

Executive Summary – Enforcement Matter – Case No. 47147
Swift Energy Operating, LLC
RN106041007
Docket No. 2013-1242-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Alderman Ranch Tank Battery, approximately seven miles southwest of the intersection of Interstate Highway 35 and Ranch Road 133, Artesia Wells, La Salle County

Type of Operation:

Natural gas production site

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: Yes

Other: N/A

Interested Third-Parties: The complainant has expressed an interest in this matter but does not wish to speak at Agenda.

Texas Register Publication Date: December 13, 2013

Comments Received: No

Penalty Information

Total Penalty Assessed: \$14,250

Amount Deferred for Expedited Settlement: \$2,850

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$11,400

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Unclassified

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2011

**Executive Summary – Enforcement Matter – Case No. 47147
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RN106041007
Docket No. 2013-1242-AIR-E**

Investigation Information

Complaint Date(s): March 9, 2013

Complaint Information: Alleged the Respondent was emanating from the thief hatch on one 750 bbl tank. The emissions from the two sources combined were constant and of such concentration which could be observed crossing the fence line and emanated from a distance well into the complainant's property.

Date(s) of Investigation: March 9, 2013 through April 26, 2013

Date(s) of NOE(s): May 31, 2013

Violation Information

Failed to take necessary measures to prevent the release of odors which are in such concentration and of such duration as are or may be injurious to or to adversely affect human health or welfare, animal life, vegetation, or property, or as to interfere with the normal use and enjoyment of animal life, vegetation, or property. Specifically, TCEQ staff detected moderate to strong odors and experienced irritation of the eyes and a burning sensation in the throat during odor surveys conducted on March 9, 2013, March 15, 2013, March 21, 2013 and April 26, 2013, resulting in the confirmation of nuisance conditions. TCEQ staff also conducted stainless steel canister sampling for volatile organic compounds on April 26, 2013 [30 TEX. ADMIN. CODE § 101.4 and TEX. HEALTH & SAFETY CODE § 382.085(a) and (b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On May 10, 2013, cleaned out the thief hatches at the tank battery;
- b. By June 11, 2013, replaced and/or repaired hatch bolts, springs, and seals on the tanks;
- c. By June 18, 2013, replaced the gasket on Tank No. 10225;
- d. On June 26, 2013, replaced the water tank thief hatch bottom seal to eliminate fugitive venting from the thief hatch;
- e. On June 27, 2013, upgraded the existing flare gas supply line and installed a larger regulator to promote proper combustion; and
- f. On July 10, 2013, replaced the Enardo common vent valve to eliminate fugitive venting.

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Technical Requirements:

N/A

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: Rajesh Acharya, Enforcement Division,
Enforcement Team 4, MC 149, (512) 239-0577; Candy Garrett, Enforcement Division,
MC 219, (512) 239-1456

TCEQ SEP Coordinator: N/A

Respondents: Ron Schultz, Environmental Manager, Swift Energy Operating, LLC,
16825 Northchase Drive, Suite 400, Houston, Texas 77060

Robert J. Banko, Executive Vice President, Swift Energy Operating, LLC, 16825
Northchase Drive, Suite 400, Houston, Texas 77060

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	3-Jun-2013	Screening	28-Jun-2013	EPA Due	
	PCW	28-Jun-2013				

RESPONDENT/FACILITY INFORMATION	
Respondent	Swift Energy Operating, LLC
Reg. Ent. Ref. No.	RN106041007
Facility/Site Region	16-Laredo
Major/Minor Source	Minor

CASE INFORMATION			
Enf./Case ID No.	47147	No. of Violations	1
Docket No.	2013-1242-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Rajesh Acharya
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$15,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	5.0% Enhancement	Subtotals 2, 3, & 7	\$750
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Notes: Enhancement for one NOV with similar violations.

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

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$1,500
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$34
 Approx. Cost of Compliance: \$2,000
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$14,250
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount \$14,250

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$14,250
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DEFERRAL	20.0% Reduction	Adjustment	-\$2,850
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$11,400
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Screening Date 28-Jun-2013

Docket No. 2013-1242-AIR-E

PCW

Respondent Swift Energy Operating, LLC

Policy Revision 3 (September 2011)

Case ID No. 47147

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN106041007

Media [Statute] Air

Enf. Coordinator Rajesh Acharya

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>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%

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) 5%

>> **Repeat Violator (Subtotal 3)**

No

Adjustment Percentage (Subtotal 3) 0%

>> **Compliance History Person Classification (Subtotal 7)**

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> **Compliance History Summary**

Compliance History Notes

Enhancement for one NOV with similar violations.

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

>> **Final Compliance History Adjustment**

Final Adjustment Percentage *capped at 100% 5%

Screening Date 28-Jun-2013
Respondent Swift Energy Operating, LLC
Case ID No. 47147
Reg. Ent. Reference No. RN106041007
Media [Statute] Air
Enf. Coordinator Rajesh Acharya

Docket No. 2013-1242-AIR-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 101.4 and Tex. Health & Safety Code § 382.085(a) and (b)

Violation Description
 Failed to take necessary measures to prevent the release of odors which are in such concentration and of such duration as are or may be injurious to or to adversely affect human health or welfare, animal life, vegetation, or property, or to interfere with the normal use and enjoyment of animal life, vegetation, or property. Specifically, TCEQ staff detected moderate to strong odors and experienced irritation of the eyes and a burning sensation in the throat during odor surveys conducted on March 9, 2013, March 15, 2013, March 21, 2013 and April 26, 2013, resulting in the confirmation of nuisance conditions. TCEQ staff also conducted stainless steel canister sampling for volatile organic compounds on April 26, 2013.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual			X		15.0%
Potential					

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes
 The results obtained from the sampling indicated high concentrations of light alkanes and benzene at a concentration of 5.8 parts per billion ("ppb"). The long term effects screening level ("ESL") for benzene is 1.4 ppb based on the TCEQ Toxicology Division's 2013 ESL list, therefore, human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events Number of violation days

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

Violation Base Penalty \$15,000

Four single events are recommended for the documented odor nuisances on March 9, 2013, March 15, 2013, March 21 2013 and April 26, 2013.

Good Faith Efforts to Comply

10.0% Reduction

\$1,500

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

Notes
 The Respondent came into compliance on July 10, 2013, after the Notice of Enforcement letter dated May 31, 2013.

Violation Subtotal \$13,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$34

Violation Final Penalty Total \$14,250

This violation Final Assessed Penalty (adjusted for limits) \$14,250

Economic Benefit Worksheet

Respondent Swift Energy Operating, LLC
Case ID No. 47147
Reg. Ent. Reference No. RN106041007
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
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	9-Mar-2013	10-Jul-2013	0.34	\$34	n/a	\$34

Notes for DELAYED costs

Estimated cost to implement measures designed to control nuisance odor conditions at the Site. Date Required is the first day of the investigation when nuisance odor was noted. Final Date is the 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

\$34

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.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN603272261, RN106041007, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

Customer, Respondent, or Owner/Operator: CN603272261, Swift Energy Operating, LLC
Classification: SATISFACTORY **Rating:** 3.71

Regulated Entity: RN106041007, ALDERMAN RANCH TANK BATTERY
Classification: UNCLASSIFIED **Rating:** -----

Complexity Points: 1 **Repeat Violator:** NO

CH Group: 14 - Other

Location: 7 miles southwest of intersection of Interstate Highway 35 and Ranch Road 133 in Artesia Wells, La Salle County, Texas

TCEQ Region: REGION 16 - LAREDO

ID Number(s):

AIR NEW SOURCE PERMITS ID NUMBER OG000337 **AIR NEW SOURCE PERMITS REGISTRATION** 108619

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

Date Compliance History Report Prepared: June 20, 2013

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: June 20, 2008 to June 20, 2013

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

Name: Rajesh Acharya **Phone:** (512) 239-0577

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? NO
- 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 (CEDS Inv. Track. No.):
N/A

E. Written notices of violations (NOV) (CEDS 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: 02/08/2013 (1054065) CN603272261
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter A 106.6(b)

Description: 5C THSC Chapter 382 382.085(b)
Failure to operate the facility with regards to all representations of construction plans, operating procedures, and maximum emission rates in any certified registration.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter A 106.4(c)
5C THSC Chapter 382 382.085(b)
Description: Failure to maintain emissions control equipment in good condition and operate properly during operation of the facility.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 106, SubChapter A 106.8(c)(2)(B)
5C THSC Chapter 382 382.085(b)
Description: Failure to maintain records containing sufficient information to demonstrate compliance with all applicable PBR conditions.

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
SWIFT ENERGY OPERATING,
LLC
RN106041007**

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

**AGREED ORDER
DOCKET NO. 2013-1242-AIR-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 Swift Energy Operating, LLC ("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 together stipulate that:

1. The Respondent owns and operates a natural gas production site approximately seven miles southwest of the intersection of Interstate Highway 35 and Ranch Road 133 in Artesia Wells in La Salle County, Texas (the "Site").
2. The Site consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
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 June 5, 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 Fourteen Thousand Two Hundred Fifty Dollars (\$14,250) is assessed by the Commission in settlement of the violations alleged in

Section II ("Allegations"). The Respondent has paid Eleven Thousand Four Hundred Dollars (\$11,400) of the administrative penalty and Two Thousand Eight Hundred Fifty Dollars (\$2,850) 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 recognizes that the Respondent has implemented following corrective measures at the Plant:
 - a. On May 10, 2013, cleaned out the thief hatches at the tank battery;
 - b. By June 11, 2013, replaced and/or repaired hatch bolts, springs, and seals on the tanks;
 - c. By June 18, 2013, replaced the gasket on Tank No. 10225;
 - d. On June 26, 2013, replaced the water tank thief hatch bottom seal to eliminate fugitive venting from the thief hatch;
 - e. On June 27, 2013, upgraded the existing flare gas supply line and installed a larger regulator to promote proper combustion; and
 - f. On July 10, 2013, replaced the Enardo common vent valve to eliminate fugitive venting.
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 Site, the Respondent is alleged to have failed to take necessary measures to prevent the release of odors which are in such concentration and of such duration as are or may be injurious to or to adversely affect human health or welfare, animal life, vegetation, or property, or as to interfere with the normal use and enjoyment of animal life, vegetation, or property, in violation of 30 TEX. ADMIN. CODE § 101.4 and TEX. HEALTH & SAFETY CODE § 382.085(a) and (b), as documented during an investigation conducted on March 9, 2013 through April 26, 2013. Specifically, TCEQ staff detected moderate to strong odors and experienced irritation of the eyes and a burning sensation in the throat during odor surveys conducted on March 9, 2013, March 15, 2013, March 21, 2013 and April 26, 2013, resulting in the confirmation of nuisance conditions. TCEQ staff also conducted stainless steel canister sampling for volatile organic compounds on April 26, 2013.

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: Swift Energy Operating, LLC, Docket No. 2013-1242-AIR-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. 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 Site operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in 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.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Pam Dowen
For the Executive Director

2/11/14
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.

JRP
7/20
7/20
Robert J. Banks

Signature

10/27/13
Date

Name (Printed or typed)
Authorized Representative of
Swift Energy Operating, LLC

EVP & LVO
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.