

U.S. Department of Labor
Occupational Safety and Health Administration
Houston North Area Office
507 N. Sam Houston Pkwy. E., Suite 400
Houston, TX 77060-4007
Phone: (281)591-2438 FAX: (281)998-7457



Citation and Notification of Penalty

To:
AWC Frac Valves Inc
and its successors
11376 FM 2854
Conroe, TX 77304

Inspection Number: 316065176
Inspection Date(s): 11/08/2011-11/10/2011
Issuance Date: 05/07/2012

Inspection Site:
11376 FM 2854
Conroe, TX 77304

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or , if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer.

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be

submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the page 5 Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

Right to Contest - You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.

Penalty Payment - Penalties are due within 15 working days of receipt of this notification unless contested. (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to "DOL-OSHA". Please indicate the Inspection Number on the remittance.

OSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than the full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

Notification of Corrective Action - For each violation which you do not contest, you are required by 29 CFR 1903.19 to submit an Abatement Certification to the Area Director of the OSHA office issuing the citation and identified above. The certification must be sent by you within 10 calendar days of the abatement date indicated on the citation. For **Willful** and **Repeat** violations, documents (examples: photos, copies of receipts, training records, etc.) demonstrating that abatement is complete must accompany the certification. Where the citation is classified as **Serious** and the citations states that abatement documentation is required, documents such as those described above are required to be submitted along with the abatement certificate. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item.

All abatement verification documents must contain the following information: 1) Your name and address; 2) the inspection number (found on the front page); 3) the citation and citation item number(s) to which the submission relates; 4) a statement that the information is accurate; 5) the signature of the employer or employer's authorized representative; 6) the date the hazard was corrected; 7) a brief statement of how the hazard was corrected; and 8) a statement that affected employees and their representatives have been informed of the abatement.

The law also requires a copy of all abatement verification documents, required by 29 CFR 1903.19 to be sent to OSHA, also be posted at the location where the violation appeared and the corrective action took place.

Employer Discrimination Unlawful - The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

Employer Rights and Responsibilities - The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

Notice to Employees - The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data - You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at WWW.OSHA.GOV. If you have any dispute with the accuracy of the information displayed, please contact this office.

ABATEMENT CERTIFICATION

David A. Doucet, Area Director
U.S. Department of Labor - OSHA
Houston North Area Office
507 N. Sam Houston Pkwy. E., Suite 400
Houston, TX 77060-4007
Phone: (281)591-2438

AWC Frac Valves Inc
11376 FM 2854
Conroe, TX 77304

The hazard referenced in Inspection Number _____ for the violation identified as
Citation _____ and Item _____ was corrected on _____
by _____.

The hazard referenced in Inspection Number _____ for the violation identified as
Citation _____ and Item _____ was corrected on _____
by _____.

The hazard referenced in Inspection Number _____ for the violation identified as
Citation _____ and Item _____ was corrected on _____
by _____.

The hazard referenced in Inspection Number _____ for the violation identified as
Citation _____ and Item _____ was corrected on _____
by _____.

The hazard referenced in Inspection Number _____ for the violation identified as
Citation _____ and Item _____ was corrected on _____
by _____.

I attest that the information contained in this document is accurate and that the affected employees and their representatives have been informed of the abatement activities described in this certification.

Signature

Typed or Printed Name



NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 05/07/2012. The conference will be held at the OSHA office located at Houston North Area Office, 507 N. Sam Houston Pkwy. E., Suite 400, Houston, TX, 77060-4007 on _____ at _____. Employees and/or representatives of employees have a right to attend an informal conference.



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 1 Item 1 Type of Violation: **Serious**

29 CFR 1910.141(a)(3)(i): Places of employment were not kept clean to the extent that the nature of the work allowed:

On or about November 8, 2011, in the Machine Shop along the south wall and by the CNC Manager's Office; the employer allowed trash and debris to accumulate in the work area around and behind the vertical turret lathes. Pallets containing metal products and boxes were placed in front of a portable emergency eyewash. These conditions exposed the employees to slip, trip and fall hazards.

Date By Which Violation Must be Abated: 05/11/2012
Proposed Penalty: \$ 6000.00

Citation 1 Item 2 Type of Violation: **Serious**

29 CFR 1910.147(c)(1): The employer did not establish an energy control program consisting of energy control procedures, employee training and periodic inspections to ensure that before any employee performed any servicing or maintenance on a machine or equipment where the unexpected energizing, start up or release of stored energy could occur and cause injury, the machine or equipment would be isolated, and rendered inoperative:

On or about November 8, 2011, at the facility; the employer did not establish an energy control program to ensure that the employees who performed service and/or maintenance including set-up on machines or equipment were protected from unexpected energizing, start up or release of stored energy. Employees performed set-up on vertical lathes, CNC lathes, manual lathes and milling machines. These conditions exposed employees to caught-in, caught between or struck-by hazards.

Date By Which Violation Must be Abated: 05/20/2012
Proposed Penalty: \$ 7000.00

See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

The following alleged violations have been grouped because they involve similar or related hazards that may increase the potential for injury resulting from an accident.

Citation 1 Item 3a Type of Violation: **Serious**

29 CFR 1910.219(d)(1): Pulley(s) with part(s) seven feet or less from the floor or work platform were not guarded in accordance with the requirements specified at 29 CFR 1910.219(m) & (o):

On or about November 8, 2011, in the machine shop, the employer allowed two vertical turret lathes to be operated without the guards over the pulleys:

- a. Along the south wall of the machine shop, an employee was required to work around unguarded rotating pulleys of the vertical turret lathe S/N 27199.
- b. In the north machine shop area, an employee was required to work around unguarded rotating pulleys of the vertical turret lathe #36.

These conditions exposed the employees to a caught-in hazard.

Date By Which Violation Must be Abated: 05/20/2012
Proposed Penalty: \$ 7000.00



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 1 Item 3b Type of Violation: **Serious**

29 CFR 1910.219(e)(3)(i): Vertical or inclined belt(s) were not enclosed by guard(s) conforming to the requirements specified in 29 CFR 1910.219(m) and (o):

On or about November 8, 2011, in the machine shop, the employer allowed two vertical turret lathes to be operated without the guards over the belts:

- a. Along the south wall of the machine shop, an employee was required to work around unguarded rotating belts of the vertical turret lathe S/N 27199.
- b. In the north machine shop area, an employee was required to work around unguarded rotating belts of the vertical turret lathe #36.

These conditions exposed the employees to a caught-in hazard.

Date By Which Violation Must be Abated: 05/20/2012



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 1 Item 4 Type of Violation: **Serious**

29 CFR 1910.303(g)(2)(i): Live parts of electric equipment operating at 50 volts or more were not guarded against accidental contact by approved cabinets or other forms of approved enclosures, or other means listed under this provision:

On or about November 8, 2012, in the machine shop, employees fabricating metal products were exposed to energized electrical circuits from junction boxes that were missing the enclosures.

- a. The employee was allowed to operate a 220 VAC Warner & Swasey Manual Lathe S/N 680516 that was missing the protective enclosure on the front of the panel.
- b. The employee was allowed to operate a 220 VAC Bullard Vertical Turret Lathe ID #36 to fabricate metal products that was missing the protective enclosure on the front of the panel.
- c. The employee was allowed to work in the milling machine area and the area had a 110 VAC water fountain with the enclosure panel missing on the front of it.
- d. The employee was allowed to operate a Warner and Swasey Manual Lathe S/N 2675575 that had energized wiring with wing nuts exposed on the top of a 110 VAC electrical pump motor. The motor was used to pump a water/coolant mixture to the chuck area. An electrical panel on the east side of the lathe was open, exposing the energized circuits.

These conditions exposed the employees to electrical hazards.

Date By Which Violation Must be Abated: 05/20/2012
Proposed Penalty: \$ 7000.00



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 1 Item 5 Type of Violation: **Serious**

29 CFR 1910.305(g)(2)(ii): Flexible cords were not used in continuous lengths without splice or tap:

On or about November 8, 2011, in the southeast corner of the Machine Shop; the employer allowed an employee to operate a Dayton Jib Crane that had an electrical cord with a splice approximately 2 feet above the ground on it. This condition exposed the employee to an electrical hazard.

Date By Which Violation Must be Abated:	05/11/2012
Proposed Penalty:	\$ 7000.00



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 2 Item 1 Type of Violation: **Willful**

29 CFR 1910.212(a)(1): One or more methods of machine guarding were not provided to protect the operator and other employees in the machine area from hazards such as those created by point of operation, ingoing nip points, rotating parts, flying chips and sparks:

On or about November 8, 2011, in the south section, along the northwest section of the Machine Shop and in the Assembly area along the southwest wall; the employer required employees to operate the following machinery without guards.

- a. An employee was observed operating a 36" Bullard Cut Master 3505 Vertical Turret Lathe S/N 26657 without any machine guarding.
- b. An employee was observed operating a 42" Bullard Vertical Turret Lathe S/N 16850 without any machine guarding.
- c. An employee was observed operating a Bullard Vertical Turret Lathe #36 without any machine guarding.
- d. An employee was observed operating a 42" Bullard Vertical Turret Lathe S/N 27199 without any machine guarding.
- e. An employee was observed operating a Bullard Vertical Turret Lathe #16, without any machine guarding.
- f. An employee was observed operating a Warner and Swasey M-3470 Manual Lathe S/N 1512838, without any machine guarding.
- g. An employee was observed operating a Warner and Swasey M-1740 Manual Lathe S/N 680516, without any machine guarding.
- h. An employee was observed operating a Warner and Swasey 4A Manual Lathe S/N 2675575, without any machine guarding.
- i. An employee was observed operating a Warner and Swasey M-3500 Manual Lathe S/N 1587304, equipped with a defective chuck guard which was consequently not utilized.

See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

- j. An employee was observed operating a Wells-Index Vertical Milling Machine S/N 14392, without any machine guarding.
- k. An employee was observed operating a Wells-Index Vertical Milling Machine ID #11, without any machine guarding.
- l. An employee was observed operating a Doosan Puma 400 LMC Lathe S/N 35LM2919 with the door safety interlocks disengaged allowing the door to be completely open during operation.
- m. An employee was observed operating a Doosan Puma 400B CNC Lathe S/N PM353295 with the door safety interlocks disengaged.
- n. An employee was observed operating a Doosan Puma 400B CNC Lathe S/N PM354105 with the door safety interlocks disengaged.
- o. An employee was observed operating a Hwacheon HI-EC035 CNC Lathe S/N M0633438L-14 with the door safety interlocks disengaged.
- p. An employee was observed operating a Doosan Puma 240LC CNC Lathe S/N CT3001334 with the door safety interlocks disengaged.

These conditions exposed employees to struck-by and caught between hazards.

Date By Which Violation Must be Abated: 05/20/2012
Proposed Penalty: \$ 70000.00



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 3 Item 1 Type of Violation: **Other**

29 CFR 1904.40(a): Copies of records kept under Part 1904 requested by an authorized government representative were not provided within four (4) business hours.

The employer received a request on November 10, 2011, at approximately 8:30 AM to produce any OSHA Forms, or equivalent documents, for Occupational Injuries or Illnesses. The forms were received on December 19, 2011.

Date By Which Violation Must be Abated: 05/11/2012
Proposed Penalty: \$ 1000.00



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 3 Item 2 Type of Violation: **Other**

29 CFR 1910.305(b)(1)(ii): Unused openings in boxes, cabinets, or fittings were not effectively closed:

Throughout the facility; the employer had electrical boxes and fittings with unused openings that were not covered or closed.

- a. On the southeast wall behind a Bullard vertical lathe, an employee was allowed to use a small refrigerator placed next to a junction box with an opening on the side of it.
- b. On the north wall of the machine shop behind the Warner & Swasey lathe, an employee was allowed to use a toolbox stored under a junction box with opening on the side of it.
- c. On the east wall separating the CNC and machine shop, an employee was allowed to access the area around a junction box with an opening on the side.
- d. On the east wall separating the CNC and machine shop, an employee was allowed to operate a vertical turret lathe that had an electrical panel with two openings on the front door.
- e. On the west wall in the north machine shop area, an employee was allowed to store a wooden pallet under an electrical outlet box with an opening on the side.

Date By Which Violation Must be Abated: 05/11/2012
Proposed Penalty: \$ 0.00



Citation and Notification of Penalty

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 3 Item 3 Type of Violation: **Other**

29 CFR 1910.305(g)(2)(iii): Flexible cords were not connected to devices and fittings so that strain relief was provided which would have prevented pull from being directly transmitted to joints or terminal screws:

On or about November 8, 2011, in the machine shop;

- a. The employer allowed employees to use a 25 foot electrical cord that was not provided strain relief.
- b. The employer allowed employees to operate a Warner & Swasey manual lathe with a electrical cable that was not provided strain relief.

Date By Which Violation Must be Abated: 05/11/2012
Proposed Penalty: \$ 0.00



Citation and Notification of Penalty


Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304

Citation 3 Item 4 Type of Violation: **Other**

29 CFR 1910.1200(h)(1): Employees were not provided information and training as specified in 29 CFR 1910.1200(h)(1) and (2) on hazardous chemicals in their work area at the time of their initial assignment and whenever a new hazard was introduced into their work area:

On or about November 8, 2011, throughout the facility; the employer did not ensure that the employees using oils, lubricants and other chemicals were trained in hazardous communication.

Date By Which Violation Must be Abated: 05/11/2012
Proposed Penalty: \$ 0.00



David A. Doucet
Area Director

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INVOICE/ DEBT COLLECTION NOTICE

Company Name: AWC Frac Valves Inc
Inspection Site: 11376 FM 2854, Conroe, TX 77304
Issuance Date: 05/07/2012

Summary of Penalties for Inspection Number 316065176

Citation 1, Serious	= \$	34000.00
Citation 2, Willful	= \$	70000.00
Citation 3, Other	= \$	1000.00
TOTAL PROPOSED PENALTIES	= \$	105000.00

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above or the amounts agreed to in an Informal Settlement Agreement following an Informal Conference. Make your check or money order payable to: "DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance.

OSHA does not agree to any restrictions or conditions put on any check or money order for less than the full amount due and will cash the check or money order as if these restrictions or conditions do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to 2 times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

Interest. Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is four percent (4%). Interest will accrue from the

date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

Delinquent Charges. A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

Administrative Costs. Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for second and subsequent demand letters sent in an attempt to collect the unpaid debt. Costs will not be assessed for first demand letters and payment default letters.



David A. Doucet
Area Director

5/7/2012

Date