 30 TEX. ADMIN. CODE § 106.263(g) for the emissions from the Plant's routine and predictable maintenance, startup and shutdown activities;</p> <p>b. Within 30 days after the effective date of this Agreed Order, install monitoring devices to record the inlet flue gas temperature going to the catalytic converters on Compressor Engines EPNs</p>

<p>provision (b)(3)(C) of STDX No. 6 requires the Respondent to perform and document proper engine operation with biennial tests for nitrogen oxides ("NO<sub>x</sub>") and carbon monoxide ("CO") emissions for Compressor Engines EPN U-102 and EPN B2-9. However, the Respondent did not test those engines from March 2006 until April 8, 2009, as documented during an investigation conducted on August 6, 2009 [STDX Registration No. 30988 and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>4) Failure to perform and document biennial engine testing. Specifically, the Respondent is required to perform and document proper engine operation with biennial tests for NO<sub>x</sub> and CO emissions for Compressor Engine EPN B2-11. However, the Respondent did not test that engine from April 30, 2005 to April 8, 2009 [PBR Registration No. 50731, 30 TEX. ADMIN. CODE § 106.512(2)(C)(iii), and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>5) Failure to operate a control device in good working condition during operations. Specifically, the catalyst for a compressor engine [896-horsepower Waukesha L7042G (EPN B2-11)] was not operational for a period of 37 days (February 11, 2009 to March 20, 2009) while the engine continued to operate [30 TEX. ADMIN. CODE § 106.4(c), PBR Registration No. 50731, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>6) Failure to maintain documents and records to demonstrate compliance with a PBR. Specifically, the Respondent claimed that emissions from the Plant's routine and predictable maintenance, startup and shutdown activities were authorized under PBR, but had none of the required documentation [30 TEX. ADMIN. CODE §§ 106.8(c)(2)(B), 106.263(g), and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>7) Failure to submit a Certification by Responsible Official, Form OP-CRO1, with the deviation report submitted on August 27, 2008. Specifically, the deviation report was for the certification period February 1, 2008 through July 31, 2008, and was received by the TCEQ on August 29, 2008, but the submittal did not include the required Form OP-CRO1 [Federal Operating Permit O-00234/General Oil and Gas Operating Permit 514(b)(1), 30 TEX. ADMIN. CODE §§</p>		<p>B2-11, B2-15, and U-102; and</p> <p>c. Within 45 days after the effective date of this Agreed Order, submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions a. and b.</p>
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<p>122.143(4) and 122.165(a)(7), and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>8) Failure to install monitoring devices on catalytic converters. Specifically, the Respondent was required to install monitoring devices to record the inlet flue gas temperature going to the catalytic converters on Compressor Engines EPNs B2-11, B2-15, and U-102, but has failed to do so [Federal Operating Permit O-00234/General Oil and Gas Operating Permit 514(b)(28), 30 TEX. ADMIN. CODE § 122.143(4), and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>		
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Additional ID No(s): MR0075E



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

<b>DATES</b>	Assigned	24-Aug-2009			
	PCW	21-Oct-2009	Screening	16-Sep-2009	EPA Due 15-May-2010

<b>RESPONDENT/FACILITY INFORMATION</b>			
Respondent	ConocoPhillips Company		
Reg. Ent. Ref. No.	RN100214154		
Facility/Site Region	1-Amarillo	Major/Minor Source	Major

<b>CASE INFORMATION</b>			
Enf./Case ID No.	38385	No. of Violations	8
Docket No.	2009-1476-AIR-E	Order Type	1860
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Terry Murphy
		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   
Approx. Cost of Compliance  \*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.** 2009-1476-AIR-E

**PCW**

**Respondent** ConocoPhillips Company

*Policy Revision 2 (September 2002)*

**Case ID No.** 38385

*PCW Revision October 30, 2008*

**Reg. Ent. Reference No.** RN100214154

**Media [Statute]:** Air

**Enf. Coordinator:** Terry Murphy

### 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 <i>(number of NOVs meeting criteria)</i>	3	15%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability <i>(number of orders meeting criteria)</i>	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 <i>(number of judgements or consent decrees meeting criteria)</i>	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 <i>(number of counts)</i>	0	0%
Emissions	Chronic excessive emissions events <i>(number of events)</i>	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 <i>(number of audits for which notices were submitted)</i>	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 <i>(number of audits for which violations were disclosed)</i>	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**

The penalty was enhanced by three same or similar NOVs.

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

<b>Screening Date</b> 16-Sep-2009	<b>Docket No.</b> 2009-1476-AIR-E	<b>PCW</b>														
<b>Respondent</b> ConocoPhillips Company		<small>Policy Revision 2 (September 2002)</small>														
<b>Case ID No.</b> 38385		<small>PCW Revision October 30, 2008</small>														
<b>Reg. Ent. Reference No.</b> RN100214154																
<b>Media [Statute]</b> Air																
<b>Enf. Coordinator</b> Terry Murphy																
<b>Violation Number</b> 1																
<b>Rule Cite(s)</b>	30 Tex. Admin. Code § 101.201(b)(2) and Tex. Health & Safety Code § 382.085(b)															
<b>Violation Description</b>	Failed to maintain required emissions event data. Specifically, a non-reportable emissions event occurred on March 17, 2009 regarding malfunction of the catalyst on Compressor Engine Emissions Point Number ("EPN") B2-11, but the Respondent failed to maintain the required information, as documented during an investigation conducted on August 6, 2009.															
	<b>Base Penalty</b>	\$10,000														
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																
	<b>Harm</b>															
	Release	Major    Moderate    Minor														
<b>OR</b>	Actual	<input type="text"/> <input type="text"/> <input type="text"/>														
	Potential	<input type="text"/> <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 checked="" type="text" value="x"/> <input type="text"/> <input type="text"/>														
	<b>Percent</b>	<input type="text" value="25%"/>														
<b>Matrix Notes</b>	The Respondent failed to comply with 100% of the rule.															
	<b>Adjustment</b>	\$7,500														
		<input type="text" value="\$2,500"/>														
<b>Violation Events</b>																
	<b>Number of Violation Events</b> <input type="text" value="1"/>	<input type="text" value="128"/> <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="\$2,500"/>
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"/>															
	One single event is recommended, based on the one missing record.															
<b>Good Faith Efforts to Comply</b>																
	<input type="text" value="10.0%"/> <b>Reduction</b>	<input type="text" value="\$250"/>														
	<small>Before NOV    NOV to EDRP/Settlement Offer</small>															
Extraordinary	<input type="text"/>	<input type="text"/>														
Ordinary	<input type="text"/>	<input checked="" type="text" value="x"/>														
N/A	<input type="text"/>	<small>(mark with x)</small>														
<b>Notes</b>	The Respondent returned to compliance by September 14, 2009, and the NOE is dated August 19, 2009.															
	<b>Violation Subtotal</b>	<input type="text" value="\$2,250"/>														
<b>Economic Benefit (EB) for this violation</b>																
	<b>Estimated EB Amount</b>	<input type="text" value="\$46"/>														
<b>Statutory Limit Test</b>																
	<b>Violation Final Penalty Total</b>	<input type="text" value="\$3,309"/>														
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>															
		<input type="text" value="\$3,309"/>														

## Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 38385  
**Reg. Ent. Reference No.** RN100214154  
**Media** Air  
**Violation No.** 1

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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	31-Mar-2009	14-Sep-2009	0.46	\$46	n/a	\$46
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 costs to create and maintain data and train personnel on recordable emissions events. The Date Required is two weeks after the event, and the Final Date is the date by which the Respondent provided training on the required data.

**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** \$46

<b>Screening Date</b> 16-Sep-2009	<b>Docket No.</b> 2009-1476-AIR-E																			
<b>Respondent</b> ConocoPhillips Company	<b>PCW</b> <small>Policy Revision 2 (September 2002) PCW Revision October 30, 2009</small>																			
<b>Case ID No.</b> 38385																				
<b>Reg. Ent. Reference No.</b> RN100214154																				
<b>Media [Statute]</b> Air																				
<b>Enf. Coordinator</b> Terry Murphy																				
<b>Violation Number</b> 2																				
<b>Rule Cite(s)</b>	Standard Exemption ("STDX") Registration No. 30988, Permit by Rule ("PBR") Registration No. 60731, 30 Tex. Admin. Code §§ 106.512(2)(C), 106.8(c)(2)(B), and Tex. Health & Safety Code § 382.085(b)																			
<b>Violation Description</b>	Failed to maintain records for Compressor Engines EPN U-102, EPN B2-9, and EPN B2-11. Specifically, the Respondent is required to maintain records for at least two years regarding recommended maintenance for the automatic air-fuel ratio controllers ("AFRs"), oxygen sensor replacements, and proper engine operation. However, the Respondent had no maintenance records for the engines, only had oxygen sensor replacement work orders unaccompanied by documentation of the work actually having been done, and had no documentation of engine performance testing, as documented during an investigation conducted on August 6, 2009.																			
<b>Base Penalty</b>	\$10,000																			
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																				
<b>OR</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="4" style="text-align: center;"><b>Harm</b></td> <td></td> </tr> <tr> <td style="text-align: center;">Release</td> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> <td></td> </tr> <tr> <td style="text-align: center;">Actual</td> <td style="text-align: center;"><input type="text"/></td> <td style="text-align: center;"><input type="text"/></td> <td style="text-align: center;"><input type="text"/></td> <td rowspan="2" style="text-align: right;"><b>Percent</b> <input type="text" value="0%"/></td> </tr> <tr> <td style="text-align: center;">Potential</td> <td style="text-align: center;"><input type="text"/></td> <td style="text-align: center;"><input type="text"/></td> <td style="text-align: center;"><input type="text"/></td> </tr> </table>	<b>Harm</b>					Release	Major	Moderate	Minor		Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Falsification	Major	Moderate	Minor																	
<input type="text"/>	<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="25%"/>																
<b>Matrix Notes</b>	The Respondent failed to maintain more than 70% of the required records.																			
<b>Adjustment</b>	\$7,500																			
	<b>\$2,500</b>																			
<b>Violation Events</b>																				
<b>Number of Violation Events</b>	<input type="text" value="1"/> <input type="text" value="765"/> <b>Number of violation days</b>																			
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daily	<input type="text"/>																			
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monthly	<input type="text"/>																			
quarterly	<input type="text"/>																			
semiannual	<input type="text"/>																			
annual	<input type="text"/>																			
single event	<input checked="" type="checkbox"/>																			
<b>Violation Base Penalty</b>	\$2,500																			
One single event is recommended, based on the set of records not kept.																				
<b>Good Faith Efforts to Comply</b>																				
<b>10.0% Reduction</b>	\$250																			
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;"><small>Before NOV</small></td> <td style="text-align: center;"><small>NOV to EDRP/Settlement Offer</small></td> </tr> <tr> <td style="text-align: center;">Extraordinary</td> <td style="text-align: center;"><input type="text"/></td> <td style="text-align: center;"><input type="text"/></td> </tr> <tr> <td style="text-align: center;">Ordinary</td> <td style="text-align: center;"><input type="text"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> <tr> <td style="text-align: center;">N/A</td> <td colspan="2" style="text-align: center;"><small>(mark with x)</small></td> </tr> </table>		<small>Before NOV</small>	<small>NOV to EDRP/Settlement Offer</small>	Extraordinary	<input type="text"/>	<input type="text"/>	Ordinary	<input type="text"/>	<input checked="" type="checkbox"/>	N/A	<small>(mark with x)</small>								
	<small>Before NOV</small>	<small>NOV to EDRP/Settlement Offer</small>																		
Extraordinary	<input type="text"/>	<input type="text"/>																		
Ordinary	<input type="text"/>	<input checked="" type="checkbox"/>																		
N/A	<small>(mark with x)</small>																			
<b>Notes</b>	The Respondent returned to compliance by August 28, 2009, and the NOE is dated August 19, 2009.																			
<b>Violation Subtotal</b>	\$2,250																			
<b>Economic Benefit (EB) for this violation</b>																				
<b>Estimated EB Amount</b>	\$258																			
<b>Statutory Limit Test</b>																				
<b>Violation Final Penalty Total</b>	\$3,309																			
<b>This violation Final Assessed Penalty (adjusted for limits)</b>																				
\$3,309																				

## Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 38385  
**Reg. Ent. Reference No.** RN100214154  
**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
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	\$2,500	6-Aug-2007	28-Aug-2009	2.06	\$258	n/a	\$258
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 costs to improve the record keeping system. The Date Required is two years prior to the investigation (the rule requires these records be maintained for two years), and the Final Date is the date by which improvements were 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**

\$258

<b>Screening Date</b> 16-Sep-2009	<b>Docket No.</b> 2009-1476-AIR-E	<b>PCW</b>	
<b>Respondent</b> ConocoPhillips Company		<small>Policy Revision 2 (September 2002)</small>	
<b>Case ID No.</b> 38385		<small>PCW Revision October 30, 2008</small>	
<b>Reg. Ent. Reference No.</b> RN100214154			
<b>Media [Statute]</b> Air			
<b>Enf. Coordinator</b> Terry Murphy			
<b>Violation Number</b> 3			
<b>Rule Cite(s)</b>	STDX Registration No. 30988 and Tex. Health & Safety Code § 382.085(b)		
<b>Violation Description</b>	Failed to perform and document biennial engine testing. Specifically, provision (b)(3)(C) of STDX No. 6 requires the Respondent to perform and document proper engine operation with biennial tests for nitrogen oxides ("NOx") and carbon monoxide ("CO") emissions for Compressor Engines EPN U-102 and EPN B2-9. However, the Respondent did not test those engines from March 2006 until April 8, 2009, as documented during an investigation conducted on August 6, 2009.		
	<b>Base Penalty</b>	\$10,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
	<b>Harm</b>		
	Major	Moderate	Minor
<b>OR</b>	Actual		
	Potential		x
		<b>Percent</b>	10%
<b>&gt;&gt; Programmatic Matrix</b>			
	Major	Moderate	Minor
	Falsification		
		<b>Percent</b>	0%
<b>Matrix Notes</b>	Failure to perform engine testing to ensure limiting NOx and CO emissions could result in human health or the environment being exposed to insignificant amounts of pollutants not exceeding levels protective of human health or environmental receptors.		
	<b>Adjustment</b>	\$9,000	
		\$1,000	
<b>Violation Events</b>			
	Number of Violation Events	2	Number of violation days
		373	
	daily		
	weekly		
	monthly		
	quarterly		
	semiannual		
	annual		
	single event	x	
<small>mark only one with an x</small>			<b>Violation Base Penalty</b>
			\$2,000
	Two single events are recommended, based on the two engines.		
<b>Good Faith Efforts to Comply</b>			\$500
	25.0% Reduction		
	Before NOV	NOV to EDPRP/Settlement Offer	
	Extraordinary		
	Ordinary	x	
	N/A	(mark with x)	
<b>Notes</b>	The Respondent tested the engines on April 8, 2009, and the NOE is dated August 19, 2009.		
	<b>Violation Subtotal</b>		\$1,500
<b>Economic Benefit (EB) for this violation</b>			<b>Statutory Limit Test</b>
	<b>Estimated EB Amount</b>	\$1,878	<b>Violation Final Penalty Total</b>
			\$2,269
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$2,269

### Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 38385  
**Reg. Ent. Reference No.** RN100214154  
**Media** Air  
**Violation No.** 3

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime 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

**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	\$1,750	31-Mar-2008	8-Apr-2009	1.02	\$89	\$1,788	\$1,878
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

Estimated costs to test and document the results for the two engines for NOx and CO. Estimated cost for testing of one engine: \$2,500. Estimated cost for each additional engine tested on the same day: \$1,000. Since this is a biennial testing requirement, the annualized cost is  $\$3,500/2 = \$1,750$ . The Date Required is the date the testing was due, and the Final Date is the date the engines were tested.

Approx. Cost of Compliance

\$1,750

**TOTAL**

\$1,878

<b>Screening Date</b> 16-Sep-2009	<b>Docket No.</b> 2009-1476-AIR-E	<b>PCW</b>	
<b>Respondent</b> ConocoPhillips Company		<small>Policy Revision 2 (September 2002)</small>	
<b>Case ID No.</b> 38385		<small>PCW Revision October 30, 2008</small>	
<b>Reg. Ent. Reference No.</b> RN100214154			
<b>Media [Statute]</b> Air			
<b>Enf. Coordinator</b> Terry Murphy			
<b>Violation Number</b> 4			
<b>Rule Cite(s)</b>	PBR Registration No. 50731, 30 Tex. Admin. Code § 106.512(2)(C)(iii) and Tex. Health & Safety Code § 382.085(b)		
<b>Violation Description</b>	Failed to perform and document biennial engine testing. Specifically, the Respondent is required to perform and document proper engine operation with biennial tests for NOx and CO emissions for Compressor Engine EPN B2-11. However, the Respondent did not test that engine from April 30, 2005 until April 8, 2009, as documented during an investigation conducted on August 6, 2009.		
	<b>Base Penalty</b>	\$10,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
OR	<b>Harm</b>		
	Major	Moderate	Minor
	Actual	Potential	Percent
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			10%
<b>&gt;&gt; Programmatic Matrix</b>			
	Major	Moderate	Minor
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			Percent
			0%
<b>Matrix Notes</b>	Failure to perform engine testing to ensure limiting NOx and CO emissions could result in human health or the environment being exposed to insignificant amounts of pollutants not exceeding levels protective of human health or environmental receptors.		
	<b>Adjustment</b>	\$9,000	
		\$1,000	
<b>Violation Events</b>			
	<b>Number of Violation Events</b>	1	<b>Number of violation days</b>
		709	
<small>mark only one with an x</small>	daily	<input type="checkbox"/>	<b>Violation Base Penalty</b>
	weekly	<input type="checkbox"/>	
	monthly	<input type="checkbox"/>	
	quarterly	<input type="checkbox"/>	
	semiannual	<input type="checkbox"/>	
	annual	<input type="checkbox"/>	
	single event	<input checked="" type="checkbox"/>	
	One single event is recommended, based on the one engine.		\$1,000
<b>Good Faith Efforts to Comply</b>			
	25.0% Reduction	\$250	
	<small>Before NOV</small>	<small>NOV to EDPRP/Settlement Offer</small>	
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>	
Ordinary	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
N/A	<small>(mark with x)</small>		
<b>Notes:</b>	The Respondent tested the engine on April 8, 2009, and the NOE is dated August 19, 2009.		
	<b>Violation Subtotal</b>	\$750	
<b>Economic Benefit (EB) for this violation</b>			<b>Statutory Limit Test</b>
	<b>Estimated EB Amount</b>	\$2,549	<b>Violation Final Penalty Total</b>
			\$1,134
		<b>This violation Final Assessed Penalty (adjusted for limits)</b>	
		\$1,134	

## Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 38385  
**Reg. Ent. Reference No.** RN100214164  
**Media** Air  
**Violation No.** 4

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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

**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	\$1,250	30-Apr-2007	8-Apr-2009	1.94	\$121	\$2,428	\$2,549
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

Estimated costs to test and document the results for the engine for NOx and CO. See biennial note with the economic benefits for Violation 3:  $\$2,500/2 = \$1,250$ . The Date Required is the date the testing was due, and the Final Date is the date the engine was tested.

Approx. Cost of Compliance

\$1,250

TOTAL

\$2,549

<b>Screening Date</b> 16-Sep-2009	<b>Docket No.</b> 2009-1476-AIR-E	<b>PCW</b>	
<b>Respondent</b> ConocoPhillips Company		<small>Policy Revision 2 (September 2002)</small>	
<b>Case ID No.</b> 36385		<small>PCW Revision October 30, 2009</small>	
<b>Reg. Ent. Reference No.</b> RN100214154			
<b>Media [Statute]</b> Air			
<b>Enf. Coordinator</b> Terry Murphy			
<b>Violation Number</b> 5			
<b>Rule Cite(s)</b>	30 Tex. Admin. Code §106.4(c), PBR Registration No. 50731, and Tex. Health & Safety Code § 382.085(b)		
<b>Violation Description</b>	Failed to operate a control device in good working condition during operations. Specifically, the catalyst for a compressor engine [896-horsepower Waukesha L7042G (EPN B2-11)] was not operational for a period of 37 days (February 11, 2009 to March 20, 2009) while the engine continued to operate, as documented during an investigation conducted on August 6, 2009.		
	<b>Base Penalty</b>	\$10,000	
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>			
<b>OR</b>	<b>Harm</b>		
	Major	Moderate	Minor
Actual	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Percent</b>		25%
<b>&gt;&gt; Programmatic Matrix</b>			
	Major	Moderate	Minor
Falsification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Percent</b>		0%
<b>Matrix Notes</b>	Human health or the environment were exposed to insignificant amounts of pollutants not exceeding levels protective of human health or environmental receptors as a result of this violation.		
	<b>Adjustment</b>	\$7,500	
		\$2,500	
<b>Violation Events</b>			
	Number of Violation Events	1	Number of violation days
		37	
<small>mark only one with an x</small>	daily	<input type="checkbox"/>	<b>Violation Base Penalty</b> \$2,500
	weekly	<input type="checkbox"/>	
	monthly	<input type="checkbox"/>	
	quarterly	<input checked="" type="checkbox"/>	
	semiannual	<input type="checkbox"/>	
	annual	<input type="checkbox"/>	
	single event	<input type="checkbox"/>	
	One quarterly event is recommended, based on the 37 day period of uncontrolled emissions.		
<b>Good Faith Efforts to Comply</b>			
	10.0% Reduction	\$250	
	Before NOV	NOV to EDPRP/Settlement Offer	
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>	
Ordinary	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
N/A	(mark with x)		
<b>Notes</b>	The Respondent returned to compliance by August 24, 2009, and the NOE is dated August 19, 2009.		
	<b>Violation Subtotal</b>	\$2,250	
<b>Economic Benefit (EB) for this violation</b>			
	<b>Estimated EB Amount</b>	\$12	<b>Statutory Limit Test</b>
		<b>Violation Final Penalty Total</b>	\$3,309
	<b>This violation Final Assessed Penalty (adjusted for limits)</b>		\$3,309

## Economic Benefit Worksheet

**Respondent:** ConocoPhillips Company  
**Case ID No.:** 38385  
**Reg. Ent. Reference No.:** RN100214154  
**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
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No commas or \$

**Delayed Costs**

Equipment	\$1,000	11-Feb-2009	20-Mar-2009	0.10	\$0	\$7	\$7
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	\$200	11-Feb-2009	24-Aug-2009	0.53	\$5	n/a	\$5
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 costs to exchange the catalyst and improve personnel oversight. The Dates Required are the dates the catalyst failed, and the Final Dates are the date the catalyst was replaced (\$1,000) and the date personnel were directed to keep any engines with eventually inoperative control devices shut down (\$200).

**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

\$1,200

TOTAL

\$12

**Screening Date** 16-Sep-2009 **Docket No.** 2009-1476-AIR-E **PCW**  
**Respondent** ConocoPhillips Company *Policy Revision 2 (September 2002)*  
**Case ID No.** 38385 *PCW Revision October 30, 2008*  
**Reg. Ent. Reference No.** RN100214154  
**Media [Statute]** Air  
**Enf. Coordinator** Terry Murphy  
**Violation Number** 6  
**Rule Cite(s)** 30 Tex. Admin. Code §§ 106.8(c)(2)(B), 106.263(g), and Tex. Health & Safety Code § 382.085(b)  
**Violation Description** Failed to maintain documents and records to demonstrate compliance with a PBR. Specifically, the Respondent claimed that emissions from the Plant's routine and predictable maintenance, startup and shutdown activities were authorized under PBR, but had none of the required documentation, as documented during an investigation conducted on August 6, 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** The Respondent failed to comply with 100% of the rule.

**Adjustment** \$7,500

\$2,500

**Violation Events**

Number of violation days:

mark only one with an x

daily	<input type="checkbox"/>
weekly	<input type="checkbox"/>
monthly	<input type="checkbox"/>
quarterly	<input type="checkbox"/>
semiannual	<input type="checkbox"/>
annual	<input type="checkbox"/>
single event	<input checked="" type="checkbox"/>

**Violation Base Penalty** \$2,500

One single event is recommended, based on the one set of missing documentation.

**Good Faith Efforts to Comply**

**0.0%** Reduction **\$0**

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary	<input type="checkbox"/>	<input type="checkbox"/>
N/A	X	(mark with x)

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

**Violation Subtotal** \$2,600

**Economic Benefit (EB) for this violation**

**Estimated EB Amount** \$28

**Statutory Limit Test**

**Violation Final Penalty Total** \$3,624

**This violation Final Assessed Penalty (adjusted for limits)** \$3,624

### Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 38385  
**Reg. Ent. Reference No.** RN100214154  
**Media** Air  
**Violation No.** 6

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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	\$1,000	6-Aug-2009	1-Mar-2010	0.57	\$28	n/a	\$28
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 costs to establish and maintain records of compliance with the PBR. The Date Required is the date of the investigation, and 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

\$1,000

TOTAL

\$28

<b>Screening Date</b> 16-Sep-2009	<b>Docket No.</b> 2009-1476-AIR-E	<b>PCW</b>			
<b>Respondent</b> ConocoPhillips Company	<small>Policy Revision 2 (September 2002)</small>				
<b>Case ID No.</b> 38385	<small>PCW Revision October 30, 2008</small>				
<b>Reg. Ent. Reference No.</b> RN100214154					
<b>Media [Statute]</b> Air					
<b>Enf. Coordinator</b> Terry Murphy					
<b>Violation Number</b> <input type="text" value="7"/>					
<b>Rule Cite(s)</b>	Federal Operating Permit O-00234/General Oil and Gas Operating Permit 514(b)(1), 30 Tex. Admin. Code §§ 122.143(4) and 122.165(a)(7), and Tex. Health & Safety Code § 382.085(b)				
<b>Violation Description</b>	Failed to submit a Certification by Responsible Official, Form OP-CRO1, with the deviation report submitted on August 27, 2008. Specifically, the deviation report was for the certification period February 1, 2008 through July 31, 2008, and was received by the TCEQ on August 29, 2008, but the submittal did not include the required Form OP-CRO1, as documented during an investigation conducted on August 6, 2009.				
<b>Base Penalty</b>		<input type="text" value="\$10,000"/>			
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>					
<b>Harm</b>					
<b>Release</b>	Major	Moderate	Minor		
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<b>Percent</b> <input type="text" value="0%"/>	
Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>		
<b>&gt;&gt; Programmatic Matrix</b>					
<b>Falsification</b>					
Major			Moderate	Minor	
<input type="text"/>			<input type="text"/>	<input type="text" value="x"/>	
				<b>Percent</b> <input type="text" value="1%"/>	
<b>Matrix Notes</b>	<input type="text" value="The Respondent failed to submit less than 30% of the required forms."/>				
<b>Adjustment</b>			<input type="text" value="\$9,900"/>		
			<input type="text" value="\$100"/>		
<b>Violation Events</b>					
		<input type="text" value="1"/>	<input type="text" value="303"/>	Number of violation days	
<small>mark only one with an x</small>	daily	<input type="text"/>	<input type="text"/>	<input type="text"/>	<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 type="text" value="x"/>				
			<b>Violation Base Penalty</b> <input type="text" value="\$100"/>		
<input type="text" value="One single event is recommended, based on the one late form."/>					
<b>Good Faith Efforts to Comply</b>			<input type="text" value="25.0% Reduction"/>		
			<input type="text" value="\$25"/>		
			<input type="text" value="Before NOV    NOV to EDRP/Settlement Offer"/>		
Extraordinary	<input type="text"/>	<input type="text"/>			
Ordinary	<input type="text" value="x"/>	<input type="text"/>			
N/A	<input type="text"/>	<input type="text"/>	<small>(mark with x)</small>		
<b>Notes</b>	<input type="text" value="The submittal letter was dated July 29, 2009, and the NOE is dated August 19, 2009."/>				
<b>Violation Subtotal</b>			<input type="text" value="\$76"/>		
<b>Economic Benefit (EB) for this violation</b>			<b>Statutory Limit Test</b>		
<b>Estimated EB Amount</b> <input type="text" value="\$8"/>			<b>Violation Final Penalty Total</b> <input type="text" value="\$113"/>		
<b>This violation Final Assessed Penalty (adjusted for limits)</b>			<input type="text" value="\$113"/>		

## Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 38385  
**Reg. Ent. Reference No.** RN100214154  
**Media** Air  
**Violation No.** 7

<b>Percent Interest</b>	<b>Years of Depreciation</b>
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<i>No commas or \$</i>							
<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	\$200	29-Sep-2008	29-Jul-2009	0.83	\$8	n/a	\$8
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 costs to sign and submit the report. The Date Required is the date the form was due, and the Final Date is the date of the submittal letter.

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 \$200 **TOTAL** \$8

<b>Screening Date</b> 16-Sep-2009	<b>Docket No.</b> 2009-1476-AIR-E	<b>PCW</b>														
<b>Respondent</b> ConocoPhillips Company		<small>Policy Revision 2 (September 2002)</small>														
<b>Case ID No.</b> 38385		<small>PCW Revision October 30, 2009</small>														
<b>Reg. Ent. Reference No.</b> RN100214154																
<b>Media [Statute]</b> Air																
<b>Enf. Coordinator</b> Terry Murphy																
<b>Violation Number</b> 8																
<b>Rule Cite(s)</b>	Federal Operating Permit O-00234/General Oil and Gas Operating Permit 514(b)(28), 30 Tex. Admin. Code § 122.143(4), and Tex. Health & Safety Code § 382.085(b)															
<b>Violation Description</b>	Failed to install monitoring devices on catalytic converters. Specifically, the Respondent was required to install monitoring devices to record the Inlet flue gas temperature going to the catalytic converters on Compressor Engines EPNs B2-11, B2-15, and U-102, but has failed to do so, as documented during an investigation conducted on August 6, 2009.															
	<b>Base Penalty</b>	\$10,000														
<b>&gt;&gt; Environmental, Property and Human Health Matrix</b>																
OR	<b>Harm</b>															
	Release    Major    Moderate    Minor															
	Actual	<table border="1" style="display: inline-table;"><tr><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td></tr></table>														
	Potential	<table border="1" style="display: inline-table;"><tr><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px; text-align: center;">x</td></tr></table>			x											
		x														
	<b>Percent</b>	10%														
<b>&gt;&gt; Programmatic Matrix</b>																
	Falsification    Major    Moderate    Minor															
		<table border="1" style="display: inline-table;"><tr><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td></tr></table>														
	<b>Percent</b>	0%														
<b>Matrix Notes</b>	Failure to monitor catalytic converter efficiency could result in human health or the environment being exposed to insignificant amounts of pollutants not exceeding levels protective of human health or environmental receptors.															
	<b>Adjustment</b>	\$9,000														
		\$1,000														
<b>Violation Events</b>																
	<b>Number of Violation Events</b> 3	<b>Number of violation days</b> 815														
<small>mark only one with an x</small>	<table border="1" style="display: inline-table;"> <tr><td>daily</td><td style="width: 30px; height: 15px;"></td></tr> <tr><td>weekly</td><td style="width: 30px; height: 15px;"></td></tr> <tr><td>monthly</td><td style="width: 30px; height: 15px;"></td></tr> <tr><td>quarterly</td><td style="width: 30px; height: 15px;"></td></tr> <tr><td>semiannual</td><td style="width: 30px; height: 15px;"></td></tr> <tr><td>annual</td><td style="width: 30px; height: 15px;"></td></tr> <tr><td>single event</td><td style="width: 30px; height: 15px; text-align: center;">x</td></tr> </table>	daily		weekly		monthly		quarterly		semiannual		annual		single event	x	<b>Violation Base Penalty</b> \$3,000
daily																
weekly																
monthly																
quarterly																
semiannual																
annual																
single event	x															
	Three single events are recommended, based on the three engines.															
<b>Good Faith Efforts to Comply</b>	0.0% Reduction	\$0														
	<small>Before NOV    NOV to EOPRP/Settlement Offer</small>															
Extraordinary	<table border="1" style="display: inline-table;"><tr><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td></tr></table>															
Ordinary	<table border="1" style="display: inline-table;"><tr><td style="width: 50px; height: 15px;"></td><td style="width: 50px; height: 15px;"></td></tr></table>															
N/A	x    (mark with x)															
<b>Notes</b>	The Respondent does not meet the good faith criteria for this violation.															
	<b>Violation Subtotal</b>	\$3,000														
<b>Economic Benefit (EB) for this violation</b>	<b>Statutory Limit Test</b>															
Estimated EB Amount \$588	Violation Final Penalty Total \$4,349															
	<b>This violation Final Assessed Penalty (adjusted for limits) \$4,349</b>															

## Economic Benefit Worksheet

**Respondent** ConocoPhillips Company  
**Case ID No.** 38385  
**Reg. Ent. Reference No.** RN100214154  
**Media** Air  
**Violation No.** 8

<b>Percent Interest</b>	<b>Years of Depreciation</b>
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	\$3,000	14-May-2007	1-Mar-2010	2.80	\$28	\$560	\$588
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 costs to purchase and install temperature monitoring devices. The Date Required is the date of the Title V Permit renewal that requires those devices, and 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

\$3,000

**TOTAL**

\$588

# Compliance History Report

Customer/Respondent/Owner-Operator: CN801674351 ConocoPhillips Company Classification: AVERAGE Rating: 2.82  
 Regulated Entity: RN100214154 ZOFNESS BOOSTER STATION Classification: AVERAGE Site Rating: 1.43  
 ID Number(s): AIR OPERATING PERMITS ACCOUNT NUMBER MR0075E  
 AIR OPERATING PERMITS PERMIT 234  
 AIR NEW SOURCE PERMITS PERMIT 30988  
 AIR NEW SOURCE PERMITS ACCOUNT NUMBER MR0075E  
 AIR NEW SOURCE PERMITS PERMIT 50731  
 AIR NEW SOURCE PERMITS AFS NUM 4834100042  
 AIR EMISSIONS INVENTORY ACCOUNT NUMBER MR0075E  
 Location: South of Dumas on U.S. Highway 287, thence east approximately eight miles on Farm-to-Market Road 1913, Moore County  
 TCEQ Region: REGION 01 - AMARILLO  
 Date Compliance History Prepared: September 11, 2009  
 Agency Decision Requiring Compliance History: Enforcement  
 Compliance Period: September 11, 2004 to September 11, 2009  
 TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History  
 Name: Terry Murphy Phone: (512) 239-5025

## 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? No
3. If Yes, who is the current owner/operator? N/A
4. If Yes, who was/were the prior owner(s)/operator(s)? N/A
5. When did the change(s) in owner or operator occur? N/A
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	06/09/2005	(380515)
2	07/11/2006	(480751)
3	07/02/2007	(564430)
4	08/08/2008	(684597)
5	01/29/2009	(709765)
6	08/19/2009	(763415)
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
 

Date:	07/3/2006	(480751)	Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.146(2)					
Description:	Failure to submit annual compliance certification within the required time frame of 30 days after the end of the compliance period.					
Date:	07/02/2007	(564430)	Self Report?	NO	Classification:	Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.146(1)  
 Description: Failure to submit an accurate annual compliance certification.  
 Date: 08/08/2008 (684597)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(C)  
 Description: Failure to submit a compliance report within 30 days after the final day of the compliance period is a violation of 30 TAC 122.145.(2)(C).  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.165(a)(8)  
 Description: Failure to submit an accurate compliance certification is a violation of 30 TAC 122.165(a)(8).

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  
CONOCOPHILLIPS COMPANY  
RN100214154

§  
§  
§  
§  
§

BEFORE THE  
TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

AGREED ORDER  
DOCKET NO. 2009-1476-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 ConocoPhillips Company ("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 located south of Dumas on U.S. Highway 287, thence east approximately eight miles on Farm-to-Market Road 1913, in Moore 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 24, 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 Twenty-One Thousand Four Hundred Fifteen Dollars (\$21,415) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Seventeen Thousand One Hundred Thirty-Two Dollars

(\$17,132) of the administrative penalty and Four Thousand Two Hundred Eighty-Three Dollars (\$4,283) 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. By September 14, 2009, created documentation and conducted training designed to prevent the reoccurrence of the failure to maintain emissions event data;
  - b. By August 28, 2009, made improvements to the record keeping system designed to prevent the reoccurrence of the failure to maintain compressor engine records;
  - c. By April 8, 2009, performed and documented biennial engine testing and created a tracking system designed to ensure timely testing in the future;
  - d. On March 20, 2009, replaced the catalyst on the compressor engine [896-horsepower Waukesha L7042G, Emissions Point Number ("EPN") B2-11], and by August 24, 2009 directed personnel to immediately shut down engines in the event emissions controls become inoperable; and
  - e. By letter dated July 29, 2009, submitted a Certification by Responsible Official, Form OP CRO1, for the certification period February 1, 2008 through July 31, 2008.
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 maintain required emissions event data, in violation of 30 TEX. ADMIN. CODE § 101.201(b)(2) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, a non-reportable emissions event occurred on March 17, 2009 regarding malfunction of the catalyst on Compressor Engine EPN B2-11, but the Respondent failed to maintain the required information.
2. Failed to maintain records for Compressor Engines EPN U-102, EPN B2-9, and EPN B2-11, in violation of Standard Exemption ("STDX") Registration No. 30988, Permit by Rule ("PBR") Registration No. 50731, 30 TEX. ADMIN. CODE §§ 106.512(2)(C), 106.8(c)(2)(B), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, the Respondent is required to maintain records for at least two years regarding recommended maintenance for the automatic air-fuel ratio controllers, oxygen sensor replacements, and proper engine operation. However, the Respondent had no maintenance records for the engines, only had oxygen sensor replacement work orders unaccompanied by documentation of the work actually having been done, and had no documentation of engine performance testing.
3. Failed to perform and document biennial engine testing, in violation of STDX Registration No. 30988 and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, provision (b)(3)(C) of STDX No. 6 requires the Respondent to perform and document proper engine operation with biennial tests for nitrogen oxides ("NO<sub>x</sub>") and carbon monoxide ("CO") emissions for Compressor Engines EPN U-102 and EPN B2-9. However, the Respondent did not test those engines from March 2006 until April 8, 2009, as documented during an investigation conducted on August 6, 2009.
4. Failed to perform and document biennial engine testing, in violation of PBR Registration No. 50731, 30 TEX. ADMIN. CODE § 106.512(2)(C)(iii) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, the Respondent is required to perform and document proper engine operation with biennial tests for NO<sub>x</sub> and CO emissions for Compressor Engine EPN B2-11. However, the Respondent did not test that engine from April 30, 2005 to April 8, 2009.
5. Failed to operate a control device in good working condition during operations, in violation of 30 TEX. ADMIN. CODE § 106.4(c), PBR Registration No. 50731, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, the catalyst for a compressor engine [896-horsepower Waukesha L7042G (EPN B2-11)] was not operational for a period of 37 days (February 11, 2009 to March 20, 2009) while the engine continued to operate.
6. Failed to maintain documents and records to demonstrate compliance with a PBR, in violation of 30 TEX. ADMIN. CODE §§ 106.8(c)(2)(B), 106.263(g), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, the Respondent claimed that emissions from the Plant's routine and predictable maintenance, startup and shutdown activities were authorized under PBR, but had none of the required documentation.
7. Failed to submit a Certification by Responsible Official, Form OP-CRO1, with the deviation report submitted on August 27, 2008, in violation of Federal Operating Permit O-00234/General

Oil and Gas Operating Permit 514(b)(1), 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.165(a)(7), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, the deviation report was for the certification period February 1, 2008 through July 31, 2008, and was received by the TCEQ on August 29, 2008, but the submittal did not include the required Form OP-CRO1.

8. Failed to install monitoring devices on catalytic converters, in violation of Federal Operating Permit O-00234/General Oil and Gas Operating Permit 514(b)(28), 30 TEX. ADMIN. CODE § 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on August 6, 2009. Specifically, the Respondent was required to install monitoring devices to record the inlet flue gas temperature going to the catalytic converters on Compressor Engines EPNs B2-11, B2-15, and U-102, but has failed to do so.

### 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: ConocoPhillips Company, Docket No. 2009-1476-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, establish and maintain documents and records to demonstrate compliance with 30 TEX. ADMIN. CODE § 106.263(g) for the emissions from the Plant's routine and predictable maintenance, startup and shutdown activities;
  - b. Within 30 days after the effective date of this Agreed Order, install monitoring devices to record the inlet flue gas temperature going to the catalytic converters on Compressor Engines EPNs B2-11, B2-15, and U-102, as required by Federal Operating Permit O-00234/General Oil and Gas Operating Permit 514(b)(28); and
  - c. Within 45 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including

photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision Nos. 2.a. and 2.b. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, 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 Plant 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 S. Sullivan  
For the Executive Director

2/25/2010  
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.

Mitchell Scarborough  
Signature

Dec 16, 2009  
Date

Mitchell Scarborough  
Name (Printed or typed)  
Authorized Representative of  
ConocoPhillips Company

OPERATIONS MANAGER PAB  
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.

