



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

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2017 APR 11 PM 12:45

APR 7 - 2017

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Ref: 8ENF-L

CERTIFIED MAIL # 7012 2210 0000 5367 6415
RETURN RECEIPT REQUESTED

Mr. Kerry W. Smith, President
Monument Global Resources, Inc.
12160 Abrams Rd, Suite 610
Dallas, Texas 75243-4533

Re: Final Administrative Order for Compliance; In the Matter of Monument Global Resources, Inc. and Kerry W. Smith, Respondents (EPA Docket No. SDWA-08-2017-0007)

Dear Mr. Smith:

Enclosed is a Final Administrative Order for Compliance (Final Order) in the matter of Monument Global Resources, Inc. and Kerry W. Smith, Respondents (EPA Docket No. SDWA-08-2017-0007) issued pursuant to section 1423(c)(2) of the Safe Drinking Water Act (Act), 42 U.S.C. § 300h-2(c)(2).

As the Final Order indicates, on December 27, 2016, the United States Environmental Protection Agency issued a Proposed Administrative Order for Compliance (Order) to Respondents in this matter, which Respondents received on January 11, 2017. Paragraph 51 of the Order advised that the EPA would provide public notice and an opportunity to comment on the Order prior to issuing the Final Order, and notified Respondents of their opportunity to request a hearing on the Order within thirty (30) calendar days of the date the Order was received by Respondents. We did not receive a request for a hearing or any comments on the Order.

The Order describes the actions that Respondents must take in order to achieve compliance with the Act and its implementing UIC regulations. Specifically, within thirty (30) days of the effective date of the enclosed Final Order, Respondents must plug and abandon the Cache 15 Well in accordance with the previously approved plugging and abandonment plan for the well, or as otherwise authorized in writing by the EPA; complete and submit the plugging record required by 40 C.F.R. § 144.28(k) to the EPA within fourteen (14) calendar days of completing the plugging and abandonment of the Cache 15 Well; and continue to cease, upon the effective date of the enclosed Final Order, injection of fluids into the Cache 15 Well.

The Act allows Respondents, or any person who commented on the Order, to file an appeal of the Final Order with the United States District Court for the District of Columbia or the district in which the violation is alleged to have occurred. Such an appeal may only be filed within the 30-day period beginning on the date the Final Order is issued. If Respondents file an appeal, a copy of the appeal must be sent by certified mail simultaneously to the Administrator of the EPA and to the U.S. Attorney General.

Sections 1423(b) and (c) of the Act, 42 U.S.C. § 300h-2(b) and (c), authorize the EPA to bring a judicial or administrative action to recover civil penalties for violations specified in those statutory provisions. The issuance of the enclosed Final Order does not preclude the EPA from subsequently initiating a judicial or administrative action against Respondents to recover penalties for the violations that are the subject of the Order and Final Order or for any other violations of the Act or the UIC regulations subject to statutory civil penalties. Violations of the Final Order after its effective date, or the date of final judgment in the event of an appeal under section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6), may also subject Respondents, pursuant to Section 1423(b) of the Act, 42 U.S.C. § 300h-2(b), to (1) civil penalties of no more than \$53,907 for each day of violation, and (2) if such violation is willful, in addition to or in lieu of a civil penalty, to imprisonment for not more than 3 years, or a fine in accordance with Title 18, or both. The EPA also has the authority to ask a court to order Respondents to comply with the requirements set forth in the Order and Final Order.

If you have any questions relating to technical issues raised in this letter or the enclosed Order, please contact Gary Wang at (303) 312-6953, or at wang.gary@epa.gov. Please direct questions of a legal nature to Sheldon Muller, Senior Attorney, at (303) 312-6916, or at muller.sheldon@epa.gov.

Sincerely,



Kimberly S. Opekar
Acting Assistant Regional Administrator
Office of Enforcement, Compliance and
Environmental Justice

Enclosures

cc: The Honorable Manuel Heart, Chairman
Ute Mountain Ute Tribe

Scott Clow, Environmental Director
Ute Mountain Ute Environmental Programs Department
(w/ enclosures)

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 8

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IN THE MATTER OF:)	FINAL ADMINISTRATIVE ORDER FOR COMPLIANCE
)	
Monument Global Resources, Inc.)	
12160 Abrams Rd, Suite 610)	Docket No. SDWA-08-2017-0007
Dallas, Texas 75243-4533,)	
)	
and)	Proceeding Pursuant to Section 1423(c) of
)	the Safe Drinking Water Act, 42 U.S.C. §
)	300h-2(c).
Kerry W. Smith,)	
)	
Respondents)	

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1. On December 27, 2016, the United States Environmental Protection Agency (“EPA”) issued a Proposed Administrative Order for Compliance (“Order”) to Respondents in this matter pursuant to section 1423(c)(2) of the Safe Drinking Water Act (“Act”), 42 U.S.C. § 300h-2(c)(2). Respondents received the Order on January 11, 2017.

2. The Order set forth Findings of Fact and Violation, and directed Respondents to complete, within thirty (30) calendar days of the effective date of the Order, the plugging and abandonment of the Cache 15 Well (EPA Well No. CO20000-02357, API No. 05-083-05346) located in the Cache Oil Field, Montezuma County, Colorado, in the southeast ¼ of the northeast ¼ of Section 2, Township 34 North, Range 20 West, within the exterior boundary of the Ute Mountain Ute Reservation. The Order also directed Respondents to complete and submit the plugging record required by 40 C.F.R. § 144.28(k) to the EPA within fourteen (14) calendar days of completing the plugging and abandonment of the Cache 15 Well, and to continue to cease, upon the effective date of the Order, injection of fluids into the Cache 15 Well.

3. Section VII of the Order set forth the process to issue the Order, after a thirty (30) day comment period on the Order, execution by an authorized representative of the EPA, and filing with the regional hearing clerk. Section VI of the Order also notified Respondents of their

opportunity to request a hearing on the Order within thirty (30) calendar days of the date the Order was received by Respondents.

4. Section VI of the Order further stated that the EPA would provide public notice and an opportunity to comment on the Order prior to issuing the Final Order. The notice to the public of its opportunity to comment on the Order was provided on February 1, 2017. The public comment period closed on March 3, 2017, and no comments were received.

5. The authority to issue an order pursuant to section 1423(c)(2) of the Act has been properly delegated to the Assistant Regional Administrator, Office of Enforcement, Compliance and Environmental Justice, United States Environmental Protection Agency (“EPA”), Region 8.

6. In light of the foregoing, the EPA is now issuing this Final Order, which is effective thirty (30) calendar days following the date indicated below, and Respondents must comply with the requirements set forth in the Order in accordance with the timelines for such compliance, unless Respondents elect to appeal this Final Order pursuant to section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6), in which case this Final Order will not become effective until such appeal is resolved. Such appeal must be filed within 30 days after the Final Order is issued. If you file an appeal, you must simultaneously send a copy of the appeal by certified mail to the Administrator of the EPA and to the U.S. Attorney General.

Dated this 7th day of April, 2017.



Kimberly S. Opekar
Acting Assistant Regional Administrator
Office of Enforcement, Compliance,
and Environmental Justice
United States Environmental Protection Agency, Region 8