



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6

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

January 11, 2013

CERTIFIED MAIL—RETURN RECEIPT REQUESTED: 7007 3020 0002 5102 7808

Mr. Steven Kennedy  
Vice President  
Gas Solutions II Ltd.  
3407 Camp Switch Road  
Longview, TX 75604

Re: Administrative Order, Docket Number: CWA-06-2013-1728  
Permit Number: TX0000485

Dear Mr. Kennedy:

Enclosed is an Administrative Order (AO) issued to Gas Solutions II Ltd., for violation of the Clean Water Act (CWA), 33 U.S.C. § 1251 et seq. The violation was identified during our November 16, 2012, review of the Discharge Monitoring Reports submitted to the Environmental Protection Agency (EPA) for your gas plant located in Longview, Texas. The violation alleged is for failure to meet effluent limits for Biological Oxygen Demand and pH at Outfall 001A.

This AO does not assess a monetary penalty; however, it does require compliance with applicable federal regulations. The first compliance deadline is within thirty (30) days of receipt of the AO. The AO also contains other compliance deadlines and information demands. The EPA is committed to ensuring compliance with the requirements of the National Pollutant Discharge Elimination System (NPDES) program, and my staff will assist you in any way possible. Please reference AO Docket Number CWA-06-2013-1728 and NPDES Permit Number TX0000485 on your response.

Please also find enclosed an "Information Sheet" relating to the Small Business Regulatory Enforcement Fairness Act and a "Notice of Registrant's Duty to Disclose" relating to the disclosure of environmental legal proceedings to the Securities and Exchange Commission.

If you have any questions, please contact Ms. Emma Cornelius, of my staff, at (214) 665-6479.

Sincerely,

A handwritten signature in black ink, appearing to read "John Blevins", is written over the word "Sincerely,".

John Blevins  
Director  
Compliance Assurance and  
Enforcement Division

Enclosures

Re: Administrative Order  
Gas Solutions II Ltd.

2

cc: Ms. Susan Johnson, Manager  
Enforcement Section I (MC169)  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, TX 78711-3087

Program Manager  
Environmental Services  
Railroad Commission of Texas  
1701 North Congress Avenue  
P.O. Box 12967  
Austin, TX 78701-2967



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
Region 6 • 1445 Ross Avenue, Suite 1200 • Dallas, TX 75202-2733  
FINDINGS OF VIOLATIONS, ORDER FOR COMPLIANCE, AND  
INFORMATION DEMAND

Docket Number: CWA-06-2013-1728; NPDES Permit Number: TX0000485

Statutory Authority

The following findings are made, and Order issued, under the authority vested in the Administrator of the United States Environmental Protection Agency ("EPA"), by Sections 308 and 309(a) of the Clean Water Act ("the Act"), 33 U.S.C. §§ 1318 and 1319(a). The Administrator of EPA delegated the authority to issue this Order to the Regional Administrator of EPA Region 6, who further delegated this authority to the Director of the Compliance Assurance and Enforcement Division.

Findings

1. Gas Solutions II Ltd. ("Respondent") is a "person," as that term is defined at Section 502(5) of the Act, 33 U.S.C. § 1362(5), and 40 C.F.R. § 122.2.
2. At all times relevant to this Order ("all relevant times"), Respondent owned or operated an oil and gas facility, located at 3407 Camp Switch Road, Longview, Gregg County, Texas ("facility"), and was, therefore, an "owner or operator" within the meaning of 40 C.F.R. § 122.2.
3. At all relevant times, the facility was a "point source" of "discharge" of "pollutants" to an unnamed Creek, thence to the Sabine River in Segment No. 0505 of the Sabine River Basin, which is considered a "water of the United States within the meaning of Section 502(12) & (14) of the Act, 33 U.S.C. § 1362(12) & (14), and 40 C.F.R. § 122.2.
4. Because Respondent owned or operated a facility that acted as a point source of discharge of pollutants to waters of the United States, Respondent and the facility were subject to the Act and the National Pollutant Discharge Elimination System ("NPDES") program.
5. Under Section 301 of the Act, 33 U.S.C. § 1311, it is unlawful for any person to discharge any pollutant from a point source to waters of the United States, except with the authorization of, and in compliance with, an NPDES permit issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342.

6. Section 402(a) of the Act, 33 U.S.C. § 1342(a), provides that the Administrator of EPA may issue permits under the NPDES program for the discharge of pollutants from point sources to waters of the United States. Any such discharge is subject to the specific terms and conditions prescribed in the applicable permit.

7. Respondent applied for and was issued NPDES Permit Number TX0000485 ("permit") under Section 402 of the Act, 33 U.S.C. § 1342, which became effective on May 1, 2008. At all relevant times, Respondent was authorized to discharge pollutants from the facility to waters of the United States only in compliance with the specific terms and conditions of the permit.

8. Part 1.A of the permit places certain limitations on the quality and quantity of effluent discharged by the Respondent. The relevant discharge limitations are listed in Attachment A, which is incorporated by reference.

9. Pursuant to Part 1.A of the permit, Respondent is authorized to discharge from Outfall Number 001. Such discharges shall be limited and monitored by the Respondent as specified in Attachment A.

10. On November 15, 2012, a file review was conducted by representatives of the EPA. As a result, it was determined that Part 1.A of the permit was violated in that Respondent exceeded effluent limitations for Biochemical Oxygen Demand ("BOD") and pH. Certified DMRs, filed by Respondent with EPA as required by the permit, show discharges of pollutants from the facility that exceed the permitted effluent limitations established in Part 1.A of the permit. The discharge of pollutants that exceeded the permit limitations are specified in Attachment B, which is incorporated by reference.

11. Each violation of the conditions of the permit was a violation of Section 301 of the Act, 33 U.S.C. § 1311.

SECTION 309(a)(3) COMPLIANCE ORDER

Based on the foregoing Findings and pursuant to the authority of Section 309(a)(3) of the Act, EPA hereby orders Respondent to take the following action:

A. Within thirty (30) days of the effective date of this Order, Respondent shall certify compliance with effluent limitations for BOD and pH as required by the permit.

SECTION 308 INFORMATION DEMAND

Based on the foregoing Findings and pursuant to the authority of Section 308 of the Act, Respondent is required to do the following:

A. Within thirty (30) days of the effective date of this Order, Respondent shall submit a written report detailing the specific actions taken to correct the violations cited herein and explaining why such actions are anticipated to be sufficient to prevent a recurrence of this or similar violations.

B. In the event it will take Respondent longer than thirty (30) days to achieve compliance, a listing of all non-compliance related deficiencies and a schedule for repair/correction for each deficiency shall be submitted to the EPA for review and approval. This list shall be provided within thirty (30) days of the effective date of this Order.

C. Any approved compliance schedule will be incorporated and re-issued in a future administrative order.

D. To ask questions or comment on this matter, please contact Ms. Emma Cornelius, of my staff, at (214) 665-6479.

E. Any information or correspondence submitted by Respondent to EPA under this Order shall be addressed to the following:

Ms. Emma Cornelius (6EN-WC)  
Water Enforcement Branch  
EPA, Region 6  
1445 Ross Ave., Suite 1200  
Dallas, TX 75202-2733

General Provisions

Respondent may seek federal judicial review of the Order pursuant to chapter 7 of the Administrative Procedure Act, 5 U.S.C. §§ 701-706. Section 706, which is set forth at <http://uscode.house.gov/download/pls/05C7.txt>, states the scope of such review.

Issuance of this Section 309(a)(3) Compliance Order and the Section 308 Information Demand shall not be deemed an election by EPA to forego any administrative or judicial, civil or criminal action to seek penalties, fines, or any other relief appropriate under the Act for the violations cited herein, or other violations that may become known. EPA reserves the right to seek any remedy available under the law that it deems appropriate.

Failure to comply with this Section 309(a)(3) Compliance Order, or the Section 308 Information Demand, or the Act can result in further administrative action, or a civil judicial action initiated by the U.S. Department of Justice.

This Order does not constitute a waiver or modification of the terms or conditions of Respondent's NPDES permit, which remain in full force and effect.

Compliance with the terms and conditions of this Order does not relieve Respondent of its obligation to comply with any applicable federal, state, or local law or regulation.

The effective date of this Order is the date it is received by Respondent.

1. 11. 13

Date

  
John Blevins  
Director  
Compliance Assurance and  
Enforcement Division