



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 8

1595 Wynkoop Street  
DENVER, CO 80202-1129  
Phone 800-227-8917  
<http://www.epa.gov/region08>

FEB 26 2008

Ref: 8ENF-AT

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

CT Corporation System  
136 East South Temple; Suite 2100  
Salt Lake City, UT 84111

Re: El Paso Field Operating Company  
Bluebell Gas Plant  
Altamont Main Gas Processing Plant  
Altamont East Compressor Station  
Altamont West Compressor Station  
Altamont South Compressor Station  
Compliance Order  
Docket No. CAA-08-2008-0007

Dear Sirs:

Enclosed is a Compliance Order which is issued to El Paso Field Operating Company pursuant to section 113(a)(3)(B) of the Clean Air Act ("CAA"), 42 U.S.C. §7413(a)(3)(B). The Compliance Order applies to the Bluebell Gas Plant, Altamont Main Gas Processing Plant, Altamont East Compressor Station, Altamont West Compressor Station and the Altamont South Compressor Station which are located in Duchesne County, Utah.

The Environmental Protection Agency (EPA) alleges in this Compliance Order that El Paso Field Operating Company failed to comply with the requirements of the National Emission Standards for Hazardous Air Pollutants for Oil and Natural Gas Production and for Reciprocating Internal Combustion Engines, as set forth in section 112 of the CAA, 42 U.S.C. §7412 and 40 C.F.R. Part 63, Subparts HH and ZZZZ.

The Order requires that El Paso Field Operating Company immediately comply with all the requirements of 40 C.F.R. Part 63, Subparts A, HH and ZZZZ. In issuing this Compliance Order, EPA does not waive any of its rights, including seeking injunctive relief and/or civil penalties for any violations of the Compliance Order, the CAA or its implementing regulations.

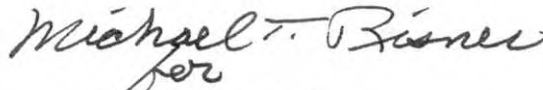


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El Paso Field Operating Company  
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If you have any questions concerning this Compliance Order, the most knowledgeable people on my staff are Carol A. Smith, Environmental Engineer, (for technical issues) who can be reached at (303) 312-7815, and Jim Eppers, Senior Enforcement Attorney, (for legal issues) who can be reached at (303) 312-6893.

Sincerely,

Handwritten signature of Michael T. Bisner in cursive script.

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

Enclosure

cc: Miguel Blanco  
Manager, Midstream Operations  
c/o El Paso Field Operating Company  
1001 Louisiana Street  
Houston, TX 77046-0995

Cheryl Heying, Utah Division of Air Quality

UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION 8

2008 FEB 26 PM 12:50

EPA REGION 8  
HEARING CLERK

IN THE MATTER OF:

**El Paso Field Operations Company**  
**1001 Louisiana Street**  
**Houston, TX 77046-0995**

Respondent

**COMPLIANCE ORDER**

Docket No. CAA-08-2008-0007 =

STATUTORY AUTHORITY

This Compliance Order (referred to as the "Order") is issued by the United States Environmental Protection Agency ("EPA") Region 8 pursuant to section 113(a)(3)(B) of the Clean Air Act ("CAA or the Act"), for violations of section 112 of the Act. The authority to issue the Order has been properly delegated to the undersigned EPA official.

FINDINGS

1. Respondent El Paso Field Operations Company ("Respondent"), incorporated in Delaware and authorized to do business in the State of Utah, is a "person" as defined in section 7602(e) of the CAA, 42 U.S.C. §7602(e).
2. Pursuant to the authority under section 112 of the CAA, 42 U.S.C. §7412, the Administrator promulgated regulations establishing the National Emission Standards for Hazardous Air Pollutants for Oil and Natural Gas Production and for Reciprocating Internal Combustion Engines. These "Maximum Achievable Control Technology" ("MACT") regulations are codified at 40 C.F.R. Part 63, Subpart HH, 40 C.F.R. Part 63,

Subpart ZZZZ, and 40 C.F.R. Part 63, Subpart A of the General Provisions.

3. In order for Subparts HH and ZZZZ of 40 C.F.R. Part 63 to apply to a facility, the facility must be a major source of hazardous air pollutants. Hazardous air pollutant (“HAP”) means any pollutant listed in or pursuant to section 112(b) of the Clean Air Act. For Oil and Natural Gas Production Facilities, a major source of HAP emissions is a plant site that emits or has the potential to emit 10 tons per year or more of any HAP or 25 tons per year or more of any combination of HAPs for each surface site.
4. At times relevant to this Order and currently, Respondent has owned and/or operated the Bluebell Gas Plant located approximately 5.5 miles west of 4000 North SR 121 at UTM coordinates 4,470,289 meters Northing and 577,604 meters Easting in Duchesne County, Utah. The Bluebell Gas Plant compresses and processes gas for the extraction of liquid products and the residual gas is delivered to a pipeline to be used as fuel. Based on information provided by the Respondent to EPA and Utah Division of Air Quality (“UDAQ”) inspectors on June 26, 2007, the Bluebell Gas Plant has the potential to emit HAPs at major source levels.
5. At all times relevant to this Order and currently, Respondent has owned and/or operated the Altamont Main Gas Processing Plant located at on State Highway 87, approximately two miles west of the town of Altamont, UT at UTM coordinates 4,467,475 meters Northing and 557,129 meters Easting in Duchesne County, Utah. The Altamont Main Gas Processing Plant receives natural gas from the Altamont West, East, and South Compressor Stations. This gas is then processed to produce various products including gasoline, butane, propane and sales natural gas. Based on information provided by the



Respondent to EPA and UDAQ inspectors on June 26, 2007, the Altamont Main Gas Processing Plant has the potential to emit HAPs at major source levels.

6. At all times relevant to this Order and currently, Respondent has owned and/or operated the Altamont East Compressor Station located on State Highway 199, approximately 2 miles east of the Town of Altamont, UT at UTM coordinates 4,467,280 meters Northing and 564,020 meters Easting in Duchesne County, Utah. The Altamont East Compressor Station receives raw field gas, removes hydrogen sulfide and water and then routes the gas by pipeline to the Altamont Main Gas Processing Plant. Based on information provided by the Respondent to EPA and UDAQ inspectors on June 26, 2007, the Altamont East Compressor Station has a potential to emit HAPs at major source levels.
7. At all times relevant to this Order and currently, Respondent has owned and/or operated the Altamont West Compressor Station located about 10 miles west of the town of Altamont, UT at UTM coordinates 4,463,055 meters Northing and 551,427 meters Easting in Duchesne County, Utah. The Altamont West Compressor Station receives raw field gas, removes hydrogen sulfide and water and then routes the gas by pipeline to the Altamont Main Gas Processing Plant. Based on information provided by the Respondent to EPA and UDAQ inspectors on June 26, 2007, the Altamont West Compressor Station has the potential to emit HAPs at major source levels.
8. At all times relevant to this Order and currently, Respondent has owned and/or operated the Altamont South Compressor Station located on State Road 35, approximately 3 miles west of the junction with State Road 87 at UTM coordinates 4,457,884 meters Northing and 548,038 meters Easting in Duchesne County, Utah. The Altamont South Compressor

Station receives raw field gas, removes hydrogen sulfide and water and then routes the gas by pipeline to the Altamont Main Gas Processing Plant. Based on information provided by the Respondent to EPA and UDAQ inspectors on June 26, 2007, the Altamont South Compressor Station has the potential to emit HAPs at major source levels.

Subpart ZZZZ - National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines

9. Under 40 C.F.R. §63.6595(a)(1), the owner or operator of an existing reciprocating internal combustion engine (“RICE”) that commenced construction before December 19, 2002, is required to comply with the applicable emission limitations and operating limitations in this subpart no later than June 15, 2007. Inspections conducted by EPA and UDAQ on June 26, 2007 verified that:
  - (a) natural gas at the Bluebell Gas Plant is compressed by seven RICE, all of which are 1100 horsepower (hp), White/Superior, four stroke rich burn engines and which construction commenced before December 19, 2002. The inspection verified that none of the seven RICE was equipped with catalysts to reduce HAP emissions and continuous parameter monitoring for demonstrating compliance had not yet been installed;
  - (b) natural gas at the Altamont Main Gas Plant is compressed by eight RICE, all 1030 hp, Waukeshaw 7042 GSI, four stroke rich burn engines all of which construction commenced before December 19, 2002. One additional RICE was located on site but was out of service. None of the eight RICE was equipped with

catalysts to reduce HAP emissions and continuous parameter monitoring for demonstrating compliance had not yet been installed;

- (c) natural gas at the Altamont East Compressor Station is compressed by four RICE: two 1,030 hp, Waukesha 7042 GSI, four stroke rich burn engines, one 1,800 hp, Cooper GMVH-8, four stroke rich burn engine and one 1350 hp, Cooper GMVA-10, four stroke rich burn engine, all of which construction commenced before December 19, 2002. None of the four RICE was equipped with catalysts to reduce HAP emissions and continuous parameter monitoring for demonstrating compliance had not yet been installed;
- (d) natural gas at the Altamont West Compressor Station is compressed by three RICE: two 1,030 hp, Waukesha 7042 GSI, four stroke rich burn engines and one 1350 hp, Cooper GMVA-10, four stroke rich burn engine, all of which construction commenced before December 19, 2002. None of the three RICE was equipped with catalysts to reduce HAP emissions and continuous parameter monitoring for demonstrating compliance had not yet been installed; and
- (e) natural gas at the Altamont South Compressor Station is compressed by three RICE: two 1,030 hp, Waukesha 7042 GSI, four stroke rich burn engines and one 1350 hp, Cooper GMVA-10, four stroke rich burn engine, all of which construction commenced before December 19, 2002. None of the three RICE was equipped with catalysts to reduce HAP emissions and continuous parameter monitoring for demonstrating compliance had not yet been installed.

10. For all the RICE described in paragraph 9, above, Respondent's failures to comply with the applicable emission limitations and operating limitations in Subpart ZZZZ by June 15, 2007 are violations of 40 C.F.R.63.6595(a)(1).
11. Under 40 C.F.R. §63.6610(a), the owner or operator of an affected RICE must conduct initial performance testing within 180 days after the compliance date. For the existing RICE at the Bluebird Gas Plant, Altamont Main Gas Plant, Altamont East Compressor Station, Altamont West Compressor Station, and Altamont South Compressor Station, compliance testing was required within 180 days of June 15, 2007 or by December 15, 2007. EPA has no evidence that testing has been completed as of the date of this Order. Respondent's failures to conduct performance testing by December 15, 2007 for the affected RICE at the five facilities listed above are violations of 40 C.F.R. §63.6610(a).
12. Under 40 C.F.R. §63.6625(b), the owner or operator of an affected four stroke rich burn RICE must install, operate, and maintain a continuous parameter monitoring system ("CPMS") as specified in Table 5 of the subpart according to the requirements in 40 C.F.R. §63.8. Based on observations from the June 26, 2007 EPA and UDAQ inspection, a CPMS had not been installed, operated, or maintained at the Bluebell Gas Plant, the Altamont Main Gas Plant, the Altamont East Compressor Station, the Altamont West Compressor Station or the Altamont South Compressor Station. Respondent's failures to install, operate and maintain a continuous parameter monitoring system on the RICE at the five facilities listed above are violations of 40 C.F.R. §63.6625(b).
13. Under 40 C.F.R. §63.6630(c), the owner or operator of an affected RICE must submit the Notification of Compliance Status containing the results of the initial compliance

demonstration as required by 40 C.F.R. §63.6645. A Notification of Compliance Status has not been submitted to UDAQ or EPA for the Bluebell Gas Plant, Altamont Main Gas Plant, Altamont East Compressor Station, Altamont West Compressor Station and Altamont South Compressor Station. Respondent's failures to submit a Notification of Compliance Status for the five facilities listed above are violations of 40 C.F.R. §63.6630(c).

14. Under 40 C.F.R. §63.6640(a), the owner or operator of an affected RICE must demonstrate continuous compliance with each emission limitation and operating limitation in Tables 1a and 1b and Tables 2a and 2b of the subpart that applies to Respondent according to the methods specified in Table 6 of the subpart. EPA has no evidence that continuous compliance with the emission and operating parameter limitations has been demonstrated for the RICE at the Bluebell Gas Plant, Altamont Main Gas Plant, Altamont East Compressor Station, Altamont West Compressor Station and Altamont South Compressor Station. Respondent's failures to demonstrate continuous compliance at the five facilities listed above are violations of 40 C.F.R. §63.6640(a).

Subpart HH – National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities - Glycol Dehydration Systems

15. Under 40 C.F.R. §63.771(d)(1), the owner or operator of an affected glycol dehydrator must operate a vapor recovery device (e.g., condenser) or other control device that is designed and operated to reduce the mass content of either total organic compounds or total HAP in the gases vented to the device by 95 percent by weight or greater as

determined in accordance with the requirements of 40 C.F.R. §63.772(e). The June 26, 2007 EPA and UDAQ inspection revealed that a control device that reduces emissions by 95% or more had not been installed on the dehydration systems at the Bluebell Gas Plant, Altamont Main Gas Plant, Altamont East Compressor Station, Altamont West Compressor Station and Altamont South Compressor Station. Respondent's failures to reduce total HAP emissions by at least 95% from the dehydration systems at the five facilities listed above are violations of 40 C.F.R. §63.771(d)(ii).

16. Under 40 C.F.R. §63.773(d), the owner or operator of an affected glycol dehydrator must install and operate a continuous parameter monitoring system in accordance with the requirements of paragraphs (d)(3) through (9) of the section. The June 26, 2007 EPA and UDAQ inspection revealed that a parameter monitoring system had not been installed and operated at the Bluebell Gas Plant, Altamont Main Gas Plant, Altamont East Compressor Station, Altamont West Compressor Station and Altamont South Compressor Station. Respondent's failures to install and operate a continuous parameter monitoring systems on the five facilities listed above are violations of 40 C.F.R. §63.773(d).

17. Under 40 C.F.R. §63.10(a) and §63.774(b), the owner or operator of an affected glycol dehydrator must maintain files of all information (including all reports and notifications) required by the part, maintained in such a manner that they can be readily accessed. The most recent 12 months of records shall be retained on site or shall be accessible from a central location by computer or other means that provides access within 2 hours after a request. It was discovered during the June 26, 2007, EPA and UDAQ inspection that Respondent's records for the Bluebell Gas Plant, Altamont Main Gas Plant, Altamont



East Compressor Station, Altamont West Compressor Station and Altamont South Compressor Station were not being kept on site or at any other location. Respondent's failures to keep such records for the five facilities listed above are violations of 40 C.F.R. §63.10(a) and §63.774(b).

18. Under 40 C.F.R. §63.6(e)(3) and §63.762(d), the owner or operator of an affected glycol dehydrator and an affected RICE must develop and implement a written startup, shutdown, and malfunction plan that describes, in detail, procedures for operating and maintaining the source during periods of startup, shutdown, and malfunction and a program of corrective action for malfunctioning process and air pollution control and monitoring equipment used to comply with the relevant standard. For RICE, the plan must have been developed by the Respondent by June 15, 2007. For glycol dehydrators, the plan must have been developed by the Respondent by June 17, 2002. During the June 26, 2007 EPA and UDAQ inspection, it was discovered that the Bluebird Gas Plant, Altamont Main Gas Processing Plant, Altamont East Compressor Station, Altamont West Compressor Station and Altamont South Compressor Station did not have written startup, shutdown, and malfunction plans. Respondent's failure to develop and implement written startup, shutdown, and malfunction plans at the five facilities listed above are violations of 40 C.F.R. §63.6(e)(3) and §63.762(d).
19. Under 40 C.F.R. §63.775(d), the owner or operator of an affected glycol dehydrator must submit a Notification of Compliance Status Report as required by section 63.9(h) by December 17, 2002. Respondent has not submitted a Notification of Compliance Status Report for the Bluebell Gas Plant, Altamont Main Gas Plant, Altamont East Compressor



Station, Altamont West Compressor Station and Altamont South Compressor Station. Respondent's failures to submit a Notice of Compliance Status Report for the five facilities listed above are violations of 40 C.F.R. §63.775(d).

20. Under 40 C.F.R. §63.775(e), the owner or operator of an affected glycol dehydrator must prepare periodic reports in accordance with paragraphs (e)(1) and (2) of the section and submit them to the Administrator. No periodic reports have been submitted by Respondent for the Bluebird Gas Plant, Altamont Main Gas Processing Plant, Altamont East Compressor Station, Altamont West Compressor Station and Altamont South Compressor Station. The initial report was due February 17, 2003, or 240 days after the Notice of Compliance Status report was due. Respondent's failures to submit period compliance reports for the five facilities listed above are violations of 40 C.F.R. §63.775(e).

#### COMPLIANCE ORDER

Paragraphs 1 - 20 are herein incorporated by reference. Pursuant to section 113(a)(3)(B) of the CAA, 42 U.S.C. §7413(a)(3)(B), and upon the basis of available information, EPA hereby issues the following order:

21. Effective immediately, for the five facilities described in paragraphs 4 – 8 of this Order, Respondent shall comply with all the requirements of the National Emissions Standards for Hazardous Air Pollutants, 40 C.F.R. Part 63, Subparts A, HH, and ZZZZ.

## ENFORCEMENT

22. Issuance of this Order does not preclude any other action by EPA to redress past or future violations of the CAA, including either of the following:
- a. A civil judicial action pursuant to section 113(b) of the CAA, 42 U.S.C. §7413(b), for injunctive relief or civil penalties of not more than \$27,500 per day for each violation occurring from January 31, 1997 through and including March 15, 2004, and \$32,500 per day for each violation occurring on or after March 16, 2004; or
  - b. An administrative penalty complaint pursuant to section 113(d) of the CAA, 42 U.S.C. §7413(d), for penalties of not more than \$27,500 per day for each violation occurring from January 31, 1997 through and including March 15, 2004, and \$32,500 per day for each violation occurring on or after March 16, 2004.
23. Pursuant to section 306(a) of the CAA, 42 U.S.C. §7606(a), the regulations promulgated thereunder at 40 C.F.R. Part 15, and Executive Order 11738, facilities to be utilized in federal contracts, grants, or loans must be in full compliance with the CAA and all regulations promulgated thereunder. Violation of the CAA may result in the facility being declared ineligible for participation in any federal contract, grant, or loan.
24. Pursuant to sections 113(a)(3), 113(b), 113(c) and 113(d) of the CAA, 42 U.S.C. §§ 7413(a)(3), (b), (c), and (d), Respondent's failure to comply with this Order may lead to a civil action to obtain compliance or an action for civil or criminal penalties.

## OPPORTUNITY FOR CONFERENCE

25. In accordance with §113(a)(4) of the CAA, 42 U.S.C. §7413(a)(4), EPA is offering the

Respondent an opportunity for a conference to discuss the Order. The request for such a conference must be made no later than thirty (30) calendar days from the date of Respondent's receipt of this Order. If you wish to make arrangements for a conference, please contact Jim Eppers, Senior Enforcement Attorney, U.S. EPA 8, 1595 Wynkoop Street, Denver, CO 80202-1129. Mr. Eppers' telephone number is (303) 312-6893. By offering the opportunity for a conference or participating in one, EPA does not waive or limit its right to any remedy available under the CAA.

UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION 8

Date: 2/22/08

By: Michael T. Bigner  
for  
Andrew M. Gaydosh  
Assistant Regional Administrator  
Office of Enforcement, Compliance  
and Environmental Justice

In the matter of:  
El Paso Field Operations Company  
Docket No. CAA-08-2008- 0007

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the original and one copy of the attached COMPLIANCE ORDER was hand-carried to the Regional Hearing Clerk, EPA Region 8, 1595 Wynkoop Street, Denver, Colorado 80202-1129, and that a true copy of the same was sent via registered mail to:

CT Corporation System  
136 East South Temple, Suite 2100  
Salt Lake City, UT 84111

Date: 2/26/08

By:

Andrea Reed

Andrea Reed