



**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY
REGION 8**

1595 Wynkoop Street
Denver, CO 80202-1129
Phone 800-227-8917
www.epa.gov/region8



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

**Department of
Environmental Quality**

L. Scott Baird
Executive Director

DIVISION OF AIR QUALITY
Bryce C. Bird
Director

Ref: 8ENF-AT

July 15, 2020
10:36 AM

CERTIFIED MAIL NO.
RETURN RECEIPT REQUESTED

Received by
EPA Region VIII
Hearing Clerk

Ms. Laura London
US Air Compliance Manager
Ovintiv Production Inc.
4 Waterway Square Place, Suite 100
The Woodlands, Texas 77380

Corporation Service Company
Registered Agent, Ovintiv Production Inc.
15 West South Temple, Suite 600
Salt Lake City, Utah 84101

Re: Notice of Violation to Ovintiv Production Inc.

Dear Ms. London and Registered Agent:

The U.S. Environmental Protection Agency (EPA) and the Utah Department of Environmental Quality, Division of Air Quality (UDAQ) issue the enclosed Notice of Violation to Ovintiv Production Inc. (Ovintiv), formerly Newfield Production Company, for alleged violations at Ovintiv's oil and natural gas production operations located in the Uinta Basin.

The EPA and UDAQ jointly allege violations of Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution for which Construction, Modification or Reconstruction Commenced After August 23, 2011, and on or before September 18, 2015, 40 C.F.R. part 60, subpart OOOO (NSPS OOOO); or, Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015, 40 C.F.R. part 60, subpart OOOOa (NSPS OOOOa), or provisions of approval orders issued by the State of Utah pursuant to an EPA-approved permitting program at the following facilities: Bar F 1-20-3-2, Elmer 1-7-3-1WH, GMBU 2-36-8-15H, Larsen 2-29-3-2WH, Lejeune 1-17-3-2WH, Morrill 4-23-3-2WH, Mullins 11-14-3-2W, Murphy 2-31-3-2W, Murray 2-17-3-2, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, Ute Tribal 3-10-4-1E, Ute Tribal 5-9-4-1E, Ute Tribal 9-9-4-1E.

Separately, the UDAQ alleges violations of the state-enforceable air quality regulations for the following oil and gas industry at facilities under the State of Utah's jurisdiction: Bar F 1-20-3-2, Bruce 2-14-3-2, Elmer 1-7-3-1WH, Larsen 2-29-3-2WH, Lejeune 1-17-3-2WH, Morrill 4-23-3-2WH, Mullins 11-14-3-2W, Murray 2-17 3-2, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, Ute Tribal 3-10-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E. The EPA alleges violations of NSPS OOOO and NSPS OOOOa at the following facilities located on the Uintah and Ouray Indian Reservation: Keller 14-23-3-3, McKinnon 14-22-3-3, Oats 2-26-3-3, Thorne 4-21-3-2WH, and Toponotes 13-22-3-3H.

We are offering Ovintiv an opportunity to confer with the EPA and the UDAQ about the violations alleged in this Notice of Violation. The conference will provide an opportunity to present information on the specific alleged violations and any efforts Ovintiv has taken to comply or prevent future noncompliance. Within 20 days of receipt of this Notice, please provide a written response to this Notice of Violation to Jessica Portmess, Senior Assistant Regional Counsel, at Portmess.Jessica@epa.gov. If Ovintiv would like to schedule a meeting, please contact Jessica Portmess within 20 days of receipt of this Notice at (303) 312-7026 or Portmess.Jessica@epa.gov.

Sincerely,



07/13/2020

Bryce C. Bird, Director
Utah Department of Environmental Quality
Division of Air Quality

DATE

SUZANNE BOHAN

Digitally signed by SUZANNE
BOHAN
Date: 2020.07.14 15:37:30 -06'00'

Suzanne J. Bohan, Director
Enforcement and Compliance Assurance Division
EPA Region 8

DATE

Enclosures

Ecc (w/Encl.): Devin Koele, Senior Air Quality Specialist, Ovintiv Inc.

Jung Lee, Associate General Counsel & Director of Ovintiv Inc. Litigation & Compliance, Ovintiv Inc.

Jay Morris, Manager, Compliance Branch, Utah Division of Air Quality, UDEQ
Rik Ombach, Minor Source Compliance Branch Manager, Utah Division of Air Quality, UDEQ

Luke Duncan, Chairman, Ute Indian Tribe
Tony Small, Vice-Chairman, Ute Indian Tribe Vice-Chairman
Shaun Chappoose, Councilman, Ute Indian Tribe
Edred Secakuku, Councilman, Ute Indian Tribe
Ronald Wopsock, Councilman, Ute Indian Tribe
Sal Wopsock, Councilman, Ute Indian Tribe
Bruce Pargeets, Director, Ute Indian Tribe Energy & Minerals Department
Mike Natchees, Air Quality Program Director, Ute Tribe Energy & Minerals Department
Jeremy Patterson, Tribal Attorney, Fredericks Peebles & Morgan LLP

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

and

**UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY
UTAH DIVISION OF AIR QUALITY**

July 15, 2020

10:36 AM

Received by

EPA Region VIII

Hearing Clerk

IN THE MATTER OF:

NOTICE OF VIOLATION

Ovintiv Production Inc.

EPA Docket No. CAA-08-2020-0007

**4 Waterway Square Place, Suite 100
The Woodlands, TX 77380**

Proceedings Pursuant to
the Clean Air Act,
42 U.S.C. §§ 7401-7671q
and Utah Code, Title 19, Chapter 2

NOTICE OF VIOLATION

The U.S. Environmental Protection Agency and the Utah Department of Environmental Quality, Division of Air Quality (UDAQ), jointly allege that Ovintiv Production Inc. (Ovintiv), formerly Newfield Production Company (Newfield) has violated or is violating the Clean Air Act at oil and natural gas production operations located in the Uinta Basin. Specifically, the EPA and the UDAQ jointly allege Ovintiv has violated or is violating Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution for Which Construction, Modification or Reconstruction Commenced After August 23, 2011, and on or Before September 18, 2015, 40 C.F.R. part 60, subpart OOOO (NSPS OOOO); or, Standards of Performance for Crude Oil and Natural Gas Facilities for Which Construction, Modification or Reconstruction Commenced After September 18, 2015, 40 C.F.R. part 60, subpart OOOOa (NSPS OOOOa). The EPA and the UDAQ further jointly allege Ovintiv has violated or is violating federally enforceable provisions of approval orders issued by the State of Utah pursuant to an EPA-approved permitting program.

Separately, the UDAQ alleges violations of State-enforceable air quality regulations for the oil and gas industry at facilities under the State of Utah's jurisdiction, and the EPA alleges violations of NSPS OOOO and NSPS OOOOa at facilities located on the Uintah and Ouray Indian Reservation.

I. STATUTORY AND REGULATORY BACKGROUND

1. The Clean Air Act's purpose is "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population." 42 U.S.C. § 7401(b)(1).

New Source Performance Standards

2. Section 111(b) of the Clean Air Act authorizes the Administrator of the EPA to promulgate standards of performance applicable to “new sources” within categories of sources that cause “air pollution which may reasonably be anticipated to endanger public health or welfare.” 42 U.S.C. § 7411(b).

3. A “new source” is any stationary source, the construction or modification of which is commenced after the promulgation of the standards of performance that will apply to such source. 42 U.S.C. § 7411(a)(2).

4. A “stationary source” is a building, structure, facility, or installation that emits or may emit any air pollutant. 42 U.S.C. § 7411(a)(3).

5. In 1979, the EPA listed “Crude Oil and Natural Gas Production” as a source category that contributes significantly to air pollution and for which standards of performance would be established. 44 Fed. Reg. 49,222 (Aug. 21, 1979).

6. It is unlawful for owners or operators of any new source to operate in violation of applicable standards of performance after the standards have gone into effect. 42 U.S.C. § 7411(e).

40 C.F.R. Part 60, Subpart OOOO (NSPS OOOO)

7. In 2012, the EPA promulgated “Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution” under section 111 of the Clean Air Act. 77 Fed. Reg. 49,542 (Aug. 16, 2012). These standards are set forth in 40 C.F.R part 60, subpart OOOO, which includes 40 C.F.R. §§ 60.5360–5430.

8. Each of these standards is a “standard of performance” within the meaning of section 111(a)(1) of the Clean Air Act, 42 U.S.C. § 7411(a)(1), or a “design, equipment, work practice, or operational standard, or combination thereof” under section 111(h) of the Clean Air Act, 42 U.S.C. § 7411(h).

9. NSPS OOOO applies to “affected facilities” for which owners or operators commence construction, modification or reconstruction after August 23, 2011, and on or before September 18, 2015. 40 C.F.R. § 60.5365.

10. A “storage vessel affected facility” under NSPS OOOO includes a single storage vessel located in the natural gas production segment that has the potential for volatile organic compounds (VOC) emissions equal to or greater than 6 tons per year, as determined according to 40 C.F.R. § 60.5365(e).

11. NSPS OOOO requires “[a]t all times, including periods of startup, shutdown, and malfunction, owners and operators shall maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions.” 40 C.F.R. § 60.5370(b).

12. NSPS OOOO requires storage vessel affected facilities that utilize a control device to be equipped with a cover that meets the requirements of 40 C.F.R. § 60.5411(b) and is connected through a closed vent system that meets the requirements of § 60.5411(c), and emissions must be routed to a control device that meets the conditions specified in § 60.5412(c) and (d). 40 C.F.R. § 60.5395(e)(1).

13. Owners and operators must comply with the following requirements for covers on storage vessel affected facilities under NSPS OOOO:

a. The cover and all openings on the cover (e.g., access hatches and pressure relief valves) shall form a continuous impermeable barrier over the entire surface area of the liquid in the storage vessel. 40 C.F.R. § 60.5411(b)(1).

b. Each cover opening must be secured in a closed, sealed position whenever material is in the unit, except during those times specified in 40 C.F.R. § 60.5411(b)(2)(i)–(iv). 40 C.F.R. § 60.5411(b)(2).

c. Each storage vessel thief hatch must be equipped, maintained and operated with a weighted mechanism or equivalent, to ensure that the lid remains properly seated. 40 C.F.R. § 60.5411(b)(3).

14. Owners and operators must comply with the following requirements for closed vent systems associated with storage vessel affected facilities under NSPS OOOO:

a. Design the closed vent system to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements specified in § 60.5412(c) and (d), or to a process. 40 C.F.R. § 60.5411(c)(1).

b. Design and operate a closed vent system with no detectable emissions, as determined using olfactory, visual and auditory inspections. 40 C.F.R. § 60.5411(c)(2).

15. Owners and operators must comply with the following requirements for control devices to reduce emissions from storage vessel affected facilities under NSPS OOOO:

a. Ensure each enclosed combustion device is maintained in a leak free condition. 40 C.F.R. §§ 60.5412(d)(1)(i), 60.5413(e)(7).

b. Install and operate a continuous burning pilot flame. 40 C.F.R. §§ 60.5412(d)(1)(ii), 60.5413(e)(2).

c. Design and operate a flare in accordance with the requirements of 40 C.F.R. § 60.18. 40 C.F.R. § 60.5425.

d. Operate the control device with no visible emissions, except for periods not to exceed a total of one minute during any fifteen-minute period, as determined using EPA Method 22, 40 C.F.R. part 60, appendix A. 40 C.F.R. §§ 60.5412(d)(1)(iii), 60.5413(e)(3), 60.5417(h)(1)(ii), and Table 3 to NSPS OOOO.

e. Operate each control device used to comply with NSPS OOOO at all times when gases, vapors, and fumes are vented from storage vessel affected facilities through the closed vent system to the control device. 40 C.F.R. § 60.5412(d)(3).

16. For storage vessels constructed, modified, or reconstructed after August 23, 2011, and on or before April 12, 2013, owners and operators were required to submit a notification identifying each storage vessel affected facility in an initial annual report by July 14, 2015. The initial report must include documentation of the VOC emission rate determination and records of deviations in cases where the storage vessel affected facility was not operated in compliance with the requirements specified in 40 C.F.R. §§ 60.5395, 60.5411, 60.5412, and 60.5413, as applicable. 40 C.F.R. §§ 60.5410(h)(4), 60.5420(b), 60.5420(c)(5)(iii).

17. For storage vessels constructed, modified, or reconstructed after April 12, 2013 and on or before September 18, 2015, owners and operators must demonstrate initial compliance by April 15, 2014, or within 60 days after startup, whichever is later. Within 90 days after the end of the initial compliance period, owners and operators must submit an initial annual report that identifies the storage vessel affected facilities constructed, modified, or reconstructed during the reporting period and includes documentation of the VOC emission rate determination and records of deviations in cases where the storage vessel affected facility was not operated in compliance with the requirements specified in 40 C.F.R. §§ 60.5395, 60.5411, 60.5412, and 60.5413, as applicable. 40 C.F.R. §§ 60.5410(h)(4), 60.5420(b), 60.5420(c)(5)(iii).

18. After the initial report, owners and operators must submit annual reports identifying the storage vessel affected facilities constructed, modified, or reconstructed during the reporting period. Annual reports must include documentation of the VOC emission rate determination and records of deviations in cases where the storage vessel affected facility was not operated in compliance with the requirements specified in 40 C.F.R. §§ 60.5395, 60.5411, 60.5412, and 60.5413, as applicable. 40 C.F.R. §§ 60.5420(b)(6), 60.5420(c)(5)(iii).

40 C.F.R. Part 60, Subpart OOOOa (NSPS OOOOa)

19. In 2016, the EPA promulgated “Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification, or Reconstruction Commenced after September 18, 2015” under section 111 of the Clean Air Act. 81 Fed. Reg. 35,824 (June 3, 2016). These standards are set forth in 40 C.F.R part 60, subpart OOOOa, which includes

40 C.F.R. §§ 60.5360a–5432a (NSPS OOOOa).¹

20. Each of these standards is a “standard of performance” within the meaning of section 111(a)(1) of the Clean Air Act, 42 U.S.C. § 7411(a)(1), or a “design, equipment, work practice, or operational standard, or combination thereof” under section 111(h) of the Clean Air Act, 42 U.S.C. § 7411(h).

21. NSPS OOOOa applies to “affected facilities” for which owners or operators commence construction, modification or reconstruction after September 18, 2015. 40 C.F.R. § 60.5365a.

22. A “storage vessel affected facility” under NSPS OOOOa includes a single storage vessel that has the potential for VOC emissions equal to or greater than 6 tpy, as determined according to 40 C.F.R. § 60.5365a(e).

23. NSPS OOOOa requires “[a]t all times, including periods of startup, shutdown, and malfunction, owners and operators shall maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions.” 40 C.F.R. § 60.5370a(b).

24. NSPS OOOOa requires storage vessel affected facilities that utilize a control device to be equipped with a cover that meets the requirements of 40 C.F.R. § 60.5411a(b) and is connected through a closed vent system that meets the requirements of § 60.5411a(c) and (d), and emissions must be routed to a control device that meets the conditions specified in § 60.5412(c) and (d). 40 C.F.R. § 60.5395a(b)(1).

25. Owners and operators must comply with the following requirements for covers on storage vessel affected facilities under NSPS OOOOa:

a. The cover and all openings on the cover (e.g., access hatches and pressure relief valves) shall form a continuous impermeable barrier over the entire surface area of the liquid in the storage vessel. 40 C.F.R. § 60.5411a(b)(1).

b. Each cover opening must be secured in a closed, sealed position whenever material is in the unit, except during those times specified in 40 C.F.R. § 60.5411(b)(2)(i)–(iv). 40 C.F.R. § 60.5411a(b)(2).

c. Each storage vessel thief hatch must be equipped, maintained and operated with a weighted mechanism or equivalent, to ensure that the lid remains properly seated and sealed under normal operating conditions, including such times when working, standing/breathing, and flash emissions may be generated. 40 C.F.R. § 60.5411a(b)(3).

¹ Following promulgation of the 2016 final rule, the EPA granted reconsideration of fugitive emission requirements at well sites and compressor stations, well-site pneumatic pump standards, and the requirements for professional engineer certification of closed vent systems. 82 Fed. Reg. 25,730 (June 5, 2017); 83 Fed. Reg. 52,056 (Oct. 15, 2018). This reconsideration does not affect the allegations in this Notice of Violation.

26. Owners and operators must comply with the following requirements for closed vent systems associated with storage vessel affected facilities under NSPS OOOOa:

a. Design the closed vent system to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements specified in § 60.5412(c) and (d), or to a process. 40 C.F.R. § 60.5411a(c)(1).

b. Design and operate a closed vent system with no detectable emissions, as determined using olfactory, visual and auditory inspections. 40 C.F.R. § 60.5411a(c)(2).

27. Owners and operators must comply with the following requirements for control devices to reduce emissions from storage vessel affected facilities under NSPS OOOOa:

a. Reduce VOC emissions from storage vessel affected facilities by 95%. 40 C.F.R. § 60.5395a(a)(2).

b. Ensure each enclosed combustion device is maintained in a leak free condition. 40 C.F.R. §§ 60.5412a(d)(1)(i), 60.5413a(e)(7).

c. Install and operate a continuous burning pilot flame. 40 C.F.R. §§ 60.5412a(d)(1)(ii), 60.5413a(e)(2).

d. Design and operate a flare in accordance with the requirements of 40 C.F.R. § 60.18. 40 C.F.R. §§ 60.5412a(d)(3), 60.5425a.

e. Operate the control device with no visible emissions, except for periods not to exceed a total of one minute during any fifteen-minute period, as determined using EPA Method 22, 40 C.F.R. part 60, appendix A. 40 C.F.R. §§ 60.5412a(d)(1)(iii), 60.5413a(e)(3), 60.5417a(h)(1)(ii).

f. Operate each control device used to comply with NSPS OOOOa at all times when gases, vapors, and fumes are vented from storage vessel affected facilities through the closed vent system to the control device. 40 C.F.R. § 5412a(d)(4).

28. For each storage vessel affected facility, owners and operators must demonstrate initial compliance by August 2, 2016, or within 60 days after startup, whichever is later. Within 90 days after the end of the initial compliance period, owners and operators must submit an initial annual report that identifies the storage vessel affected facilities constructed, modified, or reconstructed during the reporting period, storage vessels removed from or returned to service during the reporting period, and includes documentation of the VOC emission rate determination and records of deviations in cases where the storage vessel affected facility was not operated in compliance with the requirements specified in 40 C.F.R. §§ 60.5395a, 60.5411a, 60.5412a, and 60.5413a, as applicable. Subsequent annual reports are due no later than same date each year as the initial annual report. 40 C.F.R. §§ 60.5410a(h)(5), 60.5420a(b), 60.5420a(c)(5)(iii).

Approval Orders

29. All potential sources of air pollution subject to the State of Utah's regulations must submit a notice of intent and receive an approval order from the State prior to initiation of construction, modification or relocation, unless exempt under the regulations. U.A.C. R307-401.

30. The EPA approved the State of Utah's notice of intent and approval order requirements into Utah's State Implementation Plan minor new source review program. 79 Fed. Reg. 7,072 (Feb. 6, 2014). Requirements in approval orders (AOs) are therefore federally enforceable. *See* 40 C.F.R. § 52.23.

31. The UDAQ issued AOs to Newfield, now Ovintiv, for several oil and natural gas production facilities in Utah. Relevant AO numbers are listed in Appendix B, Table 1, and were in effect at all times pertinent to this NOV.

32. The AOs identified in Appendix B, Table 1, for the Lejeune 1-17-3-2WH, Mullins 11-14-3-2W, Ranch 16-10-3-3-2WH, Ute Tribal 13-9-4-1E, and Ute Tribal 5-9-4-1E facilities require owners or operators of oil and natural gas production facilities to keep storage tank thief hatches closed and latched except during tank unloading or other maintenance activities. *See* Condition II.B.2.c of AO Nos. DAQE-AN151270002-17, DAQE-AN151730002-15, DAQE-AN151230002-15, DAQE-AN153580002-15, and DAQE-AN148670001-14.

33. The AOs identified in Appendix B, Table 1, for the Bar F 1-20-3-2 and Elmer 1-7-3-1WH facilities require an owner or operator to keep storage tank thief hatches and other tank openings closed and sealed except during tank unloading or other maintenance activities. *See* Condition II.B.2.c of AO No. DAQE-AN143530002-17 and Condition II.B.4.c of AO No. DAQE-AN157370002-17.

34. The AOs identified in Appendix B for Bar F 1-20-3-2, Elmer 1-7-3-1WH, Lejeune 1-17-3-2WH, Mullins 11-14-3-2W, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, and Ute Tribal 9-9-4-1E facilities require an owner or operator to route all gases, vapors, and fumes from oil storage tanks and produced water storage tanks to an operating combustor at all times after production startup. *See* Condition II.B.2.b of AO No. DAQE-AN143530002-17, Condition II.B.4.b of AO No. DAQE-AN157370002-17 and Condition II.B.3.a of AO Nos. DAQE-AN151270002-17, DAQE-AN151730002-15, DAQE-AN151230002-15,² DAQE-AN151350001-16, DAQE-AN153580002-15, and DAQE-AN151010001-15.

35. The AO identified in Appendix B for Elmer 1-7-3-1WH facility requires each combustor to operate with no visible emissions, as determined according to EPA Method 22. *See* Conditions II.B.2.b and II.B.2.b.1 of AO No. DAQE-AN157370002-17.

36. The AOs identified in Appendix B require owners/operators of oil and natural gas production facilities to operate equipment approved under an AO, including associated air

² The Ranch 16-10-3-3-2WH tank battery/facility is included in the AO issued for Dart 13-11-2-3-2WH.

pollution control equipment, in a manner consistent with good air pollution control practice for minimizing emissions. *See* Condition I.5 of AOs identified in Appendix B, Table 1.

State of Utah Air Quality Regulations for the Oil & Gas Industry

General Provisions

37. Effective December 2014, under Utah regulations, all oil and natural gas exploration, production, and transmission operations, and all well production facilities, must comply with general provisions for prevention of emissions and use of good air pollution control practices. U.A.C. R307-501.

38. “Well production facilities” include “all equipment at a single stationary source directly associated with one or more oil wells or gas wells. This equipment includes, but is not limited to, equipment used for production, extraction, recovery, lifting, stabilization, storage, separation, treating, dehydration, combustion, compression, pumping, metering, monitoring, and flowline.” U.A.C. R307-501-2(2).

39. Utah’s general provisions require the following:

a. “All crude oil, condensate, and intermediate hydrocarbon liquids collection, storage, processing and handling operations, regardless of size, shall be designed, operated and maintained so as to minimize emission of volatile organic compounds to the atmosphere to the extent reasonably practicable.” U.A.C. R307-501-4(1)(a).

b. “At all times, including periods of start-up, shutdown, and malfunction, the installation and air pollution control equipment shall be maintained and operated in a manner consistent with good air pollution control practices for minimizing emissions.” U.A.C. R307-501-4(1)(b).

c. “All air pollution control equipment shall be operated and maintained pursuant to the manufacturing specifications or equivalent to the extent practicable and consistent with technological limitations and good engineering and maintenance practices.” U.A.C. R307-501-4(2)(a).

40. “Installation” means a “discrete process with identifiable emissions which may be part of a larger industrial plant. Pollution equipment shall not be considered a separate installation or installations.” U.A.C. R307-101-2.

Permit-by-Rule

41. Effective March 5, 2018, well sites as defined by NSPS OOOOa, including “centralized tank batteries,” are not required to obtain AOs under Utah regulations if they are not major sources as defined by U.A.C. R307-101-2 and they are registered with the UDAQ as required by U.A.C. R307-505. U.A.C. R307-401-10(5).

42. R307-401-10(5) cites to the definition of the well site in 40 C.F.R. § 60.5430a. U.A.C. R307-401-10(5). A “well site” means “one or more surface sites that are constructed for the drilling and subsequent operation of any oil well, natural gas well, or injection well.” 40 C.F.R. § 60.5430a.

43. A “centralized tank battery” means a “separate tank battery surface site collecting crude oil, condensate, intermediate hydrocarbon liquids, or produced water from wells not located at the well site.” U.A.C. R307-506-2.

44. Owners or operators registering with the UDAQ under U.A.C. R307-505 must, among other things, certify that the registered facility is in compliance with U.A.C. R307-506 through R307-510. U.A.C. R307-505-3(4). These regulations are referred to collectively as a “permit-by-rule.”³

45. Thief hatches on storage vessels subject to U.A.C. R307-506 “shall be kept closed and latched except during vessel unloading or other maintenance activities.” U.A.C. R307-506-4(1).

46. VOC emissions from storage vessels in operation as of January 1, 2018, with a site-wide throughput of 8,000 barrels or greater of crude oil or 2,000 barrels or greater of condensate per year on a rolling 12-month basis must be routed to a process unit where the emissions are recycled, incorporated into a product or recovered, or be routed to a VOC control device that is in compliance with U.A.C. R307-508. U.A.C. R307-506-4(2). Storage vessels with combined, uncontrolled VOC emissions demonstrated to be less than 4 tons per year on a rolling 12-month basis are exempt from this requirement. U.A.C. R307-506-4(2)(b).

47. All storage vessels that begin operations on or after January 1, 2018, are required to control VOC emissions in accordance with U.A.C. R307-506-4(2)(a) upon startup of operation for a minimum of one year. U.A.C. R307-506-4(3).

48. VOC control devices required by U.A.C. R307-506 must, among other things, have a control efficiency of 95% or greater and operate with no visible emissions. U.A.C. R307-508-3(1).

49. The provisions referenced in Paragraphs 41 - 48 are enforceable only by the State of Utah.

³ On October 10, 2018 (a year after the “permit-by-rule” proposed date) U.A.C. R307-511 was added to the permit-by-rule regulations for certain facilities to be able to utilize the “permit-by-rule” process. U.A.C. R307-505-3(4) has not yet been amended to reflect the addition of R307-511.

II. FACTUAL BACKGROUND & FINDINGS OF VIOLATION

Factual Background

50. Ovintiv owns and operates oil and natural gas production facilities located on the Uintah and Ouray Indian Reservation and in the State of Utah.

51. On February 13, 2019, Newfield was acquired by Encana Corporation, which became Ovintiv Inc. through a corporate reorganization on January 24, 2020.

52. Newfield Production Company subsequently changed its name to Ovintiv Production, Inc.

53. Ovintiv is incorporated in the state of Texas and doing business in the state of Utah.

54. Ovintiv is a “person” within the meaning of section 302(e) of the Clean Air Act, 42 U.S.C. § 7602(e).

55. Oil and water produced from Ovintiv’s facilities are stored in produced oil and produced water storage vessels. Produced oil and produced water storage vessels are kept at or near atmospheric pressure.

56. When pressurized oil is transferred to atmospheric storage vessels, some of the hydrocarbons in the oil, including VOC and hazardous air pollutants, vaporize in a process commonly known as “flashing.” After flashing occurs, the oil continues to emit vapors due to liquid level changes and temperature fluctuations (commonly known as “working” and “standing” or “breathing” losses).

57. Vapors from storage vessels are captured and controlled through a series of pipes or vent lines that route vapors to a combustion device.

58. Ovintiv is the owner and operator of the oil and natural gas production facilities listed in Appendix A.

59. Based on information reported by Newfield (now Ovintiv) in its annual NSPS OOOO reports, storage vessels at the following Ovintiv oil and natural gas production facilities are subject to the requirements for storage vessel affected facilities in NSPS OOOO: Elmer 1-7-3-1WH, Larsen 2-29-3-2WH, Morrill 4-23-3-2WH, Ranch 16-10-3-3-2WH, and Thorne 4-21-3-2WH.

60. Based on well production data reported to the Utah Division of Oil, Gas and Mining (UDOGM), the EPA believes that storage vessels at the following Ovintiv oil and natural gas production facilities are subject to requirements for storage vessel affected facilities in NSPS OOOO: GMBU 2-36-8-15H, Lejeune 1-17-3-2WH, Mullins 11-14-3-2W, Ute Tribal 13-9-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E.

61. Based on information reported by Newfield (now Ovintiv) in its annual NSPS OOOOa reports, storage vessels at the following Ovintiv oil and natural gas production facilities are subject to requirements for storage vessel affected facilities in NSPS OOOOa: Keller 14-23-3-3, McKinnon 14-22-3-3, Murray 2-17-3-2, Oats 2-26-3-3, Thorne 4-21-3-2WH, and Toponotes 13-22-3-3H.

62. Based on well production data reported to the UDOGM, the EPA believes that storage vessels at the following Ovintiv oil and natural gas production facility is subject to requirements for storage vessel affected facilities in NSPS OOOOa: Bar F 1-20-3-2.

63. On June 25, 2018, the EPA conducted onsite inspections at five Ovintiv oil and natural gas production facilities in the Uinta Basin. Inspections were conducted jointly with the Ute Indian Tribal Air Program. Using olfactory, visual, and auditory (OVA) observations and an optical gas-imaging infrared camera (IR camera), the EPA observed vapors being emitted directly to the atmosphere from storage vessels at three of the five oil and natural gas production facilities inspected. *See Appendix A.*

64. At all three of the facilities with observed emissions referenced in Paragraph 63, emissions were detected from storage vessels that Newfield reported are subject to the requirements for storage vessel affected facilities in NSPS OOOOa: Keller 14-23-3-3, McKinnon 14-22-3-3, and Oats 2-26-3-3.

65. During the June 25, 2018 inspections, EPA inspectors noted that the combustor at Oats 2-26-3-3 was not operating. No pilot flame was present in the combustor, and no heat signature was observed from the combustor using the IR camera. A company representative relit the combustor while EPA inspectors were on site. He stated to EPA inspectors that the combustor shuts in when the temperature exceeds 1,800°F, and that he restarts the combustor at the Oats 2-26-3-3 well pad approximately three times per day.

66. In response to follow-up information requested by the EPA, Newfield submitted to the EPA a log of daily operator checks on the combustor at Oats 2-26-3-3 for the period of January 1, 2018 through August 13, 2018.⁴ According to the data in the log, the pilot on the combustor controlling the Oats 2-26-3-3-23-14-12H tank battery at the Oats 2-26-3-3 facility was relit by an operator during the daily check each day from June 25 through July 5, 2018.

67. During the June 25, 2018 inspections, EPA inspectors observed nearly continuous visible emissions (black smoke) from the combustors at Keller 14-23-3-3 and McKinnon 14-22-3-3. EPA inspectors performed a visible emissions test according to EPA Method 22 and noted visible emissions from the combustors in excess of one minute in a fifteen-minute period.

68. During the June 25, 2018 inspections, EPA inspectors noted intermittent visible emissions (black smoke) from the combustor at Toponotes 13-22-3-3H.

⁴ Email from James Woodall, Newfield Senior Air Quality Specialist, to Sara Loiacono, EPA Region 8, dated August 20, 2018.

69. The EPA provided Newfield with the inspection report from the June 25, 2018 inspections via email on August 24, 2018.

70. On July 29, July 31, and August 7, 2018, the EPA conducted inspections at fifteen Ovintiv oil and natural gas production facilities in the Uinta Basin. Using OVA observations and an IR camera, the EPA observed vapors being emitted directly to the atmosphere from storage vessels at nine of the fifteen oil and natural gas production facilities inspected. *See* Appendix A.

71. At at least five of the nine facilities with observed emissions referenced in Paragraph 70, emissions were detected from storage vessels subject to emissions control requirements of NSPS OOOO, NSPS OOOOa, or State of Utah AOs: Elmer 1-7-3-1WH, Lejeune 1-17-3-2WH, Bar F 1-20-3-2,⁵ Mullins 11-14-3-2W, and Thorne 4-21-3-2WH.

72. During the July 31, 2018 inspections, EPA inspectors observed visible emissions (black smoke) from control devices at Elmer 1-7-3-1WH and Thorne 4-21-3-2WH. EPA inspectors performed visible emissions tests according to EPA Method 22 and noted visible emissions from the flares at both facilities in excess of one minute in a fifteen-minute period.

73. During the August 7, 2018 inspections, using an IR camera, EPA inspectors observed a continuous, substantial emission stream from the separator stack and from a heater on a storage vessel at the GMBU 2-36-8-15H facility. The GMBU 2-36-8-15H facility is subject to requirements of a State of Utah AO.

74. The EPA provided Newfield with the inspection report from the July 29, July 31, and August 7, 2018 inspections via email on March 4, 2019.

75. On May 21 and May 23, 2019, the EPA conducted inspections at nineteen Ovintiv oil and natural gas production facilities in the Uinta Basin. Inspections were conducted jointly with the UDAQ for facilities under state jurisdiction. Using OVA observations and an IR camera, the EPA observed vapors being emitted directly to the atmosphere from storage vessels at two of the nineteen oil and natural gas production facilities inspected: Bruce 2-14-3-2 and Ranch 16-10-3-3-2WH. *See* Appendix A.

76. At the two facilities with observed emissions referenced in Paragraph 75, emissions were from storage vessels subject to emission control requirements of NSPS OOOO, State of Utah AOs, or Utah air quality regulations for the oil and gas industry.

77. During the May 21, 2019 inspections, EPA inspectors observed visible emissions (black smoke) from a control device at Bruce 2-14-3-2. EPA inspectors performed a visible emissions test according to EPA Method 22 and noted visible emissions from the flare in excess of one minute in a fifteen-minute period.

⁵ Bar F 1-20-3-2 was incorrectly called Morrill 4-23-3-2WHb in the inspection report.

78. During the May 23, 2019 inspections, EPA inspectors noted that the combustor at Ute Tribal 11-10-4-1E was not operating, as evidenced by the absence of a pilot flame. The Ute Tribal 11-10-4-1E facility is subject to requirements of a State of Utah AO.

79. The EPA provided Newfield with the inspection report from the May 21 and May 23, 2019 inspections via email on June 24, 2019.

80. On August 14 – 15, 2019, the EPA conducted inspections at ten Ovintiv oil and natural gas production facilities in the Uinta Basin. Inspections were conducted jointly with the UDAQ. Using OVA observations and an IR camera, the EPA observed vapors being emitted directly to the atmosphere from storage vessels at four of the ten oil and natural gas production facilities inspected. *See Appendix A.*

81. At all four of the facilities with observed emissions referenced in Paragraph 80, emissions were from storage vessels subject to emission control requirements of NSPS OOOO, NSPS OOOOa, or State of Utah AOs: Lejeune 1-17-3-2WH, Murray 2-17-3-2, Ute Tribal 13-9-4-1E, and Ute Tribal 5-9-4-1E.

82. During the August 15, 2019 inspections, EPA inspectors noted that the combustors at Ute Tribal 11-10-4-1E and Ute Tribal 9-9-4-1E were not operating, as evidenced by the absence of a pilot flame. The Ute Tribal 11-10-4-1E and Ute Tribal 9-9-4-1E facilities are subject to emission control requirements of State of Utah AOs.

83. During the August 15, 2019 inspections at Ute Tribal 3-10-4-1E and Ute Tribal 5-9-4-1E, EPA inspectors observed no heat signature on the combustor at either facility, and emissions were detected from the combustors using the IR camera. The Ute Tribal 3-10-4-1E and Ute Tribal 5-9-4-1E facilities are subject to emission control requirements of State of Utah AOs.

84. The EPA provided Newfield with the inspection report from the August 14 – 15, 2019 inspections via email on September 9, 2019.

Joint Alleged Violations by EPA and UDAQ

NSPS OOOO

85. Based on inspection findings, at the following two facilities, identified in Appendix B, Table 1, Ovintiv violated or continues to violate the storage vessel cover requirements of 40 C.F.R. § 60.5411(b) because the covers and all openings on the covers (e.g., access hatches and pressure relief valves) do not form a continuous impermeable barrier over the entire surface area of the liquid in the storage vessel, as required by 40 C.F.R. § 60.5411(b)(1), the storage vessel cover openings are not secured in a closed, sealed position, as required by 40 C.F.R. § 60.5411(b)(2), or the storage vessel thief hatches are not maintained and operated to ensure that the lid remains properly seated, as required by 40 C.F.R. § 60.5411(b)(3): Elmer 1-7-3-1WH and Ranch 16-10-3-3-2WH.

86. Based on inspection findings, at the following two facilities, identified in Appendix B, Table 1, Ovintiv violated or continues to violate the storage vessel closed vent

system requirements of 40 C.F.R. § 60.5411(c) because the closed vent systems are not designed to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements specified in § 60.5412(c) and (d), or to a process, as required by 40 C.F.R. § 60.5411(c)(1), or the closed vent systems are not designed and operated with no detectable emissions as determined using OVA inspections, as required by 40 C.F.R. § 60.5411(c)(2): Elmer 1-7-3-1WH and Ranch 16-10-3-3-2WH.

87. By failing to comply with the storage vessel cover requirements of 40 C.F.R. § 60.5411(b) and the storage vessel closed vent system requirements of 40 C.F.R. § 60.5411(c), Ovintiv has violated or continues to violate the standards for storage vessel affected facilities at 40 C.F.R. § 60.5395(e)(1). *See* Appendix B, Table 1.

88. Based on inspection findings, Ovintiv failed to operate the control device at Elmer 1-7-3-1WH with no visible emissions, except for periods not to exceed a total of one minute during any fifteen-minute period, as determined using EPA Method 22, 40 C.F.R. part 60, appendix A, in violation of the control device requirements for storage vessel affected facilities at 40 C.F.R. §§ 60.5412(d)(1)(iii) or 60.5413(e)(3), 60.5417(h)(1)(ii), and Table 3 to NSPS OOOO.

89. Based on inspection findings, at the following nine facilities, identified in Appendix B, Table 1, Ovintiv failed or continues to fail to maintain and operate its storage vessel affected facilities and associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions, in violation of the requirements at 40 C.F.R. § 60.5370(b): Elmer 1-7-3-1WH, Larsen 2-29-3-2WH, Lejeune 1-17-3-2WH, Morrill 4-23-3-2WH, Mullins 11-14-3-2W, Ranch 16-10-3-3-2WH, Ute Tribal 13-9-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E.

90. Ovintiv failed to submit initial or annual reports containing the required information for storage vessel affected facilities at the following six facilities, in violation of 40 C.F.R. § 60.5420(b): GMBU 2-36-8-15H, Lejeune 1-17-3-2WH, Mullins 11-14-3-2W, Ute Tribal 13-9-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E.

91. Each of the violations alleged in Paragraphs 85 - 90 are violations of section 111 of the Clean Air Act, 42 U.S.C. § 7411(e).

NSPS OOOOa

92. Based on inspection findings, at the following two facilities, identified in Appendix B, Table 1, Ovintiv violated or continues to violate the storage vessel cover requirements of 40 C.F.R. § 60.5411a(b) because the covers and all openings on the covers (e.g., access hatches and pressure relief valves) do not form a continuous impermeable barrier over the entire surface area of the liquid in the storage vessel, as required by 40 C.F.R. § 60.5411a(b)(1), the storage vessel cover openings are not secured in a closed, sealed position, as required by 40 C.F.R. § 60.5411a(b)(2), or the storage vessel thief hatches are not maintained and operated to ensure that the lid remains properly seated and sealed, including such times when working, standing/breathing, and flash emissions are generated, as required by 40 C.F.R. § 60.5411a(b)(3): Bar F 1-20-3-2 and Murray 2-17 3-2.

93. Based on inspection findings, at the following two facilities, identified in Appendix B, Table 1, Ovintiv violated or continues to violate the storage vessel closed vent system requirements of 40 C.F.R. § 60.5411a(c) because the closed vent systems are not designed to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements specified in § 60.5412a(c) and (d), or to a process, as required by 40 C.F.R. § 60.5411a(c)(1), and the closed vent systems are not designed and operated with no detectable emissions as determined using OVA inspections, as required by 40 C.F.R. § 60.5411a(c)(2): Bar F 1-20-3-2 and Murray 2-17 3-2.

94. By failing to comply with the storage vessel closed vent system requirements of 40 C.F.R. § 60.5411a(c)(2), Ovintiv has violated or continues to violate the VOC standards for storage vessel affected facilities at 40 C.F.R. § 60.5395a(b)(1). *See* Appendix B, Table 1.

95. Based on inspection findings, at the following two facilities, identified in Appendix B, Table 1, Ovintiv failed or continues to fail to maintain and operate its storage vessel affected facilities and associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions, in violation of the requirements at 40 C.F.R. § 60.5370a(b): Bar F 1-20-3-2 and Murray 2-17 3-2.

96. Ovintiv failed to submit initial or annual reports containing the required information for storage vessel affected facilities at the Bar F 1-20-3-2 facility, in violation of 40 C.F.R. § 60.5420a(b).

97. Each of the violations alleged in Paragraphs 92 - 96 are violations of section 111 of the Clean Air Act, 42 U.S.C. § 7411(e).

Utah Approval Orders

98. Based on inspection findings, at the following seven facilities, identified in Appendix B, Table 1, Ovintiv violated or continues to violate Condition II.B.2.c or II.B.4.c of AOs issued for those facilities, by failing to keep storage tank thief hatches closed and latched except during tank unloading or other maintenance activities: Bar F 1-20-3-2, Elmer 1-7-3-1WH, Lejeune 1-17-3-2WH, Mullins 11-14-3-2W, Ranch 16-10-3-3-2WH, Ute Tribal 13-9-4-1E, and Ute Tribal 5-9-4-1E.

99. Based on inspection findings, at the following eight facilities, identified in Appendix B, Table 1, Ovintiv violated or continues to violate Condition II.B.2.b, II.B.3.a or II.B.4.b of AOs issued for those facilities, by failing to route all gas/vapors from oil or produced water storage tanks to an operating combustor/flare: Bar F 1-20-3-2, Elmer 1-7-3-1WH, Lejeune 1-17-3-2WH, Mullins 11-14-3-2W, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, and Ute Tribal 9-9-4-1E.

100. Based on inspection findings, at the Elmer 1-7-3-1WH facility, Ovintiv violated or continues to violate Conditions II.B.2.b and II.B.2.b.1 of the AO issued for the facility, by failing to operate the combustor/flare with no visible emissions, as determined using EPA Method 22. *See* Appendix B, Table 1.

101. Based on inspection findings, at the following eleven facilities, identified in Appendix B, Table 1, Ovintiv violated or continues to violate Condition I.5 of the AOs issued for those facilities, by failing to operate equipment approved under an AO (oil storage tanks, produced water storage tanks, separators, heaters), including associated air pollution control equipment, in a manner consistent with good air pollution control practice for minimizing emissions: Bar F 1-20-3-2, Elmer 1-7-3-1WH, GMBU 2-36-8-15H, Lejeune 1-17-3-2WH, Mullins 11-14-3-2W, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, Ute Tribal 3-10-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E.

EPA-Only Alleged Violations – Facilities Located in Indian Country

NSPS 0000

102. Based on inspection findings, at the Thorne 4-21-3-2WH facility, Ovintiv failed or continues to fail to maintain and operate its storage vessel affected facilities and associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions, in violation of the requirements at 40 C.F.R. § 60.5370(b). *See* Appendix B, Table 2.

103. The violation alleged in Paragraph 102 is a violation of section 111 of the Clean Air Act, 42 U.S.C. § 7411(e).

NSPS 0000a

104. Based on inspection findings, at the following four facilities, identified in Appendix B, Table 2, Ovintiv violated or continues to violate the storage vessel cover requirements of 40 C.F.R. § 60.5411a(b) because the covers and all openings on the covers (e.g., access hatches and pressure relief valves) do not form a continuous impermeable barrier over the entire surface area of the liquid in the storage vessel, as required by 40 C.F.R. § 60.5411a(b)(1), the storage vessel cover openings are not secured in a closed, sealed position, as required by 40 C.F.R. § 60.5411a(b)(2), or the storage vessel thief hatches are not maintained and operated to ensure that the lid remains properly seated and sealed, including such times when working, standing/breathing, and flash emissions are generated, as required by 40 C.F.R. § 60.5411a(b)(3): Keller 14-23-3-3, McKinnon 14-22-3-3, Oats 2-26-3-3, Thorne 4-21-3-2WH.

105. Based on inspection findings, at the following four facilities, identified in Appendix B, Table 2, Ovintiv violated or continues to violate the storage vessel closed vent system requirements of 40 C.F.R. § 60.5411a(c) because the closed vent systems are not designed to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements specified in 40 C.F.R. § 60.5412a(c) and (d), or to a process, as required by 40 C.F.R. § 60.5411a(c)(1), and the closed vent systems are not designed and operated with no detectable emissions as determined using OVA inspections, as required by 40 C.F.R. § 60.5411a(c)(2): Keller 14-23-3-3, McKinnon 14-22-3-3, Oats 2-26-3-3, Thorne 4-21-3-2WH.

106. By failing to comply with the storage vessel closed vent system requirements of 40 C.F.R. § 60.5411a(c)(2), Ovintiv has violated or continues to violate the VOC standards for storage vessel affected facilities at 40 C.F.R. § 60.5395a(b)(1). *See* Appendix B, Table 2.

107. Based on inspection findings, Ovintiv failed to operate a continuous burning pilot flame in the combustor at the the Oats 2-26-3-3 facility, in violation of the control device requirements for storage vessel affected facilities at 40 C.F.R. §§ 60.5412a(d)(1)(ii) or 60.5413a(e)(2). *See* Appendix B, Table 2.

108. By failing to operate control devices at the following three facilities, identified in Appendix B, Table 2, with no visible emissions for a period exceeding one minute in a fifteen-minute period, as determined using EPA Method 22, Ovintiv violated the storage vessel control device requirements at 40 C.F.R. §§ 60.5412a(d)(1)(iii) or 60.5413a(e)(3) and 60.5417a(h)(1)(ii): Keller 14-23-3-3, McKinnon 14-22-3-3, and Thorne 4-21-3-2WH.

109. Based on inspection findings, at the following five facilities, identified in Appendix B, Table 2, Ovintiv failed or continues to fail to maintain and operate its storage vessel affected facilities and associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions, in violation of the requirements at 40 C.F.R. § 60.5370a(b): Keller 14-23-2-2, McKinnon 14-22-3-3, Oats 2-26-3-3, Thorne 4-21-3-2WH, and Toponotes 13-22-3-3H.

110. Each of the violations alleged in Paragraphs 104 - 109 are violations of section 111 of the Clean Air Act, 42 U.S.C. § 7411(e).

UDAQ-Only Alleged Violations

Utah Air Quality Regulations for the Oil and Gas Industry

111. The following Ovintiv facilities, identified in Appendix B, Table 3, are considered well production facilities, as defined at U.A.C. R307-501-2(2) and are subject to U.A.C. R307-501-1 through R307-501-4: Bar F 1-20-3-2, Bruce 2-14-3-2, Elmer 1-7-3-1WH, GMBU 2-36-8-15H, Larsen 2-29-3-2WH, Lejeune 1-17-3-2WH, Morrill 4-23-3-2WH, Mullins 11-14-3-2W, Murray 2-17 3-2, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, Ute Tribal 3-10-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E.

112. Based on inspection findings, at the following fourteen facilities, identified in Appendix B, Table 3, Ovintiv violated or continues to violate U.A.C. R307-501-4(1), by failing to minimize emissions of VOC to the atmosphere to the extent reasonably practicable: Bar F 1-20-3-2, Bruce 2-14-3-2, Elmer 1-7-3-1WH, Larsen 2-29-3-2WH, Lejeune 1-17-3-2WH, Morrill 4-23-3-2WH, Mullins 11-14-3-2W, Murray 2-17 3-2, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, Ute Tribal 3-10-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E.

113. Based on inspection findings, at the following fifteen facilities, identified in Appendix B, Table 3, Ovintiv violated or continues to violate U.A.C. R307-501-4(1)(b), by failing to maintain and operate the installation or air pollution control equipment in a manner consistent with good air pollution control practices for minimizing emissions: Bar F 1-20-3-2,

Bruce 2-14-3-2, Elmer 1-7-3-1WH, GMBU 2-36-8-15H, Larsen 2-29-3-2WH, Lejeune 1-17-3-2WH, Morrill 4-23-3-2WH, Mullins 11-14-3-2W, Murray 2-17 3-2, Ranch 16-10-3-3-2WH, Ute Tribal 11-10-4-1E, Ute Tribal 13-9-4-1E, Ute Tribal 3-10-4-1E, Ute Tribal 5-9-4-1E, and Ute Tribal 9-9-4-1E.

114. Based on inspection findings, at the Bruce 2-14-3-2 facility, identified in Appendix B, Table 3, Orintiv violated or continues to violate U.A.C. R307-501-4(2)(a), by failing to operate and maintain air pollution control equipment pursuant to manufacturing specifications or equivalent to the extent practicable and consistent with technological limitations and good engineering and maintenance practices. *See* Appendix B, Table 3.

115. Orintiv's Morrill 4-23-3-2WH and Murray 2-17 3-2 facilities are registered under Utah's permit-by-rule and are subject to the requirements for storage vessels at U.A.C. R307-506-4(1).

116. Orintiv's Murray 2-17 3-2 facility is registered under Utah's permit-by-rule (PBR 3057). According to information submitted in the registration and production data reported to the UDOGM, the site-wide throughput is greater than or equal to 8,000 barrels of crude oil per year on a rolling 12-month basis; therefore, the storage vessels at Murray 2-17 3-2 are subject to the VOC emissions control requirements at U.A.C. R307-506-4(2)(a).

117. Orintiv's Bruce 2-14-3-2 facility is registered under Utah's permit-by-rule (PBR 8024). According to information submitted in the registration, the facility began operations on April 4, 2019; therefore, pursuant to U.A.C. R307-506-4(3), the storage vessels at Bruce 2-14-3-2 are required to control VOC emissions in accordance with U.A.C. R307-506-4(2)(a) upon startup of operation for a minimum of one year. The control device at Bruce 2-14 3-2 is subject to the requirements for VOC control devices at U.A.C. R307-508-1 through R307-508-4.

118. Based on inspection findings, Orintiv violated or continues to violate U.A.C. R307-506-4(1) at the Morrill 4-23-3-2WH and Murray 2-17 3-2 facilities by failing to keep thief hatches closed and latched except during vessel unloading or other maintenance activities. *See* Appendix B, Table 3.

119. Based on inspection findings, Orintiv violated or continues to violate U.A.C. R307-506-4(2) at the Bruce 2-14-3-2 and Murray 2-17 3-2 facilities by failing to route VOC emissions from storage vessels to a process unit or to a VOC control device. *See* Appendix B, Table 3.

120. Based on inspection findings, Orintiv violated or continues to violate U.A.C. R307-508-3(1)(a) at the Bruce 2-14-3-2 facility by failing to operate the control device with no visible emissions. *See* Appendix B, Table 3.

III. ENFORCEMENT AUTHORITY

121. Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3), provides that whenever, on the basis of any information available to the EPA Administrator, the Administrator finds that any person has violated, or is in violation of, any requirement of prohibition of an applicable implementation plan, the Administrator may issue an order requiring such person

comply with the requirements or prohibition of such plan, issue an administrative penalty order in accordance with section 113(d) of the Act, or bring a civil action in accordance with section 113(b) of the Act for injunctive relief or civil penalties.

122. Section 19-2-107(a)(xiii) of the Utah Code authorizes the Director of the UDAQ (subject to the provisions of the Utah Air Conservation Act) to enforce rules through the issuance of orders, including: (A) prohibiting or abating discharges of wastes affecting ambient air; (B) requiring the construction of new control facilities or any parts of new control facilities or the modification, extension, or alteration of existing control facilities or any parts of new control facilities; or (C) adopting other remedial measures to prevent, control, or abate air pollution

a. Section 19-2-110(1) of the Utah Code provides that whenever the Director “has reason to believe that a violation of any provision of this chapter [Utah Air Conservation Act, Title 19, Chapter 2] or any rule issued under it has occurred, the director may serve a written notice of the violation upon the alleged violator.”

b. For the UDAQ-only alleged violations, civil penalties may be imposed under Section 19-2-115(2)(a) of the Utah Code. Declaratory and injunctive relief may be sought under Section 19-2-116 of the Utah Code.

123. The issuance of this Notice of Violation does not in any way limit or preclude the EPA or the UDAQ from pursuing additional enforcement options concerning inspections or review referenced in this Notice of Violation. Also, this Notice of Violation does not preclude enforcement action for violations not specifically addressed in this Notice of Violation.

Date Issued: _____

**SUZANNE
BOHAN**

 Digitally signed by SUZANNE
BOHAN
Date: 2020.07.15 09:22:51 -06'00'

Suzanne J. Bohan, Director
Enforcement and Compliance Assurance
Division

Date Issued: 07/13/2020



Bryce Bird, Director
Utah Division of Air Quality
Utah Department of Environmental Quality

Appendix A: 2018 - 2019 Inspection Observations at Ovintiv Oil and Gas Production Facilities

Facility Name	Latitude	Longitude	UDAQ Site ID	Storage Vessel Emissions Observed	Control Device Not Operating	Visible Emissions from Control Device	Other Emissions Observed
Bar F 1-20-3-2	40.2021	-110.1267	14353	July 2018			
Bruce 2-14-3-2	40.2287293	-110.073539	N/A ^a	May 2019		May 2019	
GMBU 2-36-8-15H	40.07849241	-110.17855955	15160				August 2018
Elmer 1-7-3-1WH	40.24305616	-110.0316204	15737	July 2018		July 2018	
Keller 14-23-3-3	40.20105	-110.19317	N/A ^b	June 2018		June 2018	
Larsen 2-29-3-2WH	40.19791856	-110.1327785	N/A ^a	July 2018			
Lejeune 1-17-3-2WH	40.22926494	-110.1293413	15127	July 2018 August 2019			
McKinnon 14-22-3-3	40.20073	-110.21028	N/A ^b	June 2018		June 2018	
Morrill 4-23-3-2WH	40.21460414	-110.0817902	N/A ^a	July 2018			
Mullins 11-14-3-2W	40.22175427	-110.0811949	15173	July 2018			
Murphy 2-31-3-2W	40.18382206	-110.1521037	N/A ^a	July 2018			
Murray 2-17-3-2	40.22872	-110.1292	N/A ^a	August 2019			
Oats 2-26-3-3	40.19964	-110.18553	N/A ^b	June 2018	June 2018		
Ranch 16-10-3-3-2WH	40.228786	-110.085114	N/A ^b	May 2019			
State 2-36-8-15	40.08048121	-110.1789813	N/A ^a	August 2018			
Thorne 4-21-3-2WH	40.21399673	-110.1192859	N/A ^b	July 2018		July 2018	
Toponotes 13-22-3-3H	40.201215	-110.217453	N/A ^b			June 2018	
Ute Tribal 11-10-4-1E	40.147243	-109.871071	15135		May 2019 August 2019		
Ute Tribal 13-9-4-1E	40.14409722	-109.8949833	15358	August 2019			
Ute Tribal 3-10-4-1E	40.155	-109.8719	15496				August 2019
Ute Tribal 5-9-4-1E	40.14977	-109.89479	14867	August 2019			August 2019
Ute Tribal 9-9-4-1E	40.14537	-109.87993	15101		August 2019		

^a Not applicable – facility registered under Utah’s Permit-By-Rule.

^b Not applicable – facility in Indian country.

Appendix B: Alleged Violations at Oventiv Oil and Gas Production Facilities

Table 1: Joint Alleged Violations by EPA and UDAQ (continued on p. B-2)

Facility Name	NSPS OOOO				NSPS OOOOa				State of Utah AOs	
	Cover and CVS Requirements for Storage Vessels [40 C.F.R. §§ 60.5411(b) and (c); 60.5395(e)(1)]	Control Device Requirements for Storage Vessels [40 C.F.R. §§ 60.5412(d); 60.5413(e); 60.5417(h); Table 3 to NSPS OOOO]	Good Air Pollution Control Practice [40 C.F.R. § 60.5370(b)]	Reporting Requirements for Storage Vessel Affected Facilities [40 C.F.R. § 60.5420(b)]	Cover and CVS Requirements for Storage Vessels [40 C.F.R. §§ 60.5411a(b) and (c); 60.5395a(b)(1)]	Control Device Requirements for Storage Vessels [40 C.F.R. §§ 60.5412a(d); 60.5413a(e); 60.5417a(h)]	Good Air Pollution Control Practice [40 C.F.R. § 60.5370a(b)]	Reporting Requirements for Storage Vessel Affected Facilities [40 C.F.R. § 60.5420s(b)]	AO Number	AO ¶
Bar F 1-20-3-2					X		X	X	DAQE-AN143530002-17	1.5, II.B.2.b, II.B.2.c
Elmer 1-7-3-1WH	X	X	X						DAQE-AN157370002-17	1.5, II.B.4.b, II.B.4.c, II.B.2.b, II.B.2.b.1
GMBU 2-36-8-15H				X					DAQE-AN151600002-16	1.5
Larsen 2-29-3-2WH			X						N/A ^a	
Lejeune 1-17-3-2WH			X	X					DAQE-AN151270002-17	1.5, II.B.2.c, II.B.3.a
Morrill 4-23-3-2WH			X						N/A ^a	
Mullins 11-14-3-2W			X	X					DAQE-AN151730002-15	1.5, II.B.2.c, II.B.3.a
Murray 2-17-3-2					X		X		N/A ^a	
Ranch 16-10-3-3-2WH	X		X						DAQE-AN151230002-15	1.5, II.B.2.c, II.B.3.a

^a Not applicable – facility registered under Utah’s Permit-By-Rule.

Appendix B: Alleged Violations at Oventiv Oil and Gas Production Facilities

Table 1: Joint Alleged Violations by EPA and UDAQ (continued from page B-1)

Facility Name	NSPS OOOO			NSPS OOOOa				State of Utah AOs		
	Cover and CVS Requirements for Storage Vessels [40 C.F.R. §§ 60.5411(b) and (c); 60.5395(e)(1)]	Control Device Requirements for Storage Vessels [40 C.F.R. §§ 60.5412(d); 60.5413(e); 60.5417(h); Table 3 to NSPS OOOO]	Good Air Pollution Control Practice [40 C.F.R. § 60.5370(b)]	Reporting Requirements for Storage Vessel Affected Facilities [40 C.F.R. § 60.5420(b)]	Cover and CVS Requirements for Storage Vessels [40 C.F.R. §§ 60.5411a(b) and (c); 60.5395a(b)(1)]	Control Device Requirements for Storage Vessels [40 C.F.R. §§ 60.5412a(d); 60.5413a(e); 60.5417a(h)]	Good Air Pollution Control Practice [40 C.F.R. § 60.5370a(b)]	Reporting Requirements for Storage Vessel Affected Facilities [40 C.F.R. § 60.5420s(b)]	AO Number	AO ¶
Ute Tribal 11-10-4-1E									DAQE-AN151350001-16	1.5, II.B.3.a
Ute Tribal 13-9-4-1E			X	X					DAQE-AN153580002-15	1.5, II.B.2.c, II.B.3.a
Ute Tribal 3-10-4-1E									DAQE-AN154960001-16	1.5
Ute Tribal 5-9-4-1E			X	X					DAQE-AN148670001-14	1.5, II.B.2.c
Ute Tribal 9-9-4-1E			X	X					DAQE-AN151010001-15	1.5, II.B.3.a

Appendix B: Alleged Violations at Ovintiv Oil and Gas Production Facilities

Table 2: EPA-Only Alleged Violations

Facility Name	NSPS OOOO			NSPS OOOOa		
	Cover and CVS Requirements for Storage Vessels [40 C.F.R. §§ 60.5411(b) and (c); 60.5395(e)(1)]	Control Device Requirements for Storage Vessels [40 C.F.R. §§ 60.5412(d); 60.5413(e); 60.5417(h); Table 3 to NSPS OOOO]	Good Air Pollution Control Practice [40 C.F.R. § 60.5370(b)]	Cover and CVS Requirements for Storage Vessels [40 C.F.R. §§ 60.5411a(b) and (c); 60.5395a(b)(1)]	Control Device Requirements for Storage Vessels [40 C.F.R. §§ 60.5412a(d); 60.5413a(e); 60.5417a(h)]	Good Air Pollution Control Practice [40 C.F.R. § 60.5370a(b)]
Keller 14-23-3-3				X	X	X
McKinnon 14-22-3-3				X	X	X
Oats 2-26-3-3				X	X	X
Thorne 4-21-3-2WH			X	X	X	X
Toponotes 13-22-3-3H						X

Appendix B: Alleged Violations at Overtiv Oil and Gas Production Facilities

Table 3: UDAQ-Only Alleged Violations

Facility Name	PBR Registration Number	R307-501-4(1)(a)	R307-501-4(1)(b)	R307-501-4(2)(a)	R307-506-4(1)	R307-506-4(2)	R307-508-3(1)(a)
Bar F 1-20-3-2	N/A	X	X				
Bruce 2-14-3-2	PBR8024	X	X	X		X	X
Elmer 1-7-3-1WH	N/A	X	X				
GMBU 2-36-8-15H	N/A		X				
Larsen 2-29-3-2WH	PBR3939	X	X				
Lejeune 1-17-3-2WH	N/A	X	X				
Morrill 4-23-3-2WH	PBR3055	X	X		X		
Mullins 11-14-3-2W	N/A	X	X				
Murray 2-17 3-2	PBR3057	X	X		X	X	
Ranch 16-10-3-3-2WH	N/A	X	X				
Ute Tribal 11-10-4-1E	N/A	X	X				
Ute Tribal 13-9-4-1E	N/A	X	X				
Ute Tribal 3-10-4-1E	N/A	X	X				
Ute Tribal 5-9-4-1E	N/A	X	X				
Ute Tribal 9-9-4-1E	N/A	X	X				