IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH

UNITED STATES OF AMERICA Plaintiff v. DOMINION EXPLORATION & PRODUCTION, INC. and XTO ENERGY, INC. Defendants	)	Civil Action No.

CONSENT DECREE

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WHEREAS, Plaintiff, the United States of America, (the "United States") on behalf of the United States Environmental Protection Agency ("EPA"), has simultaneously with lodging this Consent Decree filed a Complaint alleging that Dominion Exploration & Production, Inc., ("Dominion E&P" and as more specifically defined below) violated requirements of the Clean Air Act (the "Act") and the federal regulations implementing the Act applicable to three compressor stations referred to herein as the Kings Canyon Facility, the TAP-4 Facility, and the TAP-5 Facility, which are located in the Uinta Basin near Vernal, Utah (the "Uinta Basin"), **and** located on Indian country lands in the State of Utah;

WHEREAS, EPA administers the Act's programs for National Emission Standards for Hazardous Air Pollutants ("NESHAP"), New Source Performance Standards ("NSPS"), and federal operating permits under Title V with respect to the facilities located on Indian country lands in Utah;

WHEREAS, on December 22, 2006, and January 8, 2007, Dominion E&P disclosed to EPA, pursuant to EPA's policy titled "Incentives for Self-Policing: Discovery, Disclosure, Correction and Prevention of Violations" published at 65 Fed. Reg. 19,618 - 27 (April 11, 2000) ("EPA Self-Disclosure Policy"), that: (1) the Kings Canyon, TAP-4, and TAP-5 Facilities had the potential to emit greater than the major source thresholds of hazardous air pollutants and were subject to the Federal NESHAPs from oil and natural gas production facilities (40 C.F.R. Part 63, Subpart HH) and for reciprocating internal combustion engines (40 C.F.R. Part 63, Subpart ZZZZ); and were subject to the federal operating permit requirements of Title V of the Act; and (2) the Kings Canyon, and TAP-4 Facilities had potential violations of the Federal NSPS for Equipment Leaks of VOC from Onshore Natural Gas Processing Plants (40 C.F.R.,

Part 60, Subpart KKK). Dominion also conducted a compliance evaluation of its Uinta Basin facilities and submitted to EPA on April 4, 2007, a report entitled "Uinta Basin Compliance Evaluation." Dominion E&P subsequently submitted applications for Title V permits for the Kings Canyon, TAP-4, and TAP-5 Facilities to EPA and submitted notifications required under 40 C.F.R. Part 63:

WHEREAS, on April 4, 2007, Dominion E&P submitted to EPA a written documentation that it had met all pre-requisite requirements for treatment of the violations disclosed in accordance with EPA Self-Disclosure Policy. EPA has accepted Dominion E&P's documentation;

WHEREAS, on June 1, 2007, Dominion E&P entered into an asset purchase agreement with XTO Energy, Inc. ("XTO")" to sell and transfer ownership and operation of the Uinta Basin Facilities, including the Facilities subject to this Consent Decree, and which sale closed on July 31, 2007. The United States was notified in advance of the proposed sale and XTO was invited to participate in ongoing settlement discussions with Dominion E&P;

WHEREAS, Dominion E&P and XTO (referred to as "Defendants"), as the prior and current owner/operator of the Facilities, do not admit the violations occurred and further do not admit any liability for civil penalties, fines, or injunctive relief to the United States arising out of the transactions or occurrences alleged in the Complaint;

WHEREAS, XTO will prepare and submit by no later than 60 days after the lodging of this Consent Decree revised emission inventories to determine whether the Uinta Basin Facilities, other than Kings Canyon, TAP-4, and TAP-5, are major sources prior to and after the application of controls for purposes of NESHAPs, Title V, and New Source Review;

WHEREAS, Dominion E&P and XTO have worked cooperatively with the Plaintiff to settle this matter and committed to reduce annual emissions in the Uinta Basin by more than 247 tons of carbon monoxide ("CO"), 290 tons of VOCs, and 165 tons of hazardous air pollutants;

WHEREAS, the United States, Dominion E&P, and XTO (the "Parties") recognize, and the Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith and at arm's length, will avoid litigation among the Parties, and that this Consent Decree is fair, reasonable, consistent with the goals of the Act and its implementing regulations, and that its entry is in the best interests of the Parties and is in the public interest;

NOW, THEREFORE, before the taking of any testimony, without the adjudication or admission of any issue of fact or law except as provided in Section I (Jurisdiction and Venue), and with the consent of the Parties,

IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action and the Parties pursuant to 28 U.S.C. §§ 1331, 1345, and 1355, and Sections 113(b) of the Act, 42 U.S.C. § 7413(b). Venue lies in this District pursuant to Section 113(b) of the Act, 42 U.S.C. § 7413(b), and 28 U.S.C. §§ 1391(b) & (c) and 1395(a), because the violations alleged in the Complaint are alleged to have occurred in, and Dominion E&P and XTO conduct business in, this judicial district.

2. The Uinta Basin Facilities are located on Indian country lands in Uintah County, Utah. For purposes of this Consent Decree or any action to enforce this Consent Decree, Dominion E&P and XTO consent to and will not contest the jurisdiction of the Court over this

matter. For purposes of this Consent Decree, Dominion E&P and XTO agree that the Complaint states claims upon which relief may be granted pursuant to Sections 113 of the Act, 42 U.S.C. §§ 7413.

II. APPLICABILITY

3. The obligations of this Consent Decree apply to and are binding upon the United States and upon Dominion E&P and XTO, as defined herein, and any of their successors and assigns.

4. Dominion E&P and XTO shall ensure that any of their corporate subsidiaries or affiliates that now or in the future may own or operate any of the Uinta Basin Facilities, or other natural gas production or gathering facilities subject to any work or compliance requirements of this Consent Decree, take all necessary and appropriate actions and provide EPA access to facilities, equipment, and information as may be required to enforce this Consent Decree so that Dominion E&P and XTO may fully and timely comply with all requirements of this Consent Decree.

5. In any action to enforce this Consent Decree, Dominion E&P and XTO shall not raise as a defense the failure by any of its officers, directors, employees, agents, contractors, or corporate affiliates or subsidiaries to take any actions necessary to comply with the provisions of this Consent Decree.

III. DEFINITIONS

6. Terms used in this Consent Decree that are defined in the Act or in regulations promulgated pursuant to the Act shall have the meanings assigned to them in the Act or such

regulations, unless otherwise provided in this Decree. Whenever the terms set forth below are used in this Consent Decree, the following definitions shall apply:

(a) "Code of Federal Regulations" or "C.F.R." unless otherwise noted shall refer to the 2006 codification.

(b) "Consent Decree" or "Decree" shall mean this Consent Decree and all appendices attached hereto (listed in Section XXIX).

(c) "Day" shall mean a calendar day unless expressly stated to be a business day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next business day.

(d) "Dominion E&P" shall mean Dominion Exploration and Production, Inc., its subsidiaries, successors, and assigns.

(e) "XTO" shall mean XTO Energy, Inc., its subsidiaries, successors, and assigns.

(f) "EPA" shall mean the United States Environmental Protection Agency and any of its successor departments or agencies.

(g) "HAP" shall mean hazardous air pollutant as provided under Section 112 of the Act.

(h) "Indian country" shall refer to the definition of "Indian Country" at 18 U.S.C. § 1151,[1] including:

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1 Consistent with federal case law, Indian country includes any lands held in trust by the United States for an Indian tribe.

1. all land within the limits of any Indian reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation;

2. all dependent Indian communities within the borders of the United States whether within the original or subsequently acquired territory thereof, and whether within or without the limits of a state; and

3. all Indian allotments, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

(i) "Indian governing body" means the governing body of any tribe, band, or group of Indians subject to the jurisdiction of the Unites States and recognized by the United States as possessing power of self-government.

(j) "Minor source" means a source that emits or has the potential to emit pollutants regulated under the Clean Air Act in amounts less than the major stationary source levels in 40 C.F.R. § 52.21 or 40 C.F.R. § 63.2, as applicable

(k) "Non-major for HAPs under Section 112 of the CAA" or "non-major" source means a stationary source that is not a "major source" under the applicable provisions of 40 C.F.R. § 63.2 (general provisions), and the applicable source category "major source" definition or 40 C.F.R. § 63.761 (Subpart HH), or" § 63.6675 (Subpart ZZZZ).

(l) "Paragraph" shall mean a portion of this Decree identified by an Arabic numeral.

(m) "Performance Optimization Review" shall mean an evaluation of energy efficiency and the potential for product recovery at certain facilities for purposes of conserving natural gas and returning it to the marketplace.

(n) "Plaintiff" shall mean the United States.

(o) "Pneumatic Controller" shall mean a natural gas-driven pneumatic controller.

(p) "RICE" shall mean one or more stationary, natural gas-fired Reciprocating Internal Combustion Engines.

(q) "Section" shall mean a portion of this Decree identified by a Roman numeral.

(r) "Title V Permit" shall mean a permit issued pursuant to the federal operating permit program established by Title V of the Act, 42 U.S.C. §§ 7661 - 7661f, and as implemented by 40 C.F.R. Parts 70 (applicable to states) or 71 (applicable to EPA).

(s) "TPY" shall mean tons per year.

(t) "Uinta Basin Facilities" shall collectively mean the Hill Creek, Kings Canyon, Little Canyon (LCU), RBU 9-17E, RBU 11-18F, TAP-1, TAP-2, TAP-3, TAP-4, TAP-5, and West Willow Creek compressor stations, each of which is located in the Uinta Basin near Vernal, Utah, as more specifically described in Appendix A.

(u) "Uinta Basin Properties" shall mean the oil and gas lease properties under lease to Dominion E&P and/or operated by Dominion E&P prior to the lodging of this Consent Decree, located within the Uinta Basin near Vernal, Utah, and within Indian Country as identified on the maps shown in Appendix B.

IV. EMISSION REDUCTION REQUIREMENTS

A. DEHYDRATION UNITS

Uinta Basin Existing Major Sources

7. Dominion E&P's and/or XTO's dehydrators at the Kings Canyon, TAP-4, and TAP-5 Facilities are subject to "major source" standards under 40 C.F.R. Part 63, Subpart HH – NESHAPs From Oil and Natural Gas Production Facilities (hereinafter "Subpart HH").

8. This Consent Decree imposes compliance deadlines to accommodate the operational problems that XTO has encountered in achieving Subpart HH level controls at its Uinta Basin Properties as a result of the extremely cold winter conditions at these locations and as a result of high natural gas liquids concentrations being carried over into control devices, XTO shall install thermal oxidizers or other devices as control equipment necessary to achieve compliance with Subpart HH major source standards. By no later than 60 Days after the date of lodging of this Consent Decree, Dominion E&P and/or XTO shall install, operate, and maintain at the Kings Canyon, TAP-4, and TAP-5 Facilities, emission controls in compliance with Subpart HH major source standards.

9. By no later than 120 Days after the date of lodging of this Consent Decree, XTO shall provide a written notice to EPA and certify that the process equipment or control system

installed at the Kings Canyon, TAP-4, and TAP-5 Facilities is achieving emissions reductions sufficient that those Facilities are in compliance with the major source requirements of Subpart HH. The 120 Days may be extended with written EPA approval.

10. [RESERVED].

Uinta Basin Existing Non-Major Sources

11. XTO shall install and operate emissions controls on all gas dehydration units at the Hill Creek, LCU, RBU 9-17E, RBU 11-18F, and West Willow Creek Facilities, and any other compressor stations constructed on Uinta Basin Properties, and shall operate the emissions controls in compliance with Subpart HH major source standards. Controls shall be installed and operating for RBU 9-17E, and RBU11-18F by no later than 90 Days after the date of lodging of this Consent Decree, and for Hill Creek, LCU, and West Willow Creek Facilities, and any new compressor stations constructed on Uinta Basin Properties as of the date of lodging, XTO shall install the required emissions controls by no later than 120 Days after the lodging of this Consent Decree. As a result of the extremely cold winter conditions at these locations and as a result of high natural gas liquids concentrations being carried over into control devices, XTO shall install thermal oxidizers or other devices as control equipment necessary to achieve compliance with Subpart HH major source standards.

12. By no later than 60 Days after each compliance date in Paragraph 11 of this Consent Decree, XTO shall provide a written notice to EPA and certify that the facilities referenced in Paragraph 11 are achieving emissions reductions that would comply with the requirements of Subpart HH.

13. XTO shall operate and maintain emission controls for all gas dehydration performed at the facilities referenced in Paragraph 11, such that the emission controls achieve the emission limitations in Subpart HH for major sources.

14. General Record-Keeping Requirement: XTO shall maintain records and information adequate to demonstrate compliance with the requirements of this Section IV.A., and shall report the status of its compliance with these requirements in its Annual Report submitted pursuant to Section XI (Reporting Requirements).

B. COMPRESSOR ENGINES

Uinta Basin Existing Major Sources

15. XTO's eight (8) RICEs greater than 500 horsepower at the Kings Canyon, TAP-4, and TAP-5 Facilities are subject to 40 C.F.R. Part 63, Subpart ZZZZ – NESHAPs for Stationary Reciprocating Internal Combustion Engines as for major sources (hereinafter "Subpart ZZZZ").

16. On or before July 31, 2007, Dominion E&P shall install, and after August 1, 2007, XTO shall operate and maintain emission controls in compliance with major source standards under Subpart ZZZZ, including catalytic converters, at the eight RICEs greater than 500 horsepower at the Kings Canyon, TAP-4, and TAP-5 Facilities.

17. (a) XTO shall operate and maintain each engine and catalytic converter according to the manufacturers' written instructions or procedures necessary to achieve the destruction efficiencies or emission limits specified in Subpart ZZZZ.

(b) On or after August 1, 2007, XTO shall continuously operate the non-selective catalytic reduction (NSCR) control device and the air-fuel ratio (AFR) control device

on each rich burn RICE greater than 500 horsepower or an oxidation catalyst on each lean burn RICE greater than 500 horsepower installed on the RICE referenced in Paragraph 15.

(c) The NSCR control devices shall meet a limit of 1.0 gram per horsepower hour (g/hp-hr) for NOx and 2 g/hp-hr for CO, when the RICEs are operating at a 90% load or higher.

(d) The oxidation catalyst shall meet a limit of 2.0 g/hp-hr for CO, when the RICEs are operating at a 90% load or higher.

(e) Lean burn RICEs shall be operated and maintained so as to meet a limit of 2.0 g/hp-hr for NOx, when the RICEs are operating at a 90% load or higher.

18. By no later than 60 Days after the lodging of this Consent Decree, XTO shall provide a written notice to EPA and certify that the Kings Canyon, TAP-4, and TAP-5 Facilities are achieving emissions reductions as required to comply with the requirements of Subpart ZZZZ. The 60 Days may be extended with written EPA approval.

Uinta Basin Existing Non-Major Facilities

19. By no later than 90 Days after the lodging of this Consent Decree, XTO shall install and operate control equipment such that the control equipment achieves the emission limitations in Subpart ZZZZ for major sources on the RICE greater than 500 horsepower located at the Hill Creek, LCU, TAP-1, TAP-2, TAP-3, RBU 9-17E, RBU 11-18F and West Willow Creek Facilities, and any other compressor stations constructed on Uinta Basin Properties as of the date of the lodging of this Consent Decree and containing RICE greater than 500 horsepower.

20. (a) The catalytic converters installed on the RICE referenced in Paragraph 19 shall achieve the emissions reductions set forth in Subpart ZZZZ.

(b) XTO shall continuously operate the non-selective catalytic reduction (NSCR) control device and the air-fuel ratio (AFR) control device on each rich burn RICE or an oxidation catalyst on each lean burn RICE installed on the RICE referenced in Paragraph 19.

(c) The NSCR control devices shall and meet a limit of 1.0 g/hp-hr for NOx and 2.0 g/hp-hr for CO, when the RICEs are operating at a 90% load or higher.

(d) The oxidation catalyst shall meet a limit of 2.0 g/hp-hr for CO, when the RICEs are operating at a 90% load or higher.

(e) Lean burn RICEs shall be operated and maintained so as to meet a limit of 2.0 g/hp-hr for NOx, when the RICEs are operating at a 90% load or higher.

21. Immediately following installation of each catalytic converter, XTO shall operate and maintain the RICE and catalytic converters referenced in Paragraph 19 according to the catalyst manufacturer's written instructions or procedures necessary to achieve the emission limitations in Subpart ZZZZ for major sources.

22. (a) XTO shall conduct an initial emissions test of each catalytic converter referenced in Paragraphs 16 and 19 to demonstrate compliance with the Subpart ZZZZ emission limitations using either EPA approved reference methods or a portable analyzer in accordance with Appendix D. An initial emissions test on each catalytic converter installed pursuant to the requirements of Paragraph 20 shall be completed no later than 90 Days after installation of the catalytic converter or 90 Days after the date of lodging of this Consent Decree, whichever date is later.

(b) If any catalytic converter fails to meet the control requirements specified in Subpart ZZZZ, XTO shall take appropriate steps to correct such non-compliance and retest the emissions from the engine within 30 Days after receiving the initial test(s) results. XTO shall submit a report to EPA no later than 60 Days after each retest summarizing the retest results. The 60 Days may be extended with written EPA approval.

(c) Upon successful demonstration that a catalytic converter has met the control requirements specified in Subpart ZZZZ, XTO shall thereafter monitor the parameters of temperature and pressure and shall test the emissions on a semi-annual calendar-year basis using either EPA approved reference methods or a portable analyzer in accordance with the testing protocol as set forth in Appendix D. The semi-annual test date may be extended with written EPA approval.

23. General Record-Keeping Requirement: XTO shall maintain records and information adequate to demonstrate its compliance with the requirements of this Section IV.B, and shall report the status of its compliance with these requirements in its Annual Reports submitted pursuant to Section XI (Reporting Requirements).

C. HYDROCARBON DEWPOINT SKIDS

Uinta Basin Existing Facilities

24. (a) The hydrocarbon dew point skids located at Kings Canyon,TAP-4, and TAP-5 Facilities are subject to NSPS for Equipment Leaks of VOC from Onshore Natural Gas Processing Plants under 40 C.F.R., Part 60, Subpart KKK (hereinafter "Subpart KKK").

(b) On or before the date of lodging of this Consent Decree, XTO shall implement the Subpart KKK standards at the Kings Canyon, and TAP-4 Facilities.

(c) By no later than 60 Days after the lodging of this Consent Decree, XTO shall provide a written notice to EPA and certify that the Kings Canyon and TAP-4 Facilities are in compliance with Subpart KKK. The 60 Days may be extended with written EPA approval.

(d) On or before the lodging of this Consent Decree, XTO shall submit a request for an applicability determination from EPA Region 8 for Risk Management Plan requirements under the Chemical Accident Prevention provisions of 40 C.F.R. Part 68 with respect to the hydrocarbon liquids stored as a result of the dew-point skid processes at the Kings Canyon, RBU 9-17E, TAP-4, and TAP-5 Facilities. If EPA determines that RMP requirements are applicable to the dew-point skids, XTO shall submit a Risk Management Plan to EPA for such affected facilities within 120 days.

25. General Record-Keeping Requirement: XTO shall maintain records and information adequate to demonstrate its compliance with the requirements of this Section IV.C (Hydrocarbon Dew-point Skids), and shall report the status of its compliance with these requirements upon request by EPA.

D. PNEUMATIC CONTROLLERS

Existing High-Bleed Pneumatic Controllers

26. Pneumatic Controller Survey: By no later than 6 months after the lodging of this Consent Decree, XTO shall complete a survey of the Uinta Basin Facilities to identify and develop an approximate tally of the high-bleed Pneumatic Controllers in use at the Uinta Basin Facilities. By no later than 60 Days thereafter, XTO shall report the findings of the Pneumatic Controller survey to EPA. For purposes of this Consent Decree, a "high-bleed" Pneumatic

Controller is any Pneumatic Controller that has the capacity to bleed in excess of six standard cubic feet of natural gas per hour (52,560 scf/year) in normal operation.

27. Retrofits: By no later than 1 year after the lodging of this Consent Decree, XTO shall retrofit or replace high-bleed Pneumatic Controllers with "low-bleed" Pneumatic Controllers on the controllers identified in the Survey Report, unless it is not technically feasible to retrofit or replace particular high-bleed pneumatic controllers. If XTO is not able to retrofit or replace any particular high-bleed pneumatic controllers, the Survey Report shall identify each such pneumatic controller and explain why it is not technically feasible to retrofit or replace each such pneumatic controller with a low-bleed pneumatic controller.

New Construction

28. Beginning on the date of lodging of this Consent Decree, and continuing for the life of this Consent Decree, XTO shall install and operate low or no-bleed Pneumatic Controllers to conserve natural gas at all newly constructed facilities located on Uinta Basin Properties. XTO need not, however, install low or no-bleed controllers at sites for which XTO can demonstrate that the use of low or no-bleed Pneumatic Controllers would not be technically or operationally feasible.

29. General Record-Keeping Requirement: XTO shall maintain records and information adequate to demonstrate its compliance with the requirements of this Section IV.D (Pneumatic Controllers), and shall report the status of its compliance with these requirements upon request by EPA.

V. FUTURE DEVELOPMENT

A. DEHYDRATION UNITS

30. (a) For Dehydration Units constructed at compressor stations located on Uinta Basin Properties after the lodging of this Consent Decree, XTO shall install, operate, and maintain emission control equipment in compliance with major source standards under Subpart HH.

(b) For Dehydration Units constructed at each new oil and/or natural gas production facility located on Uinta Basin Properties after the lodging of this Consent Decree, XTO shall install and operate controls that achieve a 95% by weight or greater reduction of VOC or total HAP emissions from each dehydrator with uncontrolled annual VOC emissions from the reboiler still vent, glycol flash separator, and still vent condenser in excess of 20.0 tons per year ("tpy"), rounded to the nearest 0.1 ton (for purposes of this Paragraph, it is stipulated that "uncontrolled" emissions shall be calculated as the emissions from the outlet vents of glycol flash separators, and flash tanks,). If actual annual average throughput to a unit equals or exceeds 3.0 MMscfd and actual benzene emissions from the unit is equal to or greater than 1.0 tpy considering controls, the unit is an affected unit under 40 CFR part 63, subpart HH for Area Source Oil and Natural Gas Production Facilities, XTO must comply with the applicable provisions of the rule. The uncontrolled VOC emissions analysis shall be determined by using GRI GLYCalc version 4.0 or higher with the results of a recent extended gas analysis from a representative field-specific sample of the stream entering the natural gas dehydrator contactor tower; the maximum lean glycol recirculation rate for the glycol circulation pump in use (redundant pumps may be present in the system) provided:

1. (i) the evaluation is performed using the maximum circulation rate of the largest volume pump; (ii) only one pump may operate at any

one time (if the maximum circulation rate for the pump in use is not included in the GRI GLYCalc User Manual then documentation must be provided to EPA upon request); and (iii) the average operational parameters including wet gas temperature and pressure, dry gas water content, glycol flash separator temperature and pressure, stripping gas source and rate, and average daily gas production are used in the analysis. The average daily gas production for wells not completed prior to twelve months before the effective date of this Consent Decree shall be estimated based on best engineering judgment considering existing wells in the area, and for wells completed at least twelve months prior to the effective date of this Consent Decree shall be determined based on actual gas production for the Twelve Month period prior to the month of the Effective Date of this Consent Decree, as reported to the Utah Division of Oil and Gas and Mining (DOGM) or equivalent agency with jurisdiction.

2. Each dehydrator shall be controlled for a minimum of One Year, after which time the control system or device may be removed without prior EPA approval provided, within 30 Days of removal, the Defendant notifies EPA in writing of the removal date and submits information demonstrating that the uncontrolled, annualized VOC emission rate is less than 5 tpy, using the method

of calculation described in this Paragraph (with the exception that the operating and production data used in the model be the annual average of the most recent Twelve Month period following at least One Year of operation with controls).

(c) By no later than the due date of the next annual compliance certification date or 180 Days after startup, whichever is later, XTO shall provide written notice to EPA and certify that the process equipment or control system installed at a compressor station located on Uinta Basin Properties after the lodging of this Consent Decree is achieving emissions reductions sufficient that those Facilities are in compliance with the major source emission limitations of Subpart HH. The 180 Days may be extended with written EPA approval.

(d) By no later than the due date of the next annual compliance certification or 180 Days after startup, whichever is later, XTO shall provide written notice to EPA and certify that each dehydrator located at a well-site on Uinta Basin Properties with uncontrolled annual emissions of 20 tons per year or more of VOC are achieving the emissions reductions required under Paragraph 30(b). The 180 Days may be extended with written EPA approval.

B. RICE UNITS OF 500 HORSEPOWER OR GREATER

31. For any non-major compressor stations located on Uinta Basin Properties with an on-site RICE unit with a nameplate rating of 500 horsepower ("hp") or greater, such RICE unit shall be subject to emission reduction controls as specified in this Section, in accordance with MACT ZZZZ requirements.

32. Beginning at the date of lodging of this Consent Decree, and continuing for so long as this Consent Decree is in effect, the RICE units subject to emission reduction controls under this Section shall meet the emission limitations for major sources under Subpart ZZZZ.

33. (a) XTO shall continuously operate the non-selective catalytic reduction (NSCR) control device and the air-fuel ratio (AFR) control device on each rich burn RICE or an oxidation catalyst on each lean burn RICE installed on the RICE referenced in Paragraph 31.

(b) The NSCR control devices shall meet a limit of 1.0 gram g/hp-hr for NOx and 2.0 g/hp-hr for CO, when the RICEs are operating at a 90% load or higher.

(c) The oxidation catalyst shall meet a limit of 2.0 g/hp-hr for CO, when the RICEs are operating at a 90% load or higher.

(d) Lean burn RICEs shall be operated and maintained so as to meet a limit of 2.0 g/hp-hr for NOx, when the RICEs are operating at a 90% load or higher.

34. (a) Each RICE unit with a nameplate rating of 500 hp or greater shall comply with the following:

1. Each engine and catalyst shall be operated and maintained according to the manufacturers' written instructions or procedures necessary to achieve the destruction efficiency and/or the emission limits specified in Subpart ZZZZ.
2. By no later than 180 Days following the startup date of a new catalyst controlled RICE, an initial emissions test of such catalyst to demonstrate compliance with the destruction efficiency and/or the emission limits specified in Paragraph 34(a)(1) must be performed, using either EPA Approved reference methods or

portable analyzers in accordance with the Test Protocol set forth in Appendix D.

3. If the catalyst fails to meet the destruction efficiency and/or the emission limits specified in Subpart ZZZZ, XTO shall take appropriate steps to correct such non-compliance and retest the catalytic converter within 30 Days after the receipt of the initial test report. XTO shall submit a report to EPA no later than 60 Days after each retest. The retest report shall include a summary of the steps taken to comply and the retest results. The 60 Days may be extended with written EPA approval.

4. Upon successful demonstration that the catalyst has met the destruction efficiency and/or the emission limits specified in Subpart ZZZZ, XTO shall thereafter test the catalytic converter emission control efficiency on a semi-annual calendar-year basis using either EPA approved reference methods or a portable analyzer in accordance with the Test Protocol set forth in Appendix D. The semi-annual test date may be extended with written EPA approval.

(b) For each RICE unit with a nameplate rating of 500 hp or greater and subject to emission reduction requirements herein, XTO shall submit a test report to EPA within 90 Days after each initial emission test is performed. The report shall contain the emission test results and the following information applicable to each RICE:

1. RICE make, model, nameplate hp rating, location, serial number, installation date and manufacturer emission data;
2. catalyst make, model, installation date and manufacturer emission data;
3. initial emission test results including date and times of test runs, name(s) of employee(s) or contractor(s) who conducted the test; performance data in compliance with 40 C.F.R.§ 63.6620 and with

the applicable provisions of Subpart ZZZZ Tables 3 and 4;

4. a certification pursuant to Paragraph 52 of the information contained in the report in accordance with Section XI (Reporting Requirements).

(c) XTO shall include all subsequent test results in the Annual Report submitted pursuant to Section XI (Reporting Requirements), as well as the information gathered pursuant to the preceding Paragraph 34(a)(4), and shall maintain at the facility a catalyst maintenance log (e.g., date of last catalyst replacement, number of engine operating hours since last catalyst or O_2 sensor replacement, and date and description of any catalyst activities).

35. [RESERVED.]

C. FUTURE PERMIT AND EMISSION REDUCTION CONTROL REQUIREMENTS

36. For compressor stations located on Uinta Basin Properties that are non-major for HAP emissions under Section 112 of the Act, but that are subject to the emission reduction requirements of this Consent Decree, XTO agrees to apply for minor source permits, if EPA promulgates final regulations implementing the regulations proposed for the Review of New Sources and Modification in Indian Country, 79 Fed. Reg. 48696 (August 21, 2006), and if such minor source permits are available for the Uinta facilities. XTO agrees to apply for such minor source permit no later than 180 Days prior to termination of the Consent Decree or sooner if required by law. Notwithstanding the foregoing, this Paragraph does not apply to any facility whose emissions are limited to an equivalent or greater extent by area source regulations under Section 112 of the Act or other emission control regulations (including but not limited to federal implementation of plan regulations, if applicable).

D. GENERAL RECORD-KEEPING REQUIREMENT

37. XTO shall maintain records and information adequate to demonstrate its compliance with the requirements of this Section and shall report the status of its compliance with these requirements in its Annual Reports submitted pursuant to Section XI (Reporting Requirements).

VI. PERFORMANCE OPTIMIZATION REVIEW

38. Within one year after the date of lodging of this Consent Decree, XTO shall complete a Performance Optimization Review ("POR") to increase energy efficiency and enhance product recovery at two facilities in the Uinta Basin in accordance with the Scope of Work attached as Appendix E. The POR shall be performed by third-party consultants acceptable to EPA. XTO will notify EPA of the proposed third-party consultant at least 30 Days prior to initiating the POR.

39. The scope of the POR is expressly limited to the following activities, as set forth in the POR SOW:

(a) Pressure Relief Devices - repair or replace components, as appropriate, to specifically reduce product losses;

(b) Pneumatic Controllers - evaluate for use of low-bleed devices or instrument air;

(c) Production Separators - identify optimal pressures and temperatures, and reset as needed;

(d) Dehydrators - evaluate for use of condensers, enclosed flares, thermal oxidizers, flash tanks and electric pumps to reduce product losses;

(e) Internal Combustion Engines - evaluate maintenance practices and planned shutdown procedures to minimize product losses from blow down and the use of starter gas;

(f) Flare and Vent Systems - evaluate flare and vent system components and associated operating procedures to reduce the loss of product, where possible;

(g) Producing Wells - install plunger lifts and perform "green completion" practices on new wells, as appropriate;

(h) Operating Pressures - review and optimize, where possible; and

(i) Component Inspections and Repairs - perform component inspections using OVA, TVA, or other EPA-approved leak detection field equipment and repair or replace leaking components, as appropriate, to enhance product recovery.

40. POR Reports. Within 60 Days of completion of the POR, XTO shall submit a POR Report to EPA for the Uinta Basin which shall include:

(a) the contractor(s) used to conduct the POR;

(b) the name, location and original construction date of each of the compressor stations at which the POR was completed;

(c) a general description of the components by type and service that were inspected, how they were inspected, a summary and description of any repairs made, an estimate of natural gas conserved as a result of the repairs to the extent quantifiable, and the repair cost;

(d) a general description of the pressure relief devices that were inspected, how they were inspected, a summary description of any repairs made, an estimate of natural gas conserved as a result of the repairs to the extent quantifiable, and the repair cost;

(e) an evaluation of pneumatic devices for use of low-bleed devices or instrument air, and potential product losses avoided;

(f) a description of the review of production separators, identification of those for which optimal pressures and temperatures were calculated and how that was done; a comparison of those values to prior separator operating conditions, a summary of the adjustments to pressures or temperatures that were made, an estimate of the amount of natural gas conserved as a result, and the cost if significant, to adjust pressures and temperatures;

(g) a description of the evaluation of dehydrators for the use of condensers, enclosed flares, thermal oxidizers, flash tanks, and electric pumps; a summary of the projects identified as a result of such review for possible future implementation by XTO on a voluntary basis; if sufficient data exists to prepare an estimate, an estimate of the amount of natural gas potentially conserved if such projects were implemented, and the cost to implement such projects;

(h) a description of the review of RICE shutdown procedures to reduce blow down and the use of starter gas; a summary of any changes that were made based on such review; an estimate of product losses avoided as a result of

any changes made, if reasonably capable of estimation; and the cost to implement such changes;

(i) a description of the review of flare and vent systems, a summary of the repairs made, if any; an estimate of the amount of natural gas conserved as a result of repairs made, and the cost to implement such repairs;

(j) a list of well names and locations at which plunger lift systems were installed, if any, or at which green completion procedures were followed; a description of any plunger lift system(s) used and the well condition(s) that made such system(s) practicable or how new well completion procedures were "green"; an estimate of the amount of natural gas conserved as a result of POR evaluations of certain producing wells, and the cost to implement any such systems and/or procedures; and

(k) a description of how operating pressures were evaluated and, where possible, optimized; an estimate of the amount of natural gas conserved as a result of such evaluation, and an estimate of the cost, if non-negligible, to optimize operating pressures.

The 60 Days may be extended with written EPA approval.

41. Within 120 Days of completion of the POR, XTO may identify in writing to EPA, any areas of non-compliance with the Act (including federal implementing regulations) that are discovered during the POR. The 120 Days may be extended with written EPA approval. Under this Paragraph, for other than PSD/NSR, XTO shall include in its written submission: (1) a certification pursuant to Paragraph 52 that it has subsequently complied with all applicable

statutory and regulatory requirements, or it shall propose a schedule for coming into compliance; (2) a description of the corrective measures taken, or proposed to be taken; and (3) a proposed calculation of any economic benefit pursuant to the EPA Stationary Source Civil Penalty Policy and BEN Model. EPA will review XTO's certifications, and/or proposed schedule for compliance, corrective measures, and economic benefit calculation(s), and will respond with written concurrence or comments. In the event that EPA does not approve of the proposed corrective measures or economic benefit calculation(s), each, as applicable, will respond with written comments. Should EPA still not agree with the economic benefit calculation(s), EPA's independent economic benefit calculations shall be final and payable. At EPA's discretion, the Parties will address any PSD/NSR violations as a new and separate enforcement action. XTO's release from liability as specified in Section XVI (Effect of Settlement/Reservation of Rights) for the areas of non-compliance identified and corrected pursuant to this Section VI will take effect upon the Plaintiff's written concurrence with XTO's certification and its payment in full of any economic benefit. Any areas of non-compliance discovered by EPA and any disclosures by XTO beyond this specific 120-Day period (except as otherwise extended by written EPA approval) are not covered by this Paragraph.

VII. LIMITS ON POTENTIAL TO EMIT

42. The control requirements established in Sections IV.A and V.A (Dehydration Units) and Sections IV.B and V.B (Compressor Engines) under this Consent Decree shall be considered "federally enforceable" and, as applicable, "legally and practicably enforceable" for purposes of calculating the potential to emit (PTE) of a source or facility as may be applicable under the Act and any implementing federal regulations.

43. The PTE for VOCs from Dehydration Units at any facility in the Uinta Basin Properties shall be limited by the control requirements set forth in Sections IV.A and V.A (Dehydration Units), and shall be federally enforceable on that basis.

44. The PTE for CO, NOx and HAPs for all RICE identified in Sections IV.B and V.B at any facility in the Uinta Basin Properties shall be limited by the requirement that emissions be controlled by catalytic converters that achieve the destruction efficiency specified in Paragraphs 17, 20 and 34(a)(1).

VIII. TITLE V OPERATING PERMITS

45. (a) XTO certifies that, as of the date of lodging of this Consent Decree, complete Title V permit applications have been submitted to EPA for the Kings Canyon, TAP-4, and TAP-5 Facilities. The United States agrees that these facilities shall operate in accordance with the terms of this Consent Decree until such time as EPA has issued the Title V permits for those facilities and this Consent Degree is terminated in whole or in part.

(b) By no later than 60 days after the lodging of this Consent Decree, XTO shall submit to EPA an estimate of potential emissions for the Uinta Basin facilities, other than Kings Canyon, TAP-4, and TAP-5, calculated both without controls and with the application of controls required by this Consent Decree. Should any Uinta Basin facilities, other than Kings Canyon, TAP-4, or TAP-5, be major sources before the application of controls required by this Consent Decree, XTO shall submit complete Title V Permit applications for any such source within 180 days after the lodging of this Consent Decree. The United States agrees that these facilities shall operate in accordance with the terms of this Consent Decree until such time as

EPA has issued the Title V permits for those facilities and this Consent Degree is terminated in whole or in part.

IX. CIVIL PENALTY

46. Within 30 Days after the Effective Date of this Consent Decree, Dominion E&P shall pay to the Plaintiff a total civil penalty pursuant to Section 113 of the Act, 42 U.S.C. § 7413, in the amount of $250,000. Dominion E&P shall pay interest on any overdue civil penalty at the rate specified in 28 U.S.C. § 1961; however, in the case of overdue payments, interest shall accrue from the date of entry until the date of payment..

47. Federal Payment Instructions: Dominion E&P or XTO shall make payment by Electronic Funds Transfer ("EFT") to the United States Department of Justice ("DOJ"), in accordance with current EFT procedures, referencing the United States Attorney's Office ("USAO") File Number and DOJ Case Number 90-5-2-1-09196. Payment shall be made in accordance with instructions provided by the USAO for the District of Utah, Northern Division. Any funds received after 11:00 a.m. (EST/EDT) shall be credited on the next business Day. Dominion E&P or XTO shall provide notice of payment, referencing the USAO File Number, DOJ Case Number 90-5-2-1-09196 and the civil case name and case number, to DOJ and to EPA, as provided in Section XIX (Notices).

48. No amount of the civil penalty to be paid by Dominion E&P shall be used to reduce its federal tax obligations.

X. [RESERVED].

49. [RESERVED].

XI. REPORTING REQUIREMENTS

50. Dominion E&P and/or XTO shall submit the following reports:

(a) In compliance with any specific deadline requirement of this Consent Decree, Dominion E&P and/or XTO shall submit all initial performance test results, retest reports, initial status reports, progress reports, final reports, and notices (this Paragraph is not a cumulative requirement)

(b) By no later than March 1 of each year, XTO shall submit an Annual Report for the preceding calendar year to EPA. XTO shall provide a paper and electronic copy of each Annual Report to EPA. The Annual Report shall: (i) describe all work or other activities that Dominion E&P and/or XTO performed pursuant to any requirement of this Consent Decree during the applicable reporting period; (ii) transmit any specific (non-annual) reports to be included in an Annual Report; (iii) describe compliance status; and (iv) describe any non-compliance with the requirements of this Consent Decree and explain the likely cause(s) of the violation(s) and the remedial steps taken, or to be taken, to prevent or minimize such violation(s).

(c) Within 10 Days of the date XTO first becomes aware of any violation(s), or potential violation(s), or has reason to believe that it may violate, any requirement of this Consent Decree, XTO shall notify EPA of such violation(s), and its likely duration, in writing, with an explanation of the likely cause of such violation(s) and the remedial steps taken, or to be taken, to prevent or minimize such violation(s) should it occur. If the cause of a violation cannot be fully explained at the time the notification is due, XTO shall state this in the 10-Day notice, investigate the cause of each such violation in the event that it occurs, and **within 30 Days** of the date that XTO determines such cause, submit a full written explanation of the cause of the

violation. Nothing in this Paragraph relieves XTO of its obligation to provide the notice required by Section XIII (Force Majeure).

51. All reports shall be submitted to the persons designated in Section XIX (Notices) of this Consent Decree.

52. Each Annual Report submitted by XTO shall be signed by a Responsible Official. All other reports or submissions may be signed by a delegated employee representative, unless otherwise required by applicable statute or regulation. All reports and submissions shall include the following certification:

> I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete.

53. The reporting requirements of this Section shall continue until termination of this Consent Decree; however, upon written agreement by EPA where a Consent Decree reporting requirement is added to a final Title V permit or other non-Title V permit such that the permit meets or exceeds such Consent Decree reporting requirement, XTO may fulfill that Consent Decree reporting requirement by notifying EPA that the required report has been provided pursuant to a permit requirement, and by identifying the relevant permit in XTO's Annual Reports, submitted pursuant to this Section XI (Reporting Requirements).

54. Any information provided pursuant to this Consent Decree may be used by the United States in any proceeding to enforce the provisions of this Consent Decree and as

otherwise permitted by law, except for disclosures made pursuant to Paragraph 41 of this Consent Decree.

XII. STIPULATED PENALTIES

55. Dominion E&P and/or XTO shall be liable for stipulated penalties to the United States for violations of this Consent Decree as specified below, unless excused under Section XIII (Force Majeure), or reduced or waived by the Plaintiff pursuant to Paragraph 60 of this Decree. A violation includes failing to perform any obligation required by the terms of this Decree, including any work plan or schedule approved under this Decree, according to all applicable requirements of this Decree and within the specified time schedules established by or approved under this Decree.

(a) Dehydration Units (Sections IV.A and V.A).

	Violation	Stipulated Penalty
1.	For failure to install and operate controls as required by Paragraphs 8, 11 and 30 per unit per Day.	For each unit: $1000 per Day for the first 30 Days of noncompliance, $1500 per Day from the 31st to 60th Day of noncompliance, and $2000 per Day thereafter.
2.	For failure to provide written notice as required by Paragraphs 9 and 12 per unit per Day.	For each unit: $200 per Day for the first 30 Days of noncompliance, $500 per Day from the 31st to 60th Day of noncompliance, and $1000 per Day thereafter.
3.	For failure to maintain records and information as required by Paragraphs 14 and 37.	For each unit: $200 per Day for the first 30 Days of noncompliance, $500 per Day from the 31st to 60th Day of noncompliance, and $1000 per Day thereafter.

(b) Compressor Engines (Sections IV.B. and V.B).

	Violation	Stipulated Penalty
1.	For failure to install emission controls on RICE as required by	For each engine: $1000 per Day for the first 30 Days of noncompliance, $1500 per Day from

	Paragraphs16, 19, 31, 32, 33, and 34.	the 31st to 60th Day of noncompliance, and $2000 per Day thereafter.
2.	For failure to conduct initial performance test on the RICE emission controls as required by Paragraphs 22(a) and 34(a)(2).	For each engine: $500 per Day for the first 30 Days of noncompliance, $1000 per Day from the 31st to 60th Day of noncompliance, and $1500 per Day thereafter.
3.	For failure to submit reports as required by Paragraphs 22(b) and 34(a)(3).	For each report: $200 per Day for the first 30 Days of noncompliance, $500 per Day from the 31st to 60th Day of noncompliance, and $1000 per Day thereafter.
4.	For failure to maintain records as required by Paragraph 23.	For each engine: $200 per Day for the first 30 Days of noncompliance, $500 per Day from the 31st to 60th Day of noncompliance, and $1000 per Day thereafter.

(c) Pneumatic Controllers (Section IV.D)

	Violation	Stipulated Penalty
1.	For failure to complete the Survey and submit a Report on existing high-bleed Pneumatic Controllers, as required by Paragraph 26.	$200 per Day for the first 30 Days of noncompliance; $500 per Day from the 31st to 60th Day of noncompliance, and $1000 per Day thereafter.
2.	For failure to retrofit high-bleed Pneumatic Controllers as required by Paragraph 27.	For each device that is not retrofitted, $100 per Day for the first 30 Days of noncompliance; $250 per Day from the 31st to 60th Day of noncompliance, and $500 per Day thereafter.

56. Late Payment of Civil Penalty: If Dominion E&P fails to pay the civil penalty required to be paid under Section IX (Civil Penalty) of this Consent Decree when due, Dominion E&P shall pay a stipulated penalty of $1,000 per Day for each Day that the payment is late.

57. Stipulated penalties under this Section shall begin to accrue on the Day after performance is due or on the Day a violation occurs, whichever is applicable, and shall continue

to accrue until performance is satisfactorily completed or until the violation ceases. Stipulated penalties shall accrue simultaneously for separate violations of this Consent Decree.

58. Dominion E&P and/or XTO shall pay any stipulated penalty within 30 Days of receipt of written demand of the United States and shall continue to make such payments every 30 Days thereafter until the violation(s) no longer continue, unless Dominion E&P and/or XTO elects within 20 Days of receipt of written demand from the United States to dispute the accrual of stipulated penalties in accordance with the provisions in Section XIV (Dispute Resolution) of this Consent Decree.

59. Dominion E&P and/or XTO shall pay stipulated penalties in accordance with the payment instructions set forth in Paragraph 47.

60. The United States may, in the unreviewable exercise of its discretion, reduce or waive stipulated penalties otherwise due under this Consent Decree.

61. Stipulated penalties shall continue to accrue as provided in Paragraph 57 during any dispute, with interest on accrued stipulated penalties payable and calculated by the Secretary of Treasury, pursuant to 28 U.S.C. § 1961, but need not be paid until the following:

(a) If the dispute is resolved by agreement or by a decision of the Plaintiff pursuant to Section XIV (Dispute Resolution) of this Consent Decree that is not appealed to the Court, Dominion E&P and/or XTO shall pay accrued stipulated penalties and accrued interest agreed or determined to be owing within 30 Days of the effective date of such agreement or the receipt of Plaintiff's decision.

(b) If the dispute is appealed to the Court, and the Plaintiff prevails in whole or in part, Dominion E&P and/or XTO shall pay all accrued stipulated penalties determined by

the Court to be owing, together with accrued interest, within 60 Days of receiving the Court's decision or order, except as provided in Subparagraph c., below.

(c) If either Party appeals the Court's decision, Dominion E&P and/or XTO shall pay all accrued penalties determined by the appellate court to be owing, together with accrued interest, within 15 Days of receiving the final appellate court decision.

62. Dominion E&P and/or XTO shall not deduct stipulated penalties paid under this Section XII in calculating its federal or state income tax.

63. Subject to the provisions of Section XVI (Effect of Settlement/Reservation of Rights), the stipulated penalties provided for in this Consent Decree shall be in addition to any other rights, remedies, or sanctions available to the United States for Dominion E&P's and/or XTO's violation of this Consent Decree or applicable law. Where a violation of this Consent Decree is also a violation of the Act or regulatory requirements of the Act, Dominion E&P and/or XTO shall be allowed a dollar-for-dollar credit, for any stipulated penalties paid, against any statutory penalties imposed for such violation.

XIII. FORCE MAJEURE

64. If any event occurs which causes or may cause a delay or impediment to performance in complying with any provision of this Consent Decree (*e.g.*, would require operation in an unsafe manner), and which Dominion E&P and/or XTO believes qualifies as an event of *Force Majeure*, Dominion E&P and/or XTO shall notify the Plaintiff in writing as soon as practicable, but in any event within 45 Days of when Dominion E&P and/or XTO first knew of the event or should have known of the event by the exercise of reasonable diligence. In this notice Dominion E&P and/or XTO shall specifically reference this Paragraph of this Consent

Decree and describe the anticipated length of time the delay may persist, the cause or causes of the delay, the measures taken and/or to be taken by Dominion E&P and/or XTO to prevent or minimize the delay and the schedule by which those measures will be implemented. Dominion E&P and/or XTO shall adopt all reasonable measures to avoid or minimize such delays.

65. Failure by Dominion E&P and/or XTO to substantially comply with the notice requirements of Paragraph 64, as specified above, shall render this Section voidable by the Plaintiff, as to the specific event for which Dominion E&P and/or XTO has failed to comply with such notice requirement. If so voided, this Section shall be of no effect as to the particular event involved.

66. The Plaintiff shall notify Dominion E&P and/or XTO in writing regarding its agreement or disagreement with any claim of a Force Majeure event within 45 Days of receipt of each Force Majeure notice provided under Paragraph 64.

67. If the Plaintiff agrees that the delay or impediment to performance has been or will be caused by circumstances beyond the control of Dominion E&P and/or XTO, including any entity controlled or contracted by it, and that Dominion E&P and/or XTO could not have prevented the delay by the exercise of reasonable diligence, the Parties shall stipulate to an extension of the required deadline(s) for all requirement(s) affected by the delay by a period equivalent to the delay actually caused by such circumstances, or such other period as may be appropriate in light of the circumstances. Such stipulation may be filed as a modification to this Consent Decree by agreement of the Parties pursuant to the modification procedures established in this Consent Decree. Dominion E&P and/or XTO shall not be liable for stipulated penalties for the period of any such delay.

68. If the Plaintiff does not agree that the delay or impediment to performance has been or will be caused by circumstances beyond the control of Dominion E&P and/or XTO, including any entity controlled or contracted by it, the position of the Plaintiff on the Force Majeure claim shall become final and binding upon Dominion E&P and/or XTO, and Dominion E&P and/or XTO shall pay applicable stipulated penalties, unless Dominion E&P and/or XTO submits the matter to this Court for resolution by filing a petition for determination with this Court within 20 business Days after receiving the written notification of the Plaintiff as set forth in Paragraph 64. Once Dominion E&P and/or XTO has submitted such matter to this Court, the Plaintiff shall have 20 business Days to file a response to the petition. If Dominion E&P and/or XTO submits the matter to this Court for resolution and the Court determines that the delay or impediment to performance has been or will be caused by circumstances beyond the control of Dominion E&P and/or XTO, including any entity controlled or contracted by Dominion E&P and/or XTO, and that it could not have prevented the delay by the exercise of reasonable diligence, Dominion E&P and/or XTO shall be excused as to such event(s) and delay (including stipulated penalties) for all requirements affected by the delay for a period of time equivalent to the delay caused by such circumstances or such other period as may be determined by the Court.

69. Dominion E&P and/or XTO shall bear the burden of proving that any delay of any requirement(s) of this Consent Decree was (were) caused by or will be caused by circumstances beyond its control, including any entity controlled or contracted by Dominion E&P and/or XTO, and that it could not have prevented the delay by the exercise of reasonable diligence. Dominion E&P and/or XTO shall also bear the burden of proving the duration and extent of any delay(s) attributable to such circumstances. An extension of one compliance date

based on a particular event may, but does not necessarily, result in an extension of a subsequent compliance date or dates. Unanticipated or increased costs or expenses associated with the performance of obligations under this Consent Decree shall not constitute circumstances beyond the control of Dominion E&P and/or XTO.

70. As part of the resolution of any matter submitted to this Court under this Section, the Parties by agreement, or this Court by order, may in appropriate circumstances extend or modify the schedule for completion of work under this Consent Decree to account for the delay in the work that occurred as a result of any delay or impediment to performance on which an agreement by the Plaintiff or approval by this Court is based. Dominion E&P and/or XTO shall be liable for stipulated penalties for its failure thereafter to complete the work in accordance with the extended or modified schedule, except to the extent that such schedule is further modified, extended or otherwise affected by a subsequent Force Majeure event under this Section XIV.

XIV. DISPUTE RESOLUTION

71. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree.

72. Informal Dispute Resolution: Any dispute subject to Dispute Resolution under this Consent Decree shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when Dominion E&P and/or XTO sends the Plaintiff a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 20 Days from the date the dispute arises, unless that period is modified by written agreement. If the Parties cannot resolve a dispute by informal

negotiations, then the position advanced by the Plaintiff shall be considered binding unless, within 20 Days after the conclusion of the informal negotiation period, Dominion E&P and/or XTO invokes formal dispute resolution procedures as set forth below.

73. Formal Dispute Resolution: Dominion E&P and/or XTO may only invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by serving on the Plaintiff a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but may not necessarily be limited to, any factual data, analysis, or opinion supporting Dominion E&P's and/or XTO's position and any supporting documentation relied upon by Dominion E&P and/or XTO.

74. The Plaintiff shall serve its Statement of Position within 30 Days of receipt of Dominion E&P's and/or XTO's Statement of Position. The Plaintiff's Statement of Position shall include, but may not necessarily be limited to, any factual data, analysis, or opinion supporting that position and any supporting documentation relied upon by the Plaintiff. The Plaintiff's Statement of Position shall be binding on Dominion E&P and/or XTO, unless Dominion E&P and/or XTO files a motion for judicial review of the dispute in accordance with Paragraph 75.

75. Dominion E&P and/or XTO may seek judicial review of the dispute by filing with the Court and serving on the Plaintiff, in accordance with Section XIX of this Consent Decree (Notices), a motion requesting judicial resolution of the dispute. The motion must be filed within 30 Days of receipt of the Plaintiff's Statement of Position pursuant to the preceding Paragraph. The motion shall contain a written statement of Dominion E&P's and/or XTO's position on the matter in dispute, including any supporting factual data, analysis, opinion, or

documentation, and shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

76. The Plaintiff shall respond to Dominion E&P's and/or XTO's motion within the time period allowed by the Local Rules of the Court. Dominion E&P and/or XTO may file a reply memorandum, to the extent permitted by the Local Rules and allowed by the Court.

77. Except as otherwise provided in this Consent Decree, in any dispute brought under Paragraph 75, Dominion E&P and/or XTO shall bear the burden of demonstrating that its position complies with this Consent Decree.

78. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of Dominion E&P and/or XTO under this Consent Decree, unless and until final resolution of the dispute so provides. Stipulated penalties with respect to the disputed matter shall continue to accrue from the first Day of alleged noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 61. If Dominion E&P and/or XTO does not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section XII (Stipulated Penalties).

XV. INFORMATION COLLECTION AND RETENTION

79. The United States, and its representatives, including attorneys, contractors, and consultants, shall have the right of entry into any facility covered by this Consent Decree at all reasonable times, upon presentation of credentials, for the purpose of monitoring compliance with any provision of this Consent Decree, including to:

(a) monitor the progress of activities required under this Consent Decree;

(b) inspect equipment and facilities covered by this Consent Decree; and

(c) inspect and copy documents, records, or other information to be maintained in accordance with the terms of this Consent Decree.

80. Dominion E&P and/or XTO shall be entitled to: (1) splits of samples, where feasible, and (2) copies of any sampling and analytical results, documentary evidence and data obtained by the United States pursuant to Paragraph 79 of this Consent Decree.

81. Dominion E&P and/or XTO shall retain, and shall instruct its contractors and agents to retain, for a period of five (5) years after each record is generated or created copies, of all records, test results, or monitoring information required pursuant to this Consent Decree. Records of monitoring information also includes calibration and maintenance records, original strip-chart recordings for continuous monitoring, and copies of all reports required by the Consent Decree or applicable regulations. Such documents, records, or other information may be kept in electronic form. This information-retention requirement shall apply regardless of any contrary corporate or institutional policies or procedures. At any time during this information-retention period, upon request by the United States, Dominion E&P and/or XTO shall provide copies of any non-privileged documents, records, or other information required to be maintained under this Paragraph.

82. [RESERVED].

83. Dominion E&P and/or XTO may assert that certain documents, records, or other information is privileged under the attorney-client privilege or any other privilege recognized by federal and/or state law. If Dominion E&P and/or XTO asserts such a privilege, it shall provide the following: (1) the title of the document, record, or information; (2) the date of the document, record, or information; (3) the name and title of each author of the document, record, or

information; (4) the name and title of each addressee and recipient; (5) a description of the subject of the document, record, or information; and (6) the privilege asserted by Dominion E&P and/or XTO. However, no final documents, records or other information that Dominion E&P and/or XTO is explicitly required to create or generate to satisfy a specific requirement of this Consent Decree shall be withheld on the grounds of privilege.

84. Dominion E&P and/or XTO may also assert that information required to be provided under this Section is protected as Confidential Business Information ("CBI") under 40 C.F.R. Part 2. As to any information that Dominion E&P and/or XTO seeks to protect as CBI, Dominion E&P and/or XTO shall follow the procedures set forth in 40 C.F.R. Part 2.

85. This Consent Decree in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the United States pursuant to applicable federal or state laws, regulations, or permits, nor does it limit or affect any duty or obligation of Dominion E&P and/or XTO to maintain documents, records, or other information imposed by applicable federal or state laws, regulations, or permits.

XVI. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

86. This Consent Decree resolves all civil claims of the United States for violations alleged in the Complaint through the date of lodging, and all civil claims of the United States for violations addressed in this Consent Decree and disclosed in Appendices C and F: Letters of December 22, 2006, and January 8, 2007.

87. The United States reserves all legal and equitable remedies available to enforce the provisions of this Consent Decree, except as expressly stated in Section VI of this Consent Decree. This Consent Decree shall not be construed to limit the rights of the United States to

obtain penalties or injunctive relief under the Act or its implementing regulations, or under other federal or state laws, regulations, or permit conditions, except as expressly provided in Section VII (Limits on Potential to Emit), and Paragraph 86.

88. This Consent Decree is not a permit, or a modification of any permit, under any federal, State, or local laws or regulations. Nothing in this Consent Decree shall relieve Dominion E&P and/or XTO of its obligation to achieve and maintain full compliance with all applicable federal, State, and local laws, regulations, and permits. The United States does not, by its consent to the entry of this Consent Decree, warrant or aver in any manner that Dominion E&P and/or XTO's compliance with any aspect of this Consent Decree will result in compliance with other provisions of the Act or its implementing regulations or with any other provisions of federal, State, or local laws, regulations, or permits.

89. This Consent Decree does not limit or affect the rights of Dominion E&P and/or XTO or of the United States against any third parties, not party to this Consent Decree, nor does it limit the rights of third parties, not party to this Consent Decree, against Dominion E&P and/or XTO, except as provided herein or as otherwise provided by law.

90. This Consent Decree shall not be construed to create rights in, or grant any cause of action to, any third party not a party to this Consent Decree.

XVII. EMISSION REDUCTION CREDIT GENERATION

91. Dominion E&P and/or XTO shall not generate or use any NOx, CO or VOC emission reductions that result from any projects conducted pursuant to this Consent Decree as credits or offsets in any PSD, major non-attainment and/or minor New Source Review ("NSR") permit or permit proceeding. The foregoing notwithstanding, Dominion E&P and/or XTO may

conduct projects pursuant to this Consent Decree that create more emission reductions of CO or VOCs than are required for these pollutants by the underlying applicable requirement(s). In such instances, Dominion E&P and/or XTO may retain a portion of the achieved emissions reductions for use as credits or offsets. All other emission sources of CO or VOCs, and any netting associated with other pollutants, are outside the scope of these netting limitations and are subject to PSD/NSR applicability as implemented by the appropriate permitting authority or EPA. Use of emission reductions in netting and as offsets in any PSD, major non-attainment and/or minor NSR permit or permit proceeding pursuant to the limitations herein shall be further limited by the applicable regulations, and by the PSD, major non-attainment, and/or minor NSR permit(s) in question, as applicable.

XVIII. COSTS

92. The Parties shall bear their own costs of this action, including attorneys' fees, except that the United States shall be entitled to collect the costs (including reasonable attorneys' fees) incurred in any action in which it is the prevailing party and which is necessary to collect any portion of the civil penalty or any stipulated penalties if due.

XIX. NOTICES

93. Unless otherwise specified herein, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and mailed or hand delivered addressed as follows:

As to the United States:

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611, Ben Franklin Station
Washington, D.C. 20044-7611
Re: DOJ No. 90-5-2-1-08656

and

Director, Air Enforcement Division
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency
Ariel Rios Building [2242A]
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

and

Assistant Regional Administrator
Office of Enforcement, Compliance, and Environmental Justice
U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street
Denver, CO 80202-1129

As to Dominion E&P:

Rodney J. Biggs
Vice President - Operations
Dominion Exploration & Production, Inc.
One Dominion Drive
Jane Lew, West Virginia 26378

As to XTO:

Nina Hutton
Vice President – EH&S
XTO Energy Inc.
810 Houston Street
Fort Worth, TX 76102-6298

94. Any Party may, by written notice to the other Party, change its designated notice recipient or notice address provided above.

95. Notices submitted by mail pursuant to this Section XIX shall be deemed submitted upon mailing, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

XX. SALES OR TRANSFERS OF OWNERSHIP/OPERATOR INTERESTS

96. Dominion E&P and XTO entered into an asset purchase agreement, which includes the sale and transfer of ownership and operation of the Uinta Basin Facilities. XTO Energy, Inc. has been notified of the existence of this Consent Decree. The Plaintiff has been notified of such sale and agrees to the following terms regarding the transfer of liability under this Consent Decree resulting from such sale.

97. As of the date of the closing of the sale, July 31, 2007, XTO consents to: (a) accept all of the obligations, terms and conditions of this Consent Decree applicable to Uinta Basin Facilities and Properties, exclusive of wellhead facilities, that are subject to any requirement of this Consent Decree; (b) the jurisdiction of the Court to enforce the terms of this Consent Decree; and (c) become a party to this Consent Decree. On the date of the closing of the sale, Dominion E&P shall be relieved of all liability for implementing this Consent Decree. Notwithstanding the foregoing, Dominion E&P may not assign, and may not be released from, obligations under this Consent Decree to pay the civil penalty in accordance with Section IX (Civil Penalty), pay stipulated penalties with respect to actions occurring prior to the date of transfer of ownership or operator responsibility in accordance with Section XII (Stipulated Penalties), or maintain documents or provide reports with respect to those obligations in

accordance with Sections XI (Reporting Requirements) and XV (Information Collection and Retention).

98. Thereafter, if XTO proposes to sell or transfer all or part of its ownership or its responsibility as operator of any of the Uinta Basin Facilities, except for individual wells or groups of wells and associated wellhead facilities, to any entity unrelated to XTO Energy, Inc. ("Third Party"), XTO Energy, Inc. shall advise the Third Party in writing of the existence of this Consent Decree prior to such sale or transfer and shall send a copy of such written notification to the Plaintiff pursuant to Section XIX (Notices) of this Consent Decree at least 30 Days before such proposed sale or transfer.

99. No sale or transfer of ownership to a Third Party shall take place before the Third Party consents in writing, by a stipulation to be filed with the Court, to: (a) accept all of the obligations, terms and conditions of this Consent Decree applicable to Uinta Basin Facilities, exclusive of wellhead facilities, that are subject to any requirement of this Consent Decree; (b) the jurisdiction of the Court to enforce the terms of this Consent Decree as to such party; and (c) become a party to this Consent Decree. Notwithstanding such a sale or transfer to a Third Party, XTO shall remain jointly and severally liable with the Third Party unless the Consent Decree is modified or XTO's joint and several liability is restricted in accordance with Paragraph 103.

100. If the United States agrees, XTO and the Third Party may execute a modification to this Consent Decree that relieves XTO of its liability under this Consent Decree for, and makes the Third Party liable for, all obligations and liabilities applicable to the purchased or transferred facilities or operator responsibility. Notwithstanding the foregoing, XTO may not assign, and may not be released from, obligations under this Consent Decree to pay stipulated

penalties with respect to actions occurring subsequent to the date it accepted liability under this Consent Decree and prior to the date of transfer of ownership or operator responsibility in accordance with Section XII (Stipulated Penalties). XTO may propose, and the United States may agree, to restrict the scope of the joint and several liability of any purchaser or transferee for any obligations of this Consent Decree that are not specific to the transferred or purchased facilities or operator responsibility, to the extent such obligations may be adequately separated in an enforceable manner.

XXI. EFFECTIVE DATE

101. Unless otherwise specifically provided herein, the Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court.

XXII. RETENTION OF JURISDICTION

102. The Court shall retain jurisdiction over this case until termination of this Consent Decree, for the purpose of resolving disputes arising under this Decree pursuant to Section XIV (Dispute Resolution) or entering, partially terminating or terminating orders modifying this Decree, pursuant to Sections XX (Sales or Transfers of Ownership/Operator Interests), XXIII (Modification), and XXIV (Termination), or otherwise effectuating, or enforcing compliance with, the terms of this Consent Decree.

XXIII. MODIFICATION

103. The terms of this Consent Decree, including any attached appendices, may be modified only by a subsequent written agreement signed by the Parties affected by the modification (e.g., if the modification only affects operational requirements, the "Parties affected" would consist of EPA and the party responsible at that time for operational

requirements, but not predecessor entities). With respect to any modification that constitutes a material change to this Consent Decree, such written agreement shall be filed with the Court and effective only upon the Court's approval. Any modification of a reporting requirement of this Consent Decree shall be deemed a non-material modification. Any disputes concerning modification of this Consent Decree shall be resolved pursuant to Section XIV (Dispute Resolution) of this Consent Decree.

XXIV. TERMINATION

104. This Consent Decree shall remain in effect for a period of five (5) years after the Date of Lodging of this Consent Decree or until otherwise terminated or partially terminated in accordance with the provisions of this Section.

105. Dominion E&P and/or XTO may serve upon the United States a Request for Termination or partial termination at any time after the Effective Date]. The Request for Termination or partial termination shall certify that Dominion E&P and/or XTO have paid the civil penalty and all stipulated penalties, if any, that have accrued, and has fulfilled all other obligations of this Consent Decree.

106. Where a control requirement, recordkeeping requirement, reporting requirement or other requirement of this Consent Decree is incorporated into a federally enforceable permit, Dominion E&P and/or XTO may serve upon the United States a Request for Partial Termination. Upon approval of such request by the Plaintiff, the filing of a joint stipulation by the Parties and the Court's approval in accordance with Paragraph 103, the Consent Decree provision in question shall be superseded by the corresponding permit provision, which shall govern as the applicable requirement.

107. Following receipt by the United States of Dominion E&P and/or XTO's Request for Termination or Partial Termination, the Parties shall confer informally concerning the Request for Termination or Partial Termination and any disagreement that the Parties may have as to whether Dominion E&P and/or XTO has satisfactorily complied with the requirements for termination of this Consent Decree. If the United States agrees that the Decree may be terminated or partially terminated, the Parties shall submit, for the Court's approval, a joint stipulation terminating or partially terminating the Decree.

108. If the United States does not agree that the Decree may be terminated, Dominion E&P and/or XTO may immediately appeal the disposition of its Request for Termination to the Court.

XXV. PUBLIC PARTICIPATION

109. This Consent Decree shall be lodged with the Court for a period of not less than 30 Days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that the Consent Decree is inappropriate, improper, or inadequate. Dominion E&P and/or XTO consent to entry of this Consent Decree without further notice and agrees not to withdraw from or oppose entry of this Consent Decree by the Court or to challenge any provision of the Consent Decree, unless the United States has notified Dominion E&P and/or XTO in writing that it no longer supports entry of the Consent Decree.

XXVI. SIGNATORIES/SERVICE

110. Each undersigned representative of Dominion E&P, XTO, and the Assistant Attorney General for the Environment and Natural Resources Division of DOJ certifies that he or she is fully authorized to enter into this Consent Decree and to execute and legally bind the Party he or she represents to the terms and conditions of this document.

111. Dominion E&P and/or XTO represent that they have authority to legally obligate any of its corporate subsidiaries or affiliates that own or operate any of the Uinta Basin Facilities or any other natural gas production or gathering facilities subject to any work or compliance requirements of this Consent Decree to take all actions necessary to comply with the provisions of this Consent Decree.

112. This Consent Decree may be signed in counterparts, and its validity shall not be challenged on that basis. Dominion E&P and/or XTO agree to accept service of process by mail pursuant to the provisions of Section XIX (Notices) with respect to all matters arising under or relating to this Consent Decree and to waive the formal service requirements set forth in Rules 4 and 5 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons. The Parties agree that Dominion and/or XTO need not file a responsive pleading to the complaint in this action unless or until the Court expressly declines to enter this Consent Decree. If the Court so declines to enter the Consent Decree, Dominion and/or XTO shall have 60 Days from the date of such Order to answer or otherwise plead or move in response to Plaintiff's Complaint.

XXVII. INTEGRATION

113. This Consent Decree constitutes the final, complete, and exclusive agreement and understanding between the Parties with respect to the settlement of matters addressed in the Decree, and supersedes all prior agreements and understandings, whether oral or written, concerning such matters. Other than the appendices listed in Section XXIX (Appendices), which are attached to and incorporated in this Consent Decree, and deliverables that are subsequently submitted and approved pursuant to this Decree, no other document, representation, inducement, agreement, understanding, or promise constitutes any part of this Decree or the settlement it memorializes, nor shall evidence of any such document, representation, inducement, agreement, understanding or promise be used in construing the terms of this Consent Decree.

XXVIII. FINAL JUDGMENT

114. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment of the Court as to the United States and Dominion E&P.

XXIX. APPENDICES

A. Uinta Basin Facilities

B. Uinta Basin Properties

C. Self-Disclosure Letter of December 22, 2006

D. Test Protocol for Portable Analyzers

E Scope of Work for Performance Optimization Review

F. Self-Disclosure Letter of January 8, 2007

Dated and entered this _____Day of _____, 2009

_____

UNITED STATES DISTRICT JUDGE
District of Utah

FOR PLAINTIFF, UNITED STATES OF AMERICA

Date_____

JOHN C CRUDEN
Acting Assistant Attorney General
Environment & Natural Resources Division
950 Pennsylvania Avenue, N.W.
Room 2143
Washington, D.C. 20530

Date Mar. 19, 2009

DIANNE M. SHAWLEY
Senior Counsel
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
1961 Stout Street – 8th Floor
Denver, CO 80294
Telephone (303) 844-1363
Fax (303) 844-1350

FOR THE UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY:

Date 3/27/09

CATHERINE R. McCABE
Acting Assistant Administrator
Office of Enforcement and Compliance Assurance
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Date March 20, 2009

ADAM M. KUSHNER
Director, Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Date 6 March 2009

ANDREW M. GAYDOSH
Assistant Regional Administrator
Office of Enforcement, Compliance and
Environmental Justice
U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street
Denver, CO 80202

FOR DEFENDANT, DOMINION EXPLORATION & PRODUCTION, INC.

_____ Date 3/2/2009

FOR DEFENDANT, XTO ENERGY INCORPORATED:

Date: 2-27-09

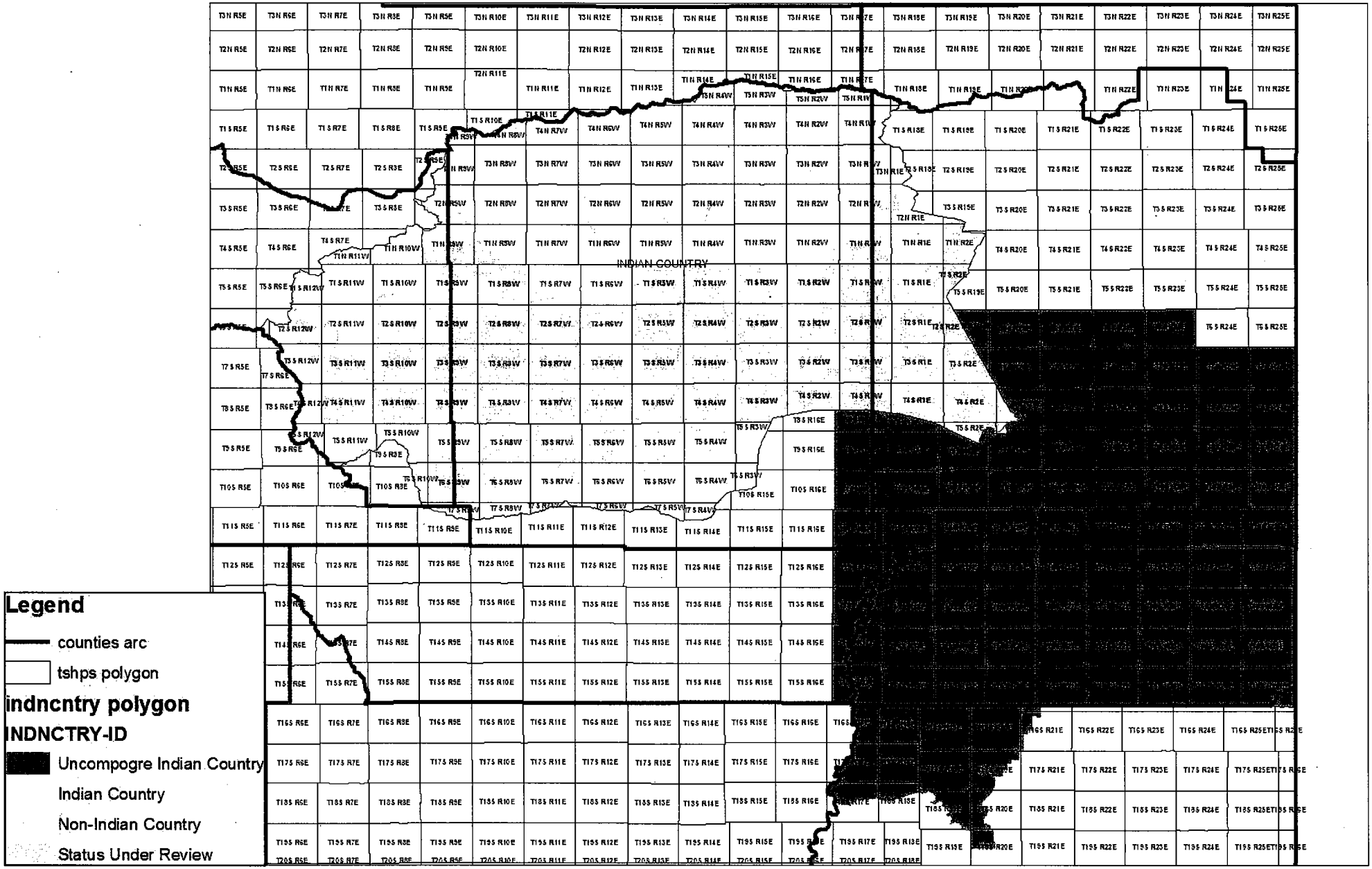
735229_1.DOC

Appendix A

Uinta Basin Facilities

Facility	Legal Location	Title V Status
Hill Creek	SWSW Section 20, R 20 East, T 10 South, Uintah County, Utah	Minor Source
Kings Canyon	NWSE Section 26, R 19 East, T 10 South, Uintah County, Utah	Title V application received by EPA on 4/13/07.
Little Canyon	SESE Section 36, R 20 East, T 10 South, Uintah County, Utah	Minor Source
RBU 9-17E	NWSE Section 17, R 19 East, T 10 South, Uintah County, Utah	Minor Source
RBU 11-18F	NWSE Section 18, R 20 East, T 10 South, Uintah County, Utah	Minor Source
TAP-1	NW Section 15, R 19 East, T 10 South, Uintah County, Utah	Minor Source
TAP-2	NW Section 14, R 19 East, T 10 South, Uintah County, Utah	Minor Source
TAP-3	NWNW Section 13, R 19 East, T 10 South, Uintah County, Utah	Minor Source
TAP-4	NW Section 18, R 20 East, T 10 South, Uintah County, Utah	Title V application received by EPA on 4/13/07.
TAP-5	SW Section 2, R 20 East, T 10 South, Uintah County, Utah	Title V application received by EPA on 4/13/07.
West Willow Creek	NENE Section 26, R 19 East, T 9 South, Uintah County, Utah	Minor Source

Appendix B


INDIAN COUNTRY
Legend
counties arc
tshps polygon
indncntry polygon
INDNCTRY-ID
Uncompogre Indian Country
Indian Country
Non-Indian Country
Status Under Review

APPENDIX C

Self-Disclosure Letter of December 22, 2006

Dominion Exploration & Production, Inc.
16945 Northchase Dr., Suite 1750, Houston, TX 77060
Web Address: www.dom.com

December 22, 2006

VIA FAX, ELECTRONIC MAIL AND OVERNIGHT DELIVERY

Ms. Carol Rushin
Assistant Regional Administrator
Enforcement, Compliance, and Environmental Justice
EPA Region 8 (MC 8ENF)
999 18th Street, Suite 300
Denver, CO 80202-2466

Re: Dominion Exploration and Production
"TAP-5" Facility
SW/4 of Section 2, Township 10 South, Range 20 East
Uintah County, Utah

Dear Ms. Rushin:

In accordance with the Environmental Protection Agency's (EPA's) self-disclosure policy, "Incentives for Self-Policing: Discovery, Disclosure, Correction and Prevention of Violations," 65 Fed. Reg. 19618 (April 11, 2000)(hereinafter "Self-Disclosure Policy"), Dominion Exploration and Production, Inc., ("Dominion E&P" or "the Company") discloses potential violations of 40 C.F.R. Part 63, Subparts HH and ZZZZ, and consequently, of 40 C.F.R. Part 71, at one of its facilities located in Uintah County, Utah. This facility is known as the "TAP-5" facility.

Dominion Resources, the parent company of Dominion E&P, has an independent auditing group that audits compliance on a regular basis. As part of this regular audit, the Dominion E&P facilities in Utah were reviewed last month. The audit raised questions about the TAP-5 facility that led to a closer examination of the facility's equipment and production capacity. In addition, Dominion E&P had samples of natural gas from the facility analyzed to confirm its composition.

The examination of the facility conducted as a result of the questions raised by the audit has led Dominion E&P to conclude that the TAP-5 facility has a potential to emit hazardous air pollutants equal to or greater than the major source thresholds specified in section 112(a)(1) of the Clean Air Act. The facility is therefore subject to the hazardous air pollutant emission standards for oil and gas production facilities (40 C.F.R. Part 63, Subpart HH) and for reciprocating internal combustion engines (40 C.F.R. Part 63, Subpart ZZZZ). As a Section 112 "major source," the facility is required to obtain a Title V operating permit.

The facility's actual emissions of hazardous air pollutants do not exceed the major source thresholds. As shown in Attachment A, a table summarizing the facility's actual emissions from July 1, 2005 to June 30, 2006, the actual total HAP emissions were 18.8 tons. Emissions of benzene were 4.1 tons, and emissions of toluene were 4.9 tons. The time period of July 1, 2005 through June 30, 2006, was chosen to reflect 12 months of representative operation after the last piece of emitting equipment was installed. Attachment B summarizes the facility's potential to emit. The potential to emit calculations include all of the units that are shown in Attachment A, and the calculations of potential to emit assume that these units operate for 8760 hours per year without emission controls. According to Attachment B, the facility's potential to emit HAPs is 42.4 tons per year, and the potential to emit benzene and toluene exceed the 10 ton per year major source threshold for individual HAPs. The facility's actual emissions of these pollutants were less than half of their potential to emit amounts.

The facility would have been able to limit its potential to emit through a federally enforceable minor source permit if it were not located in an Indian air shed, and, thus, would not have been subject to state permitting. However, as there are no federal minor sources permitting regulations currently in effect for facilities located within a tribal air shed, that course of action was not possible.

The largest source of potential hazardous air pollutant emissions at the TAP-5 facility is a glycol dehydration unit that was installed and commenced operations on April 21, 2005. Dominion E&P operates the dehydration unit at the TAP-5 facility only in connection with a secondary sales market. This means that, on average, the dehydration unit is in operation only 40 percent of the time. For this reason, the facility's actual emissions are significantly lower than its potential to emit, as noted above. As a result of its start-up on April 21, 2005, Dominion E&P was required to submit Subpart HH and ZZZZ notifications to EPA, and to submit a Title V permit application to EPA by April 21, 2006. Being subject to Subparts HH and ZZZZ means that the facility must achieve the emissions reductions required by those standards and must implement the required emissions monitoring programs.

The Self-Disclosure Policy establishes nine conditions for its applicability.

1. **Systematic Discovery of the Violation Through an Environmental Audit or a Compliance Management System:** The Self-Disclosure Policy states that the discovery "must reflect the regulated entity's due diligence in preventing, detecting, and correcting violations." 65 Fed. Reg. at 19625.

Response: As discussed earlier in this letter, the company's regular program of self-auditing raised questions about this facility. The company quickly called upon outside consultants and counsel to focus on the compliance questions. On December 4, 2006, Dominion had collected sufficient information on the facility's equipment and throughput to perform

reliable emissions calculations. The facility's configuration was verified through an inspection on December 11 and 12, 2006. This emissions calculations, along with the verification of the facility's configuration, provided Dominion staff and outside professionals with an objectively reasonable basis for believing that the facility was potentially not in compliance with applicable requirements.

2. **Voluntary Discovery**: The violation must have been discovered through a process other than "a legally mandated monitoring or sampling requirement prescribed by statute, regulation, permit, judicial or administrative order, or consent agreement." *Id.*

   Response: Please see the response to No. 1 above.

3. **Prompt Disclosure**: The company must fully disclose the specific violation in writing to EPA within 21 days after discovering "that the violation has, or may have, occurred." This time period begins when "any officer, director, employee or agent of the facility has an objectively reasonable basis for believing that a violation has, or may have, occurred." 65 Fed. Reg. at 19626.

Response: The company had an objectively reasonable basis for believing that the facility was potentially out of compliance with applicable requirements as of December 4, the date when its consultants had sufficient reliable information to calculate the facility's potential to emit. The potential to emit calculations performed on December 4 showed that the facility's potential to emit exceeded the major source thresholds for hazardous air pollutants. The last date of the 21-day period fell on December 25, which is a legal holiday, and this letter is submitted timely.

4. **Discovery and Disclosure Independent of Government or Third-Party Plaintiff**: The company must discover and disclose the violation before EPA or another government agency would have been likely to become aware of it through inspection or from information received from a third party. *Id.*

Response: Based upon the circumstances described in this letter, Dominion E&P became aware of the potential violation before EPA or any other governmental entity discovered it. Also, Dominion E&P became aware of the potential violation before any third-party plaintiffs have become involved.

5. **Correction and Remediation**: The company must correct the violation within 60 calendar days from the date of the discovery; certify in writing that the violation has been corrected; and take appropriate measures as determined by EPA to remedy any harm to the environment or human health. *Id.*

Response: Upon discovery that the TAP-5 facility was potentially out of compliance, Dominion E&P conducted a review of emission control options, ordered control equipment, and initiated the preparation of a Title V permit application. The facility has taken out of service the dehydrator unit that triggered the requirement to submit a Title V operating permit application within one year after its startup. This dehydrator unit will remain out of service until the facility is in compliance with the applicable MACT standards and has obtained either a Title V operating permit or EPA's authorization to operate. The facility is working to come into compliance with Subpart HH and Subpart ZZZZ as promptly as possible, including filing the required notices of startup and implementing the required emission reductions and monitoring procedures. The facility is also working to complete and submit a Title V permit application as quickly as possible.

6. **Prevent Recurrence:** The company must agree in writing to take steps to prevent a recurrence of the violation. *Id.*

Response: As noted above, Dominion E&P is in the process of bringing the facility into compliance with the applicable requirements. The company's regular audit procedure led to the discovery of these potential violations, and the company continues to conduct audits on a regular basis. Dominion E&P understands the importance of effective compliance tools. The company has identified and is working to develop additional measures to help assure that its facilities comply with environmental requirements. In addition, Dominion E&P is willing to discuss with EPA the Agency's compliance assurance suggestions.

7. **No Repeat Violations:** The violation at issue may not have occurred within the previous three years at the same facility, and may not have occurred within the previous five years as part of a pattern at multiple facilities owned or operated by the same company. *Id.*

   Response: The potential violations at issue here are not repeat violations.

8. **Other Violations Excluded:** The self-disclosure policy does not apply where the violation has resulted in serious actual harm or imminent and substantial endangerment to human health or the environment. Also, violations of the terms of a consent agreement or judicial or administrative order are not eligible.

Response: Based upon the low level of actual emissions from the facility, Dominion E&P does not believe that these potential violations have posed a harm to public health or to the environment.

9. **Cooperation:** The company must cooperate as requested by EPA and must provide EPA with all appropriate information to determine whether the self-disclosure policy applies.

Response: Dominion E&P will provide EPA with all appropriate information necessary to assess these issues. Dominion E&P is committed to working with EPA to resolve these issues and to ensure that its facilities comply with environmental requirements.

Dominion E&P is working to bring the TAP-5 facility into compliance, and is continuing to review the compliance status of other facilities for which the audit raised questions. Close review of the other facilities for which the November 2006 compliance audit raised questions may identify potential violations at those facilities. If other potential violations are identified, Dominion E&P will contact EPA promptly. Dominion E&P will be pleased to provide EPA with additional information concerning the TAP-5 facility on request. Should you have any questions about this matter, please contact me at 281-873-3615.

Sincerely,

Dominion Exploration & Production Inc.

Tray S. Taylor, P.E.
Director, Environmental, Safety & Regulatory

Attachments:

Attachment A – Actual Emission Summary
Attachment B – Potential to Emit Emission Summary

ATTACHMENT A

EMISSION SUMMARY

(July 1, 2005 - June 30, 2006)*

Company: Dominion Exploration
Facility Name: Tap 5
Facility Location: Uintah County, Utah

Source	NOx		CO		VOC		Formaldehyde		HAPs*		BTEX	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
Caterpillar 3516LE	4.02	15.74	5.10	19.93	0.24	0.94	0.80	3.15	0.99	3.87	0.05	0.20
Caterpillar 3412CLE	2.44	9.24	2.32	8.78	0.20	0.74	0.37	1.39	0.45	1.71	0.02	0.09
Caterpillar 3512TALE	3.11	10.40	3.94	13.17	0.64	2.15	0.62	2.08	0.77	2.56	0.03	0.13
TEG Dehydrator #1	-	-	-	-	6.14	26.90	-	-	2.43	10.64	2.29	10.01
TEG Dehy Glycol Reboiler Heater #1	0.01	0.05	0.01	0.04	0.00	0.01	-	-	-	-	-	-
Separator	0.02	0.08	0.02	0.07	0.00	0.01	-	-	-	-	-	-
Condensate Tank Emissions	-	-	-	-	0.42	1.82	-	-	-	-	-	-
Oil Tank Emissions	-	-	-	-	0.11	0.46	-	-	-	-	-	-
Tank Heaters Emissions (Oil, Condensate)	0.09	0.40	0.08	0.34	0.01	0.04			-	-	-	-
Tank Flashing Emissions	-	-	-	-	0.03	0.15	-	-	-	-	-	-
Truck Loading (Oil & Condensate)	-	-	-	-	0.02	0.10	-	-	-	-	-	-
Pump Jack engine (Propane fueled)	0.0005	0.0020	0.0001	0.0003	0.0000	0.0001	-	-	-	-	-	-
Totals	**9.70**	**35.9**	**11.46**	**42.3**	**7.81**	**33.3**	**1.79**	**6.6**	**4.64**	**18.8**	**2.38**	**10.4**

*Engine HAP emissions include Formaldehyde

Source	Benzene		Toluene		Ethylbenzene		Xylene	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
TEG Dehydrator #1	0.85	3.71	1.11	4.86	0.03	0.12	0.30	1.33
Caterpillar 3516LE	0.04	0.17	0.00	0.02	0.00	0.00	0.00	0.01
Caterpillar 3412CLE	0.02	0.08	0.00	0.01	0.00	0.00	0.00	0.00
Caterpillar 3512TALE	0.03	0.11	0.00	0.01	0.00	0.00	0.00	0.00
Totals	**0.94**	**4.1**	**1.12**	**4.9**	**0.03**	**0.1**	**0.31**	**1.3**

Operational Information used to calculate Engine, dehydrator, truck loading, and tank emissions
8760 hours used to calculate tank heater emissions

* Time period represents the emissions from the first full year of operation with all listed equipment installed and operational. Actual operational data was used in calculations.

Buys Associates, Inc.
300 East Mineral Ave., Ste 10
Littleton CO 80122
ph. 303-781-8211

ATTACHMENT B

ANNUAL POTENTIAL TO EMIT (PTE) EMISSION SUMMARY

Company: Dominion Exploration
Facility Name: Tap 5
Facility Location: Uintah County, Utah

Source	NOx		CO		VOC		Formaldehyde		HAPs*		BTEX	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
Caterpillar 3516LE	4.02	17.63	5.10	22.33	0.24	1.06	0.80	3.53	0.99	4.34	0.05	0.22
Caterpillar 3412CLE	2.44	10.68	2.32	10.15	0.20	0.85	0.37	1.60	0.45	1.97	0.02	0.10
Caterpillar 3512TALE	3.11	13.63	3.94	17.26	0.64	2.82	0.62	2.73	0.77	3.36	0.04	0.17
TEG Dehydrator #1	-	-	-	-	15.76	69.05	-	-	7.48	32.77	7.17	31.39
TEG Dehy Glycol Reboiler Heater #1	0.03	0.11	0.02	0.09	0.00	0.01	-	-	-	-	-	-
Separator	0.02	0.08	0.02	0.07	0.00	0.01	-	-	-	-	-	-
Condensate Tank Emissions	-	-	-	-	0.48	2.09	-	-	-	-	-	-
Oil Tank Emissions	-	-	-	-	0.13	0.55	-	-	-	-	-	-
Tank Heaters Emissions (Oil, Condensate)	0.09	0.40	0.08	0.34	0.01	0.04	-	-	-	-	-	-
Tank Flashing Emissions (Cond.)	-	-	-	-	0.03	0.15	-	-	-	-	-	-
Truck Loading (Oil and Condensate)	-	-	-	-	0.12	0.52	-	-	-	-	-	-
Pump Jack engine (Propane fueled)	0.00	0.01	0.00	0.00	0.00	0.00	-	-	-	-	-	-
Totals	9.71	42.5	11.47	50.2	17.61	77.1	1.79	7.9	9.69	42.4	7.28	31.9

*Engine HAP emissions include Formaldehyde

Source	Benzene		Toluene		Ethylbenzene		Xylene	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
TEG Dehydrator #1	2.42	10.60	3.50	15.32	0.09	0.40	1.16	5.07
Caterpillar 3516LE	0.04	0.19	0.00	0.02	0.00	0.00	0.00	0.01
Caterpillar 3412CLE	0.02	0.09	0.00	0.01	0.00	0.00	0.00	0.00
Caterpillar 3512TALE	0.03	0.15	0.00	0.01	0.00	0.00	0.00	0.01
Totals	2.52	11.0	3.51	15.4	0.09	0.4	1.16	5.1

Emissions calculated with no controls on engine or dehy emissions
8760 hours used to calculate annual PTE emissions

Buys Associates, Inc.
300 East Mineral Ave., Ste 10
Littleton CO 80122
ph. 303-781-8211

Appendix D

XTO ENERGY

Guidance for Portable Electrochemical Analyzer Testing used for Compliance Monitoring

SECTION I. INTRODUCTION

This guidance is applicable to the determination of nitrogen oxides (NO and NO_2), carbon monoxide (CO), and oxygen (O_2) concentrations in controlled and uncontrolled emissions from combustion sources using fuels such as natural gas, propane, butane, and fuel oils. A gas sample is extracted from a stack and is conveyed to an EC analyzer for determination of the NO, NO_2, CO, and O_2 gas concentrations. Additions to, or modifications of, vendor supplied EC analyzers (e.g., heated sample lines, thermocouples, flow meters, etc.) may be required to meet the specifications indicated in this guidance. The instrument and EC cell design will determine the analytical range (span) for each gas component. The minimum detectable limit depends on the span and resolution of the EC cell and the signal to noise ratio of the measurement system.

SECTION II. EC ANALYZER APPARATUS

A. Use any measurement system that meets the performance and design specifications of this guidance. The sampling system should maintain the gas sample at conditions that will prevent condensation in the lines or when it contacts the EC cells. A diagram of an acceptable measurement system is shown in Figure 2. Some of the components of the measurement system are described below.

B. The **sample probe** and **sample line** should be made of glass, stainless steel or other non-reactive material and should be designed to prevent condensation.

C. The **calibration assembly** should introduce calibration gases at ambient pressure to the sample probe during calibration checks. The assembly should be designed such that only the calibration gases are processed and that the calibration gases flow through all the filters in the sampling line.

D. The **moisture removal** system should be used to remove condensate from the sample gas while maintaining minimal contact between the condensate and the sample gases.

E. **Particulate filters** should be utilized before the inlet of the EC analyzer to prevent accumulation of particulate material in the measurement system and to extend the useful life of the EC analyzer. All filters should be fabricated of materials that are non-reactive to the gases being sampled.

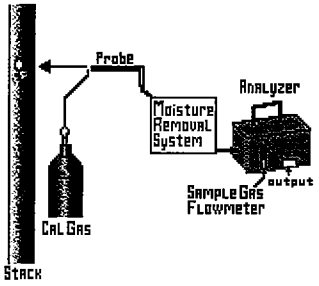
F. The **sample pump** should be a leak-free pump that will transport the sample gas to the system at a flow rate sufficient to minimize the response time of the measurement system. If upstream of the EC cells, the pump should be constructed of material that is non-reactive to the gases being sampled.

G. The **sample flow rate** should not vary by more than 10% throughout the calibration, testing, and drift check.

H. **Interference gas scrubbers** should be checked and replenished in accordance with the manufacturer's recommendations. EC analyzers should have a means to determine when the agent is depleted.

I. A **data recorder** should be used for recording the EC analyzer data.

Figure 1 – EC analyzer Measurement System



SECTION III. EC ANALYZER CALIBRATION & TESTING SPECIFICATIONS

A Except for an initial compliance test, all combustion equipment shall be tested "as-found." No tuning or maintenance for the purpose of lowering tested emissions is allowed within 24 hours prior to testing. If tests are conducted before and after maintenance, the test results should be recorded and made available for review.

B. Assemble the measurement system by following the manufacturer's recommended procedures for preparing and preconditioning the EC analyzer. Ensure the system has no leaks and verify that the gas-scrubbing agent is not depleted. When an EC cell is replaced, the EC analyzer should be re-calibrated.

C. Calibration will be done at the start of each testing day. Calibration of the EC analyzer should be done using certified calibration gases (EPA Protocol gases). Fresh air, free from ambient CO and NO_X, is permitted for O_2 calibration (20.9% O_2), and as a zero gas for CO and NO_X. Calibration gases for NO, NO_2, and CO should be chosen so that the concentration of the calibration gas is between 20% and 125% of the range of concentrations of the EC analyzer cell for each pollutant. Alternatively, calibration gases should not exceed 200% of the anticipated concentration expected from the emission unit being tested. If the measured concentration exceeds 125% of the span of the EC analyzer, at any time during the sampling run, that test run should be considered invalid. For NO_2 concentrations below 10% of the total NO_X concentration, NO_2 does not have to be measured directly and calibration of the EC analyzer for NO_2 is not required.

D. Individually inject each calibration gas into the EC analyzer and record the start time, response time, and concentrations. Gases should be injected through the entire sample handling system. All EC analyzer output responses should be recorded at least once per minute. The response time is the time it takes for the EC analyzer to get a steady response from a calibration gas after injecting the calibration gas into the measurement system. Actual measurements should not be averaged until the after the response time of the measurement system. After each calibration gas run, the EC analyzer should be refreshed with fresh air, free from CO, NO_X, and other pollutants. Repeat these steps for each calibration gas.

E. For the EC analyzer O_2 cell calibration, the minimum detectable limit should be 0.3%. For the EC analyzer NO_X and CO cells, the minimum detectable limit should be 2% of the calibration gas or 2 ppm whichever is less restrictive. If an invalid calibration is exhibited, corrective action should be taken and the EC analyzer calibration check should be repeated until an acceptable EC analyzer performance is achieved.

F. Calculate the mean of the readings from the EC analyzer for each calibration gas. The average calculated EC analyzer response error, for each calibration gas, should not exceed ±5% of the calibration gas concentration. The maximum allowable deviation of any single reading, after the response time and prior to the refresh period, should not exceed ±2% of the average calculated EC analyzer response. *For Example: For a calibration gas with a concentration of 100 ppm, the calibration gas check should be considered valid only if the average of the measured concentrations for that calibration gas are within 5 ppm of 100 ppm, i.e., 95 to 105 ppm, and if the maximum deviation of any single measurement comprising that average is less than 2% or approximately 2 ppm.*

G. During calibration an interference check should be performed. During the calibration check of a single gas species (e.g., NO & NO_2), record the response displayed by the other EC cells (i.e., CO & NO). Record the interference response for each EC cell to each calibration gas. The CO, NO, and NO_2 interference response should not exceed 5% of the calibration gas concentration. EC analyzers that have been verified for interference response using an interference scrubber are considered to be in compliance with this interference check specification when the interference scrubber is replenished per manufacturers specifications. The potential for interference from other flue gas constituents should be reviewed with the EC analyzer manufacturer based on site-specific data.

H. A post-test calibration check should be performed in the same manner as the pre-test calibration after each emissions test day. If the post-test calibration checks do not meet the required specifications, all test data for that emissions unit should be considered null and void and re-calibration and re-testing should be conducted. To prevent loss of data, the drift of the analyzer should be determined after each measurement cycle. This should be done by performing a calibration check after each measurement cycle and determining the drift to ensure that it is still within the limit of ±5%. No changes to the sampling system or EC analyzer calibration should be made until all of the post-test calibration checks have been recorded. The difference (% Drift) between the pre-test calibration and the post-test calibration should not exceed 5% for each pollutant.

SECTION IV. EMISSIONS MEASUREMENTS

A. Field testing should be conducted by personnel trained in the use of the specific EC analyzer utilized for the testing. Samples of pollutant concentrations should be taken from sample ports in the stack or using a "Shepard's hook" from a location in the stack such that a representative concentration is measured and bias (e.g., air leakage at weep holes) is prevented. A single sampling location near the center of the duct may be selected.

B. Prior to sample collection, ensure that the pre-test calibration has been performed. Zero the EC analyzer with fresh air, free from ambient CO and NO_X or other combustion gases. Each test for an emission unit should consist **of at least three 15-minute measurement cycles**. Position the probe at the sampling point and begin the measurement cycle at the same flow rate used during the calibration check. Measurements should not be recorded and averaged until the measurement system response time has passed. The EC analyzer should be "refreshed," the analyzer drift should be determined, and the moisture collection system emptied after each sampling cycle. Use the measurement data to calculate the mean effluent concentration. Record the average gas sample concentration for each pollutant from the cycle on a form similar to the one provided.

C. Conduct the post-test calibration zero check after testing of each emission unit. If the EC analyzer calibration is adjusted, the EC analyzer should be recalibrated before conducting the next emission unit test.

D. The emissions testing should produce at least three sets of concentration data for each pollutant of concern. Results from each test represent a "quasi steady-state" measurement of pollutant concentration and the measured pollutant concentrations should be calculated as the mean gas concentration using the emissions data collected during the three test runs. Data from additional tests may be included in the calculation so long as other operational parameters remain relatively unchanged.

E. The measured pollutant concentrations should then be corrected to give actual values using the pre-test calibration and post-test calibration results. The following equation should be used.

$$C_{ACTUAL} = (C_{MEAS} - C_{CZ}) \times \frac{(C_{CAL} - C_{CZ})}{(C_{CM} - C_{CZ})}$$

Where: C_{ACTUAL} = actual pollutant concentration, ppmdv
C_{MEAS} = measured pollutant concentration, ppmdv
C_{CAL} = concentration of the calibration gas, ppmv
C_{CZ} = average of pre-test and post-test calibration zero checks, ppmdv

C_{CM} = average of pre-test and post-test measured concentrations of the calibration gas measurement checks, ppmdv

SECTION V. OPERATIONAL PARAMETER MEASUREMENTS

Emissions testing results, i.e., NO_X, CO, and O_2 concentrations (ppmv), are typically used in conjunction with stack flow to determine compliance with a permitted emissions limitation (lb/hr). Other specific parameters may also need to be documented. The results of any measurements or calculated parameters should also be recorded on a form similar to the one provided in Appendix A.

A. During the emissions testing of the emission unit, the following operational parameters should be measured or determined:
   1. Engine/turbine load and speed (RPM) or power (HP);
   2. Fuel BTU content (BTU/SCF); and
   3. Fuel consumption (SCFH).

B. Sampling of the fuel, that is representative of the fuel combusted in the emission unit, should be performed. The fuel sampling should be conducted within a calendar quarter of the testing. The sampling should determine the C_1 to C_{6+} composition and BTU content. The sample should be taken from the inlet gas line, downstream from any inlet separator, and using a manifold to remove entrained liquids from the sample and a probe to collect the sample from the center of the gas line. GPA standard method 2166 (or similar method) should be used. Emission units utilizing "commercial-grade natural gas" are exempt from the fuel sampling requirements.

C. During emissions testing, the stack velocity (or flow) shall be measured or determined using one of the following methods.
   1. EPA Reference Methods 2;
   2. EPA Reference Method 19; or
   3. An equivalent method, as approved by the Department.

SECTION VI. CALCULATIONS

As mentioned previously, emissions testing results, i.e., NO_X, CO, and O_2 concentrations, are typically used in conjunction with other measured parameters to determine compliance with a permitted emissions limitation. The following issues should be considered in documenting compliance with the various criteria.

A. Calculation of the emissions (lb/hr) to show compliance with the permitted emissions should be calculated as the corrected mean concentration multiplied by the stack flow corrected to zero percent oxygen.

$$E_{MEAS} = C_{ACTUAL} \times Q_{STACK} \times \left(\frac{MW_P}{385.4}\right) \times (1E-6)$$

Where: E_{MEAS} = the measured emissions from the emission unit at standard conditions and 0% O_2, lb/hr;
C_{ACTUAL} = average actual pollutant concentration, ppmdv;
Q_{STACK} = stack flow of the emission unit, DSCFH @ 0% O_2;
MW_P = molecular weight of the pollutant, lb/lb-mole:
= 46 lb/lb-mole for NO_X (as NO_2);
= 28 lb/lb-mole for CO.
For an Ideal Gas at EPA standard conditions: 20 °C (68 °F) and 1 atm (760 mm); there are 385.4 SCF/lb-mole.
The factor of (1E-6) is used to convert ppmdv to a fraction.

B. Calculation of the flow (Q_{STACK}, DSCFH) from the emission unit using the calculations provided in Reference Method 19 is shown below. The stack flow should be corrected to zero percent oxygen.

$$Q_{STACK} = Q_{FUEL} \times F_{BTU} \times F_d \times \left(\frac{20.9\%}{20.9\% - \%O_{2MEAS}}\right) \times (1E-6)$$

Where: Q_{STACK} = stack flow of the emission unit, DSCFH @ 0% O_2;
Q_{FUEL} = flow of the fuel to the emission unit, SCFH;
F_{BTU} = gas heating value, HHV, (from fuel analysis), BTU/SCF;
F_d = stack flow per unit of heat input, SCF/MMBTU;
$\%O_{2MEAS}$ = measured oxygen concentration, % dry basis.
20.9% is the concentration of O_2 in the air.
The factor of (1E-6) is used to convert BTU to MMBTU.

C. Additional calculations that may be helpful during calibration.

$$\text{Calibration Error} \equiv \left(\frac{\text{Analyzer Response} - \text{Calibration Gas Concentration}}{\text{Calibration Gas Concentration}} \right) \times 100\% \quad \leq 5\%$$

$$\%\ \text{Interference} \equiv \left(\frac{\text{Analyzer Response}}{\text{Calibration Gas Concentration}} \right) \times 100\% \quad \leq 5\%$$

$$\%\text{Drift} \equiv \left(\frac{\text{Post - Test Analyzer Response} - \text{Pre - Test Analyzer Response}}{\text{Pre - Test Analyzer Response}} \right) \times 100\% \quad \leq 5\%$$

SECTION VII. RECORDKEEPING REQUIREMENTS

A. Each company performing portable EC analyzer analysis shall develop and maintain a testing protocol. These protocols shall be made available for review by the Department. Each protocol should also contain the following elements:
   1. Information regarding the EC analyzer, including but not limited to, a copy of the make, model, serial number, and manufacturer's EC analyzer specifications.
   2. EC analyzer certification documentation.
   3. Documentation of the EC analyzer operator's training, experience, and other qualifications.

B. A report of each test shall be prepared. Each report should contain, the following items:
   1. Date, place, and time of test, company or entity performing the test, and signature of person conducting the test.
   2. Manufacturer, model, serial number, and emission unit I.D (as listed in an applicable permit) of the emission unit tested.
   3. Emission unit rating (horsepower and RPM) and control device utilized, if applicable.
   4. Applicable permit emissions limitations, e.g., lb/hr.
   5. EC analyzer calibration records: start times, response times, end times, measured concentrations, interference responses, calibration gas concentrations, percent error, and minimum detectable limit.
   6. The testing records: start times, end times, duration test runs, measured concentrations, average concentrations, and corrected concentrations.

7. Emission unit load (service power) and speed or power during testing. The method of determining the service power for engines and turbines should be described or shown.
8. Emission unit fuel consumption, fuel BTU analysis, and stack flow.
9. Copies of the strip chart recording or computer or digital recording of actual measurements taken during the calibration and testing.
10. Calculated emissions on a lb/hr basis for the emission unit.

C. All testing records shall be maintained for a period of five years for *major sources* and a period of two years for all other *sources*, unless an applicable permit specifies a longer period.

SECTION VIII. REPORTING REQUIREMENTS

A. The person performing emissions testing should promptly report the results of such tests to EHS so that any notifications required by an applicable regulation or permit condition can be submitted in a timely manner.

B. Testing results that show emissions exceeding those allowed in an applicable permit shall be reported as provided in the permit, and with OAC 252:100-9, Excess Emission Reporting Requirements.

C. A copy of the testing protocol shall be submitted to the Department and updated as necessary.

SECTION IX. REFERENCES

1. USEPA, OAQPS Emissions Measurement Center, "Draft Method for the Determination of O_2, CO_2, & (NO and NO_2) for Periodic Monitoring," September 8, 1999, http://www.epa.gov/ttn/emc/.

2. US EPA 40 CFR, Pt 60, Appendix A, Method 19 - Determination of Sulfur Dioxide Removal Efficiency and Particulate Matter, Sulfur Dioxide and Nitrogen Oxides Emissions Rates.

Emission Unit Test Results

Company:_____ **Facility:**_____
Source Tested:_____ **Date:** _____
Source Manufacturer/Model #:_____ **Source Serial #:**_____
Site Rated Horsepower:_____ **Load During Test:** _____
Analyst:_____ **Type of Control:** _____
Analyzer Manufacturer/Model #:_____ **Analyzer Serial #:** _____

Calibration Measurements

	Pre-Test Calibration			
Run #1	CO	NO	NO_2	% O_2
Zero Resp., ppmdv/%				
Interference Resp., ppmdv/%				
Min. Det. Resp., ppmdv/%				
Start Time				
Response Time				
End Time				
Avg. Conc., ppmdv/%				
Cal. Gas Conc., ppmdv				
Conc. Difference, ppmdv				
Calibration Error, %				
% Interference, %				
Diff. Pre & Post Test, ppmdv				
%Drift, %				

Post-Test Calibration Check			
CO	NO	NO_2	% O_2

Interference Response should only be recorded as required for NO and NO_2 interference for CO and NO_2 for NO.

Emission Measurements

	Run #1			
	CO	NO	NO_2	% O_2
Start Time				
End Time				
Run Duration				
Avg. Conc., ppmdv/%				
Cal. Drift Check, ppmdv/%				
%Drift				
	Run #3			
	CO	NO	NO_2	% O_2
Start Time				
End Time				
Run Duration				
Avg. Conc., ppmdv/%				

Run #2			
CO	NO	NO_2	% O_2

Testing Results

	CO	NO	NO_2	% O_2
Average Conc., ppmdv/%				
Cal. Conc. Diff., ppmdv				
Corrected Conc., ppmdv				

Engine Parameters

Eng. Speed/Power, rpm/hp	
Fuel Flow, SCFH	
Fuel BTU Content, BTU/SCF	
Fd, SCF/MMBTU	
Calc. Stack Flow, SCFH	
Avg. % O2, %	
Stack Flow at 0% O2, SCFH	

Calculated Emissions & Limits

	CO	NO_X
Concentration, ppmdv		
Stack Flow, SCFH		
MWp	28	46
Calc. Emissions, lb/hr		
Permit Limits, lb/hr		

CERTIFICATION: Based on information and belief formed after reasonable inquiry, I certify that the statements and information contained in this report are true, accurate, complete and representative of the emissions from this source.

Print Name **Date**

Signature **Title**

Appendix E

SCOPE OF WORK FOR PERFORMANCE OPTIMIZATION REVIEW

FOR:

XTO ENERGY, INC.

July 15, 2008

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appropriate, to enhance product recovery. For this process a leak is defined by an instrument reading of 10,000 ppm or greater for all components with the exception of pressure relief devices in gas/vapor service which shall have a leak definition of 500 ppm or greater.

2.2 Review Details

Each site will be visited by the same group of individuals to verify consistency throughout the process. Once at a site, a site walk through will occur to identify sections of the review that will be applicable to that site. The date, location, and personnel involved will be documented for each site visit. Each component of the POR will be detailed in the following sections.

2.2.1 Pressure Relief Devices will be inspected using OVA, TVA, or other leak detection equipment to determine if any relief devices are leaking. Any leaks found will be repaired or replaced to minimize product losses. Any replacements or repairs that would require a facility shutdown will be put on a shutdown list that will be signed and documented.

A review will be conducted of any company procedures for testing pressure relief devices and documentation of any such reviews. Personnel responsible for any pressure relief device testing will be interviewed. Suggestions for any potential procedural improvements will be provided.

2.2.2 Pneumatic controllers will be evaluated for gas losses. Opportunities for retrofit or replacement of high-bleed controllers will be outlined. Vendors of low-bleed retrofit devices will be relied upon to determine if a device is capable of having a retrofit component added. Upgrading high-bleed controllers could be through use of low or no-bleed controllers, use of instrument air, or other options.

2.2.3 Separators will be evaluated for optimal operating pressures. Pressures must be sufficient to allow production into the available gathering pipelines and production facilities.

Pressures at compressor stations will be evaluated for optimal operation pressures based on equipment utilized at the station. Process engineers familiar with the particular station under review will be interviewed. The intent is to minimize product losses, if possible, under the physical and operational design of the station.

2.2.4 Dehydrator process reviews will detail any opportunities to reduce or minimize product losses associated with the process. The dehydration process for each facility will be reviewed on the ground rather than from P&IDs. Process variables related to product recovery will be reviewed during the on-site review, including but not limited to, glycol circulation rate, flash tank pressure (if applicable), condenser temperature (if applicable), glycol circulation pump and associated control equipment.

1.0 INTRODUCTION

XTO Energy, Inc. (XTO) will be conducting a POR in order to comply with the anticipated terms of a Consent Decree being negotiated with the United States that will resolve certain alleged violations of the Clean Air Act. The project as proposed will follow the requirements as set forth in the Consent Decree.

XTO will utilize a third party consultant to conduct a Performance Optimization Review (POR) at two facilities, to be identified by XTO, in the Uinta Basin in Utah. A thirty-day prior notice of the consultant choice and facility identification will be given to the EPA prior to initiating the POR. The POR is a newly proposed process that will follow several EPA Natural Gas STAR Program practices and technologies with the goal of increasing product recovery and reducing or minimizing air emissions. The following scope of work will detail the proposed components of the POR.

2.0 SCOPE OF WORK

The scope will be broken down by POR components and review details as more specifically described below.

2.1 POR Components

The items to be addressed in the POR will include the following list.

Pressure Relief Devices – repair or replace components as appropriate to reduce product losses;

Pneumatic Controllers – evaluate for use of low-bleed devices or instrument air;

Production Separators – identify optimal pressures and temperatures;

Dehydrators – evaluate for use of condensers, flares, thermal oxidizers, flash tanks, and electric pumps to reduce natural gas product losses;

Internal Combustion Engines – evaluate maintenance practices and planned shutdown procedures to reduce product losses from blow down and to eliminate use of starter gas as appropriate;

Flare and Vent Systems – evaluate flare and vent system components and associated operating procedures to reduce venting and loss of product where possible;

Producing Wells – install plunger lifts where appropriate and perform "green completion" practices on new wells, as appropriate;

Operating Pressures – review and optimize where possible; and

Component Inspections and Repair – perform component inspections using OVA, TVA, or other leak detection equipment and repair or replace leaking components, as

2.2.5 Internal combustion engines maintenance practices and shutdown procedures will be reviewed. Opportunities for reducing venting and product loss will be reviewed and discussed with appropriate personnel. Written processes or procedures that are available will be reviewed. Recommendations will be based on what constraints are found at the specific site.

2.2.6 Flare and vent systems will be evaluated and reviewed for options to reduce loss of product. Leak monitoring may include OVA, TVA or equivalent. Review options of flare systems versus vent systems and other reasonable alternatives.

2.2.7 A representative sample of producing wells will be reviewed for options to reduce any gas losses. Options for review may include plunger lifts and green completion options. Processes for recompletes or reworks will be discussed with appropriate personnel. Opportunities for reduction in gas venting will be documented.

2.2.8 Operating pressures will be evaluated to determine if there are any opportunities to improve product recovery within the current design of the systems in place. This will not include re-engineering any of the current systems. This evaluation may include components as described in section 2.2.3.

2.2.9 Component inspections and repairs will take place at the listed facilities. A reputable leak detection and repair company will be contracted to perform all leak inspections. Any leak discovered will be tagged and appropriate company personnel will be notified of the leaking component for addressing the issue consistent with the Consent Decree requirements as applicable.

3.0 DELIVERABLE

A detailed final report of the reviewed items as listed in the proposed scope of work will be submitted to XTO. The report will include documentation on all review details listed in the scope of work consistent with the Consent Decree requirements. The report will list estimated emission reductions or gas recovered as appropriate and calculation procedures for those estimations.

APPENDIX F

Self-Disclosure Letter of January 8, 2007

Dominion Exploration & Production, Inc.
16945 Northchase Dr., Suite 1750, Houston, TX 77060
Web Address: www.dom.com

January 8, 2007

Via Overnight Mail, Fax and Electronic Mail

Ms. Carol Rushin
Assistant Regional Administrator
Enforcement, Compliance, and Environmental Justice
EPA Region 8 (MC 8ENF)
1595 Wynkoop Street
Denver, CO 80202-1129

Re: Dominion Exploration and Production
"Kings Canyon" Facility,
SE/4 of Section 26, Township 10 South, Range 19 East,
Uintah County, Utah
"TAP-4" Facility,
NW/4 of Section 20, Township 10 South, Range 20 East,
Uintah County, Utah

Dear Ms. Rushin:

In a self-disclosure letter dated December 22, 2006, Dominion Exploration and Production ("Dominion E&P") informed you of potential violations at its "TAP-5" facility and stated that the company continues to investigate compliance questions raised pursuant to the November 2006 compliance audit of its Utah facilities. In accordance with the Environmental Protection Agency's (EPA's) self-disclosure policy, "Incentives for Self-Policing: Discovery, Disclosure, Correction and Prevention of Violations," 65 Fed. Reg. 19618 (April 11, 2000)(hereinafter "Self-Disclosure Policy"), Dominion E&P is writing to disclose potential violations of 40 C.F.R. Parts 63 and 71 at two facilities located in Uintah County, Utah, known as the "Kings Canyon" and "TAP-4" facilities. In addition, this letter will address the need for regulatory guidance for a third facility, the "RBU 9-17E" facility. This letter will discuss the potential violations at each facility individually, and then it will explain why the EPA Self-Disclosure Policy should apply for the potential violations at these facilities.

As with the December 22, 2006, self-disclosure, this self-disclosure is made as a result of a regular environmental compliance audit of Dominion E&P facilities in Utah. The parent company of Dominion E&P, Dominion Resources Inc., has an independent auditing group that regularly audits compliance. The Dominion E&P facilities in Utah were audited in November 2006, and this audit raised questions about the compliance status of the Kings Canyon, TAP-4, and RBU 9-17E facilities. To resolve these questions, Dominion E&P closely examined

information relating to the facilities' equipment and production capacity, which has led Dominion to disclose to EPA potential Clean Air Act violations at the facilities.

I. Kings Canyon Facility

A. Major Source PTE and Title V.

As a result of its internal review prompted by the November 2006 audit, Dominion E&P believes that the Kings Canyon compressor station and the Barton #126 Well site (collectively referred to herein as the "Kings Canyon facility"), which are co-located on the same pad, have a potential to emit hazardous air pollutants (HAPs) equal to or greater than the major source thresholds specified in Section 112(a)(1) of the Clean Air Act. The facility would thus be subject to the HAP emission standards for oil and gas production facilities (40 C.F.R. Part 63, Subpart HH) and for reciprocating internal combustion engines (40 C.F.R. Part 63, Subpart ZZZZ). As a "major source" under CAA Section 112, the facility would be required to obtain a Title V operating permit.

Attachments A and B provide the emissions calculations for the facility. Attachment A summarizes the facility's potential to emit. The potential to emit calculations assume that the emitting units operate for 8760 hours per year without emission controls. Attachment B summarizes the facility's actual emissions. The actual emissions calculations include all of the units that are represented in the potential to emit emissions calculations. Attachment B shows that from April 5, 2005, to April 4, 2006, the facility's actual emissions of total HAPs were approximately 41 tons. This time period was chosen to reflect 12 months of representative operation after the most recent installation of emitting equipment

Based upon the examination of the Kings Canyon facility, Dominion E&P believes that the facility's potential to emit first exceeded the Section 112 major source in April 2005 when the tri-ethylene glycol (TEG) dehydrators A and B were moved to the current location and commenced operation. Dominion E&P was required to submit notifications to EPA pursuant to Subparts HH and ZZZZ and to submit a Title V permit application to EPA no later than April 2006. Being subject to Subparts HH and ZZZZ would mean that the facility must achieve the emissions reductions required by those standards and must implement the required emissions monitoring programs.

B. Request for NSPS Subpart KKK Guidance.

In addition, the Kings Canyon facility uses a hydrocarbon dew-point skid that commenced operations on April 4, 2005. The November 2006 audit raised an issue concerning the potential applicability of New Source Performance Standards (NSPS), 40 C.F.R. Part 60, Subpart KKK. Dominion E&P believes that the Kings Canyon hydrocarbon dew-point skid is oil and gas production equipment, and not a "natural gas processing plant" subject to Subpart KKK. This position is supported by guidance from the Colorado Department of Public Health and Environment.[1] However, in an abundance of caution, pursuant to the EPA Self-Disclosure

[1] Memorandum from Jim King and Dennis Myers, to CP and OP Permit Engineers, regarding "NSPS KKK Guidance," dated October 20 1997 (Attachment E).

Policy, Dominion E&P is providing this notice to EPA of the issue. Dominion E&P requests guidance from EPA Region 8 concerning the applicability of Subpart KKK to this equipment.

The Kings Canyon hydrocarbon dew-point skid delivers gas to the Questar Pipeline Company (QPC) 20-inch pipeline. To reduce the potential for liquids build-up and the need for pigging of the QPC pipeline, the hydrocarbon dew-point skid is used to reduce the hydrocarbon dew-point of the gas delivered to the QPC pipeline (*i.e.*, to reduce the concentration of heavy hydrocarbons). Based on the temperature of the pipeline, QPC varies the gas hydrocarbon dew-point requirements for gas delivered to its system. The Kings Canyon hydrocarbon dew-point skid is used intermittently in response to the QPC hydrocarbon dew-point requirements.

For two principal reasons, Dominion does not believe the Kings Canyon hydrocarbon dew-point skid is subject to Subpart KKK.

First, Subpart KKK applies to a "natural gas processing plant," which is defined in part as "any processing site engaged in the extraction of natural gas liquids from field gas." 40 C.F.R. § 60.631. "Natural gas liquids" (NGLs) are defined as:

> the hydrocarbons, such as ethane, propane, butane, and pentane, that are extracted from field gas.

Id. Based on a review of the Subpart KKK rulemaking record and Frick's *Petroleum Production Handbook*, the Colorado Department of Public Health and Environment (CDPHE) concluded that Subpart KKK applies to liquefied petroleum gases but is not intended to encompass natural gasoline. When it is operating, the Kings Canyon hydrocarbon dew-point skid produces approximately 30 barrels per day of natural gasoline. "Natural gasoline" is an intermediate vapor pressure material with relatively low concentrations of ethane, propane, butane, and pentane, when compared to liquefied petroleum gases (which are high vapor pressure compounds).

Second, the preamble to the proposed Subpart KKK rule clarified that "equipment used in crude oil and natural gas production" is "not to be confused with natural gas processing." 49 Fed. Reg. 2636, 2637 (January 20, 1984). EPA's rationale was that the Subpart KKK provisions, which mainly address leak detection and repair, should not apply to production facilities because they are "widely dispersed over large areas." *Id.* Kings Canyon facility is a natural gas production facility. Its operations are upstream of lease custody transfer. The Kings Canyon facility does not have fractionation capability. QPC's pipeline collects field gas from numerous production facilities and then performs the natural gas processing at plants located in Price, Utah, and the Clay Basin facility. For these reasons, Dominion E&P believes the hydrocarbon dew-point skid should not be considered a "natural gas processing plant" subject to Subpart KKK.

C. Summary

In summary, Dominion E&P believes that there may be potential Clean Air Act violations at the Kings Canyon facility and requests that any potential violations be handled pursuant to the EPA Self-Disclosure Policy. Dominion E&P will provide additional information concerning potential violations at the Kings Canyon facility upon EPA's request.

II. TAP-4 Facility

A. Major Source PTE and Title V.

The examination of the TAP-4 facility conducted as a result of the questions raised by the November 2006 audit has led Dominion E&P to believe that the facility has a potential to emit HAPs equal to or greater than the major source thresholds specified in Section 112(a)(1) of the Clean Air Act. The TAP-4 facility would thus be subject to the HAP emission standards for oil and gas production facilities (40 C.F.R. Part 63, Subpart HH) and for reciprocating internal combustion engines (40 C.F.R. Part 63, Subpart ZZZZ). The emissions inventory for the TAP-4 facility also indicates a potential to emit greater than 100 tons per year of nitrogen oxides (NOx). As a "major source" under CAA Sections 112 and 302(j), the TAP-4 facility would be required to obtain a Title V operating permit.

Actual emissions of HAPs from the TAP-4 facility are less than the major source thresholds in CAA Section 112(a). As shown in Attachment D, a table summarizing the TAP-4 facility's actual emissions from April 7, 2005, to April 6, 2006, the actual total HAP emissions were 16.30 tons. During this time period, the facility's actual emissions of benzene were 3.43 tons and the facility's actual emissions of toluene were 5.75 tons. The time period of April 7, 2005, to April 6, 2006, was chosen to reflect 12 months of representative operation after the most recent installation of emitting equipment.

Attachment C shows the TAP-4 facility's potential to emit. The potential to emit calculations include all of the units that are shown in Attachment D, and the calculations of potential to emit assume that these units operate for 8760 hours per year without emission controls. Attachment C shows the TAP-4 facility's potential to emit NOx as 135.94 tons per year, while the facility's actual NOx emissions in 2005-2006 were 46.2 tons, as shown in Attachment D. According to Attachment C, the TAP-4 facility's potential to emit HAPs is 37.41 tons per year, compared with actual emissions of 16.30 tons in 2005-2006. The facility has a potential to emit 16.97 tons per year of toluene and 9.97 tons per year of benzene. As noted above, the facility's actual emissions of these pollutants were 5.76 tons and 3.43 tons, respectively, in 2005-2006.

The TAP-4 facility would have been able to limit its potential to emit through a federally enforceable state minor source permit if it were not located in an Indian air shed under Federal jurisdiction. However, as there are no federal minor source permitting regulations currently in effect for facilities located within a tribal air shed, that course of action was not possible.

Based upon the examination of the TAP-4 facility, Dominion E&P believes that a glycol dehydration unit that commenced operation on April 6, 2005, was the unit whose potential to emit pushed the facility's potential to emit over the major source threshold for hazardous air pollutants. In addition, the NOx potential to emit first exceeded the 100 ton-per-year threshold on April 6, 2005, when a generator for the hydrocarbon dew-point skid at TAP-4 began operating. As a major source of NOx and hazardous air pollutants, Dominion E&P would have been required to submit a Title V permit application to EPA Region 8 by April 6, 2006. Being subject to Subparts HH and ZZZZ means that the TAP-4 facility should have submitted any

required notifications and must achieve emissions reductions and implement emissions monitoring programs required by those standards.

B. Request for NSPS Subpart KKK Guidance.

The TAP-4 facility uses a hydrocarbon dew-point skid that commenced operations on April 6, 2005. The TAP-4 hydrocarbon dew-point skid is larger than the Kings Canyon skid described above. The TAP-4 hydrocarbon dew-point skid produces about 60 barrels of liquids per day when operating. The TAP-4 facility is a natural gas production facility. Its operations are upstream of lease custody transfer, and it does not have fractionation capability. For the same reasons as set forth above with respect to the Kings Canyon hydrocarbon dew-point skid, Dominion believes that the TAP-4 hydrocarbon dew-point skid should not be subject to NSPS Subpart KKK. However, in an abundance of caution, pursuant to the EPA Self-Disclosure Policy, Dominion is providing this notice to EPA of the issue. Dominion E&P requests guidance from EPA Region 8 concerning the applicability of Subpart KKK to this equipment.

C. Summary

In summary, Dominion E&P believes that there may be potential Clean Air Act violations at the TAP-4 facility and requests that any potential violations be handled pursuant to the EPA Self-Disclosure Policy. Dominion E&P will provide additional information concerning potential violations at the TAP-4 facility upon EPA's request.

IV. RBU 9-17E Facility

Dominion E&P has one additional facility, known as the RBU 9-17E facility, with a hydrocarbon dew-point skid. The hydrocarbon dew-point skid commenced operations on October 3, 2006. This facility also does not have fractionation capability. For the reasons discussed above in connection with the hydrocarbon dew-point skids at the Kings Canyon and TAP-4 facilities, Dominion E&P does not believe that the hydrocarbon dew-point skid is subject to Subpart KKK. However, in an abundance of caution, pursuant to the EPA Self-Disclosure Policy, Dominion E&P is providing this notice to EPA of the issue. Dominion E&P requests guidance from EPA Region 8 concerning the applicability of Subpart KKK to this equipment.

V. EPA Self-Disclosure Policy

The Self-Disclosure Policy establishes nine conditions for its applicability.

1. **Systematic Discovery of the Violation Through an Environmental Audit or a Compliance Management System:** The Self-Disclosure Policy states that the discovery "must reflect the regulated entity's due diligence in preventing, detecting, and correcting violations." 65 Fed. Reg. at 19625.

Response: As discussed earlier in this letter, the company's regular program of self-auditing raised questions about the Kings Canyon,TAP-4 and RBU 9-17E facilities. The company quickly called upon outside consultants and counsel to focus on these compliance questions. The facilities' configurations were verified through site inspections on December 11

and 12, 2006. On December 19, 2006, Dominion had collected sufficient information on these facilities' equipment and throughput to perform reliable emissions calculations. The emissions calculations, along with the verification of the facilities' configurations, provided Dominion staff and outside professionals with an objectively reasonable basis for believing that the Kings Canyon and TAP-4 facilities were potentially not in compliance with applicable requirements.

2. **Voluntary Discovery**: The violation must have been discovered through a process other than "a legally mandated monitoring or sampling requirement prescribed by statute, regulation, permit, judicial or administrative order, or consent agreement." *Id.*

Response: Please see the response to No. 1 above.

3. **Prompt Disclosure**: The company must fully disclose the specific violation in writing to EPA within 21 days after discovering "that the violation has, or may have, occurred." This time period begins when "any officer, director, employee or agent of the facility has an objectively reasonable basis for believing that a violation has, or may have, occurred." 65 Fed. Reg. at 19626.

Response: Dominion E&P has been examining the compliance status of the Kings Canyon, TAP-4, and RBU 9-17E facilities simultaneously. Site inspections were conducted on December 11 and 12, 2006, to verify the facilities' configurations. The company had an objectively reasonable basis for believing that the facilities were potentially out of compliance with applicable requirements as of December 19, the date when its consultants had sufficient reliable information to calculate the facilities' potential to emit. The potential to emit calculations performed on December 19 showed that the Kings Canyon and TAP-4 facilities' potential to emit exceeded the major source thresholds. The last date of the 21-day period falls on January 9, 2007, and this self-disclosure letter is submitted timely.

4. **Discovery and Disclosure Independent of Government or Third-Party Plaintiff**: The company must discover and disclose the violation before EPA or another government agency would have been likely to become aware of it through inspection or from information received from a third party. *Id.*

Response: Based upon the circumstances described in this letter, Dominion E&P became aware of the potential violations before EPA or any other governmental entity discovered them. Also, Dominion E&P became aware of the potential violations before any third-party plaintiffs have become involved.

5. **Correction and Remediation**: The company must correct the violation within 60 calendar days from the date of the discovery; certify in writing that the violation has been corrected; and take appropriate measures as determined by EPA to remedy any harm to the environment or human health. *Id.*

Response: Upon discovery that the Kings Canyon and TAP-4 facilities were potentially out of compliance, Dominion E&P conducted a review of emission control options, ordered

control equipment, and initiated the preparation of Title V permit applications. The TAP-4 facility has taken out of service the dehydrator unit that triggered the requirement to submit a Title V operating permit application within one year after the unit's startup. Since this dehydrator unit is not in service, the facility's potential to emit is below the major source threshold. At the Kings Canyon facility, Dehydrator A and a cleanup dehydrator have been taken out of service to reduce the facility's potential to emit. These dehydrator units will remain out of service until each facility is in compliance with the applicable MACT standards and has obtained either a Title V operating permit or EPA's authorization to operate. Both facilities are working to come into compliance with Subpart HH and Subpart ZZZZ as promptly as possible, including filing any required notices of startup and implementing any required emission reductions and monitoring procedures. Each facility is also working to complete and submit a Title V permit application as quickly as possible.

6. **Prevent Recurrence:** The company must agree in writing to take steps to prevent a recurrence of the violation. *Id.*

Response: As noted above, Dominion E&P is in the process of bringing the facilities into compliance with the applicable requirements. The company's regular audit procedure led to the discovery of these potential violations, and the company continues to conduct audits on a regular basis. Dominion E&P understands the importance of effective compliance tools. The company has identified and is working to develop additional measures to help assure that its facilities comply with environmental requirements. In addition, Dominion E&P is willing to discuss with EPA the Agency's compliance assurance suggestions.

7. **No Repeat Violations:** The violation at issue may not have occurred within the previous three years at the same facility, and may not have occurred within the previous five years as part of a pattern at multiple facilities owned or operated by the same company. *Id.*

Response: The potential violations at issue here are not repeat violations. As noted above, they were discovered as part of a single environmental audit that also raised concerns about potential violations at the company's TAP-5 facility, which was the subject of the December 22, 2006, self-disclosure letter.

8. **Other Violations Excluded:** The self-disclosure policy does not apply where the violation has resulted in serious actual harm or imminent and substantial endangerment to human health or the environment. Also, violations of the terms of a consent agreement or judicial or administrative order are not eligible.

Response: Dominion E&P does not believe that these potential violations have posed a substantial harm to public health or to the environment. Both facilities are located in remote areas, so they are less likely to affect human health than facilities located in densely populated areas would be. In addition, actual emissions from the TAP-4 facility are below the major source threshold. Finally, these potential violations do not violate the terms of a consent agreement or judicial or administrative order.

9. **Cooperation:** The company must cooperate as requested by EPA and must provide EPA with all appropriate information to determine whether the self-disclosure policy applies.

Response: As stated above, Dominion E&P will provide EPA with all appropriate information necessary to assess these issues. Dominion E&P is committed to working with EPA to resolve these issues and to ensure that its facilities comply with environmental requirements.

Dominion E&P is working to bring these facilities into compliance. The company's review of the compliance status of other facilities for which the audit raised questions is nearly complete, and if other potential violations are identified, Dominion E&P will contact EPA promptly. Dominion E&P will be pleased to provide EPA with additional information concerning these facilities on request. Dominion E&P would like to resolve these compliance issues, and we will be contacting your staff shortly to discuss arranging a meeting. Should you have any questions about this matter, please contact me at 281-873-3615.

Sincerely,

Dominion Exploration & Production, Inc.

Tray S. Taylor, P.E.
Director, Environmental, Safety & Regulatory

Attachments:

Attachment A – Kings Canyon Potential to Emit Summary
Attachment B – Kings Canyon Actual Emissions Summary
Attachment C – TAP-4 Potential to Emit Summary
Attachment D – TAP-4 Actual Emissions Summary
Attachment E – Memorandum from Jim King and Dennis Myers, Colorado Department of Public Health and Environment, to CP and OP Engineers, regarding "NSPS KKK Guidance," dated October 20, 1997.

ATTACHMENT A

POTENTIAL TO EMIT SUMMARY

Company: Dominion Exploration
Facility Name: Kings Canyon
Facility Location: Uintah County, Utah

Source	NOx		CO		VOC		Formaldehyde		HAPs		BTEX	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
Caterpillar 3516LE	5.37	23.50	4.83	21.15	0.86	3.76	0.67	2.94	0.67	2.94	-	-
Caterpillar 3512LE	3.34	14.64	2.67	11.71	0.85	3.73	0.42	1.83	0.42	1.83	-	-
TEG Dehydrator A	-	-	-	-	5.75	25.17	-	-	3.19	13.96	3.09	13.52
TEG Dehy Glycol Reboiler Heater A	0.05	0.20	0.04	0.17	0.00	0.02	0.00	0.00	0.00	0.00	-	-
TEG Dehydrator B	-	-	-	-	8.38	36.70	-	-	3.71	16.23	3.54	15.49
TEG Dehy Glycol Reboiler Heater B	0.03	0.13	0.03	0.11	0.00	0.01					-	-
TEG Cleanup Dehydrator	-	-	-	-	2.97	13.01	-	-	1.34	5.86	1.28	5.62
TEG Cleanup Dehy Reboiler Heater	0.03	0.13	0.03	0.11	0.00	0.01	-	-	-	-	-	-
Wellsite Dehy	-	-	-	-	4.29	18.80	-	-	3.37	14.76	3.34	14.64
Wellsite Dehy Reboiler Heater	0.02	0.07	0.01	0.06	0.00	0.01	-	-	-	-	-	-
Condensate Tank Emissions	-	-	-	-	0.76	3.35	-	-	-	-	-	-
Truck loading Emissions	-	-	-	-	0.86	3.78	-	-	-	-	-	-
Other Heaters	0.17	0.73	0.14	0.62	0.02	0.07	-	-	-	-	-	-
Tank Flashing Emissions	-	-	-	-	4.84	21.19	-	-	0.16	0.70	-	-
Genset 3406	13.77	60.30	0.70	3.06	0.44	1.93	0.19	0.83	0.19	0.83	-	-
Totals	**22.76**	**99.7**	**8.45**	**37.0**	**30.03**	**131.6**	**1.28**	**5.6**	**13.04**	**57.1**	**11.25**	**49.3**

Source	Benzene		Toluene		Ethylbenzene		Xylene	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
TEG Dehydrator A	0.98	4.28	1.47	6.46	0.05	0.22	0.59	2.56
TEG Dehydrator B	1.17	5.11	1.73	7.57	0.05	0.21	0.60	2.61
TEG Cleanup Dehydrator	0.50	2.17	0.58	2.53	0.01	0.06	0.20	0.86
Wellsite Dehy (Barton Federal 1-26)	0.45	1.97	1.52	6.66	0.08	0.36	1.29	5.65
Totals	**3.09**	**13.53**	**5.30**	**23.22**	**0.19**	**0.84**	**2.67**	**11.68**

300 East Mineral Ave., Ste 10
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ATTACHMENT B

EMISSION SUMMARY

(April 5, 2005 - April 4, 2006)*

Company: Dominion Exploration
Dominion Exploration Kings Canyon
Facility Location: Uintah County, Utah

Source	NOx		CO		VOC		Formaldehyde		HAPs		BTEX	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
Caterpillar 3516LE	5.31	23.26	4.78	20.93	0.85	3.72	0.66	2.91	0.84	3.68	-	-
Caterpillar 3512LE	3.33	14.58	2.66	11.66	0.85	3.72	0.42	1.82	0.53	2.30	-	-
TEG Dehydrator A	-	-	-	-	5.66	24.80	-	-	3.10	13.59	3.01	13.18
TEG Dehy Glycol Reboiler Heater A	0.05	0.20	0.04	0.17	0.00	0.02	-	-	-	-	-	-
TEG Dehydrator B	-	-	-	-	0.00	0.00	-	-	3.65	15.98	3.48	15.26
TEG Dehy Glycol Reboiler Heater B	0.03	0.13	0.03	0.11	0.00	0.01	-	-	-	-	-	-
TEG Cleanup Dehydrator	-	-	-	-	0.60	2.64	-	-	0.27	1.18	0.26	1.14
TEG Cleanup Dehy Reboiler Heater	0.01	0.03	0.00	0.02	0.00	0.00	-	-	-	-	-	-
Wellsite Dehy	-	-	-	-	1.46	6.40	-	-	0.75	3.30	0.73	3.19
Wellsite Dehy Reboiler Heater	0.01	0.06	0.01	0.05	0.00	0.01	-	-	-	-	-	-
Condensate Tank Emissions					0.92	4.04	-	-	-	-	-	-
Truck loading Emissions	-	-	-	-	2.65	11.59	-	-	-	-	-	-
Other Heaters	0.11	0.46	0.09	0.39	0.01	0.04	-	-	-	-	-	-
Tank Flashing Emissions					3.87	16.95			0.13	0.56		
Genset 3406	2.81	12.29	0.14	0.62	0.09	0.39	0.04	0.17	0.04	0.17	-	-
Totals	11.64	51.0	7.75	34.0	16.97	74.3	1.12	4.9	9.31	40.8	7.48	32.8

Source	Benzene		Toluene		Ethylbenzene		Xylene	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
TEG Dehydrator A	0.96	4.20	1.44	6.29	0.05	0.21	0.56	2.44
TEG Dehydrator B	1.14	5.01	1.70	7.46	0.05	0.20	0.59	2.59
TEG Cleanup Dehydrator	0.10	0.44	0.12	0.51	0.00	0.01	0.04	0.17
Wellsite Dehy (Barton Federal 1-26)	0.17	0.76	0.39	1.70	0.01	0.06	0.16	0.68
Totals	2.38	10.42	3.64	15.96	0.11	0.47	1.34	5.89

* Time period represents the emissions from the first full year of operation with all listed equipment installed and operational. Actual operational data was used in calculations.

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ATTACHMENT C

POTENTIAL TO EMIT SUMMARY

Company: Dominion Exploration
Facility Name: Tap 4
Facility Location: Uintah County, Utah

Source	NOx		CO		VOC		Formaldehyde		HAPs		BTEX	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
Caterpillar 3516LE	5.37	23.50	5.07	22.21	0.83	3.64	0.67	2.94	0.67	2.94	0	0.00
TEG Dehydrator #1	-	-	-	-	4.45	19.51	-	-	2.30	10.08	2.22	9.73
TEG Dehy Glycol Reboiler Heater #1	0.03	0.13	0.03	0.11	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Hill Creek DP Cleanup	-	-	-	-	10.31	45.17	-	-	5.14	22.50	4.91	21.51
Hill Creek DP Cleanup boiler	0.03	0.13	0.03	0.11	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Tank Flashing Emissions	-	-	-	-	3.27	14.31	-	-	0.11	0.48	-	-
Condensate Tank Emissions	-	-	-	-	0.71	3.12	-	-	-	-	-	-
Truck loading Emissions	-	-	-	-	1.19	5.22	-	-	-	-	-	-
Genset 3412	25.61	112.18	1.81	7.94	0.36	1.59	0.33	1.43	0.33	1.43	0.00	0.00
Totals	**31.04**	**135.94**	**6.93**	**30.37**	**21.14**	**92.59**	**1.00**	**4.37**	**8.54**	**37.41**	**7.13**	**31.24**

Source	Benzene		Toluene		Ethylbenzene		Xylene	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
TEG Dehydrator #1	0.54	2.35	0.94	4.12	0.04	0.19	0.70	3.07
Hill Creek DP Cleanup	1.74	7.62	2.93	12.85	0.09	0.40	0.15	0.64
Totals	**2.28**	**9.97**	**3.87**	**16.97**	**0.13**	**0.59**	**0.85**	**3.71**

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ATTACHMENT D

EMISSION SUMMARY

(April 7, 2005 - April 6, 2006)*

Company: Dominion Exploration
Facility Name: Tap 4
Facility Location: Uintah County, Utah

Source	NOx		CO		VOC		Formaldehyde		HAPs		BTEX	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
Caterpillar 3516LE	4.53	19.82	4.28	18.73	0.70	3.07	0.57	2.48	0.72	3.14	0	0.00
TEG Dehydrator #1	-	-	-	-	3.41	14.92	-	-	1.76	7.70	1.70	7.44
TEG Dehy Glycol Reboiler Heater #1	0.04	0.17	0.03	0.14	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00
Hill Creek DP Cleanup	-	-	-	-	2.34	10.26	-	-	1.07	4.67	1.01	4.43
Hill Creek DP Cleanup boiler	0.01	0.03	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tank Flashing Emissions	-	-	-	-	2.61	11.45	-	-	0.09	0.38	-	-
Condensate Tank Emissions	-	-	-	-	0.48	2.08	-	-	-	-	-	-
Truck loading Emissions	-	-	-	-	0.64	2.81	-	-	-	-	-	-
Genset 3412	5.97	26.14	0.42	1.85	0.08	0.37	0.08	0.33	0.09	0.41	0.00	0.00
Totals	10.54	**46.2**	4.74	**20.7**	10.27	**45.0**	0.64	**2.81**	3.72	**16.30**	2.71	**11.87**

Source	Benzene		Toluene		Ethylbenzene		Xylene	
	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr	lb/hr	ton/yr
TEG Dehydrator #1	0.41	1.79	0.72	3.15	0.03	0.15	0.54	2.35
Hill Creek DP Cleanup	0.37	1.64	0.60	2.61	0.02	0.08	0.02	0.11
Totals	0.78	**3.43**	1.31	**5.76**	0.05	**0.22**	0.56	**2.46**

* Time period represents the emissions from the first full year of operation with all listed equipment installed and operational. Actual operational data was used in calculations.

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