

**Texas Commission on Environmental Quality
Investigation Report
Occidental Permian Ltd.
CN600755086**

D U TANK BATTERY 1

RECEIVED

RN102417409

JUN 08 2011

Investigation # 919317

Incident #

Investigator: EDWARD OWENS

Site Classification
MIN 0-15 FINS

TCEQ
CENTRAL FILE ROOM

Conducted: 05/10/2011 -- 05/10/2011

No Industry Code Assigned

Program(s): AIR NEW SOURCE
PERMITS

Investigation Type : Compliance Invest File Review

Location : 1 M N ON FM 1622 JUNCT
SH83 & FM1622

Additional ID(s) : YA0018H
12552
4850100027
74340

Address: ; ,

Activity Type : REGION 02 - LUBBOCK
AIRFIIH - AIR Follow Up Investigation

Principal(s) :

Role	Name
RESPONDENT	OCCIDENTAL PERMIAN LTD

Contact(s) :

Role	Title	Name	Phone
Regulated Entity Contact	HES SUPPORT	MS LETICIA HERRERA	Work (806) 773-4172
Regulated Entity Mail Contact	ENVIRONMENTAL ENGINEER	MS PEGGY WAISANEN	Work (432) 685-5673

Other Staff Member(s) :

Role	Name
Supervisor	GARY SHIPP
QA Reviewer	JASON BLAND

Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
Emissions Event Review (On or After 01/05/2006)	DUTANKBATTERY1

Investigation Comments :

INTRODUCTION

On May 10, 2011, Mr. Lance Owens, Environmental Investigator with the Texas Commission on Environmental Quality (TCEQ) Lubbock Region 2 Office, conducted an Air Follow-up Investigation (Air FI) of the Denver Unit Tank Battery 1, the regulated entity (RE), when the facility vented due to oxygen in the low pressure gas line. The RE is owned and operated by Occidental Permian Ltd., the customer. The purpose of this investigation is to evaluate a request to resolve a notice of

violation (NOV) issued March 10, 2011.

Daily Narrative

On April 13, 2011, the TCEQ Region 2 Office received a letter stating corrective actions have been put in place to resolve the alleged violations noted in the NOV that was issued on March 10, 2011 (Attachment 1). The RE was issued the NOV for failure to submit the final record of emissions event within two weeks of the end of the event in violation of 30 TAC §101.201(b) and THSC §382.085(b). A second violation was issued for failure to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of H₂S, and 19,609 lbs of NMNE in violation of 30 TAC §116.110(a)(4) and THSC §382.085(b).

The RE stated in their NOV response letter dated April 11, 2011, that Oxy took the following action in response to the alleged NOV's, they discussed with Operations the need to notify HES immediately when flaring or venting starts and stops, developed an event tracking spreadsheet to assist HES, maintain a visual reminder of open events in plain sight of the person entering events in STEERS and discussed with HES the importance of submitting a final report within two weeks of the end of an event.

The RE's response adequately resolved the alleged violations.

Exit Interview

No exit interview was conducted.

GENERAL FACILITY AND PROCESS INFORMATION

Process Description

Oil, water and entrained field gas enter the facility. The oil, water and gas are separated in the two free water knockouts (FWKOs) and two chemelectric separators. The gas flows off the site to a gas plant. The oil is stored in one of two 2750 barrel (bb) oil tanks on location before leaving the location via Lease Automatic Custody Transfer (LACT) Unit. The tank vapors are collected by a vapor recovery unit (VRU). The emergency flare on location is used to combust tank vapors and emissions events.

The RE operates under the following authorizations: 1) TCEQ Air Permit No. 74340 issued on December 10, 2004 for Permit by Rule (PBR) 30 TAC §106.352; and 2) Standard Exemption No. 12552 issued on July 30, 2004.

BACKGROUND

Compliance History

The customer has a compliance history rating of "average" and the RE has a rating of "average."

Current Enforcement Actions

No enforcement actions were initiated as a result of this investigation.

Agreed Orders, Court Orders, and Other Compliance Agreements

There are no current agreed orders, court orders, or compliance agreements noted within the past 5 years.

Prior Enforcement Issues

On March 10, 2011, a NOV was issued for failure to submit the final record of emissions event within two weeks of the end of the event in violation of 30 TAC §101.201(b) and THSC §382.085(b). A second violation was issued for failure to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of H₂S, and 19,609 lbs of NMNE in violation of 30 TAC §116.110(a)(4) and THSC §382.085(b).

Complaints

No complaints have been received in the Lubbock Region 2 Office.

ADDITIONAL INFORMATION

Conclusions and Recommendations

Based on the RE's NOV response the alleged violations are resolved.

Additional Issues

There are no additional issues relating to this investigation.

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 427049

Resolution Status Date: 5/10/2011

Violation Start Date: 12/26/2010 **Violation End Date:**12/27/2010

30 TAC Chapter 101.201(b)
5C THSC Chapter 382.085(b)

Alleged Violation:

Investigation: 905300

Comment Date: 03/10/2011

The RE failed to submit the final record of the emissions event (Incident No. 148790) within two weeks of the end of the event.

Investigation: 919317

Comment Date: 05/10/2011

The RE failed to submit the final record of the emissions event (Incident No. 148790) within two weeks of the end of the event. The emissions event was discovered on December 26, 2010, at 1430 hours and ended on December 27, 2010, at 1600 hours with the duration of 25 hours, 30 minutes. The final report was submitted on February 3, 2011, at 0932 hours.

Recommended Corrective Action: The RE should submit compliance documentation demonstrating how emissions event reports will be submitted within two weeks of the end of the event.

Resolution: Compliance documentation was received from the RE on April 13, 2011, describing how they would comply with the requirements for submitting a final record of emissions events within two weeks of the end of the event. This violation is resolved.

Track No: 427050

Resolution Status Date: 5/10/2011

Violation Start Date: 12/26/2010 **Violation End Date:**12/27/2010

30 TAC Chapter 116.110(a)(4)
5C THSC Chapter 382.085(b)

Alleged Violation:

Investigation: 905300

Comment Date: 03/11/2011

The RE failed to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of sulfur dioxide (H2S), and 19,609 lbs of Non-Methane Non-Ethane Natural Gas (NMNE).

Investigation: 919317

Comment Date: 05/10/2011

The RE failed to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of sulfur dioxide (H2S), and 19,609 lbs of Non-Methane Non-Ethane Natural Gas (NMNE).

Recommended Corrective Action: The RE will provide documentation demonstrating scheduled preventative maintenance is being conducted on hatches and valves in order to

prevent the chance of future releases from hatches and valves.

Resolution: Compliance documentation was received on April 13, 2011, from the RE describing how they would comply with the conditions for facilities permitted by rule under Chapter 106. This violation is resolved.

Signed *Rance Chwens*
Environmental Investigator

Date 5/20/11

Signed *Gary Sharp*
Supervisor

Date 5/20/11

Attachments: (in order of final report submittal)

Enforcement Action Request (EAR)

Letter to Facility (specify type) : Resolve letter

Investigation Report

Sample Analysis Results

Manifests

NOR

Maps, Plans, Sketches

Photographs

Correspondence from the facility

Other (specify) :

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 23, 2011

Ms. Peggy Waisanen
Environmental Engineer
Occidental Permian, Ltd.
Post Office Box 50250
Midland, Texas 79710-0250

Re: Notice of Compliance with Notice of Violation (NOV) dated March 23, 2011
Denver Unit Tank Battery 1, FM 1622, Denver City (Yoakum County), Texas
TCEQ RN No.: RN102417409, Customer No.: CN600755086, Investigation No. 905300

Dear Ms. Waisanen:

This letter is to inform you that the Texas Commission on Environmental Quality (TCEQ) Lubbock Region Office has received adequate compliance documentation on April 13, 2011 to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on March 10, 2011. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Mr. Lance Owens at the Lubbock Region Office at (806) 796-7092.

Sincerely,

A handwritten signature in cursive script that reads "Pat Cooke".

Patrick M. Cooke
Air/Water/Waste Section Manager
Lubbock Region Office

PMC/ELO/pah

Summary of Investigation Findings

D U TANK BATTERY 1

Investigation # 919317

Investigation Date: 05/10/2011

, YOAKUM COUNTY,

Additional ID(s): YA0018H
12552
4850100027
74340

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 427049

30 TAC Chapter 101.201(b)

5C THSC Chapter 382.085(b)

Alleged Violation:

Investigation: 905300

Comment Date: 3/10/2011

The RE failed to submit the final record of the emissions event (Incident No. 148790) within two weeks of the end of the event.

Investigation: 919317

Comment Date: 5/10/2011

The RE failed to submit the final record of the emissions event (Incident No. 148790) within two weeks of the end of the event. The emissions event was discovered on December 26, 2010, at 1430 hours and ended on December 27, 2010, at 1600 hours with the duration of 25 hours, 30 minutes. The final report was submitted on February 3, 2011, at 0932 hours.

Recommended Corrective Action: The RE should submit compliance documentation demonstrating how emissions event reports will be submitted within two weeks of the end of the event.

Resolution: Compliance documentation was received from the RE on April 13, 2011, describing how they would comply with the requirements for submitting a final record of emissions events within two weeks of the end of the event. This violation is resolved.

Track No: 427050

30 TAC Chapter 116.110(a)(4)

5C THSC Chapter 382.085(b)

Alleged Violation:

Investigation: 905300

Comment Date: 3/11/2011

The RE failed to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of sulfur dioxide (H2S), and 19,609 lbs of Non-Methane Non-Ethane Natural Gas (NMNE).

Investigation: 919317

Comment Date: 5/10/2011

The RE failed to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of sulfur dioxide (H2S), and 19,609 lbs of Non-Methane Non-Ethane Natural Gas (NMNE).

Recommended Corrective Action: The RE will provide documentation demonstrating scheduled preventative maintenance is being conducted on hatches and valves in order to prevent the chance of future releases from hatches and valves.

Resolution: Compliance documentation was received on April 13, 2011, from the RE describing how

they would comply with the conditions for facilities permitted by rule under chapter 106. This violation is resolved.



Occidental Permian Ltd.

A subsidiary of Occidental Petroleum Corporation

6 Desta Dr. Suite 6000; Midland, TX 79705
PO Box 50250, Midland, TX 79710-0250
432-685-5600

LO

April 11, 2011

TCEQ Region 2
5012 50th St., Suite 100
Lubbock, TX 79414-3426

Certified Mail 7011 0110 0002 1216 2528

RE: Notice of Violation Response
Denver Unit Battery 1, Yoakum County
RN102417409, CN600755086

On March 23, 2011, the TCEQ issued a Notice of Violation to Occidental Permian Ltd, (Oxy) for closing out emissions event report Incident No. 148790 late. Oxy has taken the following steps to ensure that this doesn't happen here again.

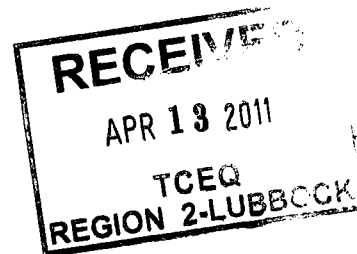
1. Discussed with Operations the need to notify HES immediately when flaring or venting starts and stops.
2. Developed an event tracking spreadsheet to assist HES in tracking which events have been closed in STEERS (see attached).
3. Maintain a visual reminder of open events in plain sight of the person entering events in STEERS.
4. Discussed with HES personnel the importance of submitting final report within 2 weeks of the end of an event.

Please call me at 432-685-5673 or email me at [REDACTED] if you need additional information regarding this submittal.

Sincerely,

Peggy Waisanen
Senior Environmental Engineer

cc: Leti Herrera
CATTS
File



Below is a snapshot of a row of the spreadsheet. All the columns are in one row. Information in the cells is an example.

Location	TCEQ Rep?	SHER #	TCEQ #	Flare/Vent	Initial Date	Final Date	STEERS Due Date
flare location	yes	99999	99999	Flare	04/01/2011	4/15/11	05/05/2011

RRC	Final SHER	Final TCEQ	ADF	R32	LEPC
Yes	Yes	No	No	n/a	yes

Airco / 4A 018H / RN 102417 409 /
74340/10

7008 1140 0003 2122 2537

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 44	Postmark Here 3/23/11
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)	5.54	

Ms. Peggy Waisanen
Environmental Engineer
Occidental Permian, Ltd.
Post Office Box 50250
Midland, Texas 79710-0250

PS Form 3800, August 2006 See Reverse for Instructions

RECEIVED
SEP 15 2011
TCEQ
CENTRAL FILE ROOM

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) JAY MONROE</p> <p>C. Date of Delivery 4-4-2011</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Ms. Peggy Waisanen Environmental Engineer Occidental Permian, Ltd. Post Office Box 50250 Midland, Texas 79710-0250</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p>7008 1140 0003 2122 2537</p>

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TCEQ
REGION 2-LU

Each sample was analyzed for TPH using TCEQ Method TX1005 and using Environmental Protection Agency (EPA) SW-846 Method 8021B for BTEX + MTBE. All COCs were below the soil action level with the exception of Tank C-E. TPH was detected in the >C12-C28 range above the MQL. TPH was used as a screening tool to determine whether to test for PAH. Consequently, a PAH analysis was required for this sample. No COCs were reported above the MQL for PAH constituents (*See Appendix D: Analytical Data*).

3.2 Stockpile Source Areas:

Stockpile samples were collected upon completion of tank removal activities. The soil column forming the stockpile consisted of red sandy loam caliche, and pea gravel. A total of two (2) stockpile samples were collected from the backfill. Approximately 100 cubic yards of soil was removed from the tankhold, pipe chases and associated dispenser islands. The excavated soil was returned to the tankhold and compacted along the excavation base to a final depth of six feet below ground surface (bgs). An additional 120 cubic yards of clean backfill was needed to off-set the tanks and fill the tankhold and trenches to grade.

One discrete soil sample was collected from each stockpile. The samples were identified as follows:

Stockpile I (SP-1)

- SP-1

Stockpile II (SP-2)

- SP-2

Each stockpile sample was analyzed for TPH using TCEQ Method TX1005 and BTEX + MTBE using U.S. EPA SW-846 Method 8021B. No COCs were detected in the stockpile samples.

Texas Commission on Environmental Quality
Investigation Report
Occidental Permian Ltd.
CN600755086

D U TANK BATTERY 1

RN102417409

Investigation # 905300

Incident # 148790

Investigator: EDWARD OWENS

Site Classification

MIN 0-15 FINS

Conducted: 03/10/2011 -- 03/10/2011

No Industry Code Assigned

Program(s): AIR NEW SOURCE
PERMITS

Investigation Type : Compliance Investigation

Location : 1 M N ON FM 1622 JUNCT
SH83 & FM1622Additional ID(s) : YA0018H
12552
4850100027
74340

Address: ; ,

Activity Type : REGION 02 - LUBBOCK
UML3IH - AIR UML3 - IN HOUSE UPSETMAINTENANC
LEVEL 3Principal(s) :

Role	Name
RESPONDENT	OCCIDENTAL PERMIAN LTD

Contact(s) :

Role	Title	Name	Phone
Regulated Entity Mail Contact	ENVIRONMENTAL ENGINEER	MS PEGGY WAISANEN	Work (432) 685-5673
Regulated Entity Contact	HES SUPPORT	MS LETICIA HERRERA	Work (806) 773-4172

Other Staff Member(s) :

Role	Name
Supervisor	GARY SHIPP
QA Reviewer	JASON BLAND

Associated Check ListChecklist Name

Emissions Event Review (On or After 01/05/2006)

Unit Name

DU Tank Battery 1

RECEIVED

APR 11 2011

TCEQ
CENTRAL FILE ROOMInvestigation Comments :

INTRODUCTION

On March 9, 2011, Mr. Lance Owens, Environmental Investigator with the Texas Commission on Environmental Quality (TCEQ), Lubbock Region 2 Office, conducted an Upset/Maintenance Level 3 (UML3) Investigation of Incident No. 148790 (Attachment 1). The UML3 was conducted to evaluate the emissions event for the excessive emissions event criteria and affirmative defense criteria contained in 30 TAC §101.222(a) and (b).

Daily Narrative

Reporting Assessment - 30 TAC §101.201:

The emissions event was discovered on December 26, 2010, at 1430 hours and ended on December 27, 2010, at 1600 hours with the duration of 25 hours, 30 minutes. The initial notification was submitted on December 27, 2010, at 0139 hours. The initial notification indicated the emissions event occurred at the Denver Unit Tank Battery 1, the regulated entity (RE), when the facility vented due to oxygen in the low pressure gas line. The RE is owned and operated by Occidental Permian Ltd., the customer. The initial notification was complete and submitted timely in compliance with 30 TAC §101.201(a). The final report was submitted on February 3, 2011, at 0932 hours. The RE failed to submit the final report within two weeks after the end of the emissions event in violation of 30 TAC §101.201(b) and THSC §382.085(b).

Excessive Assessment - 30 TAC §101.222(a)(1) - (6):

This emissions event is not excessive based on a review of the final report containing the demonstrations criteria and the Reportable Events 12 -Month Summary (Attachment 2).

Non-excessive Assessment (Affirmative Defense) - 30 TAC §101.222(b)(1) - (11):

All of the applicable demonstration criteria were reviewed. The reportable emissions event did not meet the affirmative defense so a notice of violation (NOV) will be issued because the RE failed to submit the final record of emission events within two weeks of the end of the event, in violation of 30 TAC §101.201(b) and THSC §382.085(b). A second violation will be issued for failure to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of sulfur dioxide (H2S), and 19,609 lbs of Non-Methane Non-Ethane Natural Gas (NMNE), a violation of 30 TAC §116.110(a)(4) and THSC §382.085(b).

Exit Interview:

An exit interview was emailed to Ms. Leticia Herrera on March 11, 2011 (Attachment 3).

GENERAL FACILITY AND PROCESS INFORMATION

Process Description

Oil, water and entrained field gas enter the facility. The oil, water and gas are separated in the two free water knockouts (FWKOs) and two chemelectric separators. The gas flows off the site to a gas plant. The oil is stored in one of two 2750 barrel (bbl) oil tanks on location before leaving the location via Lease Automatic Custody Transfer (LACT) Unit. The tank vapors are collected by a vapor recovery unit (VRU). The emergency flare on location is used to combust tank vapors and emissions events.

The RE operates under the following authorizations: 1) TCEQ Air Permit No. 74340 issued on December 10, 2004 for Permit by Rule (PBR) 30 TAC §106.352, 2) Standard Exemption No. 12552 issued on July 30, 2004.

BACKGROUND

Compliance History

The customer has a compliance history rating of "average" and the RE has a rating of "average."

Current Enforcement Actions

On March 10, 2011, a NOV was issued for failure to submit the final record of emissions event within two weeks of the end of the event in violation of 30 TAC §101.201(b) and THSC §382.085(b). A second violation was issued for failure to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of H2S, and 19,609 lbs of NMNE in violation of 30 TAC §116.110(a)(4) and THSC §382.085(b).

Agreed Orders, Court Orders, and Other Compliance Agreements

There are no current agreed orders, court orders, or compliance agreements noted within the past 5 years.

Prior Enforcement Issues

There are no prior enforcement issues.

Complaints

No complaints have been received in the Lubbock Region 2 Office.

ADDITIONAL INFORMATION

Conclusions and Recommendations

Based on the following assessment, Incident No. 148790 is not subject to an affirmative defense.

Additional Issues

There are no additional issues relating to this investigation.

NOV Date
03/10/2011

Method
WRITTEN

**OUTSTANDING ALLEGED VIOLATION(S)
ASSOCIATED TO A NOTICE OF VIOLATION**

Track No: 427049

Compliance Due Date: 04/23/2011

Violation Start Date: 12/26/2010

**30 TAC Chapter 101.201(b)
5C THSC Chapter 382.085(b)**

Alleged Violation:

Investigation: 905300

Comment Date: 03/10/2011

The RE failed to submit the final record of the emissions event (Incident No. 148790) within two weeks of the end of the event.

Recommended Corrective Action: The RE should submit compliance documentation demonstrating how emissions event reports will be submitted within two weeks of the end of the event.

Track No: 427050

Compliance Due Date: 04/23/2011

Violation Start Date: 12/26/2010

**30 TAC Chapter 116.110(a)(4)
5C THSC Chapter 382.085(b)**

Alleged Violation:

Investigation: 905300

Comment Date: 03/11/2011

The RE failed to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of sulfur dioxide (H₂S), and 19,609 lbs of Non-Methane Non-Ethane Natural Gas (NMNE).

Recommended Corrective Action: The RE will provide documentation demonstrating scheduled preventative maintenance is being conducted on hatches and valves in order to prevent the chance of future releases from hatches and valves.

Signed *Rance Jones*
Environmental Investigator

Date 3/23/11

Signed *Gary Stupp*
Supervisor

Date 3/23/11

Attachments: (in order of final report submittal)

- Enforcement Action Request (EAR)
- Letter to Facility (specify type) : _____
- Investigation Report
- Sample Analysis Results
- Manifests
- NOR

- Maps, Plans, Sketches
- Photographs
- Correspondence from the facility
- Other (specify) :

Attachments 1-3

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 23, 2011

CERTIFIED MAIL 7008 1140 0003 2122 2537
RETURN RECEIPT REQUESTED

Ms. Peggy Waisanen, Environmental Engineer
Occidental Permian, Ltd.
Post Office Box 50250
Midland, Texas 79710-0250

Re: Notice of Violation for the Upset Maintenance Level 3 Investigation at:
Denver Unit Tank Battery 1, FM 1622, Denver City (Yoakum County), Texas
TCEQ Regulated Entity No.: RN102417409, Customer No.: CN600755086

Dear Ms. Waisanen:

On March 10, 2011, Mr. Lance Owens of the Texas Commission on Environmental Quality (TCEQ) Lubbock Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for air quality. Enclosed is a summary which lists the investigation findings. Certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by April 21, 2011, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Lubbock Region Office at (806)796-7092 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation(s) documented in this notice. Should you choose to do so, you must notify the Lubbock Region Office within 10 days from the date of this letter. At that time Mr. Patrick Cooke, Air Program Manager, will schedule a violation review meeting to be conducted within 21 days from the date of this letter.

REPLY TO: REGION 2 • 5012 50TH ST., STE 100 • LUBBOCK, TEXAS 79414-3426 • 806-796-7092 • FAX 806-796-7107

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • Internet address: www.tceq.state.tx.us

Ms. Peggy Waisanen, Environmental Engineer
March 23, 2011
Page 2

However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Mr. Owens in the Lubbock Region Office at (806) 796-7092.

Sincerely,



Patrick M. Cooke
Air/Water/Waste Section Manager
Lubbock Region Office

PMC/ELO/pah

Enclosure: Summary of Investigation Findings

Summary of Investigation Findings

D U TANK BATTERY 1

Investigation # 905300

Investigation Date: 03/10/2011

, YOAKUM COUNTY,

Additional ID(s): YA0018H
12552
4850100027
74340

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 427049 Compliance Due Date: 04/23/2011

30 TAC Chapter 101.201(b)
5C THSC Chapter 382.085(b)

Alleged Violation:

Investigation: 905300

Comment Date: 3/10/2011

The RE failed to submit the final record of the emissions event (Incident No. 148790) within two weeks of the end of the event.

Recommended Corrective Action: The RE should submit compliance documentation demonstrating how emissions event reports will be submitted within two weeks of the end of the event.

Track No: 427050 Compliance Due Date: 04/23/2011

30 TAC Chapter 116.110(a)(4)
5C THSC Chapter 382.085(b)

Alleged Violation:

Investigation: 905300

Comment Date: 3/11/2011

The RE failed to satisfy the conditions for facilities permitted by rule under Chapter 106, by allowing unauthorized emissions of 551.3 lbs of sulfur dioxide (H₂S), and 19,609 lbs of Non-Methane Non-Ethane Natural Gas (NMNE).

Recommended Corrective Action: The RE will provide documentation demonstrating scheduled preventative maintenance is being conducted on hatches and valves in order to prevent the chance of future releases from hatches and valves.

Attachment 1

Texas Commission on Environmental Quality Reportable Event Report

Submittal Type Incident # Incident Status Investigation # Investigation Status
 FINAL 148790 CLOSED 905300 OPEN

Customer Name CN #
 OCCIDENTAL PERMIAN LTD CN600755086

Name of Owner or Operator RN/Air Acct # Physical Location
 D U TANK BATTERY 1 RN102417409

Event/Activity Type Date / Time Event Discovered or Scheduled Activity Start/End Duration
 EMISSIONS EVENT 12/26/2010 2:30:00PM 12/27/2010 4:00:00PM 25 hrs. 30 min.

Emission Point Common Name		Emission Point Number (EPN)			
Emergency Vent		N/A			
List of Compound Descriptive type(s) of Individually Listed or Mixtures of Air Contaminant Compounds Released, Including opacity	Estimated Total Quantity for Air Contaminants for Emissions / Opacity Value for Opacity	Units	Authorized Emissions Limit /	Units	Authorization (rule or permit #)
Hydrogen Sulfide	551.30	POUNDS	0.00		n/a
Non-Methane Non-Ethane Natural Gas	19,609.00	POUNDS	0.00		n/a

Facility Common Name	Facility Identification Number (FIN)
Denver Unit Battery #1	N/A

Process Unit or Area Common Name
Vent/Tank

Cause of Emissions Event, Excess Opacity Event, or Reason for Scheduled Activity:
 VENT AT DENVER UNIT BATTERY #1 DUE TO OXYGEN IN THE LOW PRESSURE GAS LINE. THE HATCHES AND VALVES WERE REPLACED.

Actions Taken, of Being Taken, to Minimize Emissions and/or Correct the Situation:
 THE HATCHES AND VALVES WERE REPLACED. ONCE REPLACEMENT WAS COMPLETED, VENT WAS ELIMINATED.

Basis Used to Determine Quantities and Any additional Information Necessary to Evaluate the Event:

Emissions Calculations:
 $NMNE\ NG = MCF\ vented \times 50\ lb/mole \times mole/.379\ MCF \times mol\ \% \ NMNE\ NG / 100$
 $NMNE\ NG\ \% = 100\% - Methane\ \% - Ethane\ \% - Carbon\ Dioxide\ \% - Nitrogen\ \% - inert\%$
 $H2S = MCF\ vented \times 34\ lb/mole \times mole/.379\ MCF \times mol\ \% \ H2S / 100$

Person Making Initial Notification	Initial Notification Date/Time	Method
Leticia Herrera (806) 773-4172	2010-12-27 01:37	STEERS
Person Making Final Report	Final Report Date/Time	Method
Leticia Herrera (806) 773-4172	2011-2-3 09:32	STEERS
Incident Primary Contact	Jurisdiction(s) Notified	
Leticia Herrera (806) 773-4172	REGION 02 - LUBBOCK	

Agency Comments Assigned Staff Member: Edward Owens

Texas Commission on Environmental Quality
Reportable Event Report

Facility Common Name

Denver Unit Battery #1

See CCEDs Investigation No. 905300.

Texas Commission on Environmental Quality

Reportable Event Report

Incident Count :	1			
Incident Duration Total :	25 hrs. 30 min.			
Average Incident Duration:	25 hrs. 30 min.			
Duration Percent of Annual Operating Hours (8760)				
Incident	Reg Ent Num	Reg Ent Name	Duration	Percent
148790	RN102417409	D U TANK BATTERY 1	25	0.29%

Reportable Events 12 Month Summary

Attachment 2

Date	Region	RN#	Inc#	Staff	Type	EPN Name	EPN #	FIN Name	FIN #	PCN Name
12/27/2010	REGION 02-- LUBBOCK	RN102417409	All	All	All	All	All	All	All	All

RN102417409 D L TANK BATTERY 1

Inc#	Type	Status	Staff	Start DT	End DT	Duration	Duration %	EPN Name	EPN #	FIN Name	FIN #	PCN Name
148790	EMISSIONS EVENT	OPEN	LOWENS	12/26/2010	12/27/2010	25 Hr 30 Min.	0.29%	Emergency Vent	N/A	Denver Unit Battery #1	n/a	Vent/Tank

Cause: VENT AT DENVER UNIT BATTERY #1 DUE TO OXYGEN IN THE LOW PRESSURE GAS LINE. THE HATCHES AND VALVES WERE REPLACED.

TCEQ EXIT INTERVIEW FORM: Potential Violations and/or Records Request					
Regulated Entity/Site Name	Denver Unit Tank.Battery 1			TCEQ Add. ID No. RN No (optional)	YA-0018-H; RN102417409*
Investigation Type:	UMEL3	Contact Made: In-House: (Y/N)	Y	Purpose of Investigation:	Compliance Investigation
Regulated Entity Contact	Leticia Ferrera		Telephone No.	805/773-4972	Date Contacted
	HES Technician		FAX #/Email address	[REDACTED]	03/10/2011
				FAX/Email date	03/11/2011

NOTICE: The information provided in this form is intended to provide clarity to issues that have arisen during the investigation process between the TCEQ and the regulated entity named above and *does not represent final TCEQ findings related to violations*. Any potential or alleged violations discovered after the date on this form will be communicated to the regulated entity representative prior to the issuance of a notice of violation or enforcement. Conclusions drawn from this investigation, including additional violations or potential violations discovered (if any) during the course of this investigation, will be documented in a final investigation-report.

Iss	For Records Request, identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues, include the rule in question with the clearly described potential problem. Other type of issues: fully describe.		
No.	Type ¹	Rule Citation (if known)	Description of Issue
	AV	30 TAC §101.201(b)	Failure to submit a final record of emissions event (Incident No. 148790) within 14 days of the end of the event.
	AV	30 TAC §116.110(a)(4)	Failure to satisfy the conditions for facilities permitted by rule under Chapter 106.

1: Issue Type Can Be One or More of: AV (Alleged Violation), PV (Potential Violation), O (Other), or RR (Records Request)

Did the TCEQ document the regulated entity named above operating without proper authorization??	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Did the investigator advise the regulated entity representative that continued operation is not authorized??	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Document Acknowledgment: Signature on this document establishes only that the regulated entity (RE) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, the document will be sent via FAX or Email to RE; therefore, the RE signature is not required.

Lance Owens	3/10/2011		
Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date

If you have questions about any information on this form, please contact your local TCEQ Regional Office.

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512/239-3282.

White Copy: Regulated Entity Representative
TCEQ 20085 (4/08)

Yellow Copy: TCEQ

(Note: use additional pages as necessary) Page 1 of 1



Attachment 3

From: Lance Owens
To: Herrera, Leticia
Date: 3/11/2011 11:43 AM
Subject: DUTankBattery1_exit-interview.docx
Attachments: DUTankBattery1_exit-interview.docx

Leticia,

I am emailing an exit interview to you regarding the Denver Unit Tank Battery 1 emissions event that occurred on 12/26/2010 @ 1430 hours. We have it listed as Incident No. 148790. The initial notification was submitted via STEERS on 12/27/2010 @ 0139 hours. We received the final notification on 2/03/2011 @ 0932 hours.

Because we did not receive the final notification within the two week time frame required by 30 TAC §101.201(b) this is a violation. A NOV is being issued for failure to submit the final report as well as the unauthorized emissions event.

I called and left a message on your voice mail on 03/10/2011 requesting you call me so we could discuss this. I'm guessing you're out of the office this week. I will be out of the office all next week, I need to get the exit interview out.

I will be back in the office on Monday, 03/21/2011 at 0800 hours. Please call me if you have any questions.

Thanks,

Lance Owens
TCEQ
Air Investigator
Region 2/Lubbock
806/796-7092 (Office)
806/796-7107 (Fax)
lance.owens@tceq.texas.gov

Attachment 3

From: [REDACTED]
To: <Lance.Owens@tceq.texas.gov>, [REDACTED]
Date: 3/11/2011 1:23 PM
Subject: Re: DUTankBattery1_exit-interview.docx

Good Afternoon,

I have received this email. I was out of the office last will. I will be on vacation this upcoming week. I will be back in the office Monday, March 21, 2011. You can reach me at my office on Monday if needed.

Thank you,

Leticia Herrera
Leti Herrera
806-773-4172

From: Lance Owens <Lance.Owens@tceq.texas.gov>
To: Herrera, Leticia Q
Sent: Fri Mar 11 11:43:52 2011
Subject: DUTankBattery1_exit-interview.docx

Leticia,

I am emailing an exit interview to you regarding the Denver Unit Tank Battery 1 emissions event that occurred on 12/26/2010 @ 1430 hours. We have it listed as Incident No. 148790. The initial notification was submitted via STEERS on 12/27/2010 @ 0139 hours. We received the final notification on 2/03/2011 @ 0932 hours.

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I will be back in the office on Monday, 03/21/2011 at 0800 hours. Please call me if you have any questions.

Thanks,

Lance Owens
TCEQ
Air Investigator
Region 2/Lubbock
806/796-7092 (Office)
806/796-7107 (Fax)
lance.owens@tceq.texas.gov<mailto:lance.owens@tceq.texas.gov>

Confirm Initial Notification to Send to TCEQ
Regulated Entity: RN102417409 Today's date is: 12/27/2010

Incident Tracking Number:		Incident Status:	OPEN		
Submittal Type:	INITIAL NOTIFICATION				
Name of Owner or Operator:	OCCIDENTAL PERMIAN LTD	Regulated Entity Number:	RN102417409		
Physical Location:	1 M N ON FM 1622 JUNCT SH83 & FM1622				
Event/Activity Type:	EMISSIONS EVENT				
Date and Time Event Discovered or Scheduled Activity Start:	12/26/2010 @ 14:30				
Event Duration:	50 hours, 30 minutes				
Process Unit or Area Common Names					
Vent/Tank					
Facility Common Name		Facility Identification Number (FIN)			
Denver Unit Battery #1		n/a			
Emission Point Common Name:		Emission Point Number:			
Emergency Vent		N/A			
List of Air Contaminant Compounds					
Description	Est. Quantity/ Opacity	Units	Emission Limit	Units	Authorization
Hydrogen Sulfide	1091.8	POUNDS	0		n/a
Non-Methane Non-Ethane Natural Gas	38837	POUNDS	0		n/a
Cause of Emission Event or Excess Opacity Event, or Reason for Scheduled Activity:					
VENT AT DENVER UNIT BATTERY #1 DUE TO OXYGEN IN THE LOW PRESSURE GAS LINE. THE HATCHES AND VALVES ARE BEING INVESTIGATED TO DETERMINE CAUSE.					
Actions Taken, or Being Taken, to Minimize Emissions And/or Correct the Situation:					
THE HATCHES AND VALVES ARE BEING INVESTIGATED TO DETERMINE CAUSE.					
Basis Used to Determine Quantities and Any Additional Information Necessary to Evaluate the Event:					
Emissions Calculations: NMNE NG = MCF vented x 50 lb/mole x mole/.379 MCF x mol % NMNE NG / 100 NMNE NG % = 100% - Methane % - Ethane % - Carbon Dioxide % - Nitrogen % - inert% H2S = MCF vented x 34 lb/mole x mole/.379 MCF x mol % H2S / 100					
Person Making Notification:	Leticia Herrera	Date/Time:	12/27/2010 01:39:37 AM		
Notifier Phone:	806-7734172 ext:				
Incident Contact:	Leticia Herrera				
Contact E-mail:	[REDACTED]				
Contact Phone:	806-7734172 ext:				
Notification Jurisdictions:	REGION 02 - LUBBOCK				
Affirmative Defense	The owner or operator of the regulated entity asserts this reported event or activity, as applicable, meets the applicable affirmative defense criteria. YES				
Publication Status:	VERIFIED				

I agree that data displayed in this report is the exact data or is acceptably equivalent to the data provided for the specified regulated entity, and the information is, to the best of my knowledge, true, accurate and complete. By entering my password and pressing the 'Confirm Submit' button, I agree that:

1. I am Leticia Q Herrera, the owner of the STEERS account ER011052.
2. I have the authority to submit this data on behalf facility located at RN102417409.
3. I have personally examined the foregoing and am familiar with its content and the content of any attachments, and based upon my personal knowledge and/or inquiry of any individual responsible for information contained herein, that this information is true, accurate, and complete.
4. I further certify that I have not violated any term in my TCEQ STEERS participation agreement and that I have no reason to believe that the confidentiality or use of my password has been compromised at any time.
5. I understand that use of my password constitutes an electronic signature legally equivalent to my written signature.
6. I also understand that the attestations of fact contained herein pertain to the implementation, oversight and enforcement of a federal environmental program and must be true and complete to the best of my knowledge.
7. I am aware that criminal penalties may be imposed for statements or omissions that I know or have reason to believe are untrue or misleading.
8. I am knowingly and intentionally submitting 1 incident record.

This document was signed by Leticia Q Herrera.

Signature Hash: 465860B4FBD29B0077EDE6E702976BE70ACF42ABB23878FB065A26D45D3910BB

The following is additional information contained in your Copy of Record:

Submission IP address: 24.56.177.203

Submission date and time: 12/27/2010 01:39:38 AM

Submission STEERS Version: 5.61

Submission Confirmation Number: 78455

Submission Data Hash Code: B15237BD00DBB0E33853FB33565C9B5E72E57C9FD4B4C7EA82BDE34CAFC61046

STEERS AEME Incident Id: 81748

Confirm Final Report of Incident 148790 to Send to TCEQ

Regulated Entity: RN102417409 Today's date is: 02/03/2011

Incident Tracking Number:	148790	Incident Status:	OPEN		
Submittal Type:	FINAL REPORT				
Name of Owner or Operator:	OCCIDENTAL PERMIAN LTD	Regulated Entity Number:	RN102417409		
Physical Location:	1 M N ON FM 1622 JUNCT SH83 & FM1622				
Event/Activity Type:	EMISSIONS EVENT				
Date and Time Event Discovered or Scheduled Activity Start:	12/26/2010 @ 14:30				
Event Duration:	25 hours, 30 minutes				
Process Unit or Area Common Names					
Vent/Tank					
Facility Common Name		Facility Identification Number (FIN)			
Denver Unit Battery #1		n/a			
Emission Point Common Name:		Emission Point Number:			
Emergency Vent		N/A			
List of Air Contaminant Compounds					
Description	Est. Quantity/Opacity	Units	Emission Limit	Units	Authorization
Hydrogen Sulfide	551.3	POUNDS	0		n/a
Non-Methane Non-Ethane Natural Gas	19609	POUNDS	0		n/a
Cause of Emission Event or Excess Opacity Event, or Reason for Scheduled Activity:					
VENT AT DENVER UNIT BATTERY #1 DUE TO OXYGEN IN THE LOW PRESSURE GAS LINE. THE HATCHES AND VALVES WERE REPLACED.					
Actions Taken, or Being Taken, to Minimize Emissions And/or Correct the Situation:					
THE HATCHES AND VALVES WERE REPLACED. ONCE REPLACEMENT WAS COMPLETED, VENT WAS ELIMINATED.					
Basis Used to Determine Quantities and Any Additional Information Necessary to Evaluate the Event:					
Emissions Calculations: NMNE NG = MCF vented x 50 lb/mole x mole/.379 MCF x mol % NMNE NG / 100 NMNE NG % = 100% - Methane % - Ethane % - Carbon Dioxide % - Nitrogen % - inert% H2S = MCF vented x 34 lb/mole x mole/.379 MCF x mol % H2S / 100					
Person Making Notification:	Leticia Herrera	Date/Time:	12/27/2010 @ 01:37:27 AM		
Notifier Phone:	806-7734172				
Incident Contact:	Leticia Herrera				
Contact E-mail:	[REDACTED]				
Contact Phone:	806-7734172				
Notification Jurisdictions:	REGION 02 - LUBBOCK				
Affirmative Defense	The owner or operator of the regulated entity asserts this reported event or activity, as applicable, meets the applicable affirmative defense criteria. YES				
Publication Status:	VERIFIED				

I agree that data displayed in this report is the exact data or is acceptably equivalent to the data provided for the specified regulated entity, and the information is, to the best of my knowledge, true, accurate and complete. By entering my password and pressing the 'Confirm Submit' button, I agree that:

1. I am Leticia Q Herrera, the owner of the STEERS account ER011052.
2. I have the authority to submit this data on behalf facility located at RN102417409.
3. I have personally examined the foregoing and am familiar with its content and the content of any attachments, and based upon my personal knowledge and/or inquiry of any individual responsible for information contained herein, that this information is true, accurate, and complete.
4. I further certify that I have not violated any term in my TCEQ STEERS participation agreement and that I have no reason to believe that the confidentiality or use of my password has been compromised at any time.
5. I understand that use of my password constitutes an electronic signature legally equivalent to my written signature.
6. I also understand that the attestations of fact contained herein pertain to the implementation, oversight and enforcement of a federal environmental program and must be true and complete to the best of my knowledge.
7. I am aware that criminal penalties may be imposed for statements or omissions that I know or have reason to believe are untrue or misleading.
8. I am knowingly and intentionally submitting 1 incident record.

This document was signed by Leticia Q Herrera.

Signature Hash: 465860B4FBD29B0077EDE6E702976BE70ACF42ABB23878FB065A26D45D3910BB

The following is additional information contained in your Copy of Record:

Submission IP address: 65.161.178.226

Submission date and time: 02/03/2011 09:32:12 AM

Submission STEERS Version: 5.61

Submission Confirmation Number: 79229

Submission Data Hash Code: CAEE5D7F4D63E3E4BC55285ECD6629D7A6A31CC7F167743EE7F2F74A5E0D3533

STEERS AEME Incident Id: 81956