

Executive Summary – Enforcement Matter – Case No. 46820
OILFIELD SOLUTIONS, LTD.
RN103177523
Docket No. 2013-0902-MLM-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MLM - AIR, IHW, WQ

Small Business:

No

Location(s) Where Violation(s) Occurred:

Oilfield Solutions Midland, 2614 South County Road 1257, Midland, Midland County

Type of Operation:

Chemical blending facility

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: October 18, 2013

Comments Received: No

Penalty Information

Total Penalty Assessed: \$32,890

Amount Deferred for Expedited Settlement: \$6,578

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$26,312

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2011

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: March 13, 2013

Date(s) of NOE(s): April 18, 2013

Executive Summary – Enforcement Matter – Case No. 46820
OILFIELD SOLUTIONS, LTD.
RN103177523
Docket No. 2013-0902-MLM-E

Violation Information

1. Failed to utilize scrubbers at all tank and drum loadings and fillings [30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b) and New Source Review ("NSR") Permit No. 55380, Special Conditions No. 6].
2. Failed to comply with the requirement to have the uninsulated exposed exterior tank surface beige, aluminum or white. Specifically, the investigator documented that Tank No. T-03 was gray in color, which is not allowed by the permit [30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b) and NSR Permit No. 55380, Special Condition No. 2.a.].
3. Failed to operate as represented in the permit. Specifically, Tank No. T-03 was used to store toluene instead of xylene as required by the permit. Also, methyl alcohol was dispensed directly into totes as wholesale, which is not represented in the permit [30 TEX. ADMIN. CODE § 116.116(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b)].
4. Failed to conduct waste determinations and classifications on all waste streams generated. Specifically, Respondent failed to conduct and classify the following wastestreams: 1) approximately 4,000 pounds of contaminated dry sweep located outside, approximately five feet from the west fence line, and approximately 10 feet from the north fence line; 2) approximately 275 gallons of unknown liquid and solid waste located in an open-topped tote, located approximately 10 feet east of the west fence line; 3) approximately 80 gallons of unknown liquid located in a yellow drum drip pan, located within the tote storage area approximately 30 feet from the east fence line and approximately 40 feet north of the northeast entrance of the property; 5) approximately 30 gallons of unknown liquid in nine buckets located outside on the west side of the reactor building; 6) approximately 20 gallons of unknown liquid located in the sump near blender vat no. 1; and 7) approximately four gallons of unknown liquid located in three buckets located inside the reactor building across from the laboratory door [30 TEX. ADMIN. CODE §§ 335.62, 335.503 and 335.513 and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 262.11].
5. Failed to make records immediately available upon request by TCEQ personnel. Specifically, Respondent did not provide records used to determine waste stream characteristics and manifests for the off-site disposal of wastes for the period of March 2011 through March 2013. In addition, Respondent failed to provide the following records: 1) all records from March 2011 through March 2013 required for compliance with Special Condition 17 of NSR Permit No. 55380; 2) all documentation from March 2011 through March 2013, necessary to determine total emissions of all facilities represented under Permit by Rule ("PBR") No. 72938; 3) all receiving shipments of bulk chemicals or product from tankers, totes, or drum containers (55 gallons or greater) beginning March 2012 to March 2013; 4) all delivering shipments of bulk chemicals or

Executive Summary – Enforcement Matter – Case No. 46820
OILFIELD SOLUTIONS, LTD.
RN103177523
Docket No. 2013-0902-MLM-E

product in tankers, totes, or drum containers (55 gallons or greater) beginning March 2012 to March 2013; 5) the drum/tote loading throughput of the wholesale operation of methyl alcohol; and 6) the 2011 records of loading of drums/totes of toluene, formaldehyde, and methyl alcohol [30 TEX. ADMIN. CODE §§ 335.9(a)(1), 335.513 and 116.115(b)(2)(E)(iii) and TEX. HEALTH & SAFETY CODE § 382.085(b)].

6. Failed to prevent the unauthorized discharge of industrial solid waste. Specifically, spills had occurred from several containers stored outside [30 TEX. ADMIN. CODE § 335.4(1) and TEX. WATER CODE § 26.121].

7. Failed to obtain authorization to discharge storm water associated with industrial activities under the Texas Pollutant Discharge Elimination System (“TPDES”) Multi-Sector General Permit (“MSGP”) TXR050000. Specifically, Respondent was operating a chemical blending business without a TPDES permit [30 TEX. ADMIN. CODE § 281.25(a)(4) and 40 CFR § 122.26(c)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require Respondent to:

- a. Immediately, begin maintaining records.
- b. Within 30 days:
 - i. Utilize scrubbers at all tank and drum loadings and fillings;
 - ii. Comply with the uninsulated tank exterior surface requirement for Tank No. T-03;
 - iii. Cease storing toluene in Tank No. T-03 and dispensing methyl alcohol directly into totes, and comply with the storage and loading requirements for Tank No. T-03 or modify NSR Permit No. 55380;
 - iv. Conduct waste determinations and classification on all waste streams generated at the Plant; and

Executive Summary – Enforcement Matter – Case No. 46820
OILFIELD SOLUTIONS, LTD.
RN103177523
Docket No. 2013-0902-MLM-E

v. Develop and implement a Storm Water Pollution Prevention Plan and submit a Notice of Intent letter to comply with the requirements of TPDES MSGP No. TXR050000.

c. Within 60 days, submit a report demonstrating the applicability of the Texas Risk Reduction Program (“TRRP”) to the Executive Director for approval. If response actions are necessary, comply with all applicable requirements of TRRP which may include: plans, reports, and notices under Subchapter E; and Institutional Controls under Subchapter F.

d. Within 75 days, submit written certification demonstrating compliance with Ordering Provisions a. through c.

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Michael Meyer, Enforcement Division, Enforcement Team 6, MC 128, (512) 239-4492; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456
TCEQ SEP Coordinator: N/A
Respondent: Bob McClure, President, OILFIELD SOLUTIONS, LTD., 2614 South County Road 1257, Midland, Texas 79706
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

DATES	Assigned	25-Apr-2013	Screening	8-May-2013	EPA Due	
	PCW	14-May-2013				

RESPONDENT/FACILITY INFORMATION	
Respondent	OILFIELD SOLUTIONS, LTD.
Reg. Ent. Ref. No.	RN103177523
Facility/Site Region	7-Midland
Major/Minor Source	Minor

CASE INFORMATION		No. of Violations	7
Enf./Case ID No.	46820	Order Type	1660
Docket No.	2013-0902-MLM-E	Government/Non-Profit	No
Media Program(s)	Industrial Hazardous Waste	Enf. Coordinator	Michael Meyer
Multi-Media	Air and Water Quality	EC's Team	Enforcement Team 6
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

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 Reduction 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 8-May-2013

Docket No. 2013-0902-MLM-E

PCW

Respondent OILFIELD SOLUTIONS, LTD.

Policy Revision 3 (September 2011)

Case ID No. 46820

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103177523

Media [Statute] Industrial Hazardous Waste

Enf. Coordinator Michael Meyer

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	1	2%
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

Reduction for high performer classification and enhancement for one NOV with dissimilar violations.

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

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100%

Screening Date 8-May-2013
Respondent OILFIELD SOLUTIONS, LTD.
Case ID No. 46820
Reg. Ent. Reference No. RN103177523
Media [Statute] Industrial Hazardous Waste
Enf. Coordinator Michael Meyer
Violation Number 1

Docket No. 2013-0902-MLM-E

PCW
 Policy Revision 3 (September 2011)
 PCW Revision August 3, 2011

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Tex. Health & Safety Code § 382.085(b) and New Source Review ("NSR") Permit No. 55380, Special Conditions No. 6

Violation Description Failed to utilize scrubbers at all tank and drum loadings and fillings.

Base Penalty \$25,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	5.0%
Potential				

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1 56 Number of violation days

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

Violation Base Penalty \$1,250

One quarterly event is recommended from the March 13, 2013 investigation to the May 8, 2013 screening date.

Good Faith Efforts to Comply

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

\$0

Notes

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

Violation Subtotal \$1,250

Economic Benefit (EB) for this violation

Estimated EB Amount \$100

Statutory Limit Test

Violation Final Penalty Total \$1,150

This violation Final Assessed Penalty (adjusted for limits) \$1,150

Economic Benefit Worksheet

Respondent OILFIELD SOLUTIONS, LTD.
Case ID No. 46820
Reg. Ent. Reference No. RN103177523
Media Industrial Hazardous Waste
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$2,500	13-Mar-2013	31-Dec-2013	0.80	\$100	n/a	\$100

Notes for DELAYED costs

Estimated cost to utilize scrubbers at all tank and drum loadings and fillings. The date required is the investigation date, and the final date is the estimated 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

\$2,500

TOTAL

\$100

Screening Date 8-May-2013
Respondent OILFIELD SOLUTIONS, LTD.
Case ID No. 46820
Reg. Ent. Reference No. RN103177523
Media [Statute] Industrial Hazardous Waste
Enf. Coordinator Michael Meyer
Violation Number 2

Docket No. 2013-0902-MLM-E

PCW

Policy Revision 3 (September 2011)
 PCW Revision August 3, 2011

Rule Cite(s) 30 Tex. Admin. Code § 116.115(c), Tex. Health & Safety Code § 382.085(b) and NSR Permit No. 55380, Special Conditions No. 2.a.
Violation Description Failed to comply with requirement to have the uninsulated exposed exterior tank surface beige, aluminum or white. Specifically, the investigator documented that Tank No. T-03 was gray in color, which is not allowed in the permit.

Base Penalty \$25,000

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual					3.0%
Potential			X		

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation

Adjustment \$24,250

\$750

Violation Events

Number of Violation Events 1 56 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

mark only one with an x

Violation Base Penalty \$750

One single event is recommended.

Good Faith Efforts to Comply

	0.0% Reduction	
	Before NOV	NOV to EDRP/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 \$750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$80

Violation Final Penalty Total \$690

This violation Final Assessed Penalty (adjusted for limits) \$690

Economic Benefit Worksheet

Respondent OILFIELD SOLUTIONS, LTD.
Case ID No. 46820
Reg. Ent. Reference No. RN103177523
Media Industrial Hazardous Waste
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)	\$2,000	13-Mar-2013	31-Dec-2013	0.80	\$80	n/a	\$80

Notes for DELAYED costs

Estimated cost to comply with the unInsulated exterior surface requirement for Tank No. T-03. The date required is the Investigation date, and the final date is the estimated 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

\$2,000

TOTAL

\$80

Screening Date 8-May-2013
Respondent OILFIELD SOLUTIONS, LTD.
Case ID No. 46820
Reg. Ent. Reference No. RN103177523
Media [Statute] Industrial Hazardous Waste
Enf. Coordinator Michael Meyer
Violation Number 3

Docket No. 2013-0902-MLM-E

PCW

Policy Revision 3 (September 2011)
 PCW Revision August 3, 2011

Rule Cite(s) 30 Tex. Admin. Code § 116.116(a)(1) and Tex. Health & Safety Code § 382.085(b)
Violation Description Failed to operate as represented in the permit. Specifically, Tank No. T-03 was used to store toluene instead of xylene as required by the permit. Also, methyl alcohol was dispensed directly into totes as wholesale, which is not represented in the permit.

Base Penalty \$25,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual				0.0%
Potential				

>> **Programmatic Matrix**

Falsification	Harm			Percent
	Major	Moderate	Minor	
	x			5.0%

Matrix Notes 100% of the rule requirement was not met.
Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events Number of violation days

mark only one with an x

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$2,500

Two monthly events are recommended from the May 13, 2013 investigation to the May 8, 2013 screening date.

Good Faith Efforts to Comply

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

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

Violation Subtotal \$2,500

Economic Benefit (EB) for this violation

Estimated EB Amount \$100

Statutory Limit Test

Violation Final Penalty Total \$2,300

This violation Final Assessed Penalty (adjusted for limits) \$2,300

Economic Benefit Worksheet

Respondent OILFIELD SOLUTIONS, LTD.

Case ID No. 46820

Reg. Ent. Reference No. RN103177523

Media Industrial Hazardous Waste

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				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)	\$2,500	13-Mar-2013	31-Dec-2013	0.80	\$100	n/a	\$100

Notes for DELAYED costs

Estimated cost to cease storing toluene in Tank No. T-03, and dispensing methyl alcohol directly into totes, and comply with the storage and loading requirements of the permit. The date required is the investigation date, and the final date is the estimated 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

\$2,500

TOTAL

\$100

Screening Date 8-May-2013
 Respondent OILFIELD SOLUTIONS, LTD.
 Case ID No. 46820

Docket No. 2013-0902-MLM-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103177523
 Media [Statute] Industrial Hazardous Waste
 Enf. Coordinator Michael Meyer

Violation Number

Rule Cite(s) 30 Tex. Admin. Code §§ 335.62, 335.503, 335.513 and 40 Code of Federal Regulations ("CFR") § 262.11

Violation Description

Failed to conduct waste determinations and classifications on all waste streams generated. Specifically, the Respondent failed to conduct and classify the following wastestreams: 1) approximately 4,000 pounds of contaminated dry sweep located outside, approximately five feet from the west fence line, and approximately 10 feet from the north fence line; 2) approximately 275 gallons of unknown liquid and solid waste located in an open-topped tote, located approximately 10 feet east of the west fence line; 3) approximately 80 gallons of unknown liquid located in a yellow drum drip pan, located within the tote storage area approximately 30 feet from the east fence line and approximately 40 feet north of the northeast entrance of the property; 5) approximately 30 gallons of unknown liquid in nine buckets located outside on the west side of the reactor building; 6) approximately 20 gallons of unknown liquid located in the sump near blender vat no. 1; and 7) approximately four gallons of unknown liquid located in three buckets located inside the reactor building across from the laboratory door.

Base Penalty

>> Environmental, Property and Human Health Matrix

Release	Harm			Percent
	Major	Moderate	Minor	
Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="15.0%"/>
Potential	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>

Matrix Notes

Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

Violation Events

Number of Violation Events Number of violation days

mark only one with an x

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="checkbox"/>

Violation Base Penalty

Seven single events are recommended (one event for each waste stream).

Good Faith Efforts to Comply

	0.0% Reduction	
	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary	<input type="text"/>	<input type="text"/>
Ordinary	<input type="text"/>	<input type="text"/>
N/A	<input checked="" type="checkbox"/>	(mark with x)

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

Violation Subtotal

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Screening Date 8-May-2013
 Respondent OILFIELD SOLUTIONS, LTD.
 Case ID No. 46820

Docket No. 2013-0902-MLM-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103177523
 Media [Statute] Industrial Hazardous Waste
 Enf. Coordinator Michael Meyer

Violation Number 5
 Rule Cite(s)

30 Tex. Admin. Code §§ 335.9(a)(1), 335.513 and 116.115(b)(2)(E)(III), Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to make records immediately available for review upon request by TCEQ personnel. Specifically, the Respondent did not provide records used to determine waste stream characteristics and manifests for off-site disposal of wastes for the period of March 2011 through March 2013. In addition, the Respondent failed to provide the following records: 1) all records from March 2011 through March 2013 required for compliance with Special Condition 17 of NSR Permit No. 55380; 2) all documentation from March 2011 through March 2013, necessary to determine total emissions of all facilities represented under Permit by Rule ("PBR") No. 72938; 3) all receiving shipments of bulk chemicals or product from tankers, totes, or drum containers (55 gallons or greater) beginning March 2012 to March 2013; 4) all delivering shipments of bulk chemicals or product in tankers, totes, or drum containers (55 gallons or greater) beginning March 2012 to March 2013; 5) the drum/tote loading throughput of the wholesale operation of methyl alcohol; and 6) the 2011 records of loading of drums/totes of toluene, formaldehyde, and methyl alcohol.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual					0.0%
Potential					

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
	X			5.0%

Matrix Notes 100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1 56 Number of violation days

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

Violation Base Penalty \$1,250

One single event is recommended.

Good Faith Efforts to Comply

	0.0% Reduction	\$0
	Before NOV NOV to EDRP/Settlement Offer	
Extraordinary		
Ordinary		
N/A	X (mark with x)	
Notes	The Respondent does not meet the good faith criteria for this violation.	

Violation Subtotal \$1,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$36 Violation Final Penalty Total \$1,150

This violation Final Assessed Penalty (adjusted for limits) \$1,150

Economic Benefit Worksheet

Respondent OILFIELD SOLUTIONS, LTD.

Case ID No. 46820

Reg. Ent. Reference No. RN103177523

Media Industrial Hazardous Waste

Violation No. 5

Percent Interest 5.0 | **Years of Depreciation** 15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**

Item Description No commas or \$

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$1,000	13-Mar-2013	30-Nov-2013	0.72	\$36	n/a	\$36
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 cost to maintain records. The date required is the investigation date, and the final date is the estimated date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

TOTAL

\$36

Screening Date 8-May-2013
Respondent OILFIELD SOLUTIONS, LTD.
Case ID No. 46820
Reg. Ent. Reference No. RN103177523
Media [Statute] Industrial Hazardous Waste
Enf. Coordinator Michael Meyer
Violation Number 6

Docket No. 2013-0902-MLM-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Rule Cite(s) 30 Tex. Admin. Code 335.4(1) and Tex. Water Code § 26.121
Violation Description Failed to prevent the unauthorized discharge of industrial solid waste. Specifically, spills had occurred from several containers stored outside.

Base Penalty \$25,000

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

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			X	5.0%
Potential				

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1 56 Number of violation days

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

Violation Base Penalty \$1,250

One quarterly event is recommended from the March 13, 2013 investigation date to the May 8, 2013 screening date.

Good Faith Efforts to Comply

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

\$0

Notes

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

Violation Subtotal \$1,250

Economic Benefit (EB) for this violation

Estimated EB Amount \$444

Statutory Limit Test

Violation Final Penalty Total \$1,150

This violation Final Assessed Penalty (adjusted for limits) \$1,150

Economic Benefit Worksheet

Respondent OILFIELD SOLUTIONS, LTD.

Case ID No. 46820

Reg. Ent. Reference No. RN103177523

Media Industrial Hazardous Waste

Violation No. 6

Percent Interest 5.0 | **Years of Depreciation** 15

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

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal	\$10,000	13-Mar-2013	31-Jan-2014	0.89	\$444	n/a	\$444
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to prepare and submit a report demonstrating the applicability of the Texas Risk Reduction Program. The date required is the investigation date, and the final date is the estimated date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$444

Screening Date 8-May-2013
Respondent OILFIELD SOLUTIONS, LTD.
Case ID No. 46820
Reg. Ent. Reference No. RN103177523
Media [Statute] Industrial Hazardous Waste
Enf. Coordinator Michael Meyer

Docket No. 2013-0902-MLM-E

PCW

Policy Revision 3 (September 2011)
 PCW Revision August 3, 2011

Violation Number

Rule Cite(s)

Violation Description

Failed to obtain authorization to discharge storm water associated with industrial activities under the Texas Pollutant Discharge Elimination System ("TPDES") Multi-Sector General Permit ("MSGP") No. TXR050000. Specifically, the Respondent was operating a chemical blending business without a TPDES permit.

Base Penalty

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

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0.0%"/>
	Potential	<input type="text"/>	<input type="text"/>	<input type="text"/>	

>> **Programmatic Matrix**

Falsification	Harm			Percent
	Major	Moderate	Minor	
<input type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value="5.0%"/>

Matrix Notes

100% of the rule requirement was not met.

Adjustment

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty

Two monthly events are recommended from the March 13, 2013 investigation to the May 8, 2013 screening date.

Good Faith Efforts to Comply

	<input type="text" value="0.0%"/>	Reduction	<input type="text" value="\$0"/>
	Before NOV	NOV to EDRP/Settlement Offer	
Extraordinary	<input type="text"/>	<input type="text"/>	
Ordinary	<input type="text"/>	<input type="text"/>	
N/A	<input checked="" type="checkbox"/>	(mark with x)	

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

Violation Subtotal

Economic Benefit (EB) for this violation

Estimated EB Amount

Statutory Limit Test

Violation Final Penalty Total

This violation Final Assessed Penalty (adjusted for limits)

Economic Benefit Worksheet

Respondent OILFIELD SOLUTIONS, LTD.

Case ID No. 46820

Reg. Ent. Reference No. RN103177523

Media Industrial Hazardous Waste

Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

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

Delayed Costs

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$2,000	13-Mar-2013	31-Dec-2013	0.80	\$80	n/a	\$80
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to submit a Notice of Intent and develop and implement a storm water pollution prevention plan to obtain a TPDES MSGP. The date required is the investigation date, and the final date is the estimated date of compliance.

Avoided Costs

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

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

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$80

The TCEQ is committed to accessibility.
To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



Compliance History Report

PUBLISHED Compliance History Report for CN601706443, RN103177523, Rating Year 2012 which Includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

Customer, Respondent, or Owner/Operator:	CN601706443, Oilfield Solutions LTD	Classification: SATISFACTORY	Rating: 0.44
Regulated Entity:	RN103177523, OILFIELD SOLUTIONS MIDLAND	Classification: SATISFACTORY	Rating: 0.44
Complexity Points:	6	Repeat Violator: NO	
CH Group:	05 - Chemical Manufacturing		
Location:	2614 S COUNTY ROAD 1257 MIDLAND, TX 79706-2845, MIDLAND COUNTY		
TCEQ Region:	REGION 07 - MIDLAND		

ID Number(s):			
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 89031		INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000080043	
AIR NEW SOURCE PERMITS PERMIT 55380		AIR NEW SOURCE PERMITS REGISTRATION 72938	
AIR NEW SOURCE PERMITS REGISTRATION 113051		INDUSTRIAL AND HAZARDOUS WASTE NONPERMITTED ID NUMBER F2053	

Compliance History Period: September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

Date Compliance History Report Prepared: December 11, 2013

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: April 26, 2008 to April 26, 2013

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Michael Meyer **Phone:** (512) 239-4492

Site and Owner/Operator History:

- 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 for #2, who is the current owner/operator? N/A
- 4) If YES for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If YES, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:
N/A

B. Criminal convictions:
N/A

C. Chronic excessive emissions events:
N/A

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

Item 1	February 11, 2013	(1056546)
Item 2	March 20, 2013	(1075610)
Item 3	April 03, 2013	(1075701)
Item 4	April 08, 2013	(1077864)

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

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1 Date: 03/18/2013 (1058123) CN601706443
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.4
 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(H)(I)
 Permit 55380 General Condition 10 PERMIT
Description: Failure to prevent the discharge from any source whatsoever one or more air
 contaminants or combinations thereof, in such concentration and of such duration
 as are or may tend to be injurious to or to adversely affect human health or
 welfare. The regulated entity failed to comply with 30 TAC 101.4 by generating a
 nuisance odor.

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
OILFIELD SOLUTIONS, LTD.
RN103177523**

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

AGREED ORDER DOCKET NO. 2013-0902-MLM-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding OILFIELD SOLUTIONS, LTD. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE chs. 361 and 382 and TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical blending facility at 2614 South County Road 1257 in Midland, Midland County, Texas (the "Plant").
2. The Plant involves or involved the management of industrial solid and hazardous waste as defined in TEX HEALTH & SAFETY CODE ch. 361. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12). The Plant adjoins, is contiguous with, surrounds, or is near or adjacent to water in the state as defined in TEX. WATER CODE § 26.001(5).
3. The Executive Director 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 April 23, 2013.
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 Thirty-Two Thousand Eight Hundred Ninety Dollars (\$32,890) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twenty-Six Thousand Three Hundred Twelve Dollars (\$26,312) of the administrative penalty and Six Thousand Five Hundred Seventy-Eight Dollars (\$6,578) 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 and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

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

1. Failed to utilize scrubbers at all tank and drum loadings and fillings, in violation of 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b) and New Source Review ("NSR") Permit No. 55380, Special Conditions No. 6, as documented during an investigation conducted on March 13, 2013.
2. Failed to comply with the requirement to have the uninsulated exposed exterior tank surface beige, aluminum or white, in violation of 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b) and NSR Permit No. 55380, Special Condition No. 2.a., as documented during an investigation conducted on March 13, 2013. Specifically, the investigator documented that Tank No. T-03 was gray in color, which is not allowed by the permit.

3. Failed to operate as represented in the permit, in violation of 30 TEX. ADMIN. CODE § 116.116(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on March 13, 2013. Specifically, Tank No. T-03 was used to store toluene instead of xylene as required by the permit. Also, methyl alcohol was dispensed directly into totes as wholesale, which is not represented in the permit.
4. Failed to conduct waste determinations and classifications on all waste streams generated, in violation of 30 TEX. ADMIN. CODE §§ 335.62, 335.503 and 335.513 and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 262.11, as documented during an investigation conducted on March 13, 2013. Specifically, the Respondent failed to conduct and classify the following wastestreams: 1) approximately 4,000 pounds of contaminated dry sweep located outside, approximately five feet from the west fence line, and approximately 10 feet from the north fence line; 2) approximately 275 gallons of unknown liquid and solid waste located in an open-topped tote, located approximately 10 feet east of the west fence line; 3) approximately 80 gallons of unknown liquid located in a yellow drum drip pan, located within the tote storage area approximately 30 feet from the east fence line and approximately 40 feet north of the northeast entrance of the property; 5) approximately 30 gallons of unknown liquid in nine buckets located outside on the west side of the reactor building; 6) approximately 20 gallons of unknown liquid located in the sump near blender vat no. 1; and 7) approximately four gallons of unknown liquid located in three buckets located inside the reactor building across from the laboratory door.
5. Failed to make records immediately available upon request by TCEQ personnel, in violation of 30 TEX. ADMIN. CODE § 335.9(a)(1), 335.513 and 116.115(b)(2)(E)(iii) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on March 13, 2013. Specifically, the Respondent did not provide records used to determine waste stream characteristics and manifests for the off-site disposal of wastes for the period of March 2011 through March 2013. In addition, the Respondent failed to provide the following records: 1) all records from March 2011 through March 2013 required for compliance with Special Condition 17 of NSR Permit No. 55380; 2) all documentation from March 2011 through March 2013, necessary to determine total emissions of all facilities represented under Permit by Rule ("PBR") No. 72938; 3) all receiving shipments of bulk chemicals or product from tankers, totes, or drum containers (55 gallons or greater) beginning March 2012 to March 2013; 4) all delivering shipments of bulk chemicals or product in tankers, totes, or drum containers (55 gallons or greater) beginning March 2012 to March 2013; 5) the drum/tote loading throughput of the wholesale operation of methyl alcohol; and 6) the 2011 records of loading of drums/totes of toluene, formaldehyde, and methyl alcohol.
6. Failed to prevent the unauthorized discharge of industrial solid waste, in violation of 30 TEX. ADMIN. CODE § 335.4(1) and TEX. WATER CODE § 26.121, as documented during an investigation conducted on March 13, 2013. Specifically, spills had occurred from several containers stored outside.
7. Failed to obtain authorization to discharge storm water associated with industrial activities under the Texas Pollutant Discharge Elimination System ("TPDES") Multi-Sector General Permit ("MSGP") TXR050000, in violation of 30 TEX. ADMIN. CODE § 281.25(a)(4) and 40 CFR § 122.26(c), as documented during an investigation conducted on March 13, 2013. Specifically, the Respondent was operating a chemical blending business without a TPDES permit.

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: OILFIELD SOLUTIONS, LTD., Docket No. 2013-0902-MLM-E" to:

Financial Administration Division, Revenue Operations 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. Immediately upon the effective date of this Agreed Order, begin maintaining records, in accordance with 30 TEX. ADMIN. CODE §§ 116.115(b)(2)(E)(iii), 335.9(a)(1), and 335.513 and TEX. HEALTH & SAFETY CODE § 382.085(b).
 - b. Within 30 days after the effective date of this Agreed Order:
 - i. Utilize scrubbers at all tank and drum loadings and fillings, in accordance with 30 TEX. ADMIN CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b) and NSR Permit No. 55380, Special Conditions No. 6;
 - ii. Comply with the uninsulated tank exterior surface requirement for Tank No. T-03, in accordance with 30 TEX. ADMIN. CODE § 116.115(c), TEX. HEALTH & SAFETY CODE § 382.085(b) and NSR Permit No. 55380, Special Conditions No. 2.a.;
 - iii. Cease storing toluene in Tank No. T-03 and dispensing methly alcohol directly into totes, and comply with the storage and loading requirements for Tank No. T-03 or modify NSR Permit No. 55380, in accordance with 30 TEX. ADMIN. CODE §116.116(a)(1) and TEX. HEALTH & SAFETY CODE § 382.085(b);

- iv. Conduct waste determinations and classification on all waste streams generated at the Plant, in accordance with 30 TEX. ADMIN. CODE §§ 335.62, 335.503 and 335.513, and 40 CFR § 262.11; and
- v. Develop and implement a Storm Water Pollution Prevention Plan and submit a Notice of Intent letter to comply with the requirements of TPDES MSGP No. TXR050000. The report should be submitted to:

Storm Water And Pretreatment Team, MC 148
Texas Commission on Environmental Quality
Storm water Processing Center, MC 228
P.O. Box 13087
Austin, Texas 78711-3087

- c. Within 60 days after the effective date of this Agreed Order, submit a report demonstrating the applicability of the Texas Risk Reduction Program ("TRRP"), pursuant to 30 TEX. ADMIN. CODE § 350, to the Executive Director for approval. If response actions are necessary, comply with all applicable requirements of TRRP which may include: plans, reports, and notices under Subchapter E [30 TEX. ADMIN. CODE § 350.33(1)]; and Institutional Controls under Subchapter F.

Correction Action Section
Remediation Division, MC 221
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

- d. Within 75 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. through 2.c. 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/Water/Waste Section Manager
El Paso Regional Office
Texas Commission on Environmental Quality
401 East Franklin Avenue, Suite 560
El Paso, Texas 79901-1212

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 separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph

exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

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.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Ramona
For the Executive Director

12/16/13
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.

Bob McClure
Signature

8-30-13
Date

Bob McClure
Name (Printed or typed)
Authorized Representative of
OILFIELD SOLUTIONS, LTD.

President
Title

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