

Executive Summary – Enforcement Matter – Case No. 64176
Delaware Basin Midstream LLC
RN108748237
Docket No. 2023-0775-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Red Bluff Booster Station, located approximately 1.07 miles southwest of the County Road 447 and County Road 451 intersection, Orla, Reeves County

Type of Operation:

Natural gas compression facility

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 7, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$18,450

Amount Deferred for Expedited Settlement: \$3,690

Total Paid to General Revenue: \$14,760

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: January 2021

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: April 10, 2023

Date(s) of NOE(s): June 8, 2023

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Delaware Basin Midstream LLC
RN108748237
Docket No. 2023-0775-AIR-E

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 13,449.00 pounds ("lbs") of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 370447) that began on April 21, 2021 and lasted 24 hours [30 TEX. ADMIN. CODE §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 149503, Federal Operating Permit ("FOP") No. O3967, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,798.00 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 370448) that began on May 6, 2021 and lasted 24 hours [30 TEX. ADMIN. CODE §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 149503, FOP No. O3967, GTC and STC No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event. Specifically, the initial notification for Incident No. 370447 was due by April 22, 2021 at 12:00 a.m., but was not submitted until November 22, 2021 at 4:39 p.m. [30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3967, GTC and STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b)].
4. Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event. Specifically, the initial notification for Incident No. 370448 was due by May 7, 2021 at 12:00 a.m., but was not submitted until November 22, 2021 at 4:45 p.m. [30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3967, GTC and STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

On November 22, 2021, the Respondent submitted the initial notifications for Incident Nos. 370447 and 370448.

Technical Requirements:

The Order will require the Respondent to:

a. Within 30 days:

i. Implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 370447;

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Delaware Basin Midstream LLC
RN108748237
Docket No. 2023-0775-AIR-E

- ii. Implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 370448; and
 - iii. Implement measures designed to ensure that the initial notifications for reportable emissions events are submitted in a timely manner.
- b. Within 45 days, submit written certification to demonstrate compliance with a.

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Johnnie Wu, Enforcement Division, Enforcement Team 2, MC 219, (512) 239-2524; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

Respondent: Danny Holderman, Senior Vice President, Delaware Basin Midstream LLC, 9950 Woodloch Forest Drive, Suite 2800, The Woodlands, Texas 77380

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	12-Jun-2023		
	PCW	20-Mar-2024	Screening	13-Jun-2023
			EPA Due	

RESPONDENT/FACILITY INFORMATION				
Respondent	Delaware Basin Midstream LLC			
Reg. Ent. Ref. No.	RN108748237			
Facility/Site Region	7-Midland	Major/Minor Source	Major	

CASE INFORMATION				
Enf./Case ID No.	64176	No. of Violations	4	
Docket No.	2023-0775-AIR-E	Order Type	1660	
Media Program(s)	Air	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Johnnie Wu	
		EC's Team	Enforcement Team 2	
Admin. Penalty \$	Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$20,500
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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	-10.0%	Adjustment	Subtotals 2, 3, & 7	-\$2,050
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Notes

Since the reduction for one Notice of Intent to conduct an audit and one Disclosure of Violations is below zero, the Adjustment Percentage (Subtotal 2) defaults to zero. Reduction for High Performer Classification.

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	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$3,972
Estimated Cost of Compliance	\$22,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$18,450
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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	\$18,450
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$18,450
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DEFERRAL	20.0%	Reduction	Adjustment	-\$3,690
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Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$14,760
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Screening Date

13-Jun-2023

Docket No.

2023-0775-AIR-E

PCW

Respondent

Delaware Basin Midstream LLC

Case ID No.

64176

Reg. Ent. Reference No.

RN108748237

Media

Air

Enf. Coordinator

Johnnie Wu

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	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	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 judgments 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>)	1	-1%
	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>)	1	-2%
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)0%

>> Repeat Violator (Subtotal 3)

NoAdjustment Percentage (Subtotal 3)0%

>> Compliance History Person Classification (Subtotal 7)

High PerformerAdjustment Percentage (Subtotal 7)-10%

>> Compliance History Summary

Compliance History Notes

Since the reduction for one Notice of Intent to conduct an audit and one Disclosure of Violations is below zero, the Adjustment Percentage (Subtotal 2) defaults to zero. Reduction for High Performer Classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)-10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100%-10%

Screening Date

13-Jun-2023

Docket No.

2023-0775-AIR-E

PCW

Respondent

Delaware Basin Midstream LLC

Policy Revision 5 (January 28, 2021)

Case ID No.

64176

PCW Revision February 11, 2021

Reg. Ent. Reference No.

RN108748237

Media

Air

Enf. Coordinator

Johnnie Wu

Violation Number

1

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 149503, Federal Operating Permit ("FOP") No. O3967, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 7, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 13,449.00 pounds ("lbs") of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 370447) that began on April 21, 2021 and lasted 24 hours.

Base Penalty

\$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent50.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent0.0%

Matrix Notes

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

Adjustment\$12,500

\$12,500

Violation Events

Number of Violation Events1

1

Number of violation days

daily	
weekly	x
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty\$12,500

One weekly event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction\$0

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	

Notes

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

Violation Subtotal\$12,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount\$1,851

Violation Final Penalty Total\$11,250

This violation Final Assessed Penalty (adjusted for limits)\$11,250

Economic Benefit Worksheet

Respondent Case ID No. Delaware Basin Midstream LLC
64176
Reg. Ent. Reference No. RN108748237
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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	21-Apr-2021	1-Jan-2025	3.70	\$1,851	n/a	\$1,851
Notes for DELAYED costs	Estimated cost to implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 370447. The Date Required is the date the emissions event began and the Final Date is the estimated date of compliance.						

Avoided CostsANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$10,000	TOTAL	\$1,851
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Screening Date		13-Jun-2023		Docket No.		2023-0775-AIR-E		PCW	
Respondent		Delaware Basin Midstream LLC							
Case ID No.		64176							
Reg. Ent. Reference No.		RN108748237							
Media		Air							
Enf. Coordinator		Johnnie Wu							
Violation Number		2							
Rule Cite(s)		30 Tex. Admin. Code §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 149503, FOP No. 03967, GTC and STC No. 7, and Tex. Health & Safety Code § 382.085(b)							
Violation Description		Failed to prevent unauthorized emissions. Specifically, the Respondent released 5,798.00 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 370448) that began on May 6, 2021 and lasted 24 hours.							
Base Penalty								\$25,000	
>> Environmental, Property and Human Health Matrix									
OR		Release		Harm					
			Major	Moderate	Minor				
		Actual				x			
		Potential				Percent		30.0%	
>> Programmatic Matrix									
		Falsification	Major	Moderate	Minor	Percent		0.0%	
Matrix Notes		Human health or the environment has been exposed to insignificant amounts of pollutants that did not exceed levels that are protective of human health or environmental receptors as a result of the violation.							
Adjustment								\$17,500	
								\$7,500	
Violation Events									
Number of Violation Events		1		1		Number of violation days			
		daily				Violation Base Penalty		\$7,500	
		weekly							
		monthly	x						
		quarterly							
		semiannual							
		annual							
		single event							
One monthly event is recommended.									
Good Faith Efforts to Comply		0.0%		Reduction		\$0			
		Before NOE/NOV		NOE/NOV to EDRP/Settlement Offer					
Extraordinary									
Ordinary									
N/A		x							
Notes		The Respondent does not meet the good faith criteria for this violation.							
Violation Subtotal								\$7,500	
Economic Benefit (EB) for this violation					Statutory Limit Test				
Estimated EB Amount		\$1,830		Violation Final Penalty Total		\$6,750			
This violation Final Assessed Penalty (adjusted for limits)								\$6,750	

Economic Benefit Worksheet

Respondent Case ID No. Delaware Basin Midstream LLC
64176
Reg. Ent. Reference No. RN108748237
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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	6-May-2021	1-Jan-2025	3.66	\$1,830	n/a	\$1,830
Notes for DELAYED costs	Estimated cost to implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 370448. The Date Required is the date the emissions event began and the Final Date is the estimated date of compliance.						

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$10,000	TOTAL	\$1,830
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Screening Date		13-Jun-2023		Docket No.		2023-0775-AIR-E		PCW	
Respondent		Delaware Basin Midstream LLC							
Case ID No.		64176							
Reg. Ent. Reference No.		RN108748237							
Media		Air							
Enf. Coordinator		Johnnie Wu							
Violation Number		3							
Rule Cite(s)		30 Tex. Admin. Code §§ 101.201(a)(1)(B) and 122.143(4), FOP No. 03967, GTC and STC No. 2.F., and Tex. Health & Safety Code § 382.085(b)							
Violation Description		Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event. Specifically, the initial notification for Incident No. 370447 was due by April 22, 2021 at 12:00 a.m., but was not submitted until November 22, 2021 at 4:39 p.m.							
Base Penalty								\$25,000	
>> Environmental, Property and Human Health Matrix									
OR		Release		Major		Moderate		Minor	
		Actual							
		Potential							
Percent								0.0%	
>> Programmatic Matrix									
		Falsification		Major		Moderate		Minor	
								x	
Percent								1.0%	
Matrix Notes		Less than 30% of the rule requirements were not met.							
Adjustment								\$24,750	
								\$250	
Violation Events									
Number of Violation Events		1		214		Number of violation days			
		daily							
		weekly							
		monthly							
		quarterly							
		semiannual							
		annual							
		single event		x					
Violation Base Penalty								\$250	
		One single event is recommended.							
Good Faith Efforts to Comply				0.0%		Reduction		\$0	
		Before NOE/NOV		NOE/NOV to EDPRP/Settlement Offer					
		Extraordinary							
		Ordinary							
		N/A		x					
Notes		The Respondent does not meet the good faith criteria for this violation.							
Violation Subtotal								\$250	
Economic Benefit (EB) for this violation					Statutory Limit Test				
Estimated EB Amount		\$284		Violation Final Penalty Total		\$225			
This violation Final Assessed Penalty (adjusted for limits)								\$225	

Economic Benefit Worksheet

Respondent Case ID No. Delaware Basin Midstream LLC
64176
Reg. Ent. Reference No. RN108748237
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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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	\$1,500	22-Apr-2021	1-Jan-2025	3.70	\$277	n/a	\$277
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	22-Apr-2021	22-Nov-2021	0.59	\$7	n/a	\$7
Notes for DELAYED costs	Estimated costs to submit the initial notification for Incident No. 370447 (\$250) and to implement measures designed to ensure that the initial notifications for reportable emissions events are submitted in a timely manner (\$1,500). The Dates Required is the date the initial notification was due and the Final Dates are the date of compliance and the estimated date of compliance.						

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Notes for AVOIDED costs							

Approx. Cost of Compliance	\$1,750	TOTAL	\$284
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Screening Date	13-Jun-2023	Docket No.	2023-0775-AIR-E	PCW	
Respondent	Delaware Basin Midstream LLC			<i>Policy Revision 5 (January 28, 2021)</i>	
Case ID No.	64176			<i>PCW Revision February 11, 2021</i>	
Reg. Ent. Reference No.	RN108748237				
Media	Air				
Enf. Coordinator	Johnnie Wu				
Violation Number	4				
Rule Cite(s)	30 Tex. Admin. Code §§ 101.201(a)(1)(B) and 122.143(4), FOP No. 03967, GTC and STC No. 2.F., and Tex. Health & Safety Code § 382.085(b)				
Violation Description	Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event. Specifically, the initial notification for Incident No. 370448 was due by May 7, 2021 at 12:00 a.m., but was not submitted until November 22, 2021 at 4:45 p.m.				
Base Penalty				\$25,000	
>> Environmental, Property and Human Health Matrix					
OR	Release	Major	Moderate	Minor	
	Actual				Percent 0.0%
	Potential				
>> Programmatic Matrix					
	Falsification	Major	Moderate	Minor	
				x	Percent 1.0%
Matrix Notes	Less than 30% of the rule requirements were not met.				
Adjustment				\$24,750	
					\$250
Violation Events					
Number of Violation Events		1	199	Number of violation days	
	daily				
	weekly				
	monthly				
	quarterly				
	semiannual				
	annual				
	single event		x		
Violation Base Penalty				\$250	
One single event is recommended.					
Good Faith Efforts to Comply		0.0%		Reduction	\$0
	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer			
Extraordinary					
Ordinary					
N/A	x				
Notes	The Respondent does not meet the good faith criteria for this violation.				
Violation Subtotal				\$250	
Economic Benefit (EB) for this violation			Statutory Limit Test		
Estimated EB Amount		\$7	Violation Final Penalty Total		\$225
This violation Final Assessed Penalty (adjusted for limits)				\$225	

Economic Benefit Worksheet

Respondent Delaware Basin Midstream LLC
Case ID No. 64176
Reg. Ent. Reference No. RN108748237
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Costs Saved	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$250	7-May-2021	22-Nov-2021	0.55	\$7	n/a	\$7

Notes for DELAYED costs

Estimated cost to submit the initial notification for Incident No. 370448. The Date Required is the date the initial notification was due and the Final Date is the date of compliance.

See the Economic Benefit in Violation No. 3 for implementing measures designed to ensure that the initial notifications for reportable emissions events are submitted in a timely manner.

Avoided Costs

ANNUALIZE 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				0.00	\$0	\$0	\$0
ONE-TIME avoided costs				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$250

TOTAL \$7



Compliance History Report

Compliance History Report for CN604322891, RN108748237, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

Customer, Respondent, or Owner/Operator:	CN604322891, Delaware Basin Midstream LLC	Classification: HIGH	Rating: 0.00
Regulated Entity:	RN108748237, RED BLUFF BOOSTER STATION	Classification: HIGH	Rating: 0.00
Complexity Points:	7	Repeat Violator: NO	
CH Group:	03 - Oil and Gas Extraction		
Location:	APPROXIMATELY 1.07 MILES SOUTHWEST OF THE COUNTY ROAD 447 AND COUNTY ROAD 451 INTERSECTION IN REEVES COUNTY, TEXAS		
TCEQ Region:	REGION 07 - MIDLAND		
ID Number(s):			
AIR OPERATING PERMITS PERMIT 3967	AIR OPERATING PERMITS ACCOUNT NUMBER RFA022U		
AIR NEW SOURCE PERMITS REGISTRATION 149503	AIR NEW SOURCE PERMITS AFS NUM 4838902271		
AIR EMISSIONS INVENTORY ACCOUNT NUMBER RFA022U			
Compliance History Period:	September 01, 2018 to August 31, 2023	Rating Year: 2023	Rating Date: 09/01/2023
Date Compliance History Report Prepared:	February 28, 2024		
Agency Decision Requiring Compliance History:	Enforcement		
Component Period Selected:	February 28, 2019 to February 28, 2024		
TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.			
Name: Johnnie Wu	Phone: (512) 239-2524		

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 |

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	November 19, 2019	(1610101)
Item 2	May 12, 2020	(1646539)
Item 3	November 12, 2021	(1771574)
Item 4	August 31, 2023	(1910406)
Item 5	September 29, 2023	(1929937)

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.

N/A

F. Environmental audits:

Notice of Intent Date: 09/17/2020 (1692304)

Disclosure Date: 10/01/2021

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 106, SubChapter A 106.4(c)

Description: Failure to comply with general requirements in 30 TAC § 106.4(c).

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
DELAWARE BASIN MIDSTREAM LLC
RN108748237

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

AGREED ORDER DOCKET NO. 2023-0775-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 Delaware Basin Midstream LLC (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 together stipulate that:

1. The Respondent owns and operates a natural gas compression facility located approximately 1.07 miles southwest of the County Road 447 and County Road 451 intersection in Reeves County, Texas (the "Site"). The Site consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
4. An administrative penalty in the amount of \$18,450 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$14,760 of the penalty and \$3,690 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.
5. 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). 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.

6. 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 Order.
7. This Order represents the complete and fully integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that on November 22, 2021, the Respondent submitted the initial notifications for Incident Nos. 370447 and 370448.

II. ALLEGATIONS

During a record review for the Site conducted on April 10, 2023, an investigator documented that the Respondent:

1. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 149503, Federal Operating Permit ("FOP") No. 03967, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 13,449.00 pounds ("lbs") of volatile organic compounds ("VOC") as fugitive emissions, during an emissions event (Incident No. 370447) that began on April 21, 2021 and lasted 24 hours.
2. Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 149503, FOP No. 03967, GTC and STC No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 5,798.00 lbs of VOC as fugitive emissions, during an emissions event (Incident No. 370448) that began on May 6, 2021 and lasted 24 hours.
3. Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. 03967, GTC and STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the initial notification for Incident No. 370447 was due by April 22, 2021 at 12:00 a.m., but was not submitted until November 22, 2021 at 4:39 p.m.
4. Failed to submit an initial notification for a reportable emissions event no later than 24 hours after the discovery of an emissions event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. 03967, GTC and STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the initial notification for Incident No. 370448 was due by May 7, 2021 at 12:00 a.m., but was not submitted until November 22, 2021 at 4:45 p.m.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph No. 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this 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. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Delaware Basin Midstream LLC, Docket No. 2023-0775-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 Respondent shall undertake the following technical requirements at the Site:
 - a. Within 30 days after the effective date of this Order:
 - i. Implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 370447;
 - ii. Implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 370448; and
 - iii. Implement measures designed to ensure that the initial notifications for reportable emissions events are submitted in a timely manner.
 - b. Within 45 days after the effective date of this Order, submit written certification, 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 signed by the Respondent and shall 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:

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
9900 West IH-20, Suite 100
Midland, Texas 79706

3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Site operations referenced in this Order.
5. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this 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. Extension requests shall be sent to the Enforcement Division at the address listed above.
6. This 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 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 Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this 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 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. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date


For the Executive Director

6/19/2024


Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, 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 OAG 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 OAG 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
Danny Holderman
Name (Printed or typed)
Authorized Representative of
Delaware Basin Midstream LLC

4/2/24
Date
Senior Vice President
Title

☐ If mailing address has changed, please check this box and provide the new address below:

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