



MICHELLE LUJAN GRISHAM
GOVERNOR

JAMES C. KENNEY
CABINET SECRETARY

SENT BY ELECTRONIC MAIL AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED

December 20, 2024

John Cook
DCP Operating Company, LP
2331 CityWest Blvd, HQ-8N-N860-03
Houston TX 77042-2862
Sent by electronic mail to: John.W.Cook2@p66.com

Notice of Violation for DCP Operating Company, AQB Case No. DCP-0251-2401

Dear John Cook,

The New Mexico Environment Department ("NMED") has identified DCP Operating Company, LP ("DCP") as having violated state and federal regulations for air quality. This Notice of Violation (NOV) is regarding the Burton Flats Booster Station ("Facility") owned and operated by DCP. The Facility is assigned agency interest number (AI#) 0251, AIRS number 350150122, and is located 6 miles northeast from Carlsbad, Eddy County, New Mexico, at latitude 32.519495, and longitude -104.150705.

Pursuant to the NMED Delegation Order dated November 26, 2024, the Cabinet Secretary ("Secretary") has delegated to the Air Quality Bureau ("Bureau") Chief the authority to seek administrative enforcement for alleged violations of the Act, the Air Quality Control Regulations ("Regulations"), and the air quality permits issued thereunder. The Air Quality Bureau is the Bureau within the NMED responsible for identifying air quality violations.

This NOV is issued pursuant to NMSA 1978, Section 74-2-5.1(A), which states that NMED's "investigations shall be reduced to writing if any enforcement action is contemplated, and a copy shall be furnished to the owner or occupants of the premises before the action is filed." In accordance with Section 74-2-5.1(C), the purpose of this NOV is to "encourage and make every reasonable effort to obtain voluntary cooperation by the owner or occupants to preserve, restore or improve air quality."

Alleged Violations

An NMED Compliance Inspector collected the information and evidence used to support this NOV during a Full Compliance Evaluation (FCE) of the Facility completed June 25, 2024.

The investigation found evidence of the following alleged violations.

1. Operations resulting in unauthorized H₂S emissions from the Facility. DCP submitted one initial and final excess emissions report (EER) on June 17, 2024, reporting unauthorized H₂S emissions of 63.13 lbs occurring during multiple events from May 17, 2021, to November 1, 2023, in violation of Permit

DCP Operating Company, LP
ABQ Case No. DCP-0251-2401
Page 2 of 8

612M5, Specific Conditions A106.A and/or A107.A which state in relevant parts: “A106 Facility Allowable Emissions, A. The following Section lists the emission units and their allowable emission limits...” and “A107 Facility: Allowable Startup, Shutdown, & Maintenance (SSM) and Malfunction Emissions, A. The maximum allowable SSM&M emission limits for this facility are listed in Table 107.A and were relied upon by the Department to determine compliance with applicable regulations.” See Attachment A – Excess Emissions Report – DCP-0251-2401.

2. Failure to obtain approval from the Department through a construction permit before modifying and operating the facility, by starting to process gas with H₂S (resulting in unauthorized H₂S emissions), in violation of 20.2.72.200.E NMAC which states, “For all sources subject to this part, applications for permits shall be filed prior to the commencement of the construction, modification or installation. Regardless of the anticipated commencement date, no construction, modification or installation shall begin prior to issuance of the permit.” DCP submitted records of monthly gas analyses showing H₂S in the gas starting March 1, 2016.
3. Failure to submit an initial excess emission report (EER) by the required deadline, pursuant to Permit 0612M5, General Condition B109.E that references 20.2.7.110.A(1) NMAC which states in relevant part, “The owner or operator of a source having an excess emission shall report ... to the department ... (1) Initial report: the owner or operator shall file an initial report, no later than the end of the next regular business day after the time of discovery of an excess emission...” The initial EER was due on May 18, 2021, but was not submitted until June 17, 2024.
4. Failure to submit a final EER by the required deadline, pursuant to Permit 0612M5, General Condition B109.E that references 20.2.7.110.A(2) NMAC which states in relevant part, “The owner or operator of a source having an excess emission shall report ... to the department ... (2) Final report: the owner or operator shall file a final report..., no later than ten (10) days after the end of the excess emission.” The final EER was due on November 16, 2023, but was not submitted until June 17, 2024. See Attachment A – Excess Emissions Report – DCP-0251-2401.
5. Failure to establish, implement, and/or maintain a plan to minimize emissions during routine or predictable startup, shutdown, and scheduled maintenance (SSM), pursuant to 20.2.7.14.A NMAC which states in relevant part, “The owner or operator of a source subject to a permit ..., shall establish and implement a plan to minimize emissions during routine or predictable startup, shutdown, and scheduled maintenance through work practice standards and good air pollution control practices...” Also, “B. The owner or operator shall maintain the plan at the location authorized by the permit, at the facility, or at the nearest occupied facility, and provide the plan to the department upon written request.” On June 20, 2024, DCP confirmed that it could not provide a plan for the Facility meeting the requirements of 20.2.7.14.A NMAC.
6. Failure to submit pre-test notifications to the Department at least 30 days before the test date, pursuant to Permit 0612M5, General Condition B110.D(1) which states, “The permittee shall notify the Department’s Program Manager, Compliance and Enforcement Section at least thirty (30) days before the test date and allow a representative of the Department to be present at the test.” DCP submitted two (2) pre-test notifications past the deadline required by General Condition B110.D(1).

DCP Operating Company, LP
ABQ Case No. DCP-0251-2401
Page 3 of 8

7. Failure to submit final test reports to the Department no later than 30 days after completing a test, pursuant to Permit 0612M5, General Condition B110.D(7) which states, "Unless otherwise indicated by Specific Conditions or regulatory requirements, test reports shall be submitted to the Department no later than 30 days after completion of the test." DCP submitted six (6) test reports past the deadline required by General Condition B110.D(7).
8. Failure to meet and/or keep all records of all work and management practices completed on engine Units 1 to 7, pursuant 40 C.F.R. § 63 Subpart ZZZZ 63.6603(a), Table 2d, line 11; § 63.6655(d), Table 6, line 9 and/or § 63.6655(e). Subpart ZZZZ emission standards in Line 11 of Table 2.d require that every 2,160 hours of engine operation or annually, whichever comes first, a) oil and filter changes, b) inspection of spark plugs and replacement as needed, and c) inspection of hoses and belts and replacement as needed. Owner/operators have the option to use an oil analysis program, pursuant to § 63.6625(i) or (j), in lieu of changing oil and filters every 2,160 hours or annually. DCP must also comply with work or management practices in Line 9 of Table 6 pursuant to § 63.6655(d) and must keep records pursuant to § 63.6655(e). Per DCP's maintenance records requested for the months of May 1, 2022, to May 1, 2024, and received on May 16, 2024, DCP failed to either complete all maintenance or keep records of all maintenance completed on engines required by 40 C.F.R. § 63, Subpart ZZZZ. DCP also failed to provide records of all operating hours for the engines needed to verify if maintenance was completed timely.
9. Failure to conduct or keep records of weekly audio, visual, and olfactory (AVO) inspections of equipment leaks and fugitive emissions, pursuant to 20.2.50.116.C(1) NMAC which states in relevant part, "The owner or operator of a facility with ... an average daily production of greater than 60,000 standard cubic feet per day of natural gas shall, at least weekly, conduct an external audio, visual, and olfactory (AVO) inspection of thief hatches, closed vent systems, pumps, compressors, pressure relief devices, open-ended valves or lines, valves, flanges, connectors, piping, and associated equipment to identify defects and leaking components as follows: ..." DCP failed to complete or provide six (6) weeks of AVO inspection records for the weeks of August 8, 2022 to September 12, 2022.
10. Failure to conduct monthly U.S. EPA Method 21 or optical gas imaging (OGI) inspections of equipment leaks and fugitive emissions, pursuant to 20.2.50.116.C(3)(c)(ii) NMAC which states, "The owner or operator of the following facilities shall conduct an inspection using U.S. EPA method 21 or optical gas imaging (OGI) of thief hatches, closed vent systems, pumps, compressors, pressure relief devices, open-ended valves or lines, valves, flanges, connectors, piping, and associated equipment to identify leaking components at a frequency determined according to the following schedules, ...: (c) for gathering and boosting stations...: (ii) monthly at facilities with a PTE equal to or greater than 25 tpy VOC. DCP failed to provide OGI inspections for the months of August 2022, October 2022, November 2022, and January 2023.

Please note that the Facility will appear on NMED's Enforcement Watch as a result of this NOV (see: <https://www.env.nm.gov/enforcement-watch/>). Further, NMED may issue a press release to local media highlighting your facility as appearing on this webpage. Your facility will remain on the Enforcement Watch website as an active matter until this matter is fully resolved, including the payment of the assessed civil penalty.

DCP Operating Company, LP
ABQ Case No. DCP-0251-2401
Page 4 of 8

You may obtain a copy of the Bureau's Civil Penalty Policy located on the Compliance and Enforcement website at: <https://www.env.nm.gov/air-quality/compliance-and-enforcement/>.

Requested Information

In the response to this NOV please provide this information for each violation:

1. A description of the cause of the violations;
2. documentation of the steps taken to correct the violations to date; and
3. documentation of steps taken or to be taken to prevent the recurrence of the violation.

With the documentation, please include specific, measurable, and time-bound changes made or to be made addressing any problems causing the violations. Attachment A has been included at the end of the NOV and can be used as a checklist for organizing the response.

Use these instructions to submit the response:

1. All correspondence pertaining to this NOV must be submitted under cover of a properly completed Reporting Submittal Form, emailed to the Enforcement Specialist (contact information below). A copy of the form can be found online at: <https://www.env.nm.gov/air-quality/compliance-and-enforcement/>
2. Submit requested information no later than thirty (30) days after the date of this NOV.
3. Any documents claimed as Confidential Business Information (CBI) pursuant to 20.2.1.115 NMAC must be submitted in separate electronic files from non-CBI documents and identified as CBI.
4. If files cannot be submitted by electronic mail, contact the Enforcement Specialist to request a link to a file transfer platform, or submit records on a thumb drive mailed to the Air Quality Bureau, 525 Camino de los Marquez, Suite 1, Santa Fe, NM 87505 to the attention of cember.hardison@env.nm.gov.
5. Please include any facts, information, or documentation to refute the alleged violations, with the requested information.

After receiving the response to this NOV, NMED may send a settlement offer or compliance order outlining the penalties and corrective actions associated with each of the violations. As NMED's review of the alleged violations is ongoing, NMED reserves the right to assert additional violations at the Facility if new information becomes available.

If you have questions or believe any statement in this notice is erroneous, please contact Cember Hardison, Enforcement Specialist, at (505) 629-6688 or cember.hardison@env.nm.gov or Brian Polgar, Acting Compliance and Enforcement Section Chief at (505) 629-3466 or at brian.polgar@env.nm.gov. If you are represented by counsel, please contact Chris Vigil, Assistant General Counsel, at (505) 469-4696 or ChristopherJ.Vigil@env.nm.gov.

Thank you for your prompt attention to this matter.

DCP Operating Company, LP
ABQ Case No. DCP-0251-2401
Page 5 of 8

Sincerely,

DocuSigned by:

474E81D26E8846D...
For Cindy Hollenberg
Bureau Chief
Air Quality Bureau

cc: Scot Millican, Phillips 66, Scot.A.Millican@p66.com
Raymond Smalts, Phillips 66, Raymond.A.Smalts@p66.com
Chris Vigil, OGC
Brian Polgar Acting Section Chief, AQB
Cember Hardison, AQB

Attachment

DCP Operating Company, LP
 ABQ Case No. DCP-0251-2401
 Page 6 of 8

Attachment A - Excess Emissions Report - DCP-0251-2401

Activity No	Failure Pt No	Failure Pt Description	Discovery Date	Event Start Date	Event End Date	Event Type	Initial Due Date	Initial Submittal Date	Initial Report Days La	Final Due Date	Final Submittal Date	Final Report Days Late	EE H2S (lb)
000251-06172024-01	FUG	Fugitives	5/17/2021	5/17/2021	11/1/2023	Other	5/18/2021	6/17/2024	1126	11/16/2023	6/17/2024	214	63.13

!Air Events Last 31 Days with Details
 volume is in mscf, emissions are in pounds

Id	Facility or Gathering Subsystem	Area	Event Date	Discovery Date	Reported Date	End Date	Equipment	Cause	Measures Taken	Root Cause	Total Event - Speciated - TAPs	
											Hydrogen Sulfide	
84533	Burton Flats Booster	Southeast New Mexico	11/01/23 05:00:00 am	11/01/23 05:00:00 AM	11/02/23 10:01:04 AM	11/01/23 08:00:00 pm	Vent (Emergency Blowdown Vent)	high field scrubber level cause compression to ESD resulting in overpressure of field gas to station	compression was restarted to bring field pressure down	Process Variability		8.25
83807	Burton Flats Booster	Southeast New Mexico	10/21/23 11:30:00 pm	10/21/23 11:31:00 PM	10/23/23 06:21:43 AM	10/21/23 11:40:00 pm	Vent (Emergency Blowdown Vent)	lost entire site	station was restarted	I/E Circuit Failure		3.12
81873	Burton Flats Booster	Southeast New Mexico	09/21/23 01:00:00 pm	09/21/23 01:00:00 PM	09/22/23 01:20:15 PM	09/21/23 02:00:00 pm	Vent (Emergency Blowdown Vent)	site was down to replace dump lines to units. trouble starting units after repairs.	got units started	Other/Unknown		2.17
81819	Burton Flats Booster	Southeast New Mexico	09/21/23 01:00:00 pm	09/21/23 01:00:00 PM	09/22/23 06:04:43 AM	09/21/23 02:00:00 pm	Vent (Emergency Blowdown Vent)	startup of station	compression at booster station was started to bring pressure below vent set point	Human Factor		2.19
78603	Burton Flats Booster	Southeast New Mexico	08/06/23 03:05:00 pm	08/07/23 09:05:00 AM	08/07/23 03:06:31 PM	08/06/23 03:06:00 pm	Vent (Emergency Blowdown Vent)	lost multiple units due to plant issues	started spare units	Leak		2.68
78580	Burton Flats Booster	Southeast New Mexico	08/05/23 10:40:00 am	08/05/23 10:40:00 AM	08/07/23 10:40:56 AM	08/05/23 07:30:00 pm	Vent (Emergency Blowdown Vent)	circuit failure	called out I&E got issue fixed put units BOL	I/E Circuit Failure		1.29
77867	Burton Flats Booster	Southeast New Mexico	07/25/23 02:00:00 pm	07/25/23 02:00:00 AM	07/26/23 08:41:17 AM	07/25/23 03:00:00 pm	Vent (Emergency Blowdown Vent)	loss of instrument air causing flare valve to temporarily fall open	found leak in instrument air line and repaired	Leak		0.32
77309	Burton Flats Booster	Southeast New Mexico	07/16/23 07:00:00 pm	07/16/23 07:00:00 AM	07/17/23 09:09:19 AM	07/16/23 08:00:00 pm	Vent (Emergency Blowdown Vent)	air compressor tripped	checked circuits and restarted	I/E Circuit Failure		3.89
69823	Burton Flats Booster	Southeast New Mexico	03/21/23 09:00:00 am	03/21/23 09:00:00 AM	03/22/23 10:49:14 AM	03/21/23 09:30:00 am	Vent (Emergency Blowdown Vent)	burton 5 fire	producers shut out	Other/Unknown		2.79
69677	Burton Flats Booster	Southeast New Mexico	03/21/23 09:29:00 am	03/21/23 07:37:00 AM	03/21/23 09:10:01 AM	03/21/23 09:30:00 am	Compressor (C-5)	Fire on Unit #5, fire is ongoing and cause currently unknown.	Fire Department has been called out.	Other/Unknown		0.61
50028	Burton Flats Booster	Southeast New Mexico	08/05/22 03:59:00 pm	08/05/22 03:30:00 PM	08/08/22 07:21:31 AM	08/05/22 04:00:00 pm	Portable Flare/Combustion Control Device	lost the whole station due to having issues with suction control valve	i&e was called out and gas was shut in	I/E Circuit Failure		16.92
37633	Burton Flats Booster	Southeast New Mexico	02/04/22 08:11:00 am	02/04/22 08:11:00 AM	02/05/22 10:11:48 AM	02/04/22 09:11:00 am	Vent (Emergency Blowdown Vent)	lost instrument air to site causing flare valve to fall open	cleared ice from system to resume normal operation	Weather Related		2.28
35275	Burton Flats Booster	Southeast New Mexico	01/02/22 08:00:00 am	01/02/22 08:00:00 AM	01/04/22 06:41:29 PM	01/02/22 09:00:00 am	Vent (Emergency Blowdown Vent)	units down due to Artesia plant upset	restarted units after plant got back on line	Other/Unknown		0.12

DCP Operating Company, LP
 ABQ Case No. DCP-0251-2401
 Page 7 of 8

33122	Burton Flats Booster	Southeast New Mexico	11/27/21 10:00:00 pm	11/27/21 10:02:00 PM	11/29/21 12:42:36 PM	11/27/21 11:00:00 pm	Vent (Emergency Blowdown Vent)	burton flats booster units went down on high discharge pressure found ESD valve malfunctioning at Artesia plant I&E called and valve was repaired put burton flats units back online	burton flats booster units went down on high discharge pressure found ESD valve malfunctioning at Artesia plant I&E called and valve was repaired put burton flats units back online	I/E Circuit Failure	1.32
31930	Burton Flats Booster	Southeast New Mexico	10/30/21 11:00:00 pm	10/30/21 11:00:00 PM	10/31/21 08:31:53 PM	10/31/21 02:00:00 am	Vent (Emergency Blowdown Vent)	kimray valve opened to much equalizing Rambo and Burton flats fiels	fixed air compressor and adjusted Kim ray valve	Mechanical Failure	14.96
24616	Burton Flats Booster	Southeast New Mexico	05/17/21 09:00:00 pm	05/17/21 09:00:00 PM	05/18/21 11:11:25 AM	05/17/21 10:00:00 pm	Compressor (C-3)	Unit 3 went down on engine jakcet water pressure level low Unit 2 went down on engine oil pressure low Unit 5 went down on engine jakcet water pressure low	Operator checked levels and monitored after restarting the units	Other/Unknown	0.2

Information

Part of Burton Flats Booster
 Between 01/01/20 12:00:00 am AND 06/11/24 12:09:28 pm
 Part of (Air Event OR Authorized/Permitted Air Emissions)
 = Gas Volume Used OR Total Event - Speciated - Other OR Total Event - Speciated - Criteria

DCP Operating Company, LP
ABQ Case No. DCP-0251-2401
Page 8 of 8

Attachment B

This form must be completed and signed by the facility's Responsible Official (Title V) or other designee and returned no later than thirty (30) days after the date of this Notice of Violation. Documentation for additional information (in addition to this form) must be submitted electronically to Enforcement Specialist Cember Hardison at ceMBER.hardison@env.nm.gov.

All submittals must be submitted using the Reporting Submittal Form. The Reporting Submittal Form and instructions can be located at: <https://www.env.nm.gov/air-quality/compliance-and-enforcement/#>.

I hereby verify that DCP Operating Company, LP has initiated the required additional information response outlined in this Notice of Violation. The following information has been submitted or will be submitted by the dates indicated below for each violation. All required documentation will be submitted electronically no later than thirty (30) days after the date of this Notice of Violation.

Date NOV received: _____

Alleged Violations 1 to 9

_____ *A description of the cause of the violation*

_____ *Documentation of the steps taken to correct the violation to date*

_____ *Documentation of steps taken (or to be taken) to prevent recurrence of this violation (include date if not yet completed)*

Signature

Date

Printed Name:

Title: