ENVIRONMENTAL PROTECTION AGENCY 2018 JUN -4 AM II: 23

DALLAS, TEXAS

REGIONAL HEARING CLERK EPA REGION VI

IN THE MATTER OF:

Delaware Basin Midstream, LLC

Respondent

Orla, Texas

CONSENT AGREEMENT AND FINAL ORDER EPA DOCKET NO. CAA-06-2018-3311

CONSENT AGREEMENT AND FINAL ORDER

The Director, Compliance Assurance and Enforcement Division, United States Environmental Protection Agency, Region 6 ("EPA" or "Complainant"), and Delaware Basin Midstream, LLC, located in Orla, Texas ("Respondent" or "DBM"), in the above referenced action, have agreed to simultaneously commence and resolve this matter through issuance of this Consent Agreement and Final Order ("CAFO").

I. PRELIMINARY STATEMENT

- 1. This proceeding for the assessment of civil penalties pursuant to Section 113(d) of the Clean Air Act, as amended ("CAA" or "the Act"), 42 U.S.C. § 7413(d), is simultaneously commenced and concluded by the issuance of this CAFO pursuant to 40 C.F.R. §§ 22.13(b), 22.18(b)(2), 22.18(b)(3), and 22.34.
- This CAFO serves as notice pursuant to Section 113(d)(2)(A) of the Act, 42 U.S.C.
 § 7413(d)(2)(A).
- For purposes of this proceeding, Respondent admits the jurisdictional allegations
 of this CAFO; however, Respondent neither admits nor denies the specific factual allegations and
 alleged violations contained in this CAFO.

- 4. Respondent waives any right to contest the allegations in the CAFO and its right to appeal the Final Order set forth herein, and waives all defenses which have been raised or could have been raised to the claims set forth in the CAFO.
- 5. Respondent does not waive any rights or defenses which have been raised or could be raised in any subsequent proceeding(s) which has been brought or which could be brought against Respondent regarding the claims set forth in the CAFO. This CAFO may not be used in any federal or state proceeding except proceedings by EPA to enforce this CAFO.
- 6. Compliance with all the terms and conditions of this CAFO shall only resolve Respondent's liability for Federal civil penalties for the violations alleged in the CAFO.
- 7. Respondent consents to the issuance of this CAFO, and consents to the assessment and payment of the stated Federal civil monetary penalty in the amount and by the method set out in this CAFO.
- 8. Respondent shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, or claim-splitting for violations not alleged in this CAFO.
- 9. Nothing in this CAFO shall be construed to prevent or limit EPA's civil, injunctive, and criminal authorities, or that of other Federal, State, or local agencies or departments to obtain penalties or injunctive relief under Federal, State, or local laws or regulations.
- 10. Respondent represents that the undersigned representative is fully authorized by the party whom he or she represents to enter into the terms and conditions of this CAFO, to execute this CAFO, and to legally bind the Respondent to the terms and conditions of this CAFO.
- 11. Respondent agrees that the provisions of this CAFO shall be binding on its officers, directors, employees, agents, servants, authorized representatives, successors, and assigns.

II. STATUTORY AND REGULATORY BACKGROUND

- 12. Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), provides that the objective of the regulations and programs authorized under Section 112(r) shall be to prevent the accidental release of regulated substances or other extremely hazardous substances and to minimize the consequences of any such release that does occur.
- 13. Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), also provides that owners and operators of stationary sources producing, processing, handling or storing [substances listed in 40 C.F.R. § 68.130] or other extremely hazardous substances have a general duty, in the same manner and to the same extent as Section 654 of Title 29, to identify hazards which may result from such releases using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as are necessary to prevent releases, and to minimize the consequences of accidental releases which do occur.
- 14. Pursuant to CAA § 112(r)(7), 42 U.S.C. § 7412(r)(7), the Administrator is authorized to promulgate regulations dictating release prevention, detection, and correction requirements.
- 15. On June 20, 1996, the EPA promulgated a final rule known as the Chemical Accident Prevention Provisions, 40 C.F.R. Part 68, which implements Section 112(r)(7), 42 U.S.C. § 7412(r)(7), of the Act.
- 16. Pursuant to 40 C.F.R. § 68.10(a), an owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process ("Covered Process"), as determined under 40 C.F.R. § 68.115, shall comply with the requirements of 40 C.F.R. Part 68 no later than the latest of the following dates: (1) June 21, 1999; (2) three years after the date on which a regulated substance is first listed under Section 68.130; or (3) the date on which a regulated substance is first present above a threshold quantity in a process.

- 17. Pursuant to 40 C.F.R. § 68.12(a), an owner or operator of a stationary source subject to Part 68 requirements must submit a Risk Management Plan ("RMP"), as provided in 40 C.F.R. Part 68 Subpart G (§§ 68.150-68.185), that reflects all covered processes at the stationary source.
- 18. 40 C.F.R. Part 68 provides general requirements applicable to owners or operators of a stationary source subject to Part 68.
- 19. 40 C.F.R. Part 68 also establishes requirements that apply to an owner or operator depending on whether the stationary source operates processes subject to one of three "Programs" -- Program 1, Program 2, and Program 3, as these program levels are defined in 40 C.F.R. § 68.10.
- 20. Pursuant to 40 C.F.R. § 68.12(d), the owner or operator of a stationary source with a process subject to the "Program 3" requirements of the Part 68 regulations, as determined pursuant to 40 C.F.R. § 68.10(d), must comply with the chemical accident prevention requirements of 40 C.F.R. Part 68, Subpart D (Program 3 Prevention Program, at 40 C.F.R. §§ 68.65-68.87).
- 21. Pursuant to Sections 113(a)(3) and 113(d)(1)(B) of the CAA, 42 U.S.C. §§ 7413(a)(3) and 7413(d)(1)(B), whenever the Administrator finds that any person has violated or is violating a requirement of the CAA, including, but not limited to, a requirement or prohibition of any rule promulgated under the CAA, other than those requirements specified in Sections 113(a)(1), 113(a)(2) or 113(d)(1)(A) of the CAA [42 U.S.C. §§ 7413(a)(1), 7413(a)(2), or 7413(d)(1)(A)], the Administrator may issue an order assessing a civil administrative penalty.
- 22. Pursuant to Section 113(d)(1) of the CAA, 42 U.S.C. 7413(d)(1), and as adjusted by the Civil Penalty Inflation Adjustment Rule of January 10, 2018 (83 Fed. Reg. 1190, 1193), 40 C.F.R. § 19.4, the Administrator may assess a civil administrative penalty of up to \$46,192 per day of violation for a violation occurring after November 2, 2015, where penalties are assessed on or after January 15, 2018.

- 23. EPA and the U.S. Department of Justice have jointly determined that the Complainant can administratively assess a civil penalty even though the penalty might exceed the statutory amount and the alleged violations have occurred more than twelve (12) months prior to the initiation of the administrative action.
- 24. "Covered process" is defined in 40 C.F.R. § 68.3 as a process that has a regulated substance present in more than a threshold quantity as determined under § 68.115.
- 25. "Hot work" is defined in 40 C.F.R. § 68.3 as work involving electric or gas welding, cutting, brazing, or similar flame or spark-producing operations.
- 26. "Owner or operator" shall mean any person who owns, leases, operates, controls, or supervises a stationary source.
- 27. "Person" is defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e), as including an individual, corporation, partnership, association, state, municipality, political subdivision of a state, and any agency, department, or instrumentality of the United States and any officer, agent, or employee thereof.
- 28. "Process" is defined in 40 C.F.R. § 68.3 as any activity involving a regulated substance including any use, storage, manufacturing, handling, or on-site movement of such substances, or combination of these activities. For the purposes of this definition, any group of vessels that are interconnected, or separate vessels that are located such that a regulated substance could be involved in a potential release, shall be considered a single process.
- 29. "Regulated substance" is defined in 40 C.F.R. § 68.3 as any substance listed pursuant to Section 112(r)(3) of the CAA as amended, in § 68.130.
- 30. "RMP" is defined in 40 C.F.R. § 68.3 as the risk management plan required under subpart G of 40 C.F.R. Part 68.

- 31. "Stationary source" is defined in Section 112(r)(2)(C) of the CAA and 40 C.F.R. § 68.3 as any buildings, structures, equipment, installations or substance emitting stationary activities which belong to the same industrial group, which are located on one or more contiguous properties, which are under the control of the same person (or persons under common control), and from which an accidental release may occur.
- 32. "Threshold quantity" is defined in 40 C.F.R. § 68.3 as the quantity specified for regulated substances pursuant to Section 112(r)(5) of the CAA as amended, listed in 40 C.F.R. § 68.130 and determined to be present at a stationary source as specified in 40 C.F.R. § 68.115.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 33. Respondent is a limited liability company authorized to do business in the State of Texas.
- 34. Respondent is a "person" as that term is defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e), and within the meaning of Section 113(d) of the Act, 42 U.S.C. § 7413(d).
- 35. At all times relevant to this CAFO, Respondent owned and operated the Ramsey Gas Plant, located at Highway 285 North (9.5 miles North of Orla) in Orla, TX ("Facility").
 - 36. The Facility is a Natural Gas Processing facility.
- 37. At its Natural Gas Processing Facility, Respondent produces, processes, stores, or handles more than 10,000 pounds of flammable mixture, including pentane, isobutate, isopentane, butane, propane, and ethane in the form of natural gas, natural gas liquids, condensate, and/or crude oil.
- 38. Pentane, isobutate, isopentane, butane, propane, and ethane are identified at 40 C.F.R. § 68.130 as regulated flammable substances with a threshold quantity of 10,000 pounds.

- 39. Respondent's Gas Processing Facility is a "covered process" as that term is defined in 40 C.F.R. § 68.3.
 - 40. Respondent is required to submit an RMP pursuant to 40 C.F.R. § 68.12(a).
- 41. Respondent's RMP indicates that the Gas Processing Facility process is subject to OSHA Process Safety Management standard, 29 C.F.R. § 1910.119.
- 42. Respondent's Gas Processing Facility process is a Program Level 3 covered process, as that term is defined in 40 C.F.R. § 68.10.
- 43. Pursuant to 40 C.F.R. § 68.12(d), Respondent is required to implement the prevention requirements of 40 C.F.R. §§ 68.65 68.87 at its Facility.
- 44. On December 3, 2015 ("the day of the incident"), the Facility experienced a fire and secondary explosion as described below.
 - 45. The Facility receives inlet gas that is not dehydrated in the field via six pipelines.
- 46. On the day of the incident, the inlet gas passed through a series of slug catchers to remove liquids. The gas was then processed, compressed, and sent to sales, while the natural gas liquids were removed from the stream and trucked off site.
- 47. On the day of the incident, and because the inlet gas is not field dehydrated, the Facility used two upstream systems to prevent the formation of ice or gas hydrates.
- 48. On the day of the incident, the first ice/hydrate prevention system was a line heater. Currently, the only ice/hydrate prevention system is a methanol injection system.
- 49. On November 23, 2015, the line heater was struck by hydrate formed upstream in the pipe and removed from service.
- 50. On the morning of the day of the incident, a partial ice or hydrate restriction formed in the LCV-1151 control manifold.

- 51. On the day of the incident, the restriction likely formed due to a drop in ambient temperature, combined with a pressure drop across the control valve, resulting in a downstream auto-refrigeration effect.
- 52. On the day of the incident, facility personnel had no way to monitor whether the methanol injection system was operational.
- 53. On the day of the incident, facility personnel blocked in the LCV-1151 control valve manifold in a hydrocarbon liquid full condition by closing an upstream manual block valve and a downstream shutdown valve.
- 54. On the day of the incident, facility personnel applied hot water from a heated pressure washer directly to the closed piping system in an attempt to remove the suspected hydrate or ice.
- 55. On the day of the incident, the application of heat to the closed system likely resulted in a rapid and significant increase in pressure, potentially greater than 4,500 psig, due to thermal expansion of the liquid.
- 56. This increase in pressure compromised the integrity of the level control valve and/or the control valve manifold piping, both of which had design pressures of 1,440 psig.
- 57. When control room personnel reopened the downstream shutdown valve and attempted to verify flow using bypass valves on the LCV-1151, the compromised valve and associated pipe system was re-pressurized.
- 58. As pressure increased above that of the downstream vessel, a loss of primary containment occurred, and the released hydrocarbons ignited immediately.
 - 59. The source of ignition was likely the heated pressure washer.

- 60. The control room operator initiated an emergency shutdown and ordered the evacuation of all personnel from the facility.
- 61. Because the bypass valves on the LCV-1151 control manifold were still open and the downstream shutdown valve was closed, the piping manifold quickly pressurized to the inlet slug receiver area's (also known as the HARP unit area) operating pressure, and volatile hydrocarbon liquids flowed uncontrolled through the partially opened bypass valve into the compromised level control valve manifold and then to atmosphere.
- 62. The fire burned for approximately twenty-five minutes before the occurrence of a secondary explosion at or near the inlet slug receiver area.
- 63. The HARP unit was full of hydrocarbon liquids at the time of the explosion, resulting in the release of approximately 1,500 barrels of volatile and pressurized (1000 psig) natural gas liquids in the explosion.
- 64. There were no known injuries as a direct result of the fire or the secondary explosion.
- 65. On the day of the incident, and during the evacuation, facility personnel experienced two recordable injuries and three non-recordable injuries which required first aid treatment.
 - 66. County Roads 449, 452, and 454 were closed to protect the general public.
- 67. On June 29-30, 2016, EPA Region 6 personnel conducted an on-site inspection of Respondent's Facility to determine compliance with CAA 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. Part 68.
- 68. During the inspection, EPA personnel reviewed the Facility's RMP, as well as hot work permits issued by the facility.

- 69. The inspection revealed that hot work permits issued by the facility were often general and unspecific, failing to identify the object on which hot work is to be performed.
- 70. The inspection also revealed that Respondent failed to update its RMP to reflect a change in emergency contact information within one month of changing that information.

IV. VIOLATIONS

Count 1. Failure to Design and Maintain a Safe Facility

- 71. Pursuant to Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), the owners and operators of stationary sources producing, processing, handling or storing listed or other extremely hazardous substances have a general duty to identify hazards which may result from such releases using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as are reasonably necessary to prevent releases, and to minimize the consequence of accidental releases which do occur.
- 72. On the day of the incident, Respondent failed to maintain the line heater it had in place to prevent the formation of ice or hydrate.
- 73. Respondent's failure to design and maintain a safe facility constitutes a violation of Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

Count 2. Failure to Develop and Implement a Safe Procedure

- 74. Pursuant to 40 C.F.R. § 68.69(a), the owner or operator shall develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process.
- 75. Such operating procedures shall include safety and health considerations related to the properties of and hazards presented by the chemicals used in the process, precautions necessary to prevent exposure, and any special or unique hazards.
- 76. The procedure put in place on December 3, 2015 to use the heated pressure washer to eliminate ice or hydrates failed to consider the consequences of pressurizing a closed system, ultimately leading to a loss of primary containment, fire, and secondary explosion.
- 77. Respondent's failure to develop and implement a safe procedure for the removal of ice or hydrates constitutes a violation of 40 C.F.R. § 68.69(a).

Count 3. Failure to Properly Document Hot Work Permits

- 78. Pursuant to 40 C.F.R. § 68.85(a), owners and operators shall issue a hot work permit for hot work operations conducted on or near a covered process.
- 79. Pursuant to 40 C.F.R. § 68.85(b), each hot work permit shall document that the fire prevention and protection requirements in 29 C.F.R. § 1910.252(a) have been implemented prior to beginning the hot work operations, shall indicate the date(s) authorized for hot work, and shall identify the object on which hot work is to be performed.
- 80. Respondent used generally-issued hot work permits, which failed to identify the object on which hot work was to be performed.
- 81. Respondent's failure to properly issue its hot work permits constitutes a violation of 40 C.F.R. § 68.85(b).

Count 4. Failure to Update Emergency Contact Information

- 82. Pursuant to 40 C.F.R. § 68.195(b), within one month of any change in the emergency contact information required under § 68.160(b)(6), the owner or operator shall submit a correction of that information.
- 83. Respondent failed to update its emergency contact information within the timeline required by 40 C.F.R. § 68.195(b).
- 84. This failure to update the emergency contact information constitutes a violation of 40 C.F.R. § 68.195(b).

V. CIVIL PENALTY AND TERMS OF SETTLEMENT

- 85. Pursuant to the authority granted in Sections 113(d) of the CAA, 42 U.S.C. § 7413(d), and taking into consideration the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation, payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, the seriousness of the violation, and other factors as justice may require, the parties agree that **two hundred twenty-six thousand dollars (\$226,000.)** is an appropriate penalty to resolve this matter.
- 86. Within thirty (30) days of this fully executed CAFO, Respondent shall pay \$226,000.00 by cashier's check, certified check, or wire transfer made payable to "Treasurer, United States of America, EPA Region 6." Payment shall be remitted in one of five (5) ways: regular U.S. Postal Service mail, to include certified mail; overnight mail; wire transfer; Automated Clearinghouse for receiving U.S. currency; or On Line Payment. For regular U.S. Postal Service mail, U.S. Postal Service certified mail, or U.S. Postal Service express mail, the check(s) should be remitted to:

U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center P.O. Box 979077 St. Louis, MO 63197-9000

For overnight mail (non-U.S. Postal Service, e.g., FedEx), the check(s) should be remitted to:

U.S. Bank Government Lockbox 979077 U.S. EPA Fines & Penalties 1005 Convention Plaza SL-MO-C2-GL St. Louis, MO 63101

Contact: Warren Stroman 225-621-1554

For wire transfer, the payment should be remitted to:

Federal Reserve Bank of New York

ABA: 021030004

Account Number: 68010727 SWIFT address: FRNYUS33

33 Liberty Street New York, NY 10045

Field Tag 4200 of the Fedwire message should read: "D 68010727 Environmental Protection Agency"

For Automated Clearinghouse (also known as REX or remittance express):

U.S. Treasury REX / Cashlink ACH Receiver ABA: 051036706 Account Number: 310006, Environmental Protection Agency CTX Format Transaction Code 22 – checking Physical location of U.S. Treasury facility: 5700 Rivertech Court Riverdale, MD 20737

Contact - Jesse White (301) 887-6548

For On Line Payment:

WWW.PAY.GOV

Enter sfo 1.1 in search field Open form and complete required fields.

PLEASE

NOTE:

The docket number "CAA 06-2018-3311" shall be clearly typed on the check to ensure proper credit. The payment shall also be accompanied by a transmittal letter and shall reference Respondent's name and address, the case name, and docket number of the administrative Complaint and CAFO. Respondent's adherence to this request will ensure proper credit is given when penalties are received for the Region. Respondent shall also send a simultaneous notice of such payment, including a copy of the money order, or check, and the transmittal letter to the following:

Samuel Tates
Chief (6EN-AS)
Chemical Accident Enforcement Section
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue Suite 1200
Dallas, Texas 75202-2733;

Lorena Vaughn Region 6 Hearing Clerk (6RC-D) U.S. EPA, Region 6 1445 Ross Avenue, Suite 1200 Dallas, TX 75202-2733

- 87. Respondent agrees not to claim, or attempt to claim, a federal income tax deduction or credit covering all or any part of the civil penalty paid to the United States Treasurer.
- 88. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue thirty (30) days after the effective date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid by the respective due date. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a). Moreover, the costs of the

Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. <u>See</u> 40 C.F.R. § 13.11(b).

- 89. EPA will also assess a fifteen dollar (\$15.00) administrative handling charge for administrative costs on unpaid penalties for the first thirty (30)-day period after the payment is due and an additional fifteen dollars (\$15.00) for each subsequent thirty (30) day period that the penalty remains unpaid. In addition, a penalty charge of up to six percent (6%) per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. See 40 C.F.R. § 13.11(c). Should a penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. See 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.
- 90. Pursuant to Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5), any person who fails to pay on a timely basis, a civil penalty ordered or assessed under this section shall be required to pay in addition to such penalty and interest the United States enforcement expenses, including but not limited to, attorney's fees and costs incurred by the United States for collection proceedings, and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be ten (10%) percent of the aggregate amount of such person's outstanding penalties and nonpayment penalties accrued as of the beginning of each quarter.
- 91. This CAFO shall not relieve the Respondent of its obligation to comply with all applicable provisions of federal, state or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state or local permit, nor shall it be construed to constitute EPA approval of any equipment or technology installed by the Respondent in connection with any additional settlement terms undertaken pursuant to this CAFO. Nothing in this CAFO

shall be construed to prohibit or prevent the federal, state, or local government from developing, implementing, and enforcing more stringent standards through rulemaking, the permit process, or as otherwise authorized or required.

92. This document constitutes a "Final Order" as that term is defined in the CAA Penalty Policy for the purpose of demonstrating a history of "prior such violations."

VI. RETENTION OF ENFORCEMENT RIGHTS

- 93. EPA does not waive any rights or remedies available to EPA for any violations by the Respondent of Federal or State laws, regulations, statutes, or permitting programs.
- 94. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the CAA.
- 95. Nothing in this CAFO shall limit the power and authority of EPA or the United States to take, direct, or order all actions to protect public health, welfare, or the environment, or prevent, abate, or minimize an actual or threatened release of hazardous substances, pollutants, contaminants, or regulated or other extremely hazardous substances at, on, or from the Respondent's facility. Furthermore, nothing in this CAFO shall be construed to prevent or limit EPA's civil, injunctive, or criminal authorities, or that of other Federal, State, or local agencies or departments to obtain penalties or injunctive relief under other Federal, State, or local laws, regulations, or subparts thereof.

VII. COSTS

96. Each party shall bear its own costs and attorney's fees.

THE UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS CONSENT AGREEMENT AND FINAL ORDER:

FOR THE RESPONDENT:

Date: 5/22/18

Delaware Basin Midstream, LLC

Sean Urvan

Managing Senior Counsel

FOR THE COMPLAINANT:

Date: 5/31/18

Cheryl T. Seager, Director Compliance Assurance and Enforcement Division

FINAL ORDER

Pursuant to Section 113(d) of the Clean Air Act (Act), 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 C.F.R. Part 22, the foregoing Consent Agreement is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged in this CAFO. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. The Respondent is ordered to comply with the terms of settlement as set forth in the Consent Agreement, including the assessment of civil penalties. In accordance with 40 C.F.R.

Part 22.31(b), this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Dated 6 4 18

Thomas Rucki

Regional Judicial Officer

U.S. EPA, Region 6

CERTIFICATE OF SERVICE

I hereby certify that on the Am day of June, 2018, the original and one copy of the foregoing Consent Agreement and Final Order ("CAFO") was hand delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1445 Ross Avenue, Suite 1200, Dallas, Texas 75202-2733, and a true and correct copy was delivered to the following individual(s) by the method indicated below:

CERTIFIED MAIL - RETURN RECEIPT REQUESTED and ELECTRONIC COPY

Terry Gage Staff Attorney Anadarko Petroleum Company 1201 Lake Robbins Drive The Woodlands, TX 77380-1181

Paralegal

U.S. EPA Region 6, Dallas, Texas