



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590
May 27, 2022

REPLY TO ATTENTION OF
ECW-15J

VIA E-MAIL

Joseph Durio
Vice President of Land & General Counsel
Lambda Energy Resources, LLC
12012 Wickchester Ln, Suite 300
Houston, TX 77079
jdurio@lambdaenergyllc.com

Dear Mr. Durio:

Enclosed is a file-stamped Consent Agreement and Final Order (CAFO) regarding docket number SDWA-05-2022-0006. As indicated by the filing stamp on the first page of the CAFO, the CAFO was filed with the Regional Hearing Clerk on May 27, 2022.

Pursuant to the CAFO, Lambda Energy Resources, LLC must pay the civil penalty within 30 days of the effective date, May 27, 2022. The check with which you pay the civil penalty must display the case name: In the Matter of Lambda Energy Resources, LLC and the docket number SDWA-05-2022-0006.

Please direct any questions regarding this matter to Taylor Girouard of my staff at (312) 353-1394 or girouard.taylor@epa.gov. Alternatively, your attorney may contact Matthew Russo of EPA's Office of Regional Counsel at (312) 353-4410 or russo.matthew@epa.gov.

Sincerely,

Murphy,
Elizabeth
Elizabeth W. Murphy
Section 3 Supervisor
Water Enforcement and Compliance Assurance Branch
Enclosure

Digitally signed by
Murphy, Elizabeth
Date: 2022.04.21
09:59:51 -05'00'

cc: Ann Coyle, Regional Judicial Officer
Jason Mailloux, Michigan Department of Environment, Great Lakes, and Energy,
Sara L. Cunningham, Esq. Loomis, Ewert, Parsley, Davis & Gotting, P.C.,

slcunningham@loomislaw.com
Matthew Russo, Associate Regional Counsel, EPA
Taylor Girouard, EPA

Jurisdiction and Waiver of Right to Hearing

7. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

8. Respondent waives its rights to notice of EPA's proposal to issue this CAFO, to request a hearing as provided at 40 C.F.R. § 22.15(c) and Section 1423(c)(3) of SDWA, 42 U.S.C. § 300h-2(c)(3), any right to contest the allegations in this CAFO, and its right to appeal this CAFO.

Statutory and Regulatory Background

9. Section 1421 of SDWA, 42 U.S.C. § 300h, requires that the Administrator of EPA promulgate regulations, which shall include permitting requirements as well as inspection, monitoring, recordkeeping, and reporting requirements, for state underground injection control (UIC) programs to prevent underground injection which endangers drinking water sources.

10. Section 1421(d)(1) of SDWA, 42 U.S.C. § 300h(d)(1), defines "underground injection" as the subsurface emplacement of fluids by well injection and excludes the underground injection of natural gas for purposes of storage and the underground injection of fluids or propping agents (other than diesel fuels) pursuant to hydraulic fracturing operations related to oil, gas, or geothermal production activities.

11. Section 1421(d)(2) of SDWA, 42 U.S.C. § 300h(d)(2), provides that underground injection endangers drinking water sources if such injection may result in the presence in underground water which supplies or can reasonably be expected to supply any public water system of any contaminant, and if the presence of such contaminant may result in such system not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons.

12. Section 1422(c) of SDWA, 42 U.S.C. § 300h-1(c), provides that the Administrator for EPA shall prescribe UIC programs applicable to those states that have not obtained primary enforcement responsibility of their UIC programs (a concept called “primacy”) or do not have primacy for all types of wells.

13. Pursuant to Sections 1421 and 1422 of SDWA, 42 U.S.C. §§ 300h and 300h-1, EPA has promulgated UIC regulations at 40 C.F.R. Parts 124 and 144 through 148.

14. EPA administers and has primary enforcement responsibility of the UIC program in the State of Michigan. The UIC program for the State of Michigan is set forth at 40 C.F.R. Part 147, Subpart X, and consists of the UIC program requirements of 40 C.F.R. Parts 124, 144, 146, 148, and any additional requirements set forth in the remainder of Subpart X. Injection well owners and operators, and EPA shall comply with these requirements.

15. 40 C.F.R. § 144.1(g) provides that the UIC program regulates underground injection by six classes of wells and all owners or operators of these injection wells must be authorized either by permit or rule. Class II wells inject fluids which are brought to the surface in connection with natural gas storage operations, or conventional oil or natural gas production and may be commingled with waste waters from gas plants which are an integral part of production operations, unless those waters are classified as a hazardous waste at the time of injection; for enhanced recovery of oil or natural gas; and for storage of hydrocarbons which are liquid at standard temperature and pressure. 40 C.F.R. § 144.6(b)(1).

16. 40 C.F.R. § 144.11 further prohibits any underground injection, except into a well authorized by rule or by permit issued under the UIC program.

17. 40 C.F.R. § 144.51(a) provides that any UIC permittee must comply with all conditions of its permit. Any permit noncompliance constitutes a violation of SDWA, except that

the permittee need not comply with the provisions of its permit to the extent and for the duration such noncompliance is authorized in an emergency permit under 40 C.F.R. § 144.34.

18. Section 1423(a)(2) of SDWA, 42 U.S.C. § 300h-2(a)(2), provides that any person found to be in violation of any requirement of an applicable UIC program in a state that does not have primacy may be assessed a civil penalty and/or be subject to an order requiring compliance pursuant to Section 1423(c)(2) of SDWA, 42 U.S.C. § 300h-2(c)(2).

19. Under Section 1423(c)(2) of SDWA, 42 U.S.C. § 300h-2(c)(2), and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$11,803 for each day of violation, up to a maximum administrative penalty of \$295,088 for SDWA violations occurring after November 2, 2015, where penalties are assessed on or after December 23, 2020, and/or issue an order requiring compliance.

Factual Allegations and Alleged Violations

20. Respondent is a Delaware limited liability company registered to do business in Michigan, and as such, Respondent is a “person,” as that term is defined at Section 1401(12) of SDWA, 42 U.S.C. § 300f(12), and 40 C.F.R. § 144.3.

21. At all times relevant to this CAFO, Respondent was authorized to operate 42 Class II injection wells in Kalkaska, Missaukee, and Roscommon Counties, Michigan pursuant to the following permits (the Permits):

- a. EPA No. MI-113-2R-0059 “NORWICH UNIT 5-1L”
- b. EPA No. MI-113-2R-0031 “NORWICH UNIT 4-30”
- c. EPA No. MI-113-2R-0015 “NORWICH UNIT 4-19”
- d. EPA No. MI-113-2R-0013 “NORWICH UNIT 4-52”
- e. EPA No. MI-113-2R-0057 “NORWICH UNIT 4-86”
- f. EPA No. MI-113-2R-0022 “NORWICH UNIT 4-58”

- g. EPA No. MI-113-2R-0054 “NORWICH UNIT 5-39”
- h. EPA No. MI-113-2R-0023 “NORWICH UNIT 4-21”
- i. EPA No. MI-113-2R-0021 “NORWICH UNIT 4-38”
- j. EPA No. MI-113-2R-0056 “NORWICH UNIT 4-37”
- k. EPA No. MI-113-2R-0040 “NORWICH UNIT 5-5”
- l. EPA No. MI-113-2R-0005 “ENTERPRISE UNIT 2-1”
- m. EPA No. MI-113-2R-0037 “NORWICH UNIT 5-20”
- n. EPA No. MI-113-2R-0024 “NORWICH UNIT 4-24”
- o. EPA No. MI-113-2R-0025 “NORWICH UNIT 4-27”
- p. EPA No. MI-113-2R-0036 “NORWICH UNIT 5-2”
- q. EPA No. MI-113-2R-0027 “NORWICH UNIT 4-41”
- r. EPA No. MI-113-2R-0016 “NORWICH UNIT 4-10”
- s. EPA No. MI-113-2R-0030 “NORWICH UNIT 4-53”
- t. EPA No. MI-113-2R-0039 “NORWICH UNIT 5-4”
- u. EPA No. MI-113-2R-0038 “NORWICH UNIT 5-17”
- v. EPA No. MI-113-2R-0028 “NORWICH UNIT 4-89”
- w. EPA No. MI-113-2R-0019 “NORWICH UNIT 4-57”
- x. EPA No. MI-113-2R-0008 “ENTERPRISE UNIT 6-4”
- y. EPA No. MI-113-2R-0004 “ENTERPRISE UNIT 1-24”
- z. EPA No. MI-113-2R-0007 “ENTERPRISE UNIT 3-7”
- aa. EPA No. MI-113-2R-0003 “ENTERPRISE UNIT 1-13”
- bb. EPA No. MI-113-2R-0002 “NORWICH UNIT 5-19”
- cc. EPA No. MI-113-2R-0006 “ENTERPRISE UNIT 2-8”
- dd. EPA No. MI-113-2R-0014 “NORWICH UNIT 4-48”
- ee. EPA No. MI-113-2R-0062 “NORWICH UNIT TRACT 4-25”

- ff. EPA No. MI-113-2R-0065 “NORWICH UNIT 4-7”
- gg. EPA No. MI-143-2R-0001 “NORWICH UNIT 6-6”
- hh. EPA No. MI-143-2R-0008 “ENTERPRISE UNIT 11-3”
- ii. EPA No. MI-143-2R-0012 “NORWICH UNIT 6-5”
- jj. EPA No. MI-143-2R-0015 “NORWICH UNIT 6-2”
- kk. EPA No. MI-143-2R-0016 “NORWICH UNIT 6-13”
- ll. EPA No. MI-113-2R-0026 “NORWICH UNIT #4-55 HORNER, F S”
- mm. EPA No. MI-113-2R-0018 “NORWICH UNIT #4-9”
- nn. EPA No. MI-113-2R-0035 “NORWICH UNIT #5-3”
- oo. EPA No. MI-113-2R-0060 “NORWICH UNIT #9-8”
- pp. EPA No. MI-113-2R-0029 “NORWICH UNIT #6-8”

22. The Permits authorize the underground injection of salt water from production wells in the immediate surrounding area that are owned or operated by Respondent into the 42 injection wells, subject to the terms and conditions set forth in the Permits.

23. Salt water is a “fluid” and the subsurface emplacement of salt water through the wells is a “well injection.” 40 C.F.R. § 144.3.

24. At all times relevant to this CAFO, Respondent owned and operated wells in the State of Michigan and was thus subject to the UIC program requirements set forth at 40 C.F.R. Parts 124, 144, 146, 147 (Subpart X), and 148.

25. At all times relevant to this CAFO, Respondent did not apply for and obtain an emergency permit pursuant 40 C.F.R. § 144.34.

26. On January 1, 2018, Respondent purchased the 42 injection wells from Merit Energy Company.

27. On November 18, 2019, pursuant to Section 1445(b) of SDWA, 42 U.S.C. § 300j-4(b), and Part I (E)(6) of the Permits, an EPA credentialed inspector inspected four of Respondent's injection wells.

28. On December 30, 2019, EPA provided its report of the November 18, 2019 inspection to Respondent.

29. On February 20, 2020, EPA sent Respondent a Noncompliance Notification based on the findings of the inspection and a review of records for the four injection wells inspected. This notification requested a written response from Respondent within 30 days of receipt.

30. On March 17, 2020, EPA received from Respondent a written response to the February 20, 2020 Noncompliance Notification.

31. On May 20, 2020, EPA issued Respondent an Information Request pursuant to Section 1445(a) of SDWA, 42 U.S.C. § 300j-4(a), 40 C.F.R. §§ 144.17 and 144.51(h), and Part I (E)(6) of the Permits, to gather and submit to EPA information related to the Permits and operation and maintenance of some of the 42 injection wells described herein (the Information Request).

32. On September 18, 2020, EPA received Respondent's response to the Information Request.

33. On January 5, 2021, EPA issued a Notice of Violation and Opportunity to Confer and provided Respondent an opportunity to confer regarding the violations alleged in the letter.

34. On February 3, 2021, EPA received Respondent's written response to the Notice of Violation and Opportunity to Confer.

35. On March 26, 2021, EPA issued a follow-up letter responding to Respondent's comments in its February 3, 2021 written submission.

36. On May 11, 2021, EPA and Respondent discussed the potential violations.

37. Under 40 C.F.R. § 144.51(a) and Part I (E)(1) of the Permits, Respondent is required to comply with all conditions of the Permits and any noncompliance constitutes a violation of SDWA.

Count 1 – Failure to Accurately Record Annulus Pressure

38. The statements in Paragraphs 1 through 37 of this CAFO are hereby incorporated by reference as if set forth in full.

39. At all times relevant to this CAFO, Part II (B)(2)(d) or Section G (2)(d) of the Permits required Respondent to monitor and record annulus pressure at least weekly using calibrated gauges.

40. 40 C.F.R. § 144.51(j)(1) requires that samples and measurements taken for the purpose of monitoring be representative of the monitored activity.

41. Respondent stated in its response to the Information Request that operators would not use a gauge when conducting the weekly monitoring and would instead infer casing (annulus) pressure through audio/visual/olfactory (AVO) observations. Using the AVO methodology, operators would infer the annulus pressure to be 0 psi unless audio or visual observations were noted, which might lead operators to believe there may be integrity issues with the well.

42. Respondent stated in its response to the Information Request that the AVO method of monitoring was used before and has been used since Respondent assumed ownership of the Permits on January 1, 2018.

43. From January 2018 through September 2020, Respondent did not conduct weekly measurements of annulus pressure through the use of a calibrated gauge.

44. Respondent's failure to accurately monitor and record annulus pressure at least weekly using calibrated gauges is a violation of Part II (B)(2)(d) and Part III (A) or Section G (2)(d) and Attachment E of the Permits, the UIC regulations at 40 C.F.R. § 144.51(a), and SDWA.

Count 2 - Submission of Inaccurate Reports

45. The statements in Paragraphs 1 through 37 of this CAFO are hereby incorporated by reference as if set forth in full.

46. At all times relevant to this CAFO, Part II (B)(3)(a) or Section G (3)(a) of the Permits required Respondent to include weekly measurements of annulus pressure in annual reports submitted to EPA.

47. From January 2018 through September 2020, Respondent did not conduct weekly measurements of annulus pressure through the use of a calibrated gauge.

48. From January 2018 through September 2020, Respondent operated its wells on the assumption that annulus pressure would be 0 psi unless AVO observations during onsite visits indicated there may be integrity issues.

49. From January 2018 through September 2020, the annulus pressure values Respondent submitted in annual monitoring reports were based on AVO observations, not actual measurements taken with a calibrated gauge, and therefore, these submissions were not fully accurate.

50. Respondent's failure to accurately report weekly measurements of annulus pressure in annual reports submitted to EPA is a violation of Part II (B)(3)(a) and Part III (A) or

Section G (3)(a) and Attachment E of the Permits, the UIC regulations at 40 C.F.R. § 144.51(a), and SDWA.

Count 3 – Failure to Close Annulus on the Wells

51. The statements in Paragraphs 1 through 37 of this CAFO are hereby incorporated by reference as if set forth in full.

52. At all times relevant to this CAFO, Part I (E)(17) or Section E (21) of the Permits required the mechanical integrity of the wells to be established and maintained in accordance with 40 C.F.R. § 146.8.

53. At all times relevant to this CAFO, Part II (B)(1)(d) or Section G (1)(iv) of the Permits required the annulus between the tubing and the long string casing to be filled with a liquid designed to inhibit corrosion and the annulus liquid to be monitored in accordance with Part II (B)(2)(d) of the Permits.

54. During the November 18, 2019 inspection and in its response to the Information Request, Respondent stated that the annulus of certain of the wells was continuously kept open and vented to the atmosphere to allow AVO observations to be made in the field for monitoring.

55. Respondent's practice of continuously leaving the annulus or backside of the wells open to the atmosphere is not compliant with EPA requirements. Accurate changes in the annulus pressure in the wells cannot be monitored when the annulus is continuously open to the atmosphere, and the annulus liquid could be lost without being documented or tracked.

56. From January 2018 to September 2020, Respondent continuously left the annulus of the wells open and vented to the atmosphere.

57. Respondent's practice of continuously leaving the annulus open and vented to the atmosphere is a violation of Part I (E)(17) or Section E (21) and Part II (B)(1)(d) or Section G (1)(iv) of the Permits, the UIC regulations at 40 C.F.R. § 144.51(a), and SDWA.

Civil Penalty

58. Based upon the facts alleged in this CAFO, the factors listed in Section 1423(c)(4)(B) of SDWA, 42 U.S.C. 300h-2(c)(4)(B), and EPA's UIC Program Judicial and Administrative Order Settlement Penalty Policy (September 1993) (EPA's UIC Penalty Policy), EPA has determined that an appropriate civil penalty to settle this action is \$131,367.

59. Within 30 days after the effective date of this CAFO, Respondent must pay a \$131,367 civil penalty by electronic funds transfer, payable to "Treasurer, United States of America," and sent to:

Federal Reserve Bank of New York
ABA No. 021030004
Account No. 68010727
33 Liberty Street
New York, New York 10045

In the comment or description field of the electronic funds transfer, state Respondent's name and the docket number of this CAFO.

60. When Respondent pays the penalty or any portion thereof, Respondent must send a notice of payment that states Respondent's name and the docket number of this CAFO to EPA electronically, to the extent possible. Electronic submissions must be sent to the following addresses: girouard.taylor@epa.gov, R5WECA@epa.gov, and russo.matthew@epa.gov. If electronic submittal is not possible, the submissions must be made by certified mail (return receipt requested) and mailed to the following addresses:

Taylor Girouard (ECW-15J)
Water Enforcement and Compliance Assurance Branch

Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

Matthew Russo (C-14J)
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

Regional Hearing Clerk (E-19J)
U.S. Environmental Protection Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

61. This civil penalty is not deductible for federal tax purposes.
62. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, Respondent must pay the following on any amount overdue under this CAFO: interest accrued on any overdue amount from the date payment was due at a rate established by the Secretary of the Treasury pursuant to 26 U.S.C. § 6621(a)(2); the United States' enforcement expenses, including but not limited to attorneys' fees and costs incurred by the United States for collection proceedings; a handling charge fee each month that any portion of the penalty is more than 30 days past due; and up to 6% per year penalty on any principal amount 90 days past due.
63. If Respondent does not pay timely the civil penalty, EPA may request the United States Department of Justice bring an action to collect any unpaid portion of the penalty with interest, handling charges, nonpayment penalties, and the United States' enforcement expenses for the collection action under Section 1423(c)(7) of SDWA, 42 U.S.C. § 300h-2(c)(7). The validity, amount, and appropriateness of the civil penalty are not reviewable in a collection action.

64. This CAFO resolves Respondent's liability for federal civil penalties for only the violations alleged in this CAFO.

65. This CAFO constitutes a "previous violation" as that term is used in EPA's UIC Penalty Policy and to determine Respondent's "history of such violations" under Section 1423(c)(4)(B) of SDWA, 42 U.S.C. § 300h-2(c)(4)(B).

66. Each party agrees to bear its own costs and attorneys' fees in this action.

67. Except as provided in Paragraph 64, above, compliance with this CAFO will not be a defense to any actions subsequently commenced pursuant to federal law administered by EPA.

Compliance Requirements

68. As provided by Section 1423(c)(2) of SDWA, 42 U.S.C. § 300h-2(c)(2), Respondent shall, from the effective date of this Order:

- (i) Within 7 days of the effective date of this CAFO, close the annulus and ensure the annulus between the tubing and the long string casing is filled with a fluid capable of inhibiting corrosion at all injection wells retaining active Permits.
- (ii) Within 30 days of the effective date of this CAFO, use calibrated gauges for all monitoring required by active Permits and/or replace with new gauges as needed. Respondent shall also provide documentation of this change within 30 days of the effective date of this CAFO.
- (iii) For the 12 months following the effective date of this CAFO, submit to EPA copies of all records of monitoring information with its monthly reports required by active Permits. Reports and records of all monitoring information shall be postmarked no later than the 10th day of the month following the reporting period.

69. To the extent possible, Respondent must electronically submit all reports, notifications, documentation, submissions, and other correspondence required to be submitted by Paragraph 68 to EPA. If electronic submittal is not possible, the submissions must be made by certified mail (return receipt requested) to the enforcement officer and EPA attorney whose names and addresses are identified in Paragraph 60, above.

70. Respondent must provide all electronic documents submitted pursuant to Paragraph 68 in unsecured, accessible, searchable, format as a Portable Document Format (PDF) or electronic spreadsheet. Respondent must create a document index that clearly identifies any single electronic document that has been separated into multiple electronic files (because of size limitation or otherwise) and each component file that comprises the full document.

71. Reports, notifications, documentation, and submissions must be signed by a duly authorized representative of Respondent and shall include the following statement consistent with 40 C.F.R. § 144.32(d):

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. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

72. Respondent may not withhold information based on a claim that it is confidential. However, pursuant to 40 C.F.R. Part 2, Subpart B, Respondent may assert a claim of business confidentiality regarding any portion of the information submitted in response to this Order, as provided in 40 C.F.R. § 2.203 by placing on (or attaching to) the information, at the time it is submitted to EPA, a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as trade secret, proprietary, or company confidential. Allegedly confidential portions of otherwise non-confidential documents should be clearly identified by the business, and may be submitted separately to facilitate identification and handling by EPA. If the business desires confidential treatment only until a certain date or until the occurrence of a certain event, the notice should so state. The failure to furnish a confidentiality claim with your response may result in the information being made available to the public without further notice

to you. EPA's confidential business information (CBI) regulations are at 40 C.F.R. Part 2, Subpart B.

73. Respondent should segregate any personnel, medical, and similar files from their responses and include that information on a separate sheet(s) marked as "Personal Privacy Information." Disclosure of such information to the general public may constitute an invasion of privacy.

74. If Respondent finds at any time after submitting information that any portion of that information is false or incorrect, the signatory must notify EPA immediately. Knowingly submitting false information to EPA in response to this Order may subject Respondent to criminal prosecution under Section 1423(b) of SDWA, 42 U.S.C. § 300h-2(b), as well as 18 U.S.C. §§ 1001 and 1341.

75. Submissions required by Paragraph 68 shall be deemed submitted on the date they are sent electronically or on the date postmarked if sent by U.S. mail.

76. The information required to be submitted pursuant to Paragraph 68 is not subject to the approval requirements of the Paperwork Reduction Act of 1995, 44 U.S.C. § 3501 *et seq.*, because it seeks the collection of information by an agency from specific individuals or entities as part of an administrative action.

77. For purposes of the identification requirement in Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), and 26 C.F.R. § 162-21(b)(2), performance of Paragraph 68 is restitution, remediation, or required to come into compliance with the law.

78. EPA may use any information submitted in accordance with Paragraph 68 in support of an administrative, civil, or criminal action against Respondent.

79. EPA may terminate this Order at any time by written notice to Respondent.

80. Absent the notice described in Paragraph 79, Respondent may request in writing that EPA terminate this Order. With this request for termination, Respondent must submit to the EPA enforcement officer a written final report and certification of completion describing all actions taken to comply with all requirements of the compliance program in Paragraph 68. Respondent must include the certification language required under Paragraph 71. In response to the request for termination and written final report, EPA may require additional information, actions, or evidence from Respondent to show completion of the compliance requirements; EPA may pursue appropriate administrative or judicial action to require compliance with this Order; or EPA may accept the request for termination. This Order shall terminate on the date that EPA notifies Respondent in writing that EPA agrees with Respondent's request for termination.

General Provisions

81. The parties consent to service of this CAFO by e-mail at the following valid e-mail addresses: russo.matthew@epa.gov (for Complainant), and slcunningham@loomislaw.com and jdurio@lambdaenergyllc.com (for Respondent).

82. Violation of this CAFO shall be deemed a violation of SDWA for purposes of Section 1423(b) of SDWA, 42 U.S.C. § 300h-2(b).

83. This CAFO does not affect the rights of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law.

84. This CAFO does not affect Respondent's responsibility to comply with SDWA and other applicable federal, state, or local laws and permits.

85. The terms of this CAFO bind Respondent and its successors and assigns.

86. Each person signing this CAFO certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to the terms of this CAFO.

87. This CAFO constitutes the entire agreement between the parties.

88. The parties acknowledge and agree that final approval by EPA of this CAFO is subject to Section 1423(c)(3) of SDWA, 42 U.S.C. § 300h-2(c), which provides, among other procedural requirements, public notice and a reasonable opportunity to comment on any proposed penalty order.

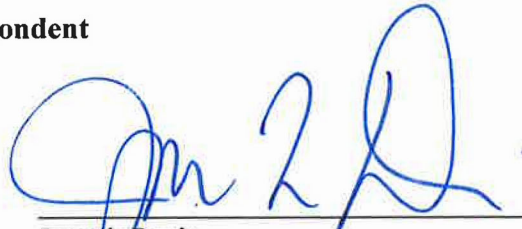
89. The parties acknowledge and agree that final approval by EPA of this CAFO is subject to 40 C.F.R. § 22.45(c)(4) which sets forth requirements under which a person not a party to this proceeding may petition to set aside a consent agreement and final order on the basis that material evidence was not considered.

90. Unless an appeal for judicial review is filed in accordance with Section 1423(c)(6) of SDWA, 42 U.S.C. § 300h-2(c)(6), or 40 C.F.R. § 22.45, this CAFO shall become effective 30 days after the date of issuance, which is the date that the Final Order contained in this CAFO is signed by the Regional Judicial Officer or Regional Administrator.

Consent Agreement and Final Order
In the Matter of: Lambda Energy Resources, LLC
Docket Number: SDWA-05-2022-0006

Lambda Energy Resources, LLC, Respondent

2/22/2022
Date



Joseph Durio
Vice President of Land
Lambda Energy Resources LLC

United States Environmental Protection Agency, Complainant

3/08/2022
Date

MICHAEL HARRIS


Michael D. Harris
Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5

Consent Agreement and Final Order
In the Matter of: Lambda Energy Resources, LLC
Docket Number: SDWA-05-2022-0006

Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective 30 days after issuance, unless an appeal for judicial review is filed in accordance with Section 1423(c)(6) of SDWA, 42 U.S.C. § 300h-2(c)(6), and 40 C.F.R. § 22.45(c)(4)(iii) or a petition is received pursuant to 40 C.F.R. § 22.45(c)(4)(ii). This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18, 22.31, and 22.45. IT IS SO ORDERED.

ANN COYLE Digitally signed by ANN COYLE
Date: 2022.04.26 15:35:33 -05'00'

Ann L. Coyle
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 5

Date: _____

Consent Agreement and Final Order
In the Matter of: Lambda Energy Resources, LLC
Docket Number: SDWA-05-2022-0006

Certificate of Service

I certify that I served a true and correct copy of the foregoing **Consent Agreement and Final Order**, docket number SDWA-05-2022-0006, which was filed on April 27, 2022, in the following manner to the following addresses:

Copy by e-mail to Respondent: Joseph Durio
jdurio@lambdaenergyllc.com

Copy by e-mail to Attorney for Complainant: Matthew Russo
russo.matthew@epa.gov

Copy by e-mail to Attorney for Respondent: Sara L. Cunningham
slcunningham@loomislaw.com

Copy by e-mail to Regional Judicial Officer: Ann Coyle
Coyle.ann@epa.gov

ISIDRA
MARTINEZ
Digitally signed by ISIDRA
MARTINEZ
Date: 2022.04.27
16:00:40 -05'00'

Isidra Martinez (signature and date)
Regional Hearing Clerk
U.S. Environmental Protection Agency
Region 5