

Executive Summary – Enforcement Matter – Case No. 64451
JAMES LAKE MIDSTREAM LLC
RN107088759
Docket No. 2023-1038-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

James Lake Gas Plant, 2401 Farm-to-Market Road 866, Goldsmith, Ector County

Type of Operation:

Oil and gas processing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 28, 2024

Comments Received: No

Penalty Information

Total Penalty Assessed: \$40,000

Amount Deferred for Expedited Settlement: \$8,000

Total Paid to General Revenue: \$32,000

Total Due to General Revenue: \$0

Payment Plan: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

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: February 14, 2022 through April 14, 2023

Date(s) of NOE(s): August 3, 2023

Executive Summary – Enforcement Matter – Case No. 64451
JAMES LAKE MIDSTREAM LLC
RN107088759
Docket No. 2023-1038-AIR-E

Violation Information

1. Failed to prevent unauthorized emissions. Specifically, the Respondent released 16.80 pounds ("lbs") of carbon monoxide ("CO"), 84.60 lbs of hydrogen sulfide ("H₂S"), 2.00 lbs of nitrogen oxides ("NO_x"), 7,784.58 lbs of sulfur dioxide ("SO₂"), and 1.20 lbs of volatile organic compounds ("VOC") from the Acid Gas Flare, Emission Point Number ("EPN") FL-2, during an emissions event (Incident No. 374444) that occurred on February 16, 2022 and lasted one hour and 59 minutes [30 TEX. ADMIN. CODE §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 116553, Federal Operating Permit ("FOP") No. O3771/General Operating Permit ("GOP") No. 514, Site-wide Requirements Nos. (b)(2) and (b)(9)(E)(ii), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to prevent unauthorized emissions. Specifically, the Respondent released 24.60 lbs of CO, 121.37 lbs of H₂S, 2.90 lbs of NO_x, 11,168.88 lbs of SO₂, and 2.00 lbs of VOC from the Acid Gas Flare, EPN FL-2, during an emissions event (Incident No. 376242) that occurred on March 17, 2022 and lasted five hours and nine minutes [30 TEX. ADMIN. CODE §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 116553, FOP No. O3771/GOP No. 514, Site-wide Requirements Nos. (b)(2) and (b)(9)(E)(ii), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

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. 374444; and

ii. Implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 376242

b. Within 45 days, submit written certification to demonstrate compliance with a.

Executive Summary – Enforcement Matter – Case No. 64451
JAMES LAKE MIDSTREAM LLC
RN107088759
Docket No. 2023-1038-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Krystina Sepulveda, Enforcement Division,
Enforcement Team 2, MC R-15, (956) 430-6045; Michael Parrish, Enforcement Division,
MC 219, (512) 239-2548

Respondent: John Cook, Environmental Director, JAMES LAKE MIDSTREAM LLC, 2331
CityWest Boulevard, Houston, Texas 77042-2862

David Jost, Regional Operations Vice President, JAMES LAKE MIDSTREAM LLC, 2331
CityWest Boulevard, Houston, Texas 77042-2862

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021)

PCW Revision February 11, 2021

DATES	Assigned	8-Aug-2023		
	PCW	9-Apr-2024	Screening	10-Aug-2023
			EPA Due	

RESPONDENT/FACILITY INFORMATION				
Respondent	JAMES LAKE MIDSTREAM LLC			
Reg. Ent. Ref. No.	RN107088759			
Facility/Site Region	7-Midland	Major/Minor Source	Major	

CASE INFORMATION				
Enf./Case ID No.	64451	No. of Violations	2	
Docket No.	2023-1038-AIR-E	Order Type	1660	
Media Program(s)	Air	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Krystina Sepulveda	
		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	\$20,000
---	-------------------	----------

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History	100.0%	Adjustment	Subtotals 2, 3, & 7	\$20,000
---------------------------	--------	-------------------	--------------------------------	----------

Notes

Enhancement for 10 NOVs with same or similar violations, two orders containing a denial of liability, and one order without a denial of liability.
Reduction for one Notice of Intent to conduct an audit and one Disclosure of Violations.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
--------------------	----	------	--------------------	-------------------	-----

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
--	-------------------	-----

Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
-------------------------	------	---------------------	-------------------	-----

Total EB Amounts	\$2,837
Estimated Cost of Compliance	\$20,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$40,000
-----------------------------	-----------------------	----------

OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
---	------	-------------------	-----

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$40,000
-----------------------------	----------

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$40,000
-----------------------------------	-------------------------------	----------

DEFERRAL	20.0%	Reduction	Adjustment	-\$8,000
-----------------	-------	------------------	-------------------	----------

Reduces the Final Assessed Penalty by the indicated percentage.

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$32,000
------------------------	----------

Screening Date

10-Aug-2023

Docket No.

2023-1038-AIR-E

PCW

Respondent

JAMES LAKE MIDSTREAM LLC

Case ID No.

64451

Reg. Ent. Reference No.

RN107088759

Media

Air

Enf. Coordinator

Krystina Sepulveda

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>)	10	50%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	2	40%
	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	1	25%
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)			112%
>> 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 10 NOVs with same or similar violations, two orders containing a denial of liability, and one order without a denial of liability. Reduction for one Notice of Intent to conduct an audit and one Disclosure of Violations.		
Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)			112%
>> Final Compliance History Adjustment			
Final Adjustment Percentage *capped at 100%			100%

Screening Date

10-Aug-2023

Docket No.

2023-1038-AIR-E

PCW

Respondent

JAMES LAKE MIDSTREAM LLC

Case ID No.

64451

Reg. Ent. Reference No.

RN107088759

Media

Air

Enf. Coordinator

Krystina Sepulveda

Violation Number

1

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 116553, Federal Operating Permit ("FOP") No. O3771/General Operating Permit ("GOP") No. 514, Site-wide Requirements Nos. (b)(2) and (b)(9)(E)(ii), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 16.80 pounds ("lbs") of carbon monoxide ("CO"), 84.60 lbs of hydrogen sulfide ("H2S"), 2.00 lbs of nitrogen oxides ("NOx"), 7,784.58 lbs of sulfur dioxide ("SO2"), and 1.20 lbs of volatile organic compounds ("VOC") from the Acid Gas Flare, Emission Point Number ("EPN") FL-2, during an emissions event (Incident No. 374444) that occurred on February 16, 2022 and lasted one hour and 59 minutes.

Base Penalty

\$25,000

>> Environmental, Property and Human Health Matrix

OR

Release

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

weekly

monthly

quarterly

semiannual

annual

single event

x

Violation Base Penalty

\$7,500

One monthly 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

\$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount

\$1,438

Violation Final Penalty Total

\$15,000

This violation Final Assessed Penalty (adjusted for limits)

\$15,000

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. JAMES LAKE MIDSTREAM LLC 64451 RN107088759 Air 1

Percent Interest	Years of Depreciation
5.0	15

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

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	16-Feb-2022	1-Jan-2025	2.88	\$1,438	n/a	\$1,438
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. 374444. The Date Required is the date the emissions event occurred 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	\$1,438
----------------------------	----------	-------	---------

Screening Date		10-Aug-2023		Docket No.		2023-1038-AIR-E		PCW	
Respondent		JAMES LAKE MIDSTREAM LLC							
Case ID No.		64451							
Reg. Ent. Reference No.		RN107088759							
Media		Air							
Enf. Coordinator		Krystina Sepulveda							
Violation Number		2							
Rule Cite(s)		30 Tex. Admin. Code §§ 116.115(c), 116.615(2), and 122.143(4), Standard Permit Registration No. 116553, FOP No. O3771/GOP No. 514, Site-wide Requirements Nos. (b)(2) and (b)(9)(E)(ii), and Tex. Health & Safety Code § 382.085(b)							
Violation Description		Failed to prevent unauthorized emissions. Specifically, the Respondent released 24.60 lbs of CO, 121.37 lbs of H2S, 2.90 lbs of NOx, 11,168.88 lbs of SO2, and 2.00 lbs of VOC from the Acid Gas Flare, EPN FL-2, during an emissions event (Incident No. 376242) that occurred on March 17, 2022 and lasted five hours and nine minutes.							
Base Penalty								\$25,000	
>> Environmental, Property and Human Health Matrix									
OR		Release		Harm					
			Major	Moderate	Minor				
		Actual		x		Percent 50.0%			
		Potential							
>> Programmatic Matrix									
		Falsification	Major	Moderate	Minor	Percent 0.0%			
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 Events		1		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		\$1,399		Violation Final Penalty Total		\$25,000			
This violation Final Assessed Penalty (adjusted for limits)								\$25,000	

Economic Benefit Worksheet

Respondent Case ID No. Reg. Ent. Reference No. Media Violation No. JAMES LAKE MIDSTREAM LLC 64451 RN107088759 Air 2

Percent Interest	Years of Depreciation
5.0	15

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

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	17-Mar-2022	1-Jan-2025	2.80	\$1,399	n/a	\$1,399
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. 376242. The Date Required is the date the emissions event occurred 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	\$1,399
----------------------------	----------	-------	---------

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

Compliance History Report for CN604509893, RN107088759, Rating Year 2023 which includes Compliance History (CH) components from September 1, 2018, through August 31, 2023.

Customer, Respondent, or Owner/Operator: CN604509893, JAMES LAKE MIDSTREAM LLC **Classification:** SATISFACTORY **Rating:** 15.41

Regulated Entity: RN107088759, JAMES LAKE GAS PLANT **Classification:** SATISFACTORY **Rating:** 26.98

Complexity Points: 4 **Repeat Violator:** NO

CH Group: 03 - Oil and Gas Extraction

Location: 2401 Farm-to-Market Road 866 in Goldsmith, Ector County, Texas

TCEQ Region: REGION 07 - MIDLAND

ID Number(s):

AIR OPERATING PERMITS PERMIT 4398

AIR NEW SOURCE PERMITS AFS NUM 4813500214

INDUSTRIAL AND HAZARDOUS WASTE OTS REQUEST 41996

AIR NEW SOURCE PERMITS REGISTRATION 116553

AIR EMISSIONS INVENTORY ACCOUNT NUMBER EBA014N

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXP490355274

Compliance History Period: September 01, 2018 to August 31, 2023 **Rating Year:** 2023 **Rating Date:** 09/01/2023

Date Compliance History Report Prepared: April 08, 2024

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: April 08, 2019 to April 08, 2024

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

Name: Krystina Sepulveda

Phone: (956) 430-6045

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:

1 Effective Date: 04/09/2019 ADMINORDER 2018-0405-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP No. 03771/GOP No. 514 OP

Description: Two (2) Failures to report an emission event within 24 hours of incident discovery. Incident numbers 247649 and 249005.

Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter F 116.615(2)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: GOP site wide requirements OP

MAER REG

Description: Failure to comply with Emission Limits of Permit Number 116553. Incident number 247649.

Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter F 116.615(2)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: GOP site wide requirements OP

MAER REG

Description: Failure to comply with Emission Limits of Permit Number 116553. Incident number 249005.

- 2 Effective Date: 02/11/2020 ADMINORDER 2019-0729-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter F 116.615(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: NRSP 116553(c)(4)(B) PERMIT
Description: Failure to maintain emissions below the limits set by the NRSP
- 3 Effective Date: 01/19/2022 ADMINORDER 2020-1137-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: ST&C (42) (F) OP
Description: Failure to notify the TCEQ of three reportable emissions events within 24 hours after exceedance of reportable quantities.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter F 116.615(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Condition No. 2 REG
ST&C (b)(9)(E)(ii) OP
Description: Failure to prevent unauthorized emissions. TCEQ STEERS Incident No. 325682.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter F 116.615(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Condition No. 2 REG
ST&C (b)(9)(E)(ii) OP
Description: Failure to prevent unauthorized emissions. TCEQ STEERS Incident No. 326824.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 116, SubChapter F 116.615(2)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Condition No. 2 REG
ST&C (b)(9)(E)(ii) OP
Description: Failure to prevent unauthorized emissions. TCEQ STEERS Incident No. 327157.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

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

Item 1	October 24, 2019	(1598508)
Item 2	December 09, 2019	(1612816)
Item 3	December 18, 2019	(1610528)
Item 4	January 15, 2020	(1610570)
Item 5	January 22, 2020	(1610575)
Item 6	January 30, 2020	(1598503)
Item 7	February 19, 2020	(1630715)
Item 8	April 28, 2020	(1645530)
Item 9	July 14, 2020	(1652007)

Item 10	August 26, 2020	(1659906)
Item 11	August 31, 2020	(1669825)
Item 12	September 25, 2020	(1598928)
Item 13	October 28, 2020	(1685468)
Item 14	November 09, 2020	(1679293)
Item 15	November 18, 2020	(1598613)
Item 16	November 24, 2020	(1691558)
Item 17	November 25, 2020	(1691594)
Item 18	December 07, 2020	(1692874)
Item 19	December 18, 2020	(1679309)
Item 20	December 30, 2020	(1663975)
Item 21	January 11, 2021	(1697926)
Item 22	January 14, 2021	(1698255)
Item 23	January 21, 2021	(1699010)
Item 24	February 19, 2021	(1702266)
Item 25	February 23, 2021	(1702361)
Item 26	February 24, 2021	(1702203)
Item 27	March 10, 2021	(1704460)
Item 28	March 25, 2021	(1706561)
Item 29	April 02, 2021	(1609613)
Item 30	May 24, 2021	(1722690)
Item 31	July 09, 2021	(1738702)
Item 32	July 13, 2021	(1738277)
Item 33	July 16, 2021	(1744973)
Item 34	July 27, 2021	(1745409)
Item 35	August 05, 2021	(1749264)
Item 36	August 06, 2021	(1745129)
Item 37	September 14, 2021	(1756219)
Item 38	March 01, 2022	(1796292)
Item 39	October 03, 2022	(1842151)
Item 40	June 05, 2023	(1867562)
Item 41	July 18, 2023	(1860382)
Item 42	July 25, 2023	(1888006)
Item 43	July 28, 2023	(1867535)
Item 44	August 25, 2023	(1867572)
Item 45	October 02, 2023	(1910570)
Item 46	October 19, 2023	(1888014)
Item 47	October 30, 2023	(1795993)
Item 48	November 07, 2023	(1887737)
Item 49	November 08, 2023	(1795992)
Item 50	December 15, 2023	(1847535)

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: 07/12/2023 (1867574)	
	Self Report? NO	Classification: Moderate
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)	
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on December 24, 2021, at 2:37 PM, TCEQ/STEERS Incident No. 371956. Category B18.g(13) (6).	
	Self Report? NO	Classification: Moderate
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)	
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on December 1, 2021, at 9:50 PM, TCEQ/STEERS Incident No. 370850. Category B18.g(13) (6).	
	Self Report? NO	Classification: Moderate
	Citation: 116553 PERMIT	

30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)
Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on November 20, 2021, at 8:57 AM, TCEQ Incident No. 370380. Category B18.g(13)

2 Date: 07/14/2023 (1867633)
Self Report? NO Classification: Moderate
Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)
Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on October 24, 2021, TCEQ/STEERS Incident No. 368982. [Category B18.g(13)]

3 Date: 07/17/2023 (1888011)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)
Registration No. 116553 PERMIT
Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered February 12, 2023, TCEQ STEERS Incident No. 395380.

4 Date: 08/03/2023 (1867573)
Self Report? NO Classification: Moderate
Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)
Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on May 22, 2022, TCEQ/STEERS Incident No. 379965.

5 Date: 08/10/2023 (1860400)
Self Report? NO Classification: Moderate
Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)
Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on March 1, 2022, TCEQ/STEERS Incident No. 375452.

Self Report? NO Classification: Moderate
Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on April 2, 2022, TCEQ/STEERS Incident No. 377349.

Self Report? NO Classification: Moderate
Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on April 20, 2022. TCEQ/STEERS Incident No. 378217.

Self Report? NO Classification: Moderate
Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(b)
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on April 21, 2022. TCEQ/STEERS Incident No. 378257.

Self Report? NO Classification: Moderate
Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(b)

	30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on April 29, 2022. TCEQ/STEERS Incident No. 378567.		
6	Date: 08/10/2023 (1860387)		
	Self Report? NO	Classification: Moderate	
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on May 17, 2022, TCEQ Incident No. 379693.		
	Self Report? NO	Classification: Moderate	
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on May 23, 2022, TCEQ Incident No. 380048.		
	Self Report? NO	Classification: Moderate	
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on May 28, 2022, TCEQ Incident No. 380305.		
7	Date: 08/23/2023 (1867612)		
	Self Report? NO	Classification: Moderate	
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on May 29, 2022, TCEQ Incident No. 380314.		
8	Date: 08/24/2023 (1867650)		
	Self Report? NO	Classification: Moderate	
	Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to notify the TCEQ of a reportable emissions event within 24 hours after the discovery of the event.		
	Self Report? NO	Classification: Moderate	
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(b) 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on August 8, 2022, TCEQ Incident No. 384928.		
9	Date: 11/17/2023 (1937914)		
	Self Report? NO	Classification: Moderate	
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter B 116.115(c) 5C THSC Chapter 382 382.085(b)		
	Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on September 11, 2023, TCEQ/STEERS Incident No. 409692.		
10	Date: 12/12/2023 (1932043)		
	Self Report? NO	Classification: Moderate	
	Citation: 116553 PERMIT 30 TAC Chapter 116, SubChapter F 116.615(2) 5C THSC Chapter 382 382.085(b)		

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on August 5, 2023, TCEQ/STEERS Incident No. 407628.

Self Report? NO Classification: Moderate

Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on August 10, 2023, TCEQ/STEERS Incident No. 407976.

Self Report? NO Classification: Moderate

Citation: 116553 PERMIT
30 TAC Chapter 116, SubChapter F 116.615(2)
5C THSC Chapter 382 382.085(b)

Description: Failure to prevent unauthorized emissions to the atmosphere during an emissions event that was discovered on August 21, 2023, TCEQ/STEERS Incident No. 408605

F. Environmental audits:

Notice of Intent Date: 08/01/2022 (1840000)

Disclosure Date: 02/08/2023

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611(c)
30 TAC Chapter 116, SubChapter F 116.615(2)

Description: Failure to update representations in the certified registration for the site.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)
30 TAC Chapter 101, SubChapter F 101.201(b)

Description: Failure to quantify and document reportable/recordable emissions events following potential release of unauthorized emissions.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611
40 CFR Chapter 60, SubChapter C, PT 60, SubPT OOOOa 60.5420a(b)(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT OOOOa 60.5420a(b)(7)

Description: Failure to submit an annual report for fugitive monitoring surveys for years 2020 to present.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611

Description: Failure to ensure the dehydration units regeneration vents are vented to the appropriate control device.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611

Description: Failure to ensure Heater H-520 meets the Table 10 process heater BACT for CO.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611

Description: Failure to ensure Heater H-425H0t Oil Heater complies with permit representations for BACT CO.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611
40 CFR Chapter 60, SubChapter C, PT 60, SubPT OOOOa 60.5420a(b)(1)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT OOOOa 60.5420a(b)(7)

Description: Failure to submit an annual report for fugitive monitoring surveys for years 2020 to present.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611

Description: Failure to maintain records of loss of flare pilot flames.

Viol. Moderate

Classification:

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

Description: Failure to maintain records for planned MSS activities.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 116, SubChapter F 116.611

Description: Failure to maintain fuel flow records for engines and heaters authorized for less than 8,760 hrs/yr.

Viol. Moderate

Classification:

Citation: 30 TAC Chapter 111, SubChapter A 111.111(a)(4)(A)(ii)

Description: Failure to maintain a log of daily flare observations and if the flare was smoking.

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
JAMES LAKE MIDSTREAM LLC
RN107088759

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

AGREED ORDER DOCKET NO. 2023-1038-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 JAMES LAKE 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 an oil and gas processing plant located at 2401 Farm-to-Market Road 866 in Goldsmith, Ector County, Texas (the "Plant"). The Plant 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 \$40,000 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$32,000 of the penalty and \$8,000 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.

II. ALLEGATIONS

During a record review for the Plant conducted from February 14, 2022 through April 14, 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. 116553, Federal Operating Permit ("FOP") No. 03771/General Operating Permit ("GOP") No. 514, Site-wide Requirements Nos. (b)(2) and (b)(9)(E)(ii), and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 16.80 pounds ("lbs") of carbon monoxide ("CO"), 84.60 lbs of hydrogen sulfide ("H₂S"), 2.00 lbs of nitrogen oxides ("NO_x"), 7,784.58 lbs of sulfur dioxide ("SO₂"), and 1.20 lbs of volatile organic compounds ("VOC") from the Acid Gas Flare, Emission Point Number ("EPN") FL-2, during an emissions event (Incident No. 374444) that occurred on February 16, 2022 and lasted one hour and 59 minutes.
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. 116553, FOP No. 03771/GOP No. 514, Site-wide Requirements Nos. (b)(2) and (b)(9)(E)(ii), and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the Respondent released 24.60 lbs of CO, 121.37 lbs of H₂S, 2.90 lbs of NO_x, 11,168.88 lbs of SO₂, and 2.00 lbs of VOC from the Acid Gas Flare, EPN FL-2, during an emissions event (Incident No. 376242) that occurred on March 17, 2022 and lasted five hours and nine minutes.

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: JAMES LAKE MIDSTREAM LLC, Docket No. 2023-1038-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 Plant:
 - 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. 374444; and
 - ii. Implement measures designed to prevent the recurrence of emissions events due to the same or similar causes as Incident No. 376242
 - 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 Plant 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

7/2/2024

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

Date

Name (Printed or typed)
Authorized Representative of
JAMES LAKE MIDSTREAM LLC

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.