

U. S. ENVIRONMENTAL PROTECTION AGENCY REGION 6
PROPOSED ADMINISTRATIVE ORDER
In the Matter of Jireh Resources, LLC, Respondent
Docket No. SDWA-06-2013-1108

STATUTORY AUTHORITY

FILED

The following findings are made and Order issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Sections 1423(c) and 1445 of the Safe Drinking Water Act ("the Act"), 42 U.S.C. §§ 300h-2(e) and 300j-4. The authority to issue this Order has been delegated by the Administrator to the Regional Administrator of EPA Region 6, who further delegated such authority to the Director of the Compliance Assurance and Enforcement Division. The EPA has primary enforcement responsibility for underground injection within the meaning of Section 1422(c) of the Act, 42 U.S.C. § 300h-1(c), to ensure that owners or operators of Class II injection wells within Osage County, Oklahoma, comply with the requirements of the Act.

FINDINGS

1. Jireh Resources, LLC ("Respondent"), is a "person," within the meaning of Section 1401(12) of the Act, 42 U.S.C. § 300f(12).

2. At all times relevant to the violations alleged herein, Respondent operated injection wells which are new Class II wells (collectively, "the wells") located in Osage County, Oklahoma, as described below:

Well No.	Inventory No.	Location	Quarter	Section	Township	Range	Field	Hereinafter Referred to as:
2	OS5464	Southwest	11	24	North 7 East	West Dalton		"Well No. 2"
2-M	OS6073	Southeast	15	26	North 7 East	Drummond		"Well No. 2-M"

3. Respondent is subject to underground injection control ("UIC") program requirements set forth at 40 C.F.R. Part 147, Subpart GGG, which are authorized under Section 1421 of the Act, 42 U.S.C. § 300h.

4. EPA regulations require the operator of a "new Class II well," as defined at 40 C.F.R. § 147.2902, to:

- Comply with all permit conditions, except as authorized by an emergency permit, pursuant to 40 C.F.R. § 147.2925(a).
- Plug the well within one (1) year after termination of injection operations, pursuant to Permit Condition H.M.2 and 40 C.F.R. §§ 147.2916 and 147.2925(a).
- Maintain the well in a manner so contaminants could not flow through the well into underground sources of drinking water ("USDWs"), as defined at 40 C.F.R. § 147.2902, pursuant to Permit Condition H.M.1 and 40 C.F.R. §§ 147.2903(b) and 147.2916.

5. Respondent did not have an emergency permit with respect to the violations described in this Order.

6. Annual operations reports prepared by Respondent showed the wells to be inactive since on or before July 1, 2011.

7. On September 17, 2012, a representative of the Osage Nation observed that the Well No. 2 was inactive with a static fluid level above the base of USDWs.

8. Representatives of the Osage Nation observed that Well No. 2-M was inactive with a static fluid level above the base of USDWs during four inspections between February 14, 2011 and January 22, 2013.

9. Respondent violated the regulations cited above by failing to plug the wells within one (1) year after termination of injection operations and by maintaining the wells with a static fluid level above the base of USDWs in the vicinity of the wells.

10. Therefore, Respondent violated its permits and regulations set forth at 40 C.F.R. §§ 147.2903(b), 147.2916, and 147.2925(a).

SECTION 1423(c) COMPLIANCE ORDER

11. Based on the foregoing findings and under the authority of Section 1423(c) of the Act, it is hereby ordered that within thirty (30) days of receipt of the Order the Respondent shall either:

- Plug the wells according to 40 C.F.R. § 147.2905; or
- Provide to the EPA a plan for future use of the wells. Such plan shall include procedures Respondent would implement to prevent contaminants from moving through the wells into USDWs, including a schedule for implementing such procedures. Such procedures may include: demonstrating that a well has mechanical integrity, reducing the static fluid level in the well to at least 321 feet subsurface, or any other procedures to prevent fluids from moving through the well into USDWs.

NOTICE OF OPPORTUNITY TO REQUEST A HEARING

12. Respondent may request a hearing to contest the issuance of this Section 1423(c) Compliance Order, pursuant to Section 1423(c)(3)(A) of the Act, 42 U.S.C. § 300h-2(c)(3)(A). Submit the hearing request to the Regional Hearing Clerk (6RC-D); U.S. EPA, Region 6; 1445 Ross Avenue, Suite 1200; Dallas, Texas 75202 within thirty (30) days of the date of receipt of this Proposed Administrative Order.

EFFECTIVE DATE

13. A request for hearing should be included in any response to this Order. Respondent must file a response in order to preserve the right to a hearing or to pursue other relief.

14. Should a hearing be requested, members of the public who commented on the issuance of this Order during the public comment period would have a right to be heard and present evidence at a hearing under Section 1423(c)(3)(C) of the Act, 42 U.S.C. § 300h-2(c)(3)(C).

GENERAL PROVISIONS

15. This Section 1423(c) Compliance Order does not constitute a waiver, suspension, or modification of the requirements of 40 C.F.R. Part 147, Subpart GGG, which remain in full force and effect.

16. Issuance of this Section 1423(c) Compliance Order is not an election by EPA to forego any civil or criminal action otherwise authorized under the Act.

17. Violation of the term of this Section 1423(e) Compliance Order after its effective date or date of final judgment as described in Section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6), may subject Respondent to further enforcement action, including a civil action for enforcement of this Order under Section 1423(b) of the Act, 42 U.S.C. § 300h-2(b), and civil and criminal penalties for violations of the compliance terms of this Order under Section 1423(b)(1) and (2) of the Act, 42 U.S.C. § 300h-2(b)(1) and (2).

SETTLEMENT

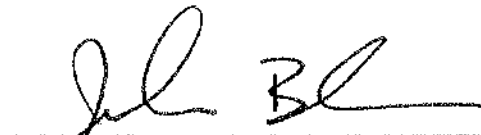
18. EPA encourages all parties against whom an administrative order is proposed to pursue the possibility of settlement through informal meetings with EPA. Regardless of whether a formal hearing is requested, Respondent may confer informally with EPA about the alleged violations. Respondent may wish to appear at any informal conference or formal hearing personally, by counsel or other representative or both. To request an informal conference on the matters described in this Order, please contact Mr. Ronald Van Wyk, of my staff, at (214) 665-6459.

19. If this action is settled without a formal hearing, it will be concluded by issuance of a Final Order.

20. This Order becomes effective thirty (30) days after issuance unless an appeal is taken pursuant to Section 1423(c)(6) of the Act, 42 U.S.C. § 300h-2(c)(6).

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Date



John Blevins

Director

Compliance Assurance and
Enforcement Division

CERTIFICATE OF SERVICE

I certify that the foregoing Proposed Administrative Order was sent to the following persons, in the manner specified, on the date below:

Original hand-delivered: Regional Hearing Clerk (6RC-D)
 U.S. EPA, Region 6
 1445 Ross Avenue, Suite 1200
 Dallas, TX 75202-2733

Copy by certified mail Mr. Lanny Woods
return receipt requested: Jireh Resources, LLC
 2526 East 71st Street, Suite A
 Tulsa, OK 74136

Copy: Bureau of Indian Affairs, Osage Agency
 P.O. Box 1539
 Pawhuska, OK 74056

Osage Nation Environmental and Natural Resources Department
P.O. Box 1495
Pawhuska, OK 74056

Dated: _____

MAR 27 2013

