



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

REGION 6  
1445 ROSS AVENUE, SUITE 1200  
DALLAS, TEXAS 75202-2733

October 25, 2011

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED: 7011 0110 0001 3590 5967**

Mr. Chad Cagle  
Vice President of Operations & Engineering  
SemGas, L.P.  
6120 S. Yale Avenue  
Suite 700  
Tulsa, OK 74136

Re: Administrative Compliance Order Docket Number: CAA-06-2012-3300

Dear Mr. Cagle:

Enclosed is an Administrative Compliance Order (Order) issued to SemGas, L.P., for violation of the Clean Air Act (42 U.S.C. § 7412(r)(1)). The violation was identified based on our October 4, 2011, inspection of your natural gas plant site located in Sherman, Grayson County, Texas. The general duty clause violation found consists of a release of an extremely hazardous substance; specifically, pentane.

Effective upon receipt of this Order, you shall fix, repair or replace the leaking component as noted in the enclosed Order, and comply with the provisions of this Order. The Environmental Protection Agency is committed to ensuring compliance with the requirements of the Clean Air Act, and my staff will assist you in any way possible.

If you have any questions, please contact Dominique Duplechain, of my staff, at (214) 665-7484.

Sincerely,

A handwritten signature in black ink, appearing to read "John Blevins".

John Blevins  
Director  
Compliance Assurance and  
Enforcement Division

Enclosure

cc: Michael de la Cruz  
Manager, Air Enforcement Section  
Texas Commission on Environmental Quality

Larry Clarkson  
Manager, Pipeline Systems Operations  
SemGas, L.P.

U.S. ENVIRONMENTAL PROTECTION AGENCY-REGION 6  
ADMINISTRATIVE COMPLIANCE ORDER  
In the Matter of SemGas, L.P., Respondent  
Docket No. CAA-06-2012-3300

STATUTORY AUTHORITY

The following findings are made and Administrative Compliance Order (Order) issued under the authority vested in the Administrator of the United States Environmental Protection Agency (EPA), by Section 113(a)(3) of the Clean Air Act (Act), 42 U.S.C. § 7413(a)(3). The Administrator has delegated the authority to issue this Order to the Regional Administrator of EPA Region 6 who has further delegated such authority to the Director of the Compliance Assurance and Enforcement Division.

FINDINGS

1. Respondent, SemGas, L.P., is a "person" as defined by Section 302(e) of the Act, 42 U.S.C. § 7602(e).
2. At all times relevant to the violation alleged herein, Respondent operated the Sherman Gas Plant located in Sherman, Grayson County, Texas (the "Facility").
3. The Facility is a "stationary source" as defined by Section 112(r)(2)(C) of the Act, 42 U.S.C. 7412(r)(2)(C).
4. On October 4, 2011, EPA inspectors utilized the FLIR® Gas Finder Infrared Camera and observed a release of pollutants from an uncovered water knockout sump near the storage tanks at the Facility.
5. Based on observations using the FLIR® Gas Finder Infrared Camera and process knowledge, the EPA inspectors determined that the release of pollutants described in paragraph four (4) contained pentane.
6. Pentane is a highly flammable and/or explosive substance.
7. An extremely hazardous substance under Section 112(r) of the Act, 42 U.S.C. § 7412(r) includes, but is not limited to, pentane. The release as described in paragraph four (4) is potentially subject to explosive levels of pentane.
8. Section 112(r)(1) of the Act, 42 U.S.C. § 7412(r)(1), requires owners and operators to design and maintain a safe facility, taking such steps as are necessary to prevent releases of extremely hazardous substances.
9. On October 4, 2011, Respondent released emissions containing pentane into the ambient air from a stationary source in violation of Section 112(r)(1) of the Act, 42 U.S.C. § 7412(r)(1).

ORDER

Based on these findings and pursuant to the authority of Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3), EPA orders that Respondent take the following actions upon receipt of this Order:

1. Fix, repair, or replace the leaking components that led to the release of an extremely hazardous substance as described in paragraph four (4), upon receipt of this Order.
2. Within fifteen (15) days of the receipt of this Order, Respondent shall provide written certification to the EPA, Region 6, that the activities required in the previous paragraph have been completed and shall include any supporting documents such as receipts and invoices. The written certification and supporting documentation shall be addressed to Mr. David F. Garcia, Associate Director, Compliance Assurance and Enforcement Division, (mail code 6EN-A), U.S. EPA Region 6, 1445 Ross Ave., Dallas, TX 75202. Respondent shall sign and certify under penalty of law that the certification and supporting documentation are true, accurate, and not misleading.

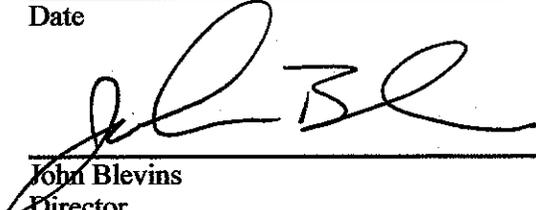
GENERAL PROVISIONS

Issuance of this Order shall not be deemed an election by EPA to waive any administrative, judicial, civil or criminal action to seek penalties, fines or other relief under the Act for the violation alleged herein or other violations which may become known to EPA. EPA reserves the right to seek any remedy available under the law which it deems appropriate.

Failure to comply with this Order or the Act may result in the initiation of an administrative penalty action by EPA or a civil judicial penalty action by the U.S. Department of Justice.

Compliance with this Order does not relieve Respondent of its obligation to comply with all applicable federal, state and local laws.

10.25.11  
Date

  
John Blevins  
Director  
Compliance Assurance and  
Enforcement Division