

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2010-0219-AIR-E **TCEQ ID:** RN100211473 **CASE NO.:** 39105
RESPONDENT NAME: WTG Gas Processing, L.P.

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: East Vealmoor Gas Plant, located 16 miles north of Coahoma on Texas Farm-to-Market Road 846, Howard County</p> <p>TYPE OF OPERATION: Gas processing plant</p> <p>SMALL BUSINESS: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on August 16, 2010. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Nadia Hameed, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3629; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495 Respondent: Mr. Bob Stewart, Environmental Coordinator, WTG Gas Processing, L.P., 211 North Colorado Street, Midland, Texas 79701 Mr. J. L. Davis, President, WTG Gas Processing, L.P., 211 North Colorado Street, Midland, Texas 79701 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:		
VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: January 8, 2010</p> <p>Date of NOV/NOE Relating to this Case: January 22, 2010 (NOE)</p> <p>Background Facts: This was a records review.</p> <p>AIR</p> <p>1) Failure to conduct stack testing every five years. The incinerator stack testing should have been conducted by October 24, 2008, but was not completed until November 17, 2009 [30 TEX. ADMIN. CODE § 116.115(e), Air Permit No. 20137, Special Condition No. 16F, and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>2) Failure to conduct biennial engine testing on Emission Point Numbers CM-31 and CM-32 for nitrogen oxides and carbon monoxide. The testing was required to have been conducted by July 26, 2009, but the test was not completed until January 4, 2010, for CM-31 and on January 5, 2010 for CM-32 [30 TEX. ADMIN. CODE § 106.512(2)C)(iii) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p> <p>3) Failure to report all instances of deviation. Specifically, the Respondent did not report two deviations in its January 13, 2009 through July 12, 2009 and July 13, 2009 through October 4, 2009 deviation reports [30 TEX. ADMIN. CODE § 122.145(2)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$4,850</p> <p>Total Deferred: \$970 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$3,880</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:</p> <p>a. On November 17, 2009, completed the stack testing on the incinerator and also put measures in place to ensure that future tests are conducted in a timely manner;</p> <p>b. On January 5, 2010, completed the testing on the engines on CM-31 and CM-32 and also put measures in place to ensure that future tests are conducted in a timely manner; and</p> <p>c. On February 23, 2010, an updated deviation report was submitted to the TCEQ Regional Office.</p> <p>Ordering Provisions:</p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order, implement measures designed to ensure that all deviations are reported in a timely manner in the 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): HT0016G



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	25-Jan-2010	Screening	4-Feb-2010	EPA Due	19-Oct-2010
	PCW	24-Feb-2010				

RESPONDENT/FACILITY INFORMATION	
Respondent	WTG Gas Processing, L.P.
Reg. Ent. Ref. No.	RN100211473
Facility/Site Region	7-Midland
Major/Minor Source	Major

CASE INFORMATION			
Enf./Case ID No.	39105	No. of Violations	3
Docket No.	2010-0219-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Nadia Hameed
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

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

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 *Capped at the Total EB \$ Amount
Approx. Cost of Compliance

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 Indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

PAYABLE PENALTY

Screening Date 4-Feb-2010

Docket No. 2010-0219-AIR-E

PCW

Respondent WTG Gas Processing, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39105

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100211473

Media [Statute] Air

Enf. Coordinator Nadia Hameed

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)	3	15%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 75%

>> 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

Penalty enhancement due to three 1660 agreed orders with denial of liability and three same or similar NOV's.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 75%

Screening Date 4-Feb-2010

Docket No. 2010-0219-AIR-E

PCW

Respondent WTG Gas Processing, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39105

PCW Revision October 30, 2009

Reg. Ent. Reference No. RN100211473

Media [Statute] Air

Enf. Coordinator Nadia Hameed

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Air Permit No. 20137, Special Condition No. 16F and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to conduct stack testing every five years. The testing should have been conducted on the incinerator by October 24, 2008, but was not completed until November 17, 2009.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				10%
Potential			X	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0%

Matrix Notes

Human health or the environment had the potential to be exposed to insignificant amounts of pollutants which were not likely to exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1 Number of violation days 389

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

Violation Base Penalty \$1,000

One single event is recommended for the one late stack test.

Good Faith Efforts to Comply

25.0% Reduction \$250

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

Notes The Respondent completed the corrective action on November 17, 2009, prior to the January 22, 2010, NOE.

Violation Subtotal \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$293 Violation Final Penalty Total \$1,500

This violation Final Assessed Penalty (adjusted for limits) \$1,500

Economic Benefit Worksheet

Respondent WTG Gas Processing, L.P.
Case ID No. 39105
Reg. Ent. Reference No. RN100211473
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	\$500	24-Oct-2008	17-Nov-2009	1.07	\$27	n/a	\$27
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	24-Oct-2008	17-Nov-2009	1.07	\$268	n/a	\$268

Notes for DELAYED costs

Estimated cost for conducting stack testing and for ensuring that future testing dates are not missed. The date required is based on the initial date of non-compliance. The final date is the date the corrective actions 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

\$5,600

TOTAL

\$293

Screening Date 4-Feb-2010

Docket No. 2010-0219-AIR-E

PCW

Respondent WTG Gas Processing, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39106

PCW Revision October 30, 2009

Reg. Ent. Reference No. RN100211473

Media [Statute] Air

Enf. Coordinator Nadia Hameed

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 106.512(2)(C)(iii) and Tex. Health & Safety Code § 382.085(a)

Violation Description

Failed to conduct biennial engine testing on Emission Point Numbers ("EPN") CM-31 and CM-32 for nitrogen oxides and carbon monoxide. The testing was required to have been conducted by July 26, 2009, but the test was not completed until January 4, 2010, for CM-31 and on January 5, 2010 for CM-32.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			x

Percent 10%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment had the potential to be exposed to insignificant amounts of pollutants which were not likely to exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 2

163 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

mark only one with an x

Violation Base Penalty \$2,000

Two single events are recommended for the two late engine tests.

Good Faith Efforts to Comply

25.0% Reduction Before NOV NOV to EDRP/Settlement Offer

\$500

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent completed the corrective actions on January 5, 2010, prior to the January 22, 2010, NOE.

Violation Subtotal \$1,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$223

Violation Final Penalty Total \$3,000

This violation Final Assessed Penalty (adjusted for limits) \$3,000

Economic Benefit Worksheet

Respondent WTG Gas Processing, L.P.
Case ID No. 39105
Reg. Ent. Reference No. RN100211473
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
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	28-Jul-2009	5-Jan-2010	0.45	\$223	n/a	\$223

Notes for DELAYED costs

Estimated cost for conducting engine testing and for ensuring that future testing dates are not missed. The date required is based on the initial date of non-compliance. The final date is the date the corrective actions 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

\$10,000

TOTAL

\$223

Screening Date 4-Feb-2010

Docket No. 2010-0219-AIR-E

PCW

Respondent WTG Gas Processing, L.P.

Policy Revision 2 (September 2002)

Case ID No. 39105

PCW Revision October 30, 2009

Reg. Ent. Reference No. RN100211473

Media [Statute] Air

Enf. Coordinator Nadia Hameed

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 122.145(2)(A) and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to report all instances of deviation. Specifically, the Respondent did not report two deviations in its January 13, 2009 through July 12, 2009 and July 13, 2009 through October 4, 2009 deviation reports.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual					0%
Potential					

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
				X	1%
At least 70% of the rule requirement was met.					

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 2 Number of violation days 226

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

Violation Base Penalty \$200

Two single events are recommended based upon the two deviation reports that were submitted not containing all the deviations.

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 \$200

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$59

Violation Final Penalty Total \$350

This violation Final Assessed Penalty (adjusted for limits) \$350

Economic Benefit Worksheet

Respondent WTG Gas Processing, L.P.
Case ID No. 39105
Reg. Ent. Reference No. RN100211473
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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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	\$1,000	12-Jul-2009	21-Jul-2010	1.02	\$51	n/a	\$51
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	12-Jul-2009	23-Feb-2010	0.62	\$8	n/a	\$8

Notes for DELAYED costs: Estimated cost for change in procedures and training to ensure that all deviations are reported. The updated deviation report was submitted on 02/23/2010. The date required is based on the initial date of non-compliance. The final date is the date the corrective actions were completed and are expected to be completed.

Avoided Costs

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

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

Notes for AVOIDED costs:

Approx. Cost of Compliance	\$1,250	TOTAL	\$59
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Compliance History Report

Customer/Respondent/Owner-Operator: CN600125439 WTG Gas Processing, L.P. Classification: AVERAGE Rating: 7.09
Regulated Entity: RN100211473 EAST VEALMOOR GAS PLANT Classification: AVERAGE Site Rating: 39.25

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	HT0016G
	AIR OPERATING PERMITS	PERMIT	3180
	AIR NEW SOURCE PERMITS	REGISTRATION	91700
	AIR NEW SOURCE PERMITS	PERMIT	5301
	AIR NEW SOURCE PERMITS	PERMIT	8461
	AIR NEW SOURCE PERMITS	PERMIT	20137
	AIR NEW SOURCE PERMITS	REGISTRATION	27064
	AIR NEW SOURCE PERMITS	REGISTRATION	37218
	AIR NEW SOURCE PERMITS	REGISTRATION	47146
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	HT0016G
	AIR NEW SOURCE PERMITS	AFS NUM	4822700003
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	HT0016G

Location: 16 MI NORTH OF COAHOMA ON TEXAS FM 846

TCEQ Region: REGION 07 - MIDLAND

Date Compliance History Prepared: February 01, 2010

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: February 01, 2005 to February 01, 2010

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

Name: Nadia Hameed Phone: 713-767-3629

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.

Effective Date: 07/15/2005

ADMINORDER 2004-1629-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)

30 TAC Chapter 122, SubChapter B 122.146

5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit complete and timely Annual Federal Operating PCC and associated DRs for March 10, 2003 to January 12, 2004

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit No. 20137, Special Condition 8 PERMIT

Description: Failed to maintain the maximum pounds/hour (lbs/hr) allowable emission rate for sulfur dioxide

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit No. 20137, Special Condition 4 PERMIT

Description: Failed to maintain the minimum sulfur recovery efficiency rate based on the amount of sulfur being processed

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit No. 20137, Special Condition 1 PERMIT

Description: Failed to conduct monthly leak detection monitoring for VOC emissions

Effective Date: 01/28/2008

ADMINORDER 2007-0722-AIR-E

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

30 TAC Chapter 122, SubChapter B 122.145(2)(C)

30 TAC Chapter 122, SubChapter B 122.146(2)

5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to submit an annual certification and semi-annual deviation reports within 30 days and submit all instances of deviations, as documented during an investigation conducted on February 13, 2007. Specifically, the annual certification for the period 1/13/05 through 1/12/06 and the semi-annual deviation reports for the periods 1/13/04 through 7/12/04 and 1/13/05 through 7/12/05 were not submitted within 30 days and failed to include all instances of failure to comply with minimum srU effs.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: 5301 PERMIT

Special Condition 6.B. PERMIT

Description: Failed to perform the annual evaluation of the catalyst degradation for Emission Point No. CM-20, in violation of 30 TEX. ADMIN. CODE § 116.115(c), New Source Review ("NSR") Permit No. 5301, Special Condition No. 6B and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 13, 2007.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)

30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT LLL 60.642(b)

5C THC Chapter 382, SubChapter D 382.085(b)

Rqmt Prov: MAERT PERMIT

Description: Failed to prevent the exceedance of sulfur dioxide and maintaining sulfur dioxide reduction efficiency above the 74% federal minimum requirement and 94% permitted minimum requirement for the reporting periods January 13, 2004 to January 12, 2007, as documented during an investigation conducted on February 13, 2007.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)

30 TAC Chapter 122, SubChapter B 122.146(2)

5C THC Chapter 382, SubChapter D 382.085(b)

Description: Failed to properly submit semi-annual deviation reports and include all instances of deviations, as documented during an investigation conducted on February 13, 2007. Specifically, semi-annual deviation reports for the reporting periods 7/13/04 - 1/12/05, 7/13/05 - 1/12/06, 1/13/06 - 7/12/06 and 7/13/06 - 1/12/07 did not include deviations for the late submittal of previous deviation reports and included incorrect reporting of instances where WTG failed to comply with minimum SRU efficiencies.

Effective Date: 10/04/2009

ADMINORDER 2009-0210-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 5 PERMIT

Description: Failure to maintain a minimum sulfur reduction efficiency of 94.0%. Specifically, the minimum efficiency was not met on the following dates in 2007: January 3 (92.46%), February 9 (86.09%), February 27 (93.94%), March 1 (93.1%) April 26 (93.0%), May 2 (93.4%), May 14 (93.5%), and May 25 (93.6%).

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

N/A

C. Chronic excessive emissions events.

N/A

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

1	01/20/2008	(377556)
2	05/18/2006	(466719)
3	04/04/2007	(555226)
4	01/16/2009	(685433)
5	07/01/2009	(760328)
6	08/03/2009	(764110)
7	09/09/2009	(775260)
8	01/22/2010	(787934)
9	01/22/2010	(789064)
10	01/26/2010	(789444)

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

Date: 01/16/2009 (685433)

CN600125439

Self Report? NO

Classification: Major

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

Description: Failure to properly report deviations involving the failure to comply with the permitted minimum sulfur recovery unit efficiencies. All deviations due to the SRU inability to maintain efficiency were reported as deviations; however, the entries were for specified periods of time rather than individual days. Each deviation should be reported separately.

Date: 08/03/2009 (764110)

CN600125439

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Description: Failure to submit RATA test to regional office within 30 days of test.

Self Report? NO

Classification: Moderate

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

Description: Failure to report all instances of deviation on deviation report.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
NSR Permit No. 20137 PERMIT

Description: Failure to maintain records as stipulated in the permit.

Date: 01/15/2010 (787934)

CN600125439

Self Report? NO

Classification: Moderate

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

Description: Failure to submit Annual Compliance Certification within 30 days of the end of the certification period.

Self Report?	NO	Classification:	Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)(C) 5C THSC Chapter 382 382.085(b)		
Description:	Failure to submit deviation report within 30 days of the end of the certification period.		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(c) 5C THSC Chapter 382 382.085(b) Special Condition No. 2 PERMIT		
Description:	Failure to submit a written report of excess emissions to the TCEQ regional office within 30 days of the end of the six-month period (three counts).		
Self Report?	NO	Classification:	Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b)		
Description:	Failure to report all instances of deviation in deviation reports.		

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
WTG GAS PROCESSING, L.P.
RN100211473

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

AGREED ORDER
DOCKET NO. 2010-0219-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 WTG Gas Processing, L.P. ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a gas processing plant 16 miles north of Coahoma on Texas Farm-to-Market Road 846 in Howard 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 January 27, 2010.
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 Four Thousand Eight Hundred Fifty Dollars (\$4,850) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Three Thousand Eight Hundred Eighty Dollars (\$3,880) of the administrative penalty and Nine Hundred Seventy Dollars (\$970) is deferred

contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On November 17, 2009, completed the stack testing on the incinerator and also put measures in place to ensure that future tests are conducted in a timely manner;
 - b. On January 5, 2010, completed the testing on the engines on CM-31 and CM-32 and also put measures in place to ensure that future tests are conducted in a timely manner; and
 - c. On February 23, 2010, an updated deviation report was submitted to the TCEQ Regional Office.
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 conduct stack testing every five years, in violation of 30 TEX. ADMIN. CODE § 116.115(c), Air Permit No. 20137, Special Condition No. 16F and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on January 8, 2010. The incinerator stack testing should have been conducted by October 24, 2008, but was not completed until November 17, 2009.
2. Failed to conduct biennial engine testing on Emission Point Numbers ("EPN") CM-31 and CM-32 for nitrogen oxides and carbon monoxide, in violation of 30 TEX. ADMIN. CODE

§ 106.512(2)C(iii) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on January 8, 2010. The testing was required to have been conducted by July 26, 2009, but the test was not completed until January 4, 2010, for CM-31 and on January 5, 2010 for CM-32.

3. Failed to report all instances of deviation, in violation of 30 TEX. ADMIN. CODE § 122.145(2)(A) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on January 8, 2010. Specifically, the Respondent did not report two deviations in its January 13, 2009 through July 12, 2009 and July 13, 2009 through October 4, 2009 deviation reports.

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: WTG Gas Processing, L.P., Docket No. 2010-0219-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 measures designed to ensure that all deviations are reported in a timely manner in the 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
Midland Regional Office
Texas Commission on Environmental Quality
3300 North A Street, Building 4-107
Midland, Texas 79705-5406

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



For the Executive Director

Date 7/8/2010

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.

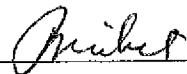


Signature

Date 6-8-10



Name (Printed or typed)
Authorized Representative of
WTG Gas Processing, L.P.



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.