Executive Summary – Enforcement Matter – Case No. 66825
Kinder Morgan Production Company LLC
RN102170966
Docket No. 2024-1608-AIR-E

Order Type:
1660 Agreed Order
Findings Order Justification:
N/A
Media:
AIR
Small Business:
No
Location(s) Where Violation(s) Occurred:
Snyder Gas Plant, 718 North Farm to Market Road 1611, Snyder, Scurry County
Type of Operation:
Natural gas plant
Other Significant Matters:
Additional Pending Enforcement Actions: No
Past-Due Penalties: No
Past-Due Fees: No
Other: N/A
Interested Third-Parties: None
Texas Register Publication Date: July 17, 2026
Comments Received: No

Penalty Information

Total Penalty Assessed: $45,000
Amount Deferred for Expedited Settlement: $9,000
Total Paid to General Revenue: $36,000
Total Due to General Revenue: $0
Payment Plan: N/A
Compliance History Classifications:
Person/CN - Satisfactory
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: June 10, 2024
Date(s) of NOE(s): September 24, 2024

Violation Information

1. Failed to provide easily accessible safe sampling platforms. Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed improper sampling caused by the restricted and unsafe conditions of the sampling platform including but not limited to the lack of safety railings, insufficient walking access, various platform obstacles, and inadequate weight support [30 TEX. ADMIN. CODE §§ 101.20(2), 101.9, 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.7(d)(2), Federal Operating Permit ("FOP") No. O3061, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") Nos. 1.A, 1.F, 2.D, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

2. Failed to provide adequate sampling ports for test methods. Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed the third-party sampling vendor not conducting sampling as prescribed by the EPA reference methodology due to lack of access to the stack ports caused by the port covers being seized shut [30 TEX. ADMIN. CODE §§ 101.20(2), 101.9, 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.7(d)(1), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 2.D, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

3. Failed to conduct reasonably accurate sampling of the concentration of emissions in accordance with EPA reference methods. Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed the sampling facilities and locations were not conducted in accordance with EPA Reference Method 1 and does not meet the alternative sampling method as described in 40 CFR Part 63, Subpart ZZZZ [30 TEX. ADMIN. CODE §§ 101.20(2), 101.8(a), 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6620, FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 2.C, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

4. Failed to meet the 93% carbon monoxide ("CO") emissions reduction limit. Specifically, the stack test conducted on June 10, 2024 for Emissions Point Number ("EPN") ENG-4274 yielded approximately 76% CO emissions reduction which is lower than the permitted 93% emissions reduction of CO parts per million ("ppm") corrected to 15% O2 requirement of 40 CFR Part 63, Subpart ZZZZ [30 TEX. ADMIN. CODE §§ 101.20(2), 106.352(c)(2)(b), 106.4(c), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6600(b), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

5. Failed to meet the 93% CO emissions reduction limit. Specifically, the stack test conducted on June 10, 2024 for EPN ENG-4758 yielded approximately 90% CO emissions reduction which is lower than the permitted 93% emissions reduction of CO ppm corrected to 15% O2 requirement of 40 CFR Part 63, Subpart ZZZZ [30 TEX. ADMIN. CODE §§ 101.20(2), 106.352(c)(2)(b), 106.4(c), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6600(b), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 5, and 8, 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 procedures designed to ensure easily accessible safe sampling platforms are provided to facilitate proper sampling;

ii. Implement procedures designed to ensure adequate sampling ports are available to conduct sampling as prescribed by the EPA reference methodology;

iii. Implement procedures designed to ensure sampling facilities and locations are conducted in accordance with EPA Reference Method 1 or the alternative sampling method;

iv. Implement procedures designed to ensure that CO emissions from EPN ENG-4274 meet the permitted 93% CO emissions reduction limit; and

v. Implement procedures designed to ensure that CO emissions from EPN ENG-4758 meet the permitted 93% CO emissions reduction limit.

b. Within 45 days, submit written certification, and include detailed supporting documentation to demonstrate compliance with a.

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Raven Daigle, Enforcement Division, Enforcement Backlog Team, MC R-12, (713) 767-3634; Michael Parrish, Enforcement Division, MC R-12, (512) 239-2548
Respondent: Ben Pool, Director of Operations and Engineering, Kinder Morgan Production Company LLC, 718 North Farm to Market Road 1611, Snyder, Texas 79549-8540
Respondent's Attorney: N/A

Penalty Calculation Worksheet (PCW)

Policy Revision 5 (January 28, 2021) — *PCW Revision February 11, 2021*

DATES						
	Assigned	25-Sep-2024				
	PCW	25-Sep-2024	**Screening**	25-Sep-2024	**EPA Due**	

RESPONDENT/FACILITY INFORMATION

Respondent	Kinder Morgan Production Company LLC		
Reg. Ent. Ref. No.	RN102170966		
Facility/Site Region	3-Abilene	**Major/Minor Source**	Major

CASE INFORMATION

Enf./Case ID No.	66825	**No. of Violations**	5
Docket No.	2024-1608-AIR-E	**Order Type**	1660
Media Program(s)	Air	**Government/Non-Profit**	No
Multi-Media		**Enf. Coordinator**	Raven Daigle
		EC's Team	Enforcement Team BB

Admin. Penalty $ Limit Minimum $0 Maximum $25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) — ***Subtotal 1*** **$45,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

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

Compliance History **0.0%** Adjustment — ***Subtotals 2, 3, & 7*** **$0**

Notes: No adjustments for Compliance History.

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 $4,845
Estimated Cost of Compliance $44,000

**Capped at the Total EB $ Amount*

SUM OF SUBTOTALS 1-7 — ***Final Subtotal*** **$45,000**

OTHER FACTORS AS JUSTICE MAY REQUIRE **0.0%** — ***Adjustment*** **$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **$45,000**

STATUTORY LIMIT ADJUSTMENT — ***Final Assessed Penalty*** **$45,000**

DEFERRAL **20.0%** Reduction — ***Adjustment*** **-$9,000**

Reduces the Final Assessed Penalty by the indicated percentage.

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY **$36,000**

Screening Date	25-Sep-2024	**Docket No.** 2024-1608-AIR-E	**PCW**
Respondent	Kinder Morgan Production Company LLC		*Policy Revision 5 (January 28, 2021)*
Case ID No.	66825		*PCW Revision February 11, 2021*
Reg. Ent. Reference No.	RN102170966		
Media	Air		
Enf. Coordinator	Raven Daigle		

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

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)

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

No adjustments for Compliance History.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 0%

>> Final Compliance History Adjustment

Final Adjustment Percentage ****capped at 100%*** 0%

Screening Date 25-Sep-2024 **Docket No.** 2024-1608-AIR-E **PCW**

Respondent Kinder Morgan Production Company LLC *Policy Revision 5 (January 28, 2021)*

Case ID No. 66825 *PCW Revision February 11, 2021*

Reg. Ent. Reference No. RN102170966

Media Air

Enf. Coordinator Raven Daigle

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 101.9, 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 Code of Federal Regulations ("CFR") § 63.7(d)(2), Federal Operating Permit ("FOP") No. O3061, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") Nos. 1.A, 1.F, 2.D, 5, and 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to provide easily accessible safe sampling platforms. Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed improper sampling caused by the restricted and unsafe conditions of the sampling platform including but not limited to the lack of safety railings, insufficient walking access, various platform obstacles, and inadequate weight support.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

	Harm		
Release	Major	Moderate	Minor
Actual			
Potential	x		

OR

Percent 30.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: Human health or the environment will or could be exposed to pollutants that would 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	x
quarterly	
semiannual	
annual	
single event	

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

Estimated EB Amount $881

Statutory Limit Test

Violation Final Penalty Total $7,500

This violation Final Assessed Penalty (adjusted for limits) $7,500

Economic Benefit Worksheet

Respondent Kinder Morgan Production Company LLC
Case ID No. 66825
Reg. Ent. Reference No. RN102170966
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
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)	$8,000	10-Jun-2024	23-Aug-2026	2.20	$881	n/a	$881
Notes for DELAYED costs	Estimated cost to implement procedures designed to ensure easily accessible safe sampling platforms are provided to facilitate proper sampling. The Date Required is the date of the investigation 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	$8,000	TOTAL	$881

Screening Date	25-Sep-2024	**Docket No.** 2024-1608-AIR-E	**PCW**
Respondent	Kinder Morgan Production Company LLC		*Policy Revision 5 (January 28, 2021)*
Case ID No.	66825		*PCW Revision February 11, 2021*
Reg. Ent. Reference No.	RN102170966		
Media	Air		
Enf. Coordinator	Raven Daigle		

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 101.9, 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.7(d)(1), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 2.D, 5, and 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to provide adequate sampling ports for test methods. Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed the third-party sampling vendor not conducting sampling as prescribed by the EPA reference methodology due to lack of access to the stack ports caused by the port covers being seized shut.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: Human health or the environment will or could be exposed to pollutants that would 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	x
quarterly	
semiannual	
annual	
single event	

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

Estimated EB Amount $881

Statutory Limit Test

Violation Final Penalty Total $7,500

This violation Final Assessed Penalty (adjusted for limits) $7,500

Economic Benefit Worksheet

Respondent Kinder Morgan Production Company LLC
Case ID No. 66825
Reg. Ent. Reference No. RN102170966
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
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)	$8,000	10-Jun-2024	23-Aug-2026	2.20	$881	n/a	$881
Notes for DELAYED costs	Estimated cost to implement procedures designed to ensure adequate sampling ports are available to conduct sampling as prescribed by the EPA reference methodology. The Date Required is the date of the investigation 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	$8,000	TOTAL	$881

Screening Date	25-Sep-2024	**Docket No.** 2024-1608-AIR-E	**PCW**
Respondent	Kinder Morgan Production Company LLC		*Policy Revision 5 (January 28, 2021)*
Case ID No.	66825		*PCW Revision February 11, 2021*
Reg. Ent. Reference No.	RN102170966		
Media	Air		
Enf. Coordinator	Raven Daigle		

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 101.8(a), 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6620, FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 2.C, 5, and 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to conduct reasonably accurate sampling of the concentration of emissions in accordance with EPA reference methods. Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed the sampling facilities and locations were not conducted in accordance with EPA Reference Method 1 and does not meet the alternative sampling method as described in 40 CFR Part 63, Subpart ZZZZ.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

	Harm		
Release	Major	Moderate	Minor
Actual			
Potential	x		

OR

Percent 30.0%

>>Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes: Human health or the environment will or could be exposed to pollutants that would 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	x
quarterly	
semiannual	
annual	
single event	

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

Estimated EB Amount $881

Statutory Limit Test

Violation Final Penalty Total $7,500

This violation Final Assessed Penalty (adjusted for limits) $7,500

Economic Benefit Worksheet

Respondent Kinder Morgan Production Company LLC
Case ID No. 66825
Reg. Ent. Reference No. RN102170966
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
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)	$8,000	10-Jun-2024	23-Aug-2026	2.20	$881	n/a	$881
Notes for DELAYED costs	Estimated cost to implement procedures designed to ensure sampling facilities and locations are conducted in accordance with EPA Reference Method 1 or the alternative sampling method as described in 40 CFR Part 63, Subpart ZZZZ. The Date Required is the date of the investigation 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	$8,000	TOTAL	$881

Screening Date	25-Sep-2024	**Docket No.** 2024-1608-AIR-E	**PCW**
Respondent	Kinder Morgan Production Company LLC		*Policy Revision 5 (January 28, 2021)*
Case ID No.	66825		*PCW Revision February 11, 2021*
Reg. Ent. Reference No.	RN102170966		
Media	Air		
Enf. Coordinator	Raven Daigle		

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 106.352(c)(2)(b), 106.4(c), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6600(b), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 5, and 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to meet the 93% carbon monoxide ("CO") emissions reduction limit. Specifically, the stack test conducted on June 10, 2024 for Emissions Point Number ("EPN") ENG-4274 yielded approximately 76% CO emissions reduction which is lower than the permitted 93% emissions reduction of CO parts per million ("ppm") corrected to 15% O2 requirement of 40 CFR Part 63, Subpart ZZZZ.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

OR	Harm			
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 which do 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: 2 — 107 Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty $15,000

Two quarterly events are recommended, from the June 10, 2024 investigation date to the September 25, 2024 screening date.

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 $15,000

Economic Benefit (EB) for this violation

Estimated EB Amount $1,101

Statutory Limit Test

Violation Final Penalty Total $15,000

This violation Final Assessed Penalty (adjusted for limits) $15,000

Economic Benefit Worksheet

Respondent Kinder Morgan Production Company LLC
Case ID No. 66825
Reg. Ent. Reference No. RN102170966
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
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	10-Jun-2024	23-Aug-2026	2.20	$1,101	n/a	$1,101
Notes for DELAYED costs	Estimated cost to implement procedures designed to ensure that CO emissions from EPN ENG-4274 meet the permitted 93% CO emissions reduction limit. The Date Required is the date of the investigation 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	$1,101

Screening Date	25-Sep-2024	**Docket No.** 2024-1608-AIR-E	**PCW**
Respondent	Kinder Morgan Production Company LLC		*Policy Revision 5 (January 28, 2021)*
Case ID No.	66825		*PCW Revision February 11, 2021*
Reg. Ent. Reference No.	RN102170966		
Media	Air		
Enf. Coordinator	Raven Daigle		

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(2), 106.352(c)(2)(b), 106.4(c), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6600(b), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 5, and 8, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to meet the 93% CO emissions reduction limit. Specifically, the stack test conducted on June 10, 2024 for Emissions Point Number ("EPN") ENG-4758 yielded approximately 90% CO emissions reduction which is lower than the permitted 93% emissions reduction of CO ppm corrected to 15% O2 requirement of 40 CFR Part 63, Subpart ZZZZ.

Base Penalty $25,000

>> Environmental, Property and Human Health Matrix

	Harm		
Release	Major	Moderate	Minor
Actual			x
Potential			

OR

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 which do 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 — 107 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	x
annual	
single event	

Violation Base Penalty $7,500

One semiannual event is recommended, from the June 10, 2024 investigation date to the September 25, 2024 screening date.

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

Estimated EB Amount $1,101

Statutory Limit Test

Violation Final Penalty Total $7,500

This violation Final Assessed Penalty (adjusted for limits) $7,500

Economic Benefit Worksheet

Respondent Kinder Morgan Production Company LLC
Case ID No. 66825
Reg. Ent. Reference No. RN102170966
Media Air
Violation No. 5

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	10-Jun-2024	23-Aug-2026	2.20	$1,101	n/a	$1,101
Notes for DELAYED costs	Estimated cost to implement procedures designed to ensure that CO emissions from EPN ENG-4758 meet the permitted 93% CO emissions reduction limit. The Date Required is the date of the investigation 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	$1,101	

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 CN603227380, RN102170966, Rating Year 2025 which includes Compliance History (CH) components from September 1, 2020, through August 31, 2025.

Customer, Respondent, or Owner/Operator: CN603227380, Kinder Morgan Production Company LLC **Classification:** SATISFACTORY **Rating:** 1.90

Regulated Entity: RN102170966, SNYDER GAS PLANT **Classification:** HIGH **Rating:** 0.00

Complexity Points: 6 **Repeat Violator:** NO

CH Group: 03 - Oil and Gas Extraction

Location: 718 N FM 1611 SNYDER, TX 79549-8540, SCURRY COUNTY

TCEQ Region: REGION 03 - ABILENE

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER SG0029C
AIR OPERATING PERMITS PERMIT 3061
AIR NEW SOURCE PERMITS PERMIT 48798
AIR NEW SOURCE PERMITS ACCOUNT NUMBER SG0029C
AIR NEW SOURCE PERMITS AFS NUM 4841500002
AIR NEW SOURCE PERMITS REGISTRATION 53802
AIR EMISSIONS INVENTORY ACCOUNT NUMBER SG0029C

Compliance History Period: September 01, 2020 to August 31, 2025 **Rating Year:** 2025 **Rating Date:** 09/01/2025

Date Compliance History Report Prepared: March 25, 2026

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: March 25, 2021 to March 25, 2026

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

Name: TCEQ Staff Member **Phone:** (713) 767-3634

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	June 25, 2021	(1736656)
Item 2	July 11, 2022	(1818955)
Item 3	August 09, 2022	(1832582)
Item 4	April 11, 2023	(1880274)
Item 5	July 31, 2023	(1916160)
Item 6	July 02, 2024	(1989896)
Item 7	August 14, 2025	(2084922)

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:

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	**§**	**BEFORE THE**
ENFORCEMENT ACTION	**§**	
CONCERNING	**§**	**TEXAS COMMISSION ON**
KINDER MORGAN PRODUCTION	**§**	
COMPANY LLC	**§**	
RN102170966	**§**	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2024-1608-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 Kinder Morgan Production Company 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 plant located at 718 North Farm to Market Road 1611 in Snyder, Scurry 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 $45,000 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid $36,000 of the penalty and $9,000 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 an investigation at the Plant conducted on June 10, 2024, an investigator documented that the Respondent:

1. Failed to provide easily accessible safe sampling platforms, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 101.9, 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 63.7(d)(2), Federal Operating Permit ("FOP") No. O3061, General Terms and Conditions ("GTC") and Special Terms and Conditions ("STC") Nos. 1.A, 1.F, 2.D, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed improper sampling caused by the restricted and unsafe conditions of the sampling platform including but not limited to the lack of safety railings, insufficient walking access, various platform obstacles, and inadequate weight support.

2. Failed to provide adequate sampling ports for test methods, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 101.9, 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.7(d)(1), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 2.D, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed the third-party sampling vendor not conducting sampling as prescribed by the EPA reference methodology due to lack of access to the stack ports caused by the port covers being seized shut.

3. Failed to conduct reasonably accurate sampling of the concentration of emissions in accordance with EPA reference methods, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 101.8(a), 106.352(j)(1), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6620, FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 2.C, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, during an on-site observation of the stack tests conducted on June 10, 2024, the investigator observed the sampling facilities and locations were not conducted in accordance with EPA Reference Method 1 and does not meet the alternative sampling method as described in 40 CFR Part 63, Subpart ZZZZ.

4. Failed to meet the 93% carbon monoxide ("CO") emissions reduction limit, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 106.352(c)(2)(b), 106.4(c), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6600(b), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the stack test conducted on June 10, 2024 for Emissions Point Number ("EPN") ENG-4274 yielded approximately 76% CO emissions reduction which is lower than the permitted 93% emissions reduction of

CO parts per million ("ppm") corrected to 15% O2 requirement of 40 CFR Part 63, Subpart ZZZZ.

5. Failed to meet the 93% CO emissions reduction limit, in violation of 30 TEX. ADMIN. CODE §§ 101.20(2), 106.352(c)(2)(b), 106.4(c), 113.1090, 116.115(c), and 122.143(4), 40 CFR § 63.6600(b), FOP No. O3061, GTC and STC Nos. 1.A, 1.F, 5, and 8, and TEX. HEALTH & SAFETY CODE § 382.085(b). Specifically, the stack test conducted on June 10, 2024 for Emissions Point Number ("EPN") ENG-4758 yielded approximately 90% CO emissions reduction which is lower than the permitted 93% emissions reduction of CO ppm corrected to 15% O2 requirement of 40 CFR Part 63, Subpart ZZZZ.

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: Kinder Morgan Production Company LLC, Docket No. 2024-1608-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:

   a. Within 30 days after the effective date of this Order:

      i. Implement procedures designed to ensure easily accessible safe sampling platforms are provided to facilitate proper sampling;

      ii. Implement procedures designed to ensure adequate sampling ports are available to conduct sampling as prescribed by the EPA reference methodology;

      iii. Implement procedures designed to ensure sampling facilities and locations are conducted in accordance with EPA Reference Method 1 or the alternative sampling method as described in 40 CFR Part 63, Subpart ZZZZ;

      iv. Implement procedures designed to ensure that CO emissions from EPN ENG-4274 meet the permitted 93% CO emissions reduction limit; and

v. Implement procedures designed to ensure that CO emissions from EPN ENG-4758 meet the permitted 93% CO emissions reduction limit.

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
> Abilene Regional Office
> Texas Commission on Environmental Quality
> 1977 Industrial Boulevard
> Abilene, Texas 79602-7833

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

Kristie Mello-Jurach
_____ 08/04/2026
For the Executive Director 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.

_____ 06/02/2026
Signature Date

Benjamin B. Pool Director
Name (Printed or typed) Title
Authorized Representative of
Kinder Morgan Production Company LLC

☐ *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.