



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

1595 WYNKOOP STREET
DENVER, CO 80202-1129

Phone 800-227-8917

http://www.epa.gov/region08

2013 SEP 30 PM 3:14

FILED
EPA REGION VIII
HEARING CLERK

DOCKET NO.: CAA-08-2013-0016

IN THE MATTER OF:

COLORADO INTERSTATE GAS
COMPANY, LLC.

RESPONDENT

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)
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)
)

FINAL ORDER

Pursuant to 40 C.F.R. §22.13(b) and 22.18, of EPA's Consolidated Rules of Practice, certain provisions of the attached Consent Agreement resolving this matter are hereby approved and incorporated by reference into this Final Order. Any paragraphs that provide for compliance or corrective action in the Consent Agreement, including but not limited to, paragraphs 10 and 12-14, are not authorized under this Final Order.

Pursuant to 40 C.F.R. §22.1(c) Complainant shall prepare and both parties shall sign an Administrative Order on Consent or a functionally equivalent order that incorporates the compliance and corrective action provisions in the Consent Agreement, including but not limited to paragraphs 10 and 12-14. The parties shall file the Order on Consent with the Regional Hearing Clerk within 30 days of the signing of this Final Order.

Respondent is **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon receipt by Respondent of this Consent Agreement and Final Order. Both Complainant and Respondent are hereby **ORDERED** to comply with the Final Order.

SO ORDERED THIS 30th DAY OF September, 2013.

Elyana R. Sutin
Regional Judicial Officer

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 8

2013 SEP 30 PM 3:14

FILED
EPA REGION VIII
INTAKING CLERK

Docket No. CAA-08-2013-00 16

IN THE MATTER OF:)
)
COLORADO INTERSTATE GAS)
COMPANY, L.L.C.)
)
)
)
Rawlins Compressor Station)
3401 Wagon Circle Road)
Rawlins, WY 82301)
)
Respondent.)

COMBINED COMPLAINT
AND CONSENT AGREEMENT

Complainant, United States Environmental Protection Agency, Region 8 (the EPA or Complainant), and Respondent, Colorado Interstate Gas Company, L.L.C. (CIG), by their undersigned representatives, hereby consent and agree as follows:

I. PRELIMINARY MATTERS

1. This matter is subject to the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, and the Revocation, Termination or Suspension of Permits* (Consolidated Rules), 40 C.F.R. part 22. This Combined Complaint and Consent Agreement (Agreement) contains all terms of the settlement agreed to by the parties.
2. This Agreement is entered into by the Parties for the purpose of simultaneously commencing and concluding this matter, as authorized by 40 C.F.R. §22.13(b), and executed pursuant to 40 C.F.R. §22.18(b)(2) and (3) of the Consolidated Rules.
3. The United States Department of Justice has determined the EPA's request for authority to commence an administrative enforcement action in this matter is appropriate, as allowed by §113(d)(1) of the Clean Air Act (the Act), 42 U.S.C. §7413(d)(1). Accordingly, the EPA has jurisdiction over this matter pursuant to §113(d)(1)(B) of the Act.
4. Respondent admits the jurisdictional allegations in this Agreement, but neither admits nor denies the specific factual allegations or legal conclusions made by the Complainant herein.

5. Complainant asserts that settlement of this matter is in the public interest, and Complainant and Respondent agree that entry of this Agreement and Final Order without further litigation and without adjudication of any issue of fact or law is the most appropriate means of resolving this matter.
6. This Agreement, upon incorporation into a final order, applies to and is binding upon the EPA and upon Respondent, and Respondent's officers, directors, employees, agents, successors and assigns. Any change in ownership or corporate status of Respondent including, but not limited to, any transfer of assets or real or personal property shall not alter Respondent's responsibilities under this agreement.
7. Respondent CIG is a Delaware limited liability corporation, with its principal place of business located in Colorado, where it is registered and in good standing with the Colorado Secretary of State as a Colorado foreign corporation. Respondent is therefore a "person" as defined in §7602(e) of the Act.
8. The Complainant issued an Administrative Order on September 29, 2011 to CIG's corporate parent, El Paso Corporation. *See* Docket No. CAA-08-2011-0029. This Administrative Order required El Paso Corporation to use certain test methods with respect to Leak Detection and Repair requirements.
9. In this Agreement, the Complainant alleges the Respondent violated the Act, specifically the "Leak Detection and Repair" requirements contained in 40 C.F.R. Part 63, Subpart III (National Emission Standards for Hazardous Air Pollutants From Oil and Natural Gas Production Facilities), with respect to certain of Respondents' operations at its Rawlins Compressor Station and NGL Plant (the Facility), located on "CIG Road", 3 miles east of Sinclair Wyoming, T21N, R86W, Carbon County, Wyoming (at latitude 41.756725, longitude -107.058715).
10. The Complainant acknowledges the Respondent's cooperation in seeking a resolution to this matter, as well as the Respondent's commitment to performing portions of an 'enhanced' LDAR program, as set out in greater detail below.

II. TERMS OF SETTLEMENT

11. The Respondent owns and operates the Facility described in Paragraph 9 above.
12. The Respondent agrees to maintain the contract it entered into with Trihydro Corporation, dated October 29, 2012, and identified by Job Number 09K-001-002 and Work Directive LN-66403-20130723, dated July 23, 2013 (enclosed as Attachment A). This contract involves the performance of activities to verify the Facility is in compliance with LDAR requirements, as referenced in Paragraph 9 above. Further, the Respondent agrees to maintain the contract identified above for a period of three years, or enter into an equivalent contract with a qualified operator

covering the period from the date of the Final Order issued in this matter and terminating no earlier than three years after such date.

13. The Respondent agrees, within three months after the effective date of the Final Order issued in this matter, through its contract with Trihydro referenced in the preceding paragraph, to conduct a comprehensive review of the Facility, in order to make sure that all components required to comply with subpart HH are correctly identified and are properly monitored.
14. The Respondent agrees to submit quarterly progress reports, commencing within 90 days of the date the Final Order is issued in this matter. The purpose of such reports is to provide the status of Respondent's efforts to comply with the terms of settlement in this Agreement. Respondent may stop submitting such reports upon the expiration of the time period referenced in the above Paragraph 12. Submissions of reports required by this Paragraph 14, shall be addressed to:

Air & Toxics Technical Enforcement Program Director
U.S. EPA Region 8 (Mail Code 8ENF-AT)
1595 Wynkoop St.
Denver, CO 80202-1129

15. The EPA reserves its right to bring any appropriate enforcement action for violations of the Act occurring at any time using evidence or information obtained directly or indirectly as a result of the comprehensive review described in Paragraph 13 above.
16. The EPA has analyzed the facts and circumstances in this matter with the statutory factors described in section 113(d)(1)(B) of the Act. The EPA has determined that an appropriate civil penalty to resolve this matter is **THIRTY SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$37,500.00)**.
17. Respondent consents to the issuance of a final order and consents for the purposes of settlement, but without any admission of liability or wrongdoing, to pay a civil penalty in the amount of **THIRTY SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$37,500.00)** in the manner described below in this paragraph:
 - a. Payment is due within 30 calendar days from the date written on the Final Order, to be issued by the Regional Judicial Officer that adopts this Complaint and Consent Agreement. If the due date falls on a weekend or legal federal holiday, then the due date becomes the next business day. The date the payment is made is considered to be the date processed by the Bank described below. Payments received by 11:00 AM EST are processed on the same day, those received after 11:00 AM are processed on the next business day.
 - b. The payment shall be made by making a wire transfer as provided below or remitting a cashier's or certified check, including the name

and docket number of this case, for the amount, payable to "*Treasurer, United States of America*," to:

CHECK PAYMENT:

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

OVERNIGHT MAIL:

US Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101

Contact: Natalie Pearson
314-418-4087

WIRE TRANSFER:

Wire transfers should be directed to the Federal Reserve Bank of New York

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Field Tag 4200 of the Fedwire message should read AD 68010727
Environmental Protection Agency"

ACH (also known as REX or remittance express)

Automated Clearinghouse (ACH) for receiving US currency
PNC Bank
808 17th Street, NW
Washington, DC 20074
Contact B Jesse White 301-887-6548
ABA = 051036706

Transaction Code 22 – checking
Environmental Protection Agency
Account 310006
CTX Format

ON LINE PAYMENT:

There is now an On Line Payment Option, available through the Dept. of Treasury.

This payment option can be accessed from the information below:

WWW.PAY.GOV

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

A copy of the check, or notification that the payment has been made by one of the other methods listed above, including proof of the date payment was made, shall be sent simultaneously to:

Ms. Laurie Ostrand (8ENF-AT)
U.S. EPA Region 8
Technical Enforcement Program
1595 Wynkoop St.
Denver, CO 80202-1129

and

Ms. Tina Artemis
Regional Hearing Clerk (8RC)
U.S. EPA Region 8
1595 Wynkoop St.
Denver, CO 80202-1129

- c. In the event a payment is not received by the specified due date, interest accrues from 30 days prior to the applicable due date, at a rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717, and will continue to accrue until payment in full is received.
- d. In addition, a handling charge of fifteen dollars (\$15) shall be assessed the 31st day from the applicable due date, and each subsequent thirty-day period that the debt, or any portion thereof, remains unpaid. In addition, a six percent (6%) per annum penalty shall be assessed on any unpaid principal amount if payment is not received within 90 days of the applicable due date. Payments are first applied to handling charges, 6% penalty interest, and late interest; then any balance is applied to the outstanding principal amount.

- e. If Respondent elects to pay in installments, Respondent may nevertheless elect to pay the then-remaining amount due at any time prior to the applicable due date without penalty.
 - f. Respondent agrees that the penalty shall never be claimed as a federal or other tax deduction or credit.
18. Payment of the penalty in this matter does not relieve Respondent of its obligations to comply with the requirements of the Act and the Act's implementing regulations.
19. Failure by Respondent to comply with any of the terms of this Agreement shall constitute a breach of the Agreement and may result in referral of the matter to the United States Department of Justice for enforcement of this Agreement.
20. Nothing in this Agreement shall be construed as a waiver by the EPA or any other federal entity of its authority to seek costs or any appropriate penalty associated with any collection action instituted as a result of Respondent's failure to perform pursuant to the terms of this Agreement. However, the EPA agrees that, before seeking such costs or penalty, it will first provide notice to Respondent of any failure to perform existing at the time of such notice and a reasonable opportunity to explain circumstances associated therewith and/or to demonstrate that performance was achieved or that no such performance is necessary.

III. GENERAL PROVISIONS

21. Each undersigned representative of the Parties to this Agreement certifies that he or she is fully authorized by the Party represented to bind the Party to the terms and conditions of this Agreement and to execute and legally bind that Party to this Agreement.
22. The Parties agree to submit this Agreement to the Regional Judicial Officer, with a request that it be incorporated into a Final Order.
23. This Agreement, upon incorporation into a Final Order by the Regional Judicial Officer and full satisfaction by the Parties, shall be a complete, full and final settlement of the violations alleged in this Agreement.
24. The terms, conditions, and compliance requirements of this Agreement may not be modified or amended except upon the written agreement of the Parties, and approval of a Regional Judicial Officer.
25. Each Party shall bear its own costs and attorneys' fees in connection with all issues associated with this Agreement.
26. Respondent remains obligated to comply with all requirements of the CAA and its implementing regulations.

UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY, REGION 8,
Office of Enforcement, Compliance, and
Environmental Justice

COMPLAINANT.

Date: Sept. 27, 2013

By:



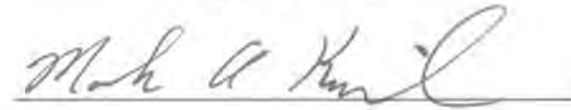
Andrew M. Gaydosh
Assistant Regional Administrator
Office of Enforcement, Compliance and
Environmental Justice

COLORADO INTERSTATE GAS COMPANY,
L.L.C.

RESPONDENT.

Date: _____

By:



APPROVED
AS TO FORM
[Signature]
DATE 9/27/2013

PRINTED NAME:

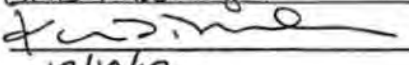
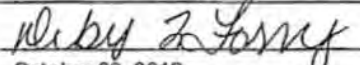
Mark A. Kissel.

TITLE:

President

Trihydro Corporation

ENGINEERING AND ENVIRONMENTAL CONSULTING

Date: October 29, 2012		Job No.: 09K-001-002	
Contract No.: 12-106CPS			
Consultant/Contractor: Trihydro Corporation (hereinafter "Trihydro")		Telephone: 307-745-7474	
1252 Commerce Drive Laramie, WY 82070		Facsimile: 307-745-8214	
CLIENT		PROJECT SITE	
Name:	Colorado Interstate Gas Company	Name:	El Paso Rawlins Station
Address:	PO Box 307	Address:	
City, State, Zip:	Rawlins, WY 82334	City, State:	Rawlins, WY
Telephone:	307-324-5849	Contact:	Tommy Hamm
Fax:	307 321-0943	Email:	tommy.hamm@kindermorgan.com
Project Name: Leak Detection and Repair (LDAR) Monitoring and Management			
Scope of Services: (Describe below and/or Reference Attachments): Trihydro will provide LDAR routine monthly and quarterly inspections, re-monitoring of leaking components, quality assurance/quality control metrics, and semiannual reporting at the Rawlins NGL Plant and Compressor Station in Sinclair, Wyoming. Work to be performed in accordance with the attached Cost Estimate dated August 17, 2012.			
Commencement Date: January 01, 2013		Completion Date: December 31, 2013	
Additional Requirements (i.e. Insurance): _____			
Estimated Cost: \$ [REDACTED]		Schedule of Charges/Quote Attached: <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	
Payment Terms (i.e., LS, T&M, NTE, Retainer, Progress): Time and materials			
Site/Project Specific Health/Safety Considerations (Information Provided by Client): Any additional requirements will be provided by the client, prior to commencing work.			
Client Contact: Tommy Hamm		Trihydro Project Manager: Ben Levin	
In Witness Whereof the Parties Enter into this Contract to Provide Services, to include the Terms and Conditions set out Attached or on the Back hereof and by this Reference Incorporated herein. The Terms and Conditions attached and/or on the back are a part of this Contract.			
CLIENT		TRIHYRO CORPORATION	
Name:	<u>KAREN NIELSEN</u>	Name:	<u>Deby L. Forry, Esq.</u>
Title:	<u>EHS Manager</u>	Title:	<u>Vice President of Risk Management</u>
Signature:		Signature:	
Date:	<u>12/19/12</u>	Date:	<u>October 29, 2012</u>

**TERMS AND CONDITIONS
TRIHYDRO CORPORATION
CONTRACT TO PROVIDE SERVICES**

Contract No. 12-106CPS

Job No. 09K-001-002

1. **TIME PERIOD FOR PERFORMANCE:** Trihydro will commence Services as specified in the Scope of Services, and will complete such Services in a diligent manner. Trihydro will not be responsible for delays caused by factors beyond Trihydro's control which could not readily have been foreseen when this Authorization was received.
2. **ADDITIONAL SERVICES:** Trihydro will perform Additional Services not specified in the Scope of Services, provided Trihydro and CLIENT have agreed to the scope and fee for such services in writing. The written agreement for additional services shall constitute a Change Order. This Agreement and general provisions shall be incorporated in all Change Orders. In the event the CLIENT requests additional work and those services are performed by Trihydro without a written Change Order, CLIENT agrees to provide written notice within twenty (20) days of receiving an invoice for the additional work or a progress report describing the additional services stating that the work is not authorized and that the services will not be paid for; if CLIENT does not dispute the charges those charges will be considered authorized and the CLIENT agrees to pay for such additional services in accordance with the terms and conditions of this Agreement. Any services performed will be done at Trihydro's current fee schedule at the time the services are performed.
3. **TIME OF PAYMENTS:** Trihydro will submit monthly invoices for completed Services. CLIENT shall timely review such invoices and shall notify Trihydro within 10 days of any disputed amounts. CLIENT agrees to pay all undisputed amounts within 30 days from date of invoice. Any payment not received by Trihydro within said 30 days shall be considered delinquent and the amounts due Trihydro shall accrue a late charge of 1 1/2% per month for each month from date of invoice. In the event of any payment due Trihydro under the terms of this Authorization is delinquent, Trihydro may suspend all services until all delinquent payments have been received by CLIENT.
4. **PAYMENTS TO SUPPLIERS:** Trihydro shall promptly pay all materials suppliers and subcontractors which have either supplied materials or services for work performed under the Agreement and any Change Order within 10 days after receipt of payment from CLIENT, and shall, if required, furnish CLIENT with names of any and all suppliers or contractors used by Trihydro in performing the Work and shall furnish CLIENT satisfactory evidence of settlement including lien waivers for any and all materials supplied to Trihydro under the Agreement or any Change Order before payment therefore shall be due and payable to Trihydro.
5. **TAXES:** Fees quoted do not include any state, federal or local applicable taxes, and will be the responsibility of the CLIENT.
6. **STANDARD OF PERFORMANCE:** Trihydro shall perform its services in accordance with generally accepted engineering and consulting standards in effect at the time services were performed. Trihydro makes no other warranty, express or implied.
7. **ENVIRONMENTAL REPORTS, PLANS AND ASSESSMENTS:** Trihydro reports (including Phase I and II Investigation Reports) plans, and assessments may present professional opinions and findings of a scientific and technical nature. While attempts have been made to relate the data and findings to applicable environmental laws and regulations, the report shall not be construed to offer legal opinion or representations as to the requirements of, or compliance with environmental laws, rules, regulations or policies of federal, state or local government agencies.
8. **INDEPENDENT CONTRACTOR:** Trihydro shall perform its work as an independent contractor and shall have responsibility for and control over the details and means of performance of the services performed hereunder. Trihydro is not the agent of CLIENT unless, and to the extent, expressly so designated by CLIENT in writing.
9. **LIMITATION OF LIABILITY:** Notwithstanding any other provisions hereof, Trihydro's liability for damages arising from or related to the Work shall be limited to the total gross billings of Trihydro to the Client hereunder. In no event shall Trihydro be liable for consequential or indirect damages, lost profits, lost business or opportunity, or lost use of property.
10. **INDEMNIFICATION:** CLIENT and Trihydro agree to indemnify and hold each other harmless (including investigation expense, attorney's fees, costs and litigation expenses) from any claim, loss, injury, damage, fine, cause of action, ("claim"), asserted against the Indemnitee by any person or entity (including, without limitation, Trihydro and CLIENT's employees) to the extent the claim is proximately caused by the indemnitor's intentional misconduct or the indemnitor's portion of fault. Attorney's fees and litigation expenses recoverable under this paragraph include fees and costs incurred in establishing a party's right to indemnification.
11. **HAZARDOUS SUBSTANCES:** If state or federally regulated hazardous, toxic or dangerous wastes as defined by state or federal regulations (hereinafter "wastes") are encountered at the site, and if these "wastes" require handling, transportation or disposal at an off-site facility Trihydro will assist in advising the CLIENT of the CLIENT's options. However, Trihydro will not "arrange" (as defined in 42 U.S.C. 9607) for disposal of, accept title to, sign manifests for, or take control of any wastes, CLIENT shall indemnify and hold Trihydro harmless from any claims, damages, fines and fees, litigation or expenses, arising out of or in any way related to handling, transportation and disposal of any wastes in the course of Trihydro's performance of this Agreement.
12. **CLIENT PROVIDED INFORMATION:** Trihydro is entitled to rely on all information furnished or to be furnished by CLIENT. CLIENT agrees to defend and indemnify Trihydro, its officers, agents and employees from any and all claims of any kind arising out of or relating to any claims caused by or contributed to by any errors or omissions in information provided to Trihydro.
13. **ACCESS, APPROVALS, PERMITS:** CLIENT shall arrange for access and make all provisions for Trihydro to enter public and private property as required for Trihydro to perform the specified services. CLIENT shall furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approval and consent from others as may be necessary. CLIENT is responsible to inform Trihydro of the locations of any underground structures. Trihydro will not be responsible for inadvertent damage to utility lines or other subsurface structures that were not made known to Trihydro prior to the start of drilling.
14. **SAFETY:** It is the responsibility of the CLIENT to provide and maintain a safe working environment for its employees, Trihydro employees and that of Trihydro subcontractors, agents, the public and any other third party. Trihydro shall be responsible for the health and safety of its employees; Subcontractors shall be responsible for the health and safety of their own employees.
15. **ASSIGNMENT:** Trihydro shall not assign this Contract without prior written consent of CLIENT, but may, employ any other party it deems necessary or proper for any part of the work required to be performed by Trihydro under the terms of this Contract.
16. **TERMINATION:** Either party may terminate this Contract at any time upon seven (7) days prior written notice to the other. In such event, Trihydro will be compensated for services performed hereunder to the termination date together with all costs arising out of such termination.
17. **CONFIDENTIALITY:** TRIHYDRO agrees not to use confidential information disclosed to it by CLIENT for its own use, or for any purpose except to carry out services outlined in this Agreement. TRIHYDRO will not disclose the confidential information to third parties or to its employees, agents or representatives, except those who need the information to carry out the services provided in the Agreement, or unless required by law or such information becomes publicly available by a party other than TRIHYDRO, its employees, agents or representatives. TRIHYDRO agrees to notify CLIENT in writing of any misuse or misappropriation of confidential information that may come to its attention.

18. **GOVERNING LAW:** This contract shall be enforced in accordance with the laws of the State of Wyoming.
19. **TIME LIMIT FOR CLAIMS:** Any claim brought by CLIENT against Trihydro will be brought not later than one year after the date of substantial completion of Trihydro services hereunder or the expiration of the applicable statute of limitations, whichever is earlier.
20. **COLLECTION FEES AND EXPENSES:** In the event this Contract should be referred to an attorney at law, agent, or collection agency for collection, CLIENT agrees to pay such reasonable fees Trihydro may incur, in the collection of fees for services performed and material supplied hereunder.
21. **ENTIRE AGREEMENT:** The Agreement (and any referenced attachments) constitute the entire agreement between CLIENT and Trihydro and supersedes all prior or oral or written representations or agreements. This Agreement shall not be modified except in writing and signed by both parties. If any provision of this Agreement is determined by a court to be invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect.
22. **SEVERABILITY OF TERMS:** Every part, provision, or term of the Contract to Provide Services is severable from every other part, provision, or term. A finding that any part or provision is invalid, void, or unenforceable shall not affect the remaining parts and provisions.
23. **RETENTION:** Trihydro shall maintain true and correct records in connection with each material cost and each cost reimbursable service performed and all transactions related thereto, and shall retain all such records for three years after the end of the calendar year in which the last service was performed. Any audit requested by CLIENT shall be at the CLIENT's sole cost and expense. TRIHYDRO is an environmentally conscience firm that maintains and stores its documents electronically, rather than in hard copy.
24. **OWNERSHIP OF WORK PRODUCT:** Work Product shall not include customizations of, derivatives of, or enhancements to TRIHYDRO-owned or TRIHYDRO-provided software, such as but not limited to Project Direct, that may be provided as an application for CLIENT's use. The provisions of this Article do not apply to any material, including pre-existing software, previously belonging to TRIHYDRO or lawfully acquired by TRIHYDRO in a manner independent of this Agreement, which are used by TRIHYDRO in the course of the Services hereunder, or which may be provided by TRIHYDRO to CLIENT and which is indicated to be the property of TRIHYDRO by copyright notice or otherwise shall not be considered CLIENT's Work Product.
25. **MODIFICATION:** All amendments, changes, and modifications to this Agreement shall be made in writing by a Change Order and approved and executed with the same formality as this Agreement.
26. **EXECUTION OF AGREEMENT:** Facsimile/email signatures will be accepted to execute this Agreement.

WORK DIRECTIVE

To: Contractor Name: TriHydro Corporation Attn: Ben Levin Contractor Address: 1252 Commerce Dr. Contractor City, State Zip: Laramie, WY 82070 Phone: 307-745-7474 Fax: 307-745-7729 Email: jeaston@mcvehil-monnett.com	Date: July 23, 2013
	Work Directive No.: LN-66403-20130723
	Agreement No.: 66403
	Account Coding: 10-502101605801-776000-9830

Work Directive Origin-Field Location: CIG – Rawlins NGL Plant and Compressor Station

This Work Directive is entered pursuant to the terms of the Agreement ("Agreement") dated June 11, 2013, by and between KMGP CONTRACTING SERVICES LLC ("COMPANY") and TRIHYDRO CORPORATION. ("CONTRACTOR"). By its execution hereof, CONTRACTOR agrees to perform for the KM entity named below and executing this Work Directive pursuant to the terms, conditions and provisions of the Agreement, the following described Work and shall furnish all services, labor, supervision, technical capability, tools, equipment, transportation, materials, (except as set forth below), and other facilities and items necessary or convenient to complete the following work as further described and specified in the Specifications and/or Drawing(s) attached hereto or the Agreement and by this reference made a part of this Work Directive ("the Work"). If the proposal, quotation or any other CONTRACTOR document is included as part of this Work Directive or another exhibit to the Agreement, then any preprinted or standard terms or conditions therein shall be of no force and effect, and further, in the event of any conflict between any of the provisions of the CONTRACTOR documents accepted by the KM entity named below as being included as part of this Work Directive and any of the Contract Documents, the provisions of the Contract Documents shall control. The KM entity named below in this Work Directive shall be solely responsible for the liabilities and obligations set forth in the Agreement under which this Work Directive is being issued, as the same apply to the Work to be performed pursuant hereto. All such liabilities and obligations, as they apply to this Work Directive, shall be non-recourse to the COMPANY (if the COMPANY is not the KM Entity executing this Work Directive) and other related entities as further provided for and agreed in the Agreement. Payments made to CONTRACTOR under this Work Directive shall include all taxes and similar charges except as otherwise agreed to herein or under the terms of the Agreement. Any capitalized term used in this Work Directive and not otherwise defined herein shall have the meaning as ascribed in the Agreement.

1. Project Name, Description of Work and Location:	Fugitive Component Tagging, Inventory, and Monitoring – Rawlins NGL Plant and Compressor Station
2. Scope of Work:	The following is a full and complete description of the Work (and goods) to be provided by CONTRACTOR including, but not limited to specifications, conditions and referenced bids/proposals. Complete fugitive component inventory, tagging, and initial monitoring event for 40 CFR 63 Subpart HH compliance pursuant to attached proposal.
3.	The KM Entity shall furnish the following materials to the work site(s): None, unless previously approved by the KM Entity's authorized representative.
4.	CONTRACTOR shall commence the Work by July 31, 2013, and shall complete the Work on or before October 15, 2013.
5.	CONTRACTOR offers to complete the Work in accordance with the Agreement for the following consideration, which shall constitute full and complete payment therefore.
(a) <input type="checkbox"/> the total Lump Sum Amt	Fixed Price Of \$
(b) <input checked="" type="checkbox"/> the total Time & Materials Amt	Not To Exceed \$██████ with rates specified in the Schedule of Values
(c) <input type="checkbox"/> in accordance with the Schedule of Values in the Agreement	
(d) <input type="checkbox"/> For this Work Directive only, the schedule of values/rate sheet dated _____, 20XX, attached hereto as Exhibit shall supersede the Schedule of Values in the Agreement. All other terms and conditions of Agreement and its prior amendments will remain unchanged and in force.	
6.	The following requirement is hereby added to the Agreement: CONTRACTOR certifies that at the time of execution of this Work Directive, CONTRACTOR is not included on any debarment list maintained by any federal, state or local governmental authority nor prevented from performing Work for COMPANY by virtue of any governmental order, proceeding or otherwise. If at

any time during the term of this Agreement CONTRACTOR cannot so certify to COMPANY, CONTRACTOR shall promptly notify COMPANY as to CONTRACTOR's status.

7. The following will constitute grounds under the Agreement for termination by COMPANY for cause: Violation of any EHS Law, where "EHS Law" shall mean any and all U.S. federal, state, and local laws, regulations, permits, approvals and requirements pertaining to health, safety, or the environment.

8. Retainage: Waive 10% Retainage Fee

9. CONTRACTOR shall submit invoices to:	KM Entity Name:	Colorado Interstate Gas Company, LLC
	Attn: Requester's Name:	Tim Howe
	KM Address:	PO Box 370
	KM City/State/Zip:	Sinclair, WY 82334

10. Invoices must clearly indicate the Agreement Number, Work Directive Number, and Work Order/ Account Coding, as indicated above.

11. CONTRACTOR hereby certifies that it has downloaded, reviewed and understood the Kinder Morgan CONTRACTOR Safety Manual and shall, prior to the commencement of any Work hereunder, make the same available to its employees and subcontractors who will be performing work on premises owned and/or operated by the Kinder Morgan entity named below. If the English language is a communication barrier, CONTRACTOR at its expense shall timely convert/translate the Kinder Morgan CONTRACTOR Safety Manual accurately into the appropriate language for its employees and subcontractors. Questions concerning the Manual should be directed to the Kinder Morgan CONTRACTOR Safety Group at: CONTRACTOR_safety@kindermorgan.com prior to commencement of any Work.

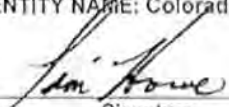
12. This Work Directive may be executed in multiple original counterparts, each of which shall be deemed an original, and together they shall constitute one and the same agreement. Signature of this Work Directive may be effected by facsimile (with confirmation by transmitting machine) and/or transmitted by portable document format ("pdf") file which shall be treated as an original signature, and any such signature, facsimile, pdf file or copy of this signed Work Directive shall be construed and treated as the original and shall be binding as if it were the original.

By signing below, KM Entity and CONTRACTOR affirm that the individual signing below has the requisite authority to authorize the commitment described herein and that this Work Directive LN-66134-20130620 is by reference hereby made part of Agreement No. 66134.

This Work Directive is hereby agreed to and accepted:

KM ENTITY NAME: Colorado Interstate Gas Company, LLC

CONTRACTOR NAME: TriHydro Corporation


Signature

7/29/13
Date


Signature

7/25/2013
Date

By: Tim Howe
Print Name

By: Deby L. Forry, Esq
Print Name

Title: Area Operations Manager
Print Title

Title: VP of Risk Mgt & CFO
Print Title

Please return executed Work Directive to: ATTN: Leslie Nolting, 2 North Nevada Ave., Colorado Springs, CO 80903

Attachments: OQ Covered Tasks List Other: Specify:



June 14, 2013

Ms. Leslie Nolting
Sr. Air Compliance Specialist
Kinder Morgan, Inc
2 North Nevada Ave
Colorado Springs, CO 80903

RE: Proposal and Cost Estimate, Fugitive Component Tagging, Inventory, and Monitoring, Rawlins Compressor Station, Sinclair, WY

Dear Ms. Nolting:

Trihydro Corporation (Trihydro) appreciates the opportunity to present this proposal and cost estimate to provide Kinder Morgan with a fugitive component tagging, inventory, and monitoring of fugitive components associated with the Rawlins compressor station. Trihydro will compile an inventory of subject components, tag the components, and provide initial monitoring of the components associated with the facility. This letter transmits our proposed cost and pricing format.

Scope

It is our understanding that the facility is permitted under the National Emissions Standards for Hazardous Air Pollutants (NESHAP) from Oil and Natural Gas Production Facilities – 40CFR Part 63 Subpart HH regulation. Therefore, Kinder Morgan must update the existing Leak Detection and Repair (LDAR) program to comply with changes promulgated by the EPA. The effective date of changes to MACT HH is October 15, 2013. These changes include a lower leak definition for affected valves at 500 ppm. We understand that Kinder Morgan would like to re-inventory the facility due to the age and condition of the current LDAR inventory.

Trihydro will complete a P&ID drawing review prior to onsite field work in order to determine the applicable lines to include in the LDAR program. We will then identify, tag, and inventory the applicable lines in the facility as well as complete the first round of monitoring.

Trihydro is very well positioned and well suited to take on this fugitive component inventory project based upon our familiarity with the plant and local resources.

Staffing Plan

Our staffing plan for this project is to utilize two technicians for this project. Upon receipt of your acceptance of this estimate, we propose to commence the project in late summer 2013. We propose to have our project manager Mr. Ben Levin in the field managing this project.



Ms. Leslie Nolting
June 14, 2013
Page 2

Pricing

Trihydro's pricing approach for this project is to establish rates that are competitive, and allow us to retain qualified and trained personnel combined with maintaining the right mix of standard and industry leading LDAR monitoring and management tools.

Trihydro's cost estimate is based on providing a drawing review, tagging, inventory, and initial monitoring of fugitive components associated with the Rawlins facility. Our time-and-materials not to exceed cost for this project totals \$7,818.

If you have any questions about our qualifications, assumptions, staffing, capabilities, or pricing, please do not hesitate to contact us at (307) 745-7474.

Sincerely,
Trihydro Corporation

A handwritten signature in black ink, appearing to read 'Calvin Niss'.

Calvin Niss
Vice President

A handwritten signature in black ink, appearing to read 'Ben Leyin'.

Ben Leyin
Project Manager

09K-001-002

Attachment

cc: Tommy Hamm
Tim Howe
Jim Tangeman

**TABLE A. COST ESTIMATE, KINDER MORGAN RAWLINS FACILITY
LDAR PROGRAM COMPONENT TAGGING, SINCLAIR, WYOMING**

	Activity	Schedule of Charges	Hourly Rate or Charge	Hours or Unit Estimate	Subtotal
1	Program Inventorying Services for MACT HH	<u>Personnel</u>			
		Principal	\$186	0	\$0
	- P&ID Drawing Review	Level 1	\$165	0	\$0
	- Assume the tagging of approx. 500 components	Level 2	\$138	0	\$0
	- Inventorying of affected components	Level 3	\$122	12	\$1,464
	- Trihydro to provide metal tags	Level 4	\$97	0	\$0
	- Includes population of database for future monitoring	Level 5	\$87	0	\$0
		Level 3 Tech	\$61	60	\$3,660
		<u>Expenses</u>			
	Equipment	Equipment	\$500	1	\$500
	- Tags - 500 tags @ \$1 per tag	Travel	Cost	0	\$0
		Per Diem	\$145	2	\$290
		Vehicle	\$150	2	\$300
					<u>\$6,214</u>
	<u>Activity 1 Subtotal for Component Tagging</u>				
2	Initial LDAR Monitoring Event	<u>Personnel</u>			
		Principal	\$186	0	\$0
	- Complete initial monitoring event for all components	Level 1	\$165	0	\$0
	- Coordinate repair activities with maintenance personnel	Level 2	\$138	0	\$0
		Level 3	\$122	4	\$488
		Level 4	\$97	0	\$0
		Level 5	\$87	0	\$0
		Level 4 Tech	\$61	16	\$976
		<u>Expenses</u>			
	Equipment	Equipment	\$140	1	\$140
	- FID \$100/day	Travel	Cost	0	\$0
	- Datalogger \$40/day	Per Diem	\$45	0	\$0
		Vehicle	\$150	0	\$0
					<u>\$1,604</u>
	<u>Activity 1 Subtotal Per Monthly Event</u>				
	<u>Cost Estimate Activities Summary</u>				
1	Program Inventorying Services for MACT HH				\$6,214
2	Initial LDAR Monitoring Event				\$1,604
	<u>Cost Estimate To Fulfill LDAR Program Component Tagging Services</u>				<u>\$7,818</u>

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached **COMBINED COMPLAINT, CONSENT AGREEMENT and FINAL ORDER** in the matter **COLORADO INTERSTATE GAS COMPANY; DOCKET NO.: CAA-08-2013-0016** was filed with the Regional Hearing Clerk on September 30, 2013.

Further, the undersigned certifies that a true and correct copy of the documents were delivered to, Dana Stotsky, Enforcement Attorney, U. S. EPA – Region 8, 1595 Wynkoop Street, Denver, CO 80202-1129. True and correct copies of the aforementioned documents were sent and placed in the United States mail certified/return receipt and emailed on September 30, 2013 to:

Counsel for Respondent:

Daniel Schnee, Senior Counsel
Legal Department-El Paso Corporation/Kinder Morgan
Two North Nevada Avenue
Colorado Springs, CO 80903

And emailed to:

Kim White
U. S. Environmental Protection Agency
Cincinnati Finance Center
26 W. Martin Luther King Drive (MS-0002)
Cincinnati, Ohio 45268

September 30, 2013



Tina Artemis
Paralegal/Regional Hearing Clerk

