



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270

June 26, 2020

Jay Westre
Midstream Operations Manager
APC Water Holdings I, LLC
831 S. East Avenue
Kermit, Texas 79745

Sent via email: Jay.Westre@westernmidstream.com

Re: Clean Air Act Notification of Violations

Dear Mr. Westre:

The United States Environmental Protection Agency, Region 6 ("EPA") has identified APC Water Holdings I, LLC ("APC") as having violated the Clean Air Act ("CAA") and the regulations promulgated thereunder. This Notice of Violation ("Notice") is issued to APC for violations of the CAA, 42 U.S.C. § 7401 *et seq.*, at the energy extraction facility listed in the summary table in the Enclosure (the "Facility"). Specifically, APC¹ has violated the conditions of the Texas State Permit listed in the Enclosure. This Notice is issued pursuant to Section 113(a)(1) of the CAA, 42 U.S.C. § 7413(a)(1), which requires the Administrator of the EPA to notify any person in violation of a State Implementation Plan or permit of the violations. The authority to issue this Notice has been delegated to the Director of the Enforcement and Compliance Assurance Division, EPA Region 6.

EPA contracted helicopter flyovers for a portion of the Permian Basin during September 10, 2019, through October 3, 2019, to assess emission sources using Optical Gas Imaging ("OGI") technology. On November 26, 2019, EPA sent a letter informing Anadarko E&P Onshore, LLC ("Anadarko") of potentially unauthorized emissions from facilities that EPA believed were owned/operated by Anadarko, along with an enclosed disk of OGI video captures for the facilities. For each facility, EPA asked Anadarko to verify ownership, provide current site-specific permit information, and take any necessary corrective action to address unauthorized hydrocarbon emissions. In response, Western Midstream Partners, LP ("WES") provided written communication to EPA on December 20, 2020, stating that Occidental Petroleum Corporation acquired Anadarko and its related entities in August 2019, and that APC was the owner/operator of the facility previously attributed to Anadarko. EPA reviewed this communication and all other information provided by WES to determine whether violations occurred at the facility.

¹ Please be advised that some companies may qualify as a "small business" under the Small Business Regulatory Enforcement and Fairness Act ("SBREFA"). The U.S. Small Business Administration has established a Table of Small Business Size Standards, which can be found at: http://www.sba.gov/sites/default/files/Size_Standards_Table.pdf. The SBREFA Information Sheet provides information on compliance assistance to entities that may qualify as small businesses as well as to inform them of their right to comment to the SBREFA Ombudsman concerning EPA enforcement activities. The SBREFA Information Sheet can be found at: <http://nepis.epa.gov/Exe/ZyPDF.cgi/P100BYAV.PDF?Dockey=P100BYAV.PDF>.

CAA Violations

We are sending this letter to inform you of the following violations of Texas's federally approved State Implementation Plan ("SIP") at APC's Facility:

1. Failure to comply with general requirements located at 30 Tex. Admin. Code §§ 106.4(c), 106.6(b) and (c).

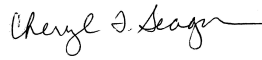
Please review the information we have provided in the Enclosure.

Opportunity to Confer

This Notice provides you with the opportunity to confer with EPA. We request APC contact Alex Roland, Assistant Regional Counsel, at Roland.Alexandrea@epa.gov or (214) 665-2753 within ten (10) business days to discuss this pending matter.

EPA acknowledges that the COVID-19 pandemic may impact your business. If that is the case, please contact us regarding any specific issues you need to discuss.

Sincerely,



Digitally signed by CHERYL SEAGER
DN: c=US, o=U.S. Government, ou=Environmental
Protection Agency, cn=CHERYL SEAGER,
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Date: 2020.06.26 16:22:32 -05'00'

Cheryl T. Seager, Director
Enforcement and
Compliance Assurance Division

Enclosure

ec: Michael Miller, TCEQ (michael.miller@tceq.texas.gov)
Jason Zapalac, WES (Jason.Zapalac@westernmidstream.com)

Attachment A

APC Water Holdings

Site Identity	LAT	LONG	TCEQ Regulated Entity No.	Permit Number	Permit Date	Permit Type	Flyover Date	Flyover Video ID	EPA Team Observations of Flyover Video Capture
Bronco Salt Water Disposal Facility	31.90386	-103.715121	RN110855632	158450	9/18/2019	PBR APD-CERT 106.351 {Eff 2000-9-4}; 106.492 {Eff 2000-09-04}; 106.359 {Eff 2013-09-10}	9/18/19	G6m129	Pressure relief valve leak